THE WHITE HOUSE

WASHINGTON

ACTION

July 12, 1995 95 JUL 12 P2:37

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE EXECUTIVE CLERK

FROM: ANTHONY LAKE
PATRICK GRIFFIN

SUBJECT: BRAC Notification to Congress and Commission

Purpose

To inform Congress and the Defense Base Closure and Realignment Commission of your decision to approve the 1995 BRAC recommendations and to forward the Commission report to Congress, subject to the privatization clarifications received from Chairman Dixon on Saturday.

Background

Following your July 8 meeting with Secretary Perry, General Shalikashvili and other officials on BRAC, Chairman Dixon sent a letter to Deputy Secretary White (Tab C) on July 8 confirming the Commission's intent to allow privatization in place at McClellan AFB and Kelly AFB. Secretary Perry's letter recommending you accept the BRAC recommendations is at Tab D.

As discussed in the July 8 meeting, the transmittal letter to Congress (Tab A) emphasizes the importance of the BRAC having clarified the Secretary's clear authority for privatization in place. Tab B contains a letter to Chairman Dixon explaining your detailed rationale for accepting the list despite the adverse impacts created by the Commission's substantial deviations from the Defense Department's original recommendations.

RECOMMENDATION

That you approve and sign the letters to Congress and the Commission at Tabs A and B.

cc: Vice President
Chief of Staff

Attachments
Tab A Notification Letter to Congress
Tab B Notification Letter to Chairman Dixon
Tab C Chairman Dixon's Letter to DepSecDef White
Tab D Secretary Perry's Letter
Tab E Draft Press Release

TO THE CONGRESS OF THE UNITED STATES:

I transmit herewith the report containing the recommendations of the Defense Base Closure and Realignment Commission (BRAC) pursuant to section 2903 of Public Law 101-510, 104 Stat. 1810, as amended.

I hereby certify that I approve all the recommendations contained in the Commission's report.

In a July 8, 1995, letter to Deputy Secretary of Defense White (attached), Chairman Dixon confirmed that the Commission's recommendations permit the Department of Defense to privatize the work loads of the McClellan and Kelly facilities in place or elsewhere in their respective communities. The ability of the Defense Department to do this mitigates the economic impact on those communities, while helping the Air Force avoid the disruption in readiness that would result from relocation, as well as preserve the important defense work forces there.

As I transmit this report to the Congress, I want to emphasize that the Commission's agreement that the Secretary enjoys full authority and discretion to transfer work load from these two installations to the private sector, in place, locally or otherwise, is an integral part of the report. Should the Congress approve this package but then subsequently take action in other legislation to restrict privatization options at McClellan or Kelly, I would regard that action as a breach of Public Law 101-510 in the same manner as if the Congress were to attempt to reverse by legislation any other material direction of this or any other BRAC.

William J. Clinton

THE WHITE HOUSE,

July 13, 1995.

THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
1700 NORTH MOORE STREET SUITE 1425
ARLINGTON, VA 22209
703-696-0504

ALAN J. DIXON, CHAIRMAN

COMMISSIONERS:
AL CORNELLA
REBECCA COX
GEN J. B. DAVIS, USAF (RET)
S. LEE KLING
RADM BENJAMIN F. MONTOYA, USN (RET)
MG JOSUE ROBLES, JR., USA (RET)
WENDI LOUISE STEELE

July 8, 1995

The Honorable John P. White
Deputy Secretary of Defense
Department of Defense
Washington, D.C. 20301

Dear Mr. Secretary:

This is in response to your request for my views on the Defense Base Closure and Realignment Commission's recommendations concerning the disposition of the workloads at McClellan Air Force Base and Kelly Air Force Base.

Let me say that, in general, the Commission was very supportive of the concept of privatization of DoD industrial and commercial activities, as noted in Chapter 3 of the Commission's Report:

"The Commission believes reducing infrastructure by expanding privatization to other DoD industrial and commercial activities will reduce the cost of maintaining and operating a ready military force. ... Privatization of these functions would reduce operating costs, eliminate excess infrastructure, and allow uniformed personnel to focus on skills and activities directly related to their military missions."

The Commission's recommendations for the closure of McClellan Air Force Base and the realignment of Kelly Air Force Base include the following sentence:

"Consolidate the [remaining] workloads to other DoD depots or to private sector commercial activities as determined by the Defense Depot Maintenance Council."

The word "remaining" is used only in the Commission's recommendation for McClellan Air Force Base because the Commission directed the movement of the common-use ground-communication electronics workload currently performed at McClellan Air Force Base to Tobyhanna Army Depot.

It is my view, and the view of the Commission's General Counsel, that the Commission's recommendation in the case of both McClellan Air Force Base and Kelly Air Force Base authorizes the transfer of any workload, other than the common-use ground-communication electronics workload, to any other DoD depot or to any private sector commercial activity, local or otherwise, including privatization in place. This recommendation also permits the Defense Department, in my view and that of the Commission's General Counsel, to carry out any activities associated with privatization, such as allowing necessary DoD personnel to remain in place to support transition activities.

I appreciate the opportunity to share my views with you on this important issue.

Sincerely,



Alan J. Dixon
Chairman

THE WHITE HOUSE

WASHINGTON

July 13, 1995

Dear Mr. Chairman:

In consultation with the Secretary of Defense and the Chairman of the Joint Chiefs of Staff, I have reviewed the recommendations of the Defense Base Closure and Realignment Commission (BRAC) submitted to me on July 1, 1995. Because of the overwhelming national security interest in reducing our base structure in line with the personnel reductions that have already taken place, I have decided, with reluctance and with the clear understanding that the Secretary of Defense can implement a privatization plan for McClellan Air Force Base (AFB), in Sacramento, California, and Kelly AFB, in San Antonio, Texas, that reduces the economic impact on these communities and avoids unacceptable disruption of Air Force readiness, to accept the Commission's recommendations. As stated in his letter of July 13, 1995 (attached), Secretary Perry recommended that I approve this course of action.

I recognize that the Commission had a difficult job to perform. I also recognize that the Commission was subject to intense political pressures from Congress and others who lobbied on behalf of communities that surround defense installations and facilities across the country.

That said, I regret that in your own words, the 1995 BRAC produced "the greatest single deviation from the recommendation of the Secretary of Defense in the history of the base closure process," including the rejection of 23 of the base closures or realignments recommended by Secretary Perry and the addition of 9 others that he had not recommended.

I do not disagree with all of your changes, but I believe that there was too much deviation from the DoD recommendations. Moreover, it appears that military readiness factors were applied inconsistently. For example, in the case of Red River Army Depot, in Texas, you rejected the DoD's recommendation that the installation be closed, citing "too much a risk in readiness" if these activities were relocated to Anniston Army Depot, Alabama. Yet in the cases of the huge air logistics centers (ALCs) at McClellan and Kelly AFBs, you disregarded the Air Force's

conclusion that closure would unacceptably disrupt Air Force readiness due to the turmoil associated with relocating these extensive and complex mission-critical activities.

In addition, I believe that the harshness of economic impact, on balance, is greater under your plan than under the DoD recommendations, for savings that were about the same as the Defense plan. Although the law requires consideration of economic impact, it does not appear that this crucial factor was adequately taken into account in some of your decisions. The Commission acknowledged but disregarded the economic impact of closing Kelly AFB, and in a number of public statements you have denied that a disproportionate impact is being inflicted on California.

In the Commission's comments on Kelly AFB, it acknowledged that closing the base would have a severe economic impact and produce a 73% increase in San Antonio Hispanic unemployment. Yet it is not clear that the reassignment of airfield operations at Kelly and certain tenant units to adjoining Lackland AFB would have adequately mitigated this impact had we not also been able to preserve jobs at the ALC through privatization.

Here are the facts on California: when the base closure rounds first began California accounted for 13 percent of the U.S. population, 15 percent of DoD military and civilian personnel and almost 20 percent of defense contract dollars. Yet in the three previous base closing rounds California suffered 52 percent of the direct jobs that were eliminated or relocated. Two of the deviations made by your Commission -- the recommendations to close McClellan and Kelly AFBs -- could, had we not clarified the options available to the Secretary of Defense, have exacerbated this previous cumulative impact and, as noted, unacceptably disrupted Air Force readiness.

The Department of Defense had carefully assessed the economic impact on communities in accordance with the established criteria for determining closure recommendations in developing its recommendations to you. Regrettably, in adding McClellan AFB, Oakland Army Base and the Fleet Industrial Supply Center, Oakland, to the closure list, the Commission's recommendations would again hit California with roughly half of all jobs eliminated or relocated in BRAC 95 -- a percentage that is both disproportionate, far in excess of that recommended by DoD and clearly unsupportable in light of new BRAC closings.

At the same time, the goal of streamlining our defense infrastructure by closing bases we no longer need is important to our national security. My Administration has pursued this goal through our support for the BRAC 1993 Commission recommendations

and our February 28, 1995, recommendations to you for a robust and balanced base closing round. We also have a commitment to treat fairly the dedicated men and women who work at these bases and the communities that have so faithfully supported our Armed Forces at these facilities.

As we reviewed your report, the Secretary of Defense advised me that if he had the clear authority to transfer work at McClellan and Kelly to the private sector -- on site or in the community -- and thereby make productive use of most of the highly skilled work force and specialized equipment in place, the operational risks and costs of the transition at these two bases would be reduced, while mitigating the adverse economic impacts on the surrounding communities.

This privatization approach is fully consistent with my Administration's initiative to reinvent government and with the recent recommendation of the Commission on Roles and Missions of the Armed Forces to establish a time-phased plan to privatize essentially all existing depot-level maintenance, including the five ALCs. This is, moreover, an approach that the Defense Department has in fact begun to implement at other facilities. For example a privatization competition is currently underway for work being performed at Newark AFB, Ohio, which was slated for closure in FY 1997 by the 1993 BRAC. I strongly support the Defense Department's pursuit of this and other suitable opportunities for privatization. Candidates identified by your Commission include the Naval Air Warfare Center in Indianapolis and the Naval Surface Warfare Center in Louisville.

In this regard, I was pleased to learn that in a July 8, 1995, letter to Deputy Secretary of Defense White, you confirmed that the Commission's recommendations permit the Department of Defense to privatize the work loads of the McClellan and Kelly facilities in place or elsewhere in their respective communities. The ability of the Defense Department to do so mitigates the economic impact on those communities and should protect against job loss, while helping the Air Force avoid the disruption in readiness that would result from relocation, as well as preserve the important defense work forces there.

Today I have forwarded the Commission's recommendations to the Congress in accordance with Public Law 101-510, as amended, and recommended that they be approved. In my communication with the Congress, I have made clear that the Commission's agreement that the Secretary enjoys full authority and discretion to transfer workload from these two installations to the private sector, in place, locally or otherwise, is an integral part of the overall BRAC 95 package it will be considering. Moreover, should the Congress approve this package but then subsequently take action

in other legislation to restrict privatization options at McClellan or Kelly, I will regard this as a breach of Public Law 101-510 in the same manner as if the Congress were to attempt to reverse by legislation any other material direction of this or any other BRAC.

Please thank the members of the Commission for their hard work. The BRAC process is the only way that the Congress and the executive branch have found to make closure decisions with reasonable objectivity and with finality.

Sincerely,

Bill Clinton

The Honorable Alan J. Dixon
Chairman
Defense Base Closure and
Realignment Commission
Suite 1425
1700 North Moore Street
Arlington, Virginia 22209

THE SECRETARY OF DEFENSE

WASHINGTON, THE DISTRICT OF COLUMBIA

July 13, 1995

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

Dear Mr. President:

My staff and I have reviewed the recommendations of the Defense Base Closure and Realignment Commission thoroughly and dispassionately to assess their impact on the military posture of the United States Armed Forces, on the costs of maintaining a strong national defense, and on the communities that have supported our Armed Forces.

I am pleased that the Commission followed the recommendations of the Department on the closing or realignment of 127 bases. But I am concerned that it made more changes in the Department's recommendations than did any other Commission. Some of its recommendations deviate substantially from those of the Department. The Commission rejected 23 of our recommendations to close or realign bases, and decided to close 9 bases which we wanted to retain.

In sum, the Commission's recommendations would bring about as much in 20-year savings as the Department's; however, the costs of carrying out the Commission's recommendations, both in military readiness and dollars, would be substantially higher over the next five-year period -- a period during which we know that budget funds will be tight.

I am particularly concerned with the Commission's recommendations to close the Kelly Air Logistics Center and the McClellan Air Logistics Center and associated activities. As you know, the Air Force proposed to consolidate and down-size all five of its logistics centers, and anticipated substantial productivity gains as a result. The Commission's recommendations would cost more in the near-term and would undermine the Air Force's ability to fund its operational and modernization requirements during that period. Those recommendations could also unacceptably disrupt Air Force readiness through the turmoil caused by the proposed relocation of such extensive and highly complex, mission-critical work and highly skilled personnel.

I am also concerned about the effects of the Commission's decisions on Sacramento, California, and San Antonio, Texas. Among the selection criteria which the BRAC law requires us to apply is "the economic impact on communities," including "cumulative economic impact on communities" from prior BRAC rounds. The Commission's revisions appear not to have taken this important factor adequately into account, with California being especially hard hit -- about one-half of the job losses of the previous BRAC closings were borne by California. The Department weighed this factor, among others, in preparing its 1995 BRAC recommendations. Even so, we did recommend the closing of the Long Beach Naval Shipyard, which entailed the loss of 13,000 direct and indirect jobs. If the Commission's recommendations are followed, California will lose 38,000 jobs, directly and indirectly, about half of the total job losses of the 1995 BRAC.

In spite of the problems posed by the Commission's recommendations, I believe that it is critically important to proceed with base closings under BRAC. BRAC 95, under either the Department's or the Commission's recommendations, will allow savings approaching $20 billion during the next 20 years. These savings are critical to our plans to maintain the operational readiness and modernization of our military forces. Therefore, the Department sought to find a way to accept the Commission's recommendations while at the same time mitigating their effects on readiness and on the communities involved.

In mitigating the deleterious effect of the Commission's recommendations on Kelly and McClellan, it was particularly important that the Department have adequate flexibility and authority to manage and privatize functions at Kelly and McClellan consistent with the Department's operational and readiness needs. We need to be able to privatize the work of these depots in place or locally, so that the Department can work with the communities and industry to privatize, minimize workload disruption, preserve the skilled labor force, and achieve the necessary cost savings at less expense.

I am satisfied that these challenges can be met. As confirmed by Chairman Dixon's letter of July 8, 1995 to Deputy Secretary White, the Commission intended to provide the Department with the flexibility to privatize in place or in the communities involved. This is fully consistent with your initiative to reinvent government, and with the recent recommendations of the Commission on Roles and Missions of the Armed Forces for privatization in general. This is, moreover, an approach that the Department has in fact begun to implement at other facilities (e.g., Newark Air Force Base, Ohio), and which this Commission has allowed at such additional facilities as the

Naval Air Warfare Center, Indiana, the Naval Surface Warfare Center, Kentucky, and the Letterkenny Army Depot, Pennsylvania.

On the understandings reflected above, I recommend that you transmit the Commission's recommendations to the Congress together with your certification of approval. I am satisfied that the recommendations as a whole will permit us to meet our operational and readiness needs while achieving projected cumulative savings in excess of $40 billion from this and prior BRAC rounds. This is an achievement in which the BRAC Commissions, the Congress and the Executive Branch all share.

Respectfully yours,

William J. Perry

William J. Perry

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release July 13, 1995

STATEMENT BY THE PRESS SECRETARY

President Clinton approved today the recommendations of the 1995 Defense Base Closure and Realignment Commission (BRAC) and forwarded the Commission's report to Congress. In approving the BRAC recommendations, as he did in 1993, the President noted that the recommendations meet important national security and budgetary goals. Although the Commission's recommendations deviated substantially from the Defense Department's original plan, they are expected to achieve the objective of saving an estimated $20 billion over the next 20 years. These savings are essential to maintain the operational readiness and modernization of our military forces.

President Clinton stressed the Administration's continuing commitment to treating fairly the dedicated men and women who work at these bases and the communities that have supported them. Using the same program that has helped the host communities since 1993, the Administration will press for the successful re-use of the bases' valuable assets by the communities. The Administration will assist with (1) transferring property so as to create the greatest number of jobs; (2) dispatching task forces to help communities in transition and redevelopment; (3) assigning of local transition coordinators (4) awarding economic development planning grants and (5) achieving fast-track environmental clean-up.

In some cases, the economic impact on states from base closure and realignments will be reduced through relocating operational units to other bases within that state.

- At Long Beach Naval Shipyard, many units and personnel will be relocated to the Naval Weapons Station, Seal Beach, and other naval facilities in the San Diego area.
- A number of functions performed by military units at McClellan Air Force Base in California will be moved to Beale and Travis Air Force Bases, thereby keeping the units in the Sacramento area.

period. Thereafter, DoD plans to continue the contractor work for at least five years; during that time DoD personnel assisting in the transition will depart.

Eight years after the transition begins at McClellan, the Defense Department anticipates that the workforce remaining there and at other AFBs in the Sacramento area will be more than half the number that the Air Force had planned to maintain at McClellan under its original downsizing plan. At Kelly, the remaining workforce after eight years of this initiative is anticipated to be roughly two-thirds of the original Air Force plan. Throughout this period, Federal agencies will assist local authorities to develop plans to generate jobs through economic reuse. If private-sector job creation proceeds at a rate comparable to that at the now-closed Sacramento Army Depot, there may well be no net loss of jobs.

# # #

THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
1700 NORTH MOORE STREET SUITE 1425
ARLINGTON, VA 22209
703-696-0504

ALAN J. DIXON, CHAIRMAN

COMMISSIONERS:
AL CORNELLA
REBECCA COX
GEN J. B. DAVIS, USAF (RET)
S. LEE KLING
RADM BENJAMIN F. MONTOYA, USN (RET)
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WENDI LOUISE STEELE

July 8, 1995

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Deputy Secretary of Defense
Department of Defense
Washington, D.C. 20301

Dear Mr. Secretary:

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Let me say that, in general, the Commission was very supportive of the concept of privatization of DoD industrial and commercial activities, as noted in Chapter 3 of the Commission's Report:

"The Commission believes reducing infrastructure by expanding privatization to other DoD industrial and commercial activities will reduce the cost of maintaining and operating a ready military force. ... Privatization of these functions would reduce operating costs, eliminate excess infrastructure, and allow uniformed personnel to focus on skills and activities directly related to their military missions."

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July 13, 1995

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and our February 28, 1995, recommendations to you for a robust and balanced base closing round. We also have a commitment to treat fairly the dedicated men and women who work at these bases and the communities that have so faithfully supported our Armed Forces at these facilities.

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THE SECRETARY OF DEFENSE

WASHINGTON, THE DISTRICT OF COLUMBIA

July 13, 1995

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

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Naval Air Warfare Center, Indiana, the Naval Surface Warfare Center, Kentucky, and the Letterkenny Army Depot, Pennsylvania.

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Respectfully yours,

William J. Perry

William J. Perry

THE WHITE HOUSE

WASHINGTON

95 JUL 13 P4:14

MEMORANDUM FOR JIM DORSKIND
TODD STERN

FROM: SUZANNA VALDEZ

DATE: JULY 13, 1995

SUBJECT: PRESIDENTIAL MEDAL OF FREEDOM

The Vice President's speaking engagement at the Southwest Voter conference on Friday, July 14 provides a politically poignant opportunity to announce that Willie Velasquez will be awarded the Presidential Medal of Freedom. The following is a brief background on Mr. Velasquez and SVREP:

- The Southwest Voter Registration Education Project (SVREP) is the largest, national, non-partisan organization dedicated to increasing voter education and participation among Hispanics and other minorities.

- Since its inception in 1974, SVREP has been responisble for registering millions of Hispanics -- conducting over 1,800 voter education and registration campaigns in 14 states, including California, Colorado, New Mexico, Texas and Arizona.

- SVREP has trained over 40,000 Hispanic community leaders. Through their efforts, the number of registered Hispanic voters has increased from 2 million in 1974 to 5 million in 1994, and over 2,000 Hispanics have been elected to office during that time.

- Willie Velasquez founded SVREP, and served as the Executive Director until his death in 1988. He was a respected and revered leader in the Hispanic community.

If we make the announcement at a later date, we risk muting the political impact. The audience will be comprised of several hundred elected officials, members of Congress, and grass roots leadership. This is our base of support, and a potential swing vote for California.

All Hispanic media outlets are planning to cover the SVREP conference. Utilizing this forum will ensure that the announcement is carried in all national Hispanic television, print, and radio.

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

13-Jul-1995 08:56pm

TO: Donald A. Baer
TO: Jonathan M. Prince

FROM: Todd Stern
Office of the President

SUBJECT: radio address

I am totally for a blistering attack on the regulatory front, and I think the speech is on target -- with one critical exception. We can't attack "Congress's" bill; it's got to be the Republicans' bill or at least the Republican-controlled Congress's bill.

I guess I understand triangles as well as the next guy, but we'll make any friends we still have on the Hill absolutely crazed with anger if we appear to make them part of the problem when, in fact, they are carrying on much of the fight against the Dole bill.

George —
FYI.
Todd
7-13-95

DD

Document No._____

WHITE HOUSE STAFFING MEMORANDUM

DATE: 7/13/95 ACTION/CONCURRENCE/COMMENT DUE BY: ASAP

SUBJECT: PRESIDENTIAL REMARKS: RADIO ADDRESS ON JULY 15,1995

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☐	McGINTY	☐	☐
PANETTA	☐	☐	NASH	☐	☐
McLARTY	☐	☐	QUINN	☐	☐
ICKES	☐	☐	RASCO	☐	☐
BOWLES	☐	☐	SEGAL	☐	☐
RIVLIN	☐	☐	SOSNIK	☐	☐
EMANUEL	☐	☐	STEPHANOPOULOS	☐	☐
GEARAN	☐	☐	TYSON	☐	☐
GIBBONS	☐	☐	WEBSTER	☐	☐
GRIFFIN	☐	☐	WILLIAMS	☐	☐
HALE	☐	☐	WALDMAN	☑	☐
HERMAN	☐	☐	KATZEN	☑	☐
HIGGINS	☐	☐	CURRY	☑	☐
LAKE	☐	☐		☐	☐
LINDSEY	☐	☐		☐	☐
MIKVA	☑	☐		☐	☐
McCURRY	☑	☐		☐	☐

REMARKS: PLEASE PROVIDE COMMENTS TO JONATHAN PRINCE.

RESPONSE:

JOHN D. PODESTA
Assistant to the President
and Staff Secretary
Ext. 2702

7/13/95 6:25 pm

PRESIDENT WILLIAM J. CLINTON
RADIO ADDRESS TO THE NATION
THE WHITE HOUSE
JULY 15, 1995 (TAPED JULY 14, 1995)

95 JUL 13 P6:59

Good morning. My goal is to make America work well for all people who work hard. I ran for President because I believe we have to create more opportunity for all Americans, demand more responsibility in return, and come together as a community so we can face our challenges as we move into a new century.

One of the things we must do is cut regulations that impose unnecessary red tape. But as we cut, we have a responsibility as a community to protect our citizens from things that threaten their safety. I'm sure those are goals we all support, and I know we can accomplish them in a reasonable, responsible, and bipartisan way.

But right now, Congress is working on legislation that poses a real danger to the health and safety of American families. They call it regulatory reform, but it isn't reform at all. What it really does is force us to neglect our responsibility to look out for the safety of American families.

If Congress' bill had become the law years ago, automakers probably wouldn't have to put airbags in cars. Schools might not have shatter-proof glass in their windows. Fortunately, it's too late for Congress to rollback important safety measures that are in place. But let me tell you what the world would look in the future under this extreme proposal.

