

THE WHITE HOUSE  
WASHINGTON

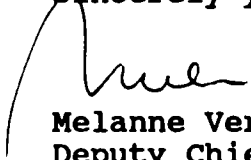
March 19, 1996

Reta J. Lewis  
Arter & Hadden  
1801 K Street, NW  
Suite 400K  
Washington, DC 20006-1301

Dear Reta,

Congratulations on joining Arter & Harden. I wish you every success at your new firm. They are fortunate to have you. With best wishes.

Sincerely yours,



Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

# ARTER & HADDEN

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February 28, 1996

Ms. Melanne Verveer  
Deputy Assistant to the President  
and Deputy Chief of Staff to the First Lady  
The White House  
Washington, D.C. 20502

Dear Melanne:

I am pleased to announce that I have joined the Washington Government Affairs team at the law firm of Arter & Hadden as Of Counsel as of Tuesday, February 20, 1996. Kindly change my firm affiliation and business mailing address to:

Reta J. Lewis  
Arter & Hadden  
1801 K Street, N.W.  
Suite 400K  
Washington, D.C. 20006  
(202) 775-7105 (telephone)  
(202) 857-0172 (facsimile)

My new secretary's name is Myra Burke and she can help you find me when I am not in the office. As the campaign season heats up, I wanted to let you know that I would like to be helpful to you and the President. I look forward to seeing you soon, especially now that I am in D.C. full time.

Best personal regards,

*Reta*

Reta J. Lewis

F:\SSDOC\00000\40683.1D

*P.S. I look forward to seeing you.*

THE WHITE HOUSE  
WASHINGTON

March 12, 1996

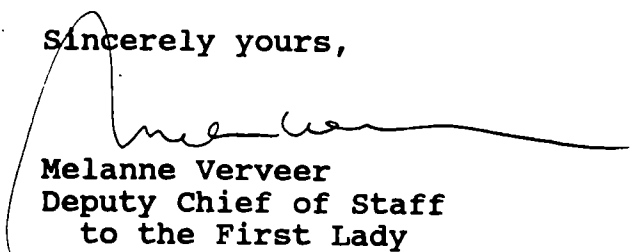
Deborah R. Lee  
Assistant Secretary of Defense  
Department of Defense  
Washington, DC 20301

Dear Ms. Lee,

The First Lady asked me to thank you for your recent letter and for sharing with her information about exciting programs like Challenge and the Innovative Readiness Training Program. We are all thankful for the commitment and service of the Department of Defense to youth programs. Please feel free to keep us apprised of the progress of your important work.

Thank you again for writing and best wishes.

Sincerely yours,



Melanne Verveer  
Deputy Chief of Staff  
to the First Lady



ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

R

RESERVE AFFAIRS

12 FEB 1996

Mrs. Hillary Rodham Clinton  
The White House  
Washington, DC 20500

Dear Mrs. Clinton:

You're right, it does take a village! I wanted to write to you about two Clinton Administration Department of Defense (DoD) programs which "use" the village to help make the country a better place. I hope that you and the President will have the opportunity to see first hand how government -- federal, state and local -- working in partnership with the military and the community, are making a difference.

The first program is a pilot youth program launched by the DoD and the National Guard Bureau known as ChalleNGe. The purpose of the program is to determine whether the education, life skills, and employment potential of a select at-risk youth population -- which we believe no other programs address -- can be significantly improved through military-based training in a cost-effective way. ChalleNGe is a volunteer program for 16-18 year old high school dropouts who are drug-free and not currently involved in the criminal justice system. The program is currently being conducted in 15 states: Alaska, Arkansas, Arizona, Georgia, Hawaii, Illinois, Louisiana, Maryland, Mississippi, North Carolina, New Jersey, New York, Oklahoma, Virginia, and West Virginia.

ChalleNGe combines an intense residential phase with a follow-on mentoring program. The residential phase is a 22-week military-based training and education program modeled after a "whole person approach" focusing on the attainment of a GED as well as leadership and "followership," job skills, life-coping skills, community service, health/hygiene and physical fitness. In the post-residential phase, graduates are assigned mentors for one year who provide advice, assistance, and monitor the graduate's progress in obtaining employment or pursuing further education.

At \$14,000 per student, we believe this program is a cost-effective investment in one of our most important national and military resources -- our young people. I have had the opportunity to visit many of the ChalleNGe programs over the past two years, and I continue to be touched and impressed with the work that is being accomplished. Governors, members of Congress, state legislators, mayors, local citizens, and the private sector have joined together to make this program a phenomenal success. To date, over 5,000 youths have graduated from the program with 75 percent completing their GED before graduation. Ninety-six percent of the graduates are either (1) full-time employees, (2) attending a job training program, or (3) full-time students in college or in high school as state law requires.

A second program I would like to share with you is a Clinton Administration initiative known as the "Innovative Readiness Training Program" for combat support military personnel -- primarily from the Guard and Reserve. The program allows commanders to pursue innovative readiness training options in local communities which assist critical domestic needs in the areas of engineering/infrastructure and medical support. Over the past two years, these programs have successfully contributed directly to individual and unit military readiness while also making significant contributions to Americans.

We believe this program is a win-win for everyone, and it gives the American taxpayers a "double bang for their defense dollars." While this is a relatively small program (\$9M in FY96) we have made great contributions to the "village." Thousands of inoculations, medical screenings, and health care education seminars have been conducted in over 20 states. You may recall you visited the program in Colorado last year. National Guard medical personnel have received valuable training working with civilians in understaffed inner-city trauma centers. In addition, last year over \$6M in excess military medical equipment was distributed to 126 needy Native American urban health facilities around the country. Numerous engineering projects have helped to repair roads, parks, and improve housing.

I hope, that as you continue to spread the word about the "village," that you will keep our programs in mind. I know how much it would mean to the military, to the youth, and our communities for you to see first hand the work they are doing in partnership to support the "village." If you have any questions, please don't hesitate to contact Ms. Amy Hickox at (703) 614-0636.

Sincerely,

A handwritten signature in cursive script, reading "Deborah R. Lee".

Deborah R. Lee

THE WHITE HOUSE  
WASHINGTON

March 7, 1996

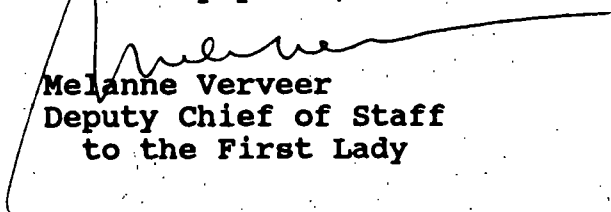
David Loye  
25700 Shafter Way  
Carmel, California 93923

Dear Mr. Loye,

Thank you for your recent letter. Ms. Eisler has indeed accomplished much for the advancement of women. Thank you for also letting us know of her 65th birthday this upcoming July.

Thanks again for writing and best wishes.

Sincerely yours,



Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

February 5, 1996

David Loye  
25700 Shafter Way  
Carmel, California 93923

Dear Mr. Loye,

*indeed accomplished  
much*

Thank you for your recent letter. Ms. Eisler has ~~done so much~~ for the advancement of women. Thank you for also letting us know of her 65th birthday this upcoming July.

Thanks again for writing and best wishes.

Sincerely yours,

Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

*Erin - let's  
remember to  
send her a  
letter in July*

Melanne - HRC said  
she does not know  
well. Follow up  
accordingly.

Pam

To Greg  
Send a letter  
loading work  
but no commitment

17  
David Loye

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January 22, 1996

Melanne Verveer  
Deputy Chief of Staff to the First Lady  
The White House  
Washington, D.C.

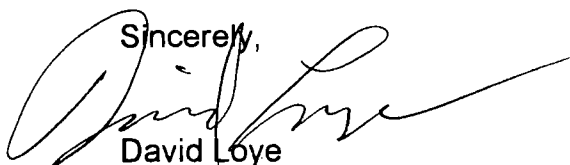
Dear Ms. Verveer:

You are likely aware of the work of Riane Eisler through all the friends of Hillary and Bill Clinton who have sent copies of her book The Chalice and the Blade and the recent study Women, Men, and the Quality of Life to them. Six months from now, on July 22, Riane will be 65. I am her husband and I am writing with an idea for celebrating her birthday which I hope might appeal to Mrs. Clinton or others at the White House.

As the accompanying sketch of her work and impact makes clear, Riane has made a tremendous contribution to the advancement of the cause of women -- as well as of men, children, and, considering what is becoming through many foreign editions the global impact of The Chalice and the Blade, in general to humanity. Hers has also been an extremely forceful voice (in her new book Sacred Pleasure, in OpEd political editorials, and in talks throughout the country) against the dominator-model-driven rightwing and in support of both the partnership-model-oriented policies and persons of Hillary and Bill Clinton.

It is evident to me and others who are intimately acquainted with the scope and growing impact of her work that by now she deserves to receive a particularly prestigious award or honor in recognition of her contributions. I am writing with the hope there may be occasions during the coming year that Mrs. Clinton or others at the White House know of that might result in both honoring her and providing her with a platform (she is widely considered one of the most arousing speakers in America) for a hard-hitting critique of the rightists and support for the Clintons during this election year so critically bearing on whether we get back on track moving away from the dominator toward the partnership future.

I would greatly appreciate your getting this letter to potentially receptive people there. I can of course help with all needed further information.

Sincerely,  
  
David Loye

25700 Shafter Way . Carmel, California 93923 . 408-624-8337

# RIANE EISLER

## A Brief Sketch of Her Works and Impact

prepared by David Loye

*As of 1995, Riane Eisler's The Chalice and the Blade: Our History, Our Future has gone into 24 printings and circled the world with 15 foreign editions, including German, French, Italian, Spanish, Greek, Danish, Norwegian, Finnish, Czech, Russian, Japanese, Chinese, and British editions reaching India, South Africa, and Australia. As of the last count in 1993, its ideas had already influenced 45 books in fields ranging from anthropology, archaeology and mythology, art, business, contemporary life, environment, evolution and systems science to feminism and women's studies, human rights, peace, personal relations and transformation, political science, psychology, public affairs, and spirituality and religion.*

***Behind this book lies the amazing story -- indicated by the following segments -- of how the agony and the awakened consciousness of a 7-year-old refugee from the Nazis led to the scholarship and social activism of a 20th century "Renaissance woman."***

### EVOLUTIONARY THEORY

For over one hundred years this has been one of the most important of scientific fields -- as well as a rigidly exclusive men's club. As far as I know, Eisler is the first woman evolutionary theorist admitted to membership. She is a founding member of The General Evolution Research Group, a multi-disciplinary group of scholars from Great Britain,

France, Germany, Italy, Hungary, Russia, China, and the U.S. headed by systems philosopher and evolutionary theorist Ervin Laszlo. On publication in 1987 of The Chalice and the Blade, the anthropologist Ashley Montagu identified it as "the most important book since Darwin's Origin of Species." In late 1995 a special section of Pluriverso, a new journal for European intellectuals published by Rizzoli, was devoted to Eisler's new theory, featuring her concept of gylany. Eisler's *cultural transformation theory* has recently been substantiated in a book based on three years of research by leading scholars of the Chinese Academy of Social Science applying her theory to Asian prehistoric and historic cultural development. (In a typical cliff-hanger for the occasion, this book, The Chalice and the Blade in Chinese Culture, was published and distributed both in English and Chinese during the recent Fourth United Nation's Conference for Women in Beijing).

### **THE STUDY OF HISTORY AND PREHISTORY**

A book on macrohistory and macrohistorians, co-edited by the internationally respected scholar Johan Galtung, includes a chapter on Eisler's new theory as it relates to the patterns of history, along with chapters on earlier great macrohistorians such as Giambattista Vico, Oswald Spengler, Arnold Toynbee, and Pitirim Sorokin. Again, Eisler is the first woman to be included in this until now all male group. Panels of prominent historians and classicists focusing on Eisler's new analysis of history were presented at conferences of historians in 1987 and 1993. The philosopher Mara Keller, the historian of myth Malcolm Godwin, and many others have used Eisler's cultural transformation theory and partnership and dominator models in their writings about prehistory. The noted Sumerian scholar, the late Samuel Noah Kramer, used Eisler's theory as the framework for one of his last books, The Myths of Enki. The late Marija Gimbutas, whom history may one day consider the greatest archaeologist of the 20th century, used Eisler's term "gylany" and Eisler's systems scientific theory of the systems functional necessity of gender equality to advance her own interpretation of prehistory in her final work, The

Civilization of the Goddess. She also recognized Eisler as the outstanding interpreter of her work.

## **CONTEMPORARY POLITICAL, ECONOMIC, BUSINESS, ENVIRONMENTAL, POLITICAL, PEACE, SOCIAL, SEXUAL, AND RELIGIOUS ANALYSES**

Based on her grounding in evolutionary theory and macrohistory -- which grew out of an interest in systems thinking that began in the 1960s while she was a fledgeling systems scientist at the RAND Corporation -- Eisler's analyses of the problems of contemporary society have emerged so rapidly and been published in such a wide-ranging variety of outlets that few are as yet aware of their astounding extent. Some items:

### **Politics**

A paper written in 1983, "The 'Failure' of Liberalism: A Reassessment of Ideology from a new Feminine-Masculine Perspective," in Political Psychology, predicted key aspects of today's turbulent political scene. Political editorials by Eisler have appeared in the OpEd pages of The San Francisco Chronicle and The Chicago Tribune. Most notably, Eisler's work shows that the real struggle for our future is not between right versus left, religion versus secularism, or capitalism versus communism, but between a partnership or dominator model as the underlying possibilities for human relations -- from our most intimate relations to our international relations. The closing sections of The Chalice and the Blade opened the new political dialogue that Eisler expands in closing chapters of Sacred Pleasure: Sex, Spirituality, and the Politics of the Body. Here, in addition to an in-depth analysis of the relations between the female and male halves of humanity in political terms, she provides a hard-hitting critique of the rightist-fundamentalist alliance and projects the revolutionary prospects for a new integrated "partnership politics."

## **Economics and Business**

Chapter 17 of Sacred Pleasure, titled "Sex, Power and Choice: Redefining Politics and Economics," opens the consideration of the potential for a partnership economics "beyond capitalism and communism" that Eisler will expand in her next book. (The world, they say, revolves around power, sex, and money; having dealt with power in Chalice, sex in Sacred Pleasure, she will next turn to money). Eisler is the principal investigator and senior author of Women, Men, and the Global Quality of Life, a three-year study published in 1995. Based on data from 89 nations, this study shows the inadequacy of GNP and GDP as measures of quality of life and helps lay the statistical ground for new economic indicators. Eisler is a Fellow of the World Business Academy and the author of the lead chapter in the award-winning business book When the Canary Stops Singing. "From Domination to Partnership: The Hidden Subtext for Sustainable Change," "Women, Men, and Management: Redesigning Our Future," and other articles by Eisler have appeared in The Journal of Organizational Change Management, The Training and Development Journal, The World Business Academy's journal Perspectives, the Finnish journal Futura, and the British journal Futures.

Eisler's cultural transformation theory was also used as the framework for the best-selling Megatrends for Women, by corporate futurists Patricia Aburdene and John Naisbitt. Eisler is an advisor to the Calvert Fund on their new Calvert-Henderson Quality of Life Indicators project. She has been a keynote speaker for major conferences of DuPont, Disney, and Volkswagen executives. She is at present a consultant to Stentor, for a special research group formed by the major communications industries of Canada to explore how consumers can work in partnership with business to develop innovations in communications technologies -- an experiment in what Eisler calls partnership creativity.

## **The Environment, Population, Peace**

Eisler has written extensively on environmental issues. In The Chalice and the Blade, Sacred Pleasure, as well as in many articles, she shows the connection between a dominator ethos and the environmental degradation and depletion now reaching crisis proportions. She has spoken at many environmental meetings, for example, an Earth Day address in Lincoln Park, Chicago, and the Hollywood Call to Ecology Action in Los Angeles. She is on the advisory board of Earth Island Institute. In her contributions to the first World Encyclopedia of Peace, Eisler shows the link not only between population issues and war or peace, but also their direct link with either a partnership or dominator social and ideological organization. The specific connection between these key issues and the status of women has also been documented by Eisler in numerous works, including the recently published Women, Men, and the Global Quality of Life.

## **Society and Sexuality**

Eisler's book Sacred Pleasure: Sex, Myth, and the Politics of the Body, published in 1995, is considered a major work on this subject. It shows the centrality of intimate relations -- sexual, as well as parent-child -- not only directly to our personal development, but in relation to the social structures that shape all aspects of our lives. It takes socio-political analysis to its most foundational level: to how societies primarily ground their beliefs and institutions on pleasure or pain, and how this in turn is inextricably connected with how the relations that involve touch to the body are socially constructed. As the New York Times wrote, it Sacred Pleasure "takes on cavemen and mullahs, the Pope, pornography, and postmodernism." Most important, it cuts through much of the sexual and social confusion of our time and offers grounded hope for a healthier, more balanced future.

## **Religion and Spirituality**

Throughout both The Chalice and the Blade and Sacred Pleasure, in terms of the dominator and partnership models of her cultural transformation theory, Eisler reveals the underlying dynamics that over thousands of years have shaped religion and spirituality into both the most inspiring and most degrading of callings for humanity. She has been invited to keynote major events for Episcopal, Unitarian-Universalist, Catholic, Church of Religious Science, and Baha'i churches, as well as to address a major session of what is considered to have been the most important meeting of world religious leaders in this century, the 1993 Parliament of World Religions in Chicago. Her vision of partnership for humanity heavily influenced the drafting of the Declaration of Principles for that historic meeting, which repeatedly uses the term partnership, and specifically affirms commitment to a community of partnership between men and women, rejecting domination of one sex over the other. This widely influential document was signed by 100 representatives of the world's major religions. Eisler's analysis of religion and spirituality has been characterized by a U.S. theologian Walter Wink as "a profound service to humanity." Episcopalian bishop John Spong writes of it, "this world will welcome it."

## **LAW/HUMAN RIGHTS**

### **Human Rights**

Drawing on her training as an attorney and constitutional law expert, Eisler has been a major architect of a new integrated approach to human rights. A key position paper incorporating the rights of women into the prevailing male-oriented theory of human rights was put into the record for the U.S. Congress. At a groundbreaking human rights conference in 1987, which for the first time brought together U.S. and Soviet scholars, Eisler was the chair of a panel on the future of human rights featuring the famous Soviet

dissident Andre Sakarov. She is an advisor to the Calvert Fund (a socially responsible investment fund) on human rights. She lectures frequently on human rights at universities and conferences. Her papers appear in key publications in the field, such as the prestigious Human Rights Quarterly, which published her highly influential paper (later also published in China) proposing the integration of the private and public spheres in both human rights theory and practice. She is currently working on a fully integrated model for human rights that not only integrates the rights of the hitherto invisible majority (women and children) but also integrates the political, social, and economic spheres, as well as rights and responsibilities.

### **Women's Rights**

In the early 1970s, as a crusading attorney Eisler drafted legislation advancing women's rights for the California legislature. In 1970 she was the author of an amicus curiae brief to the U.S. Supreme Court that preceded the success of Reed v. Reed, for the first time holding that gender-based discrimination violates the equal protection clause of the 14th Amendment. Her 1977 book Dissolution: No-Fault Divorce, Marriage, and the Future of Women was the first to explore in depth the implication for women of no-fault divorce and to predict the feminization of poverty that became a national issue in the 1980s and continues unabated into our time. She was the author of The Equal Rights Handbook, in 1978 the first mass paperback to explain this proposed amendment to the U.S. Constitution. In 1986, with Allie Hixon, then Co-Chair of the National Women's Conference Committee, she wrote The ERA Facts and Action Guide to spearhead another push for ratification of The Equal Rights Amendment. In 1993, a major international conference, Empowering Women: Achieving Human Rights in the 21st Century, attended by over 900 people, was inspired by her work, honoring her as chairwoman. Her work has been a major influence in shaping the new discourse about women's rights as human rights.

## **THE FEMINIST MOVEMENT**

Ironically, because of her wide-ranging identity in so many other contexts, this is probably the least known aspect of Eisler's work even in feminist circles. In addition to her books and cultural transformation theory centered on gender equity, her human rights writings and activities to this end, and her pioneering involvement in the legal battle for women's rights, for nearly 25 years Eisler has been heavily involved in feminist social activism. During the early 1970s, at UCLA and Immaculate Heart College, Eisler designed and taught what may have been the first course on women's social and legal status in the country (See Education). She was a co-founder of the Los Angeles Women's Center, one of the first women's centers in the U.S., and was the founding director of the Los Angeles Women's Center Legal Program, the first such program in this country. She wrote one of the first columns on Women and the Law for an early feminist newspaper, Everywoman. She drafted legislation to protect women and helped organize others to do so. She co-founded many pioneering feminist organizations and programs, from the first Women's Clinic in Los Angeles and the Forum for Feminist Futurists in Washington D.C. to the first Women's Film Series and Women's History poster contest in Monterey, California. Over the years, Eisler has spoken at many women's conferences and other events. She has been a strategist, fund-raiser, staunch activist, and long-time member of Planned Parenthood, the AAUW, YWCA, NOW, NWPC, NARAL, OWL, the Feminist Majority, and many other feminist organizations. She is a founding board member of Friends of Women's International Network News and is on the board of the Josephine Foundation, which raises funds for projects preventing violence against women. By placing women's issues at the center, rather than periphery, of the agenda for a more just, humane, and environmentally sustainable future, Eisler's works make an important contribution to feminist theory. In addition -- and this perhaps her greatest contribution to feminism -- through The Chalice and the Blade, Sacred Pleasure, and voluminous other writings, she has been successful in mainstreaming feminist ideals into the current social, political, economic, and religious discourse.

## **EDUCATION**

A major aspect of Eisler's work over 20 years has been in the field of education as a lecturer, writer, consultant, curriculum designer, and founder or inspirer of educational institutions, courses, and programs. As noted earlier, in the early 1970s she was a lecturer in the anthropology department at UCLA and a lecturer at Immaculate Heart College in Los Angeles. Over the years this role has expanded into lectures at universities ranging from Yale to the University of Illinois in the U.S. and abroad from the University of Costa Rica to the University of Bologna (on the occasion of the 900th anniversary of this oldest university in the world).

She has given keynote addresses at educational conferences ranging from the 1993 Montessori International Conference to the European Educational House International Conference in Bogensee, Germany (the key meeting for Western and Eastern European educators following the fall of the Berlin wall and the unification of Germany. Later, as the guest of the President of the German Parliament Rita Sussmuth, she addressed a special conference organized in her honor by and presided over by Professor Sussmuth).

Her books have been used by educators on the university, secondary, and even (through the inspiration of books for children) primary levels. In colleges and universities they have been assigned readings in courses ranging from sociology, psychology, organizational development, and political science to women's studies and peace studies. High school classes have also used her work, as have church and community adult education workshops and conferences worldwide. To provide a guide to organizing and course and curriculum development, Eisler co-authored with psychologist David Loye and many educational experts the book The Partnership Way, now in use throughout the U.S. in both formal and informal educational settings. As a consultant to a private girls' school, she recently designed a curriculum for the teaching of kindergarden through 12th grade from the partnership perspective.

Her educational pioneering is particularly evident at three points. In the early 1970s, at UCLA and Immaculate Heart College, at a time there was still very little of this going on, the kind of courses she organized and taught later became the organized field of women's studies. During the same years, at a time when there was hardly any consciousness of how our legal system has discriminated against women, she developed the pioneering course called Women and the Law at the Los Angeles Women's Center (of which she was the legal counsel and founding director). Later, during the late 1980s, she co-founded the Center for Partnership Studies for partnership education and research; co-organized the First International Conference on Partnership on the island of Crete, to which came 500 people from 40 countries; was the catalyst for the development of 22 Centers for Partnership Education in the U.S. and abroad; and in the 1990s was the inspiration and catalyst for the formation of the International Partnership Network headquartered in Tucson, Arizona, which focuses on the encouragement and training of partnership educators.

### **GLOBAL DEVELOPMENT**

As noted earlier, Eisler was the principal investigator and senior author of a recent three year study of 89 nations, Women, Men, and the Global Quality of Life. Recognized as an outstanding contribution by a number of experts in global development, based on extensive statistical and qualitative analysis, this study -- rushed into publication for distribution to delegates and NGO leaders for the recent Beijing UN Women's Conference -- for the first time substantiates an extremely strong worldwide relation between equality for women and the general quality of life for everybody. Characteristic articles on women and development written by Eisler include "A Partnership World," the lead article in a special issue of UNESCO Courier for the 1995 UN Women's Conference (published in 30 languages); "Population Pressure, Women's Roles, and Peace" in The World Encyclopedia of Peace; "Women, Security, and Cooperation: The Global Challenge and

Opportunity," a paper for the Second International Women's Conference on Security and Cooperation in Brussels in 1992; "Technology at the Turning Point" in Woman of Power in 1988; and "Will Women Change the World? A Report on the UN End of the Decade for Women Conference in Nairobi," co-authored with David Loye, in Futures in 1985.

## **THE FUTURE**

A long-standing member of the futurist movement, Eisler dealt with the future for women in her first books: Dissolution: No-Fault Divorce, Marriage, and the Future of Women and in the Equal Rights Handbook: What ERA Means to Your Life, Your Rights, and the Future. She is a member of the editorial board for World Futures: The Journal of General Evolution. Characteristic articles on the future include "The Partnership Society" in the British journal Futures; "Gylany, Androcracy, and the Choices for Our Future" in Pluriverso (a new European journal of epistemology published by Rizzoli, which has invited Eisler to be a member of the scientific advisory board); "Rediscovering Our Past, Reclaiming Our Future" in Race and Other Misconceptions; "Technology, Gender, and History: Toward a Nonlinear Model of Social Evolution" in The Evolution of Cognitive Maps; and "The Challenge of Human Rights for All: What We Can Do" in Creating the 21st Century.

Most of all, it is probably this aspect of her interests and concerns that has most deeply moved the readership for The Chalice and the Blade and Sacred Pleasure. It is undoubtedly the hopeful vision of a better future for humanity -- substantiated through the careful and exacting research and the power of her analysis in these two books as well as her other publications -- that accounts for the impact of her work throughout so much of our world.

FOR FURTHER INFORMATION WRITE, FAX, OR CALL:

David Loye, 25700 Shafter Way, Carmel, CA 93923; fax: 408-626-3734;  
phone: 408-624-8337.

January 15, 1996

THE WHITE HOUSE  
WASHINGTON

March 7, 1996

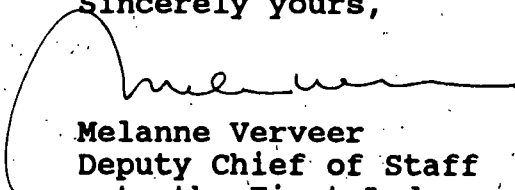
Richard C. Levin  
President  
Yale University  
New Haven, CT 06515

Dear Mr. Levin,

The First Lady asked me to thank you for your kind invitation to give the opening statement at the conference on Chernobyl in April. I regret that she will be unable to do so because of a schedule conflict.

Thank you for writing and best wishes.

Sincerely yours,



Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

YALE UNIVERSITY  
NEW HAVEN, CONNECTICUT

*Please send  
reply*

OFFICE OF THE PRESIDENT

February 20, 1996

First Lady Hillary Rodham Clinton  
Attention: Ms. Melan Vaneer  
The White House  
1600 Pennsylvania Avenue, N. W.  
Washington, D. C. 20500

Dear Hillary:

As you know, the Yale Center for Russian and East European Studies, through the generosity of the Chopivsky Family Fund, and the Harriman Institute at Columbia University, together with The Children of Chernobyl Relief Fund, are sponsoring a conference on Chernobyl in New Haven on April 8 and in New York on April 9.

It would give us great pleasure if you were to attend the opening session in New Haven. We would be particularly honored were you to make an opening statement to this conference. The meeting has been designed to seek real solutions for the local population, for the environment, and for the global community. Given your commitment to the cause of women's and children's health care and the leadership which your recent book makes evident, we believe your presence would help draw attention to a topic that could not be of more pressing concern.

Sincerely,



Richard C. Levin

RCL:baf

THE WHITE HOUSE  
WASHINGTON

February 5, 1996

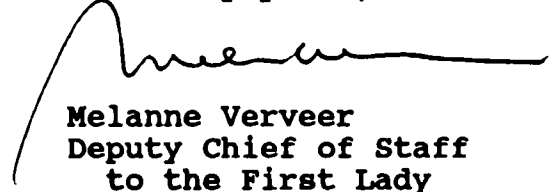
Toni Lieteau  
Roseland Community Hospital Association  
45 W. 111th Street  
Chicago, Illinois 60628

Dear Ms. Lieteau,

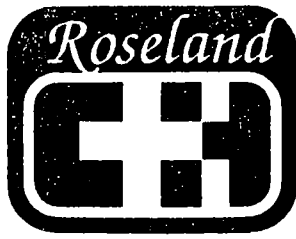
Thank you for inviting the First Lady to be a part of Roseland Community Hospital's speakers series. I have forwarded your letter to Patti Solis, Director of Scheduling for the First Lady.

Thank you for writing. Best wishes for your new position.

