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THE WHITE HOUSE
WASHINGTON

Tab A - Entire Report: Yellen / Podesta
pg. 2: Sperling / Podesta

MR. PRESIDENT: Tab C - Reed / Kagan / Podesta

Attached are the following
Tab D - Tramontano / Podesta

(A) Weekly Econ Tab E - Frampton / Podesta

(B) Update on G Tab F - Stern / Podesta

(C) DPC Tab G - Lane / Podesta

(D) Tramontano Tab H - Stein / Podesta

(E) CEQ Tab J - Cahill / Podesta

(F) Climate Ch:

Tab K: Ahn / Johnson / Podesta

(G) OSTP Tab L: Iharra / Podesta

(H) Legislative Tab N: Marshall / Balderston / Podesta

(I) Communication Tab O: Moore / Podesta

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(K) Race Initiati

(L) Intergovern

(M) Special Envo

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(O) Political Affairs

Sean Maloney

Copied weekly political to Moore & Podesta

THE PRESIDENT HAS SEEN
5-24-99

THE WHITE HOUSE
WASHINGTON

May 22, 1999

MR. PRESIDENT:

Attached are the following weekly reports:

- (A) **Weekly Economic Briefing**
- (B) **Update on Global Markets**
- (C) **DPC**
- (D) **Tramontano Report**
- (E) **CEQ**
- (F) **Climate Change**
- (G) **OSTP**
- (H) **Legislative**
- (I) **Communications**
- (J) **Public Liaison**
- (K) **Race Initiative**
- (L) **Intergovernmental**
- (M) **Special Envoy for the Americas**
- (N) **Cabinet Affairs**
- (O) **Political Affairs**

Sean Maloney 

5-24-99

1999 MAY 21 09:10

WEEKLY ECONOMIC BRIEFING OF THE PRESIDENT OF THE UNITED STATES

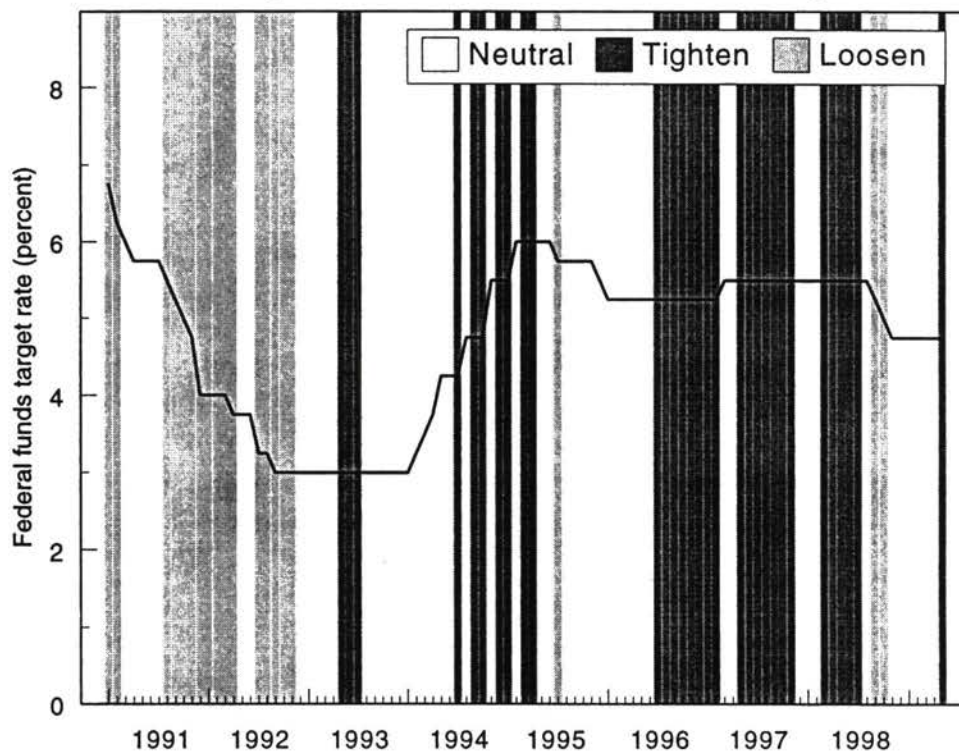
Prepared by the Council of Economic Advisers
with the assistance of the Office of the Vice President

May 21, 1999

*Copied
entire report:
Vellen/Podesta
Pg 2:
Sperling/Podesta*

CHART OF THE WEEK

Intermeeting Tilt and the Federal Funds Target Rate



The Federal Open Market Committee did not change its target for the Federal funds rate at this week's meeting, but it did adopt a "tilt" toward tightening. History suggests that such a move is not tantamount to an intention to raise rates at the next meeting. In 1998, for example, the tilt was toward tightening from March to August, but the next move was an easing.

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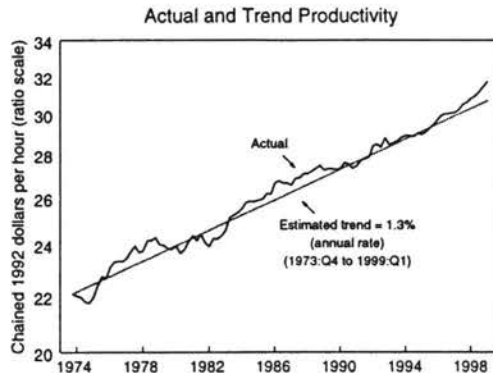


"Forgive me, Eddie, if I'm unable to contain the occasional squeal of anticipatory glee over the new 'Star Wars' movie."

MACROECONOMIC UPDATE

Near-Term Growth Prospects Remain Strong

Over the past 4 months, forecasters have revised upward their estimates for U.S. economic growth. These revisions most likely reflect strong productivity growth and continued good news on inflation.



Productivity. While trend productivity has been thought to be growing at about 1.3 percent per year, actual productivity is well above that trend following last year's 2.8 percent growth (see chart). Forecasters are trying to assess whether the data are reliable, whether recent behavior is a temporary shock, or whether they need to revise upward their estimates of trend productivity growth.

Inflation. The 12-month rate of inflation as measured by the core CPI is little changed from a year ago. April's 0.7 percent increase in the overall CPI seemed to take markets by surprise. But it was accounted for by a surge in energy prices that is not likely to be repeated and a jump in core inflation that followed several months of tiny increases. Growth in ECI hourly compensation for the 12 months ending in March slowed to 3.0 percent from 3.5 percent during the year-earlier period. At the current rate, real wages can rise without putting upward pressure on price inflation.

Bumping against constraints? The economy seems to be making solid gains—though the rapid growth rate of the past two quarters may have sown the seeds of a slowdown as some sectors reach limits of either capacity or consumer satiation. For example, seasonally adjusted housing starts tumbled in April. The construction industry may already have been near its capacity in March, making the normal seasonal increase in April unattainable. Home builders now rank labor availability as their major problem. Similarly, a jump in motor vehicle production accounted for a sizable part of GDP growth in the fourth quarter. But capacity utilization in motor vehicles is now at the high end of its historical range and further gains may be hard to achieve. On the demand side, sales of new motor vehicles surged to a 16¼ million unit annual rate in the fourth quarter, a level that is so high relative to its recent trend that further increases are unlikely.

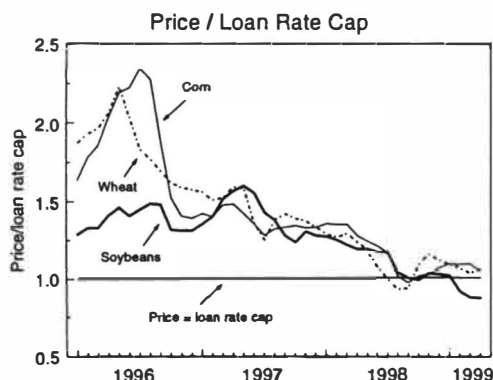
Indications of further growth. Despite these reservations, the forward-looking indicators point to more near-term growth. Order backlogs for investment goods have been increasing for the past 4 months; inventories are now so lean in relation to sales that a pickup in stock building is likely; and initial claims for unemployment insurance through the second week in May indicate that the labor market continues to be red-hot.

SPECIAL ANALYSIS

Farmers' Planting Intentions Are Full of (Soy)beans

U.S. soybean prices hit a 12-year low this spring, falling below the soybean loan rate cap (see chart). Prices are projected to show another steep drop over the coming year. Nevertheless, the USDA reports that farmers intend to plant a record 73.1 million acres of soybeans in 1999. Why?

Shouldn't low prices mean less production? The Farm Act of 1996 gave farmers participating in Federal commodity programs nearly full planting flexibility, and it might have been expected that farmers would reduce their soybean plantings in the face of falling prices. According to estimates by the USDA's Economic Research



Service (ERS), the expected decline in soybean prices this year, all other things equal, would have *reduced* soybean planting intentions by about 5 million acres from last year's level.

Offsetting factors. ERS has identified three offsetting factors that explain why soybean planting intentions in fact *increased* by approximately 1 million acres.

- Changes in relative prices. Prices of other crops farmers might plant—such as wheat, sorghum, and cotton—have also fallen, reducing their attractiveness relative to soybeans. ERS estimates that these price changes alone would have encouraged farmers to plant roughly an additional 3 million acres of soybeans.
- Changes in relative costs. Soybeans are an attractive alternative to winter wheat. ERS estimates that favorable relative cost savings for biotech soybeans and changes in the costs and returns to winter wheat would have increased soybean planting intentions by roughly 1½ million acres, other things equal.
- A favorable soybean loan rate. The soybean loan program guarantees farmers at least \$5.26 per bushel, which means that farmers are insulated from the full decline in market prices. ERS estimates that without the loan program, farmers' soybean planting intentions would have been more than 1½ million acres lower.

Conclusion. For the first few years under the 1996 Farm Act, crop prices were sufficiently high that the loan rate was not a factor skewing planting decisions away from those warranted by market prices. But the current situation in soybeans is a reminder why price-guarantee mechanisms like the loan rate need to be accompanied by acreage restrictions to discourage excessive planting that can drive prices even lower.

ERS
this year
new to
lower
PR

SPECIAL ANALYSIS

EU Proposes Limits on Kyoto Flexibility Mechanisms

This week the European Union provided details on its proposal for quantitative restrictions on the use of international emissions trading and other flexibility mechanisms under the Kyoto Protocol. The EU proposal would significantly increase the costs to the United States without providing any climate benefits.

Kyoto flexibility mechanisms and cost effectiveness. A ton of greenhouse gas reduction provides the same climate benefit no matter where it is achieved. Mechanisms that encourage flexibility regarding where reductions occur encourage businesses and governments to find the least-cost methods of achieving targeted reductions. The Kyoto Protocol fosters cost-effective emissions reductions through the following flexibility mechanisms: international emissions trading, joint implementation (JI), and the Clean Development Mechanism (CDM). JI and CDM are project-oriented mechanisms that promote investment in emissions-abating projects in other industrialized countries (JI) and in developing countries (CDM). Previous Administration analysis found that efficient implementation of flexibility mechanisms could reduce compliance costs by 80 percent.

The EU proposal. The EU proposed a set of formulas that put quantitative limits on the number of emissions permits a country can purchase or sell through these three flexibility mechanisms. Preliminary analysis of these formulas indicates that the United States could purchase permits representing no more than 40 percent of the emissions reductions necessary to comply with its target. These formulas do allow for adjustment conditioned on domestic abatement efforts, but the United States would never be able to make purchases representing more than 50 percent of its necessary reductions. In addition, this proposal would effectively provide countries like Russia with fewer permits to sell for purposes of participating in the flexibility mechanisms. However, Russia could simply bank its untraded permits and either use them or trade them in subsequent periods. In such a case, the reduction in cost-saving opportunities for the United States and other countries would have no offsetting climate benefit.

Higher energy prices. By restricting buyers and sellers in the international emissions market, the EU proposal would significantly increase energy prices in the United States. Assuming that industrialized countries engage in international trading as envisioned in the Protocol, the increase in U.S. energy prices could be 3½ times greater under the EU proposal than in an unrestricted trading system. For example, gasoline prices are estimated to be as much as 30 cents per gallon higher in the restricted system than in the unrestricted market. These high energy costs would result if Russia and other selling countries could not comply with the proposal's burdensome information requirements. Indeed, if the selling countries cannot meet these requirements, permit prices in the international market would be so high that the United States would effectively be a non-participant in international trading.

Further, limiting the benefits associated with international trading could weaken the economic incentive for developing countries to adopt emissions targets.

Conclusion. Contrary to other international efforts to liberalize trade, the EU proposal would place costly restrictions on the United States and other countries in their participation in flexibility mechanisms under the Kyoto Protocol. This effort could eliminate virtually all of the economic benefits to the United States associated with international trading and the other mechanisms.

RELEASES THIS WEEK

U.S. International Trade in Goods and Services

The goods and services trade deficit increased to \$19.7 billion in March from \$19.1 billion in February.

Housing Starts

Housing starts fell 10 percent in April to 1.574 million units at an annual rate.

MAJOR RELEASES NEXT WEEK

Consumer Confidence—The Conference Board (Tuesday)
Advance Durable Shipments and Orders (Wednesday)
Gross Domestic Product (Thursday)

U.S. ECONOMIC STATISTICS

	1970- 1993	1998	1998:3	1998:4	1999:1
Percent growth (annual rate)					
Real GDP (chain-type)	2.7	4.3	3.7	6.0	4.5
GDP chain-type price index	5.4	0.9	1.0	0.8	1.4
<u>Nonfarm business (NFB) sector:</u>					
Productivity (chain-type)	1.5	2.7	2.5	4.3	4.0
Real compensation per hour:					
Using CPI	0.6	2.6	2.3	2.2	2.8
Using NFB deflator	1.3	3.8	3.4	3.8	3.0
Shares of Nominal GDP (percent)					
Business fixed investment	10.9	11.0	10.9	11.0	11.0
Residential investment	4.5	4.3	4.4	4.5	4.6
Exports	8.2	11.3	11.0	11.3	10.8
Imports	9.2	13.0	12.9	13.1	13.1
Personal saving	5.2	0.3	0.1	-0.0	-0.4
Federal surplus	-2.7	0.9	1.1	0.8	N.A.
	1970- 1993	1998	Feb. 1999	March 1999	April 1999
Unemployment Rate (percent)	6.7**	4.5**	4.4	4.2	4.3
Payroll employment (thousands)					
increase per month			335	7	234
increase since Jan. 1993					18409
Inflation (percent per period)					
CPI	5.8	1.6	0.1	0.2	0.7
PPI-Finished goods	5.0	0.0	-0.4	0.2	0.5

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

FINANCIAL STATISTICS

	1997	1998	March 1999	April 1999	May 20, 1999
Dow-Jones Industrial Average	7441	8626	9754	10444	10867
Interest Rates (percent per annum)					
3-month T-bill	5.06	4.78	4.44	4.29	4.48
10-year T-bond	6.35	5.26	5.23	5.18	5.60
Mortgage rate, 30-year fixed	7.60	6.94	7.04	6.92	7.23
Prime rate	8.44	8.35	7.75	7.75	7.75

INTERNATIONAL STATISTICS

Exchange Rates	Current level May 20, 1999	Percent Change from	
		Week ago	Year ago
Euro (in U.S. dollars)	1.063	0.0	N.A.
Yen (per U.S. dollar)	124.2	2.0	-8.7
Major currencies index (Mar. 1973=100) (trade-weighted value of the U.S. \$)	96.34	0.6	-0.8

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	4.0 (Q1)	4.3 (Apr)	2.3 (Apr)
Canada	2.8 (Q4)	7.8 (Mar)	1.0 (Mar)
Japan	-3.0 (Q4)	4.8 (Mar)	-0.4 (Mar)
France	2.8 (Q4)	11.4 (Mar)	0.6 (Mar)
Germany	1.8 (Q4)	^{2/} 7.2 (Mar)	0.4 (Mar)
Italy	0.9 (Q4)	12.3 (Jan)	1.3 (Mar)
United Kingdom	0.7 (Q1)	6.3 (Jan)	2.1 (Mar)

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 March was 9.0 percent.

THE WHITE HOUSE
WASHINGTON

May 21, 1999

5-24-99

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Elena Kagan

SUBJECT: DPC Weekly Report

Copied
Reed
Kagan
Podesta

1. Education – Coverdell/Torrecelli Bill: The Senate Finance approved legislation that would allow parents to save up to \$2,000 a year in Educ and withdraw the money tax-free for costs of elementary and secondary education including private school tuition, fees, books and computers. The Education IRAs currently are capped at \$500 annually and are available only for higher education expenses. This bill, sponsored by Senators Coverdell and Torrecelli, is almost identical to the one you vetoed last year. Secretaries Rubin and Riley sent a joint letter to the Hill opposing the bill and saying that if it passed, they would recommend that you veto it again. Their letter explained that this proposal would provide little benefit to lower- and middle-income families, and that the money would be better spent on much-needed school construction. Senator Conrad attempted to substitute your school construction proposal for this expansion of Education IRAs, but the Finance Committee defeated the amendment and then approved the bill with three Democrats voting for it.

2. Health Care – Privacy Legislation: Senator Jeffords' Labor Committee is scheduled to begin marking up medical records privacy legislation on Tuesday. The Committee's efforts are largely a result of your pledge in the State of the Union to implement privacy protections by regulation (in accordance with the Kennedy-Kassebaum law) if Congress fails to pass privacy legislation by August of this year. Numerous difficult issues -- including federal preemption of state law, law enforcement access to records, and research community access to records -- could stand in the way of Congress enacting legislation by your deadline. The best way to push legislation forward is probably to include a strong preemption provision in the bill; the insurance industry and business community would stop fighting even a strong federal privacy bill if it relieved them of the obligation to comply with a host of differing state privacy protections. We will be able to review the Chairman's mark on Monday; if it is sufficiently strong, we may ask Secretary Shalala to release a supportive letter to encourage continued progress.

3. Health Care – Africa Report: *USA Today* will publish a major story on the AIDS crisis in Africa this week. The story will note that in sub-Saharan Africa, 10 million people have died from the disease (83 percent of all AIDS deaths to date), and more than 11,000 new people become HIV+ every day. The article will document Sandy Thurman's

recent trip to Africa and indicate that you will soon receive a detailed report from her documenting the problem and providing policy recommendations. We are currently considering unveiling this report in conjunction with the dedication of a new NIH building, named for Senator Dale Bumpers, that will house research to develop an AIDS vaccine.

4. Health Care -- Patients' Bill of Rights: Congressman Gephardt is planning to ask Marion Berry to introduce a resolution next week to begin the process for a discharge petition for the Patients' Bill of Rights. Gephardt believes that this action will highlight the Republican leadership's attempt to bury this issue, and he has asked us to issue a statement supporting the resolution. We are considering suggesting to Gephardt that he wait until after the Memorial Day recess to introduce the resolution. No Republicans will support a resolution introduced this week, whereas a few might consider breaking party ranks if the Leadership has not made a commitment on patients' rights legislation by the end of the recess.

5. Health Care -- Ornish Demonstration: We informed Dean Ornish that the Health Care Financing Administration will set up a Medicare demonstration for his nutrition/lifestyle program, pending final (and expected) OMB approval. The demonstration will include only beneficiaries who have heart disease, which will allow the best measurement of the program's cost effectiveness. The only remaining issue concerns the reimbursement rate for the program. HHS and OMB probably will want to review all private market contracts to determine an appropriate rate. Nancy Ann Min DeParle believes, however, that this task can be done in short order and that the demonstration should be up and running by the end of the summer.

6. Health Care -- Market-Oriented Medicare Demonstration Projects: HCFA is facing massive resistance from insurers and providers as it attempts to use the demonstration authority it received in 1997 to institute competitive bidding practices for managed care, durable medical equipment, and other specified health care services. We set up demonstrations in Florida, Arizona, and Kansas, but the same industry representatives and members of Congress who generally criticize Medicare's inefficiencies have attempted to block each of these programs. (In a couple of cases, the providers have taken HCFA to court to stop the reforms.) Health policy analysts generally have validated our efforts. The Wall Street Journal recently quoted Ira Loss, a leading equities researcher, as saying that Medicare providers are "interested in the free market only if it means that the government is getting away from bothering them. But when it comes to the government actually forcing them to compete for business, they are unhappy about it." This development makes clear the difficulty we will have in enacting the nationwide competitive purchasing mechanisms that are likely to be in our Medicare reform proposal.

7. Tobacco -- International Tobacco Control Efforts: Secretary Shalala

pledged last week, at a meeting of the World Health Assembly in Geneva, that the U.S. would support the World Health Organization's plans to hold a framework convention on tobacco control. This convention will establish a multilateral framework to reduce tobacco use worldwide. The framework is expected to take several years to develop and ratify and may be followed by negotiated protocols which would address specific obligations. The State Department has authorized HHS to lead the negotiating team for the framework convention, which will include representatives from the State Department and other interested agencies. We will conduct an interagency process to coordinate these efforts.

8. Welfare -- Transportation Grants: The Vice President released last week the first round of grants funded under your Access to Jobs initiative, which was enacted as part of last year's transportation bill. A total of \$71 million will go to 179 urban, suburban, and rural communities in 42 states to help welfare recipients and other low-income workers get to where the jobs are. The Indianapolis Public Transit agency received a \$500,000 grant on behalf of a consortium of transportation providers including the organization that employed Elaine Kinslow, the welfare-to-work success story you praised in last year's State of the Union.

9. Welfare -- Linking Welfare-to-Work and Census 2000: Also last week, the Department of Labor announced the availability of \$20 million in Welfare-to-Work funds for a competitive project to employ welfare recipients as Census 2000 enumerators and to connect these individuals with permanent jobs once the census work ends. This collaborative effort between Labor and Commerce builds on the Census Bureau's success in hiring over 4,700 welfare recipients. The new initiative will provide approximately 10,000 welfare recipients with well-paying, flexible temporary employment near their homes, while helping to improve the census count in low-income neighborhoods. We plan to explore announcement opportunities when a grantee is selected this summer. *Good*

9. Immigration -- NACARA Regulations and Public Charge Guidance: The Department of Justice issued a proposed rule Thursday establishing a "presumption of extreme hardship" for the up to 500,000 immigrants from El Salvador and Guatemala granted some relief by NACARA. This rule substantially diminishes the inequities created by NACARA and elicited high praise from the immigrant community. One advocate was quoted on the front page of the Los Angeles Times as saying that the rule is "a landmark in the struggle for Central American immigrants in this country" and a "tremendous victory that will make the process more fair and humane." Predictably, however, Congressman Lamar Smith attacked the regulation and made clear he would try to overturn it in Congress. Following on the heels of the NACARA regulation, the Vice President will announce this week in Texas new guidance on the "public charge" issue, which will make clear that immigrants who receive Medicaid, CHIP, and a variety of other services will not incur any immigration penalties. *Good*

10. Crime -- Gun Control Strategy: We will give you a separate memo early this week outlining an aggressive strategy for administration officials and Democratic Members of Congress to press for quick passage of our gun control proposals. The meeting you held yesterday with House Members produced a terrific front-page (second lead) article in today's New York Times, headlined "House Democrats Press Early Vote on Firearms Bill" and perfectly conveying our intended message.

5-24-99

THE WHITE HOUSE
WASHINGTON

May 22, 1999

copied
Tramontano
Podesta

MEMORANDUM TO JOHN D. PODESTA

FROM KAREN A. TRAMONTANO
SUBJECT COUNSELOR'S WEEKLY REPORT

Good
CENSUS: We had a setback with our Democratic colleagues who did not want to move forward to work out language with the Republicans. I spoke with Hastert's Chief of Staff and explained that I needed more time. As of Friday I was able to convince the Democrats that it was in their interest to move forward. We are now drafting language and I will meet with Hastert's folks early next week.

AMERICORPS: After our meeting with Al From, I asked Michael to consider using the City-Year remarks as a way to reiterate the President's Third Way message concerning service. In addition, the President will mention that he signed the Peace Corps Reauthorization and highlight Americorps anti-violence programs. In the last 6 months we have met each of the objectives that I laid-out in the 6 month strategy to heighten visibility for Americorps. *JS*

LABOR: In a separate memo, I have outlined my recommendations about changing our current labor debate from a defensive position on trade to offensive policies for workers and working families. The President, the Vice-President and Ron asked what I thought we could do to shift this debate. This memo reflects my recommendations.

I met with the Steelworkers earlier this week and discussed a number of items that we can address regarding steel. They are currently debating whether to continue the fight or to negotiate a resolution. George is being pushed from within and outside his union. Frankly, until they decide whether they want to fight or work with us, we are negotiating against ourselves every time we put a proposal on the table. In the interim, Bill Klienfelder asked to be briefed by our economists about our view of the future of the steel industry. I will set up the briefing for next week. They are about to engage in negotiations with the steel industry.

I talked with Jay Mazur and agreed to meet with his joint labor-industry group to discuss the wool tariff issue. As you know, Jay met with the Vice-President this week to discuss this issue and trade generally. We are also working with Sandy Levin on CBI—although Jay informed me that the proposals Levin represented as UNITE's are not UNITE's. Jay said that the most he could do is remain quiet—he can never support the bill.

5-24-99

In the American Airlines negotiations things are proceeding in the right direction although Dick Gephardt is very anxious and has talked with Rodney Slater about getting involved. Both labor and management have asked us to hold off on getting involved unless the talks stall. I've talked with Bruce and Rodney and will be on call throughout the weekend should discussions suffer a down turn.

You will be meeting with Tom Buffenbarger, IAM next week. The Machinists have asked the President to put together a high-level commission on technology offsets. I have asked Lael to vet the request through the NEC and NSC. I will have a response for you by the time of the meeting.

I met with the advocates for school construction now that everyone – or almost everyone—has agreed to get behind Rangel's bill. We mapped out a 3 month summer campaign that I would like the President and the Vice-President to consider participating in. Labor unions and other coalition partners will be fixing schools during the summer to get the schools ready for opening day. The message will be – we're doing our part, now the Congress has to do its part. This would be a way to highlight our service, education and third way messages.

→ This is very good.



EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
WASHINGTON, D.C. 20503

May 21, 1999

5-24-99

MEMORANDUM FOR THE PRESIDENT

CC: JOHN PODESTA

FROM: GEORGE T. FRAMPTON, JR.

SUBJECT: CEQ WEEKLY REPORT

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Frampton
Podesta

VPV for GTF

RESOURCE STEWARDSHIP

Pacific Salmon Treaty

Canadian and Alaskan negotiators made more progress this week in closing the gap between them on the remaining critical issue of mutual Chinook salmon harvests in Southeast Alaska and Northern Canada. We expect Alaska may accept Canada's last offer, contingent on our committing to find \$25 million in hatchery enhancement money for Alaska fishermen. Lloyd Cutler will be visiting the three governors next week to discuss this issue further and I tentatively plan to travel to Seattle next Thursday for a wrap-up meeting with Lloyd and the three governors' chiefs of staff.

John Podesta and OMB have committed in principle to making a major down payment on the Federal funding necessary to reach a final settlement if the states and Canada can agree on fish numbers.

Makah Whaling

Last October, the Makah Tribe was given permission, under U.S. treaty rights and by the International Whaling Commission, to kill up to five gray whales annually. On Monday, tribal members killed their first whale in 70 years, prompting a flurry of media coverage and protests. Weather and protests hampered the Makah's first whale hunt last fall.

The hunt was granted under a provision permitting subsistence hunting by aboriginal groups. Although the United States remains unequivocally opposed to commercial whaling, we do support this hunt due to the Makah's clearly articulated legal right to do so. Furthermore,

NOAA's environmental assessment showed that the hunt would have no significant impact on the whale population or on any other aspect of the human environment. The tribe hopes to hunt for another whale during the fall migration later this year.

Clean Energy Development

The World Bank is in the final stages of revising its energy strategy -- a document that has wide-reaching impacts on clean energy development around the globe. (The World Bank lends more than \$20 billion annually, and its environmental policies serve as de facto guidelines for hundreds of billions of dollars of private transactions each year.) This week the Vice President sent Jim Wolfenshon a letter urging the World Bank to show leadership on environment issues, specifically supporting targets for renewable energy and energy efficiency lending under the energy strategy.

On a related note, we are working within the G-8 process to promote common environmental guidelines for export credit agencies. In the best circumstance, agreement on this topic could be a deliverable for the Cologne summit (June 18-20). This is a good issue to highlight: U.S. business and environmental communities agree on the merits, we are pushing a position that is more "pro-environment" than the Europeans (who often try and paint us as environmental villains), and we could make a real difference on the ground in the short-term if we are successful.

Good idea.

THE WHITE HOUSE

WASHINGTON

May 21, 1999

5-24-99

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Podesta

MEMORANDUM FOR THE PRESIDENT

FROM: TODD STERN *TS*

SUBJECT: Climate Change Weekly Report

Domestic Policy

We reached agreement this week with the Big Three auto companies on our auto tax credit. It involves a fairly complicated, technology-based formula, but the bottom line is that consumers will be able to get tax credits ranging from around \$500 to \$3000 (Treasury is still costing this out, so the exact size of the credit at various levels could still change a bit) for purchasing hybrid vehicles, depending on how significant a role the hybrid plays in the overall propulsion system. The more significant that role is, the greater the likely fuel economy. EPA, CEQ and OSTP all think this is a sound approach. We briefed representatives of the environmental community on Wednesday, but it isn't clear yet what position they'll take. They clearly won't be enthusiastic, since at best they regard this as a relatively small step compared with what they want – tighter CAFÉ standards. We are working (with EPA, CEQ and OSTP) to impress upon them that this *is* an important step. We'll see what happens.

Regarding the executive order we've been working on, I understand the tentative thinking is to roll that out June 3 in a Cabinet meeting.

Diplomatic

Yesterday, I hosted a meeting in the Roosevelt Room with George Frampton, Sally Katzen and Frank Loy and a delegation of leading Indian and U.S. CEOs organized by Katie McGinty. John Podesta joined us for the first 20 minutes or so, as did Brian Atwood. Katie has done a very good job in getting this Indian group interested in the investment potential of the Clean Development Mechanism. Given the extremely uncooperative approach on climate taken by the Indian government, engagement with the private sector makes a lot of sense. Katie also organized a two day seminar on opportunities presented by the CDM with guest speakers including Secretary Richardson, Deputy Secretary Summers, Deputy Secretary Glauthier, and Senator Chafee.

Congress

Hearings. Subcommittees of the Senate Energy Committee and the House Government Reform Committee held a joint hearing this week to address a number of climate change issues. The hearing chaired by Senators Nickels (R-OK) and Craig (R-ID) and Congressman McIntosh (R-IN) focused on the Administration's compliance with the Knollenberg rider on the FY99 VA-HUD appropriations bill as well as compliance with other appropriations requirements. Knollenberg plans to add his rider to the VA-HUD bill again this year, while McIntosh made it clear that he thinks the rider doesn't go far enough in preventing EPA from implementing Kyoto.

Roberts Bill. Senator Roberts (R-KS) introduced a climate bill authorizing USDA to conduct research related to sequestering carbon through conservation practices. The bill also explicitly prohibits producers from getting credits for sequestration under any future greenhouse gas trading program. The original cosponsors include Senators Hagel, Grams, Murkowski and Craig. This is another in a series of bills these Senators plan to introduce on climate change.

Renewable Energy. Fifty-four Senators signed a letter to Chairman Domenici calling for increased funding for renewable energy and supporting the Administration's request. Last year, 42 Senators signed a similar letter. The most interesting new addition was Senator Hagel.

Press

The EU's decision on Monday to call for a cap on the use of emissions received widespread coverage in Europe and the U.S. Senator Pat Roberts' was quoted in the *Wichita Eagle* and in *Congress Daily* suggesting that Republicans will make policy on climate change an issue in rural American in the 2000 election. Bill Ford was quoted in a *Reuters*' story on Ford's environmental record saying that there is growing scientific proof that global warming – caused in part by vehicle emissions – is on the rise. He went on to say that the issue cannot be solved without developing countries adopting new policies.

Science

Rosina Bierbaum (OSTP) spoke last Friday at The Nature Conservancy (TNC) on the impacts of climate change on biodiversity. She was very well received, and TNC's John Sawhill pledged to increase TNC education and outreach on issues of climate change, as well as to revisit policies of conservation and land acquisition in light of current and future climate-change impacts on biodiversity.

cc: Vice President
John Podesta
Sandy Berger
George Frampton
Leon Fuerth
Ron Klain
Neal Lane
Jack Lew
Joe Lockhart
Gene Sperling
Jim Steinberg
Janet Yellen



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF SCIENCE AND TECHNOLOGY POLICY
WASHINGTON, D.C. 20502

May 21, 1999

5-24-99

MEMORANDUM FOR THE PRESIDENT

FROM:

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CC:

JOHN PODESTA

SUBJECT:

OSTP WEEKLY REPORT

IT² Amplification

The higher education community has moved into high gear in support of your Information Technology Initiative (IT²). Community representatives sought input this week from WH offices on an action plan to solicit support of Republican members on key Senate Appropriations Subcommittees: Defense, Energy and Water, and VA/HUD. The education community will help generate letters of support from key national university associations, and the National Academy of Sciences will attempt to obtain a letter of support signed by Nobel Laureates. We are hoping they have most of these activities finished by early next week, when we expect the Senate Defense Appropriations Subcommittee to move its bill.

Additionally, on Thursday (5/19) the agencies participating in your IT² Initiative held an Expo on the Hill. This event, which was held in the Rayburn House Office Building, showcased demonstrations on the important applications the Initiative will provide. Four members of Congress and close to 100 staff attended.

DOE Responds to Continuing Deterioration of Russian Nuclear Security

The National Research Council (NRC) reported this week that the decline in Russia's economic and political situations threatens nuclear security. The NRC report notes and encourages DOE's quick and responsible steps to address these problems. It also endorses several actions taken by DOE:

- Announced plans to fund the Department's program to secure Russian nuclear weapons materials at a level of \$145 million for at least the next five years.
- Completed security upgrades on 30 metric tons of weapons-usable materials and expects to complete upgrades on 100 metric tons total by the end of 2000.
- Initiated activities to:
 - Consolidate nuclear materials into fewer sites in Russia;
 - Encourage greater Russian capacity to manage and protect nuclear materials, including use of Russian manufactured and maintained security equipment; and
 - Assess the option of protecting spent naval reactor fuel.

PCAST member John Holdren is available to brief you or the VP Monday or Tuesday (5/24-25) on his interactions with Russian nonproliferation experts and his recommendations for additional action.

See record for DOE - 100 tons

Texas Governor Shifts Position on Climate Change

The *Fort Worth Star-Telegram* reported this week that Governor George W. Bush is less skeptical about whether the Earth is warming. The paper described a news conference last week where the Governor explained that as recently as a few weeks ago he had considered the science on climate change to be inconclusive, but that his team of advisers had changed his mind. "The last time I wasn't certain of the science," he said. "I've had some briefings recently and I'm becoming more convinced that the science proves there's global warming."

Genetically Engineered Corn May Pose Risk to Monarch Butterflies

On May 20th, *Nature* magazine contained a preliminary study by scientists at Cornell University indicating that certain new biotechnology-derived corn varieties that produce a biological pesticide (called Bt) in pollen may have a detrimental effect on monarch butterflies. Bt is non-toxic to humans, animals and non-caterpillar insects, and is generally viewed as an environmentally sound pest control alternative to more toxic chemical pesticides. Traditional pest control practices that utilize large amounts of toxic chemicals are known to reduce greatly the numbers of beneficial insects and other organisms found in and around farmers' fields. EPA, which has regulatory responsibility for pesticidal products, is assessing these new data and will determine if modifications need to be made in how these new corn varieties are utilized. These studies pose interesting questions that need to be addressed by more research, but given what we know about other threats to monarchs (e.g., the effects of traditional pesticides, and the loss of habitat in their breeding grounds in Mexico) the impact these new corn varieties will have on populations of monarchs is likely to be negligible.



PCAST Completes Report on International Energy R&D

Last July you asked me for a report on the potential for international collaboration on energy research and development to contribute to national, economic, and environmental security and to abate climate change. A PCAST panel chaired by John Holdren has completed their input to this report, which will be discussed during the PCAST meeting on Monday (5/24). The Panel recommends doubling government funding for international cooperative activities in the energy area for a total of \$500 million in 2001. NSTC would provide the strategic vision and coordination of agency efforts for this expanded program. Initiatives would emphasize technologies likely to find a niche in the international market for energy supply and end-use technologies, which is projected to total some \$10 trillion dollars over the next 2 decades. I expect to forward the complete report to you by the beginning of June.

THE WHITE HOUSE
WASHINGTON

May 21, 1999

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Podesta

MEMORANDUM FOR THE PRESIDENT

FROM: LARRY STEIN ^{§55}

SUBJECT: LEGISLATIVE WEEKLY REPORT

- **Supplemental Appropriations:** As you know, the House and Senate passed and you signed into law, H.R. 1141, the Supplemental Appropriations Conference Report, providing funding for Kosovo, agriculture, Jordan, Central America and other items. The House vote was 269-158 and the Senate vote was 64-36. The bill provides \$10.9 billion for Defense operations in Kosovo; \$1.1 billion for humanitarian assistance in Kosovo; \$574 million in agricultural aid; nearly \$1 billion in Central America related spending; \$100 million in aid to Jordan; and \$900 million for FEMA relief.