There will be a greater risk that unsafe blood will get into the nation's blood supply. You probably heard about the Cryptosporidium bacteria that contaminated drinking water in Milwaukee, making 400,000 people sick and killing 100. We won't be able to prevent that kind of danger from finding its way into our water, and we won't be able to control it when it does. We won't have imposed new safety standards to prevent commuter airline crashes, like the five that happened last year. And we won't be able to use microscopes to examine meat, and stop contaminated meat from being sold. If we lived in a world like Congress is suggesting, there would be more tragedies like what happened to Eric Mueller.

In 1993, Eric was a 13-year old living in California. He was president of his class, captain of his soccer team, and an honors student. One day, he ordered a hamburger at a fast-food restaurant. He died a few days later. Eric was poisoned by an invisible bacteria, e-Coli, that had contaminated the hamburger. Dozens of other people, mostly teenagers, also died.

Contaminated meat was allowed to be sold because government's been inspecting meat the same way since the turn of the century.

Inspectors basically use the same methods to inspect meat that dogs use -- they touch it and smell it to see if it's safe, instead of using microscopes and high-technology. That's crazy. We're working hard to reform meat inspection so Americans can be confident they're protected.

We want to bring meat inspection into the 20th century, but Congress wants to leave it in the last century. We're trying to make the blood supply safer -- Congress doesn't want us to bother. We're trying to make our drinking water cleaner -- Congress is willing to let polluters control the rules that affect them.

Congress' so-called regulatory reform bills were actually written by lobbyists for the regulated industries. Congress had to bring the lobbyists in to explain what the bills did. Specific companies got specific loopholes. That is all wrong, it is not in the best interest of the American people, and it should be stopped.

I want to streamline and reform our regulatory system. We have to replace confusing lists of dos and don'ts with clear goals that are easy to understand. Under the Vice President's direction, that's what we're doing. [We've already cut over 1,600...] The Environmental Protection Agency has cut paperwork by 25%. We've said to people: If you're out of compliance and you show up to tell us on your own, we'll waive the fine and give you six months to fix whatever's wrong. I signed the Paperwork Reduction Act and I signed the law that applies the same rules to Congress that it imposes on the American people.

This is where I stand. Full-scale reform? Absolutely. Foolhardy rollback? Not a chance. We cannot imperil our children, risk our families, or jeopardize our environment. If Congress sends me legislation that destroys our ability to protect food safety, airplane safety, or environmental safety, I will veto it without a second thought.

The House passed a dangerous bill. The Senate has made a little progress, but the bill still needs significant improvement. I want real regulatory reform, and I call on Congress to show the American people that we can cut red tape, reduce paperwork, and make life easier for American business, without endangering our families or our workers. We have a responsibility to cut regulations. We have a responsibility to protect our families. We can and should do both, and that's what I'm trying to do.

Thanks for listening.

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

13-Jul-1995 08:56pm

TO: Donald A. Baer
TO: Jonathan M. Prince

FROM: Todd Stern
Office of the President

SUBJECT: radio address

I am totally for a blistering attack on the regulatory front, and I think the speech is on target -- with one critical exception. We can't attack "Congress's" bill; it's got to be the Republicans' bill or at least the Republican-controlled Congress's bill.

I guess I understand triangles as well as the next guy, but we'll make any friends we still have on the Hill absolutely crazed with anger if we appear to make them part of the problem when, in fact, they are carrying on much of the fight against the Dole bill.

Lean
FYI.
Todd
7-13-95

+ DP

Document No. _____

WHITE HOUSE STAFFING MEMORANDUM

DATE: 7/13/95 **ACTION/CONCURRENCE/COMMENT DUE BY:** ASAP

SUBJECT: PRESIDENTIAL REMARKS: RADIO ADDRESS ON JULY 15,1995

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☐	McGINTY	☐	☐
PANETTA	☑	☐	NASH	☐	☐
McLARTY	☐	☐	QUINN	☐	☐
ICKES	☐	☐	RASCO	☐	☐
BOWLES	☐	☐	SEGAL	☐	☐
RIVLIN	☐	☐	SOSNIK	☐	☐
EMANUEL	☐	☐	STEPHANOPOULOS	☑	☐
GEARAN	☐	☐	TYSON	☐	☐
GIBBONS	☐	☐	WEBSTER	☐	☐
GRIFFIN	☐	☐	WILLIAMS	☐	☐
HALE	☐	☐	WALDMAN	✓	☐
HERMAN	☐	☐	KATZEN	✓	☐
HIGGINS	☐	☐	CURRY	✓	☐
LAKE	☐	☐		☐	☐
LINDSEY	☐	☐		☐	☐
MIKVA	✓	☐		☐	☐
McCURRY	✓	☐		☐	☐

REMARKS:

PLEASE PROVIDE COMMENTS TO JONATHAN PRINCE.

RESPONSE:

JOHN D. PODESTA
Assistant to the President
and Staff Secretary
Ext. 2702

7/13/95 6:25 pm

PRESIDENT WILLIAM J. CLINTON
RADIO ADDRESS TO THE NATION
THE WHITE HOUSE
JULY 15, 1995 (TAPED JULY 14, 1995)

95 JUL 13 P6:59

Good morning. My goal is to make America work well for all people who work hard. I ran for President because I believe we have to create more opportunity for all Americans, demand more responsibility in return, and come together as a community so we can face our challenges as we move into a new century.

One of the things we must do is cut regulations that impose unnecessary red tape. But as we cut, we have a responsibility as a community to protect our citizens from things that threaten their safety. I'm sure those are goals we all support, and I know we can accomplish them in a reasonable, responsible, and bipartisan way.

But right now, Congress is working on legislation that poses a real danger to the health and safety of American families. They call it regulatory reform, but it isn't reform at all. What it really does is force us to neglect our responsibility to look out for the safety of American families.

If Congress' bill had become the law years ago, automakers probably wouldn't have to put airbags in cars. Schools might not have shatter-proof glass in their windows. Fortunately, it's too late for Congress to rollback important safety measures that are in place. But let me tell you what the world would look in the future under this extreme proposal.

There will be a greater risk that unsafe blood will get into the nation's blood supply. You probably heard about the Cryptosporidium bacteria that contaminated drinking water in Milwaukee, making 400,000 people sick and killing 100. We won't be able to prevent that kind of danger from finding its way into our water, and we won't be able to control it when it does. We won't have imposed new safety standards to prevent commuter airline crashes, like the five that happened last year. And we won't be able to use microscopes to examine meat, and stop contaminated meat from being sold. If we lived in a world like Congress is suggesting, there would be more tragedies like what happened to Eric Mueller.

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Thanks for listening.



file

WHITE HOUSE
WASHINGTON

July 11, 1995

Mrs. Katie Couric
NBC News
Suite 304
30 Rockefeller Plaza
New York, New York 10112

Dear Katie:

It was a pleasure to read your letter. I appreciate your kind words about my speech at Dartmouth, and I hope you'll pass along my congratulations to your nephew.

I'll discuss your suggestion for an interview with my staff to see if we can work something out. Thanks for taking the time to write.

Sincerely,

Bill Clinton

KATIE COURIC

THE PRESIDENT HAS SEEN
6.21.95

June 15, 1995

Dear President Clinton,

I had the opportunity to be at Dartmouth for my nephew's graduation and got a chance to hear your graduation address. My parents, sister and I couldn't hack the rain (the graduate's mother hung in there, after all, she paid a lot of money to put him through) so we went to watch your speech on a wide screen tv in the student union. I just wanted you to know how inspired I was by your words, particularly in the current political climate. It's so nice to hear young people encouraged to get involved in the process and care about others. How has that message gotten so lost these days? Anyway, it made me think a lot, and made me remember just how idealistic I really am. Thanks again for such a fine speech...my whole family thought you were swell!

Sincerely,

Katie Couric

Katie Couric

P.S. When will you do an interview with me? (I promise that wasn't the purpose of this letter.)

THE PRESIDENT HAS SEEN
7-12-95

THE WHITE HOUSE

WASHINGTON

July 7, 1995

cc:

Jim Dorskind
Melanne Verveer

MEMORANDUM FOR THE PRESIDENT

FROM: TODD STERN
MELANNE VERVEER
JIM DORSKIND

SUBJECT: FURTHER CONSIDERATION OF POSSIBLE CANDIDATES FOR THE PRESIDENTIAL MEDAL OF FREEDOM

You have already approved the following individuals for the 1995 Presidential Medals of Freedom:

(1) John Hope Franklin
(2) Leon Higginbotham, Jr.
(3) Frank Johnson, Jr.
(4) C. Everett Koop
(5) Gaylord Nelson
(6) Walter Reuther
(7) James W. Rouse
(8) Willy Velasquez
(9) Lew Wasserman

There are a few remaining questions, before the list of awardees can be finalized:

COONEY AND CHARREN. We understand that you wanted to think further about our recommendation of Joan Ganz Cooney and Peggy Charren, and you asked us to look into whether there are more deserving candidates who are prominent on the subject of violence on television. We have not been able to identify any such candidates.

With respect to Cooney and Charren, as we advised before, we believe that if only one were to receive the award, it should be Cooney. We should point out that these are the only two women candidates proposed in this round. We strongly suggest that you select at least one of them. If we can now resolve this by memorandum, please indicate your preference below:

Joan Ganz Cooney. The creator and longtime leader of the Children's Television Workshop, she has consistently struggled to ensure high-quality, even-handed programming in public broadcasting. Her brainchild, "Sesame Street," remains the standard for educational television around the world, and has helped to produce a generation of Americans who embrace the values of tolerance, cooperation, and compassion.

Peggy Charren. Sitting down one afternoon to watch television with her daughter, Charren was disappointed to find nothing but commercials and violent cartoons. She has spent the past 27 years fighting to improve the quality of what children see in the media, founding and leading Action for Children's Television and championing public broadcasting legislation as it is debated by the Congress.



_____Award the Medal to both

_____Award the Medal to Cooney

_____Award the Medal to Charren

_____Award the Medal to neither

_____Need to discuss further

Jaime Escalante. You asked for further information about what he has been doing since he left Garfield High School. We have learned that he continues to work very hard doing much the same thing that he did while at Garfield, tutoring early in the morning, before classes, during the noon hour - often buying the students' lunches -- and on Saturdays.

There are, of course two sides to the reason he left Garfield, and there were definitely some hard feelings. He has cited "petty jealousies" and "faculty politics." In any event, by the time he left Garfield in 1991, the number of students taking advanced placement examinations in math and other subjects had increased substantially to 570.

For your convenience, we repeat here the more detailed description of his background for your consideration:

Earning his teaching certificate at night, Escalante was hired in 1974 as a basic math teacher at Garfield High School in East Los Angeles. He soon came to the conclusion that his students' potential was grossly underestimated and their minds were underutilized. Escalante responded by developing an advanced placement calculus program, using innovative teaching methods to encourage concentration and to help students visualize abstract problems. His efforts, which were portrayed in the film "Stand and Deliver," resulted in many students taking and passing the advanced placement tests, rising above low expectations and accusations of cheating. He has become a national legend, as well as an inspiration for his students, and his work has spawned similar educational programs around the country. Escalante relocated to Sacramento in 1991, where he continues to teach. The Department of Education is comfortable awarding the Medal to

Escalante and believes that he can serve as a fitting symbol for teachers across the country.

____Approve ___X_Disapprove ____Discuss

REPUBLICAN CANDIDATES. You asked about another living Republican. We suggested you choose one or both of two names: James Rouse or William Coleman, Jr. You approved Rouse, but made no indication either way about Coleman. We are taking that as a "disapprove," but we wanted to be certain. Could you please indicate your decision below?

William T. Coleman, Jr. From his days as a clerk for Supreme Court Justice Felix Frankfurter throughout his prestigious career, William Coleman has worked to ensure that the American ideals of freedom and opportunity are a reality for all Americans. Whether as a skilled attorney, as President Ford's Secretary of Transportation, or as the Chairman of the Board of the NAACP Legal Defense and Educational Fund, Coleman has worked to implement and defend some of our nation's first affirmative action programs. His commitment to this effort reflects his profound belief that equal opportunity is the birthright of every American.

___X_Approve ____Disapprove ____Discuss

originals went back to Dorskind

THE WHITE HOUSE
WASHINGTON

July 13, 1995

TO: Jim Dorskind

FROM: Todd Stern TS

We need to hold on these until White House decision on new FDA decision.



THE WHITE HOUSE

WASHINGTON

July 12, 1995

The Honorable James B. Hunt, Jr.
Governor of North Carolina
Raleigh, North Carolina 27603-8001

Dear Jim:

Thank you for your recent letter regarding the possibility of the Food and Drug Administration's regulation of tobacco products as drugs. I enjoyed speaking with you about this issue, and I appreciate your continued involvement. I have requested that Marcia Hale, my Director of Intergovernmental Affairs, keep you informed of further developments.

As you may know, I have heard from several concerned leaders who share your views, and I am keeping these perspectives in mind as we consider this important matter.

Sincerely,

116240

STATE OF NORTH CAROLINA

OFFICE OF THE GOVERNOR

RALEIGH 27603-8001

JAMES B. HUNT, JR.
GOVERNOR

June 13, 1995

The President
The White House
1600 Pennsylvania Avenue
Washington, DC 25005

Dear Mr. President:

It was great to see you recently, and I commend you and your staff for the tremendous cooperation and close working relationship with the Governors.

I am writing to follow up with you on our conversation regarding the FDA and tobacco. I appreciate your attention to my concerns about the harm that would result from any move by the agency to regulate tobacco as a drug. And, I understand the concern you expressed about children using tobacco products.

As Governor of the nation's largest tobacco-producing state, I would very much welcome the opportunity to work with you and your administration on this issue. I believe we can work together to resolve the FDA issue and to implement a national education and enforcement program aimed at youths and retailers. Such an effort could dramatically reduce youngsters' ability to obtain tobacco products.

I discussed with Doug Sosnik an approach that would lead to Secretary Shalala announcing in North Carolina a national education program along these lines. This would highlight the good work the administration is doing and address the serious economic and social concerns that I mentioned to you. I believe this would be far more effective and constructive than any action taken by the FDA.

Mr. President, I sincerely appreciate your taking the time from the many demands on you to consider this matter. I stand ready to work with your administration to develop an approach that works and that meets these goals. I believe all of us can work together to fashion a fair and equitable solution. I look forward to the opportunity to help achieve that goal.

Thank you for your consideration. Our thoughts and prayers are with you.

My warmest personal regards.

Sincerely,

James B. Hunt Jr.

JBH:sh

THE WHITE HOUSE

WASHINGTON

July 13, 1995

The Honorable Zell Miller
Governor of Georgia
Atlanta, Georgia 30334-0900

Dear Zell:

Thank you for your recent letter regarding the possibility of the Food and Drug Administration's regulation of tobacco products as drugs. I appreciate knowing your thoughts about this important issue, and I have requested that Marcia Hale, my Director of Intergovernmental Affairs, keep you informed of further developments.

As you may know, I have heard from several concerned leaders who share your views, and I am keeping these perspectives in mind as we consider this important matter.

Sincerely,

114244

STATE OF GEORGIA

OFFICE OF THE GOVERNOR

ATLANTA 30334-0900

Zell Miller
GOVERNOR

June 1, 1995

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

Dear Mr. President:

I am writing to express my opposition to the FDA's move to broaden its jurisdiction by regulating tobacco products as "drugs." It is my belief that such action is unsound public policy, is bad for the economy and would be the death knell of the Democratic Party in the South. These effects would be particularly felt in my state where tobacco is an important part of the regional economy.

As I understand it, for over 80 years the FDA has consistently maintained that it has no authority to regulate tobacco products marketed without health claims. The courts have upheld this position and Congress has agreed with it. In fact, Congress has chosen to reserve to itself the major policy decisions about tobacco products. Yet, without congressional action and with no facts suggesting that manufacturers are now making health claims about their products, the FDA has unilaterally decided to depart from long-standing precedent.

I also see no public policy benefit from this move. There already is in place a comprehensive federal program to regulate the marketing and sale of tobacco products. FDA regulation, by the FDA Commissioner's own acknowledgment, is sure to lead to an ultimate ban on cigarettes on the market today.

The FDA's proposal will have a dire effect on Georgia's economy, not to mention that of the Southeast region in general. The American people made clear last November that what they want are job opportunities and less, not more, government intervention in their lives.

Your immediate attention to this matter is of a critical nature to my constituents, and I urge you to see that the FDA keeps its regulatory powers within the current boundaries. Please feel free to contact me if you wish to further discuss this issue.

With kindest personal regards I remain,

Sincerely,

Zell Miller

ZM/jb

THE PRESIDENT HAS SEEN
7/13/95

THE WHITE HOUSE

WASHINGTON

95 JUL 7 P8:49

July 7, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS

SUBJECT: Summary of Cabinet Weekly Reports
July 7 -- July 14, 1995

Department of Treasury

- **OK City Memorial Service:** On Monday, July 10, Secretary Rubin hosts a Memorial Service at Treasury for officials who died in the Oklahoma City bombing.

- **Libyan Sanctions:** Customs is conducting an investigation of a Houston, Texas corporation for possible violation of the Libyan Sanctions. Customs and the U.S. Attorney in Boston initiated the investigation after the Office of Foreign Assets Control blocked 350,000 barrels of fuel oil imported by the corporation at Boston Harbor in February 1994. The company had purchased the oil from a Specially Designated National of Libya.

- **Regulatory Reform:** Floor consideration of the Regulatory Reform Act of 1995 is scheduled to begin July 10.

- **Tax Proposals:** Next week, the House Ways and Means Committee will hold a series of hearings on tax proposals. These are largely Members' bills, as well as several simplification proposals. Chairman Archer has noted that any proposals that are ultimately adopted will have to be accompanied by sufficient revenue offsets.

Department of Commerce

- **U.S.-Israel Science and Technology Commission:** On Tuesday, July 18, Secretary Brown will host the U.S.-Israel Science and Technology Commission meetings. The NSC and OMB are working with Commerce and the other involved agencies to attempt to resolve funding issues before the meeting.

- **Commerce Will Release the Following Economic Indicators:**

Quarterly Financial Report-Retail for 1st Quarter	July 12
Advance Retail Sales for June 1995	July 14
U.S. International Trade in Goods and Services for May 1995	July 18
Housing Starts and Building Permits for June 1995	July 19

- **Elimination of Department:** On Wednesday, July 19, Secretary Brown will testify at a hearing on the "Commerce Department Dismantling Act."

Department of Labor

- **Communications Workers Convention (CWA):** On Monday, July 10, Secretary Reich speaks to 3000 delegates at the CWA Convention in Anaheim, California .

- **Agriculture Enforcement Event in California:** On July 11, Secretary Reich will meet with migrant farm workers and tour a farm worker housing facility at a vineyard in Fresno, California to highlight the Administration's enforcement efforts. Representative Dooley is concerned that the event my focus to much attention on the plight of workers rather than the needs of producers. John Emerson is working with DOL on this issue.

- **Glass Ceiling Panel:** The Glass Ceiling Commission, chaired by Secretary Reich, will meet July 21-22 to discuss ways that women and minorities can advance into top management positions, in response to the Commission's March 1995 fact-finding report. That report indicated that 97% of senior managers in Fortune 1000 industrial and Fortune 500 companies are white and 95-97% are male.

- **OSHA Regulatory Process & Ergonomics Hearing:** On Wednesday, July 12, Joseph Dear, (OSHA Asst. Sec.) testifies before the House National Economic Growth, Natural Resources and Regulatory Affairs Subcommittee on OSHA's regulatory process and ergonomics.

- **DoED/DOL Merger**: Secretary Reich has been asked to testify before the House Economic and Educational Opportunities Committee on the proposed merger of the Departments of Labor and Education. The date is tentatively set for mid-July.

- **Striker Executive Order:** On June 21, the U.S. Court of Appeals remanded *U.S. Chamber of Commerce v. Reich* for expedited consideration of the challenges to the Executive Order. The Court of Appeals held that there was no institutional interest in deferring review and employers would suffer substantial hardship if the court postpones consideration. A decision could be issued within the next month.

- **Rubber Workers Merge With United Steelworkers:** On July 1, a special convention of the United Rubber Workers announced approval of a merger with the United Steelworkers.

- **Expiration of *Washington Post* Labor Agreement:** The labor agreement between the *Washington Post* and the Newspaper Guild, representing 1,500 workers, expires July 10.

- **Basketball Labor Dispute:** On July 5, NLRB officials with representatives of the NBA, the NBA Players Association, and a group of players seeking to decertify the union. Within 2-3 weeks, the Board is expected to resolve issues concerning the number of players eligible to cast ballots and to set a date for a decertification vote. On June 28, Michael Jordan, Patrick Ewing, and 5 other players filed a class action antitrust lawsuit against the NBA challenging the salary cap, draft and free agent system. On July 1, the NBA locked out its players, suspended all contract signings, and cancelled all benefits and payments owed to the players.

Department of Transportation

- **UNABOMER:** While the FBI and the FAA have concluded that the latest UNABOMER threat was most likely a prank, the FAA intends to keep the additional security controls on passengers and baggage in effect for several days.

- **Hatch Amendment to the Antiterrorism Act:** Civil Aviation Security officers in Europe and Asia-Pacific report that virtually all Directors General of Civil Aviation have expressed grave concern about the possibility of the Hatch Amendment requiring identical security measures for their carriers and U.S. carriers flying to the United States. Enactment of the Hatch Amendment will put FAA in a difficult position; efforts to impose identical measures will be resisted, and a range of important cooperative security arrangements will be damaged.

- **North Dakota Emergency Relief Request:** DOT has received a request from North Dakota for $17.9 million in Emergency Relief funds to repair roads in the Devil's Lake area. DOT anticipates making a decision within the next 2 weeks.

- **Japan Aviation Issues:** Talks have begun in Washington regarding the refusal of the Japanese authorities to approve certain schedules filed by Federal Express, including those for service beyond Tokyo and Osaka to Subic Bay, Manila. Sanction actions on this matter are pending. Talks are moving through the initial phases and it is too early to predict the outcome. On Thursday, July 6, Secretary Christopher met with Japanese officials to emphasize the importance the Administration places in resolving this issue.

- **National Safety Belt Awareness Event:** On Thursday, July 13, Secretary Peña will participate in a safety event at the Capitol with 4,000 delegates of the Future Homemakers of America and Home Economics Related Occupations. The participants will form a "living seat belt" on the west steps of the Capitol.

- **Los Angeles Red Line Subway Construction:** As of July 5, the Los Angeles County Metropolitan Transportation Authority (MTA) has not been able to reopen 2 lanes of traffic on Hollywood Boulevard that were closed on June 28 after discovery of serious cracks in the tunnel wall. DOT is working with State and local officials and will continue to monitor the situation.

- **Potential Metro North Commuter Railroad Strike:** The potential for a strike in Westchester County NY and CT, in mid-July remains high.

- **California's Seller of Travel Law:** DOT is drafting a letter to the California Attorney General regarding the State's new Seller of Travel Law. This law requires that anyone arranging air or sea travel must register with the State and participate in a Travel Consumer Restitution Corporation that will reimburse consumers for certain losses due to the failure of travel sellers. Although the CA law exempts Federally licensed air carriers, as required by law, the CA law's definition of "air carrier" is too narrow and could include carriers that DOT would consider pre-empted from state law in this area. DOT's letter will point out the definition problem.

- ***LA Times* Inquiry**: The paper continues investigating the possible relationship between Secretary Peña's former investment firm and his activities as Secretary.

