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Collection/Record Group: Clinton Presidential Records

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Monday, April 19, 1999

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. check	[Personally Identifiable Information] [partial] (1 page)	02/25/1999	b(6)

COLLECTION:

Clinton Presidential Records
Staff Secretary
Sean Maloney (Chron File (Mar 99-Apr 99))
OA/Box Number: 14862

FOLDER TITLE:

Monday, April 19, 1999

2016-0970-F
rs2984

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
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- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]



THE VICE PRESIDENT
WASHINGTON

April 5, 1999

Ms. Judithanne Scourfield
Volunteer Office
Old Executive Office Building
Room #22

Dear Judithanne:

I would like to thank you and your team of volunteers for the birthday card. All of your signatures and good wishes meant a lot to me, and I appreciate your thoughtfulness.

The White House depends on volunteers, and the work they do is necessary and important to the daily activities of the White House. You are a part of this great institution and truly make it a wonderful place to work. Thank you for your dedication and commitment.

Again, please accept my thanks and best wishes to you and all of the White House volunteers.

Sincerely,


Al Gore

Thank !

4/12/1999

Judithanne -

I saw this piece -- it's great.
I'll work on the scheduling quest.
Phil

RELIABLE SOURCE

By Annie Groer and Ann Gerhart

WASHINGTON POST
THURSDAY, APRIL 1, 1999 C3



**Awesome
Candle
Power**

Gore and
card-
carrying
staff
members.

■ Turning 51 may be anticlimactic after the Big Five-Oh.

Still, it's a milestone worthy of celebration, so Vice President **Al Gore's** staff gave him a surprise party yesterday in his office. Along with a cake came a list of the Top 10 challenges facing the veep at his age.

These include conferring with **President Clinton**

on long-term health care ... for Al Gore, replacing light switches with the Clapper, and recusing himself from policy discussions concerning Medicare. We can hardly wait until he turns 52.

Gore and his wife, **Tipper**, had planned to go skiing out West this week but canceled their getaway because of the war in Kosovo.

Another NATO Conflict

■ From the Best-Laid Plans Department: Organizers of the National Museum of Women in the Arts picked Friday, April 23, for their annual gala some eight months ago. The theme was India, to

coincide with an exhibition of subcontinental embroidery, and 500 invitations went out last month.

Of course that was before they realized April 23 is also the start of a three-day, 50th-anniversary celebration of NATO here. More than 2,000 guests—including 44 heads of state, 44 defense ministers and 44 foreign ministers—are expected. This means huge security delays, triple-parked limos and traffic gridlock.

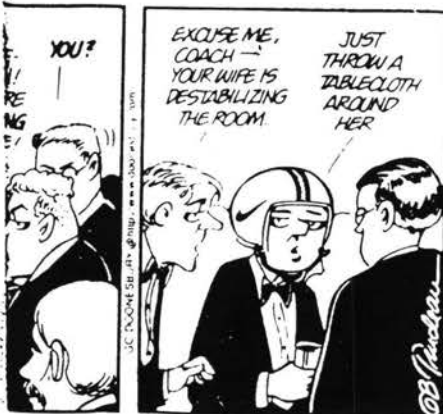
The museum, at 13th Street and New York Avenue, is smack in the middle of the action.

So gala chairmen **Marlene Malek**

and **Wilma Bernstein**, along with the museum board, reluctantly concluded the ball should be put off until Friday, May 21.

"We called the White House and State Department," Malek told The Post's Roxanne Roberts. "They didn't exactly say 'Change the date,' but said it would be 'very inconvenient' for our guests. It just would have been a nightmare."

Sounds like a good weekend to leave town.



4-19-99

'99 APR 19 PM9:49

THE WHITE HOUSE
WASHINGTON

Dear Phil -
Thought you might
like to see attached
letter / WP article re:
b-day card we made
for the Vice President.
Also, WH Scheduling
said early-to-mid-
May might be good
for Volunteer Appreciation
Day - any assistance
you could give in
getting this event on ↓

p2

THE WHITE HOUSE
WASHINGTON

the President's
Schedule would be
GREATLY appreciated!



Thanks -

D. Hathorne
x65443

REVISED

Revised Final 4/19/99 10:00 a.m.

Paul Glastris

THE PRESIDENT HAS SEEN

4-19-99

COPIED
GOTTHEIMER

PRESIDENT WILLIAM J. CLINTON
REMARKS AT TEACHER OF THE YEAR AWARD
THE WHITE HOUSE, INDIAN TREATY ROOM
WASHINGTON, DC
April 19, 1999

4-19-99

Acknowledgments: Senior Adviser to Sec. Riley and 1985 Teacher of the Year Ms. Terry Dozier; the 55 state (plus DC and the territories) Teachers of the Year for 1999; ~~Sen. Spector~~; ~~Sen. Coverdale~~; ~~Rep. Norwood~~; ~~Rep. Kilpatrick~~; Rep. Mink; DC ~~Mayor Williams~~; Council of Chief State School Officers Exec Dir Gordon Ambach (award sponsor); Scholastic Inc Senior VP Ernie Fleishman (award sponsor).

Before I begin, I'd like to say a few words about our ongoing efforts to ^{^ STAND UP AGAINST} ~~fight~~ ethnic cleansing in Kosovo. Today, I will send Congress an emergency funding package to meet the urgent military and humanitarian needs that are the result of the conflict in Kosovo.

This package ensures that we will have the resources to ~~maintain our military efforts and~~ sustain the current air campaign at peak levels until we achieve our goals, while maintaining our high level of military readiness.

This emergency funding package will also provide critical humanitarian assistance and relief for the hundreds and thousands of Kosovar refugees. And it provides resources for ~~Yugoslavia's neighbors~~ ^{^ NATIONS IN THE REGION} who have also suffered from the effects of this conflict.

The need for this funding is urgent, immediate, and in our national interest. Lives hang in the balance. I call on Congress ^{^ IN THE SPIRIT OF BI-PARTISANSHIP WITHOUT} to move forward ~~with~~ delay.

In 1952, President Harry S Truman presented the very first Teacher of the Year Award, here on the grounds of the White House. The recipient was Mrs. Geraldine Jones, who taught first grade at a Santa Barbara, CA school whose name I rather like: the Hope School.

Every year since, Presidents or members of their families have personally handed out this award, ~~to recognize outstanding teachers, and honor all teachers.~~ Eight hours a day, five days a week, nine months a year, teachers have the future of our nation in their hands. They teach our children to read, write, calculate, sing, paint, listen, question, work with others, and think for themselves. They excite ~~our children's~~ imaginations, lift their aspirations, open their hearts, and strengthen their values.

Every one of us can probably recall not only the names of our old teachers, but their faces, their voices, their favorite admonitions, the way their hands gripped the chalk as they wrote on the blackboard. We can still summon the pride we felt when they praised us, and feel the chill that ran down our spines when they scolded us. Under their watch, we became who we are, and their influence over us lingers. As Henry Adams said, "a teacher affects eternity; he can never tell where his influence--or her influence--stops."

The role of teachers is hard to exaggerate, yet easy to overlook. Teachers do their difficult jobs quietly, behind four walls, largely isolated from other adults. Their work is seldom glorified by Hollywood, and insufficiently rewarded by society.

4-19-99

And yet their role is perhaps more important than at any time in history now that we have entered the information age, in which the success of the nation rides on the knowledge and creativity of its citizens. ^{We} ~~Everyone~~ rightly honors the men and women serving in and around the Balkans today as patriots. I believe we as a nation must learn to honor teachers as patriots, too.

Andy Baumgartner is a patriot in both these senses. He spent two years in the U.S. Marines, and the inner confidence, self-motivation and sheer physical stamina he gained at Parris Island and Camp Le Jeane have been useful in the classroom. Colleagues marvel at the way he rivets the attention of his kindergarten students by keeping himself in constant creative motion.

One minute he is using popcorn and M&Ms to teach counting. The next he is conducting a sing-along to “This Land is Your Land.” A few minutes later he is marching the class up the hill behind school to conduct a solemn funeral for a departed pet tarantula named Legs.

As the father of a son with a learning disability, Andy knows first hand the struggle many parents go through to get the individual attention their children need, and he works hard to give that kind of attention to all of his students. When not teaching, Andy can be found directing the school play, teaching other educators, writing guidebooks for parents, working in community theater, and participating actively in his church. Andy is an example of the kind of vital, active American citizen Tocqueville marveled at.

If Tocqueville were alive today, I think he would agree that America must do more to honor classroom teachers like Andy Baumgartner. If we do, perhaps more of our best and brightest young people would choose teaching as a career. America doesn't need more lawyers. It doesn't need more financial analysts on Wall Street. America needs more teachers.

When our finest young people pass up teaching, they're missing out on rewarding careers, and America is missing out on the chance to put talent where it's most needed. There are 53 million children in our public schools---the greatest number ever--and they come from more diverse backgrounds than at any time since the turn of the century.

With enrollments growing and a wave of teacher retirements about to hit, America's schools will have to hire 2 million more teachers over the next decade. At the same time, we are trying to bring down class sizes, and that requires more teachers. And those new teachers must be better trained. A quarter of all secondary school teachers today do not have college majors--or even minors--in the subjects they are teaching, and this deficit is worse in low-income neighborhood schools where the need is greatest.

These are enormous challenges. But I believe we can meet them if we act now, while our nation is strong, our economy prosperous, and our people confident.

First, we must finish the job Congress began last year, of hiring 100,000 new, highly-trained teachers to reduce class sizes in the early grades. Studies confirm what parents and teachers like Andy Baumgartner have long been saying: that smaller classes mean more individual attention, more discipline, and more learning. This is especially true for younger students, who must have a firm academic foundation for later success. Last fall, Congress reached across party lines and put a down payment towards our goal of hiring 100,000 new teachers over six years to reduce class size in the early grades. This year, I am calling on Congress to finish the job.

Second, we must redouble our efforts to recruit more of the best and brightest Americans into the teaching profession. My balanced budget calls for new investments to provide 7000 college scholarships for students who commit to teaching where they can do the most good: in our poorest inner city and rural schools. It also calls on Congress to invest \$10 million to train 1000 Native Americans to teach on Indian reservations and in other public schools with large Native American enrollments. And it calls for investing \$18 million to recruit and train retired members of the U.S. military to become teachers, through our Troops for Teachers program. America's 25 million veterans represent a vast pool of potential teachers, and Andy Baumgartner is proof positive that soldiers make great teachers. Let's make it easier for those who have been heroes abroad to be heroes here at home.

Third, we must provide all teachers with the training they need to succeed in the classroom. My Education Accountability Act, which I will soon be sending to Congress, says that all new teachers must pass performance exams, ~~and~~ that all teachers should know the subjects they're teaching. *+ pass pay scale.*
Also new for film Tgt for ~~new~~ USH TCU

Fourth, we must transform our schools into places where more people want to work. ~~There are thousands and thousands of idealistic Americans, young and not so young, who would be willing to teach in the public schools--if they thought they could make a difference. But they don't want to waste their time in a system they believe is mired in bureaucracy, low expectations, poor discipline, and unaccountability.~~

*Beetle Siler: in no place / support Siler / after
2000-2001 That to be around failing Siler.*

4-19-99

~~That is why my Educational Accountability is so important. Under this Act, all states and school districts receiving federal funds must end social promotion and give students the help they need to succeed; must adopt and enforce fair but effective discipline codes; must give parents report cards on their children's schools; and must turn around their worst-performing schools--or shut them down.~~

PNM → St. doing very well. Month, less crime, more on the way.

~~If we take these solid steps to fix our schools, more talented Americans will want to teach there, and a positive cycle of reform will soon take over. To paraphrase the movie *Field of Dreams*, "Fix it, and they will come."~~

WHITE HOUSE GIFT REGISTER

GIFT INTENDED FOR

President

☒

Both/All

☐

First Lady

☐

Chelsea

☐

DONOR INFORMATION

Name: Sharon Alsip - wife of Mayor Gerald

Address: P. O. Box 290

Roseville, MI 48066

Phone: _____

PRESENTATION

Date: 4-16-99

Event: _____

Handed to President

☐

Other Method

☐

Gift Description: 3 T-shirts

HOME (810) 773-2522
WORK (810) 469-5454



GERALD K. ALSIP
MAYOR
THE PRESIDENT HAS SEEN

P.O. BOX 290

ROSEVILLE, MI 48066

PRINTED ON RECYCLED PAPER

Register to OEOB, Room 457 x67133

4-19-99
After you have seen, we will
send to Burkhardt for reply -

can

[Signature]

Mr. President
On behalf of the
School I teach
7th Grade Social
Studies at, I'd
like you to have
3 of our Team
shirts.
God Bless,
Sharon Alsip
wife of
Mayor Gerald Alsip

WHITE HOUSE GIFT REGISTER

GIFT INTENDED FOR

President ☒

Both/All ☐

First Lady ☐

Chelsea ☐

DONOR INFORMATION

Name: Anthony J. Lipinski

Address: P. O. Box 290

Roseville, MI 48066 Phone:

PRESENTATION

Date: 4-16-99 Event:

Handed to President ☐ Other Method ☐

Gift Description: Big Bird Run T-Shirt

(810) 445-5480
(810) 445-5481
FAX (810) 445-5402
TDD: (810) 445-5493

1 Register to OEOb, Room 457 x67133



4-19-
After you have seen, we will
send to Burkhardt for reply

Mr. President,

It has been an honor to host
your visit to Roseville; Michigan! Your
staff was great to work with during the
preparations. Good luck to you and
your family!

Sincerely...
Tony Lipinski

Please enjoy your Big Bird Run
shirt!

and OK



**Jewish
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THE PRESIDENT HAS SEEN

4-19-99

As Gregory

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Honorary Officers

April 15, 1999

**The President
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500**

Dear Mr. President,

I was privileged on March 18th to be in attendance at the White House event where you and Mrs. Clinton deservingly received the "Shalom Chaver Award for International Leadership." As I have previously written to the First Lady, I found the program to be quite moving. In particular, I was enamored of your most meaningful and poignant remarks.

As you were exiting the tented area, I had the brief opportunity to personally convey my sentiments. I recall having said that "words that emanate from the heart enter the heart." Based on your thanks and your gaze, I sensed that you appreciated my comments. I regret, though, that I did not have the presence of mind at the time to tell you that the phrase I used was not original.

Through the goodness of Alan Solomont (my brother-in-law's older brother), I now can let you know that this profound saying is rabbinic and was written by Moses Ibn Ezra in his work "Shirat Yisrael" (The Song of Israel). Ibn Ezra, who lived at the end of the 11th and beginning of the 12th centuries, was one of the most prolific of the Spanish Hebrew poets, as well as a philosopher. A master of language, his secular and sacred verse are known for their beauty and versatility. It is then no wonder that Ibn Ezra was the author of that warm and penetrating expression of gratitude which your words truly merited.

Mr. President, once again, please accept my heartfelt thanks.

Sincerely,

[Signature]
Michael S. Miller
Executive Vice President

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After you have seen, we will send to Burkhardt for reply -

Careful

4-19-99

LR - Chenal Pro

THE PRESIDENT HAS SEEN

4-19-99

USA TODAY • MONDAY, APRIL 19, 1999 • 15C

Potus do
letter of
Congrats

35-foot playoff putt secures first Tour victory

By Pete Jacobelli
The Associated Press

HILTON HEAD ISLAND, S.C. — Glen Day, after a 90-minute wait watching contenders with major titles try to pass him, rolled in a 35-foot putt on the first playoff hole Sunday to win the MCI Classic, his first PGA Tour victory.

Payne Stewart, trying for his third victory at Harbour Town, missed an 18-footer to extend the playoff.

"I finished so much earlier than everybody else, I didn't think I had a prayer," said Day, who won \$450,000. "I told my caddie to get the extra clubs, because when somebody went ahead, I wanted to leave."

Day started 10 groups ahead of the leaders in the final round. He shot 5-under-par 66 but didn't think his 10-under 274 total would hold up.

Why should it? Former U.S. Open champions Stewart, Lee Janzen and Corey Pavin all were on the course and within striking distance of Day. Jeff Sluman and Bob Tway, both with PGA Championship titles, were making runs.

And third-round leader Chris Perry, who gets his grit from his father, former major league pitcher Jim Perry, seemingly had the tournament wrapped up with his fifth birdie of the back nine.

But one by one, they fell away.

Pavin, playing his best golf in almost three years, missed a short par putt on No. 16.

Janzen made bogeys on two of the final three holes.

Sluman, who was part of the three-man playoff, couldn't make a birdie after tying Day with three holes left.

Perry was in the most enviable position after his birdie on 16 moved him back in front at 11 under.

But he bounced a ball over the 17th green for one bogey and barely missed a 25-footer for par on 18.

"I'm disappointed because I played really well," said Perry, who shot 72. "I was in control of my emotions all day long."

Stewart shot 70 and Sluman 67 to share second. Perry finished at 275, one stroke in front of Pavin, who had a 69, Nolan Henke, 70, and John Huston, 72.

Janzen and Tway were tied at 7-under 277.

Day sat in the tournament lounge after his round. He sipped soda and looked more like a golfer expecting a shower than a playoff. But he dusted off his game as Stewart finished his round.

On the playoff hole, Day's drive was long and



4/19/99

After you have seen,
we will send to
Burkhardt for
reply —

OK
C. ad

By George Gardner, AP

Playoff payoff: Glen Day celebrates his winning birdie putt on the first playoff hole of the MCI Classic on Sunday.

his approach rolled about 35 feet past the cup. It took him only a few seconds to set up and curl in the putt.

"I was just lucky I hit it on a true line," he said.

Stewart's putt also looked true. But it stayed just on the outside.

"I was proud of the way I spotted out," Stewart said. "But how about Glen Day, shooting a 5 under then going out to birdie the first playoff hole?"

Stewart got his second MCI title in 1990 by defeating Larry Mize and Steve Jones. It was Harbour Town's first playoff since Tway took the title in 1985 against Henke and David Frost.

Worthy win: Helen Alfredsson defeated Juli Inkster and Nancy Lopez in the \$1 million Charity Challenge at The Villages, Fla. Ninety percent of the prize money was donated to charity.

First time: France's Jeff Remesy got his first PGA European Tour title Sunday, finishing with a 4-under-par 68 for a two-stroke victory in the Estoril Open at Sintra, Portugal. "I just made fewer errors than all the other guys," he said.

► Scores, 17C

'99 APR 19 PM 7:30

President Clinton
The White House
Washington, DC

Dear Mr. President:

My family and I are gravely concerned about the Special Prosecutor's obsession to destroy you and your Presidency. Without mercy, he has unleashed vicious forces on you and your entire family. What would have happened to you if you did not have the resources to defend yourself?

As my immigrant family and I watch, and read how the Special Prosecutor with the support of rich, powerful vicious, bias forces are trying to destroy you, in order to satisfy their own desires, we feel a deep sense of vulnerability and fear. If the special prosecutor and powerful forces can invest so much time and money in their efforts to destroy you, the President of the United States, what would they have done to us, powerless working class immigrants?. Something must be done to prevent this kind of hateful, vicious, destructive "hunt" from ever happening again.

You are the first American President to be so loved by the peoples of the world. My native land (Jamaica) is not an American territory, yet the people speak of you as though you are their President. Whenever relatives and friends in Jamaica, telephone or write, the first question they ask is "how is my President?" or "What are they doing to my President?" On a most recent visit to Jamaica, where ever I went, in the streets, the market places etc, people from all strata of the society asked about you. They said they are praying for you and they commented on your compassion, sincerity and kindness. They genuinely love and care about you.

4-19-99

Who should handle this?

Cheryl

B.
Burke
for
reply

As an immigrant family, we are deeply appreciative of all you are doing for the betterment of all Americans and the world. My family's conditions (economic, health etc.) have greatly improved since you became president. We have all benefited from your good works. My entire family including my elderly mother, (Agnes Gordon) have been praying for you. My mother fasts and keeps prayer vigils for you. She telephones, writes and encourages her friends and relatives to do likewise.

There is a very small church of God, in the Bronx, New York, whose membership is made up of West Indians, mostly Jamaicans. Ever since the special prosecutor along with the vicious forces, unleashed on you, the members have been praying for your victory.

Hang in there, Mr. President, you will be victorious. God never fails, he is always there for you. Just put your trust in him. I know you are a very small family but God and a supportive family are your greatest weapon against the vicious forces that have risen up against you.

Through telephone calls, letters and petitions to members of congress and the special prosecutor, my family, relatives, friends and I are making sure they know and remember that we, the people, elected you to be our President and we want you to complete your term in office. It is very touching to see how you and Mrs. Clinton treat everyone with kindness and compassion.

Enclosed is a very small donation for your legal defense fund. I am very sorry I can not afford more at this time.


Lesley Gordon
3120 Fairweather Court
Olney, MD 20832

February 2, 1999

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. check	[Personally Identifiable Information] [partial] (1 page)	02/25/1999	b(6)

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Staff Secretary
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OA/Box Number: 14862

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Monday, April 19, 1999

2016-0970-F

rs2984

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AGNES L. GORDON
P. O. BOX 9485
SILVER SPRING, MD. 20916

65-270
550
007162016

133

2/2 19 99

Pay to the
order of

Clinton Legal Defense Fund \$ 25.00

Twenty Five Dollars

CRESTAR

Crestar Bank
Bethesda, Maryland

[Signature] MP

(b)(6) 0133

President Clinton
The White House
Washington, DC

4-19-99

To Scheduling?

Yes ☒

No ☐

B.

Scheduling

B.

Newton/BMS

PO BX 1115

Miami, FL

33233



P&DC MIAMI, FL 04/13/99 22:58 DCR# 1



ATTN. MS. Betty Currie

White House

Washington, D.C.

20500

Poet Terry Newton wins more awards

By GIGI TINSLEY
Times Religion Writer

Terry Fernando Newton, a fourth-generation Coconut Grove, has won his sixth national poetry honor, a 1998 President's Award for Literacy from the National Authors' Registry and Lliad Press of Sterling Heights, Mich.

He also won his first International Poet of Merit Award and was formally inducted into the Poet Hall of Fame, Sept. 4 in Washington, D.C.

At the eighth annual International Society of Poets Convention and Symposium, Newton was invited to read his poetry and offered an opportunity to compete for the Poet of the Year title.

The President's Award is granted to outstanding writers who have participated, over the years, in the Lliad Awards Program. Many of its winners will have their works published in "Commemorating Excellence," a new hard-cover collection of poems and essays from around the world.

Lliad is an imprint of Cader Publishing Ltd. of Sterling Heights, Mi. It publishes four hard-cover literary books per

year and sponsors the Lliad Award program. The National Authors Registry is an independent association of writers and authors.

Florence Henderson, world renowned stage actress, singer and star of the popular "The Brady Bunch" television show, was the keynote speaker. County Music Hall of Fame legend Willie Nelson, The Drifters and big band dancing were the entertainment that kept poets from 40 nations up until the early hours of the morning after days in seminars, workshops, discussion groups and contests.

The poets were also treated to a light show in which each got to see his or her name go up in lights.

To date, in addition to the six national awards, Newton has also won two international awards, one at the state and three at the local levels and many letters of recognition.

He started writing in January, 1995, and his accomplishments have been impressive. He gives God all the glory for directing his path and crowning his efforts with success.

"God is good, all the time. His wisdom has inspired me to be on

a life mission of hope, love, faith, unity, charity, respect and race tolerance," he said.

He added, "It's time for me to humble myself and devote my time to helping other people not to give up on their dreams, visions and goals and to just keep reaching for the sky."

He is a member of the local poet's group, Body, Mind and Soul Health Food Cafe, that meets most Saturdays at Poetry Night in North Miami from 9:45 p.m. until 1 a.m.



TERRY FERNANDO NEWTON...
Award-winning poet

'99 APR 19 PM 7:28

Body
Mind

& Soul
touring

Poetic
Group

306
687-1777

CITY OF MIAMI

"Peace"

Yes Ms. Currie

I need your help.

I would love to have
the chance to read my

Poetry for the Worker's
and guest of the White House.

OR the inner cities of
DC and other areas.

Maybe I could inspire blessings

My Group & myself
Body, mind & Soul

offer poetry, storytelling
singing, African drumming & dancing
motivational speakers of

Poet's writing began with a divine spark

Terry Fernando Newton remembers when he was inspired to write his first poem. It was one night after a mysterious light illuminated his bedroom.



BEA L HINES

NEIGHBORS
IN RELIGION

National Library of Poetry.
Newton works in Jackson Memorial Hospital's Health Information Management office.

"The room was still dark; nobody saw the light but me. It seemed that a voice was telling me to pick up my pen and start writing."

Newton had never written that much because of basketball injuries to his hands. His family and friends were skeptical. "They laughed at me, but I just kept on writing," he said.

Since that night nearly three years ago, Newton has won five poetry awards. He recently received an award for literary excellence from the National Authors' Registry and received a thank you note from President Bill Clinton for a poem Newton wrote encouraging the president to have faith after his knee injury.

His friends and family have stopped laughing.

Newton has been nominated for the International Poet of the Year Award, sponsored by the International Society of Poets. The winner, which will be announced Aug. 8 in Washington, D.C., will receive a \$5,000 cash award and a contract to publish his poetry.

Newton, 40, grew up in Coconut Grove and was reared by his grandmother Estella Hawes Whitehead. He is a fourth generation member of the Historical Macedonia Baptist Church in the Grove. He now lives in Richmond Heights.

He believes the mysterious light in his bedroom on that fateful night was a message from the Lord.

"The Lord inspired me to write. Now I want to inspire others," he said.

Newton has had 20 of his poems printed in national publications, five of which have won national awards. Three of his poems have been included in the book, *The Best Poems of the Nineties*, published by the

Brother Newton believes that if he can inspire even one person with hope, faith, love, unity, charity and race tolerance his mission will be fulfilled. He gives God all the glory. His great, great grandmother Mrs. Danti Elem Hawes, was one of the oldest living persons in the nation, 117 years old when she passed away on Newton's 7th birthday on December 10, 1963. Newton's family has been a part of the Coconut Grove community for over 70 years. Renowned opera singer Jessye Norman is a cousin. He was inspired to begin writing in 1995, and has never stopped. He is the unofficial poet in residence at Jackson Memorial Hospital, where he has been employed for the past 17 years.

Poet's family is deeply rooted in history with our story

Scheduling

4-19-99

Is Scheduling?

Yes ☒ No ☐

re April 27 event
B.

