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001. memo	From Harold Ickes re: DNC Media Funds (3 pages)	02/22/1996	Personal Misfile

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RESTRICTION CODES

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

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P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
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b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

2/27

Todd:

This came addressed to you via courier.

To DORSKIND for reply?

Yes ✓ No ____

coord. w/ Greg Simon + send copy to Greg NTL

—John

ANA
Association of National Advertisers, Inc.

96 FEB 27 P4:56

February 27, 1996

The Honorable William J. Clinton
The President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

In your State of the Union message, you highlighted the importance of the TV violence issue. Advertisers are also deeply concerned about this issue. On February 26, we announced a **Statement of Principles on Television Program Content** which calls on the broadcast and cable television industry to develop a "voluntary, uniform system for rating programs."

In addition, ANA reported the results of a survey of its members in which 90 percent of respondents support ratings on broadcast and cable television programs. ANA believes that ratings are an important step in giving parents control of their family's television choices.

The new ANA statement of principles follows a 1994 statement on television violence, in which the association said: "ANA is very interested in exploring private initiatives, as opposed to governmentally mandated systems, to provide television viewers with an increased ability to evaluate and control their own viewing choices."

Enclosed for your review is a copy of the new ANA statement of principles. We hope you will find this statement to be an important contribution to the policy discussion over the important issue of television program content. ANA stands ready to respond to any question or comments you or your staff might have.

Sincerely,

Daniel L. Jaffe
Executive Vice President

Enclosure

c: The Honorable Albert Gore, Jr.

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Washington, D.C. 20001
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ASSOCIATION OF NATIONAL ADVERTISERS, INC.

Statement of Principles on Television Program Content

The Association of National Advertisers, Inc. (ANA) is a proponent of the right of consumers to make informed choices. Accordingly, ANA supports efforts to provide viewers with information about a television program before they decide to view it. We believe strongly that voluntary industry self-regulation is preferable to government mandates. Therefore:

1. We call on the broadcast and cable television industry to develop a voluntary, uniform system for rating programs. This system should be communicated clearly and effectively to the viewing public.

2. ANA opposes government-imposed and/or government-funded rating systems.

3. A practical and informative ratings system provides useful information but is not a substitute for the individual judgment of advertisers. ANA members will continue to review program content independently to ensure compliance with the advertiser's individual standards.

rating_2.doc

2127/96

Todd -
These were sent to us by Helen Robinson, who works for Nancy.
Should we send to Donskind?
Yes ✓
No ____

coordinate w/ OMB? yes
Carol

Wallace A. Gieringer
600 Golf View Drive
Pine Bluff, Arkansas 71603

Staff Sec.

2/20/96

Ms Nancy Hernreich
Assistant to the President
The White House
Washington DC 20500-2000

Dear Nancy -

It has been a long time since it was necessary to seek your help on that of our President.

His help is sorely needed and will benefit all of Arkansas - and the nation. Please help by getting the enclosed to him.

Thank you very much!

Wally Gieringer

Greetings to Maria too please!

501-535-3971 FAX 501-535-7585

Wallace A. Gieringer
600 Golf View Drive
Pine Bluff, Arkansas 71603

February 20, 1996

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500-2000

Dear Mr. President:

I'll never forget how, as Governor, you always came to the aid of Arkansas communities in their efforts to attract or to save jobs. Thanks to you, we in Pine Bluff enjoy the presence of firms like Century Tube, International Paper, Trefil-ARBED, Tyson and others. We will always be indebted!

As busy as you are, permit me to ask for your help to save jobs one more time. Today thousands of jobs attributable to the Arkansas River Navigation System, plus public and private investments totaling some $5 billion, are in danger due to low water problems at the entrance to the Arkansas River Navigation System.

Please avert a crisis for Arkansas, Oklahoma and this region by including $16 million in your FY '97 budget for Montgomery Point Lock and Dam. This approved project is scheduled for completion in 2003. The navigation system and jobs dependent on it remain in danger until completion.

With thanks and very best wishes. As always I am at your disposal and will assist in any way possible.

Yours sincerely,

Wally

WAG:sc

cc: Mr. Thomas "Mack" McLarty

501-535-3971 *FAX 501-535-7585*

H. Maurice Mitchell
320 West Capitol Avenue, Suite 1000
Little Rock, AR 72201-3525

501-688-8801

February 19, 1996

The President William J. Clinton
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500-2000

My Dear Mr. President:

As I believe you are aware, the lowering of the water level of the Mississippi River has put the McClellan-Kerr Navigation System at risk. With the lowering of the water level projected to continue, carrying capacity for barges entering the System will be drastically reduced. Eventually, empty tows would not be able to enter or leave the System.

This risk can be eliminated by the Montgomery Point Lock and Dam Project. Plans and specifications are scheduled to be completed for this Project in March of 1997. The current Senate Report regarding the Project states "The Committee again points out that it will be impossible to sustain ongoing construction funding through completion without executive branch support."

Please include $16 million in your fiscal year 1997 budget for Montgomery Point. A delay in this project will result in an escalation in construction costs, loss of transportation savings benefits, and more environmental damage, and it will keep the System at risk past the scheduled completion in 2003.

Navigation on the Arkansas River is playing an increasing role in the economy of our state.

Your consideration of this request will be greatly appreciated.

Yours very truly,

H. Maurice Mitchell

HMM:lc

cc - Mr. Thomas F. (Mack) McLarty

H. TYNDALL DICKINSON
POST OFFICE BOX 408
SWEET HOME, ARKANSAS 72164

February 19, 1996

The Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500-2000
ATTN: Ms. Nancy Hernrick

RE: The Montgomery Point Lock and Dam Project

Dear Mr. President:

As you probably know the F.Y. '96 Senate Report included a statement that it will be impossible to sustain ongoing construction funding through the completion of the "Montgomery Point Lock and Dam Project" without executive branch support.

We all can 'judicially notice' that the confluence of the White and Mississippi Rivers is increasingly difficult, if not impossible at times, to negotiate, especially during low water periods without rather regular and expensive dredging to the White River because the Mississippi continues to develop a deeper bottom. Presently, the areas in which to 'spoil' or 'dump' the pumped debris are becoming more and more expensive because of the limited, reasonable areas. Furthermore, the attendant interruptions of normal trade along the Arkansas River and its' tributaries decrease its' attractiveness as it competes with other modes of freight movement.

I'm glad indeed, that I can feel some comfort in calling on you instead of the opposite feeling if I had to call on an opposing party member. You have been aware and responsive to your home state's and indeed your country's needs since you reached the age of reflection. Please give us the decision we know we so sorely need by supplying the planned approximate $16,000,000.00 funding in our nation's 1997 budget.

Please give your lovely wife and daughter Carrie's and my sincere regards. We miss all of you and we do feel that your joint intelligence and general attractiveness is showing and will continue to endear you to America's public.

Cordially and sincerely,

Tyndall Dickinson
Tyndall Dickinson

cc: Mr. Thomas "Mac" McLarty
file

LOUIS L. RAMSAY
P. O. BOX 7009
PINE BLUFF, ARKANSAS 71611

WHO D/B

February 19, 1996

The Honorable Bill Clinton
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D. C. 20500-2000

ATTN: Nancy Hernreich
Assistant to the President

Dear Mr. President:

I know the heavy burden that you are carrying with all of the responsibilities of your office and with the upcoming Presidential campaign, but I hope that you will have time to read this letter and, if possible, to have some input in the Administration's proposed FY 1997 budget relative to continued funding for the badly needed Montgomery Point Lock and Dam on the McClellan-Kerr Arkansas River Navigation System.

At this point, the Administration and Congress have recognized the urgency of this project and $18.6 million has already been appropriated and used or is being used for engineering, site acquisition and construction. This is in keeping with Public Law 102-580 where it was provided that "the Secretary shall proceed expeditiously with design, land acquisition and construction of the Montgomery Point Lock and Dam on the White River, Arkansas, authorized as a part of the McClellan-Kerr Waterway by Section I of the River and Harbor Act of July 24, 1946."

As you probably know, the water level of the Mississippi River controls the access to the entrance channel of the navigation system. The bottom of the Mississippi continues to lower and causes navigation restriction some 44 days a year which in effect closes the entrance channel. This problem will get worse in the long run, and if the problem is not corrected, the entire system will become undependable and at risk.

At this time, the Corps of Engineers' construction plan for final completion in the year 2003 is on schedule. The rounded amount from the Corps' approved schedule of construction is $16 million for FY 97.

In the FY 96 Senate Report, language regarding Montgomery Point Lock and Dam stated "the Committee again points out that it will be impossible to sustain ongoing construction funding through completion without executive branch support."

In my opinion and in the judgment of many, this navigation system has meant economic development, new jobs, an expanded tax base and world trade for our area and the country.

I hope that after weighing the facts that you can see fit to support the project by having it included in the Administration's FY 97 budget.

With warmest regards and best wishes, I am

Sincerely yours,

Louis L. Ramsay
Co-Chairman-Transportation
Committee of Pine Bluff
Chamber of Commerce