Small Business Administration

Office Closings: Administrator Lader received a letter from Congressman Harold Rogers, Chairman of the House Appropriations Subcommittee on Commerce, Justice, State and Related Agencies regarding SBA's REGO II implementation, proposing that SBA meets with staff from the Senate and House committees to discuss office closings. This is significant as SBA must move forward with its implementation plan as soon as possible in order to have minimum negative effect on its employees. SBA is considering its options in coordination with White House staff.

Department of Justice

- **FBI Agents Shot in Training:** 2 FBI agents training at Quantico were shot today, 1 remains in critical condition. The instructor was not aware live ammunition was being used.

- **Waco:** On July 19, the House will begin hearings on the Federal Actions at Waco. DoJ, Treasury and DoD representatives have briefed Congressional staff and are providing classified information to the committees per a request from the committees to the White House. Committee staff have requested a visit to Fort Bragg later this week to interview military personnel who played a role in the Waco situation. ATF Under Secretary Ron Noble and FBI Director Freeh will testify on July 25. The Attorney General will testify on July 28. Speculation is that Senate WACO hearings will begin on July 26.

- **National Criminal History Improvement Program (NCHIP) grants:** The Attorney General will announce on July 12 $20.6 million in NCHIP grants to 12 states and D.C.

Decline in Legal Immigration in FY94: The number of legal immigrants admitted last year totaled 798,395, a decline of 9.3 %from FY93. This is the largest 1 year drop in 15 years.

Anti-Terrorism Bill: The House is expected to begin consideration of the bill next week.

- **Violence Against Women Advisory Council Meeting:** July 13, the Attorney General and Secretary Shalala will host the first Violence Against Women Advisory Council Meeting.

- **Appropriations:** The adopted bill provides about $500 million more than was appropriated for FY 95, but about $3.5 billion less than what the Administration requested and adopts the House-passed crime bills from earlier this year. COPS is replaced with a block grant and there is no separate funding for Drug Courts, Ounce of Prevention Council, Model Intensive Grants or state prison treatment. Funding for the Violence Against Women Act was reduced from $170 million to $75 million.

- **Mississippi Voting Case:** On June 26, 1995, DOJ filed a motion for a preliminary injunction in *U.S. v. Mississippi*, which claims that MS is implementing changes in its voter registration and purge procedures without obtaining preclearance under the Voting Rights Act. The U.S. also asserts that MS implemented without preclearance a dual system whereby persons who register using National Voter Registration Act procedures could vote only in federal elections only.

Department of Health and Human Services

- **HCFA Regulatory Reform:** On Tuesday, July 11, Secretary Shalala and Health Care Financing Administrator Vladeck will join VPOTUS and the First Lady at an announcement outlining regulatory changes affecting the health care industry.

- **Handling of Blood Supply Between 1982 and 1986:** On July 13, the Institute of Medicine will release a report requested by Secretary Shalala in 1993, after being asked by Senators Kennedy and Graham and Rep. Goss to investigate the transmission of HIV through contaminated blood products. The report, criticizes HHS actions during the period of 1982 - 1986, especially certain actions of the Food and Drug Administration.



Most Beneficiaries are Satisfied with Medicare: Most Medicare recipients report positively on the program, according to a national survey of beneficiaries to be released by the HHS inspector general in the coming weeks. However, the survey also points out areas where better education and improved service are needed. In response to the survey, HCFA will conduct demonstrations to improve carrier telephone service, and will launch an initiative to increase beneficiary awareness about surgical options.



Voluntary HIV Testing for Pregnant Women: On Friday, July 7, the CDC published guidelines urging medical professionals to offer routine HIV counseling and voluntary testing to all pregnant women. The voluntary strategy has already proven effective in several communities -- in one inner-city hospital in Atlanta, 96% of pregnant women chose to be tested after having received HIV counseling. The guidelines were developed after an NIH study demonstrated that HIV-positive, pregnant women who take the drug, AZT, can reduce by 2/3 the likelihood of transmitting the virus to their babies. DPC is coordinating Administration actions, in light of anticipated House action mandating testing.



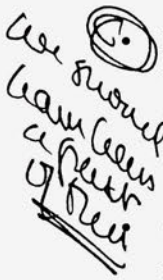
Infant Mortality Rates Continue Dropping: The provisional infant mortality rate for the United States hit a record low of 7.9 infant deaths per 1,000 live births in 1994, according to data from the National Center for Health Statistics (that number is down from 8.3 infant deaths per 1,000 live births in 1993).

Department of Veterans Affairs

- **Budget**: On July 11, Secretary Brown testifies at the Senate Veterans' Affairs Committee hearing on the impact of budget reconciliation on veterans programs.

Department of Housing and Urban Development

- **Chicago Housing Authority:** 1) Return trip to Chicago -- Secretary Cisneros will return to Chicago on Wednesday, July 12, to finalize the selection of the 5 member CHA executive committee. 2) 2nd CHA Board Meeting -- The next CHA Board meeting is scheduled for July 12; HUD/CHA intends to announce a stricter eviction policy and tenant screening process. 3) Facilitating Demolitions in Chicago and Other Cities -- In preparation for the passage of the Rescission Bill, HUD has begun internal discussions on how to implement the statutory relief items in the public housing program, as provided for in the House-passed version of the bill. The bill provides a 1 year statutory relief in public housing funds and programming enabling HUD to demolish a larger number of public housing developments across the country.



Largest Federal Homelessness Grant in History: On Monday, July 10, Secretary Cisneros will announce the winners of the $900 million Continuum of Care Homeless Awards. The award is the largest grant in history to help the homeless and represents a dramatic shift from existing local strategies to combat homelessness.

Oklahoma City: On July 13-14, Secretary Cisenros returns to Oklahoma City to assess the progress made in readying the permanent HUD office for normal operations and in meeting the needs of the survivors and family members of the victims.

Office of National Drug Control Policy

- **Steinbrenner Event:** In light of the Darryl Strawberry situation, Dr. Brown will meet next week with Yankee owner George Steinbrenner and representatives of the Baseball Players Association to discuss preventing drug use among athletes. The meeting will focus on values, standards, helping kids, and providing role models.

- **Empowerment Zone High Intensity Drug Trafficking Area (EZ-HIDTA):** Planning continues toward designation and funding of these sites. ONDCP is working closely with the Vice President on the announcement of Atlanta, Philadelphia and Chicago as key initiative sites.

Department of Education

- **Appropriations:** The House Appropriations Subcommittee is scheduled to mark up the DoEd Appropriations bill on July 10. The Subcommittee expects a revised allocation based on the increased discretionary funding provided in the final concurrent budget resolution. Rather than a $10 billion or 15% reduction from FY 1995, the new reduction is expected to be approximately $8 billion or 12%. The House Appropriations Committee is expected to mark up the bill on July 20.

- **Law Enforcement Administrators:** On July 9, Secretary Riley will address the National Conference of Law Enforcement Administrators in Philadelphia.

- **Elimination of DoEd:** On July 11, the House Economic and Educational Opportunities Committee will hold another hearing on the proposal to merge the Education with the Department of Labor and the EEOC.

- **CAREERS Bill:** In the next few weeks, the House is expected to consider the CAREERS bill which consolidates job training, vocational education, adult education and library programs as well as a proposal to privatize Sallie Mae and Connie Lee. The Senate also is expected to take up the Workforce Development Act, the companion bill to CAREERS.

- **School Prayer:** The House Subcommittee on the Constitution continues field hearings on school prayer: New York (July 10), Oklahoma City (July 14) and Los Angeles (July 17).

Department of Interior

- **Endangered Species Act [ESA]:** The Senate Committee on Environment and Public Works holds a hearing Thursday on reauthorization of the ESA. Assistant Secretary Frampton will highlight the Administration's proposals for reauthorization and express the Department's concerns about the ESA budget cuts proposed by the House.

Environmental Protection Agency

- **Resolution of California Smog Check:** EPA has resolved the long-standing dispute with the State of California over the automobile emissions testing (Smog Check) program. Since the beginning of the Administration, EPA has worked with members of the CA Legislature, the State and other stakeholders to provide CA with sufficient flexibility to design a Smog Check program that meets the economic and environmental needs of the people of California.

- **California Travel:** Next week the Administrator travels to California to address the Los Angeles Chamber of Commerce. She will also meet with the *Los Angeles Times* editorial board to discuss the Administration's vision for a new generation of environmental protection, and also host a meeting with local environmental leaders.

- **Clean Water Event:** On Friday, July 14, the Vice President and Administrator Browner are scheduled to host a Clean Water media event in San Francisco.

- **Lead Based Paint Initiative:** On Tuesday, July 11, Administrator Browner and Secretary Cisneros will hold a press conference to announce a ground-breaking agreement on reducing lead poisoning hazards in private housing. The report recommends sensible, cost-effective actions to reduce the dangers posed by lead in the nation's homes, and actions that can be taken by parents, homebuyers, landlords, realtors, insurance companies, state legislators and local implementers.

Department of Agriculture

- **Fire Suppression Report:** On July 15, USDA will release its final fire suppression report. The Secretary will detail 1994 emergency fire suppression costs -- the highest in the history of the USDA Forest Service. The report will also contain recommendations on fuels treatment, analysis of cost and risk, protection of private property, and availability of fire personnel.

- **Appropriations**: The FY96 funding measure for USDA is expected to be considered next week by the full House. One of the most controversial items is expected to be the Committee's action to delay USDA's efforts to substantially reform the meat and poultry inspection system.

Department of Energy

- **Symposium on 50th Anniversary of the Trinity Test:** DOE and the National Academy of Sciences are co-sponsoring a symposium July 16 on the 50th anniversary of the Trinity test. The one-day session will allow the Administration to highlight the scientific accomplishments spawned by Trinity and the Administration's arms control and nonproliferation agenda.

- **Congressional Black Caucus:** Secretary O'Leary will make a presentation to the CBC next Wednesday. Her presentation will focus on Strategic Alignment of the Department.

- **Bill White's Resignation:** Deputy Secretary Bill White will resign, effective Aug. 11. Under Secretary Charlie Curtis will serve as Acting Deputy and be nominated for that position shortly.

Office of Personnel Management

- **Oklahoma City Follow-up:** OPM has completed a decision memorandum for the White House setting out Agency-wide background and recommendations for the establishment of scholarship funds for the children of Oklahoma City bombing victims.

General Services Administration

- **Security News Conference:** A July 14 News Conference will cover GSA's first steps in implementing new security measures in Federal facilities, post-Oklahoma City.

Department of Defense

- **Authorizations:** DoD is preparing for the mark-up (next week) and floor consideration of the FY96 Defense Appropriations Bill.

- **Senior Officials' Use of Military Aircraft:** As a result of the Inspector General's report on certain uses of military aircraft by General Ashy, all DoD regulations concerning the use of military aircraft by senior officials will be reviewed.

Have to fix this

- **Military Retired Pay:** The Congressional Budget Resolution Conference Agreement includes payment of the military retired pay Cost-of-Living Adjustment (COLA) similar to the COLA for Federal Civilians for FY96. While establishing COLA equity, the resolution would also change the computation of military retired pay on a "high-one" year average instead of on final basic pay. This could cost some future retirees several percentage points of their expected retirement compensation depending on the specifics of the language. DoD has generally opposed such retirement system changes.

- **Persian Gulf Illness Update:** The report on the 10,000 Comprehensive Clinical Evaluation Program participants will be issued to the public during a press conference on July 20.

Department of State

- **Bosnia:** Despite indications of increasing military action, State continues to try to keep the diplomatic track alive. On Thursday, July 6, Secretary Christopher met with Bosnian Foreign Minister Sacirbey to repeat the importance of negotiations. Senator Dole did not introduce his resolution on the unilateral lift of the arms embargo June 30, due to the delayed debate on the rescissions bill and reported dissension among his staff.

- **Mideast Peace:** From Secretary Christopher's conversation with Shimon Peres on July 4, it is clear that a conceptual breakthrough on phase two of the Declaration of Principles has been achieved. Even though Israelis and Palestinians still have work to do, they have a good chance to meet their July 25 target date to sign an agreement in Washington. The State Department is considering ways to orchestrate an appropriate signing ceremony.

- **Strategic Management Initiative (SMI):** Secretary Christopher continues to make progress on his efforts to streamline the State Department. Next week, the Secretary will inform Congress of his intention to close 19 posts abroad, including 3 small embassies. Congress will have 45 days to comment. Secretary Christopher is also moving ahead on a 10% reduction in administrative overhead costs.

- **PM Major Reshuffles Cabinet:** The July 5, British Cabinet reshuffle resulted in a more centrist, cohesive team. The Secretary expects no major policy shifts with Former Defense Secretary Malcolm Rafkind at the Foreign Office.

- **Northern Ireland:** Disturbances in Northern Ireland to protest the British government's early prison release of Private Clegg have ebbed, but there may be consequences to our efforts to promote economic investment in Northern Ireland and the border counties.

- **Inauguration of Argentinian President:** Mack McLarty, Strobe Talbott, and Assistant Secretary Watson left on July 7 to represent you on a 5 day trip to Argentina, Brazil and Chile.

- **Pakistan F-16's:** Based on the State Department's informal consultations, there is strong support in Congress for a third-party sale as an appropriate way to resolve the Pakistan F-16 problem, although the recipient country is likely to be an issue. Staff of Senators Helms and Brown support the equipment return; Senators Pell and Sarbanes have indicated they would fight the proposal on the Senate floor. While State believes that prospects are good for Senate approval of returning the other military equipment, we should be prepared for extensive discussion when floor action begins on the Authorization bill, perhaps as early as next week.

- **Vietnam:** Senator Harkin told the press in Vietnam that if a resolution urging normalization of relations with Hanoi were introduced in the Senate it would pass. Senator Lautenberg, a member of the same June 30-July 8 Codel, announced that he had changed his position since last year's vote on lifting the trade embargo and would vote for normalization.

United Nations

- **UN Reform:** General Assembly President Essy continues to press forward on the establishment of the High Level Working Group on UN Reform.

- **Bosnia:** On July 5, the Security Council renewed the partial suspension of sanctions on the Former Republic of Yugoslavia (FRY) for an additional 75 days.

- **Rapid Reaction Force:** The Security Council continues to negotiate on the issue of funding for the rapid reaction force for UNPROFOR. The Council has made clear to the UN Secretariat and British, French and Dutch their requirement to minimize the UN assessed portion of the budget, though it has offered substantial in-kind contributions of transportation and equipment.

- **Iraq:** The next review of Iraq sanctions in the Council will be on July 11.

Central Intelligence Agency

- **New DDCI:** George Tenet, who won Senate confirmation last week, was sworn in Monday, July 3.

- **Start Baseline Inspection:** Last week the Intelligence Community finished its participation in the now concluded four-month START baseline inspection. Approximately 100 officers were involved in all 74 US START inspections. Among other things the inspections increasing CIA understanding of Russian ballistic missile storage and handling practices.

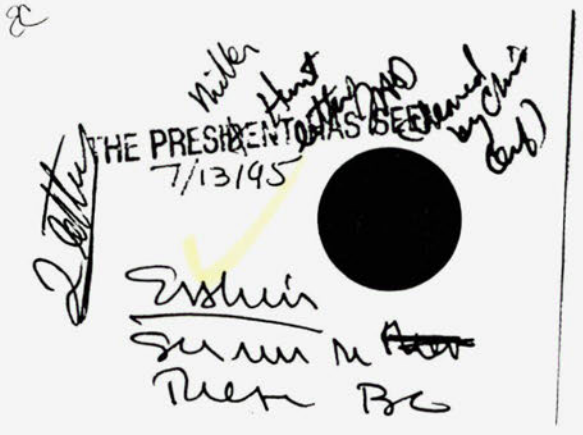
- **Soviet Espionage:** On Tuesday, Director Deutch will co-chair a ceremony at which the CIA will publicly release previously classified intelligence information on Soviet espionage against the United States' atomic program in the 1940s. The material being released--code named VENONA--sheds some light on the activities of the Rosenbergs and others. It also reveals other Soviet high-tech espionage targets of the day, including the US jet aircraft and rocket programs.

U.S. Information Agency

- **Reaction to U.S.-Japan Car Talks:** Foreign commentators overwhelmingly expressed relief that Washington and Tokyo were able to avert an automobile trade war at the very last minute, but there was no vast outpouring of support for either side or even for the agreement itself. A number of writers praised the Administration and especially USTR Mickey Kantor for tenaciously pursuing U.S. interests, through a considerable group also accused you of using the issue to court votes in auto-producing states.

- **Cuba Policy:** Radio and TV Marti gave ample coverage to your taped message on Cuba policy, which was released by satellite June 27.

cc: The Vice President
Leon Panetta
Harold Ickes
Erskine Bowles
George Stephanopoulos
Alexis Herman
Carol Rasco
Maggie Williams
Michael McCurry
Doug Sosnik
Marcia Hale
Mark Gearan
Jack Quinn


THE PRESIDENT HAS SEEN
7/13/95

THE WHITE HOUSE
WASHINGTON

July 13, 1995

TO: Jim Dorskind

FROM: Todd Stern

We need to hold on these until White House decision on new FDA decision.

THE WHITE HOUSE

WASHINGTON

July 13, 1995

The Honorable Zell Miller
Governor of Georgia
Atlanta, Georgia 30334-0900

Dear Zell:

Thank you for your recent letter regarding the possibility of the Food and Drug Administration's regulation of tobacco products as drugs. I appreciate knowing your thoughts about this important issue, and I have requested that Marcia Hale, my Director of Intergovernmental Affairs, keep you informed of further developments.

As you may know, I have heard from several concerned leaders who share your views, and I am keeping these perspectives in mind as we consider this important matter.

Sincerely,

116240

STATE OF NORTH CAROLINA

OFFICE OF THE GOVERNOR

RALEIGH 27603-8001

JAMES B. HUNT, JR.
GOVERNOR

June 13, 1995

The President
The White House
1600 Pennsylvania Avenue
Washington, DC 25005

Dear Mr. President:

It was great to see you recently, and I commend you and your staff for the tremendous cooperation and close working relationship with the Governors.

I am writing to follow up with you on our conversation regarding the FDA and tobacco. I appreciate your attention to my concerns about the harm that would result from any move by the agency to regulate tobacco as a drug. And, I understand the concern you expressed about children using tobacco products.

As Governor of the nation's largest tobacco-producing state, I would very much welcome the opportunity to work with you and your administration on this issue. I believe we can work together to resolve the FDA issue and to implement a national education and enforcement program aimed at youths and retailers. Such an effort could dramatically reduce youngsters' ability to obtain tobacco products.

I discussed with Doug Sosnik an approach that would lead to Secretary Shalala announcing in North Carolina a national education program along these lines. This would highlight the good work the administration is doing and address the serious economic and social concerns that I mentioned to you. I believe this would be far more effective and constructive than any action taken by the FDA.

Mr. President, I sincerely appreciate your taking the time from the many demands on you to consider this matter. I stand ready to work with your administration to develop an approach that works and that meets these goals. I believe all of us can work together to fashion a fair and equitable solution. I look forward to the opportunity to help achieve that goal.

Thank you for your consideration. Our thoughts and prayers are with you.

My warmest personal regards.

Sincerely,

James B. Hunt Jr.

JBH:sh

THE WHITE HOUSE

WASHINGTON

July 13, 1995

The Honorable Zell Miller
Governor of Georgia
Atlanta, Georgia 30334-0900

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Sincerely,

114244

STATE OF GEORGIA

OFFICE OF THE GOVERNOR

ATLANTA 30334-0900

Zell Miller
GOVERNOR

June 1, 1995

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

Dear Mr. President:

I am writing to express my opposition to the FDA's move to broaden its jurisdiction by regulating tobacco products as "drugs." It is my belief that such action is unsound public policy, is bad for the economy and would be the death knell of the Democratic Party in the South. These effects would be particularly felt in my state where tobacco is an important part of the regional economy.

As I understand it, for over 80 years the FDA has consistently maintained that it has no authority to regulate tobacco products marketed without health claims. The courts have upheld this position and Congress has agreed with it. In fact, Congress has chosen to reserve to itself the major policy decisions about tobacco products. Yet, without congressional action and with no facts suggesting that manufacturers are now making health claims about their products, the FDA has unilaterally decided to depart from long-standing precedent.

I also see no public policy benefit from this move. There already is in place a comprehensive federal program to regulate the marketing and sale of tobacco products. FDA regulation, by the FDA Commissioner's own acknowledgment, is sure to lead to an ultimate ban on cigarettes on the market today.

The FDA's proposal will have a dire effect on Georgia's economy, not to mention that of the Southeast region in general. The American people made clear last November that what they want are job opportunities and less, not more, government intervention in their lives.

Your immediate attention to this matter is of a critical nature to my constituents, and I urge you to see that the FDA keeps its regulatory powers within the current boundaries. Please feel free to contact me if you wish to further discuss this issue.

With kindest personal regards I remain,

Sincerely,

Zell Miller

ZM/jb

THE PRESIDENT HAS SEEN
7/13/95

THE WHITE HOUSE

WASHINGTON

July 9, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: TODD STERN
PHIL CAPLAN

SUBJECT: Recent Information Items

We are forwarding the following recent information items:

(A) **Stern/Caplan memo summarizing various information items.**

(B) **Memo from Secretary Rubin on Gephardt flat-tax proposal.** Memo summarizes the main features of Gephardt's plan and concludes, based on preliminary estimates, that the proposal would raise slightly less revenue than current law and make the tax system slightly more progressive. Taxpayers in the lower and middle income tax brackets would be, on average, kept whole or receive a slight tax cut. Many residents of high-tax states like New York and California would be big losers under the plan; taxpayers in these states claim a large number of itemized deductions which would be eliminated under the plan. Treasury is continuing to analyze the proposals.

(C) **Ickes memo on Senator Hollings' budget town hall meeting.** Harold attaches a summary of the "Exercise in Hard Choices" forum that Senator Hollings co-hosted with the Committee for a Responsible Federal Budget. Participants in this mock budget-cutting exercise formed 12 groups. The average group cut the projected 1996-2000 deficit approximately $909 billion (or $1.028 trillion including interest savings).

(D) **David Shribman column from the Boston Globe.** Forwarded by Gearan. Written following your appearance with Speaker. Inspired by "political seminar that Professor Gingrich and Dean Clinton team-taught" in New Hampshire, Shribman proposes a series of civil, Lincoln-Douglas-style political debates for the '96 campaign between you and your Republican opponent.

(E) **Column by Washington State Commissioner of Public Lands.** Forwarded by McGinty. The Commissioner, Jennifer Belcher, says you promised to break gridlock on the Northwest timber issue and you delivered with a good forest plan and enhanced regulatory flexibility.

(F) **Richard Leone op-ed: "Sex and Violence: It's A Free Market."** From Newsday, forwarded by Harold. Gist of the piece: sex and violence are prevalent in the media because they sell well in a free market; commercial movies and media are awful, except when you consider the alternative -- government control and censorship; conservatives can't have it both ways -- enjoying the fruits of a market economy

THE PRESIDENT HAS SEEN
7/13/95

THE WHITE HOUSE

WASHINGTON

95 JUL 8 A10:08

July 7, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: MARK GEARAN MG

SUBJECT: *BOSTON GLOBE* ATTACHMENT

Given your remarks yesterday calling on citizens and politicians to engage in more constructive dialogue, I thought you might find the attached *Boston Globe* column of interest. It was written by David Shribman following your appearance in New Hampshire with Newt Gingrich.

cc: Harold Ickes

National Perspective

DAVID M. SHRIBMAN

P.3 6/16/95

Casting a vote for art of debate

MANCHESTER, N. H. – The words "modest" and "Gingrich" may never before have appeared in the same sentence. But the political seminar that Professor Newt Gingrich team-taught with Dean Bill Clinton on Sunday prompts a modest proposal:

Let's get the presidential candidates to travel around together next year, not for a few hours or a day but for a few weeks, even a month.