Janet D. Rowley
5310 South University Avenue
Chicago, Illinois 60615

99 APR 19 PM 7:32

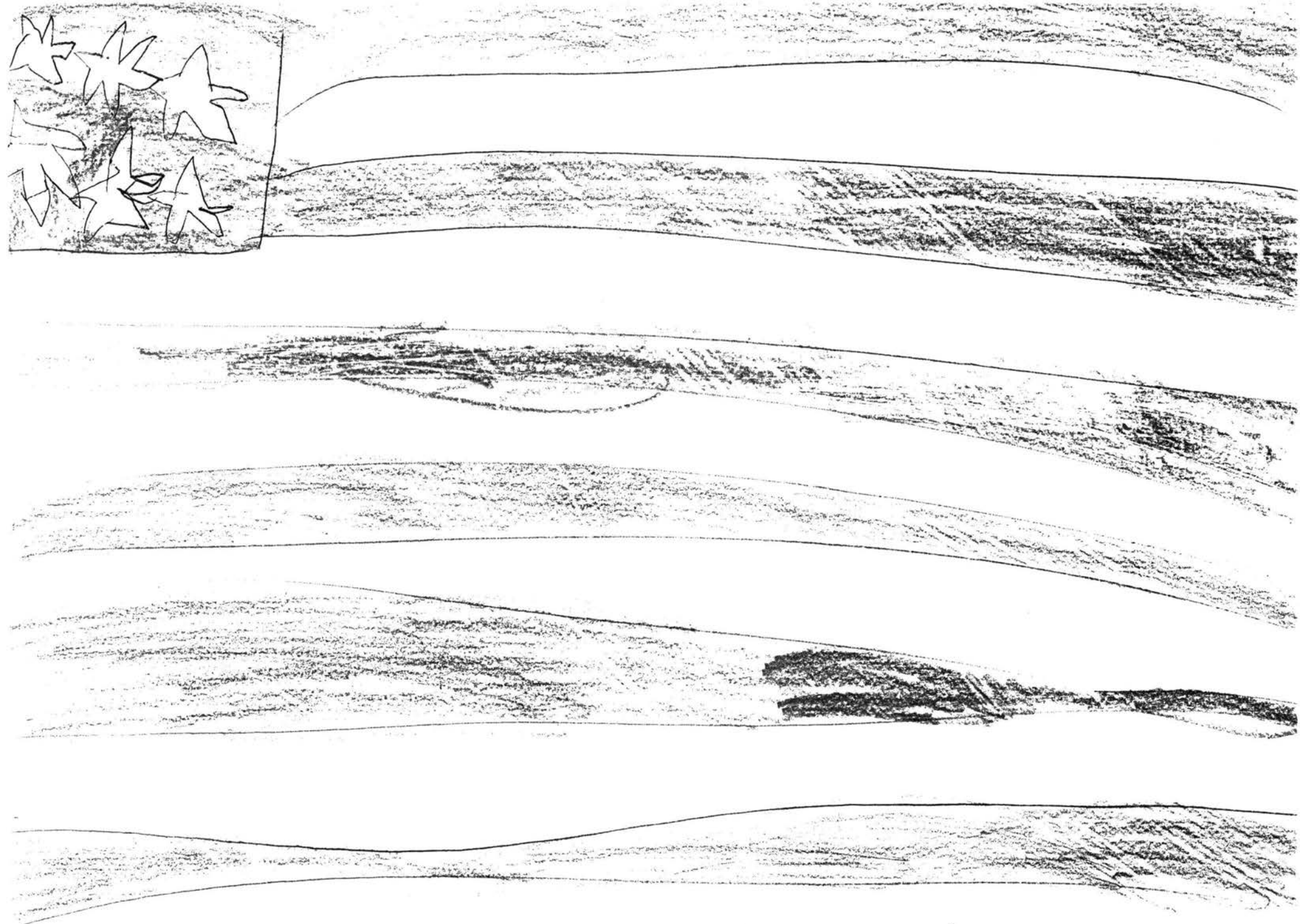
April 15, 1999

Dear President Clinton

Ever since my grandchildren learned that I would receive the Medal of Freedom from you at the White House, they have been begging me to meet you. I have explained that you are extremely busy and that this is impossible. They are, however, very persistent, as you can see from the enclosed letters. My grandson Jason, age 9, remembers your comments on the importance to you of your meeting with John F. Kennedy.

I am writing to see whether it would be possible for them to meet you in connection with the Avenue ceremony on April 27? They would be delighted to see you and a few friends. I am sorry to impose on you when I know you are so burdened with my previous mother. I make this request in very likely to be denied. However, as a grandmother, I try to keep my grandchildren happy in their wishes. Sincerely yours Janet D. Rowley





4-12-94

I wish to meet you before the
year 2,000. I hope you have
good luck with Serbia. I
hope to see you soon.
Someday I would be
just like YOU!!!



Your bud,
Jason Rowley

4-12-99

Dear Mr. Clinton,
I am Janet Rowley's grand
Daughter Jenny Rowley. I thing
you are the best president in
all ^{mistake} of America's history.
I hope you will let us see
you p.s. write back be for
10 days have past. Jenny



I hope I can sit on
your lap.



Dear Mr. Clinton-

I hope I can come to see you.
Please let us come, you are a good President
and you are very good. I hope you can stay
here and never go somewhere else.

Love, G/A



THE WHITE HOUSE

WASHINGTON

Date

4/11/99

To: LARRY STEIN

From: The Staff Secretary

FYI —

WE SENT THE ATTACHED
BERGER MEMO TO THE
PRESIDENT & TOLD HIM
WE'D FORWARD A COPY
TO YOU.

—David Goodfriend

'99 APR 16 PM3:27

THE WHITE HOUSE

WASHINGTON

April 16, 1999

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: SAMUEL BERGER 

SUBJECT: Senator Helms' Serbian Democracy Act

Madeleine and I agree that we ought to work with Senator Helms to modify his Serbian Democracy Act so that we can endorse the legislation and ask for its swift passage. The bill is designed to help bring about the replacement of Mr. Milosevic by a democratic government. It would authorize \$100 million to support democracy programs and the development of civil society in Yugoslavia, impose or strengthen a number of economic, financial, or trade sanctions, and prohibit military-to-military cooperation between the U.S. and the FRY, among other initiatives.

While we share most of the objectives of the bill, some of the specific provisions are problematic, particularly those which unnecessarily restrict Presidential flexibility. Most important, the legislation codifies various economic sanctions and directs certain diplomatic and foreign policy measures. It would require us to oppose FRY participation in a number of international organizations, to block official FRY assets in the United States, and to refuse visas to members of the FRY leadership or their immediate families. While many of the provisions reflect current U.S. policy, the legislation does not provide waiver authority to permit us to license specific transactions and to take appropriate diplomatic positions if they are in the national interest. Constitutional questions are raised by bill provisions that prohibit issuance of visas to certain governmental leaders, that require you to undertake specific diplomatic positions, and that prohibit direct or indirect military cooperation.

In addition, some European allies will oppose an explicit policy of seeking the replacement of Milosevic, and this could thus weaken NATO cohesion.

cc: Vice President
Chief of Staff

However, given Mr. Milosevic's recent behavior, it would be undesirable simply to oppose this bill. Our strategy, therefore, is to work with Senator Helms to modify the bill into something we can support. Madeleine has already spoken with the Senator in this regard. When Congress returns next week, State will begin a dialogue with Senator Helms on the provisions of the legislation that would require modification.

Attachment

Tab A Op Ed by Senator Helms

Sandy
Why don't we endorse
this and push for swift
and speedy passage?
POTUS

3-29-99

2017
TO: EXEC
RE: E-MAIL
TASKING

Copied
[redacted]
Podesta

WHY DON'T WE ENDORSE
THIS AND ASK FOR
ITS SWIFT AND SPEEDY
PASSAGE?

→ GREG
We owe POTUS
an answer

Ⓟ

Jesse Helms

Our Exit Strategy

For the past year, Yugoslav strongman Slobodan Milosevic has waged a brutal campaign of genocide against the Albanian population of Kosovo. More than 600,000 have been displaced from their homes, and more than 2,000 men, women and children have been murdered by his armed forces and interior ministry—many forced to kneel together on the ground before being sprayed with bullets and then piled into mass graves.

All this is merely the latest in Milosevic's reign of terror in the Balkans. In his proxy war against Bosnia-Herzegovina, he killed hundreds of thousands, opened the first concentration camps in Europe since the Holocaust and almost single-handedly restored "genocide" to the European vocabulary.

American troops already have been sent into harm's way to enforce peace in Bosnia. Now, as a result of his latest repression in Kosovo, the United States is being called on again to deploy its armed forces in an even more difficult and perilous Balkan quagmire.

This must stop. And the only way it will stop—ever—is if we address the underlying cause of the problem in the Balkans: Slobodan Milosevic's continued rule. The time has come for the United States to stop coddling Milosevic and pretending that he can be part of any acceptable solution and start working toward his removal and the democratic transformation of Serbia.

Time and again the Clinton administration has sent senior envoys, such as Richard Holbrooke and Christopher Hill, to wine and dine Milosevic in the hope of convincing him to behave. Time and again, he has clinked glasses, and then returned to his genocidal ways.

Now, after threatening NATO airstrikes 20 times without following through, the president has backed himself into a corner. So the administration is crossing its fingers and hoping airstrikes will show Milosevic the error of his ways—with no idea what to do next if they don't.

Our Yugoslav policy has failed. If we are to prevent further genocide and preclude American forces from being dragged further into the Balkans, our objective must change from appeasing Milosevic to sponsoring democratic change in Serbia and Milosevic's removal from power.

Democratic countries don't commit genocide and launch wars of aggression. But Milosevic's Serbia is not a democratic country. His ruthless power is maintained through fear and repression. He orchestrates attacks on academics, restricts freedom of assembly, maintains ironclad con-

trol on the judiciary and harasses the media.

The Clinton people must stop trying to entice Milosevic and his cronies to dinners at French castles and instead treat him as the pariah that he is, while actively helping those in Serbia who oppose Milosevic's racist regime and who understand that building a free, pluralistic society is the key to bringing down this bloody tyrant.

To this end, I am introducing legislation with Sen. Richard Lugar, Gordon Smith, Joseph Lieberman, Frank Lautenberg and others to make Milosevic's removal and Serbia's democratic transformation U.S. policy.

The bipartisan "Serbia Densitization Act" will, among other things:

- Authorize \$100 million in U.S. funds to help support democracy and the development of a civil society inside Yugoslavia.
- Authorize increased Voice of America and Radio Free Europe/Radio Liberty broadcasting.
- Authorize assistance to victims of Milosevic's repression.
- Codify the "outer wall" of our sanctions on the Milosevic regime.
- Block all Yugoslav assets in the United States.
- Deny visas to senior Serbian and Yugoslav government officials.
- Require certification that Yugoslavia has a freely elected government before restoring most-favored-nation trading status to Yugoslavia.
- Prohibit strategic exports and U.S. loans to Yugoslavia.

The goal of the legislation is to isolate Milosevic, while at the same time engaging the Serb people and giving them resources with which to build democratic institutions and a pluralistic civil society.

The United States must work with democratic forces in Serbia to get out the message that it is Milosevic's autocratic rule and brutal repression in Kosovo that endangers Serbian territorial integrity. We must further make clear to the Serb people that a Yugoslavia whose government is based on democratic principles, the rule of law and respect for human rights will be welcomed with open arms into the community of nations.

Milosevic's removal is our exit strategy, and it is the only policy that can bring lasting peace to the Balkans. The alternative is more indefinite, and increasingly dangerous, U.S. military deployments in the Balkans.

The writer, a Republican from North Carolina, is chairman of the Senate Foreign Relations Committee.

THE PRESIDENT HAS SEEN

4-19-99

AES Corporation

The Global Power Company

April 15, 1999

Dennis W. Bakke
President
Chief Executive OfficerThe President
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President:

As you may know AES has a substantial investment in Kazakhstan. It would be of immense value to us and probably to all American investors for you to find a kind word or two to say publicly about Kazakhstan during the NATO 50th Anniversary.

Our Chairman, Roger Sant, is meeting with President Nazarbayev in hopes that some of our difficulties in his country can be ironed out, but my request of you is not for anything but a supporting comment about the development of the Kazakh democracy.

If the Vice President had five minutes to greet the President, that would be great, as well.

Sincerely,



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 Berger
 Podesta

DWB/jh

cc VP 4/16
 Mr. President
 present to
 Sandy to
 determine
 if appropriate

Sandy
 advise

~~Explaining~~ Podesta
the interview in Chicago
Nin. 7/1 cant, 1's photo at that
Do not know —

BS

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Moore.

THE PRESIDENT HAS SEEN
4-19-99

4-19-99

Handwritten signatures and initials:
1. *Chris Davis*
2. *W. Russell*
3. *ATB*

Karen K. Russell
The Bill Russell Tribute
A Night To Truly Champion A Cause
101 Huntington Avenue
Suite 2575
Boston, MA 02199

March 29, 1999

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

RE: THE BILL RUSSELL TRIBUTE
A NIGHT TO TRULY CHAMPION A CAUSE

Dear Mr. President,

By way of introduction, you met my father, Bill Russell briefly when his friend Alexis Herman brought him by the Oval Office. On May 26, 1999, my Dad, one of America's fabled sports legends is going to be honored by Boston, Hollywood, the NBA and the Boston Celtics. We would love to extend an invitation to you and Mrs. Clinton.

My father, Hall of Fame great and universal symbol of athletic grace, intensity and achievement will have his famous number 6 re-retired in the recognition of the 30th anniversary of his record-setting 11th NBA championship.

As part of the celebration, Sports Illustrated is doing its ninth cover story on him in the first week of May. They will recognize the record of the Russell-led 1959-69 Celtics as, "the greatest achievement in team sports in the 20th Century."

Joining him and 18,000 fans on this once in a lifetime evening will be some of the NBA's greatest players representing four decades of stars. These will include: George Mikan, Bob Pettit, Frank Ramsey, Wilt Chamberlain, Jerry West, Elgin Baylor, Willis Reed, Bill Bradley, Julius Erving, Bob Cousy, K.C. Jones, Sam Jones, Tom Heinsohn, John Havlicek, Magic Johnson, and Michael Jordan.

They will be joined by other great legends from sports, such as Muhammed Ali, Hank Aaron, Jim Brown, Joe Morgan, and Frank Robinson. Hollywood and music legends, Clint Eastwood, Jack Nicholson, Warren Beatty, Willie Nelson and Paul Simon.

Honorary chairs for the event include: NBA Commissioner David Stern, Red Auerbach, Rick Pitino, Coretta Scott King, Rachel Robinson and Senator Edward M. Kennedy.

Aretha Franklin, Charlie Pride and Johnny Mathis are going to sing. Bill Cosby, a dear family friend, has graciously agreed to emcee the evening.

Tom Brokaw, Bryant Gumbel, and Matt Lauer will weave the Bill Russell story, with all of its mystique, character, and achievements. My father's career aroused the souls of countless Americans and lifted the spirits of millions of fans. He defined uncompromising quality, integrity, fierce competitiveness and most of all, he made winning seem easy and fun.

The event will benefit great charities, The National Mentoring Partnership (NMP), The Massachusetts Mentoring Partnership (MMP) and The Zion Preparatory Academy (ZPA). The NMP, formerly One to One, was founded by Colin Powell and my father sits on the Board.

The ZPA is located in Seattle where my father currently lives. The ZPA is an inner city prep school committed to teaching respect, responsibility, discipline and academic skill to less fortunate children. Most of ZPA's students are African-American and the school's philosophy is simple: every child is someone to be loved, to be taught and valued. Daddy would also like a portion of the proceeds to benefit the NBA Retired Players Association.

Attached please find short descriptions of the charities. Throughout his life, mentoring, reaching out to help others has always been an important priority for him.

In his years with the Celtics, he led the team to an unprecedented 11 NBA championships in 13 years including a remarkable eight straight. Like Michael Jordan, he has five MVP trophies, he was voted to the All-Star team 12 times and holds more than 10 NBA records.

My family, especially my father, would be honored if you would co-host the dinner and participate in the tribute. Given your hectic schedule, if you cannot make it, we would love you to appear in our video tribute.

Warmest Regards,

K. R. Powell

"A Night To Truly Champion A Cause"



NATIONAL HEADQUARTERS

285 Columbus Avenue
Boston, MA 02116
Tel: 617.927.9500
Fax: 617.927.9510
www.city-year.org

THE PRESIDENT HAS SEEN
4-19-99

Stephanie
cc: BRed

Alan Khazei
Co-Founder
e-mail: Alan_Khazei@City-Year.Org

You intended
in doing this
Bx

Copied
Street
Reed
Podesta

April 16, 1999

President William Jefferson Clinton
The White House
Washington, DC 20500

Dear President Clinton:

Thank you so much for a truly magical and extraordinary evening in the White House with Sylvia Matthews and The Wasatch Group a few weeks ago. I left completely inspired and energized to re-double my efforts and that of City Year to realize your vision of One America. You gave our group a fundamental charge that none of us will ever forget.

BOSTON

CHICAGO

CLEVELAND

COLUMBIA

COLUMBUS

PHILADELPHIA

RHODE ISLAND

SAN ANTONIO

SAN JOSE/SILICON VALLEY

SEATTLE/KING COUNTY

I deeply appreciated the too kind words you said about City Year and the absolutely tremendous support you and the First Lady have given to our organization. Since that December day in 1991 when you walked into our headquarters, our organization has grown tenfold -- directly because of your leadership. More importantly, you have already enabled 100,000 young idealistic Americans to serve their country through Americorps. I am convinced that Americorps will be a living legacy of your Presidency, and that over time it will spawn a "New Progressive Era" marked by social entrepreneurship and a recommitment of our fundamental values of opportunity, responsibility and community.

As you know, we are bringing our national convention to Washington, DC from May 24th -- 28th in order to celebrate our 10th Anniversary and show our nation's leaders the power of Americorps. Everyone in the City Year community deeply hopes that you will once again join us. Your participation last year was the high point of our ten-year history. We would be honored to launch our second decade with you at the helm.

I am truly grateful for your leadership, your belief, and your willingness to fight to bring the opportunity of service and justice to all young Americans. We are truly blessed to have you as steward of our nation.

With thanks,

Alan
Alan Khazei



Thank You So Much For Your
Tremendous Leadership
and Support!!

PUTTING IDEALISM TO WORK

NATIONAL FOUNDING SPONSORS



The Circular Firing Squad

Boy, I sure hope the Clinton team loses this war in Kosovo, because if it wins, there will be no one to pick up the Nobel Peace Prize. If I read The Washington Post, New York Times and Wall Street Journal correctly, everyone in this Administration has already blamed everyone else in this Administration for failure in Kosovo.

Reading the front pages, one finds that the Joint Chiefs blame Secretary of State Madeleine Albright for dragging them into a morass. The State Department blames the Pentagon and the NATO allies, the C.I.A. says it predicted the war would go badly, the Vice President is worried that it's going to sink his election chances, the Congressional Democrats want to dump the whole Clinton foreign policy team for failing to anticipate Serbian behavior, and the Republicans don't know what they want but they all agree it's Bill Clinton's fault.

Talk about turbo finger-pointing. You don't even have to leave this Administration and write your memoirs to betray it — now you can do it on the job. If the Clinton team were half as good at targeting the Serbian tanks in Kosovo as it is at targeting its own members in the press, we would have won this war already.

Yo, boys and girls, can we do this later?

If this war goes badly, you're all sunk, and we're all sunk. You have to hang together, both in appearance and reality, because in this information age, everyone is watching — most importantly our allies and Slobodan Milosevic. If the allies see everyone on the Clinton team blaming everyone else, how long do you think

Who'll pick up the Nobel?

NATO will stick behind America?

How is one supposed to conduct a long-term campaign in such an environment? I guess one should not be surprised. It is scary how we have seamlessly moved from O. J. to Monica to Kosovo, and treat each one as just another partisan spectacle. CNN has shamelessly, and shamefully, aired a steady stream of interviews with every relative of the three captured U.S. G.I.'s — as if their fate were the central issue of the day, as if they were not soldiers sent to fight but high schoolers abducted while on a picnic in Macedonia.

This is war, not infotainment. We're not up against Jon Benet Milosevic. We're up against a ruthless dictator who has made 500,000 people homeless. It is going to require ruthless, brutal staying power to succeed here. Maybe the air war will not be enough to pressure the Serbs into accepting the minimum diplomatic outcome we need — which is that the refugees be allowed to return to their homes in Kosovo, and run their own lives, protected by international peacekeepers. But two weeks of bombing is far too early to determine that.

This is not a perfect analogy, but I was in West Beirut during the summer of 1982 when the Israeli Army decided not to enter that city with

ground troops to evict the P.L.O. but to rely instead on air, sea and artillery bombardments. For the first two months there was solidarity between the Beirut Muslims and the P.L.O., in the face of the Israeli siege. But as the summer wore on, as the economy ground to a halt, the Muslim leadership in West Beirut finally called Yasir Arafat and said, in effect: "Yasir, we can't take this anymore. We said we'd be with you 'till the last dog dies.' Well, it just died. It's time for you to go."

Bratislav Grubacic, one of the most prominent Serbian journalists, puts out a daily Internet news report from Belgrade. Here's an excerpt from Tuesday, April 6: "The prospect of a prolonged bombing campaign is making people depressed and nervous. However, even if the air strikes stop soon, the reasonable part of the population fears that living in a devastated and isolated country without fresh money and help from abroad will be like living in a concentration camp."

If the U.S. wants to return the Albanian refugees to Kosovo — without using ground troops — NATO is going to have to intensify both its diplomacy and its bombing of Serbia, with no holds barred.

Therefore, to emerge with an acceptable outcome, the Clinton team is going to have to steel itself for accusations of engaging in both military "overkill" and diplomatic "appeasement." Managing such a tense endgame will require a cool head and a tight-knit team with a mean streak and steady nerves — not a group marching forward while looking over their shoulders at each other. □

THE PRESIDENT HAS SEEN

4-19-99

The Washington Post
THURSDAY, APRIL 8, 1999

Handwritten: J. Edgar Hoover
FBI
S

Handwritten: copied
Benger
Podesta

copied
Tramontano
Podeste

4-19-99

100-442-24-10108

THE WHITE HOUSE
WASHINGTON

March 26, 1999

MEMORANDUM FOR THE PRESIDENT

FROM: KAREN A. TRAMONTANO
SUBJECT: LABOR AND CHINA WTO ACCESSION

Sweeney will
off the hook
a deal

After yesterday's meeting, you asked for a list of labor leaders whom you could call to get a sense of labor's opposition to China's accession to the WTO and to it receiving permanent MFN status. Set out below are my recommendations and a brief description of the context for your calls.

I. John Sweeney

Sweeney is joining you for dinner at Camp David on Sunday evening. This may be the best time to speak with him. To date, the AFL-CIO has not taken a position concerning China's accession to the WTO; though, the AFL-CIO Executive Committee has passed a resolution directing Congress to deny China MFN status and requiring Congressional approval for China WTO accession. In the past, the AFL-CIO has opposed China - MFN status largely on human rights grounds, but they have not historically waged a campaign against China - MFN. Sweeney is meeting with Madeline Albright on Friday, March 26. Albright plans to tell Sweeney about the Geneva Human Rights resolution. Sweeney should be pleased about our position.

The purpose of YOUR conversation with Sweeney is to ascertain whether he will lead a campaign against China's accession to the WTO and / or permanent MFN status. The recent surges in steel and the anxiety among the industrial unions about trade generally will change the basis for labor's opposition from an exclusively human rights opposition to one based on both trade and human rights.

In light of the on-going trade debate, Sweeney is having a difficult time holding together his industrial union base within the AFL-CIO. As a result he may raise the School Construction issue with you. As you know, Rep Charlie Rangel has resisted including Davis-Bacon (prevailing wage) in his School Construction bill for several reasons:

1. He believes if Davis-Bacon is included his bill, the Republicans will rule his bill "out of order" and the Democrats will lose the tactical advantage of a tax bill with a

strong populist message to use against the Republicans;

2. NEA is opposed to including Davis-Bacon and AFT is very concerned that if Rangel's tax bill includes Davis-Bacon the Republicans will have a strong "talking point" against the bill; and
3. Rangel is also reluctant to change his bill because labor opposes his Africa Trade Bill, opposes his position on CBI and he is concerned that including Davis-Bacon will result in reducing opportunities for minorities to build these schools in inner-city neighborhoods.

Sweeney will likely ask you to call Rep. Rangel to ask him to include Davis-Bacon in his tax bill. I recommend you tell Sweeney the following:

- YOU know everyone has been working hard to resolve this issue;
- That YOU support expanding Davis-Bacon to School Construction;
- But, we need to make sure that the best way to maintain School Construction as a Democratic issue, get the bill passed and expand Davis-Bacon is to include it as part of Charlie Rangel's bill.

In addition to Sweeney, I recommend you consider calling these additional labor leaders regarding China-WTO:

II. Steve Yokich, President, UAW
Tom Buffenbarger, President, IAM
George Korpius, Former President, IAM

In recent testimony both the UAW and the IAM outlined their opposition to China's accession and MFN based on both human rights grounds and their view that China continues to rely on offsets that force transfers of technology and production for market access. We have opposed offsets and YOU, in a conversation several years ago with George Korpius, established a task force led by Laura Tyson to look into this issue. Unfortunately, the offset problem essentially remains the same. Moreover, even though exports to China in these industries may result in some job gains in the short run, these unions believe that offsets that force transfers of technology and production over the long run are devastating to domestic jobs in these industries. Charlene Barshefsky is bargaining to put in place disciplines on transfers of technology and production. These disciplines will not address the unions' concerns completely. Charlene believes that improved access to China's market may reduce the offset problem. It will not, however, come close to solving the unions' problem.

If the AFL-CIO does not lead a campaign against China-WTO and/or MFN, the UAW and the IAM may fund such a campaign. The purpose of YOUR call to these leaders is to

get a sense of whether they are planning to strongly oppose China-WTO and/or MFN. If you are unable to talk to the three labor leaders, I recommend you talk with Steve Yokich. Even when we reached agreement with the AFL-CIO on our IMF policy, it was Yokich who continued to oppose the policy.

III. George Becker

I hesitate to recommend this call because George will talk for a long time with you about steel. Even though we have made tremendous progress, George remains very frustrated with our approach to the situation and continues to request that we self-initiate a 201 case. With regard to China, George will raise an issue that differs slightly from the issues raised by the UAW and the IAM. George is concerned that once China is in the WTO either we will be unable to initiate unilateral action -- when they violate our trade laws -- or we will no longer be able to enter voluntary restraint agreements in response to surges (like we did recently with Russia).