House of Representatives

- **NASA Authorization:** On Wednesday, the House approved (259-168) H.R. 1654, the National Aeronautics and Space Administration Authorization Act of 1999. The Administration strongly opposed the House passage of the bill because it does not conform to your budget request. Most significantly, the bill terminates all funding for the Triana satellite project, which is already one third of the way to launch, with \$21 million already committed in FY 1999. We urged Members, with full support from Administrator Goldin, to oppose the bill to send a message to the Majority that the Triana satellite funding should be added back in conference. Our goal to garner sufficient votes to sustain a veto was achieved. The bill fully funds your request on the International Space Station, but it restricts the flexibility of the program by limiting the use of space station research funds. Rep. Roemer (D-IN) offered three anti-Space Station amendments: to cap funding (114-315), to eliminate the partnership with Russia (117-313), and to cancel the program (92-337). The Administration opposed all three amendments.
- **Weather Service Authorization:** On Wednesday, the House passed by voice vote, H.R. 1553, the National Weather Service and Related Agencies Authorization Act of 1999. The Administration did not object to House passage but does have concerns with the bill's delineation of the roles of the Weather Service and commercial enterprises and will seek changes as it continues through the legislative process.
- **Land Protection Act:** On Thursday, the House approved by voice vote, H.R. 883, the American Land Sovereignty Protection Act. The legislation would put inappropriate restrictions on the United States participation in international conservation agreements. The Administration issued a Statement of Administrative Policy indicating that the Secretaries of State and Interior would recommend vetoing

the bill. Although the measure passed by voice vote, there is sufficient Democratic opposition to easily sustain a veto. An amendment offered by Rep. Vento (D-MN) to prohibit a federal official from entering into an international agreement concerning the disposal, management, and use of lands belonging to the United States without Congressional approval passed (262-158).

- **National Missile Defense:** On Thursday, the House passed (345-71) H.R. 4, a bill to declare it to be the policy of the United States to deploy a National Missile Defense (NMD). The House bill is identical to that which passed in the Senate in mid-March and includes two important Senate amendments. The first amendment provides that annual funding for the NMD will be “subject to the annual authorization of appropriations and the annual appropriation of funds for National Missile Defense.” The second amendment states that “it is the policy of the United States to seek continued negotiated reductions in Russian nuclear forces.” As you know, you issued a statement in mid-March noting the importance of these two amendments.

The Week Ahead

- **House Schedule:** On Monday, the House will convene to consider a number of bills under Suspension of the Rules. On Tuesday, Wednesday, and Thursday, the House is expected to consider: H.R. 1259, the Social Security and Medicare Safe Deposit Box Act of 1999; the Agriculture, Rural Development, FDA, and Related Agencies Appropriations Act; the Legislative Branch Appropriations Act; H.R. 150, the Education Land Grant Act; and H.R. 1401, the Defense Authorization Act. On Friday, the House will begin the Memorial Day recess until Monday, June 7th.

United States Senate

- **Juvenile Crime:** On Thursday, the Senate completed action and passed (73-25) S. 254, the Violent and Repeat Juvenile Offender Accountability and Rehabilitation Act, sponsored by Senator Hatch (R-UT). The bill allows more juveniles to be prosecuted as adults in both federal and state criminal justice systems, but gun issues dominated the discussion. In a dramatic finish to the bill, the Senate divided 50-50 on an amendment offered by Senators Lautenberg (D-NJ) and Kerrey (D-NE) to close the gun show loophole, leaving it to the Vice President to break the tie. Six Republicans (Chafee, DeWine, Fitzgerald, Lugar, Voinovich, and Warner) joined all but one Democrat (Baucus) in support of the amendment. This outcome marks a stark reversal from last week’s vote to defeat the gunshow amendment. After this victory, Democrats decided not to pursue other gun-related amendments, preferring to end on a high note rather than risk defeat. Thus, they did not offer amendments that would have raised the minimum age for handgun possession to 21; held adults responsible for negligently leaving guns where children could find and use them; and apply the Brady law to juveniles. These amendments may return on other bills.

In addition to the gunshow amendment, the Senate passed (96-2) Senator Ashcroft’s (R-MO) amendment prohibiting juvenile possession of semi-automatic assault weapons and large-capacity magazines. The Senate failed to table (39-59) and then passed by unanimous consent an amendment offered by Senator Feinstein (D-CA) banning the importation of high capacity ammunition clips. Senator Biden’s (D-DE) amendment to reauthorize the COPS program, based on the proposal in your

21st Century Crime bill, was defeated (48-50). While S. 254, the underlying bill, does not represent a perfect bill, it was significantly improved through input from the Department of Justice, a managers' amendment authored by Senators Leahy and Hatch, and the amendments mentioned above.

- **Senate Democratic Issues Conference:** On Friday, May 21 the Senate Democratic Policy Committee convened its annual Issues Conference in Irvington, VA. As you know, you are scheduled to address the Democratic Senators on Saturday, May 22.

The Week Ahead

- **Senate Schedule:** Next week, the Senate will begin consideration of S. 1059, the FY2000 Defense Authorization bill. On Friday, the House will begin the Memorial Day recess until Monday, June 7th.

cc: The Vice President

John Podesta

Steve Ricchetti

Maria Echaveste

Doug Sosnik

Ann Lewis

THE WHITE HOUSE
WASHINGTON

5-24-99

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Podesta

May 21, 1999

MEMORANDUM FOR THE PRESIDENT AND THE VICE PRESIDENT

FROM: MARY BETH CAHILL

SUBJECT: OFFICE OF PUBLIC LIAISON WEEKLY REPORT (May 15 - 21)

ACTIONS SUPPORTING PRESIDENTIAL INITIATIVES

KOSOVO

First Lady's briefing helps humanitarian aid. With good representation from humanitarian groups and religious and ethnic press, the briefing Tuesday provided a needed opportunity to thank them for their efforts, lay out the challenges ahead, and encourage more support for groups aiding the Kosovars.

CONSTITUENT OUTREACH AND OTHER ISSUES

BUSINESS OUTREACH

OPL hosts briefing for Athens, GA Chamber of Commerce. Approximately 30 small business owners participated in the discussion on the New Markets Initiative and Secretary Daley's National Trade Education Tour to promote the benefits of global trade. Athens is under consideration for a site visit by the Secretary and his entourage during a bus trip later this year.

Briefing for the business community on the New Markets Initiative. On Friday, in a continued effort to promote the New Markets Initiative, OPL organized a briefing hosted by Gene Sperling to inform the business community on your scheduled July New Markets tour. Since your trip to Atlanta, there has been widespread interest in the initiative and the tour. Gene encouraged the business representatives to engage their corporations in the initiative and to submit proposals for the tour.

DISABILITY OUTREACH

Advocates profoundly dismayed by recent passing of Frist-Ashcroft Amendment. This amendment to the Juvenile Justice Bill threatens to undermine due process protections for students with disabilities by expelling them and ceasing all educational services. Harkin's

amendment, which also passed emphasizes that schools should provide appropriate intervention and services, rather than simply send kids home. ⁵⁻²⁴⁻⁹⁹

EDUCATION OUTREACH

Steps taken to depoliticize release of National Assessment of Education Progress (NAEP).

In response to the Vice President's announcement of NAEP results, the National Assessment Governing Board recently barred public officials from issuing statements until the National Center for Education Statistics holds a press conference.

ETHNIC OUTREACH

Italian leaders present petitions to the White House. A group of Italian American leaders led by Order Sons of Italy presented over 100,000 signatures on a petition urging you to reject any reorganization plan of the United Nations Security Council that does not include Italy. John Podesta and Tony Blinken accepted these on your behalf and committed to work through this issue with the community.

GAY AND LESBIAN

Gay supporters increasingly worried over RLPA provisions. Barney Frank and others have expressed serious concern that an unintended consequence of the Act, to be marked up in the House Sub-committee on Tuesday morning, will sanction anti-gay discrimination. DPC, Counsel, and OPL will meet with gay groups on Monday. Although faith-based groups oppose them, gay groups are seeking a "carve out" for civil rights laws. This dispute has the potential to disrupt the bill's progress.

HISPANIC OUTREACH

Coalition of Bars Associations of Color (CBAC) were briefed on the Administration's efforts on civil rights and federal appointments. Members of CBAC, which is comprised of the Hispanic American, African American, Asian Pacific American and Native American Bar Associations, are concerned that the numbers of federal and judicial appointments of persons of color are low, and urge more nominations. The Native American Bar is concerned that they are being left out of the race and civil rights issues within the Administration.

RELIGIOUS OUTREACH

New commission on international religious freedom getting organized: The outgoing Advisory Committee has given its final report to Secretary Albright. While protesting that he does not have time to chair the new Commission, David Saperstein is making all the right moves to get it going. Don Argue was very unhappy that no one from the Evangelical community is on the commission, and was particularly sensitive to your naming a Muslim. Others feel, however,

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that Ambassador Seiple will be a strong Evangelical presence.

WOMEN'S OFFICE OUTREACH

First ever women's trade summit between the U.S. and Canada was a tremendous success. More than 100 U.S. women business owners traveled to Toronto to meet their counterparts from a wide array of business sectors. Secretary Daley and Administrator Alvarez led the U.S. delegation, and Ambassador Raymond Chretien spoke to the group about the success of NAFTA and the importance of expanded trade with Latin America. OPL plans to expand our outreach efforts to woman business-owners, as their numbers have doubled in the last 10 years.

THE WHITE HOUSE
WASHINGTON

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5-24-99

May 21, 1999

MEMORANDUM FOR THE PRESIDENT AND VICE PRESIDENT

FROM: KATHLEEN AHN FOR BEN JOHNSON

SUBJECT: OFFICE ON THE PRESIDENT'S INITIATIVE FOR ONE AMERICA
WEEKLY REPORT

ACTIONS

World Conference on Racism: Ben Johnson is in Africa as a member of your Presidential delegation to the African – African American Summit. While there, he has met with a number of Ambassadors from African countries to gain insight on their positions regarding the upcoming UN "World Conference Against Racism, Racial Discrimination, Xenophobia and Related Intolerance" (WCR).

There is a host of African American leaders in Ghana including Hugh Price and at least 15 American mayors, including Wellington Webb and Dennis Archer. Ben had a conversation with Ambassador Andrew Young and the Ambassador voiced a desire to have a small meeting with you on Africa policy.

New Markets: I attended meetings with NEC and the various Agency teams to plan your upcoming tour into untapped markets. The Agencies presented a myriad of site options with strong dollar commitments and high success stories. We will continue to explore possibilities for One America leadership events that will amplify and dovetail your trip events.

Racial Profiling: I attended a meeting with DPC, other WH offices and agency representatives to discuss the wording of an Executive Order dealing with racial profiling. We reviewed a draft from DOJ on data collection and discussed various options on wording and scope. In light of the compelling need for a strong denunciation of the practice, we agreed to meet again to follow-up with revisions and additions to the DOJ draft, as well as a preamble addition from Chuck Ruff.

Outgoing
Up

CONSTITUENT OUTREACH

Coalition of Bar Associations of Color (CBAC): I participated in a briefing for CBAC along with other WH staff. I spoke at length with a number of attendees who expressed their appreciation of your efforts to deal with issues of equality and justice for all citizens. They expressed enthusiasm and hope about the "Presidential Call to Action" evocative of President Kennedy's Call in 1963, that has been jointly proposed by the minority bar associations, the ABA, the private bar, and the Lawyer's Committee for Civil Rights.

Asian Pacific American Institute for Congressional Studies (APAICS): I spoke to a group of approximately 130 participants from across the country as part of a WH briefing for a 3 day legislative conference. I introduced the office, along with the accomplishments of your Initiative on Race and your deep commitment to the vision of One America. The attendees appreciated the depth and scope of your commitment to real opportunity and responsibility for all Americans seen in the "Building One America" section of the proposed 2000 budget.

*What
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CABINET RACE INITIATIVE WEEKLY

General Services Administration

African Burial Ground National Historic Site (Site): On May 11, British MP King visited the Site in NYC. Her visit reaffirmed the Site's international significance and renown. Ms. King was greeted at the site by members of the former Federal Steering Committee on the African Burial Ground, former Mayor Dinkins, and several New York City Councilpersons and GSA officials. Ms. King's visit included a tour of the actual National Historic Site as well as of the various art installations that reference the Burial Ground and are located within the lobby area of the adjacent Federal Office Building.

Department of Housing and Urban Development

Boston Housing Authority (BHA): Secretary Cuomo released a report that concludes that the Boston Housing Authority has made significant progress since 1996 in responding to racial and ethnic harassment in housing authority properties, but that troubling problems persist in some areas.

BHA has implemented a number of programs including a Civil Rights Protection Plan and a "zero tolerance" policy that requires tenants to be evicted for committing racial or ethnic harassment (the BHA evicted offenders of racial violence and their families in four widely-publicized cases in January 1998). BHA has also formed a partnership with the Boston Police Department to facilitate the reporting and investigation of bias crimes and incidents, and provided training to help BHA employees combat hate crimes.

HUD has recommended that the BHA increase its educational efforts regarding civil rights for residents and training for BHA employees; improve policing and security at BHA developments, recruit more minority officers for BHA police, link performance incentives to effectiveness in combating racial and ethnic harassment, and overhaul tenant transfer procedures to allow residents to move out of troubled situations quickly. Mayor Menino has pledged to carry out the recommendations in an Improvement Plan over the next 12 months.

Minority Homeownership: Secretary Cuomo was interviewed by Ron Brownstein of the *Los Angeles Times* for a story next week about minority homeownership and the factors which have contributed to the dramatic increase in the number of minority homeowners over the last few years. During April, the Secretary announced a record 5.9 million African American and 4.2 million Hispanic families are now homeowners -- the highest number of minority homeowners in American history.

The homeownership rates (1st quarter 1999) for minorities - 46.9 percent for blacks and 46.2 percent for Hispanics - are the highest since these rates were separately reported in 1983, and are believed to be the highest ever. A total of 39 percent of the net new homeowners since 1994 are minorities - even though minorities account for just 24 percent of the population.

These rates are the highest since 1983. A total of 39 percent of the net new homeowners since 1994 are minorities - even though minorities account for just 24 percent of the population.

Department of Justice

Redistricting: On May 17, the Supreme Court reversed the judgment of US District Court (NC Eastern) in Hunt v. Cromartie (summary judgment that NC's 12th CD, as established by the state's 1997 congressional redistricting plan, constituted an unconstitutional racial gerrymander). The Court concluded that there was a genuine issue of material fact with respect to the state legislature's motivation in redrawing the district's lines. DOJ had filed amicus curiae for reversal.

Department of Labor

Untapped Markets: DOL is working with Gene Sperling and the NEC, along with several other departments, to construct the President's New Markets tour in July. DOL has identified approximately a half-dozen possible sites that would attract substantial new private-sector investments while highlighting the Youth Opportunities initiative (\$1 billion over four years to bring out-of-school youth in distressed areas into the labor market).

One possible event would be to launch Secretary Herman's Youth Opportunities (YO!) Movement, perhaps in Los Angeles, CA with several well-known African-American and Latino celebrities and ten or more CEOs who would commit to employing youth trained by Youth Opportunities grantees. Other possible sites include Boston, Detroit, KY, and D.C.

Office of Personnel Management

Historical Black Colleges and Universities: On May 17, OPM provided *Federal Human Resources Week* with information about OPM's and the government on-going efforts to communicate career opportunities to student enrolled in Historical Black Colleges and Universities.

Small Business Administration

Historical Black Colleges and Universities (HBCU): SBA met with the HBCU Initiative co-sponsor, Science and Engineering Alliance (SEA) to discuss the selection of a core group of HBCUs, the agenda, and logistics for an upcoming seminar under the pilot initiative. As a next step, SEA is preparing a detailed agenda and a list of selected HBCUs and an overview of their areas of technological expertise. SBA plans to schedule the seminar in late June or early July 1999.

Social Security Administration

Best Practices for Workforce Diversity: SSA's Office of Civil Rights and Equal Opportunity (OCREO) is working with the Commerce Civil Rights Office (OCR) in its efforts to increase diversity in the workforce. Miguel Torrado, Director of SSA's OCREO, will conduct a workshop on effective tools for achieving workforce diversity at the Department of Commerce's Civil Rights and Equal Opportunity Conference in Richmond, VA.

Department of Veterans Affairs

Minority Veterans: The VA Advisory Committee on Minority Veterans met in Washington, D.C., on May 12-13. The Committee focused on health care and benefits issues facing veterans in Puerto Rico and the U.S. Virgin Islands.

THE WHITE HOUSE
WASHINGTON

May 21, 1999

5-24-99

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MEMORANDUM FOR THE PRESIDENT

FROM: Mickey Ibarra

Mickey

SUBJECT: Office of Intergovernmental Affairs Weekly Report – May 17 - 21, 1999

SCHOOL VIOLENCE

We worked with Colorado elected officials to prepare for your trip to Jefferson County on Thursday. Governor Owens (R-CO) expressed appreciation for his treatment by the White House and support for your visit to Colorado. Attorney General Ken Salazar (D-CO) indicated that the public reaction to your visit and remarks were very positive.

ESEA ROLL-OUT

We met on Thursday with staff of the Democratic governors to brief them on the ESEA legislation and the changes we incorporated into the bill based on their advice during our consultation process. While some of the Democratic governors have concerns about establishing prescriptive requirements as a condition for federal funding, we are working to generate supportive statements. Governors O'Bannon (D-IN) and Patton (D-KY) the Chair and Vice Chair of DGA, will sign a letter largely supportive of our ESEA proposal and indicate a desire to work out some of the accountability details. On the other side, Fred DuVal is working to stop a negative Republican governors statement.

MAYORS

- Mayor Lee Brown (D-Houston, TX) visited on Monday to discuss Houston's effort to combat youth violence and the Mayor's interest in being involved with the National Campaign to Prevent Youth Violence.
- Mayor Woodrow Stanley (D-Flint, MI) met with Minyon Moore and me on Tuesday to discuss community priorities. We have agreed to work on his behalf with SBA and EDA at Commerce. Flint has agreed to be a satellite site for the White House Mental Health Conference on June 7, 1999. Mayor Stanley also met with officials at HUD and Justice to discuss housing, economic development, and crime.

PARTNERSHIP MINNESOTA

I delivered remarks to Partnership Minnesota's "Making Government Hassle - Free" in Minneapolis, MN on Wednesday, May 19, 1999. The audience was 250 federal, state and local government professionals, including Mayor Belton (D-Minneapolis, MN) and Governor Ventura (RP-MN). In addition, I met with 20 agency heads for a round table discussion at the federal building.

COMMUNITY EMPOWERMENT CONFERENCE

We are assisting with preparations for the White House Community Empowerment Conference in Edinburg, Texas May 23-27. I plan to participate in several meetings with local elected officials attending the conference on May 25 as well as a meeting with mayors and Hidalgo County officials on May 26 to report the progress made on issues they raised with you in January of 1998 during your last visit to the area.

INSULAR AFFAIRS

Equality for Puerto Ricans in Education Bill: Congressman Carlos Romero-Barcelo (D-PR) and Governor Pedro Rossello (D-PR) were delighted that our ESEA proposal will phase in equal treatment of the islands in the funding formula.

- Vieques Live Ordnance Target Range: White House and NSC staff, led by DCOS Echaveste, agreed that DoD should review the issues raised by the Navy's use of live ordnance on the Puerto Rico island of Vieques. Navy Secretary Danzig is consulting Governor Rossello and Congressman Romero on whether a Navy review, which he prefers, will be adequate. In related developments: Gov. Rossello conveyed condolences from you and the Vice President to the family of the man killed in the recent range accident; the Senate Armed Services Committee asked the Navy to report and consult Gov. Rossello on the issue; Representative Peter Deutsch (D-FL) said a Navy offer to let foreign forces use the range was "outrageous;" eight Hispanic Members of Congress, the Hispanic state legislators caucus, and Methodist bishops said you should end live fire on the island; and EPA's regional administrator expressed concern about enforcement of environmental laws on the island.
- Virgin Islands FEMA Payment Deferral: FEMA agreed to let the Virgin Islands delay for a year payment of over \$9 million in loans from recent hurricanes in light of the territory's crippling debt burden. This satisfies Governor Charles Turnbull's (D-VI) request.

IGA STAFF

Mona Mohib, IGA's Associate Director, who has done an outstanding job assisting with liaison to the nation's mayors since 1997, is moving to the Department of Labor to be Director of Intergovernmental Affairs on June 1.

THE WHITE HOUSE
WASHINGTON

May 21, 1999

5-24-99

MEMORANDUM FOR THE PRESIDENT

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

SUBJECT: Summary of Cabinet Weekly Reports
May 15 - 21, 1999

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DEPARTMENT OF TREASURY

- ✓ **African Development Bank:** On May 25-26, Assistant Secretary Truman will lead an interagency U.S. delegation to the African Development Bank's annual meeting in Cairo. Delegates at the meeting are expected to endorse a restructuring of the Bank's ownership, giving creditor countries a more effective voice, agreement on a substantial replenishment of the Bank's resources to help the poorest countries, and a very forward-looking new Bank policy on good governance. These agreements represent broader consensus among delegates than in years past.
- **Gang-Related Violent Crime:** During May, the ATF, in partnership with Miami-Dade police, conducted a counter-street crime investigation in the Miami-Dade area. Fourteen gang members and a suspended police detective were targeted because of alleged involvement in drug trafficking, including the smuggling of five tons of cocaine. It is alleged that this gang is responsible for the killing of 35 people, including a five-year-old child, and the wounding of another 100 people. All 15 defendants face possible life sentences on a conspiracy charge alleging an \$85 million wholesale drug operation. This investigation received significant media attention as this gang is notorious for its use of violence.
- **SBA Address:** On May 24, Secretary Rubin will keynote SBA's National Small Business Week conference in Washington, DC. The Secretary's remarks will focus on the current state of and outlook for the U.S. economy.

DEPARTMENT OF JUSTICE

- **Former Nazi Deported to Lithuania:** On May 12, Kazys Ciurinskas of Crown Point, IN, who was a member of a Nazi-sponsored mobile killing unit during World War II, permanently departed the U.S. for his native Lithuania. Ciurinskas was denaturalized in 1997 after the Office of Special Investigations proved his participation in Nazi-sponsored acts of persecution during World War II and his fraudulent procurement of a U.S. immigration visa after the war.
- **Freedom of Access to Clinic Entrances Act:** On April 6, a federal arrest warrant was obtained charging use of deadly force to prevent a physician from providing reproductive health service. Simultaneously, a state arrest was obtained charging the same defendant with intentional murder in the second degree for fatally shooting the physician. On October 23, 1998, the doctor, an obstetrician-gynecologist who performed abortions at the Buffalo GYN Women Services Clinic, was shot as he stood in his kitchen.
- **Residential Substance Abuse Treatment Grants:** On May 21 or 24, the Office of Justice Program's (OJP) Corrections Program Office plans to award approximately \$57 million to states and territories under the Residential Substance Abuse Treatment for State Prisoners Program.
- **Victimization and Community Safety:** On May 27, the Bureau of Justice Statistics and the Office of Community Oriented Policing Services expect to release *Criminal Victimization and Perceptions of Community Safety in 12 Cities, 1998*. The publication reports findings from city-level surveys of victimization, citizen perceptions of crime, and attitudes toward local police and community policing. A survey highlight is that police enjoy widespread community support, with about 80 percent or more of citizens in each of the twelve cities reporting satisfaction with police in their neighborhoods.

DEPARTMENT OF INTERIOR

- **CNMI Bill:** Senators Murkowski and Akaka will introduce legislation to impose federal immigration laws on the Commonwealth of the Northern Marianas Islands (CNMI). The new measure is similar to their previous bill, which did not pass the Senate last year after being approved by the Committee. The new version will omit provisions that call for establishment of the U.S. minimum wage in the Commonwealth and provisions affecting its special trade privileges. The Administration is expected to send legislation to the Hill again that would extend INS laws to the CNMI, impose federal minimum wage requirements, and restrict use of trade privileges on garments made in the CNMI.

- **Guam Asylum Bill:** On May 18, the House Judiciary Subcommittee on Immigration and Claims held a hearing on Rep. Underwood's bill to prohibit immigrants from claiming political asylum on Guam. The measure asks the federal government to reimburse the territory for the substantial expenses it has incurred handling hundreds of illegal immigrants caught entering Guam since January. Underwood contends that his legislation will cut off the current flow of illegal immigrants by eliminating "bogus claims for political asylum."
- **Puget Sound Pesticides:** A new USGS study compares sales of lawn and garden pesticides to water samples from urban Puget Sound Basin streams. Four of five pesticides exceed EPA standards and are sold in retail stores. Of the 98 pesticides sampled, 23 were detected. The WA Department of Ecology and the King County Hazardous Waste Management Program cooperated in the study.
- **NY Brown Tide:** The Peconic Estuary, at the eastern end of Long Island, has been plagued by an unusual algal bloom, locally referred to as "Brown Tide." The bloom occurs at concentrations that block sunlight from reaching aquatic plants, and clogs the breathing apparatus of organisms. Although factors that trigger blooms have not been identified, a USGS study supports a theory that blooms appear during years of decreased ground-water discharge to the estuary. If the theory holds true, ground-water conditions expected later this year appear favorable for the onset of Brown Tide.

UNITED STATES DEPARTMENT OF AGRICULTURE

- **World Agricultural Forum:** On May 24, Secretary Glickman will address the World Agricultural Forum in St. Louis, MO, on the need for action to address the U.S. farm crisis, as well as several agricultural trade-related issues, including the EU ban on hormone-fed beef, and the growth of trade in genetically modified organisms.
- **Empowerment Zone Conference:** On May 24-25, Secretary Glickman and other USDA rural and community development officials will participate in your EZ/EC conference.
- **Disease-Resistant Wheat:** On May 19, USDA released a new variety of wheat that is resistant to wheat scab, a disease which cost wheat farmers in the Northern Plains approximately \$2.6 billion between 1991 and 1997, and which has attracted considerable public, media, and congressional attention. The new variety, named McVey after the scientist who developed it, results from an accelerated USDA research initiative.
- **Commodity Markets:** Excellent conditions for winter wheat in the U.S. Southern Plains kept wheat prices down last week. Corn cash prices were unchanged, but futures rose in reaction to planting delays in the western Corn Belt. A sharp decline in soybean oil prices led to a drop in soybean cash and futures prices. Prospects for a large 1999/2000

crop pushed rice prices generally down. Bearish prospects for 1999/2000 cotton supply and demand produced a plunge in cotton prices. Hog and broiler prices rose while prices for cattle fell; retailers are expected to begin featuring pork and poultry instead of beef. Cheese prices weakened as buyers anticipate increased milk production and further price declines. Butter prices moved higher as the demand for milkfat increases with the coming ice cream season.

- **National Black Farmer Conference:** On May 21 and 22, several high level USDA officials will attend and address the second annual National Black Farmer Conference in New Orleans, LA.

DEPARTMENT OF COMMERCE

- **Business Development Mission to Mercosur:** Secretary Daley intends to lead a business development mission to Argentina, Brazil, and Uruguay during the week of November 14. The mission will comprise 12-15 business executives from the information, environment, and energy sectors. The mission also will demonstrate U.S. support for continued democratic and market economy reforms in the region, and serve as a counterweight to the EU's heightened interest in the MERCOSUR markets. As a prelude to the mission, the Secretary has agreed to deliver the closing address at the 1999 Women's Economic Summit of the Americas being held in Buenos Aires, Argentina.
- **Canada-USA Businesswomen's Trade Summit:** On May 17-21, the Canada-USA Businesswomen's Trade Summit took place in Toronto, Canada. This first-ever Summit was co-chaired by Secretary Daley, Administrator Alvarez, and the Canadian Minister of International Trade. Approximately 100 U.S. and 100 Canadian businesspeople will participate in the Summit, which will consist of policy roundtable discussions, workshops, business matching appointments, and a trade show-style marketplace.
- **China Seminar Canceled:** A Chinese delegation scheduled to arrive for a technical seminar on export controls in Washington, DC on May 12-14 canceled its trip after the NATO bombing of the Chinese Embassy in Belgrade. Bureau of Export Administration officials hope to reschedule the seminar, but they have received no official word from their Chinese counterparts.
- **Agreement with EU on U.S. Rules of Origin:** The U.S. reached a tentative agreement with the EU on its longstanding dispute over U.S. rules of origin. DOC agreed to add flat products of man-made fiber to the list of products for which DOC will recognize dyeing and printing as origin-conferring processes. To complete the agreement, the U.S. will support legislation to amend certain of the so called "Breaux-Cardin" origin rules. DOC is exploring the possibility of finding a sponsor and attaching this proposal to the pending miscellaneous tariff and trade bill.

- **National Weather Service Supercomputer Relocation:** NWS is considering the potential relocation of a supercomputer to Bowie, MD. The move is planned in connection with an asbestos remediation project at the NWS Building in Suitland, MD.
- **E-Rate:** On May 27, the FCC plans to vote on funding the E-Rate program at \$2.25 billion. A draft letter supporting this level of funding – to be signed by Secretaries Daley, Riley, and Glickman – is currently being circulated.

DEPARTMENT OF LABOR

- **Untapped Markets:** DOL is working with NEC and several other departments to develop your July New Markets tour. DOL has identified approximately a half-dozen possible sites that would attract substantial new private-sector investments while highlighting your Youth Opportunities initiative (\$1 billion over four years to bring out-of-school youth in distressed areas into the labor market).
- **Youth Opportunity Grants:** Next week, DOL plans to publish a *Federal Register* notice to announce a \$250 million grant competition to select scores of new sites for Youth Opportunity Grants. These grants, authorized by Congress as part of the Workforce Investment Act, put emphasis on placing youth -- who live in empowerment zones, enterprise communities, and other high-poverty areas -- in private-sector jobs, keeping them in school, increasing their college enrollment rates, and providing work experience in community service projects.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **AIDS Conference:** On May 26-27, NIH's National Cancer Institute will sponsor the Third National AIDS Malignancy Conference to acquaint researchers, caregivers, and other professionals with the latest data on the epidemiology, immunology, research models, and clinical implications of AIDS and related infections.
- **Food Safety:** On May 17, the Food and Drug Administration (FDA) announced the availability of, and requested applications for, grant funds for the support of innovative food safety pilot programs to enhance your Food Safety Initiative. The program objective is to complement, develop, or improve State and local food safety programs for applicability nationwide. Approximately \$300,000 will be available in FY99.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

✓ **New Markets:** Secretary Cuomo traveled to Newburgh, NY with Michael Grunwald of the *Washington Post* and Betsy Kohlbert of the *New Yorker* magazine to tour the Enterprise Community which was designated in 1994 and to make the case for

communities left behind by the booming economy. There are 43 ongoing projects with \$2.2 million in total EC funding. \$18.4 million has been leveraged from outside sources. The Secretary spoke with local residents at Jimmy's Diner, toured worst-case housing, visited the downtown business district and participated in a community roundtable with Mayor Carey, Rep. Hinchey, and more than 30 community leaders.

- **Boston Housing Authority (BHA):** Secretary Cuomo released a report that concludes the BHA has made significant progress since 1996 in responding to racial and ethnic harassment in housing authority properties, but that troubling problems persist in some areas. The report includes over 50 recommendations for improvements in BHA's operations to address continuing problems.

DEPARTMENT OF TRANSPORTATION

- **Appalachian Intermodal Transportation Summit:** On May 17, Secretary Slater delivered the keynote address at the Appalachian Intermodal Transportation Summit in Lexington, KY. The goal of the summit was to change the way Appalachian communities think about multi-city and multi-state collaboration and cooperation in planning transportation projects and to encourage the type of planning that integrates modes of transportation and connects people to economic opportunities. He emphasized the need for local authorities to collaborate in transportation planning and to consider the entire range of transportation modes in planning and implementing the transportation facilities and services that provide access to national and global market places for the Region. The Secretary also unveiled the DOT Rural Transportation Initiative (RTI). RTI stresses the need for rural Americans to engage actively in their statewide transportation planning process.
- **Buckle Up America Week:** May 24-28 is Buckle Up America Week. On May 24, Secretary Slater and NHTSA Administrator Martinez will participate in a news conference in Washington, DC, to kick off "Operation ABC Mobilization: America Buckles Up Children," featuring the theme Zero Tolerance for Unbuckled Children. This event is part of the ongoing effort to highlight safety as your highest transportation priority and to assist in reaching your goal of 85 percent seat belt use by the year 2000 and 90 percent by 2005.
- **Highway and Truck Safety:** On May 20, Secretary Slater held a news conference with the Motor Freight Carriers Association, the International Brotherhood of Teamsters and the Commercial Vehicle Safety Alliance concerning truck safety. Several demonstrations featured company MFCA member trucks. In addition, there was a No Zone demonstration. The No Zone program goal is to increase awareness of danger areas such as blind spots around trucks and cars.

- **1998 Traffic Death Decline:** Traffic fatalities last year continued to decline from 1997's record-setting lows. Alcohol-related fatalities also dropped slightly again in 1998, according to preliminary estimates from the National Highway Traffic Safety Administration (NHTSA). The 1998 statistics speak to the risks facing unbuckled occupants: 62 percent of those killed in crashes last year were not wearing seat belts. The data shows that the total number of fatalities dropped slightly in 1998 to 41,480 compared to 42,013 in 1997. The traffic fatality rate, remained steady at 1.6 per 100 million vehicle miles traveled (VMT) even though VMT was up 2 percent from 1997. The 1998 fatality total is 18.5 percent lower than it was in 1980, when traffic fatalities reached their highest level since NHTSA began collecting data.
- **TX Drunk Driving Legislation:** On May 11, the TX House passed the .08 bill by a vote of 148-2. The bill now goes to Governor Bush who is expected to sign it into law.
- **U.S.-China Code-Share Combination Services:** On May 11, DOT approved code-share operations between Air China and Alaska, America West, and Continental to operate code-share services in the U.S.-China market for Air China's China-U.S. traffic. The approvals followed issuance of DOT's May 3 order on codesharing on exclusivity.

DEPARTMENT OF ENERGY

- **International Energy Agency (IEA) 25th Anniversary Ministerial:** On May 25-26, Deputy Secretary Glauthier will travel to Paris, France to participate in the 25th anniversary of the IEA. The event will highlight the success of IEA energy security initiatives and offer an opportunity to discuss energy security in the coming century. There are planned discussions with the ministers on liberalized markets, climate change and the oil market.
- **DOE Web Page Intrusion:** DOE's web page was compromised by a "hacker" who exploited a known system vulnerability that remained in the system due to poor system administration. The intruder modified files, installing a web page that carried a message protesting the bombing of the Chinese embassy. Analysis of the compromised system's files indicates the intrusions originated in China and were launched through a compromised user account on an internet provider service in Japan. A new server hosting the DOE Home Page is being more securely configured and will be placed behind DOE's firewall, providing additional security measures against unauthorized intrusions.

DEPARTMENT OF EDUCATION

- **Education Tax Incentive Proposal:** On May 18, Secretaries Riley and Rubin expressed their opposition to Education Savings Accounts legislation in a letter to Senators Moynihan and Roth. The letter warned that the two Secretaries would recommend that

you veto the bill in its current form. The letter argues that the bill disproportionately benefits the most affluent families, provides little relief to lower- and middle-income families and will be difficult to enforce. Secretaries Riley and Rubin also express their strong support for the alternative proposed by Senators Robb and Conrad.

- **Blue Ribbon Schools:** On May 21, Secretary Riley's Regional Representatives notified 266 elementary schools throughout the nation that they have been recognized as Blue Ribbon Schools. These schools, which represent 37 states, Puerto Rico, and DoD Dependent Schools, have been chosen for their outstanding leadership, school organization, teaching, curricula, and parental involvement. Complete data on each school, a two-page summary of each nomination package, and summary data for all the schools will be available on DOEd's homepage.
- **Town Meeting on School Violence:** On May 27, DOEd's Philadelphia Regional Office will host a town meeting that will include an exploration of the roles of educators, government officials, and other key stakeholders in addressing the problem of school violence.

DEPARTMENT OF VETERANS AFFAIRS

- **Senate Veterans Affairs Committee Hearing:** On May 20th, Secretary West and other VA officials testified before the Senate Veterans Affairs Committee concerning the VA FY2000 legislative program, a bill regarding the establishment of a national cemetery in Atlanta, GA, and a bill regarding VA buyout authority. Among the various veterans issues in the omnibus bill are increases in compensation rates for service disabled veterans and survivors, the use of Medical Care Collection Funds, authorization of several VA construction projects and rules on allowing active duty DoD personnel to use VA facilities.
- **Gulf War Illness:** More than 30 VA medical centers have started to recruit veterans in the first large-scale clinical trials for treatment of unexplained illnesses of those who served in the Gulf War. The VA Cooperative Studies Program is leading a \$20 million effort with the DoD to learn more about ways to improve the health of veterans suffering from symptoms such as fatigue, muscle and joint pain, and problems with memory and thinking.
- **Welfare-to-Work:** VA's Second Annual Report on your Welfare-to-Work Initiative was recently submitted to the Vice President. As of April 30, the agency has hired 1,367 individuals under this program, which far exceeds the original goal of 800 new employees.

- **Veterans Service Organizations:** On May 21, Secretary West met with the Executive Directors of the five largest Veterans Service Organizations in Washington, DC.

ENVIRONMENTAL PROTECTION AGENCY

- **Untapped Markets:** On May 25, the White House will announce \$31 million in Brownfields Revolving Loan Fund (RLF) and Job Training grants, providing up to \$500,000 to 65 communities. The RLF grants provide communities with seed money that can be leveraged to clean and redevelop brownfields. The White House also will announce ten Brownfields Job Training grants of \$200,000 each to provide opportunities for residents in affected communities to pursue careers in brownfields cleanup and redevelopment. As part of the Administration's community revitalization efforts and the Untapped Markets Initiative, the Brownfields action agenda has provided over \$96 million to communities to cleanup and redevelop brownfields and is expected to leverage well over \$7 billion in private investments.
- **Hazardous Air Pollutants:** On May 14, EPA issued final rules to reduce emissions of hazardous air pollutants (HAPs) from a variety of manufacturing and production facilities. These facilities include, among others, copper and lead smelters and wool fiberglass and cement manufacturing facilities. The hazardous air pollutants emitted by these facilities include hazardous metals, formaldehyde, mercury, and dioxin. Exposure to these HAPs can cause cancer, respiratory, nervous system, and reproductive health effects. With these standards and with other previous actions directed at industrial facilities, EPA will cut hazardous air pollution by over one million tons a year.