cc: Thomas F. "Mack" McLarty

Should do memo to Pres cartel from Page on their article BC

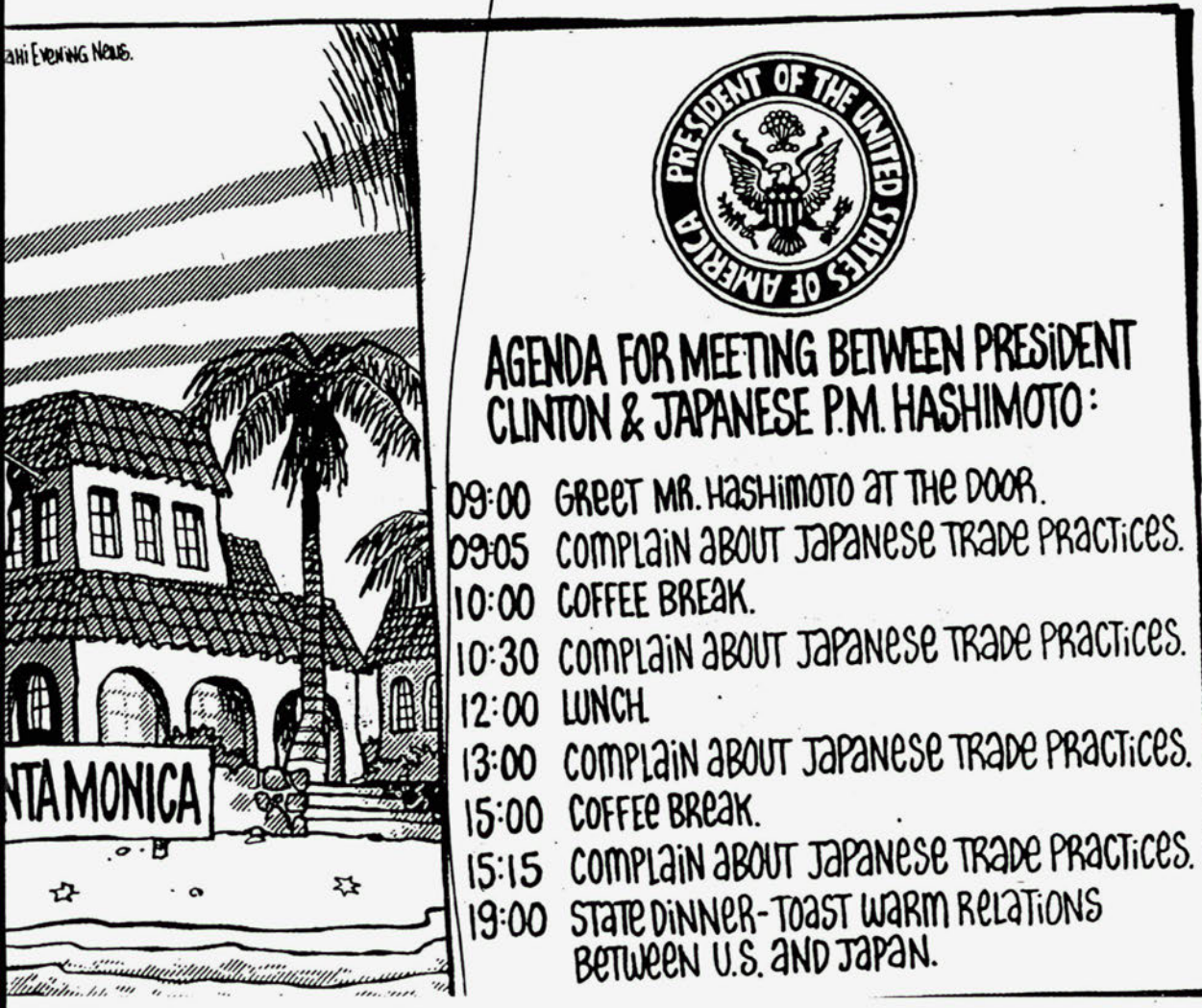
JIM DORSIND:

Please coordinate the reply w the Alexis

FRI

mentary

GBOARD / RAESIDE



THE PRESIDENT HAS SEEN
2/27/96

Commentary

It's Fundamentally Christian to Reject Politics of Hate

■ **Campaign '96:** No one should condone, even by silence, the persecution of homosexuals.

By JIMMY CARTER

It is admirable for Americans to promote our personal beliefs through either religious or political processes. But when we attempt to use our government to force others to worship as we do or treat those who differ as secondary citizens, then we violate the basic tenets of a democracy.

As a conservative Baptist, I am deeply concerned about divisive arguments that have driven wedges between people. We Christians can buttress our arguments on almost any subject with Bible scriptures and then claim that our conclusions should be applied universally. These attitudes can lead to condemnation or even persecution of those who are different.

Beginning about 20 years ago, some Christian leaders concluded a union with the more conservative wing of the Republican Party. But even if the political marriage of fundamentalist Christians had been with Democrats, this would have been a conflict with my own belief in separation of church and state.

Now leaders of the highly organized Christian right have successfully injected into America's political debate some divisive religious questions. The most vivid examples involve sexual preferences, which obviously have highly personal and emotional overtones. Tragically, these issues have moved to the forefront of the 1996 presidential election scene.

Since almost all Protestants now condone divorce as an acceptable way of life and rarely mention fornication or adultery, it is much easier and more convenient for heterosexual Christians to focus on homosexuality, refusing to acknowledge that this is a sin never mentioned by Jesus. From the New Testament, it is clear that leaders of the early church treated homosexual acts the same as fornication, adultery and many other transgressions. The apostle Paul makes it plain that homosexual tendencies, along with many other temptations, should be resisted: "Be not deceived; neither fornicators, nor idolaters, nor adulterers, nor effeminate, nor abusers of themselves with mankind, nor thieves, nor covetous, nor drunkards, nor revilers, nor extortioners, shall inherit the kingdom of God." (1 Corinthians 6:9). Then he goes on to say that all these acts had been totally forgiven. "And such were some of you; but you are washed, but you are sanctified, but you are justified in the name of the Lord Jesus, and by the Spirit of our God."

The driving issues in the early Republican primary contests have made a strange and disturbing shift from economic and budget items to divisive social issues, notably abortion and homosexuality. In the early caucus contests, pressures from the more extreme religious activists have pushed almost every candidate to demagoguery, emphasizing vicious attacks on gay men and women ostensibly based on the teachings of Jesus Christ. An even more disquieting claim is that AIDS is God's punishment on someone who has sinned and that the sufferers should be treated accordingly. Jesus had similar encounters with lepers, who were also looked upon as condemned by God and capable of contaminating their neighbors. Christ set an example for us by reaching out to them, loving and healing them.

Other Christians and the general public must not condone, even by silence, these obnoxious attitudes, increasingly promoted among a few demagogic religious and political leaders. In addition to the direct punishment of many American citizens, undisputed acceptance of a premise that originates within the religious community tends to authenticate it among those who have their own personal prejudices.

We must make it clear that a platform of "I hate gay men and women" is not a way to become president of the United States.

Jimmy Carter was president of the United States from 1977 to 1981. He can be reached by e-mail at <76702.2062@compuserve.com>.

DRAWINGBOARD / RAESIDE



PERSPECTIVE ON BLACK AME

We Become

Please coordinate the reply.

FRI

Commentary

ADRIAN RAESIDE, Asahi Evening News

PERSPECTIVE ON BLACK AMERICA

We Become Whom We Emulate



Children must be taught that the true heroes are not sports celebrities but people who meet the challenges of real life.

By ALAN C. PAGE

In the past year, a lot has been said about the deep racial divisions facing our nation. We have talked about the national tragedy facing the black community: children gunning one another down in the streets, and our men turning to drugs and crime. We either complained or cheered the acquittal of O.J. Simpson and we debated whether a bigoted man should lead a march of a million men. Far too many people believe that these images represent the reality of being black in America.

As a black man, this perception leaves me angry, saddened and frustrated. Although my anger and frustration go beyond the fallout from the Simpson trial and the "Million Man March," these two events illustrate the collective lack of discretion exercised as we choose where to focus our attention. For more than a year and a half, we have been glued to our television sets, fascinated by the downfall of a man once considered by many to be a role model. That fact in and of itself makes me shudder. Being gifted with athletic ability makes one worthy of recognition; it does not make one a role model.

We should be choosing our role models "by the content of their character." As a nation, we were not doing that in 1963 when Dr. Martin Luther King spoke those words and we are not doing it now. We must turn our attention away from those people with high visibility whose actions and words belie the bankrupt nature of their character.

Instead, let us look at all the good that is being done in our own backyards by the millions of black individuals who have a stake in the future of this country; we must teach our children the values those people represent.

Every day, in any given community, there are hundreds of decent black Americans who provide real opportunities for creating and sustaining hope for the future. These are not the heroes who offer hope with promises of winning the lottery, becoming a rap star or pulling down backboards and endorsement contracts in the NBA. These are simply men and women who get up every morning and do the things that citizens do.

In Los Angeles, it's the middle-aged male substitute teacher who mesmerizes a class of fourth-graders with a math concept. In Minneapolis, it's the teenage boy who comes to the aid of an older white man who becomes ill on the street corner. In Chicago, it's the mother in the Garfield Park neighborhood who raises and supports three children while going to school so she can get a better job. In Toledo, Ohio, it's the single mother of four adopted children—three of whom have special needs—who nurtures, loves, raises and provides for them as her own. These people who are quiet heroes rarely receive mention on the evening news. But day after day, they are the true role models for children who may otherwise start to believe what they see on TV.

'We must make a commitment to work with children, not just to develop their hook shots or their throwing arms, but to develop their critical thinking abilities.'

Yes, it is unrealistic to think that the media will stop covering the Simpsons and Farrakhans of the world. Sadly, popular culture dictates that sensationalism, wealth and extremism still take precedence over virtue and hard work. But how we choose to respond is up to each of us. We have the opportunity to influence our children's choice of whom to look up to. We have the ability to recognize, celebrate and emulate the men and women in our communities whose qualities and actions create hope for young people. We simply have to decide whether we have the will to do so.

We are faced with a daunting task, one that requires our vigilance and care in defining success.

While it is necessary for everyone to exercise discrimination when choosing role models, it is especially important for communities of color. In spite of the strides we have made toward racial equality, there are still significantly fewer men and women of color in positions of power and authority, positions that children automatically look to when determining whom they want to be like.

We must make a commitment to work with children, not just to develop their hook shots or their throwing arms, but to develop their critical thinking abilities. We must show them that success comes and dreams are realized when they work hard and take the time to prepare for the challenges they will face. In addition, we must teach children discipline and responsibility. We must teach them by both word and example.

We need to talk openly and meaningfully about the growing gap in race relations. And we need to raise our standards—to expect and demand more of ourselves, our children and the media—so that we can discriminate between superficial heroes and genuine role models.

Alan C. Page is an associate justice of the Minnesota Supreme Court. He is founder of the Page Education Foundation and a member of the NFL Hall of Fame.

e Wings on California Campuses

mostly Latino students, many of them waving Mexican flags, there were those of us who saw in the mass mobilization signs of hope for a more just society.

Although drawing parallels to the student movements of the 1960s is the obvious nostalgic trend for many veteran activists, many of the young people today are not aware of historical struggles that have sought to implement social change. Those of us who do know that history are constantly trying to make that past relevant to today's generation of student activists.

the current level of consciousness and activism is an assertion of power that does not need to be legitimized by a political system that excludes the voices of difference.

We recognize that the power hierarchy in this country—in the world, for that matter—is not likely to relinquish its dominance of its own accord. If today's young generation wants to see social justice materialize, there has to be organization, mobilization, the construction of social and cultural fortifications to say *"ya basta"*

who hold power today, whether in the corporate world, the universities or the public sector, must begin to share power with an increasingly diverse population. Programs like affirmative action are meant to facilitate that transfer of power necessary for a peaceful and just society.

My generation and those to come must consider whether we want to continue living in a society that is controlled by and for the benefit of the rich and powerful. If we want real social change, we cannot wait for the courts or the politicians to implement it. Young people today must become agents of

2.27.96

Original sent to clerk

Dorset no 1 clerk to phone reply

T.

OVERSEAS PRIVATE INVESTMENT CORPORATION

WASHINGTON, D.C. 20527, U.S.A.

96 FEB 26 P9:23

OFFICE OF THE
PRESIDENT

February 23, 1996

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

Dear Mr. President:

I hereby tender my resignation as Executive Vice President of the Overseas Private Investment Corporation effective March 8, 1996.

It has been an honor and a privilege serving in your Administration. Under your leadership, we have been able to take an small government agency and grow it into an instrument of foreign policy at a time when private investment flows have become a paramount concern for developing country governments.