CONTACT INFORMATION

John Sweeney

Office: (202) 637-5221
Home: (301) 229-9147

Note: From 3:00 p.m. Saturday (3/27) till Sunday morning, Sweeney can be reached at the Brunswick Hilton: (732) 828-2000.

Steve Yokich

Office: (313) 926-5201
Cell: (734) 231-5256
Hotel: (313) 568-8620

Tom Buffenbarger

Office: (301) 967-4502
Home: (301) 570-0024

Note: Tom will be in Canada until Saturday (3/27) evening.

George Kourpias

Office: (301) 578-8850
Home: (301) 598-8450

George Becker

Office: (412) 562-2300
Home: (412) 364-8052

Note: George's assistant, Maxine Carter, can be reached over the weekend at: (412) 361-2440.

4-19-99

THE WHITE HOUSE

WASHINGTON

March 26, 1999

99 MAR 26 11:58

Copied
Bergin
Spierling
Stein
Podesta

MEMORANDUM FOR THE PRESIDENT

FROM: SANDY BERGER
GENE SPERLING
LARRY STEIN

Sumner told off
on memo for use
have a deal-

SUBJECT: Phone Calls to Congressional Members on China WTO Accession

In the meeting last night, you suggested it would be useful to sound out a few key members on the Congressional reaction to a possible agreement on China's accession to the WTO. We have assembled a short list of recommended members who should provide a good read on the different currents in the House and Senate on this and related China issues.

The purpose of the calls is to provide you with Congressional reaction on a variety of related issues:

- The likely reception of a strong deal and what steps we can take to improve that reception;
- The relative influence of different interests on this issue (e.g. business and agriculture, the human rights community, nonproliferation);
- The prospects for permanent MFN this year; and
- The threat of legislation creating additional Congressional hurdles.

It is important that members realize we do not have a deal in hand, and you are not calling to request their support, which would be premature. It is also critical that your comments not convey any sense of possible retreat or delay because, if leaked, this could needlessly damage the negotiations with China and alarm the business community. We have provided detailed background on each of the key areas under negotiation in China's WTO accession in case you get questions.

Recommended Calls

We recommend you make calls to the following members. Priority calls are in bold.

- Senate Calls
 - **Daschle** should provide a good read on his caucus.
 - Rockefeller should be a good bellwether. He has a longstanding interest in promoting trade ties with East Asia, but also is sensitive to labor's concerns and may be wary in light of his recent experience with the steel surge, where China has played a small role.

- **Lott** should provide an interesting read on his caucus. It is worth noting that he voted for the Hutchinson amendment that would have required passage of a joint resolution as a precondition for U.S. support of China's accession to the WTO.
- **Hagel** is a leading internationalist Republican with strong agricultural interests who should be able to provide a realistic appraisal of cross-currents in the Republican Caucus.
- House Calls
 - **Gephardt** is the author of a bill that would require Congressional approval of China's WTO accession and U.S. withdrawal from the WTO if China is admitted without that approval.
 - **Bonior** is the point person in the Democratic Caucus on trade issues.
 - **Matsui** has traditionally been a strong supporter of annual MFN and a strong WTO deal with China, but he is increasingly conflicted, reflecting concerns about likely division with the party.
 - **Hastert** is generally supportive, but was recently criticized in the *LA Times* for too closely reflecting Caterpillar's agenda on this issue.
 - **Dreier** should provide an insightful appraisal of the Republican Caucus and is a key figure on trade.
 - **Roemer** should provide a good reading on how this issue will play among Republicans who have concerns relating to the immediate issues of satellites and spying.
 - **Portman**, who is increasingly active on trade and troubled by the EU bananas dispute, is likely to give a straight appraisal.
 - **Boehner** or **Kolbe** are free trade advocates who are likely to have useful insight into the Republican Caucus.

Attachments

- Tab A Talking Points for Congressional Calls
- Tab B Background on Status of Negotiations
 - Agriculture
 - Services
 - Manufactured Goods
 - Special Rules (Protocol)

A

]

TALKING POINTS FOR CONGRESSIONAL MEMBERS
REGARDING CHINA WTO ACCESSION

- I am calling to get the benefit of your sense of how the China WTO issue will play this year.
- There appears to have been a sea change among China's leadership on this issue. Over the past two months, there has been substantial movement in China's position. Last month, Premier Zhu Rongji spent over two hours in discussions with Charlene Barshefsky on the details of China's offer. This is the first time we have seen engagement at that level.
- Zhu appears to be motivated by the prospect of getting China into the WTO before the launch of the next negotiating round, his upcoming visit, and China's internal reform agenda.
- We do not have a deal at this juncture; China will have to make further concessions. But I believe there is a real chance Zhu is ready to conclude a serious market access deal that would be heavily supported by our agricultural, services and manufacturing producers and include protections against unfairly traded imports.
- I would only consider going forward with a very good deal for us, one that is seen as such by the key sectors.
- If in fact we could conclude such a deal, what kind of reception would it receive from members of your caucus? What is the chance it will be considered on its merits in the current atmosphere?
- Are there actions we could take or ways of proceeding that could significantly improve that reception? (e.g., deal breaker concessions, timing considerations, conditional acceptance pending Congressional consultations or other Congressional involvement)
- How will business and agricultural community support be weighed against some of the opposing forces (e.g. organized labor, human rights/religious persecution, textiles nonproliferation)?
- If we conclude a very strong deal, what is your assessment of the prospects for permanent MFN later this year? How difficult would be a permanent MFN vote relative to the annual MFN process last year? Who will work hard for it? Against?
- I understand there are a variety of other legislative proposals under consideration (Hutchinson, Gephardt/Helms/Hollings) that would create an additional Congressional hurdle for China WTO. How strong is the momentum for these and where is the pressure coming from to go down this path?

[If Supportive:]

- If we get a deal that meets our high threshold, I will need your help to build congressional support.

B

MANUFACTURED GOODS

- China will reduce the **average tariff rate** to approximately 10 percent, which is comparable to most developed countries and far lower than most developing countries.
 - For our priority products, the rates will be lower than 10 percent and become effective in the first 2 years after China's accession.
 - **Hi-tech goods:** China will have no duties on **hi-tech goods** and a few other sectors (furniture, beer, and toys).
- China will "bind" or commit not to raise all of their tariffs, which goes beyond most WTO members (who bind their tariffs at higher levels than the actual applied rate to provide scope for sharp increases in the event of a surge).
- **Tariff negotiations continue** with respect to chemicals, wood and paper, and autos.
 - **Chemicals:** We hope to achieve substantially reduced tariffs for 70 percent of chemicals. China is resisting significant reductions on cosmetics, plastics, and film tariffs.
 - **Wood and paper:** We expect to get tariffs in the 5 to 7.5 percent range, with a commitment to go to zero if this agreed among the other WTO members.
 - **Autos:** We believe China will agree to reduce tariffs from the current 80 to 100 percent levels into the 20's by 2005. While higher than the Chinese average, these will be among the lowest in the region. There are a number of other barriers on autos on which negotiations continue.
- **Quotas:** China will also eliminate the majority of existing quotas by 2002 and provide for growth in each quota each year prior to elimination.

SERVICES

- China's commitments cover the full range of service sectors and guarantee the existing rights of U.S. service providers in the market, which no other WTO member has done.
- China will eliminate its exclusive state **trading rights** in 3 years, enabling U.S. exporters to sell directly into China's market. (Note: There are a few exceptions, notably fertilizers and grains, where will continue to press.)
- China will grant **full distribution rights** to U.S. distributors, from wholesaling to retailing to after sales services to maintenance and repair, within 3 years. China's commitments on distribution are among the most far reaching of any WTO member. This is a critical priority across a range of U.S. industries.
 - Full distribution rights for several products, most notably fertilizers, pesticides and pharmaceuticals, will be allowed only after 5 years and direct selling is excluded entirely. We continue to press for early distribution rights for all of these activities.
- **Telecommunications:** China will for first time allow direct foreign investment in its telecommunications sector, from Internet to mobile/cellular, to traditional wireline services. It will adopt a multilaterally agreed regulatory framework, which is critical. The key remaining issue is whether China will permit majority ownership and/or control over the networks.
- **Financial services:** U.S. **banks** will be allowed to handle local currency transactions, initially for corporate accounts and subsequently for individual accounts and will be allowed to establish branches -- their preferred form of establishment. U.S. **securities'** firms will be permitted to underwrite and trade foreign shares and underwrite domestic shares.
- **Insurance:** U.S. insurers will be permitted majority ownership of both life and non-life companies, with 100 percent ownership permitted on the non-life side within 2 years. Additionally, they will be permitted to sell more profitable insurance products over 5 years. However, the issuance of additional **licenses** immediately to qualified U.S. insurers remains the subject of negotiation.
- **Motion pictures and sound recordings:** China will be among only 13 other WTO members to make specific commitments in this sector, including **full distribution rights for videos and sound recordings**. Outstanding issues include management control of movie theaters and minimum access for foreign films into the Chinese market.
- **Professional services:** In all professional service areas, e.g., legal, accounting, architecture and engineering, China is essentially allowing foreign entry with few restrictions comparable to those in the most permissive developed countries.

AGRICULTURE

- **Tariffs** on our priority products will be reduced to an average of about 15 to 17 percent, with an overall average of about 20 percent. These compare favorably to developed and developing country levels.
 - **Soybean tariffs:** We insist that China bind its tariff at 3 percent. Although China appears prepared to apply a 3 percent rate, they are not willing to bind it at that level. Negotiations continue.
- **Import bans:** We expect to achieve elimination of existing bans on key commodities including:
 - **Meat** (beef, poultry, and pork);
 - **Citrus;**
 - **Pacific Northwest wheat** (Note: This remains under negotiation, but we believe we can achieve elimination.)
- **Bulk commodity imports (wheat, corn, rice, cotton):** We are negotiating to secure the package that industry has requested, which would require China to make commitments that other WTO members have not made, such as providing for growth in quotas and expanding the private sector share. The commitments we are negotiating include:
 - **Global quotas** that far exceed current import levels. The Chinese are discussing levels for **wheat** of 5 million metric tons, **corn** of 3 million, **rice** of 1 million, and **cotton** of 700 thousand upon accession. We will continue to push for more;
 - **Growth** in those quota levels until they are fully phased out in 2004;
 - **Private sector quota shares** at the beginning of the calendar year and **reallocation of quota** from state enterprises to private enterprise later in year so the private sector can purchase quota not used by state enterprises. This increases the likelihood that the imports will reach the full quota level.
 - **Soybean oil:** A remaining issue is eliminating quotas on soybean oil.
- **Export subsidies:** China will agree to eliminate export subsidies completely.
- **Domestic supports limits:** We are negotiating a cap on the permissible level of domestic support to agriculture. We believe we can secure a low cap.

SPECIAL RULES (PROTOCOL)

- We are trying to negotiate special rules that preserve our rights to protect domestic industries from unfairly traded imports from China. The rules we are pressing for go beyond what is currently asked of other WTO members, and are therefore difficult to negotiate.
- The special rules would:
 - Protect against forced transfers of technology;
 - Ensure that state-owned enterprise operate on commercial terms;
 - Maintain our current approach to applying our dumping laws to China, which permits us to treat them as a nonmarket economy;
 - Provide China-specific remedies in the event of import surges (for example, in textiles); and
 - Guard against China's inability/unwillingness to meet its obligations.

THE WHITE HOUSE
WASHINGTON

Domestic - WTO 9/26

- ① get facts out - why it's good
- ② no other China trade deals
- ③ some positive publicity
↳ very good for US
- ④ Chinese community has to
come out

-
- might have a chance in court
if all 4 above things happen -
 - today 35 votes ~~not~~ (total).

Say Bob Kennedy on espionage
issue - big plus.

4-19-99

Sunday

Email fr. daughter
 of the Armenian - American
 leader I met with in
 Michigan. We might
 be able to let them
 work getting more
 info from ~~the~~ her -
 She's in Texas working
 w/ refugees

Be

copied

Bergen

Podesta

Subj: Fwd: Are you ok????
Date: 99-04-12 15:37:21 EDT
From: BMG RACING
To: Bardha
CC: BMG RACING

Forwarded Message:

Subj: Re: Are you ok????
Date: 99-04-08 13:17:22 EDT
From: Donika711
To: BMG RACING

Dear Eli:

Thank you for your words.
The truth is that the situation is deeply disturbing.
Just one story:

There is a tent at the camp in Tirana. You have seen the camps on television.

In one of these tents are five teenage girls that will not come out.

A 10 year old girl, who is the daughter of the cashier at Piazza, told her mother about these girls in the tent because this girl and others in her class go to the camp to play and entertain the refugee kids.

"See that tent over there, they told the ten year old, thats the tent of the girls who wont come out"

She was told that these girls have been raped by Serbian soldiers. The little girls said that the serbundressed them, and took them to the army barracks. The girls now say they are so shamed they will no come out.

Subj: Eli B.
Date: 99-04-16 09:42:26 EDT
From: Donika711
To: Bardha

Dear Eli:

The stories go on and on. It is difficult for ones mind to
to able to accept so many tragic stories.

Eglas daughter met with the the girls in the tent who wont come out.
She told them that " a nice lady wants to help you, to talk to you."
They seemed frightened and said, "Who is this lady? Why does
she want to meet us?

So far I have not met with them, but I will try to.

A women in the camp told Eglia that she lost he husband. The serb
police came to her house and forced her and her children to get into
a bus. They kept her husband at the front door. Once the bus door was
closed, they lit the man on fire so that they could watch.
This woman and her children are now at the "Pishina" camp in Tirana.

We are hearing many rape stories from refugees. One woman
told a friend of mine how they raped her and her daughter. Another
story of a girl who raped in front of her father. They said to him
"You have a nice girl."

There is a survivor of a horrible story now in the burn center of Tirana.
He went on Albanian television two days ago with his story.
The serbs caught fifteen persons including him and shot them all.
They then immediatly threw gasoline on all the bodies and burned
them. Somehow, this man survived. He walked in that condition
until he was picked up.

They showed him on television. It was hard to watch. You couldnt
tell that it was a human being talking. It was something black with
gauze covering parts. When his mother went to see him, she
could only identify him be his voice.

I have to go now.

Lets hope and pray this will stop soon.

donika

Subj: **Re: Are you ok????**
Date: 4/8/99 12:24:30 PM US Eastern Standard Time
From: Donika711
To: BMG RACING

cont.

So I told Egla (the cashier) to send a message to these girls that someone wants to help them- and what do they need?

Its one of many sad stories we hear every day from the refugees who come over. Stories full of death and torture, and suffering.

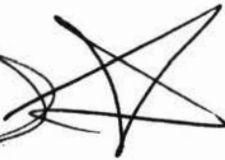
Document!

In any case, Albanians are helping each other and its going to be better soon.

Melihats father and his family just came as a refugee. He said the Serbs gave them 5 minutes to pack and leave or they would have been killed.

He is very distressed from the poor treatment they received in Macedonia. They were in mud up to there knees for days. With no roof over their heads. He was taking pills to relax himself.

We'll thank God for Clinton and Blair and all those who are fighting human rights abuses in the world. We watch the news till late in the morning to see whats happening and hoping they bomb them good until Milosevic is finished.



Send this letter to Vera and Bajram please at Mergims computer.
Love to you, donika

Subj: **Are you ok????**
Date: 4/7/99 8:59:52 AM US Eastern Standard Time
From: BMG RACING
To: Donika711
CC: BMG RACING

I can't believe what has been happening.

I think it is very brave of you to be over there in the middle of this amazing point in history. You should be very proud of yourself.

The events unfolding over there will change the the world for the the better.

I can finally say with the utmost confidence that I, AM ~~AM~~ **ALBANIAN** !!!

No more of those stupid people saying "Where is Albania?". Or my favorite "This is my Armenian friend Ulee." We are on the map for good!

Well, I hope you are taking care of yourself and remember, if the Serbs have got you comered, ask them to give you one a minute to E-mail your brother to say bye, and that your sorry for throwing shoes and punching him in the back room of Squeely'z.

I LOVE YOU DONIKA

Your brother ILIR BARDHA (with pride)

Common Ground On Social Security

By Martin Feldstein

As the debate over Social Security heats up, many are stressing differences between the proposals made by Congressional Republicans and those outlined by President Clinton in his State of the Union address in January. But those differences are not as great as they may seem — and there is no reason that the White House can't find enough common ground with Congress to work out a plan that is politically palatable to both sides.

The distinguishing feature of the various Republican approaches is their use of personal retirement accounts. These would be set up for each taxpayer and would be combined with the existing system in a way that guarantees that everyone receives at least as much as is currently promised under the current Social Security rules.

Repeated attempts to characterize the difference between the Republican approach and the President's plan as a major ideological clash are fundamentally wrong, based on either a misunderstanding of what the Republicans propose or a desire to prevent compromise in order to use Social Security as an election issue in 2000. Individual accounts do not mean "privatizing" Social Security. The Government would set up the accounts, regulate the investments and guarantee the benefits.

Both sides acknowledge that the current tax-financed Social Security program is in serious trouble. The benefits specified in law will exceed Social Security tax receipts within 15 years and the trust fund will be exhausted by about 2034, according to the Government report issued yesterday.

Both sides also agree that Social Security is responsible for maintaining the benefits of current and future retirees. The building blocks used in both approaches — saving the budget surplus and investing in equities — are also similar. And the Republicans have tailored many of the details of their plans in ways that should attract bipartisan support.

There are, in fact, several somewhat different Republican proposals. But a typical one would work like this: All those who are employed or self-employed would select a fund manager — probably a bank or mutual fund — along with specific mutual funds to invest in. (If the investor didn't select a fund manager and mix

of investments, the Government would choose one from an approved list.)

Each year, the Government would deposit about 2 percent of the employee's previous year's earnings (up to the Social Security maximum, which now stands at \$72,600) into the individual's account. The deposits would be paid out of the budget surpluses that have been projected. Employees and employers would continue to pay the full Social Security payroll tax just as they do now.

At retirement, the accumulated investments would be converted into an annuity based on the investor's stock and bond mutual funds. Three-fourths of each annuity payment would be used to help finance the individual's guaranteed Social Security benefit, and the remaining one-fourth would be a bonus for the retiree.

A major feature of this plan is that all beneficiaries, retirees, dependents and survivors would receive their full benefits, no matter how their stock investments performed. Benefits could exceed those promised under Social Security but could not be worse. The returns earned in the personal retirement accounts would almost certainly be enough to pay those benefits. But if the market underperforms, future taxpayers would fill the gap, just as they would under President Clinton's plan.

The individual accounts would also insure that the budget surpluses set aside for Social Security would actually increase national saving. This has not been the case with the Social Security surpluses that have built up since the early 1980's. Although those sums went into the trust fund, the Government ran deficits elsewhere in the budget that reduced national saving.

The President's goal of raising national saving would therefore be served more effectively through the discipline of individual accounts than by trying to pay down the national debt.

By increasing national saving and investment, personal retirement accounts would raise both national income and tax revenue. And that additional revenue could be used to

finance the Government's debt to personal retirement accounts over the currently projected budget surpluses are ended.

My calculations show that personal retirement account annuities financed with about 2 percent of covered earnings are enough to keep Social Security solvent for at least the next 75 years. This would make unnecessary the President's proposal to issue new Government bonds to the Trust Fund in order to guarantee benefits between 2038 and 2055, thereby avoiding a fight over the implicit commitment to future tax increases or budget deficits.

It's significant that Mr. Clinton's plan would also use investment in the market. But rather than limiting investment to individually controlled accounts, the White House plan would have the Government

Clinton and Congress agree on investing in the stock market.

itself place some portion of the Social Security trust fund in equities. This raises the danger of Government meddling in the equity market and in the affairs of individual companies.

The President has also called for Government subsidies to help individuals set up retirement accounts invested in stocks and bonds, but that would be kept outside the Social Security framework. What possible reason, other than partisan fears about "tinkering with the system," is there for keeping the accounts separate?

In his State of the Union address, Mr. Clinton called for bipartisan negotiations on a new Social Security plan. His own proposal and the most viable Republican plans have enough in common to give such negotiations a good chance of succeeding.

Martin Feldstein, an economics professor at Harvard, was chairman of the President's Council of Economic Advisers from 1982 to 1984.

Copied
Spelling
Podesta

Given

— Explain to me again what's wrong with this, not politically, but substantively — BF

The New York Times

WEDNESDAY, MARCH 31, 1999

— HAS SEEN

4-19-99

— How much of the surplus over the next 15 years is 2% of payroll tax? Now or less than one 62%?

4-19-99

THE WHITE HOUSE

Casper

4/16/99
Get him in position

M. President,

Working for you
over the last
7 years has been
the most amazing
experience of my
life. I have seen
the country, learned
so much about politics,
and, most importantly,
met my wife
all while working
for you.

I have decided
to take a position
at the Democratic
National Committee.

->

I will be alias
of starting with
most of my time
focused on the
upcoming Presidential
Campaign.

I believe in you and
your policies so
much and feel this
is a great way
for me to help
continue the legacy
you have started.

Thank you for everything.
As my friend Craig
Smith said, remember,
I am only leaving the
building, I am not
leaving the Family."

Please let me know
if you need
anything (especially a
fourth for golf). I will
always be at your service.
Jeff Forbes

After you have seen, we will
send to Burkhardt for reply -

copied
POTUS
Podesta

and



copied
Berger
Podesta
NSCWW
Desk

Cynthia said
she talked to
Peggy - re
dinner except
Pater, Kohl,
Sander + 1



4-19-99

2645

THE WHITE HOUSE

WASHINGTON

April 17, 1999

'99 APR 17 PM 1:46

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM:

SAMUEL BERGER *SB*

SUBJECT:

Your Dinner for Helmut Kohl on April 20

Purpose

Select persons to invite to your dinner for Kohl.

Background

Planning for Helmut Kohl's visit to Washington has moved ahead well. He is arriving from Germany on Monday, April 19 and will stay the night at Blair House, ~~moving to the White House on Tuesday~~. The Presidential Medal of Freedom Award Ceremony is set to start at 2:30 p.m. in the East Room. You and Kohl will meet prior to that before being announced into the East Room. A reception will follow the ceremony.

Kohl has accepted your invitation to have dinner in the White House Tuesday evening, April 20, and has indicated his preference for a small number of guests. I recommend that you limit the outside guest list to four persons, in addition to you and the Chancellor.

I have attached suggestions for your consideration, focussing on persons with longstanding attachments to Kohl or important for U.S.-German relations.

RECOMMENDATION

That you review the suggestions at Tab A and indicate how many and who you would like to invite.

Attachment

Tab A Kohl Dinner suggested guest list

cc: Vice President
Chief of Staff

TAB A

Guest Suggestions for
Private Dinner with Chancellor Kohl
April 20, 1999

President George Bush

Dr. Henry Kissinger

Katherine Graham

Reverend Leo J. O'Donovan, S.J.
President, Georgetown University

Senator Richard Lugar

Former Representative Lee Hamilton

John Riley
Chicago Council on Foreign Relations
(One of Kohl's oldest American contacts)

Samuel R. Berger, APNSA

General John R. Galvin
Dean, Fletcher School of Law and Diplomacy and Chairman,
American Council on Germany (1992-1999)

Tony Lake
Georgetown School of Foreign Service

Secretary Albright

Secretary George Shultz

Ambassador Richard Holbrooke

John Corzine
CEO Goldman Sachs

General Colin Powell

Robert Zoellick (German Reunification)

Bruce Ramer
Head, American Jewish Committee
Los Angeles

4-19-99

THE WHITE HOUSE
WASHINGTON

'99 APR 18 PM7:01

April 17, 1999

MEMORANDUM FOR THE PRESIDENT

FROM: GENE B. SPERLING
JAKE SIEWERT

SUBJECT: CHINA WTO ARTICLES

copied
Sperling
Siewert
Podesta

At least one guy got it right.

Hoover

Attachment

Perspectives on the News

U.S.-China Summit May Yet Pay Off

JIM MANN

INTERNATIONAL OUTLOOK



ji have their way.

The fictitious couple were the subject of the television ads that helped stymie President Clinton's health care reforms in 1994. Ever since, those Harry-and-Louise ads have symbolized the American business community's ability to build public opinion (or the appearance of it) in a way that will sway Congress.

Now, the U.S. business community is mobilizing once again, in an attempt to persuade Congress and the American public of the importance of a deal to bring China into the World Trade Organization. A new nationwide campaign to rally support may soon be underway.

And this campaign by American business, I think, is precisely the result the Clinton administration wanted during Premier Zhu's visit to Washington last week.

Zhu failed to work out a deal with President Clinton for China's entry into the WTO, the body that sets the rules for world trade. In the final flurry of negotiations, Clinton backed off from concluding a deal, after failing to extract some last-minute concessions from Zhu.

Over the last few days, there have been quite a few articles and commentaries describing the lack of a deal as a debacle, both for American businesses and for the Chinese premier.

This conventional interpretation—let's call it Theory A—goes like this:

Clinton didn't complete the WTO deal with Zhu because he was timid. The president was afraid of the politi-

cal criticism he might take for signing a trade deal with Beijing amid the maelstrom of allegations about Chinese spying at nuclear labs and donations to Clinton's 1996 reelection campaign.

And so, Theory A concludes, Clinton botched and lost forever the American business community's chances for what it thought was a pretty good deal, in which Beijing offered greater access for American companies to sell in China. The Chinese premier will go home embarrassed, and his political standing will be hurt.

Theory A prevails in corporate America and among some respected scholars. But I don't believe it. I think there's a different interpretation of what happened during Zhu's visit.

Let's call it Theory B. It goes like this:

Clinton was not cowardly, but cunning. He wants and still intends to get a trade agreement with China over the next half-year or so. But the president also knows that such a deal will have to be approved by Congress, which must pass new legislation giving China permanent trading rights (most-favored-nation trade benefits) in this country if America is to get the benefits of China's WTO membership.

By saying "no" last week, Clinton temporarily angered the business community. Yet he also galvanized corporate America to begin campaigning hard for congressional support for a WTO deal later on. The president also began to ease the American public (and organized labor) into gradually accepting the idea of China's membership in the WTO.

When Clinton concludes the deal a few months from now, he may not win all the extra concessions (concerning the American textile industry, for example) that he tried to wring from Zhu last week. But he will be able to say that he tried hard.

And Zhu? Under my Theory B, he isn't hurt back at home too much by the lack of a deal this week. In fact, Zhu may actually win points as the guy who said no when Clinton asked for more.

If there's eventually a deal, Zhu will get credit for taking part in an elaborate *pax de deux* with Clinton aimed at helping build corporate pressure on Congress to support the deal.



Associated Press

Chinese Premier Zhu Rongji signs the Nasdaq-Amex guest book with Frank Zarb, head of the National Assn. of Securities Dealers.