Here's how it would work: After the national conventions, the two nominees, whoever they are, would coordinate their schedules. They would appear one afternoon in Claremont, N. H., the next morning in Charlotte, N. C., that evening in Austin, Texas, and so forth. At each place they would sit together, exchange ideas, talk about the issues. The American people would get to know them at a more leisurely pace than they do now. The debates would be real discussions, not rehearsed spectacles that have the urgency of sudden-death overtimes for hockey's Stanley Cup.

The Lincoln-Douglas model

The model, of course, is not Gingrich and Clinton but Stephen A. Douglas and Abraham Lincoln. Two years before their 1860 presidential race, the two men opposed each other for the Senate. They held seven "debates," comprising 21 hours of some of the highest-level political discussions in the nation's history. They began much the way the Gingrich-Clinton extravaganza began: Lincoln issued a challenge to "address the same audiences," and Douglas, by far the figure of greater repute, felt obligated to reply, even though he knew that by doing so he would elevate his challenger. Who says there is something called "modern" politics?

But in recent years, politicians and the public have been struggling to develop new forums for political discussions. Several years ago, two candidates gasping for air time, Republican Pierre S. du Pont and Democrat Bruce Babbitt, held a debate of their own even though there was little demand for a confrontation between the two men. It worked so well that two slightly better-known dark horses, Democrat Richard A. Gephardt and Republican Jack F. Kemp, tried it themselves.

In the last election cycle, Clinton reached beyond – or, more precisely, around – the national press, speaking directly to the public through local television stations, cable systems and small radio outlets. After the election, Vice President Al Gore and billionaire gadfly Ross Perot debated the North American Free Trade Agreement on Larry King's television show. In August, Perot is inviting all the principal figures in American politics to Dallas for an extraordinary tarantella of talk.

Three years ago, the conservative commentator Bruce Herschensohn, the Republican senatorial nominee, asked his Democratic counterpart, Barbara Boxer, to travel together throughout California, talking to voters, holding joint rallies, even attending each other's fund-raisers. "The voters would know what you're going to do when you get in office," Herschensohn said this week. "They'll vote on what you really believe and what you want to achieve. At the end, the beneficiaries would be the voters. And the candidates might even be friends." Boxer rejected the idea, but its allure remains.

A political tonic

With the country plugged in and wired for sound, it's time to transform our campaigns and to use an art form developed at the end of the 19th century, the Chautauqua, to address the needs of the 21st century. The goal of the Chautauqua, founded on the woodsy banks of a tranquil 18-mile lake in western New York in 1874, was spiritual and political education. We need that more than ever. Its techniques, including the movable feasts of discussions and debates that the Chautauqua movement spawned, may be the tonic for what ails our political soul.

That's what Gingrich had in mind when he invited the president to the mountain hamlet of Jackson, N. H., for a discussion about foreign and defense policy to be followed by a session in Claremont about domestic issues and Medicare. In the end, the two settled on their famous encounter in the Earl Bourdon Senior Center. They found themselves explaining and defending themselves and, from time to time, each other.

For all their bluster, the two men appeared more similar than different. They needled each other, to be sure, but they praised each other and they showed respect for each other. Above all they emphasized – clearly, soberly – how difficult the problems they face are.

With the stakes even greater during a presidential election, the gentleness of the Battle of Bourdon Center almost certainly would disappear. But familiarity in this sort of atmosphere might not breed contempt. It might breed understanding – if not in the hearts of the competitors for high office then perhaps in the minds of the public.

Orthodox Union
333 SEVENTH AVENUE • NEW YORK, NY 10001-5072

THE PRESIDENT HAS SEEN
7/13/95

I don't think
See note re: Pres
will be a big supporter
of welfare reform
about Pres B.

The Honorable William Jefferson Clinton
President of the United States of America
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D. C. 20500

THE PRESIDENT HAS SEEN
7/13/95

Orthodox Union

UNION OF ORTHODOX JEWISH CONGREGATIONS OF AMERICA

איחוד קהילות האורתודוקסים באמריקה

333 SEVENTH AVENUE • NEW YORK, NY 10001 • (212) 563-4000 • FAX (212) 564-9058

ב"ה

KASHRUTH DIVISION

President
MANDELL I. GANCHROW, M.D.

Chairman
PROF. SHIMON KWESTEL

Vice Chairman
DAVID FUND

Rabbinic Administrator
RABBI MENACHEM GENACK

Rabbinic Administrator (1950-1972)
RABBI ALEXANDER S. ROSENBERG

July 7, 1995

The Honorable William Jefferson Clinton
President of The United States of America
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D. C. 20500

Dear Mr. President:

I have been requested by the Chief Rabbi of Israel, Rabbi Eliyahu Baksi-Doron, to attempt to set up a meeting with the President, at which time he would like to thank the President for all the efforts of the Administration on behalf of Syrian Jews. Present at the meeting will also be some prominent leaders in the Sefardi community, amongst them, Mr. Edmond Safra. I would suggest that a meeting some time before the Jewish High Holy Days would be especially meaningful.

Respectfully yours,

Menachem Genack

Rabbi Menachem Genack

MG:sg

FedWatch: The Reports of their Detente are Greatly Exaggerated

SUMMARY: The media and Wall Street have once again misread the Fed. It is true that the two Clinton appointees, Alan Blinder and Janet Yellen, have thus far joined the majority on each monetary policy decision. This consensus has led more and more observers to jump to the false conclusion that all is sweetness and light at the Fed. It is not. Numerous sharp disagreements have emerged over regulatory issues that do not grab the headlines. Our sources tell us that intra-Board relations are cool at best. It can only be a matter of time before the philosophical divide between the Clintonites and the Greenspan-dominated majority spills over into the monetary policy arena.

ANALYSIS

Vice-Chairman Alan Blinder and Governor Janet Yellen joined the Federal Reserve Board last summer, the former coming directly from President Clinton's CEA. They have both supported each rate increase since then. But reports from inside the Fed, some of which have filtered into the newspapers, reveal that they have been reluctant rate-hikers and may simply have been going along to get along. (Remember: Dissents are not taken lightly on the consensus-driven FOMC.) In contrast to the apparent comity on monetary policy, Blinder and Yellen have dissented on a variety of bank regulatory issues, most of which escape public attention. According to our sources, a fundamental philosophical gap separates the two Clintonites from the other governors. Here are some concrete examples.

Community Reinvestment Act and related matters

It is no secret that the Fed has been less than enthusiastic about the Community Reinvestment Act (CRA), a kind of affirmative-action program for bank lending. Neither are banks, nor many Republican legislators. However, the Clinton administration made it a priority in 1993.

-- Fed insiders report that the Board's majority was all set to endorse the gutting of CRA embodied in the Shelby-Mack (S. 650) and Bereuter (H.R. 1362) deregulation bills. But Blinder and Yellen balked, and the Board's position was changed.

-- The October 1994 draft CRA proposal called for data collection on lending by race, gender, and geography--an idea favored by the Clinton administration and by community groups, but an anathema to banks. This has turned out to be the most contentious CRA issue at the Fed, with Lindsey and LaWare openly hostile and Blinder and Yellen apparently supportive. The April 1995 interagency compromise included limited geographical data and none based on race or gender. Nonetheless, two Fed governors voted against it.

-- A long-standing Fed regulation (Regulation B) bans the collection of race-gender data except where specifically authorized by statute. Ending this ban--and thus allowing voluntary collection--was apparently part of the interagency compromise and, true to form, the Board agreed to put voluntary collection out for public comment at its April 19th meeting. However, only the two Clinton appointees seem enthusiastic about this change; so its prospects for adoption are unclear.

Consumer protection legislation

The philosophical divide shows through clearly on various consumer protection issues. The two Clinton appointees generally support laws like Truth-in-Saving and Truth-in-Lending, which the Fed originally opposed.

-- Last January, by a 4-3 vote with Greenspan, LaWare, and Phillips in dissent, the Board adopted Blinder's proposed modification of the interest rate formula used in Truth-in-Saving, despite vigorous opposition from banks. (Though unnoticed by the media, this was the first vote Greenspan has ever lost at the Fed, and thus significant.) Greenspan agreed with Blinder that the Fed's current arithmetic was wrong, but argued that the whole law is not worth having and therefore did not wish to fix it. Shortly thereafter, in response to vehement protests by bank trade associations, the Fed rescinded its decision on narrow procedural grounds and put the Blinder proposal out for public comment again. The final outcome is uncertain.

-- The Shelby-Mack and Bereuter deregulation bills, now working their way through Congress, would essentially repeal the Truth-in-Savings Act. The majority of the Board supports this provision, but Blinder and Yellen oppose it.

Reduction of Regulatory Burden

The Fed strongly favors burden reduction and contributed numerous suggestions to both S. 650 (Shelby-Mack) and H.R. 1362 (Bereuter). Reports from inside the Fed say the Board's majority favored a ringing endorsement of the two bills, but the draft testimony prepared for Phillips to deliver was scuttled by Blinder and Yellen, who refused to sign. To obtain their approval, the Fed's position had to be weakened substantially.

Fair Lending

In a number of cases, Blinder and/or Yellen has questioned or dissented from Board decisions to approve applications from banks accused of violating fair lending laws. Typically, they argue for delaying the application while the Board gathers or awaits more evidence (usually from the Justice Department). In every case so far, a strong majority of the Board has opposed waiting and seems particularly disinclined to give much credence to Justice's view.

THE BOTTOM LINE: The Fed has so far projected an image of serene unanimity. But there is trouble brewing beneath the surface; and it divides the Board along ideological/political lines. Now that the economy is weakening, look for this rift to show through into monetary policy decisions soon.

THE PRESIDENT HAS SEEN
7-12-95

THE WHITE HOUSE
WASHINGTON

I don't know a great deal about this - Perhaps Gore & we would be better to wait to see if we want to refer to Girls' Nation. Let's discuss. B.

July 11, 1995

MEMORANDUM FOR THE PRESIDENT

From: George Stephanopoulos

Subject: Affirmative Action Speech Site

Listed below for your consideration are site options for the Affirmative Action speech. We are eager to make this decision soon so that we may build an appropriate audience for this occasion. Please let us know if any additional information is needed.

1) THE NATIONAL ARCHIVES ROTUNDA

Recommended Option: The Rotunda at the National Archives is a beautiful and historical site, allowing you to draw upon the goals and intentions of the nation's guiding principles. The audience (capacity of around 125) would be comprised of national leaders in the civil rights, womens, religious, education and business communities.

2) THE EAST ROOM AT THE WHITE HOUSE

Alternative Option: Because the strength of this speech is in the content of your remarks, and, to a lesser extent, in the composition of the audience, it is not imperative to leave the White House to deliver it. The East Room is a perfectly suitable and formal location. Again, the audience (capacity of 180) would be comprised of national leaders in the civil rights, womens, religious, education and business communities. Girls' Nation is also in Washington, D.C. at this time and could attend.

3) MELLON AUDITORIUM

Alternative Option: If you are interested in delivering the speech to a larger audience, Mellon Auditorium accommodates between 500-750 people.

- *DECISION*

_____ The National Archives Rotunda
_____ The East Room at the White House
_____ Mellon Auditorium

THE PRESIDENT HAS SEEN 7/12/95
7-12-95

Dear Mr President,

Yesterday in our discussion of the VA/HUD Subcommittee I believe you may have misheard a statistic. The HUD cuts may cause rent for low-income housing recipients to rise by as much as $500 a year, not $500 a month. Even the yearly increase is substantial for a family whose annual level may be as low as $6000 per year.

Love Ya

Thanks for the correction

BB

THE PRESIDENT HAS SEEN
7-12-95

THE WHITE HOUSE

WASHINGTON

JULY 12, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: DOUG SOSNIK

SUBJECT: REPUBLICAN "WANTED POSTER"

Attached please find clips we gathered from Martin Frost and Don Fowler's separate responses to the Republican Party's "Wanted Poster."



DEMOCRATIC
CONGRESSIONAL
CAMPAIGN COMMITTEE

Martin Frost, TX
Chairman

FOR IMMEDIATE RELEASE
July 10, 1995

CONTACT: Tricia Primrose
202/485-3432

STATEMENT BY DCCC CHAIRMAN MARTIN FROST (D-TX) REGARDING NRCC "PROJECT 28" WANTED POSTER

Today, the *New York Post* reported that the National Republican Congressional Committee is using a Wanted Poster as a new fundraising appeal. The GOP fundraising piece appeals to the worst in people, using fear and prejudice to raise money and to sow division.

Twenty-two of the 28 Democrats showcased in the Wanted Poster are either Black, Jewish, Hispanic or female. Only six white males who aren't Jewish were included -- David Bonior, John Dingell, Richard Gephardt, Ed Markey, Ron Coleman and Pat Williams.

Once again, Republicans are returning to their tried and tested appeals based on race, prejudice and fear. With their Wanted Poster, Republicans have put Willie Horton-style politics back on center stage.

Let's be clear: these Republican tactics are despicable, have no place in the political discourse and should be condemned by Newt Gingrich and terminated by Bill Paxon, the person who authorized the fundraising letter.

This is race-baiting pure and simple. I am astonished and appalled that the Republicans would use their majority status to scare and divide.

The NRCC asserts that the fundraising appeal is part of an effort to defeat 28 Democrats called "Project 28." Curiously, these "targeted" Democrats won re-election last year with an average of 67% of the vote. Among those "targeted" are Julian Dixon and Charlie Rangel. Both Representatives are Black and both gained more than 75% of the vote in 1994. They can hardly be described as targets by any political professional from either party.

Elected officials from across the political spectrum need to find ways to bring people together, not to push them apart. Yet, the NRCC fundraising letter is designed to put cash in the coffers by playing to and exploiting peoples' fears and differences. It is the worst brand of politics and Bill Paxon should call an immediate halt to it.

- 30 -

New York Post article is attached. Republicans' Project 28 targets: David Bonior (MI-10), John Dingell (MI-16), Bobby Rush (IL-01), Ron Dellums (CA-09), Maxine Waters (CA-35), Henry Waxman (CA-29), Lynn Woolsey (CA-06), Nancy Pelosi (CA-08), Howard Berman (CA-26), Julian Dixon (CA-32), Dick Gephardt (MO-03), Bill Clay (MO-01), Rosa DeLauro (CT-03), Sam Gedjenson (CT-02), John Lewis (GA-05), Cynthia McKinney (GA-11), Pat Schroeder (CO-01), Gary Ackerman (NY-05), Charles Schumer (NY-09), Nita Lowey (NY-18), Charlie Rangel (NY-15), Barney Frank (MA-04), Ed Markey (MA-07), Henry Gonzalez (TX-20), Ron Coleman (TX-16), Pat Williams (MT-AL).

CONTRIBUTIONS TO THE DEMOCRATIC CONGRESSIONAL CAMPAIGN COMMITTEE ARE NOT TAX DEDUCTIBLE

Paid for by the DCCC. The DCCC is a multi-candidate Committee, FEC Id. C00000935

wf

'Wanted' by GOP: Selected Liberals

Fund-Raising Appeal's List Is Heavy on Minorities, Women, Jews

By Kenneth J. Cooper
Washington Post Staff Writer

House Democratic leaders yesterday condemned a Republican fund-raising appeal that pictured a disproportionate number of black, Jewish, Hispanic and female liberals on a mock "wanted" poster.

The "Liberal Democrat Wanted Poster" that the National Republican Congressional Committee (NRCC) sent to potential contributors last month, first disclosed yesterday in the New York Post, includes mug shots of 28 lawmakers "wanted for voting against at least 7 out of 10 provisions of the Contract with America and aiding and abetting President Bill Clinton's big government, pro-tax, anti-family, anti-military agenda."

Only six of the 28 are white men who are not Jewish. Ten are African American, nine are women, eight are Jewish and one is Hispanic. Some of the lawmakers fit more than one of those demographic categories.

Republicans appeared to have used selective criteria to come up with the 28 targets. An NRCC report card issued in April lists 90 Democrats who scored as poorly on the GOP "Contract With America." More than half are white men.

Rep. Bill Paxon (N.Y.), NRCC chairman, called the mailing "a fund-raising vehicle, nothing more. It is about ideology and voting records. Any insinuation that it is anything other than that is outrageous."

Several Democrats did more than insinuate. Rep. Martin Frost (Tex.), chairman of the Democratic Congressional Campaign Committee, accused Republicans of "using fear and prejudice to raise money and to sow division" and "race-baiting, pure and simple."

Rep. John Lewis (D-Ga.), a target who is African American, said the poster "reminded me of another period of our history. When slaves ran away, you know?"

Rep. Barney Frank (D-Mass.), who is Jewish and is a target of the fund-raising appeal, said: "They didn't pick people who are [politically] marginal. What they did was pick up people who would stir up their fund-raising base. . . . They are targeting it to people who think there are too many blacks, Jews and women in Congress."

One GOP analyst said the targets were selected "because they're from regions we think are winnable," are party leaders or are "vocal opponents of the Republican agenda."

Those pictured included House Minority Leader Richard A. Gephardt (Mo.) and Minority Whip David E. Bonior (Mich.). Among black Democrats pictured were Reps. Cynthia McKinney (Ga.), Charles B. Rangel (N.Y.), Corrine Brown (Fla.), Carrie P. Meek (Fla.), Maxine Waters (Calif.) and Ronald V. Dellums (Calif.). Reps. Patricia Schroeder (Colo.) and Nita M. Lowey (N.Y.), both liberals, also were pictured.

004

NYT 7/11

Democrats Criticize G.O.P.'s Wanted Poster on Racial and Ethnic Grounds

By KATHARINE Q. SEELYE

WASHINGTON, July 10 — A new fund-raising letter for Congressional Republicans features a "Wanted" poster that is intended to help unseat 28 liberal Democrats, 22 of whom are black, Hispanic, female or Jewish lawmakers. The Democrats said today that the poster was "the latest example of Republican efforts" to fan the flames of racial and ethnic hatred.

The Republicans said that they wanted to unseat liberals and that it was little surprise that many of them would include minorities or women, and that they had no intention of highlighting anything but their voting records.

The dispute began when the National Republican Congressional Committee, headed by Representative Bill Paxon, a Republican from upstate New York, mailed the fund-raising appeal with pictures of 28 liberal Democrats, saying they were "wanted" for "voting against at least 7 out of 10 provisions of the Contract With America and for aiding and abetting President Bill Clinton's big government, pro-tax, anti-family, anti-military agenda."

The pictures include those of 10 blacks, 10 women and 8 Jews, some of whom are included in more than one category. Six other pictures are of white men who are not Jewish, including Representatives Richard A. Gephardt of Missouri, the House minority leader, and David E. Bonior of Michigan, the Democratic whip.

"This is a cheap political trick that is intended to raise money by driving a wedge between different ethnic and gender groups," Don Fowler, co-chairman of the Democratic National Committee, said today in a statement demanding an apology from the Republicans.

Assertions that a Republican fund-raising letter fans the flames of hatred.

Mr. Fowler added that most of the 28 lawmakers represent districts that are solidly Democratic, making them the least likely to be unseated next year, and that the poster simply provided an opportunity for Republicans to "fan the flames of racial, ethnic and religious discord."

He also noted that many other Democrats had voted against at least 7 of the 10 items in the Contract With America, the manifesto on which many Republicans ran for House seats last November.

Representative Gary L. Ackerman, a Democrat whose district covers part of Queens and the North Shore of Long Island and whose picture is on the poster, said the Republicans were trying to "paint a picture of a party that is made up of blacks, Jews, liberals and 'femi-Nazis' — not real Americans."

Mr. Paxon issued a statement later today calling the Democratic charges "outrageous." He said the the poster was merely a way to raise money and had nothing to do with inciting racial or ethnic divisions.

The 28 Democrats were picked "based on their voting records only," Mr. Paxon's statement said.

The committee identified more than 170 Democrats who voted against major parts of the Republican contract, he said. His statement did not explain why these 28 were selected for the fund-raising appeal, which were mailed to potential doners throughout the country in mid-June, but a spokesman for the committee said they were picked "based on their geographical location."

It was not clear what this meant beyond a reference to obvious battleground states in the 1996 elections. Four of the 28 are from New York, for example, and 7 are from California. But the poster also includes 2 from Massachusetts. The spokesman added that the 28 Democrats were "among the most vocal opponents" of the Republican agenda.

07/12/95 16:43

WT 7/11

GOP fund raising draws racist charge

Targets House blacks, women, Jews

By Donald Lambro
THE WASHINGTON TIMES

A4

Democratic Party officials accused Republicans yesterday of playing "the race card" by targeting 28 liberal House Democrats for defeat in 1996 who are primarily minorities, women or Jews.

Republicans quickly responded that the Democrats they targeted were chosen solely on the basis of their liberal ideology and their opposition to all or most of the GOP's "Contract With America" agenda.

"We take strong issue with that allegation," said a National Republican Congressional Committee (NRCC) spokesman. "This is about liberal Democrats and holding them accountable for their votes."

The GOP spokesman noted that a black Republican was running against one of the 28 targeted Democrats, Rep. Pat Schroeder of Colorado.

The object of the Democrats' scorn was a Western-style "Wanted" poster that attacks the 28 liberal lawmakers for voting against at least seven of 10 Contract provisions.

The "Liberal Democrat Wanted Poster," which feanures the pictures of the targeted legislators, is part of a fund-raising package sent out by the NRCC.

Soon after the mailing went out, Democrats issued a blistering broadside that noted 22 of the 28 liberals singled out were either black, Hispanic, female or Jewish.

Among the 28 Democrats, 22 are black, 10 are women, and eight are Jewish. Six are white male non-Jews, including Democratic Leader Richard Gephardt of Missouri and Democratic Whip David Bonior of Michigan.

"Once again, Republicans are returning to their tried and tested appeals based on race, prejudice and fear," said Rep. Martin Frost of Texas, who chairs the Democratic Congressional Campaign Committee.

"With their Wanted Poster, Republicans have put Willie Horton-style politics back on center stage," Mr. Frost said.

"Republicans like to talk about their 'big tent,' but when it comes right down to it, they always play the race card," said Democratic National Chairman Don Fowler.

"This is a cheap political trick that is intended to raise money by driving a wedge between different ethnic and gender groups," Mr. Fowler said.

But Rep. Bill Paxton of New York, who heads the NRCC, said the "Wanted" flyer "is a fund-raising vehicle, nothing more. . . . Any insinuations that it is anything other than that is outrageous."

"These 28 liberal members of the Democrat caucus were identified based on their voting records only — for voting against 70 percent of the "Contract with America," a legislative platform that received tremendous public support and which has restored public confidence in Congress to an all-time high — accomplishments unheard of in the 40 years of Democrat control."

NEW YORK POST, TUESDAY, JULY 11, 19

Blacks & Jews blast GOP 'wanted' poster

By THOMAS GALVIN
Post Correspondent

WASHINGTON — Black and Jewish leaders yesterday demanded that Republicans apologize for issuing a fund-raising "wanted" poster that primarily targets black, female and Jewish lawmakers.

"It's in poor taste," said Abraham Foxman, executive director of the American Defamation League. "A 'wanted' poster means criminals."

Rep. Charles Rangel (D-Manhattan), one of the poster targets, said it shows the GOP's true colors.

Democrats called on the National Republican Congressional Committee to immediately dump the controversial poster, first reported about in yesterday's Post.

"It is the worse brand of politics and [NRCC chief] Bill Paxon should call an immediate halt to it," said Rep. Martin Frost, chairman of the rival Democratic Congressional Campaign Committee.

Paxon stood firm behind the poster, calling it "a fund-raising vehicle, nothing more . . . Any insinuation that it is anything other than that is outrageous."

