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Wednesday, August 4, 1999

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Embassy of the United States of America
The Hague, the Netherlands

8-4-99

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3 AUG 4 11:35

Cynthia P. Schneider
Ambassador

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

BY FAX: 202-456-6703

Dear Mr. President:

As you probably know, Prime Minister Wim Kok belongs to the sizable group of visiting Heads of State who will be in the United States for the UNGA and would like also to meet with you in **Washington**. I understand that, given the constraints of your schedule, such a meeting will not be possible this autumn. For your information, Prime Minister Kok will be chairing a UNSC meeting on September 30th and was hoping to meet with you ~~on September 29~~ (Kok's birthday) ~~of October 1~~.

Since Prime Minister Kok has not met with you outside a summit-related event since early in his first term (five years ago), I wonder if it might be possible for you to accommodate a meeting with him in the first half of the year 2000. I understand from Nancy Hearnreich that your schedule for that period is in formation at the moment. If it might be possible to offer an alternative date in the January-March timeframe in lieu of a September meeting, that would be a very positive gesture towards one of our strongest allies.

As you know, the Dutch are holding the line on easing sanctions in the Former Yugoslavia and also strongly support your policy of allowing the regional players to have the lead at the Sarajevo Summit. Also in the ESDI discussions, they continue to advocate remaining within the NATO framework. All this is simply to say something that you know very well; namely that the Dutch are very strong allies who lately have made major contributions - military, economic and humanitarian - to the Balkans. I hope that it will be possible for you to find a date in 2000 to offer in lieu of a meeting in September.

As you may have heard from the First Lady, Tom has been playing the role of heroic dad. He has had the kids for three weeks in Maryland, a time that has included two consecutive weekends at space camp, one with Sam and one with Tommie. The kids love living in the Netherlands, but have also enjoyed the chance to be back home. I hope that you and your family are able to take some

Duplicate -
Send to NSC
Yes ☒
no ☐

time off this summer, despite everyone's busy schedules. We are off to Greece next week for 2-1/2 weeks, most of which we will spend in the islands. I hope to see you when I am home over Christmas and New Year's.

Thank you very much in advance for your consideration of a Kok meeting.

Very best regards,

A handwritten signature in cursive script, reading "Cynthia P. Schneider". The signature is fluid and elegant, with a long, sweeping tail on the "n" of "Schneider".

Cynthia P. Schneider

THE UNITED STATES OF AMERICA

OFFICIAL BUSINESS

The Ambassador
American Embassy
The Hague



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



FACSIMILE COVER PAGE

Date: 8/3/99
Time: 16:16:42
Pages: 9

To: Betty Currie
Company: White House
Fax #: 12024562883

From: Debora Kellough
Title: Manager
Company: Internal Revenue Service
Address: 19834 River Rock Drive
Katy, TX 77449
USA

Fax #: 463-8379
Voice #: 463-8379

Message:

Attention: Betty Currie

This is the information that I am providing you per our phone conversation. Please make sure that President Clinton receives this information. Thank you in assisting me with this matter. Your help is truely appreciated.

Debora Kellough

Carolyn
?

8-4-99
Send to Burkhardt?
Yes ☒
No ☐

19834 River Rock Dr
Katy, Texas 77449

President Clinton
1600 Pennsylvania Ave NW
Washington, DC 20500
August 2, 1999

Dear President Clinton,

I am currently a manager with the Internal Revenue Service. From March 1995 to November 1997, I was Jennifer Long's manager. In September 1997, Ms. Long testified before the Senate Finance Committee in which she made numerous unsubstantiated allegations about the Internal Revenue Service. Ms. Long was the star witness and many legislative bills were passed as results of these hearing. Throughout the period that I managed Ms. Long, her job performance was poor. She was on a Performance Improvement Plan prior to her testimony. I was in the process of recommending that Ms. Long be given an opportunity letter. This is a letter notifying an employee that their performance is unsatisfactory and that there are 60 days in which the individual has to improve. Shortly after Ms. Long testified, she filed an age and race discrimination lawsuit against Secretary Robert Rubin and me. After this lawsuit was filed, I was removed from being Ms. Long's manager.

Ms. Long was assigned a new supervisor, Karie Gulley. Ms. Gulley discovered that Ms. Long had problems performing her duties. On April 15, 1999, Ms. Gulley issued Ms. Long an opportunity letter. Ms. Long contacted Senator Roth's office and the letter was rescinded. Ms. Long claimed that she is being retaliated against because she testified before the Senate hearings. Ms. Gulley was also removed as the manager of Ms. Long. Ms. Long's current evaluation is due and it is my understanding that the evaluation is not going to be issued due to political considerations. According to the Union Contract, Ms. Long will now be considered as performing her job fully successful, since she will not be receiving this evaluation.

There have been three investigations as results of Ms. Long's allegations. Two of the investigations have been completed and have been unfavorable towards Ms. Long's credibility. The Department of Justice in the course of defending the lawsuit conducted the first investigation. The attorney handling this lawsuit is Marsha Fdney and she can be contacted 202-514-4520. The second investigation was conducted by the Office of Inspector General /Office of Investigations. The Office of Special Counsel is currently conducting an investigation. I was informed on Monday, July 26, 1999 that I am a subject of this investigation. I was informed of this information during an interview after returning from a three-month maternity leave. I understand that there will be a possible fourth investigation conducted by Senator Roth's office.

In summation, Ms. Long has been a problem employee for most of her career. It appears that I was the first person that held Ms. Long accountable for her performance. Ms. Long is receiving preferential treatment due to political pressures from Senator Roth's office. There are numerous investigations being conducted at the taxpayer's expense. In my opinion Senator Roth has made Ms. Long out to be a hero. I look forward to hearing from you or someone in your office to discuss this matter. I can be reached at the numbers listed below:

Home Phone 281 463-8379, Work 713-209-4092, Pager 713 653-1350

Other individuals that you may wish to speak with are as follows:

Kevin McCarthy, Assistant Chief Examination Houston 713 209-4009, Karie Gulley 713 209-3539,
Edwin Warner, NTEU President 713 209-3803



Ms. Debora Kellough



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
1919 SMITH STREET
HOUSTON, TEXAS 77002

APR 20 1999

DISTRICT DIRECTOR

MEMORANDUM FOR ALL EMPLOYEES
HOUSTON DISTRICT

FROM: Bob Wenzel 
Deputy Commissioner Operations

SUBJECT: Allegation of Retaliation

Late last week a Houston District employee made a very serious allegation of retaliation. Commissioner Rossotti sent me to the Houston District to prepare for a thorough investigation of the matter by the Office of Special Counsel.

Keith Jones, Assistant to the Deputy Commissioner Operations also is in Houston. Mr. Jones will remain in Houston as the Acting District Director and he will report directly to me until further notice.

I need to emphasize that we are trying to get to the bottom of a very serious allegation. Managers' rights and responsibilities to address personnel and performance issues are not in question. What is in question is whether or not the handling of a specific employee situation constituted retaliation. I think it is also important to keep in mind that the charges that have been made are allegations. The purpose of the investigation is to determine the facts and whether or not there was retaliation.

I expect to be in Houston for just a few days this week before returning to Washington, D.C., but I will stay involved with the situation daily until it is resolved. This will include additional trips to Houston.

I can image that you have many additional questions about this matter. Please understand that, like you, I am bound by privacy and disclosure rules that protect information about individuals.

Whistleblower Cries Retaliation -- But Did She Mislead Finance?

Tax Notes

4/23/99

Houston Revenue Agent Jennifer Long, whose claims of IRS abuses shocked the Senate Finance Committee in 1997, never told committee investigators that she'd had been earning poor work performance reviews for years before she testified. Tax Analysts has learned.

===== SUMMARY =====

Houston Revenue Agent Jennifer Long, whose claims of IRS abuses shocked the Senate Finance Committee in 1997, never told committee investigators that she had been earning poor work performance reviews for years before she testified, Tax Analysts has learned.

Long, whose allegations were later largely discredited by an independent Treasury Inspector General investigation, also did not tell the Finance Committee that she filed a federal lawsuit against her younger African-American supervisor over the poor reviews a week after testifying openly before the committee in September 1997. In the suit, she charges that the poor reviews stemmed from age- and race- based discrimination against her and that the Houston district itself discriminates against white people. Long, who is white, names her supervisor, Debora Kellough, and Treasury Secretary Robert E. Rubin as defendants in the suit. Kellough was removed as her supervisor in November 1997.