The best explanation of what transpired comes from Scott Parven, the Aetna Inc. vice president who has been one of the leaders in the business community's efforts to line up Washington support for a WTO deal.

"The White House was looking to the business community for a Harry-and-Louise campaign" to win congressional backing, Parven says. "Before Zhu's visit, [the White House] wanted the business community to come out publicly, big time, for such a deal."

"But it's a chicken-and-egg kind of thing. Business people were saying, 'Until we see what the deal is, we can't push for it.' " So before Zhu's trip, business wasn't ready to lobby hard. But Parven adds, "Now that we have the makings of a good deal, we're ready to roll."

Even Zhu, with his usual candor, admitted two days ago that his supposed irritation at the lack of a WTO agreement was not all it seemed to be.

"For public occasions, I have somewhat expressed my regret that we failed to reach [an agreement]," Zhu said in Chicago. "But to be honest, at the bottom of my heart I am not thinking that way. I am quite pleased."

Don't believe the Theory A alarmists. Last week, Bill Clinton scared the business community into thinking its hopes will be dashed, so that it will lobby Congress all the harder on behalf of his China policy. America is headed, later this year, for a far-reaching trade deal with China.

Jim Mann's column appears in this space every Wednesday.

BASSETT LAW FIRM
ATTORNEYS AT LAW
P.O. Box 3618
FAYETTEVILLE, ARKANSAS 72702

W.W. "BILL" BASSETT

221 NORTH COLLEGE AVENUE

PHONE (501) 521-9995

FACSIMILE (501) 521-0800

*ALSO LICENSED
IN OKLAHOMA

*ALSO LICENSED
IN MISSOURI

'99 APR 19 PM3:45

4/19/99
Send to Burdett
for reply?
Yes ✓
No

April 16, 1999

via facsimile to no. 202-456-6703

President Bill Clinton
The White House
Washington, D.C. 20500-2000

Dear Mr. President:

Attached is a letter from Frank Broyles which I wanted to pass on to you for your review and consideration. The concerns expressed by Coach Broyles are shared by Athletic Directors throughout the country.

I know how busy you are but any time or attention you can give to this matter will be greatly appreciated by me, Coach Broyles and literally thousands of people all over the country.

Coach Broyles and his fellow Athletic Directors would very much like to have the opportunity to meet with the appropriate individuals in Washington to discuss this issue so we would be grateful for any help you can give us in arranging such a meeting.

On a more personal note, I would love for Frank and Barbara Broyles to have the chance to visit the White House. They have never been there and I know how much it would mean for them to have that opportunity. No one asked me to make this request but it occurs to me that after all of the years of service and great things Frank and Barbara have done for Arkansas, it seems fitting that they have the chance to come to the White House. Another reason why I think it would be appropriate is because Frank and

President Bill Clinton
April 16, 1999
Page 2

Barbara never wavered in their support of you in recent years and have been loyal to you throughout. I would consider your consideration of this request to be a personal favor.

Sincerely,



Woody Bassett

WB/ld

Enclosure as noted



G.W. CARVER BRANCH
1116 West 14th
Little Rock, AR 72202
(501) 376-0458
FAX (501) 372-0109

COLLEGE STATION BRANCH
4018 Franklin St.
College Station, AR 72053
(501) 490-0880
FAX (501) 372-0109

SOUTHWEST BRANCH
1116 West 14th
Little Rock, AR 72202
(501) 562-5932
FAX (501) 372-0109

YOUNG MEN'S CHRISTIAN ASSOCIATION

of Metropolitan Little Rock

99 APR 19 PM3:35

April 12, 1999

Mr. Phillip M. Caplan
Assistant to the President and Staff Secretary
White House
Washington, D.C. 20500

Dear Mr. Caplan:

Future 500 has worked with thousands of youth over the years. Future 500 is a motivational/mentoring program designed to reach high school students in grades 10th-12th. We have been very successful in our efforts to give invaluable information to stimulate and prepare these students for career opportunities. This year's banquet marks the tenth anniversary of our very successful program. Our goal is to change or create positive attitudes about education, career development, career choices, self-esteem, and social/political issues. Many youth who have been involved in Future 500 have gone on to become successful men and women in our community, state, and nation.

As has been the custom in the past we are requesting a letter of support from President Clinton, and a signed photograph to be placed in our souvenir booklet. The President has been a great supporter of the YMCA, both locally and nationally, and we feel this would be a great honor to have a letter of support for our program. I took the liberty of faxing a previous support letter from President Clinton for your review.

Anything that you can do to assist us would be greatly appreciated. Please contact Doyle Moncrief at (501) 376.0458, if you have any questions or need additional information. Thank you in advance.

Sincerely,

Mrs. Edna Ricks,
Coordinator

4-19-99

Send to Burkhardt?

Yes ☒

No ☐

C

THE WHITE HOUSE

WASHINGTON

April 22, 1994



Warm greetings to everyone gathered in Little Rock for the 1994 banquet of Future 500.

As your dedicated staff and volunteers well know, children are our nation's most important resource and most profound responsibility. Only when our young people are provided with the best education and care possible can we truly say that we are prepared for the challenges of the twenty-first century. Unfortunately, too many of our children never graduate from high school, and they face tremendous difficulties in reaching their full potential. Our young people require the active participation of parents, teachers, school administrators, and all those who care about education in our nation.

The hard-working members of Future 500 can take great pride in your efforts to provide hope and encouragement for young people throughout Arkansas. By working with teens to encourage education, build self-esteem, and provide career guidance, you are helping to renew young people's faith and confidence in themselves, brightening their futures and the future of our world. On behalf of the many people whose lives you have touched, I thank you for your leadership and your compassion.

Hillary joins me in sending best wishes for a wonderful banquet and for much continued success.

Bill Clinton



**YOUNG MEN'S
CHRISTIAN
ASSOCIATION**
of Metropolitan Little Rock

G.W. CARVER BRANCH
1116 West 14th
Little Rock, AR 72202

COLLEGE STATION BRANCH
4018 Franklin St.
College Station, AR 72053

SOUTHWEST BRANCH
1116 West 14th
Little Rock, AR 72202

**Mr. Phillip M. Caplan
Assistant to the President and Staff Secretary
White House
Washington, D.C. 20500**



President Clinton

1600 Pennsylvania Ave⁺

Thanks,
Phil

Washington D.C 205

I found gold in side a rock it was
I Wash it, it is gold! Love, on from Mark J. Dziengiel

8213 Mossy Stone Ct.
Laurel, MD 20722-

Den-

4/19

Barry Dier gave this to me - it's from the
son a reporter.

The letter is sort of about nothing, but
is there some sort of response Debra could
send?



[

Mark J Dziengiel
8213 Mossy Stone Ct.
Laurel, MD 20723

President Clinton

National Juneteenth Observance Foundation

1100-15th Street, N.W., Suite #300 Washington, DC 20005

(202)-530-5828
(202)-530-5717(Fax)

www.19thofJune.com
www.actom.com/19thofJune

1999 Board of Directors

Office of the NJOF Permanent Programme Unit
The National Juneteenth Jubilee Planning Committee
Dr. Robert Starling Pritchard, Chairman

Rev. Ronald V. Myers, Sr., M.D.
Chairman
Shula, MS
(01)-235-4227(O)
(01)-247-1384(Fax)
MYERSFOUND@aol.com

Rev. Mark Pollard
Vice-Chairman
Atlanta, GA
(04)-303-8259(O)
(04)-303-9398(Fax)
pollard888@aol.com

John Mosley
Secretary
New Orleans, LA
(04)-348-1551
(01)-348-0855(Fax)
IAJLJune19@aol.com

Dr. Robert Starling Pritchard
Treasurer
Saldwinstown, NY
(15)-478-7883(O)
(15)-471-2587(Fax)
ne-papa@mailcity.com

Atty. Marilyn Williams-Thomton
Legal Counsel
Washington, DC
(02)-530-5828(O)
(25)-334-5577(O)
(25)-334-5578(Fax)
iritagCSI@aol.com

Barbara Rose-Collins
Congresswoman (D-Michigan)
Detroit, MI
(13)-833-0955
(13)-833-0856(Fax)

Morning Sunday Hettelman
Public Relations Specialist
Baltimore, MA
(10)-467-2724(O)
(10)-235-9112(Fax)
June19@smart.net

TO: PRESIDENT BILL CLINTON
c/o Ms. BETTY CURTIS
(202)-456-2883 (FAX)

FROM: REV. RONALD V. MYERS, SR., M.D.
CHAIRMAN - NATIONAL JUNETEENTH
CHRISTIAN LEADERSHIP COUNCIL
(NJCLC)
CHAIRMAN - NATIONAL JUNETEENTH
OBSERVANCE FOUNDATION

DATE: 4/14/99

RE: INVITATION TO HOST
JUNETEENTH PRAYER BREAKFAST
ON 6/18/99.

OF PAGES & COVER SHEET:

(3)

Betty
Send to Scheduling
Yes ☒

Sponsor of America

is a not-for-profit eleemosynary organization

ee Celebration to be premiered in Washington, DC on June 19, 1999

NO ☐

NATIONAL JUNETEENTH CHRISTIAN LEADERSHIP COUNCIL (N.J.C.L.C.)

201 N. Rev. George Lee Avenue
P.O. Box 29
Belzoni, MS 39038

Internet Web Site: <http://www.actom.com/njclc.htm>

Rev. Ronald V. Myers, Sr., M.D.
Chairman
Tchula, Mississippi
(601)-247-1471
(601)-235-4227
(601)-247-1384(Fax)
E-mail: MYERSFOUND@aol.com

Rev. Mark Pollard
Co-Chair
Atlanta, Georgia
(404)-303-8259
(404)-303-8398(Fax)
E-mail: Pollard888@aol.com

April 14, 1999

The Honorable Bill Clinton
President
United States of America
The White House
Washington, DC 20501

Dear President Clinton:

It is with great anticipation that I write you this letter concerning our upcoming 1st Annual National Juneteenth "All Day Jubilee Extravaganza" Celebration, on the "19th of June" in Washington, DC. Our plans include activities at the Lincoln Memorial and Howard University. This historic monumental occasion will be an inspiration to the entire nation as a true American Independence Day celebration of freedom for not just African-Americans, but all Americans, regardless of race, creed, religion or nationality.

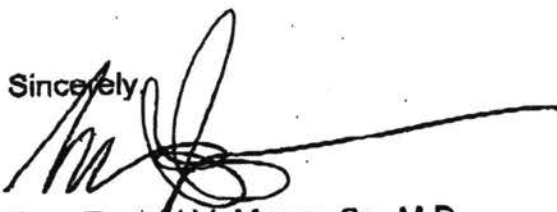
On Friday, June 18, 1999, we would be truly blessed for you, the leader of our nation, to host a Ministerial Prayer Breakfast, on the White House lawn, as the pivotal inaugural event for the National Juneteenth Celebration weekend activities. Along with the Prayer Breakfast on Friday and the "All Day Jubilee Extravaganza" on Saturday, there will be a National Juneteenth Fathers Day Worship Service at the National Cathedral in Washington, DC, beginning at 6:00pm on Sunday, June 20, 1999. We would be honored for you to attend the worship service and address those in attendance.

Thank you for your prayerful consideration of these matters. We appreciate your support for the celebration of Juneteenth Independence Day in America. We will continue to pray that God will grant you wisdom as the leader of our nation.

A ministry of the Common Ground Movement
1160 Old Johnson Ferry Road
Atlanta, GA 30319
www.COMMONGROUND.net

page 2
B. Clinton
4/14/99

Sincerely



Rev. Ronald V. Myers, Sr., M.D.
Chairman

National Chairman
National Juneteenth Celebration Association

Chairman
National Juneteenth Observance Foundation

cc: Rev. Mark Pollard
Rev., Dr. Lehman D. Bates
Dr. Robert Starling Pritchard

4-19-99

Samuel
1. Product
a lot know of this
before long -
BC

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NSC W. Wing
Desk
Podesta

Redraw the Map, Stop the Killing

By John J. Mearsheimer
and Stephen Van Evera

President Clinton is still clinging to his position that NATO should accept nothing less than a settlement giving autonomy to the Albanian Kosovars inside Serb-dominated Yugoslavia. But this goal is not only unattainable, it's also undesirable. Does anyone seriously believe the Albanian Kosovars and Serbs can live together again?

Instead, NATO should pursue a settlement that partitions the province, creating an independent Albanian Kosovar state. This state would control most of current Kosovo, while the Serbs would retain part of northeastern Kosovo. It could remain independent or unite with Albania if it chose.

Autonomy is a dead letter because the Serbs have shown their attitude toward cohabitation by their savage ethnic cleansing of Albanians in Kosovo. Moreover, the 600,000 refugees who have fled Kosovo since mid-March will hardly be willing to return to a province inside Serbia, whether autonomous or not, after the cruelty they just suffered.

Finally, the United States would have to station sizable forces in Kosovo indefinitely to help NATO police any autonomy agreement. But we cannot afford to tie our military down doing such police work. The world is full of civil wars, and the whole American military would soon be committed to peacekeeping.

The history of Yugoslavia since 1991 shows that ethnic separation breeds peace, while failure to separate breeds war. Slovenia seceded from Yugoslavia with little violence in 1991 and has since been at peace with itself and its neighbors. The key is its homogeneity: 91 percent of the people are Slovenes; less than 3 percent are Serbs. Croatia fought a bloody war of secession from 1991 to 1995, finally resolved when it expelled most of its sizable Serb minority at gunpoint.

John J. Mearsheimer and Stephen Van Evera teach political science at the University of Chicago and the Massachusetts Institute of Technology, respectively.

This expulsion set a poor example for how groups should separate, but it did bring an end to the Serb-Croat conflict. Separation did not end the deep hatred between Croats and Serbs, but it did stop the violence between them.

Bosnia saw fierce fighting among Croats, Muslims and Serbs from 1992 to 1995, then an uneasy truce under the Dayton accords. Dayton created a confederated Bosnia in which the three groups were supposed to live together. This has failed, quietly but quite completely. Few Bosnian refugees have returned to their homes, and Bosnia still has no functioning central government. If the large NATO peacekeeping force in Bosnia were withdrawn, fighting would soon explode again.

Now Kosovo is consumed by a war that stems from hatreds born of the great cruelties that Albanians and Serbs have inflicted on each other in

would concede most of Kosovo to the Albanians. In return, the Serbs would be compensated with a portion of northeast Kosovo that includes many Serbian historical sites. Serbia would also get the eastern portion of Bosnia, which is now populated mainly by Serbs. The rest of Bosnia would be transformed into an independent Bosnian Muslim state, save for the Herzegovina region, which would become part of Croatia. Finally, NATO would lift all economic sanctions against Yugoslavia if the Serbs took the deal.

NATO would also need to put heavy pressure on the Serbs to get them to accept the breakup of Kosovo. In addition to bombing, NATO must also arm and train the Kosovo Liberation Army, so the Serbs are faced with the prospect of unending warfare in Kosovo unless they accept partition.

This is not a perfect solution by any means, but it solves several important problems. First, it provides the Albanian Kosovars with their own homeland, where they can live free of Serbian terror. Second, it solves the refugee problem. Third, it requires no American troops in Kosovo, since the Albanians and Serbs would be living separate lives, and the Albanians would have guns to protect themselves. Fourth, partitioning Bosnia would allow the United States to pull its troops out of Bosnia, thus removing that albatross of permanent occupation from around America's neck.

Some warn that an independent Kosovo would spark secessionist violence among Albanians living next door in Macedonia. But an independent Kosovo would more likely dampen than spark violence in Macedonia. The main trigger for war in Macedonia will be the presence of a large, radicalized Albanian refugee population there.

The solution is to achieve a settlement that returns the Albanian Kosovar refugees to their homes. Only a partition offers such a settlement, and hence is more likely to pacify Macedonia than to inflame it.

Still, it may be that peace cannot be maintained in Macedonia. Macedonia's Slavic majority discriminates against the large Albanian minority, which makes up 30 percent of the population. If the Slavs refuse to share more equally with the Albani-

ans, violence is inevitable. To forestall this, NATO should consider calling for a plebiscite to determine whether the Albanians want to remain in Macedonia. If not, Macedonia should also be partitioned. This is feasible because the Albanians of Macedonia are concentrated in western Macedonia, next to Kosovo and Albania.

Partition is an ugly formula for ending wars. It destroys communities and violates individual rights. It forces minorities that are trapped behind new borders to leave their homes. But there are only two other options in Kosovo: endless ethnic war or allowing the Serbs to win the war and cleanse Kosovo of Albanians permanently. Partition is clearly better than these unacceptable choices. If we shrink from it, then we merely make the catastrophe in the Balkans even more devastating. □

Partition of the Balkans is the only way out.

the past. This war could have been avoided if they had been separated by political partition at some earlier point, when Slobodan Milosevic might have been more amenable to the idea.

Under what circumstances would the Serbs accept such a partition today? The NATO bombing since March 24 has fired Serb nationalism to a fever pitch, stiffening Serb resistance to any compromise. And the bombing campaign alone gives NATO too little coercive leverage to compel the Serbs to accept partition, since bombing by itself cannot defeat Serb forces in Kosovo. Serbia always has the option of hunkering down and absorbing NATO bombing until NATO publics tire of it.

But Serbia may accept partition if NATO offers it carrots as well as the stick. To entice the Serbs, NATO should offer a "grand bargain" that partitions Bosnia as well as Kosovo — moving Serbia toward its dream of a homogeneous greater Serbia.

Under this grand bargain Serbia

The New York Times

MONDAY, APRIL 19, 1999

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Futuring firm

4-19-99

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Padesta

Richard N. Haass

'Modest Objectives, Ambitious Means'

The NATO-Clinton administration policy toward Kosovo can be captured in just four words: "ambitious objectives, modest means."

The goals are oft-stated and well-known: an end to all acts of violence by Serbian forces; the return of 2 million of the people of Kosovo to their homes and the reestablishment of political autonomy; the insertion of an international force to provide security; and the withdrawal of all Serbian security forces from the province.

The means for achieving these aims are clear: a war of attrition consisting of aerial attacks of mounting intensity on selected targets of value throughout Serbia and on Serbian forces in and around Kosovo.

But after nearly a month of war, no less obvious is the reality that NATO's strategy is failing. Kosovo's population is being transformed into refugees and the internally displaced; Kosovo's leadership is being eliminated or intimidated. NATO's own credibility has been placed at risk.

Accounting for this failure is not difficult. There is a disconnect between the means and end of policy. The military force being used is simply inadequate to the task. Time—weeks or even months of more bombing—is unlikely to resolve the problem. Strategic bombing tends to lose impact over time as misery becomes a fact of life. Tactical bombing of units and equipment advances slowly.

Meanwhile, the people of Kosovo are increasingly vulnerable as international relief organizations have no access and Serbian authorities no interest in their plight. There's also the danger that Western solidarity will weaken.

This inherent flaw in NATO's policy has produced two camps of critics. Each puts forth alternatives designed to narrow the gap between the means and ends of policy, although in fundamentally different ways.

One approach, favored by isolationists and others, argues that the West's interests do not warrant serious military involvement. They would provide some help to refugees but not remain directly involved using military force. Theirs is the Rwandan option.

The shortcoming with this approach is that it does not protect the people of Kosovo. A NATO foreign policy cannot be so morally neutral if it is to retain the

support of Western publics and the respect of the world's peoples. Such a narrow policy also ignores the West's interest in promoting Europe's stability.

A different course, one favored by a surprising coalition of liberals and conservatives, would have the United States and NATO increase dramatically what they are prepared to do militarily to "win" this war and realize all the stated objectives in full.

Here the problem is that our interests simply do not justify such a commitment in blood and treasure. Liberating all of Kosovo or using military force to oust the Milosevic regime would cost billions of dollars, produce thousands of casualties, leave U.S.-Russian relations in tatters and stretch U.S. military forces to the breaking point, leaving us ill-prepared to act on behalf of vital interests elsewhere.

An alternative draws on both critiques and reverses the NATO-Clinton strategy. It is a military policy of "modest objectives, ambitious means."

The goal of this alternative would be to create a large enclave or safe haven in most but not all of Kosovo. Such an approach would allow an international force to come in to protect the Kosovars, most of whom could and would return to their province.

A partition along these lines might prove to be negotiable in that it would give Serbia control over some of Kosovo and its holy sites. It might, however, require military operations involving ground forces. Even so, this latter approach would likely prove far less demanding and require considerably less in the way of forces—perhaps 50,000 to 100,000 as opposed to two or more times those figures—and sacrifice than an attempt to liberate all of Kosovo.

It is true that such a strategy would appear to reward Milosevic for his aggression. But any such reward would be temporary. The United States can turn to other foreign policy tools to work for the larger goal of Milosevic's ouster, something that might lead not only to a democratic Yugoslavia but to the recovery of all of Kosovo by the Kosovars. These tools include political and economic sanctions, covert action, the indictment of Milosevic for war crimes, and conditioning any assistance for the rebuilding of Serbia on the installation of a democratic government prepared to live in peace with its own population and its neighbors.

In the end, foreign policy must always weigh costs and benefits. The United States must balance humane impulses with strategic imperatives. The liberation of all of Kosovo with military force is not worth the costs it would entail; by contrast, the creation of a safe haven is both justified and warranted.

The writer, director of foreign policy studies at the Brookings Institution, was special assistant for national security affairs to President George Bush.

The Washington Post
MONDAY, APRIL 19, 1999

4-19-99

Saucy
Do we have
grossing out
His curio out?
BC

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NSC W. Wing Desk

Podesta

NATO Said to Focus Raids on Serb Elite's Property

A1

By ERIC SCHMITT
and STEVEN LEE MYERS

WASHINGTON, April 18 — In listing its bombing targets in Yugoslavia, NATO has generally described them as installations that feed Slobodan Milosevic's war machine. What the alliance does not usually say is that some of the refineries and factories have also been chosen as targets because they are run by close cronies of the Yugoslav President.

The idea, according to senior NATO and Pentagon officials, is to undermine Mr. Milosevic's control by chipping away at his system of political and economic patronage.

"He doesn't care if his soldiers die in Kosovo, as long as he stays in power," one senior military officer said of Mr. Milosevic. "But if you blow up some things near and dear to

him — or to somebody close to him — then that could have an effect."

While NATO's bombing seems to have solidified popular support for Mr. Milosevic, the officials said they hope the attacks against some of the targets will turn loyal supporters against him by destroying their own sources of wealth and power.

The bombing continued this weekend, with 500 sorties flown on Saturday afternoon and overnight.

[NATO began its most active day yet of air strikes on Yugoslavia on Sunday night, bombing refineries, bridges and dozens of other targets in what it claimed were "highly successful" operations, the Associated Press reported.

[Yugoslav media was reporting there were several powerful detonations around Novi Sad, Serbia's second-largest city, early Monday. There were no reports of casualties, but the damage was described as "great." Tanjug, the state-run news agency, also reported attacks on the capital, Belgrade, and in the towns of Paracin, Kraljevo and Sremska Mitrovica.]

Yugoslavia's oil and gas industry has suffered enormously under NATO's strikes. While the stated aim of those attacks has been to choke off fuel to the armed forces operating in Kosovo, the strikes must also be a blow to Dragan Tomic, the director of Yugo Petrol, who as Speaker of the federal parliament in Belgrade is a close ally of Mr. Milosevic.

On April 9, a missile strike de-

stroyed the Zastava automotive plant in Kragujevac. Its director, Milan Beko, has served under Mr. Milosevic as Minister of Privatization.

Four days earlier, NATO struck a tobacco factory and warehouse in Nis, and damage to tobacco plants has been reported in other cities. According to American intelligence reports, a major player in Yugoslavia's tobacco distribution is Mr. Milosevic's son, Marko.

So far, economic and industrial targets have made up a small portion of NATO's targets. Of the roughly 200 targets attacked since the war began on March 24, a dozen have been strictly industrial sites, like factories. That percentage grows when those targets are combined with fuel storage and ammunition factories.

As NATO presses on with bombing that has done little to stop the purging of ethnic Albanians from Kosovo, some NATO and Pentagon military leaders have advocated striking still more economic and industrial targets, the officials said.

These commanders, including the alliance's supreme commander, Gen. Wesley K. Clark, believe that NATO has to intensify its efforts to undermine Mr. Milosevic's 11-year grip on power.

"If we continue sustaining this air campaign and intensifying it in a way that he sees he is slowly but surely starting to lose those instruments of power that keep him in power, then he's going to have to make a decision," Secretary of Defense William S. Cohen testified on Capitol Hill last week.

The Chairman of the Joint Chiefs of Staff, Gen. Henry H. Shelton, disclosed that NATO's political leaders had not yet approved a select group of targets for heavy attack. He said NATO warplanes could begin striking such targets "in a few days."

General Shelton declined to identify those targets, but the highly classified list includes additional industrial and economic sites, according to a senior Administration official.

Attacking those targets would carry a much higher risk of civilian casualties and would cause the kind of profound disruption of day-to-day life for ordinary Yugoslavs that NATO has so far sought to avoid, that official said. Such strikes could also undercut NATO's stated rationale for its bombing: to weaken the military and police forces involved in the

killings in Kosovo rather than wage war on the people of Yugoslavia.

Nevertheless, the Pentagon and NATO are looking for ways to intensify pressure on Mr. Milosevic's Government. "We're trying to make the price higher and higher," a senior military official said.

While not aiming directly for Mr. Milosevic, American and NATO officials say they are hitting what they call his four pillars of power: the political machine, the communications media, military and security forces, and the economic system.

A senior American military officer said the targets on NATO's list included strikes at "the things that keep him afloat." The idea, the officer said, is to instill fear in those whose economic standing depends on Mr. Milosevic, to make them think, "We didn't bargain for this."

"If you can achieve that mindset, then who knows what will happen?" the officer said.

Allied planes and missiles have struck half a dozen targets thought to be part of the "national command authority," several of them in and

around Belgrade. These include headquarters and bunkers believed to be used by political and military leaders, although it is not clear whether anybody was killed or injured.

In Yugoslavia's state-run economy, virtually any industrial or economic activity can be linked to Mr. Milosevic's Government. Ever since the former Yugoslavia collapsed into its rump state today, and the economy was hit by comprehensive sanctions from 1992 to 1995, Mr. Milosevic, a former banker and Communist bureaucrat, has been able to tighten his control of the little business left. Agriculture, fuel, manufacturing and exports and imports are operated by Mr. Milosevic's cronies virtually as private fiefs, American officials say.

Mr. Milosevic has used funds mostly to finance an effective security apparatus to maintain political control, according to experts and intelligence estimates.