Twenty-two of the 28 Democrats targeted are either black, Hispanic, Jewish or women.

"Clearly, there are other people who have the same voting record. But we were chosen to raise money," Rangel said.

Frost added: "Republicans are turning to their tried and tested appeals based on race, prejudice and fear. With their 'wanted' poster, Republicans have put Willie Horton-style politics back on center stage."

Paxon claims Democrats got it all wrong.

"These 28 liberal members of the Democratic Caucus were identified based on their voting records only — for voting against 70 percent of the Contract with America," he said.

Rep. Susan Molinari (R-S.I.) said the NRCC went for the most widely known liberals in the House.

"I'm looking at people who are sort of poster children for the liberal cause," Molinari said.

THE HARTFORD COURANT: Tuesday, Apr 11, 1995 A5

GOP accused of targeting minorities

By MICHAEL REMEZ
Courant Staff Writer

WASHINGTON — Connecticut Reps. Rosa L. DeLauro and Sam Gejdenson are among 28 House Democrats — all but six women or members of minority groups — included in a Republican "wanted" poster for consistent votes against the "Contract with America."

Monday, leading Democrats denounced the fund-raising appeal by the National Republican Congressional Committee as an effort to divide Americans based on race, ethnicity and gender.

But Rep. Bill Paxon, the New York Republican who is chairman of the campaign committee, issued a statement insisting inclusion on the list was based only on congressional votes. Each of the 28 had voted against at least 70 percent of the contract provisions.

"Project 28 is a fund-raising vehicle, nothing more," Paxon said, referring to the campaign. "It is about ideology and voting records. Any insinuation that it is anything other than that is outrageous."

But Democrats noted that just six of the 28 are white, non-Jewish men. Ten are black, 10 are women and eight are Jewish. Several fit in more than one category.

"This is a cheap political trick that is intended to raise money by driving a wedge between different ethnic and gender groups," Don Fowler, chairman of the Democratic National Committee, said in a prepared statement.

Just last week, Fowler and the Democratic National Committee took heat from Republicans for a fund-raising campaign that offered gatherings with President Clinton to large contributors.

DeLauro, D-3rd District, did not want to talk about the makeup of the Republican-labeled "liberal Democrat wanted poster" made public in Monday's New York Post. But she said she did not mind being listed among the most consistent opponents of the House Republican agenda.

DeLauro said the Republicans have made their allegiances clear with plans to cut programs for the middle class and the poor and to give tax breaks to the rich.

"I am going to continue to stand up, day in and day out, on behalf of working-class families and middle-class families," DeLauro said. "If that puts me on their poster, then so be it."

Gejdenson, D-2nd District, also said he will not shy away from opposing legislation he believes will hurt the people in his eastern Connecticut district. He referred specifically to proposed cuts in Medicare, college loans and food inspections.

Does he think the makeup of the list was intended to convey a certain picture of the Democratic Party?

"Historically, the right wing of the Republican Party has made serious efforts to divide this country," said Gejdenson, who is Jewish. "It certainly wouldn't shock me if that was their motivation here."

GOP letter targets liberal, minority lawmakers



P. BARNEY FRANK
ys GOP is demonizing

By Jill Zuckman
GLOBE STAFF

WASHINGTON – Two Massachusetts Democrats have been targeted by Republican fund-raisers on a "most wanted" list of liberal Democrats that includes mostly female, minority and Jewish lawmakers.

Reps. Barney Frank of Newton and Edward J. Markey of Malden are on the list, which was sent out as a fund-raising letter by the National Republican Congressional Committee, which is responsible for recruiting GOP candidates and contributing money to their campaigns. The existence of the letter was reported yesterday in the New York Post.

The poster says that the lawmakers are "wanted for voting against at least seven out of 10 provisions of the Contract with America and for aiding and abetting President Bill Clinton's big government, pro-tax, anti-family, anti-military agenda in the House of Representatives."

Twenty-two of the 28 lawmakers on the poster are either black, Hispanic, female or Jewish. Six white male, non-Jews are also on the list, including Markey and House Minority Leader Richard Gephardt.

"Once again, Republicans are returning to their tried and tested appeals based on race, prejudice and fear," said Rep. Martin Frost, a Texas Democrat and chairman of the Democratic Congressional Campaign Committee. "With their wanted poster, Republicans have put Willie Horton-style politics back on center stage."

But Rep. Bill Paxon, chairman of the Republican committee, denied any of the Democrats were targeted because of their race, religion or ethnic background. He said the letter, known as "Project 28," is nothing more than a way to raise funds.

"It is about ideology and voting records," said Paxon. "Any insinuation that it is anything other than that is outrageous."

Markey said he is not worried.

Frank said the format is striking for its incivility.

"It's suggesting that someone who disagrees with you is to be treated like a criminal," he said. "They are into demonizing and delegitimizing."



REP. EDWARD J. MARKEY
Also on GOP 'most wanted list'

GOP's 'wanted' poster draws ire of liberals

COX NEWS SERVICE 15

WASHINGTON—House Democrats are reacting angrily to a Republican fundraising poster targeting liberal lawmakers who are primarily women, minorities or Jews.

The "wanted" poster which the National Republican Congressional Committee mailed to potential contributors has photos of 28 Democrats the committee said voted against seven of 10 items in the GOP's "Contract with America." Twenty-two of them are black, Hispanic, women or Jews.

"Seeing my picture on a wanted poster reminds me of another period in our history, a time when slaves were put on wanted posters for running away from their masters," said Georgia Democratic Rep. John Lewis.

Also on the poster is Rep. Bobby Rush of Illinois.

Rep. Martin Frost of Texas, chairman of the Democratic Congressional Campaign Committee, said the poster was "race-baiting pure and simple" and was "despicable."

Republicans denied such motives. "It is about ideology and voting records. Any insinuation that it is anything other than that is outrageous," said Rep. Bill Paxon, chairman of the Republican congressional committee.

Chicago Tribune
7/11/95

AP G2958 rw pol-- GOP Poster,480 07-10 6:45p

Republicans Rebut Democratic Charge That Poster Is `Race Baiting'
By JOHN KING
AP Political Writer

WASHINGTON (AP) - The head of the Republican Party's House campaign committee dismissed as "outrageous" allegations by Democrats that a GOP fund-raising poster deliberately focused on black, female and Jewish lawmakers.

The National Republican Congressional Committee poster includes photographs of 28 liberal House Democrats: 12 white men, one Hispanic man, five white women, four black women and six black men.

Republicans said the lawmakers were chosen for "Project 28" fund-raising mailing because each voted against 70 percent or more of the items in the House GOP's "Contract With America."

"Project 28 is a fund-raising vehicle, nothing more," Rep. Bill Paxon, R.-N.Y., the NRCC chairman, said Monday. "It is about ideology and voting records. Any insinuation that it is anything other than that is outrageous."

Democrats, however, cried foul and insisted the Republicans were playing on "prejudice and fear" by singling out blacks, women and Jews.

In a statement, the Democratic Congressional Campaign Committee said 22 of the 28 lawmakers either were black, Jewish, Hispanic or female.

"Once again, Republicans are turning to their tried and tested appeals based on race, prejudice and fear," said Rep. Martin Frost of Texas, the DCCC chairman. "With their `Wanted' poster, Republicans have put Willie Horton-style politics back on center stage. ... These Republican tactics are despicable, have no place in the political discourse and should be condemned by (Speaker) Newt Gingrich and terminated by Bill Paxon. ... This is race-baiting pure and simple."

It is not unusual for political parties to use the names - and sometimes faces - of prominent opponents in fund-raising appeals. Democrats, for example, are routinely condemning Gingrich in their direct-mail appeals, including one that likened the speaker to a terrorist.

But such letters rarely trigger the angry rhetoric that Democrats used in condemning the GOP "Wanted" poster. Democratic aides said party leaders believed the GOP appeal crossed the line; Republicans suggested Democrats were trying to curry favor with core constituencies at a time or low party morale.

The GOP letter, as first reported by the New York Post, said the lawmakers were "wanted for voting against at least 7 out of 10 provisions of the Contract With America and for aiding and abetting

President Bill Clinton's big government, pro-tax, anti-family, anti-military agenda in the House of Representatives."

Those pictured included House Minority Leader Dick Gephardt and his top deputy, Rep. David Bonior of Michigan. Among the black Democrats pictured were Reps. John Lewis and Cynthia McKinney of Georgia, Charles Rangel of New York, Corrine Brown and Carrie Meek of Florida and Maxine Waters and Ron Dellums of California. Liberal Democratic Reps. Pat Schroeder of Colorado and Nita Lowey of New York also were pictured.

THE STATE'S BUSINESS WEEKLY.

THE PRESIDENT HAS SEEN
7-12-95

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ARKANSAS BI

Volume 12 • Number 28

July 10-16, 1995 • 1 Dollar



PHOTO: SPENCER TIREY

Metroplan Executive Director Jim McKenzie emphasizes that the controversial North Belt Freeway is "one small recommendation in a 25-year plan."

Metro 2020 Mans Plan

Stephens Tops Rankings

Little Rock Firm Largest of 75 Private Companies

BY DAVID SMITH

STEPHENS GROUP INC.'S estimated $750 million in revenues for 1994 place it atop *Arkansas Business*' list of the state's Top 75 private companies.

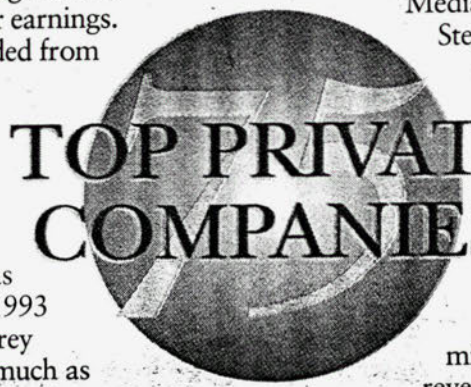
The companies are ranked by annual revenues without regard to a company's value or earnings. The list has expanded from 50 to 75 firms for the first time since its inception in 1988.

Revenue growth by Stephens Group has been fueled by its 1993 acquisition of Donrey Media Group. As much as $400 million of its total revenue came from Donrey.

Getting a handle on revenues for Stephens Group, headed by Chairman Jack Stephens and CEO Warren Stephens, is next to impossible. Since it is a private firm, it is not obligated to disclose financial information.

Because of that, and because of the subsidiary companies, actual revenues for Stephens Group could far exceed our estimates. The value of the family's holdings is estimated by *Arkansas Business* to be more than $2 billion.

For purposes of this list, we've used these estimates for Stephens Group subsidiaries: $400 million for Donrey Media, $130 million for Stephens Inc., $65 million for Stephens Holding Co. and $20 million for Stephens Diversified Leasing. Those numbers can be somewhat substantiated from outside sources.



We've also used $135 million as an estimate for revenues for Stephens Productions. Arkansas Oklahoma Gas Corp., a wholly owned subsidiary of AOG Corp. which had about $53 million in revenues last year, is not included in Stephens Group's subsidiaries. AOG Corp. is headed by W.R. "Witt" Stephens Jr., son of the late founder of Stephens Inc.

July 12, 1995

Trey -

That was a very fine & sensitive letter you wrote to Jeffrey Levine at DOE about his father. I admire your work,

Bob

Please

[illegible] Kennedy send

a nice note to the

people mentioned

in here —

Bob

THE PRESIDENT HAS SEEN
7-12-95

Jim Dorskind

Please coordinate
the reply

n Arkansas, AmeriCorps fits Clinton's vision

BY GRANT TENNILLE
Democrat-Gazette Staff Writer

AmeriCorps member Renee urlock is moving Holly Grove dents out of danger.

Approximately 60 homes in the Arkansas town of 700 are in the flood plain of the White er. During periods of heavy , water seeps into the ground r of some homes. If a 100-year d were to sweep down the te River, it would take most of se homes with it to the Mississi.

So Spurlock, 35, a Holly Grove resident, is coordinating a program under the Federal Emergency Management Authority to buy the flood-threatened property and find the 135 residents of the area new lots on which to build.

She has spent the past 10 months educating landowners about the buyout program, surveying the area, researching ownership of every piece of property and finally going door-to-door answering questions, providing encouragement and soothing fears.

"AmeriCorps has really helped this town," Spurlock said.

Spurlock is one of approximately 250 AmeriCorps volunteers in Arkansas working for dozens of private, nonprofit and government agencies across the state. Their accomplishments may be the best defense of President Clinton's modern-day Peace Corps.

Their jobs include feeding the hungry, teaching Little Rock Hispanics job skills, educating migrant farm workers on the dangers of pesticides and helping rural fire departments find money for training.

On Sept. 21, 1993, Clinton signed the National and Community Service Trust Act creating AmeriCorps. The creation of a national service corps had been a high priority for Clinton during the 1992 campaign.

Clinton envisioned a domestic version of the Peace Corps, created by President John F. Kennedy in the early '60s, a group that would perform volunteer work communities across the Unit States in exchange for gove ment grants to pay for college ucation.

On Sept. 12, 1994, Clinton ministered the oath, via satelli to 20,000 AmeriCorps volunte across the country.

Republicans in Congress, by Speaker of the House Ne Gingrich, R-Ga., attempted to the program earlier this month slashing the 1996 budget

See AMERICORPS, Page 1

THE PRESIDENT HAS SEEN
7-12-95



Arkansas Democrat-Gazette/STEPHEN B. THORNTON

FEEDING THE HUNGRY — AmeriCorps volunteer Jennifer King stacks boxes of food at the Rice Depot at 8400 Asher Ave. in Little Rock. King developed the Red Barrel food collection program.

AmeriCorps pledge

If nothing else, AmeriCorps volunteers in Arkansas feel good about themselves and what they are doing. From the beginning, AmeriCorps was designed to take advantage of the 1960s-style idealism recalled so fondly by its creator, President Clinton. It is embodied in the "AmeriCorps Pledge" that new volunteers repeat at the beginning of their hitch.

I will get things done for America
to make our people safer,
smarter and healthier.
I will bring Americans together to
strengthen our communities.
Faced with apathy, I will take action.
Faced with conflict, I will
seek common ground.
Faced with adversity, I will persevere.
I will carry this commitment
with me this year and beyond.
I am an AmeriCorps Member
and I am going to get things done.

JUN-18-95 SUN 08:11

Arkansas Democrat Gazette

AmeriCorps

• Continued from Page 1A

AmeriCorps from the proposed $575 million to $159 million. They say the Corps is nothing more than another federal jobs program that costs a lot but accomplishes little.

AmeriCorps volunteer Jennifer King of Alexander said Gingrich is wrong.

In Little Rock, King is helping feed hungry families.

Through her work with the Rice Depot and Potluck, two Pulaski County relief organizations, King, 23, developed the Red Barrel program. Red barrels have been placed in grocery stores across Pulaski County with signs that encourage people to donate food. Since November, more than 15,000 pounds of food has been collected and distributed to 17 agencies across the state.

"Because of Jennifer it was a success," said coordinator Laura Rhea. "Because it was a success it is going statewide."

King wants the House Speaker and his fellow congressional Republicans who say AmeriCorps is just another wasteful bureaucracy to know that her work has fed thousands of hungry people.

"We are getting things done," King said.

AmeriCorps supporters said the program has become a political target of the Republican Congress, eager to attack one of President Clinton's pet projects. Republicans are unapologetic.

"I think that this is something that the president wanted his name on as an achievement of his administration, but I think the people really have turned their thumbs down on these '60s-style programs," said Rep. Tim Hutchinson, R-Ark.

Clinton has saved AmeriCorps, at least for now, by vetoing the congressional rescissions package June 7. He instructed Congress to find other spending cuts. King, and her fellow 20,000 AmeriCorps volunteers across the country, are relieved.

Gingrich says AmeriCorps is getting in the way of a balanced budget.

"If you are going to get to a balanced budget and your choice is having a nice little government bureaucracy that runs people around the country doing nice things or taking care of people with severe disabilities, where is each one on the priority list?" Gingrich said in an interview earlier this year.

One of the central tenets of AmeriCorps is that the volunteers will be placed within existing agencies so that no extra bureaucracy will be needed to create and supervise projects.

Diversity reigns

The AmeriCorps projects are diverse, and so are the volunteers. Most are college-age, but some are in their 60s. All are working on projects that fall within four "national priorities" outlined by the Corporation for National Service, the 200-employee Washington agency that oversees AmeriCorps. Those priorities are education, public safety, human needs and the environment.

A short list of the agencies where Arkansas' AmeriCorps volunteers are working includes:

• The state's Spinal Cord Commission, where AmeriCorps volunteer John Gould of Little Rock, who is paralyzed from the chest

JUN-18-96 SUN 08:13 P.09

down, counsels recently paralyzed people learning to cope with a disability.

• Central Hispano, a private, nonprofit Little Rock organization where AmeriCorps volunteer Patrick Presley helps members of Little Rock's Hispanic community learn the skills they need to get off welfare and hold jobs. He and his fellow AmeriCorps workers often serve as translators for local hospitals and police during emergency situations.

• The Resource Conservation and Development Office of the U.S. Department of Agriculture, where Deborah Carman of Little Rock helps rural fire departments across Arkansas find the money for training and new equipment.

In Holly Grove, Spurlock also has formed citizen committees who are fighting neighborhood crime and picking up litter.

Holly Grove Mayor Lula Tyler said AmeriCorps is making her town better.

"It's miraculous for a small town," Tyler said. "We cannot afford to go out and hire a person to do what they are doing. We would have been a little dump if it hadn't been for them."

Project Coordinator Gail Wainscott of the U.S. Department of Agriculture said the Holly Grove flood plain project is one that has needed to be done for years, but manpower had never been available. The Agriculture Department is overseeing the project.

"These projects might have happened 10 or 15 years from now, but they wouldn't happen as quickly as they have without these people," Wainscott said. "They give more of their free time than they ever get compensated for."

Volunteers must commit to 1,700 hours of work a year for a maximum of two years. They are given a "living allowance" of roughly $180 a week and are eligible for a post-service award of $4,725 a year to help pay for higher education or vocational training. Individual programs are required to raise 25 percent of the operating costs and 15 percent of the living allowances from private sources. Some full-time volunteers are eligible for health insurance and child care.

Republicans say that paying "volunteers" defeats the purpose of service work.

"We've got great volunteerism in America, and we don't need to pay people and provide health

care and child care benefits and call that volunteerism," said Hutchinson, who has voted against AmeriCorps from the beginning.

Making sacrifices

Program supporters disagreed. They said the living allowance is designed to give the volunteers just enough support to allow them to devote their concentration to their service work.

"It is enough to rent an apartment and buy enough food not to starve to death," said Robin Hayes of Conway, program coordinator of the Community Alliance for a Safer Tomorrow. "It is not a program that anyone could survive on for a long time."

Hayes coordinates 23 AmeriCorps volunteers, who work at 19 different agencies across Conway and Perry counties. Most of the volunteers are college graduates who will use their grants to pay off loans or to finance post-graduate work. They are working with children who are involved with gangs or are in danger of becoming involved.

"There is no satisfaction in this, other than the knowledge that you've served a community to the best of your ability and made a difference," Hayes said.

AmeriCorps coordinators said volunteers are making personal and economic sacrifices to join the corps, and all are making a contribution to the community instead of just expecting a handout.

"I could get a grant to go to college and never have to pay it back," said Jennifer King, who plans to attend nursing school at the University of Arkansas at Little Rock in the fall. "I'm working for this grant and giving something back.

Barbara Niess, an AmeriCorps volunteer with Central Hispano in Little Rock, was working for a community mediation and violence reduction center in Detroit before leaving to join AmeriCorps. At the center, she tried to settle neighborhood disputes before they reached the courts. She has a degree in public administration and will use her AmeriCorps education grant to continue her studies at UALR, which is becoming well-known for its urban studies programs.

Niess took a 75 percent cut in pay to serve in AmeriCorps. She said the program provides clear economic benefits for the American taxpayer.

"It's cheaper for the country to have programs like this," Niess said. "My father is a Republican, and he agrees with me."

Niess' father isn't the only Republican who feels that way.

Rep. Christopher Shays, R-Conn., was the lone Republican to vote against the budget cuts for AmeriCorps. A former Peace Corps volunteer, Shays said AmeriCorps is one of the best government programs he's ever seen.

"It's everything Republicans argue for," Shays said. "Republicans, for years, have said that people should earn their credits and not expect a handout. That's what they're doing here."

Shays said Clinton can save the program if he refuses to back down, and he has promised to support the president, even if it means standing alone in his party.

"Regretfully, some Republicans refuse to give President Clinton any credit, even when he is doing something right."

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN
7-12-95

July 10, 1995 95 JUL 10 P7:06

MEMORANDUM TO THE PRESIDENT

FROM **ABNER MIKVA, BRUCE LINDSEY**

SUBJECT Aiding-and-Abetting Securities Fraud

Prior to the Supreme Court's 1994 decision in Central Bank, the courts of appeal had held that a cause of action for aiding and abetting is available under § 10(b) of the Securities Exchange Act of 1934. The Court in Central Bank found that the statutory text of § 10(b) does not reach those who aid and abet a violation. S. 240 reaffirms only the SEC's cause of action against knowing aiding and abetting.

The Bryan amendment would have reaffirmed the private cause of action against knowing and reckless aiders and abettors. The opposition argued that reckless aiding and abetting is too ill-defined and that, because of a split among the circuits regarding the required showing, the amendment proposed more than just restoring the Central Bank status quo ante.

S. 240's proponents argue that its provision affirming the SEC's action against knowing aiding and abetting provides sufficient deterrence. Moreover, as the Central Bank Court noted, the absence of § 10(b) aiding and abetting liability does not mean that secondary actors are always free from liability: Lawyers, accountants, or banks who employ a manipulative device or make a material misstatement (or omission) on which a purchaser or seller of securities relies may be liable as a primary violator of § 10(b). On the other hand, even Senator Dodd has acknowledged publicly that restoring private aiding-and-abetting liability -- with some appropriate scienter requirement (perhaps "actual knowledge of the primary violation") -- might be appropriate. Otherwise, certain secondary actors who had actual knowledge of and substantially assisted a primary violation might go scot free -- such as the lawyers (and other secondary actors who never made public statements) in the Keating case.

Our prior statement proposed reaffirming the SEC cause of action against knowing and reckless aiders and abetters, as well as allowing private actions in cases subsequent to successful SEC actions. By predicating the action on a successful SEC action, our solution would avoid the criticism that such suits are often frivolous or ill-considered and would ensure the availability of private actions in egregious (SEC-targeted) cases. Of course, if we pushed unsuccessfully for this type of change in conference, you would still need to decide whether a veto threat makes sense when it would not reverse a Supreme Court decision. Finally, we have attached the July 6, 1995 Washington Post editorial on S. 240.

The Washington Post

Thursday, July 6, 1995

Stock Fraud Redefined

SECURITIES legislation has become one of the central ideological issues of this Congress. To one side of the debate, it's simply a matter of protecting honest companies from a kind of legal extortion encouraged by laws that permit class-action suits against them just because their stock prices drop. The original proposal was part of the House Republicans' Contract With America. But the other side charges that the bills now passed by both houses go too far and invite real fraud by making suits by investors, particularly small investors, too expensive and difficult to pursue.

The two bills vary greatly. The House version, swept through in great haste last winter, contains a number of exaggerations that would create real trouble. If the final House-Senate compromise looks like that parent, President Clinton will have to veto it. The Senate's bill is much more careful and a closer call.