But Long did tell the Finance Committee this April 15 that the IRS had threatened to fire her. That prompted Finance Committee Chair William V. Roth Jr., R-Del., to champion her case to the media. He called the IRS action "a clear act of retaliation" in response to her 1997 testimony and emphasized that Long had received "fully satisfactory" work reviews -- a fact congressional investigators have stressed to quell suspicions that she was a disgruntled employee.

Complaining to Roth about retaliation worked. The IRS quickly rescinded the termination notice. IRS Commissioner Charles O. Rossotti placed Regional Commissioner Ladd Ellis on administrative leave and dispatched IRS Deputy Commissioner for Operations Bob Wenzel to Houston to investigate the retaliation claims. On April 20, Wenzel named his assistant, Keith Jones, acting district director for Houston.

===== FULL TEXT =====

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Long's allegations raise lingering questions: Did the IRS really retaliate against her, or did the Finance Committee inadvertently shelter her from a justifiable termination? To what degree should the Finance Committee micromanage the IRS's quest to reform itself? And is the IRS's credibility so shot that it bears the burden of proof when allegations such as these arise?

Things Fall Apart

At the same time, a turning point in the Finance Committee investigation's credibility may be imminent. Two independent investigations already have cast doubt on some of the most serious allegations raised during the hearings, and a third from the General Accounting Office might report similar findings in early May.

Sources told Tax Analysts that two months after the second round of hearings in 1998, the General Accounting Office warned the Finance Committee staff that they were having trouble substantiating the allegations made by witnesses. The Finance Committee told the GAO that that was unacceptable and that they should harder, sources said. A GAO source also warned that the report will only discuss the witnesses' claims in general ways because investigators have not been given disclosure authority under section 6103 confidentiality laws.

Finance Committee spokeswoman Virginia Flynn confirmed that the meeting had taken place. She said the committee and GAO investigators disagreed on methodology. "We felt they had not made an effort to talk to our witnesses and do a thorough investigation," she said. Flynn added that "we feel they are conducting [the investigation] more thoroughly" now.

Added Finance Committee aide William H. Nixon, "We are not going to not disclose information because it does not make our case." Nixon, who coauthored a book on the hearings and the IRS reform effort with Roth, leveled a similar criticism at the Inspector General report that discredited Long in April 1998, saying that it only focused on managers. That report called "unfounded" and "not substantiated" Long's allegations that IRS managers instructed other employees not to audit personal friends, that the agency targets poor taxpayers, and that IRS managers fabricated evidence in a taxpayer's file to create a higher liability.

The IG, however, did find areas of concern raised by Long's allegation that IRS managers retaliate against employees who file grievances. (For prior coverage, see Doc 98-13312 (4 pages), 98 TNT 80-1<Picture>, or H&D, Apr. 27, 1998, p. 1011.)

The Long and Short of It?

Jennifer Long reentered the news last week when the IRS issued her a warning of possible termination.

Roth acted almost instantaneously, issuing a news release that asked, "How many taxpayers' calls and questions in Houston went unanswered yesterday -- tax filing day -- because the IRS was busy retaliating against one of its own?"

"This is a clear example of how some in the IRS's old management culture are using their power to destroy people, like Jennifer, who are trying to make the IRS a better place," Roth said. "This incident is the clearest evidence yet of how much work lies ahead and how difficult the job will be to turn the culture of this agency around."

Within minutes, Rossotti responded "I am extremely disturbed that we may have taken an action that could be retaliatory," he said. In addition to sending Wenzel to Houston -- Wenzel and Jones are laying the groundwork for an investigation by the Office of Special Counsel -- Rossotti asked the Treasury Inspector General for Tax Administration to conduct an immediate and thorough review of the matter and to report back to him as soon as possible.

Long told Tax Analysts she believes the retaliation to be a "general systemic thing" and not the work of any specific individual. Leading up to the notice of dismissal, she said she had been denied privileges such as working extra hours in exchange for time off from the job and that her work has been more carefully scrutinized than that of her coworkers. Nixon said he has corroborated Long's claims with other employees who work with her.

But Nixon said he knew only generally that Long had filed an employment-related lawsuit. He admitted Finance Committee staff did not know the details of the suit, which was filed in the U.S. District Court for the Southern District of Texas on September 29, 1997.

In her original complaint, Long reveals that she started getting unsatisfactory work performance interim reviews from Kellough in May 1996. The suit charges "abuse of authority by African-American supervisors to subject white employees to humiliation, embarrassment, and invasion of their privacy" among other similar charges. She asks that the court find that the Houston IRS management maintains "a policy and practice of racial discrimination by African-American managers and supervisors against white employees."

When asked what made her believe the unsatisfactory interim performance evaluations were racially motivated, Long said that Kellough "was obsessed with me" and that she filed the suit "because she had gotten in my face." There were about three white employees in her working group of 12-14 auditors, Long said, but Kellough seemed to have it in only for her. According to

Long's suit. Kellough called her a "lazy stupid liar," but there are no specific complaints of racial epithets in the court documents. When asked, Long said only "things were said," but would not elaborate.

Government attorneys moved to dismiss her case April 8, 1999, arguing that her performance problems predate her conflict with Kellough. Multiple white and black supervisors of all ages have found key areas of her performance unsatisfactory for nearly half of her career, government attorneys documented. "Since 1991, all of plaintiff's managers have found her work consistently lacking in more than one critical element," according to the government's motion for summary judgment. "And two of plaintiff's managers have found her performance poor enough to warrant placement on a Performance Improvement Plan (PIP)

Nonetheless, Long managed to snare "fully successful" annual evaluations until September 1997, when she got her first failing annual and testified before the committee. The chronology of those events is not clear, although the government's response denies any connection between the two. Long's case is supported by a history of retaliation in the Houston office, however. Although the Inspector General found little evidence to directly support Long's claims about cronyism and employee relations, Houston district employees complained to the Washington Post in April 1998 that managers arbitrarily target employees for dismissal. To get the dismissal, they use "unfairly low job evaluations," the employees charge

As far as the Finance Committee is concerned, the annual reviews make her a credible witness. "That's the highest you can go without getting a financial bonus," Nixon said. As Long told Tax Analysts, the interim criticisms "don't count if you get a fully successful [annual] evaluation."

However, Long said she never informed the Finance Committee of her ongoing discrimination dispute with her supervisor. Nor did she inform them of an EEO complaint she had filed against Kellough. She alleges that complaint was dismissed in retaliation for her testifying before Congress. The government argues that the dismissal of that complaint "is simply not an adverse employment action" and merely allowed her to file suit.

This marks the second time the Finance Committee played a role in a witness's lawsuit. During the second round of Finance Committee hearings, which focused on the Criminal Investigation Division, one of the witnesses testified in defiance of the federal judge trying his case against the IRS employees involved. The Finance Committee, meanwhile, was criticized for not revealing that the witness's case actually stemmed from a lengthy investigation by Virginia liquor control agents (For related coverage, see Doc 98-14177 (4 pages) or 98 TNT 86-2<Picture>.)

Long and her attorney, David T. Lopez, said they do not recall whether Long intended to file her lawsuit against Kellough at the time she took the witness stand in the Finance Committee hearing room. But Lopez said he recommended she testify openly while other employees testified with their identities concealed. "It was safer for her to do it this way," Lopez said, adding that he wanted it established that the IRS knew Long had testified. "I told her that was the only way I could offer some protection."

The strategy paid off -- Long walked away from her Finance Committee appearance with guarantees from at least three senators that they would not allow retaliation. A contrite IRS also pledged that she would not face retribution, which is why the national headquarters rushed to investigate the most recent charges.

Lopez is representing Long in her suit against Kellough and has not yet responded to the Justice Department's motion for summary judgment. He said that since Roth informed the media that Long had been retaliated against, other witnesses have filed affidavits in support of Long's case to say they, too, were being retaliated against. As a result, Lopez said, he may add plaintiffs to the suit and ask Judge Lee H. Rosenthal to expand the scope of the case.

Although Nixon said he and erstwhile Finance Committee investigator Eric Thorson were unaware of Long's history beyond what her annual evaluations say, he pointed out that "it's possible her allegations [in the suit] could be correct." He also insisted this does not change the fact that she has been retaliated against. "That will not stand," he said.

Documents

The full texts of the following documents are available from Tax Analysts.