The impact of OPIC's growth on the U.S. private sector is equally dramatic in terms of U.S. exports and jobs created.

Without your leadership, none of this would have been possible.

Again, it was a great privilege to serve the American public in your Administration, and I stand ready to continue to assist in any way I can to make your policy goals a reality.

Respectfully,

Christopher Finn
Executive Vice President

1100 NEW YORK AVE., N. W. · WASHINGTON, D. C. 20527 · FAX (202) 408-9859 · (202) 336-8400

cc Chron

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN
2/27/96

96 FEB 12 P3:15

February 12, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: DONALD A. BAER

SUBJECT: BARBER MEMO

Attached is a memo and cover letter from Ben Barber that he asked me to send in to you.

Interesting → some good stuff

cc DM / MP

THE STATE UNIVERSITY OF NEW JERSEY
RUTGERS

Department of Political Science
Hickman Hall • Douglass Campus
New Brunswick • New Jersey 08903
(908) 932-6861, Fax: (908) 932-1922

Walt Whitman Center for the Culture and Politics of Democracy

Director:
Benjamin R. Barber
Whitman Professor of Political Science

Don Baer
Director, Office of Communications
The White House

February 12, 1996

Dear Don,

I hope we may have a chance to talk on Wednesday when I am in Washington. I have been thinking a good deal about what it might mean to forge from the President's powerful insights into the governing process and his several distinctive approaches to different policy areas a coherent long-term vision that might root and give expression to both a campaign strategy and a second term governing philosophy.

One might say that given the ideological and political disarray of the opposition, he scarcely needs to do anything: he will automatically appear as statesmanlike and visionary. And this is of course true. But by the same token, the Republicans' morass offers him an opportunity to be boldly visionary and persuasively coherent, and I believe boldness in the face of Republican weakness is a politically prudent as well as a statesman-like path to follow. For the President still faces a perception of being insufficiently certain and principled in his core values and choices (witness the reaction to the Naomi Wolff memo, and even some of the cynicism with which our January meetings were met). Would this not be exactly the right time for the President to identify and make explicit the philosophy that was implicit in his thinking and his actions during the first term and prophetic of his hopes for the second?

To do this would mean linking the President's new Democrat move away from big government (a position open to misreading) with his affirmation of civil society and greater civic involement, thus separating it from Republican privatization and laissez-faire policies (the thrust of my enclosed memo). It should offer a standard for distinguishing those domains in which government must remain active to regulate private sector bureaucratism and nurture and sustain civil society from those domains it can cede to a robust civil society. And it should distinguish democratic governing institutions (which remain philosophically defensible and politically viable) from the abuses of paternalism and bureaucratism that have attended them in their welfare state incarnation.

Finally, it should link domestic and foreign policy and offer a grounding for what have been sometimes perceived as a successful series of initiatives which, however, seem to appear to lack a coherent philosophical through line (as Thomas Friedman complained last week in the New York Times.) I have thoughts on this subject I will put in writing another time.

I am enclosing a memo that develops an initial take on one part of this agenda: linking the 'end of the era of big government' that highlighted the State of the Union message to the civil society and social responsibility themes that have absorbed the President's recent attention. This is needed not only to reassure progressives and make explicit that the President is not buying into Republican-style laissez-faire privatization tactics, but also to put the rather negative "end of an era" language together with an affirmative "beginning of an era" promise.

Perhaps part of the problem in the Broder interview was precisely that the language of civil society gets deployed in a vacuum -- used as rhetoric but without respect to real policy and politics. It is taken to be "soft" and "rhetorical", a kind of window-dressing that at best diverts us from and at worse obscure the Adminatration's "real motives" and it political tactics. The aim is to show its relevance to policy-making and political strategy -- to demonstrate that it is part of the thinking that recognizes the "end of the era of big government," and that it issues in important conclusions about domestic and foreign policy.

In any case, I hope these thoughts and the memo provide a basis for some discussion on Wednesday; and that the memo may be of some use to you and the President.

I will be in the office this afternoon (Monday), and I hope we can talk briefly to see if Wednesday works.

Best wishes,

Benjamin R. Barber
Director

Memorandum: to President Clinton
On: "The end of the era of big government."
From: Benjamin Barber
Date: February 12, 1996

Among the several powerful phrases coined for the State of the Union, none had more resonance or political wallop than 'the end of the era of big government.' It signalled your refusal to make progressive politics dependent on traditional Democratic welfare state politics, but also -- to many -- signalled an apparent rightward shift in Democratic strategy. "WE WON!" trumpeted the WEEKLY STANDARD on its cover, explaining inside that your conclusion certified their ideology of wholesale privatization.

Now while I believe that announcing the end of the era of big government was a bold way to separate progressivism from traditional special interest politics, it will speak to progressives only if the alternative is something other than wholesale privatization -- the end of all democratic responsibility for public goods. The Republicans gloated while liberals worried because they assumed, with big government out of the way, the market was to be unleashed without the regulatory, countervailing weight of government to hold it to public interests of the commonweal. In order to counter these misreadings, I would like to see the rhetoric of the "end of big government" closely tied to the rhetoric of civil society, thus:

> "We have come to the end of the era of big government, but if this is not to mean the beginning of a new era of big business, we will need to reestablish a strong civil society in which citizens in partnership with their downsized government take responsibility for both their liberties and their common interests. For we must never forget that though big government has run its course today, it first came into existence because big business -- the great trusts and cartels of the gilded age -- were undermining capitalist competition and running roughshod over our liberties. And if we now dismantle big government but leave the new international conglomerates and global monopolies in place, we will not have defeated bureaucracy and indifference, but only shifted them from the government to the market sector.
>
> "If then it is bigness and monopoly and bureacratic bloat that we wish to fight, we must fight them not only in government but in the private sector as well. And to do that, we must actively nourish civil society and social responsibility -- calling on individuals, small businesses and large corporations alike to take

on the tasks of self-government and social responsibility that are at the core of our democracy."

This suggests a policy that links a commitment to a more modest government with a commitment to a more robust civil society. It means emphasizing that the war on big government is predicated on the real evils of bigness rather than on the supposed sins of government. For democratic government belongs to us, and only when it gets too large and centralized and out of touch with those it represents does it lose its capacity to represent us and secure our common goals. By the same token, when private corporations become monopolistic and lose touch with those they serve -- employees as well as shareholders, the communities in which their factories have been established as well as the world markets from which they profit -- they too, like big government, need to be reined in and made responsible. This may even mean that in this domain, government itself will continue to play a vital ameliorative role.

Such a strategy promises liberals that their government is not abandoning the cause of the public interest but looking for more effective means than government bureacruacy to further it; it tells Republican privatizers that putting government on a more modest footing is not an invitation to big business to do as it will. It tells all Americans that the enemy is not government per se but bureaucratic indifference and dependency-breeding paternalism -- whether governmental or private.

The electoral campaign this year and the four years of governance that will (we trust!) follow demand a vision that both acknowledges the limits of big welfare state style government, but offers a visionary alternative to Republican style laissez-faire privatism and the absurdity that markets can redress major social problems. This is not to play the class card, but to remind Americans that indifference to public goods, family values and civic responsibility can be found in the private sector's big businesses that big government was originally designed to counter no less than in big government itself; and that if we dismantle the one without attending to the perils of the other we will have done little to reestablish responsible democratic institutions.

BRB

THE PRESIDENT HAS SEEN
2/27/96

96 FEB 26 P6:15

February 24, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: Harold Ickes (HI)

SUBJECT: Living Each Day, by Rabbi Abraham J. Twerski

Mr. President, New York City Councilman Noach Dear asked me to forward the above referenced book to you. He mentioned that you expressed an interest in obtaining it. It is inscribed by Rabbi Nosson Scherman, General Editor of ArtScroll/ Mesorah Publications. I suggest you send a thank you note to both Councilman Dear and Rabbi Scherman.

cc: Noach Dear

Betty
AS Do Not
BR

JIM DORSKIND:

Please coordinate the reply.

Original sent to Dorskind



UNITED BANK
OF PHILADELPHIA

THE PRESIDENT HAS SEEN

The Honorable William J. Clinton
President of the United States
The White House
1500 Pennsylvania Avenue
Washington, DC 20500

714 Market Street Philadelphia PA 19106-2397

THE PRESIDENT HAS SEEN

2 27 96

UNITED BANK
OF PHILADELPHIA

DR. EMMA C. CHAPPELL
Founder, Chairman, President and Chief Executive Officer

VIA HAND DELIVERY

February 27, 1996

The Honorable William J. Clinton
President of the United States
The White House
1500 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President:

I have the honor, most respectfully, to extend to you, on behalf of the Board of Directors, Management, over three thousand shareholders, and more than 19,000 customers of United Bank of Philadelphia, a cordial invitation to visit our Bank, at its headquarters in center city Philadelphia.

Mr. President, United Bank is inexplicably an example of your clarion call for the social and economic empowerment of all sectors of the American Society.

Our primary mission is to succinctly foster community development by providing quality, personalized commercial banking services, to businesses and individuals in the Greater Philadelphia Region with a special sensitivity to Blacks, Hispanics, Asians and Women.

Your kind acceptance to honor us with your presence will not only exemplify your personal commitment to the economic development of all the people of the United States especially in this case the underserved, but will give added credence and encouragement to the validity of the bold endeavors of the pioneers of this young and striving banking institution.

Allow me Mr. President to seize this occasion to renew to you assurances of our esteem and highest consideration.

Most respectively yours,

Emma C Chappell

Dr. Emma C. Chappell

Cc: Lewis

THE PRESIDENT HAS SEEN
2-28-96

FELIX G. ROHATYN
30 ROCKEFELLER PLAZA
NEW YORK, N.Y. 10020

2/26/96

Dear Mr. President:

A belated note of thanks for your confidence and support during the Fed nomination. Although I was obviously disappointed in the outcome I have absolutely no regrets for having tried and I hope the issue of growth will now stay on the agenda.

I think Alice is a great choice and I intend to keep doing whatever I can for your reelection.

With best personal regards

Sincerely yours

Felix

02-20-96 11:03 AM FROM LAZARD FR. OFFICE
P002/002/F02

Mitchell Sonnenberg
Sonnenberg today.
Fyfe —
BC

THE PRESIDENT HAS SEEN
2 28 96

FRAN ULMER
LIEUTENANT GOVERNOR
STATE OF ALASKA

THE PRESIDENT HAS SEEN
2.28.96

February 26, 1996

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

Dear Mr. President:

I am pleased to be able to personally deliver to you a letter from Governor Tony Knowles regarding the proposed gas line project in Alaska.

Also enclosed is a brief summary of "Alaska facts" which may help to quickly explain the unique size, location, population, climate, and natural resources of the Great Land.

Finally, I have attached a single page of hot topics of interest to Alaskans. These are issues that could be dramatically affected by federal policy decisions which are currently pending.