UNITED NATIONS

- **Sierra Leone:** On May 14, the UN Security Council adopted a Presidential Statement on Sierra Leone that condemned the ongoing fighting, supported political dialogue between the Sierra Leone Government and the rebels, and stressed the importance of an immediate cease-fire to prompt peace negotiations between the parties. Subsequent to Council action, a cease-fire agreement, brokered by the Reverend Jesse Jackson, was signed in Lome, Togo, between Sierra Leone President Kabbah and rebel leader Sankoh.

SMALL BUSINESS ADMINISTRATION

- **Small Business Week:** Every year since 1963, small business owners from each of the 50 states and special award winners are honored during National Small Business Week. This year, Small Business Week will be celebrated from May 23-25, in Washington, DC. On May 24, Senior White House Staff will brief the winners. This year's theme is "Small Business: a History of Success, a Millennium of Opportunity."

- **Trade Agreement:** On May 18, SBA and DOC signed an agreement with Canada's Minister for International Trade to expand U.S.-Canadian commercial ties by boosting trade opportunities for women business owners in the U.S. and Canada.
- **Health Care Providers Size Standards:** In an effort to reflect rapid changes in the health care services industry, SBA is proposing a change in the size standards for health care service providers, substantially expanding the number of businesses that could qualify as "small" for government programs and services. SBA estimates that nearly 5,000 firms would benefit from the change, mostly skilled nursing care facilities and offices and clinics operated by doctors. Currently, there is only one size standard that applies to the entire health care services industry. A business qualifies as "small" if its annual revenues are \$5 million or less. The SBA proposal would preserve this standard for eight subdivisions within the overall health care services category, but increase the dollar figure for 11 others.
- **National Association of Women Business Owners:** Administrator Alvarez will present the opening address at the 1999 annual meeting of the National Association of Women Business Owners (NAWBO), June 17-20 in Atlanta, GA. More than 250 women business owners are expected to attend from around the country.
- **New Markets Initiative:** On May 12, the Senate Small Business Committee conducted a roundtable on Small Business Investment Companies, microloans, Community Development Venture Capital, and SBA's New Markets Venture Capital (NMVC) program. Most of the session was devoted to a discussion of the NMVC program. The private-sector participants spelled out the need for the program with special emphasis on the technical assistance component.

OFFICE OF PERSONNEL MANAGEMENT

- **Child Care Summit:** On May 12-14, in response to your directive of March 10, 1998, Director Lachance and Deputy Director Sepulveda hosted the "Affordable, Quality Child Care: An Employer Issue" summit in Kansas City, MO. The summit brought together public and private sector experts to discuss "best practices" for providing employees with child care options. One particularly positive outcome of the summit is the establishment of new public/private workgroups to address child care needs nationally.

UNITED STATES INFORMATION AGENCY

- **Foreign Media Reaction to Israeli Elections:** The majority of analysts overseas greeted Barak's "landslide" victory over Netanyahu in the May 17 Israeli elections with expressions of renewed hope for the stalled Middle East peace process, although some Arab writers aired reservations. Optimism was strongest in Europe, where a number of

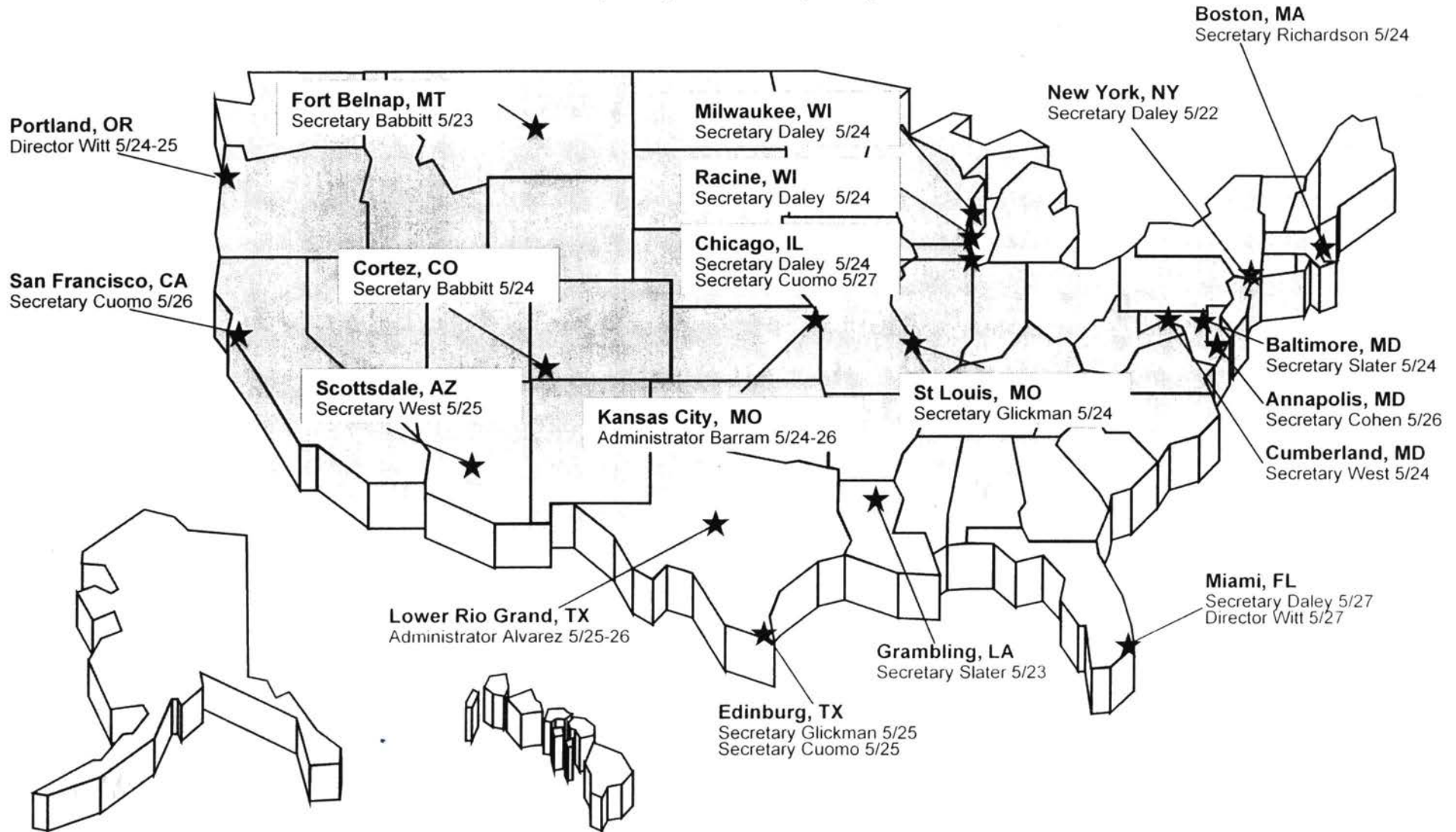
commentators declared that Israel had undergone a political earthquake. Many noted the resurrection of the "legacy" of Yitzhak Rabin, saying that Barak, Israel's most decorated soldier, would serve as the "heir" to "soldier-statesman Rabin." In Israel, popular, pluralist *Maariv* hailed the Barak victory as ushering in a "new era, full of good intentions," while nationalist *Hatzofe* called "yesterday's earthquake...a sad one," adding: "We can only hope that all we lost yesterday was power, not portions of our land." One West Bank daily stressed that in order to "erase the negative effects of Netanyahu's years in office, Barak needed only to implement the already signed peace agreements." Damascus's government-owned *Al-Baath* urged the international community to "move quickly to rescue the peace process before all chances are lost."

SOCIAL SECURITY ADMINISTRATION

- **FY2000 Performance Plan:** In a May 11 letter to Commissioner Apfel, Ways and Means Social Security Subcommittee Chairman Shaw and Ranking Member Matsui wrote that SSA's FY2000 Performance Plan now ranks among the highest scoring Federal agencies. Because of its many improvements over last year, SSA's FY2000 Plan was given a score of 84.5, out of a possible 100. Last year, SSA received a score of 17.

Domestic Cabinet Travel

Saturday, May 22 - Friday, May 28, 1999



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

Buddy MacKay

Minyon Moore

Bruce Reed

Steve Ricchetti

Doug Sosnik

Gene Sperling

Larry Stein

Loretta Ucelli

Melanne Verveer

THE PRESIDENT HAS SEEN
5-24-99

THE WHITE HOUSE

WASHINGTON

May 22, 1999

MEMORANDUM FOR THE PRESIDENT

Tab B.

pg 1 of cover memo & memo at

FROM: SEAN MALONEY

Tab B

Berger
Podesta

SUBJECT: Recent Information Items

I am forwarding the following recent information items:

- (A) **Larry Summers Report on APEC Finance Ministerial** -- Larry attended the 6th finance ministerial in Langkawi, Malaysia, last week; he was struck by three things: (i) cautious optimism among the participants; (ii) the degree of change in financial thought with consensus on the need for transparency, improved bank regulation, more arms-length transactions and protection of shareholders' rights; and (iii) the harmonious atmosphere (e.g., says the issue of capital controls was the dog that didn't bark); the meeting's main "deliverables" were: new Japanese guarantees to lengthen the maturity of financial flows to Asian countries; a communiqué expressing appreciation among the APEC group for the G22 process you began; and a strengthened commitment to improve corporate governance in the region; on bilateral meetings, Larry says the Russians were proud of their increased tax collections; the Chinese were distant; and the Thais/South Koreans were feeling good. *Please see memo for details*
- (B) **Berger Memo on Italian Concerns over Jettisoning Bombs in the Adriatic** -- D'Alema recently dined with the First Lady and complained that NATO's jettisoning of bombs in the Adriatic was affecting tourism, local industry and the environment; three Italian fishermen were recently killed when bombs caught in their nets exploded; the Italian Navy has cordoned off a section of the Venice coast and begun a minesweeping operation; Sandy says Cohen and Shelton are personally involved, and NATO is moving jettison areas into deeper waters and developing a plan to recover jettisoned ordinance.
- (C) **Items Executed on your Behalf** -- Due to your travel schedule and limited office time this week, I executed the following items on your behalf: (1) Second KEDO Funding Installment Certifications -- under the FY99 Foreign Ops appropriations law you are required to make certain certifications to Congress prior to releasing KEDO funding installments; in order to release the June installment of \$20M you were required to certify: the initiation of meaningful discussions with the North on implementing the Joint Declaration; agreement on satisfying U.S. concerns over the "underground site"; and progress on reducing/eliminating the North's ballistic missile threat; your advisers recommended you do so; (2) Directive to Secretary Cohen on Space Launch Failures -- at Podesta's request I executed on your behalf a directive to the Secretary requesting an interim report in 90 days, and a final report in 180 days, on the recent string of space launch failures.

5-24-99

THE WHITE HOUSE

WASHINGTON

May 21, 1999

Copied

Berger

Podesta

MAY 21 PM 12:28

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM:

SAMUEL BERGER *For Kennel*

SUBJECT:

Italian Concerns About NATO Jettisoning Bombs in the Adriatic

When Italian Prime Minister D'Alema dined with the First Lady in Naples on May 14, he raised concern about the impact that NATO's jettisoning of bombs in the Adriatic is having on tourism, local industry and the environment. Italian media has reported that some canisters have been found near the Venice Lido, a popular tourist area. In one unfortunate incident, three Italian fishermen were injured when bombs caught in their nets exploded. Following NATO acknowledgement that its planes may have unloaded cluster bomb canisters in the area, the Italian Navy cordoned off a section of the Venice coast and began a minesweeping operation.

We are fully engaged in addressing Italian concerns and working to clear up this problem without delay. Resolving it is not only the right thing to do, but also essential to shoring up Italian support for continued air operations and maintaining a strong bilateral defense relationship in the aftermath of the Cavalese tragedy. Hugh Shelton and Bill Cohen are personally engaged in these efforts and their staffs are working directly with Italian military authorities to move all of the jettison areas away from tourist sites. Two new jettison sites selected by Italian authorities have already been established in deeper water, and NATO is preparing a recovery plan to locate ordnance that has been jettisoned.

Although D'Alema mentioned his concern to the First Lady, the Italian Government has not raised the issue in diplomatic channels. The next time you speak to D'Alema, however, you might want to note that we have worked hard to address his concerns.

cc: Vice President
Chief of Staff

05/20/99 15:38 FAX 15078831207

GROW

02

'99 MAY 24 PM 2:31



Student Pledge Against Gun Violence

May 9, 1999

To: Betty Currie

Fr: Mary Lewis Grow
National Coordinator, Student Pledge Against Gun Violence

Re: Relevance of this grassroots initiative to tomorrow's White House Conference

My cousin, Ned Powell, gave me your fax number in the hope that you would give my letter (enclosed) directly to the President.

People are yearning for constructive responses to the Littleton shootings. Beginning to plan now for a Day of National Concern about Young People and Gun Violence gives us, community by community and school by school, a positive and unifying focus. It also engages young people directly and gives them an empowering role to play.

I'm getting calls and e-mails from all over the country from students, parents, and organizations wanting to help. I hope the President will help too - by publicizing the observance and the Student Pledge initiative.

Thank you for your help.

Mary Lewis Grow

5/24/99

Send to Burkhardt?

Yes

No

05/20/99 15:38 FAX 15076631207

GROW

03



Student Pledge Against Gun Violence

May 9, 1999

The President
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20050

Re: A grassroots initiative that mobilizes young people themselves: the Student Pledge Against Gun Violence

Dear Mr. President:

As founder and coordinator of an observance that has already involved millions of young people in opposing gun violence, I am writing to urge you to encourage national participation in next October's *Day of National Concern about Young People and Gun Violence*. The White House Conference tomorrow would provide an excellent opportunity to voice your support.

I am grateful that you are addressing the issue of gun violence in a multi-faceted way: through further regulation of firearms and the way in which they are sold, through a long, hard look at violent forms of entertainment, and by asking parents to remain connected with their children. What is still missing, I believe, is a conversation that engages young people themselves in the dialogue and enlists their partnership in addressing the issues that affect them.

It is so important, especially now, to stress to students that they have a role to play in reducing the violence. It is important, too, to give communities a focal point around which to come together and think creatively about solutions. Otherwise, tragedies such as the one in Littleton can paralyze and numb.

I believe that it would be helpful and healing for you to call *now* for a Day of National Concern about Young People and Gun Violence and national distribution, on that day, of the Student Pledge Against Gun Violence.

This year's Day of National Concern will be on October 21. It seems a long time until October, but my vision has always been that distribution of the Pledge and the Day of Concern itself would be a culmination of a process rather than an isolated event. It should, I believe, occur within a context of community and national support that would

112 Nevada Street, Northfield MN 55057
Phone: (507) 645-5378 Fax: (507) 663-1207
mlsrow@microassist.com

05/20/99 15:38 FAX 15078631207

GROW

04

build for the weeks and months preceding. This observance can be a vehicle for community-by-community dialogue that unifies rather than divides.

I have appreciated your support, via Presidential Proclamation, of this observance on all three of the last years. This year, I hope you will become more actively involved in the earlier stages of its planning. With your help and encouragement, preparations for a Day of National Concern about Young People and Gun Violence can unite us in our common concern and lead us towards the national conversation on young people and gun violence that you have been calling for.

Sincerely,



Mary Lewis Grow

May 17, 1999

Gill Heart Institute
Division of Cardiovascular Medicine
Room L543 Kentucky Clinic
740 South Limestone Street
Lexington, Kentucky 40536-0284
(606) 323-5479
FAX: (606) 323-6475
<http://ghi.uky.edu>

President Bill Clinton
1600 Pennsylvania Ave., NW
Washington, DC 20502

Dear President Clinton:

Thank you for taking the time to autograph my cover of the U.S. News and World Report in which our Coronary Valley Project was featured.

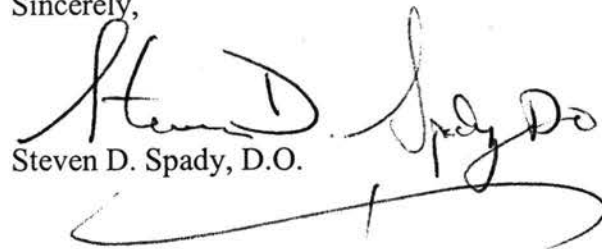
I appreciate your continued efforts to improve the quality of health care for the American people and I personally have targeted the Appalachian region. As you may be well aware, this region has 50% more incidence of morbidity and mortality due to coronary artery disease. Obviously, the incidence of lifestyle problems including obesity, inactivity, diabetes, hyperlipidemia and hypertension run rampant!

We need to start the education process now and implement models of care that can, in the next 3-4 generations, have a major impact on the health in this region.

I would sincerely appreciate the opportunity to discuss this program with you or any of your health task force.

Again, thank you for taking the time to personalize our article. If there is anything I can do to assist in this endeavor of improving the health for all Americans, please feel free to contact me.

Sincerely,


Steven D. Spady, D.O.

SS:alh

UK UNIVERSITY OF KENTUCKY

STEVEN D. SPADY, D.O.

Director of Community Projects
Coronary Valley Project

Greenridge Medical Building
301 Memorial Drive
Manchester, KY 40962

Office: (606) 598-0075

FAX: (606) 598-8814

Send to

Burkhardt

Yes ☒

No ☐

5/24/99



Dr. Steven Spady
President/Medical Director

301 Memorial Drive
Manchester, Kentucky 40962
Phone: 606-598-0075
Fax: 606-598-1688
www.med-consult.com

SDSpady@aol.com



College of Medicine
Division of Cardiovascular Medicine
L543 Kentucky Clinic
Lexington, KY 40536-0284

President Bill Clinton
1600 Pennsylvania Ave., NW
Washington, DC 20502

May 11, 1998

Division of Cardiovascular Medicine
Room L543 Kentucky Clinic
740 South Limestone Street
Lexington, Kentucky 40536-0284
(606) 323-5479

Steven Spady, D.O.
301 Memorial Drive
Manchester, KY 40962

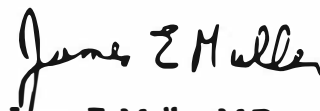
Dear Dr. Spady:

We are delighted that you are interested in collaborating with us on the Coronary Valley Project of the Gill Heart Institute at the University of Kentucky. We will initiate the process of offering you a position on the voluntary faculty of the university to facilitate this collaboration. Furthermore, we would like to invite you to serve as a permanent member of the Coronary Valley Project with a focus on the means of detection and reduction of risk factors in the counties that are most severely afflicted with this problem. We would like to offer the title of Director of Community Programs of the Coronary Valley Project.

We look forward to preparation of project plans and research projects that will be submitted to the CDC and to the National Institutes of Health.

We are most delighted that we have been able to join forces with you and look forward to activities that will reduce this terrible excess of cardiovascular death in certain areas of the country.

Sincerely yours,



James E. Muller, M.D.
Professor of Medicine
Chief, Division of Cardiovascular Medicine

JEM/jds

Reflection of the Coronary Valley Symposium
James E. Muller, MD
April 22, 1998

On the basis of the feedback I received from many individuals, it is apparent that the Coronary Valley Symposium was a great success. It was noted that it was an extremely interesting scientific forum, and that a great deal of good was accomplished through the public dissemination of the results. Numerous individuals said that they felt the opportunity to meet others with similar interest was a great benefit.

It appears that the symposium accomplished its primary goal of defining the problem and bringing it to the attention of the public. It also advanced our understanding of the problem.

The next step will be to begin the work noted in the consensus statement. This includes the preparation of the proceedings, the collection of additional data to define the problem and the initiative to improve the public response to risk factor modification.

We intend to hold the symposium again in April of 1999, and review the progress that will be made on this very important national problem.

Consensus Statement
April 17, 1998
The Coronary Valley Symposium Participants

Introduction

On April 16 and 17, 1998, a two-day symposium was held in Lexington, Kentucky, to discuss reports of excess coronary heart disease mortality in the states in the Ohio and Mississippi River Valleys. The symposium was organized by the American Heart Association and the University of Kentucky Gill Heart Institute. Over 30 cardiovascular specialists and scientists (see list of participants) from throughout the country presented data, participated in discussions, and reached the following consensus regarding the "Coronary Valley" phenomenon.

I. The Coronary Valley

The apparent excess that led to the symposium is real. The average of CHD death rates in the 9 states in the top quartile of CHD mortality that border the Ohio and Mississippi rivers was 114 per 100,000 population per year in 1993. This is approximately 56% higher than that in states in the lowest quartile of CHD mortality.

In addition to states in the Ohio and Mississippi River Valley, Oklahoma has high CHD mortality, as does New York. The regional excess of mortality is responsible for an enormous loss of life. If the CHD mortality in the top quartile of states (116 deaths per 100,000) could be reduced to the level of New Mexico (54 deaths per 100,000), over 50,000 lives could be saved each year.

II. Possible Causes of High CHD in the Coronary Valley

On the basis of the data currently available, it is likely that a large portion of the excess mortality is due to an excess of the well known traditional risk factors for CHD. Preliminary findings indicate an excess of cigarette smoking, obesity, hypertension, and lack of physical activity in the Coronary Valley states. It is probable that excesses also exist in elevated cholesterol, high dietary fat intake, diabetes, and possibly estrogen deficiency.

The Coronary Valley region has large disadvantaged populations with lower socio-economic status (SES), and there are barriers in the social environment that are associated with increased CHD.

There are currently insufficient data to assess potential increases in CHD morbidity (non-fatal myocardial infarction, ischemic cardiomyopathy and angina pectoris), certain non-traditional risk factors, and medical care in the Coronary Valley states. There is no evidence that variations in water quality in the region contribute to the excess, and no changes in consumption of drinking water are recommended.

III. Actions needed to Reduce CHD Mortality in the Coronary Valley States

A. Risk Factors for Coronary Heart Disease must be reduced

Both community and individual strategies to reduce traditional risk factors have been well-developed in other areas of the country, and are effective. They should be implemented as soon as possible in the afflicted areas.

B. Research is needed to identify all factors contributing to the increase

Clarification of the Coronary Valley problem requires the following new activities:

1. Improved characterization of regional variations in traditional risk factors, taking into account age, gender, ethnicity and SES.
2. Identification of regional variations in non-fatal CHD morbidity and medical care, including the use of pharmacologic agents known to reduce CHD
3. Determination of the costs associated with the CHD excess.
4. Study of non-traditional risk factors such as, thrombotic tendency, infection, allergy, and possible water quality variations.
5. Characterization of regional variations in social environment.

C. Potential Lead Organizations in the Effort

The Coronary Valley problem is of such magnitude that its resolution requires a response from multiple organizations, including federal, state and local governments. For this effort the target states will be those located in the Coronary Valley area (Arkansas, Illinois, Indiana, Kentucky, Louisiana, Mississippi, Missouri, Ohio, Tennessee, West Virginia) plus any states in the top quartile of CHD mortality according to the most recent data. For 1993, this would include New York and Oklahoma.

On the federal level funds should be made available to both the Centers for Disease Control and Prevention, and the National Heart Lung and Blood Institute, to permit those organizations to focus scientific and financial resources on the resolution of this national problem.

State and local governments should provide support for activities to address the problem at their respective level.

Increased contributions by the public to the American Heart Association would permit that organization to focus resources on the problem. Partnerships should be formed with healthcare companies that have products capable of reducing disease, that are underutilized in the Coronary Valley states.

The University of Kentucky Gill Heart Institute and other academic institutions should continue to utilize their resources to coordinate actions and collaborate with other organizations to reduce CHD mortality in the affected areas.

D. Plans for the Future

1. Dissemination of Results of the Symposium

The immediate results of the symposium will be available to the public through the journalists attending the public sessions, and through the news conference held today. Manuscripts prepared by the participants, and notes from the discussions, will be assembled as symposium Proceedings and submitted to a peer-reviewed journal for publication.

2. Future Meetings

A second symposium to be held in April, 1999.

3. The Ongoing Coronary Valley Project

A problem of this magnitude requires a sustained, multi-year effort. This will be conducted by the Coronary Valley Project that will be based at the University of Kentucky Gill Heart Institute.

The goal of the Coronary Valley Project is to reduce the CHD death rate of the Coronary Valley states by over 50% to the level currently recorded in New Mexico (54 deaths per 100,000 inhabitants per year) within the next 10 years.

LEXINGTON HERALD-LEADER

Monday, April 13, 1998

www.kentuckyconnect.com

Metro Final Edition • 50¢

River valley region including Kentucky at top in heart deaths

By Jim Warren
HERALD-LEADER MEDICAL WRITER

Some of this country's top scientific sleuths will be in Lexington later this week to look for answers to an intriguing medical mystery.

Why are death rates from coronary heart disease highest in states bordering the Ohio and Mississippi River valleys?

Of the 12 states with the nation's highest death rates from coronary heart disease, nine — including Kentucky — border these rivers.

Although widely different in character, the nine river-valley states have coronary death rates about 56 percent higher than states with the lowest coronary death rates. When it comes to coronary heart disease — the nation's leading killer — living in these states apparently could be hazardous to your health.

What causes this phenomenon, which has been dubbed "Coronary Valley?"

Nobody knows.

"At this moment, I think we have to say that it's a mystery. And we need to solve it," said Dr. James Muller, director the University of Kentucky's Gill Heart Institute.

About 20 leading experts from around the country will gather at UK's Carnahan House for a two-day symposium this week to look at the Coronary Valley problem, assess its magnitude and look at possible strategies

See MYSTERY, A6

A6 Lexington Herald-Leader
Monday, April 13, 1998

MYSTERY: 'Coronary Valley' is subject of Lexington symposium

From Page One

for reducing death rates in the affected states. The session, sponsored by the Gill Heart Institute and several pharmaceutical companies, starts Thursday.

According to Muller, the symposium will explore several questions:

■ How have coronary death rates in the Coronary Valley changed over the last 40 years?

■ Are rates in the valley higher in all racial groups?

■ Can traditional risk factors alone explain the high rates in Coronary Valley?

■ What should be the priorities in preventing coronary heart disease in Coronary Valley?

Admittedly, it's doubtful a two-day conference can come up with an explanation for such a complex problem. But Muller said he hopes participants can find clues. He says they also might develop ideas for long-range scientific studies to seek answers, and encourage agencies such as the National Institutes for Health to fund such research.

"If we can get an answer, it could help us find ways to reduce deaths in these areas," Muller said.

Muller estimates that reducing coronary death rates in the 12 worst states to the same level as New Mexico — which has the nation's lowest rate — could save up to 50,000 lives a year.

"In other words, each year we're now losing about the same number people that we lost in the Vietnam War because of this regional excess in death rates," he said.

Striking numbers

Epidemiologists — scientists who investigate the causes of disease outbreaks — have long recognized wide regional variations in coronary heart disease and other disorders. It's well known, for exam-

ple, that strokes occur most often in 11 states stretching across the southeastern United States.

But while the existence of the "stroke belt" has been widely reported, few outside of medical circles have heard about Coronary Valley. It also hasn't received much scientific study.

But the numbers in Coronary Valley are striking.

Kentucky, right in the middle of Coronary Valley, ranks fifth nationally with a coronary heart disease death rate of 116.7 deaths per 100,000 population. That's more than twice as high as New Mexico, which has a coronary death rate of 54.2 deaths per 100,000.

New York, which ranks worst in the nation at 135.9 deaths per 100,000, isn't in the Coronary Valley, but it is in a major river valley, that of the Hudson River. New Yorkers are almost three times as likely as New Mexicans to die of coronary heart disease.

Usually, scientists blame high rates of heart disease on a predominance of risk factors such as heavy cigarette smoking, a fatty diet, obesity and lack of exercise. Those factors abound in Kentucky, which, for example, out-smokes all the other states. But are there other, as yet unidentified, factors?

"The most likely explanation is that regional differences in risk factors account for part of what we're seeing, but not all," Muller said. "The other likely hypotheses are some kind of infection, allergies, or some mineral or other factor in the water."

Dr. Alvin Mushlin, a professor of medicine at the University of Rochester in New York, thinks part of the explanation may be in the way scientists are looking at the numbers. Mushlin said, for example, that when statisticians look only at coronary deaths under age 75, and

adjust their calculations to control for differences between states "it doesn't look like New York state is as much of an outlier as it might appear to be."

Also, Mushlin says some of New York's highest coronary death rates are among people with limited access to health care.

"It raises questions as to whether part of the high rates are related to problems in health-care delivery," said Mushlin, who is scheduled to speak at the Coronary Valley symposium.

A permanent mystery?

But if high coronary death rates are hard to explain, very low ones also defy understanding.

Dr. John Abrams, a cardiologist at the University of New Mexico who also is scheduled to speak at the Coronary Valley symposium, says that some unknown factors must be behind his state's dramatically low coronary death rate.

Interestingly, Abrams' description of New Mexico resembles Kentucky in several ways. Like Kentucky, New Mexico is a relatively poor, rural state with many people living far from hospitals; many of its residents eat a fatty diet; and, like Kentucky, it has very high rates of diabetes, a critical heart disease risk factor. And yet New Mexico's coronary death rate is less than half Kentucky's.

"We've been way below the national average for 25 or 30 years. And I can't explain it," Abrams said. "I can't imagine that we do things here that much differently than anywhere else in the country. It might be genetic; maybe it's somehow related to our climate and environment. The answer is, I don't have the slightest idea why our rates are so low."

Kentucky's newly appointed state epidemiologist, Dr. Glenn Caldwell, who also will attend the symposium, says Coronary Valley probably can be explained by a combination of lifestyle, genetic and environmental factors. But a true smoking

From the Front Page

Heart deaths

■ HIGHEST

These 12 states have the country's worst coronary heart disease death rates, based on deaths per 100,000 population.

	Deaths/ 100,000
New York	135.9
Oklahoma	120.2
Missouri	120.1
Arkansas	118.8
Kentucky	116.7
West Virginia	116.1
Indiana	113.1
Tennessee	113.1
Louisiana	111.7
Ohio	111.3
Michigan	109.3
Illinois	108.4
Average	116.2

(Nine of the 12 — Kentucky, Missouri, Arkansas, West Virginia, Indiana, Tennessee, Louisiana, Ohio and Illinois — border the Ohio or Mississippi rivers. A 10th, New York, lies in the Hudson River Valley.)

■ LOWEST

States with the lowest death rates from coronary heart disease are:

	Deaths/ 100,000
New Mexico	54.2
Hawaii	60.9
Utah	67.5
Colorado	72.4
Maryland	73.3
Alaska	75.0
Montana	75.9
Nevada	77.6
Washington	78.3
Connecticut	80.4
Minnesota	81.4
Nebraska	83.8
Average	73.4

— SOURCE: NATIONAL CENTER FOR HEALTH STATISTICS

gun might never be found, he said.

"I spent 20 years studying cancer clusters, and you almost never find real cause and effect relationships in these clusters," Caldwell said. "I think the conference is a start at saying: 'Here's what we know, here's what we don't know, here's what we need to look at.'"

Doctors to discuss 'Coronary Valley'

BY DICK KAUKAS
The Courier-Journal

About five months ago, the chief of cardiovascular medicine at the University of Kentucky's medical school was looking at a map showing deaths from coronary heart disease in all 50 states when he noticed a disturbing pattern:

Nine of the 12 states with the highest rates including Kentucky and Ohio were along the Mississippi and Ohio rivers. They had mortality rates that were substantially higher than the national average for coronary heart disease, the nation's leading killer.

Kentucky, for instance, had 116.7 deaths for every 100,000 people, compared with the national average of 95. That put it fifth highest in the nation. Indiana ranked the seventh highest, with 113.1.

At the same time, only one of the 12 states with the lowest rates, Minnesota, was along either river.

To describe what he saw, Dr. James E. Muller coined the term "Coronary Valley" something like the "Stroke Belt" that's been used to describe the higher incidence of strokes in some Southeastern states.

Dr. Muller has invited about 20 leading experts from around the country to UK this week to look for why the coronary rate is higher in states along the two big rivers. The two-day session will start Thursday.

"We should not have some states where the death rate from coronary disease is twice what it is in other states," Dr. Muller said.

Looking for causes

Exploring the reasons is important, he said, because lowering the death rate from coronary heart disease in the 12 highest states to the level in New Mexico which has the lowest rate, 54.2 "would mean 50,000 fewer deaths per year."

No one knows why the rates are so much higher along the Ohio and Mississippi, but there are several "exotic ideas" that the group will explore, Dr. Muller said.

► Infections: Is it possible that a single infection or a combination of infections all focused on the heart and the coronary arteries afflict more people in the 'Coronary Valley' than elsewhere, causing the higher death rates?

► Allergies: The plaque

Death rates

In the map showing deaths from coronary heart disease in all 50 states, Kentucky had 116.7 deaths for every 100,000 people, compared with the national average of 95. That put it fifth highest in the nation. Indiana ranked the seventh highest, with 113.1.

that-clogs coronary arteries contains cells associated with the immune system, which is activated by allergies, Dr. Muller said. But he said it's not clear what role those cells play in making plaque vulnerable to rupture, causing heart attacks.

► Water: "Maybe it's something in the water," Dr. Muller said, noting that the Ohio and Mississippi drain huge areas where fertilizers and other chemicals are used on farm crops.

Dr. Muller said the rivers may turn out to be "incidental markers" for some other explanation. For instance, he said, research in England showed that in areas where the water was the softest, coronary heart disease was highest. "But it also turned out that those were the areas of highest poverty in England," Dr. Muller said, which was a more likely explanation than soft water.

Some experts at the symposium also may contend that traditional explanations for death from coronary disease — high cholesterol, high-fat diet, high blood pressure, smoking and sedentary lifestyle — account for the higher death rates.

Dr. Muller set up this week's symposium as a first step toward finding out why the high rates seem to be clustered along the rivers.

He used 1993 figures from the American Heart Association to identify Coronary Valley.

The two states with the highest rates — New York at 135.9 and Oklahoma at 120.2 — don't border the rivers, but Dr. Muller said they have some intriguing similarities to the Coronary Valley. He said the main one is that both are drained by major river systems, the Hudson in New York and the Red River in Oklahoma.

Exceptions to theory

On the other hand, not all the states that border the Mississippi are in the group with

the highest rates.

In Wisconsin, Iowa and Mississippi the coronary heart disease death rates fall just below those in the top group.

There could be several explanations for why Minnesota's rate is so low despite its location, said Dr. Zhi-Jie Zheng, a cardiovascular epidemiologist at UK who will be speaking at the symposium.

Dr. Zheng said Minnesota borders the upper reaches of the Mississippi, where the river might not carry as much industrial pollution and farm runoff. But Dr. Zheng also noted that Minnesota has for many years stressed public-health efforts to prevent coronary heart disease and other chronic illnesses, which could explain its lower death rate.

Numbers keep shifting

The data have fluctuated some since they were compiled in 1993. For example, Louisiana no longer is among the states with the very highest death rate, although it falls in the next highest group, with a rate just under 100.

But Dr. Muller said the changes don't affect his theory. "There's bound to be some noise and changes in the data," he said.

The symposium, which isn't open to the public, will be at UK's Carnahan Conference Center.

Scheduled speakers include Linda W. Pickle and Richard Gillum from the National Center for Health Statistics, who will discuss regional differences in coronary heart disease mortality.

Alvin Mushlin, professor of medicine at the University of Rochester in New York, who will talk about that state's high coronary-heart-disease death rate.

Jonathan Abrams, professor of medicine at the University of Mexico, will try to explain why New Mexico has the lowest coronary-heart-disease death rate in the country, one that is less than half of Kentucky's rate.

That contrast between the two states is unusual because New Mexico is also a relatively rural and poor state, and, like Kentucky, it has very high rates of diabetes, a critical heart disease risk factor. Dr. Abrams has said the explanation may lie in New Mexico's climate or environment, but he isn't certain.

'Usual suspects' cited in state's heart deaths

By Jim Warren
HERALD-LEADER MEDICAL WRITER

Traditional culprits like smoking, fatty diets and lack of exercise — not some mysterious X factor — are the most likely explanation for high coronary disease death rates in Kentucky and nearby states.

But that doesn't mean fixing the problem will be any easier.

That's the preliminary picture that emerged yesterday at the opening of a two-day symposium in Lexington to discuss "Coronary Valley" — the term coined to describe high coronary death rates in Kentucky and other states bordering the Ohio and Mississippi

river valleys.

Rates for coronary death in those states run about 56 percent higher than in states with the lowest coronary death rates.

The symposium, sponsored by the University of Kentucky's Gill Heart Institute, is intended to determine the reason for the high rates and what might be done about it. About 20 leading physicians and epidemiologists are attending the conference.

But while possible non-traditional reasons for Coronary Valley have been mentioned — ranging from allergies to something in the

See HEARTS, B6



Linda Gill and Dr. James Muller, director of the University of Kentucky's Gill Heart Institute. Gill, a former Kentuckian now living in Texas, and her husband, Jack, gave UK \$5 million to start the institute.

MARK CORNELIUSON/STAFF

HEARTS: Nothing glamorous in heart-death risks

From Page B1

air or water — yesterday's discussion mostly focused on familiar, old problems that are anything but glamorous: high cholesterol, high blood pressure, fatty diets, smoking and sedentary lifestyles.

"As researchers we sometimes like to explore novel things and get attention for our research," said Dr. Michael Gaziano, an assistant professor of medicine at Harvard University and a symposium speaker. "The fact that cigarette smoking causes heart disease ... may not grab headlines anymore. But smoking, high cholesterol and high blood pressure clearly are major risk factors."

Another participant, Gregory Heath, an epidemiologist with the federal Centers for Disease Control and Prevention, said those traditional risk factors also appear to be present at higher levels in Coronary Valley states like Kentucky, Indiana, Tennessee and Arkansas than elsewhere around the country.