Sincerely yours,



Melanne Verveer  
Deputy Chief of Staff  
to the First Lady



# Roseland Community Hospital

45 West 111th Street, Chicago, Illinois 60628 (312) 995-3000

January 29, 1996

*R. +  
give to Patti*

Ms. Melanie Verveer  
Deputy Chief of Staff  
Office of the First Lady  
The White House  
Washington, D.C. 20500

Dear Ms. Verveer:

Approximately one year ago (March, 1995) you were kind enough to meet with me, thanks to Mr. James Parks of the Washington AFL-CIO Bureau, during my visit to Washington. At that time, we discussed the possibility of Mrs. Clinton speaking at an event hosted by the organization I then worked with. Since that time I have been offered and accepted another position and it is for this reason I write.

Roseland Community Hospital (RCH) is a private, 162-bed, not-for-profit medical facility on the far southside of Chicago. Because of Mrs. Clinton's strong belief in quality healthcare for all Americans, I am hoping that she would be willing to be a keynote speaker at an event hosted by our facility.

Currently I am attempting to begin a speakers series for RCH which will feature topics and persons of interest to the Roseland and surrounding communities. So far we have extended invitations to newly-elected Congressman Jesse L. Jackson, Jr., Dr. Lonnie Bristow and Kweisi Mfume. Congressman Jackson will speak during Black History Month.

Recognizing Mrs. Clinton's hectic schedule, we will not request a particular date; we will be delighted to host her at any time--at her convenience.

So that you will learn more about our facility, I am including information along with my card. Won't you please consider my request.

*Your Health... Our Concern*

January 29, 1996  
Ms. Melanie Verveer  
Page 2 of 2

I anxiously await what I hope will be a very favorable response.

Cordially,

A handwritten signature in cursive script, reading "Tomi Lieteau". The signature is fluid and elegant, with a large initial "T" and a long, sweeping underline.

Tomi Lieteau  
Administrative Director  
Marketing and Community Relations

TL:mls

*enclosures*

THE WHITE HOUSE

WASHINGTON

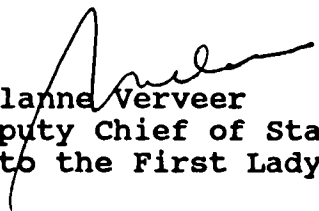
January 30, 1996

David S. Liederman  
Child Welfare League of America  
440 First Street, NW  
Suite 310  
Washington, DC 20001-2085

Dear Mr. Liederman,

Thank you for writing to recommend Gracia Hillman as the U.S. representative to the U.N. Commission on the Status of Women. I have forwarded your letter to the Office of Presidential Personnel which handles all such appointments. Thank you again for your time and interest.

Sincerely yours,

  
Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

THE WHITE HOUSE

WASHINGTON

December 21, 1995

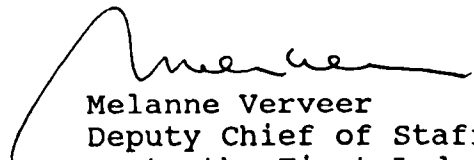
Ms. Reilly Leith  
83 Woodbury Ave.  
Portsmouth, NH 03801

Dear Reilly:

Mrs. Clinton asked me to thank you for the letter you sent regarding your elementary school, New Franklin. She knows how important it is to have computers, libraries, and art and music classes in school. She and the President are working hard so that the Goals 2000 program can help kids like you and your classmates all over America.

Thank you again for writing to Mrs. Clinton while she was in New Hampshire. Have a wonderful holiday season.

Sincerely yours,

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

Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

Response

Dec. 8, 1995

Dear Mrs. Clinton,

My name is Reilly Leith  
and I am in third grade at New -  
Franklin Elementary School.

Our school is the small-  
est school in Portsmouth and needs  
the most support. I hope you and your  
husband, President Clinton, can get  
Gov. Merrill to take the money for  
Goal 2,000.

I am afraid that we  
will lose our extras, Computer, Library,  
Art, Music, and Gym. I hope that  
sometime you can come and visit  
New Franklin.

Sincerely,  
Reilly Leith

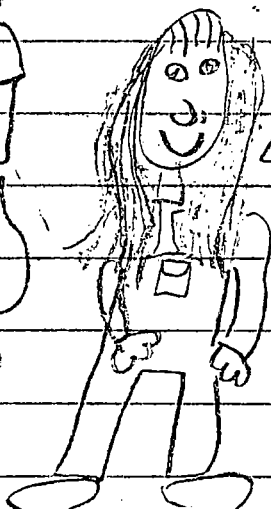
my third grade  
teacher  
Mrs. Hippmeier

→



Me

←



83 Woodbury Ave  
Portsmouth NH

03801

THE WHITE HOUSE  
WASHINGTON

November 27, 1995

Ambassador Melvyn Levitsky  
United States Embassy  
Brazil

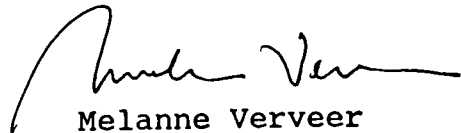
Dear Ambassador Levitsky:

The First Lady is very grateful to you, Mrs. Levitsky, and your staff for the warm reception she received in Brazil. The hard work and enthusiasm of your staff were deeply felt.

Enclosed are photographs taken during the visit. Would you please be so kind as to distribute them?

Thank you again.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Melanne Verveer', with a stylized, flowing script.

Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

THE WHITE HOUSE  
WASHINGTON

November 10, 1995

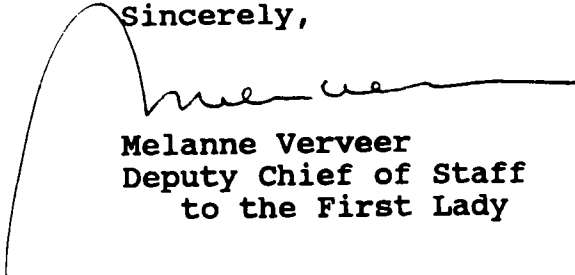
Ms. Mildred Robbins Leet  
Trickle Up Program  
54 Riverside Drive PHE  
New York, NY 10024

Dear Ms. Robbins Leet:

The First Lady asked me to thank you for your kind letter regarding her participation in the UN Fourth World Conference on Women. Mrs. Clinton appreciates the important work that you and Trickle Up do. Congratulations on Trickle Up's participation in the NGO Forum.

Thanks again and best wishes.

Sincerely,

  
Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

ins  
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r's  
participation  
in the  
NGO  
Forum

November 10, 1995

Ms. Mildred Robbins Leet  
Trickle Up Program )  
54 Riverside Drive. PHE  
New York, NY 10024

Dear Ms. Robbins Leet:

The First Lady asked me to thank you for  
your kind letter regarding her participation  
in the UN Fourth World Conference on Women.  
Mrs. Clinton appreciates the important work  
that your organization does and was glad to  
~~see its involvement in Huairou.~~

Thanks again and best wishes.

Sincerely,

Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

*Ym &  
Trickle Up*

*Congratulations  
on Trickle  
Up's  
participation  
in the  
N60  
Forum.*



# TRICKLE UP PROGRAM

54 Riverside Drive • New York, NY 10024 • (212) 362-7958 • Fax: (212) 877-7464  
e-mail: 73444.557@compuserve.com



**Founders and Presidents** August 28, 1995

\*Glen Leet

\*Mildred Robbins Leet

**Executive Director**  
Suzan Habachy

Hillary Rodham Clinton  
The White House  
Washington, D.C. 20500

Dear Hillary:

**Board of Directors**

Gail Blanke  
Mary Keane  
Donald Pierce, Jr.  
Dr. Richard Pough  
Aileen Robbins  
David H. Russell  
Nessim Shallon  
Edward C. White  
Hon. Bertram Harnett,  
Counsel  
\*Board Members

So pleased that you are going to bring the women's message from the United States to the 4th World Conference on Women in Beijing. Your words and your leadership are important, and imperative.

Unfortunately I am not able to go. It will be the first Women's Conference that I will not be participating in. However, Trickle Up will be conducting a Workshop under the leadership of Suzan Habachy, Executive Director, and Laura Lopez, her Deputy, on September 2nd.

Prior to my work with Trickle Up, I was President of the National Council of Women of the U.S. (1964-1968) whose founders in 1888 included Susan B. Anthony, May Wright Sewell, Elizabeth Cady Stanton, and Lucretia Mott. Unfortunately the House could not find time in its summer schedule to arrange for the statue of the three to be made visible in Washington.

Wouldn't it be salutary to have a ceremony in Washington post Beijing conference - after, of course, the House agrees?

As we say, go in good health and come back in good health.

I look forward to hearing from you and seeing you on the 18th.

Sincerely yours,

Mildred Robbins Leet

**Business Council**

Dr. Amelia Augustus  
Jason Berger  
Anne Winters Bishop  
Chester Burger  
Francesco Cantarella  
Angela Cason  
Craig Dixon  
Margaret B. Glos  
Edwin Langsam  
David Larkin  
Haskell Lazere  
Bruce Nelson  
Ron Nelson

Enclosures: Workshop Announcement  
China Contacts  
Trickle Up Women Entrepreneurs in China  
New York Times story August 27



54 Riverside Drive • New York, NY 10024 • (212) 362-7958 • Fax: (212) 877-7464  
tel: 73444.557@compuserve.com

#### Founders and Presidents

\*Glen Leet  
\*Mildred Robbins Leet

#### Executive Director

Suzan Habachy

### WORKSHOP ANNOUNCEMENT

From: Mildred Robbins Leet, President  
Suzan Habachy, Executive Director  
Laura Lopez, Deputy Director

14 August 1995

### NGO FORUM, WORLD CONFERENCE ON WOMEN

#### Board of Directors

Gail Blanke  
Francesco Cantarella  
Mary Keane  
Dr. Richard Pough  
Aileen Robbins  
Wendy Gordon Rockefeller  
David H. Russell  
Nessim Shallon  
Hon. Bertram Harnett,  
Counsel  
\*Board Members

*The Trickle Up Program is pleased to announce that it is conducting a workshop at the NGO Forum on poverty alleviation. Through Trickle Up's micro-enterprise program, a quarter of a million women and men have moved out of poverty by starting or expanding their own small businesses--47,000 altogether in 111 countries since 1979. Two-thirds of the entrepreneurs are women. The program provides conditional grants of \$100 to families, or groups of three or more people, as well as business training material to develop entrepreneurial skills. The program is delivered by "Coordinators"--locally based development agencies.*

*We will welcome the participation of Trickle Up Coordinators around the world, including those in China, who will share their experience and insights on the reduction of poverty through entrepreneurship at the workshop*

#### Advisory Council

Janle Awe  
Dame Nita Barrow  
Dr. Rodrigo Carazo  
Dr. Harlan Cleveland  
Charlotte Conable  
Rev. Theodore Hesburgh  
Aziza Hussein  
Mary Burke Nicholas  
Leticia R. Shahani  
Helvi Sipila  
M.S. Swaminathan  
Carmen Delgado Votaw  
Muhammad Yunus

### NGO WORKSHOP ON POVERTY ALLEVIATION

Sponsored by the Trickle Up Program

on Saturday, 2 September 1995

9 a.m.

Room 11-M57, Space 70, Huairou Forum Site

#### Business Council

Dr. Amelia Augustus  
Jason Berger  
Chester Burger  
Angela Cason  
Craig Dixon  
Margaret B. Glos  
Edwin Langsam  
David Larkin  
Haskell Lazere  
Bruce Nelson  
Ron Nelson  
Liston Tatum

Contacts in China:

---

Suzan S. Habachy  
Executive Director  
Trickle Up Program

Jiagou Hotel  
Beijing  
CHINA

tel: (8610) 500-2233  
fax: (8610) 500-2871

---

Laura Lopez  
Deputy Executive Director  
Trickle Up Program

Ciyuan Estate  
Apartment G  
Huairou  
CHINA

tel/fax (to apt. building): (8610) 212348-4772



54 Riverside Drive • New York, NY 10024 • (212) 362-7958 • Fax: (212) 877-7464  
E-mail: 73444.557@compuserve.com

## TRICKLE UP AND WOMEN ENTREPRENEURS IN CHINA

### Founders and Presidents

\*Glen Leet  
\*Mildred Robbins Leet

### Executive Director Suzan Habachy

### Board of Directors

Gail Blanke  
Mary Keane  
Donald Pierce, Jr.  
Dr. Richard Pough  
Aileen Robbins  
David H. Russell  
Nessim Shallon  
Edward C. White  
Hon. Bertram Harnett,  
Counsel  
\*Board Members

### Advisory Council

Bolanle Awe  
Dame Nita Barrow  
Dr. Harlan Cleveland  
Charlotte Conable  
Dr. Rodrigo Corazo  
Rev. Theodore Hesburgh  
Aziza Hussein  
Mary Burke Nicholas  
Leticia R. Shahani  
Helvi Sipila  
M.S. Swaminathan  
Carmen Delgado Volaw  
Muhammad Yunus

### Business Council

Dr. Amelia Augustus  
Jason Berger  
Anne Winters Bishop  
Chester Burger  
Francesco Cantarella  
Angela Cason  
Craig Dixon  
Margaret B. Glos  
Edwin Langsam  
David Larkin  
Haskell Lazere  
Bruce Nelson  
John Nelson

The majority of the 632 Trickle Up-supported businesses in China are family-based and women entrepreneurs play a fundamental role in these microenterprises. The entrepreneurs, which number over 2,500, are among China's poorest and most disadvantaged people. About half of them are women, most of them are underemployed, and many belong to ethnic minorities.

Trickle Up began to work in China when an agreement was signed by China International Center for Economic and Technical Exchange (CICETE), the NGO coordinating body of China, and Trickle Up on 7 April, 1988. Of the 632 businesses launched, 350 of these businesses were established in Yunnan, 72 in Guizhou, 200 in Heilong Jiang Province, and 10 in Yixian, Hebei.

Coordinating Agencies have included China Yunnan International Non-Governmental Organizations Society (YINGOS), the Agriculture and Forest Office in Dali, the Rural Development Institute, and the China-Yunnan Corporation for Technical-Economic Cooperation. An innovative partnership between the International Crane Foundation, the Caohai Nature Reserve, the Guizhou Environmental Protection Bureau, and Trickle Up will start 400 businesses by 1996 in the villages around Caohai, Guizhou Province, so that economically-poor subsistence farmers can earn livelihoods without causing undue harm to the surrounding Nature Reserve.

Two case-studies, mushroom growing in Yunnan and wickerware-weaving in Heilong Jiang Province, are presented below to highlight the important role of women entrepreneurs in Trickle-Up-supported businesses in China.

### MUSHROOM GROWING BUSINESSES:

Due to the success of 100 businesses started in Chuxiong, Yunnan, the previous year, in 1989, 100 additional Trickle Up businesses were started in cooperation with the All-China Women's Federation in Chuxiong. 80 of these enterprises involve bean production, and the other 20 are "man-made" mushroom-growing businesses. An ideal project for women as it is a home business, these mushroom enterprises also became extremely profitable. Thus, many other women in Wanjiaba village followed suit. By 1994, over 50 families were involved in mushroom production.

The following is an excerpt from a 1994 evaluation report on Trickle Up in Yunnan Province by Stephen Young, a researcher at Clark University:

*Wang Meilan was the head of the Women's Federation when Trickle Up began their work in Wanjiaba... [She reported that] before the Trickle Up project, women only worked in the fields or did house work. Often they did as they were told by their husbands. But now, after the Trickle Up projects, women have gained a considerable amount of self-confidence as the mushroom-growing businesses has shown the ability of women in the village... women make decisions about the businesses and they feel comfortable about making other decisions in life. For example, the women now have more money and can make decisions on how the money will be used. Another added benefit is the women go to the city to sell the mushrooms and they are exposed to many new things and ideas... The women are much more visible in the business affairs of the village and in social events in the village as well as in the nearby city... now when the village has a meeting the*

*attendance is mostly women, when before Trickle Up projects it was mostly (if not all) men. Husbands now go do other work, such as laborers in the city or taxi drivers, while the women deal with village affairs. When village officials have business with a family in the village they often seek out the "women of the house" instead of the husband...*

*Wang Meilan's family has 7 people, 5 female and 2 male... Before growing mushrooms they planted crops in about 6 mu of land and had a total income of about 2,000 Yuan a year... they often did not have enough money for basic items. Now with their mushroom profit they now have enough money for what they need, and in addition they have purchased bicycles, a color T.V., and many household appliances.*

### **WICKERWARE ENTERPRISE ZONE, HEILONG JIANG PROVINCE:**

In January 1993, an Enterprise Zone (a clustering of Trickle Up businesses in a single village or community) was launched in Yongfeng village with 100 businesses. The Yongfeng Enterprise Zone was a collaborative effort involving CICETE, Trickle Up Program and the micro-entrepreneurs in Yongfeng village, Hua Chuan County, Heilong Jiang Province. The village had a total population of 228,000 encompassing 38,000 households. There was an unemployment rate of 42 %, of which 40 % were female.

The region is covered by large areas of marsh swamp land, where wild wicker grows in abundance. Local farmers have utilized this wicker to make baskets during the long winters when they are idled for six months of the year and have no alternative sources of off-season income. The wicker-ware projects have been very effective in helping poor farmers, especially women, to earn income between crop-growing seasons.

CICETE provided the necessary training for the new entrepreneurs in "wicker-ware" and coordinated field-level activities with Trickle Up. A Weaving Association is the local Coordinating Agency for the Enterprise Zone, and is responsible for identifying qualified business groups, providing training, distributing raw materials, and supplying marketing services for the entrepreneurs.

Zhang Chun had been trying to find ways for herself and her family to take advantage of unemployed time in winter to augment household income. After hearing about other wicker-weaving businesses, Zhang Chun formed a group of six people. With the first installment of \$50 from Trickle Up and an allowance and loan from the local government, the group invested over 1,000 yuan (\$150) to start their business and 2,500 yuan (\$380) to pay for materials. In six months they produced and sold 1,695 pieces of wickerware, earning a total profit of 1,500 yuan (\$230). Next, they reinvested \$70, or 31 % of their profit to buy more tools and materials to expand their operational capacity. When asked about what impact their business had on their lives, Zhang Chun said that they now can afford better clothing and health care. In her own words, she said this program *"gives us more confidence in ourselves to improve our lives."*

Business Reports received in June, 1993 from the Heilong Jiang Enterprise Zone showed that over a period of about five months, the 100 wickerware enterprises averaged sales of \$793. All of the businesses list the Trickle Up enterprise as their main source of income and are reported to be continuing and expanding.

After a field visit to the Enterprise Zone in August 1993, Mr. Aiming Hao, Coordinator for CICETE, explained that *"projects cooperated with Trickle Up have strengthened local people's confidence in getting rid of poverty, and set examples of best using local resources to combat poverty."*

THE NEW YORK TIMES NATIONAL SUNDAY, AUGUST 27, 1995

# Women Mark 75 Years of Voting Rights

*But Celebration, at Statue of Suffragists, Is Consigned to a Byway*



Paul Hosefros/The New York Times

The 75th anniversary of the passage of the 19th Amendment, which gave women the right to vote, was celebrated this weekend in Washington. At left, a statue of three of the nation's leading suffragists, Susan B. Anthony, Elizabeth Cady Stanton and Lucretia



Marty Katz for The New York Times

Mott, which has been in the crypt of the Capitol since 1921. Legislation to move it failed to clear the House this summer. At right, women in period costumes took part in a ceremony on Saturday at the National Archives, where the original amendment was on display.

UNIVERSITY OF MINNESOTA

THE WHITE HOUSE  
WASHINGTON

October 25, 1995

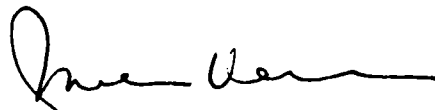
Ms. Laura J. Lederer  
University of Minnesota, Law School  
415 Law Center  
229 19th Ave. South  
Minneapolis, MN 55455

Dear Ms. Lederer:

Thank you for the collection of articles that you co-edited regarding the harmful repercussions from hate speech and pornography. I welcome reading your thoughtful presentation. In the course of my work over the years, I have struggled with these issues in the context of constitutional rights and responsibilities.

Thank you again and best wishes.

Sincerely,



Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

*Thank*

15 Law Center  
29-19th Avenue South  
Minneapolis, MN 55455  
12-625-8071  
Fax: 612-624-8890

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Twin Cities Campus

*Center on Speech, Equality, and Harm*  
*A Project of the Institute on Race and Poverty*  
*Law School*

415 Law Center  
229-19th Avenue South  
Minneapolis, MN 55455  
612-625-8071  
Fax: 612-624-8890

Melanne Verveer  
Deputy Chief of Staff to The First Lady  
Room 100  
Old Executive Office Building  
Washington, D.C. 20500

Dear Ms. Verveer:

Several colleagues suggested that I send you a copy of The Price We Pay: The Case Against Racist Speech, Hate Propaganda and Pornography, a new collection of articles I co-edited that makes the social, political and legal case against harmful speech and conduct (cross-burnings on private lawns of people of color, violent and degrading pornography, racial epithets, etc.).

The thesis of the book is that hate speech is harmful, that its sole purpose is the subordination of one group of people by another, and that we must find ways to protect freedom of speech that do not allow hate mongerers and pornographers to flourish.

The book offers first person accounts of those who have been the targets of hate speech--including Russ and Laura Jones, the St. Paul, Minnesota Black couple upon whose lawn skinheads burned a cross (their case, R.A.V. v. St. Paul, went all the way to the Supreme Court), Emmitt Fisher, an African American mathematician who was refused food service at a NASA conference (his was one of the first cases where the Court recognized that "words can wound."), and Olivia Young, an African American nurse who was forced by a white CEO and his assistants to watch a pornography film "as a part of doing business." Also, a Native American Indian tells of the humiliation and discrimination involved in the use of Indian names for sports mascots, a former Executive Director of a Jewish synagogue tells of its desecration by neo-Nazis, a woman construction worker tells how pornography is used to harass, and ultimately drive women out of non-traditional work, and a woman tells how, as a child prostitute, she was used and abused in pornography. Several contributors relate how the First Amendment worked to silence them and to protect their abusers.

The second section of the book contains new research about the harm of racist speech, hate propaganda and pornography, including a study demonstrating that there is a kind of post-

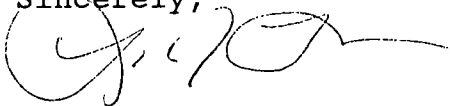
traumatic stress syndrome suffered by those who are the targets of racist speech, and new research on the negative effects of pornography on women and children.

In the last three sections, nationally renowned legal scholars such as Frank Michelman (Harvard Law School), Frederick Schauer (Frank M. Stanton First Amendment Scholar at J.F.K. School of Government), Cass Sunstein and Elena Kagan (University of Chicago Law School), Charles R. Lawrence III (Georgetown Law Center) and John A. Powell (University of Minnesota Law School) explore remedies for harmful speech. Some examine remedies available within the current legal framework; others introduce new "harms-based" and "equality-based" theories on assaultive speech. All are interested in exploring ways we can both protect freedom of speech and deal with the detrimental effects of harmful speech and conduct on gender and racial equality.

It is my hope that the current administration is interested in examining new theories of assaultive speech and incorporating them into the policies and practices you are promoting. If you need any additional information, please do not hesitate to call.

Thank you.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Laura J. Lederer', with a stylized, flowing script.

Laura J. Lederer

16 October 1995

THE WHITE HOUSE  
WASHINGTON

October 11, 1995

Ms. Norma M. Lang, PhD  
University of Pennsylvania  
School of Nursing  
Office of the Dean  
Philadelphia, PA 19104-6096

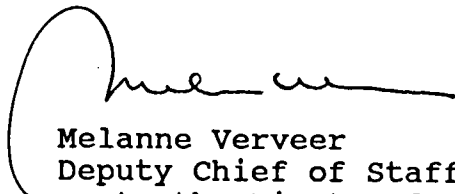
Dear Ms. Lang,

Thank you so much for the nursing newsletter you sent which included articles about the First Lady and also Lauren Arnold. She very much enjoyed working with everyone involved in the partnership program in Ukraine and was delighted to have met with the Ukrainian Nurses Association. It's a great program.

We wish continued success in all your endeavors. May the project prosper.

Best wishes.

Sincerely,

  
Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

*UK-  
Nurses  
Association  
you have helped  
to be brought*

*mailed*

*she  
me  
it prosper.*

October 11, 1995

Ms. Norma M. Lang, PhD  
University of Pennsylvania  
School of Nursing  
Office of the Dean  
Philadelphia, PA 19104-6096

Dear Ms. Lang,

Thank you so much for the nursing newsletter you sent which included articles about the First Lady. She very much enjoyed working with you in Ukraine and wishes continued success in all your endeavors.

Best wishes.

Sincerely,

Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

*Everyone  
is valued  
in the*

*Partnership  
program in  
Ukraine*

*delighted to have  
met with me  
Ukrainian  
nurses  
association*

*you have  
to be  
proud*

*It's a  
great project*

*and all around*

*We  
may be  
project prosper.*

UNIVERSITY of PENNSYLVANIA

Thank  
x

School of Nursing  
Office of the Dean  
Philadelphia, PA 19104-6096  
Fax: 215-573-2114  
Tel: 215-898-8283/84  
lang@son.nursing.upenn.edu

Norma M. Lang, PhD, RN, FAAN, FRCN  
Professor  
Margaret Bond Simon Dean of Nursing

October 3, 1995

Ms. Melanne Verveer  
Deputy Chief of Staff  
Office of the First Lady  
The White House  
1600 Pennsylvania Avenue  
Washington, D.C. 20001

give copy  
9/29/95  
to Margaret

Dear Ms. Verveer:

We are delighted to share with you and Mrs. Clinton several articles covering Mrs. Clinton's work with the Ukrainian Nurses' Association.

Both faculty and students at The University of Pennsylvania School of Nursing are most appreciative of Mrs. Clinton's efforts on behalf of the profession of nursing. The energy she has devoted to improving health care throughout the world is widely recognized and valued by nurses everywhere.

I wish you continued success in your endeavors in Ukraine. Please let us know if we can assist.

Sincerely,

*Norma M. Lang*

Norma M. Lang, PhD, RN, FAAN  
Professor  
Margaret Bond Simon Dean of Nursing

*Lauren Arnold*

Lauren Arnold, PhD, RN  
Assistant Professor

THE WHITE HOUSE  
WASHINGTON

September 22, 1995

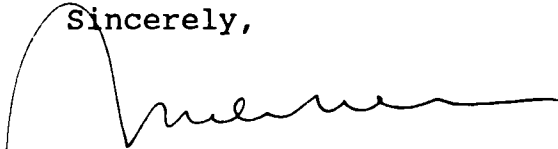
Mr. Laurence W. Levine  
14 Wall Street  
22nd Floor  
New York, NY 10005

Dear Mr. Levine:

ho  
The First Lady asked me to thank you for your generous offer to provide assistance with her upcoming trip to South America. Mrs. Clinton will not, however, be visiting Argentina. Nevertheless, we greatly appreciate your offer.

Best wishes and many thanks.

Sincerely,

  
Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

reels  
instant  
to her  
of coming  
rewards  
your offer

September 22, 1995

Mr. Laurence W. Levine  
14 Wall Street  
22nd Floor  
New York, NY 10005

Dear Mr. Levine:

*generous*  
*briefly*  
The First Lady asked me to thank you for  
your offer to ~~help prepare for her trip to~~  
South America. ~~However,~~ Mrs. Clinton will  
not be visiting Argentina on this trip. ~~we~~

*however*  
~~Nevertheless we greatly~~  
We appreciate your thoughtfulness. Best  
wishes. *and many thanks*

Sincerely,

Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

*provided assistance with her upcoming*  
*appreciate your offer*

R

LAURENCE W. LEVINE  
TWENTY-SECOND FLOOR  
FOURTEEN WALL STREET  
NEW YORK  
10005

September 15, 1995

Mrs. Hillary Clinton  
The White House  
1600 Pennsylvania Ave., N.W.  
Washington, D.C. 20500

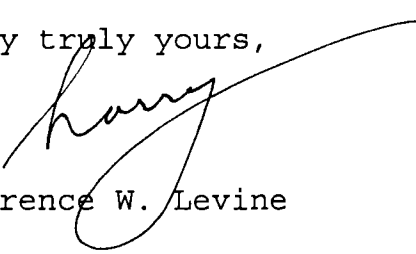
Dear Mrs. Clinton:

I have been the lawyer for Argentine Airlines since 1958, a Director of the Argentine American Chamber of Commerce, and its President from 1985-1988. I know the country very well.

I hear that you are planning a trip there and if I can be of any help, please let me know. I helped prepare Governor Cuomo for his trip, which I could not go on because I was too busy.

I send you some things that might help you. If you need help, just yell.

Very truly yours,

  
Laurence W. Levine

Enclosures

*Tell him we  
appreciate  
his thoughtful  
but HRC will  
not be visiting  
Argentina on this  
trip*

Telephone: 212-732-4646

Fax: 212-227-9491

# The New York Times

## Argentines Voted For Continued Change

To the Editor:

The election results in Argentina are a good sign of a maturing democratic society. President Carlos Saúl Menem won a second term with nearly 50 percent of the vote. The Radical Party received only 19 percent of the votes for president, coming in third.