But his family and associates also have benefited, living far better than most Yugoslavs, whose standard of living has fallen sharply since the country began to disintegrate in 1991.

Britain's Foreign Secretary, Robin Cook, challenged Mr. Milosevic last week to admit to his people that he has bought three villas in Greece. European news reports also have spoken of funds funneled to Swiss banks through French accounts held by Mr. Milosevic's wife, Mirjana Markovic.

The New York Times

MONDAY, APRIL 19, 1999

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The holdings of the couple's son, Marko, are believed to include a discothèque and a tobacco distribution network. Before the war, Yugoslav media reported that he had announced plans to open a Disney-style theme park, called Bambiland.

Yugoslav officials have estimated damage from the bombing as high as \$100 billion, including damage to roads, destroyed bridges and railways, which has the ripple effect of disrupting commerce.

But there are no signs that Mr. Milosevic has lost the backing of his key supporters.

One American Government official familiar with the Yugoslav economy said the prospects were slim that Mr. Milosevic's cronies, however battered, would turn on him.

"A scenario that would involve these guys acting as a group seems fairly unlikely," the official said. "They don't have anywhere to turn besides Milosevic."

Mr. Milosevic appoints the executives of each of the country's monop-

olies, many of whom also serve as Government ministers. Dejan Kovacevic, the Minister of Construction, also heads Mastrogradnje, one of the country's largest construction firms. Zivota Kotic, the Minister of Energy and Mining, also heads a natural resources concern called Duvanska Industrija Nis. Nis is southern Serbia's largest city, and has been a repeated target of NATO bombs.

Another state-run industry that has been severely disrupted is ammunition production, which is overseen by an umbrella organization headed by Maj. Gen. Jovan Cekovic.

Although the industry has a clear military function, it has also historically provided Yugoslavia with hard currency, and the destruction of the plants has crippled another source of profits for people close to Mr. Milosevic, officials say.

Pentagon and NATO officials declined to provide a list of economic or industrial targets that have been struck. But Yugoslav news agencies have reported strikes against several, including a small-plane manufacturer in Pancevo, a construction-equipment plant in Krusevac and a plastics factory in Pristina.

NATO has repeatedly struck a plant in Cacak that Yugoslav officials portrayed as an appliance factory. Reporters allowed to tour the scene described seeing wrecked vacuum cleaners. Western officials say the plant also included an underground ammunition section.

NATO's targets are chosen by military aides to General Clark in the alliance's headquarters in Brussels, as well as in Germany and Italy. These officers work closely with a little-known cell within the Joint Chiefs of Staff at the Pentagon, called J-2T, where officers consider a range of technical aspects, including the most effective weapon and where exactly to aim it.

The planners weigh the military value of a target against the drawbacks, including the risk to pilots if the target is in a heavily defended area and the risk to civilians if it is in a heavily populated area.

Lawyers at the Pentagon and at NATO's headquarters review each target carefully to justify striking it. Hitting industrial and economic sites

requires walking a fine line, the officials said.

Mr. Cohen said President Clinton, like leaders of other major NATO countries, review the target list.

NATO officials insist the bombing is taking a toll, wearing down Yugoslav supplies and resolve. But the political process has kept some targets off the list. General Clark has sought approval — so far unsuccessfully — to attack another of the pillars of Mr. Milosevic's support: the communications industry.

The New York Times

MONDAY, APRIL 19, 1999

Fax

*Phil C
Asst Sec
2/8*

'99 APR 19 PM5:59

Name: Tony Blinken
Nancy Hernreich
Tom Malinowski

From: Robert Boorstin

Date: 4/19/99

Subject: President's letter to David McCall

Pages: 1

Comments: Here is the letter that the President sent in regards to David and Penny McCall's work on behalf of Refugee International.

*Don Burkhardt -
For used funeral
letter
Phil
4/19*

04/19/99

12:03

9 202 6220073

TREAS EXEC SEC

002/002

THE WHITE HOUSE

WASHINGTON

April 21, 1998

Mr. David McCall
136 East 64th Street
New York, New York 10021

Dear David:

As you celebrate your 70th birthday, I want to congratulate you on your continuing humanitarian efforts around the world, and especially your work on behalf of the people of Cambodia. You have been a tireless advocate in the international effort to clear the millions of existing landmines that inflict so many casualties. I look forward to your help as we implement the Demining 2010 project.

Hillary joins me in sending best wishes to you and Penny.

Sincerely,

Bill Clinton



'99 APR 19 PM4:30

JIMMY CARTER

4-19-99

Trip to Philippines, Taiwa
March 18 - April

Send to NSC?

Yes

No

After careful briefings by exp Peoples' Republic of China and Taiw the situation in Indonesia, Rosalyn and I left Atlanta on March 18 for we were to join other volunteers an Then we would make our first visit normalized diplomatic relations wit planned to make a major speech, giv and visit with top officials. From

to Jakarta to assess whether The Carter Center should monitor Indonesia's parliamentary election early in June.

In the Philippines, we joined 1,100 other Americans, 2,000 other foreigners, and about 6,000 Filipinos. In five days, we built 293 homes for poor families in six locations throughout the country. This was our 16th annual Jimmy Carter Work Camp for Habitat for Humanity.

The houses were of concrete block with corrugated steel roofs and very small by American standards, ranging from 24 to 30 square meters (no larger than an average American living room). We helped construct two of 130 homes south of Manila in the Cavite area, just across the bay from the island of Corregidor. It was difficult masonry work, new to us, and in very hot weather. One of our families had nine children, and the other had five children - and 13 grandchildren. There will be five people to a bedroom, each of which measures 6 by 9 feet. The older woman, Leonisa Salas, probably owns the only house in the world which four presidents helped to build (current President Estrada and former presidents Ramos and Esquino of the Philippines and me). Rosalynn and I also flew to the five other sites to thank and congratulate the volunteers and new homeowners.

The following day we visited Corrigedor, one of the most interesting battle sites we've ever seen. It really brought to life our devastating defeat in the Philippines

during World War II and the terrible death march, when only 54,000 of 70,000 American and Filipino captives reached their destination: Japanese prison camps. I thought about my favorite uncle, Tom Gordy, who was captured on Guam shortly after Pearl Harbor and spent four years as a prisoner of war.

Later, we enjoyed a reunion with one of our White House stewards, Cesar Catuba. After spending one additional night in Manila with President Estrada and public officials, we went to Taipei.

There was great trepidation among our staff and advisors about this visit to Taiwan, but I decided to confront forthrightly my decision in 1978 to normalize diplomatic relations with the People's Republic of China, to maintain cultural and economic relations with Taiwan through an unofficial institute, and to provide defensive weapons for the people of Taiwan. It was a momentous event at the time, and when I sent Deputy Secretary of State Warren Christopher to Taipei to explain my position, he was physically attacked.

We were received warmly by the president and all other officials. I weathered without difficulty some sharp questions after my speech to the Institute for National Policy Research and later in a heavily attended press conference. The subject of the address was "The Greatest Challenge of the Next Millennium," which I think is the growing chasm between the rich and poor people of the world. (A copy will be posted at www.cartercenter.org)

We also visited the remarkable national museum, with an especially exciting display of discoveries made near the headwaters of the Yangtse River. What pleased me was that these artifacts were found in 1986 and were on loan from the People's Republic of China! We also toured the science industrial park, on a site that was sugar cane fields 15 years ago and now produces a substantial portion of the world's computer chips and other advanced high-tech components.

We approached Jakarta with considerable doubt about whether to accept invitations to monitor their elections on June 7, when 462 members of parliament will be chosen. Subsequently, 200 others will be added, and the larger group will, in turn, elect a president in November. However, we were impressed by our enthusiastic reception by those with whom we discussed the key issues, including

President Habibie, General Wiranto and his staff, Chairman Rudini and the national elections commission, leaders of five major political parties and human rights groups, four domestic observer organizations, other international organizations providing technical support to the elections commission, and US embassy staff. Political, social, and economic considerations provide strong incentives for Indonesians to have a fair election, and there is a pervasive belief that our presence can be crucial in the process. Gordon Streeb, Associate Executive Director of The Carter Center, met us there, and we announced before leaving that The Carter Center will participate, provided we can obtain adequate funding.

It will be our most difficult monitoring assignment to date. Indonesia is the world's fourth largest nation, with 27 provinces, 4,000 inhabited islands, about 300,000 voting places, 48 political parties, and continuing dissension among the young and old, Moslem and Christian, Malay and Chinese, and public officials and dissidents. The future of East Timor is just one of several crises that the nation faces. There were several people killed in confrontations in outlying islands while we were there. A successful election will be vital to the country and its people's future.

We arrived back home on April 2, the day before Easter, having had a full, exciting, and gratifying trip, and having learned a lot about three important places in Asia.

Speech delivered at Taiwan Institute for Policy Research
3/30/99

[Thanks for the opportunity to address the distinguished audience]

[President's joke]

Each day, the 700 citizens of our small town of Plains, Georgia, pass by a Friendship Garden in the center of our community. More than 20 years ago this was contributed by the people of Taiwan - a longtime reminder of good will between us.

Almost exactly 20 years ago I was president of the United States and facing a number of important international issues, with unpredictable consequences. In the Middle East, there had been four wars during the previous 25 years, and we were concluding a peace treaty between Egypt and Israel. I did not realize then that for the next two decades not a word of the agreement would be violated by either side, but that little further progress would be made.

Another major issue involved this region of the world. It is difficult for the people of Asia to realize how important the Western Pacific has been to many people of America. Let me give you a personal example of my own family, beginning in December 1941 with the attack by the Japanese on our military forces in the Pacific. Three days ago my family completed building 293 homes for poor families in the Philippines, joined by 1,100 volunteers from the United States and almost 2,000 others from 30 nations. Our group worked in Cavite, and the next day we visited Corregidor, the site of one of our nation's most difficult defeats. We could look across the mouth of the bay about three miles to Bataan, where began the notorious death march. 70,000 American and Filipino prisoners began a forced journey, and only 54,000 survived to reach the Japanese prison camps. My own favorite uncle, a Navy radioman and the lightweight boxing champion of the Pacific fleet, was already a prisoner, having been captured on the island of Guam just a few days after Pearl Harbor. After two years he was reported by the Red Cross to be dead, but was found alive at the end of the war. He had been forced to work on a mountain railroad, suffered terrible abuse, and weighed only 85 pounds.

Just a few years later, as a young submarine officer, I was in China hosted by the Nationalist forces under Chiang Kai-Shek, and operating between Shanghai and Tsingtao. I then served in the Pacific fleet during the Korean war. I despised Kim il Sung, the communist leader of North Korea, (but in 1994 found myself going to and from Pyongyang to negotiate with him, winning agreement that stopped North Korea's suspected effort to develop nuclear weapons). During the next war, my oldest son served three years in Vietnam. You can see that, in many ways and for several generations, American lives have been entwined with those in Asia.

As president, I was faced with continuing problems in this region of the world. Vietnam had attacked Cambodia and was threatening Thailand. The People's Republic of China was poised to invade Vietnam and had a very uncertain relationship with the Soviet Union, with many border disputes. I had a dream of peace, stability, and progress in Asia, and decided that, after 35 years of estrangement, the best approach was to establish diplomatic relations with the People's Republic of China, and secretly negotiated an agreement with Vice Premier Deng Xiaoping. After difficult discussions with Beijing, I announced that the United States would honor our treaty commitments to the people of Taiwan, that we would continue to provide weapons adequate for Taiwan's defense, and that we would expect the differences between Taipei and Beijing to be resolved peacefully. Although Deng Xiaoping never accepted these decisions, we agreed to disagree and to normalize relations. This was announced on December 15, and I immediately dispatched our Deputy Secretary of State to Taipei, where he attempted to explain my decision to the people of Taiwan. At the same time, we drafted legislation, known as the Taiwan Relations Act, that was designed to continue economic, cultural, and other relations with Taiwan.

Since that time, I have been pleased and proud of what has occurred in this region of the world. There has, indeed, been an era of relative peace, stability, and economic progress, not interrupted by the decisions I made as president. I am especially impressed with the extraordinary economic and political progress of the people of Taiwan, and believe that one of the most significant

developments has been the maintenance of relatively peaceful relations across the Taiwan Strait. Knowing that you have great interest in these issues, I will answer some questions at the end of my speech.

Now I will address my primary topic: "The Greatest Challenge of the Next Millennium." This can best be approached by describing the personal experiences of my wife and me since we left the White House. We have visited more than 110 countries, mostly among the poorest on earth, and have established The Carter Center to deal with their problems. We work in all regions of the world, but mostly in Africa where we have programs in 35 nations. We have witnessed the most abject poverty, ethnic and religious differences, and human rights abuses, which have brought about the greatest number of military conflicts in history. These experiences have convinced me that the greatest challenge we face is how to reduce the growing disparity between the rich and poor people on earth.

Who are the rich? I would say that a rich person has a feeling of personal security, minimal requirements of food and shelter, a modicum of education, some expectation of gainful employment, the ability to leave our homes safely, at least in the daytime, a feeling that the police and judicial system are on our side, and a belief that our decisions will make a difference at least in our own lives. These are the rich, and to us the other human beings are relatively unknown. They are afflicted by wars, environmental degradation, hopelessness, and despair. Only rarely are we affected by their plight, either economically, politically, or militarily.

Today, my country is obsessed with sustained bombing of Serbia because of a serious situation in Kosovo, but we are hardly aware of even more serious problems in Africa. The Carter Center has health and agriculture programs in Eritrea and Ethiopia, where there are recent reports of 40,000 casualties. We have full-time staff at work in Sudan, where more than 2 million people have perished during the past 16 years of a continuing war. We have been working with the people of Rwanda, where 500,000 Tutsis were slaughtered by their Hutu neighbors. Wars continue across the continent, through Uganda, the Republic of Congo, to Angola and Sierra Leone. The suffering of these people and their neighbors -- the lack of adequate shelter, food,

education, medical care, gainful employment --is difficult to describe. More than 25 percent of the world's population now earn less than \$1 per day. There is a shocking contrast between the quality of human lives in the industrial world and in developing nations -- and the difference is widening.

At the beginning of this century, the ratio between per capita income in the richest nations and the poorest was 9:1; by 1960 it had grown to 30:1, and now it is more than 60:1. For instance, personal income in Taiwan is more than \$13,000 per year, and in Ethiopia less than \$200, a ratio of at least 65:1.

Strangely, in our modern society some of the things we value most can be the causes of this divergence of wealth:

- Capitalism and democracy can promote survival of the fittest, with serious consequences to the poor if there is little social conscience. Only a few powerful people benefit when some democratic societies become terribly corrupt, as has occurred in Russia or Venezuela.
- Technology and globalization often restrict benefits to the elite classes, putting a premium on higher education and access to telecommunications. Good jobs shift toward college graduates, when in many countries the universities have perished. Taiwan has diplomatic relations with Liberia, where former teenaged soldiers have put down their AK-47s and gone to a college campus in Monrovia where no books exist.
- Open trade tends to eliminate the advantages of formerly protected industries that provided jobs for marginal workers.

There are many other factors, but by far the most important is the failure of the industrialized world to know or be concerned about those stricken with poverty, or at all generous when their plight is known.

To address this problem is not a hopeless task. The Carter Center is a very small non-governmental organization, with no official status and dependent on contributions from others, but we concentrate our efforts on those most in need. We constantly analyze all the world's conflicts, with a total of 110 on our list, of which about 70 erupt into violence each year. Thirty of these are major wars, within which at least 1,000 soldiers

have been killed on the battlefield and, usually, nine times that many of the most vulnerable civilians perish. We attempt to negotiate or mediate cease-fires or peace agreements, and often encourage and monitor open and fair elections. We have major health programs, immunizing children, eradicating some diseases and preventing others. Our Global 2000 agriculture program in Africa, financed by a Japanese foundation, is working in 12 African nations with 600,000 small farmers, each of whom has only two acres of land. We can habitually triple their production of basic food grains, while maintaining or improving the quality of their land. In Ethiopia, for instance, our program helped to more than double their total production of grain in just four years, making the previously starving country able to export surplus maize to neighboring countries.

You might be interested in our work on the mainland of China, where we have assisted handicapped people, helping with the design and erection of a large plant that now produces the finest prostheses. We also helped with the training of elementary teachers throughout the nation to educate small children who are deaf and blind. In addition, at the request of the government, we have monitored the conduct of democratic elections in villages, mandated by a 1987 law that was strengthened in November of last year.

Well, there is little doubt that all people, as individuals and as a society, desire to be successful, to strive for excellence or greatness. But what is greatness? I like the definition of the theologian Reinhold Niebuhr, who said that the ultimate goal of a human being should be agape love -- love without recompense, often for those who are not lovable and may not even acknowledge or appreciate our care for them. Niebuhr went on to say that a nation or a society could not practice sacrificial love, but could reach for justice. This includes providing for the basic human needs of both the rich and poor. We have failed to meet this challenge. Doing so will be the most important issue of the next millennium.

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4-19-99

THE BOSTON GLOBE • THURSDAY, APRIL 8, 1999

Wage an attack on Serbia's 'soft assets'

JOHN ELLIS

The Washington Post has reported that Yugoslav President Slobodan Milosevic had sent his son, daughters, and grandchildren to Crete for an extended vacation. One presumes that other children and grandchildren of the Milosevic elite are likewise ensconced, far away from NATO air strikes and the possibility of personal collateral damage. Precious assets get special treatment.

To date, the United States and its NATO allies have devoted all of their resources to attacking "hard" military assets in Yugoslavia. These include missile defense systems, communications infrastructure, ammunition depots, and the like. Cruise missiles and laser guided bombs rain down on these targets with stepped-up intensity. The Clinton administration believes these attacks are "working."

Experience teaches that aerial assaults will not reverse what has already happened in Kosovo. Two weeks ago, Pristina, the capital city of Kosovo, was a bustling community of 250,000 ethnic Albanians. Today, it has 800, according to one news account. The battle for Kosovo is over. The Serbs have won. The only thing that will reverse this outcome is an allied invasion of ground forces.

The likelihood of 19 NATO countries agreeing to use ground troops in the Balkans is not great. The best the air campaign can hope to accomplish is to make Milosevic more flexible when the inevitable "peace conference" is convened. So the question arises: What should the United States and its NATO allies do to weaken Milosevic's negotiating posture?

First, the United States and its NATO allies should continue the air war on Yugoslavia without interruption. Degrading the military assets and the communications infrastructure of the Serbian army diminishes its ability to wreak further havoc in the Balkans. Milosevic's unilateral cease-fire was patently bogus and rightly rejected out of hand. The air war on hard assets should increase and intensify with each passing day.

Second, the United States should begin to mobilize a ground force for deployment in the Balkans. Troops can be introduced into Albania under the cover story that they are there to help with humanitarian and relief efforts. The United States can do this without NATO approval. Milosevic will get the point.

Third, the United States and its NATO allies should mount an aggressive campaign against the "soft assets" of the Milosevic elite. In the past, campaigns against "soft assets" have taken the form of economic sanctions and have not been particularly

successful. But just because they haven't worked against, say, Iraq, does not mean that a "soft assets" campaign won't work against Yugoslavia.

Serbian elites see themselves as cosmopolitan Europeans. They educate their children abroad. They travel frequently throughout the region. They shop in Athens, attend fashion shows in Milan, dine at the finest restaurants in Paris. They care about all that — a lot more than they care about Kosovo. The point of a "soft assets" campaign would be to take all that away.

The United States and its NATO allies should publish on the Internet a list of the names of the 3,000 to 5,000 people (and their families) who comprise the Milosevic elite. Once published, anyone who is on the list or related to someone on the list would be denied entry into every NATO country.

All existing visas would be canceled. All students would be sent home. All businessmen would be sent packing. All diplomats would be told to get out. Let the Serbian elites educate their children in Moscow. Let them shop in Belgrade. Kick them out and never let them back through customs again until Kosovo is restored.

The United States and its NATO allies should also freeze and seize all financial assets of the Milosevic elite. Serbian elites are legendarily corrupt. Over the years, they have stolen hundreds of millions of dollars

from their country. Many of these assets are tucked away in Swiss banks and offshore accounts. They use these money havens to protect themselves in the event that their countrymen someday take exception to their malfeasance.

The Genocide Convention, signed after World War II by most countries, including the United States and Yugoslavia, establishes genocide as an international crime and makes possible criminal and civil charges against specific individuals. The United States and its NATO allies should freeze and seize all financial assets of the Milosevic elite as part of a concerted legal effort to prosecute specific individuals on charges of genocide.

A "soft assets" campaign could be very effective. It might make the Milosevic elite realize that they will never be Europeans so long as they occupy Kosovo. It could steal back the money they stole. And it could serve as a kind of test case for future "soft asset" campaigns, which may become necessary if, for example, nationalist forces in Russia prevail.

Waging a "soft asset" campaign against Yugoslavia would set useful legal precedents for the future. And it just might split the Milosevic elite into warring factions.

John Ellis is a Globe columnist.

APR. 12, 1999

4:52PM

LIBERTY MUTUAL

NO. 515

P. 4-D



**Aerospace
Industries
Association**



April 16, 1999

'99 APR 19 PM3:47

The President William J. Clinton
The White House
1600 Pennsylvania Ave. N.W.
Washington, DC 20500

Dear Mr. President:

The biannual Paris Air Show, which will be held on June 12-20, is the largest commercial event in aerospace. Traditionally, the White House appoints a Presidential Representative to that show. You may recall your earlier appointments of the late Ron Brown in 1993, Mack McLarty in 1995, and Senator Tom Harkin in 1997. On behalf of the Aerospace Industries Association, I would propose that Dan Goldin, Administrator of the National Aeronautics and Space Administration, would be an appropriate representative for 1999.

The fastest growing segment of the aerospace industry is that of commercial space. Mr. Goldin has championed greater use of commercial firms and practices for NASA, and is working with industry to produce a new generation of commercial launch vehicles which will greatly reduce the cost of placing satellites in orbit. He therefore would be a most appropriate representative of the United States for Paris.

The President's Representative would normally be expected to participate in the opening ceremonies for the show on Saturday, June 12, the U.S. Ambassador's reception on Sunday evening, a dinner hosted by AIA on Monday evening, and visit U.S. and international exhibitors at the show on Monday and perhaps Tuesday. Mr. Goldin's appearance would symbolize the Administration's commitment to maintaining the preeminence of the U.S. aerospace industry, which is the single largest net contributor to our balance of payments, producing a \$41 billion aerospace surplus in 1998.

I appreciate your attention to this matter, and stand ready to provide any additional information you might require.

4-19-99

Sincerely


John W. Douglass

Attention:

Phillip M. Caplan
Staff Secretary

Send to Nash?
Yes ☒
No ☐

cc: [unclear]

THE PRESIDENT HAS SEEN
4-19-99

THE WHITE HOUSE
WASHINGTON

April 17, 1999

MR. PRESIDENT:

Attached are the following weekly reports:

- (A) Weekly Economic Briefing
- (B) Interest Rates and Stock Market/
Update on Global Markets
- (C) DPC
- (D) NEC
- (E) CEQ
- (F) OSTP
- (G) Climate Change
- (H) Legislative
- (I) Communications
- (J) Public Liaison
- (K) Race Initiative
- (L) Intergovernmental
- (M) Indian Country (new)
- (N) Special Envoy for the Americas
- (O) Cabinet Affairs
- (P) Political Affairs

Tab A :- Yellen / Podesta
Tab C :- Reed / Kagan / Podesta
Tab D :- Sperling / Podesta
Tab F :- VP / Lane / Podesta / Stern
Tab H :- Stein / Podesta
Tab I :- Ucelli / Spector / Podesta
Tab N :- Mackay / Podesta
Tab O :- Marshall / Bakerton / Podesta

Phil Caplan
David Goodfriend

4-14-99

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WEEKLY ECONOMIC BRIEFING OF THE PRESIDENT OF THE UNITED STATES

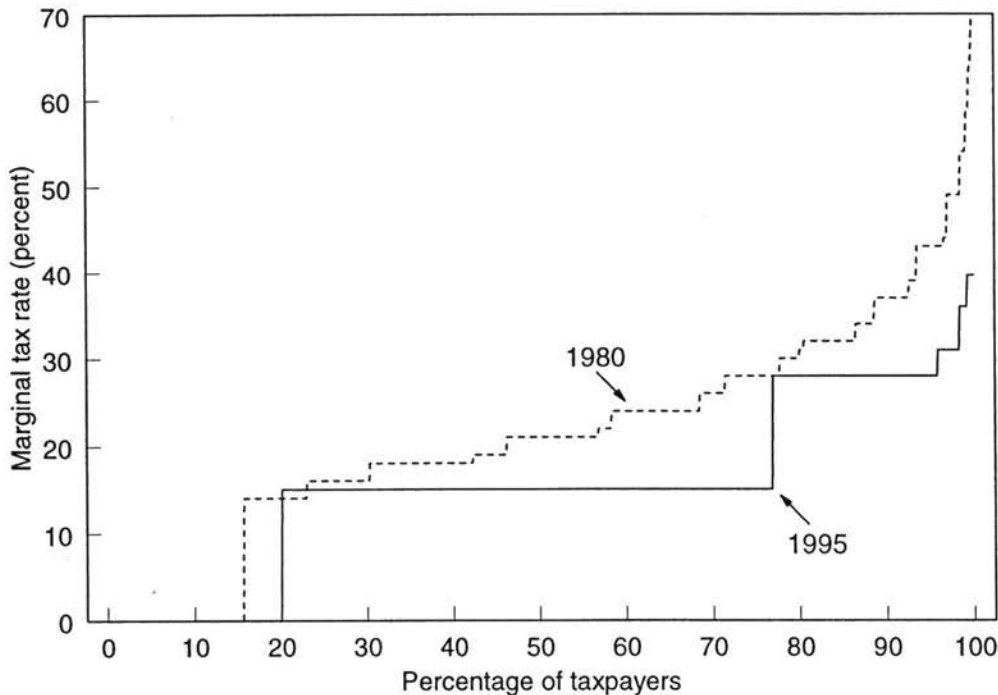
Prepared by the Council of Economic Advisers
with the assistance of the Office of the Vice President

April 16, 1999

Copied
Yellen
Podesta

CHART OF THE WEEK

Marginal Federal Individual Income Tax Rates



Almost four-fifths of taxpayers face a marginal Federal income tax rate of 15 percent or less. Only about a fifth of taxpayers faced comparably low marginal rates in 1980. Only about 5 percent of taxpayers face a marginal rate higher than 28 percent, compared with almost a quarter of all taxpayers in 1980.

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"You've got mail."