But while Heath and Gaziano said medicine has plenty of tools to combat risk factors — such as drugs to lower cholesterol and control blood pressure — they said getting people to stop smoking, eat properly and exercise more is a tough proposition.

"Our approach in the past has been that if we'd just make people aware they have these elevated risk



MARK CORNELIUSON/STAFF

Epidemiologist Gregory Heath cited people's reluctance to change.

factors, it would be enough to motivate them to change," Heath said. "But that's hogwash; that's just not going to work."

Nevertheless, Dr. James Muller, director of the Gill Heart Institute and the man who coined the name Coronary Valley, says 50,000 lives could be saved each year if coronary rates in Kentucky and other valley states were lowered to that of New Mexico, which has the nation's lowest coronary death rate.

"It's a very important national problem, and it certainly is worth all our efforts to figure out why this concentration exists, what's causing it, and what to do about it,"

Muller told symposium participants at yesterday's opening session.

Also speaking yesterday was Kentucky native Linda Gill, who with her husband, Jack Gill, recently donated \$5 million to UK to help start the Gill Heart Institute. Gill, who now lives in Texas, said Kentucky's high death rate from heart disease was one reason she and her husband decided to get involved.

"We must find the answers to reversing this trend," she said.

The symposium continues this morning, with participants working to agree on a consensus statement on their findings before adjourning this afternoon.

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States along Mississippi worst for heart disease

April 15, 1998

Web posted at: 10:28 a.m. EDT (1428

GMT)

FRANKFORT, Kentucky
(AP) — The mystery of
Coronary Valley is drawing
health experts from around
the country.



Of the 12 states with the country's highest death rates
from heart disease, nine are along the Ohio or lower
Mississippi rivers. Another is New York, on the Hudson
River.

Whether that's coincidence, or has some explanation,
nobody knows.

Dr. James Muller, director of Gill Heart Institute at the
University of Kentucky, arranged a symposium on the
issue that begins Thursday in Lexington.

When he arrived from Harvard in 1996, he knew
Kentucky had a high heart disease death rate — fifth
highest at 116.7 deaths per 100,000 population.

But when he looked at maps of the distribution of high
heart disease rates, "I noticed that it seemed to go down
the Ohio River and down the Mississippi, so I started
calling it the Coronary Valley," Muller said in an
interview.



"I coined the phrase because I
think it's something we need to
bring attention to, to solve."

The states that border the Ohio
and Mississippi and have high
death rates from heart disease
are Kentucky, Missouri,

Arkansas, West Virginia, Indiana, Tennessee, Louisiana,
Ohio and Illinois.

New York, split by the Hudson River, has the highest
rate — 135.9 deaths per 100,000 people, according to the
National Center for Health Statistics in Hyattsville,
Maryland.



Oklahoma, whose southern border is formed by the Red River, is second-highest at 120.2. The remaining state in the top dozen is Michigan, 11th at 108.4, which sits between two of the Great Lakes.

Minnesota, at the headwaters of the Mississippi, is among the 12 states with lowest heart disease death rates, at 81.4 per 100,000. The remaining upper Mississippi states -- Wisconsin and Iowa -- are between the two extremes.

Kentucky's state epidemiologist, Dr. Glenn Caldwell, said Coronary Valley probably can be explained by a combination of lifestyle and genetic and environmental factors.

"I spent 20 years studying 'cancer clusters,' and you almost never find real cause-and-effect relationships in these clusters," Caldwell said.

The state with the lowest heart disease death rate is New Mexico, with 54.2.

Yet, like Kentucky, New Mexico has high rates of obesity and diabetes, two of the most notorious risk factors for heart disease. It also is a rural state that lags in preventive health care because large numbers of people are uninsured.

Dr. Johnathan Abrams, a University of New Mexico cardiologist, said genetics might partly account for that state's low rate. Indigenous Hispanics and American Indians, who together make up about half the state's population, traditionally have extremely low rates of heart disease.

However, "no one really believes that our lifestyle, diet and exercise are better here," Abrams said. "This is a third world country in many ways."

Abrams was among those planning to speak at the symposium.

"I'm not going to have an answer," he said. "I'm going to suggest tongue in cheek that it's green chili."

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In-Depth Health:

- [Heart](#)

'Coronary Valley' link could mean federal dollars for Kentucky

By Jim Warren
HERALD-LEADER MEDICAL WRITER

A scientific symposium ended in Lexington yesterday without finding any dramatic new explanation for high coronary death rates, but it did bring news that Kentucky might get new federal dollars to fight the problem.

Symposium participant Gregory Heath, an epidemiologist with the federal Centers for Disease Control and Prevention in Atlanta, said the CDC soon will distribute \$5 million to \$6 million for coronary heart disease prevention programs, and 16 states that have the country's highest coronary death rates are eligible to compete for the money. Only eight states, however, actually would get the funds.

The list of eligible states in-

cludes Kentucky and eight other states forming the so-called "Coronary Valley," the subject of the two-day symposium sponsored by the University of Kentucky's Gill Heart Institute.

Officials at the Kentucky Department of Public Health said yesterday afternoon that they've heard little about the new CDC program, but would seek a share of the prevention money.

Meanwhile, the Coronary Valley symposium's final report, issued yesterday afternoon, discounted off-beat causes such as possible pollutants in drinking water, and blamed high death rates in the valley states mainly on traditional risk factors: smoking, obesity, lack of exercise and poverty.

See HEART, C4

HEART: 'Coronary Valley' blamed on usual causes

From Page C1

"It doesn't seem to be the water... It's us," Dr. James Muller, director of the Gill Heart Institute, said in summing up the findings.

"It would have been better if it had been the water, because that would have been easier to change than what we found. The real problem here is lifestyle issues, and that's much, much harder to correct."

The 30-odd scientists who participated agreed to meet again next year. They adopted a goal of cutting coronary death rates in Coronary Valley by 50 percent within 10 years. That could save 50,000 lives a year, although Muller said there's no specific plan yet.

It might be necessary, he said, for the nine Coronary Valley states to form their own organization to work on lowering the problem.

The Coronary Valley, so named because it borders the Ohio and Mississippi river valleys, includes Kentucky, Ohio, Tennessee, West Virginia, Illinois, Indiana, Arkansas, Missouri and Louisiana. Those states have coronary death rates 56 percent higher than the states with the lowest rates.

News of the new CDC prevention program came as the symposium was adjourning.

Heath, acting chief of the CDC's cardiovascular health branch, said the federal money is meant to help change lifestyle behaviors — encouraging better diet and more exercise — in hopes of reducing cardiovascular risk factors. Heath told

the symposium Thursday that such risk factors are more prevalent in Coronary Valley than anywhere else in the country.

The program will begin on a "relatively modest" scale, offering eligible states "in the neighborhood of \$5 million to \$6 million" for prevention programs, Heath said. All 50 states eventually could join the program, he said.

"This is to prime the pump," Heath said. "In the long run, we hope it will mean improved health, improved quality of life and decreased premature deaths among the citizens of Kentucky."

Mary Kay Sones, a CDC spokeswoman, said later yesterday that at least 16 states and the District of Columbia, including Kentucky and the other Coronary Valley states, will be eligible to seek the preven-

tion money. But she said only the eight states that meet specifications for the program will actually receive money.

The CDC will send eligible states more information on those specifications within the next few weeks and invite them to submit proposals, Sones said. The plan is to have the program going before June 30, the end of the fiscal year, she said.

Muller said Kentucky and other Coronary Valley states face a complex task in lowering coronary death rates because getting people to change personal behavior is never easy.

"I think that the results confirm our suspicion that traditional risk factors are the cause," Muller said, of the valley's high death rates. He said that although the scientists

couldn't totally rule out factors such as water pollution, they could find no evidence to indicate such factors are causing the high death rates.

Several angles of the Coronary Valley problem need more study, he said, including determining the dollar cost of high coronary death rates in the valley states.

"It's probably enormous," he said.

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SATURDAY • APRIL 18, 1998

Heart ills traced to bad habits

Doctors say our lifestyle needs repair

BY TIM BONFIELD
The Cincinnati Enquirer

LEXINGTON, Ky. — It isn't the water. Experts agree that the high heart-disease death rates in Ohio, Kentucky, Indiana and the rest of the 12-state "Coronary Valley" are caused by our own bad habits.

We don't exercise enough. We smoke too much. We eat too much high-fat food.

We know all these things,

are bad for us, but we just won't change — at least not as fast as those salad-eating, Rollerblading West Coast types.

The price: more than 50,000 unnecessary deaths a year from coronary disease, a death rate that's about twice as high as the 12 states with the lowest death rates.

Moreover, the Coronary Valley toll is highest among African Americans and the poor — a sign that years of public health awareness campaigns aren't reaching the people who need the news the most.

The message from a two-day heart conference this week at the University of

Kentucky was that it's time to place new emphasis on the region's No. 1 killer. The goal declared Friday: to halve the coronary death rate over the next 10 years.

Experts acknowledged their goal is ambitious.

"It would be easier if it were something in the water. That would be easier to change," said Dr. James Muller, UK's chief of cardiovascular medicine, the man who coined the term "Coronary Valley."

Success will require action and money from governments. It will require new public health programs for hard-to-reach people. It will require doctors to work harder with patients. And it will

require people to change their coach potato ways.

"If you ask the public do they know what the risk factors for heart disease are, most do," said Dr. Russell Luepker, chief of epidemiology at the University of Minnesota School of Public Health. "The issue is the difference between what we know and how we live."

The Coronary Valley includes 12 states (listed in order of the highest coronary death rates): New York, Oklahoma, Missouri, Arkansas, Kentucky, West Virginia, Indiana, Tennessee, Louisiana, Ohio, Michigan and Illinois.

The average heart disease death rate for the Coro-

nary Valley is 116.2 per year per 100,000 residents. The 10-year goal is to push that death rate down 53 percent, until it matches the current lowest death rate nationwide — New Mexico's, at 54.2 deaths per 100,000 people.

On Friday, officials with the federal Centers for Disease Control and Prevention announced plans to give states about \$5 million next year for programs to prevent heart disease. Coronary Valley states will have the highest priority for the money, said Gregory Heath, the CDC's acting chief of cardiovascular health.

The money is a good start, but won't be enough, Dr. Muller said. He chal-

lenged Coronary Valley states, especially Kentucky, to find more money.

Kentucky is among several Coronary Valley states that devote almost no state money to preventing heart disease. Instead, state health departments rely heavily on federal grants, which themselves do not reflect the proportion of the heart disease problem, said Edie Sternberg, chief of chronic disease prevention for the Illinois Department of Public Health.

"Ask the state of Kentucky how many employees are working on the state's leading killer," Dr. Muller said. "These things are not being attended to by our government."

KENTUCKY

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VIDEN, 578-5555; FAX, 578-5565

FRIDAY • APRIL 17, 1998

K

Heart death rates vary in U.S.

Rural areas of Appalachia among worst

BY TIM BONFIELD
The Cincinnati Enquirer

LEXINGTON, Ky. — Experts say high heart-disease rates in the 12-state "Coronary Valley" cause as many as 50,000 unnecessary deaths a

year.

That estimate comes from calculating how many lives would be prolonged if those dozen states, which include Ohio, Kentucky and Indiana, could change health trends enough to match New Mexico, which boasts the nation's lowest heart-disease death rate.

"This is a public health failure, especially for people in lower socioeconomic status," Dr. Aaron Folsom, an epidemi-

Gene discovered

A Children's Hospital Medical Center researcher says he has discovered the gene that triggers heart enlargement, which can lead to heart failure and death. B2

ologist with the University of Minnesota, said Thursday.

"Coronary heart disease is largely preventable. It is going

down in the United States, but it's going down more for the affluent than the non-affluent," Dr. Folsom said. "That means our public health system is not reaching the lower economic groups."

Dr. Folsom spoke during a break at a two-day conference to analyze regional disparities in heart-disease rates. The conference, which continues today at the University of Kentucky, gathered more than 20

heart-disease experts and epidemiologists.

The concentration of heart disease in the nation's heartland is so intense that Dr. James Muller, UK chief of cardiovascular medicine, has dubbed the region "Coronary Valley." Other states included are West Virginia, Michigan, Tennessee, Illinois, New York, Missouri, Arkansas, Louisiana and Oklahoma.

For these states, the con-

tinued coronary death rate was 116.2 deaths per year per 100,000 residents, according to American Heart Association statistics. By contrast, the death rate for the 12 lowest states -- mostly Western states -- was 73.4. The national average is 95 deaths per 100,000 people.

The nation's highest coronary death rate was in New

(Please see HEART, Page B2)

Heart: Death rate variable by region

CONTINUED FROM PAGE B1

York, at 135.9 deaths a year per 100,000 population. Kentucky was fifth at 116.7; Indiana was seventh at 113.1; and Ohio was 10th at 111.3.

Explanations for the disparity range widely. Some experts point to genetic factors. Some say poor, uneducated people are more likely to lead unhealthy lifestyles. Some say environmental conditions contribute, be they natural variations in altitude and climate or problems caused by pollution.

The links between heart disease and urban vs. rural lifestyles were discussed extensively Thursday. In areas that included large cities like Cincinnati, Louisville and Lexington, heart deaths were much higher farther from the city, with pockets of high death rates in the inner-city areas.

Heart deaths were especially high in rural Appalachian areas, such as Southeast Ohio and Eastern Kentucky. But heart deaths were low in rural parts of Western states.

The good news: Since the 1970s, the annual death rate from heart disease has dropped about 40 percent nationwide. Rates also have been falling in the Coronary Valley. The challenge, experts say, will be explaining why the death rates have fallen faster in some parts of the country than others.

Continued

THE CINCINNATI ENQUIRER

METRO

THURSDAY • APRIL 16, 1998

Bad heart is big killer in Tristate

BY TIM BONFIELD

The Cincinnati Enquirer

Welcome to "Coronary Valley."

Ohio, Kentucky and Indiana residents live in the middle of a 12-state region that has the nation's highest death rates from heart disease — America's No. 1 cause of death.

In fact, the concentration of heart disease in the nation's heartland is so intense that Dr. James Muller, chief of cardiovascular medicine at the University of Kentucky has dubbed the region "Coronary Valley."

"We need to recognize that the heart disease rates here are more than double the rates in the best states. That discrepancy is too wide to be acceptable," Dr. Muller said.

Today in Lexington, Ky., a two-day conference including 20 of the nation's top heart experts convenes to begin exploring why heart disease

Mapped out

Rates of coronary disease are plotted on a map of the United States. C12

deaths are so high in the central United States.

The nation's highest coronary death rate was found in New York, at 135.9 deaths a year per 100,000 population. Kentucky was fifth at 116.7; Indiana was seventh at 113.1; and Ohio was 10th at 111.3.

But in western states, coronary death rates are far lower: 54.2 in New Mexico; 67.5 in Utah; 72.4 in Colorado.

The Coronary Valley map may indicate that Midwestern residents more commonly suffer the known heart-disease risk factors: high cholesterol, high blood pressure, smoking,

(Please see HEART,
Page C12)

Heart: Death rate high in Tristate

CONTINUED FROM PAGE C1

obesity, diabetes and sedentary lifestyles.

Studies already show, for example, that Kentucky, Indiana and Ohio have the nation's three highest smoking rates and have high rates of obesity. But can cultural behavior fully explain why the heart disease death rates in the 12 worst states are twice as high as the death rates in the 12 best states? There may be other influences, Dr. Muller said:

► Demographic factors, including socioeconomic class, racial mix, even the proportions of urban vs. rural residents may play roles.

► Perhaps there is such a thing as a Midwest heart bug. Researchers already suspect that some forms of heart disease are caused by viral or bacterial infections. Researchers also know that virus and bacteria strains can vary from region to region.

► Maybe there's something in the water or the air. Dr. Muller notes that nine of the 12 states with the highest coronary death rates are clustered along the Ohio or Mississippi rivers.

Heart disease rates

University of Kentucky researchers have found that nine of the 12 states with the nation's highest death rates from heart disease are located along the Ohio or Mississippi rivers.

► Death rates per 100,000 population

54.20 to 82.86



83.80 to 93.20



94.80 to 108.23



108.25 to 135.90



Lowest: New Mexico
54.2

Highest: New York
135.9



Source: National Center for Health Services

The Cincinnati Enquirer

Most likely, multiple risk factors are combining to create the Coronary Valley, experts say.

"It would be too simplistic to jump to a conclusion like there's something in the water," said Cincinnati Health Commissioner Dr. Malcolm Adcock.

For one thing, even though a state

may border a major river, that doesn't necessarily mean that most residents drink water from the river. For another, New York and Oklahoma have the nation's highest coronary death rates, yet neither borders the Ohio or Mississippi rivers.

HORMONE

om page 15

e said. They do pump out m e
rtisol in response to stressful u-
ons than other people, she said.
Philip Landfield of the Unive-
ty of Kentucky, who was familiar
with the study results, said the find-
ings suggest cortisol and other
hormones might promote aging of
the human brain. That fits in with
decades of experiments in animals,
he said. The hormones may also
be the reason why elderly people
are especially vulnerable to Alzheimer's,
he said.

Landfield also said it would be
oversimplifying to conclude that a
lifetime of stress always makes the
brain age faster and lose power of
memory. That may be true on aver-
age, but there can be many ex-
ceptions because individuals prob-
ably vary widely in their response to cor-
tisol and its hormone cousins, he
said.

FROZEN

From page 15

y ways to sap nutrients from a veg-
etable: by letting it sit around after it's
been harvested and by cooking it.

Fresh vegetables suffer the most
from the first part of this rule. From
the time they're picked in the field to
the moment you serve them for din-
ner, a good two weeks may have
passed. During that stretch they can
lose from 10 percent to 50 percent of
some of their nutrients.

Case in point: Most of the green
beans you buy in winter are grown in
the Culiacan region on the west coast
of Mexico. After those beans are har-
vested, they may be in transit for five
or more days before they arrive at a
grocery store near you. There they
might sit for another few days, and
who knows what'll happen after you
get them home?

Study: Water not 'Coronary Valley' woe

By MIKE EMBRY

THE ASSOCIATED PRESS

LEXINGTON, Ky. — For those who
live in a multi-state region dubbed
"Coronary Valley," it's apparently safe
to drink the water.

Researchers said factors such as
cigarette smoking, obesity, high-blood
pressure and lack of physical activity
are the reasons behind high death
rates from heart disease in the nine-
state area.

"If it was in the water it would be a
lot easier to change because we could
tell the water plants to take whatever
it is out of the water," said Dr. James
Muller, director of the University of
Kentucky's Gill Heart Institute.

The average death rates from
heart disease in the nine states that
border the Ohio and Mississippi
rivers is about 56 percent higher than
in states with the lowest coronary
death rates.

More than 30 cardiovascular special-
ists and scientists participated in a

two-day Coronary Valley Symposium
that concluded Friday at the Universi-
ty of Kentucky.

Muller read a consensus statement
the group issued at a news confer-
ence Friday that practically ruled out
water as the cause.

"It is probable that excesses also
exist in elevated cholesterol, high di-
etary fat intake, diabetes, and possi-
bly estrogen deficiency," the state-
ment said.

The states that border the two
rivers and have high death rates from
heart disease are Kentucky, Missouri,
Arkansas, West Virginia, Indiana,
Tennessee, Louisiana, Ohio and Illi-
nois.

"The traditional risk factors appear
to be the cause," Muller said. "They
are harder to change."

New York has the highest rate,
135.9 deaths per 100,000 people, and
Oklahoma is second-highest at 120.2,
according to the National Center for
Health Statistics in Hyattsville, Md.

New Mexico has the lowest heart

disease rate, with 54.2.

Dr. Russell Luepker, a professor of
epidemiology and medicine at the
University of Minnesota, practically
ruled out genetics as being one of the
causes for high mortality rates.

"It can be explained by unhealthy
lifestyles, he said. "It's unlikely that
it's some strange genetic thing in peo-
ple who live by the rivers."

The consensus statement recom-
mended:

- Improved information on regional variations in risk factors
- Identifying regional differences in medical care, including use of cardiovascular drugs.

- Determining the costs associated with medical treatment.

- Study of nontraditional factors such as infection and allergy.

It also said that the "Coronary Valley problem is of such magnitude that its resolution requires a response from multiple organizations, including federal, state and local governments."

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Here's The Balance Sheet



Looking for a way to make
school or time with your
Journal-Register deliv-
erished with their rout-
to miss the big game
opportunity for income
or fun — the perfor-
more at

you're invited out for dinner. Before
you know it, three more days have
gone by.

Frozen vegetables, on the other
hand, end up on ice within hours of
being picked. By this count, in fact,
they'd seem to be doing better than
their fresh brothers and sisters.

But before a vegetable is sent to the
freezer, it's plunged into hot water for
a minute or two. This process stabi-
lizes the vegetable and helps preserve
its color and texture, but for certain
nutrients it can be just as bad as sit-
ting around.

The rate of vitamin loss varies de-
pending on the vegetable, but in gen-
eral, Klein says, fresh and frozen
come out pretty even down the line.

And not just on vitamin C.

Happily, most of the health goodies
contained in a vegetable are a lot
more stable than you might think.
Fiber, beta-carotene and all of its min-
erals are locked into the vegetable

But as soon as it's picked, the cell
walls start to break down, allowing
oxygen to enter and come into contact
with the vitamins. And oxygen alters
the chemical structure of vitamin C,
rendering it inactive. (Vitamin C also
dissolves in water, but that's mainly a
problem of cooking, not storage.)

Folic acid is another easily oxidized
vitamin, although, according to Klein,
it's a little less vulnerable than C be-
cause it binds to the plant's proteins,
which helps keep it intact.

Of course, no matter how vitamin-
rich a frozen vegetable may be,
there's still the issue of taste. How
can a frozen stalk of broccoli possibly
compare to fresh?

Well, it may not if you're talking
about one that's freshly picked and
steamed to perfection. And there's no
doubt that the texture won't be quite
up to snuff.

But even a food professional such
as Arthur Schwartz, cookbook author

time, particularly when
casserole or stew.

Carrots and onions are two excep-
tions: "Their taste begins to die as
soon as you cut them."

Having had my frozen-vegetable
habit validated by a nutritionist and a
restaurant critic, I decided it was time
to see how much freshness really
mattered to my foodie friends. I
would throw a dinner party using al-
most exclusively frozen ingredients,
but I wouldn't tell any of the guests
about the menu.

I went all out.

First, a vegetarian pate made of
pureed green beans and walnuts.
Next, individual puff pastries filled
with spinach and feta cheese. I even
used corn kernels and broccoli florets
in a pasta salad, where they couldn't
hide beneath a sauce or a buttery
crust.

Finally, the piece de resistance:
angel food cake smothered with a
scarlet sauce of pureed raspberries.

The forks clanked the conversa-

The valley of death

Researchers probe a mysterious plague of heart disease

BY AMANDA SPAKE

Soon after James Muller, a respected cardiologist, arrived at the University of Kentucky in 1996, he happened on a medical mystery. While looking at an atlas of U.S. mortality rates plotted by county and state, Muller discovered that with the exception of New York and Oklahoma, the highest rates of death from heart disease occurred in the nine states that border the Mississippi and Ohio rivers and include most of Appalachia. Death rates were so elevated in those states that they formed what Muller eventually dubbed the "coronary valley."

Dumbstruck that no medical researchers had noticed these alarming statistics,

Muller, director of the university's Gill Heart Institute, began working the numbers. Kentucky, for example, ranks ninth in the nation in the number of deaths due to coronary heart disease. Its death rate is 86 percent greater than New Mexico's, which is the lowest in the nation.

"If we could get the death rate in these coronary-valley states down to New Mexico's rate, then 50,000 lives could be saved per year," Muller explains. "That's the same number of Americans who died in all of Vietnam. Obviously, this is a massive public-health problem."

Last April, Muller brought some of the leading cardiovascular epidemiologists in the world to Lexington, Ky., to begin the search for clues. The conclusion of partic-

ipants was that some mix of traditional risk factors—smoking, high cholesterol, high blood pressure, and diabetes—combined with genetic factors, diet, a sedentary lifestyle, and the stress of widespread unemployment may well be causing the exceptionally high death rates. Out of

MEDICINE

that conference came the Coronary Valley Project, a new public screening and research effort that will open its doors Jan. 4, 1999, in Manchester, a town in the Eastern Kentucky mountains. Most coronary-intervention programs, and most heart-disease research, have focused on individual risk factors among middle-income or well-to-do patients. "We haven't taken into account the social or physical environment of the patients," explains Greg



Nurse Patsy Gray and Dr. Steven Spady (right) pay a house call on study participant June Foreman, 60, in her Manchester, Ky., home.

Heath, acting chief of the cardiovascular health branch at the federal Centers for Disease Control and Prevention in Atlanta and a participant in the project. "But the environment one finds oneself in dictates the choices people make."

By any measure, residents of Eastern Kentucky have very limited choices. Like much of Appalachia, this once prodigious coal-producing region is a public-health disaster. Poverty and chronic disease among the former miners and their families are the legacy left by Big Coal, now that the mountains' wealth is gone. Many communities lack doctors or any medical providers, and health education is virtually nonexistent.

"People here eat a lot of fat and not many fruits and vegetables, a lot of starch, and they drink a lot of pop filled with sugar," says Steven Spady, a 44-year-old osteopath and director of community projects for the Coronary Valley Project. Tobacco is pervasive. "When I got here, I couldn't believe the number of people I treated who had already had one heart attack and *still* smoked."

Unhealthy habits. The proportion of adults who smoke in Kentucky is higher than it is in any other state in the nation—31.7 percent, according to the CDC. Not surprisingly, Kentucky also ranks No. 1 in lung-cancer deaths. Nearly 45 percent of adults admit they have a sedentary lifestyle and engage in no leisure-time physical activity, second only to adults in Georgia. Kentucky is also among the top states where adults say they are overweight, as are adults in most of the coronary-valley states. Though the state ranks 16th in diabetes deaths, Spady believes this relatively low number reflects a lack of testing for the disease; diabetes becomes simply an unnoticed contributing factor to the high coronary-death rate.

Spady is an anomaly among physicians. Like some medical students, he agreed to practice in a needy, underserved community after graduation to pay off a Public Health Service scholarship. But unlike most, he has stayed—for 14 years. "In public health," he says, "this is where the rubber



Spady visits Devadie Smith, 70, during a recent hospital stay.

meets the road." Spady joined the project last April, and now with major funding he secured from Bristol-Myers Squibb Co. and Parke-Davis, Spady's team will soon begin screening adults in Clay and Jackson counties for high lipid levels, hypertension, and diabetes. "We're going to go door to door if we have to," he says. Muller estimates that the project will screen 16,000 adults in these mountain communities, an effort never before attempted. Initial medicine for treatment will be provided by the drug companies. In the spring, Muller will move back to Boston, where he lived for years, to work on a new, near-infrared laser technique

to measure plaques and fatty deposits in arteries in order to identify which are most likely to cause a heart attack or stroke. Thomas Wayne, a lipid expert who has practiced in Lexington for more than 20 years, will take over the directorship of the Coronary Valley Project. Once in Boston, Muller wants to affiliate the project with the 50-year-old Framingham Heart Study, which first identified most of what is known about heart disease.

Besides answering the question of why the coronary valley exists, the project also hopes to provide something long needed in public health: a model for effectively reducing the likelihood of coronary disease among high-risk populations before they are devastated by it. "Federal programs pay the bill on these patients," Muller says. "Rather than a continuous waste of money paying for heart surgery, I think the money could be better spent on giving these people an opportunity to have a heart-healthy life."

This will be a significant challenge, as accompanying Spady on house calls in a mountain hollow near Manchester demonstrated. Along with Cumberland Valley Regional Health Department nurses Joanne Wolfe and Patsy Gray, the doctor came to check on Devadie Smith.

The widow of a coal miner, Smith lives on disability and Social Security. She suffers from congestive heart failure, emphysema, diabetes, high blood pressure, and elevated cholesterol; is nearly deaf and blind; and has no teeth. She is only 70 years old.

This day, she is sitting on a sofa, watching her big-screen television. The ashtray on her coffee table is overflowing with cigarette butts, presumably those of the relatives who take care of her. Smith's granddaughter, a smoker, has just fixed dinner: fried breaded pork chops, fried onions, and fried potatoes. Spady looks at her plate and shakes his head.

Once out of earshot, Spady asks the nurses, "Did you see what she was eating?" After 14 years in the coronary valley, he is still surprised. "Everything," he says sadly, "was fried."

Coronary death valley

Death rates from coronary disease are highest mostly east of the Mississippi River and south of the Ohio River. This geographic distribution applies to both men and women of all races.





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American Taekwondo Association

May 21, 1999

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Nancy,

I hope life is treating you well and you are in good spirits. I would like to request a favor for Grand Master H. U. Lee, in the form of a Presidential Proclamation or video commemorating the many accomplishments of this humble man, both here in Arkansas and Worldwide. In the past we received a very generic letter about the tournament. As a very ardent supporter and friend of President Clinton it would be very much appreciated if he received something, special from the President on this very special commemorative event.

In the past we have invited President Clinton but because of his busy schedule he was unable to attend as he did as the Governor of Arkansas, while we were growing an organization. Here is some of his accomplishments:

- ☐ 1998 Arkansas Business of the Year Category II
- ☐ According to Arkansas Corporate Reports the Songahm Taekwondo World Championships bring in some 25,000 visitors and generate over \$10 million for the city of Little Rock.
- ☐ Songahm Taekwondo a traditional Martial Art founded in 1983 by Master H. U. Lee at Little Rock, Arkansas that trains people both physically and mentally while building strong bodies and clear minds.
- ☐ in 1977 Master Lee moved the American Taekwondo Association international headquarters from Omaha, Nebraska to Little Rock, Arkansas where its growth has reached over 200,000 members and 1200 schools worldwide.
- ☐ the American Taekwondo Association is celebrating its' 30th Anniversary, with 22 years in Little Rock and the first event in the expanded Little Rock Convention Center on June 8th - 14th, 1999.
- ☐ in Arkansas there are over 35 schools and clubs representing several hundred students including Tiny Tigers ages (2-6 years), Karate for Kids ages (7-16 years), and young Adults / adults to age 81 years old, all ages competing in the 1999 Songahm Taekwondo World Championships.



American Taekwondo Association

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- ☐ Master H. U. Lee became the first documented Grand Master of Songahm Taekwondo on June 9, 1990, and has over the last forty years worked towards globalization of Taekwondo, and this effort of globalization has brought people from around the world to visit the Great State of Arkansas,
- ☐ Arkansas Governor Mike Huckabee was quoted as saying " The ATA World Championships is the largest annual event in the whole state of Arkansas"
- ☐ Charities that have received help:
 - The Susan G. Komen Breast Cancer Foundation
 - Muscular Dystrophy Association (MDA)
 - D.A.R.E. Program
 - Arkansas Childrens Hospital
 - St. Judes Hospital
 - Arkansas Special Olympics
 - Sister Cities Program
- ☐ High Profile Award for Arkansas Business
- ☐ Keys to Cities, some of which are: Omaha, Ne; Corpus Christi, Tx ; Little Rock, Ar; Evansville, In; Tallahassee, Fl; Panama City, Fl
- ☐ Korean Broadcasting Systems Cultural Promotion Award
- ☐ The President of The Republic of Korea, presented him with the most prestigious Highest Profile Award of any Korean outside of Korea
- ☐ May 8, 1999 - Received Honorary Doctor of Letters Degree from Jarvis Christian College in Hawkins, Texas

Thank you for your time and consideration.

With Warmest Regards,

Ron Turchi

Ron Turchi

American Taekwondo Association

STATE OF ARKANSAS

EXECUTIVE DEPARTMENT

PROCLAMATION

TO ALL TO WHOM THESE PRESENTS SHALL COME--GREETINGS:

- WHEREAS, Songahm Taekwondo, a Korean martial art of self-defense helps to develop self-confidence, improves coordination and agility, and is a popular means of maintaining good mental and physical fitness; and
- WHEREAS, There are more than 120,000 members of the American Taekwondo Association/Songahm Taekwondo Federation ranging in ages from three to seventy whose main goals are to promote courtesy, integrity, perseverance, self-control, indomitable spirit, victory, and build strong bodies and clear minds; and
- WHEREAS, In Arkansas there are over thirty-five schools and clubs serving over 12,000 members; wherein the national and international headquarters is located in Little Rock, Arkansas; and
- WHEREAS, American Taekwondo Association/Songahm Taekwondo Federation will hold its 13th Annual World Taekwondo Championship and Convention in Little Rock during the week of June 4-10, 1990; and
- WHEREAS, On June 9, 1990, Master H. U. Lee will be inaugurated as the first documented Grandmaster of Taekwondo;
- NOW, THEREFORE, I, Bill Clinton, Governor of the State of Arkansas, do hereby proclaim the week of June 4-10, 1990, as

AMERICAN TAEKWONDO ASSOCIATION
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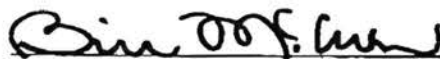
and Saturday, June 9, 1990, as

GRANDMASTER H. U. LEE DAY

in Arkansas.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Arkansas to be affixed at the Capitol in Little Rock on this 24th day of May in the year of our Lord nineteen hundred ninety.


GOVERNOR


SECRETARY OF STATE



STOP Sec
reply

THE WHITE HOUSE
WASHINGTON

May 7, 1999

'99 MAY 24 PM 1:20

MEMORANDUM TO THE PRESIDENT

FROM: TRACY PAKULNIEWICZ *JP*

Subject: Letter of Resignation

It has truly been an honor to serve under your Administration. I came to the White House straight out of college as an intern in the Social Office. After ten months of interning/volunteering, I was hired in the Visitors Office. Then, I went to work for Paul Begala until his departure in March. Finally, I assisted Loretta Ucelli in Communications until I was offered a fabulous position in the Pentagon Protocol Office, where I will be working with Robyn Dickey.

Sufficed to say, my experiences here have been amazing. I honestly feel as though I have been a part of the "American Dream" - I am a first generation American. At the age of 12, my mother and her family emigrated to this country from Sicily, where seven of them lived in one room on a farm. Now, here I am departing the White House after three years.

I am proud to have served my time here, and I will continue to carry on and advocate your policies and agenda while at the Pentagon.

Mr. President, my experience here would have never been possible under any other administration. Thank you.

5-24-99

Send to Bunkhardt?

Yes ☒

No ☐

5-24-99

✓cc: POTUS



Jill Weinick Iscol

Maus

Hillist

First Lady Hillary Rodham Clinton
 The White House
 1600 Pennsylvania Avenue, NW
 West Wing, 2nd Floor
 Washington, DC 20500

May 15, 1999

Copied
 Echaveste
 Podesta

Dear Hillary,

Thank you so much for inviting me to observe the White House Strategy Session on Children, Violence and Responsibility. I was impressed and encouraged by the quality of the people you and the President convened, the tone of the conversation throughout the morning and the sincere desire of the participants to engage in larger, long-term initiatives to find a solution for this serious teen violence issue.

I felt the participants did an incredibly thorough job of identifying the multiple factors that affect youth violence. From family, community and school, to the spiritual, cultural, sociological and psychological domains, there certainly was no lack of expertise. If I could add anything at all, it would be to elaborate on the inclusion of in depth curriculum approaches to teaching about tolerance and violence prevention. Multifaceted courses like the one Ed Shue mentioned, "Facing History and Ourselves," "Teaching Tolerance," and an approach suggested by Vivian Gussin Paley in You Can't Say You Can't Play, can help children understand the complex influences that shape attitudes and behavior and hopefully replace destructive actions with constructive solutions to problems. Another in school approach would be to teach media literacy courses like those used to help kids understand

and decode hidden meanings about gender, race and social class in advertising messages. Knowing how violent movies and video games are produced can help kids develop their critical abilities that can lead to enhanced self esteem as they become empowered by their knowledge and expertise.

One person at the meeting mentioned how important it is to listen to kids. We also need to encourage and teach children to listen to one another and to understand that caring for a friend may sometimes mean that doing something that in the short term may harm a friendship, might, in the long run, protect her or him from destructive behavior towards oneself or others. Adults can help these kids by making sure they trust us to really safeguard their anonymity.

In addition to the very important message about school size and after school programs, schools need to organize kids into small advisement groups that meet regularly throughout their middle/high school years and preferably with a consistent faculty advisor.

We learned from the summit that violence, like drug abuse and teen pregnancy, is a symptom of isolation from adults and caring communities. In and after school programs and community involvement are so important to give children opportunities for attachment and connection. But, perhaps the most difficult challenges are those that relate to the family itself. In some ways I think Arlie Hochschild's new research on finding that the workplace is a more relaxed atmosphere for women than home is very revealing. How can we all then work to help replace a basic support structure for children that is gone? How can parents become attuned to the realities and subtleties of childhood and adolescence and once again teach

our children about civility, right and wrong? This is difficult terrain, parents are busy, stressed and sometimes defensive about it. Should every school have policies that require parents to attend seminars and support groups where they can discuss what they have in common or what may be aberrant about their children without shame or fear of stigma? Sometimes these opportunities work best with parents of children of different age groups. And can these groups then offer direction in a non-threatening way for those families that may need more professional support and guidance?

There's no doubt in my mind that this summit served as a catalyst for mobilizing our communal will to do something about the problem of youth violence. I know that all of our children will benefit from our reflection, attention, care and national action to protect and preserve their safe passage through childhood and adolescence. Please share my thoughts with the President and congratulate him for me.

Stay well, Hillary, and welcome back from Ireland.

With Love,

A handwritten signature in cursive script, appearing to read "Jill".