- o Release from Finance Committee Chair William V. Roth Jr., R-Del. Doc 1999-14412 (1 original page). 1999 TNT 74-98<Picture>

- o Statement by IRS Commissioner Charles O. Rossotti Doc 1999-14420 (1 original page). 1999 TNT 74-107<Picture>

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Tax Notes Today

MAY 4, 1999 TUESDAY

DEPARTMENT: Court Documents, Court Petitions and Complaints

CITE: 1999 TNT 85-18

LENGTH: 11791 words

HEADLINE: #18

1999 TNT 85-18 JUSTICE DEPARTMENT MOTION FOR SUMMARY JUDGMENT IN JENNIFER LONG CASE.
(Long v. Rubin and Kellough) (H 97-3239) (US DC SD Texas (Houston)) (Release Date: APRIL 08, 1999) (Doc 1999-15088 (44 original pages))

ABSTRACT: The Justice Department moves to dismiss Jennifer Long's complaints of racial and age discrimination, citing a record of poor job performance by Long.

GEOGRAPHIC: United States

INDEX: tax administration,
IRS, agency management,
IRS, personnel actions;
legislation, tax

REFERENCES:

Subject Area:
Legislative tax issues;
Litigation and appeals;
Personnel, people, biographies,
Politics of taxation;
Tax system administration issues

TEXT:

JENNIFER J. LONG
Plaintiff,
v.
ROBERT E. RUBIN,
Defendant.

Release Date: APRIL 08, 1999

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS

DEFENDANT'S MOTION FOR SUMMARY JUDGMENT

Defendant Robert E. Rubin, Secretary of the Treasury, by his undersigned counsel, hereby moves, pursuant to Fed. R. Civ. P. 56, for summary judgment of the remainder of plaintiff Jennifer J. Long's Amended Complaint. The Court respectfully is referred to the attached memorandum filed in support of this Motion.

Pursuant to Local Rule 6(A), a Proposed Order is attached.

8-4-99

Send to Burkhardt?

Yes

No

Joseph Verner Reed

July 26, 1999

Dear Mr. President

99 AUG 4 11:31

I hasten to put pen to paper immediately upon my return from Rabat to express my appreciation for your having included me in the Delegation to represent our Nation at the funeral of King Hassan II. It was a dazzling experience!

I am in great admiration with how you managed yourself through the tumultuous series of events swirling around the funeral drama. The jostling was awesome and at times terrifying with the crowds pushing and shoving. Chairman Gilman almost took a spill and I am nursing the pounding I took when the crowd broke through the barricades kicking me to a near pratfall only to be saved by the President of Burkina Faso.

Mr. President, I greatly enjoyed your tour d'horizon on the return flight to Washington. You have a daunting agenda! Good wishes for successes.

As a great admirer of the late King Hassan II and someone with rich memories of my long tour in the Kingdom, I was greatly impressed with your understanding of the strategic value of this crucial piece of real estate on the shoulder of North Africa. When we parted I mentioned how Winston Churchill felt about Morocco:

"He who controls the southern shore of the Gates of Hercules will control the under-belly of Europe."

Mr. President, some of your predecessors, not all, have understood the importance of nurturing the special relationship with America's oldest friend. I am so very pleased with your strong support for Morocco.

With renewed thanks for including me in the Delegation. On a personal note, it was a tremendously private important act of closure, which you very kindly granted me to perform.

Respectfully,

Joseph

The Honorable William Jefferson Clinton

Joseph Verner Reed



8-4-99

JULY 30, 1999

The Willard Building
1455 Pennsylvania Avenue, NW, Suite 525
Washington, DC 20004 USA
Telephone 202.638.7575
Fax 202.638.7577
E-mail mcg@gtownglobal.com

MEMORANDUM TO THE PRESIDENT

FROM: Marc Ginsberg *WLB*

SUBJECT: MOROCCO: IMMEDIATE ASSISTANCE MEASURES

Mr. President:

While aboard Air Force One you requested me to develop and send directly to you steps which the U.S. should undertake to support Morocco and King Mohammed VI during the crucial initial period of his reign. I consulted with Ambassadors Nasif and Reed as well as with colleagues at the State Department to develop these proposals.

Should you approve these measures, I recommend you arrange for King Mohammed to jointly announce your decision in order to benefit as much as possible from these new U.S. commitments to his country. Our ideas are set forth below:

1. \$15 million in Economic Support Funds (ESF) for North Africa

2A The State Department recently unveiled a "North Africa Partnership" Program to help encourage economic growth and stability in Morocco, Algeria and Tunisia. The Program remains largely unfunded. Without funding in FY 2000, this initiative will perish. I recommend \$15 million in new ESF assistance to develop this Program as follows:

- \$10 million to provide additional technical assistance to promote privatization, deregulation, stock and financial market development, and commercial law reforms.
- \$5 million earmarked specifically for Morocco for enhanced education and labor force development programming (women's education, middle-school education). NOTE: Hillary was particularly interested in these programs during her visit to Morocco.

2. Debt/Equity Swap Relief in the Paris Club

The Treasury Department should be instructed to permit an increase in Paris Club debt/equity swap ceilings (current ceiling levels are insufficient to help Morocco convert its debt into equity swaps). This has been a long-standing Moroccan request. While a hike in ceilings would initially benefit French companies, a change in U.S. policy would help establish a foundation for possible future U.S. - Morocco debt/equity swap programs.

8-4-99

After you have
seen, we will send
to NSC.

Card

OK



GEORGETOWN GLOBAL
INVESTMENTS CORPORATION

3. \$15 million in Surplus Wheat Grants

Add Morocco to the "Tier Two" list of countries to receive \$15 million in surplus wheat grants under the Agriculture Department's Title 416 Program.

4. \$15 million in PL 480 Title I Assistance

Authorize Morocco to receive \$15 million in PL 480 Title I assistance to help subsidize food sales, with local currency repayments to be used for agricultural development. Instruct the USDA to change its policy (initially for a pilot program in Morocco) to enable PL 480 Title I repayments to be used for agricultural development, not just agricultural marketing.

5. Secretary Daley Trade Mission to Morocco

Morocco could greatly benefit from a high-level U.S. private sector trade mission organized by Secretary Daley.

Should you approve these modest measures, I am confident they will send a strong message of support to the Moroccan people, and facilitate stability in Morocco during the immediate days ahead.

With best personal regards and many thanks for inviting me to accompany you to Morocco.

GEORGETOWN GLOBAL
INVESTMENTS CORPORATION

The Willard Building
1455 Pennsylvania Avenue, NW, Suite 525
Washington, D.C. 20004
SENDER'S PHONE: 202.879.0291
FAX: 202.638.7577

2 August 1999

F A X

TO: Ms. Nancy Hernreich
The White House

FAX #: (202) 456-6703

FROM: Amb. Marc Charles Ginsberg

of Pages: 3

Good Morning Nancy:

While returning from Morocco on Air Force One last week, the President requested me to send him a memorandum outlining how he could further help Morocco and its new King. I hope the attached is helpful to him.

Please let me know when you have received it.

With warmest regards.



Ambassador Swanee Hunt

168 Brattle Street
Cambridge, MA 02138

8-4-99

8-4-99

July 30, 1999

After you have seen
we will send to NSC.

President Clinton
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President,

The International Herald Tribune (front page, above the fold) and Boston Globe have, very sadly, carried several stories of your administration publicly slapping General Wes Clark, following his successful leadership of the Kosovo campaign. I am, of course, not privy to the inside story, and I have not been in touch with Wes, but, after the indescribable effort he spent getting action where others wanted only to delay, I am so, so sorry that this is how he is being repaid, according to the press. The timing appears to allow only an interpretation that this is a punitive act.

I believe you can turn this around, and I respectfully ask that you make amends for this public disgracing of one of your most courageous advocates. Wes Clark should serve out his full term as NATO commander. He has been a robust champion for you in winning the war in Kosovo, and he has earned the respect of our NATO allies. I have been told (perhaps incorrectly) that Wes' desire to send in ground troops conflicted with your NSC leadership's opinion, and that is why he is now being punished. If that is the case, let's remember that as many as 200,000 Kosovar Albanians may have died as we bombed and rebombed and rebombed targets rather than sending in troops. Maybe only bombing was the best approach. Maybe it wasn't. But clearly there was strong reason to take the position Wes did. (Again, my information is not from Wes, but from a high-ranking former military leader who is plugged into the network.)

The unfortunate and possibly unintended consequence of the Pentagon leaking the news of General Clark's premature relinquishing of his position has had the effect of not only publicly tarnishing his reputation, but more importantly severely diminishing his effectiveness for the next 9 months. From what I read, he now appears to retain his command without the support of key players in the Pentagon, and, most important without your backing. As a direct result, he will be unable to speak convincingly for us or for NATO.