CURRENT DEVELOPMENT

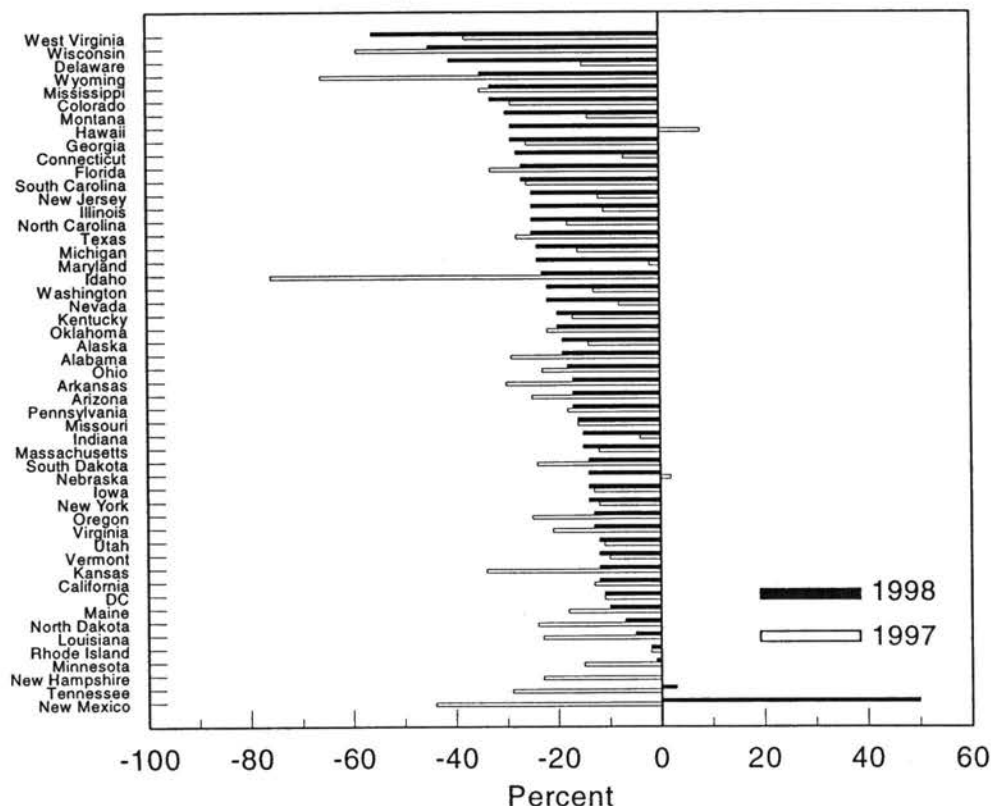
Most States See Continued Drop in TANF Rolls in 1998

In 1998 every state but Tennessee and New Mexico participated in the nationwide drop in TANF caseloads. Almost all states also experienced falling Food Stamp rolls.

TANF. The decline in caseloads has been widespread and persistent. Nationally, caseloads dropped by 18 percent in both 1997 and 1998. In 26 states the decline in 1998 was at least as large in percentage terms as it was in 1997 (see chart). Caseloads in New York and California, which have roughly a third of all TANF recipients, have fallen consistently under welfare reform, though at relatively modest rates. Only Nebraska and Rhode Island have had drops of less than 20 percent since the implementation of welfare reform. Idaho, Wisconsin, Wyoming, and West Virginia have had declines of 70 percent or more.

Food Stamps. Nationally, Food Stamp caseloads fell 8 percent in 1998. Caseloads fell in all but three states. Hawaii's 5 percent rise was the largest of those experiencing increases. Changes in Food Stamp caseloads have not moved in lockstep with TANF. For example, among the five states with the largest percentage decline in TANF caseloads since August of 1996, only Mississippi was ranked in the top 10 in terms of Food Stamp caseload reduction.

Change in TANF Caseload

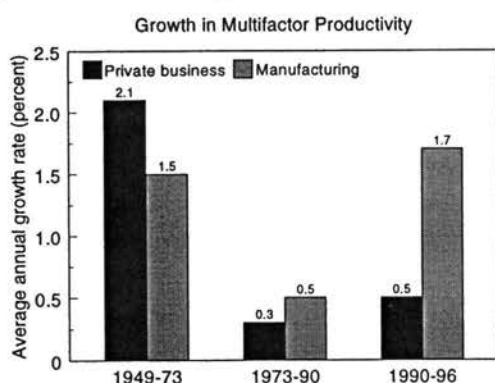


SPECIAL ANALYSIS

Is Non-Manufacturing Productivity Growth Really That Low?

Bureau of Labor Statistics productivity data imply that manufacturing is responsible for all of the economy's productivity growth since the late 1970s. BLS researchers have also produced estimates of productivity growth by sector that include implausible negative productivity trends in several non-manufacturing industries. One interpretation of these findings is that the difficulties inherent in measuring quality improvements in the service sector have resulted in an underestimate of productivity growth both in that sector and in the overall economy.

Trends. The new BLS research focuses on multifactor productivity (MFP, or output per unit of all inputs combined, including labor, capital, and other inputs). MFP



reflects things like technological change, economies of scale, and improved managerial efficiency. Growth in MFP dropped off sharply in the early 1970s for both private business as a whole and for the manufacturing sector (see chart). While manufacturing MFP began to grow strongly again in the 1990s, private business MFP has grown at less than a quarter of its 1949-73 pace.

Analysis. BLS's sectoral analysis focuses on the 1977-92 period and finds that declines in the *level* of MFP in several non-manufacturing sectors exerted a drag of 0.6 percentage point on the *growth rate* of business sector MFP. Construction, banking, and insurance experienced pronounced declines in their levels of productivity; MFP also fell in utilities and health services. Although such "technological regress" is theoretically possible, it is more likely that the Federal statistical system is missing improvements in the quality of the goods and services produced (such as the convenience of ATMs). Anecdotal evidence suggests that some of these sectors have been technologically vibrant. An illustrative calculation shows that if productivity levels had simply remained constant in these industries, annual MFP growth in the business sector as a whole would have been 0.4 percentage point greater. (This is less than the 0.6 point drag from these sectors because some of the underestimate in services shows up as an overestimate in manufacturing.)

Focus on quality measurement. This recent BLS research focuses attention on the measurement of quality improvements in construction and a variety of service-producing industries. This is also a key area singled out by the Boskin Commission in its estimate of possible biases in the consumer price index. The BLS and other researchers have identified some areas where progress can be made, but the measurement issues are sufficiently difficult in the service sector that overall progress is likely to be slow.

SPECIAL ANALYSIS

Trade Negotiations Have Put Food on the Table

Under the Uruguay Round Agreement on Agriculture (URAA), countries agreed to work toward the liberalization of agricultural trade by reducing agricultural support and protection. Some progress has been made, but the negotiations scheduled to begin this year for continuing the agricultural reform process may prove tougher.

An easy first round. In 1994, 26 countries made URAA commitments to reduce domestic agricultural support programs that encourage greater resource use or production. Compliance data is received slowly, but by May 1998, 24 countries had notified the WTO of their compliance for 1995, including the United States and the EU. Some of the reduction reflects the very high 1986-88 base period levels of support; some reflects policy actions that reduced support; and some reflects changes in the kind of support being provided. In general, countries now rely less on direct price supports and more on so-called "green box" policies thought to have only minor effects on production and trade. In 1995, support from such permitted policies (which include payments that are not linked to prices or production, domestic food aid, and some income support and insurance programs) was already 54 percent greater than in the 1986-88 base period.

Seizing the high ground. High price supports in the base period and the special treatment of deficiency payments (included in the base period but excluded for compliance purposes) were non-policy factors that helped the United States move well below its WTO ceiling. In addition, however, the 1996 Farm Act made changes to commodity programs that reduced support levels. For example, the Act eliminated the honey and rye programs, reduced the effective price support levels for sugar and peanuts, and initiated a phase-out of the dairy market price support program. The Act also reduced the interest subsidy on all commodity loans and set an upper limit on loan rates. Finally, and probably most importantly, the production flexibility contract payments introduced by the 1996 Farm Act are green box exclusions because they are not tied to production or prices.

Inside the green box. The next round of WTO agricultural negotiations will most likely examine the growing use of green box exemptions and reassess the extent to which they may distort production and trade. Policies that are more likely to pass muster are ones in which price signals are clearly transmitted to producers, payments are independent of production decisions, and support payments are not targeted to specific sectors in ways that weaken resource allocation decisions based on market price signals.

Conclusion. Data compiled for 1995 and 1996 show that the United States achieved substantial reductions in WTO-regulated agricultural support policies. Continued good U.S. compliance in the first round would establish a good bargaining position in the next round and help open international markets even more to U.S. farmers.

ARTICLE

Employers Are Redefining Pension Plans

A number of companies, including Chemical Bank, AT&T, and CBS, are converting their traditional defined benefit pension plans to "cash balance plans." What are these plans, and why are the conversions upsetting some long-term employees, prompting lawsuits, and attracting the attention of journalists and legislators?

What are they? A cash balance (CB) plan is a variant of a defined benefit (DB) plan. Traditional DB pension benefits are calculated according to formulas that usually multiply years of service times a percentage of salary during the final few years. Cash balance plans have hypothetical accounts for each employee, to which the employer credits a certain percentage of salary each year and which then grow by a certain fixed rate of return. Thus CB plans resemble 401(k) plans in having a portable lump-sum value, but they differ in that the employee has no choice about whether to participate or how much to contribute and no role in managing the account.

Can they do that? Employer provision of pensions is voluntary, and private sector employers are free to change their pension plans at any time, subject to provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and the tax code. One rule is that the pension benefit that an employee has earned to date under the old plan cannot be reduced. The new plan may be prospectively less generous than the old, but any employee's benefit upon retirement must be at least as large as it would have been if that employee had left the day before the plan was changed. However, the new plan need not preserve the increases in benefits for *future* years of service that employees expected under the old plan.

Winners and losers. CB benefits accumulate steadily throughout an employee's career with the firm, once the initial vesting period (usually 5 years) is over. Traditional DB pension formulas, by contrast, are usually heavily "backloaded," so that most of the benefit is earned in the last few years before retirement. Moreover, DB formulas often vary with age in such a way as to encourage early retirement at age 55 or 60. This provides employees with an incentive to stay with the firm until they reach the early retirement age, but then to retire.

Younger employees are likely to gain from the conversion to a CB plan because they will have more in their pension account if they leave the firm before reaching retirement age. Older workers could see a reduction in their prospective pension benefits. Firms may choose to grandfather older workers close to retirement age, but others a little further away from retirement age will lose the backloading and early retirement incentives of the old DB plan. In addition, firms may credit older workers with relatively low account balances, which could have the effect of freezing benefits until the new accounts build up a sufficient balance to pay a larger benefit than the minimum that is legally required following the conversion.

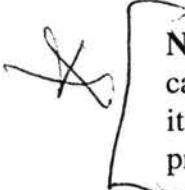
Disclosure. Employers must notify workers when their pension plan is changed, but they are not currently required to provide a comparison of benefits under the old and the new plans. Whereas a traditional DB plan benefit is expressed as a future monthly payment, that of a CB plan is expressed as a lump sum account value. Because DB pension formulas are complicated and the calculation of present values depends on interest rate and mortality assumptions, it may be difficult for workers to compare their pension benefits under the old and new plans.

Implications. The Congress and the Administration are considering proposals that would require fuller disclosure of how employee benefits are affected when a firm changes its pension plan. Fuller disclosure cannot restore workers' disappointed expectations, but if implemented wisely it could help workers gain a better understanding of how their compensation has been affected.

4-19-99

BUSINESS, CONSUMER, AND REGIONAL ROUNDUP

Economic Gains for Less-Educated Young Men. A new study finds that the recent economic boom has substantially improved the labor market outcomes of young men with no college, while adult men with the same education had no gains. The study, which uses nationally representative data from 1992 to 1998, finds that the largest employment gains among less educated young men occurred among African Americans, especially those in labor markets that were tight during the period. Young men of all races had similar earnings gains over the whole period, but the gains for African Americans were concentrated in the 1996 to 1998 period, suggesting that it takes time for a boom to raise demand and eventually improve pay for these young men. The study estimates that the dramatic increases in employment rates for less educated young African American men closed much of the gap between them and similarly educated young white men. The authors conclude that an extended boom can be very helpful in addressing the African American youth employment problem.

 **New Evidence on Child Care Costs and Female Labor Supply.** The cost of child care has a greater effect on the labor force participation of less-skilled women than it does on that of women with higher skills, according to a new study. The study provides simulations of a 50-cent per hour reduction in child care costs (roughly equivalent to a \$1,000 per year subsidy for a full-time, full-year worker). For all women with children under the age of 6, the estimated labor force participation rate increased from 54 to 63 percent. For women in this category with less than a high school education, the predicted increase was larger (from 31 to 42 percent), while it was smaller for those with more than a high school education (from 64 to 70 percent). Although these results imply that the effects of subsidizing child care would be largest for the least skilled, the authors caution that levels of employment for these women are likely to remain far below those of other groups of women, even if substantial subsidies were available, since the cost of child care is just one of their many barriers to employment.

Study Warns of Broadband Internet Access Gap. The geographical digital divide may be more significant in the emerging market for broadband access to the Internet than it is for access generally, according to a new study. In its report, *The State of the Internet*, the United States Internet Council, a non-partisan group of state policymakers and industry leaders, finds that new broadband technologies are available in just 10 percent of U.S. counties. More than 45 percent of Americans live in these counties, but a gap in broadband Internet access remains, especially in more rural counties. By contrast, 78 percent of Americans have a choice of four or more service providers for conventional dial-up access.

INTERNATIONAL ROUNDUP

Proposed Restructuring of Pakistani Bonds Shakes Up Bankers. While Eurobonds have traditionally been exempted from sovereign debt restructuring, the recent recommendation of the Paris Club that Pakistan restructure its Eurobond debt on terms “comparable” to those of its official debt has stirred up concern in the financial community. For example, the Institute of International Finance (IIF) this week released a paper opposing such “forced restructuring” of bonds. The IIF stressed the need for constructive involvement of the private sector in crises and emphasized the positive response of international capital markets to strong adjustment measures, citing the resurgence of capital flows to Mexico in 1995-96 and more recently to Korea and Brazil. The paper warned that countries that reschedule bonds could jeopardize their access to new credit and that the adverse effects of such action could extend to more creditworthy borrowers. The IIF did not rule out the restructuring of Eurobonds altogether; rather, it emphasized the importance of negotiated, voluntary resolutions. Despite the concerns of the financial community, however, the increasing share of bonds relative to bank loans in lending to emerging markets probably means that, in the future, bondholders should expect to have to be part of any restructuring that might be necessary.

World Bank Acts to Maintain Its Top Credit Rating. Recent increases in the demand for financing and deterioration in the credit quality of existing loans has put some pressure on the World Bank’s finances. But offsetting measures have kept the Bank in good shape. During its 1998 fiscal year, the Bank experienced unprecedented growth in net loan disbursements (which grew to \$8 billion from less than \$2 billion in 1997) and commitments (\$21 billion in loans were approved, up from \$14 billion in 1996 and 1997). However, new measures, including a 1 percent front-end fee and an increase in the interest spread on new loans, are designed to strengthen the Bank’s balance sheet. While the Bank is financially strong and recently had its AAA rating confirmed by the rating agencies, management has commissioned a review of its medium-term capital adequacy. The results of the review will be considered later this fiscal year.

Chilean Capital Controls Likely to Return, Eventually. Many advocates of controls on short-term capital inflows have pointed to Chile’s system of reserve requirements as a model that other countries should emulate. Of course, Chile effectively suspended its controls last September by reducing the reserve requirement rate to zero, in order to stimulate urgently needed capital inflows and reduce pressure on its currency. However, Chile’s undersecretary of finance recently told the *Financial Times* that the controls would likely be reintroduced, although not in the near future. With strong inflows of foreign direct investment available to cover Chile’s expected current account deficit and the economy expected to recover well from the Asian and Brazilian crises, a return to controls would ward off an influx of excessive “hot money,” which many consider fickle and destabilizing. The reduction, elimination, and now likely return of the controls underscore their flexibility.

RELEASES THIS WEEK

Industrial Production and Capacity Utilization

****Embargoed until 9:15 a.m., Friday, April 16, 1999****

The Federal Reserve's index of industrial production increased 0.1 percent in March. Capacity utilization fell 0.2 percentage point to 80.1 percent.

Housing Starts

****Embargoed until 8:30 a.m., Friday, April 16, 1999****

Housing starts decreased 1 percent in March to 1.766 million units at an annual rate.

Retail Sales

Advance estimates show that retail sales rose 0.2 percent in March following an increase of 1.7 percent in February. Excluding sales in the automotive group, retail sales rose 0.5 percent following an increase of 1.3 percent.

Consumer Price Index

The consumer price index rose 0.2 percent in March. Excluding food and energy, consumer prices rose 0.1 percent.

MAJOR RELEASES NEXT WEEK

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

U.S. ECONOMIC STATISTICS

	1970- 1993	1998	1998:2	1998:3	1998:4
Percent growth (annual rate)					
Real GDP (chain-type)	2.7	4.3	1.8	3.7	6.0
GDP chain-type price index	5.4	0.9	0.9	1.0	0.8
<u>Nonfarm business (NFB) sector:</u>					
Productivity (chain-type)	1.5	2.7	0.3	2.5	4.6
Real compensation per hour:					
Using CPI	0.6	2.5	2.2	2.3	1.7
Using NFB deflator	1.3	3.7	3.5	3.4	3.4
Shares of Nominal GDP (percent)					
Business fixed investment	10.9	11.0	11.2	10.9	11.0
Residential investment	4.5	4.3	4.3	4.4	4.5
Exports	8.2	11.3	11.3	11.0	11.3
Imports	9.2	13.0	13.1	12.9	13.1
Personal saving	5.2	0.3	0.3	0.1	-0.0
Federal surplus	-2.7	0.9	0.9	1.1	0.8
	1970- 1993	1998	Jan. 1999	Feb. 1999	March 1999
Unemployment Rate (percent)	6.7**	4.5**	4.3	4.4	4.2
Payroll employment (thousands)					
increase per month			217	297	46
increase since Jan. 1993					18176
Inflation (percent per period)					
CPI	5.8	1.6	0.1	0.1	0.2
PPI-Finished goods	5.0	-0.1	0.5	-0.4	0.2

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

New or revised data in **boldface**.

FINANCIAL STATISTICS

	1997	1998	Feb. 1999	March 1999	April 15, 1999
Dow-Jones Industrial Average	7441	8626	9323	9754	10463
Interest Rates (percent per annum)					
3-month T-bill	5.06	4.78	4.44	4.44	4.20
10-year T-bond	6.35	5.26	5.00	5.23	5.18
Mortgage rate, 30-year fixed	7.60	6.94	6.81	7.04	6.87
Prime rate	8.44	8.35	7.75	7.75	7.75

INTERNATIONAL STATISTICS

Exchange Rates	Current level April 15, 1999	Percent Change from Week ago	Year ago
Euro (in U.S. dollars)	1.072	-1.1	N.A.
Yen (per U.S. dollar)	119.0	-1.5	-8.0
Major currencies index (Mar. 1973=100) (trade-weighted value of the U.S. \$)	95.62	-0.2	-0.3

International Comparisons ^{1/}	Real GDP growth (percent change last 4 quarters)	Unemployment rate (percent)	CPI inflation (percent change in index last 12 months)
United States	4.3 (Q4)	4.2 (Mar)	1.7 (Mar)
Canada	2.8 (Q4)	7.8 (Feb)	0.8 (Feb)
Japan	-3.0 (Q4)	4.7 (Feb)	-0.1 (Feb)
France	2.8 (Q4)	11.4 (Jan)	0.3 (Feb)
Germany	1.8 (Q4)	^{2/} 7.2 (Jan)	0.2 (Feb)
Italy	0.9 (Q4)	12.3 (Jan)	1.4 (Feb)
United Kingdom	1.1 (Q4)	6.3 (Dec)	2.1 (Feb)

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

2/ Rate for former West Germany. Using OECD standardized unemployment data, the unemployment rate for unified Germany for January was 9.1 percent.

4-19-99

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THE WHITE HOUSE

WASHINGTON

April 17, 1999

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MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Elena Kagan

SUBJECT: DPC Weekly Report

1. **Education -- Ed-Flex:** In response to your veto threat, House and Senate conferees agreed Thursday to drop the Senate amendment that would have gutted the class size program, and will report out an Ed-Flex bill that you can happily sign. The conferees also agreed to strong accountability provisions to help make sure states that make use of this new flexibility get results. On Monday, Secretary Riley had sent conferees a letter threatening a veto over the Senate Republican provisions to weaken class size. Thirty-six Senate Democrats signed a letter in support of the veto. The final bill should reach your desk in the next few weeks.

2. **Education -- ESEA:** On Monday, we will meet with civil rights leaders and Sen. Kennedy's staff in our continuing effort to reach agreement on the social promotion provisions of ESEA. Bill Taylor is reviewing our language and drafting a counterproposal for the civil rights community. Once we see it, we will send you a separate memo on whether we can get the community -- or at least Sen. Kennedy -- to accept a compromise consistent with what you said in the State of the Union.

3. **Education -- National Teacher of the Year:** On Monday, you are scheduled to announce the National Teacher of the Year in a ceremony in Presidential Hall. Your remarks will focus on the importance of high-quality teachers and challenging young Americans to become teachers. After your remarks, you will present Andrew Baumgartner with the 1999 National Teacher of the Year award. Baumgartner, an ex-Marine, has taught for 22 years and is currently teaching kindergarten in Augusta, Georgia.

4. **Education -- Class-Size Study:** On April 29, Senator Patty Murray plans to announce the most recent findings of Project STAR -- the Tennessee study that has tracked the performance of students who were in smaller classes in grades K-3 in the mid-1980's. So far, the findings show that: students who were in smaller classes go on to take college entrance exams slightly more frequently than their peers in larger classes, and the gap in college entrance test-taking between poor and minority children and other children was substantially reduced. Researchers found no difference in ACT and SAT scores for students in smaller classes, although that could be due to the fact that a greater percentage of them were taking the tests. Senator Murray has suggested a White House event to release of the study, but we are waiting to see if stronger

additional data becomes available from the researchers comparing the performance of students in smaller vs. larger classes on high school graduation rates, completion rates of advanced placement and other challenging courses, and grade-point averages.

 **5. Children and Families -- Child Care:** The final budget resolution passed by Congress this week includes \$6 billion for child care -- \$3 billion over 10 years in new subsidy funding and \$3 billion over 10 years in enhanced child care tax relief. Although half the original amount sought by Senators Dodd and Jeffords, this action provides a real opening to achieve important pieces of your child care initiative this year. The Senate voted 66-33 in support of a Dodd-Jeffords motion to instruct conferees to include the funding increase. We will now turn our attention to working with the Senate Finance Committee, which has jurisdiction over child care subsidy and tax issues; four Republicans on the Committee voted for the Dodd-Jeffords measure (Jeffords, Hatch, Chafee, and Grassley).

6. Crime -- Prison Drug Treatment: As you know, as a result of the Administration's efforts, the FY 99 omnibus spending bill contained a provision to allow states to use up to 10 percent of their prison construction funds for drug testing, intervention, and treatment for prisoners and parolees. We were recently informed that half of the states have requested to use the full 10 percent of their construction grants to fund such activities. The Justice Department plans to issue a report on this soon.

 **7. Health Care -- Medicare Update:** Starting next week, the Senate Finance Committee will hold a series of Medicare hearings. Senator Breaux and Rep. Thomas want you to unveil your legislative proposal first before they produce their own bill. In our meetings with Congressional offices over the last week, we are hearing (1) growing discomfort with the Breaux-Thomas recommendations; (2) the desire to develop a meaningful prescription drug benefit; (3) a great interest in the status of your Medicare reform package; and (4) increasing concerns about the imposition of additional provider payment reductions as we implement the 1997 BBA. Base Democrats are very concerned about the type of structural changes and programmatic savings we are developing for your consideration. While most are quite interested in a drug benefit, they are concerned about our possible approaches to modernize the program, make it more competitive, and achieve savings to help offset the cost of the drug benefit. In the wake of the good news by the Medicare Trustees about the new 2015 trust fund exhaustion date, members of Congress are more receptive than ever to provider concerns about reimbursement rates. To the extent that providers are successful in convincing the Congress to moderate these savings, it will become more difficult to find significant offsets that credibly go very far towards defraying the cost of the drug benefit.

8. Health Care -- Shortcomings of HCFA Oversight of HMOs: You recently asked our response to a recent GAO report that criticized HCFA for not assuring that HMOs are distributing accurate information about benefits, cost sharing, and appeals rights to Medicare beneficiaries. The report suggested that the lack of such information made it impossible for beneficiaries to challenge HMOs that have not provided contractually obligated benefits. In

response to this report and our inquiries, HCFA has acknowledged shortcomings in this area. At our urging, HCFA has agreed to ensure that HMOs participating in the next Medicare open enrollment period will be required to provide information about their benefits and cost sharing requirements in a standardized format. This will ensure that HCFA can quickly and accurately evaluate the content of brochures and other marketing material. In addition, Medicare HMOs will be required to provide information about appeal rights and disenrollment in a standardized format in order to ensure that Medicare beneficiaries are informed about their right to appeal decisions denying care or payment for services. We have informed HHS (along with OPM and other affected agencies) that implementation of the Patients Bill of Rights must be carried out as smoothly and aggressively as possible and serve as a model for the private sector. The New York Times editorial criticizing HCFA on this matter did acknowledge that, even with its implementation problems, Medicare provides much greater protections to beneficiaries than the private sector.

Handwritten: Ford
9. Health Care -- Jeffords-Kennedy Update: Senator Helms added his name as a cosponsor to the Jeffords-Kennedy-Roth-Moynihan Work Incentives Improvement Act this week. This leaves Senator Nickles as the primary barrier to bringing this measure to the full Senate for a vote. Although Senator Nickles is pressuring Senator Lott not to bring this bill to the floor, there is a bipartisan movement in the Senate to permit a vote in the upcoming weeks. There is similar momentum on the House side as the Commerce Committee is hoping to finalize a full committee markup later this month or early in May. This legislation represents the highest legislative priority of the disability community and they hope to help us deliver you a bill for signature by June.