Jill



United States Department of State

The Chief of Protocol
Washington, D.C. 20520

THE PRESIDENT HAS SEEN

5-24-99

May 19, 1999

Copied
Berger
Podesta

MEMORANDUM TO THE PRESIDENT

FROM: Mary Mel French *MMF*

RE: Gift of Horse from Slovenian Prime Minister

On your upcoming trip to Slovenia next month, the Slovenian Prime Minister, H.E. Janez Drnovsek, would like to present you with a horse as your official gift. Breeding horses is a 500 year old tradition in Slovenia. The horse is from a breed called "Lipizzaner" and is from the Lipica Stables, just south of Ljubljana.

As you know we dealt with the animal issue with Argentina and the process was difficult, at best. Aside from the cost of shipping the animal from Slovenia to the United States, there is a cost to quarantine the animal and there are expenses for the person who accepts the horse. The quarantine period is of unknown duration and there are often health risks associated with it and the animal can potentially get lonely with the open-ended isolation. In addition, it is unclear who or what entity would take possession of the horse or where the animal would live once it passes through quarantine.

In addition, the horse would be a gift to the U.S. government since its value is higher than what the law allows a President to accept. However, from the Prime Minister's perspective, he will think it is a gift to you, received by you. If you wish us to go forward with accepting the horse on behalf of the U.S. government then we will begin the necessary arrangements. If you would rather we not accept the horse I will convey this to the Slovenian government and notify them that a different type of gift would be acceptable.

Please let me know how you would like me to proceed. Thank you.

cc Sunday
HRC
with review

THE WHITE HOUSE
WASHINGTON

copied
Bergin
HRC

May 21, 1999

Jock Gill
18 Woods Edge Road
Medford, Massachusetts 02155-2316

Dear Jock:

Thanks for your recent messages on the Balkans
-- I look forward to reading them. I read the
Gulf War paper and found it very interesting.
I appreciate your taking the time to send them
all to me.

It's always good to hear from you. Hope you're
well.

Sincerely,

5/24/99

Bru

Return to Carol.

THE PRESIDENT HAS SEEN

Joe Gill



Jock Gill <jgill@penfield-gill.com>
05/17/99 03:28:09 PM

99 MAY 18 PM 12:04

Record Type: Record

To: Nancy V. Hernreich/WHO/EOP, Betty W. Currie/WHO/EOP
cc: John Podesta/WHO/EOP, Henry C. Kelly/OSTP/EOP, Todd Stern/WHO/EOP
Subject: Oil Fires, Petroleum & Gulf War Sickness

5/18/99

May 17, 1999

VIA EMAIL

Dear Mr. President,

I find the arguments made in the attached paper of concern. I also see that they present you with some opportunities for very positive actions.

I have permission from the author, Craig F. Stead, to forward this White Paper to you. It concerns the health problems of veterans returning from the Gulf War. It also points in the direction of associated problems caused by secondary consequences of using depleted uranium munitions.

"Identified toxic exposures included the oil field fires, depleted uranium, and low levels of chemical warfare agents. The Gulf War toxic exposures are a vast and complex subject. This is a first overview report on the oil field fires and the relation to Gulf War illness."

The culprit may well be a very toxic synergy between:

- 1] humans living in conditions of oil mists and rains leading to food and water contamination as well as both skin contact and substantial, both time and volume, lung tissue exposure to very toxic oil droplets;
- 2] Breathing into the lungs of heavy oil smoke particulate materials;
- 3] exposure to the vapor plumes of depleted uranium rounds used as anti tank munitions;
- 4] possible low level biological agents.

This is a very complex and toxic soup.

I point out that in today's Boston Globe [page B1 by Scott Allen], there is an article about toxic waste problems associated with the

Send to Burkhardt?

Yes ☒

No ☐

MATCH UP
w/ 2 OTHER
RECENT ITEMS

Jock Gill
18 Woods Edge Road
Medford, Massachusetts 02155-
2316

West Concord company, Starmet Corp, formerly known as Nuclear Metals Inc. Starmet has "tons of radioactive uranium in a pit ... soil contamination up to 600 times the current limit ... victims of a cutback in military spending on their main product, armor piercing bullets like those used in the Gulf War [DU munitions]."

Further, there have now been several items in the international press about the high levels of radioactivity in the Iraqi desert associated with DU -- especially the hulks of the destroyed vehicles which will remain at unhealthy levels of radioactivity for many 10s of thousands of years.

From the above articles I have also learned that DU rounds are considered too dangerous to test fire in North America except under very special cases. If they are too dangerous to use at home, then I suggest they are too dangerous to use any where. If we are to respect the moral imperative the "the ends do not justify the means" then I suggest you lead an international effort to ban all use of DU in military actions. It would be a bold stroke to make this a unilateral declaration. I fear that the very long term residual radioactive pollution DU munitions leave behind will lead them to be called 'atomic' weapons'. If this comes to pass, it is a slippery slope to using other more explosive atomic weapons in defensive measures. A very ugly sequence.

As for the attached White Paper on Oil Fires, Petroleum & Gulf War Sickness, Craig writes:

"I have been providing congressional testimony on the oil fire and petroleum cause of Gulf War illness since 1992. My 1997 testimony was included in the House Oversight Report on Gulf War illness. The attached was submitted at a CDC conference on Gulf War illness in February, 1999. At the conference I met a staff member of the Presidential Oversight Committee on Gulf War illness. This staff member said he had come to the same conclusions as I have on the oil fires. His report is due to be posted to the web at www.oversight.gov soon. This URL is not yet set up. My paper has also been presented to the House of Lords, UK, by the Countess of Mar."

Would it not be a fitting tribute to the Gulf War Veterans to give them an answer to their woes?

Craig also writes: "I would also mention petroleum contamination of the environment is causing a lot of disease today." How would our health be better if we were not daily breathing, or drinking, a hydrocarbon soup? One example, which gave Craig Gulf War Syndrome many years before the war, is highly toxic oils leaking from water pumps into drinking water supplies. Current water testing measures do not test for these very powerful toxins. It was Craig's experience with his own oil induced immune system collapse which led him to predict severe health problems from the Gulf War oil fires and their 'fall out'.

Best regards,

Jock

--

Jock Gill
www.penfield-gill.com
Infrared Internet Vision



- CDC all - final .doc

THE WHITE HOUSE
WASHINGTON

Date 5/24/99

To: JOHN POPESTA, MELANNE VERVEER

From: The Staff Secretary (Goodfriend)

WE CIRCULATED THIS
LAST WEEK; DPC MADE
MINOR EDITS; WE PLAN
TO GIVE IT TO POTUS
TONIGHT. ANY COMMENT?

—P.G.

THE WHITE HOUSE
WASHINGTON

May 24, 1999

MEMORANDUM TO THE PRESIDENT

FROM: Chris Jennings
Mary Beth Cahill
Jenny Luray

SUBJECT: Impending Introduction of Contraceptive Coverage Legislation

We expect a bipartisan group of Congressional members to introduce the Equity in Prescription Insurance and Contraceptive Coverage Act (EPICC) shortly after the Memorial Day recess. The legislation would require health plans to cover prescription contraceptive coverage if they cover other prescription drugs; it is generally consistent with the measure you signed into law last year mandating such coverage in all plans participating in the Federal Employees Health Benefits Plan (FEHBP). This memorandum provides background information on this issue and seeks guidance as to whether you want to endorse the bill when it is introduced.

BACKGROUND

Current Coverage Status. While well over 80 percent of private insurance plans cover prescription drugs in general, only about one-third cover the costs of oral contraceptives (the most commonly used birth control method). HMOs provide slightly better oral contraceptive coverage but only 39 percent cover all five leading methods. According to the Kaiser Family Foundation, three out of every four women say that cost is an important factor when choosing between a birth control method that is covered and one that is not. Moreover, women of childbearing age spend 68 percent more in out-of-pocket health care costs than men do, although there is no specific breakout as to what percentage is for contraception.

EPICC Legislation. EPICC was first introduced in the last Congress by Senators Reid and Snowe and Representatives Lowey and Greenwood. This legislation would require insurance plans to cover all FDA approved forms of contraception if and to the extent that they cover other prescription drugs. The bill also would require plans to provide outpatient contraceptive services (such as exams and fittings) in the same manner as they cover other outpatient medical services. Similar legislation has been introduced in 19 states in the last two years, and Maryland and Georgia recently became the first states to enact such laws.

When it became clear that this legislation could not be passed last year, EPICC's sponsors focused their attention on working on encouraging the Congress to extend these protections to FEHBP plans. After a lengthy fight over "conscience clause" language, Congresswoman Lowey -- with the

help of the Administration -- secured passage of the FEHBP provision in the Omnibus Appropriations measure you signed last fall. Leading women's groups and the pro-choice community hailed this as a major victory. The same group of supportive Members, along with supportive women's and pro-choice groups are now turning their attention to winning contraceptive coverage for those in all private plans.

Policy Arguments for EPICC. The women's and pro-choice communities believes that EPICC provides an all-too-rare opportunity to promote a positive agenda. Better contraceptive coverage means fewer unintended pregnancies, which means fewer abortions. For this reason, EPICC is now a top legislative priority for many of the leading women's and pro-choice organizations.

Endorsing this legislation would be consistent with your past position on FEHBP and would once again position us on a women's health issue that has strong policy rationale. It strengthens our hand on the pro-choice agenda and would be extremely well received by the women's advocacy community. Just as important, your endorsement would make a substantive contribution towards increasing the likelihood that this legislation would pass the Congress this year.

Mandates and Potential Impact on Cost/Coverage. We generally have avoided endorsing bills that impose insurance coverage requirements -- particularly when they are initially introduced. We have taken this position for two reasons: (1) to avoid the criticism that such "rifle shot" requirements increase premiums and thereby increase the number of uninsured and (2) to avoid starting down the slippery slope of supporting a slew of other insurance requirements.

As you know, you already support the Patients' Bill of Rights legislation, which although mostly requiring procedural rather than coverage requirements, is projected by CBO to increase premiums by about 4 percent). In addition, you have been asked to support legislation to impose further coverage requirements for mental health and substance abuse treatment and to assess a 1 percent premium fee on private plans to help finance the cost of training physicians in teaching hospitals and academic health centers. Although EPICC is projected to add only 1 percent to average private sector premiums, the accumulation of these policy initiatives could make us vulnerable the criticism that we are decreasing the affordability of insurance.

Conscience Clause Issue. One notable shortcoming of the current EPICC bill is that it does not include a "conscience clause" for plans that have religious objections to providing contraceptive coverage. Although the bill's sponsors and the pro-choice community recognize that this issue will have to be addressed before any bill reaches your desk, they oppose including any "conscience clause" language at the time of introduction. They are taking this position for two main reasons. First, they believe that the "conscience" problem is not as great in the context of contraception as in the context of abortion. Second, they believe that adding such language could leave too many women without access to contraceptives in light of Catholic-affiliated providers participating in the managed care market. The sponsoring members and groups would rather deal with this issue as and when it arises than introduce a bill that they believe already represents a significant compromise.

We believe that the advocates' position on this matter is mistaken, and that it is important to signal up-front an explicit commitment to accommodate plans with religious scruples. To omit it makes advocates vulnerable with respect to an issue that they will lose in the end. In addition, omitting conscience language makes the bill supporters vulnerable to a "double-standard" charge; they are willing to support such language when it applies to the Congress and federal health plans, but not when it applies to health plans in the private sector. The sponsoring members and groups, however, have rejected our advice on this issue.

OPTIONS

The following are the most viable options for your consideration:

(1) Issue a statement of support for the new legislation, but do so in a manner that subtly signals your willingness to work on conscience clause language. Under this scenario, you would release a statement at the time of introduction that notes your support for similar legislation last year and calls on the Congress to take further action, applying to private health plans, on this high priority issue. Such a statement would imply support for a conscience clause (since last year's bill had one), but would not offend the pro-choice community at the time of introduction.

(2) Not endorse this legislation, but work behind the scenes to get legislation passed with an appropriate conscience clause. Under this approach, you would take no formal position at the time of introduction, but advise the pro-choice community that we will provide technical and strategic support to pass this bill on Capitol Hill. Such an approach would allow you to avoid criticism relating to the cost of imposing insurance mandates and also would allow us to develop a workable conscience-clause compromise.

White House and Agency Positions on These Options. DPC, the Women's Office, the Office of Public Liaison, and OMB support option one. Although believing that the pro-choice community is making a significant error by not including a conscience clause provision in the bill at the time of introduction, these offices believe we should respond positively to the women's community on this key legislative priority and provide momentum to a bill guaranteeing equity for women at a low cost. In addition, these offices believe that the Administration should provide early support for this positive, proactive message on choice. HHS believes that this decision depends on whether you are likely to endorse other coverage mandates (like mental health parity) in the near future (like mental health parity); if you are, they would support option 2 because the cumulative impact of these endorsements will undermine our credibility on the cost/coverage issue.

Option 1: _____

Option 2: _____

Let's Discuss: _____



ABOARD AIR FORCE ONE

Brend / CT Jennings
I didn't realize how
bad this was until I
read this piece -
Is there anything
more we can do
the

5-24-99

copied
Reed
Jennings
Podesta

Bedlam on the Streets Increasingly, the mentally ill have nowhere to go. That's their problem — and ours.

By Michael Winerip

M

aybe they should have just stenciled it in large letters on Andrew Goldstein's forehead: "TICKING TIME BOMB. SUFFERS SCHIZOPHRENIA. IF OFF MEDICATION, RUN FOR COVER!" The news accounts of his arrest for pushing Kendra Webdale under a subway train in New York that first Sunday afternoon in January must have sent a cold shiver through the hundreds of psychiatrists, therapists and social workers who had treated this seriously mentally ill man.

They knew he was dangerous. In the two years before Kendra Webdale was instantly killed on the tracks, Andrew Goldstein attacked at least 13 other people. The hospital staff members who kept treating and discharging Goldstein knew that he repeatedly attacked strangers in public places. They knew because he had attacked them — two psychiatrists, a nurse, a social worker and a therapy aide in two years' time. Over and over, his hospital charts carried warnings.

5/6/98: High risk for violence. 7/31/98: Last 6-12 months patient has been acting aggressively and impulsively by striking out unprovoked.

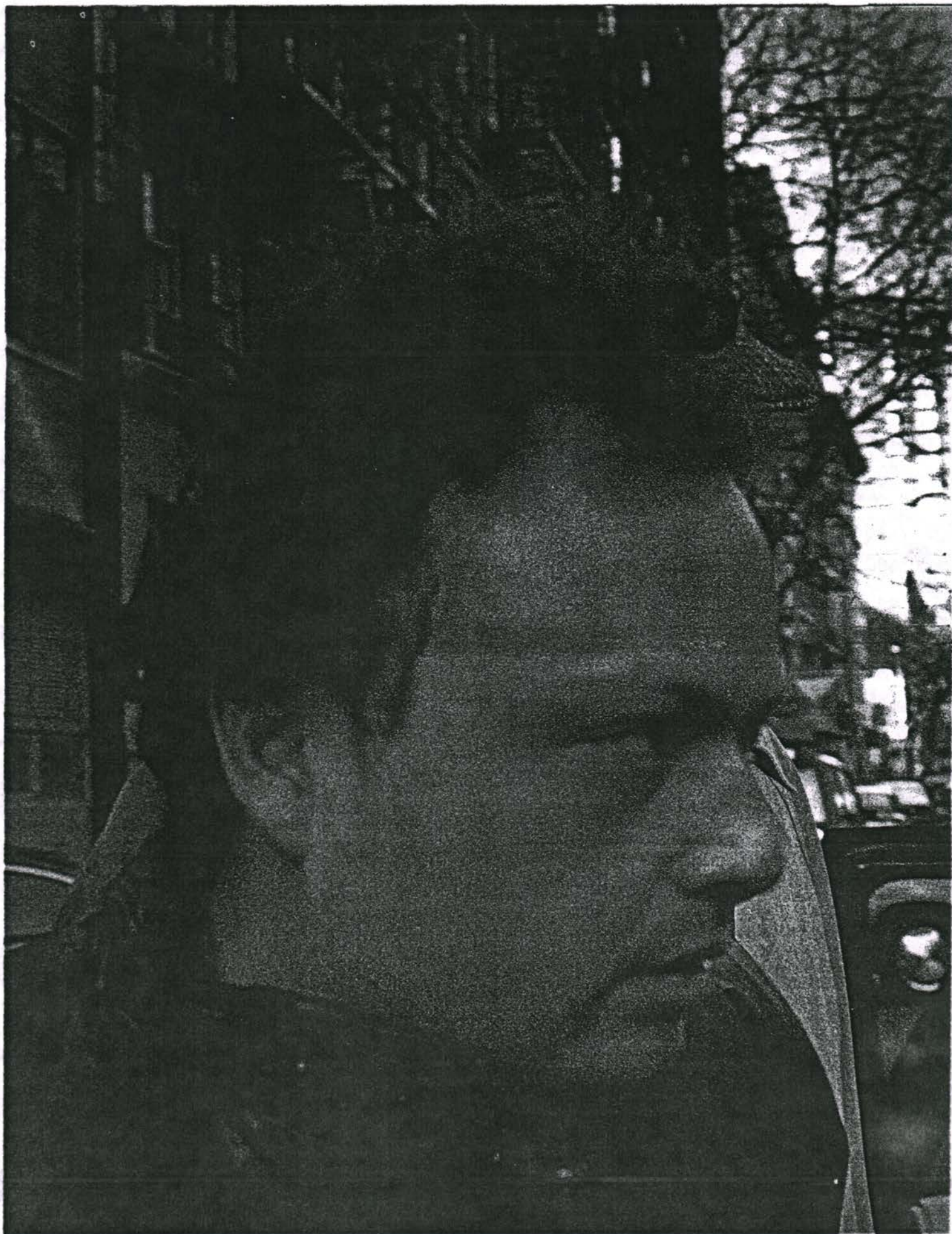
They knew. Long before this subway push and another one last month, the state of the nation's shattered mental-health system all but assured such calamities. Yet for each hospitalization — there were 13 in 1997 and 1998 alone — Goldstein was given medication, then discharged, often after just a few days, to live on his own in a basement apartment. And now the consequences were front-page news: "Horror on the Tracks," read the tabloid headlines, "The Face of a Madman."

They knew. He was hospitalized after assaulting a psychiatrist at a Queens clinic. *11/14/97: Suddenly, without any warning, patient springs up and attacks one of doctors, pushing her into a door and then onto the floor.* He was hospitalized after threatening a woman at a Waldbaum's supermarket; after attacking two strangers at a Burger King; after fighting with an apartment mate. *3/2/98: Broke down roommate's door because he could not control the impulse.* And particularly chilling, six months before Kendra Webdale's death, he was hospitalized for striking another woman he did not know on a New York subway. *6/20/98: Brought to E.R. by E.M.S. after patient lost motor control and punched a girl on the subway.*

Sometimes he was delivered to the hospitals by well-meaning police officers trying to get him treatment. More often, Goldstein walked into the psychiatric E.R. on his own, seeking help. This 29-year-old Jewish male (as the records describe him), who before schizophrenia set in had been so bright that he graduated from Bronx High School of Science, one of the city's elite public high schools, now was repeatedly explaining to E.R. doctors that he was confused or couldn't remember how to get home or that his brain had stopped working.

Six weeks before Webdale, on Nov. 20, 1998, he arrived at Jamaica Hospital in Queens, again asking to be hospitalized. *Walked in the E.R. complaining of hearing voices, people following him and being*

It didn't have to happen:
Andrew Goldstein leaving the
police station in January.



Bedlam on the Streets

inhabited by people. . . . "They removed my brain, I don't know why. I am hearing these voices telling me something will happen. . . . I cannot cope."

How psychotic was Goldstein when he was off his medicine? At various times, he has told psychiatrists that he was turning purple, that he had shrunk six to eight inches, that he had lost his neck, had developed an oversize penis because of contaminated food and that a homosexual man named Larry was stealing his excrement from the toilet "through interpolation" then eating it with a knife and fork. The voices seemed so real, so relentless, that on Nov. 24 a psychiatrist wrote, "He requested eyeglasses so that he will find the people talking to him."

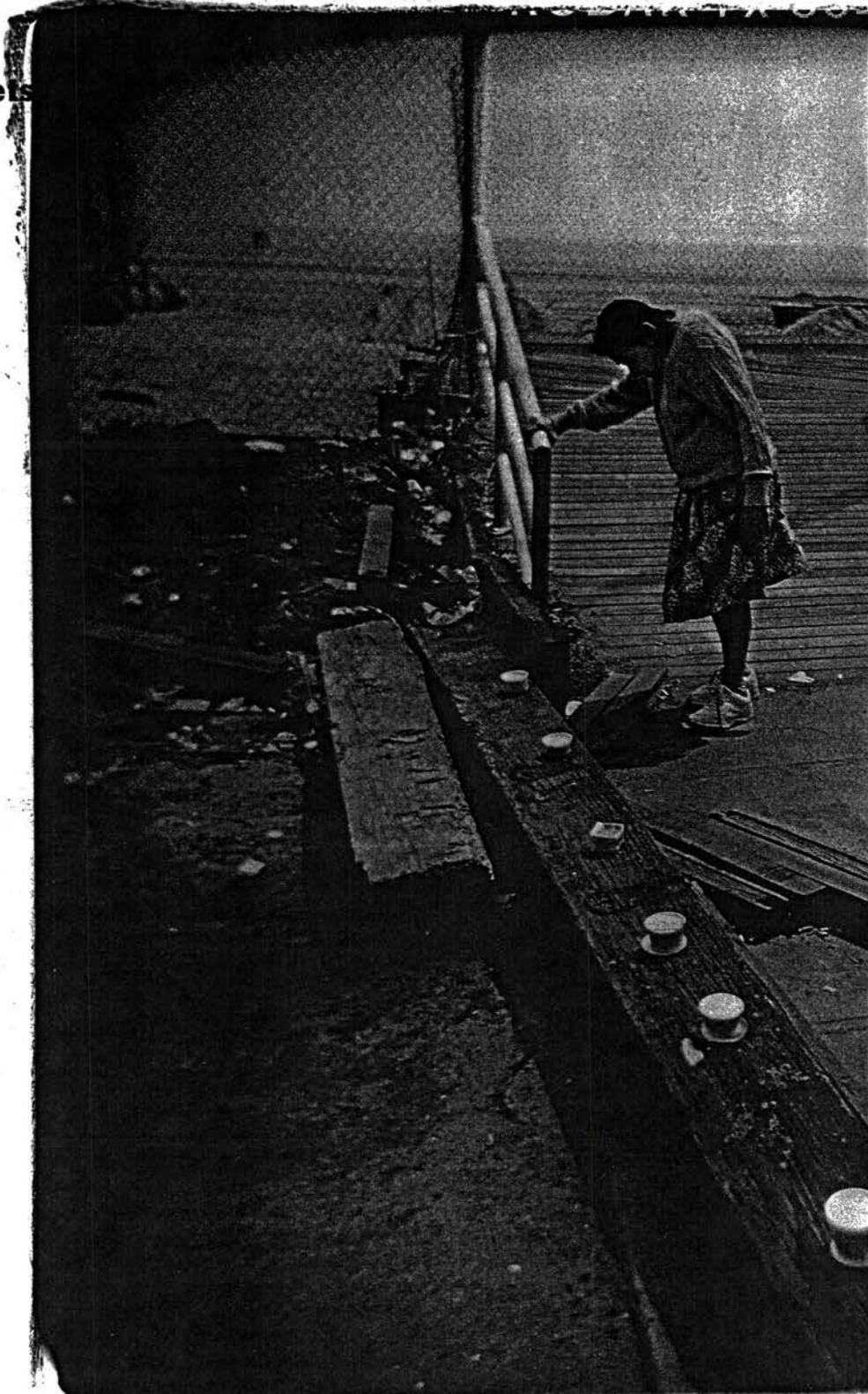
He Wanted Help

When a mental patient kills, there is often an outcry for tougher commitment laws, but this was not the problem in Goldstein's case. He signed himself in voluntarily for all 13 of his hospitalizations. His problem was what happened after discharge. The social workers assigned to plan his release knew he shouldn't have been living on his own, and so did Goldstein, but everywhere they looked they were turned down. They found waiting lists for long-term care at state hospitals, waiting lists for supervised housing at state-financed group homes, waiting lists for a state-financed intensive-case manager, who would have visited Goldstein daily at his apartment to make sure he was coping and taking his meds.

More than once he requested long-term hospitalization at Creedmoor, the state hospital nearby. In 1997, he walked into the Creedmoor lobby, asking to be admitted. "I want to be hospitalized," he said. "I need a placement." But in a cost-cutting drive, New York has been pushing hard to reduce its patient census and to shut state hospitals. Goldstein was instead referred to an emergency room, where he stayed overnight and was released.

Again, in July 1998, Goldstein cooperated with psychiatrists, this time during a monthlong stay at Brookdale Hospital, in hopes of getting long-term care at Creedmoor. Brookdale psychiatrists had a well-documented case. In a month's time, Goldstein committed three violent acts: punching the young woman on the subway; attacking a Brookdale therapist, a psychiatrist, a social worker and a ward aide; striking a Brookdale nurse in the face. This time, Creedmoor officials agreed in principle to take him, but explained that there was a waiting list, that they were under orders to give priority to mental patients from prison and that they did not

Michael Winerip, a staff writer for the magazine, is the author of "9 Highland Road: Sane Living for the Mentally Ill."



Rockaway, Queens, is a shabby seaside resort of boarding houses and for-profit adult homes that have long been a dumping ground for state's mental hospitals. The district manager for the community board has been fighting the problem for years.

know when they would have an opening. Days later, Goldstein was discharged from Brookdale.

Another reasonable alternative would have been a supervised group home or single-room-occupancy hotel staffed by counselors around the clock. Goldstein repeatedly asked for such a placement, but openings are rare, since Gov. George Pataki financed no new supervised

community residences for the mentally ill during his first four-year term and just 200 S.R.C. beds statewide. "Working on getting him a residence in Manhattan within the next three to six months," says a Dec. 16, 1998, note, 18 days before he pushed Webdale.

At the very least, Goldstein should have had an intensive-case manager, a state-financed



Goldstein's last hospitalization before Webdale was at North General, from Nov. 24 to Dec. 15. Because of cost-saving measures mandated under managed care, hospitals that operate short-term, or "acute care," psychiatric units are under great financial pressure to discharge patients within three weeks. So two weeks into his stay, on Dec. 9, even as Goldstein was still being described by North General's psychiatrist as "disorganized, thought-disordered ... talking to himself ... very delusional," the discharge team had already set his release for the next week.

Sure enough, on Dec. 15, North General discharged Goldstein with a week's supply of medicine and a form advising him to report to Bleuler Psychotherapy Center for counseling. This was like a bad joke — that a man so sick, with his history, would be sent into the community with so little support. At clinics like Bleuler, state financing is minimal. Social workers have large caseloads with no time to visit clients. Since September, Bleuler had supposedly

ing, the feeling disappeared and came back ... I pushed the woman who had blond hair.

A Confidential Case

Because of patient confidentiality laws, Andrew Goldstein's 3,500-page psychiatric file will never become public, even when he goes to trial on the murder charge. But it was given to me by people who see his treatment record as a harrowing testament to the failure of the mental-health system.

There is a long list of institutions and individuals who should be held accountable for what happened to Goldstein and Webdale, but at the top of that list belong Governor Pataki and the State of New York, for it is the state that, for the last 150 years, have had primary responsibility for citizens who are seriously mentally ill, and it is the states, beginning with deinstitutionalization in the 1950's, that have persistently shirked that responsibility.

I felt a sensation, like something was entering me. ... I got the urge to push, shove or sidekick. As the train was coming, the feeling disappeared and came back. ... I pushed the woman who had blond hair.'

been treating Goldstein, but he had missed most of his appointments and had repeatedly gone off his meds.

It happened again: he missed two clinic appointments in late December. He stopped taking his medication. If he had had an intensive-case manager or a group-home counselor, or both, it would have been their job to find him and see what was wrong. At Bleuler, it wasn't anyone's job. Instead, on Dec. 26, a Bleuler worker mailed a form letter requesting that Goldstein phone the clinic by Jan. 6, 1999, or else his case would be closed.

On Jan. 3, 1999, at 5:06 P.M., the N train pulled into the station at 23d Street and Broadway. Kendra Webdale was a vivacious 32-year-old who had come to the city three years before from upstate and was working as a receptionist with dreams of landing a big job in the music industry. To Andrew Goldstein, she was another stranger. He never saw her face. As he later wrote in his confession: "I felt a sensation, like something was entering me. ... I got the urge to push, shove or sidekick. As the train was com-

With the introduction of antipsychotic medication, state hospitals nationwide began releasing patients into the community. There was good deal that was hopeful about this; by then many state hospitals had become snake pits. Yet the states never created the outpatient service that were supposed to replace those hospital landing many of the seriously mentally ill on the streets. In 1953, there were 93,000 patients in New York's state mental hospitals; today, the number is 6,000 and dropping. And while these last patients are often very troubled (about one-quarter have criminal backgrounds), the state's special discharge teams continue to push them out the door — even when there's no place for them to go. The New York State Office of Mental Health provides only 21,000 supervised community beds. And during Pataki's first term, the state financed just 200 new beds with 24-hour supervision.

The problems in New York are the problems in virtually every state. Fewer than half of all Americans with schizophrenia receive adequate care, according to a 1998 national study. The

caseworker whose job would have been to visit him daily at his apartment. On Dec. 11, 1998 — 23 days before Webdale — a North General Hospital social worker wrote that an intensive-case manager was needed, because "patient is unable to manage his money, does not take care of himself and becomes noncompliant with meds." But that waiting list was months long, too.

Bedlam on the Streets

Bazelon Center for Mental Health Law estimates that spending by the 50 states on treatment for the seriously mentally ill is a third less today than it was in the 1950's (once numbers are adjusted for inflation and population growth).

While this is a danger primarily to the mentally ill and their families, who bear the brunt of the states' neglect, it is also a danger to the public. From the many studies on mental illness and violence, we know that treated mentally ill people living in the community are no more a risk than the general population. But if a person is off medication and psychotic, he becomes a greater risk for violence; if you add substance abuse to that psychosis, the risk grows significantly, and one of the strongest predictors of whether a mentally ill person will be violent is whether he has been violent before.

It is the most sensational cases of the untreated-turned-violent that make headlines: Russell Weston Jr., ruled incompetent to stand trial for killing two U.S. Capitol police officers; Sergei Babarin, who murdered a man and a woman at a Mormon library in Utah; John Salvi 3d, who shot to death two abortion-clinic workers in Brookline, Mass.; Mark Bechard, judged criminally insane for killing two nuns in Maine, and last month, another New York subway case, Julio Perez, charged with attempted murder for pushing a father of three in front of a rush-hour train, severing the man's legs.

Even in such criminal cases, the failings of the mental-health system are rarely exposed because most psychiatric records never become public. A few examples among many I looked into: in February, newspapers reported that Calvin Bostick, a homeless man, was arrested for setting fire to the Church of St. Anthony of Padua in Queens. But only from confidential state documents would you learn that between 1967 and 1998, Bostick had been treated and released 25 times from five state psychiatric institutions. And when he was out in the community, he built a criminal record of 18 convictions — for arson, assault, robbery and drugs.

When Kaid Farhn was arrested in December for nearly choking to death a 3-year-old girl standing with her mother in a Brooklyn subway station, it did not make news. He was recently found unfit to stand trial and confined for treatment — the second time in two years. In 1997, Farhn was arrested for assaulting three people, judged unfit and sent to the state psychiatric hospital on Staten Island, where, according to state documents, he was released after three weeks.

There are now far more mentally ill in the nation's jails and prisons (200,000) than in state hospitals (61,700). With 3,000 mentally ill in-

mates on Rikers Island, the New York City jail is now, in effect, the state's largest psychiatric facility. In a year's time, according to a study by the Urban Justice Center, 15,000 prisoners in Rikers are treated for serious mental illness.

Some, like Goldstein, are awaiting trial on violent crimes. But far more have been too sick to cope alone in the community and were arrested for shoplifting, disturbing the peace, public lewdness, intoxication, drug use, fare-beating. Many would never have landed behind bars if there were adequate community care.

And that is the larger, quieter scandal behind the states' failure. While some of the untreated are dangerous, far more suffer unnecessarily from their own illnesses. After years of declining numbers, the population of homeless adults is rising again in New York City shelters; it is estimated that of the 7,200 homeless, 2,200 to 3,000 are mentally ill. These days, commuters are noticing more disoriented people begging on the city's subways; police precinct commanders report a growth in "E.D.P." (emotionally disturbed persons) cases. "The number of disturbed people out there is definitely creeping

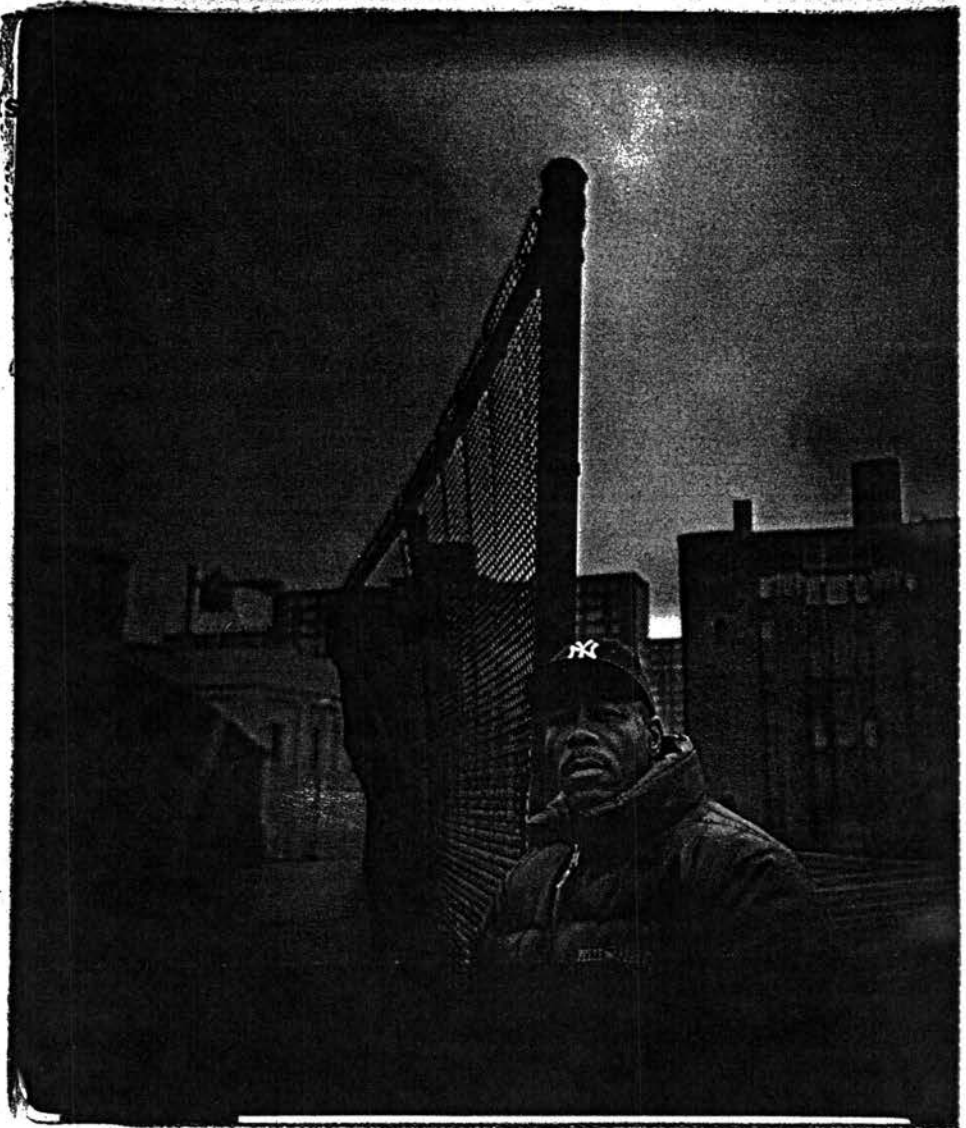
back up," says Mary Brosnahan, director of the Coalition for the Homeless in New York City.

A Return to the 1840's

On a winter's night, I visited the city's Atlantic Avenue shelter in Brooklyn — a run-down, dark, drafty military armory that houses 300 men. It is mean, hard place; the previous shelter manager was assaulted there and never returned to work. Everywhere disoriented men were talking to themselves, staring into space, rocking back and forth, their faces hidden like shades in hooded sweatshirts. A man with mangy hair, a foul smell and red plaid pants walked up to a top-ranking city official and explained that he was Albert Einstein. "I'm paranoid," Einstein said. "I think I did something I didn't do."

To Muzzy Rosenblatt, then the city's Acting Commissioner of Homeless Services, it is the mental-health system that seems crazy. "I shouldn't have mentally ill people in our shelters," he says. "They should be in mental health programs."

A community-program success story: A schizophrenic and former crack user who has done prison time, Thayer Gamble has cleaned up his act with the help of Pathways to Housing. His caseworker makes sure he keeps it clean.



hundreds of psychiatrists, therapists and social workers who had told Goldstein knew he was dangerous. The two years before Kendra Babcock was killed, he attacked at least 13 other people.

The state's Commissioner of Mental Health under Governor Pataki is James Stone, and advocates for the mentally ill have been so frustrated by his department's failure to finance more community-housing programs these last four years that they bitterly refer to this period as "the Stone Age." Indeed, in some ways we're back to where we were in the 1840's, when the legendary reformer Dorothea Dix set out to shame Massachusetts legislators into doing something for the mentally ill, who were locked away in the basements of local almshouses and jails. In 1843, Dix completed a 32-page exposé, "Memorial to the Massachusetts Legislature": "I proceed, Gentlemen, briefly to call your attention to the present state of Insane persons confined within this Commonwealth in cages, closets, stalls, pens! Chained, naked, beaten with rods and lashed into obedience!"