My sincere thanks for this special opportunity to meet with you and talk about the future of our state and our nation.

Sincerely,

Fran Ulmer
Lieutenant Governor

Enclosures

P.O. Box 110015 Juneau, Alaska 99811-0015 Phone (907) 465-3520 Fax (907) 465-5400

FRAN ULMER
LIEUTENANT GOVERNOR
STATE OF ALASKA

Alaska "Hot" List

ALASKA NORTH SLOPE EXPORT BAN: We appreciate the Clinton Administration's support of the legislation and we hope you will be able to sign the administrative findings report required by the new law as soon as possible.

TONGASS: We appreciate the firm stand the Clinton Administration has taken in resisting legislative mandates concerning management of the Tongass National Forest. We are committed to continuing to work with the United States Forest Service to revise the Tongass Land Use Management Plan based on sound science, good management founded on sustainability, and public input. We believe in balanced management to assure sustainability of all uses of this forest, tourism, recreation, fisheries, subsistence, mining, and value-added timber harvesting.

ANWR: We understand your current position on this issue but we hope that we can maintain a dialogue with the Clinton Administration about how ANWR could be developed in the future in an environmentally sound manner in order to help the U.S. economy and energy security. We can do it right!

NATURAL GAS PIPELINE: We would appreciate any help the Clinton Administration can provide in interesting Pacific Rim leaders in Alaska's natural gas. We are convinced the gas line is a good project for America--both economically and environmentally--but we need help in stimulating consumer interest.

PACIFIC SALMON TREATY: Alaska has a world-class record in conservation and management of salmon. We are committed to working with the Clinton Administration on legitimate conservation measures in order to resolve our problems with Canada and assure healthy salmon stocks in the Pacific.

MEDICAID AND WELFARE REFORM: We hope you will give serious consideration to the National Governors' Association proposals on these issues and we appreciate your vigilance in protecting these programs and their beneficiaries.

P.O. Box 110015 Juneau, Alaska 99811-0015 Phone (907) 465-3520 Fax (907) 465-5400

ALASKA SUPERLATIVES

- **WORLD POSITION**— Alaska is at the center of the world's most active trading hemisphere, with ice–free ports close to many major trade centers. Anchoring the Pacific Rim, the Northwest Passage links Europe, North America and Asia. Nearly equidistant from Tokyo, London and New York, Anchorage International Airport is one of the nation's busiest, with 95% of all Asia to Europe air cargo and 70% of all Asia to lower 48 air cargo setting down there.

- **TAXES AND INCENTIVES**—Alaska has no state income tax, no state sales tax, no gross receipts tax, and no inventory tax—only a moderate corporate income tax.

- **LEADERSHIP**—Alaska's leadership has a fresh, visionary, innovative "can do" attitude that is very supportive of economic development.

- **SIZE**—Alaska is larger than the three largest states in the union combined; one–fifth the size of the contiguous United States; 120 times larger than the state of Rhode Island. One of our 5000 glaciers—Malaspina—is, in fact, larger than that small state. Alaska has 586,412 square miles containing the tallest mountain in North America, more than 3000 rivers and 3 million lakes. Superimposed over a map of the lower 48, Alaska would reach from South Carolina to California, from Mexico to the Canadian border. Alaska's coastline is longer than that of all the lower 48 states combined. Alaska's natural beauty is unsurpassed anywhere in the world.

- **PEOPLE**—Alaska, home of the first North Americans, has a diverse and distinctive mix of laborers and professionals who are young (average age 27), pioneering, well educated and resourceful.

- **AGRICULTURE**—About 15 million acres of soil in Alaska are suitable for farming, but only 1.4 million acres are actually being used. There are more daylight growing hours north of the Arctic Circle than in Iowa. Alaska also has great geothermal potential.

- **COMMERCIAL FISHING**—Alaska, ranking first in the nation, accounts for nearly half of the U.S. annual seafood production and is fifth largest in the world. Six Alaska fishing ports are on the list of top ten U.S. money makers. One-third of all U.S. seafood exports is shipped directly from Alaska; in addition a significant amount of Alaska seafood is shipped to Washington state before being exported.

- **OIL AND GAS**—Alaska has the two largest producing oil fields in the United States. Our oil production represents 25% of the U.S. total. Beneath Alaska's surface lies an estimated 30% of the proven U.S. oil reserves, and below our outer continental shelf lie even greater reservoirs of oil and gas.

- **MINERALS**—Eight "world class" mineral deposits, each containing more than $1 billion in strategic or important minerals have been found to date in Alaska. Half the U.S. estimated coal reserves, representing one–sixth of the world's deposits, are thought to be present in Alaska.

- **TIMBER**—The Tongess National Forest, largest in the United States, covers 16.7 million acres, and the Chugach National Forest, second largest, contains 5.8 million acres. Alaska's commercial timber potential is estimated to be 2.18 billion board feet. As tropical forests disappear, vast stands of arctic birch and alder may become a major factor in new wood culture development.

- **POTENTIAL FOR AEROSPACE DEVELOPMENT**—Alaska's Poker Flats Research Range, owned by the University of Alaska, has great potential as a commercial launch facility. Its high latitude location provides optimum conditions for low cost launches of polar orbit rockets.

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Frances Ann Ulmer

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E-Mail: Fran_Ulmer%Gov@State.AK.US

Elected Office

January 1995 - Present — **Lieutenant Governor** • Elected with Governor Tony Knowles November 1994. First woman elected to statewide office in Alaska

November 1986 - January 1995 — **State Representative** • Four terms in the Alaska State House of Representatives. Last term served as Miniority Leader

October 1983 - October 1985 — **Mayor** • City and Borough of Juneau, Alaska

Personal

Married for 18 years to Bill Council, attorney in private practice
Two teenagers, Amy and Louis
Hobbies: fishing, hiking, kayaking, cross country skiing and singing
Place of Birth: Madison, Wisconsin
Alaska resident since 1973

Education

1972 — **J.D.** **University of Wisconsin Law School, Cum Laude**

1969 — **B.A.** **University of Wisconsin, Madison**
Joint major in Political Science and Economics
Advanced training in conflict mediation and executive management (American Management Association)

Honors

1991 — Toll Fellow
1992 — Chair, Alaska Delegation, Democratic National Convention

POLITICAL BIOGRAPHY

LIEUTENANT GOVERNOR FRAN ULMER

Lt. Governor Fran Ulmer started her career in Alaska politics and government almost as soon as she arrived in Alaska in 1973. She was soon hired by former Governor Jay Hammond as one of his key political advisors, serving first as his legislative liaison and then as the director of Policy Development. At the same time, she was an active volunteer in many local community organizations such as Big Brothers/Big Sisters, the Salvation Army and the March of Dimes, and served as chair of the local Planning Commission. In 1983, Fran Was elected Mayor of Juneau and was subsequently elected the first chair of the U.S. Conference of Women Mayors.

Following her tenure as Juneau's mayor, the Lt. Governor was elected to the first of 4 terms in the House of Representatives where she successfully sponsored dozens of bills on a wide variety of issues: victim rights, criminal penalties, recycling, criminal justice, health, education and children's well-being. In her final term, she served as Minority Leader of the House of Representatives.

The Lt. Governor's statutory duties include supervision of the Division of Elections, signing and filing of regulations; production of the Administrative Journal, central registration and supervision of notaries, all matters related to use of the official state seal; and serving as chair of the Alaska Historical Commission. Lt. Governor Ulmer is also a member of the Executive Clemency Advisory Committee, the Arctic Winter Games, and RuralCap.

In addition, Governor Knowles has asked the Lt. Governor to oversee broad policy issues. She is chair of the Telecommunications Information Council which is responsible for establishing policies and standards for voice, video and data systems in state government. Lt. Governor Ulmer is also the Governor's representative and chair to the Alaska Public Utility Commission's Alaska 2001 Advisory Committee, which is exploring the new ways telephone, cable television companies and computerization are delivering information to Alaska consumers. Lt. Governor Ulmer has also been appointed by the Governor to serve on the Alaska Science and Technology Foundation Board. She headed the Administration's transition effort and sits on many internal advisory groups which helps the Governor make decisions for the state operating and capital budgets.

Fran Ulmer grew up in a small town in Wisconsin where she learned to love the outdoors. After graduating from the University of Wisconsin with a bachelor's degree in economics and political science, Fran continued at the Wisconsin School of Law where she collected honors with her law degree.

Alaska's first woman Lieutenant Governor brings a close family circle to her new job. Fran is married to Bill Council and is the mother of two teenagers, Amy and Louis.

THE PRESIDENT HAS SEEN
2.28.96

MEMORANDUM FOR THE PRESIDENT

From: RBR

96 FEB 8 A8:57

Date: February 6, 1996

RE: Attached, on "corporate citizenship."

FYI

Pink Slips, Profits, and Paychecks: Corporate Citizenship in an Era of Smaller Government

Robert B. Reich
U.S. Secretary of Labor

George Washington University School of Business and Public Management

February 6, 1996

If the government is to do less, then the private sector will have to do more. But the stunning announcement on the first business day of 1996 that one of the nation's largest and most profitable companies will permanently lay off tens of thousands of employees raises profound questions about the private sector's ability to take on more responsibility for Americans' economic well-being. What may feel like a nightmare for the affected workers is, in fact, hailed as a dream-come-true on Wall Street -- suggesting that the company may have done exactly the right thing by its shareholders. But that is precisely the issue.

Do companies have obligations beyond the bottom line? Do they owe anything to their workers, their workers' families and their communities?

Even some of the most orthodox defenders of the free market have said that movie studios, record companies and television networks should forswear lewdness or violence, although pandering to audiences' baser appetites would yield rich profits. The profit principle, it seems, is something short of absolute. What, then, about a corporation's duty to its employees, their families and the communities in which they live? Might not the sudden loss of a paycheck be at least as damaging to family values as a titillating screen performance?

In fact, family values are intricately intertwined with what might be called home economics. The necessity to work longer hours in order to make ends meet may mean that a parent isn't home when a child is in most need of parenting. The urgency of finding a new job may mean that one spouse must move to another city, or must commute long distances, leaving family behind. Or it may require that an entire family uproot itself from friends and relatives. The financial pressures resulting from a declining paycheck or the loss of a job can disrupt and sometimes destroy families. Whether we like it or not -- whether we recognize it or not -- corporate decision-makers have significant influence over the future strength of America's families and communities.

Yet corporate executives protest, with some justification, that they have no choice. They argue that they must do what is in the interest of shareholders even at the expense of employees and the communities in which they live. If wages and benefits can be cut without imperiling production, they must be cut. If employees' efforts do not generate a sufficient return, the jobs have to go. And if an entire community loses its economic base

because the company can do its work more efficiently elsewhere, then so be it. Managers who balk at executing the judgments of the market fear, with reason, that they will quickly face their own day of reckoning.

Yet this restricted vision of stewardship is ultimately disastrous for America -- including American business. Corporate leaders must reconsider.