Recently a former senior commander in the NATO structure (different from the one I mentioned above) gave me his explanation of why our US military did such a miserable job vis a vis war criminals in Bosnia (leading, I believe to the Kosovo conflict). He heard that "Washington" had told the top US commander in Bosnia that if there was one

"mistake," his career was over. Perhaps that's why our military allowed the situation to simply fester, which has resulted in Dayton not being fulfilled. (By the way, this is not simply allegation. I had first-hand knowledge of our first US commander in Sarajevo declaring "If Mladic walks into a cafe where I'm sitting, we're just going to walk out the back door.")

How on earth can a military leader face a Milosovic with that sort of apprehension about his career? Should he look at the enemy in front of him, or over his shoulder? Wes leaned forward, and thank God he did. He should not be punished now by those who disagreed. History will show he was one of the only right-thinking military leaders in this whole Balkan mess. If he is now disgraced, that lesson will become precedent in future military situations.

Forgive me if I am completely off target in this. Perhaps this is naive, but I'm assuming you were not informed of the full implications of this rotation decision. Nor is the military bureaucracy a field I know; I'm simply telling you how the papers are interpreting this latest announcement. As you well know, their interpretation is as close to reality as the public will get. My military friends have told me the excuses coming from the Pentagon about how this is a normal rotation issue are disingenuous. The precedent is for terms of four, five, even eight years for the SACEURs, ever since Eisenhower. The Pentagon's false explanations are a discredit to that institution.

You have displayed exceptional leadership in this recent conflict. Please don't let a passionate advocate for your values and vision of a multi-cultural world, in which tyrants are courageously confronted, be publicly demeaned because of internal disagreements within your administration. Your leadership is needed now.

Sincerely,

A handwritten signature in dark ink, appearing to read "Swanee", with a large, stylized initial "S" that loops around the first part of the name.

Swanee

URGENT!!!

Ambassador Swanee Hunt

168 Brattle Street
Cambridge, MA 02138
Tele: (617) 547-8921
Fax: (617) 547-8178

DATE: August 2, 1999
TO: Betty Currie
FAX #: (202) 456-6244
FROM: Ambassador Swanee Hunt
RE: URGENT letter to President Clinton
PAGES: 3 (including this page)

IF THERE ARE ANY PROBLEMS WITH THIS TRANSMISSION,
PLEASE CALL (617) 520-2241
THANK YOU!

Dear Ms. Currie,

Ambassador Hunt can be reached in Colorado at either (719) 836-2538 or (719) 836-0763 until 3:00PM (Mountain Time) today. After 10:30PM (Central Time) tonight, she can be reached in Dallas at (214) 826-0888 until Wednesday, August 4th @ 9:00AM, when she returns to Colorado. Ambassador Hunt's home telephone number in Cambridge, Massachusetts, is (617) 547-8987, where she will be as of August 15th.

Thank you.

8-4-99

~~99 AUG 3 2:41~~

THE WHITE HOUSE

WASHINGTON

August 3, 1999

99 AUG 3 7:59

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: SAMUEL BERGER *SB*

SUBJECT: Letter to Bolivian President Hugo Banzer

*Copied
Berger
NSC w/ desk
Streit
Podesta*Purpose

Compliment Bolivia's counter-drug efforts, praise Bolivia for considering a greenhouse gas emissions target, and signal that a meeting with President Banzer will not be possible this fall.

Background*Can I see him at the UN for a few mins*

Your schedule makes a meeting with President Banzer extremely unlikely this fall. However, Bolivia has served as a reliable partner for U.S. interests in the Andean region. In particular, the Bolivian government has made serious efforts to counter narcotics production and trafficking. It is also moving to reduce corruption and has shown leadership by agreeing to consider a greenhouse gas emissions target.

Your letter expresses regret that a meeting this fall is unlikely and highlights how much the United States values Bolivia's cooperation.

RECOMMENDATION

That you sign the letter at Tab A.

Attachment

Tab A Letter to Bolivian President Hugo Banzer

cc: Vice President
Chief of Staff

THE WHITE HOUSE

WASHINGTON

Dear Mr. President:

I wanted to take a moment to write to you and say how much I admire the progress that Bolivia is making under your leadership. I value the cooperative relationship we have developed between our countries.

Bolivia serves as an example of the consolidation of democracy in Latin America. In addition, you have made admirable progress countering the scourge of illegal narcotics production and distribution. Our counter-drug partnership benefits our people.

I am also enthusiastic about upcoming opportunities to expand cooperation between our countries on environmental matters. In particular, your willingness to consider an emissions target for greenhouse gases shows both vision and leadership. This important first step would offer new prospects for promoting economic development and a clean energy future.

I wish you every success in meeting Bolivia's challenges and guiding its progress.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bill", with a stylized flourish at the end.

His Excellency Hugo Banzer
President of the Republic of Bolivia
La Paz

Send to WSC?

Yes ☒
No ☐

CORRECT DATE AND REPLY NUMBER ARE AS BE

FAX Message: 02 August, 1999.....PAC

TO: President Bill Clinton,
Presiding Member,
National Security Council,
Washington, DC - FAX: (202) 456-1210

Copies to NSC Members

- Vice President Al Gore - FAX: (202) 456-2461
- National Security Advisor Samuel Berger - FAX: (202) 456-9490

FROM: Rand G. Ellis
London, Canada,
Tel/Fax: (519) 681-3796

SUBJECT: NSC Proposal - TEAMS and Terrorism Media Preparedness

Dear President Clinton,

I am an inventor in the public / industry safety field now working on communications supporting emergency management. My research has revealed problems and solutions addressing terrorism issues. With lack of interest from the telecom business sector I submitted a proposal to your National Security Council (TEAMS - 21 July, 1999). Its success will greatly benefit U.S. national security.

My research in part reveals vital perspectives on terrorism and media relationships. In recent years the media has increasingly presented news events through frenzied sustained bombardments. The attached fax (to NSC - 29 July, 1999) raises important points on just a few of the dangers of this type of presentation, including threats to sacred U.S. political processes.

Disclosure of my findings per my NSC proposal will follow what I call the Brokaw / Lott rule. That is that my solutions will be considered by Tom Brokaw and Trent Lott to be moderate and reasonable. Right now much can be accomplished through subtle leadership causing the media to quietly examine and prepare itself for events in which terrorists count on the media as a prime asset.

I request timely approval of my proposal. It will break ground both in public safety technology and in gaining discretion from media leaders should we all face sudden surprise terrorist events.

Best regards,



Rand G. Ellis

Attachment: Fax to National Security Council (2 pages)

CORRECT DATE AND REPLY NUMBER ARE AS BELOW

FAX Message: 29 July, 1999

Page 1 of 2

TO: Steve Simon / Paul Kranick
NSC,
The White House,
Washington, DC
FAX: (202) 456-9360

Copies to NSC Members
✱ - Vice President Al Gore : FAX (202) 456-2461
- National Security Advisor Samuel Berger : FAX (202) 456-9490

FROM: Rand G. Ellis
London, Ontario,
Canada
Tel/Fax : (519) 681-3796

REFERENCE: TEAMS Proposal to the National Security Council - 21 July, 1999

SUBJECTS - Media terrorism preparedness measures.
- Present risk to U.S. political processes
including Gore presidential bid.

Dear Sir,

My TEAMS proposal is focused on telecom technology solutions to emergency management problems, including those caused by terrorist attacks. Implementation will be a long term effort involving evolution of the telecommunications infrastructure. I have noted that this is half of the total TEAMS picture. The other half, derived from my TEAMS research, reveals vulnerabilities to terrorist actions - and solutions to them - which are exceptionally sensitive in nature and demand more immediate preventive actions.

For example, right now with the application of minimal resources terrorists can strike at the very heart of American democratic processes. For instance, a presidential bid may be sunk like a stone by international driven terrorist actions targeting the USA.

Jimmy Carter had many thorns in his side but the clear spike through the heart of his re-election campaign was the sustained media frenzy over the hostages in Iran. That was a frenzy unlike what the White House experienced over the last year. It was more like the media frenzy over Waco, Texas that drove law enforcement to actions which fueled the disaster at Oklahoma City.

END

Page 2 of 2 - TEAMS / NSC 29 July, 1999

How will America react to extended months of terrorist attacks inside the USA? There may easily be circumstances when all that can be done will be done, with law enforcement needing time to achieve success. Will media frenzy pressure administration leaders whose hands are tied by time? Will Americans driven by the media suddenly turn against those leaders? Right now it's a strong possibility.

Attorney General Reno and the FBI are correct when they advise that too much public media attention to terrorist threats encourages terrorist acts. It's America advertising it has a glass jaw. That doesn't mean the media isn't a prime element of terrorism preparedness. Just the opposite is true. The media has a key role in the success of terrorist actions. If a tree falls in the forest who hears it? If a bomb explodes in Peoria how do Americans throughout the nation hear it?