Dix described the care of each mentally ill person she had seen: "Saugus poorhouse: Apartment entirely unfurnished; no chair, table, nor bed ... cold very cold. ... On the floor sat a woman, her limbs immovably contracted, so that the knees were brought upward to the chin; the face was concealed, the head rested on the folded arms." Her accounts reminded me of the basement apartment in Brooklyn where Andrew Goldstein lived last year, as described in Jamaica Hospital records: "One-room unit, nonfunctioning bathroom, unsafe electrical wires hanging from ceiling, no electricity, foul smell of dead and decaying mice, lock to room broken. In general, conditions unsuitable for living."

Though a moralist, Dix understood that it was all about money, as David Gollaher points out in his biography of her, "Voice for the Mad." The 1840 Massachusetts census counted 978 "lunatics"; the two state asylums had only 353 beds. The state, Dix implored, must appropriate 60,000 to create beds for the 625 neglected; cities and towns were too small and too poor to finance their own asylums, she argued. Shamed into it, Massachusetts found the money. And that was what cemented the states' responsibility for the seriously mentally ill.

One hundred and fifty years later, neither the Giuliani administration nor the nonprofit agencies that rely on state funds to provide housing for the mentally ill have been able to shame Pataki into doing the same for them. The Republican

realized we weren't going to get a lot from this Governor. He just wasn't into it. So we were happy to get anything."

In 1990, when the first New York/New York agreement was signed, advocates celebrated. This time they held a protest rally, on April 29, picketing Governor Pataki's New York City office. "Pataki where are you?" chanted the 500. "Remember the homeless!"

A Broken Contract

Neither Governor Pataki nor Commissioner Stone would be interviewed for this article, and the spokesman for the state Office of Mental Health, Roger Klingman, requested written questions and supplied written responses. He would not comment on the Goldstein case,

because "state mental-hygiene law does not permit us to discuss information from a patient's clinical record." He described the state system as "large and varied," and wrote that New York's community housing program is "one of the largest if not the largest such system in the country."

Unfortunately, there are no comparative qualitative studies of state systems, and efforts to create national standards are in the early stages, says Clarke Ross, a public-policy expert at the National Alliance for the Mentally Ill. However, Ross says, any such measure would include the numbers of mentally ill in jails and prisons, as well as homeless, and in those areas, New York also has the dubious distinction of being a leader.

One measure of how low the national standard is when it comes to caring for the seriously mentally ill is to compare their deinstitutionalization with the movement of mentally retarded adults into the community during the same period, which is one of the more impressive social revolutions of our time.

In the early 1970's, after Geraldo Rivera sneaked a camera into the Willowbrook state institution for the mentally retarded on Staten Island, exposing snake-pit conditions, family members sued. Gov. Hugh Carey could have got the state off cheap by agreeing to improve Willowbrook, but instead signed a consent decree that forged a remarkable social contract for the mentally retarded: for each person discharged, the state would finance a group home or an apartment bed. That compassionate agreement helped to set a national standard.

By 1998, the state had financed 32,000 community beds for the mentally retarded — even though those beds are two to three times as costly as the 21,000 available to the mentally ill. (Mentally retarded residents need far more staff



Left: Advocates for the mentally ill picketed Governor Pataki's New York City office in April. Right: Julio Perez, accused of pushing a man in front of a rush-hour subway train.

Mayor is no Dorothea Dix, but Rudolph Giuliani does understand the problems of having lots of disoriented people on the streets and subways in a city where so many live so close together. Two years ago, he asked the Governor to renew a 1990 housing agreement for the mentally ill between the city and state, known as New York/New York. That agreement, made between Gov. Mario Cuomo and Mayor David Dinkins, provided 3,600 new units of housing for the mentally ill in the city, with the state financing two-thirds and the city the remainder. It had a big impact. At the time, there were 9,300 adults in city homeless shelters. By the mid-1990's, when the New York/New York beds were opened, the shelter census dropped to 6,000.

But those beds are full now, the homeless population has risen and so the Mayor asked this Governor to help create New York/New York II. Giuliani was willing to put in \$85 million for new construction — to match the city's 1990 share — and hoped that Pataki would create a new program on the scope of the first.

Not this Governor. For two years those New York/New York II talks were stalled, with Pataki unwilling to commit more than \$45 million for construction — a third of what city officials say was needed. This despite personal appeals to the Governor from an array of prominent New Yorkers, including John Cardinal O'Connor. Finally in mid-April, the Mayor gave up on the Governor's doing more and put the best face on a watered-down agreement. In the end, for the state's share, Pataki agreed to build just 500 new supervised S.R.O. beds over five years — on top of the mere 200 already in the state budget; in contrast, during Cuomo's last five years, the state financed or pledged 3,200 such beds. As one Giuliani aide told me: "A long time ago we

There are now far more mentally ill in the nation's jails and prisons (200,000) than in state hospitals (61,700). With 3,000 mentally ill inmates, Rikers Island in New York has, in effect, become the state's largest psychiatric facility.

support.) Although Pataki hadn't come close to matching his predecessors — the list of mentally retarded adults in New York waiting for housing grew to 6,000 by last year — he has always at least paid lip service to the social contract forged by Carey, building the mentally retarded between 480 and 1,100 new community beds each year.

Then last June, just as Pataki's re-election campaign was getting under way, newspapers in suburban Westchester County reported that there were 26 mentally retarded adults found living in homeless shelters there — prompting outrage. Pataki's response was swift. Ten weeks before the election, he suddenly announced a program to finance 5,000 new community beds for the mentally retarded called New York Cares. It means that community beds built or pledged for the mentally retarded now outnumber those for the mentally ill by some 15,000. Indeed, the Governor's 1999 budget calls for a \$40 million increase in spending for the mentally retarded; for the mentally ill, a \$27 million cut.

Why haven't we forged the same social contract for the mentally ill? After all, there are as many as 3,000 mentally ill in New York City's shelters. One reason has to do with timing. In the mid-1970's, when Governor Carey signed the Willowbrook consent decree, there was already a well-organized lobby for the mentally retarded. But the mentally ill had no lobby yet; the National Alliance for the Mentally Ill, which today boasts more than 200,000 members, was not founded until 1979. It wasn't until the mid-1980's, after deinstitutionalization had created a large, menacing homeless population, that New York began financing a substantial number of community beds for the mentally ill. But by then, the Reagan revolution had set in, activist judges were no longer in favor and government spending for the poor was in decline. Just as new community-housing programs were showing real success, money was drying up and advocates couldn't find a judge or governor to forge that social contract for the mentally ill.

In the early 1990's, I spent two years all but living at a well-run, state-financed group home for a book on the mentally ill. What I saw made me a believer in quality community programs and in the nonprofit agencies that use state money to run them. There were problems at the home, but they did not spill into the streets, because counselors were there to defuse the crises.

Today there is an impressive array of state-financed community models, from the heavily regimented to the lightly supervised, that have been developed by nonprofits: group homes for mentally ill substance abusers that use an abstinence model and have 24-hour supervision; S.R.O.'s, where people have their own rooms, share kitchens and get support from casework-

ers and psychiatrists with offices on the premises; rent-subsidy programs to pay for an apartment in an affordable building in the community, with a case manager who might visit as often as every day or as rarely as once a month.

The programs are so varied because the needs of the mentally ill vary, too. Among the least restrictive is Pathways to Housing, a program based in Harlem and Queens, which gives homeless mentally ill people who have long resisted treatment apartments even if they still have a drinking or drug problem and do not want to take medication. They are assigned a case manager who sees them regularly, making sure their problems with meds or substance abuse are reasonably under control. Though many Pathways residents had been homeless for more than a decade, 88 percent were still housed in this program after five years.

Thayer Gamble, 43, is one. Talk about a time bomb: he is schizophrenic, was suicidal, used crack and has been imprisoned several times. Four years ago a hospital social worker referred him to Pathways, which gave him an apartment and a caseworker, Ben Tallerson. Tallerson visited Gamble's Harlem apartment regularly. Because Tallerson *knew* Gamble, he realized one reason Gamble had trouble taking his medication properly. "He can't read," Tallerson says. "He didn't know what it meant to take meds A.M. and P.M." Tallerson meant it out for him, the sun for A.M., the moon for P.M. And two years ago, when Gamble started on crack again, Tallerson noticed. "When Thayer's going good," he says, "he has clean habits, he keeps himself clean, his apartment is clean. Now I start seeing his physical appearance is sloppy, he's smelly, he's hanging on the streets." Tallerson urged him into a detox program. As Gamble says, "I have his beeper number — if I'm having a problem at 3:30 in the morning, I can call Ben."

THERE ARE THOUSANDS OF MENTALLY ILL NEW Yorkers whose lives are better because of state-financed programs like Pathways — it's just that success is less visible than failure. Cecil Dozier, 44, panhandled at the corner of Bleecker and Thompson in Greenwich Village last fall. He is now in a program for mentally ill substance abusers run by Volunteers of America. Bladimir Lopez, who slept by the Dumpster at a McDonald's

on 125th Street, is in a supervised S.R.O. for the mentally ill run by the Center for Urban Community Services. So is Robert Whynot, who used to beg on the subways until he made \$35, then bought himself a bag of heroin, half a gram of coke and a metro card ("so I wouldn't get arrested for fare-beating"). Now for the first time, 40, he is getting treated for manic depression.

Even the New York City shelter system has made considerable progress, converting 1,000 shelter beds to mental-health-service beds run by nonprofits. These community programs cost between \$10,000 and \$43,000 per person, per year. All, however, are cheaper than a year at a state hospital (\$135,000) or Rikers Island (\$69,000).

The Push to Discharge

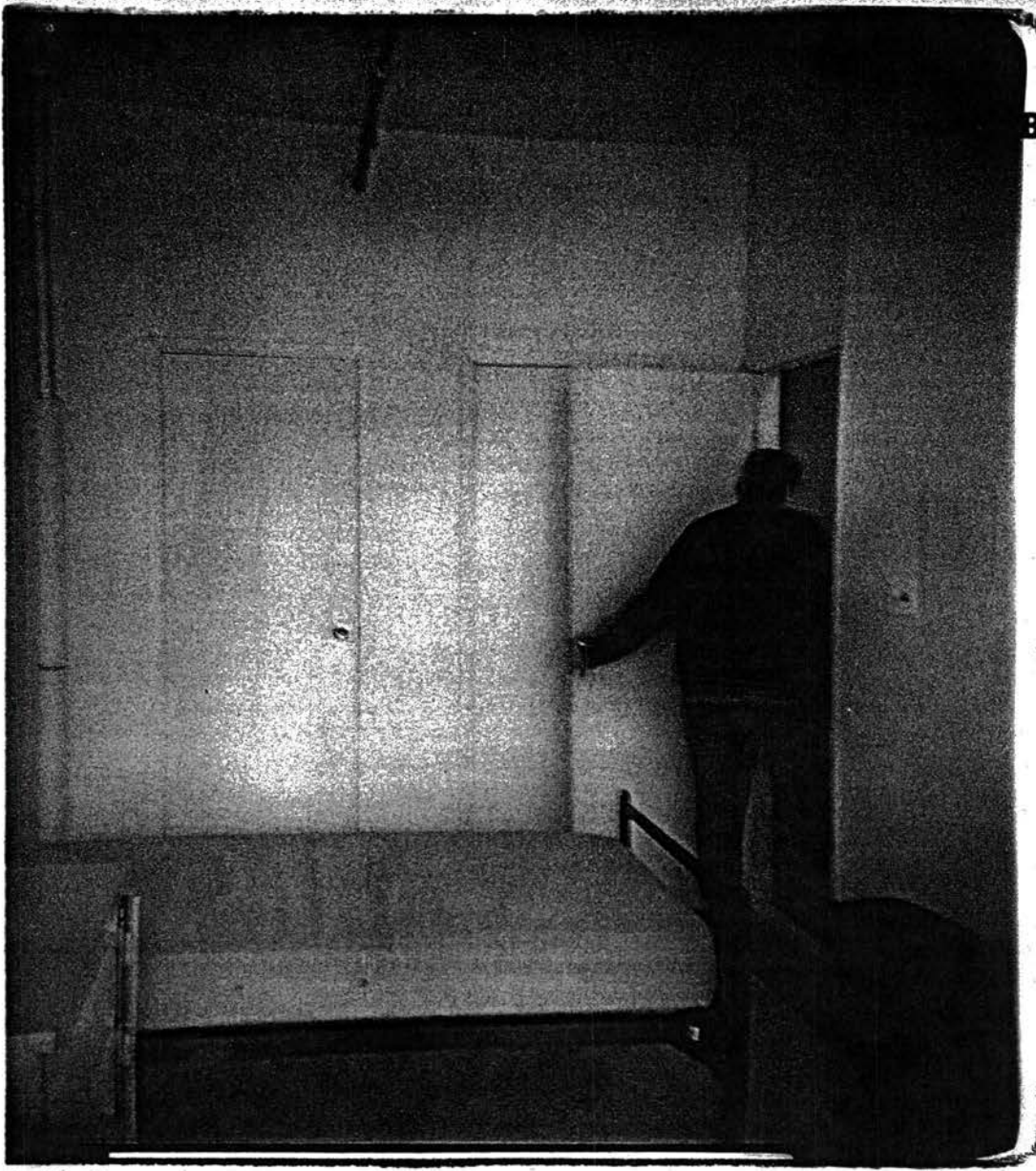
In 15 years of reporting on mental health, I have never seen the system in such disarray. Unprecedented cost-cutting measures are undermining safety valves that had long been in place. I count six dangers — for the mentally ill and the public — that have come into play in the last few years.

Danger 1: The last 6,000 long-term hospital patients that the state is working so hard to discharge are twice as likely to have a criminal background as patients from a decade ago.

Danger 2: While many of these patients continue to live in 24-hour supervised community residences, those beds are full. Even if the first New York/New York II beds open as scheduled, more than a year from now, there won't be anywhere near enough to absorb these new discharges, alone the growing number of homeless.

Danger 3: Psychiatric wards of general hospitals used to have the flexibility to keep a patient like Goldstein for months or transfer him to a state hospital for long-term care. But state hospitals are now taking few admissions, and managed care is pressing the general hospitals to discharge within three weeks. The five acute care hospitals that treated Goldstein can receive up to \$700 a day during those first weeks. But after that the medicated schizophrenic usually considered "stable" by insurance companies, and compensation can drop to \$175 a day or be denied altogether. And even at \$175 a day, hospitals lose money. As a result, there is a revolving door for patients, who quickly lapse without community support.

Bedlam on the Streets



Though its failures are more visible, the state can make a difference: Robert Whynot, another success story, used to beg until he had enough money to buy drugs; now, at 40, he is living in a supervised S.R.O. and finally getting treatment for manic depression.

Danger 4: There are a record number of mentally ill in prisons and jails now being released — without any discharge planning.

Danger 5: The crackdown on Federal disability and welfare benefits will leave more mentally ill people with no Government support.

Danger 6: Government watchdog agencies like the Commission on Quality Care for the Mentally Disabled in New York have had their budgets cut and their jurisdictions narrowed in recent years. Over the last decade, the commission's staff has been reduced 25 percent. It is far less likely today to undertake major inquiries. During Cuomo's administration, the Legislature authorized the commission to do a sweeping investigation of the multi-home industry; that authorization has not been renewed.

THE REASON THE MENTAL-HEALTH SYSTEM BEHAVES so irrationally is usually money. There is a rush to close state hospitals because that saves

money, but there is no incentive to build the badly needed community housing to replace them because that costs money.

The Pataki administration has given each state hospital an annual census-reduction goal. Mimi Koenigsberg was a social worker at Manhattan Psychiatric Center for 24 years, and in that time she never saw a push for discharges like the one begun in early 1998 by the hospital's director, Eileen Consilvio. "We started having these weekly discharge meetings," Koenigsberg recalls. "She'd say: 'Why isn't so-and-so going, he's been ready for weeks; this one's been ready for months. . . . Just get them off the census.'"

Klingman, the state mental-health-office spokesman, says that these meetings are conducted "to assure that discharge planning is proceeding appropriately." But the process plainly worried doctors at the Manhattan state hospital, where more than half the patients have a criminal record. According to minutes of a March 17, 1998, meeting of the psychiatry staff, "In the

need to reduce census it appeared to some present that they were being ordered by nonmedical staff to discharge patients prematurely."

A measure of how difficult these last patients are and how indifferent the state can be came in the form of a December ruling, by the New York State Labor Department, that Hudson River Psychiatric Center in Poughkeepsie is a hazardous workplace. It was the first such ruling in state history. While Klingman dismisses the case as a union ploy, the Governor's own labor department noted that state "employees have suffered broken bones, bites . . . and have been choked until they were unconscious by patients. The report said that most injuries to workers came when ward were below minimum staffing levels.

In one case, a single patient assaulted aides and nurses 37 times over two months. The local union president Judy Watts-Devine, repeatedly asked James Regan, the hospital director, to transfer the patient to a high-security facility for violent cases, but was ignored. And then Mary Veltri, a nurse became the 38th case: she was kicked in the pelvis and taken to a local emergency room. At that point, Watts-Devine told the director, "I'm going to call every TV station and every newspaper unless you get this man out of here." And he did.

Still, in the next few years, the state hopes to reduce its long-term census from 6,000 to as low as 3,700. With so much pressure from Albany to release, discharge teams routinely mislead the nonprofit housing providers about the severity of patients' problems, in hopes of arranging a placement quicker, in a less supervised setting, no matter how inappropriate. The Colonial is a run-down hotel on 112th Street in Manhattan. Colonial tenants complain of filthy, smelly conditions, fights in the narrow hallways and people living crowded into small rooms. Rockland Psychiatric Center acknowledges discharging 75 to 100 patients to the Colonial in recent years. Elizabeth Kane, a tenants' lawyer for the Goddard Riverside Community Center, called Rockland at one point to complain. "I didn't know if they realized what a dangerous, stupid place it was to send a fragile person," she recalls. "They said, 'We know, but we don't have any choices.'"

Even the building manager, John Klein, who denies tenants' complaints, says: "I don't think you'd want to live in a *Continued on page 56*

MENTALLY ILL

Continued from page 49

building like this. The problem is, there's no place for these people."

On Dec. 30, 1998, Rockland discharged a 43-year-old man to the Colonial. His sole support was a case-management team. Diane Sonde, who oversaw it, argued that the man needed a 24-hour supervised residence. Rockland disagreed.

The state never told Sonde's team key details of the man's history: that he was so sick that he had been in state hospitals 32 of the last 34 years; that he had a history of sexual assault; that he had been transferred to a high-security state facility four times because he was too dangerous for a regular state hospital.

After a few days at the Colonial, the man cornered a woman on Sonde's team, sexually exposed himself and threatened her. He was immediately returned to

Rockland. Only then did Sonde begin to piece together his real story. Nor was it the first time that the state had tried dumping this troubled man: in August 1998, Rockland discharged him to a city homeless shelter, only to have him walk back into a city hospital two days later, asking for help.

It is not that community programs won't take tough cases but that they want adequate resources from the state. A few years ago, Kingsboro Psychiatric Center in Brooklyn sent a man to a discharge interview at the Institute of Community Living, a large nonprofit housing agency. The state's two-page summary mentioned that the man had previously tried suicide. What the state summary did not mention was that the suicide attempt came after the man murdered his father. The community program learned this while interviewing him and confronted state officials, and he was re-

turned to Kingsboro. Klingman claims that Kingsboro officials didn't know the man had committed a murder because it was part of his juvenile record and was sealed. In a year, Kingsboro tried again, but this time the nonprofit agreed to take him only if he was in a 24-hour supervised residence with an intensive-case manager. And the state agreed.

All the big nonprofit community providers say the same thing: they can't trust state hospitals to tell the truth. "They mislead us," says Steve Warren, director of Services for the Underserved, a nonprofit with 800 state-financed beds. "They'll fudge on people with arson and sexual crimes. They're trying to package them in the best way they can, to get them out."

An Unnecessary Death

The sad saga of a schizophrenic 51-year-old named Peter Fazio, a long-term pa-

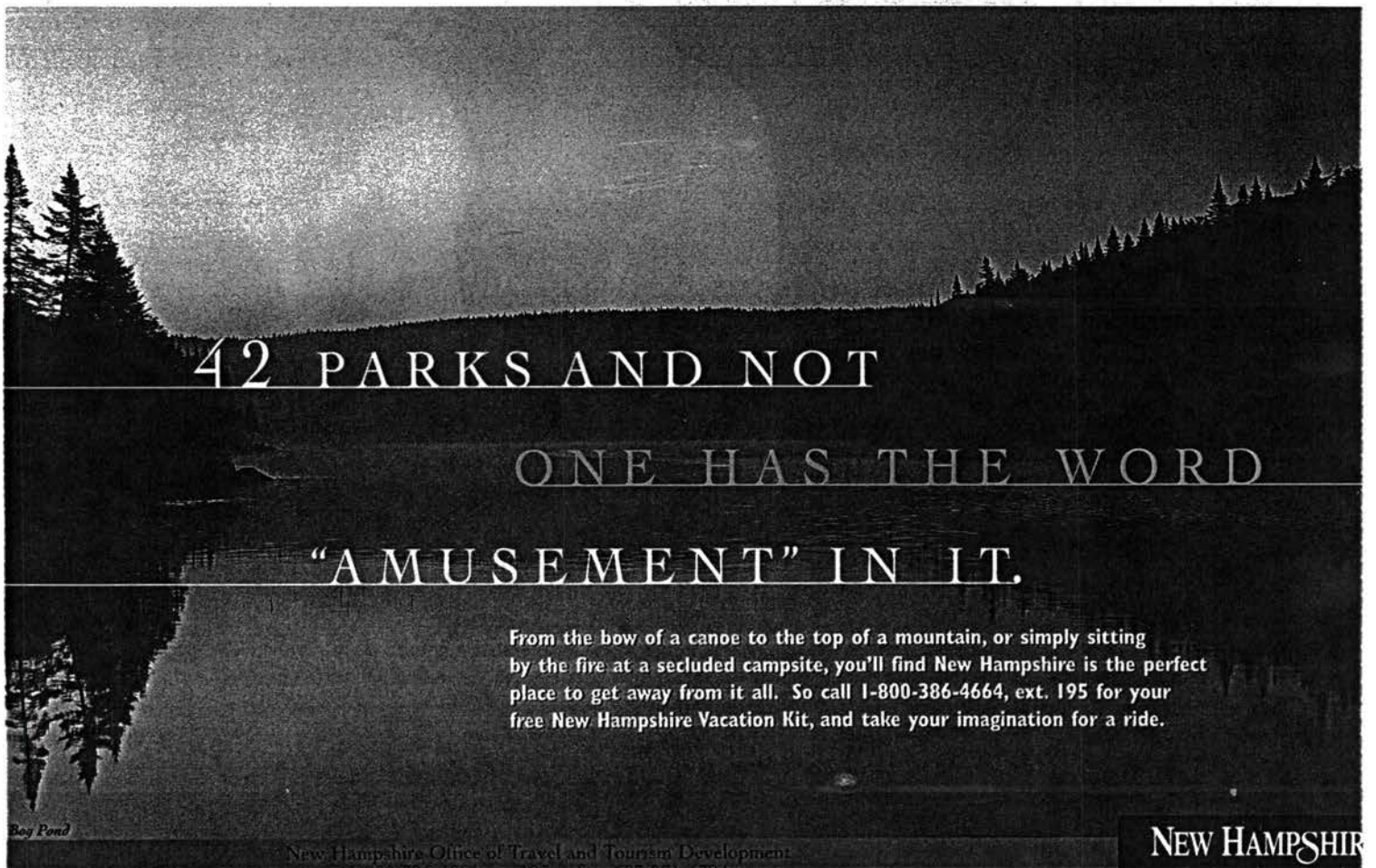
tient at Manhattan Psychiatric Center, illustrates the consequences of the state's relentless push to discharge. Before his schizophrenia hit, in the 1960's, Fazio was an A student at Bergen Catholic in suburban New Jersey and won a full scholarship to Manhattan College. After the illness, he was wild. He was estranged from his family, at one point holding his mother hostage for five days before police arrested him. He lived in Bowery flophouses until he murdered another resident, suffocating the victim by shoving a sock into his mouth. At the time, the police were struck by how much other flophouse residents despised Fazio.

In jail, he stopped eating and was kept alive by a feeding tube. At Attica prison, he tried hanging himself in 1986. For the next two years, he later told a therapist, he planned how he would kill himself after his prison discharge. In May

1988, two days after that release, he slit his chest open with a scalpel, then stuck a boning knife into his heart. Miraculously, he lived, and was sent to Manhattan Psychiatric, where he spent the next 10 years. While still a troubled patient — records describe him as "sadistic" and "hostile" to fellow patients, as repeatedly pacing the halls, paranoid and arrogant — for the first time, he found a niche. He relished waking early to read the newspaper, sold bread from a little cart, got along with staff members and enjoyed grounds privileges.

When discharge was discussed, he commented "There's nothing more to enjoy outside." When pressed, he repeatedly threatened suicide. A social worker's note describes a talk in January 1997 about discharge: "I asked about suicide. He said, 'Yeah, I'd basically go that route.'"

Hospital officials were
Continued on page 65



42 PARKS AND NOT

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MENTALLY ILL

Continued from page 56

well aware that Fazio had repeatedly threatened suicide if released. "When discharge planning is discussed," says a May 1997 note, "Fazio retreats." The note continues: "I will hurt myself." Alert: He is a serious risk."

In the months leading to his final night at the hospital, July 26, 1998, Fazio "complained he and other patients are being pushed by the administration to be discharged whether they are ready or not," according to records. During therapy he asked, "Is the reason they're pushing discharge now that they want to save money?"

For a few months, the record indicates, he was more positive about leaving, but by spring 1998, as the staff pressed, he is described as "depressed" and "not very happy or ready to talk about discharge." He worried that people in the community would know he was a murderer. In May, he told a case manager that twice before at the hospital he had tried suicide but had mentioned it to no one. Still the staff pressed, and on June 3 a discharge team, sent to the hospital by the state to lower the census, indicated that Fazio was ready to go.

On July 6, he was taken to visit a community residence, though he refused a placement there. On July 12, an aide noted his "regression" and "isolation," and a July 22 note mentioned his ambivalence and fear. On July 25, his next to last night at Manhattan Psychiatric, he stayed in his room at dinnertime, according to a hospital worker I interviewed: "He says, 'I'm being discharged, I really don't want to leave.' He was very depressed."

The next evening, Fazio again did not go to dinner, but this time was found in the bathroom, "in a pool of blood," a final hospital note says. "Body was cold to the touch." Using a razor,

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he had cut a wedge out of
his neck, piercing his jugular.

The story has an adden-
dum. The state's quality-
care commission did a brief
report on Fazio's suicide,
finding "no deficiencies" by
the hospital. The report
said, "We found no evi-
dence that Mr. Fazio had
threatened suicide since
mid-1996" (though in Fa-
zio's hospital notes I count
seven suicide threats in
1997 alone). The report
found "nothing signifi-
cantly unusual in the life of
Mr. Fazio in the weeks or
days prior to his death" and
concluded that Fazio's
death was "unpredictable,
thus not preventable."

The report offered no
theory as to why Fazio did
kill himself. However, it did
mention that two hospital
workers who had talked to
the media were disciplined
for violating the confidenti-
ality of the dead man.

Off the Streets

Rockaway, Queens,
is a shabby seaside
resort of old
boarding houses
and for-profit adult homes
that have long been a dump-
ing ground for the state's
mental hospitals. Jonathan
Gaska, district manager for
Rockaway's community
board, has been fighting the
problem for years. "There's
no supervision — you have
sick people urinating on the
lawns," he says. "We have a
guy who walks around with
a mop on his head. You feel
sorry for people like that.
They act odd, they dress
odd and they hang around
outside all the time — it
keeps people away." To dis-
courage the mentally ill
from sitting on the benches
in front of the Park Inn
adult home, the benches
were removed. Now the
mentally ill stand in front of
the Park Inn.

A few years ago, Steve
Warren, the director of Serv-
ices for the Underserved,
offered to take over a particu-
larly bad adult home and
run it properly. He took civ-

ic leaders to see housing
programs that he ran all over
the city. "They were good,"
Gaska says. "Warren was so
open. Everyone's like,
'What's the deal?' We're al-
ways being lied to." When
Warren started to redesign
the Rockaway adult home,
he spoke to the home's res-
idents about why they were
always on the street. "You
know why?" Warren recalls.
"There were 125 people
crowded in that adult home,
two or three to a room. To
get privacy, the street was
the only place to go."

With a \$1.2 million state
grant, he redesigned the
place, reducing the size to a
71-bed S.R.O. where every-
one has a small apartment.
There are also several
lounges and recreation areas.
The state provided financing
for an extensive staff, includ-
ing eight case managers, two
substance-abuse counselors,
a psychiatrist and a nurse.
The facility costs the gov-
ernment \$25,000 per person,

per year, three times the sub-
sidy for one of those awful
adult homes.

"The place is as good as
advertised," Gaska says.
"The state has to be able to
make other places do what
they're doing."

ONCE, FOR A YEAR, IN 1994,
Andrew Goldstein was in a
group home on the grounds
of Creedmoor state hospi-
tal and did well, regularly
taking his medication.
8/17/94: *Follows schedule
well, is uniformly polite,
friendly and cooperative.* But
that group home is highly
supervised, costing \$41,600
per person, per year, and
there is great pressure for
state workers to move res-
idents on to less-supervised,
less-expensive programs,
even if it's too soon.

A state discharge team set
up screening appointments
for Goldstein at a few apart-
ment programs that offered
moderate supervision. But

Continued on page 70

ANSWERS TO PUZZLES

OF MAY 16, 1999

AGITATES	CLAMOR	COIF	NIBS
VINEGARY	HEGIRA	HARI	ASAP
EVAPERON	ISAKD	NISEN	PASA
RENE	SODAS	ENDOR	DECODER
SNEERS	DINER	ASTIR	SALOME
COW	STREWN	ISE	SPIRES
ELIZABETHI	COCOCHANEL	ANT	
PEDI	EAR	REEVE	RESEND
IRONSIDE	SLO	ESSES	TOURS
COLGATES	ALOMAR	ENT	ONAN
SISSY	SALAMIS	ADES	DCII
EPI	DOM	NOMAN	GALLANT
EDISON	JOANOFARC	GREENS	
ABORTED	UNSER	NNE	SAT
CORE	MAWS	ICINESS	SPATE
ELON	NET	PLANES	ARMOIRES
DATED	GASPE	DRS	BOUNCERS
HEATER	ARDOR	RAF	TARA
CAY	MARIECURIE	DIANFOSSEY	
ASPENS	ELK	ELEVEN	SEW
STARES	DORMS	DICKS	DISCOS
PARADED	PAESE	EASEL	HALT
IRKS	LORETTALYNN	VICTORIA	
ATEE	EVER	AGLINT	ENDEAVOR
NERD	DEBS	LEONAS	RESTLESS

MORRISON	C	J	D	M			
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Quotation: Thoughts have no sex.
— Clare Boothe Luce

MENTALLY ILL

Continued from page 66

he was judged too low-functioning and didn't pass those interviews. A system driven by an individual's well-being would let him stay at the Creedmoor home and try again later; a system driven by money cannot wait. So when he wasn't well enough for a program with moderate support, the team pushed him to move to a place with almost no support, an adult home.

GOLDSTEIN REJECTED THE first adult home he was shown as too large, a 200-bed facility in Rockaway, but social workers kept pressing. 10/31/94: *He has been told he cannot go to Delaware to visit his father until his housing placement is made.* So he chose the very next thing he was offered, Leben Home in Queens, with 361 beds, the second-largest adult home

in the state. For Goldstein, that was the beginning of the downward spiral to the basement apartment and Webdale. He tried several times after that to get back into a supervised residence, including the one at Creedmoor, where he had lived in 1994, but with no luck.

On Sept. 12, 1997, after Goldstein walked into Bellevue Hospital's E.R. seeking help, a hospital social worker noted: "Patient states he would like to return to S.C.C.R." — the group home — "at Creedmoor. Spoke with Carol Erman, the secretary, who states patient was a resident, however, he can only be referred from Creedmoor inpatient. She referred patient to David Frazier for community residence. Mr. Frazier reviewed chart but was unable to accept referral as there were no beds available."

The next day, Bellevue discharged Goldstein to his

basement apartment. The social worker noted that she had given him a piece of paper with the phone number of a mobile crisis unit to call if he became disoriented again; the social worker also noted that he had no phone.

FOR YEARS, INSTEAD OF resources, there have been shortcut solutions that push the problem around. The latest, inspired by the Goldstein case, is an effort to pass an outpatient commitment law for New York. It would allow people resistant to treatment to be committed to a supervised community program, and if they are not compliant with medication, they would be hospitalized. Supporters see it as a way to control the resistant mentally ill and leverage the system for more resources; if more people are committed to community programs, the state will have to build more. Opponents fear it will deprive

the mentally ill of the right to control their treatment.

I doubt it would make much difference either way. The reality is that commitment is no longer much of a civil liberties threat — state hospitals don't want patients, and the short-term hospitals can't get rid of them fast enough. If New York had outpatient commitment, it probably would not be enforced because the resources aren't there; or if it were enforced, given current resources, one group of people that needs care would be pushed aside for another group that also needs it. There are 37 states with outpatient commitment laws, and most have systems as dysfunctional as New York's.

What I found most haunting about Goldstein's 3,500-page file was his repeated pleas for services that had no vacancies. There was no room at the inn.

Last month at a court

hearing, Goldstein's lawyers, Harvey Fishbein and Jack Hoffinger, argued that he was not fit to stand trial. Judge Carol Berkman disagreed, finding him competent. But she also hinted that she understood the larger scope of the crime. "I have no doubt," she said "that someday, probably after we are all gone, people will look back at our treatment of mental illness under the law and be shocked and appalled."

When Dorothea Dix had finished shaming Massachusetts into spending more money, she set off to shame New York. In her 1844 report to Albany's legislators, she urged them to live up to the state motto "Excelsior! Excelsior!"

Excelsior is probably shooting a little high when it comes to social services in America these days, but the time is long overdue to establish a social contract for the mentally ill. ■

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Abroad at Home
ANTHONY LEWIS

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Something Out of Kafka

5/24/99

BOSTON

Bonnie Blackwell is a Canadian scientist, the inventor of a new technology for dating ancient objects. She was in New York earlier this year when her mother became fatally ill in Canada. This is the story of how employees of the U.S. Immigration and Naturalization Service kept her from seeing her mother before she died.

Ms. Blackwell is married to an American, Joel Blickstein, a New York City high school teacher. She has what is called a trade Nafta visa, which entitles her to work in the United States on her specialty. And she has a U.S. National Science Foundation grant for that work.

Last October her husband applied to bring her in as a relative. They sent their documents to the I.N.S. office in New York. They got a letter back from an I.N.S. office in Vermont saying they needed also to apply for a change in her visa status to permanent resident: the holder of a green card. It took them more than a month to find out, in many telephone calls, how to do that. They filed in February.

Meanwhile Ms. Blackwell, who was in New York, made a visit to Canada to do research at McMaster University. On her way back to the U.S., a border agent warned her that once she had applied for a green card, she should not leave the United States for Canada again without first getting "advance parole," a form I-130. If she failed to get that, she could be barred from re-entering the U.S. for years.

Ms. Blackwell spent many hours on the telephone finding out how to get form I-130. She waited on hold for as long as two hours. In February she mailed the application to the Vermont I.N.S. office. She got a form back saying it should go not there but to "the appropriate office." After two more days of telephoning she found out that that was New York.

In April Ms. Blackwell learned that her mother, who was 90 years old, was dying of cancer. The I-130 form said processing it would take 30 days. It was more than that since she had filed, so she made a series of fruitless telephone calls to the I.N.S. in New York to see what was happening.

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Ron Barrett

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is professor of political
public policy at Barnard
Columbia University

On April 22 Ms. Blackwell went to the I.N.S. office in New York. After waiting in line for hours, she reached a woman who slapped a paper on the counter saying, "It will now take 75 days to process an I-130." When Ms. Blackwell said her mother was dying, the woman said: "The only thing we accept over the counter is proof that there has been a death in the family. Anything else has to be done by mail." Ms. Blackwell went home and sent an Express Mail letter.

Her mother died on Saturday, April

Impenetrable bureaucracy at the I.N.S.

24. On Monday, Ms. Blackwell got the death certificate and went back to the I.N.S. office. After waiting in line, she got to the counter at 11:30 — to be told that she had to be there by 11. But another I.N.S. man said he would see what could be done.

She sat in the dank, overcrowded waiting room until 4:30 in the afternoon. Then another I.N.S. person called her name and told her, "We've lost your papers; you'll have to come back tomorrow."

The funeral was the next day. That morning at 9, Ms. Blackwell put in a new I-130 application. At 2:30 P.M. she was told, "We don't have your pictures — we've lost your entire file." She went downstairs to a photo shop and got pictures of herself. At 4:45 she was given the form I-130.

"It took me two days to recover enough to drive to Canada," Ms. Blackwell said when I spoke to her. "Every week my mother would ask, 'When are you going to come home and see me? I want to see you one more time before I die.'"

"I don't understand it. The I.N.S. presents a horrible view of America, nasty and heartless. And individually Americans are so nice — they do all sorts of wonderful things for you."

I asked I.N.S. headquarters for a comment on Ms. Blackwell's case. Bill Yates, deputy executive associate commissioner, telephoned me and said the New York office had told him Ms. Blackwell had not filed correctly. But he did not stop there. At my suggestion he talked with Ms. Blackwell on the telephone. Then he called me back.

"I believe every word she said," Mr. Yates told me. "I feel terrible for what happened. This is a woman who followed the rules. We failed her."

"I told her we had plans under way to improve training and to set up a national service center, with an 800 number where you can talk to someone within 15 seconds."