This era of government downsizing is also a time for corporations to size up their responsibilities to America. As the President noted in his State of the Union address, employers must do their part along with employees -- sharing with workers the benefits of the good years, not just the burdens of the bad. It is a time for companies to focus beyond the bottom line. It is a time for a new corporate citizenship.

I would like to speak of what such a reconsideration might entail. But first, a little perspective on how we reached this point.

1. The End of the Social Compact

Chief executives once sang a different tune. In a 1951 address that was typical of the era, Frank Abrams, chairman of Standard Oil of New Jersey, proclaimed, "The job of management is to maintain an equitable and working balance among the claims of the various directly interested groups ... stockholders, employees, customers and the public at large." That same year, ***Fortune*** magazine lectured executives on their duty to be "industrial statesmen" who worked for the good of their employees and communities as well as shareholders.

This implicit social compact between corporations, their employees and communities with which they dealt survived into the 1960's and 1970's. So long as the company earned healthy profits, employees could be assured of secure jobs with rising wages and benefits, and their communities could count on a steady tax base. When the economy turned sour, employees might be laid off for a time. But when the economy revived, the work would return. The very term "layoff" suggested a temporary separation.

The compact was enforced in several ways. Unions obviously played an important role. There was also a public expectation that when a company did well, its employees and community would also do well. It would be unseemly -- "un-American", if you will -- for a business not to share the benefits of its success.

What has changed? For one thing, competition. American businesses have been transformed from comfortable and stable rivals into bloodletting gladiators. Information technologies have radically reduced the transaction time between suppliers, wholesalers, retailers and customers. Airlines, telephone companies, utilities, common carriers -- and Wall Street itself -- have been deregulated. Global competitors threaten the very survival of American manufacturers. Entry barriers such as preferential access to capital markets have dropped, allowing small companies to grab market share from big ones.

Today, vast amounts of capital can be moved from place to place at the push of a key on a personal computer. Investors face an ever-wider array of choices of where to put their money.

This "electronic capitalism" has replaced the gentlemanly investment system that had given "industrial statesmen" the discretion to balance the interests of shareholders against those of employees and communities. Now, any chief executive who hesitates to subordinate all else to maximize shareholder returns risks trouble. By the same token, a chief executive who ruthlessly subordinates all else can reap handsome rewards. We are faced with the spectacle of CEO's pocketing multi-million dollar bonuses and stock options after abandoning their employees and communities -- indeed, precisely because they have abandoned their employees and communities.

The social compact has come undone. Unions are less able to enforce it. Public norms and expectations cannot sustain it. Profitable companies are shedding workers and they are leaving town. Even the term "layoff" no longer means what it used to. Most layoffs are now permanent. We need a new word to describe what the phenomenon. Perhaps we should call them not "layoffs" but "cast-offs."

2. The Trap of the Old Economy

This transformation of the corporation into the agent of the shareholder alone, and the consequent stranding of so many working people and their communities, is occurring at a particularly unfortunate time. Much of the American workforce is facing a stark challenge of adapting to new economic realities, just as sources of support in meeting that challenge are quickly eroding.

The same explosion of technological change and global integration that has intensified competition among companies and expanded investors' options is also changing the nature of work. The mass-production jobs which were once the gateways to the middle class are being replaced by jobs requiring technical or problem-solving skills and the capacity to continuously acquire new skills. The earnings of people who are poorly educated to begin with, or who have outmoded skills, are declining. The earnings of those with good educations and the right skills are rising. The gap is widening rapidly.

Tens of millions of Americans remain trapped in the old economy. I have seen them and talked with them across the nation. They are laid-off -- cast-off -- and jobless, or in new jobs with worse wages and benefits. In fact, most people who have lost their jobs in recent years and found new ones never catch up with the earnings and benefits they once had.[1] Or they have started out in a low-wage job and cannot seem to get ahead no matter how hard they work. They cannot easily acquire on their own the education and training needed to succeed in the new economy.

---

[1] Stevens, Ann Huff, "Long-term Effects of Job Displacement: Evidence from the Panel Study of Income Dynamics", NBER Working Paper #5343, November 1995.

This is a problem for all of us, not just the bottom half of the workforce. Almost three quarters of our national output comes from people; only one quarter from machinery. The quality of our labor force is the engine of economic growth; physical capital is the caboose. If a significant portion of the American workforce lacks the skills to succeed in the new economy, the standard of living of all Americans is imperiled.

3. The Consequence

The corporation's relentless focus on one goal -- the exclusive goal of maximizing shareholder returns -- makes it less willing or able to ease the transition of the American workforce to the new economy. Were the old social compact still in effect, companies would bring their workers along, and pay the extra freight. With the compact voided, even highly-profitable companies now leave their workers behind.

The narrow economic calculus discourages such investments: The nation as a whole may be better off when employers provide adequate pensions and decent health coverage and when they teach their workers basic or industry-wide skills beyond what is required to function effectively in their current job. The economy as a whole may be more productive and flexible when employers see to it that workers who are no longer needed get trained for and placed in new jobs. Yet because the company's shareholders do not reap the full benefits of these sorts of investments, even the most enlightened Chief Executive Officer will be loathe to make them to the extent that society needs.

To be sure, some companies do take the "high road" to higher profits -- bringing employees along while improving and enlarging their businesses and thus expanding their payrolls -- rather than the low road of suppressing wages and paring payrolls. And the shareholders of these companies do perfectly well. In fact, the long-term payoff from boosting worker loyalty and security and from retaining experienced workers can exceed the more immediate financial benefits of taking the "low road".

Let me give you several examples of high-road companies. Just before last Christmas, a tragic fire destroyed the factory of Malden Mills in Methuen, Massachusetts, and with it the security and the hopes of the 2,400 people who work there. Three days later, the owner of the firm, Mr. Aaron Feuerstein, appeared before his employees and told them that he would not only rebuild and rehire every one of them, but he would also continue paying them their salaries and their benefits during the shutdown. Today, Malden Mills is well on its way back to full operation.

Or consider another company -- this one publicly-held. Corning, Incorporated, is ensuring its worldwide leadership in its diverse product line -- from housewares to telecommunications -- through a commitment to employee participation and training. The company has won the Malcolm Baldrige National Quality Award and has been recognized by Working Mother magazine for providing a family-friendly work environment.

There are many other examples of high-road companies -- Xerox, Chrysler, Republic Engineered Steels -- to name only a few. But I wish there were more. Unfortunately, the high road is the exception rather than the rule. In too many instances, top executives are

not creating value; they are merely redistributing income from employees and their communities to shareholders.

As corporations have focused more and more exclusively on increasing shareholders' returns, the consequences have become obvious. The stock market has soared while pink slips have proliferated, health care and pensions have been cut, and the paychecks of most employees have gone nowhere. Top executives, talented entrepreneurs, and Wall Street intermediaries have never done as well. Workers without adequate education and skills, or with outmoded skills, are in free fall. This situation is not sustainable. But what can be done about it?

4. The Limits on the Public Sector

Historians looking back on this era will record the double irony. As noted, the transformation of the corporation into the agent of the shareholder alone is occurring at a time just when the American workforce is in most need of help adapting to a new economic system. But it is also occurring just when the public sector is particularly constrained from filling the void. This administration came to office hobbled by more than a decade of exploding public indebtedness. We had no choice but to make deficit-reduction a first priority. Moreover, the public is increasingly skeptical of the federal government's capacity to run large programs. As the President noted in the State of the Union Address, "the era of big government is over."

Regardless of how the current budget negotiations are settled, in the future the federal government will have a more modest role in safeguarding the economic security of Americans. States and localities may have more leeway, in principle, but far fewer resources. And because they will compete with other states and locales to attract companies, they will be reluctant to impose higher taxes or any other extra burdens.

To be sure, government can make more effective use of the resources it does have. We have already taken steps to change the unemployment insurance system -- designed to provide income support during temporary layoffs -- into a genuine re-employment system designed to move people rapidly into new jobs and get them the training they need. Hopefully, Congress will heed the President's call to consolidate federal job-training programs into vouchers which unemployed or low-wage workers can use at community colleges or technical schools to get the skills they need. And we want to make pensions and health insurance more portable, so that they will move with people from job to job, and be available between jobs. The Administration strongly supports legislation now pending before Congress which would bar health insurers from cancelling policies when a job is lost.

The President remains committed to education and job training. But even if we succeed in maintaining current levels of funding in the face of severe budget constraints, it will not be nearly enough. State and local governments across America are paring back. Classrooms in too many of our cities remain overcrowded. Tuition at too many state universities and community colleges is rising faster than inflation. Vocational and technical education is too often obsolete or woefully inadequate to what the times demand. By one estimate, merely to return to the level of inequality at the end of the 1970s would require an additional yearly public investment in the skills of the bottom half of our workforce of

approximately $60 billion.[2] It is a safe bet that funding of that magnitude will not be forthcoming any time soon.

5. Corporate Responsibility Revisited

One ostensible purpose of eliminating the federal budget deficit is to give the private sector more capital to invest, thus widening opportunities and raising earnings for all Americans. Balancing the federal budget is not a goal in itself, but is a means to higher living standards for all.

Yet as we all see, there is no guarantee that corporations will use the extra resources in this way. Maximizing shareholders' returns may require investing the extra dollars in production abroad, or in labor-saving equipment intended to reduce wages and cut jobs, or in mergers, acquisitions and divestitures that result in mass layoffs.

How, then, to get the private sector to take more responsibility for their employees and the communities in which they live, as the federal government retreats?

I do not advocate a return to the era of industrial statesmanship. That era, too, is over. Even if we could turn the clock backward and enlarge upon the C.E.O.'s former discretion in balancing the interests of shareholders against those of employees and communities, it is far from clear that society should vest such power in private citizens.

Exhortation can have some effect. After all, most companies are understandably concerned about their public image. Good corporate citizenship is often a wise business strategy. One recent example involves the growing problem of sweatshops in the garment industry. As anyone who has had anything to do with this industry knows, the big retailers call the shots. They have the buying power to determine how the industry runs. After slave-labor conditions were discovered in California sweatshops last summer, we published the names of several of the nation's largest retailers to which the garments in question had been shipped. Subsequently, during the Christmas gift-buying season, we published the names of big retailers that had pledged to regularly inspect their contractors or to require that the manufacturers with whom they deal do so. These measures have begun to work. More than a dozen of the nation's top retailers have joined us in our campaign against sweatshops. I hope and expect that others will do so as well.