Terrorism is not ultimately directed against law enforcement or defense. It's an act directed against the political will of the targeted people. Law enforcement and defense can to a degree prevent and prepare against terrorist attacks. Other significant measures must be addressed directly by the political leadership.

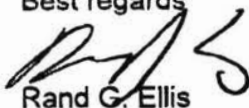
Right now President Clinton is in a unique position to recognize the most vital nature of the media perspectives revealed through my TEAMS research. The President is in a unique position to recognize the original nature and high value of the solutions my research identifies. The President will see that these are circumstances where proactive steps taken in time are far superior to negative reactive steps events can force later.

My TEAMS disclosures will identify a clear framework through which the media can be brought quietly and willingly into the terrorism preparedness picture. Of concern is the simplicity of circumstances which can suddenly plunge America into peril. Of relief is the simplicity of the preventive measures. Disclosure of this TEAMS related information is sensitive and it falls far outside the forte' of the FBI, focusing on solutions and actions of a bi-partisan political nature.

Timely action is vital here. As strong as some of the points in this fax may seem my message has been understated. A full disclosure on these vital matters is scheduled under para 3(c) of the TEAMS proposal. I can provide a fairly complete draft disclosure sooner, at the end of the 2nd month of funded TEAMS work.

This is simply a matter of getting the barn door closed before the horse gets loose. The media is the horse. Terrorism is its rogue rider. In this fax I have addressed the media and the political process in relation to terrorist threats. TEAMS will also focus on terrorist threats to key aspects of the business and industrial infrastructures and how uninformed media responses to attacks can produce irreversible damages. As these are all highly sensitive matters national security concerns call for further disclosures through the medium outlined in my proposal, and justify immediate funding of TEAMS.

Best regards



Rand G. Ellis

****END****

TELEPHONE: (202) 387-6101

TELEGRAM: KENYAREP

CABLE: KEMBASO

OUR REF. NO.: KEW/18/3A/SEC/VOL. IV



EMBASSY OF THE
REPUBLIC OF KENYA
2249 R STREET, N.W.
WASHINGTON, D.C. 20008

The Embassy of the Republic of Kenya presents its compliments to the Department of State and has the honor to transmit a letter from His Excellency, President Daniel Toroitich arap Moi to His Excellency, President William Jefferson Clinton on the African Growth and Opportunities Act.

The Embassy of the Republic of Kenya avails itself of this opportunity to renew to the Department of State the assurances of its highest consideration.

Washington, D.C.

July 30, 1999

Department of State
Office of Protocol
Washington, D.C.



8-4-99
Send to WSC? ☒
Yes ☒
No ☐

C

OFFICE OF PROTOCOL
CPR _____
VICITS _____
DCL _____
CERCH _____
100 Aug -3 A 10:29



STATE HOUSE

P.O. BOX 40530

NAIROBI KENYA

15th July, 1999

Dear *Mr. President,*

RE : AFRICAN GROWTH AND OPPORTUNITIES ACT
(H.R434/S.778)

Your historic visit to Africa last year was a confirmation of the commitment of the United States Government, and yours personally, to the development of closer economic, political and cultural ties with our countries.

We in Kenya are particularly grateful that subsequent to your visit you dispatched your Secretaries of the Treasury and Commerce to our country. These visits presented a rare opportunity for dialogue with both our public and private sector officials on how to further strengthen the ties between our two countries.

As you yourself have observed on a number of occasions, African governments have embraced economic, social and political reform with encouraging results. Today, Africa is registering higher economic growth rates, while democratization has widened political participation. These accomplishments have occurred in spite of both serious social and political upheavals that have often characterized this region and declining official development assistance.

...2..

1/3



- 2 -

STATE HOUSE

P.O. BOX 40530

NAIROBI, KENYA

Countries in Sub-Saharan Africa are opening their economies to global trade and foreign investment. They are removing exchange controls, adopting liberal investment policies, privatising state-owned enterprises, eliminating subsidies, ending price controls and establishing tighter controls on government spending. However, they continue to face major difficulties in attracting foreign investments and gaining access to major global markets such as the USA and the European Union at a time when these issues are absolute prerequisites for the region's industrialization.

It is with this in mind that I write to congratulate you and the proponents of the African Growth and Opportunities Act (H.R.434/S.778). This Act is a true testament of your commitment to a new trade and investment partnership with Sub-Saharan Africa, which you eloquently espoused during your visit to Africa in 1998. The enactment of this Bill will benefit US companies by increasing their competitiveness in Sub-Saharan Africa. On the other hand, Africa will gain through increased market access to the USA and increased investment flows by American companies.

We hope that those who have been opposed to the Bill, both within and outside Congress, will re-think their position and lend it their support. We in Africa, like you Mr. President, believe that AGOA represents the best way forward for all concerned. It clearly spells out a new trade and investment dispensation with Sub-Saharan Africa.

...3..

2/3



- 3 -

STATE HOUSE

P.O. BOX 40530

NAIROBI, KENYA

I, therefore, on behalf of the people of Kenya, urge you, and through you, the United States Congress to do whatever is possible to ensure the passage of the African Growth and Opportunities Act.

I once again salute you for your continued commitment to Africa and wish to assure you of our full support for all your endeavours on behalf of Africa.

Yours *Sincerely*

DANIEL T. ARAP MOI
PRESIDENT OF THE REPUBLIC OF KENYA

H. E. Mr. William Jefferson Clinton
President of the United States of America
The White House
WASHINGTON D.C.

Clayton?
B

H.E. MR. WILLIAM JEFFERSON CLINTON
PRESIDENT OF THE UNITED STATES OF AMERICA
THE WHITE HOUSE
WASHINGTON D.C.

Bob McGuggan

- * Hit by drunk driver on 5 December 1991.
- * Served 19 years active duty in the Air Force.
- * Mandy? Joyce McGuggan (Parents)
1103 Bellecrest
Maplewood, MN 55109
- * He is currently in the VA hospital in St Cloud, MN. He is not on any life support.
- * Tami Rowe (Sister)
955 Marion Anderson Rd
Hot Springs, Arkansas 71913

Work - Air National Guard
223rd Combat Communications Sq
PO Box 2037, Memorial Airport,
Hot Springs, Arkansas 71914-2037

Work phone: Commercial (501) 627-9251
DSN 731-6082 ext 251

home phone: (501) 767-0954

8-4-99

Send to RM?

Yes ☐
No ☒

Send to Burkhardt?

Yes ☒
No ☐

→ for an appropriate reply 

Give to the Pres.



Bob McGinnis with Rad



The Leon & Sylvia Panetta Institute for Public Policy

99 AUG 4 4-5:03

July 13, 1999

The Honorable William Jefferson Clinton
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20050

Dear Mr. President:

Thank you for your kind note enclosing the great story about California's Jesse James--Joaquin Murieta. The interesting part of this story refers to one of the young vaqueros influenced by Murieta's glamor--Tiburcio Vasquez who was born in Monterey. The exploits of Vasquez carried him to the canyons behind our farm in Carmel Valley. In those mountains there is a box canyon where Vasquez was eventually captured. I hiked there as a boy. It's now part of the Los Padres National Forest. The story brought back those great memories.

Congratulations on your message last week to remind the American people about those who continue to live in the shadows of this robust economy. It seems strange that in a nation when the economy has provided a boon of \$65 million in contributions to a presidential candidate, there are those who argue over giving a few million to help the poor rise out of the darkness. Please keep fighting for those in need, keep fighting for the budget priorities you have always fought for, and keep fighting for what you believe is right. God and history will take care of the rest.

Sylvia and I are enjoying our work at the Institute. The lecture series is a great success, we're starting an internship program for the California State University system, and Sylvia's America Reads project has 11 VISTA members and has over 130 tutors working in our local schools. If you get out this way, we'd love to show you the work of the Institute. After all, you should know that there is great comfort in the fact that public service at the community level can be even more gratifying than at the national level. You may not get the headlines or the soundbites, but it is amazing what a warm smile and a "thank you" can do for the heart. Our best to you and Hillary.