Bill Yates was impressive. But it will be hard to change the culture that too many people encounter at the I.N.S.: a culture of indifference and hostility. □

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PEACE TALKS

Meetings in Moscow May Be Showing Progress

By MICHAEL WINES

MOSCOW, May 20 — Negotiations toward a political settlement over Serbia seemed to inch forward today when the Russian mediator, Viktor S. Chernomyrdin, met outside Moscow with Deputy Secretary of State Strobe Talbott and President Martti Ahtisaari of Finland.

But at the same time, Russia registered its unhappiness with NATO by breaking off its military contacts with the alliance.

The parties to the talks here have disclosed nothing about their details. But when Mr. Chernomyrdin, a former Prime Minister, was asked earlier today whether there was news, he replied, "Yes, good news."

Mr. Chernomyrdin had just returned from Belgrade, where he spent seven hours in talks with President Slobodan Milosevic of Yugoslavia. He and Mr. Talbott had been in Helsinki before that, talking for two days with Mr. Ahtisaari, the European Union's envoy to the Kosovo talks.

American officials here hint at some progress, but emphasize that the sides are at odds over the make-up of an armed international force that would be sent to Kosovo to enforce any political agreement.

The Interfax news service today quoted Russian officials as saying Mr. Milosevic and the envoys also disagree over the scope of any mandate to be given the international bodies and envoys who will negotiate the political future of Kosovo.

[In Belgrade, Yugoslav officials said the talks with Mr. Chernomyrdin had gone well. Goran Matic, an

influential Minister Without Portfolio, said in an interview, "I think we can expect a political settlement in the next week."]

Serbian and Yugoslav troops and paramilitary forces have driven hundreds of thousands of ethnic Albanians from their homes in Kosovo, and there are reports of mass killings

Russia remains unhappy with NATO and its war.

and rapes. NATO has pledged to continue bombing Yugoslavia until the troops withdraw and Kosovar Albanians are allowed to return under protection of foreign forces.

Mr. Milosevic has rejected those conditions, but aside from insisting that Kosovo remain a part of Yugoslavia, his precise demands are not publicly known. In recent days Western officials have suggested that he is increasingly willing to agree to a political settlement, as long as it does not brand Yugoslavia the "loser."

Russia has called NATO the aggressor and demanded an end to the bombing as a condition for any agreement. Today the Foreign Ministry accused the Western allies of "the most blatant violation of the Geneva Convention on the protection of victims of war" in connection with reports of the accidental bombing of a Belgrade hospital overnight. Ser-

bia says four civilians died in the raid.

Russia's Defense Ministry said today that it had suspended all military contacts with NATO, recalled all Russian forces from military training in NATO countries and reduced other exchanges with the alliance and its members until a settlement is reached.

Despite all that, Moscow seems to have gained a central role in fashioning an end to the conflict. President Boris N. Yeltsin talked by telephone with President Ahtisaari today; a spokesman said Mr. Yeltsin had called for an end to the "barbarous" air attacks on Yugoslavia.

The Russian Foreign Minister, Igor S. Ivanov, also met here with a United Nations special envoy on Kosovo, Foreign Minister Eduard Kukan of Slovakia. Mr. Ivanov is to meet on Friday with another United Nations envoy, former Prime Minister Carl Bildt of Sweden, who had an active role in ending the fighting in Bosnia.

And on Friday Russian officials are to fly to Bonn, where another session of officials from the seven major industrial powers and Russia — the so-called Group of 8 — will try to narrow differences over Kosovo. Those talks are to focus on drafting a proposal for a Kosovo settlement that can be presented to the United Nations Security Council for approval.

Russia has already drafted its version of a resolution, Mr. Ivanov said today, but he added that it did not cover a number of differences among the negotiators.

Italian Aide Is Killed, Apparently by Terrorists

ROME, May 20 (Reuters) — Gunmen shot dead a senior adviser to Italy's Labor Minister today, stirring fears that political terrorism had returned to Italy after more than a decade of relative tranquillity.

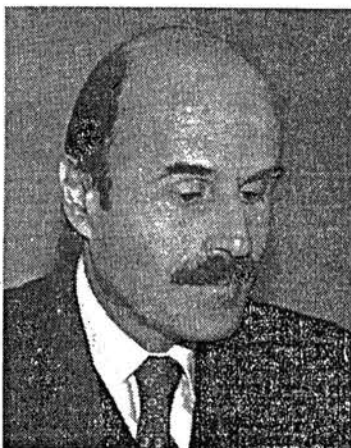
Hours after the killing of the aide, Massimo D'Antona, Labor Minister Antonio Bassolino said the Government had received information from investigators indicating that the attack was the work of terrorists.

Reacting swiftly to the killing of Mr. D'Antona, a 51-year-old lawyer and former government under secretary, the Government raised a security alarm to guard against other potential attacks.

A document sent to a Rome newspaper and purporting to come from the Red Brigades, a guerrilla group that was thought to have been eliminated, claimed responsibility for the killing.

The Red Brigades were responsible for a number of attacks in the 1970's and 1980's, including the 1978 kidnapping and killing of former Prime Minister Aldo Moro.

After the document was received, Mr. Bassolino was quoted by the



Massimo D'Antona was an adviser to Italy's Labor Minister.

ANSA news agency as saying the Government had "official confirmation of the terrorist origin of the attack." The political motive of the attack, however, was unclear.

Mr. D'Antona was shot outside his home in Rome by two young men in

jeans and denim jackets who had been hiding in a parked van, the police said. He died as he was being taken to a hospital.

The last high-profile politically motivated killing in Italy was in 1988, when leftist guerrillas killed Roberto Ruffilli, an adviser to Prime Minister Ciriaco De Mita.

Prime Minister Massimo D'Alema expressed deep concern over today's killing but seemed at pains to avoid saying "terrorism" even though nearly every other politician uttered the word.

Mr. D'Antona was a member of the Democrats of the Left, the Prime Minister's party and the largest group in the governing coalition.

Interior Minister Rosa Russo Jervolino said in Parliament that Mr. D'Antona had been hit by two bullets and that his killers might have used silencers — one of the elements that pointed to professionals.

She said the Government had "activated to the maximum the activity of intelligence and has ordered the immediate increase in security measures around all other targets that are deemed sensitive."

Handwritten note: "D'Antona killed by Red Brigades" with an arrow pointing to the article.

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INTERNATIONAL ROUNDUP

Japan's Trade Surplus Falls Again. Japan's current account surplus fell for the second consecutive month in March, providing further evidence that it has passed its peak. According to Japan's Ministry of Finance, the current account fell to just under \$9 billion, a 3.5 percent drop from February and 25.5 percent below its level last March. The smaller-than-expected surplus was largely the result of a substantial increase in the current transfers deficit, which jumped to \$4.3 billion in March, a 258 percent increase over the previous year.

Poorer Nations Starting More Anti-Dumping Cases. A record 26 countries opened anti-dumping investigations in 1998, up from 22 the year before and just 7 a decade ago, according to a new study based on World Trade Organization data. The United States, the EU, Australia, and Canada—traditionally the most active users of anti-dumping measures—accounted for just a third of the 225 cases opened last year. These four accounted for over 80 percent of cases in the late 1980s. (The EU has a single trade policy and is therefore treated as a single entity.) Developing countries have become relatively more active: South Africa opened the most cases, 41, and India opened 30, compared with 34 cases initiated by the United States and 22 by the EU. The EU was the target of the most anti-dumping cases, 42, followed by China with 23. Anti-dumping activity was most intense in the steel sector, which accounted for almost 40 percent of all cases opened last year.

World Bank Speaks Out Against Tobacco. Developing countries can prevent millions of premature deaths and much disability if they adopt measures to reduce the demand for tobacco, according to a new study from the World Bank. The study found that increasing the price of cigarettes is the most effective way to reduce demand. It estimates that increasing the price by 10 percent would reduce demand by about 8 percent in low- to middle-income countries and 4 percent in high-income countries. The Bank estimates that such an increase in price worldwide would cause 40 million current smokers to quit. The study found that advertising bans, dissemination of research on the health consequences of smoking, and nicotine replacement therapy are effective in reducing demand. Supply restrictions, by contrast, were judged to be ineffective ways to reduce smoking. The bank noted, for example, that attempts to restrict cigarette sales to minors have been largely unsuccessful, even in developed countries with substantial enforcement capacity.

Brazil Stays on Target. Brazil's government announced this week that it had hit two targets established by the IMF as part of the \$41.5 billion aid package announced in November. Brazil's primary budget surplus exceeded 9 billion reais (\$5.6 billion) in the first quarter of 1999, easily surpassing the goal of 6 billion reais set in the IMF agreement. Brazil also met all the foreign-debt targets specified in the agreement, with short-term foreign debt of \$3.6 billion at the end of March, compared with the IMF ceiling of \$5.3 billion.

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This is quite good
[Signature]

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Why Squeeze Every Last Penny From the Bankrupt?

By Henry J. Hyde

WASHINGTON
Early this month, with the support of more than 300 of my colleagues, the House of Representatives approved sweeping changes in our national policy on bankruptcy. Generally, these are much-needed reforms, but one part of the legislation could leave some debtors without enough money for basic needs.

For the last century, Americans filing for bankruptcy generally have been able to receive an immediate financial fresh start. The legislation now making its way through Congress effectively channels many debtors into a form of bankruptcy

Even those
in debt
need to eat.

relief where they will have to repay a portion of what they owe for up to five years, a fair expectation in a society operating on the premise that obligations will be honored. The sticking point is how to determine whether an individual has some meaningful ability to repay.

I'm a conservative, and I'm certainly a market capitalist, but I also believe in capitalism with a human

Henry J. Hyde, a Republican from Illinois, is chairman of the House Judiciary Committee.

face. Declaring bankruptcy can be a traumatic experience, and as we justifiably bolster creditors' rights, we ought not ignore the need to leave the debtor with a decent standard of living during the repayment period.

A majority of my colleagues believe that we should be guided by the Internal Revenue Service's expense allowance standards in determining the expenses of bankrupt individuals and their families for certain basic needs like food, clothing, rent and utilities. These standards, which are far too restrictive, were developed by the I.R.S. to maximize the collection of taxes from delinquent taxpayers, and I do not think it is a particularly Republican idea to advance them. In our successful effort last year to curb abuses by the I.R.S., Congress required it to apply these standards more flexibly in tax collection cases.

The treatment of food needs is an example of what is wrong here. The I.R.S. allowance applies uniformly in the contiguous 48 states, failing to reflect regional differences in the cost of food. In addition, under the I.R.S. schedule, allowable expenses for food increase dramatically with increases in income, a confirmation that the standards are not designed to reflect actual need. Serious problems are evident when a debtor earning \$51,000 a year gets \$421 per month for food when living alone and \$619 per month — less than 50 percent more — when supporting a household of four. If more than a 5 percent increase beyond these standards in a family's food budget is needed, the bill passed by the House does not allow it unless the debtor can demonstrate extraordinary circumstances.

An amendment that I offered would have replaced the I.R.S. expense allowances in the bankruptcy

legislation with a "reasonably necessary" standard that has been used for the past 15 years in voluntary debt repayment plans. Although existing case law already interprets and applies this standard, I proposed that the Department of Justice issue more precise guidelines. If my

amendment had been adopted, many Americans still could have been channeled into repayment plans without depriving debtors and their families of the means to pay for their basic needs.

I hope Congress will reconsider this humane approach to living ex-

penses, perhaps in similar legislation to be taken up as early as this week in the Senate or in a House-Senate conference to reconcile different versions of bankruptcy reform legislation. Decency and dignity need not be victims in an otherwise useful reform. □

Book, Movie, War, Reality

By Larry Beinhart

WOODSTOCK, N.Y.
Taking a detour into the absurd, a Yugoslavia official, Goran Matic, claimed last week that there are no real Kosovar refugees. That the people we see acting like refugees are just that — actors, 3,000 to 4,000 of them, getting paid \$5.50 a day by NATO. The way it was in the film "Wag the Dog."

As if to match him, a NATO spokesman would deny the story only on condition of anonymity.

But nobody believed Mr. Matic anyway. His problem was that he only saw the movie. He didn't go back to the book it was based on. The book has a different title — "American Hero" — and it's about the creation of an actual war as a theatrical event, while the movie is about the creation of the illusion of a war.

The thing is that modern war really is a theatrical event. In the old days, the media cooperated with govern-

Larry Beinhart, the author of "American Hero," is working on a screenplay titled "Divorce."

ment — by commandment in totalitarian countries, by mutual agreement (with some few exceptions) in the democracies.

Until Vietnam. In its analysis of that failure, as Colin Powell pointed out in his biography, the American military explicitly understood that it is necessary to plan how the war will play out

Combat is now a
theatrical event.
That's good.

on television as well as on the ground.

That sounds like a bad, cynical thing. But it's not. As we learned in the Persian Gulf, a well-thought-out, thoroughly planned war in which civilian casualties are avoided and our casualties are lower than they are for stunt men working on normal movies, a war that has a definite conclusion and is over quickly, is better than an unfocused, messy, dragged-out war.

Thus the Bush Administration took a look at Yugoslavia years ago and said — I'm paraphrasing here —

"That's going to make a lousy picture; let's not do it."

But now the Clinton Administration has put it into production. They too should have gone back to the book first — not necessarily my book, "the book." If somebody had actually worked on the plot, story conferred it, they might have said: "O.K., let's say we bomb them, and Milosevic doesn't fold, he just steps up his campaign against the Kosovars. What then?" What now?

We know several things about war movies. First of all, it's necessary for the good guys to do bad things. We have to prepare for that; we have to know that the bad things really are necessary. Also, it's better if the good guys seem purposeful and smart, not confused and ineffectual. Finally, we know that we'll need an ending, preferably happy.

So Mr. Matic's remark inadvertently gives us a lesson, unfortunately too late to follow this time: if wars are to be theatrical events, never start shooting without a script. Which is the Hollywood version of what Karl von Clausewitz used to say: "No one starts a war — or rather no one in his senses should do so — without being clear in his mind what he intends to achieve by that war and how he intends to achieve it." □

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Colombia and Puerto Rico some getting into the hands of criminals.

On Thursday, agents with the Bureau of Alcohol, Tobacco and Firearms raided the shop, confiscated pistols, seized documents and arrested Hernz climaxing a three-month undercover investigation that ATF officials say has cast a spotlight on a booming trade in illegal U.S. arms to the Caribbean. Hernz was formally charged Friday before being released on his own recognizance.

In the last several months alone, Jamaican customs inspectors have seized dozens of guns, rifles and even machine guns, hidden in food barrels, tires and other shipments from Florida and New Jersey. Haitian police have found smuggled pistols inside frozen turkeys. And in the Bahamas, police working with ATF agents in Florida have traced several weapons used in recent violent crimes there to U.S. gun dealers.

Many in the region blame the arms trade, in part, for spiraling violent crime on their islands, which depend on tourism for economic survival. Led by Jamaica and the Bahamas, they have appealed to the Clinton administration to stem the tide of guns at the source.

"What bothers me most right now is the influx of guns from the United States," said Jamaican National Security Minister K.D. Knight.

In response, the ATF has intensified its anti-smuggling operations especially in Miami. The serial numbers of hundreds of weapons confiscated throughout the Caribbean are being traced through the agency's computer in West Virginia, and then by street agents at gun shops from Miami to California.

Other ATF agents have gone to the islands to establish closer ties and teach local police gun-tracing techniques. But the results have been mixed.

Bill Newell, who heads the Miami ATF office's arms-trafficking unit, praised Colombia and Jamaica, which now routinely send the ATF the serial numbers of confiscated U.S. weapons. The agency then traces the weapon from its first sale to its last, often ending in a gun dealer's arrest.

But Newell singled out for criticism the Haitian National Police, a force recruited and trained under a multimillion-dollar State Department program to rebuild it after the U.S.-led military intervention there in 1994.

Law enforcement sources in Haiti recently have conceded that police corruption endures in the impoverished nation, fueling its escalating drug and arms trades. On Thursday, Newell appealed for more police cooperation from Haiti.

"If we could get a lot more cooperation from Caribbean countries like Haiti, we could help them solve a lot of their crime problems," he said.

Those problems are likely only to worsen as the United Nations prepares to end its six-year mission to restore Haitian democracy.

"Right now, we're seeing a really large number of guns being purchased by Haitians," Newell said. "A number of Haitians we've arrested have told us the only way they can protect themselves after the U.N. pulls out is to arm themselves."

In the case of the Miami pawn shop, said Newell and ATF spokesman Eduardo Halley, the investigation began when the agency traced several guns used in crimes throughout the Caribbean region to the Miami pawn shop.

Undercover agents and informants with criminal backgrounds then made a series of illegal gun buys from Hernz, who, according to an ATF affidavit filed in the case, falsified records to make the sales appear legal.

Asian American Nuclear Workers Describe 'Ethnic Profiling'

By Nick Anderson
Los Angeles Times

WASHINGTON On the surface, the incidents cited by employees in the nation's nuclear weapons laboratories were not explosive: a snide remark here,

an ambiguous warning there. It was hardly material for a clear-cut case of workplace discrimination.

But to Asian Americans who work in the labs, the incidents were real and their implications disturbing. Amid congressional espionage inquiries and news reports that a Chinese American lab employee may have helped China purloin vital nuclear weapons secrets, a small, indignant group of scientists and engineers decided that something should be done to defuse the threat of "ethnic profiling."

"There were enough things happening that we were very concerned about suspicions and (whether Asian-Americans) were being treated differently," said Raymond Ng, a mechanical engineer for Sandia National Laboratories in California. "There was a lot of fear and concern about what was going on. Management was not aware of these things. We needed to make it known."

So Ng joined with Joel Wong, an industrial hygienist at Lawrence Livermore Laboratory, to give Energy Secretary Bill Richardson a short list of recent incidents of ethnic insensitivity reported by co-workers who wished to remain unnamed. Richardson, who oversees the labs, said that he considers the reports to be generally true, even if some particulars remain unverified.

In one account, snickering and hushed laughter broke out in a roomful of computer users as a person with a Chinese surname was introduced to lead a session on computer security. In another, a lab manager told an Asian American employee that "personal characteristics" would determine a person's career opportunities in the wake of recent disclosures of security breaches implying that ethnicity was one such characteristic.

Then there was the teasing. Someone wondered aloud whether an Asian American employee got rich by selling classified information, according to Ng and Wong. Someone else said he was wary of sharing information with a colleague of Asian descent who might be a spy.

Two Chinese American lab employees who insisted on anonymity recounted similar incidents in separate interviews with a Los Angeles Times reporter. One said he had been asked at work whether he had "dual loyalties."

Whether an ethnic backlash actually is occurring to any significant degree is hard to determine. But concerns about possible ethnic stereotyping are rising and not just among national lab employees. The subject comes up in government circles, in the scientific community, in the ethnic Asian media, in high-tech business groups and among Asian American civic leaders who fear a replay of the uproar directed at Asian American political donors after revelations of attempts by foreign interests to influence the 1996 elections.

Prominent Asian Americans have met with Richardson four times and once with White House Chief of Staff John Podesta to seek assurances that scientists and engineers in U.S. labs would not be subject to discrimination.

"Asian Pacific Americans are concerned that their loyalty and their patriotism are being challenged," Richardson acknowledged in a speech on April 30. "And that's because of racism."

The energy secretary vowed to protect the rights of all laboratory workers and to visit the labs in person to drive the point home.

In Congress, Reps. Tom Campbell, R-Calif., and David Wu, D-Ore.

the first Chinese American member of the House are drafting a resolution expressing support for Chinese Americans.

Wu said there is "widespread concern in the Chinese American community and particularly the Chinese American scientific community. These are folks who work very, very hard. They are Americans. By all accounts that I know of, they work hard and play by the rules."

Campbell said some scientists and engineers in Silicon Valley now worry about traveling to

professional conferences in mainland China, for fear that they will be suspected of leaking technological secrets to the Communist regime. Still, many lawmakers assert that the United States must raise its guard against Chinese espionage and set new limits on scientific exchange with China and other countries seeking to develop nuclear weapons. Their campaign is likely to gain considerable momentum with the release of a House investigative panel's report citing evidence of widespread leakage of sensitive military technology to China. The committee's bipartisan findings are expected to be made public next week by its chairman, Rep. Christopher Cox, R-Calif.

Asian American scientists, engineers and civic leaders hasten to condemn espionage. But they contend that some Republican leaders in Congress, aided by unbalanced media reports, have cast a cloud over Chinese Americans and Chinese nationals doing legitimate scientific work in the weapons labs and elsewhere.

Asked about the extent of Chinese espionage on the NBC program "Meet the Press," Sen. Richard C. Shelby, R-Ala., chairman of the Senate Select Committee on Intelligence, said in March: "We've got to remember the Chinese are everywhere as far as our weapons systems, not only in our labs that make our nuclear weapons and development, but also in the technology to deliver them. We've seen some of that. They're real. They're here. And probably in some ways, very crafty people."

A spokeswoman for the senator, Andrea Andrews, said that Shelby was referring to Chinese spies, not to Chinese Americans in general. But others read more into his statement. Charles Sie, vice chairman of the Committee of 100, an influential Chinese American group whose founders include the architect I.M. Pei and the cellist Yo-Yo Ma, called Shelby's words a "ridiculous" example of ethnic stereotyping.

Also "ridiculous," said Jeff Garberson, spokesman for Lawrence Livermore, was the request he recently received from a national news magazine for a generic photo of an Asian American employee at work "to illustrate a story on espionage." The request was refused.

Leading science periodicals are closely monitoring the espionage issue, especially the possible fallout for foreign-born scientists who may be U.S. citizens, permanent U.S. residents or distinguished visitors. A headline in the June issue of Scientific American read: "Explosive Reactions: A backlash from a nuclear espionage case might hurt science and do little to bolster national security."

Camps in Africa and Europe Are a World Apart **By T. Christian Miller and Ann M. Simmons** **Los Angeles Times**

SKOPJE, Macedonia When veteran refugee worker Lynne Miller arrived here from Africa earlier this month, she stepped into a different world.

After three years monitoring food supplies at a remote refugee camp in Somalia, one of her first crises in Macedonia was an urgent request from a medical team. A diabetic refugee had just crossed the border. Could she provide a special diet?

She could not believe what she was hearing, much less that she was able to fulfill the request.

"In Africa, we don't have special food or diets. There are no diabetics in the camps," she said. "They just die."

The outpouring of aid in recent weeks for ethnic Albanians ripped from their homes in Kosovo has stunned humanitarian groups, which continuously fight for dollars for refugees in Africa.

For many of these workers, the response to the Balkans crisis has highlighted the enormous difference between the newly sprouted camps in Europe and existing facilities in Africa.

And that difference, in turn, has raised uncomfortable questions about the reasons for it: a complex mix, according to humanitarian groups, of logistics, culture and race.

While nothing compares to a permanent home and a stable life, refugee workers say, the camps in Africa and Europe are a world apart.

Consider:

The U.N. High Commissioner for Refugees is spending about 11 cents per day per refugee in Africa. In the Balkans, the figure is \$1.23 per refugee per day, more than 10 times greater.

Some refugee camps in Africa have one doctor for every 100,000 refugees. In Macedonia, camps have as many as one doctor per 700 refugees.

Refugees at most camps in Albania have clean, readily available water. In Eritrea, families as large as 10 are given about 3&1/2 gallons of water to last three days, according to Mary Anne Fitzgerald, a Nairobi, Kenya-based spokeswoman for Refugees International.

The camps in Africa hold as many as 500,000 people. Up to 6,000

a day die from cholera and other public health disease. In Macedonia, the largest camp holds 33,000 people. There have been no deaths from public health emergencies such as epidemic or starvation so far.

The immense flow of aid to Europe has alarmed some aid agencies, who worry whether the attention now focused on the Balkans will cut into the food and supplies going to places like Eritrea and Somalia.

The most common explanation for the gap in resources is culture. U.N. officials and aid workers say they must give European refugees used to cappuccino and CNN a higher standard of living to maintain a sense of dignity and stability.

Others offer a blunter assessment: They say wealthy, first-world donors and the aid agencies they support feel more sympathy and reach deeper in their pockets for those with similar skin color and background.

Andrew Ross, a refugee worker who came from Africa to the Balkans last month, called the camps in Macedonia "far superior" to those in Africa.

"What's the difference?" Ross asked. "There's white people here."

Nezir Gashi's life is by no means comfortable.

His family of 13 lives in a 150-square-foot tent. Every day, Gashi or one of his four children stand in line four hours for food. They haven't had a hot meal in weeks. Water is a few hundred feet away at a communal spigot.

Still, the meager shelter and supplies are far better than those provided to Gashi's fellow refugees in Africa.

Typically, African refugees sleep out in the open, or under makeshift shelters made from branches, leaves, mud or plastic sheeting provided by an aid agency. They rarely have canvas tents or prefabricated housing.

For example, most of the 300,000 or so Eritreans deported from Ethiopia back to Eritrea in early February make their homes under trees, in riverbeds or simply by the roadside without any kind of shelter, said Fitzgerald, who recently visited the refugees.

Stranded in a semi-desert terrain, where the afternoons are blazing hot and the nights freezing cold, there are 1,200 tents available for some 16,000 families, Fitzgerald said.

Another major difference is in the type of food supplied. World Food Program officials say both Europeans and African refugees are getting about 2,100 calories per day of food rations.

But for the Kosovo Albanians, those calories come in the form of tins of chicken pate, foil-wrapped cheeses, fresh oranges and milk. In some ready-made meals, there's even coffee and fruit tarts.

Water is plentiful in most of the camps in the Balkans. At one camp in Macedonia, German officials have even installed a fully functioning sewer treatment system.

That contrasts with Africa, where refugees are far less likely to receive ready-made meals and have to make most of their food from scratch—a practice reflecting the simpler lifestyles of the area, say U.N. officials. Instead of meals, they are given basic grains such as sorghum or wheat.

"Here in Africa, we see people who have walked naked, without a thread on their back, who don't have a

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THE PRESIDENT HAS SEEN
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February 26, 1999

President Bill Clinton
The White House
Washington, D.C.

Dear President Clinton,

I want to thank you for taking the time to greet my family at the Fairmont Hotel. Speaking with you again meant so much to all of us. At one moment I thought "here is the most important man in the world, and he is just being a regular guy, spending some time with my family." I know how privileged my children feel to have your recognition. You do have a unique way of making people feel special.

I hope that we can come to the White House some day soon. It seems like there is always some kind of reason for not coming. Work, elderly parents and young children will always fill up a mother's calendar! Nevertheless, we hope to visit before the end of this year. Once again, thank you for inviting Isaac and Ben to the Oval office.

Joe told me that you like the lightweight leather jacket which was waiting for you at the hotel. Enjoy wearing it. Ofcourse, this was made here at Golden Bear. Unfortunately, we have had to take some of our production to China. We could no longer compete with other importers/manufacturers who produce overseas. This is a very big problem for American manufacturers. The imported items are priced so low that the enduser does not seem to care about where and how it was made. This really saddens me. After twenty-seven years of working at Golden Bear, I have never experienced such a decline sales due to offshore competition. Perhaps, this to shall pass.

We wish you all the best in all of your endeavors.

Sincerely,

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Only a Start on Gun Control

The debate over gun control took a dramatic turn yesterday. Hours after another frightening school shooting episode — this time at a high school outside Atlanta — Vice President Gore cast a tie-breaking vote in the Senate to tighten existing gun control laws, dealing an important defeat to the National Rifle Association.

Mr. Gore's vote broke a 50-50 tie on a proposal by Senator Frank Lautenberg, the New Jersey Democrat, to close a major loophole in the Brady law that makes it easy for youths and criminals to buy firearms at gun shows without any background checks. The proposal, a retooled version of a measure Senate Republicans had narrowly killed nine days before, also closed a dangerous new loophole buried in the phony gun-show bill Republicans approved last week. The loophole would have allowed convicted felons to reclaim their guns from pawnshops.

Democrats, led by Mr. Lautenberg and Senators Charles Schumer of New York and Richard Durbin of Illinois, showed admirable persistence in pressing the gun-show issue. They also benefited from the votes of two Democratic Senators, Daniel Patrick Moynihan of New York and Daniel Inouye of Hawaii, who had been absent for the original vote, and a switch by another, Max Cleland of Georgia.

Equally important were the votes of six lonely Republicans who rose above intense partisan pressures to defy the gun lobby on the gun-show issue — John Chafee of Rhode Island, John Warner of Virginia, Peter Fitzgerald of Illinois, Richard Lugar of Indiana and George Voinovich and Mike DeWine, both of Ohio.

Nevertheless the majority leader, Trent Lott, and most of his Republican colleagues have yet to be persuaded of the urgency of broader reform.

Despite the passage of the gun-show measure, the amendments — attached to a juvenile justice bill — are disappointingly meager.

One provision, for example, would require that trigger locks be provided separately with gun purchases. But it sets no deadline for requiring that locks be incorporated as part of the design. The Senate did agree to bar further imports of large military-style ammunition clips, as well as sales of assault rifles and shotguns to juveniles under 18 and their possession by juveniles under 18. But it stopped short of raising the age for sales and possession of these weapons from 18 to 21.

Finally, the Senate defeated Mr. Schumer's proposal to subject Internet gun sales to background checks, and completely ignored at least three other important proposals. One would have reinstated the Brady waiting period for purchasing guns. The second would limit gun sales to individuals to one per month to deter large-scale gun trafficking. The third would allow criminal prosecution of parents whose failure to securely lock away their guns results in violence by a juvenile.

The legislation will shortly move to the House, where gun control forces in and outside of Congress will need to step up the pressure for a much stronger package. That includes President Clinton and Mr. Gore. The Vice President's rescue mission yesterday should help improve not only his political fortunes but those of his party, which in contrast to the Republicans has shown real independence from the gun lobby.

But as the Senate's weak performance demonstrates, there is a lot more that can be done to keep guns out of the hands of troubled schoolchildren. And as the school shooting in Georgia reminds us, there is a lot more that *must* be done.

*Mr. Gore
showed
he gave*

A Warning From the Butterflies

"Bt" is short for *Bacillus thuringiensis*, the name of a naturally occurring soil bacterium that produces a toxin capable of killing some insects while leaving others unharmed. For farmers who closely monitor their crops and are willing to manage its application with care, Bt has been a resounding success since the early 1960's. But for those same reasons, Bt has never been widely adopted by conventional farmers, who prefer longer-lasting pesticides and whose fields are so large that effectively timing the use of Bt is impractical.

Bt is now available to conventional farmers in the very crops they grow, in genetically modified versions of potatoes, cotton and corn that are designed to express the Bt toxin. In the United States this year, nearly 20 million acres of Bt corn will be planted. That sounds, on the surface, like a good thing. But researchers at Cornell University have discovered in a laboratory study that the pollen from Bt corn, when eaten by larvae of monarch butterflies, killed nearly half and stunted the rest. The Corn Belt happens to be critical ground for monarchs, which live on milkweed, a plant found all across the Midwest.

Nobody yet knows if the pollen is killing a substantial number of butterflies in the real world, but this is deeply disturbing news. It reminds us just how little we know about the impact of genetically modified crops in nature and how little the regulatory process can tell us, so far, about their effect.

But there is another potential problem. One of the things that makes Bt safe and effective when applied as a spray is that it breaks down quickly, lessening the opportunity for insects to develop resistance to it. But in a transgenic crop, like Bt corn, it is prevented from breaking down. Some studies have shown that continuous exposure to Bt quickly creates resistant insects, thus destroying the effectiveness of the pesticide.

The only way to avoid the development of resistance is to interplant Bt corn and non-Bt corn in a checkerboard pattern, creating a refuge for insects that can interbreed with resistant insects, rendering them less resistant. Something like this pattern has been required for the use of Bt corn in Canada. But for large commodity farmers, this planting scheme, of course, negates many of the gains that transgenic Bt crops were supposed to create.

It will be a tragedy if the use of transgenic corn, potatoes and cotton by conventional farmers ends up destroying the effectiveness of a safe, natural pesticide that is of great value to many small farmers and all organic farmers — to a whole sector of the agricultural world that has relied on close, attentive management practices as an alternative to chemical pesticides. It is important to make sure that monarch butterfly populations are not harmed by transgenic crops. It is just as important to save Bt itself.

The New York Times

FRIDAY, MAY 21, 1999

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Summary
What happened here
Why an air bombing
around Embassy
Koreans
What was the intended
target - for

Staff at the Hospital Asks Why 4 Had to Die

By STEVEN ERLANGER

BELGRADE, Serbia, May 20 — A body lay curled up under the broken masonry of what had been the neurology clinic. Under the monochromatic gray dust that covers everything after an explosion, amid the broken tiles, filthy blankets and scattered bed rails, one could slowly make out the curve of the buttocks and thighs.

Less than two hours after the Russian special envoy left Belgrade after peace talks with President Slobodan Milosevic of Yugoslavia, NATO bombed a hospital this morning. Four people were killed and dozens

wounded, including medical staff and two women struck by broken glass while giving birth. At least 70 other pregnant women were moved to another hospital.

Dr. Dejan Sumrak, the chief of the neurology department of the Dragisa Misovic Hospital, could barely control his disgust. Three of his patients had died and five more were wounded when a missile aimed at a nearby and empty military barracks in this wealthy Belgrade district of Dedinje landed on this hospital instead.

"I don't care what they were aiming at," Dr. Sumrak said. "This is a hospital. This is an utterly cynical act by NATO."

His associate, Dr. Branislava Mrsulja, said: "We thought we were safer here than at home. And why are these patients guilty of anything?" One of the dead, Branka Boskovic, had celebrated her 75th birthday in the ward the day before, said Dr. Mrsulja, who asked that the names of the other two dead patients, Radoslav Novakovic, 47, and Zora Brkic, 72, be taken down.

In Brussels, the NATO spokesman, Jamie P. Shea, said that one of seven laser-guided missiles "failed to guide correctly" and fell 500 yards from the barracks, striking a building. Mr. Shea, apparently unaware or skeptical of Western news agency reports that NATO had hit a hospital, said he had no details of the kind of building that was hit.

As he has after other NATO accidents, Mr. Shea said, "We will continue our practice of striking those military targets with great accuracy and precision and we will continue to take every conceivable measure to avoid damage to civilian property and harm to civilians."

Aiming at targets 500 yards from a hospital, said Dr. Sumrak, was not taking every conceivable measure to avoid damage, "at least in my opinion."

The fourth to die here this morning was a security guard, whose name was not immediately available because of the need to notify his family.

He became an interesting aspect of this story because reporters brought to the scene by the Yugoslav Army press center discovered some 50 rounds of AK-47 ammunition scattered along an oily, muddy road not 20 yards from the missile crater, which was full of sewage, ground water and wood bits, some of them green. And there was one small piece of camouflage cloth visible.

Some of the rounds, once cleaned of mud and oil, were perfect. Some were exploded, but the bullets showed no rifling, indicating that they had not been fired.

Shown the rounds, soldiers at the scene had no comment. Asked later at a press conference if there had been any storage of ammunition on the hospital grounds, or in trucks parked along the road, Leposava Milicevic, the Serbia Health Minister, said there had been none. "No medical facility is used by the army or the police," she said. "It is strictly forbidden, and I checked this myself."

As for the ammunition, she said, "I suggest this was the remains of the security guard who was killed." In her view, she said, NATO targeted the hospital, having also dropped a cluster bomb on the grounds of a hospital two weeks ago in Nis.

Goran Matic, a Minister Without Portfolio who often speaks for the

Government, said that the guard might have had a clip of cartridges in his Kalashnikov assault rifle and another three clips on his person, totaling some 120 rounds.

The oil on the road, he said, came from a firetruck kept near the barracks, which the Government knew were a potential target, and which he said had been empty for two months. He denied, also in strong terms, that any military equipment or ammunition was stored on the grounds of any Yugoslav hospital.

Five military buildings appeared damaged badly, with one of them, originally four stories, collapsed to one. The nearby residences of the Spanish and Norwegian Ambassadors were also damaged, as was that of the Swedish Ambassador. The Swedish Foreign Minister said in Stockholm that "it is unacceptable that right in the center of a large city, these kinds of large explosives are used, causing this kind of damages and injuries." The Foreign Minister, Anna Lindh, said, "The strike on the hospital underscores the need for a political solution."

One Serb who spoke on the condition of anonymity said that nothing

NATO did would any longer surprise her. "This is of course a military target if you just take the longer view," she said bitterly. "In 20 years or so, these babies will be soldiers."

As in any sudden storm of violence, there were bizarre moments of heroism and chance. Dr. Miodrag Lazic, the director of the hospital, described how two nurses on the second floor had been caught in the explosion, and how the staff rigged a pipe to get them down.

A nurse described to Serbian radio how she was in the maternity ward with a woman in labor. "She began smashing things around her and crossing herself," the nurse said. "We could barely manage to move her downstairs to the basement, where she finally gave birth. We are full of dust. It was terrible."

Dr. Lazic described another baby born by Caesarean section minutes before the explosion, and how both mother and child were covered with dirt and dust, and how offended he had been as a doctor.

One journalist broke in to demand: "Was it a boy or a girl?"

Dr. Lazic stopped short, then said: "I don't know. I'm a urologist."

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BUSINESS, CONSUMER, AND REGIONAL ROUNDUP

BLS Reports on Gender Differences in Teen Employment. Girls aged 14 and 15 are about as likely to work as boys of the same age, but they are less likely to hold an "employee" job (an ongoing relationship with a particular employer) and more likely to do "freelance" work (such as babysitting), according to new analysis by the Bureau of Labor Statistics. The BLS reports that 63 percent of 15 year-old boys held jobs in 1994-97, and that almost two-thirds of these young male workers held an employee job. A slightly larger 64 percent of 15 year-old girls held jobs, but only a little over half held employee jobs. Youths were found to move toward more formal work arrangements between age 14 and age 15—24 percent of 14 year-olds held an employee job, compared with 38 percent of 15 year-olds.