Earlier I listed several companies that have distinguished themselves as fine employers. Many companies are also taking an active role in improving their communities -- actively participating in local training programs and contributing to the public schools. They too deserve commendation. Unfortunately, these efforts are too often cancelled out by companies that conduct bidding wars among states or localities, threatening to leave one

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[2] James J. Heckman, Rebecca Roselius, and Jeffrey Smith, "U.S. Education and Training Policy: A Re-evaluation of the Underlying Assumptions Behind the 'New Consensus,'" in Labor Markets, Employment Policy, and Job Creation, edited by Lewis Solmon and Alec Levenson, Westview Press, 1994. Heckman's estimate works out to $170 billion per year for 10 years, but that sum includes the cost to individuals of foregoing income during the course of job training. Therefore, cost to the government is probably closer to $60 billion per year.

place or offering to go to another depending on how much their taxes are cut or how much of a cash subsidy they can elicit from the public sector. Such tactics result in a giant zero-sum game which fails to create a single new job but merely moves the old ones from place to place, leaving a trail of pink slips and abandoned communities. It also puts companies that don't play the game and don't get the tax breaks or subsidies at a competitive disadvantage. Worse yet, such bidding wars drain state and local governments of scarce resources that could otherwise be invested in schools, technical training, and physical infrastructure. Starting bidding wars for tax breaks or subsidies is the opposite of good corporate citizenship, and it deserves condemnation.

Assume that we have gone as far as possible in exhorting companies to be more responsible and in quelling their appetite for political favor. We have gained some ground, but most working people are still insecure and the income gap continues to widen. What else can be done?

6. A Modest Proposal

Let's look at the basics. The corporation is, remember, a creation of law; it does not exist in nature. The corporate form of business carries special advantages: Investors are not personally liable for damages or debts. A corporation has the same rights of free speech and legal action that an individual has -- but can live forever. There are disadvantages as well: Corporations must pay taxes on their incomes, as do the investors who receive dividends, resulting in double taxation.

If we want business to take more responsibility for the American workforce and its transformation to the new global economy, we will have to alter this mix of advantages and disadvantages to provide the proper incentives. If we want companies to do things which do not necessarily improve the returns to shareholders but which are beneficial for the economy and society as a whole -- actions such as upgrading the general skills of employees, providing them with decent pension and health care protections, sharing more of the profits with them, and, when laying them off, retraining them and placing them in new jobs -- we have to give business an economic reason to do so. One possibility would be to reduce or eliminate corporate income taxes only for companies that achieve certain minimum requirements along these dimensions.

This is, admittedly, a modest proposal. The tax code already treats different types of organization differently. Charitable organizations, meeting certain minimal requirements of structure and behavior, are treated quite differently from the standard corporation, as are partnerships and proprietorships. These differences reflect judgments about the societal benefits and responsibilities stemming from these various forms of organization. Similarly, there are societal advantages in improving the quality and flexibility of the workforce, and societal costs in failing to do so. Certain enterprises may be well-positioned to maximize these advantages and minimize these costs. Let us, as a society, encourage them do so, and reward them accordingly.

Those who worship at the altar of the free market need not fear blasphemy. I am not suggesting that corporations be required (or induced) to keep on their payroll workers who don't contribute to the bottom line. I am not asking that they remain in communities when there are more efficient places to produce their wares, or to take any other action

which may reduce returns to shareholders. I am suggesting, however, a means of making corporations more accountable for the social costs and benefits of economic change.

7. A National Discussion

Others will have different ideas for how corporations can best respond to the growing inequalities and insecurities in our workforce. Let us have a national discussion about this -- about the role of the corporation at this unique moment in history. Surely this discussion is no less important than the one we are having about the role of government. Chief executives should contribute to this discussion -- not in order to defend the status quo but in recognition that the trends we are observing cannot be allowed to continue. In this era of smaller government, at a time when so many Americans are foundering in the face of record profits and a soaring stock market, the failure of the private sector to respond imperils this nation's continued prosperity and stability.

Will the end of the era of big government witness a new era of corporate responsibility? Nobody can yet say for sure. But I am certain that, unless checked, the resentment of stranded workers will eventually undermine the political preconditions for continued business prosperity. If too many of our people feel excluded from the upside gains of a growing economy and disproportionately burdened by its downside risks and costs, they will support policies that sacrifice growth in favor of economic security -- policies like trade protection, capital controls, and inflexible rules of employment.

I sincerely hope we do not ever get to that point. You in this room have an enormous interest in sustaining the culture of openness and economic dynamism that has served business so well. Fortunately, as you move on to positions of corporate leadership, you will also be able to exercise your influence in ways that make such an outcome more likely. I urge you, for the sake of our country, to help create and sustain a new era of corporate citizenship.

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THE PRESIDENT HAS SEEN

3 28 96

THE WHITE HOUSE

WASHINGTON

February 28, 1996

MR. PRESIDENT:

FCC Commissioner Susan Ness has sent you a letter on children's TV. A response is not necessary and is not especially desirable, per Counsel's office, since the Children's Television Act proceeding is still in the rulemaking phase.

We have attached a letter you sent to all of the FCC Commissioners last fall on this issue.

Todd Stern

cc: [illegible]
I also sign for us.

Federal Communications Commission
Washington, D.C. 20554

THE PRESIDENT HAS SEEN

96 FEB 5 P2:40

Commissioner Susan Ness

February 5, 1996

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

Dear Mr. President:

Your State of the Union speech was masterful! You really connected. It worked in so many different ways, but especially in highlighting the concept of national community.

I was particularly delighted with your comments relating to communications: wiring the schools, improving children's programming, enacting the communications legislation. While the legislation is not perfect, I am thrilled that it finally passed. We at the FCC will have a tremendous amount of work to do, but the goals are worthy and the potential benefits are enormous.

I know that you and the First Lady care deeply about children's television programming. Thank you for your leadership on this issue.

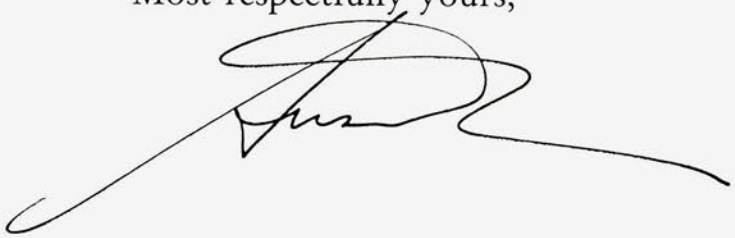
Mr. President, broadcasters are at a fork in the road. Television broadcasting either can be treated as -- to use former FCC Chairman Mark Fowler's words -- "a toaster with pictures" or it can continue to serve as public trustee of the airwaves. Admittedly, toasters do not have special requirements placed upon them (Children's Television Act, V-Chip, indecency restrictions, and lowest unit charge for political ads). But toasters are not guaranteed store shelf space ("must carry" rights on cable TVsystems) and prime shelf placement ("channel positioning"), nor are toasters provided government facilitation for conversion to new technology (additional spectrum for digital conversion). Broadcasters cannot have it both ways.

Despite the Children's Television Act, many broadcasters continue to resist making any concrete commitment to meet the educational and informational needs of children. I am advocating a "safe harbor" that would permit broadcasters either to air three hours per week of core children's programming (and know they've met their obligation) or to demonstrate a truly *comparable* commitment in other ways. This approach provides flexibility and is both family-friendly and First Amendment-friendly. It remains to be seen what action the Commission will take on this matter.

It would be great if newspapers could be persuaded voluntarily to spotlight quality children's programming in their weekly television listings. If stations are required to identify the programs that they consider to be educational and informational and if newspapers publish that designation, parents will be in a better position to select programs for their children -- and communities will have the tools to assess how well stations are meeting their commitments.

I hope that your eloquent words regarding our responsibilities as a national community will cause broadcasters to reflect upon their contribution to the welfare of our children and to do the right thing.

Most respectfully yours,



THE WHITE HOUSE

WASHINGTON

September 18, 1995

The Honorable Reed Hundt
Chair
Federal Communications Commission
8th Floor
1919 M Street, N.W.
Washington, D.C. 20554

Dear Chairman Hundt:

The Children's Television Act of 1990 recognizes the power and value of television's influence on our nation's children. The Act sets forth a reasonable exchange -- it requires commercial broadcasters to honor their public trust by offering programming that enhances children's learning. The dissemination of true educational programming across the public airwaves is a priceless gift to our children.

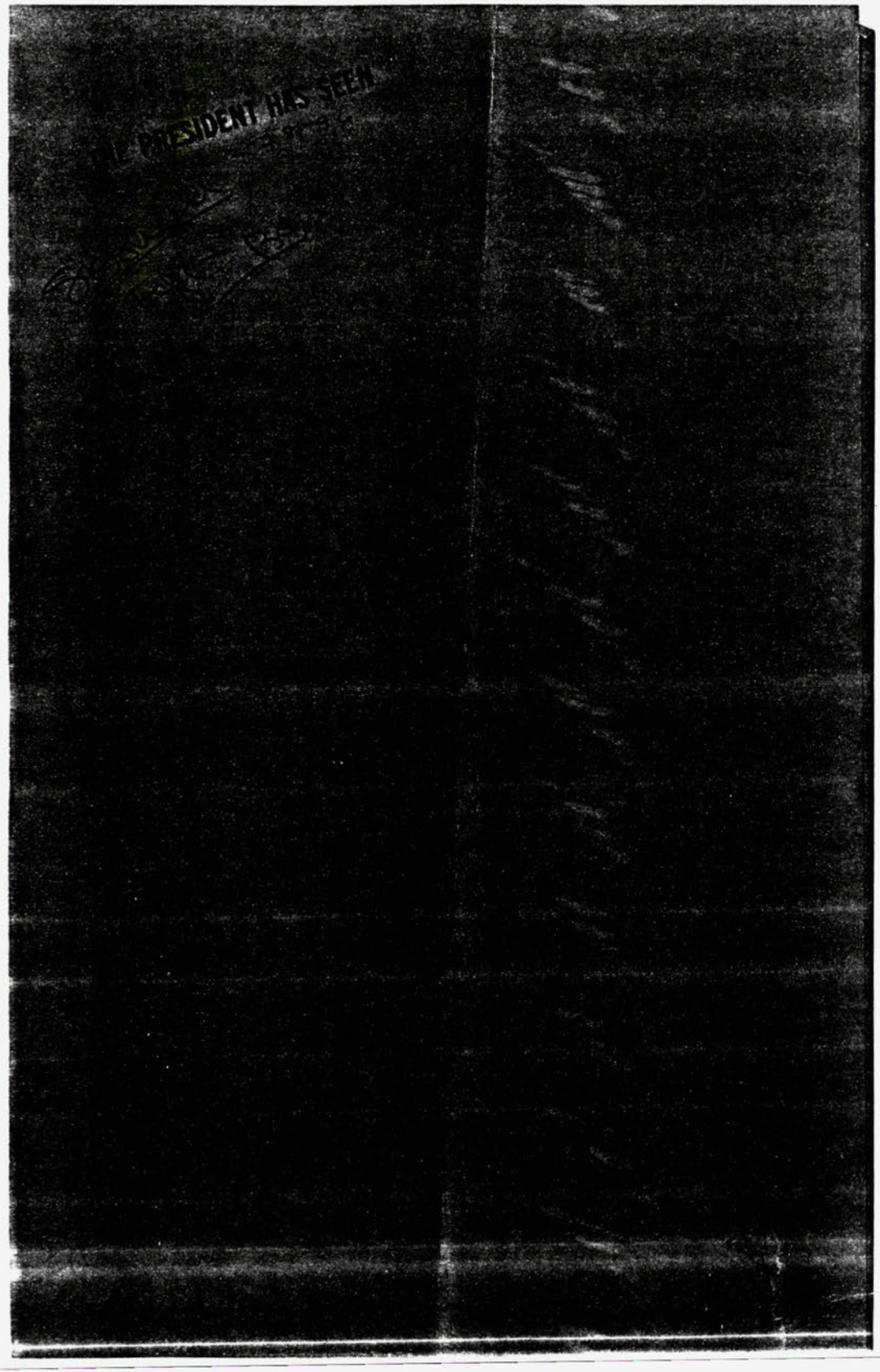
The American public had every reason to believe that when the Children's Television Act was signed into law, programming specifically designed to benefit children would become an important part of the choices on every broadcast channel. The American public has been disappointed, and American children have lost countless opportunities to learn and to be challenged intellectually.