Sincerely,

Leon E. Panetta
Director

8-4-99
Send to Burkhardt?
Yes ☒
No ☐

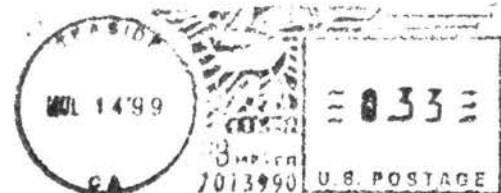
Cand

JUL 19 1999



The Leon & Sylvia Panetta
Institute for Public Policy

100 Campus Center
Building 86E
CSU Monterey Bay
Seaside, California 93955



The Honorable William Jefferson Clinton
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D. C. 20050

PERSONAL

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8-4-99

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Podesta

Sandy
I find both truly
very persuasive

TK

Congress Should Shoot Down the F-22

By MICHAEL O'HANLON

The House recently voted to deny production funds for the F-22 "Raptor" air-superiority fighter. To hear Pentagon and administration officials tell it, killing the F-22 would be little short of a military catastrophe. Air Force Secretary F. Whitten Peters said that it would "put American service members at unnecessary and unacceptable risk." Defense Secretary William Cohen wrote Congress that he "could not accept" its decision. The Air Force is lobbying furiously to save the program in the Senate, and veto threats are already in the air.

The Air Force and Mr. Cohen do have a certain point. The F-22's stealth, speed, avionics and advanced computer capabilities represent important advances over anything the U.S. military has today—and anything the rest of the world will be able to build in the next couple of decades. The plane's estimated production cost—\$125 million per aircraft—is reasonable. And closing down the program now would amount to throwing away the \$20 billion already invested in the plane's development.

But does the U.S. really need this Raptor? The answer, on balance, is no. Rather, as operations Desert Storm and Allied Force showed, what the Air Force really

needs is adequate numbers of all-weather munitions, improved reconnaissance platforms and stealthier ground-attack aircraft. It thus behooves the Air Force and Mr. Cohen to reconsider their weapons-modernization agenda.

Desert Storm graphically demonstrated the extent of American air dominance. The U.S.-led coalition lost a total of 38 fixed-wing aircraft, an extremely

What the Air Force really needs is not a fancy dogfighter like the F-22 but a stealthy workhorse aircraft to go after ground targets.

low rate by historical standards. Even more impressive—and more relevant to the F-22 debate—only one coalition airplane was shot down in an air-to-air encounter. The Air Force's premier fighter, the F-15C, flew 6,000 missions without a single loss.

This was no fluke. The U.S. is the world's premiere aerospace power and

will remain that way, with or without the F-22, for many years to come. The armed forces currently own some 3,000 "fourth generation" fighters reflecting state-of-the-art technology from the 1970s or thereafter. Russia owns a large number as well, but is barely flying any of them. Iraq, Iran, North Korea and even China have no more than a few dozen fourth-generation aircraft each. These states are equally far behind the U.S. in other dimensions of air warfare—support aircraft, pilot training, equipment-maintenance and so forth.

To be sure, U.S. air dominance will not last forever. New aircraft such as the Swedish Gripen, French Rafale, Eurofighter EF-2000 and Russian Su-35 are impressive weapons systems that rival the F-15 and F-16. But these foreign fighters are also very expensive—and virtually no one in the world outside the Western alliance has the resources to buy very many.

The greater threat comes from improved surface-to-air missiles. Potentially hostile countries will acquire them in large numbers even if they do not purchase many top-line fighters. What the Air Force really needs, then, is not a fancy dogfighter like the F-22 but a stealthy workhorse aircraft to go after thousands of in-

dividual mobile ground targets.

The Pentagon is developing precisely such an aircraft, known as the joint strike fighter. It will incorporate state-of-the-art electronics, avionics and stealth technology. But because it will forgo many of the F-22's performance capabilities, it will cost only half as much per plane. The Air Force plans to buy 1,763 of these aircraft, starting around 2006. It also wisely plans to buy more unmanned aerial vehicles to conduct low-altitude reconnaissance without putting pilots at risk, and better munitions to attack mobile ground targets from high altitude, even in bad weather.

With a growing federal surplus and a Clinton administration proposal to increase military spending by \$112 billion over the next six years, the Pentagon seems to think that it can have both the F-22 and the JSF. But real defense spending will be cut next year. And the tax-cut proposal of the House Republicans assumes substantial real cuts in military spending after 2004. Meanwhile the Pentagon's current weapons wish list would require the real defense budget to increase by perhaps \$20 billion—and to stay there indefinitely. The numbers just don't add up.

As matters now stand, the Senate is likely to save the F-22. But if we do buy the plane, we needn't get the 339 the Air Force now wants. Purchasing 125 to 150—about as many F-15s as the Air Force used in Desert Storm—would provide a hedge against any strategic and technological surprises without breaking the bank. Good old F-15s or extended-range F-16s at less than \$50 million each can handle the rest of the air-superiority mission well into the 21st century. And the Air Force will have freed up \$20 billion to spend on readiness and on more pressing—if less glamorous—military technologies.

Mr. O'Hanlon, a senior fellow at the Brookings Institution, is author of "Technological Change and the Future of Warfare," forthcoming from Brookings.

Jerry Lewis and Jack Murtha

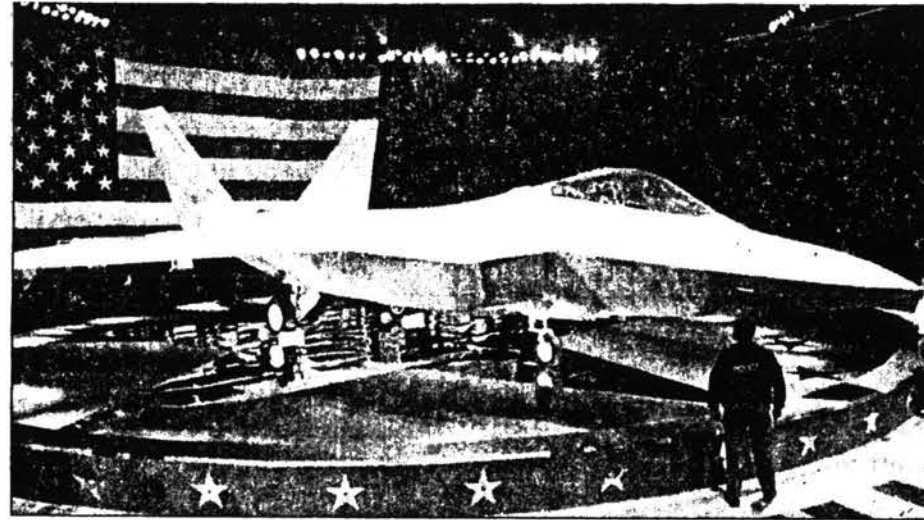
Why the F-22 Fighter Plan Doesn't Fly

The House of Representatives has voted overwhelmingly to put an indefinite hold on the Pentagon's proposal to begin spending \$40 billion to buy 339 new F-22 fighters.

The F-22 fighter will be a magnificent airplane if the manufacturer can deliver it as promised. No one disputes that. If this plane's expected performance were all we had to worry about, we would build this plane. But budgetary concerns make it a questionable investment at this time.

The F-22 is the most expensive fighter plane ever to be built, by a factor of three or four. Not only does the Pentagon propose to buy this plane—which would cost \$65 billion when development costs are included—it also has initiated a \$47 billion program to buy 548 F/A-18E and F-fighter aircraft for the Navy and has begun a third, \$223 billion program to buy 2,850 "Joint Strike Fighters." All told the Pentagon is proposing to spend more than \$340 billion for tactical aircraft over the next several decades. There are serious and unanswered questions as to whether this level of tactical aircraft investment would crowd out other critical defense systems, and whether it is warranted given the threats we expect to face.

It's been said that the House decision on the F-22 is ironic coming on the heels of our overwhelming air victory in Yugoslavia. This was indeed an impressive showing of our air power, but many lessons can be drawn from this war. Above all, it showed once again that well-trained and well-motivated military personnel make the difference, be they pilots, maintenance crews, planners or logisticians. Our first budget priority must continue to be "people"—money for training, for facilities to provide a decent quality of life for military families and for decent pay and retirement benefits.



AP PHOTO

But what was sometimes lost in the press attention on the stealthy aircraft and the smart munitions was just how important the array of supporting equipment was to the Kosovo mission. The success of the air war depended on refueling tankers, electronic jamming aircraft, intelligence, surveillance and reconnaissance platforms of all sorts, bombers, naval vessels, rescue helicopters and transport aircraft.

The Kosovo campaign showed that some critical elements of this capability are stretched thin—to the point of becoming brittle. Overall, our Air Force committed more than 40 percent of its assets to Kosovo, a higher percentage than was committed during Desert Storm. We committed nearly 100 percent of operational intelligence, surveillance and reconnaissance aircraft, such as U-2s and AWACS, and committed so

many of our electronic jamming aircraft that Korea was left uncovered. Senior Pentagon officials told us that we were "flying the wings off" our tanker force.