SEC Chairman Worries about Advertising for Online Brokerages. Arthur Levitt, the Chairman of the Securities and Exchange Commission, recently expressed concern about irresponsible advertising for online brokerages. Speaking before the National Press Club, Levitt worried that when firms repeatedly tell investors that online trading can make them rich, they create grandiose, unrealistic expectations. Levitt noted that more than 7 million Americans trade on-line (compared with none just 5 years ago), and many are relatively inexperienced and may never have been active investors during a down market. Levitt and the SEC are working with the National Association of Securities Dealers (NASD) to bolster NASD efforts to improve fairness in advertising.

Unlimited Substance Abuse Benefits May Be Cheap for Insurers. Providing unlimited substance-abuse benefits under managed care plans offered by large employers is likely to have a small effect on overall insurance costs, according to a new study by RAND. The study finds that adding an unlimited substance-abuse-care benefit under managed care would raise insurance payments by \$5.11 per member per year. Putting a \$10,000 limit on annual substance-abuse-care benefits could reduce costs by just 6 cents per member per year, to \$5.05.

Do Market Conditions Affect Art? Changes in the nature of the demand for modern art at mid-century produced a substantial decline in the age at which modern American painters produced their most valuable work, according to a new study. Over the 1950s and 1960s, popular and critical demand emphasized novelty and innovation over technique and expression, and new artists were drawn away from the Abstract Expressionism that had been dominant in earlier years. The deemphasis of craftsmanship and the growing importance of conceptual innovation would be expected to lower the age at which artists produce their best work: psychologists note that mathematicians, physicists and poets typically make their most important contributions at younger ages than do astronomers, biologists and novelists, whose fields deal with complex and concrete ideas rather than abstract and conceptual ones. The paper finds that such a shift did occur: artists born between 1900 and 1920 produced their most valuable work (measured by the price of a painting at auction) at about age 50, while artists born between 1921 and 1940 peaked at around age 29.

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5-21-99

ARTICLE

Economics and Mental Health

The health care system often treats mental illness and substance abuse differently from other illnesses. To some extent this special treatment may reflect discrimination or prejudice, but it also reflects economic fundamentals that should be taken into account in formulating public policies aimed at more equal treatment.

Mental illness is common and costly. According to one estimate, roughly 30 percent of the U.S. population experiences some diagnosable mental or addictive disorder in a 12-month period. The most severe mental disorders—schizophrenia, manic depression, and some forms of major depression—affect about 4 percent of the population each year. Spending on care for mental health and substance abuse (MH/SA) was an estimated \$75 billion in 1995 (8.3 percent of personal health care expenditures). Trends in the rate of growth of mental health expenditures have been similar to those of overall health care expenditures. Costs also tend to be concentrated. For example, one study found that nearly 30 percent of MH/SA spending on care was accounted for by 5 percent of the users. In addition, people with a history of mental health care tend to incur higher levels of general health expenditures than do others.

Indirect costs. More so than physical illnesses, mental and addictive disorders impose costs that go beyond direct spending on treatment. These indirect costs may amount to twice the direct costs of care. Studies have found earnings losses for men of between 20 and 25 percent associated with severe conditions such as psychotic disorders and major depression. Earnings losses associated with neuroses and other less severe mental disorders were found to be smaller but still significant at 5 to 15 percent. Mental illness and substance abuse have also been found to be associated with reduced employment, crime, violence, automobile accidents, unsafe sexual practices, child abuse and neglect, and homelessness.

Who pays? Because mental illness can be accompanied by a range of social pathologies that are costly both to the affected individuals and to society generally, the role of government (including protection of public safety) has been larger in the mental health care system than in health care generally. According to one estimate, direct government funding pays for about 23 percent of MH/SA expenditures, compared with about 12 percent of overall health care spending. State and local government spending (including Medicaid and Federal block grants) represents 42 percent of MH/SA spending but only 26 percent of overall health spending. By contrast, the Federal government pays a smaller fraction of total MH/SA spending (less than 20 percent) than it does of overall health care spending (more than 25 percent). Private organizations have taken over the care and treatment of those with insurance, leaving state mental hospitals to serve the most impaired, dangerous, and indigent people with mental illness.

5-24-99

Insurance. The mental health and substance abuse insurance market appears to be incomplete and inefficient. It tends to provide some coverage for low ranges of spending but leaves households unprotected against more expensive and potentially financially ruinous outcomes. Undertreatment and overtreatment appear to coexist. By one estimate, only about 25 percent of those with a diagnosable condition get some form of treatment over a 12-month period, while nearly 38 percent of all users and 28 percent of all visits for mental health care are not associated with a diagnosable disorder.

Barriers to efficiency. Moral hazard and adverse selection are not unique to mental health insurance, but they do appear to apply with special force. Some forms of mental health treatment (such as psychotherapy) appear to be discretionary and much more responsive to price than health care generally. This suggests that efficient insurance coverage might require greater cost sharing for mental health care than for other health care (which could be a burden on some beneficiaries). In addition, the persistence of many mental disorders and the fact that people most likely to suffer from mental disorders are likely to choose health plans with generous mental health coverage suggest that insurers have strong incentives to limit mental health coverage and discourage enrollment of those likely to make mental health claims.

Implications. Designing an optimal mental health policy involves coming to grips with the difficult issues posed by externalities, moral hazard, and adverse selection. These considerations may sometimes weigh in favor of special treatment for mental illness in designing optimal insurance and delivery arrangements. Optimal policy design is also complicated by the emergence of managed care and behavioral health "carve-outs" that separate MH/SA care from other health care. While such arrangements can potentially increase efficiency, they may also be harder to regulate than traditional fee-for-service plans, and they may add to the perception of discrimination against mental illness.

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May 21, 1999

THE PRESIDENT HAS SEEN

5-24-99

~~The President~~
~~The White House~~
1600 Pennsylvania Avenue, NW
Washington, DC 20500-2000

Dear Bill and Hillary,

Finally returned from Abu Dhabi, Doha, Muscat, Manama, Kuwait City, and Riyadh last week. Had a pretty good 7th Grade geography course at Central Jr. High under Mr. Reed, but I had trouble finding those places on a map even as we were flying there in our C-130. The end result is that all those capitals are in pretty good shape for getting our missile warning data and for understanding what they should do to help themselves if and when the day comes they are faced with chem or bio attack. Ted Warner did a great job leading the group. No one told me to mention this, but now that you can probably visit Israel, I would highly recommend that you swing through the GCC. Maybe it is because of Kosovo, but I sensed, and was backed up by the regional experts, that they are very warm to America these days -- particularly the 5 countries other than Saudi Arabia. Qatar seemed about ready to let their country serve as an aircraft carrier (building a huge airfield in the middle of the desert in the hopes that we will eventually use it.) Realize that there is a lot of self-interest at play here, but nevertheless, seems like one of those times in history when a visit by you might cement our relationships in that desolate but vital region of the world. Of course all is not perfect. I am not culturally astute with regard to the Middle East, but it seemed to me that one of the main downsides is the way women seemed to be treated as second class citizens.

Elizabeth was sorry she missed seeing Hillary. On short notice she was given one week R&R during the period when Hillary was there, which of course she used to visit her fiancée in Italy. She is back at work in Macedonia now and, barring unforeseen circumstances, should return to Naples later in June. She called recently all excited because she had gotten a call from General Clark's staff saying that Clark had read one of her reports and had a question for her. She said not bad for an O-2 and for being one of just a handful of naval officers in all of landlocked Macedonia.

Some additional news from the front that you can also personally relate to. Dennis has been assigned to Albania and is now the liaison to the General running Task Force Hawk. Will let you know what he thinks if I ever hear from him. Mom is not pleased at all about Elizabeth's and Dennis' current tours of duty.

On a sadder note, heard your great speech in Colorado. I believe those types of appearances really help all Americans as well as the victims. Thanks for being there. Finally, if it is good time to put in my two cents worth, I personally thank we desperately need Hillary in the Senate. Know that it boils down to a very personal decision which factors in many things, but she has, and will have, all of my support. Good luck to both of you.

Sincerely,

[Signature]

Copied
Berger
Podesta

HONORARY PARTICIPATION REQUEST

Please return to Neal Sharma, Room 97

Today's Date: May 19, 1999

'99 MAY 20 PM 1:07

Date of Request: 3/25/99
Request for: POTUS/FLOTUS
Type of Request: Honorary Patrons
Requestor Name: Mr. John D. Kemp
Title: President and Chief Executive Officer
Address: Very Special Arts
Suite 700
1300 Connecticut Avenue, N.W.
Washington, D.C. 20036

Contact Tel. #:

Event Date: 6/8/99

Event Description: The Very Special Arts 25th Anniversary

Notes: Ambassador Jean Kennedy Smith will be honored at the 25th anniversary gala of VSA. Ambassador and Mrs. Oyarzabal of Spain and Ambassador and Mrs. O'Huiginn of Ireland have agreed to serve as the International Advisory Committee Co-Chairs. Proceeds from the event will benefit VSA's programs for learning opportunities through the arts for youth with disabilities. VSA does have 501(c)(3) status, and a NEXIS search revealed no reason why the President and First Lady should not accept.

The President and First Lady should ACCEPT.

Recommendations:

MV _____ PC 5-24-99 AC _____
(Unless otherwise noted, a yes answer will automatically generate a message as well as acceptance of the honorary position).

Comments:

Schedule 6-8-99

VSA



#299673

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Actor

Amanda Smith
Author

Dr. William K. Smith
Physicians Against Land Mines

Randy Souders
Souders Fine Art

Deborah Stuart
Chair, VSA Advisory Council

Laureen Summers
American Association for the
Advancement of Science

Sue Ann Thompson
First Lady of Wisconsin, Educator

Lisa S. Thornton, M.D.
Schwab Rehabilitation Hospital

Vincent A. Wolfington
Carey International, Inc.

Hiro Yamagata
Visual Artist

Fred Zollo
Producer

Jean Kennedy Smith
Founder

Promoting the creative power in people with disabilities

March 25, 1999

The President and Mrs. Clinton
The White House
Washington, DC 20500

My Dear Mr. President and Mrs. Clinton:

We would be honored if you could serve as the Patrons for our Honorary Committee for the Very Special Arts 25th Anniversary International Night Gala. The Gala will be held on June 8, 1999 at the beautiful National Museum of Women in the Arts.

This year is the 25th Anniversary of VSA. In recognition of this significant milestone, we will be honoring VSA's founder, Ambassador Jean Kennedy Smith at our black-tie Gala on June 8th. We respectfully request that you lend your name as the Honorary Patrons. We would be honored if you could attend the event if your schedule permits.

Our International Advisory Committee Co-Chairs are the Ambassador and Mrs. Oyarzabal of Spain and the Ambassador and Mrs. O'Huiginn of Ireland. Attached is the list of International Advisory Committee Members who are planning this event. This year the evening will include an exciting live auction of international travel packages, musical performances of our VSA artists and exotic food provided by over fifty Embassies.

VSA creates lifelong learning opportunities through the arts for people with disabilities, especially children and youth. The nonprofit, international organization was founded in 1974. VSA develops programs in creative writing, dance, drama, music and the visual arts to help children and adults with disabilities develop learning skills, nurture independence and self-worth, and enhance well-being in every area of life. We have programs all over the nation and in 84 countries.

We thank you for your consideration of this request. Please have your staff contact me or Heidi Clary at 202/628-6800 if we can provide any additional information.

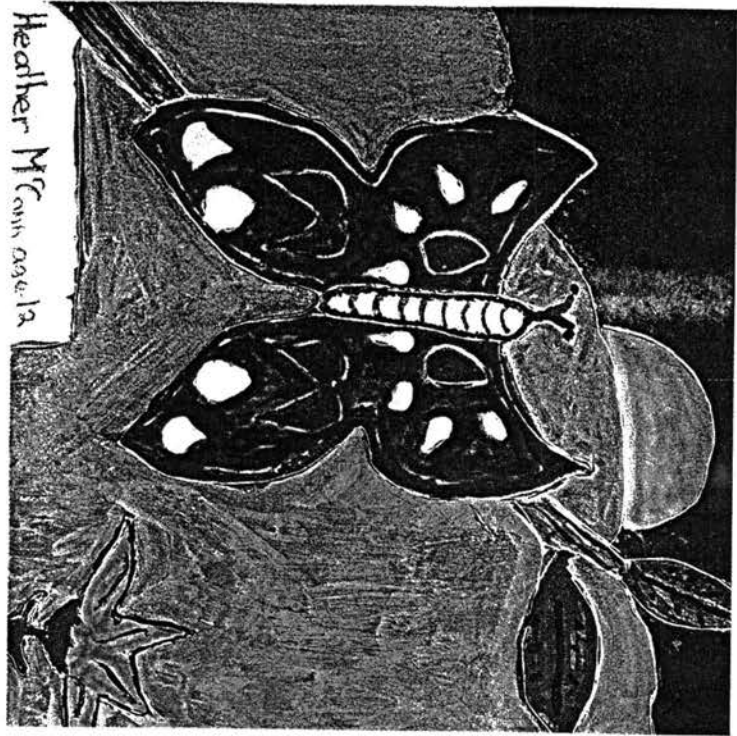
Sincerely,

John D. Kemp
President and CEO

✓ 4/11/99
FWD orig PLM/N
CC HRC Sch
we Request

Arts
SOI
Los Angeles

An International Celebration
of Arts, Disability & C



5/24/99

Send to Burkhardt?

Yes ☒

no ☐

political

President Clinton

5/17/99

Dear President Clinton,
I want to tell you
how thrilled I was to
meet you this past Sunday
at the Jacob's home in La
Jolla. I took a loan out
and paid \$5000.00 to the
DNC to have the opportunity
to meet you. It was
definitely worth every penny.

Your incredible strength and
ability to overcome adversity
has been an inspiration to
me. Over the past five
years I have been fighting
diffuse scleroderma. This

disease shut down my
major organ systems and
almost killed me on more
instances than I can
remember.

Your kind words, warmth
and charisma are not only
signs of a great leader,
but also a wonderful, caring
human being.

Thank you for touching
my heart.

Respectfully,
Nancy Abrams

Nancy G. Abrams
953 Santa Helena Park Court
Solana Beach, CA 92075

(619) 793-6925

Spring 1999

SCLEROD-SUN

Newsletter of the Scleroderma Foundation / Southern California Chapter

Getting Her Life Back: a Southern California Woman's Incredible Scleroderma Story

At the American College of Rheumatology conference in San Diego this winter, physicians informally spoke of the "worst case of scleroderma" they'd ever heard. A young woman, very beautiful in fact, endured sudden onset with painful hands, rapidly declined with internal organ problems, became bed-ridden with stiffened joints, and when not lying at home in the fetal position had been driven by ambulance to the hospital to deal with an endless list of medical crises. With cardiomyopathy, her heart had tightened so severely that she could not possibly survive.



Nancy Abrams before illness and on a good day, age 30

But on this November day while the doctors described what they had heard of this case, a few miles away the same young woman was stretching her long legs out of her sports car, brushing her long brown hair off her check, and walking her dog to greet residents of a nursing home where she comes often to cheer up the lonely.

continued on page 7

"Jottings from Janie" President's Column The Frustration of Misinformation

I can't believe we're into 1999! It has been a year since SF & USF merged. We have a new Board of Directors, a new local Medical Advisory Board, and new Officers. All of us are dedicated to providing patient support, raising funds for research, and educating the public about SD. And you can help! We need volunteers, ideas for speakers, and attendance at our support group meetings and fundraisers. And of course financial help is always appreciated!

Sometimes as an SD patient I get so frustrated and angry by the lack of knowledge about our disease in the medical community. The other day I received a call from a patient who was told by her doctor (Chief of Rheumatology at a major medical center in L.A.) that the esophagus is never involved in SD! As all SD patients know, the esophagus certainly can be affected by SD and, in fact, is one of the definers of the CREST variant (E for esophagus). Since many physicians never have seen or treated an SD patient, and SD is so difficult to diagnose, patients are often given poor care and misinformation.

If we get misinformation in the Southern California area where there are so many excellent physicians, experts in SD, and major research hospitals, it's terrible to imagine what a patient in a rural area or small town goes through! That is why education about SD is so critical. Later this year we will start a project to send informational packets to all Rheumatologists in Southern California. It's a big project, but a very important one. Please, please help by telling everyone you meet about SD and if you are being treated by a physician whom you feel is

continued on page 4

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Send to Burkhardt?

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5/24/99

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continued from page 1

Getting Her Life Back

Nancy Abrams never wanted to tell her story before. She didn't want to frighten patients who might think what she endured could happen to them. But after four years of severe debility, thinking at every moment she was dying, Nancy realized she has her life back, the scleroderma has eased up, and maybe that fact alone can be an inspiration to patients in their darkest hours.

How bad was it? Look at the record of her first trip to the E.R., just six months after her diagnosis as a scleroderma patient. Nancy had congestive heart failure, kidney failure, severe anemia (with a hemoglobin of 4.0 & hematocrit of 12.0), three large bleeding ulcers in the esophagus and two in the stomach. Her skin was so hard that her veins could be accessed only through the neck—without anesthesia. She had fluid in the lungs, "wet gangrene" on all her fingers, an uncontrollable blood pressure of 240/130. She went on kidney dialysis and had to be fed through a tube in her chest. She was 27 years old.

Expectations of continuing her once-chaired life were fading fast. Nancy had been a marketing executive with the Department of Defense. She moved in entertainment circles as she set up events for the military base and worked with singers and rock bands. Singer Alico Cooper lived in her childhood neighborhood and had come to her 17th birthday. Garth Brooks was a special friend. James Brown sent flowers in the hospital. Nancy had a serious relationship (with a surgeon, by the way) and was looking forward to marriage and children.

Her life had changed innocently enough while writing invitations to a baby shower for a friend. Nancy felt a pain in her hands. "Hmmm, must be arthritis." Within a couple days she was in such severe pain in her hands she had to be hospitalized and given morphine. Nancy tried to go back to work but now "my whole body felt attacked with razor blades." Worse was the feeling of "zero energy." There was difficulty breathing. "My system was shutting down...I felt I was dying. I was not a living human being."

Confined to bed with rigid limbs, her skin turned black in places, Nancy could barely move or open her mouth for four years. "I was only in bed all that time. I couldn't go in a car for the many doctor visits because I couldn't move my arms or legs. I couldn't sit in a wheelchair. I always had to go in an ambulance." She's been to the E.R. 83 times. Mostly it was to get blood transfusions. Nancy counts 264 units of packed red cells needed in a 4-year period. She was consoled by a rabbi and her family was told the end was near on more than one occasion.

The career, of course, disappeared. Unfortunately so did the boyfriend. "By age 28 I lost everything," Nancy remarks. But she is aware she was "a sponge draining everyone." Her parents lived in another state and wanted her to come live in a nursing home near them. As sick as she was she didn't want to go to a nursing home. She stayed alone in her condo; hired nurses were her constant companions. Friends dropped in but over time the novelty of her situation died and its depressing nature kept them away.

How did she deal with this emotionally? Nancy is very tough. She describes herself as "driven," but of course she was depressed. She cried a lot. One beacon stands out in her mind. The pharmacy tech filling a prescription early on said she had a friend with scleroderma. Nancy, knowing no one else with the disease, called this woman 1000 miles away. It happens Betsy was very severely affected too, bed-ridden with unmoving legs, but was now getting better. Betsy sent Nancy a photo of herself doing ballet, one leg on the bar. "She was my hope. I would tell myself to be patient; I would get well too." Nancy was also inspired by Bree Walker, TV anchorwoman born with disabled hands, whom Nancy sought out and visited.

Nancy thinks chemotherapy turned her disease around. After a year on IV cytoxan her symptoms subsided. She credits Dr. Roy Kaplan in Encinitas for bringing her back. Once she could move again, Nancy felt the shroud of death lift. A year has passed since the grip of illness loosened. The fact that she can walk again is just amazing to her. She's off dialysis, has needed no blood in a year. Some difficulties remain: her hands are still clawed, her face is still stiff, her mouth can't open fully. She doesn't feel she can return yet to her old world. But she is making wonderful use of her talents by helping others with disabilities.

"My dog is my favorite person in the whole world," she claims, and has had Lisa trained as a Therapy Dog. Lisa is now qualified to accompany Nancy on visits to nursing homes and homes for mentally disabled children. Nancy has also become involved with an incredible organization which heals disfigured children from around the world. "Fresh Start Surgical Gifts" director, Dr. Dennis Nigro, convinced Nancy that her nightmarish ordeal only makes sense if she uses it to help others.

Although Nancy herself could easily be the subject of a People article or Dateline segment, she was more thrilled recently that a TV show was interested in her idea about the wonderful work that "Fresh Start" does.

Nancy Abrams defied all the terrible predictions. What a great beacon of hope for all the rest of us.

by Bonnie Haskell

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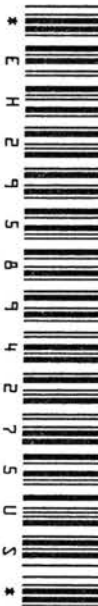
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Betty Currie

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EMS

Addressee Copy



THE WHITE HOUSE
WASHINGTON

May 21, 1999

MR. PRESIDENT:

NSC has been preparing a reply
to this letter, but I thought
you should be aware of it before
tomorrow.

Sean Maloney

Handwritten: RSC Daningood WRK

5-24-99

THE PRESIDENT HAS SEEN

5-24-99

THE WHITE HOUSE

WASHINGTON

May 20, 1999

MEMORANDUM FOR THE PRESIDENT

99 MAY 20 PM 4:25

FROM:

JANET MURGUIA *JM*

SUBJECT:

CONGRESSIONAL CORRESPONDENCE

Attached for your review is a letter from Senator Max Cleland (D-GA), expressing concern over the current situation in Kosovo. Sen. Cleland has recently inquired about your response, and I thought that you might like to see his incoming letter. Your response is currently being drafted by the National Security Council.


copied
Berger
NSC WW Desk
Murguia
Podesta

United States Senate

WASHINGTON, DC 20510-1005

April 22, 1999

**DETERMINED TO BE AN ADMINISTRATIVE
MARKING Per E.O. 13526**

Sec. 3.2(C) Initials: JA Date: 4/18/2018

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

PERSONAL AND CONFIDENTIAL

Dear Mr. President:

I am greatly disturbed by the war in Kosovo. I fear it has turned in a direction against our vital national interests. I fear an open-ended conflict which has no realistic policy objective, no clear-cut military objective other than to "degrade" the enemy's military capability, and no exit strategy. Politically, I fear we have set ourselves up for a test of wills between an increasingly frail political will of NATO allies and the hard-headed will of Milosevic and the Serbs. If this war becomes a test of wills, we may lose. Milosevic can and will hunker down. He has no where else to go. He can survive our air attacks for months and still accomplish his objectives.

I certainly believe that the intentions which you and NATO have expressed for our policy in Kosovo are honorable, and indeed commendable: "a peaceful, multiethnic and democratic Kosovo where all its people can live in security and enjoy universal human rights and freedoms on an equal basis." However, the best of intentions and good wishes are not enough in developing an effective policy. By these standards, virtually all of the Balkans now fall far short of what we seek for Kosovo, and in any case, it is an outcome which neither side -- understandably including the Kosovar Albanians -- currently support. Thus, in my opinion, it cannot serve as the basis for a realistic policy.

When one turns to the particular political objectives which we have set as a result of the just-stated underlying goal, I similarly see significant practical problems. In your November 18, 1998 letter responding to my letter of October 5, you listed as our "overriding objectives...to end the violence that threatens the fragile stability of the Balkans...to prevent a humanitarian crisis from becoming a catastrophe, and ... to help the Kosovar people achieve a high degree of self-government." Similarly, at the outset of the current military confrontation we set as our political goals: 1) the prevention or hampering of Milosevic's reprehensible "ethnic cleansing" campaign against the Kosovar Albanians; and 2) the unconditional agreement by Milosevic to the Rambouillet "Interim Agreement for Peace and Self-Government in Kosovo." To carry out these political objectives, NATO, with the support of the United States Senate -- and my affirmative vote -- determined to employ air and missile strikes with the specific military objective of reducing the capacity of the Serbian military and security forces to conduct offensive operations.

By any conceivable measure our air strikes have completely failed to achieve the originally stated political objectives. To say the least, the "ethnic cleansing" effort was not stopped and the Rambouillet agreement is now a dead letter. Now, employing the same military instrument -- air

strikes -- with the same military objective -- reducing Serbian military capacity, NATO has put forward the following political objectives: a verifiable stop to all Serbian military action and the immediate ending of violence and repression in Kosovo; withdrawal of all Serbian military, police and paramilitary forces in Kosovo; Serbian agreement to the stationing of an international military presence in Kosovo; Serbian agreement to the unconditional and safe return of all refugees and displaced persons from Kosovo; and Serbian provision of credible assurance of a willingness to work for the establishment of a political framework based on the Rambouillet accords.

It is my opinion that our current military forces and military objectives cannot expeditiously and simultaneously achieve all of these political objectives, especially the safe return of all refugees -- given that many of these refugees will not want to return unless and until their security is not in any way dependent on the Serbian government and their homes and communities can be rebuilt --, and the acceptance of a settlement based on Rambouillet -- given my view that neither side currently accepts that as a basis for a lasting agreement. Furthermore, even in their somewhat more ambiguous current formulations, the NATO demands for a total Serbian military and police withdrawal from Kosovo and for the acceptance of an armed international presence -- including NATO forces -- continue to represent conditions which will be unlikely for any Serbian leader to accept, barring the kind of military defeat that can only come about via a massive ground invasion. Therefore, I have concluded that our current political purposes are unattainable both because of the mismatch with the military means we are employing, and also because of the realities of the situation on the ground in the Balkans.

As Clausewitz observed, "Since war is not an act of senseless passion but is controlled by its political purpose, the value of this purpose must determine the sacrifices to be made for it in magnitude and also in duration. Once the expenditure of effort exceeds the value of the political purpose, the purpose must be renounced and peace must follow." In anticipation of the arguments you are no doubt receiving which urge you to end the current mismatch by expanding the military effort in order to enable it to attain the current political objectives, I again offer Clausewitz' commentary: "Since in war too small an effort can result not just in failure but in positive harm, each side is driven to outdo the other, which sets up an interaction. Such an interaction could lead to a maximum effort if a maximum effort could be defined. But in that case all proportion between action and political demands would be lost: means would cease to be commensurate with ends, and in most cases a policy of maximum exertion would fail because of the domestic problems it would raise."

I sincerely and urgently believe that it is time for a new strategy. It is time to regain the strategic initiative. In my view, it is time for the United States and NATO to initiate a call for a verifiable cease-fire -- including a bombing halt, an exchange of prisoners of war, a continuing reduction in Serbian military and paramilitary forces in Kosovo and the convening of an international conference to produce a durable and humane resolution to the current crisis in the Balkans. To me, such an approach would bring our political objectives and military means more in line with each other, and would free us up to concentrate on our real problem -- the refugees. Kosovo is now a wasteland. It is where citizens of Kosovo used to be. The people that I voted to protect with air strikes and missile attacks are no longer there. They are in the countries surrounding Kosovo or are on the roads of Kosovo, looking for safety and shelter.

Mr. President, I supported you, NATO and General Clark with your requests for authority from Congress for air strikes and missile attacks. Like you, I believed the worst we could have done in the face of the atrocities in Kosovo would have been to do nothing.

But military air and missile strikes are not a military strategy. They are punishment. They are not capable of achieving what real military action is designed to accomplish — an outright defeat of the enemy and enemy forces. As you consider future steps, do not get drawn into a wider military conflict in Yugoslavia. Do not slip into a ground war there.

In my opinion, however, this is where you, NATO and General Clark are headed. The buildup of helicopter air assault battalions in Albania along the border facing off against a corresponding buildup of Serbian troops, tanks and armored personnel carriers on the other side of the border in Kosovo has committed us to a ground war. I must reiterate that I cannot support that effort. I vehemently oppose it.

If there is anything I know about from my experience of a year of war in Vietnam thirty-one years ago, it is helicopter air assault warfare. I was wounded thirty-one years ago on the largest helicopter air assault of the Vietnam War — the relief of the siege at Khe Sahn in 1968. Five thousand Marines were under siege just below the DMZ. North Vietnamese unexpectedly attacked across the border and isolated a large contingent of U.S. ground forces, necessitating a huge relief effort on the part of the U.S. military. As NATO builds up a force of five thousand troops just inside the Albanian border from Kosovo to insert Apache helicopter attack capability, the lives of thousands of Americans are needlessly being endangered in an effort which, in my view, cannot achieve our objectives.

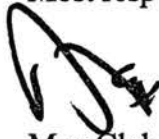
Additionally, Apache helicopters — like my helicopter outfit — are designed to operate in conjunction with ground forces. Why? Because they are extremely vulnerable to ground fire. We lost two helicopters in Somalia by ground fire. We lost ten thousand helicopters in Vietnam. What do we expect in Kosovo up against Serbian tanks and troops dug in with hand-held heat-seeking missiles protected by terrain that is more severe than Afghanistan? The Russians lost a lot of helicopters in Afghanistan to hand-held heat-seeking missiles which were provided by us to the guerillas. The Apache helicopter creates a strong heat imprint against the sky when it fires one of its missiles. Incidentally, the way the missile firing is supposed to take place is that a spotter on the ground banks a laser beam off the target and it is picked up by the chopper. The chopper then fires the missile without seeing the target. However, with no spotter on the ground the chopper has to expose itself to the target in order to fire. Additionally, with night vision goggles on, the pilot cannot see wires strung across mountain passes. The only way in and out of targets in Kosovo is through those mountain passes. The helicopters are especially vulnerable on the way back from the target because they have already been discovered.

Mr. President, I urge you and NATO not to authorize the use of Apache attack helicopters against dug in troops and tanks and mountainous terrain with no ground troops to assist. It would be folly and an unnecessary risk of numerous American lives. The cost is not worth the candle. In my opinion, it will backfire.

Mr. President, it is time to exit from the circumstances and location that started this century on its course to war, "some damn thing in the Balkans." We now have a situation from which we must extricate ourselves. This country and the Congress will not stand behind a wider war there once the inevitable American casualties ensue. It is time to initiate our exit strategy, stop the bombing, exchange prisoners of war, move immediately to an international conference to negotiate the political settlement and focus on the refugees. Milosevic may well end up in control of some portion of Kosovo, but he has made a wasteland. As the Roman historian Tacitus wrote almost two thousand years ago, "Where they make a desert, they call it peace." He has made a desert out of Kosovo. The people of Kosovo are now elsewhere. They are the people I supported the missile strikes to protect. That's the Kosovo worth our efforts. Let's end the military effort and concentrate on a political settlement and the relief effort for the refugees. Otherwise, we get deeper and deeper with more lives at risk, especially American, and we still end up with a situation where Albanians and Serbs do not live together in a secure, democratic environment. That is unacceptable to me.

You have an awesome responsibility here, and I know that there are no easy answers or simple solutions, but because of the depth of my feeling on the subject I wanted to share my views with you. I am proud to be your friend.

Most respectfully,



Max Cleland
United States Senator

MC:aeK

O.S. I'm proud of you, Mr. President!

THE WHITE HOUSE
WASHINGTON

May 21, 1999

MR. ~~P~~RESIDENT:

I understand you asked Sandy
to provide you this information
right away.

Sean Maloney

5-24-99

Copied
POTUS
NSC WWDesk
Berger
Sperting
Padista
Thurman
Echaveste (6-22)

5-24-99

MAY 21 PM 7:46

THE WHITE HOUSE

WASHINGTON

May 21, 1999

~~For [unclear]~~
cc: NSC/Sandra
cc: [unclear] I'd like to
[unclear] [unclear]
cc: [unclear]

MEMORANDUM TO THE PRESIDENT**FROM:** Sandra L. Thurman, Director, Office of National AIDS Policy**SUBJECT:** AIDS in Africa - Response to Your Request for Additional Information

Thank you for calling me in Ghana and for reiterating your concern about the AIDS emergency in Africa and the need for an invigorated US effort. As a follow-up to our conversation, this memorandum provides additional information that seeks to put the issue of AZT for pregnant women in the broader context of the AIDS pandemic in Africa.

AIDS is a plague of biblical proportion

Thanks to the commitment of Rev. Leon Sullivan, for the first time, the African American Summit focused much needed attention on the issue of AIDS in Africa and acknowledged the following bleak realities:

AIDS buries more than 5,500 people a day in Africa and that number will more than double in the next few years. The WHO just declared AIDS the leading cause of death among all people of all ages in Africa, and each day, an additional 11,000 people become HIV infected. Most of these new infections are among young people, under the age of 25. By 2005, more than 100 million people worldwide will be HIV-positive.

AIDS is leaving a generation of children in jeopardy. In many countries, between one-fifth and one-third of all children have already been orphaned by AIDS, and the worst is yet to come. Within the next decade more than 36 million children will be orphaned by AIDS in sub-Saharan Africa, and this tragedy will continue to grow for at least another 30 years.

AIDS is wiping out decades of steady progress in development, doubling infant mortality, tripling child mortality, and slashing life expectancy by 20 years or more. AIDS is devastating economic growth, threatening political and regional stability, and stands a serious obstacle to the realization of your new partnership with Africa, again celebrated in Ghana.

The combination of leadership and resources can turn the tide.

In our battle against AIDS, Uganda is the model for success in the developing world. President Museveni has been a strong and effective AIDS leader, and has created an environment ripe for change. In response, the US has invested more than \$50 million on AIDS in Uganda over a ten-

year period. Through this combination of leadership and sustained resources, Uganda has cut the rate of HIV by more than half, and organized model AIDS care programs.

As an essential component of your new partnership with Africa, we need to help cultivate AIDS leadership among more African leaders, and we need to help enhance the overall investment in the war on AIDS to a level that meets the magnitude of this crisis. On the leadership front, we are beginning to see positive movement. As the realities of the AIDS become increasingly unavoidable, a growing number of African leaders are stepping up to the plate. However, the resources currently dedicated to winning this war, from both host governments and donors, are grossly inadequate. As I said in my previous memorandum, in the face of a 300% rise in annual HIV incidence and an AIDS explosion in sub-Saharan Africa, the USAID global AIDS budget has remained essentially stagnant since 1993. Other donors have followed suit. Without a dramatically enhanced response, we will lose this war.

Our Global AIDS Emergency Working Group is exploring three strategies for increasing the availability of resources to begin to meet the ever growing global AIDS crisis. First, we are looking at an increase in the USAID global AIDS budget. In this context, it is important that this increase be new money and not taken from other essential development accounts. Health, education, child-survival, and micro-finance are all interconnected components of a comprehensive human investment and AIDS strategy. Shifting money from one account to another will not improve our collective effort. Second, we are looking at an approach to debt relief that not only considers a debtor nation's economic policy but its strong commitment to investing in human capacity, particularly HIV and AIDS. Countries such as Côte d'Ivoire, Kenya, Nigeria, South Africa, and Zambia all hold considerable US debt and have a serious and growing AIDS emergency. Third, we are looking at public-private partnerships.

Finding ways to increase access to AZT for HIV-positive pregnant women is an integral part of an invigorated response to AIDS in Africa.

With additional resources, the US can partner with host governments and other donors to promote an aggressive strategy on four fronts including: containing the AIDS pandemic, providing home and community-based AIDS treatment and support, caring for children orphaned by AIDS, and gearing up for the long haul through health infrastructure and capacity development.

In the context of containing the AIDS pandemic, developing ways to prevent mother-to-child transmission that are workable in Africa is a high priority. In Africa today, for every ten children born to HIV-positive mothers, two become infected during delivery, one becomes infected through breast-feeding, and seven remain HIV-negative. A "short course" of AZT at the time of birth and for a week following has been found to reduce the number of babies who become HIV-positive during delivery by nearly 40%. This is extremely encouraging news. However, a host of additional issues need to be explored and addressed before this knowledge can be effectively implemented.

USAID is now devoting \$6 million to answering key questions surrounding the use of AZT to reduce mother-to-child transmission of HIV in the developing world. For example, to keep babies HIV-negative, mothers who receive AZT during delivery should not breastfeed. However, in many areas of sub-Saharan Africa, babies are as likely to die from diarrhea resulting

from misuse of formula as they are from AIDS. The lack of health care infrastructure is also a serious issue. More than 95% of pregnant women do not know they are HIV-positive and currently lack access to vital testing and counseling services needed to find out. Further, in many areas, most women deliver their children with the assistance of midwives in their homes, or in makeshift clinics unequipped for AZT interventions.

Finally, the AIDS stigma is so great in places like South Africa, that fear and denial keep pregnant women from discovering their status, even if they have the option. Recently a woman in South Africa with HIV went public with her status and was stoned to death by her neighbors, and countless others have been left destitute on the street with their children after their husbands found out they were HIV-positive. As we begin to address these issues, we will increase our ability to move forward with the implementation of an AZT intervention.

The cost of AZT remains a serious concern. Even with a price reduction from Glaxo Wellcome, AZT is expensive, particularly by African standards, and health planners face difficult choices over the best use of scarce resources. In South Africa, Health Minister Zuma has opposed providing AZT to pregnant women because it cannot be made available to all who need it and because she believes that other approaches are more cost effective. For example, she believes that it is better to focus on keeping women of childbearing age HIV-negative, thereby not only saving children from becoming infected but from becoming orphaned as well. In addition, this AZT discussion has been caught up in the debate over US policy on compulsory licensing, and South Africa's desire to produce AZT at a more affordable price. It is for these reasons that the delivery of AZT to pregnant women is one prong of a multifaceted approach to respond to AIDS in Africa.

I welcome the opportunity to discuss this with you further, and hope to have a report to you on AIDS in Africa, including recommendations from the Global AIDS Emergency Working Group, in early June.