I urge you again to review the purpose of the Children's Television Act and the broadcast programming our children are offered today. To paraphrase former FCC Commissioner Newton Minow, if we can't figure out how the public interest standard relates to children, the youngest of whom can't read or write, and all of whom are dependent in every way on adults, then we will never figure out the meaning of the public interest standard.

I believe the public interest should require broadcasters to air at least three hours per week, and preferably more, of quality children's programming at reasonable times of the day. The FCC and the broadcast industry have an unequaled opportunity to redefine how television can serve the public interest, especially with respect to our children. I urge you to do so.

Sincerely,

Bill Clinton


PRESIDENT HAS SEEN

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Paid for by Mary Gail and Lamar Gwaltney

Betty - Shall do it
Mail Mike
Letter will Pat

THE PRESIDENT HAS SEEN
2/27/96

Howard & Rosie Meek
521 Gallatin Court
Nashville, TN 37217

A different perspective

What manner of man is this?
A man who doesn't strike back,
Even when attacked personally,
time after time, after time.
A man who, rather than join in the personal fueds,
Keeps talking about issues, and more issues...
What kind of man is this?

What kind of man can grin and bear it,
When he is ridiculed daily--for all sorts of things:
Even talking too long! Serious talk, mind you,
About critical problems that beset our country;
And about his plans to attack those problems.
A man who believes that EVERYONE's ideas, and
Contributions are important.
What kind of man IS this?

What kind of man is it, who constantly
turns the other cheek?
Even when they joke about his daughter--
an innoncent little girl who has
never done anything to harm anyone.
Or when they ridicule his wife, and say all
manner of evil against her...
Telling crude jokes; fantaziing about her
nude in centerfolds!
(What kind of people would do such things?!).

What kind of President and First Lady,
in spite of all this,
Would take the high road, and refuse to return
evil for evil?
Or get angy, and say spiteful things?
Who, when called vile names, invites those
with unclean lips
To come into their house, and receive forgiveness?
What kind of first family, indeed!

Is it possible they are the same people
Made the "targets" of so much rumor and innuendo?
Whose lives and work seem so incongruous to that image?
Whose character and openness are impugned daily?
What inner compass keeps these people stable and sure,
Amidst this frenzy of accusation and attack?

original sent to Dorskind

JIM DORSKIND:
Please coordinate
the reply.

-cont'd

What manner of President, criticized for
being too "political", and "unprincipled",
Risks his own popularity over and over again
by fighting for the poor, the disadvantaged,
and those without advocates.
What kind of man would return again and again
to the tough issues--and go where no man has
gone before?
What kind of man is THAT?

Perhaps this is a man different from that "image".
A man whose plumb line runs deep,
and keeps him steady amidst the storms.
What kind of man is this? Perhaps we're beginning to see.

The thunder of criticism becomes less ominous now;
and slowly rolls into the distance...
bouncing off empty walls.

Still, some say this man should "go"!

But when he speaks again, I think I'll listen.
This kind of man I need to know.

Howard D. Meek
2-12-95

THE PRESIDENT HAS SEEN
2/27/96

D.C. Control Board Cuts Schools, Social Spending

Police, Public Works to Get More Money

By David A. Vise and Vernon Loeb
Washington Post Staff Writers

The D.C. financial control board voted yesterday to close six school buildings by this fall and slash $67.8 million from the city's Department of Human Services, but it actually boosted spending in two critical areas—police and public works—over last year.

Along with ordering $19 million in education cuts and much deeper reductions in social services, the board demanded that Mayor Marion Barry and the D.C. Council slash their own budgets, moves that involve relatively little money but great political symbolism. The board cut its own budget by 10 percent.

But the board moved to pump up funding for several core city services. John W. Hill Jr., the control board's executive director, said the police department's budget of $242 million represents a $7 million spending increase from fiscal 1995 and would allow the uniformed force to grow by 60 officers, from 3,659 to 3,719.

In public works, the control board increased spending by $23 million, from $126 million to $149 million. The D.C. Council had recommended an even bigger jump—to $162.6 million—but control board Chairman Andrew F. Brimmer called the board's figure "a sizable increase" that would provide enough money for maintaining snowplows and garbage trucks.

The board also reversed a D.C. Council decision to cut $3 million from the city's summer youth jobs program, which the mayor repeatedly has defended, restoring its budget to $9.1 million. "Many of these youths rely on that money to buy school clothing and supplement family income," board member Joyce A. Ladner said. "It also will keep young people off the streets."

The control board's decisions now go back to the D.C. Council, which has 15 days to develop a plan for implementing the cuts. The agency-by-agency spending levels the board set for the current year are no longer negotiable, Hill said, and can be overruled only by Congress, which is unlikely.

Consistent with its pledge to reduce bureaucratic overhead, the board zeroed in on the mayor's office, reducing expenditures for personnel, lobbying and communications by

See DISTRICT, A12, Col. 1

DISTRICT, From A1

more than 25 percent, from $6.3 million to $4.6 million.

After studying mayoral expenditures in other cities and finding that, for example, the D.C. mayor's office spends $1 million more a year than its counterpart in Chicago, board members said the cut in Barry's budget would bring its spending more in line with that of other cities included in the review.

The control board cut its own $3.5 million budget by 10 percent, or $350,000, and reduced the D.C. Council's budget by nearly $1 million, to $7.4 million. But it increased funding for two quasi-independent positions in city government: Chief Financial Officer Anthony A. Williams got an additional $473,000, and Inspector General Angela L. Avant's budget nearly doubled, rising from $2.7 million to $5 million. Part of that increase came from consolidating nine inspectors in other departments directly under Avant.

"We did not identify any areas that were off limits," Brimmer said of the board's approach to budget-cutting. "We decided every budget category was open to reexamination and review. We also concluded that wherever possible, we would confine the cuts to overhead."

Johnny Allem, a spokesman for the mayor, said Barry (D) had no comment on the control board's actions. He also said the mayor was briefed by control board officials on the cost-cutting plan yesterday.

The board's actions accelerate numerous cost-cutting moves already proposed by Barry and School Superintendent Franklin L. Smith, and some control board members praised the mayor yesterday for his recent tough stance on job cuts.

Ladner said the control board had "come through this first major hurdle," having made difficult cuts and established more of partnership with Barry.

"We have turned over a new leaf with the mayor in our recent meetings with him, and we need to give him support now in his efforts to manage the city," she said.

Overall, the control board rejected a D.C. Council budget proposal of about $5.1 billion, cutting total spending by $87 million to meet a congressionally imposed ceiling of $4.994 billion for the fiscal year that ends Sept. 30. The board also adopted the mayor's recommendation to spend an additional $42.3 million in federal grants.

However, Congress still must approve the city's 1996 spending bill, which means that changes are possible, although they are not considered likely.

Brimmer and other board members emphasized their strong commitment to spending on public safety, demanding that the police department funding be spent on police and not transferred to other departments. He said board officials consulted with Police Chief Larry D. Soulsby and U.S. Attorney Eric H. Holder Jr. on police spending.

"I believe it is very, very important that we do support the police," control board Vice Chairman Stephen D. Harlan said. The board also stuck a deal with Ford Motor Co. that will expedite repair of police cars and other emergency vehicles, he added.

The board suggested that at least a portion of a $17 million cut in funding for public schools come from furloughing employees other than teachers. "I think it is going to be tough for them to make these savings, but they seem strongly committed to doing so," Ladner said.

The board also recommended a $2 million cut for the University of District of Columbia, but it did not specify where to make the savings. Barry recently proposed closing the D.C. School of Law, which is slated to become part of UDC.

In a victory for city unions, the control board directed the District to save $10.5 million by furloughing nonunion workers. On earlier D.C. government furlough days, only union employees were affected.

The board ordered the Department of Human Services not to fill a number of vacant positions, according to Hill. But a huge cut in Human Services spending also requires the city to bring Medicaid costs down. The board rejected a Barry plan to save tens of millions of dollars by putting off payment of old Medicaid bills.

Prior to the board's action, Barry urged the Senate to grant final approval of the District's fiscal 1996 budget, which has been hung up for months by fighting over a number of social issues, including a budget provision that would allow the use of some public money for "vouchers" to pay private school tuition.

Barry said at a news conference that the D.C. Council is unlikely to implement the tuition voucher plan proposed by congressional Republicans.

Therefore, he said, Senate Democrats who oppose the voucher plan should not block the D.C. budget because of that provision.

A preliminary vote on the budget is scheduled for Tuesday.

When the bill passes, the District will receive $247 million, part of the annual federal payment to the city. Barry said the D.C. government "will literally run out of cash by the end of March" without it.

One key Senate Democrat, Edward M. Kennedy (Mass.) said yesterday that although he sympathizes with the District's need to have its budget approved, his opposition to vouchers is unalterable. And he said the White House might veto the bill if the voucher plan is included.

FOR MORE INFORMATION

For a chronology of the District's woes, see Digital Ink, The Post's on-line service. To learn about Digital Ink, call 202-334-4740.

THE WASHINGTON POST
SATURDAY, FEBRUARY 24, 1996

A Clash of Values Over a School Ban

Family Sues Indiana District That Prohibited Earrings on Boys

By Dale Russakoff
Washington Post Staff Writer

A1

FULTON, Ind.—When it all began, Jimmy Hines Jr. was a little boy who adored his father and wanted to be just like him. He was named for his father, cut his hair like his father's, dressed like his father, rode dirt bikes with his father and on his ninth birthday had his left ear lobe pierced so that he could wear a small, gold stud earring, also like his father.

But in this tiny community in the cornfields of north-central Indiana, the school board has defined "community values" to be at odds with the Hineses' family values.