In Congress, the vote was 42 percent for the Peronists and 22 percent for the Radicals, making them the second party in Congress. In certain provinces, like Cordoba, the Radical Party won the gubernatorial race by a greater margin than Mr. Menem won as President. In Buenos Aires, he lost to a third party. So the political process is working.

I do not think the results give anyone a blank check, but rather show that Argentines want to continue the process of change that is now going on both economically and socially, and they believe that the credibility of the Government must continue to maintain stability.

Argentina faces the task of restructuring a nearly bankrupt banking system and bankrupt provinces and creating a method of handling the huge unemployment in a country that tends to think foreign investment is the savior, when it will be development of products for export and Argentine investment that will remake the country.

The Argentines will have to learn that because you have the technology for first-world stock exchanges, that in itself does not remake a country.

The President and his Economy Minister, Domingo Cavallo, who was a force in Mr. Menem's victory, deserve credit.

LAURENCE W. LEVINE

New York, May 18, 1995

The writer was a member of the Argentine American Chamber of Commerce, 1958-94.

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LAURENCE W. LEVINE

APRIL 3, 1995

THE MEXICAN FALLOUT IN ARGENTINA -- 1995

As the New Year 1995 started, Argentina was experiencing a great tranquility publicly. Longterm mortgages had returned for houses for the first time in 50 years and sales of cars had quadrupled and were being financed longterm. The Constitution was changed to let a president run for re-election.

Confidence had returned to the country - or so it appeared. All eyes were focused on two major events. The first was the election of May 14, 1995 where it was expected that President Menem would be reelected by a large majority, even though a lot of people did not like him. They respected his political acumen, and the Argentines wanted stability and perceived Menem as being able to provide that.

The second event was the winter vacation. Argentines take vacations seriously and January and February are the vacation months. Usually nothing happens in January and February, and the year starts the second week of March when the schools reopen and work starts again.

But as happens in life, some small, unexpected events generally trigger big ones and the big one in 1995 was Mexico.

As we now know it, the ruling party of Mexico was faced with a Presidential election in the fall of 1994. The candidate of the ruling party had been assassinated, and what was termed a minor

revolt occurred in a small province of Mexico. In order to counter all of this bad news, the government of Mexico, some say, decided to "buy" the election and without publishing their foreign reserves, consulting with anyone, including the patron - the U.S. - they printed enormous amounts of pesos to allow Mexicans the opportunity to feel prosperous. The Mexicans went on a buying spree and in turn voted for the ruling party.

Shortly after taking office in December 1994, the new government of Mexico foolishly called a meeting of the 75 or so most prominent Mexican businessmen and told them the bad news - that the Mexican Central bank reserves which had been \$30 billion in June 1994 was down to \$17-18 billion and Mexico would have to "float" the peso. The businessmen objected to a float, and the meeting adjourned to consider the next step. The following day, these 75 or so businessmen sent out of the country about \$13 billion knowing that a devaluation was coming in one form or another. The Mexican government then devalued the peso 40% and we know the rest.

The response of the rest of the world was to stop investing in all of Latin America, including Argentina, and it caused a lot of Argentines to worry. One Argentine bank, Banco Strader, that had reputedly speculated in the Mexican bonds was closed and a flight of Argentine money began (shades of Banco de Intercambio in 1981).

On December 24, 1994, the Argentine Central Bank sold a record of \$368.9 million dollars in order to maintain the 1-1 parity of the peso on what many people thought was an overvalued peso.

Minister Domingo Cavallo made an urgent trip to New York to convince the world's financial market that Argentina was different, that it had larger foreign reserves and it was no Mexico.

Probably in order to help restore confidence, on January 3, 1995 President Menem announced that the Vice Presidential candidate who would run with him in the May election was a "born and bred Peronist", the present Interior Minister Carlos Ruckauf. Ruckauf, who had a series of portfolios starting in the administration of Isabelita Peron in 1975, was considered a good choice. One person close to the scene told me that an important factor in choosing Ruckauf was that he was slightly shorter in height than Menem, and Menem did not believe in having a Vice President taller than himself. Pictures of the two would not look good if the Presidential candidate were shorter than the Vice Presidential candidate. Menem is short.

Cavallo's trip to the United States seemed for the time being to have calmed the markets, but that did not last long.

On January 8, 1995 unemployment figures were announced and they showed over 12% unemployment. My guess was close to 16-18%, and that was enormous. There were 10% more underemployed. In addition to that, the Provinces of Argentina had not privatized a great deal and were adding people to their payroll in light of nationwide unemployment, so the deficits of the Provinces were enormous. The provinces were receiving three times what they had received from the federal government in 1991, yet that was not

enough. The regional economies were in trouble, so the revenue of provinces was declining and with high unemployment the provinces did not want to cut budgets.

Minister Cavallo would not give them more money, and he was attacked vigorously by Peronists and non-Peronists.

The World Bank offered a credit of \$300 million to help the provinces but a fight developed over who would get it, who would administer it, and the loan carried conditions that a lot of provinces would not implement. Cavallo in a grand gesture said he did not need it and the World Bank should give it to countries that needed it.

The Radical Party candidate for President, Massaccesi, was not coming over well, and the Frente Grande, the third party, was divided so nobody knew who would be President if they won - Jose Borton or Carlos Alvarez, the two leaders of this party.

In late January of this year, things began to heat up and not only in the weather. The other parties took on as the opposition, not only President Menem but Minister of the Economy Cavallo, calling him all kinds of names, and Cavallo began to criticize many Deputies. Because the provinces did not have money, they began to default on wages and pensions. This meant trouble.

In February of this year, the United States put through the massive aid to Mexico and everyone in Argentina thought this would stabilize the markets. It did not.

One main company in Argentina could not pay its debts and defaulted in February. Two weeks prior to the end of the Argentine summer in February, the Argentine Ambassador to the United States was accused by some of the Argentine press of saying that "Pepe Estensoro", the head of YPF would be the new Economy Minister in the second Menem administration, thereby causing shockwaves in Argentina. The next week, YPF stock dropped from \$18 to \$12 a share and the Minister of Economy was defending himself.

Then Barings Bank went under, causing the Argentine joke to be, "Did you get your money out of Straders Bank (liquidated in January 1995)?" "Yes, I did." "Good for you." "Don't congratulate me, I deposited it in Baring Bank."

During the last two weeks of February 1995, I saw millions of dollars being shipped commercially and legally on airlines to Argentina. That always signaled trouble in the past.

The stock markets in Argentina plunged during the last week of February and first week of March. I learned through telephone calls that the "gears" in Argentina had stopped. That meant that nobody was paying anybody and the Argentines were frightened. Dr. Mark Falcoff, the Argentine expert at the American Enterprise Institute in Washington called me on Thursday, March 2 to find out what I thought should be done. I said that I thought it was a question of confidence, but I thought the Argentine banks were in a disaster, and I would recommend an announcement by the U.S. and the World Bank of a \$2 billion standby line of credit to maintain

the value of the peso or to back the banks (on that same day our Treasury had spent \$500 million trying to maintain the dollar against the yen). The dollar fell to 90 against the yen. Falcoff, who had worked for Senator Lugar from Indiana, a good friend of Argentina, said he would call him and recommend the same to him. I also told Falcoff that over-night money rates had risen in Buenos Aires to 50% on the morning of March 3. On that day, March 3, Senator Lugar announced his candidacy for President of the United States.

I called Admiral Nance who was Staff Director of the Senate Foreign Relations Committee and left a message for him, recommending the same. I also said that a \$400 million loan from IMF was needed for the provinces. I had no idea if anyone here could do anything quickly.

By 2 p.m. that afternoon, the Argentine markets had recovered on the rumor that Cavallo was travelling to the United States to arrange a \$2 billion line with the Treasury, and \$400 million line with the IMF for the provinces. He did not come because among other things the U.S. Treasury and the private banks were unwilling to give any credit and I suspected that \$2 billion was really not enough.

Having talked with many Argentines during the first week in March, I knew the "gears" had stopped in Argentina. Nobody was paying any bills and the banks were in real trouble.

Cavallo, the Minister of Economy, is a very proud man. He has done a very good job. But the development of the Argentine economy was and is based on continued foreign and Argentine investment. If that is imperiled, so is Argentina. The country suffers from five main problems:

1) Its recovery is based on a lot of foreign investment which hopefully would go into the production of heavy goods which would eventually produce goods for export. That takes time. If there is interference in the longterm process, Argentina will have trouble.

2) It is suffering from a large amount of unemployment as it modernized and privatized and it does not have the "social network" such as unemployment insurance to cope with that.

3) Its balance of trade is in a deficit of \$4-6 billion. It is importing more than it exports, and the rationale as to how this could continue was that more foreign investment came in than the deficit in trade so that is fine. That was valid as long as the foreign investment kept coming. If it stops, there is trouble.

4) The provinces have large deficits and are not privatizing or cutting back. Even in the Province of Cordoba, they have not paid government workers since December 1994.

By the end of February of this year, The Review of the River Plate - one of the oldest and most influential magazines in Argentina - had a report showing province by province a debt of over \$2 billion which someone had to fund.

5) The Argentina banking system is illiquid, as is the Bolsa or stock exchange, and the Argentines for all their bravado still do not understand that you must keep reserves and you must watch quality.

The policy of the Argentine government is to have as many dollars in reserve as there were pesos in circulation. This was the first time this had occurred since 1940. As a result, there is no inflation in Argentina, and there was great confidence until the Mexican disaster. Then people became scared. They remembered past Argentina history.

The IMF had offered to loan Argentina \$400 million in early February as a reserve for the Central Bank. The Economy Minister, with great bravado, said he did not need it. During the week of March 1st, the Minister of Economy attempted to raise \$2 billion from private banks. I told Admiral Vance, Staff Director of the Senate Foreign Relations Committee, in my opinion, that was a figure which would stabilize Argentina, which had a crisis of confidence. I also told that to Dr. Mark Falcoff, the resident expert on Latin America at the American Enterprise Institute.

The American private banks would not come up with one penny for Argentina so a series of events occurred between March 9-13.

1. On Thursday, March 9, Economy Minister Cavallo announced that he would ask the IMF not for the \$400 million he was offered the month before, but for the \$2 billion he thought he now needed. He announced that \$4.2 billion had been withdrawn from Argentine banks

in the last 40 days. Argentine reserves were at about \$14 billion prior to the fiasco in Mexico. This withdrawal of hard currency put a choke on the economy and also jeopardized the country's convertability plan, where the peso is traded 1-1 for the dollar, and each peso in circulation is backed by a dollar in reserves.

2. The Central Bank also quadrupled its loans to banks in trouble. These were called "swaps". Banks that need money give the Central Bank their government bonds as collateral on loans for which the Central Bank charges a very low interest - let us say 7%. That is very cheap when you realize that private banks in the week of March 1 were charging 50% for seven days!

That theoretically violated the economic plan which said that the Central Bank would not act as a lender of last resort. But nobody expected the emergency and a few weeks earlier Minister Cavallo closed one bank, which I thought was a mistake. I had once publicly told an Argentine Minister of Economy, Dr. Martinz D'Hoz, in 1982 when he was closing the largest private bank in the country which had a branch in New York and was about to open a branch in Washington, D.C. that you never close banks, it erodes confidence. You merge them on a Friday night and reopen them on Monday, so people don't know what really happened. Despite my long letter to him, he closed BIR, one of the largest private banks in Argentina, and it brought down the banking system.

During that same week, March 3-10, Brazil devalued its currency the "Real." It did so by announcing that it would support

a rate of 86-90 to the dollar until May 1, 1995 - then 86-89 to the dollar after that. That was a 4% now, then a 12% devaluation after May 1, 1995. That was bad for Argentina because Brazil as a neighbor had \$36 billion in hard currency and a very healthy export economy.

The markets reacted well on Friday, March 10, in both Mexico and in Argentina to the Mexican government's economic plan and people began watching and waiting. But people did not react in Argentina.

Argentina, in many respects, was a victim of Mexico's fall. The decline in foreign investment and confidence in Argentina by foreigners and Argentines is steep, and it will reduce tax revenue causing many people to speculate on whether Argentina could meet its \$5.2 billion debt payment this year. So the announcement on March 9th was not enough.

On March 11 and 12, the government initiated an additional plan that will reduce government spending about one billion dollars and try to enforce additional tax collections of another additional \$2.5 billion. This is intended to generate four of the 5.2 billion for the debt repayment in 1995.

The government announced through Minister Cavallo at a late night news conference on March 12 that in addition to the above, there was a \$4.7 billion loan program consisting of \$2.4 billion from the IMF not the \$2 billion previously announced and a credit of \$1 billion from the Inter-American Development Bank rising to

\$1.3 billion if needed. That was all intended to convince Argentina and the world that Argentina could pay its \$5.2 billion of bonds that came due in 1995 and it did not have to devalue its peso.

In addition, Argentina reduced the reserve requirements of banks and said it hoped to see a billion dollar bond sale in Argentina.

Cavallo also held a meeting with the major business interests and obtained their agreement to raise value added taxes and tariffs. The Argentine society has taxes but few pay them. The business community, fearful of what might occur, has now agreed to pay more taxes.

The biggest problem are the Argentine banks. Argentine banks are not disciplined and there are too many of them. But they had started to regain confidence and were making longterm auto and mortgage loans. The Argentines love to buy and love to borrow, but there is a huge default in repayment. The government had created a reserve fund of a billion dollars in addition to the reserves in the Central Bank for the peso, in case of emergencies in the banks, but by March 10 it had only \$200 million left in it. So fierce was the demand by banks, I doubt that by March 10 anything was left in it.

Then the Argentines quietly asked the world central banks to lend them on a credit line basis \$3 billion to shore up the private banks. So far, the response to this has not been very positive.

If things go well in Argentina and confidence returns, this may be enough to keep the banking system afloat.

There will be great pressure to devalue the peso, but I think it will be resisted to the end and will not occur because if there is a devaluation, the economic plan of the government will be considered a failure. In addition, devaluation needs the approval of the Argentine Congress.

The problem from now to the end of 1995 I believe will be the Argentine banks. They think they are very sophisticated, but they are not. Most analysts don't think they have the necessary reserves if there is a run on the banks, nor is the credit quality of the borrowers very good. Four banks have already closed, and with Argentine memories of bank failures and inflation, at least \$4 billion has left the country. In my opinion, the Argentine government needed to worry about bank withdrawals more than anything else and waited too long to address the problem. If Cavallo obtains the \$3 billion line of credit, this will help the situation.

So far the reaction in Argentina is very positive. On March 14 and 15 interest rates on dollars fell from 50% to 20% and the stock market boomed. Confidence returned. Let's hope it continues.

There is a great lesson for the United States and the rest of the world to learn from what happened in Mexico and what is happening in Argentina. It is that by building first world stock exchanges you do not transform third world countries. Mexico is

and will continue to be a disaster as interest rates soar to 90%, businesses fail, and the country goes into a deep recession. Argentina probably can weather this if the country gets the security blanket it needs to stop a run on the banks, but it too must realize that first world stock exchanges don't change a country. The privatization programs and change to a free economic society will take time and patience and cannot depend totally on foreign investment and a lot of public relations. Each country has to devise its own plan and there must be very close cooperation with this country and Washington and Wall Street to make sure each one understands its obligations and responsibilities. The Mexican government prior to the election violated its fiduciary obligation to its own people and to the rest of the world by its irresponsible economic policies and the new government of Mexico violated its responsibilities by not consulting properly with us. Argentina was too "cocky." It was going too fast. The United States, in my opinion, violated its responsibility of supervision. If we started this entire policy of encouraging free market economies in these countries where hundreds of billions of dollars of U.S. investment went in, where we passed GATT and NAFTA, then we certainly have a responsibility to supervise it. Maybe we will have learned an expensive lesson.

Most of all, this could be Argentina's zenith test which, if they pass it, might set the stage for the next several years.

Recent history of Argentina from Peron's ill-fated decision in World War II not to join the allies against Nazi Germany until the very end of the war and its post-war anti-U.S. policy kept Argentina out of the post World War II political and economic stream.

Its subsequent internal civil war of the 1960's-1970's divided father against son, mother against daughter, and led to the repression we have recently read about.

Its ill-fated decision to go to war with England over the Malvinas led to further loss of confidence by the community of nations and the Argentine people in the ability of the Argentine nation to govern itself. Then the early resignation of President Alfonsin - before the end of his term caused by massive speculation against the Argentine peso by the Argentines based on a lack of faith in their future - only reemphasized the point that Argentina did not have any faith in its institutions of government or the people that led those governments.

The history of modern Argentina is not to trust, that everything must be black or white with no shade of grey, to make money fast, to devalue at the first sign of trouble and then change the Economy Minister and/or President.

If Menem and Cavallo can rally the Argentine people as they seem to have done and if the Argentine people resolve this time not

to devalue and run but to face the external and internal threat with the same resolve, force and determination that England showed when faced with a potential threat in 1939, then the entire face of Argentina can change because for the first time the people will have the confidence they need to face the difficult years ahead that change will cause.

The recent editorials here in the New York Times about former military officers in Argentina coming forth with "confessions" about what they did in the military government may make a big impression here, but I doubt that they have any effect in Argentina among the general population.

The recent death of President Menem's son who was killed in a helicopter crash on his way to a car race brought out a great deal of sympathy for President Menem which may assist him in the May election. My concern is that if he does not win 51% of the general election of May 14, 1995, where he must get 51% of the vote or face a runoff, then there could be a horserace in the runoff with the third party, not the Radical Party. I believe the massive unemployment is a major undercurrent that few people will talk about and in a runoff it could become the major election issue. I am a quiet optimist on Argentina because I see for the first time major participation by the people in taking part in the solution of a problem that could have brought down any other government. What is needed now is a plan for unemployment and assistance to the banks to continue the positive feeling of the people.

Massive loans from the IMF and banks, the new subscriptions to the Victory loan and the people's positive response may be signs of confidence in the country, but the need for these loans shows that there are massive problems and that things are not as good as they should be. Argentines think they can make up for 50 years of chaos in 5 years - and they cannot. The apparent decision of the major companies to pay higher taxes and the people's acceptance of this new economic plan give hope that the people will have confidence, and it will be a big positive step in the future of Argentine democracy and economic development.

LAURENCE W. LEVINE  
NOTES ON TRIP TO ARGENTINA  
OCTOBER 1994

I arrived in Argentina on Wednesday, October 5th. This was three days after 8 million voters (4 million women; 3.9 million men) voted in 28,702 polling places in the Province of Buenos Aires to decide if Eduardo Duhalde could run again for Governor, which vote was interpreted as largely a vote on President Menem because of his close association with him and because the Province of Buenos Aires voted on reforms 20 days prior in a convention that allows the Governor to run again.

A national constitutional convention 20 days prior changed the National Constitution to let President Menem run again for a four year term so there was symmetry.

Duhalde needed 50% plus 1 vote. The Radical Party which had allowed the Constitution of the Province of Cordoba to be changed six years ago to permit Gov. Eduardo Angeloz to run again and nationally had made a pact to let Menem run again, opposed strongly the change in Buenos Aires. Frederick Storani, a leading Radical and now a political enemy of the self anointed leader of the Radical Party, ex President Alfonsin said in the campaign that "The bulk of the Raul Alfonsin electorate were worse than Menem."

My arrival also coincided with the arrival a few days before of President Menem who had returned from a very successful trip to the United States where he spoke at four lunches in New York, 1 in Boston, and at a dinner at Harvard's Fogg Museum given by the President of Harvard. I attended one lunch in New York and the dinner in Cambridge. Then he went to Los Angeles where he spoke at a Chamber of Commerce of Los Angeles lunch and a dinner at the Foundation of an ex U.S. Ambassador to Argentina.

The trip also coincided with the death of former President Viola, who was the military President after President Videla (Videla 1976-81; Viola 1981-82). Viola was deposed by his alleged good friend General Galtiere and unbeknownst to Viola on the day he took office, his navy comember of the junta, Admiral Anaya, began his plan for the invasion of the Malvenas or Falkland Islands. Viola who was to take over office from Videla with a good economy, was supposed to prepare the country for elections, having inherited the sound economy and the elimination of guerillas. Unfortunately, Viola took over a pile of sand as an economy, because the Minister of Economy, Martinez de Hoz, had just liquidated the largest private bank in the country and caused a collapse of the economy. Viola was deposed a year later by Galtiere.

The trip also occurred 20 days after the Governor of the Province of Cordoba, Eduardo Angeloz, announced that he would not be a candidate for the Radical Party Presidency to oppose Menem in 1995. He was the candidate six years ago, and the Alfonsin wing of the party did their best to see that he could not win, so this time Angeloz seeing the complete disarray of the Radical Party still under Alfonsin's control decided not to run. I think he will be a Senator and try to run again in four years when Alfonsin surely has to be out as leader. But nobody knows.

My arrival also coincided with a 15 day trip of the Minister of the Economy, Domingo Cavallo, who went around the world accompanied by a group of Argentine bankers and led by Mr. Mulford, now of First Boston Corporation who was Secretary of the Treasury for International Affairs and managed to assist Argentina greatly when he was in the Treasury and then went to them and said - I helped you, now you help me -- and they did. He has been very active and very successful as First Boston has done a lot of the privatizations for Argentina.

Cavallo and Menem are a fascinating team. Menem in my opinion does not like Cavallo but respects and needs him and vice versa.

Cavallo is a man of hard work, very bright and has done a very good job. He started out as a Radical and assisted by the Pagani family of Cordoba tried to become the Minister of Economy in Cordoba when Gov. Angeloz, a Radical, was elected but Angeloz rejected him so he went with his Mediterranean Foundation to assist Menem -- a Peronista.

Cavallo is looking to raise about \$15 billion on this trip, rejecting any new advances from the IMF on the grounds that Argentina does not need them, they can get it on their own, and the IMF should use the money to assist countries that need it. Cavallo's enemies, of which there are many, say that Argentina is not complying with the IMF guidelines and could not get the money. I suspect that Cavallo is telling the truth.

Cavallo wants to be President, but a lot of people don't want him to be President, especially the Peronistas. So it will be a fascinating year to see how the Menem-Cavallo relationship works out. I believe it is essential for the continuity of what Argentines need and want the most -- stability.

Cavallo twice in the past six years has attempted to enter politics by placing and funding Peronist candidates in Cordoba to beat his former friend Governor Angeloz, and twice, despite Peronist victories nationwide, Angeloz and his team beat down the Cavallo candidates. So Cavallo as a politician may have problems.

On the plane as cabinmates were two fascinating passengers, each very different. One was the former high priest (or Frijerio) of former President Alfonsin, his former Foreign Minister Dante Caputo who had just resigned as the U.W. negotiator on Haiti in a pique because Caputo thought President Clinton had undermined his job.

The other was our ex-ambassador to Argentina, Terence Todman, whom I believe did the best job any U.S. ambassador has done since World War II partially because the new President of Argentina, Menem, wanted a relationship with the U.S. and partially because Todman is one of the best politicians I have seen operate.

My own personal experience with Caputo is not a forgotten one. I was President of the Argentine American Chamber of Commerce during three years of the Alfonsin government. We organized a major U.S. program to assist trade between our two nations - Argentina and the United States - by having what is called an "Encuentro" a 3 day meeting in Argentina on a subject - "How to Do Business in a Changing World Environment" - intended to assist Argentine businessmen and to give Alfonsin a good name in the economic area. Alfonsin had a good name in the political area as the man who brought democracy back to Argentina, so we thought we could assist him and Argentine businessmen by concentrating on improving his image and that of Argentina in the business world. President Bush quite correctly told me when he was then Vice President that I was wasting my time. We cleared the project with our then U.S. Ambassador Frank Ortiz, one of the greats of the Foreign Service and their Ambassador Lucio del Solar and we spent a year preparing for it spending a lot of time and effort and money. Henry Kissinger who was supposed to be our speaker or one of them cancelled out late with no excuse so I convinced Maureen Reagan to come down, and she did. Kissinger was not my idea as speaker, someone else suggested him. He was really going down because we gave American Express a lot of publicity. He did nothing to help us.

A week prior to the convention, President Alfonsin cancelled his appearance at the Encuentro for no reason.

I had heard that at a cabinet meeting, Caputo said it might be too successful an event and give the U.S. too much publicity at a time when he and Argentina were looking to head the Third World.

So we had the convention. Not once during the entire week did President Alfonsin extend a visit to any of the U.S. delegation. Not once during the three days that Maureen Reagan was there was she so much as invited for tea by the President or anyone in the government, and when the convention was over, I reported all of this to President Reagan as did his daughter. The very next week, Caputo visited Washington and New York. In Washington, Secretary Schultz, Ortiz and Abrams asked him why President Alfonsin had cancelled his appointment at the Encuentro and why Maureen Reagan was not invited, and he replied that Alfonsin was just too busy and Maureen had not asked for a meeting! (They had time to meet John Reed of Citibank). Ambassador Ortiz was out of the country that week we were there. Alfonsin did not like Ortiz or the United States. In New York at the Council of the Americas meeting where Caputo was to talk, I was invited as a guest - as President of the Argentine American Chamber of Commerce I asked Caputo the same two questions that Schultz asked. After addressing the Council in perfect English 20 minutes before, he exploded at me in Spanish and told me I was insulting him. I was very happy because I asked him the questions. I had asked the State Department and Council of the Americas if I could do it without insulting the U.S. policy. They said, "We would love to see you do it." So here was Caputo on the plane -- as someone said in Latin, "Caputo, Caputare, Caput."

Todman is another story. Todman wanted to go to Argentina, and he could have had any country he wanted. President Bush tried to talk him out of Argentina on the grounds that it was not good enough. But having been in Spain during the transition from Franco, he said he could help Argentina.

I know that several people may not like Todman. I not only like him, I respect him. He is the best example of not only Black America but of America. When he arrived in Argentina, the State Departments of both nations thought Argentina was going down the tubes with Menem, a long haired Arab "nut" in power. Todman was one of the first to see Menem's shift and to encourage the State Department and went over their head to Bush to see that Menem was invited here to the United States.

The Argentines thought Todman was originally appointed Ambassador as punishment for Caputo. The Argentines do not have much experience with blacks, and at first were under the impression that this was second class man. They learned fast, and I who watch Argentina closely tell you that a good part of our 360 degree turn in relations was due to Todman, and the way the Clinton Administration let him go was absurd. It is quite proper that he should have been changed, and he did stay one extra year due to the non confirmation of the Bush nominee, Walker, not Todman's fault. But I am told that Christopher and Cheek gave Todman a few days to leave, would not talk to him, and really snubbed him which is silly and not good for U.S. relations.

In any event, he returned on this trip to Argentina and ex-Ambassador to the U.S. Rafael Vazquez gave a welcoming reception in Buenos Aires for him where 300 or more people showed up and I saw the affection and respect for Todman, and through him for the United States and I felt very proud. (Amb. Cheek did not come to the reception).

Todman has also been made a Director of Argentine Airlines which is practically unheard of. This is no indictment of Cheek. I know he has worked hard, came up for the Argentine Soccer game in Boston, did a good job on the Menem trip. But there should not be in the U.S. Foreign Service this appearance that two U.S.

ambassadors do not get along. I don't care about the individuals. I care about the United States and a Foreign Service Officer is the United States.

The day I arrived was also the day that the leading newspaper in Buenos Aires, La Nacion, carried as the lead editorial a half-page statement that they did not know what was wrong with previous President Alfonsin who criticized their paper, La Nacion, for waging a campaign to harm his reputation.

On the day I arrived, Menem also went into the hospital for his annual checkup and said he wasn't ready to die yet.

And that day the paper announced that the Radical Party was so destructive that experts were saying that a third party, the Frente Grande, would get more votes in the next election than the Radical Party and I believe that to be true as of now. The Governor of Buenos Aires won a dramatic victory on Sunday, getting more than 60% of the vote to allow him to run again for Governor, and the President of Brazil was chosen, a Mr. Cardozo who was assisted by the Argentine Economic Minister, Domingo Cavallo, who openly said that if a free marketier like Cardoso won, South America would improve, and it will be because Cardoso will begin a plan similar to Cavallo.

I found Argentina very expensive, but very "upbeat." Confidence was there and you could see it everywhere. Car sales are ordinarily a major indicator and they will be up 20% this year.

The country is not without its problems. There will be a trade deficit of \$4-5 billion, and that will have to be made up in exports or investment. It is possible that Brazil will be a big export market for Argentina. I don't think the United States will because the Argentine peso is too high to export. The biggest problem in the country is the succession as President.

Barring a disaster (and anything is possible in Argentina), Menem will win because there is no Radical Party to speak of, and while I think the Frente Grande will do well in the Province of Buenos Aires, I don't think it will do well outside the Province. Menem will have the help of Duhalde and Ricco, who is the Military man who caused a few uprisings in Argentina. In the end he will support Menem.

In real estate they say there are three principal rules: Location, location, location. In Argentina there are three principal rules: Stability, stability, stability.