Spare parts shortages for the B-1B aircraft became so severe that the cannibalization rate (the percentage of aircraft that are repaired with parts taken from another aircraft) grew to 99 percent. One of the five B-1Bs forward-deployed to Operation Allied Force was deployed only as a source of spare parts for other aircraft. The Air Force's personnel shortages became so critical during this operation that it was forced to initiate an unusual "stop-loss" order preventing key active-duty and reserve personnel from leaving the service before the end of the conflict.

We are troubled that there is no budgetary plan to rectify the problems laid bare by

Kosovo. We question the wisdom of the Pentagon's plan to spend \$333 billion for tactical aircraft while neglecting these other areas. The plan to modernize bombers is inadequate. We are told that instead the Air Force plans to operate B-52 aircraft until they are 80 years old. No plan exists to upgrade or replace the electronic jammer aircraft that must accompany even B-2 bombers on their missions. No plan exists to buy the required number of JSTARS surveillance planes. Funding is inadequate to modernize aging AWACS aircraft. The budget has little money to modernize aging U-2 cockpits or install F-15 upgrades that will increase the survivability and lethality of these planes now. These are the kinds of capabilities we are forsaking to find the extra \$40 billion needed to buy 339 F-22 fighters.

This is the
most
expensive
fighter plane
ever to be
built, by a
factor of three
or four.

The Pentagon's tactical aircraft plan to meet the future threat to U.S. air superiority is also somewhat mystifying. On the one hand, the Air Force warns that future threats from new hyper-expensive Russian SAM missile systems and futuristic Russian fighter aircraft will be so overwhelming in seven to 10 years that only a \$187 million F-22 fighter can defeat them. On the other hand, we hear from the Navy that its new nonstealthy \$85 million fighter, with nowhere near the capability of the F-22, is superior to these same threats.

It also has not been demonstrated that rogue nations can or would pay the multibillions of dollars required to deploy such systems in the quantities needed, especially given other cheaper, quicker and potentially more deadly ways to confront us. Nor has it been demonstrated that Russia will have the industrial base to produce this sophisticated and expensive weaponry, given its severe economic woes. It has not been demonstrated why we should put such emphasis on three new tactical aircraft while shortchanging other basic readiness and equipment needs. It has not been demonstrated that this threat has been properly weighed against needs in other vital areas such as chemical-biological defense, information warfare and ship self-defense.

For all of these reasons, we are not convinced that it is the time to make a \$40 billion commitment to the F-22 fighter program.

Rep. Jerry Lewis (R-Calif.) is chairman and Rep. Jack Murtha (D-Pa.) the ranking member of the House defense appropriations subcommittee.

8-4-99

Sandy
would he
telling the truth?
[Signature]

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Suspect in Atom Secrets Case Publicly Denies Aiding China

By ROBERT PEAR

WASHINGTON, Aug. 1 — Speaking publicly in his own defense for the first time, Wen Ho Lee, the scientist dismissed from his job after security breaches at Los Alamos National Laboratory, said on television today that he was innocent and that he had not divulged nuclear secrets to China or to "any unauthorized person."

On the CBS News program "60 Minutes," Mr. Lee confirmed that he had transferred data from classified to unclassified computer systems at Los Alamos, but said he had done so to protect the information.

"I do that routinely," he said, and he asserted that "it's a very common practice." Legal papers for Mr. Lee say he wanted to create a backup copy of the information, The Los Angeles Times reported today.

Energy Secretary Bill Richardson said on the "60 Minutes" program that it was "wrong and improper to download nuclear weapons information" from the classified system. "This is something that we are not going to tolerate," he said.

Mr. Richardson said Mr. Lee had "massively violated our security procedures" by having "improper contact with Chinese officials," by

say they are also weighing other charges, related to the mishandling of classified information.

Lawyers for Mr. Lee have submitted legal briefs to the Justice Department in a last-ditch effort to head off an indictment, The Los Angeles Times reported. Arguments in those papers are similar to the arguments Mr. Lee made on CBS.

The briefs contend that Mr. Lee transferred information from classified to unclassified computers to protect it in the event of a computer crash, the newspaper said. Even in his "unclassified machines," Mr. Lee said, the data were protected with three passwords.

"Three passwords," Mr. Lee said. "It's almost impossible for anybody to break in. You know, sometimes I even had a hard time to break in myself."

In summary, Mr. Lee said: "The reason I downloaded the computer code from a classified machine to an unclassified machine is part of my job. To protect my code, to protect my file. I do that routinely."

In May, after an extensive investigation, a Congressional panel said China had used nuclear secrets stolen from American laboratories to develop advanced miniature warheads and a mobile ballistic missile. Counterintelligence officials have said they suspect that China obtained the data in the mid-1980's, but American authorities did not realize that it had been stolen until 1995.

Asked on CBS if he had ever passed nuclear secrets to China, Mr. Lee, a computer scientist, said, "No, I never have done that, and I have no intention of doing that at all." He added that he had never given secrets to "any unauthorized person."

Mr. Lee said he had been maligned. "I devote the best time of my life to this country, to make the country stronger, particularly in the nuclear weapon area," Mr. Lee said. "And I try to make the country stronger, so we can protect the American people. But suddenly, they told me I'm a traitor. And I'm just totally — I mean, I'm, I'm just — don't understand this."

In March, investigators found that Mr. Lee had downloaded thousands of secret codes used in the design of the most sophisticated American nuclear weapons, as well as the records of hundreds of weapons tests.

On CBS, Mr. Lee confirmed that he had had access to extremely sensitive information. "I know the top secret of nuclear weapon very well, yes," he said. "I'm one of the important people in our division."

Mr. Lee's lawyer, Mark Holscher, could not immediately be reached for comment and did not return messages left at his office. In May, Mr. Holscher issued a statement denying that his client had spied for China. In June, the lawyer said Mr. Lee had been "unfairly injected into a politically charged debate over America-China relations."

The Energy boss insists Wen Ho Lee 'massively violated' security procedures.

deceiving American officials at Los Alamos and by transferring nuclear weapons information to unclassified computer systems.

Energy Department officials acknowledge that other employees have sometimes violated computer security procedures, but say the infractions were on a much smaller scale than Mr. Lee's.

On CBS, Mr. Lee said: "The truth is, I'm innocent. I have not done anything wrong with — what they try to accuse me."

Mr. Lee, a naturalized citizen who was born in Taiwan, said he had become a convenient scapegoat for American investigators, in part because he was the only Asian-American working in the weapons design group, known as the "X division" of the laboratory, in New Mexico.

"I don't understand why I was singled out for this particular issue," Mr. Lee said. "I still don't understand why. I know that many people do the same thing."

But Mr. Richardson insisted: "There was no effort to scapegoat this man. We have tried to protect his legal status, his reputation, as much as we can."

The Justice Department is considering whether to prosecute Mr. Lee. Federal authorities say it is unlikely that he will ever face criminal charges of espionage, but officials

GREEN GRASS, BLUE SKIES:
THE FRESH AIR FUND

The New York Times

MONDAY, AUGUST 2, 1999

8-4-99

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8-4-99

Caught Between Two Chinas

By Chas. W. Freeman Jr.

YOU can say this about Lee Teng-hui, Taiwan's President: he has the courage of his convictions and he's not afraid to gamble.

On July 9, he abandoned Taiwan's longstanding agreement with Beijing that there was only one, and could be only one, China. He announced that his Republic of China on Taiwan will henceforth insist on being treated as a state separate from China as a whole.

Most Chinese, whether they live on Taiwan or the mainland, have interpreted Mr. Lee's change as tantamount to a declaration of independence. Taipei's negotiator with China didn't do much to alter this interpretation last week, when he offered a clarification of his President's remarks that Beijing immediately rejected.

So, after inching toward it for a decade, Mr. Lee may have finally taken the step that generations of mainland leaders have always said would force them to take military action against the island. What's more, he has called China's bluff without bothering to consult the United States, even though he counts on Americans to save Taiwan in any war.

Mr. Lee timed his declaration for maximum advantage. Anti-China hysteria is at a 30-year high in the United States, and the two countries' relations are the most troubled since ties were restored 20 years ago. Senator Jesse Helms and other Taiwan

partisans in Congress are pushing a bill to force the Clinton Administration to reintegrate the island into United States alliances in northeast Asia, through participation in joint ballistic missile defense and through big increases in military sales to Taiwan.

Mr. Lee also stole the main plank of the Taiwanese opposition, while

Taiwan is
counting on U.S.
support. Should it?

outflanking his Vice President's most credible rival in elections next winter — virtually insuring that any successor will support Taiwanese separatism.