It has many merits. The major one is that it would stop, at least in securities litigation, the kind of class-action suit run by lawyers who settle for millions in legal fees for themselves and pennies for the nominal plaintiffs—who are sometimes hired to play the part. That was the original target of this effort. But the bill also has substantial defects. Proving fraud in court would be harder. The bill endorses a court decision setting a statute of limitations of only three years—meaning that if the perpetrators of a fraud can hide it for three years, they can never be sued by any private investor. Another court decision has recently made it harder to recover damages from people who aid and abet fraud—typically, lawyers or accountants—and this bill does nothing to repair that loophole.

Ironically, because this bill would make private suits more difficult, it would increase the enforcement burden on the federal government—that is, the Securities and Exchange Commission—and decrease the present emphasis on leaving disputes to private parties to settle among themselves. That's presumably the opposite of the intention of the House Republicans who originally called for reform of these laws.

The danger of securities fraud is likely to increase rapidly over the years ahead, particularly because of changes in the structure of Americans' pensions. Increasingly, companies are telling their employees to manage their own pensions, passing these investment decisions to people who are not professionals. It's a good time to bring a stop to the fake and frivolous securities suits. But it's not a good time to make suits harder for real investors who believe that they are victims of real fraud.

THE PRESIDENT HAS SEEN
7-7-95

THE WHITE HOUSE

WASHINGTON

July 6, 1995

MR. PRESIDENT:

The attached Mikva/Lindsey memo on the securities litigation reform bill outlines four modifications to S. 240 that we unsuccessfully sought: changes in (i) the safe harbor and (ii) proportionate liability sections, and the addition of provisions on (iii) aiding and abetting and (iv) the statute of limitations.

Bruce and Ab recommend a veto threat only with respect to the safe harbor provision. They seek your approval to tell Senator Dodd that you will threaten to veto a bill that fails to adopt the "actual knowledge" standard in the safe harbor provision.

I have sent copies of this memo to Leon, Harold, Erskine and George.

Todd Stern →

AB/BLindsey

→ I agree with this but what in the world is wrong w/ the aiding + abetting law? what's the argument — Assume we a copy of the Post editorial 6/7/6 — BC

THE PRESIDENT HAS SEEN
7-7-95

July 6, 1995 95 JUL 6 P6:30

MEMORANDUM TO THE PRESIDENT

FROM **ABNER MIKVA, BRUCE LINDSEY**

SUBJECT Securities Litigation Reform: Conference

H.R. 1058, the House version of securities litigation reform, passed 325-99. S. 240, the Senate version, passed 69-30. While the Senate bill modified several of H.R. 1058's most egregious provisions (including its safe-harbor immunity for all forward-looking statements, its "loser pays" approach, and its too-stringent pleading requirement and definition of recklessness), opponents of the legislation assert that it still goes "too far." At the same time, supporters of the bill, including in particular the high tech community, believe the Senate bill is barely sufficient to meet their concerns about excessive and frivolous litigation. (The Washington Post editorial page today called the Senate bill a "closer call . . . [that] has many merits. . . but it also has substantial defects.")

The Administration supported four changes to S. 240. None of the changes was adopted. The Administration supported modifications to two provisions of S. 240:

Safe Harbor -- S. 240, as reported from the Senate Banking Committee, protected forward-looking statements unless they were "knowingly made with the expectation, purpose and actual intent of misleading investors." The Senate deleted the "expectation" element of this "safe-harbor" standard. We openly supported a Sarbanes amendment to substitute "actual knowledge that it was false or misleading" as the standard, but it was tabled, 50-48. Senator Dodd and three other Democrats voted against the Sarbanes amendment.

Proportionate Liability -- S. 240 limits the liability of reckless defendants to 150 percent of the defendant's proportionate liability in cases where other defendants have gone bankrupt or fled. Our Statement of Administration Policy supported increasing that limit to 200 percent. No amendment increasing the limit was offered. An amendment to restore joint-and-several liability failed, 29-65.

The Administration also recommended the Senate adopt two measures which were not included in S. 240:

Private Aiding and Abetting -- In 1994, the U.S. Supreme Court held in Central Bank of Denver that investors do not have a private right of action against persons who

"aid and abet" violations of the 1934 Securities Exchange Act. That decision means that private investors may no longer recover damages against "secondary actors" (investment advisors, attorneys, accountants) if they act behind the scenes and do not themselves make material statements that are relied upon by investors. Our statement supported restoring the private cause of action after a successful SEC action. A Bryan amendment to restore the private cause of action against aiders and abettors failed, 39-60.

Statute of Limitations -- In 1991, the Supreme Court in Lampf held that private actions under Section 10(b) of the 1934 Securities Exchange Act must be filed within one year after discovery of the alleged violation, and no more than three years after the violation occurred. The Senate bill as introduced by Senators Dodd and Domenici included a statute-of-limitations provision that would allow cases to be filed up to five years after a violation occurs, provided they are brought within two years after discovery of the violation. This provision was deleted by the Senate Banking Committee. We supported the five year/two year extension. A Bryan amendment extending the statute of limitations was tabled, 52-41.

Oppenents of S. 240 have made much, in the weeks leading up to and during the Senate debate, of the impact the bill would have had on the Charles Keating case. For example, Senator Bryan said on the Senate floor:

> Mr. Keating, the primary wrongdoer, was bankrupt. Some $262 million was recovered as a result of the Keating fraud by private investors. . . . If that action were brought today, because aiding and abetting is no longer a part of the law as a result of the Central Bank case -- I might add, the Court, in deciding that case, said, look, we do not believe that the statute can be construed to apply to aider and abettor liability, but we sure as the devil believe that there ought to be liability. . . . Here are some of the aiders and abettors: Parker Milliken, Kay Sholer, Sidley & Austin, Michael Milken: $121 million of the $262 million would be wiped out if that action was filed today. So we are now down to $141 million. . . . Had the action against Charles Keating been brought today [after the Lampf case], 20 percent of the class claims would have been barred because of the restricted statute of limitations. Another $28 million in recovery wiped out. . . . As a result of the change we make in the joint and several liability, those who are proportionately liable pay only their share. It is estimated that another $67 million would be wiped out . . . . S. 240 also wipes out the RICO treble damages provision, and another $30 million.
>
> So if the Keating case were brought today with the state of the law as it exists on this morning as this debate continues . . ., $262 million of recovery would be reduced to $16 million.

In our discussions with Senator Dodd, we made it clear that failure to modify the safe-harbor provision to exclude "knowingly false" statements might generate a veto. As you had expressed, however, we indicated that failure to expand the proportionate liability provision would not warrant a veto. Our proposed changes restoring a private cause of action against aiders and abettors or extending the statute of limitations were intended to address recent Supreme Court decisions. Since neither provision is in the bill, a veto would not change current law.

Clearly, our preferred outcome from the conference would be S. 240 with all four modifications. This outcome is unlikely in the case of statute of limitations and aiding and abetting, since neither bill includes the desired provisions and there were recorded Senate votes against adding them. Insisting on these provisions carries a substantial risk that you would, in fact, have to veto the ultimate outcome.

If you intend to threaten a veto over the proportionate liability provision, we should consult with Senator Dodd, who would be surprised by such a threat based on our earlier conversations. (This is especially important since proportionate liability is the item in the bill most important to Senator Dodd.)

A veto threat might generate some movement on the safe harbor. We suggest you authorize us to tell Senator Dodd that you intend to state that you will veto a bill that is presented to you unless it adopts the "actual knowledge" standard (as the Sarbanes amendment would have).

THE PRESIDENT HAS SEEN
7-12-95

THE WASHINGTON POST
WEDNESDAY, JULY 5, 1995

JUDY MANN

A Question of Responsibility

Michael Medved is blunt about the way his book, "Hollywood vs. America," was received by the cultural establishment when it was first published in 1992: "I was called a Nazi and a fundamentalist Christian fanatic. People regularly wrote that I was calling for censorship and that I said there was a conspiracy, neither of which I did."

Indeed, his book was savaged in The Washington Post by Michael Covino, another film critic, who called it "unmitigated slog . . . pumped up with repetitions, filled with stats, studies and myriad quotes, and fleshed out to 386 pages of bilge."

That was just in the lead paragraph. The review went downhill after that, with the reviewer twice calling Medved's points "nutty." You have to have tough skin to weather that kind of appraisal of your work, but Medved is having the last chuckle. With Robert J. Dole, the Senate majority leader and Republican presidential candidate, leaping into the fray, the attack on depravity in the entertainment industry has become a big story and, probably, a credible campaign issue.

Although politicians don't always have their credentials in order when popping off about some real or perceived evil, Medved does. He was a screenwriter for three years before becoming a movie critic and co-host of PBS's "Sneak Preview." He is also the father of three children younger than 8, and no one should underestimate the impact one's own children can have on an adult's view of media violence and coarseness. The Medveds, for example, don't have a TV in their home.

Medved describes himself as a "lifestyle conservative," not a political conservative. He said he believes part of what ails Hollywood is a structure and workplace ethic that is inhospitable to people, particularly women, who want to have careers and family lives—what he calls "a normal life."

"In Hollywood they say a producer would sacrifice his first-born son for a hit movie. Do you want to have a life or marriage? Or do you want to be successful in the business?" The skew toward success, he says, tends to discourage people who put a high priority on family. "There are . . . industries in which the presence of women has had a civilizing influence. That hasn't happened yet in the movie industry."

Several religious organizations are working to improve the quality of movie messages, he says, pointing to the huge successes in 1994 of the film "The Lion King" and the TV show "Home Improvement," both of which were produced by evangelical Christians. "Being an evangelical Christian in Hollywood is not a common thing. It's like being a rabbi in Tehran. It's not a way to get popular." Medved, who is Jewish, says several Jewish organizations "are trying to organize a core religious Jewish presence in Hollywood that has never been there before."

"Everyone talks about diversity, but it's in terms of ethnic group or sex. The real need is for people who share some aspects of the lives the bulk of Americans lead. I'm not suggesting bland, Wonderbread uniformity. But we've had a serious drought of uplifting, family-friendly movies, and when they come along, they tend to be phenomenally successful."

Medved argues that the "real power of the mass media is that for most Americans it defines normal," especially with children. "Their window to the outside world is television. You see it with expressions like 'You got that right,' which in a couple of weeks become common national expressions."

People tend to measure their lives against TV images, and most of our lives can seem to come up short when they're compared to the hyperreality of television's make-believe. He thinks this has something to do with the current "sulkiness, the resentment and impatience of the American people." Real life looks boring, "so people begin to feel sorry for themselves."

In the old days of movies and television, the technology was so primitive that people readily understood the difference between fantasy and reality. But today, the technology is superb, and it is harder to distinguish between the two.

In a very real sense, the moviemakers are the magicians of our time. They follow in a long and ancient tradition of priest, magician, physician, shaman—people who were perceived as having extraordinary powers and, therefore, influence. What distinguished the sorcerers of old, however, is that far from denying their influence, they took up the role and gloried in it. Hollywood, however, does not take its responsibility seriously; it insists that it doesn't create social trends, it follows them.

That kind of avoidance would be laughable, if it weren't for the sad degradation it has wrought on the American public.

THE PRESIDENT HAS SEEN
7-12-95

Values? What about divorce?

GOP leaders sidestep issue; maybe it hits too close to home

AMES, Iowa — Let's see now ...

The Republicans are distressed by all those single women having babies.

By all those abortions being performed.

By all those classrooms without prayer.

By all those dirty movies and violent songs — or is it violent movies and dirty songs? By this whole loss of family values in America.

That's a lot for anyone's worry plate, and it might seem uncharitable to heap more onto the platter. Yet if they and their contractors in the Christian Coalition are worried about family values, shouldn't they put divorce at the top of that list?



COUNTERPOINTS
By Michael Gartner

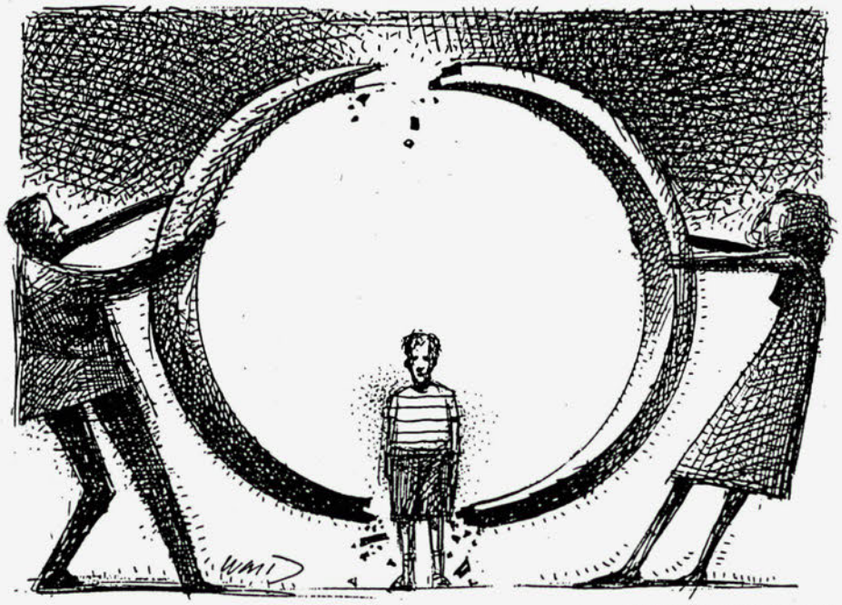
How come the Republicans aren't talking about that? How come that's not in the Contract with America?

There are as many divorces in America each year as there are births out of wedlock. The number of divorces is 60 times the number of abortions.

And maybe it's bad for children if they don't pray in school or if they go to movies and listen to songs about "mindless violence and loveless sex" — to use Sen. Bob Dole's words of the other day — but aren't those children hurt a lot more when their parents divorce?

There are 1.2 million divorces in the USA each year, and those leave about a million children with broken homes. Are those children better off than the 1.2 million children born each year to unmarried women? (And, as an aside, about 150,000 of those illegitimate births are babies born to divorced women.) Isn't a single-parent home a single-parent home?

How come the Republicans aren't talking about that? Could it be that Republicans aren't talking about the moral decay caused by divorce because the leading Republican politicians are divorced? Could that be it? You couldn't tell it by looking in *Who's Who*, but presidential candidates Bob Dole and Phil Gramm and almost-candidate Newt Gingrich are divorced. Candidate Pete Wilson is, too, though he owns up to it in *Who's Who*. The *Congressional Directory* biographies of Gramm and Gingrich don't note their first marriages. Dole's says simply, "One daughter, Robin, from a previous marriage."



By Sam Ward, USA TODAY

U.S. divorce rates

Here are divorce rates per 1,000 population over the past 35 years (including annulments). The divorce rate in 1900 was 0.7, in 1993 4.6.

1958	2.1	1976	5.0
1960	2.2	1978	5.2
1962	2.2	1980	5.2
1964	2.4	1982	5.1
1966	2.5	1984	4.9
1968	2.9	1986	4.8
1970	3.5	1988	4.8
1972	4.1	1990	4.7
1974	4.6	1992	4.8

Source: 1995 Information Please Almanac

Only one divorced man has ever been elected president — and he was from Hollywood, so that's his excuse — so perhaps that's why the Republican candidates aren't talking about the social costs of divorce. Perhaps that's why they don't call attention to divorce in the Contract with America. Perhaps that's why press officers for Dole and Gramm and Wilson didn't make those promised return calls when asked about the durations of their bosses' first marriages. (But aides to the just-once-married quickly called back to note that Pat Buchanan has been married since 1971, Lamar Alexander since 1969, Richard Lugar since 1956 and Arlen Specter since 1954.)

If Bob Dole is suddenly searching for a moral agenda, as he seems to be, why doesn't he read about divorce and children? When a black mother who is not poor gets divorced, the odds are 50-50 that she and her children will be living below the poverty line in less than a year. For white mothers, the odds are one in three.

Why aren't the Republicans talking about that? Which is worse for a child? To be thrust from a two-parent, middle-class home into a one-parent home in poverty? Or to go see *Natural Born Killers* or listen to 2 Live Crew? Which is worse for America? To have nearly half of its children affected by divorce? Or to have those children watch *True Romance* and listen to Geto Boys?

Divorce is everywhere, in your neighborhood, in your office, at your church. It may be moral or it may be immoral — there's no changing people's views on that — but it has enormous social costs.

And if this presidential campaign is going to be about social issues, shouldn't someone at least mention divorce?

Of course. Except those Republican moralists have a bit of a problem:

Ex-wives.

And that's why they're not talking about divorce.

COUNTERPOINTS' four columnists provide views from diverse perspectives on today's issues. **Wednesday:** Linda Chavez on Japan and World War II; **Thursdays:** Susan Estrich; **Mondays:** Tony Snow; **Tuesdays:** Michael Gartner.

DBeen - Fyi
Tim

THE PRESIDENT HAS SEEN
7-11-95

Again sorry

Pls read Doc myself

Bx

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COMMITTEE ON AGRICULTURE
DEPARTMENT OPERATIONS, NUTRITION, AND FOREIGN AGRICULTURE

COMMITTEE ON INTERNATIONAL RELATIONS
INTERNATIONAL OPERATIONS AND HUMAN RIGHTS

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July 10, 1995

cc: Congressional Affrs to coordinate Reply with Alexis Herman.

The Honorable William Jefferson Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

I would like to request that you attend a church service with me in Georgia's 11th District in September on any Sunday that is convenient for you. As I expressed in my earlier correspondence on this and other issues, it is important to get the Democratic message out to our current and potential voters through grassroots organization and mobilization.

We must strive to return to the traditional democratic strategies that made the Democratic Party the natural party for America. As you know, in the South, church services are one of the key venues in which our voters are empowered and politically-educated. Churches are, as you know, the perfect venues to pass on the Democratic message and underscore your personal commitment to the voters of the 11th District.

Mr. President, your leadership has always been one of the pillars of my political and legislative agendas. I also would like to thank you for your personal support and commitment to my political interests during my two and half years in Congress. With the recent Supreme Court decision on Redistricting, your leadership and personal commitment to me is even more vital. This decision, more than any other legal opinion since the Civil Rights Movement, is an effort to dismantle the gains of America toward a colorblind society and equal access to representation -- ideals which I know you hold dear.

I look forward to your positive response to attending church with me in September, as well as to your continued personal support as we work together to ensure the success of the Democratic Party in 1996 and beyond.

Sincerely,

Cynthia McKinney
Member of Congress

PRITNED ON RECYCLED PAPER

CYNTHIA A. McKINNEY
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COMMITTEE ON AGRICULTURE
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July 10, 1995

The Honorable William Jefferson Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

I want to thank you for your personal support and commitment to the constituents of Georgia's 11th District during my two and a half years in Congress. The Democratic Party is facing new and difficult challenges and your continued positive leadership is the catalyst for change that American society needs today. We all must ensure that our efforts are united and pro-active in securing the Party's election success in 1996 and beyond.

One of those objectives, Mr. President, must be encouraging young people to vote. They are America's future and the future of the Democratic Party. We must reach these young people through means that they understand and can relate to -- empowering them with the knowledge of how important voting is and that their votes do make a difference. I have a proposal -- Save the Vote Concert -- that I have submitted to the DCCC for which I seek your support. This proposal provides an avenue for Democrats to protect "Motor Voter" from attacks that seek to undermine its effectiveness. In Georgia alone, Motor Voter, has registered some 160,000 people. We can provide political education and activism in a medium that young people understand -- music! Additionally, I have proposed legislation which can serve as a rallying point and organizing tool for the series of concerts to "Save the Vote." I have attached the proposal for your consideration.

In line with this same theme, Mr. President, I believe it is vital for the Democratic Party and the Administration to develop grassroots strategies to reach voters of all ages. Although a series of "Save the Vote" concerts can be viewed as one tier of our efforts, we must return to the traditional blueprints that made the Democratic Party the natural party of America -- grassroots organization and voter registration. While, technological outreach maybe an asset, however, the Democratic Party must return to its traditional strategy of reaching the rich potential of voters, in the South and elsewhere, the good old-fashion way -- knocking on doors, going to church, and visiting constituents where they live, work, and shop. In drafting a detailed memo

PRITNED ON RECYCLED PAPER

(attached) to Mr. Willis at the DNC, I have highlighted the need for this type of mobilization.

I know, Mr. President, that you support this type of pro-active mobilization to reach voters. In my effort to return to the blueprint and strength of the Democratic Party, I would like you to attend a church service in my District on any Sunday that you are available in September. In the South, church services are one of the key venues in which our current and potential voters are empowered and politically-educated. It is the perfect venue, as you know, to pass on the Democratic message.

I believe the challenges facing the Democratic Party are easily surmountable with good strategy and mobilization. As for Redistricting Mr. President, which today is the most serious effort to dismantle the gains of the Democratic Party and the Voting Rights Act, it is vital that you are in the forefront on this issue and viewed as a voice for ensuring the survival of majority-minority districts.

In closing, I would like to thank you, Mr. President, for your extraordinary efforts in helping to resolve the environmental crisis in the Hyde Park area of Augusta, Georgia. When we discussed this issue on Air Force One in 1993, you were instrumental in ensuring that changes were made to save lives. The only remaining step now is to remove the residents from this contaminated area. I would like you to encourage the government agencies involved in this issue to bring this final step to fruition.

Again, thank you Mr. President for your personal commitment and leadership.

Sincerely,

Cynthia McKinney
Member of Congress

A

Proposal

To

SAVE THE VOTE!!

By:
Congresswoman Cynthia A. McKinney (D-GA)
Monday, May 15, 1995

INTRODUCTION:

With the new Republican majority in Congress, the movement to dismantle Motor Voter has gone from a nuisance to an immanent assault. As other issues dominate the political and legislative agendas, few have noticed the momentum building behind the anti-Motor Voter effort. Currently, six bills have been introduced which would cripple, if not kill, Motor Voter. One of the bills which calls for outright repeal, has 170 co-sponsors. That is only 48 votes away from repeal (218) and the Republicans have the seats to do it!

To date, Motor Voter has registered 160,000 people in Georgia alone. While that seems to be a lot, there remain unregistered hundreds of thousands of potential voters. If we do not mount a counter-offensive to protect and inoculate motor voter soon, it will not be long before this empowerment tool dies a premature death. One thing is certain, the Republican congress will mount a full frontal attack on Motor Voter before 1996.

SAVE THE VOTE:

Probably the most successful strategy in promoting the passage of Motor Voter was the "Rock the Vote" concert series. "Rock the Vote" was an ingenious effort that combined political education and activism in a medium that young people responded to -- music. It is my firm belief that this effort can be replicated to protect what we fought so hard to pass.

This new effort could be called **"Save the Vote"**. I propose that the first concert (or *the* concert if there is only to be one) be held in Atlanta, since much of the impetus against motor voter is originating from Georgia lawmakers (such as Paul Coverdell and John Linder), and the Speaker of the House is, of course, from there.

A rallying point and organizing tool could be the introduction of a bill to inoculate motor voter from the bills that seek to undermine it as an unfunded mandate. Naturally, no bill could protect Motor Voter from an outright repeal, however, *any* rallying point would raise awareness about the issue. I intend to introduce such legislation shortly.

Prominently featured at the concert should be the phone numbers of Paul Coverdell, John Linder and Newt Gingrich. At the same time, thousands of young people could be registered to vote on site.

MCKINNEY ON THE ROAD:

In promoting this bill, I am looking to take it on the road and hold rallies in various parts of Georgia -- college campuses, churches and auditoriums. At the events, I would like to have a musical celebrity with me to help draw

the crowds and spur press interest in the issue of protecting Motor Voter. Of course, I will need help from the "Rock the Vote" people to line up the "talent" for the tours, and I would take care of the rest. At these events, it would be wise to register to vote those attending.

I think such tours should be replicated across the country, if possible, with other members of Congress.