In my opinion, despite all the problems of a changing society from State ownership to capitalism, and there are many, the people will excuse everything including the alleged corruption, if they can have stability. and stability means Menem and Cavallo. It is a funny team, yet a very good working one. Both are tremendous egoists and both must run their own show. Without Menem, Cavallo has no political base -- none. Without Cavallo, Menem has no economic leader. Yet, I know people say that someone else on the Cavallo team can do the job. I say they cannot. Cavallo is an autocrat in a country that likes autocrats, and he has the personality that goes with that. I am sure he wants to be President and the recent victory in Brazil of Cardozo, a former Finance Minister and Foreign Relations Minister, only enforces that desire. But as of now, I find no political support for Cavallo. People think of him as a good technocrat but not a good politician. So he may yet after the next election of Menem try to run for President, but as of now he cannot do it. Menem may choose him as a Vice Presidential candidate, but I would bet that he will not. He needs him as Economy Minister.

Menem is very very smart. I always said that Argentina needed an elected strongman, a good politician. Not since Peron have they had a man like this. Nor will they likely see one like him again for some time. A lot of names are mentioned as a competitor or replacement. Forget it. He knows the rhythm of his country and how to get the people to march to it. I know that he will have the Frente Grande against him, whatever is left of the Radical Party against him, Alfonsin, Angeloz, DeLa Rua, Masschessa, Bordon, Romero, Ferris, Ricco; but as of now, they cannot touch him. Assuming no major crisis (and crises do occur) in Argentina, and assuming that the Frente Grande do not catch on, I think that when the elections take place in May the Argentines will vote for stability and they will vote for Menem even if there are many that do not like him, and many do not. They will vote for him because they are afraid of change and he means stability.

Angeloz: Governor Angeloz of Cordoba is a frustrated man. Now 62, he knows that he cannot beat Menem so he is retiring as a candidate for President. He is not joining a Frente Grande or a spinoff. He is accepting Alfonsin's role as head of the party, holding his nose and I suspect will end up as a Senator.

Alfonsin: Unbelievable as it sounds, the man will not go home. Defeated, held in disrepute in Argentina, he still has control of the Radical party and will continue to do so. The result is that he is running a funeral parlor because he has destroyed the Radical Party. He has even gone after the most prestigious paper in the country, La Nacion, and claims that they are after him. I think that all the press has treated him very well considering that he wasted five years trying to be the leader with his Foreign Minister Caputo of the Third World.

De La Rua: De La Rua is the George Bush of Argentina. A very nice patrician who in my opinion has no chance to be President and may end up as Radical Candidate for Mayor of Buenos Aires. In the recent Constitutional changes, the office of Mayor which is normally appointed by the president, is to be elected starting in November of next year. He would have a good chance.

Romero Ferris: The Romero Ferris family controls one of the Provinces. He is a Senator who will be a candidate for President - but he won't win.

The problems I see for Argentina, aside from the Menem/Cavallo problems, are problems of money. At the moment, Argentina is spending \$5 billion more in trade than it is exporting. Car sales are booming as domestic production zooms. But Argentina is not exporting because manufacturing costs are too high and they cannot devalue the value of the dollar because everything is pegged to the dollar. So Argentina is one of the most expensive countries in the world.

She may be lucky. Brazil, with the new election, may become the export market for Argentina.

Conclusion:

On a scale of 1-10, with ten being the best, I give Argentina a 7, but based only on a continued Menem-Cavallo team. Menem has the political talent which I don't think anyone else has at the present, and Cavallo has the economic talent and respect. Menem also has I believe the political talent to control Cavallo's temper. I know very well the pressure a Minister of Economy is under and since Cavallo has never run for office or participated in ringing doorbells or local campaigns, he does not know as well as Menem how to control that temper. Cavallo has also lost 2 campaigns

in Cordoba where he attempted to dislodge Governor Angeloz. Menem, on the other hand, saw what happened when two Ministers of Economy either died or failed. So the team is very, very important. In addition, as Argentina grows, the supervision of the economy gets more and more into Cavallo's hands. Every appointment in every Ministry is his so his power gets stronger and stronger. Lastly, Cavallo has to be tough or he won't get anything done. To be tough, he needs Menem's political strength. So the team is a must. I don't see the radicals getting anywhere as long as Alfonsin is in control, and Romero Ferris will have some power, but only in his or in surrounding provinces. The Frente Grande will be joined by many others including Frigerio and it may offer a place for the "anti" Menem people to put a vote. But if Menem can scare the people into "stability" and the need for a continuation of "4 more years", I don't see how he can lose.

There will be problems: The continuing inability of Argentina to export because of the noncompetitiveness of its industry and the high value of the peso-dollar exchange. These \$4 billion deficits can last only as long as there is investment equal to or greater than the deficit. Argentina today is an agricultural nation with a service industry -- consuming a great deal and exporting little. The savior under the new government may be Brazil.

Things in Buenos Aires look great. But if you visit the provinces they are poor and there is vast unemployment. If Menem and Cavallo do not take care of this unemployment, you may not get a Mexican reaction but you will get a reaction. Between now and the expected results of all the investment being done now, which may take years to see, if that social problem is not solved, you will see trouble. I think they are smart enough to see that.

Laurence W. Levine  
Addendum to Notes on Trip to Argentina  
October 1994

Next May 14th is Election Day in Argentina, and I think the entire country will be focused on it from now on until then. Argentina goes on vacation December 15th, and nothing really happens until March.

Politically, the only real news is that President Menem will be renominated in the Peronist Party. He says that will pick his Vice Presidential candidate on January 6, 1995, and he says he knows who it will be. There is a long list of possibilities, and if he is to avoid a runoff in the elections in May he needs a strong vote getter. Names mentioned are Governor Ortega of Tucuman; Reuteman, Governor of Santa Fe; Ruckauf, Minister of Interior. The threat of ballotage (less than 40% of the vote) may mean he looks for an outside party candidate who will attract outside voters.

That brings me to the Radical Party, controlled by ex-President Alfonsin. The leading candidate is Governor Angeloz of Cordoba. But three times now he has taken himself out of the running, and he appears firm in that decision. One reason he does not want to run is that there is a herd of candidates as I will explain. The other reason is that Alfonsin has created chaos in the party, and the country won't vote for a Radical. He is probably wise to go to the Senate and see if he can wait until 1999.

The other candidates are many - Massaccesi, Terragano, Storani, Bordon, Alvarez, Solanos, Romero Ferris and Ricco to name a few. The Radicals will have DeLaRua also who many say prefers to run for Mayor of Buenos Aires.

The Frente Grande has been joined by ex-Peronist Bordon who now becomes an ally of Carlos Alvarez of the Frente Grande - and Romero Ferris and possibly Ricco will join the fray, so it looks a little chaotic from now until election time.

Some people are saying that Menem would like to get Angeloz to run with him. That would be like Clinton asking a Republican to run with him. I personally don't believe that will occur unless there is an emergency in Argentina. There is also a rumor that he would ask Cavallo to run with him. That also won't occur unless Menem thinks he needs him to win.

But in Argentina anything is possible, and I think all of this is the healthiest thing I've seen in 35 years in Argentina -- political competition.

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TELEFAX COVER PAGE

DATE: 10/27/92

TO: The Honorable Mario Cuomo

FROM: Laurence W. Levine

State Capitol Bldg. - Executive Chambers

518 474 1513

# OF PAGES

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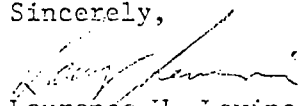
MESSAGE

Dear Governor Cuomo:

At the suggestion of Vincent Tese I am sending my package on  
Argentina - background - suggested paragraphs for remarks. If you need  
anymore please call.

Good luck and best wishes.

Sincerely,

  
Laurence W. Levine

SENT:

FILE: personal

A.M.

ATTY'S CODE 1259

P.M.

OPER. INITIAL SR

MEMO

TO:  
FROM:

I've been the lawyer for Aerolineas Argentinas since I was twenty-eight years old -(1959)- and opened up their state bank Banco de la Nacion - represented nearly all their state industries at one time - have been President of their Chamber of Commerce 1985 - 1988 - and know their method of operation perhaps better than our own. I have given each of our last five Ambassadors my own overview before they go down - and as you will be seeing our Ambassador Terence Todman at your lecture and at a reception he is holding for you - he can tell you if I am accurate or not. (I returned last night from three and one-half days in Argentina). I attended a dinner given for him (Ambassador Todman) by the U.S. Argentine-Chamber of Commerce on Thursday on October 22 where President Menem introduced him. I attach a copy of Todman's speech in Spanish and I quote his last lines in some suggestions I make for you. (They are in Spanish but I've translated the two lines I quote).

As an example of how Argentina operates - and this is the best example I can give you - President Menem introduced Ambassador Todman last Thursday P.M.<sup>1</sup>

Menem gave a speech where he confessed as a Peronist that he had made a terrible mistake in being anti-American all his prior years in politics and commended President Bush and Todman for all their help. Not one word of this speech appeared in the newspapers the next day! Why - because Menem asked the newspapers not to print the speech. It was too pro-American. Not a word.

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<sup>1</sup>The State Department in June designated a new Ambassador under a foolish rule the department has of trying to limit Ambassadors terms to three years. They started this policy just before President Carter came in because they were afraid of too many "political" appointments and wanted their own to be appointed. Todman has done a marvelous job and is well liked by President Menem but the Department of State without prior consultation with the Senate Foreign Relations Committee designated thirty-two new Ambassadors in June 1992 in order to try and get them confirmed before the Senate adjourned in June. Naturally none were confirmed and Todman is still there.

That is Argentina. The courts operate the same way. I've included in your remarks a strengthening of the court system.

I enclose a memo - not the gospel - but maybe it will help you. At the end I make a few suggestions on what you might say. I enclose a newspaper report from 1980 during the time Governor Raul Castro was Ambassador to Argentina. He is a close personal friend of mine and they do not make too many people like him. His office phone number is (602) 957-6773.

I also enclose two speeches I made in 1979.

My best wishes for good luck. I did this all last evening so it may not be my best. If you are travelling on Aerolineas Argentinas have Vincent let me know. There is a non-stop from New York - twice a week - but I want to make sure it runs that day. I also enclose a memo sent by my friend Terry Dornbush to the Clinton people - I wrote this. Dornbush is an old friend and has been Senator Gore's Treasurer for a long time.

## MEMO ON ARGENTINA

### I. Power Centers - Present History

Argentina is a complex country with five power centers: two main political parties - (the Radicals and the Peronists), the military, the church and the unions. There are over 30 million people including a huge Italian population, the fifth largest Jewish population - all from pre-World War II Europe.

After alternating between military coups and elected governments - the country elected President Alfonsin in 1983 when the military were thrown out after the (Malvinas) Falklands war. Alfonsin is a member of the Radical Party. His election was a surprise as people thought the Peronists would be elected.

Alfonsin governed until 1989 - the first President to fill a full six year term. He did not do a good job economically because his part of the Radical Party came from the very nationalist group of the party that do not like the United States or free enterprise. Alfonsin's father had to leave Spain during the war as a loyalist - and they never forgave the United States for their support of the Franco people. But he is credited with bringing democracy to Argentina. He likes state ownership. He is part of the group of the European neo-socialists - such as we had in France and Germany. A good man.

In 1988 the Peronists had a primary fight for the nomination for President. The expected winner was the leader of the party - the then Governor of the largest province (state) Buenos Aires - Mr. Antonio Caffiero. He was beaten for the nomination by the Governor of the smallest province Governor Menem. It was the biggest shock in Argentine history. Menem is a short man with large sideburns - from an Arab family - (he converted to Catholicism as you cannot be President unless you are Catholic) - and he was called the wild man. Very anti-American. The Radical Party had an internal fight but the Governor of the second largest province (state) Eduardo Angeloz was nominated. Menem beat Angeloz. Then as I explain, Menem did a 100% change. He did what nobody could do - he became pro-United States!

The Peronists were started by the military and the unions and control the unions - all of them. The unions had fourteen general strikes during Alfonsin's term! During the election period between Menem and Angeloz in 1988 people were so scared that inflation rose in six months 1400%!!! and going higher. The country was broke - people leaving at an alarming rate - and they voted for Menem out of fear - and hoping he could do something.

Menem had to take office at once - three months prior to his normal date because the inflation had become hyper inflation after the election. He took office and he did what nobody in Argentina could do since 1945. He said that he would start a policy of privatizing everything - free enterprise and restoring relations with the United States and Great Britain. Thus a Peronist from an Arab family in a Catholic country had become President and wanted capitalism. It was as dramatic as President Nixon restoring relations with China only moreso - as a Peronist became a capitalist and pro-United States. Nobody expected it and he was the only person who could do it. I believe that if Governor Angeloz had won there would have been a coup. Menem cut off his sideburns, had a facelift and divorced his wife. Argentines love gossip and thus had plenty.

His first Minister of Economics was a partner in the largest grain trading house - Bunge and Borne. This in itself was dramatic. The head of Bunge and Borne had been kidnapped and the company paid 100 million dollars for his ransom - two years prior to that. For Menem to appoint a capitalist - and from Bunge and Borne would be like Bush appointing Felix Rohatyn as Secretary of the Treasury. The Minister of Economy is the second most powerful man.

Within ninety days Menem restored Argentine confidence and had three Ministers of Economy. The Bunge and Borne man died on inauguration day of a heart attack. He was replaced by a Vice President of Bunge and Borne who was under indictment in Venezuela for grain speculations and he was replaced by someone and then he appointed the present Minister Domingo Cavallo who was the first Foreign Minister - and who is a professional economist-politician.

## II. Argentina Today

Cavallo has been in office since March 1991 - a little over eighteen months. Cavallo had been Foreign Minister. Argentina has had no inflation since then - confidence is slowly being restored. Menem is pushing ahead with privatizations. The State airline has been privatized, some say badly. They are now privatizing the electric and gas companies and the oil company. Several small railroads and arms manufacturers have been privatized. The most successful privatization was the telephone company built by ITT in the 1930's - nationalized in the 1940's and a disaster ever since. Until last year it cost \$20,000 to get a phone!

There is a tremendous "ego" fight going on with President Menem and his Economy Minister Cavallo. Menem is very jealous of the success of Cavallo. He insists that the economic plan be called the "Menem Plan". But the press continues to call it the "Cavallo Plan". But they need each other so I think they will work with each other for a while. Eighteen months is a long time in Argentina. Argentina has restored its stock market. It is

continuing with privatizations - it is encouraging private investment. It wants a good relationship with the United States because it is really politically the only course it can take. Menem knows that the United States is the world center. Its too bad the Peronists did not realize this thirty years ago. Menem has been an enormous political success - and without him nothing could happen. He's three years into a six year term.

But there are forces at work who do not want the rapprochement with the United States or the increase of private businesses or democracy. The forces are:

1. The entrenched bureaucracy of the agencies that manage the State industries which are being dismantled.
2. Some of the large businesses. In Argentina most companies never were in business to make money. They were in business to make money on the money they could borrow from the Central Bank. The Central Bank nationalized all deposits - then told the banks who to lend money to and at what rate of interest. The Banking system was a dual one - State owned and private - but the private banks were only for show. They were given orders every day. There are about ten big companies in Argentina - and they are controlling prices. Argentina today is more expensive than New York. It used to be one-third the cost.
3. Some of the military who did not like what is happening.
4. A combination of 1-3.

Menem will start having troubles in November with the first general strike. But summer starts in December so it will be quiet until March.

Argentina is on a "high" which I think reached a plateau in May. They are all a little afraid now and they need a lot of encouragement. The total success of this pro-United States - pro-democratic - pro-private enterprise policy depends totally on 1) political stability, and 2) the success of this economic program. Menem has been giving the political stability.

So far it is working. But its new - it has many people who do not like it - the Argentines have very little patience - the cost of living is enormous. The peso is now 1 peso = 1 dollar, having reached 4,600,000 three years ago!! They revalued it. But its only been fifteen months of stability. Almost 80% of Argentina was owned by the state or by the state and private partnerships on joint ventures. Peron had the Central Bank control all lending. Then he started all industries by one of the military services being a partner with a private company. So the Air Force owned the aluminum industry; the Army the steel; the Navy something

else. Peron ran Argentina directly or indirectly until 1982 - even out of power.

The system is being dismantled and Menem is on a privatization program he wants done in one year. The Economy Minister wants it extended to three years as he does not think it can be done in one year. Menem says no. One year. There was an earthquake in January in Argentina - a political earthquake. Our Ambassador Todman wrote a letter to the President telling him that Swift and Company which wanted to modernize its plant was asked for \$300,000 in bribes. It was true. The story was leaked by the Minister in charge. The President of Argentina at first said it was a lie and said it was an interference in the internal affairs of the country. But the newspapers took the Ambassador's side and this man Cavallo who was then Foreign Minister took the Ambassador's side and finally the President took the Ambassador's side and ended up firing the Minister. And all of Argentina refers to this as "Swiftgate". Now they say in Argentina: "Menem Si - Todman Si." During President Truman's time he sent Ambassador Braden who interfered in an election against Peron and Peron won his campaign on a slogan "Peron Si - Braden No". That has all changed. The United States is the #1 in popularity. Everyone wants to be America's friend except the groups I mentioned before. The public likes the United States.

#### Present Situation

President Menem reached his zenith in May of this year as did the country - in my opinion. They were in euphoria. That has been tempered now by the fall of the stock market, a recession which is setting in - and political fighting in both parties. Yet the stock market rose 12% last week because our market rose.

Menem wants to change the Argentine constitution. He has one six year term which expires in three years. He wants to change the Constitution to two terms of four years each. He needs two-thirds approval of the legislature. There are elections for the Congress next year. He wants his party to win. The Radical Party is fighting. Governor Angeloz of Cordoba ran against Menem for President in 1988. He wants the nomination again. A Senator from Buenos Aires wants to run. His name is De La Rúa. Even though elections for President of Argentina are three years away - the country is already obsessed with the election. Peronist. Menem wants reelection as President. The present Vice President Duhalde wants to run. And a Governor named Bordon wants to run - as does Menem's brother Senator Menem. Radicals. Angeloz, Alfonsin, De La Rúa.

#### Background for the Visit

Power in Argentina comes from a perception of power. All financial institutions form foundations. The head of the foundation gets the publicity. Cavallo - the Economy Minister was

chosen by the largest candy manufacturer twenty years ago - Arcor - to head their foundation. The Mediterranean Foundation. That is how he climbed to power. The foundations then either come here or invite people to speak. They are the engines of financial power. All bank and financial institutions are looking to show they have contacts now with the Democratic Party. Over the last few years it has been the Republican Party. Power in Argentina comes in a good part from power in the United States.

### Suggestions

The Argentines have an inferiority complex and they also think nobody knows who they are - so my suggestions are intended to overcome that at the beginning and to show that you really know the country I am assuming that Ambassador Todman will be at the seminar. He told me he's coming. He's very important - you just have to accept my thinking on that. Also the Argentines at the halfway mark of a six year term and a little scared and need some encouragement. They really like this country and much of their money in here. Ambassador Todman is referred to as "El Vierry" - the Governor General or Pro Consul.

Just remember that they are looking for encouragement, praise, thanks, some feelings of adequacy and understanding by the United States - some relation to the United States. They admire Bush and they believe their President has a great personal relationship with Bush and they are afraid of a Democratic President because they do not know anyone here. They feel and they are correct that Bush has helped them - but they don't realize that much of it is because Menem wants a pro-United States policy - and Todman had the power to put it through. Todman is fabulous. He is the highest ranking black American in the State Department, a good friend of Charlie Rangel and very active in the Black Caucus.

I enclose a newspaper article from ten years ago when Governor Raul Castro from Arizona was Ambassador. He did a marvelous job during a very difficult time when President Carter was President. He is a good friend and his phone number is (602) 957-6773.

Their history prior to WWII and Peron was very conservative. They were very rich. The British built the railways and owned the great ranches of meat and wheat. The British built the railways to carry the wheat, corn and meat to the ports. The British owned the ships. The Germans built the machinery and airplanes. The Italian immigrants came to work and today I would say that Italian influence is #1 in Argentina. The "WASPS" are the English and Spanish.

Politically things are beginning to unscramble a little. They have Congressional elections next year. The unions are angry at their own man Menem privatizing the companies of the State.

They are losing jobs and he wants to change the labor laws. Their summer starts in five weeks and they go on vacation until March. Its a good time to be there as there is optimism, and they need some good people from here. They also need to be told that an independent sound judiciary is important. The Judicial system is terrible and people lack confidence it it.

I've incorporated all of this in suggested areas.

1. The privilege of coming here is only surpassed by the personal pleasure it gives one to be here. I want to extend my thanks to \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ (I do not know who else is coming) and to our Ambassador Terence Todman and his Embassy staff for representing our country so well here. (Important to find out who will be attending). I believe that relations between our countries are probably the best they have ever been in my lifetime - and I think your President, Dr. Menem and your Minister of Economy, Mr. Cavallo - and all of you here - also believe that. I've heard of this situation in their statements in speeches recently given - the latest one was a couple of weeks ago at the United States-Argentine Chamber of Commerce dinner at the Alvear Palace given for Ambassador Todman at the end of his term here. At that dinner President Menem introduced Ambassador Todman.

2. As the Governor of the largest state in the United States - I've been very proud to see the development of Argentine trade in New York. By the way, my state will have a budget surplus this year. We have as you know your state airline, several of your banks that have agencies, representative and branch offices - the trade office of your consulate and the offices of several provinces of your country which have an office on Fifth Avenue and I encourage and hope to see many more of you opening up offices and doing business in our state. I will do anything possible to encourage this development of your private industry or banks and I encourage your inquiries.

3. I am also aware as Governor of New York and a professional political man of the wonderful development of politics in Argentina and a return to democracy. Politicians and political parties are some of the most important institutions a nation can have. Without strong and active political parties nations do not progress or prosper. Democracy is the best form of government and I applaud the country and its people for their return to it. Its sometimes not easy and sometimes there are no fast solutions - but it works. All of you are to be congratulated for your efforts. Please do not let up on your efforts.

4. I also am aware as Governor of the enormous strides you have taken and are taking to privatize your nation's economy. Private companies provide jobs, taxes and employment - and private industry, properly supervised - provide the best form of economic development that I know of. The state does have a part to play - but it plays it in coordination with the private sector. Sometimes privatizations take time - markets change - so do it right - do it carefully. We know what you want to do - and we want to help you.

5. I'm sure that I echo your sentiments when I say that we do not want to plan for next week or next month. We want to plan so that our children and grandchildren will have a future we can all be proud of. To do that we need political stability and a real love and commitment to problems a democratic form of government sometimes brings.

My observations on Argentina do not come from being a long time student of the country but I do follow it and I would like to give them to you.

6. Argentina has an immigration base very much like the United States. Boatloads of Irish, German, Arab, Italian, Jewish and other people left the shores of Europe seeking political, religious and economic freedom and an escape from persecution. Many came to the United States. Many came to Argentina. Our two countries provided great opportunities for them. And if you look around both countries and see who the leaders in business and politics are - you will see the rise of these important families. A new generation in both our countries are taking the reins of power in banking, industry, the arts and in politics.

7. Argentina is one of the few nations of the world that possess the four basic fuels needed to make a nation develop and flourish. It is a wealthy nation. Argentina has the fuel that gives life - the food we need to eat and live. You export all these grains. Argentina has the food for finance - money - to make sure that the industry, commerce and banking industry are able to function. Argentines have a great deal of money. They need to use it to develop their own country. And Argentina has the food for thought - great human resources - the intellectual capacity to create. You have the literature, the art, the motion pictures - you have the people.

8. I notice that after a generation or more of changes in Argentina - where there had not been political stability - Argentina is now in its ninth year of democracy - under two duly elected Presidents - and it has developed the intellectual, political and economic processes - and is continuing to develop them so that it can continue to take its rightful place in the community of nations as a leader not a follower.

9. Argentina is a wealthy nation which served as the breadbasket of Europe prior to and during WWII.

Both of our nations have similar ethnic immigration patterns and the people are very much like one another. In my case as an Italian-American - my parents immigrated from Italy as did many of your parents. They and I worked very hard as did your parents and you. We each have built a strong, rich country.

10. During the 1930's, Argentina started to industrialize. The question at that time was, how does a nation with only 20 million

people blessed with great agricultural resources, industrialize? Argentina faced the same problem that America faced - and solved years before. How do you divide the peso or the dollar between agriculture and industry? That is really the root of the problem.

Argentina and the United States today have some similar problems.

11. Argentina emerged in 1982 from a generation of war and domestic turmoil. The United States you must remember did not have a clear sail. We had our Civil War of the 1860's and our World War I, World War II, Korea and tragic Vietnam. We in the United States today are attempting to solve our moral and economic problems caused by our loss of a generation of our youth in Vietnam and the decline in the dollar and a terrible economic program in the 1980's.

12. Argentina today - if I read history correctly is trying to resolve its internal problems caused by an internal undeclared civil war and the loss of a generation of your youth and your peso - and the lack of democracy. That is the past. Both of us in the last part of the 20th century, the people of Argentina and the people of the United States, must be determined to turn our countries around again, to get our houses in order, to restore the confidence of the world that we can establish ourselves in a stable economically viable society in the years ahead - to make sure that our youth have a good future in our countries - so we can both belong to the community of nations as leaders not followers.

13. It is a big order for both of us - it will take planning, education - patience. The United States problem is largely a United States problem. The Argentine problem is largely an Argentine problem. But to do it right we will have to respect the one basic ingredient running through us - democracy and respect for the judicial system that goes with a democracy.

14. There is one thing that I am certain of and nobody can convince me otherwise. The Argentines must be left in charge of Argentina and continue to develop a system of government and commerce based on their national customs and experience and faith in the Argentine way of life just as the United States must do the same. I think that every Argentine of every persuasion realizes that Argentina in 1992 is not Argentina in 1939. The Argentine establishment of the agricultural sector and the new industrial sector must learn how to compose their differences and build a strong country. As the process develops, neither the United States or any nation must take credit for Argentine successes or Argentine failures. The Argentine people have that responsibility - just as the United States people must, if they are able, learn to accept the reigns of leadership that they inherited after World War II.

15. I feel confident that as the development process continues to take place between Argentina and the rest of the world, including our nation, that a new generation of Argentines and Americans will understand the commercial and political realities of the world and evolve a relationship that works within those bounds - and that we will develop leaders and respect success - and we can do it together.

I truly hope that the leaders of both governments - Argentina and the United States - will exercise the discretion, the intelligence, and indeed even the tolerance that I know they have to help bring this about and I hope that the business community and all interest groups will work towards making our governments informed in our interest in Argentina and deepening a good relationship between the United States and Argentina. For as I said at the beginning, there are very few countries in the world that have food, fuel, finance and good human resources. Argentina and the United States are two of these and so therefore we need each other.

Regarding the future relations politically between our country I want to tell you the following. A Clinton-Gore administration will work very hard and very diligently to see that the United States continues to develop a mutually beneficial relationship with Argentina. All of us in this room know the history of Argentina from the end of World War II. I need not repeat it. But with all the constant political changes here it was not possible to develop the kind of relations our two countries should have had. Argentina now has political stability and from political stability comes economic stability and prosperity and the ability to plan for the future.

Insert here what you want to say about U.S. politics.

I close by quoting a remark Ambassador gave in his speech at the American Chamber of Commerce luncheon on October 22, 1992, here in Buenos Aires,

"Hoy - nuestros dos paises son no solamente tambien amigos, socios y aliados en el gran esfuerzo de contribuir a la creasceinde un mundo de libertad, justicia, paz y prospero."

"Today our two countries are not only brothers in the Americas but also friends, partners and allies in the great force of contribution to the creation of a world of liberty, justice, peace and prosperity."

PALABRAS DEL EMBAJADOR TODMAN  
ANTE LA CÁMARA DE COMERCIO DE LOS ESTADOS UNIDOS  
EN LA REPÚBLICA ARGENTINA  
22 de octubre de 1992

Señor Presidente de la Nación Argentina, señor Presidente de la Suprema Corte de Justicia, señor Presidente de la Cámara de Diputados, señor Presidente Provisional del Senado, señores Ministros, señores gobernadores y otras autoridades, señor Presidente de la Cámara de Comercio de los Estados Unidos en la Argentina, distinguidos señoras y señores, queridos amigos todos:

Como Embajador de los Estados Unidos en la Argentina, como Presidente Honorario de la Cámara de Comercio de los Estados Unidos en la Argentina y en mi nombre personal, quisiera ante todo expresar mi especial agradecimiento al Presidente Menem, por honrarnos con su presencia y así realzar el carácter de este acto.

Aprovecho la oportunidad para felicitarlo una vez más, Sr. Presidente, por el alto grado de cumplimiento de las ideas, metas y planes anunciados desde el comienzo de su mandato presidencial. Su percepción, su valentía y su liderazgo han producido en la Argentina una democracia fortalecida en todos los aspectos, una transformación económica, estabilidad, y nuevas relaciones internacionales. Son estas condiciones, surgidas de principios que compartimos, las que posibilitan el alto grado de cooperación existente hoy entre los Estados Unidos y la Argentina. Son ellas también las que aseguran que esta relación se fortalecerá y perdurará por largo tiempo en el futuro.

Hoy nuestros dos países son no solamente hermanos americanos sino también amigos, socios y aliados en el gran esfuerzo de contribuir a la creación de un mundo de libertad, justicia, paz y progreso.