President Lee knows that declaring Taiwan an independent state won't make it one. He doesn't need Chechens, Kurds, Palestinians or the Sons of the Confederacy to remind him that independence is meaningless without recognition by a substantial part of the world and the agreement or acquiescence of those from whom he seeks to separate. But Taiwan has yet to persuade a single country to recognize it as a separate state. And Mr. Lee knows he has no hope of persuading Beijing to agree to secession.

As China's leaders see it, President Lee has now left virtually no room for a peacefully negotiated, mutually satisfactory resolution. They believe that he's leaving them no alternative to a military solution. His strategy seems to be to maneuver the United States into prolonged solidarity with Taiwan against China, assuring American support for

Taiwanese separatism. Mr. Lee doesn't seem concerned that this tactic implies long-term hostility and even a war or two between China and the United States.

In the meantime, by trashing the "one China" formula that had defined stable relations between China and Taiwan, Mr. Lee has virtually insured that Beijing will take a much tougher position on Taiwan's participation in international affairs. He may also have made it difficult for China to remain pragmatic about Taiwan's de facto military control over territory that the Chinese also claim. Are Taiwan's forces still occupying islands in the South China Sea on behalf of "China," or are they now there for an "independent Taiwan"?

Until now, the Chinese navy and air force have been willing to treat the median line in the Taiwan Strait as a de facto border between them and Taiwan's armed forces. Would continuing respect for that line now be taken to imply acceptance of a sovereign Taiwan?

President Clinton has asked Taiwan to reconsider its position and urged China to be cautious in its response. Chinese leaders have avoided precipitate action. They are now discussing what to do. If they decide to use force to punish Taiwan, they risk the very long-term hostility and confrontation between their country and the United States that many in Taiwan see as the sine qua non for independence.

China's leaders need to think carefully about how to handle this challenge. Americans need to do the same. After all, committed separatists in Taiwan seem intent on leading both their island and the United States toward a bloody rendezvous with Chinese nationalism. □

Chas. W. Freeman Jr., co-chairman of the United States-China Policy Foundation, was Assistant Secretary of Defense for International Security Affairs in 1993 and 1994.

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Drop in Food-Stamp Rolls Is Mysterious and Worrisome

By SHAILAGH MURRAY

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—As President Clinton and government and business leaders meet in Chicago this week to herald three years of welfare overhaul, researchers are puzzling over a mystery.

As the unemployed poor become the working poor, why are so many disappearing from food-stamp rolls—even though many still are eligible for the federal benefit?

A new report by Congress's General Accounting Office, scheduled for release today, provides some clues. The reasons go beyond the buoyant U.S. economy, the GAO says. It cites such factors as poor public information, overzealous caseworkers and restrictive registration procedures in some states. Among the hardest hit, the study concludes, are children.

"There has been a breakdown, a misunderstanding of what moving from welfare to work was all about," says Democratic Rep. Sander Levin of Michigan, who commissioned the GAO report. "I don't understand it frankly," Rep. Levin adds. "We fought to make sure food stamps and child care and health care were a part of welfare reform. And now kids are hungry? What sense does that make?"

Lawmakers from both parties already are moving to remedy the shortcomings. To win support in the GOP Congress, the strategy is to address food stamps in the context of helping welfare overhaul. Legislation is being drafted in both the House and the Senate to revise eligibility requirements to include more low-income families, to ease state roadblocks and to open channels between food banks and social-service officials.

The U.S. Agriculture Department, which administers the \$12 billion-a-year food-stamps program, has meantime launched a public information campaign to tell low-income families they may be eligible for the food aid even if they have moved off welfare. The agency has tracked food-stamp declines for 18 months, but can't fully explain the sharp drop.

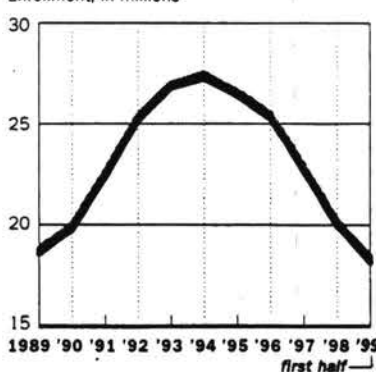
According to the new GAO report, food-stamp participation has fallen 27% during the past 3½ years to 18.5 million people. Many former welfare beneficiaries now earn too much to qualify. And food-stamp enrollment also tends to dip when the U.S. economy is strong. But as the report states, the post-1996 declines have come "faster than related economic indicators would predict."

The GAO's starkest finding is that enrollment figures for children have dropped more sharply than the number of children living in poverty. Between 1994 and 1997, 2.5 million kids fell from the rolls, and in 1997, children accounted for half of the total

An Unexplained Gap

Food Stamp Use Drops...

Enrollment, in millions



Sources: USDA; U.S. General Accounting Office; Tradeline

enrollment decline. The number of poverty-level children who receive food stamps fell by 10 percentage points to 84% in 1997 from 94% in 1994.

Before the Welfare Reform Act, the average food-stamp recipient was a young, unemployed single mother with two children, and the average benefit was \$174 a month. It has always been a struggle to get the word out to working people, who otherwise have little contact with social services, that they also can qualify for food stamps. Historically, workers tend to be eligible for smaller sums and account for just a quarter of food-stamp enrollees.

Most of those who have disappeared from food-stamp rolls belong to the vast crowd of people shifting from total welfare dependency to low-income jobs. The Agriculture Department estimates that 60% of working households that are eligible for food stamps don't sign up for them—including those that collected the benefit before welfare overhaul.

This is where the social-policy experts get worried: People are leaving the rolls, but clearly they're still in need. Catholic Charities reported that last year the demand for food assistance rose by an average of 38% in local parishes. A U.S. Conference of Mayors survey found that 1997 emergency requests for food rose by an average 14% in 21 major cities. Enrollment in the National School Lunch Program, which has similar eligibility criteria, also rose by 6% from 1994 to 1997.

A recent Urban Institute study of former welfare recipients found that a third of families have had to skip meals or cut the size of servings in the past year because of inadequate money. One reason many haven't signed up for food stamps reflects an attitude that welfare overhaul is de-

Even as Welfare Overhaul Creates More Working Poor

Participation in food stamp programs, in thousands

	1996	1997
Children	13,212	11,868
Adults with dependents	7,582	6,549
Able-bodied adults without dependents*	1,107	833
Permanent resident aliens*	1,463	1,023
Elderly	1,895	1,834

*Eligibility restricted under 1996 Welfare Reform Act

signed to instill. As researcher Sheila Zedlewski puts it: "We're seeing families who left welfare join the group of low-income families and acting very much like them—which means trying to make it on your own."

One problem, the GAO and others speculate, is people assume that because they're no longer eligible for cash assistance, they're no longer eligible for anything. This notion may also be driving down Medicaid enrollment.

"Welfare reform adds to people's ignorance as to what benefits they can draw upon," says Beth Osborne Daponte, a researcher at the University of Pittsburgh's Center for Social and Urban Research. Ms. Daponte tracks activity at the Greater Pittsburgh Community Food Bank, which alerted Democratic Pennsylvania Rep. William Coyne's office to surging demand and helped to inspire the GAO report.

In the past year, Ms. Daponte polled 200 families that were food-bank regulars to determine how much they knew about food stamps. Many seemed like ideal candidates, but turned out not to be qualified at all. Those that were eligible were more likely to apply if the benefit was more than \$50 a month. But their ignorance is what amazed Ms. Daponte: Few knew anything about food stamps, much less the eligibility requirements.

The GAO notes that in the rush to make welfare reform succeed, some states have made it unduly difficult to access continuing benefits such as food stamps. The application process is one hurdle. But federal investigations in New York City, Portland, Ore., and Milwaukee also found some welfare-to-work offices erected unreasonable barriers—for instance, requiring two visits before an application could be submitted.

"There may be some confusion around the country due to the welfare-reform laws," concedes Agriculture Secretary Dan Glickman. He adds wryly, "I think there may be some states and agencies who are not discouraging that thinking."

To Ms. Zedlewski of the Urban Institute, one way to reverse the trend is to promote food stamps as the nutrition-assistance program it was designed to be, rather than as a holdover of the shamed welfare days. That's part of what the Agriculture Department hopes to accomplish with its public-relations campaign.

"We've got so much food in this country—we've had four years now of record crop production," marvels Mr. Glickman, a former Kansas congressman who helped to write many of the current food-stamp laws. "It's just crazy that people eligible for food stamps are going hungry."

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