CONCLUSION:

Although this proposal is quite ambitious, I firmly believe that audacity and vision are what it will take to beat back this assault. The concert in Atlanta is not the climax, but rather, one of the first shots in a sustained national effort to protect Motor Voter, for good.

The different aspects of this proposal do not necessarily have to start simultaneously (for example, I can introduce the bill and go on tour before the concert and vice versa). It is, however, important to start this effort as soon as possible. Moreover, as we draw attention to the attack on Motor Voter, even more people will be likely to register.

I look forward to your thoughts on this and hope you feel the urgency I see.

CYNTHIA MCKINNEY
POST OFFICE BOX 371616/DECATUR, GA 30037
(404)241-6309 PHONE/FAX

March 21, 1995

Mr. Carol Willis
Democratic National Committee
Washington, D.C.

Dear Carol:

As per our conversation today, let me reiterate to you how crucial it is for us to have a strategy that includes grassroots voter registration. In Georgia, it has never been so easy for us to register people to vote. We must utilize the tool that Motor Voter provides for us--while we still have it.

Fancy words that have high-fallutin' sounds such as "technological outreach" don't amount to a hill of beans when we are trying to reach potential voters who still don't have running water in their homes! When was the last time these purveyors of "technological outreach" ever sat on the porch with one of these natural democratic constituents? Well, I have a district that's full of them. I know that they can be reached, but it won't be with a mailing and it won't be through television and radio, either! (Literacy is still a problem in the South and direct voter education must be included in any Southern strategy.) This rich reservoir of potential voters must be reached the good old-fashioned way: through the sweat associated with knocking on doors, registering people where they are--in their homes, at their churches, and at the local supermarket.

We cannot afford to write off this potentially powerful constituency that is ours for the asking. What the purveyors of the technological revolution fail to understand is that that revolution has completely bypassed many of our own base constituents. Using technology alone, unsupported by an extensive grassroots organization/motivation/mobilization effort continues the complete folly of:

- writing off a substantial base of supporters;
- not having a grassroots organization in place to be utilized in case

of an emergency (like November 1994);

- having a top-heavy Democratic Party of leaders and technology experts and few followers
- concentrating almost sinful amounts of money in the hands of a few "gurus" who walk away happy whether we win or lose.

In Georgia, alone, we have an unregistered black population of one half million people. The obstacles to voter registration and participation have been immense in our state--prior to Motor Voter. And, we continue to struggle against the vestiges of Old South laws and habits that make full democracy in the South ephemeral. Technological outreach, however, without the proper grassroots organization in Georgia, resulted in the expenditure of huge sums of money, the amassing of tremendous debt, the loss of three Democratic Constitutional Officers (Attorney General, Superintendent of Education, and Insurance Commissioner) and a black registered voter turnout of less than 20%. Clearly, this is no way to run a Party, and this is no way to win elections.

Democrats worked hard to enact Motor Voter. Are we now content to sit back and allow others to reap the benefit while resting our hopes on the impact of the "technological" revolution? One quick stroll down the information highway demonstrates that Democrats haven't even won the technology war! And yet, we seem willing to forgo the tool that has been most successful for us (and for them!).

Carol, I would like to know the extent of the Party's commitment to help those of us who are willing to do the hard work of voter registration and education.

I would like to lead the kind of voter registration and voter education "primer" effort that Georgia will require to truly reach our constituency. Once we have "primed" them, then the technological outreach can be more effective. If this plea goes unheard and unanswered, I fear the future of the Democratic Party for the next twenty years--beginning with the election of 1996.

Your Sister in the Struggle,

Cynthia

CYNTHIA A. McKINNEY
11TH DISTRICT, GEORGIA

WASHINGTON OFFICE:
124 CANNON BUILDING
WASHINGTON, DC 20515
(202) 225-1605

COMMITTEE ON AGRICULTURE
DEPARTMENT OPERATIONS, NUTRITION, AND FOREIGN AGRICULTURE

COMMITTEE ON INTERNATIONAL RELATIONS
INTERNATIONAL OPERATIONS AND HUMAN RIGHTS

Congress of the United States
House of Representatives
Washington, DC 20515-1011

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(404) 244-9902

120 BARNARD STREET
SUITE 305-A
SAVANNAH, GA 31401
(912) 652-4118

505 COURTHOUSE LANE
SUITE 100
AUGUSTA, GA 30901
(706) 722-7551

May 1, 1995

Mr. Leon Panetta
Chief of Staff
The White House
1600 Pennsylvania Ave N. W.
Washington, D.C. 20500

Dear Mr. Panetta;

This letter is a follow-up to a meeting you had with residents of Hyde Park and the Virginia subdivisions in Augusta, Richmond County, Georgia on April 21, 1995.

Enclosed is a copy of the relocation plan you requested for people living near the former Southern Wood Piedmont Plant. This information, along with the briefing paper my staff provided for you on this subject should be used to assist federal agencies in a relocation project for those suffering from the effects of dioxin poisoning near this plant site.

If I or my staff can be of any assistance to you in this endeavor, please do not hesitate to contact Reuben Mestas in my Decatur office listed above.

Sincerely,

Cynthia McKinney
Member of Congress

PRITNED ON RECYCLED PAPER

CYNTHIA A. McKINNEY
11TH DISTRICT, GEORGIA

WASHINGTON OFFICE:
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COMMITTEE ON AGRICULTURE
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SOUTHERN WOOD PIEDMONT SITE

HISTORICAL BACKGROUND: The **Southern Wood Piedmont (SWP)** wood treating facility is located within a 78 acre site located at 1650 Nixon Road in Augusta, Richmond County, Georgia. Operations at **SWP** were initiated at the site in the early 1920's, this, based on property deeds dating back to 1923. Wood treating preservatives used were: creosote, pentachlorophenol, chromate copper arsenate (CCA) and zinc meta-arsenate (ZMA). The use of ZMA was discontinued about 1950. The use of creosote was discontinued in 1983.

Raw wood materials were delivered by rail or truck to the facility for processing by the following general steps:

1.) Raw materials in the form of timber were shipped to the site.

2.) Shaped wood products were seasoned by natural drying process or by artificial steaming.

3.) Season wood was treated with a preservative.

4.) Following treatment, final wood products were stored at the plant site. When needed, the finished product was shipped by rail or truck to it's final destination.

Processed waste water from the facility operations consisted of steam condensate and moisture extracted from the wood during the seasoning process, vacuum pump seal water, jet water condensate, and waste steam from the creosote and pentachlorophenenol treatment process. Initially wastes were discharged into effluent ditches immediately adjacent to the property boundary. This was standard operating procedures for over 50 years.

Following enactment of the **Clean Water Act,** waste water was collected at various locations in the processing area. The water was piped directly to oil/water separators where the oil was recovered and reused in the treatment process. The resultant waste water flowed to an aerated surface impoundment prior to discharge into the Augusta Public Works Treatment Plant. The sludge remaining in the impoundment was listed as **RCRA K001 waste.** K001 waste is defined in **40 CFR 261.32** as "**a bottom sediment sludge**

PRITNED ON RECYCLED PAPER

from the treatment of waste water from wood preserving processes that used creosote and/or pentachlorophenol". Sludge was not removed from the impoundment until closure was initiated under **RCRA**. The impoundment was closed in February, 1987. Evidence indicates that the sludge seeped into the area private wells used in the surrounding neighborhoods. Test results also show by products of the creosote were found in the Richmond County public well.

Hyde Park and the Virginia Subdivision Neighborhoods

The land surrounding the **SWP Plant** is both residential and commercial. The neighborhoods are located north, east and west of the plant. Other then Richmond County Public Well, the land to the south is largely undeveloped.

A petitioned health assessment was conducted by the **Agency for Toxic and Disease Registry** (**ATSDR**). The **ATSDR** study concluded that the environmental contamination that resulted from activities at **SWP** was of a potential health concern to the surrounding residents because of past and potential future exposure to hazardous substances. In the 1990 census, 1300 people reported living in this area, approximately **65%** are **African American** and **35%** are **Caucasian**. Also about 1/3 of the population is under the age of 18. About 260 residents are under the age of 12. The ":12 and under" age category is important in that as determined by the **ATSDR Public Health Assessment Addendum**, the "12 and under" category is the most susceptible to dermal and pica ingestion, the primary health risk for that age in dioxin contaminated areas. The residents of this area are primarily low income home owners.

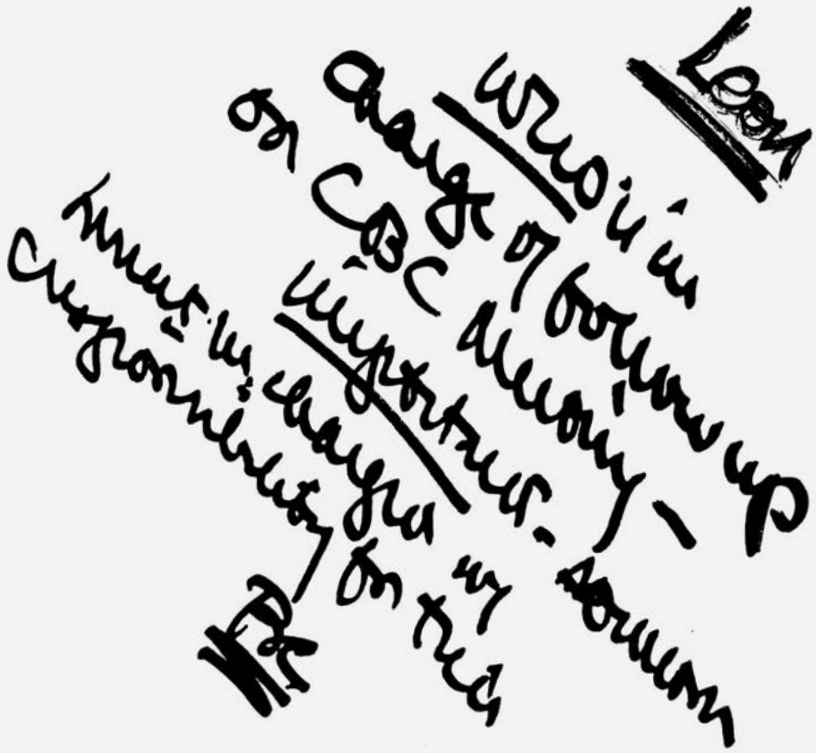
On March 31, 1994, **ATSDR** staff conducted a site visit to the community. Staff noted visible contamination and odors in sediments consistent with contamination by dioxins near the Clara Jenkins Elementary School, along Dan Bowles Road, and in ditches in the Virginia Subdivision. Staff observed that the ditches were easily accessible throughout the two subdivisions. Nikon Road may serve as a dividing line, with water flowing both north and south of this road. Of special note is the fact that surface water flows directly from the plant to the school area and sediments suspended in the water would be carried directly toward the school.

A direct appeal by Congresswoman McKinney to the Director of the Center for Disease Control, Dr. David Satcher, has resulted in the implementation of a Toxic Health Clinic to be established to treat the environmental illnesses related to dioxin exposure. **It must be noted**

however, that without the relocation of the residents from the source of the contamination, there will be little long term improvement in health of those exposed. If an analogy can be introduced, it is not unlike a group of individuals whom reside in a viper pit and are returned daily after treatment. A relocation project through the Department of Housing and Urban Development, the Federal Emergency Management Agency, and other applicable federal entities should be explored and implemented.

cc: George S.
Alexis
PJBAB

THE PRESIDENT HAS SEEN
7-11-95



THE PRESIDENT HAS SEEN
7/12/95

1. cc: George
2. President

Stanley K. Sheinbaum

March 15, 1995

To VP
Laura
Post Reich

President Bill Clinton
The White House

via fax

Dear Bill:

The enclosed by Ed Luttwak is really worth your time. Luttwak is a very conservative guy who usually only writes about foreign affairs. However, lately he has been addressing himself to the dynamic changes in capitalism and what it is doing to the family and society in general. It will be in the upcoming issue of *NPQ*.

Warmly,

Stanley

SKS/kc
enclosure

cc: First Lady Hillary Rodham Clinton
George Stephanopoulos
Secretary Robert Reich

345 North Rockingham Avenue Los Angeles California 90049-2635 Telephone (310) 472-9541 FAX (310) 476-9853

TURBO-CHARGED CAPITALISM VS. FAMILY "VALUES": THE ECONOMIC CONTRADICTIONS OF THE NEW CONSERVATIVES

EDWARD LUTTWAK *A Senior Fellow at The Center for Strategic and International Studies in Washington, Edward Luttwak is author most recently of* The Endangered American Dream, *1994. He also advises the Japanese Finance Ministry.*

WASHINGTON — Long before "family values" became a political slogan, long before it became fashionable to celebrate stable communities, both were exactly what political conservatives everywhere strove to conserve above all else. At the same time, conservatives opposed state control of the economy, and therefore favored free-enterprise capitalism for the freedom it gave to individuals, quite aside from the proven prosperity it also assured. There was no sharp contradiction between the two because individuals, families and communities could absorb structural change — or at least most of them could, most of the time. The advent of turbo-charged capitalism now imposes a choice.

Those who value the stability of families and communities cannot at the same time advocate more deregulation and globalization which, conjointly, open the way for fast-paced technological change as well.

Those who value growing and dynamic innovation cannot at the same time demand stable families and communities. Not when jobs come and go, not when life-styles must abruptly change to keep up with the demands of the economy.

FAST WEALTH | That free-enterprise capitalism unobstructed by public regulations, cartels, monopolies, effective trade unions or cultural inhibitions as the ultimate engine of economic growth is an old truth now disputed by only a few, aged Stalinists.

That free-enterprise capitalism achieves growth so well because its relentless competition destroys inefficient firms and entire industries, thus allowing more efficient firms and industries to rise in their place, has long been understood.

And, finally, that the economic gains achieved by such "creative destruction" must have some social cost insofar as working lives and therefore families, firms and therefore communities, entire industries and therefore nations are disrupted is another old truth first recognized more than a century ago.

What is now about free-enterprise capitalism today is only a matter of degree — a mere acceleration in the speed of creative destruction at any given rate of economic growth. But that, as it turns out, is quite enough to make all the difference. We now live in a new era of "turbo-charged capitalism."

Structural change is now quite fast even when there is no growth, and it becomes much faster when the economy does grow. In the process, more disruption is being inflicted upon working lives, firms, and entire industries than many individuals can absorb, or the connective tissue of many families, communities or even complete nations can withstand.

The disintegration of American families, the breakdown of once meaningful communities into mere localities in many parts of the world, and the recent upheavals in places like Mexico are the products of the same disruptive force. Only the scale of the damage is different.

Unlike Italians or the Spanish for that matter, most Americans have had no cousins in working order for quite some time, that is, as real family members from whom they could export material as well as moral help when in need. That is how Spain can have a 23 percent unemployment rate without starvation or revolution. With the advent of turbo-capitalism, Americans are in the process of losing their siblings as well as parents losing their children and children their parents. As they say, life moves or is moved for them, too fast for people to keep up with each other, to maintain the connective tissue in working lives.

GLOBALIZATION | One obvious cause of accelerated structural change is the world-wide retreat of public ownership, central planning and commercial regulation, with all their rigidities that slowed innovation.

But of course the most widely noticed cause of accelerated and drastic structural change is "globalization" — the unification of the puddles,

ponds, lakes, and seas of village, provincial, regional and national economies into a single global economic ocean, and thus their exposure to oceanic waves of competition instead of mere ripples or gradual tides.

More important than the removal by treaty of formal trade barriers is the geographic spread of reliable, cheap and instant telecommunications that ease the formation of new commercial relationships both materially and psychologically. Companies are now willing to rely on foreign subcontractors for components, knowing that they can keep in touch with them in "Real Time."

There are other factors as well: Diminishing transport costs and the waning material content of commerce; the diffusion of up-to-date technologies for the production of export goods or components, even within otherwise backward local economies; and the hammering down of once diverse consumer preferences into uniformity by transnational mass media imagery and advertising.

The overall effect of "globalization" is that any production anywhere can expand enormously, far beyond the limits of the domestic market, insofar as it is competitive. By the same token any production anywhere and the related employment can be displaced at any time by cheaper production from someplace else in the whole world. Life in the global economy is full of exciting surprises — and catastrophic downfalls.

THE INDUSTRIAL OFFICE | Still another cause of disproportionately rapid structural change is the "industrialization" of office work, a rather belated product of the electronic computer and associated machines. Because of generational change, even senior managers now know how to work office electronics, allowing them to understand their uses, abuses and non-uses. Computer networks allow managers at the next level up to literally oversee, right on their own screens, the work that their underlings are doing or not doing. The result is that office work is increasingly as transparent as assembly-line work has been from the start, immediately revealing inefficient procedures and unproductive employees.

The long-awaited, long-delayed increase in the efficiency of office-work has finally arrived, brutally exposing until now secure white-collar employees to the work-place dislocations, mass firings employment insecurity and declining real wages that have long been the lot of blue-collar workers in mature industrial economies.

At the present time even though the United States economy is growing at a "torrid" rate (in Federal Reserve Chairman Alan Greenspan's word), white-collar job reductions by the thousands are still being announced by one famous corporation after another. They call it "restructuring" or more fancifully "re-engineering the corporation," and duly decorate the proceedings with the most recently fashionable management-consultant verbiage. But the real economies that Wall Street anticipates by bidding up the shares, thereby incidentally hugely rewarding mass-firing top executives who have stock options, come not from the background music of management-consultant talk but rather from the displacement of telephone-answering secretaries by voice-mail systems, the displacement of letter-writing secretaries by computer word-processing and faxboards, the consequent displacement of clerical supervisors, the displacement of junior administrators by automated paperflow processing, the consequent displacement of administrative supervisors, and finally — and most of all — from the displacement of middle managers no longer needed to supervise the fired clerical and administrative employees.

TOO FAST TO ADAPT | There are perhaps still other or better explanations for the advent of turbo-charged capitalism with its greatly accelerated structural change, but what is certain is the result: The creative destruction of old skills, firms and entire industries are now apt to span years rather than generations — often, only a very few years. That clearly favors global prosperity but brutally exceeds the adaptive limits of many individual families and communities.

When the sons and daughters of US steelworkers, British coalminers or German welders must become software-writers, teachers, lawyers or, for that matter, shop attendants

because the respective paternal industries offer less and less employment, few have reason to complain. But when the same mechanisms of change work so fast that steelworkers, coalminers or welders must themselves abandon lifetime proclivities to acquire demanding new skills on penalty of chronic unemployment or unskilled low-wage labor for life, failure and frustration are the likely results.

To be sure nothing could be more old-fashioned than to worry about the fate of hopelessly passé blue-collar workers. So the big news is the dislocation of white-collar employment as well. Job turn-over statistics are irrelevant, for no statistics can measure the felt job-insecurity of employees who are well aware of the rapid economic transformations of our times which they do not control, but which control them.

For now, the Republicans who contrive to celebrate, advocate and demand both economic change and social stability may be unaware of the huge contradiction between the two. For now they may know, but still count on the fact that their fellow Americans do not yet know that in the turbo-capitalist era, it is one or the other, not both. But they will find out soon enough.

** Technologism is the religious belief that tech-change is both always good for all and unstoppable. Technology is not an independent force, it can be revised easily by even weak regulations. As for this writer, I believe that the economy should serve society — not the other way around.

Pullquote — Those who value growing and dynamic innovation cannot at the same time demand stable families and communities.

Pullquote — We now live in a new era of "turbo-charged capitalism."

Pullquote — The long-awaited, long-delayed increase in the efficiency of office-work has finally arrived, brutally exposing untill now secure white-collar employees.

Pullquote — The economy should serve society — not the other way around.

[BOX]

THE CASE OF THE AIRLINES

The exemplary American case is the deregulation of the airline industry. When still highly regulated, with their assigned routes and fixed air fares, US airlines were moderately inefficient, moderately over-staffed, consistently profitable and very stable, commonly offering life-time jobs for their employees, and a stable customer base for the aircraft industry. Relatively high air fares paid for that, hence Americans with more time and less money habitually traveled by rail or bus, even over long distances.

Since deregulation, Braniff, Eastern, Pan-Am and many lesser airlines have disappeared in bankruptcies, surviving airlines have become much more efficient, wages and salaries have been sharply reduced (except for top executives who earn much more than before), and fares are now so low that even Americans with ample free time and little money habitually travel by air.

Themselves financially unstable because of waves of competitive fare-cutting, US airlines are no longer reliable customers for the aircraft industry. Sudden mass cancellations of options or even "firm" orders have become very common, destabilizing an industry that has long lead times. Lockheed no longer makes airliners; McDonnell-Douglas can no longer develop new airliners on its own (and seeks foreign partners at the price of sharing its key technologies) and Boeing's future is only secure because of sales to foreign airlines — whose orders are reliable because most are still highly regulated.

From a strictly economic point of view, the greater efficiency brought about by unregulated competition justifies all. But from a social point of view there is no such compensation. With its stable, well-paid jobs, the regulated airline industry of the past enhanced the stability of employee's families and their communities as

well as those of the aircraft industry that supplied the airlines.

Today's chaotically unstable airlines are by contrast very disruptive, as they rapidly expand or drastically shrink over a matter of months or even weeks, as they abruptly shift "hubs" and maintenance bases from one place to another, each time hiring and firing employees in their constant maneuvering. It would be a nice bit of sociological research to calculate the number of divorces (and therefore problem children) caused by deregulation-induced economic stresses on the families of airlines employees.

THE PRESIDENT HAS SEEN
7/12/95

William Raspberry

Men At Church

Sunday morning service in most American churches is a female thing. The minister and the top lay officials may be men (though not as predictably as was the case a few years ago), but the congregation is likely to be mostly women and children.

To view the trend as the feminization of the church, however, is to miss the point—just as it misses the point to talk about the feminization of the American family. The relevant fact in both cases is not so much female ascendancy as male abandonment.

In the church, it begins almost as soon as boys have options—at the outset of adolescence. Boys begin drifting away from the choir, from Sunday school and, finally, from the church altogether. It's as though they sense that church is, like school, just another place where male leadership is the exception and male values (if there be such things) are held in low esteem.

And yet there are remarkable instances where the trends run the other way.

Take last Saturday, when 52,000 men packed the Robert F. Kennedy Stadium (and paid $55 each for the privilege) in a declaration of religious renewal. It was the latest in a series of such rallies put on by Promise Keepers, a men's movement (founded by former Colorado football coach Bill McCartney) that hopes to bring men back to church—and back to Christian responsibility.

Or take Baltimore's Bethel A.M.E. Church on practically any Sunday morning. The Rev. Frank Madison Reid III has overseen a growth spurt in Bethel's membership in the last five years from 7,000 to 10,000. In that same period, the proportion of male parishioners has increased from 25 percent to just under half.

A talk with this son and grandson of A.M.E. bishops (or a perusal of Herbert Toler Jr.'s excellent profile of him in the current issue of Policy Review) reveals a fascinating combination of well-read scholar, Pentecostal preacher and master psychologist.

"Not just in America," he says, "but also abroad, men have been leaving the church because of what I term the effeminatization of Western Christianity. It's almost a political thing. As women came to be the majority in many congregations, and the most active members as well, the message was focused on them—often against men. Men became the whipping boys for what was wrong in the family or in the community. The pastor became The Man, in terms of representing the moral voice, even with *your* children. And men left in droves."

And how has the 43-year-old Reid turned it around?

"The main thing I've done is to focus on teaching the male his biblical purpose: to be provider, protector and priest," he told me. "And when I say provider, I don't mean in the sense that the man works and the woman doesn't. I mean in terms of the Latin root of the word 'provide.' You know, it comes from the word for vision. Men have to provide a vision for their families and their community, for 'where there is no vision, the people perish.' "

But it's more than theology that this Harvard Divinity (Yale undergraduate) scholar brings to his task. "I remember that I stopped singing in the choir in the 1960s, but I didn't know why until a friend of mine, the Rev. Granger Brown, mentioned that choir robes turn boys off because they look like dresses," he said. "So I stopped the choir robes."