Aprovecho esta ocasión para felicitar sinceramente a la comunidad empresaria norteamericana agrupada en la Cámara de Comercio de los Estados Unidos en la Argentina (ANCHAM) por el importante rol que ha desempeñado, aprovechando las oportunidades que se fueron presentando en esta nueva Argentina, y acompañando a este gran país en su proceso de cambios. Ustedes han demostrado confianza, coraje y decisión, obviamente en la búsqueda de ventajas para sus propias empresas pero a la vez, han producido beneficios

para los consumidores y han contribuido a la inserción de una Argentina responsable, enérgica y competitiva en la nueva realidad mundial.

Es para mí una gran satisfacción que empresas norteamericanas hayan estado en la avanzada de una participación basada en las nuevas políticas de apertura de la economía, desregulación y privatizaciones. Su positiva reacción asociándose a empresas argentinas ha contribuido a estimular el interés de otros inversores extranjeros de ser partícipes de esta transformación.

Dentro del marco de desregulación y ajuste estructural que se ha ido instalando en la Argentina, los empresarios norteamericanos han fomentado nuevas inversiones e iniciativas de negocios en todas las áreas de importancia de la Argentina, estimulados por la conclusión de un histórico Tratado Bilateral de Inversiones entre nuestros países. Hemos observado un enorme incremento en áreas recientemente privatizadas como por ejemplo las relacionadas con petróleo, gas, energía eléctrica, saneamiento y medio ambiente y turismo. Como resultado de esta apertura, muchas más firmas norteamericanas se han instalado recientemente en la Argentina y las que ya estaban aquí, han ampliado sus esfuerzos.

Es frecuentemente comentado que yo he manifestado un interés especial en la promoción de negocios de empresas norteamericanas en la Argentina. Eso es cierto porque es parte de mi responsabilidad como Embajador. Pero es importante señalar y enfatizar que mis pedidos han sido siempre por la igualdad de tratamiento, el respeto de las leyes y normas establecidas y el cumplimiento de las decisiones tomadas. En ningún caso ha sido una manifestación a favor de una empresa en particular.

La adhesión de las empresas norteamericanas a estrictas normas éticas y de transparencia en los negocios tanto de acuerdo con nuestras leyes o por conciencia propia ha sido de una gran ayuda en el desarrollo de prácticas similares en la Argentina. Esto coincide totalmente con el sentido anunciado repetidas veces por el Sr. Presidente y el gobierno argentino.

Es una satisfacción constatar el importante crecimiento de nuestro comercio bilateral. La introducción de bienes de capital, nuevas tecnologías y productos intermedios va facilitando una renovación de la planta industrial argentina haciéndola más competitiva. Por otra parte, el apreciable volumen de comercio de bienes de consumo de alta calidad y precios cómodos no sólo ha cubierto una franja de demanda sino que también ha

estimulado a los industriales argentinos a mejorar sus propios productos.

Valoramos el activo trabajo de AMCHAM, muchas veces junto con la Embajada, en la organización de programas y eventos especiales, incluyendo misiones comerciales a los Estados Unidos, visitas a la Argentina de instituciones estadounidenses y reuniones del sector empresarial argentino con sus pares o con congresistas norteamericanos.

Finalmente, en cuanto a AMCHAM quisiera decir una palabra especial de agradecimiento y admiración por vuestra más reciente actividad en relación a la Feria Internacional América '92 en el puerto de Buenos Aires. Cuando nuestro gobierno no pudo por diversas razones asegurar su participación en dicho evento histórico, AMCHAM, gracias a su dinamismo, su creatividad y sus magníficas relaciones con los organizadores de la feria hizo todos los arreglos necesarios para que Estados Unidos estuviera presente con un pabellón. Dicho pabellón presenta una muestra cabal del pasado y una visión del futuro. Vuestra participación y la feria en sí son una demostración de cuánto puede lograr la Argentina cuando hay creatividad, voluntad y trabajo en equipo.

Me complace que el gobierno de los Estados Unidos haya acompañado y siga acompañando este proceso de cambio, reflejado internacionalmente en el crecimiento de la Argentina. Para mí ha sido un privilegio poder analizar e interpretar para mi gobierno los grandes cambios y el progreso que se ha producido aquí. En la medida en que dicho análisis y mis recomendaciones hayan servido para la toma de decisiones productivas en Washington, puedo darme por satisfecho de haber contribuido modestamente al acercamiento de nuestros países y al crecimiento de la Argentina.

Se darán cuenta de que no he hablado de "despedida" en esta oportunidad. Esto se debe a que a pesar de las numerosas ocasiones durante los últimos seis meses en que ha sido anunciada mi partida, siempre por fuentes "bien informadas", aún no se me ha comunicado a mí. Estoy seguro de que si siguen pronosticando mi partida, algún día van a acertar. Cuando llegue ese día, como sin duda llegará, me iré de la Argentina como un amigo, con recuerdos profundos y felices del tiempo pasado con un gran pueblo amigo, un pueblo decidido a recuperar su posición de liderazgo en el concierto de las naciones.

Muchas gracias.

(as delivered)

3061 West Pine Valley Road NW  
Atlanta, Georgia 30305  
404/233-1660

# MEMORANDUM

TO: Leon Fuerth  
Nancy Soderberg

COPY: Peter Knight

FROM: Terry Dornbush, DMC Trustee

DATE: October 20, 1992

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Attached is a visionary memorandum from Laurence W. Levine concerning Latin America and key Administration appointments, which, in my view, is worthy of high priority consideration as designated persons develop and implement policy for that region. It seems appropriate to forward it on in view of the article in the press indicating that Anthony Lake stated more than 100 people have been engaged in supplying foreign policy ideas, advice or briefings.

Larry Levine is a close, trusted friend of more than twenty years whom I recommend without reservation as a resource on Latin America based on my knowledge of his expertise.

On matters relating to Argentina in particular, you are not likely to find anyone as perceptive as Mr. Levine, whose family's interaction with that country, both business and legal representation, began in the 1920's. Mr. Levine was informally offered the post of Ambassador to Argentina by President Johnson after he predicted the 1966 coup in that nation while the appointed Ambassador was incorrectly advising the President that a coup would not take place.

Currently, Mr. Levine serves as a director of the Argentine-American Chamber of Commerce. He was President of that group from 1985 to 1988. In 1978 he established the Laurence Levine Scholarship for Argentina at the Harvard School for International Affairs to encourage graduate students from Argentina to study in the U.S.

A Harvard Law School graduate, and a 1955 teaching fellow in the test program that ultimately became the Kennedy Center for Government, his distinguished background is a blend of law, business, international trade and politics. The latter began with his management of the New York office for the Adlai Stevenson Presidential Campaign in 1956. He was National Treasurer of Citizens for McCarthy in 1968.

Larry Levine can be contacted during office hours at 212/732-4646 and at home at 212/689-1333. He has indicated that he will be readily accessible to you to assist in whatever you might ask.

I am certain U.S. policy in Latin America would benefit from the inclusion of his insights.

# LAURENCE W. LEVINE

## MEMO

TO: Torry Dornbush

REFERENCE: I. Transition in Department of State - Three year rule  
II. Latin American Policy  
III. Role of Ambassador Terence Todman  
IV. Role of Assistant Secretary of State for Latin America

This is meant to be informative history with my suggestion at end of memo - as per our conversation Saturday.

### I. History

1. The Department of State professionals just prior to the inauguration of President Carter - joined together to pass a department rule that Ambassadors should be limited to three year terms. I am told this was done in order to protect the professionals from too many "political" appointees. I'm told that this is a department rule and is not a binding law.

2. As a poor example of how this has worked, I'm told that the Department sent up to the Senate Foreign Relations Panel in June a list of 21 appointments - mostly professional but some political - to be confirmed by the Senate prior to its recess. Among these were new Ambassadors to two very important Latin countries, Brazil and Argentina. Some say that these are the two most important Latin countries and I agree with that. I am told that the announcement of the changes was not precleared with the Senate Foreign Relations Committee and that the two Ambassadors now in those countries read about it in the newspapers. Their three year terms ended in June. These announcements, aside from the non professional way in which they were announced, sent shivers up the spine of the Brazilian and Argentine governments - and others because these nations in June were undergoing extreme problems and were relying on the continuity of American advice. (When you announce a change of Ambassador it means he immediately loses his credibility because he or she is being replaced and the governments concerned do not know if it means that he or she, the Ambassador, made a mistake, he or she is not in good standing or that the United States is changing its policy toward the country - or what).

In Brazil the nation was going through an impeachment proceeding for its President. In Argentina there was an election for the Senate in the most important province - the Province of Buenos Aires - and the government was only into the first year of

its privatization program - and our Ambassador is so highly regarded there that his unannounced removal or change has caused a great deal of uncertainty as to future U.S. policy.

3. I am not making a judgment on the "three year rule". I am saying that prior to its enforcement - each country ought to be looked at before a change is made. And no changes should be made by "State" unless they are positive that a new man or woman will be approved immediately and no change should be made on the three year rule if it would be better to keep an Ambassador six months more or until it is the proper time to change him or her. And a cardinal rule ought to be observed - that if a man or woman's three year term ends just prior to a Presidential election - no changes should be made until the election is held here. It's not in the interest of the United States to change Ambassadors prior to a United States Presidential election because United States interests are ill served if a country receives a new Ambassador in let us say August or September and we have an election in November. It serves the State Department professionals interest because if you appoint someone in June - he or she is confirmed in June - he or she goes out in August - it is unlikely that a new President will change that person since it takes a new Ambassador six months to get acquainted with his or her new post.

4. Let me give you an example of how the June fiasco is against United States interests and how it played out in Argentina.

Terence Todman is our United States Ambassador. He is a professional of sixty-six years of age. He has held a host of assignments including Assistant Secretary of State for Latin America under Carter, Ambassador to Spain under Carter, Denmark under Reagan and went to Argentina in June 1989 under Bush. This country has never in its history had better relations with Argentina.

Of course a great deal has to do with their internal decision to have better relations with the United States. But this Ambassador Todman is called "El Virrey" and has done a job that has brought enormous credit to the U.S. He's tough, practical, smart and respected. He picks up the paper in June to see he's being transferred. He automatically loses his potency. The government sends the name of a younger man to the Senate. It's October now. The Senate Foreign Relations Committee won't hear the nominations. I hear it is because of the objection of 1-2 Senators. I doubt he will ever be confirmed.

So the U.S. Ambassador - four months later is sitting in B.A. waiting for his replacement which probably won't come until next February if at all. It's not only embarrassing - it's not in the best interests of the U.S. government. The new nominee may be an excellent man but the Argentine government is at a loss as to what is happening - and our present Ambassador while respected has

much less authority. It also was downright stupid to change Todman before the election here.

## II. Latin American Policy in the Next Administration

Preface. President Bush has done a very good job and devoted a great deal of attention to Latin America. We have an Assistant Secretary of State for Latin America. We do not have an Undersecretary of State for Latin America. After the Secretary of State, we have Undersecretaries for Europe, Asia, Africa - but no Undersecretary for Latin America. Latin America is second class - it has an Assistant Secretary - a post Todman once had under President Carter.

Suggestion 1. Why not give consideration to creating another Undersecretary. An Undersecretary for Latin and South America. That automatically gives the signal to the Latin American people that they are important to the U.S.

I believe politically it would enhance President Clinton, Vice President Gore in all the world. It would show that they understand world politics, that Latin America is as important as Asia, Africa, Europe and on the domestic front think of what it would do to all the citizens of Latin ancestry in the U.S. - they would become first class citizens - as their country would consider the area so important that we raise it to the status of Europe - Africa - Asia. The public relations of this new upgrading, if possible, should be handled with great care to get the maximum exposure for it - such as first clearing it with, then inviting all the Latin American and South American Ambassadors and Consul Generals all over the U.S. to the White House to make the announcement. I'd also write all the U.S. Chamber of Commerces of all these countries. But look into it - see if its possible - put it through careful research.

## III. A Role For Ambassador Todman

I believe careful consideration should be given to designating Todman as an Undersecretary of State whether a new post for Latin America is considered or not. I think of him in a higher position than Undersecretary of State for Latin and South America since he was Assistant Secretary under President Carter. Let me list the reasons this makes a lot of sense.

1. He is a professional of the highest order.
2. He has served in every job all over the world.
3. He has a reputation for integrity - honesty.
4. He has a marvelous political connections through years of service - connections in both parties.
5. Very important. The Latin and South American countries such as Mexico, Brazil, Argentina are very afraid and uncertain about a Democratic administration. The Bush administration as I said before has done a very good job in these countries. Privatization

has taken place and is taking place in Mexico, Brazil, Argentina as never before. Stability in Argentina at least for now is secure. The Mexicans have developed a stock market which is very important. The U.S. investment bankers are doing well. It's a top priority that the Latin and South American countries believe they have an experienced Latin expert at the highest authority of the country and Todman fits the bill - in my opinion - to give them confidence. The South Americans are very worried because their governments give enormous power to a President and with a change of President here, they feel they don't know him as yet. Thus a show of someone very experienced will help our new President. Also I believe our largest export market in the next ten years will be Latin and South America.

There are, in addition, domestic political reasons for this.

1. Todman is sixty-six years of age and the highest ranking black American in the U.S. State Department.
2. He has received this last year the highest award the U.S. can give an employee - and he received it at the White House.
3. The Black Caucus thinks the world of him - they gave him a reception in Congress after the award. They are proud of him as they should be. Congressman Rangel gave it. The entire Senate Foreign Relations Committee attended. I was present.
4. He has held posts all over the world and is an eloquent speaker.
5. Think of the impact internationally of this appointment. Remember the publicity and favorable responses from the appointment of Colin Powell.
6. Think of the domestic political impact of such an appointment here in the U.S. by President Clinton/Vice President Gore. Every black American will be proud. What better role model. I don't know if we ever had a black American Undersecretary of State. We need one and he fits the role - in my opinion.

#### IV. The Role of Assistant-Secretary of State - Latin America

I suggested above that this role be upgraded to Undersecretary. But if it is not - the appointment is the most important for Latin America. I think it's the toughest job in the department.

Talks are going on now about who is to replace the present Assistant Secretary. Every country in Latin America is jockeying around to get influence. I heard that the Foreign Minister of Argentina came up here for a meeting with Anthony Lake and others. I have personally heard that the former President of Argentina Alfonsin - who was not successful in my opinion - thinks his personal power will increase and he can return to power again because a democratic administration will be a "social Democratic Carter Administration". The way to stop all of this is to make sure that the new Assistant Secretary for Latin America has had nothing to do with the past Carter Administration - use a new man

or woman - if possible an experienced professional. President Carter was a good man but unfortunately I don't think you want Latin America talking about a return to a Carter Administration. It was not successful. The person appointed should be new - from the Foreign Service - and totally committed to the Clinton/Gore Administration. I don't mean any personal disapproval of anyone but I'm telling you to steer clear of any well known Carter ideologue for this post. Get your own man or woman.

To show you how people are already jockeying - there is a newspaper in Argentina called Pagina Doce. The purported owner is a man called Verbitsky. He was here purportedly to see retiring Senator Cranston and asking Cranston to hold up a nomination for a new Ambassador so he, Verbitsky, can get the FBI to give him reports to help in a lawsuit in Argentina where President Menem is suing him for libel. I hear that Cranston is doing something. Thus you will need a very strong well experienced professional in this job. If you upgrade it to Undersecretary - I'd recommend Todman if he'd take it. If not I know a Foreign Service officer that's one of the best who would be a good candidate. But put the Clinton/Gore name on it. Nobody from the past that either has an axe to grind or is perceived as having an axe to grind.

Today Chamoun backed away from his dramatic middle-of-the-night charges that 8,000 Syrian troops had invaded Lebanon with tanks, armored vehicles, howitzers and heavy artillery.

The previous day, Israel warned that it would not stand by idly in case of foreign—specifically Syrian—intervention here.

But official Lebanese sources said "There is no truth in reports that Syria has sent its regular troops into Lebanon," said Chamoun tossed down his plith.

He suggested that the troops might belong to the Syria-based Yarmouk Brigade, which is part of the regular military establishment of Fatah, overall Palestinian leader Yasser Arafat's organization.

Elements of the Yarmouk Brigade, although trained and armed by the Syrians, are considered a purely Palestinian outfit. As such, they have been in Lebanon for some time—either, as was the case in September, at the Lebanese government's invitation, or as uninvited guests recently around the eastern city of Zable.

Moreover, most Lebanese do not share Chamoun's and Israel's automatic assumption that the Yarmouk Brigade, or even the Syrian-controlled Saïqa Palestinian commando outfit, are Syrian troops even when they move across the border from Syria.

In the present Lebanese context, the movement of armed men across the border from Syria is interpreted as a means of shoring up the badly battered morale of the Palestinians and leftist Lebanese Moslems.

The best hope for ending the worsening spiral of death and destruction here still seems to lie in Syrian mediation.

The only genuinely positive news of the day was that Maj. Gen. Hikmet Shehadi, chief of staff of the Syria's armed forces was expected back in Beirut Wednesday and persistent rumors that the long-delayed summit meeting between Lebanese President Soleiman Frangieh and Syrian President Hafez Assad was finally about to take place.

Many Lebanese are convinced that the summit meeting will work out a detailed settlement and end the fighting here.

But a trip through the southern part of the Bekaa Valley, a flat, farming plain near the Syrian border, revealed more preparations for war than for peace.

From Maana, the border point on the Lebanese side, down to the town of Chlaoun, armed Lebanese leftists and Palestinians controlled the main Beirut-to-Damascus road and manned numerous roadblocks.

At Chlaoun, where many Christian families had fled Monday when the Lebanese army pulled out and moved to positions on the high ground of the hills and mountains nearer Beirut, cars, taxis and trucks were piled high with family possessions—a familiar sight here in recent months.

But at Maana itself, Lebanese army troops and immigration officials worked normally and denied reports of any Syrian army movement across the border. "No cannon, no Palestinian army, no nothing," the head immigration officer insisted, while admitting that large scale infiltration would normally take a more discreet route.

At nightfall other eyewitnesses saw entire companies of men assembling in side roads and either marching or riding in jeeps toward nearby Lahieh, Zahleh, whose Christian defenders have now been bolstered by Lebanese army reinforcements.

It could not be established whether the troops belonged to the Yarmouk Brigade, which may have been recently infiltrated from Syria or could have been in Lebanon for some time.

But 17 miles due south, at Karaoun, a check refuted Lebanese newspapers' assertions that Syrian-based Palestinian regulars had tried to fight their way past a Lebanese army unit guarding a vital dam on the Litani River last night.

It turned out that soldiers shot and killed two local leftist youths who had just returned three soldiers they had kidnapped to avenge the death of a friend killed in one of the many recent attacks on Zahleh.

#### ADDRESS BY LAURENCE W. LEVINE AT ARGENTINE-AMERICAN CHAMBER OF COMMERCE SEMINAR

● Mr. HOLLINGS. Mr. President, the crying need for American foreign policy is to look at the facts rather than promulgate slogans. Trying to implement a blanket policy for all the countries, or even all the countries in a particular region, is wrong-headed and surely counterproductive to the national interest of the United States.

Nowhere is this truer than as regards our relations with the Government of Argentina. Generally what we hear from the State Department or what we read in the newspapers about Argentina is filtered through the distorting glass of erroneous policy preconceptions.

I was therefore happy to read recently an address by Mr. Laurence W. Levine, given at the Argentine-American Chamber of Commerce Seminar in Chicago. While I do not necessarily endorse or agree with everything Mr. Levine suggests in this address, I do find it a refreshing breeze which blows away a lot of old myths and puts in their place the realities of the situation. It is thought-provoking, and there can be no question but that we need to develop some new thoughts and new approaches to our friend to the South.

"Short term rhetoric is no substitute for long-term planning," Mr. Levine says, and his speech provides the kind of new perspective we are going to need for long term planning.

Mr. President, I hope that this piece can stimulate some thinking and clear up some misconceptions. I ask that the text of Laurence Levine's perceptive speech be printed in today's Record.

The text of the speech follows:

REMARKS BY LAURENCE W. LEVINE

#### INTRODUCTION

Ladies and gentlemen: Chicago is the industrial capital of the United States. More heavy machinery is manufactured here than anywhere else in the United States—your airport is the busiest in the world and your commerce and industry has had one of the greatest growths in our recent history. I know the City pretty well because part of my family has been here over 50 years in the publications business and I have watched the growth of the City through the growth of the trade journal publication. I hope that I tell you today will help you in knowing Argentina a little better and will add to the continual trade and human relationships our two nations have and should continually have.

I am basically a lawyer. Through the last 20 years I have represented a number of Argentine firms, industries and people in the United States. Through those contacts I have watched the Argentine scene very carefully for 20 years and since this is a place for humility I will tell you that in my opinion I may not know the Argentine people or country better than any other American but I don't think that any other American knows it better than I do.

I've been asked to comment on the political situation today in Argentina which is a big order. But, in my opinion, it is absolutely essential that the American and Ar-

gentine business and professional community start to develop better relationships and binding ones and the only way to do that is by hard and constant work of groups like this Chamber and we must get more knowledge on Argentina.

For when we understand each other's systems the bonds will get stronger. And to be very blunt with you, there is a generation gap between Argentina and the United States and it will not be filled in 4 years and not filled at all unless we work at it on both sides. The gap exists because since 1941—as I will explain—it had been impossible to have continued strong ties because the Argentines could not deliver.

Now since 1976, they want to deliver and our government does not want to deliver. I think now that since it is our country that is at fault, we in the business and professional area have to take the bull by the horns and try to educate the people we elect and the people they appoint.

I want you to know one thing. I do not represent any individual or organizations in Argentina or here politically. I have no affiliation politically or militarily in Argentina. My remarks are based on my own personal assessment after 20 years of work and a knowledge of the panorama of Argentina and I do not support or propound any ideology except I believe in freedom and the individual—and peace.

I believe firmly that it is not the function of any American or of our country to claim success for Argentine victories or take the blame for Argentine failures. It is their country and it is their job to make of it what they want.

#### HISTORICAL PERSPECTIVE

In 1958, I thought Argentina would emerge as a major nation. It is a country that up to then had two main ingredients—food and finance—then it went full speed to make itself sufficient on the third F—fuel. I was wrong. Internal pressures stunted the development I expected.

Argentina was basically an agricultural nation that dealt with Europe. It sold its products there. We, in the United States were competitors in the sale of agricultural products. So, although there were wonderful relations between the two countries, they were not that important because of markets and distance. Argentina developed her primary relations until 1941 with her major trade buyer—Europe—but the Argentine constitution is a model of ours.

The period of the 1930's saw large waves of immigrants to Argentina—this time from western and eastern Europe, as opposed to the first waves from Italy and Spain. As the Country had been agricultural—the political parties such as they were, revolved around the agricultural interests. The new immigrants of the 1930's were not farmers. They went into small industry and large industry. Since Argentina had only 20 million people, the question really was—how do you develop an industrial society?

The United States had faced the same problems in the 1860's and we did it with the Civil War where the industrial north fought the agricultural south.

The basic problem, I think, in Argentina, was how do you divide the peso between agriculture and industry.

General Juan Peron came to power in the 1940's by forming a coalition of the newly created industrial unions and the newly created corporation organizations and the plan they thought would work was for a form of government based on state participation in industry based on the Italian model of the 1930's. The theory was that Argentina could not develop everything herself as she did not have the capital, the people or the technology so state help was needed. This resulted, I believe, because President Peron had been military attache in Italy in the 1930's and respected this system.

There began the problem in the develop-

October 5, 1979

ment of the country—how do you divide the resources?

It is not for any of us here in Chicago to judge a president, a party or a plan of any foreign country and I won't do that. My own opinion is that Argentina, in 1941, was a better off country—it had all the meat and wheat—Switzerland had the money. Argentina stayed neutral and because it was not involved in World War II, neither the then political leaders or the then military leaders were exposed to the new facts of life after the war, that is, that because of the mutual bankruptcy of England and France and Germany and Italy, (where the Argentines had their major pre-World War II connections) the capital of the world moved to New York and Washington.

But a combination of Argentine pride and the history of its past riches, its self-sufficiency on food and its basic wealth earned in World War II, made it complacent.

Argentina was like a rich son with a big trust fund. He gets lazy and does not keep up with what is happening. Argentina had everything in 1945—brains, minerals, food—a big surplus. It lacked world knowledge, and I think the political parties that were in power then will admit that to you.

From 1945 to 1976, with few exceptions, some leaders of Argentina were of the opinion that the United States was the "imperialist" nation of the world and for some reason we were not needed or to be trusted. They did not realize that, as Argentines had changed in the post-world war period, so had the Americans. We had a new generation, and a new world, and old words like "nationalism" and "imperialism" were dead—and the world capital moved to New York and Washington.

The period from the 1940's through 1953 was dominated by President Peron. He had never visited the United States. I think he still believed that the world was run from Europe, where he had served as a military attaché. Since Argentina was dominated by his political dominance for 12 years, he had a great influence on the country.

After President Peron's departure in 1953, Argentine governments alternated between elected Presidents and military interventions. There was President Frondizi and he was deposed after he permitted elections in the Province of Buenos Aires and the Peron party won. He was replaced by President Guido, the then President of the Senate, with the military in de facto charge. Then an election was held and President Illia was elected president in 1963. He annulled the oil contracts that President Frondizi had approved and which built the Argentine oil industry. Argentina paid just compensation as they always do—but a bad taste was left in the United States—and in some quarters—in Argentina.

The Argentines had a state-owned oil company and they took over the private oil fields. When Saudi Arabia decided that they wanted to take over the private oil fields of their country, they did not nationalize them. They quietly asked to negotiate to buy the stock which they did. I have often wondered why the Argentines did not do the same. They would have paid, less and still owned it.

Then, Dr. Illia was deposed by the Army in 1966 and President Onganía ruled until 1970. He was deposed by another Army General, General Levingstone, who lasted about a year, and he was deposed by another Army General, General Lanusse, who called for elections in a year or two.

Then elections were held in 1973, the Peronists won again and General Peron returned to replace the party candidate, Dr. Campora.

Many Argentines and others thought that President Peron, in 1972, would unite Argentina which since his departure in 1953 had veritable activity. But the United States had a theory which I believe was correct. Stay

neutral—let the Argentines sort out their problems themselves.

We also believed that if President Peron could visit the United States, he would and change Argentine-United States relations.

President Nixon had been the arch anti-communist and he alone changed the relationship with China—Peron had been the arch "Anti United States"—so he could change the situation.

To that end, the Export-Import Bank loaned money for the purchase of a Presidential plane—a 707—equipped as a hospital for the Argentine President and arrangements were made for President Peron to visit the United States in December, 1973.

#### ARGENTINA TODAY

President Peron died, the head of the Senate took over and then Mrs. Peron took over and was President until the spring of 1976 when the military again stepped in as the country was on the verge of an economic collapse.

I believe that the military came in this time with a degree of sadness of all the Argentine people at what had happened to their country and I think that the military were determined this time that they had to create a system that would work and take Argentina into the 21st century and restore the confidence of the Argentines in themselves and restore the confidence of the world in Argentina. There is no last chance in government—but the Argentine people were tired.

Throughout all of this, I think you see that the military occupies in Argentine society a major source of power. I think that occurs because no real lasting political system continued in Argentina or where party politics was strong enough or disciplined enough to rule the nation and I think what is occurring now is a learning process where a highly intelligent, very cultured people, with the 3 P's (food, fuel, finance) are determined that the economic and political mistakes of the past will not happen. Argentina has a long history of political parties so politics is not a new game. What is new is the rules.

I believe that Argentina has gone the full cycle of 360 degrees and that everyone realizes that Argentines are no better than anyone else and that in order for them to have peace and prosperity they must, and I mean must, get out into the western world of the major first line nations and develop the economic and political intelligence and systems that reward efficiency and inspire individual initiative rather than state socialism in an Argentine way fitted to their needs and ability.

For the first time the Argentine private and public sectors are expanding into the United States, Europe and Japan. In New York, Los Angeles, San Francisco, Miami and Chicago they have their state banks, one also here in Chicago. Their airline is here. Their oil company is in Houston and more important than the state entities—the private sector is also coming here. This has not ever happened here before. All Argentine banks are coming here.

The private sector is no longer afraid to show its face and they know that it is they that must expand the Argentine presence abroad.

I think that there is a learning process going on—where they, Argentines, want to return to a system that rewards private initiative. That process will not be done in 4 or 5 years. It will take 10-20 years because of two reasons. (1) People in Argentina will want to be sure that the process continues and people all over the world will want to see that it continues; (2) the process will not be accomplished quickly in Argentina because you cannot change a nation's way of doing business or thinking quickly when

they grew up in one way of thinking for a generation. But I am sure that the Argentines know what they must do—they want to do it—and they must be left to their own devices to work it out in their own way without foreign intervention. The Argentines have a lot of common sense and I rely on their good judgment. The further development of more business contacts with them will stimulate the process.

I hope that the Argentines realize that the worst mistake they could make now would be to try and take out their political frustrations at the administration in Washington by punishing American economic interests. The opposite should happen. If I am right that political relations follow from economic relations then it is in Argentina's interest to continue to stimulate business relations with the United States—irrespective of the political climate here now because the stronger the economic ties here the stronger the political ties will get. Economic power always brings political power and Argentina will develop political power internally and internationally again.

The one thing that I believe the Argentine military knows (and I think this because I have read their printed speeches in public media) is that the Argentine people want them to develop plans to return the country to a participatory system where unions and political parties will take their place. Those plans, as I read them, are taking place but the military as the political leaders today do not want to make the mistakes of the past and they want foundation laid which will result in lasting political processes.