Handwritten: Ford
10. Health Care -- Patients Bill of Rights Update: In the wake of your event promoting the Patients Bill of Rights last Friday and the positive New York Times editorial that the event inspired, moderate Republicans such as Senator Chafee have indicated interest in developing a strategy to pass a compromise proposal. These Republicans want to see this issue resolved prior to the 2000 elections. Unfortunately, the Senate Leadership, particularly Senator Nickles, have been able to seriously delay any progress on this issue within the Senate Finance Committee. In the House, Republicans such as Reps. Ganske and Norwood are reaching out to Rep. Dingell to determine if they can agree on a compromise measure that can attract well over 218 votes. Because these members are concerned about the lack of progress in the House on this issue, they may well be open to pursuing a discharge petition strategy in order to bypass a prolonged and unproductive committee process.

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11. Health Care -- CHIP Update: This week, the Washington Post reported that the CHIP program had enrolled 850,000 children to date, which they portrayed as a disappointing start to the program. On Tuesday, the First Lady will announce that in the first full year of program operation, the CHIP program has actually enrolled one million children. Your recent launching of the national toll-free number and a major public awareness campaign should help accelerate enrollment.

4-19-99

12. Tobacco -- Billboards: As part of the state tobacco settlement, tobacco companies agreed to remove their outdoor and transit advertising by next Friday -- although the settlement does not prohibit smaller signs that are placed inside or outside retail establishments or billboards at adult-only events. The companies also agreed to keep paying for the space after taking down their billboards until their leases expire so that states and tobacco-prevention groups can display anti-tobacco ads. Preliminary estimates from HHS conclude that the value of this anti-tobacco advertising could be as high as \$100 million. To support efforts to replace tobacco industry billboards with tobacco-prevention messages, CDC, FDA, and the National Cancer Institute (NCI) have been working together to provide technical assistance and the bulk printing of a select set of billboards. Thirty-nine states are expected to put up tobacco-prevention billboards, with 26 using the CDC/FDA selected ads and the remaining 13 states choosing to do their own. April 23rd coincides with the NATO summit, which may prohibit White House involvement, but we are hoping Secretary Shalala can do an event, perhaps in Boston.

13. Welfare -- Illegitimacy Bonus Rule: This week HHS published a final regulation defining how it will distribute \$100 million a year in bonuses to states that reduce the percentage of children born out of wedlock. Up to five states and three territories may qualify for bonuses of up to \$25 million each. This bonus was included in the 1996 welfare reform law. The statute makes clear that bonuses will go only to states that simultaneously reduce both out of wedlock births and abortions. Nationwide trends are moving in the right direction -- preliminary 1997 data show that the out-of-wedlock birth rate has declined for three years in a row after rising for 20 years, although the percentage of births to unmarried women, on which the bonus will be based, has remained at just over 32 percent in recent years after decades of increases.

14. Welfare -- Legal Immigrants Benefits: This week, Sen. Moynihan and Rep. Levin introduced a bill to restore health, disability and nutrition benefits to certain legal immigrants. The bill includes our \$1.3 billion proposal to restore SSI and Medicaid to immigrants arriving after 1996 who become disabled, furnish food stamps to those in the U.S. by 1996 once they become elderly, and provide states the option to provide Medicaid or CHIP to children and pregnant women who arrive after 1996. The Moynihan-Levin bill's food stamp and SSI restorations are more expansive than ours (the bill does not contain any offsets), but its Medicaid/CHIP proposals are identical. We are currently completing the legislative language for our proposal and will begin seeking bipartisan sponsors shortly.

THE WHITE HOUSE

WASHINGTON

April 17, 1999

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MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING

SUBJECT: NEC WEEKLY REPORT

cc: JOHN PODESTA

Budget: As you know, Congress passed the conference report on the budget resolution with nearly party-line votes this past week, the House voting 220 to 208 Wednesday (4/14) and the Senate voting 54 to 44 Thursday (4/15). The next step in the budget process, expected in the next couple weeks, is for the Appropriations Committees to take their allotment of spending under the budget and allocate it among their subcommittees, although the supplemental appropriations bill may delay that process. We expect that this allocation will further reveal how unrealistic the budget will prove, and we will work with OMB to produce background materials to highlight how the cuts would affect people in human terms. Meanwhile, your economic advisers met Friday (4/16) to discuss scenarios for advancing Social Security reform.

Universal Savings Accounts: You should know that following your event on Wednesday (4/14) we received very good press coverage -- The New York Times and The Washington Post both had very positive stories and USA Today placed their story of your announcement above the fold. Furthermore, after talking with Larry Summers and me, Dallas Salisbury, President of EBRI, put out a statement stating that the Administration's proposal's would greatly expand retirement savings for millions of workers as well as encourage participation by low-income workers who are not currently contributing to their employer-provided pension plans. He commended the Administration for a proposal "that seeks to increase retirement savings, while seeking to encourage expansion of, and participation in, work-based retirement programs." Despite mostly good press and feedback from hill briefings, some articles have described USA Accounts as complex -- specifically on administration of the accounts and 401(k) coordination-- and question its universality. The NEC is working on a strategy to explain the details of the proposal to answer any questions.

New Markets Initiative: At Reverend Jackson's request, I went to Chicago to participate in the La Salle Street Project 2nd Annual Conference on expanding the marketplace. The opening session, entitled "Making APIC a Reality," was a strong one and included besides myself and Reverend Jackson, Phil Condit, CEO of Boeing; Cary McMillan, Managing Partner, Arthur Anderson; Richard Notebaert, Chairman & CEO of Ameritech; and Mayor Richard Daley. We discussed specific plans of how to bring capital to underserved areas; which of these plans may require legislation; what city and state officials can do to help make these plans a reality in their cities or states; and how the private sector can assist the government. Reverend Jackson was quite enthusiastic and was leaving, shortly after his conference, on a tour of Mississippi. He asked me to send you his regards and he was very positive on the Clinton Administration's efforts in this area. Several of the CEOs at the conference would clearly be good candidates to participate in a White House Roundtable or to travel with you when you go on your trip.

Philadelphia Naval Shipyard: On Monday (April 12), the Norwegian company Kvaerner, which is setting up operation at the former Philadelphia Naval Shipyard, announced that it was selling its shipbuilding division. This is not good news for Philadelphia, but it may not be devastating either, since Kvaerner apparently believes its Philadelphia operation is among those that likely buyers will find most attractive.

Minority Representation in IT Industry: In order to follow up on the speech that you gave at the Electronic Industries Alliance (Dave McCurdy's group), the NEC staff is exploring a number of different ideas for addressing the "skills gap" in the information technology industry, such as (1) encouraging companies to establish "worker scholarship" programs; (2) jointly developing curricula with community colleges, (3) participation in the Administration's GEAR-UP program through early college awareness and mentoring; and (4) to encourage partnerships between high-tech companies and Historically Black Colleges and Universities and Hispanic Serving Institutions.

Electricity Restructuring: On Thursday (4/15) the Department of Energy submitted the Administration's restructuring bill to Congress, following a roll-out event in the OEOB. The theme of the event was that restructuring will be good for the economy, the environment, and consumers. The event was attended by Secretary Richardson, Administrator Browner, Dr. Yellen, and Deputy Secretary Rominger in addition to Representatives Markey, Largent, and Burr. Moreover, a wide range of stakeholders including utilities, low-income assistance advocates, energy efficiency advocates, Indian tribes, and others came to support the Administration's push for passage of restructuring legislation. Secretary Richardson, noting that Thursday was tax day, stated that the legislation would represent the equivalent of a \$20 billion tax cut -- a \$230 tax cut for the average American family. He also noted that as 22 states have already ordered restructuring (including two in the past four days and four in the past three weeks), it is important to remove the Federal impediments from the states.

Steel Update: You should know that the Steel quota legislation remains on the calendar in the Senate, but a vote is not expected this month. Lott has told Santorum and Specter he will bring the bill to the floor when they have the votes. Your advisors are not yet entirely sure that we have the votes to defeat such legislation seeing as how many members remain undecided. Chairman Roth wants to work to defeat the bill outright, and does not want to entertain alternatives such as legislation to ease the Section 201 injury standard. Levin-Houghton's 201 legislation has not yet found a champion in the Senate, and while Democrats need some cover to oppose the quota bill, the steelworkers have made it clear that the Section 201 bill would not provide enough cover. We are redoubling our efforts to educate all Senators on the dramatic decline in steel imports since November flowing from our enforcement efforts, and polling them on the quota bill. We are also exploring alternatives that might gain some traction among Democrats and labor, but your cabinet has not yet been able to declare definitive support even for a Section 201 injury standard change. We face two possible options: (1) take the quota bill head on; (2) continue to develop an alternative that might gain some labor support, or load up the steel quota bill with other unacceptable provisions (e.g. Senator Conrad wants to add a wheat quota). You should know that pursuing an alternative that includes a 201 law change would anger

Senator Phil Gramm, who would lead efforts to defeat a quota bill. However, the steelworkers indicated to the Vice President in a meeting earlier this week, that they have an interest in developing some measure that can address future surges and exiting global overcapacity and subsidies, and, for the first time, suggested they did not want to split the party.

Brazil: You should know that the economic situation in Brazil continues to improve. This past week the Central Bank lowered the overnight interest rate from 39.5% to 34% (the third cut in less than three weeks) and Brazil's currency continued to strengthen, closing the week at 1.67 (down 27% against the dollar since the devaluation in January, but up 29% since its low in early March). In its first privatization since devaluation, the GOB (Government of Brazil) auctioned Comgas (Brazil's biggest natural gas distribution company) to an international group for more than 2 times the minimum bid. And as a further sign of rising investor confidence, the GOB on Thursday (4/15) filed a shelf registration to sell up to \$5 billion in debt securities in the global capital markets before June.

Austin, TX Event on Military Base Reuse: Dorothy Robyn on my staff is helping to coordinate your event next Wednesday (April 21) in Austin, TX, to mark the opening of Austin's new international airport at the former Bergstrom Air Force Base. The tentative plan is for you to release a progress report on military base reuse that will point up the many reuse success stories that now exist around the country, including Austin, Philadelphia, San Antonio, Oakland, Sacramento, and many others. We also hope you will be able to announce plans to ask Congress to give DoD the authority to transfer property to communities at no cost if it is to be used for economic development and job creation. The centerpiece of your 1993 Five-Part Plan for Base Reuse was the Economic Development Conveyance (EDC), which provided for transfer of such property at below fair-market value, and the Services have provided some sizable discounts. This zero-cost EDC policy is the next logical step, eliminating the need for appraisals and negotiations that currently delay reuse for many months.

NAFTA Ministerial Meeting: You should know that USTR continues to work with our trade partners to finalize the agenda for next week's meeting in Ottawa. The only item certain to be on the agenda is a review of progress in the various working groups established by NAFTA. Also, we have been working with USTR to see if any WTO Ministerial-related issues of common concern might be usefully raised.

EU Aircraft Noise Standard: The NEC held a deputies meeting on Monday (April 12) on the proposed EU aircraft noise regulation that is inconsistent with internationally established standards. The deputies decided unanimously to take a tough approach, continuing to strongly oppose the regulation rather than attempting to "hollow it out" through negotiation. As a carrot, we agreed to offer to work with the EU to accelerate agreement on a next-generation noise standard (including a phase-out of the existing standard). We subsequently communicated this position to the EU in a joint letter from Secretaries Albright, Slater and Daley and Ambassador Barshefsky, and Commerce Undersecretary David Aaron is leading an interagency delegation to Bonn, London and Brussels early next week for consultations. In addition, Secretary Slater will meet with Sir Leon Brittan and UK Minister John Prescott early next week on this issue. EU officials are predictably unhappy with our position and are threatening to approve the regulation on April 29, as scheduled, without modification.



THE PRESIDENT HAS SEEN
4-19-99
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF SCIENCE AND TECHNOLOGY POLICY
WASHINGTON, D.C. 20502

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April 16, 1999

MEMORANDUM FOR THE PRESIDENT

FROM: NEAL LANE *Neal*
CC: JOHN PODESTA
SUBJECT: OSTP WEEKLY REPORT

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testifying before the
it would get covered*

Congressional Hearings on Climate Change and R&D

On Wednesday (4/14) I testified on Global Climate Change before the House Science Subcommittee on Energy and Water. Rep. Sensenbrenner opened the hearing by attacking the Administration, then quickly left the room. The hearing looks to be the first in a long line that the House Science Committee will hold in order to attack Administration policies on Climate Change, with the specific goal of harassing Vice President Gore. I will continue to carry the Administration's messages that investments in science and technology are crucial to confronting the challenges of climate change, and that doing nothing is the high-risk option.

On Thursday (4/15) I testified on Federal R&D before the Senate Commerce Subcommittee on Science, Technology, & Space. I used the opportunity to question the Republican Budget priorities for science and technology, by pointing out that the budget they would be voting on shortly stands in stark contrast to your commitment to science and technology, by cutting \$1.3 billion from your request, which is nearly an eight percent decrease. Press accounts stated that Sen. Frist (R-TN), chairman of the Subcommittee, echoed my concerns about R&D funding in the GOP's budget resolution – just before he voted in favor of it.

Minority Students Lose Ground in Graduate Education

Judicial crackdowns on the use of race as a selection criterion in education had real world consequences this Spring: the number of minorities chosen to receive NSF's prestigious graduate research fellowships dropped by more than 50 percent. NSF was forced to eliminate its 15 percent set-aside for African Americans, Hispanics, and Native Americans last year as part of a settlement with a white student who sued for discrimination. This year NSF eliminated numerical ratings that were thought to put minorities at a disadvantage, but even more aggressive measures will be tried with the next cycle of applicants. As you noted in your Directive to the NSTC last December, it is absolutely vital to the future of this country that we bring women, minorities, and people with disabilities into the science and technology workforce. I expect that our report (June release) will make some hardhitting recommendations to get us back on the road to progress in this area. The declining number of graduate degrees in physical sciences and engineering has been noted as a fundamental failure in U.S. competitiveness policy, and threats to minority participation only exacerbate that problem.

THE WHITE HOUSE

WASHINGTON

April 16, 1999

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MEMORANDUM FOR THE PRESIDENT

FROM: LARRY STEIN *LS*

SUBJECT: LEGISLATIVE WEEKLY REPORT

- **Budget Resolution:** On Wednesday, the House approved (220-208) and on Thursday, the Senate approved (54-44) H.Con.Res. 68, the FY2000 Budget Resolution. This completed Congressional action on the Budget Resolution and allowed Congress to meet its April 15 statutory deadline. The resolution largely complies with the Republican Leadership's original plan of not spending the Social Security surplus, providing a large tax cut from the on-budget surplus (\$142.3 billion in tax cuts over the next five years and \$777.9 billion over the next decade), and increasing defense spending. Democrats criticized the plan for not extending Social Security or Medicare solvency, providing exploding tax cuts and forcing potentially disastrous cuts in non-defense priorities.
- **Ed-Flex Conference Report:** This week, the House and Senate Conferees completed action on H.R. 800, the Education Flexibility Act. The Conference report includes strong accountability provisions. The most contentious issue, the Lott Amendment, which would have allowed States to divert FY99 federal class size reduction dollars to fund IDEA was dropped. Instead, the Conferees agreed to a provision sought by Sen. Murray (D-WA) that will make the class size program more attractive to small states and small school districts. The Conference Report is expected to be taken up in both the House and Senate next week.
- **Military Tax Benefits:** As you know, on April 13 you issued Executive Order #13119, providing tax relief benefits for military personnel in "combat zones." On Thursday, the House passed (424-0) and the Senate approved (95-0) H.R. 1376, a bill to provide tax benefits to American military personnel with respect to services performed in Operation Allied Force. The bill provides tax relief identical to that of your Executive Order for military personnel in the combat zone. The bill also allows for tax assistance, such as time extensions for tax returns and for paying income tax without penalty or interest, for personnel who are away from their duty station and are outside the designated combat zone. Such individuals could not be covered by your Executive Order.
- **Supplemental Appropriations:** Legislative Affairs and OMB met with the House and Senate Appropriations Committee Chairs and Ranking Members on Thursday, to outline the proposed Kosovo supplemental request. The package was generally well-received. However, it is clear that Republicans in both houses will propose substantial increases in spending above our current proposal. Sen. Stevens (R-AK) and Rep. Young (R-FL) held out the option of adding Kosovo to the pending Central America/Jordan/ Agriculture supplemental, but the House appears to

want to move a separate Kosovo supplemental bill to the floor before adding it to the other measure. At the request of Sen. Stevens and Rep. Young, we have agreed to hold the transmittal of the Kosovo supplemental until Monday because Members, including Sen. Stevens and Rep. Young, are traveling to the region and wish to give us their views prior to formal transmittal.

House of Representatives

Handwritten notes: "Need to call", "Kosovo Supplemental", "to FY 99", "Beauregard", "HAC", "Supplemental", "4/19/99".

Microenterprise Loans: On Tuesday, the House approved by voice vote, H.R. 1143, the Microenterprise for Self Reliance Act. The bill authorizes you to provide grants and loans to financial institutions that would make microcredit loans available to the poor in disadvantaged countries. The Administration supports efforts to assist microenterprises but has expressed several concerns with the bill. First, the bill requires USAID to provide half of all microenterprise resources to organizations providing loans of \$300 or less. USAID provides a wide spectrum of services and this provision would limit USAID's ability to tap the most competitive organizations to meet specific needs of microentrepreneurs. Second, the bill would establish a new earmark for microenterprise funds that would limit the programs flexibility to respond to world development needs with limited foreign assistance funds. Third, the bill creates an unnecessary new bureaucracy for a microenterprise loan facility, raising constitutional concerns under the Appointments Clause.

Census: On Wednesday, the House passed (223-206) H.R. 472, the Local Census Quality Check Act. The bill would mandate a post-census local review. Secretary Daley would recommend a veto of the bill because it "is neither timely, effective, nor cost-efficient and would return us to inadequate 1990 operations that have been substantially improved upon." It is unclear at this time if Republican Leadership will take further action on this or related bills.

- Constitutional Tax Amendment:** On Thursday, the House failed (229-199) to reach the two-thirds requirement needed to approve H.J.Res. 37, the Tax Limitation Act. This resolution proposes a constitutional amendment that would require the Congress to vote by a two-thirds margin to increase taxes. The Administration issued a Statement of Administration Policy in strong opposition to the bill, citing Madison's argument in the Federalist Papers (No. 58), stating "the fundamental principle of free government would be reversed. It would be no longer the majority that would rule; the power would be transferred to the minority."

The Week Ahead

- House Schedule:** On Monday, the House will convene for a *pro forma* session. On Tuesday, the House will consider five noncontroversial bills under Suspension of the Rules. On Wednesday and the balance of the week, the House is expected to consider the following legislation: H.R. 1184, the Earthquake Hazards Reductions Authorization Act of 1999; H.R. 800, the Education Flexibility Partnership Act of 1999 Conference Report; H.R. ___, the Satellite Home Viewer Act; and H.R. 999, the Beaches and Environmental Assessment, Cleanup and Health Act of 1999. It is unclear what action, if any, will be taken on either the Central American or Kosovo Supplemental Appropriations requests.

United States Senate

- **Independent Counsel Statute:** Independent Counsel Kenneth W. Starr testified before the Senate Governmental Affairs Committee this week stating his strong views that the Independent Counsel statute should not be reauthorized. Democrats, including Senators Levin, Durbin, Torricelli, and Edwards, questioned Starr extensively and aggressively about his investigation. Republicans on the Committee, joined by Senator Lieberman, focused on Starr's views as to the operation of the statute.

The Week Ahead

- **Senate Schedule:** Senator Lott has not announced next week's schedule. However, the following legislation (in no particular order) is expected to be considered by the Senate for the remainder of April: Supplemental Conference Report, Kosovo funding, Y2K Liability, Ed-Flex Conference Report, Social Security Lock-Box Enforcement, Budget Rules Reform, FAA Authorization, and Commerce/Justice/State Appropriations.

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

4-19-99

THE WHITE HOUSE

WASHINGTON

'99 APR 17 AM 11:13

April 16, 1999

MEMORANDUM

TO: THE PRESIDENT

FROM: LORETTA UCELLI
STACIE SPECTOR

RE: COMMUNICATIONS WEEKLY REPORT

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TALKERS MEETING AND CONFERENCE CALL

We have coordinated with the Chief of Staff's office to reestablish regular conference calls/meetings with Washington opinion leaders. The purpose is to reach out to Washington elders, friends and opinion shapers to provide them with the White House perspective on issues and developments and seek their advice. We are also providing the meeting participants with information on Kosovo, China/WTO, Budget and USA Accounts.

KOSOVO

We are continuing our daily Kosovo communications strategy meetings with the NSC, the Press office, the Outreach offices, Cabinet Affairs and Legislative Affairs to develop events and other opportunities that strengthen support for US and NATO action in Kosovo and showcase moral, international and military leadership. These included: your visit to Barksdale AFB; your meeting with Congressional leaders; the Millennium evening with Elie Wiesel; your address to the American Society of Newspaper Editors; and your visit to Detroit where you met with Albanian Americans, community and local humanitarian leaders. To sharpen the focus on the Administration-wide humanitarian relief efforts, we worked with the Press office and Cabinet Affairs to arrange a briefing with FEMA Director James Lee Witt and AID Deputy Director Babbitt in Detroit. Additionally, we announced the First Lady's public service announcement which further highlights this effort.

Talking points, your remarks and fact sheets were distributed to religious leaders and organizations, Cabinet members and their staffs, House and Senate Leadership, governors, mayors, county officials and Big 7 organizations.

NATO

We are working with the NSC, the Press office and the NATO summit committee to guide communications in advance of the summit. We are working with the Deputy Chief of Staff, the First Lady's Office and the NSC to include a humanitarian relief update from Administrator Atwood to the summit schedule. Among other ramp-up activities under consideration are a pundits round table hosted by Secretary Albright, an influentials meeting held by Sandy Berger and a pre-summit briefing at the White House given by Secretary Albright, Secretary Cohen and Sandy Berger. We are also working with the Press office to place Administration officials on network news programs.

USA ACCOUNTS

To continue moving forward with the domestic agenda, we worked with the NEC and the Press office on a roll out strategy for the USA Accounts announcement. The message strategy was to demonstrate that USA Accounts provides for middle-income Americans by helping them establish retirement savings plans that also provides tax relief.

We distributed talking points, one pagers, summary documents (including hypothetical examples of how families will benefit from USA Accounts), and your remarks to constituency organizations, Cabinet members, House and Senate Leadership, state and local elected officials, and 40 state treasurers. The information was posted on the web-site.

We also worked with IGA to encourage state treasurers and other officials to write op-ed's and submit letters to the editor in their regions.

PATIENTS' BILL OF RIGHTS

We worked with Legislative Affairs, the Press office and the democrats on Capitol Hill to highlight the Patients' Bill of Rights petition drive you kicked off in Philadelphia on Friday. The event resulted in regional coverage throughout the country.

CENSUS 2000

We produced *The Census Bureau Will Make Every Effort to Count Everyone in 2000* and *The Importance of a Fair Accurate and Complete Census* information packets and distributed them to the Outreach offices, Cabinet members, House and Senate Leadership and IGA who distributed the materials to: African American and Hispanic state and local elected officials, National Black Caucus of State Legislators, National Hispanic Caucus of State Legislators, state and local elected officials, mayors, county officials and Big 7 organizations.

4-19-99

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THE WHITE HOUSE

WASHINGTON

April 8, 1999

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Podesta

MEMORANDUM FOR THE PRESIDENT AND THE VICE PRESIDENT

FROM: KENNETH H. MACKAY, JR. *KH*

SUBJECT: SPECIAL ENVOY FOR THE AMERICAS WEEKLY REPORT

SOUTHERN COMMAND SPEECH: At the request of General Wilhelm, I delivered closing remarks at a SouthCom sponsored symposium on "Rule of Law in Military Operations." Military representatives from each nation involved in the Summit of the Americas process and guest participants from Europe and Asia discussed disaster relief, multilateral peace keeping operations, transnational threats and human rights. The event is an excellent example of regional cooperation among the 34 democracies of the hemisphere.

MEXICO BI-NATIONAL COMMISSION: Secretary Albright will lead the U.S. delegation to the Bi-national Commission meeting in Mexico City on June 3-4. I plan to accompany the Secretary and meet with President Zedillo and other key GOM officials to discuss bilateral issues with our important neighbor to the south.

INTER-AMERICAN DIALOGUE: The Inter-American Dialogue hosted a lunch for me earlier this week. I was joined by Mack McLarty and we discussed trade, business and political issues in the Hemisphere.

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ANDEAN REGION: I believe that there may be a positive role for me to play in the northern tier countries of this region. Ecuador, Venezuela and Colombia are experiencing some political and economic troubles that, if not addressed, may lead to instability in the region. With the assistance of NSC and State, I am brushing-up on Andean issues to prepare myself for all contingencies.

I attended a conference hosted by Arturo Valenzuela where Colombian representatives from business, academia, government and the Catholic Church discussed the need for increased civil society support for the Peace Process and the importance of arriving at a general agreement on the scope of the problems that need to be overcome to achieve lasting peace. Regarding Venezuela, my staff met with former Venezuelan presidential candidate Salas Rómer to get his impressions on what is happening in his country under President Chavez. The new president continues to make comments that are causing concern among the business community and political observers. We will continue to monitor this situation closely. Finally, my staff is monitoring developments in Ecuador. President Mahuad continues to have difficulty getting the Congress to cooperate with him to develop a package that will meet IMF standards. This is causing continued nervousness among investors and may lead to social unrest. We will continue to monitor and stay abreast of the activities in the region. I will meet with Trade Ministers from the 5 Andean Countries on April 19.

THE WHITE HOUSE
WASHINGTON

4-19-99

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Marshall
Balderston
Podesta

April 16, 1999

MEMORANDUM FOR THE PRESIDENT

FROM: THURGOOD MARSHALL, JR. **T.M.**
KRIS M. BALDERSTON

SUBJECT: Summary of Cabinet Weekly Reports
April 10 - 16, 1999

AMPLIFICATION OF PRESIDENTIAL INITIATIVES

- **Earth Day Roll-Out:** The Office of Cabinet Affairs, in conjunction with CEQ, met with representatives from each agency to organize Cabinet participation in Earth Day events. During next week and on Earth Day (April 22), your Cabinet and subcabinet will participate in events throughout the country, including eight states and locally. They will amplify your Livability, Sustainability, and Lands Legacy Initiatives.
 - **Kosovo Humanitarian Assistance:** To date, FEMA has recorded over 33,000 calls pledging financial and in-kind assistance to the Kosovo Refugees; 99 percent of the calls are for direct monetary contributions and the remainder for in-kind contributions. The First Lady recorded a PSA to repeat the 1-800-USAID-RELIEF hotline for people wishing to contribute assistance. Over the weekend, USAID Administrator Atwood will travel to the Region to discuss relief efforts. FEMA Director Witt and USAID Deputy Director Babbitt briefed the White House press corps during your trip to Detroit, MI. On April 21, Director Witt will speak to the business community at the White House on ways in which they may become involved in the humanitarian effort.
- ✓
- Delta Initiative:** On April 15, Secretary Slater met with White House Staff and representatives from ten federal agencies regarding the Delta Initiative. DOT has led a ten-agency response to the 1990 report, "The Delta Initiative: Realizing the Dream...Fulfilling the Potential." DOT has been working with DPC, NEC, OMB, DOI, USDA, DOC, DOL, HHS, HUD, DOE, EPA, and SBA. The Secretary outlined the nature of the Interim Report and presented the goal of a final "Handbook for Action" to be ready next year. This effort dovetails with the Administration's Appalachian, New Markets, and Border Initiatives.