Reid also has established all-male choirs, Sunday school classes and Bible study groups as a way of making men feel at home, and he's established a come-as-you-are dress code to combat the unease men may have at not having "proper" church attire.

"One of the ways you keep boys from leaving is just plain discipline. Young men have a need for discipline. That's why we have a drill team for them at church. That's why we have martial arts classes. That's why we have a church security system modeled after the Fruit of Islam. These things provide discipline and at the same time give the young men a sense of authority."

The male Bible study classes have delivered an unanticipated benefit—as a recruitment device. "We talk about things that men don't always have an opportunity to discuss—what to do when your woman makes more money than you do, or how to deal with sexuality in or out of marriage or how to handle money. And then the men tell their friends what is happening, and they start coming to Bible study—and later to church."

Why talk about these things on a secular op-ed page? Because what men like Frank Reid and Bill McCartney and, yes, Louis Farrakhan have to teach us about the causes and cures of male alienation goes well beyond religious doctrine. Their recognition that the sexes are different, and need different ways of fitting in, can help build congregations, of course. But it may also help to save the society.

THE WASHINGTON POST
WEDNESDAY, MAY 31, 1995

THE PRESIDENT HAS SEEN
7/12/95

TO VP

Attached is a memo from Mickey Kantor to the President regarding the Japan auto negotiations.

BR

THE PRESIDENT HAS SEEN
5/12/95

Violence in the media: Picture unlikely to change

By Tony Mauro
and Andrea Stone
USA TODAY

Sen. Bob Dole's attack on Hollywood violence and sex comes at a time when research is increasingly showing a connection — if still just a small one — between media violence and the real thing.

But mainly because of the First Amendment's protection of free expression, drawing a connection between the media and acts of violence has not led to regulating the media — and won't likely soon.

"The First Amendment puts the thumb on the scales in favor of the media," says P. Cameron DeVore, a Seattle media lawyer. "Holding the media responsible isn't going to work."

The First Amendment is why efforts to combat violence in the media rarely go beyond the kind of jawboning used by Dole in the last week. Dole himself said he was not suggesting censorship but rather exhorting the industry to set its sights higher.

Vice President Quayle made a similar attack on CBS's *Murphy Brown* and Hollywood's values in 1992, and congressional hearings two years ago triggered the last round of media self-examination on violence.

What may be different now, however, is the somewhat greater consensus among social scientists that media images contribute somewhat to violence in society.

"There's definitely a link, but the impact of those kinds of images on behavior is very small," says Katharine Heintz-Knowles of the University of Washington. "Other forces are larger contributors to children's attitudes and behavior than media ... Family certainly is more important, the peer group, the neighborhood."

The American Medical Association has also concluded there is a link, citing studies that show children have viewed 8,000 murders and 100,000 acts of violence on the media by the time they leave grade school.

"If you combine television, motion pictures, rap music and video games, there's a continuing influence of violence," says AMA President Robert McAfee. "Violence is indeed a learned behavior."

Most studies indicate that heavy viewers of violence in the media show greater acceptance of aggressive attitudes and behavior — behavior that can last well into adulthood.

"The research says you learn what you are looking at," says Peggy Charren, founder of Action for Children's Television. "You learn to want sugary cereals, and you learn that violence is a reasonable solution to problems. But it doesn't mean that watching violent programs causes everybody to go out and shoot up the neighborhood."

There have been few studies about the influence of rap music, says University of Mississippi researcher Ronald Drabman.

But Drabman thinks the sometimes misogynist lyrics of rap music have a strong influence on attitudes.

"There's no scientific evidence, but when a record says 'shoot a cop,' there are enough counterinfluences so that it's probably not that important," says Drabman. "But when these records say 'this is how you treat a woman' it may have a stronger effect on teaching people."

Jack Valenti of the Motion Picture Association of America says "the research is blurred" on the connection between the media and violence. But even if there is a link, Valenti says the industry has acted responsibly through its rating system.

Lawsuits that have sought to hold the media liable for police shootings, copycat rapes and even suicides have failed in court. Says DeVore: "If you permit that kind of liability, there's no end to it."

In a 1989 Nevada lawsuit against the heavy metal group Judas Priest, the families of two dead youths claimed the group's subliminal pro-suicide messages were to blame.

The judge threw out the case.

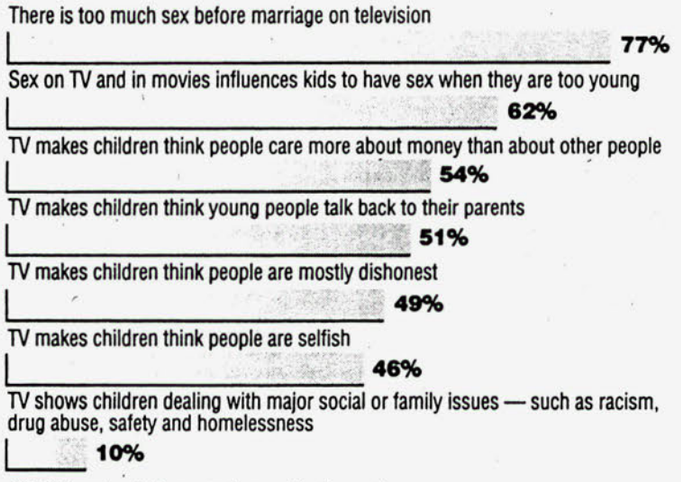
Last November, a California court rejected a lawsuit filed by people injured during a rash of shootings that wer triggered by the premiere of the 1991 movie *Boyz N the Hood*.

In the end, says Portland, Ore., media lawyer Jonathan Hoffman, allowing vile and violent messages to be aired is the price of a free society.

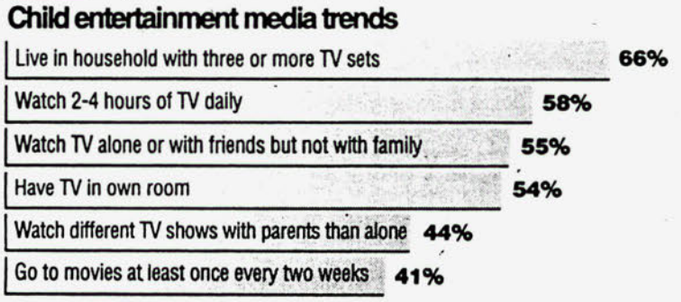
"The only thing that can be done in a free speech culture is to have people become enlightened enough that they will wake up and say, 'I'm not paying for that movie or CD, or I won't watch that kind of TV.' "

Movies, TV are big influence on kids

Two out of three children say they've been influenced by the entertainment media on issues like sexuality and morality, according to a poll of children 10-16 for the advocacy group Children Now. Other findings:

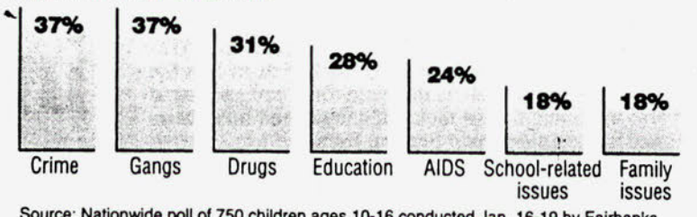


Child entertainment media trends



Issues TV deals with

The poll found 69% of children say television doesn't deal with the same problems they do. Problems children say they face that entertainment television 'often' deals with:



Source: Nationwide poll of 750 children ages 10-16 conducted Jan. 16-19 by Fairbanks, Maslin, Maullin & Associates. Margin of error: ± 3 percentage points.

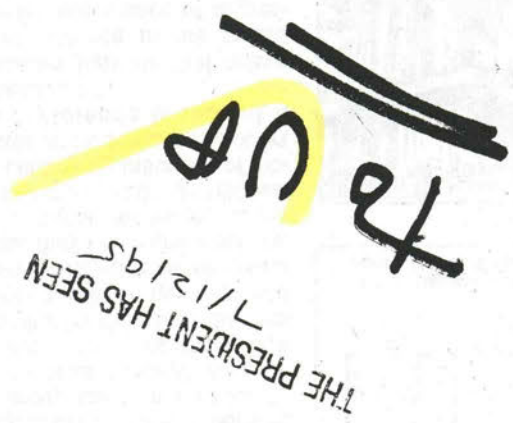
By Marcy E. Mullins, USA TODAY



By Julie Malakie, AP

CHARREN: 'Research shows you learn what you are looking at.'

USA TODAY • TUESDAY, JUNE 6, 1995


THE PRESIDENT HAS SEEN
7/12/95

THE PRESIDENT HAS SEEN
7-11-95

Again sorry

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Bx

cc: Congressional
Affrs to
coordinate
Reply

ORIGINAL
sent to
Jocelyn Dilley

CYNTHIA A. McKINNEY
11TH DISTRICT, GEORGIA

WASHINGTON OFFICE:
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July 10, 1995

The Honorable William Jefferson Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

I would like to request that you attend a church service with me in Georgia's 11th District in September on any Sunday that is convenient for you. As I expressed in my earlier correspondence on this and other issues, it is important to get the Democratic message out to our current and potential voters through grassroots organization and mobilization.

We must strive to return to the traditional democratic strategies that made the Democratic Party the natural party for America. As you know, in the South, church services are one of the key venues in which our voters are empowered and politically-educated. Churches are, as you know, the perfect venues to pass on the Democratic message and underscore your personal commitment to the voters of the 11th District.

Mr. President, your leadership has always been one of the pillars of my political and legislative agendas. I also would like to thank you for your personal support and commitment to my political interests during my two and half years in Congress. With the recent Supreme Court decision on Redistricting, your leadership and personal commitment to me is even more vital. This decision, more than any other legal opinion since the Civil Rights Movement, is an effort to dismantle the gains of America toward a colorblind society and equal access to representation -- ideals which I know you hold dear.

I look forward to your positive response to attending church with me in September, as well as to your continued personal support as we work together to ensure the success of the Democratic Party in 1996 and beyond.

Sincerely,

Cynthia McKinney
Member of Congress

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July 10, 1995

The Honorable William Jefferson Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

I want to thank you for your personal support and commitment to the constituents of Georgia's 11th District during my two and a half years in Congress. The Democratic Party is facing new and difficult challenges and your continued positive leadership is the catalyst for change that American society needs today. We all must ensure that our efforts are united and pro-active in securing the Party's election success in 1996 and beyond.

One of those objectives, Mr. President, must be encouraging young people to vote. They are America's future and the future of the Democratic Party. We must reach these young people through means that they understand and can relate to -- empowering them with the knowledge of how important voting is and that their votes do make a difference. I have a proposal -- Save the Vote Concert -- that I have submitted to the DCCC for which I seek your support. This proposal provides an avenue for Democrats to protect "Motor Voter" from attacks that seek to undermine its effectiveness. In Georgia alone, Motor Voter, has registered some 160,000 people. We can provide political education and activism in a medium that young people understand -- music! Additionally, I have proposed legislation which can serve as a rallying point and organizing tool for the series of concerts to "Save the Vote." I have attached the proposal for your consideration.

In line with this same theme, Mr. President, I believe it is vital for the Democratic Party and the Administration to develop grassroots strategies to reach voters of all ages. Although a series of "Save the Vote" concerts can be viewed as one tier of our efforts, we must return to the traditional blueprints that made the Democratic Party the natural party of America -- grassroots organization and voter registration. While, technological outreach maybe an asset, however, the Democratic Party must return to its traditional strategy of reaching the rich potential of voters, in the South and elsewhere, the good old-fashion way -- knocking on doors, going to church, and visiting constituents where they live, work, and shop. In drafting a detailed memo

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(attached) to Mr. Willis at the DNC, I have highlighted the need for this type of mobilization.

I know, Mr. President, that you support this type of pro-active mobilization to reach voters. In my effort to return to the blueprint and strength of the Democratic Party, I would like you to attend a church service in my District on any Sunday that you are available in September. In the South, church services are one of the key venues in which our current and potential voters are empowered and politically-educated. It is the perfect venue, as you know, to pass on the Democratic message.

I believe the challenges facing the Democratic Party are easily surmountable with good strategy and mobilization. As for Redistricting Mr. President, which today is the most serious effort to dismantle the gains of the Democratic Party and the Voting Rights Act, it is vital that you are in the forefront on this issue and viewed as a voice for ensuring the survival of majority-minority districts.

In closing, I would like to thank you, Mr. President, for your extraordinary efforts in helping to resolve the environmental crisis in the Hyde Park area of Augusta, Georgia. When we discussed this issue on Air Force One in 1993, you were instrumental in ensuring that changes were made to save lives. The only remaining step now is to remove the residents from this contaminated area. I would like you to encourage the government agencies involved in this issue to bring this final step to fruition.

Again, thank you Mr. President for your personal commitment and leadership.

Sincerely,

Cynthia McKinney
Member of Congress

A

Proposal

To

SAVE THE VOTE!!

By:
Congresswoman Cynthia A. McKinney (D-GA)
Monday, May 15, 1995

INTRODUCTION:

With the new Republican majority in Congress, the movement to dismantle Motor Voter has gone from a nuisance to an immanent assault. As other issues dominate the political and legislative agendas, few have noticed the momentum building behind the anti-Motor Voter effort. Currently, six bills have been introduced which would cripple, if not kill, Motor Voter. One of the bills which calls for outright repeal, has 170 co-sponsors. That is only 48 votes away from repeal (218) and the Republicans have the seats to do it!

To date, Motor Voter has registered 160,000 people in Georgia alone. While that seems to be a lot, there remain unregistered hundreds of thousands of potential voters. If we do not mount a counter-offensive to protect and inoculate motor voter soon, it will not be long before this empowerment tool dies a premature death. One thing is certain, the Republican congress will mount a full frontal attack on Motor Voter before 1996.

SAVE THE VOTE:

Probably the most successful strategy in promoting the passage of Motor Voter was the "Rock the Vote" concert series. "Rock the Vote" was an ingenious effort that combined political education and activism in a medium that young people responded to -- music. It is my firm belief that this effort can be replicated to protect what we fought so hard to pass.

This new effort could be called **"Save the Vote"**. I propose that the first concert (or *the* concert if there is only to be one) be held in Atlanta, since much of the impetus against motor voter is originating from Georgia lawmakers (such as Paul Coverdell and John Linder), and the Speaker of the House is, of course, from there.

A rallying point and organizing tool could be the introduction of a bill to inoculate motor voter from the bills that seek to undermine it as an unfunded mandate. Naturally, no bill could protect Motor Voter from an outright repeal, however, *any* rallying point would raise awareness about the issue. I intend to introduce such legislation shortly.

Prominently featured at the concert should be the phone numbers of Paul Coverdell, John Linder and Newt Gingrich. At the same time, thousands of young people could be registered to vote on site.

MCKINNEY ON THE ROAD:

In promoting this bill, I am looking to take it on the road and hold rallies in various parts of Georgia -- college campuses, churches and auditoriums. At the events, I would like to have a musical celebrity with me to help draw

the crowds and spur press interest in the issue of protecting Motor Voter. Of course, I will need help from the "Rock the Vote" people to line up the "talent" for the tours, and I would take care of the rest. At these events, it would be wise to register to vote those attending.

I think such tours should be replicated across the country, if possible, with other members of Congress.

CONCLUSION:

Although this proposal is quite ambitious, I firmly believe that audacity and vision are what it will take to beat back this assault. The concert in Atlanta is not the climax, but rather, one of the first shots in a sustained national effort to protect Motor Voter, for good.

The different aspects of this proposal do not necessarily have to start simultaneously (for example, I can introduce the bill and go on tour before the concert and vice versa). It is, however, important to start this effort as soon as possible. Moreover, as we draw attention to the attack on Motor Voter, even more people will be likely to register.

I look forward to your thoughts on this and hope you feel the urgency I see.

CYNTHIA MCKINNEY
POST OFFICE BOX 371616/DECATUR, GA 30037
(404)241-6309 PHONE/FAX

March 21, 1995

Mr. Carol Willis
Democratic National Committee
Washington, D.C.

Dear Carol,

As per our conversation today, let me reiterate to you how crucial it is for us to have a strategy that includes grassroots voter registration. In Georgia, it has never been so easy for us to register people to vote. We must utilize the tool that Motor Voter provides for us--while we still have it.

Fancy words that have high-fallutin' sounds such as "technological outreach" don't amount to a hill of beans when we are trying to reach potential voters who still don't have running water in their homes! When was the last time these purveyors of "technological outreach" ever sat on the porch with one of these natural democratic constituents? Well, I have a district that's full of them. I know that they can be reached, but it won't be with a mailing and it won't be through television and radio, either! (Literacy is still a problem in the South and direct voter education must be included in any Southern strategy.) This rich reservoir of potential voters must be reached the good old-fashioned way: through the sweat associated with knocking on doors, registering people where they are--in their homes, at their churches, and at the local supermarket.

We cannot afford to write off this potentially powerful constituency that is ours for the asking. What the purveyors of the technological revolution fail to understand is that that revolution has completely bypassed many of our own base constituents. Using technology alone, unsupported by an extensive grassroots organization/motivation/mobilization effort continues the complete folly of:

- writing off a substantial base of supporters;
- not having a grassroots organization in place to be utilized in case

of an emergency (like November 1994);

- having a top-heavy Democratic Party of leaders and technology experts and few followers
- concentrating almost sinful amounts of money in the hands of a few "gurus" who walk away happy whether we win or lose.

In Georgia, alone, we have an unregistered black population of one half million people. The obstacles to voter registration and participation have been immense in our state--prior to Motor Voter. And, we continue to struggle against the vestiges of Old South laws and habits that make full democracy in the South ephemeral. Technological outreach, however, without the proper grassroots organization in Georgia, resulted in the expenditure of huge sums of money, the amassing of tremendous debt, the loss of three Democratic Constitutional Officers (Attorney General, Superintendent of Education, and Insurance Commissioner) and a black registered voter turnout of less than 20%. Clearly, this is no way to run a Party, and this is no way to win elections.

Democrats worked hard to enact Motor Voter. Are we now content to sit back and allow others to reap the benefit while resting our hopes on the impact of the "technological" revolution? One quick stroll down the information highway demonstrates that Democrats haven't even won the technology war! And yet, we seem willing to forgo the tool that has been most successful for us (and for them!).

Carol, I would like to know the extent of the Party's commitment to help those of us who are willing to do the hard work of voter registration and education.

I would like to lead the kind of voter registration and voter education "primer" effort that Georgia will require to truly reach our constituency. Once we have "primed" them, then the technological outreach can be more effective. If this plea goes unheard and unanswered, I fear the future of the Democratic Party for the next twenty years--beginning with the election of 1996.

Your Sister in the Struggle,

Cynthia

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11TH DISTRICT, GEORGIA

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May 1, 1995

Mr. Leon Panetta
Chief of Staff
The White House
1600 Pennsylvania Ave N. W.
Washington, D.C. 20500

Dear Mr. Panetta;

This letter is a follow-up to a meeting you had with residents of Hyde Park and the Virginia subdivisions in Augusta, Richmond County, Georgia on April 21, 1995.

Enclosed is a copy of the relocation plan you requested for people living near the former Southern Wood Piedmont Plant. This information, along with the briefing paper my staff provided for you on this subject should be used to assist federal agencies in a relocation project for those suffering from the effects of dioxin poisoning near this plant site.

If I or my staff can be of any assistance to you in this endeavor, please do not hesitate to contact Reuben Mestas in my Decatur office listed above.

Sincerely,

Cynthia McKinney
Member of Congress

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SOUTHERN WOOD PIEDMONT SITE

HISTORICAL BACKGROUND: The **Southern Wood Piedmont (SWP)** wood treating facility is located within a 78 acre site located at 1650 Nixon Road in Augusta, Richmond County, Georgia. Operations at **SWP** were initiated at the site in the early 1920's, this, based on property deeds dating back to 1923. Wood treating preservatives used were: creosote, pentachlorophenol, chromate copper arsenate (CCA) and zinc meta-arsenate (ZMA). The use of ZMA was discontinued about 1950. The use of creosote was discontinued in 1983.

Raw wood materials were delivered by rail or truck to the facility for processing by the following general steps:

1.) Raw materials in the form of timber were shipped to the site.

2.) Shaped wood products were seasoned by natural drying process or by artificial steaming.

3.) Season wood was treated with a preservative.

4.) Following treatment, final wood products were stored at the plant site. When needed, the finished product was shipped by rail or truck to it's final destination.

Processed waste water from the facility operations consisted of steam condensate and moisture extracted from the wood during the seasoning process, vacuum pump seal water, jet water condensate, and waste steam from the creosote and pentachlorophenenol treatment process. Initially wastes were discharged into effluent ditches immediately adjacent to the property boundary. This was standard operating procedures for over 50 years.

Following enactment of the **Clean Water Act,** waste water was collected at various locations in the processing area. The water was piped directly to oil/water separators where the oil was recovered and reused in the treatment process. The resultant waste water flowed to an aerated surface impoundment prior to discharge into the Augusta Public Works Treatment Plant. The sludge remaining in the impoundment was listed as **RCRA K001 waste.** K001 waste is defined in **40 CFR 261.32** as "**a bottom sediment sludge**

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from the treatment of waste water from wood preserving processes that used creosote and/or pentachlorophenol". Sludge was not removed from the impoundment until closure was initiated under **RCRA**. The impoundment was closed in February, 1987. Evidence indicates that the sludge seeped into the area private wells used in the surrounding neighborhoods. Test results also show by products of the creosote were found in the Richmond County public well.

Hyde Park and the Virginia Subdivision Neighborhoods

The land surrounding the **SWP Plant** is both residential and commercial. The neighborhoods are located north, east and west of the plant. Other then Richmond County Public Well, the land to the south is largely undeveloped.

A petitioned health assessment was conducted by the **Agency for Toxic and Disease Registry** (**ATSDR**). The **ATSDR** study concluded that the environmental contamination that resulted from activities at **SWP** was of a potential health concern to the surrounding residents because of past and potential future exposure to hazardous substances. In the 1990 census, 1300 people reported living in this area, approximately **65%** are **African American** and **35%** are **Caucasian**. Also about 1/3 of the population is under the age of 18. About 260 residents are under the age of 12. The ":12 and under" age category is important in that as determined by the **ATSDR Public Health Assessment Addendum**, the "12 and under" category is the most susceptible to dermal and pica ingestion, the primary health risk for that age in dioxin contaminated areas. The residents of this area are primarily low income home owners.

On March 31, 1994, **ATSDR** staff conducted a site visit to the community. Staff noted visible contamination and odors in sediments consistent with contamination by dioxins near the Clara Jenkins Elementary School, along Dan Bowles Road, and in ditches in the Virginia Subdivision. Staff observed that the ditches were easily accessible throughout the two subdivisions. Nikon Road may serve as a dividing line, with water flowing both north and south of this road. Of special note is the fact that surface water flows directly from the plant to the school area and sediments suspended in the water would be carried directly toward the school.

A direct appeal by Congresswoman McKinney to the Director of the Center for Disease Control, Dr. David Satcher, has resulted in the implementation of a Toxic Health Clinic to be established to treat the environmental illnesses related to dioxin exposure. **It must be noted**

however, that without the relocation of the residents from the source of the contamination, there will be little long term improvement in health of those exposed. If an analogy can be introduced, it is not unlike a group of individuals whom reside in a viper pit and are returned daily after treatment. A relocation project through the Department of Housing and Urban Development, the Federal Emergency Management Agency, and other applicable federal entities should be explored and implemented.