If I am right—I think that today in Argentina the people want to take their place in the community of nations as a major force in the geopolitical world in order to better themselves. In order to do that they need to join the Board of Directors of the western world whose capital is in New York and Washington in order to join in the economic-political fight for the hearts and minds of men. Argentina does not want to be neutral. It wants to be where the action is to take part in the fascinating struggle.

The political power today is in the military—a junta of 3 men representing the 3 services and they pick a 4th man—a president.

I think and hope that these military men who have the political power were entrusted with that power to develop a system that would incorporate a sound political, economic and social base before returning that power to the political parties and unions, they have said, in a gradual process that will insure democratic institutions. Right now the process is to insure peace and security.

But I do not comprehend how any foreign nation including ours, can try to tell any country how to run their nation even if we believe there are abuses in the process.

What would our people think if the Argentine Foreign Office held a press conference once a week or once a month and the press officer, a young and totally inexperienced, well-meaning young man said that Argentina took offense at the arrest of a group of pickets at a New York police station, a group of youths in a New York subway attack, a bust up of a dope ring, the killing of police or the Ku Klux Klan meetings?

We would be infuriated and particularly if our Vice President was off in China signing mutual aid agreements and offering the assistance of the Corps of Army Engineers to help rebuild China's hydroelectric plants which only 15 years ago we wanted to destroy and stating that we wanted a mutually good relationship with China which killed purportedly 15 million people and took over all private investment?

We do want and need a good relationship with China. It is 25 years too late. It took us

2 wars in Asia—in Korea and Watergate. It took the loss of two of our major assets, the dollar and a generation of our youth and now we want not only peace with China but we want to assist her to rebuild and use American machinery.

Wg. In my opinion, may not consider Argentina as important as China in the geopolitical world and it may not be as important—but I would like to ask you ladies and gentlemen from Chicago one simple question.

If you, without any political experience, saw a country with 10 billion dollars in assets, with a very great need for American technical assistance, with an open and expressed drive to purchase this heavy equipment and technology, with a 6% unemployment rate in the United States, with an enormous planned recession here, with a 40 billion dollar deficit in our national budget, with a projected 10 billion dollar trade deficit, with a dollar that officially is devalued by 15% this year by inflation, and a nation like Argentina finally says to you, we want to try and reestablish a mutually acceptable relationship with you and buy from you billions of dollars of goods, which we can pay for and really don't need charity—would you in Chicago take one of your young public relations men and have him call a press conference once a week and try to tell them how to run their country and secure of the orders?

You would, I believe not only not do that—you would send not your assistant vice president of public relations to a press conference to denounce the purchaser—you would send your president or vice president as we did in China and try to create the conditions of sell them.

#### UNITED STATES POLICY TOWARD ARGENTINA TODAY

That is why I say that in my opinion the United States' attitude toward Argentina is ill thought out, destructive not constructive and it not only will have little effect in the human rights area but it will turn the country off in their attitude toward the United States, when, if I am correct, all segments of Argentine society want those restored and strengthened.

The policy today toward Argentina is like United States policy toward China in 1955—1978 when the United States lost not only billions of dollars in business but more important—we fought two wars in Asia and lost our two most precious assets—our youth and our dollar.

The United States Vice President, Mr. Mondale, has just returned from China and has given the Chinese a package which includes 5 billion dollars of Ex-Im credits and the use of our Corps of Army Engineers to assist China to build her hydroelectric plants that General MacArthur once wanted to destroy. The rapprochement was necessary—I helped with it in 1955-1972. But what do we have to do to make our leaders understand that for the first time in 30 years I believe all segments of the Argentines realize that they need a relationship with us—that the western world will benefit from a relationship with a strong neighbor—that the Argentine people are closely tied to us ethnically from the same immigrant stock, that they have the political muscle to make that relationship—and that with the recession and 40 billion dollar deficit we have, they have 10 billion dollars and need the same hydroelectric material China does—and they can pay for it.

Why do we not mention human rights in China and in Argentina make it the number one subject when the matter can be handled as it should diplomatically? The answer is that the President and Vice President think China is important—and since they don't think Argentina is important—they let inexperienced underlings handle it with Argentina. It should be our Ambassador's job and I think he can get better results than a young man in the State Department.

I say that while the Argentines are not perfect—not are we—it's time for the Vice President and President to take hold of our Argentine policy and to recognize that short term rhetoric is no substitute for long term planning. Human rights are very, very, very important but the policy here was initiated to use with the Soviet Union as a bargaining wedge and since she won't listen to us as she keeps arming Cuba with one hand and signing agreements with the other—we use it against those we perceive as weak. That is not only immoral in an allegedly moral administration but Argentina is important—it has 10 billion dollars, needs our supplies and even forgetting her strategic importance facing the sea lanes where 75 percent of our oil supplies pass—she can be a partner of the western world in the economic war for the control of men's minds and hearts. I know she has some internal problems. So do we. But it's her business, not ours.

I suggest to you that twice before in the history of our lifetime, the United States has made historic mistakes in its political-economic relations with a nation. The first, of course, was in China, when at the end of World War II, Chou En Lai and Mao Tse Tung suggested to our Ambassador Patrick J. Hurley, that the United States could assist in the rebuilding of China. He did not pass the information along to Washington, but instead the two foreign service officers were fired.

That led to a 30 year war in Asia. Then in Argentina, when an election was about to be held in the 1940's, the United States Ambassador, Spruell Braden, at the suggestion of the then Secretary of State, Cordell Hull, issued a White Paper and interfered in the internal affairs of the country publicly and one of the presidential candidates campaigned against the United States and won.

Now, while I don't know what the future will bring—a government wishes to have cordial relations and we are again violating the role of doing what is best for us—which is at least staying neutral—and we are trying to tell them what is good for them. And the people who are trying to tell the Argentines what is good for them don't even know what is good for themselves—as exemplified by the domestic-political climate here with a 13-percent inflation, a soaring crime rate, a deteriorating dollar, 320 dollar gold and a policy in Cuba where the right hand does not know what the left is doing.

Nations need an incentive to work. Argentina needs that incentive. Let them work it out for themselves.

#### CONCLUSION

The last decade was a political seminar for the Argentines. No case study at Harvard could have ever been set up like it.

Argentina, I think, is quiet now—a little sad at what happened but optimistically expectant as Ogden White has stated. I think phase one of the economy is over. Let's look at the scorecard. I said before that I don't represent the Argentine economic team or the military team and I don't. Banco de la Nación which I set up in 1972 in New York and which makes millions changed their lawyers when this government came in because someone said our firm was not prestigious enough! I think the score is very good—

(a) Inflation is 150% or more down from 1000%. That's not great and it is a major problem but it is something—with full employment.

(b) Grain exports are at a record despite an alleged over-valued peso which again allegedly makes production a waste of time.

(c) Cattle stocks are at a record despite the highest record of consumption in the history of Argentina.

(d) Complaints are that it is uneconomical to raise cattle or to eat it but consumption is at an all time high.

(e) Oil production is near self-sufficiency.

I maintain that all of these results and complaints, some real and some unreal, show the start of the democratic process the Argentines need. No longer do you fire a Minister because you don't agree with him. The success of all of this is that people are arguing and that is the democratic process. You will not evolve a plan in four years—it may take 10 but the Argentines want a plan.

Finally, Argentina's booming exports have produced 7 billion dollars of exports due to good luck in harvests and management. There is another 3 billion dollars of inflow of cash because of the high interest rates in dollars. That is 9 billion dollars.

Argentina is now one of the most solvent nations in the world. It can have a reserve for bad crop years and can get international loans as a good risk, can discourage speculation, keep the local exchange market quiet and Argentines can travel and spend money freely—all because of these reserves. And I think these reserves will grow as international prices for raw materials continue to increase under the influence of higher oil prices. This favors Argentina—which I repeat has the three F's—food, fuel, finances. And the international prices of manufactured goods that Argentina needs will not rise at the same rate as agricultural products because the energy hit crisis countries will not be able to consume so much and these products will be sold cheaper abroad.

Now phase two must start—Argentina will have to modernize her industry, and can either import more goods or its local industry. If it sees stability, will have confidence to reinvest. I pray to God that after all these years the Argentines will work out their differences calmly, quietly and cautiously because with food, fuel and finances they have it all for the first time. They need to worry about their middle class, their industrial sector and how to resolve their differences.

And I pray that someone can convince our President, the Congress and our nation that with these assets and the Argentine needs and our recession, balance of payments deficit and general malaise, we ought to, at the minimum, be staying neutral and at the maximum we ought to be trying to sell to the Argentines and helping develop the root of a relationship which will produce for the next generation of Argentines and Americans peace and prosperity. That is how the human rights problem will be solved.

#### ACID PRECIPITATION POSES GROWING THREAT TO HEALTH, NATURAL RESOURCES, AND PROPERTY

• Mr. HEDNZ. Mr. President, as you are no doubt aware, mounting scientific evidence suggests that the phenomenon of "acid rain" so prevalent in North-eastern and other States is causing serious damages to plant and aquatic life, farmland, property, and human health.

I today had the opportunity to testify before the National Commission on Air Quality, which is investigating the causes, chemistry, transport, and environmental effects of acid rain. My testimony directed the Commission's attention to several recent studies of the harmful effects of acid rain and announced my cosponsorship of legislation to create a national acid precipitation task force. This measure, S. 1734, was introduced by my distinguished colleague from New York, Senator MOYNIHAN. In addition, I suggested a number of steps which could be taken immediately to reduce the environmental and health hazards posed by acid rain.

I ask that there be printed in the

**Laurence W. Levine, Esq.**

Toastmaster at  
Book and Author Luncheon

To Introduce

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**"Argentina —  
A Nation at  
the Crossroads  
of Myth  
and Reality"**

*By Ricardo Zinn*

An English Translation of  
*"La Segunda Fundacion  
de la Republica"* - A book published  
in Argentina in 1978

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**At Cosmos Club,  
Washington D.C.  
May 2, 1979**

**At The Harvard Club  
New York, N.Y.  
May 14, 1979**

I am delighted to welcome you here today to The Harvard Club in New York, our nation's commercial, business and banking capital and the commercial capital of the world, to launch the publication in the United States of the first — and one of the most important — books on Argentina translated into English in many years. That in itself is a major milestone in the friendly relationship that has existed for many years between the two nations and which many people are working at to try and improve and which we here see expanding so incredibly.

This is strictly a literary event today. It is not sponsored by any government, any agency of a government, no organized party or group, and it has nothing to do with politics or economics. It is a private luncheon, hosted by a publisher well-known in academic circles with more than 40 years in the business, who decided to publish an English edition of a very profound book published in Argentina in 1977 about Argentina. It is the second of two such luncheons. The first was in Washington last week.

The publisher asked me to assist in editing the English translation because of my background as a lawyer representing Argentine clients in this country for many years, and in turn they asked me to serve as master of ceremonies at the luncheon. I congratulate them for their good choice!

Lawyers, like civil servants, are expected to remain in the background and to be discreet and silent on most occasions. But before I introduce Dr. Zinn, our honored guest, I cannot resist the opportunity to take a few minutes to say a few words about Argentina and the United States, a subject that needs more public airing and a subject I really believe I know very well.

The introduction to this book was written by a very distinguished man, a friend of mine for more than 20 years before his untimely death last year, the late Ambassador Robert C. Hill. I met him while I served as lawyer for Northeast Airlines and he was a Director. Bob Hill, while serving in four different

foreign capitals as U.S. Ambassador, had the uncanny ability to pursue U.S. interest first and foremost, yet to also acquire the deep respect and friendship as well of the people and the countries he served in.

Bob Hill cared about the right of the ordinary Argentine citizen to live in peace and security at a perilous time when, thank God, not having experienced this we did not really comprehend what was going on.

Bob Hill felt that a book such as Dr. Zinn's which analyzed the Argentine situation so well might not only make a major contribution to the education of the next generation of young Argentines, but could help explain Argentina to the United States, a deep-seated need according to the former Ambassador. Hopefully, it could help bridge the generation gap as well that has existed for many years between the two nations due to the fault of both countries, not our people. He looked forward to being the master of ceremonies here today and since nobody can really take his place, I shall not try.

I am happy that, aside from all our other memories, we have this introduction not only to assist in the mutual understanding of the two countries, but to perpetuate some of Bob Hill's thoughts.

Now let me talk about Argentina and direct my talk to the American audience.

There are, in my opinion, four basic "fuels" needed to make a society or a nation develop and flourish.

One is *fuel for our bodies* — the food that we need to eat and live.

The second is *fuel as a source of energy* — be it oil, gas, coal, wood, nuclear energy or even solar energy.

The third necessary *fuel is finance* — to turn the wheels of industry and commerce.

Finally, there is a fourth necessity — the *fuel for thought* whether it be expressed in the media or a nation's literature. This fourth necessity — literature is what brings us all together here today.

There are very few nations that possess all four "fuels" in abundance. This is something to ponder as we listen to today's main speaker talking about a nation that is no stranger to the international community but a country with the latent potential to become an even greater and more powerful force in South America, the Southern Hemisphere and the world.

I do not intend to detail this afternoon the recent history of Argentina. Dr. Zinn's book does that. But, as a student of Argentina with many years of practical experience with that country, I would like to make just a few brief comments as I see it and as I believe other Americans view Argentina.

We know the future of Argentina rests in the hands of the Argentines and not the U.S. or anyone else.

After twenty-five years of constant change in Argentina, during which we have seen many governments, and the lack of understanding that has grown and developed in the intellectual, political and economic processes between the two nations — the United States and Argentina — one cannot expect things to change quickly.

Argentina was — and still is — a wealthy nation which served as a "bread-basket" for Europe for many years prior to World War II. In fact, the U.S. and Argentina competed to sell the very same products — wheat, corn and meat. Both nations have similar ethnic immigration patterns and the people are very much like one another.

During the 1930's, Argentina started to industrialize. The question at that time was, how does a nation with only 20 million people blessed with great agricultural resources, industrialize? Argentina faced the same problem that America faced — and solved years before. How do you divide the peso or the dollar between agriculture and industry? That is really the root of the problem.

Due to the lack of enough trained personnel, industrial supplies, and finance, some Argentines felt that the State should do it; another group said let's develop an integrated agricultural society, and still another said let's produce everything ourselves.

A system evolved in Argentina of state participation in industries and private enterprise. Dr. Zinn's book analyzes this problem very well.

There are two major differences between our two nations which are the key to Americans understanding Argentina. The first difference is that we here believe in a system that has developed over the years, a system that expands, contracts, occasionally breaks down like our unparalleled Civil War in the 1860's and Vietnam in the 1960's — but basically the system has served its purposes. Argentina believes more in an individual and his or her team. Our Executive Branch has less power than the Argentine Executive Branch.

The second major difference is that we generally do not believe in the federal government's direct investment in an industry. Instead when we create an industry or a business, we form a government agency to regulate it and we are now going through a process of analyzing each agency — I can personally tell you from years of experience in airlines and banking that the whole system is changing.

In 1976, both nations emerged from a generation of war and domestic turmoil. We also fought a domestic and a generation war in our cities during the 1960's — and a war in Asia against a supposed enemy — China — and in 1972 we made peace with China.

And, in the process, we lost our two most valuable possessions — a generation of our youth and the value of our dollar.

Now we are attempting to solve the moral and economic problems caused by the 1960's and Vietnam while attempting to rekindle faith in the dollar in the world money markets while we import 50% of our fuel and see our dollar controlled by 600 billion dollars of Eurodollars outside the country.

Argentina at the very same time fought a violent civil war over ideologies and in 1976, with a certain degree of sadness but with practically the support of all sectors of society a military government had to step into restore peace to Argentina. For a good part of that time some Argentines thought that Russia and the U.S. would fight a war and therefore they should not ally with either. I sincerely believe that the Argentine people and the government are determined to turn the country around again, to get its house in order, to restore the confidence of the people and the world in Argentina while establishing the parameters for a stable and economically viable society in the years ahead — to make sure that its youth have a good future and to make sure that Argentina with its potential, its human ingredient, its people, takes its place in the community of nations as a power.

It is a big order — it will take planning, education, patience, and help from both the Argentine people and the world community if it is to succeed. But it is largely an Argentine problem, and it has to have an Argentine solution — and the military and the civilian leaders have a great responsibility in living up to the opportunities afforded them and the expectations of the world.

New York is a good example of what is happening. For 25 years Argentina had one company, Aerolineas Argentinas. In 1972, we had the privilege of opening Banco de la Nacion at 299 Park Avenue, a suggestion we made in 1961 in a plan to develop Argentine economic influence abroad. Starting in 1976, a large number of Argentine firms started coming here. It was no longer politically bad to show your face here. I believe every Argentine of every persuasion realized that whatever they might think of the United States — the facts of life are that after World War II the political and economic capitals of the world moved from London to New York and Washington and while some Argentines might talk about "Nationalism and imperialism", they realized

in 1975-1976 that these two words had been eliminated from the dictionaries of Russia and China and not used by them for 20 years. Those two nations realized that even if they didn't like us, they had to live with us. Argentina lost a lot of time.

Now we see a large number of Argentine banks and other companies coming here — I hope carefully and slowly — to test the waters and not expect miracles because, as Adlai Stevenson once said, "Climb each step of a ladder slowly and make sure you have a firm grip on the step below before you climb the next step." We have already had one bad experience with an overambitious person.

I am sure that with such ideas and help from people like Dr. Zinn and others that Argentina will be successful so that our two nations can enjoy the profitable, close mutual relationships they deserve — and so that both can contribute to a better world for tomorrow.

There is one thing that I am certain of and nobody can convince me otherwise. The Argentines must be left in charge of Argentina and continue to develop a system of government and commerce based on their national customs and experience and faith in the Argentine way of life. I think that every Argentine of every persuasion realizes that Argentina in 1979 is not Argentina in 1939. The Argentine establishment of the agricultural sector and the new industrial sector must learn how to compose their differences and build a strong Argentina. As the process develops, neither the United States or any other nation must take credit for Argentine successes or Argentine failures. The Argentine people have that responsibility — just as the United States people must, if they are able, learn to accept the reigns of leadership that they inherited after World War II.

The luncheon here today, the first of its kind in New York with an Argentine author as guest, is testimony to the fact that the Argentines know what

they must do to break down the communications barriers that have too long existed between the country and the outside world.

I feel confident that as the development process continues to take place between Argentina and the rest of the world, including our nation, that a new generation of Argentines and Americans will understand the commercial and political realities of the world and evolve a relationship that works within those bounds — and that we will develop leaders and respect success.

I truly hope that the leaders of both governments — Argentina and the United States — will exercise the discretion, the intelligence, and indeed even the tolerance that I know they have to help bring this about and I hope that the business community and all interest groups will work towards making our government informed in our interest in Argentina and deepening a good relationship. For as I said at the beginning, there are very few countries in the world that have food, fuel, finance and good literature. Argentina and the U.S. are two of these and so therefore we need each other.

Now, let me introduce Dr. Zinn.

I met Dr. Zinn 15 years ago when our office did some work for a private Argentine entity here in New York. I have watched him climb the ladder by diligent hard work. I know his family and call him a friend. He is, at his young age, a man of great intellectual capacity, broad economic success and a good moral person. He started at Siam Di Tella, worked in the Argentine government, was President of the Banco Internacional, advisor to Sasetru and is now Managing Director of the Banco Italia y Rio de la Plata with an office at 450 Park Avenue here in New York.

He has carefully attempted over the years to learn about the American process, our systems and our unique eccentricities and I consider him a student and a good student of the United States — and like a

good student -- he continuously asks questions and argues. I have told him on more than one occasion that we are far from perfect and we make, like all nations, a great deal of mistakes. But I think he knows that there is a reservoir of good feeling here for Argentina and like a reservoir it needs pumping.

Dr. Zinn, I believe, is one of a growing number of people who do try to understand us and it is through people like him that Argentina and the United States will begin to understand each other better.

I consider this book to be a profound intellectual contribution of the calibre of the writings of the great 19th century Argentine intellectual, Alberdi, and I hope it will assist in the education of our next generation of Americans.

It is a pleasure and privilege to introduce Dr. Ricardo Zinn.

**DECEMBER 27, 1991**

**Nº 4496**

# **THE REVIEW**

## **OF THE RIVER PLATE**

**ESTABLISHED IN 1891**

**LESSONS OF THE LATEST OIL TENDER**

**Menem in the U.S.A.: An Authoritative View**

**The Stand-by: Relax Until Next Time**

**The Budget Approved - On Time**

**Unemployment Declining Slowly**

**The Aerolineas Sale Concluded**

# THE REVIEW OF THE RIVER PLATE

REVISTA DEL RIO DE LA PLATA

ESTABLISHED IN 1891

A JOURNAL DEALING WITH  
ARGENTINE  
FINANCIAL, ECONOMIC, POLITICAL  
AGRICULTURAL AND SHIPPING  
AFFAIRS

ALSO DEVELOPMENTS IN OTHER  
SOUTH AMERICAN COUNTRIES

DECEMBER 27, 1991

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## Dr. Lawrence W. Levine

Dr. Lawrence W. Levine has been a member of the Argentine-American Chamber of Commerce since 1956, a Director since 1960 and President from 1985 to 1988. He has been counsel to Aerolíneas Argentinas since 1958 and he obtained the license to open Banco de la Nación in New York. Banco Intercambio Regional, and Banco Internacional. His law office won the case of *Mirabella v. Banco Industrial de Argentina* for the bank in 1989. He is Director of Venture Advisers of Santa Fe, New Mexico which has five mutual funds on the New York Stock Exchange with total assets of over \$ 800 million. He is a member of a number of United States corporations in California, Arizona, and New York. He has written widely on Argentine affairs for many Argentine and United States newspapers and magazines. He set up the Lawrence Levine scholarship fund at Harvard Law School for Argentine graduate students in 1976.

# An Authoritative View of the Menem Visit

President Carlos Saúl Menem can be very proud of his visit to the United States. Personally, he did a first class job. His visit should set the tone for a continual good relationship between the United States and Argentina as President Menem attempts to define a new role for the Peronist Party and Argentina and the United States attempts to strengthen its relationship with Argentina.

President Menem will take back with him not only the personal commitment of the President and the Administration to assist Argentina, but with at least two concrete results. The first accomplishment is the opening of middle term credits of up to seven years from the Export-Import Bank, which came as a result of the incredible lobbying job done by Ambassador Todman. The second victory is the commitment of Secretary Brady that the United States will lobby the IMF to approve what is called the "extended support facility," which the IMF has the power to give. He also takes back the good will and confidence of many people and groups, especially the Bush Administration.

I, as a Director of the Argentine-American Chamber of Commerce for over twenty years, and a member since 1955, and its President

from 1985-1988, have participated in the visit of every Argentine President since Arturo Frondizi in 1958. I am thus able to talk as an expert (my definition of an expert is one that must be born with three hands so they can say "on the other hand. "). I'm also sixty years of age so I've watched the panorama of Argentina through the same eyes as the President, who is sixty-one years of age.

I don't think I am overstating the case by saying that this visit was the most productive visit of an Argentine President in our times, but it must be tempered by the times we live in. President Frondizi made an excellent visit in 1958 and President Alfonsín was here on several occasions, but the circumstances were far different for these elected Presidents. Presidents Videla, Viola, and Galtieri visited here before or after inauguration, but they were not elected Presidents, and Argentina did not have the economic problems that it now has, nor were these governments in power to change old policy. Presidents Campora, Lanusse, Levingstone, Guido, and Illia did not visit as Presidents. President Perón had planned a state visit here on December 7 of the year he died and I helped plan that trip. Unfortunately, he never made it. He

died in July 1974. I believe that if he had visited the United States then, the United States and Argentina might have been talking in 1974 as they are now.

There are two major differences between the visits of President Frondizi, President Alfonsín, and President Menem, which I think are the only visits we can compare. These were all elected officials. In the case of Frondizi-Menem, Menem enjoys, as he said so eloquently at the National Press Club on Friday, October 15, wide political support in Argentina as evidenced by the mid-term elections of September 8 and October 27, 1991. President Frondizi did not enjoy wide political support at home, as he had to look over his shoulder each day to see if there might be a military coup, such as the one which replaced him. In addition, he had difficulties with his own party, the Radicals, from which he had broken away and the Peronists, whom he attempted quite properly to integrate into the Argentine political panorama.

As far as the visits of President Alfonsín, they were technically well received by the press and all supporters of democracy. But most of the political and business institutions of the United States were very cool to him, as they knew that

he and his most intimate allies, particularly his "grey eminence," his foreign minister, were more interested in attempting to be the leader of an alleged third world, which they had no chance of doing, than of rejoining the first world. Everyone in the United States knew that it was a huge waste of effort and time to take them too seriously. President Reagan, who enjoyed far more popularity than President Bush does domestically, remembered well that his daughter Maureen travelled to Buenos Aires to be the principal speaker at an event planned for a year by the Argentine American Chamber of Commerce entitled "How to Do Business in a Changing World Environment," and President Alfonsín, for whom the event was planned to give him economic credibility, reputedly at his Foreign Minister's request, cancelled his appearance at the 'Encuentros' opening and would not attend it or receive any of the foreign guests for the entire week because he was afraid of offending the Third World countries whose vote his Foreign Minister was courting. Maureen Reagan, soon to be the Deputy Chairman of the Republican Party, stayed in Buenos Aires two extra days hoping to be received by the President, and nobody wanted to see her. When she returned to the United States she reported this to her father and to Vice-President Bush. The Argentine Foreign Minister, who visited the United States the week following the 'Encuentro' was asked about this at a meeting with Ambassador Frank Ortiz and Assistant Secretary of State Eliot Abrams in Washington and is reported to have said that Maureen Reagan never asked for a meeting. I personally asked the Foreign Minister at a meeting of the Council of Americans why President Alfonsín had cancelled at the Encuentro and he replied with fire in his eyes that "he was too busy." I personally discussed this episode with then Vice President Bush and Maureen Reagan.

This time President Menem visited the United States with political credibility, which has led to political stability since February 1991 when his Minister of Foreign Affairs, Mr. Cavallo, became Economy Minister and after a very hectic

year, which we can hopefully forget, when there was a military uprising, several changes in his cabinet, and hyperinflation.

The other major difference between the Menem visit now, the Frondizi visit thirty years ago, and the Alfonsín visits is a fact of life working against Argentina. President Menem should well consider it. It is not fatal, nor is it of his doing, but it will slow things down. The United States is in a major economic recession which some call a depression. (Some will not even say it's a recession). I have always said that the definition of a recession is when your neighbour is out of work. When you are out of work it is a depression. In winning the war over Communism, some say that the Soviet Union is breaking apart and the United States is broke financially. Despite what you hear, I, as a Director of several companies, believe what I said in Buenos Aires in September of this year—that this recession is enormous with our banks in horrible condition and the banking system saved only by \$ 500 billion of aid from Congress. Our real estate is a disaster and unemployment is nearly 7 per cent. Corporations are losing a lot of money. President Menem was here on Friday, November 15, when the stock market had its fifth worst day in its history.

So, as some people say, Argentina has "got religion" but at a very unfavourable economic time. Nevertheless, I say that it's better to get religion even late in life than never at all. All this means is that although President Menem has done a wonderful job forging a new policy and is a master salesman, he has to be aware that private investment from the United States will be cut by this strong recession, coupled by the caution of American companies that had large losses in prior years. He should further realise that as the recession increases, American corporations will cut foreign operations and come home to factories that are "leaner and meaner" with lower overhead costs. This means that Argentine industry will have a harder time competing with cheaper production here. And he has to be aware of our poor domestic economy and political pressure in the

Republican right to cut foreign aid. President Menem enjoyed spring-like weather in Washington, New York, Houston, and Miami, which was very unusual for this time of year. President Bush did not enjoy the political storm that occurred after a stock market crash on Friday, and the announcement that two Republicans in the right intended to oppose him in the New Hampshire primaries. That is also unusual at this time of the year.

Nevertheless, I am an optimist. Because of the political stability and credibility of Argentina, I believe that there will be investment, slower than people expect, but steadier and from a different source. That source will be first from the Argentine money abroad and secondly from the United States investment money managers who manage billions of dollars on the financial side. Argentine capital markets will expand. In addition, some smaller U.S. companies will get their feet wet because of the new trade treaty that the President signed in Washington, which guarantees the respect of invested money. And finally, U.S. government agencies will begin to open their doors again. The first such episode occurred while the President was here and Ing. Jorge Domínguez, General Manager of Yaciretá signed for the opening of a \$ 700 million from Ex-Im Bank that had previously been granted.

The Menem visit has been also assisted by United States faith in him as a political engineer, and by the fact that his trip to the United States was preceded by a steady line of visitors from all parts of the Argentine panorama, including his minister of state and economy and including what is perceived as the de facto head of at least part of the opposition party, Governor Eduardo Angeloz of Córdoba, who has continually attested to the fact that President Menem has done is what the Argentine people want. Angeloz is also well respected in the United States. So there is a perception here that the Argentine people for the first time in a long while have the political support for the proposed economic programme.