DEPARTMENT OF TREASURY

- **Tax Relief for Military Personnel:** On April 13, you signed an EO providing tax relief to personnel participating in actions associated with Kosovo. This relief will provide extensions of time for filing and exemption from tax for combat pay to those serving in the combat zone.
- **International Financial Architecture:** On April 21, Secretary Rubin will speak at the Johns Hopkins School for Advanced International Studies and lay out the U.S. international financial architecture agenda for the April 26-28 G-7 and IMF/World Bank meetings. The speech will highlight U.S. views on the appropriate next steps, including the role of private creditors in crises, exchange rate regimes, capital flows, the question of leverage, and international support for the most vulnerable in crisis-hit societies.
- **Hedge Funds Report:** On April 19, the principals of the President's Working Group on Financial Markets, including the Secretary of the Treasury and the Chairs of the Federal Reserve, the SEC, and the CFTC, will meet to discuss progress on the ongoing study of hedge funds.
- **Financial Security Initiatives:** On April 26, you are scheduled to announce a series of initiatives to protect financial privacy, enhance financial disclosure, combat financial fraud, expand access to financial services, and increase financial education. The initiatives are intended to update the consumer protection laws in financial services to take account of dramatic changes in the types of products being offered and the companies offering them. Treasury and the NEC are discussing the proposal with Congressional staff, and industry and consumer representatives.

DEPARTMENT OF JUSTICE

- **Campaign Finance Contribution Limits:** DOJ has filed an *amicus* brief in an Eighth Circuit case concerning MO's campaign contribution limit. DOJ argues that under Buckley v. Valeo, contribution limits like the one in question leave ample alternative means for engaging in political speech and association, and that the public and governmental interest in preventing electoral corruption provide a constitutionally sufficient justification for the cap.
- **Independent Counsel Reauthorization:** DOJ is completing a supplemental response to Rep. Gekas, following Deputy Attorney General Holder's testimony before Gekas' House Judiciary Subcommittee. Gekas is seeking views about a legal framework to address conflicts of interest if the statute were allowed to lapse in June. DOJ will propose an internal regulation to permit the appointment of a Special Counsel upon the judgment of the Attorney General that a matter should not be investigated or prosecuted by DOJ.

DEPARTMENT OF INTERIOR

- **Boy Scouts Service to National Parks:** The Boy Scouts of America (BSA) have pledged one million hours of voluntary service in America's National Parks. In the next few years, NPS will face a variety of challenges in which volunteers will be needed. Each Scout who completes a minimum of 12 hours of service will qualify for a NPS and BSA Service-to-America patch.
- **Independence Mall Redevelopment:** The redevelopment of Independence Mall in Philadelphia, beginning with the new joint Gateway Visitor Center, is scheduled to commence in August-September. Legislation will be required to authorize NPS participation in the project because the Center will serve city, regional, and private tourism programs, in addition to the park's needs.
- **Ellis Island Cleanup:** On April 12, NJ inmates began to clean up historic buildings on Ellis Island's south side under a program initiated by NJ Governor Whitman called "Paying Back Communities." The donated labor will save NPS more than \$250,000.
- **Lands Legacy Initiative:** On April 22, Secretary Babbitt will travel to Gettysburg National Park, PA to amplify your Lands Legacy Initiative and announce a major land purchase using LWCF funds.

UNITED STATES DEPARTMENT OF AGRICULTURE

- **Crop Insurance Case:** On April 7, USDA was enjoined in a class action suit brought by ND farmers from changing its 1999 crop insurance coverage for durum wheat. The farmers charged that USDA could not decrease the level of price protection offered through crop revenue coverage (CRC), which insures farmers against both production losses and price declines, after the cancellation date for the crop. USDA's Risk Management Agency is assessing options.
- **Livestock Assistance:** As provided in the FY99 Omnibus Appropriations Act, USDA began issuing \$200 million in livestock assistance payments to 167,525 ranchers who suffered grazing losses in 1998 from natural disasters. Received applications total nearly \$900 million, so final payments will amount to about 22 cents on the dollar. USDA also began accepting applications for the same legislation's program by which USDA will compensate dairy farmers \$200 million for low milk prices.
- **Tongass:** On April 14, USDA released its plan for managing the nation's largest national forest, the Tongass National Forest (AK) to mixed, and expected reactions, which USDA expects to continue, potentially culminating in congressional or legal challenges.

- **Organic Meat and Poultry:** On April 12, USDA released guidance concerning the use of the claim “certified organic by (a certifying entity)” on the labeling of meat and poultry products. USDA will permit such labeling if it approves the label and the applicant can document that the product has in fact been approved by the certifying entity. USDA expects the action to promote a growing and significant market.
- **Colonias Improvement Initiative:** On April 13, USDA signed an agreement bringing it, other federal agencies, and TX’s government and universities together in a new initiative to improve the health and nutrition of the residents of the colonias. The Partnership for Change has already resulted in a new facility to house the clinic administering the USDA-sponsored WIC program in Laredo, TX.
- **Commodity Markets:** Cash and futures prices for wheat fell on improved U.S. winter wheat crop conditions, weak export demand, and large world supplies. Corn prices dropped on weak domestic use and good weather in the Corn Belt. Soybean prices moved lower on weak export sales and foundering corn prices. Rice futures slumped along with world prices, but cash held steady. Cotton prices strengthened on adverse weather in Australia and delayed planting in CA. Cattle prices rose in light movement last week, and USDA took the first step in purchasing beef as part of the food aid package to Russia. Hog prices dropped, despite a rise in most wholesale pork prices. Broiler prices continue to spiral downward, pressured by the large slaughter of heavy birds. Butter prices recovered slightly from the previous week’s plunge, but the market remains volatile. Cheese prices were unchanged.
- **AR Meat Plant Closing:** On April 9, USDA food safety officials declared that no product will be allowed into commerce from Thorn Apple Valley, Inc.’s Forrest City, AR plant. USDA closed the plant December 21, 1998, at which time, USDA ordered all produced but unshipped products detained pending further evaluation, which has now been completed and led USDA to conclude that any product produced in the plant since January 1998 may have been adulterated. This case continues to receive media attention.
- **Clean and Safe Water Project Funding:** On Earth Day (April 22), USDA will announce the awarding of \$155 million in loans and grants to finance 82 projects that will improve the cleanliness and safety of water to rural residents and communities in 45 states.

DEPARTMENT OF COMMERCE

- **Medical Pricing in Japan:** On April 5, Secretary Daley issued a press release indicating that Japan's March 30 deregulation measures aimed at streamlining approval processes for medical devices and pharmaceuticals should help improve U.S. market access in Japan, but warned that this progress could be jeopardized by another announced measure

that targets foreign products for artificial price reductions. The Secretary emphasized that such measures were unacceptable, and that Japan needs to focus on meaningful structural reform, the real key to lowering its cost structure. The Health Industry Manufacturers Association, the chief U.S. medical device industry association, welcomed the Secretary's release.

- **Post Census Local Review for Census 2000:** On April 14, a bill introduced by Congressman Dan Miller, Chairman of the House Census Subcommittee, passed the House. The bill would mandate a post census local review operation for Census 2000. DOC and the Census Bureau oppose the legislation and would recommend a veto.
- **Firearms Regulation:** On April 13, the *Federal Register* published an interim rule implementing controls on exports of firearms listed on the Commerce Control List, based on the Organization of American States (OAS) Model Regulations for the Control of the International Movement of Firearms, their Parts, and Components and Ammunition. This rule imposes a new licensing and import certificate requirement on firearms exports to Canada, and adds an import certificate requirement to the existing licensing requirement for firearms to all other OAS member countries.
- **Truth-in-Billing:** On April 12, the National Telecommunications and Information Administration (NTIA) filed a letter that supports the FCC's efforts to make telephone customers' bills clearer and easier to understand. This effort would help consumers make more informed choices as to which telecom service offers the optimal plan for them and assist them in identifying billing errors or fraud.
- **"Fleecing of America":** On April 7, the Economic Development Administration (EDA) responded to an *NBC Nightly News* "Fleecing of America" request for background information on a FY94 EDA grant to the NH Port Authority. *NBC* is considering a piece on problems associated with the Portsmouth, NH facility. EDA's grant funded the construction of a barge berthing facility at the port, doubling its capacity to handle exports. Problems at the port, such as poor management, have hampered the ability of the port to attract additional business.

DEPARTMENT OF LABOR

- **America OnLine (AOL):** The Wage and Hour Division of the Employment Standards Administration (ESA) is initiating a Fair Labor Standards investigation of AOL. Some 10,000-30,000 individuals are allegedly performing uncompensated work for AOL by monitoring chat lines, hosting forums, or developing graphics in exchange for free on-line accounts.

- **OSHA's Cooperative Compliance Program:** On April 9, the DC Circuit Court of Appeals issued a decision invalidating OSHA's Cooperative Compliance Program (CCP) on the basis that the Program had been improperly adopted without notice and comment. The court held that CCP had the practical effect of forcing employers to adopt safety and health programs, which are not currently required by an OSHA standard, under the threat of being inspected if they did not. In the court's view, this coercive aspect of the Program made it a "standard" within the meaning of the OSHA Act and required notice and comment rulemaking.
- **Worker Memorial Day:** OSHA is working on plans for an April 28 event involving workplace safety and health. The proposed event will recognize workplace heroes including the Atlanta crane operator and the two workers who dramatically rescued him from above a burning building on April 12. In addition, OSHA hopes to announce strengthened whistleblower protections.
- **Kaiser Aluminum:** The United Steelworkers Union and Kaiser Aluminum in Austin, TX suspended talks on a new labor agreement in the strike/lockout that has been going on since September, 1998. The strike has idled about 3,100 workers at plants in WA, LA, and OH.
- **Newport News Shipbuilding:** On April 14, the strike by the United Steelworkers Union against Newport News Shipbuilding and Repair entered its tenth day with little progress. Monetary differences on pay, pensions, and health care benefits led to the March 30 breakdown in negotiations.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **Mercury:** During the week of April 18, the Food and Drug Administration (FDA) expects to publish a notice requesting data and information on mercury compounds in drugs and food. FDA is announcing a follow-up to identify food and drug products that contain intentionally introduced mercury compounds (e.g., in small amounts as preservatives). The agency is seeking both quantitative and qualitative information about the mercury compounds in these food and drug products as required under the FDA Modernization Act of 1997.
- **Cancer Report:** On April 20, there will be a press conference to release the "Annual Report to the Nation on the Status of Cancer." This report is a collaborative product of the American Cancer Society, the National Institute of Health's National Cancer Institute, and the Centers for Disease Control and Prevention (CDC). CDC's National Center for Health Statistics (NCHS) will discuss the cancer mortality data used in the Report from NCHS' vital statistics system. In addition, staff from CDC's National Center for Chronic Disease Prevention and Health Promotion will discuss lung cancer and tobacco smoking.

- **Welfare-to-Work:** During the week of April 19, an interim "Report to Congress on the Multi-site Evaluation of the Welfare-to-Work Grants Program" will be issued. The report presents an overview of Welfare-to-Work grantees' early implementation status and program plans, as reported in a survey of all grantees conducted late last year. This assessment is an early step in a congressionally-mandated evaluation. The report was produced under a contract managed by the Office of the Assistant Secretary for Planning and Evaluation in close collaboration with DOL, HUD, and the Administration for Children and Families.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **South African Housing and Community Development:** On April 12-15, Secretary Cuomo worked with government and business officials in South Africa to meet common housing and community development challenges, particularly in the areas of home financing and construction. The Secretary's visit to Johannesburg, Pretoria, Soweto, and Cape Town included visits to distressed urban and rural communities and was a followup to last February's Gore-Mbeki meeting.
- **Family Unification Grants:** On April 14, HUD awarded public housing authorities \$46.8 million in Family Unification Grants to help members of about 7,000 low-income families stay together despite housing crises. Housing authorities in 31 states, Puerto Rico, and Guam will receive the grants, which fund rental assistance subsidies that enable parents to pay just 30 percent of their income to rent privately-owned apartments.

DEPARTMENT OF TRANSPORTATION

- **Side Impact Inflatable Restraint Systems:** On April 19, NHTSA will conduct a public meeting to discuss several types of inflatable restraint systems for side crash protection that are rapidly being introduced in North American and European markets. About three-fourths of the automobile manufacturers are offering side airbags of widely varying designs, sizes, and mounting locations in at least some of their model year 1999 vehicles in the U.S. Although these systems have been demonstrated to have potential for enhanced side impact protection, they also have the potential for added injury risk to out-of-position children and others.
- **Safe Communities:** On April 7, 500 booklets titled, *Safe Communities Year in Review: Taking It to the Streets* were sent to all members of Congress to highlight the progress and success stories of Safe Communities to date. DOT set a goal of 600 Safe Communities by the end of 1999 and 1,000 by the end of 2000. As of March 1999, there were 620 Safe Communities in place.

- **Yugoslavian Merchant Vessels:** Due to the conflict in Yugoslavia, the National Security Advisor added the Federal Republic of Yugoslavia (FRY) to the Special Interest Vessel program. Vessels registered to Yugoslavia or under the effective control of Yugoslavian citizens generally are not permitted to enter territorial sea, ports, or internal waters of the U.S. Since April 5, one vessel was denied entry based on FRY ownership, and 14 vessels were denied entry because they were under the effective control of a FRY citizen. All vessels are taking action to remove the FRY officers from effective control before entering U.S. territorial seas.
- **Airport Ground Access:** On April 13, the Federal Aviation Administration (FAA) published a *Federal Register* notice and is requesting comment on its intent to rule on the Port Authority of NY and NJ's supplemental information submitted in support of the application to impose and use passenger facility charges for a light rail system to serve the JFK International Airport. The FAA's new ruling will replace the February 9, 1998, approval of the Port's application, which was vacated by the DC Court of Appeals in a petition filed by the Air Transport Association.
- **Y2K Tabletop Exercises:** On April 21, the Research and Special Programs Administration will conduct the first of 17 Departmental Y2K tabletop exercises, at the DOT Crisis Management Center to provide DOT the opportunity to explore the differences between Y2K emergency responses and those of natural disasters.

DEPARTMENT OF ENERGY

- **International Earth Day 2000:** A three-phase event to focus attention on the plans for the worldwide Earth Day celebrations in the year 2000 (the theme of which will be sustainable energy for the new millennium) has been planned for April 22. Events include a UN press conference, an Earth Day awards ceremony, and a private luncheon for ceremony honorees. Sir John Browne, CEO and Chairman of BP Amoco; Ray Anderson, CEO and Chairman, Interface, Inc. (and co-chair of the President's Council on Sustainable Development); and Senator Schumer are the award honorees.
- **Colombia Energy Meetings:** On April 23-25, Secretary Richardson will travel to Colombia to meet with Colombia President Pastrana and Energy Minister Valenzuela to discuss preparations for the July Energy Ministerial, and Colombia's plans to revise oil exploration contract provisions to encourage expanded oil development. On April 24, the Secretary will participate in an energy conference that will facilitate U.S. private investment to Colombia.
- **Clean Cities Coalition Designations:** Clean Cities is a locally-based, voluntary government and industry partnership coordinated by DOE, designed to promote the use of alternative fuels, cleaner air, reduced dependence on imported oil, and to stimulate

local economic activity. Clean Cities creates an effective plan, carried out at the local level, for creating a sustainable, nationwide alternative fuels market. On April 19, Ann Arbor, MI will be recognized as the 69th member of the Clean Cities Program, and on April 26, Albany, NY will be designated as a new member program. Participants will include Senators Moynihan and Schumer and Representative McNulty, as will Governor Pataki, Albany Mayor Jennings, Schenectady Mayor Jurczynski, and Troy Mayor Pattison.

- **Minatom Situation and Crisis Center:** DOE will meet with Minatom representatives in Moscow during the week of April 26 to develop specific plans for DOE assistance in creating a "situation and crisis center" at Minatom headquarters. Initiated under the Richardson-Adamov agreement, this center will have voice, video, and data connectivity with Minatom facilities and will function much like DOE's Emergency Operations Center.

DEPARTMENT OF EDUCATION

- **Ed-Flex Veto Recommendation:** On April 13, in a letter to conferees, Secretary Riley stated that he would recommend a veto of the Education Flexibility Partnership Act of 1999 (Ed-Flex) if the final bill contains an amendment that permits school districts to use class-size reduction funds to support special education.
- **NH School Funding:** Two weeks after the court-ordered deadline, NH legislators still have not passed a school funding plan that complies with the state Supreme Court's Claremont decision, which ruled that the old funding plan, based on local property taxes, was inequitable and unconstitutional. The House Speaker, a Republican, and House Democratic Leader had hammered out a compromise plan that seemed to be acceptable to Governor Shaheen, who has said that she will veto any bill with an income tax. On April 12, however, the State House coalition admitted that its plan did not have enough support for passage.
- **MTV Anti-Violence CD-ROM:** DOEd's Safe and Drug-Free Schools Program plans to join DOJ, MTV, and the National Center for Conflict Resolution Education to announce the release of "Fight for Your Rights: Take a Stand Against Violence," a CD-ROM guide designed to curb youth violence. One million free copies of the CD-ROM will be available by calling an 800 number.

VETERANS AFFAIRS

- **Parkinson's Disease Treatments:** VA researchers are actively involved in testing and developing new medical approaches for the treatment of Parkinson's disease. The loss of dopamine, a nerve cell chemical transmitter in the mid-brain, causes Parkinson's. VA

researchers are currently conducting the following clinical trials: 1) testing new drugs that directly stimulate dopamine receptors or prolong its action, 2) use of glutamate, another nerve cell chemical transmitter, 3) new surgical treatments that transplant new dopamine-producing cells to replace damaged cells in Parkinson's patients, and 4) use of stem cells to stimulate the development of dopamine-producing nerve cells.

- **Gulf War Illness:** Based on a *Gannett News Service* wire story, *USA Today* reported on the controversy that the vaccine additive squalene may be a possible cause of Gulf War Illness. A recent report by the GAO highlighted the health controversy over use of this drug.

ENVIRONMENTAL PROTECTION AGENCY

- **Tailpipe Emission Standards:** In the next two weeks, EPA will likely announce a final rule which for the first time ever strengthen tailpipe emission standards for cars along with light duty trucks, such as sport utility vehicles, minivans and pick-up trucks. These emission standards will likely be in place for 10-15 years. The 1990 Clean Air Act required EPA to review the tailpipe emission standards set by the Act and, if necessary, set new standards effective for model year 2004. Last summer, EPA, in determining that new emission standards were necessary to ensure continued clean air benefits for the nation, recognized that the oil industry must reduce the level of sulfur in gasoline if automobile emissions control systems are to operate properly and if tailpipe emissions are to be reduced. The rule will address the level of sulfur in gasoline at the same time as new tailpipe standards.
- **Chemical Companies Commit to Fill Health Effects Gaps:** Last week, EPA announced that 190 companies have committed to filling gaps in basic health and safety information for 1100 high-production chemicals. This action is in response to the chemical right-to-know initiative launched by the Vice President on Earth Day 1998, challenging the chemical industry to expand the public's right-to-know about 2,800 high-production chemicals manufactured or imported in excess of one million pounds a year. The program goal is to encourage industry to volunteer existing data and to conduct tests where there are gaps in information on the human health and environmental effects of the chemicals they manufacture or import.
- **Visibility at National Parks and Wilderness Areas:** EPA soon will finalize a new rule that will help millions of Americans better enjoy national parks and wilderness areas. This rule will reduce the haze caused by air pollution and improve visibility and air quality at more than 150 national parks and wilderness areas. Over the last several decades, haze has reduced visibility in U.S. national parks by as much as 75 percent in the West and 85 percent in the East.

UNITED NATIONS

- **Iraq:** The Security Council continued consultations on the three Iraq panel reports (Disarmament, Humanitarian, POW/Property) submitted by Panel Chair Amorim (Brazil). Discussion has demonstrated that wide gaps remain among members of the Council. Russia, China, and France, supported by Malaysia and Namibia, still favor lifting of sanctions and moving to a limited monitoring system. Moderates (Netherlands, Slovenia, Argentina, Canada, Bahrain, Gabon, Gambia, and Brazil) support most or all of the recommendations of the three panels. The UK has been working with the U.S. to table a resolution this week that falls within the U.S. redlines on a rigorous inspection/monitoring regime, maintenance of sanctions, expanded humanitarian initiatives under oil-for-food, and controls on oil production and revenues. On April 15, the Council discussed quarterly reports submitted by UNSCOM and the International Atomic Energy Agency.

UNITED STATES TRADE REPRESENTATIVE

- **NAFTA:** On April 22-23, Ambassador Barshefsky and her Canadian and Mexican counterparts will travel to Ottawa, Canada to participate in the annual NAFTA Ministerial. The Ministerial will focus on the value of NAFTA in facilitating the major expansion of trade in North America in the last five years, progress and direction for the trilateral work program, common efforts in the Free Trade Area of the Americas and in the Asia Pacific Economic Cooperation forum, the Seattle Ministerial, and continued efforts to resolve pending issues in North America to build on progress to date.

OFFICE OF NATIONAL DRUG CONTROL POLICY

- **Meeting with Andean Trade Ministers:** On April 19, Director McCaffrey is scheduled to meet with five Andean trade ministers (representing Bolivia, Peru, Venezuela, Columbia, and Ecuador) to discuss international cooperation and the Andean Trade Preference Act.

SMALL BUSINESS ADMINISTRATION

- **New Markets:** The National Economic Council invited SBA, Treasury, and HUD to brief the Appalachian Regional Commission on New Markets. Approximately 50 state officials, including Governor Patton (KY) and Governor Underwood (WV) attended the briefing. The National Association of Development Companies will hold its annual meeting in San Diego from April 15-17. Administrator Alvarez will give a keynote address to an audience of approximately 500 focusing on the role of certified development companies as catalysts for economic development in the New Markets.

- **U.S.-Canada Trade Summit:** Administrator Alvarez will co-chair the first USA-Canadian Businesswomen's Trade Summit in Toronto, Canada with Secretary Daley and Canadian Minister for International Trade. The Summit, held May 17-21, will provide an opportunity for U.S. and Canadian business owners and managers to develop essential commercial relationships and pursue business opportunities across the border. This summit will enhance the participation of export-ready, women-owned and managed businesses in the global marketplace.
- **Women's Procurement:** SBA has signed partnership agreements on Women-Owned Small Business procurement initiatives with State, Treasury, DOL, HHS, HUD, DOT, DOE, GSA, and NASA. SBA has invited you, the Vice President, the First Lady, and Mrs. Gore to join Administrator Alvarez at a White House ceremony to announce the Interagency Partnership on Women-Owned Small Business Initiative. The Initiative is an effort to recognize and support interagency activity to increase contracting to women-owned businesses, and to highlight the Administration's support of the five percent women's procurement goal.
- **Tax Initiatives:** SBA has teamed up with the IRS on several new initiatives to help small businesses handle tax issues. The new pilot includes the introduction of a new tax information CD-ROM designed specifically for small business owners, placing IRS tax experts at four SBA locations, and offering tax forms and publications at SBA Business Information Centers and One Stop Capital Shop locations. The initiatives reflect a growing partnership between the two agencies aimed at providing timely, convenient tax information for small business owners. The joint effort between SBA and the IRS will allow small businesses access to time-saving assistance from both agencies at one location and help start-up business owners understand their tax requirements.

UNITED STATES INFORMATION AGENCY

- **Foreign Media Reaction on Kosovo:** Analysts around the world foresaw a growing role for Russia and the U.N. in a possible settlement of the Kosovo crisis. But most editorials, noting that Milosevic shows no signs of retreat, held that the margin for compromise by either NATO or the Serbian leader appears "very narrow." Opinion remains deeply divided internationally on NATO's decision to intervene. Official media in Belgrade continue their virulent rhetoric and torrent of outrage against NATO, charging that the "targeting" of cities, villages, hospitals, religious buildings, plants, bridges, and other infrastructure facilities characterizes the Alliance as the "new Nazis."
- **European Public Reaction on NATO Airstrikes:** In the two weeks since the start of NATO airstrikes on Yugoslav military targets, key West European publics have displayed a range of reactions, from solid support in Britain to doubt in Spain and Italy, according to a variety of non-USIA surveys conducted in Europe. Polls show that publics in

Hungary and Poland support the recent allied action, but prefer that their own troops remain uninvolved. The Czech public is divided.

GENERAL SERVICES ADMINISTRATION

- **Child Care Center Visit:** On April 12, the First Lady visited the GSA-sponsored child care center "Just Us Kids" at DOJ to kickoff the CPSC's public awareness campaign for child care safety. Administrator Barram accompanied the First Lady and assured her that GSA centers would be in compliance with the CPSC Child Care Safety Checklist. Mrs. Clinton announced GSA's commitment to bring its child care centers online by Mother's Day so that safety bulletins and information could be shared at a moment's notice. GSA has joined with CPSC to ensure that all parents at GSA centers receive the safety checklist and that all GSA centers receive regular updates on ways to prevent accidents and minimize hazards. The First Lady also announced that some of GSA's child care centers would be selected as hosts for parent forums on child care sponsored by Lifetime Television.
- **African Burial Ground:** Issues involving funding for and management of the African Burial Ground, discovered in NYC several years ago during excavation work on the Foley Square Courthouse, continue. On April 12, GSA met with Congressman Rangel to discuss these issues.

cc:

The Vice President
John Podesta
Sandy Berger
Sidney Blumenthal
Mary Beth Cahill
Maria Echaveste
George Frampton
Mickey Ibarra
Ben Johnson
Janis Kearney
Ron Klain
Neal Lane
Jack Lew
Ann Lewis
Joe Lockhart
Minyon Moore
Bruce Reed
Steve Ricchetti
Doug Sosnik
Gene Sperling
Larry Stein
Loretta Ucelli
Melanne Verveer