## ARGENTINE RATES OF EXCHANGE

### Banco de la Nación Selling Rates

Closing Quotations (In Australes)

| CURRENCY                       | Dec. 10  | Dec. 11  | Dec. 12  | Dec. 13  | Dec. 16  | Dec. 17  | Dec. 18  | Dec. 19  | Dec. 20  |
|--------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| 2 Sterling . . . . .           | 17930.18 | 17947.01 | 17947.01 | 18070.89 | 18101.81 | 18085.75 | 18115.48 | 18199.72 | 18457.37 |
| 1 U.S. Dollar . . . . .        | 9910.00  | 9910.00  | 9910.00  | 9910.00  | 9910.00  | 9910.00  | 9910.00  | 9910.00  | 9910.00  |
| 1 Canadian Dollar . . . . .    | 8730.71  | 8695.03  | 8697.11  | 8688.10  | 8682.15  | 8660.35  | 8652.42  | 8606.84  | 8588.99  |
| 1 Austrian Schilling . . . . . | 897.35   | 892.59   | 891.80   | 891.80   | 894.18   | 899.83   | 899.83   | 908.37   | 907.95   |
| 1 Belgian Franc . . . . .      | 306.52   | 305.33   | 304.73   | 305.03   | 305.92   | 307.21   | 307.51   | 309.89   | 314.24   |
| 1 Danish Crown . . . . .       | 1628.23  | 1620.29  | 1617.31  | 1621.28  | 1623.28  | 1629.20  | 1629.20  | 1641.10  | 1663.88  |
| 1 Deutschmark . . . . .        | 6283.93  | 6282.94  | 6278.98  | 6280.85  | 6296.43  | 6339.43  | 6316.63  | 6376.09  | 6469.24  |
| 1 Escudo . . . . .             | 71.28    | 71.06    | 70.71    | 70.58    | 71.05    | 71.78    | 71.85    | 72.09    | 71.89    |
| 1 Finnish Mark . . . . .       | 2330.83  | 2321.91  | 2319.93  | 2324.89  | 2333.81  | 2336.78  | 2336.78  | 2350.85  | 2372.45  |
| 1 Florin . . . . .             | 5577.35  | 5571.40  | 5565.48  | 5576.38  | 5585.28  | 5590.23  | 5614.02  | 5651.87  | 5733.92  |
| 1 French Franc . . . . .       | 1844.25  | 1844.25  | 1842.27  | 1843.26  | 1847.22  | 1849.21  | 1852.18  | 1887.04  | 1894.79  |
| 1 Lire . . . . .               | 8.30     | 8.31     | 8.32     | 8.31     | 8.33     | 8.38     | 8.37     | 8.42     | 8.51     |
| 1 Norwegian Crown . . . . .    | 1605.42  | 1600.47  | 1599.47  | 1602.45  | 1607.40  | 1611.37  | 1613.35  | 1622.27  | 1643.07  |
| 1 Peseta . . . . .             | 98.24    | 98.29    | 98.19    | 98.09    | 98.87    | 98.82    | 99.22    | 99.97    | 101.49   |
| 1 Swedish Crown . . . . .      | 1727.31  | 1723.35  | 1722.36  | 1727.31  | 1729.30  | 1735.24  | 1738.21  | 1747.33  | 1770.91  |
| 1 Swiss Franc . . . . .        | 7100.52  | 7121.33  | 7120.34  | 7109.43  | 7118.35  | 7149.07  | 7134.21  | 7171.86  | 7282.85  |
| 1 Yen . . . . .                | 77.10    | 76.77    | 76.81    | 77.10    | 77.22    | 77.24    | 77.28    | 77.36    | 77.78    |

On the closing day for this table the unofficial (exchange dealer) rate of the US\$ A 9,910 nominal per dollar. 1990: 5.580.00

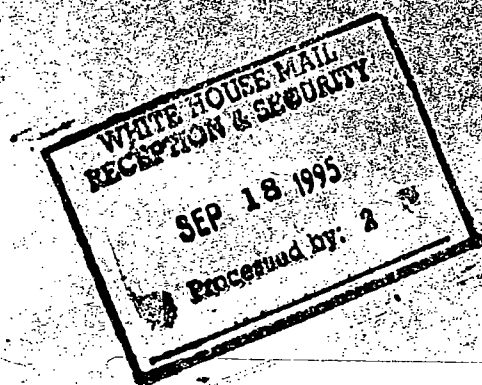
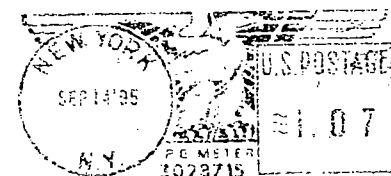
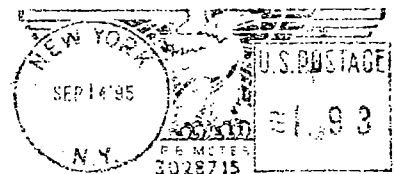
I want to close by giving a toast to the teams that worked on this visit from both countries, but a special toast to a man that I don't believe gets enough credit for the political talent he uses here in the United States to assist Argentina. I am referring to our U.S. Ambassador Terrence Todman, who arrived here on October 28 and began a twenty-four hour a day programme to nail down all the programme in Washington and whose efforts convinced the powers in Congress how important it was that President Menem addresses a joint session of Congress. That address was not decided until the last minute, and not by the White House but by Todman convincing Congressman Dante Fascell of Florida, an old friend of his and Chairman of the House Subcommittee on Latin America. Congressman Charles Rangel, Speaker Tom Foley, Senator Hatch, and others that President Menem deserved the honour because of his sending troops to the Middle East in the Gulf War, voting at the United Nations on Cuban Human Rights and voting for the independence of the Baltic States. This honour was given to President Me-

nem when it was not given recently to the President of Brazil and it occurred only because of Todman's overpowering lobbying effort. The Democratic controlled Congressional leadership and the Republican minority had to be convinced.

If anyone were to ask me my conclusion on the trip and what of the future I would say the following: "Well done President Menem. You should be proud of what you did and how you did it. You are a professional in the best sense of the world. But remember that history doesn't change overnight. The U.S. is in a vast economic recession that is getting worse, with a Presidential election year which I believe will focus solely on our economy and demands that foreign aid be cut. So don't expect miracles. You represent a very great nation and we recognise that you are receptive to the changes that have taken place in the world. You realise that the word "imperialism" died after World War II when England left India and that Argentina belongs to the first world. Continue to show good relations and changes, but don't think that George Bush will do it all. He

can't even though he appears to want to." (I wrote a memo last January suggesting awards to Americans who have performed service to Argentina and I am told that will happen.) "Investment will return slowly and from places and industries unheard of. Don't expect big deals at least for a while, but if confidence and stability continues I expect after some rough times in both countries the future will be bright. But temper euphoria with the reality of the economy here and the political problems in an election year in the United States, where the President will be confronted with enormous problems relating to his management of the United States economy and will face a primary in his own party from one and possibly two people who will ask that foreign aid be cut. And don't forget that although you are due 90 per cent of the credit for the success of your visit and for the great changes happening in your country, the people in the United States believe that you are the engine leading an Argentine people that want economic stability after all these years of instability."

PHOTOCOPY  
PRESERVATION



Mrs. Hillary Clinton  
The White House  
1600 Pennsylvania Ave., N.W.  
Washington, D.C. 20500

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BIGHAM ENGLAR JONES & HOUSTON  
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THE WHITE HOUSE  
WASHINGTON  
September 22, 1995

Ms. Ginger Lew  
General Counsel  
U.S. Department of Commerce  
HCHB  
14th St. and Constitution Ave., NW  
Washington, DC 20230

Dear Ms. Lew:

Thank you so much for your wonderful opened regarding the importance of the First Lady's attendance at the UN Fourth World Conference on Women. We are appreciative of your support, your leadership, and your service on the delegation. It was wonderful to see you in Beijing.

Again, thanks and best wishes. We look forward to continuing to work with you.

Sincerely yours,

Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

September 22, 1995

Ms. Ginger Lew

Dear Ms. Lew:

Thank you so much for your strong op-ed  
regarding the importance of the First Lady's  
attendance at the UN Fourth World Conference  
on Women. We are appreciative of your  
support. It was wonderful to see you in  
Beijing. *wonderful*

Again, thanks and best wishes. *We look*

*forward to continuing to*  
Sincerely yours, *work with*

Melanne Verveer  
Deputy Chief of Staff  
to the First Lady  
*you.*

*Your leadership and your  
service in the delegation.*

# TELEFAX

August 28, 1995

To: Milan

fax 456-6244

From; Ginger Lew

phone 482-4772

home (703) 528-1963

beeper (800) 225-0256

Pin no. 551-4698

Re: Draft Op-Ed

Attached is a draft of an op-ed that may be published in the San Francisco Chronicle, San Jose Mercury and/or Los Angeles Times. I have been asked, as the senior Asian American appointee of the Administration, to write the op-ed. It defends the Administration and the First Lady's decision to participate in the Conference, and it counters some of the specific criticisms of Harry Wu. I'd appreciate any comments you have ASAP. We are trying to get this to the newspapers by tomorrow AM.

I have sent this for clearance and comment to Mary Ellen Glenn, Kathy Hendrix, and Jan Piercy.

Pls note: many of the U.S. policy positions were taken from previously cleared text.

Response?  
a note to  
thank her for  
placing

On the eve of the U.N. Conference on Women, commentators continue to debate whether the United States should attend the Conference, and if so, at what level of representation. The controversy centers around two central, but misunderstood assumptions. First, some organizations contend that the Conference is contrary to American values, and is anti-family. Second, there is some sentiment that the United States should boycott the Conference because of *China's* poor human rights record.

The Conference is neither anti-American or anti-family values. And while the concerns regarding human rights are well-motivated, they miss the main point: the way to further human rights is not to abandon the field to others, but rather to join the Conference, shed light on these issues as they relate to women, and to find levels of engagement that promote positive reform.

This is the fourth world conference on women. These gatherings have spurred legal, social and political reforms that have enhanced the lives of women and girls around the world. Public awareness of women's issues has been heightened, and governments encouraged to implement policies which *strengthen* families. When women and girls have equal access to education, they have the chance to break the cycle of poverty in which too many families are trapped. Studies show that women's wages rise 10 to 20% for each year of education they receive. And, each year of basic education of mothers is associated with 5 to 10% decline in child mortality. We know that when families are strong, children are cared for, socially constructive values are taught and an environment is created in which civility and law can thrive.

The Clinton Administration has very clearly defined goals for this Conference: to promote and protect the human rights of women and to end violence against women; to expand women's participation in political and economic decision making; to assure equal access for women to education and health care throughout their lives; and to

strengthen families through efforts to balance work and family responsibilities of both women and men.

Almost everywhere around the world, women and girls are restricted by discriminatory attitudes and social and economic structures that are unjust. While it is true that the Conference has attracted a broad spectrum of individuals who have advocated their particular viewpoints, it does not mean that those views, however far left or right they may be, are the official views of the United States delegation. All members of the United States delegation, both men and women, support actions which educate, empower, and provide health care to women; stop violence against women; and enable women to meet responsibilities at home and work. These common values unite us, and provide a common foundation from which to build.

There are also those who argue we should withdraw from the Conference because of China's poor human rights policies. One of the most vocal critics has been Harry Wu, just released by China after being convicted on charges of spying. As a second generation Chinese American myself, I have a high regard for Mr. Wu's efforts to highlight China's poor practices, and support his efforts to bring about change; but I must respectfully and strongly disagree with his recommendation.

It does not make sense, in the name of human rights, to boycott a conference that has, as a primary purpose, the promotion of human rights; the opening of windows, not the closing of doors. The best way to promote democratic thinking is to expose people to new ideas on matters that relate directly to their own lives. More than 5,000 Chinese women participants - - most of whom could not otherwise attend a conference abroad - - will attend the Non-Government Organizations forum. Their impressions and ideas will be brought back to their communities.

Our participation offers another opportunity for engagement with China's leaders and citizenry. President Clinton made an important foreign policy decision to delink renewal of China's most favored nation status and human rights. Clearly, for the United States, few relationships are as significant, or more complex than that between

the U.S. and China. President Clinton's policy of engagement recognizes that our two nations must deal with each other on many levels and that problems on one level should not forestall progress on another. Indeed, this Administration's policy of engagement is based upon the fundamental realization that our relationship with China should not and must not be flipped on and off like a light switch.

I have been privileged to accompany Secretary of Commerce Ronald H. Brown, widely acknowledged as the best Secretary in the Department's history, on several trips to China - all of them related to trade and commercial activities. Engagement on as many levels as possible will be a *sine qua non* of stability and of strength. Just as our relationship with Germany, France or Japan is built on a number of platforms, so must we approach our relationship with China. It is a policy that demands a great deal of maturity, judgment and wisdom from both the United States and China.

We have a strong, broad-based United States delegation going to the Women's Conference, led by First Lady, Mrs. Hillary Clinton, U.S. Ambassador Madeleine Albright, UnderSecretary of State for Global Affairs Tim Wirth, former Governor and college president Tom Kean, Secretary of Health and Human Services Donna Shalala, and others who bring tremendous experience and diversity of backgrounds. I am proud to be a member of the delegation, and am committed to move an agenda for positive change action for the next decade.

Ginger Ehn Lew serves as General Counsel of the U.S. Department of Commerce, and is one of 160 Asian Pacific American appointees of the Clinton Administration. Ms. Lew is a second generation Californian, and resides permanently in the San Francisco Bay Area.

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August 28, 1995

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Pin no. 551-4698

Re: Draft Op-Ed

Attached is a draft of an op-ed that may be published in the San Francisco Chronicle, San Jose Mercury and/or Los Angeles Times. I have been asked, as the senior Asian American appointee of the Administration, to write the op-ed. It defends the Administration and the First Lady's decision to participate in the Conference, and it counters some of the specific criticisms of Harry Wu. I'd appreciate any comments you have ASAP. We are trying to get this to the newspapers by tomorrow AM.

I have sent this for clearance and comment to Mary Ellen Glenn, Kathy Hendrix, and Jan Piercy.

Pls note: many of the U.S. policy positions were taken from previously cleared text.

On the eve of the U.N. Conference on Women, commentators continue to debate whether the United States should attend the Conference, and if so, at what level of representation. The controversy centers around two central, but misunderstood assumptions. First, some organizations contend that the *Conference* is contrary to American values, and is anti-family. Second, there is some sentiment that the United States should boycott the Conference because of *China's* poor human rights record.

The Conference is neither anti-American or anti-family values. And while the concerns regarding human rights are well-motivated, they miss the main point: the way to further human rights is not to abandon the field to others, but rather to join the Conference, shed light on these issues as they relate to women, and to find levels of engagement that promote positive reform.

This is the fourth world conference on women. These gatherings have spurred legal, social and political reforms that have enhanced the lives of women and girls around the world. Public awareness of women's issues has been heightened, and governments encouraged to implement policies which *strengthen* families. When women and girls have equal access to education, they have the chance to break the cycle of poverty in which too many families are trapped. Studies show that women's wages rise 10 to 20% for each year of education they receive. And, each year of basic education of mothers is associated with 5 to 10% decline in child mortality. We know that when families are strong, children are cared for, socially constructive values are taught and an environment is created in which civility and law can thrive.

The Clinton Administration has very clearly defined goals for this Conference: to promote and protect the human rights of women and to end violence against women; to expand women's participation in political and economic decision making; to assure equal access for women to education and health care throughout their lives; and to

strengthen families through efforts to balance work and family responsibilities of both women and men.

Almost everywhere around the world, women and girls are restricted by discriminatory attitudes and social and economic structures that are unjust. While it is true that the Conference has attracted a broad spectrum of individuals who have advocated their particular viewpoints, it does not mean that those views, however far left or right they may be, are the official views of the United States delegation. All members of the United States delegation, both men and women, support actions which educate, empower, and provide health care to women; stop violence against women; and enable women to meet responsibilities at home and work. These common values unite us, and provide a common foundation from which to build.

There are also those who argue we should withdraw from the Conference because of China's poor human rights policies. One of the most vocal critics has been Harry Wu, just released by China after being convicted on charges of spying. As a second generation Chinese American myself, I have a high regard for Mr. Wu's efforts to highlight China's poor practices, and support his efforts to bring about change; but I must respectfully and strongly disagree with his recommendation.

It does not make sense, in the name of human rights, to boycott a conference that has, as a primary purpose, the promotion of human rights; the opening of windows, not the closing of doors. The best way to promote democratic thinking is to expose people to new ideas on matters that relate directly to their own lives. More than 5,000 Chinese women participants -- most of whom could not otherwise attend a conference abroad -- will attend the Non-Government Organizations forum. Their impressions and ideas will be brought back to their communities.

Our participation offers another opportunity for engagement with China's leaders and citizenry. President Clinton made an important foreign policy decision to delink renewal of China's most favored nation status and human rights. Clearly, for the United States, few relationships are as significant, or more complex than that between

the U.S. and China. President Clinton's policy of engagement recognizes that our two nations must deal with each other on many levels and that problems on one level should not forestall progress on another. Indeed, this Administration's policy of engagement is based upon the fundamental realization that our relationship with China should not and must not be flipped on and off like a light switch.

I have been privileged to accompany Secretary of Commerce Ronald H. Brown, widely acknowledged as the best Secretary in the Department's history, on several trips to China - all of them related to trade and commercial activities. Engagement on as many levels as possible will be a *sine qua non* of stability and of strength. Just as our relationship with Germany, France or Japan is built on a number of platforms, so must we approach our relationship with China. It is a policy that demands a great deal of maturity, judgment and wisdom from both the United States and China.

We have a strong, broad-based United States delegation going to the Women's Conference, led by First Lady, Mrs. Hillary Clinton, U.S. Ambassador Madeleine Albright, UnderSecretary of State for Global Affairs Tim Wirth, former Governor and college president Tom Kean, Secretary of Health and Human Services Donna Shalala, and others who bring tremendous experience and diversity of backgrounds. I am proud to be a member of the delegation, and am committed to move an agenda for positive change action for the next decade.

Ginger Ehn Lew serves as General Counsel of the U.S. Department of Commerce, and is one of 160 Asian Pacific American appointees of the Clinton Administration. Ms. Lew is a second generation Californian, and resides permanently in the San Francisco Bay Area.

THE WHITE HOUSE  
WASHINGTON

September 21, 1995

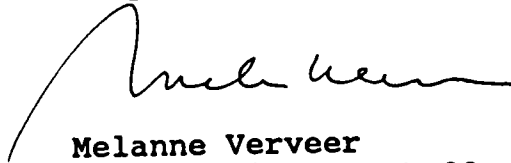
Ms. Rosemary Loar  
477 Broome St. Apt. 24  
New York, NY 10013

Dear Ms. Loar:

Thank you so much for sending the beautiful song on tape called "Take a Look (Through Women's Eyes)" which you wrote in honor of the UN Fourth World Conference on Women. I found it very inspirational.

Thanks again and best wishes to you in all your endeavors. We're big fans of Theresa's and we're sorry we missed you during our brief stay in China.

Sincerely yours,



Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

*I've heard so much about you and look forward to meeting you someday. Thanks for supporting "The Cause".*

*brief stay in China*

Ms. Rosemary Loar  
477 Broome St. Apt. 24  
New York, NY 10013

Dear Ms. Loar:

Thank you so much for sending the beautiful song on tape called "Take a Look (Through Women's Eyes)" which you wrote in honor of the UN Fourth World Conference on Women. I found it very inspirational.

Thanks again and best wishes to you in all your endeavors.

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Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

We're big fans of  
Theresa's & we're  
sorry we missed  
you during our  
brief stay in China

# ROSEMARY LOAR

477 BROOME STREET

APARTMENT 24

NEW YORK, NY 10013

30 August 1995

Ms. Melanne Verveer  
Rm. 100  
Old Executive Office Building  
Washington, D.C. 20500

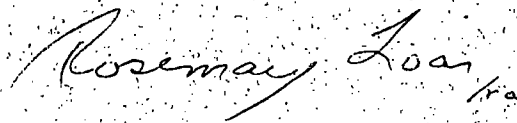
Dear Ms. Verveer:

Marjorie Margolis Mesvinski suggested that I contact you.

Enclosed, please find a cassette tape of a song that Marjorie especially wanted you to hear. The song, which I wrote, is "Take A Look (Through Women's Eyes)." It was written specifically to embody the theme of the United Nations 4th World Conference on Women, which is "Looking at the world through the eyes of a woman."

I am a member of the cast of the Broadway hit musical SUNSET BOULEVARD, and I will be performing "Take A Look (Through Women's Eyes)" in Beijing as part of a North American cultural event being sponsored by the N.G.O. Forum.

With my sincere best regards,

A handwritten signature in cursive script that reads "Rosemary Loar". To the right of the signature, there is a small, handwritten mark that appears to be "ra".

Rosemary Loar

encl.

rl/ra

PHOTOCOPY  
PRESERVATION



## Clinton Library Transfer Form

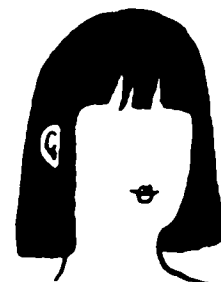
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|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------|-------------------|-----------------|------------|
| Case #, if applicable     | 2013-0534-S                                                                                                                          | Accession #       |                 |            |
| Collection/Record Group   | Clinton Presidential Records                                                                                                         | Series/Staff Name | Melanne Verveer |            |
| Subgroup/Office of Origin | First Lady's Office                                                                                                                  | Subseries         |                 |            |
| Folder Title              | MV Correspondence July 1995 to May 199                                                                                               | OA Number         | 10253           | Box Number |
| Description of Item(s)    | Audio Cassette tape recording, "Take a Look (Through Woman's Eyes)" by Rosemary Loar, 1995. Stored in AV regular storage on 12-5-9-5 |                   |                 |            |

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ROSEMARY LOAR

477 BROOME STREET

APARTMENT 24

NEW YORK, NY 10013

MS. MELANNE VERVEER

Rm. 100

Old Executive Office Bldg.

Washington, D.C. 20500

THE WHITE HOUSE  
WASHINGTON

September 19, 1995

Mr. Daniel L. Laver  
Director  
Department of the Area Agency on Aging  
County of San Diego  
9335 Hazard Way  
Suite 100  
San Diego, CA 92123-1222

Dear Mr. Laver:

The First Lady asked me to thank you very much for the information and video regarding your department's "MOM-o-grams" program. Mrs. Clinton was pleased to know that your annual Mother's Day event was dedicated to the advancement of mammograms. Your work is most imaginative and you have the satisfaction of knowing you are saving lives.

Please give Zennie Cummings our regards. We have wonderful memories of our visit to San Diego. Best wishes for all the work your organization does and thanks again.

Sincerely,

Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

ment  
9 mammograms  
we work  
is most  
imaginative  
and you  
have the  
disfortune  
leaving  
and helping  
save lives.

Zennie  
our reg.  
we have wonderful  
memories of our  
visit to San Diego

September 16, 1995

Mr. Daniel L. Laver  
Director  
Department of the Area Agency on Aging  
County of San Diego  
9335 Hazard Way  
Suite 100  
San Diego, CA 92123-1222

Dear Mr. Laver:

*The First Lady asked me to*  
Thank you very much for the information  
and video regarding your department's "MOM-o-  
grams." ~~Because she is a strong advocate for~~  
~~increased awareness of women's health issues,~~  
~~the First Lady was pleased to know that your~~  
~~annual Mother's Day event was dedicated to~~  
~~her mammogram cause.~~ *to the advancement*

*program*  
Best wishes for all the work your  
organizations does and thanks again.

Sincerely,

Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

*I mammograms  
your work  
is most  
impressive  
and you  
have the  
satisfaction  
of knowing  
you are helping  
to save lives.*

*Please give  
Zennie Cummings  
our regards.  
We have wonderful  
memories of our  
visit to San Diego.*



Thank

# County of San Diego

DANIEL L. LAVER  
DIRECTOR  
(619) 495-5885  
FAX 495-5080

DEPARTMENT OF THE AREA AGENCY ON AGING

9335 HAZARD WAY, SUITE 100, SAN DIEGO, CALIFORNIA 92123-1222

August 28, 1995

Melanne Verveer  
Neel Lattimore  
Karen Guss  
Office of The First Lady  
The White House  
1600 Pennsylvania Avenue  
Washington, DC 20500

Dear Melanne, Neel, and Karen;

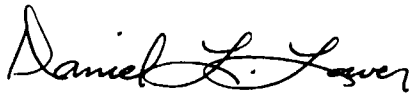
We thought you'd be interested in knowing what has happened since our conversations last spring about our **MOM-o-gram** program launch. As you may recall, some of the ideas discussed during Mrs. Clinton's listening session in National City so appealed to us, that we decided to dedicate our annual Mother's Day event to her mammogram cause. In order to give you an idea of the program identity we've created over the past few months, we're sending a "care package from MOM." The material includes: newspaper edit and ad clippings; sample coupons (Phase 1 and 2); videotape with news coverage segments and PSA produced and aired by KUSI-TV; "rose" flyers (pre- and post-launch versions); sponsor newsletter articles; and, participant list. We've included copies of an ad that appeared in 18 community papers during the month of August as part of our public information campaign. The ad is also scheduled to appear in the October issue of KPBS *On Air* Magazine, along with a feature story about the program. We are working on several other promotional opportunities in October, to tie into Breast Cancer Awareness Month. Implementation of the program is in full swing. And, as you might have guessed we've found it's not easy to "redeem" the coupons. Outreach and follow-up activities will conclude the end of November.

We also thought you'd like to see clippings featuring "local talent"; the women from our area featured in the public service spots for the national launch. In closing, we'd like to extend an offer to help in any way we can during the life of the national campaign. For example, if a representative from the Administration addresses the NAMP membership at their annual conference next week about this cause (see attached correspondence), and

Melanne Verveer, Neel Lattimore, Karen Guss  
August 28, 1995  
Page 2

you have any questions about the San Diego tie-in, please don't hesitate to call Rhonna Burrelle at (619) 495-5769. If Biologix develops more TV spots, and a decision is made to feature a local outreach effort, we hope you'll consider featuring our **MOM-o-gram** program.

Sincerely,

A handwritten signature in cursive script that reads "Daniel L. Laver". The signature is written in black ink and is positioned above the typed name and title.

Daniel L. Laver  
Director

Enclosures

PS. We have a favor to ask. If you could locate four invitations from the May 1 White House event, we would love to pass them on as mementos to those who received a telephone but no written invitation. The invitations would be passed on to Eva Bejar, Belma Middleton, Blanche Sloan, and Rhonna Burrelle. Zennie did receive an invitation by mail.



# County of San Diego

DANIEL L. LAVER  
DIRECTOR  
(619) 495-5885  
FAX 495-5080

DEPARTMENT OF THE AREA AGENCY ON AGING

9335 HAZARD WAY, SUITE 100, SAN DIEGO, CALIFORNIA 92123-1222

July 7, 1995

Jackie Nedell  
Communications Director  
US Department of Health and Human Services  
Hubert H. Humphrey Building, Room 634-E  
200 Independence Ave. SW  
Washington, DC 20201

Dear Jackie,

As I mentioned when we met on June 19, there is significant interest across the country in our effort to bring mammograms to San Diego's hard-to-reach elderly. And, as you know, our crusade started with the national campaign initiated by Mrs. Clinton and DHHS. We launched our six-month MOM-o-gram program on Mother's Day, after securing resources to guarantee that 2,500 of San Diego county's hardest-to-reach elderly will be given mammograms--completely pre-paid, with transportation, escort service and follow-up care included. The interest in what we are doing in San Diego includes the message (the relationship between age, breast cancer, and mammography under-utilization), the package (*free* mammograms, including transportation and escort service) and the vehicle (home delivery and congregate meal programs).

I've had several conversations with Richard Lipner from San Francisco. Rich is the vice president and conference chair for the National Association of Meal Programs (NAMP). One result of those conversations is that NAMP would like to invite Mrs. Clinton to address their membership at the annual conference in Reno, Nevada. The conference is scheduled for September 5-8 (see attached draft).

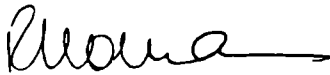
As we discussed, I think this forum would be terrific for The First Lady. It creates one more opportunity to advance the objectives of the national mammography campaign. She could speak directly with hundreds of disseminators of information to older women in communities across the country. Further, it associates her with a message to ensure the indigent, the uneducated, and the isolated elderly are not forgotten in this crusade. Mrs. Clinton's participation does make a difference. Her leadership during the National City listening session was the catalyst for us to dedicate our Mother's Day delivery to the mammography campaign.

Jackie Nedell  
July 7, 1995  
Page 2

Other themes important to the administration could be drawn from San Diego's collaborative effort: it's another example of citizens, government, and private industry--*including* the health care industry--overcoming social and structural problems to make a difference (ie, compensates for the inadequacies/gaps in health care services). To give you a quick overview of the action-oriented program we pieced together, I've enclosed some sample material from our launch.

My questions for you: how do we compel Mrs. Clinton to accept NAMP's invitation? Is it best for you to make the recommendation to Neel and Melanne? Should an invitation, similar to the attached draft, be sent directly to Mrs. Clinton? I'll give you a call in a couple of days to see what you think. In the meantime, on behalf of NAMP and myself, thanks for anything you can do to help get Mrs. Clinton to say yes to the invitation!

Regards,



Rhonna Burrelle  
Executive Assistant

P.S. For your information, Fernando Torres-Gil is scheduled as the keynote speaker at one luncheon during the conference.

Enclosures

cc: Richard Lipner, Executive Director, Meals On Wheels of San Francisco, Inc.; NAMP  
Vice President and Conference Chair



National Association  
of Meal Programs

#### OFFICERS

##### *President*

Beth Landon  
P.O. Box 5988  
N Little Rock, AR 72119  
501-688-7423

##### *President Elect*

Barbara Harris  
1000 Macon  
Fort Worth, TX 76102  
817-338-4433

##### *Vice President*

Richard H. Lipner  
1375 Fairfax Avenue  
San Francisco, CA 94124  
415-920-1111

##### *Secretary*

Margot Clark  
P.O. Box 912  
Crown Point, IN 46307  
219-662-9236

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Jacquette Smith, WI - At-Large

*National Office Director*  
Fild A. Borden

101 North Alfred Street  
Suite 202  
Alexandria, VA 22311  
(703) 548-5558  
Fax (703) 548-8024

June 22, 1995

The First Lady  
The White House  
Washington, D. C. 20500

Dear Mrs. Clinton:

The National Association of Meal Programs (NAMP), the oldest and largest organization of those serving meals to people in need, applauds you for your efforts to encourage older women throughout this nation to protect their lives and health through regular mammograms. There could not be a more important message for America's older women, nor could there be a more effective and important spokeswoman.

Unfortunately, however, not all seniors have the opportunity to hear your message through the conventional means of the media. Many are isolated and do not read newspapers, watch television or interact regularly with their neighbors. Yet they are just as vulnerable to breast cancer as women who do. As providers of home delivered meals to the homebound elderly throughout America, our NAMP members are in daily contact with literally thousands of these women. In fact, those who deliver senior meals may be the only people some elderly individuals see during the course of a day or week. When they deliver meals to the homebound, our members and those who work with them do more than address nutritional needs. They become resources who also deliver vital information. No other group has the same capacity to reach isolated elderly women as we do.

From September 5-8, 1995, NAMP will hold its 21st annual conference in Reno, Nevada, and we anticipate that some 400 meal providers will participate. We believe that our meeting would provide you with a marvelous opportunity to speak directly with those hundreds of disseminators of information to, and trusted confidants of, homebound elderly women in urban and suburban and rural communities across America.

It would be the highest honor and privilege if you would join us sometime during that week to address a plenary session of the conference about this issue and ways that they can be effective in assisting you in delivering your important message. We would, of course, arrange our program to accommodate your schedule, should you be able to join us.

Your office may contact either me or our National Office in Alexandria, Virginia, should you have questions or need more information. We appreciate your consideration and sincerely hope that you will be able to join us. Again, we support and applaud your efforts.

Sincerely,

Richard Lipner  
Vice President and Conference Chair

**DRAFT**

**DRAFT**

THE WHITE HOUSE  
WASHINGTON  
September 18, 1995

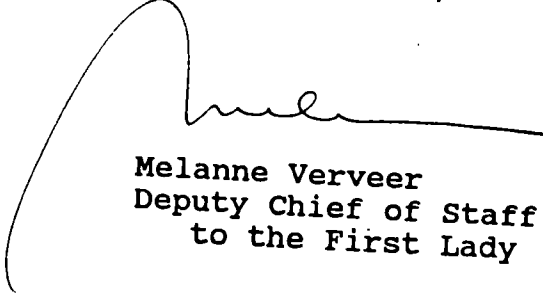
Ms. Wendy Schaetzel Lesko  
Executive Director  
Activism Project 2000  
PO Box E  
Kensington, MD 20895

Dear Wendy:

I'm sorry I'm not the best  
correspondent. I appreciate your keeping in  
touch. Thanks for the materials from the  
boys. I'm glad everything worked out.

Now the hard part begins!

Sincerely yours,

  
Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

*The battles  
never end.*

Ms. Wendy Schaetzel Lesko  
Executive Director  
Activism Project 2000  
PO Box E  
Kensington, MD 20895

Dear Wendy:

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Now the hard part begins!

Sincerely yours,

Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

WENDY SCHAETZEL LESKO  
Executive Director

# Activism<sup>2000</sup>

## PROJECT

Encouraging Youth Initiative Through Participation

August 14, 1995

Melanne Verveer  
Office of the First Lady  
White House  
Washington, DC 20500

Note

Dear Melanne,

In late July, Morgan and Max Lesko sent you a bundle of information about their five years of work regarding cigarette vending machines. We are still overwhelmed that Morgan was invited to join the delegation for the President's announcement last Thursday in the Oval Office and then Max and Morgan returned together to attend the President's Saturday morning radio address. I just wanted to drop you a note to thank you for doing whatever you did behind the scenes to involve my sons in this historic event. You and others gave them the opportunity of a lifetime. Marilyn Jaeger and Dan Wexler were terrific as were so many other White House staffers. Many many thanks.

Si se puede!

Wendy



Has a letter  
p's

Dear Wendy -  
I'm sorry I'm not  
the best correspondent.  
I appreciate your keeping me  
in touch. It was me  
hard part begins!  
from the boys.

# The Washington Times

WASHINGTON, D.C., FRIDAY, AUGUST 11, 1995 \*\*

PHONE: (202) 636  
SUBSCRIBER SERVICE: (202) 636

## President attacks teen use of tobacco



Photo by Cliff Owen The Washington Times

**Smoke joke:** President Clinton enjoys a laugh after Morgan Lesko (far right) tells him a story about children buying cigarettes from vending

machines. To Mr. Clinton's left are Marco Acevedo and Melanie Petzold. The teen-agers were invited to the tobacco break-down by an



July 26, 1995

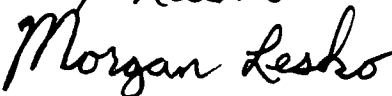
Melanne Verveer  
Office of the First Lady  
White House

Dear Ms. Verveer,

We know Mrs. Clinton is concerned about the health of America's children and we know that the President is considering to ban all cigarette vending machines in the country. We don't trust what the tobacco companies say because they help pass laws which sound good but if you read the fine print, the bills are actually very weak. It is like trusting the fox to guard your chickens.

We have been buying cigarettes from vending machines for 5 years to prove that it can be done even when there is a "responsible adult" less than 10 feet away. This proves that even when there are people around six-year-old kids can buy cigarettes. Even these "responsible adults" (like store managers and hotel cashiers) don't enforce the law, but the tobacco companies make it sound like it will work.

With this letter we have included several articles and our testimony before the state legislature. Also we made a 5-minute video which tells our story. It would be terrific if you could find time to share this with Mrs. Clinton and possibly the President himself. We think we can trust and count on President Clinton as opposed to the tobacco villains. The President's goals can change a generation.

Sincerely,  
  


Morgan Lesko (13) + Max Lesko (10)  
3909 Prospect Street  
Kensington, MD 20895  
301-946-1858

# The Washington Times

TUESDAY, JULY 16, 1991 \*R\*

WASHINGTON, D.C.

PHONE: (202)  
SUBSCRIBER SERVICE: (202)

## Boys called critical to success of cigarette machine campaign

By Arlo Wagner  
THE WASHINGTON TIMES

Nine-year-old Morgan Lesko was in Rockville yesterday and got one of the pens used to sign Montgomery County's ban on cigarette vending machines into law.

It was appropriate, said County Council member Bruce Adams, because testimonies by the Kensington boy and his 6-year-old brother, Max, were instrumental in passage of the ban that takes effect May 1.

"These two guys just slam-dunked them," Mr. Adams said, referring to tobacco lobbyists who opposed the law, the first in Maryland and one of the first in the nation.

Although Maryland law has prohibited the sale of tobacco products to persons under 18 since 1886, mod-

ern children have gotten around the law by buying cigarettes from vending machines, said Marcia Marks, a Bethesda volunteer with the American Lung Association, which led a campaign for the ban.

About 1 million American youths begin smoking every year, and the annual health costs attributable to tobacco have mounted to \$52 million, Mrs. Marks said.

County Executive Neal Potter, who was the first to introduce legislation for the vending machine ban when he was on the County Council a year ago, signed the bill that council members passed unanimously on July 2, and then handed the pen and a county seal to Morgan.

Smoking kills 435,000 Americans each year, and the ban to prevent youths from becoming addicted in Montgomery County could start a

trend to reduce that death toll, Mr. Potter said.

It was really quite simple, Morgan said.

"We went and bought cigarettes from three different vending machines — from a restaurant, Giant and a bowling alley. Nobody stopped us," he said.

A few days later, the boys testified about the purchases during a public hearing on the vending machine legislation to the County Council. They also presented posters with photographs of the purchases and the packages of cigarettes they had bought, Mr. Adams said.

"The Tobacco Institute is a very powerful organization," Mr. Adams said. "But between Morgan and his brother and Marcia and her coalition, they didn't stand a chance."

# The Wheaton Express

Volume XII, Number 11

Thursday, April 25, 1991

(301) 258-7434

## Young kids buy cigarettes to prove point

by Vince Morris  
Express Staff Writer

To prove just how easily cigarettes can be purchased by minors, Morgan Lesko, 9, and brother Max, 6, drove around with their parents last week and bought Marlboros and Camels from vending machines in restaurants and grocery stores.

Armed with photos of their deed, and the cigarettes to prove it, both boys testified before County Council last week in favor of a bill that would ban tobacco vending machines everywhere in the county, except at private clubs where alcohol is served.

Judging by the response from council members and a packed hearing hall, the bill seems likely to pass.

"There were people all around me, but they didn't say anything," said Morgan when he bought a package of cigarettes from a vending machine at a family restaurant in Wheaton. His brother Max, who sat next to him, nodded his head in agreement.

"That night Max and I learned how to get cigarettes easily," added Morgan without sarcasm. In one evening the two boys visited a variety of local establishments, including a Big Boy and a Giant Food, where they purchased cigarettes with ease, explained Wendy Lesko, the boy's mother.

Although it is illegal and punish-

able with a \$100 fine for anyone under 18 to buy cigarettes, estimates are that anywhere from 15 to 20 percent of illegal sales are through vending machines.

The bill, sponsored by Council member Bruce Adams and the council's health and human services committee, would restrict the county's 1,200 tobacco vending machines to private clubs where minors are not allowed. Restaurants,



Morgan (left) and Max Lesko with cigarettes purchased from a vending machine.

Photo/courtesy Lesko family

movie theaters, gas stations and grocery stores are among the locations targeted.

Opponents of the bill said it would hurt vending machine companies and would be unfair to adults who smoke. Twenty-one people testified in favor of the bill, including a police officer, a doctor and some high school students. Eight people testified against it.

Bruce Bereano, a lobbyist representing the Maryland-D.C. Vending Association, called the bill "the work of health police." He also warned council members that they could lose \$1.7 million received by the county in the form of tobacco tax revenue, if state legislators view the bill as undercutting their authority. Two years ago, Bereano tried to get the state legislature to penalize counties who spend money on anti-smoking measures by cutting back on their tobacco tax revenue, but he failed.

The current vending restriction bill is nearly identical to a bill introduced in 1990 which Bereano and other vending lobbyists also opposed. In February, when the county council was preparing to vote on that bill, Bereano sent a letter threatening legal action against the county if they voted on it.

Bereano argued that because last fall's election brought new members to the council, legislation left over from 1990 should be thrown out. An attorney for the council dismissed Bereano's charges, but council President Isiah Leggett allowed

the bill to return back into committee, a process it had already been through during the previous council.

In an interview after the hearing, Bereano said:

"I'm kicking myself now for sending them that letter." He said he wished the council had approved the bill back in February, a move

that would have "invited a two-year" legal challenge.

Marcia Marks, who spearheaded the last effort to ban vending machines, said at least three council members told her they are intent on restricting the machines.

The council won't take up the bill again until June.

# Lesko Brothers' Testimony before the Maryland House Environment Committee 3/15/95

A long time ago, in 1991, we testified for the first time before the Montgomery County Council on a ban of cigarette vending machines. We were extremely disappointed that our County ban was busted in Court.

Since then we've testified 4 times here in Annapolis to get rid of cigarette vending machines. Since kindergarten, my brother and I have bought more than 20 packs of cigarettes from vending machines. We have been stopped only once by a customer. Hi, I am Max Lesko. I am Morgan Lesko.

Once again we have done a sting operation to prove that kids can buy cigarettes from vending machines. Two days ago we went to a Giant. We simply bought the cigarettes and left. The vending machines were only about 2 yards from the cashier. Just yesterday we went to another Giant and we were planning a sting, but a teenager beat us to it but we have a feeling that he wasn't doing a sting operation. He looked about 15 or 16 years old.

Yesterday, we also bought cigarettes at a hotel -- the Ramada Inn. The vending machine was out of sight and right next to candy machines where kids are attracted to. Last night at Bennigans restaurant, we did our third and final sting. We sat down and got a Kids Menu which makes it obvious that lots of families eat there. While we were buying cigarettes, a lady passed right by to the women's restroom. I'm sure she saw us but she did not stop us.

With the evidence we have collected in the last 48 hours, we've made a poster.

**WE KNOW THE LAW** - Minors are not allowed to possess tobacco products. What did we do with all the cigarettes? We flushed them down the toilet right after we bought them.

We really like this bill -- HB 1044. We want to let our Montgomery County ban survive while still knowing that cigarette vending machines will be extinct in most places in Maryland. We believe that if cigarette vending machines are banned, then kids who have never smoked will never take the bait.

**NOT TO BE RELEASED BEFORE PUBLICATION (Maryland Medical Journal Fall '95)**

by Max Lesko & Morgan Lesko

It all started when we were in the car on our way to soccer practice back in 1991. We heard on the radio that there was going to be a hearing on a proposal to ban cigarette vending machines in Montgomery County. The news story sparked an idea that we could buy cigarettes from vending machines. We were really young back then: 9 years old (Morgan) and only 6 years old (Max). Both of us already knew that tobacco products were bad. When Morgan was in kindergarten he signed a pledge for the Smoke-Free Class of 2000. We decided that this ban would protect the community and most importantly, the children in it. We carried out a sting operation, and for the first time in our lives, we testified in front of elected officials. From that point on, our testimony has led to more testimony at the state level. Although the tobacco lobbyists have won most of the battles with all their money and free gifts that they give to legislators, we have come awfully close a few times and we'll keep trying until we succeed.

In this article we attempt to share with you what we have learned on our journey so far. The following is a series of steps that we feel are necessary to take when attempting to make maximum change.

**- Target A Topic -**

Our first piece of advice is to choose a topic that you really believe is important. For us we pinpointed what we were going to focus on when we heard the news on the radio. We knew we were concerned about tobacco and its effect on youth, but it would be virtually impossible to solve this whole problem with one blow. So our common sense brought us to the proposed solution of a cigarette vending machine ban because these machines are easy targets for minors.

**- Find The Power -**

Next, you must find a way for your idea to be nurtured. Often the most obvious answer is your local or state government. Although we had never heard of a county council, we found out about it from the same radio clip. This information guided us to the Montgomery County Council in Rockville, Maryland. A call to the Council gave us the date and time of the hearing as well as the rules for testifying. Now we knew who had the power to make it happen.

We only had about two weeks until the hearing so we got right to work. We needed more than words to convince the Council how easy it is for kids to buy cigarettes from vending machines. We planned a sting. We plotted out where we were going to try to buy cigarettes. At that time we did not have to worry about getting caught with cigarettes because the law only made it illegal to sell to minors. Our first sting operation was at restaurant called Big Boys. We were very worried that someone was going to stop us. There we quietly put the quarters in and got a pack of Camels and no one said a word. In the next few days, we bought two more packs without any trouble. After we bought each pack of cigarettes, our mom or dad would reappear to take a polaroid photo of us holding the cigarettes in front of the vending machine. This evidence proved what we said was true.

### **-Write Good Testimony -**

Then it was time to write the actual testimony. We only had two minutes to convince the County Council. This short speech is only about 400 words or one double-spaced page. Using a computer makes it so easy to write a speech, revise it, and produce multiple copies. (Spellcheck helps a lot.) From our experience, we think it helps to tell specific stories and not just roll off statistics. The following is a part of our testimony that the Council and the audience seemed to enjoy the most:

That night we went to the Bowling Alley and there was another vending machine. It was wide in the open. I was very scared but Max wasn't. He put the quarters in but they got jammed. Then we went up to this kid named Jeff who is a 9th grader at Walter John High School. I knew him from basketball. We told him what we were trying to do about getting rid of vending machines. He thought it was a great idea. Then we asked him if he would help us by buying cigarettes. He said "Sure" and did it perfectly. He just went right up to the machine with his back to about 20 people but no one cared. That night Max and I learned how to get the cigarettes easily.

Using a dab of humor helps keep lawmakers attentive. This story was not meant to be funny but when they heard it, they really responded. The lesson here is you cannot just tell jokes but a bit of comic relief does the trick.

Even though we are too old for show-and-tell in school, we use this powerful technique each time we testify. Visuals seem to allow lawmakers to kind of participate in what you are saying. Along with our testimony before the Montgomery County Council, we organized all our evidence on a big piece of red poster board. We included the packs of cigarettes we bought and the photographs of us in front of the vending machine. Also we labeled the exact locations for each grocery store, restaurant, bowling alley, hotel, etc. where we conducted our sting. Another time when we testified in support of a tax on chew and spit tobacco in Annapolis in 1995, we made a small poster which we titled "The Good, The Bad and The Ugly." Again we tried to combine information with humor. Here is a sample:

This is the GOOD, the BAD, and the UGLY. This bubble gum called Big League Chew is the GOOD because hopefully kids will buy this instead of the tobacco. Also in the GOOD column, we have put in Senate Bill 621. The BAD are these pamphlets for things like harmonicas and headphones that are made by the tobacco companies with their logo on them. Kids are attracted to these cool products. This is the BAD because you must have proof-of-purchases from tobacco to buy these things. The UGLY is this can of cherry dip and this package of chewing tobacco. These UGLY nicotine drugs seem pretty nauseating. We want you to know there is not a shred of Cherry Dip in the can or Big Red Chew in the pouch. As soon as we got home our mom threw it out and our whole house stunk until we took the garbage out.

A punch line is good to include in your testimony because it gives the legislators something to remember. Also it is good to include your catchy phrase whenever you are interviewed by the press. This gets your message out beyond the walls of the hearing room. Here's one example we came up with: "Sure they say cigarette vending machines are convenient — but they don't say for whom."

After you are done writing up your testimony and making your visuals such as a poster, it is very important to rehearse your testimony. You also should practice speaking loudly because the microphones often do not work very well. Another suggestion is to tape yourself. When you listen to it you might find a mistake that you didn't catch or parts that don't make sense. Have someone ask you questions that legislators might ask and practice answering. In our case, a question we were ready for was: "Aren't you guys breaking the law?" Often we get asked whether we know kids who smoke or use spit tobacco.

### **-Get An Ally -**

It is a big help to have a legislator who is your ally, especially if it is the sponsor of the bill. This helps because you won't feel like a stranger at the hearing. This also gives you a place to stay until your particular bill comes up in the hearing room, because sometimes you have to wait for hours. Your legislator can get reporters and TV crews at the hearing which puts the spotlight on who the lawmakers are supporting. If they do look like they are on the wrong side, voters won't reelect them. Hopefully your ally will convince other legislators to vote on your side of the bill. This is why it is good to have a big time supporter at the hearing that you go to.

### **- Use The Press -**

Before you head off to testify, make sure to fax a press release about what you will be doing. It's good to advertise your age if you are young because it's a different angle on the news. One time we faxed our testimony to the media the night before going to Annapolis and minutes later WTOP radio called to interview us over the phone. That story played many times and got other reporters interested. Early the next morning one TV crew arrived at our house before we left for the Statehouse. They taped us making posters and they went to any length to get a picture. The cameraman wanted to get us at the computer when we were making copies of our petition in support of a House bill that would have banned cigarette vending machines. When the petition came out of the printer it was face down. They wanted to get a close up shot of the type so we printed our petition on the back side too. Our purpose for giving all these details is to emphasize how important visuals are to reporters. We also have had luck faxing our testimony to weekly newspapers and several times they have reprinted our entire speech in Letters to the Editor. When you advertise, it brings reporters. And when reporters are around, it helps pressure lawmakers to vote for the good guys, not tobacco companies.

### **- Be Yourself -**

When you actually give your testimony, the most important thing is to be yourself because then you will be believed more. This is because they know you aren't paid to testify and if you are not flat out silly, then they cannot say anything against you. Although we usually are not attacked, we do have our enemies.

An opponent we ran into 1994 was the chairwoman of the House Ways and Means Committee, Delegate Sheila Hixson. We went to Annapolis for the Maryland Lung Association's Lunch with Legislators. Afterwards we stopped to talk with some of our legislators in their offices as well as Delegate Hixson because we planned to testify before her Ways and Means Committee the following week. She scolded us for what we were doing and said it was against the law. We didn't think she was right but thought we should check before we contradicted her. Before we testified we did more research. We discovered that it was not illegal for minors to possess cigarettes. We made a photocopy of the Maryland law and presented it to her during our testimony. This worked because it gave her the message that she cannot protect the tobacco companies. It showed that we're not just dumb kids. In 1995 Delegate Hixson introduced a good bill banning cigarette vending machines that still would allow Montgomery County and other local communities to pass stronger laws than the state. This shows that many lawmakers are sometimes fickle and can be very unpredictable.

### **- Face Your Enemies -**

Bruce Bereano, our constant enemy, is a lobbyist for the tobacco companies. He frequently makes remarks to us such as:

- missing too much school;
- don't know the law;
- put up to this by our parents; and
- telling adults what to do.

We have found that to deal with people like this you need to catch them off guard. During testimony, contradict what you know they will say about you. This way they will more likely be dumbfounded. For example, we expected that Mr. Bereano would tell the committee that we did not know the law so in our testimony before the House Environment Committee in March 1995, we made it clear that we knew the latest change where minors could be fined if they were caught smoking:

We know the law. Minors are not allowed to possess tobacco products. What did we do with all the cigarettes? We flushed them down the toilet right after we bought them.

We gave him a copy of our testimony and highlighted the words so he would know that we weren't stupid. He acted a little stunned. Because of enemies like this, we have to avoid using big words like "non-preemption" so it doesn't seem as though we were put up to this. Our parents have to make sure that they stress that they only encourage but do not pressure us to fight for good laws.

### **- Keep Up To Date -**

We also think that it important to make sure you stay in contact with someone who really knows what is going on. They can inform you about when hearings will be held, what time you have to get something done by, and other helpful pieces of information. They can also tell you what is happening behind the scenes so you know what to prepare and watch out for. For example, our senator, Chris Van Hollen, told us about his proposal to tax smokeless tobacco,

when hearings would be held, and he made copies of our testimony to pass out to the Budget Committee members and the media.

Even when the Maryland legislature is not in session, we get news from people like Marcia Marks with the Maryland Coalition To Stop Illegal Sales of Tobacco to Minors, Inc. and others. These allies help keep us involved, especially when bills we are supporting get defeated year after year. Even though the cigarette vending machine ban passed by the Montgomery County Council was overturned by the Court of Appeals, we are still able to remember our victory because we were given the pens that County Executive Neal Potter used to sign the local ordinance. Lots of people let us know we shouldn't stop. One of our favorite lines is when former Councilmember Bruce Adams said, "These two guys slam-dunked all those high-powered lobbyists and interest groups that were fighting that legislation." Comments like that encourage us to continue fighting tobacco products.

We have kept up with this issue for five years and we plan to stick with it until all cigarette vending machines are out of Maryland so not as many minors will smoke and sooner or later die because of it.

# # #

BRAZILIAN EMBASSY  
WASHINGTON, D.C.

Nº 618

THE AMBASSADOR

July 5th, 1995

The Honorable  
Hillary Rodham Clinton  
The White House

*We need to  
do a  
response*

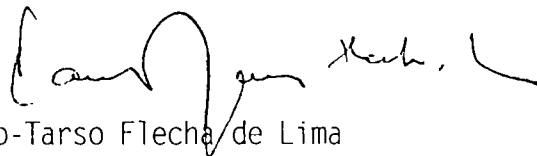
Dear Mrs. Clinton,

I have the high honor and distinct privilege, on behalf of Mrs. Ruth Cardoso, to convey to you an invitation to visit Brazil next October, either enroute to the First Ladies' Meeting in Paraguay, or on your way back from Asunción.

Mrs. Cardoso was most delighted with the productive and enjoyable conversations she held with you on her recent visit to the United States in April. There are many areas of common concern that she would like to explore and develop with you, particularly concerning social issues relevant to our countries.

If you agree with the idea, my staff would be in touch with yours to discuss the scheduling and programming arrangements for your visit. I would be greatly honored to contribute to the success of such a visit in any way that I might.

Yours sincerely



Paulo-Tarso Flecha de Lima

THE WHITE HOUSE

WASHINGTON

August 8, 1995

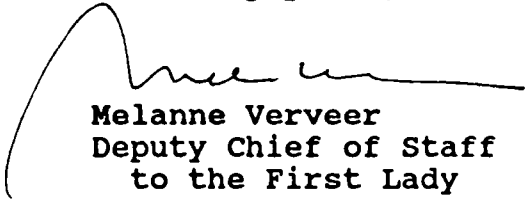
His Excellency Paulo-Tarso Flecha de Lima  
Brazilian Embassy  
3006 Massachusetts Avenue, NW  
Washington, D.C. 20008

Dear Mr. Flecha de Lima,

Mrs. Clinton asked me to thank you for your gracious invitation, on behalf of Mrs. Cardoso, to visit Brazil next October. Although the itinerary for Mrs. Clinton's trip is not yet determined, we will keep your invitation in mind as her plans develop.

Thank you again for writing and best wishes.

Sincerely yours,



Melanne Verveer  
Deputy Chief of Staff  
to the First Lady

MACK McLARTY

July 7, 1995

To: Maggie Williams  
Melanne Verveer  
Lisa Caputo  
Patti Solis

*Melanne  
Is there  
anything  
for me*

I would appreciate it if you would discuss the  
attached with me before making a decision. I  
will be in Latin America (including Brazil)  
until July 13.

*to do  
about  
this*

Thank you.

*MAG*

*Mack /m*

Dictated but not read

① MASSIE  
② McNamee  
③ Lisa  
④ Patti  
⑤ Paul

BRAZILIAN EMBASSY  
WASHINGTON, D.C.

THE AMBASSADOR

July 5, 1995

Nº 617

Mr. Thomas F. McLarty  
Counselor to the President  
The White House

my dear host,

Please find enclosed a copy of the letter that I sent to First Lady Hillary Rodham Clinton today. President and Mrs. Cardoso are hopeful that Mrs. Clinton will be able to find time in her busy schedule to stop in Brazil in connection with her mid-October trip to Paraguay.

We would be most pleased to accommodate the First Lady's wishes in terms of scheduling and arrangements, including if there is a place in Brazil (in addition to Brasília) that she would especially like to visit. When we talk I can suggest some options that she might find useful and enjoyable.

The invitation is for an official visit. Ruth Cardoso would also be most pleased to host Chelsea as well, if she is free to accompany Mrs. Clinton for the Brazil portion of the trip.

I would be pleased to discuss these possibilities with you later this week, before I depart Washington for three weeks. If this week does not prove convenient for you, the staff in my office will always be able to reach me on short notice by telephone or fax.

Enjoyed

being you with pleasure  
Yours, etc.



Paulo-Tarso Flecha de Lima

July 18, 1995

Ms. Asutra Linde  
9707 Brixton Lane  
Bethesda, MD 20817

Dear Ms. Linde,

Thank you for creating the beautiful traditional Latvian folk doll. The design and craftsmanship of the clothing reflects your talent and appreciation of your heritage. I greatly appreciate this lovely reminder of my meeting with the First Lady of Latvia and the commencement of the new partnership between American and Latvian hospitals.

Thank you again for this kind and thoughtful gift.

With best wishes, I am

Sincerely yours,

Hillary Rodham Clinton

DRAFTjes

July 13, 1995

Ms. Asutra Linde  
9707 Brixton Lane  
Bethesda, MD 20817

Dear Ms. Linde,

Thank you for crafting the beautiful,  
traditional Latvian folk costume. Its  
intricate detail reflects much care and  
effort. I appreciate this lovely reminder of  
my meeting with the First Lady of Latvia and the

Thank you again for this kind and  
thoughtful gift.

With best wishes, I am

Sincerely yours,

Hillary Rodham Clinton

greatly

your talent and  
appreciating if  
your heritage  
are!

creating doll?

The ~~new~~ ~~still~~  
design +  
craftsmanship  
of the costume

Announcement of the new  
partnership  
between Amer. &  
Latvian hospitals



## EMBASSY OF LATVIA

4325 17th Street, N.W.  
Washington, D.C. 20011  
Phone: (202) 726-8213  
Fax: (202) 726-6785

### FAX MESSAGE

**Date:** July 13, 1995

**To:** Katy Button, Office of the First Lady  
**From:** Liana Eglitis

Below please find the name and address of the person who prepared the traditional Latvian folk costume of the doll presented to Mrs. Clinton on June 28:

**Austra Linde**  
9707 Brixton Lane  
Bethesda, MD 20817