Here, the board ruled, earrings are female attire. Allowing boys to wear them, board members said in court, would open their world to gangs, cults, drugs, homosexuals and rebellion.

With politicians as diverse as President Clinton and Patrick J. Buchanan embracing community values and family values as solutions for what ails America, little has been said about the potential conflict between the two. But as an Indiana appellate judge wrote recently in the case of *Hines v. Caston School Corp.*, the conflict is inherent in American life, surfacing even "upon a field so small as [Jimmy Hines's] ear lobe."

Jimmy, now 13, was suspended from Caston Elementary School in the fall of 1992 for violating a dress code banning "jewelry or other attachments not consistent with community standards." His parents sued the school board, charging sex discrimination, and asserting Jimmy's "fundamental right to be oneself, to determine one's own identity," which they argued is implied in the Bill of Rights. Until a final ruling, Jimmy has stopped wearing his earring to school.

See EARRING, A8, Col. 1

EARRING, From A1

"Jimmy's parents simply believe that he should be able to look like his father if he wants to look like his father," said Indiana Civil Liberties Union lawyer Richard Waples, who argued the case this month in the state Supreme Court. "The school board thinks Jimmy should look like them." The family lost its case at the local and appellate level.

After four years in the Indiana courts, the Hines case illustrates how volatile values become when mixed with public policy, even on the smallest scale. On the surface, the debate is easy to trivialize. The Indianapolis Star recently slammed the Hineses and the ICLU for "one of the most frivolous cases ever to challenge school policy." And despite the school board's adamance, Superintendent Paul Baker acknowledged in an interview that earrings no longer represent much of a threat, even in a conservative, rural community.

In interviews, farmers, factory workers and students observed that some of the district's most outstanding youth—including the "student of the month" currently honored on the school's marquee—now have pierced ears, and consider the ban a "joke," although they obey it at school. The biggest joke, several students said, comes on the officially sanctioned "Opposite Sex Day," when girls come to class dressed as boys, and boys wear padded bras, dresses, nylon stockings and high heels, but are forbidden to wear pierced earrings.

Still, few people here talked about the Hines case without linking it to a larger concern that the nation's social fabric is unraveling, and a fear that their seemingly insulated, tiny school district may not be far behind. The district has spent the equivalent of a teacher's salary in legal fees to defend the ban, which now symbolizes control more than community values.

Superintendent Baker said in an interview that the board and the community feel strongly that "rules are rules," and children should follow them. The board even demoted the longtime elementary school principal to a third-grade teacher after he questioned the wisdom of the ban, prompting him also to sue the board, making legal costs arising from the earring ban even higher. (An independent arbitrators' panel accused the board of using the principal as a "scapegoat" for "the ordeal" of the Hines case and 400 adults in the 800-student district signed petitions supporting the principal.)

"With all the bumps and hits we're taking, trying to promote family values here in our own tiny little school district, it makes you wonder how the U.S. government could ever get anywhere on this," said school board member Jerry Baker, a businessman. (He is not related to the superintendent.)

This saga actually began a generation ago when Jimmy Hines Sr., now 37, pierced his own ear for one of the very motives the Caston school board wants to quell: teenage rebellion. He said he did it to annoy his father, with whom he said he had almost no relationship. Jimmy Sr. said he was a high school dropout, and only recently obtained an equivalency diploma.

Hines said he wanted to be the perfect father to make up for what he had missed. He said he and his wife, Andrea, who now also have a baby daughter, at first planned to name their son Roger, "but I said, 'No. He's going to have the same name I've got.'"

"When he was little, the only time I wasn't around him was when I was at work," said Hines, then a meatpacker, now a factory worker. He took his son for walks along riverbanks, looking for turtles. He took him to explore old, abandoned houses ("Today they call that criminal trespassing," Jimmy Sr. said). Now they are rebuilding an old sports car for Jimmy to drive when he is 16.

Jimmy Jr., large and heavy-set with hair that almost covers his ears—and his earring—smiled as his father told these stories. "I just wanted an earring because I wanted to be like him," said Jimmy, dressed in a Boston Celtics jersey. Why was that? "Because I love him," he said.

If this sounds like family values, the Caston school district has another point of view. School officials and farmers said the Hines family is "not representative of our community," which Superintendent Baker described as middle to lower middle-class.

They observed that Jimmy Hines Sr. wears a ponytail and tattoos, and rides a motorcycle; that Jimmy Jr. is not a star student, and does not participate in sports. Baker told a reporter that Jimmy is on probation for a juvenile offense, which a family lawyer said is untrue, although Jimmy did have an encounter with police. If he were on probation, local probation officials said, Baker's disclosing it would violate confidentiality rules.

Here, the Hineses are viewed not as standing on principle but as teaching their son that he can break any rule he does not want to obey. "If we lean too much toward these things [allowing children to bend rules], we're cutting our own throats," said Gary Zartman, a third-generation farmer with four children in the Caston schools. "I'm very concerned about our nation. Too many people think that if they want something, they can have it if they've earned it or not. Just take it out of somebody else's paycheck or taxes."

Zartman's larger concern led him back to the Hines case. "I don't know this family," he said, "but I can't believe they'd be fighting this if they were paying for it. I couldn't afford to pay this much so my kid could wear an earring to school."

In fact, the Hineses have not had to pay, because the Indiana Civil Liberties Union and a local lawyer took the case on a pro-bono basis. If they win, the school board may have to pay legal costs for both sides.

Fear of an impending social breakdown led to the earring ban for boys in the first place, according to residents and school officials. It was adopted in 1985 as part of a dress code the school board hoped would restore order and discipline, as grades, test scores and attendance were declining.

In court papers, the board said the earring rule was aimed at keeping out gangs because one school official had heard at a national convention that gangs wore earrings to identify members. Others had heard the same about cults, drug dealers and homosexuals. Board members acknowledged in testimony that none of these forces was evident here, but fear of them was widespread.

The school board argued in court that the dress code has succeeded in its "educational purpose"—it cited improved attendance and test scores since 1985—and argued that this insulates it from constitutional challenge. The Indiana State School Boards Association is supporting the board on this basis. But the Hineses' lawyers said they are not challenging the whole dress code—only the boys' earring ban, which they said the board failed to represent as "compelling" enough to justify a distinction based on sex.

Ironically, the Hineses share the board's fears of social breakdown as something that must be fought at the expense of some individual rights, though not their son's. Jimmy Hines Sr. said he favors compulsory public school prayer—"If they put God back in schools, it'd put Satan right out"—and wants homosexuals barred from school faculties. "I think it [homosexuality] is wrong," he said.

Feelings about the earring ban have turned politics topsy-turvy here. In a community that firmly rejected Bill Clinton in 1992, the president's embrace of school uniforms in his State of the Union address as a possible antidote to student violence caught the attention of many people. In oral argument of the Hines case in the state Supreme Court this month, one justice even cited Clinton's proposal as possibly strengthening the Caston board's position.

Recently the board has been disciplining girls as well as boys for "attachments" contrary to Caston standards. One girl pierced her tongue, and was told to remove her tongue ring. Baker said the same happened to a girl who pierced her eyebrow. Everyone has complied, so far, he said. He suggested that a reporter interview some of the school's outstanding students for comment, adding that some could be found working after school at nearby businesses.

Pat Rentschler, a senior honors student who is on the track team, was encountered at the Burger King in Rochester, Ind. Asked about the earring ban, he smiled and pointed to his left ear. There was a tiny hole, but no earring. He said he usually wears his earring outside school, but not inside.

He said he and several friends who have pierced ears find the rule laughable, but they obey it, and hope Jimmy loses his battle. "He needs to know you can't just take the system for everything it's worth," Rentschler said.

But Jimmy Hines Sr. said he believes his son is learning the most important value of all from standing firmly for his unpopular position. "He'll know what to say when someone says, 'Here, Jimmy, take this drug. We're all doing it,'" Hines said. "I've told him this is the way this country was built: people—big or small—standing up for things that need to change."

THE WASHINGTON POST
SATURDAY, FEBRUARY 24, 1996

THE WASHINGTON POST
SATURDAY, FEBRUARY 24, 1996

Dole Nears Finance Limit For Primaries

Campaign Can Spend Another $12 Million

By Ruth Marcus
Washington Post Staff Writer

Senate Majority Leader Robert J. Dole (R-Kan.) has spent so much money on his quest for the presidency that he is in serious jeopardy of reaching the spending limit for the primary season by early spring, according to campaign finance experts.

The limit, about $37 million, is imposed on all primary candidates who accept federal campaign funds. Analysts said that based on reports filed with the Federal Election Commission and the costs of competing in the rapid-fire primary schedule ahead, Dole could reach the limit as early as the six primaries held on Super Tuesday, March 12, or a round of midwestern state primaries a week later.

If that were to happen, and the nomination were not locked up, Dole would be severely hampered in his efforts to compete, the experts said.

Even if Dole is virtually assured of the nomination at that point, he will be at a serious disadvantage vis-a-vis President Clinton during the long stretch between early spring and the GOP convention in mid-August, when Clinton will have a sizable war chest to spend, and Dole will not be permitted to spend any more.

According to his FEC filings, as of Jan. 31 Dole had spent a total of nearly $25 million on the campaign—about $7 million in January alone—leaving about $12 million left to spend through the nominating convention.

Dole campaign manager Scott Reed said the campaign's spending is on track for what had been budgeted, but he acknowledged that the limits could become an issue later.

"We're focused on winning the

See DOLE, A11, Col. 1

DOLE, From A1

nomination in March and we'll have sufficient resources to do that," he said. "After April, the party will be rallying around Dole as its nominee and we'll be capable of framing the election about Bill Clinton and keeping the momentum in San Diego, . . . We've always planned on a retooling in April."

"I do not recall a single other candidate . . . that has bumped up against the overall limit this early in the season," said University of Southern California political scientist Herbert Alexander, an expert on presidential campaign spending. "Honestly, it's a serious situation."

Political scientist Anthony Corrado, of Colby College in Maine, agreed. "Most analysts have been saying this will be a problem for Dole against Clinton because even if Dole wins the nomination by April he will still essentially be broke and it's a long way to August," he said.

Among the other major GOP candidates, Patrick J. Buchanan has run a relatively low-budget campaign thus far, Lamar Alexander has had trouble raising funds to spend, and Malcolm S. "Steve" Forbes has eschewed federal funding and spent $20 million of his own money.

The federal election law sets up a two-part system for financing presidential campaigns. During the primary season, candidates who want to receive federal matching funds must comply with the spending limits, around $37 million this election.

Then, after they are nominated at the party conventions, the two major party candidates receive public funding, more than $60 million this election, for the general election campaign.

Dole's problem is that he has raised and spent so much money so quickly that he will run out of money some time this spring. Clinton, in contrast, has nearly $23 million in cash on hand and matching funds his campaign will soon receive, according to the latest FEC filing.

GOP strategists with experience in handling campaign budgets agreed that poses a problem for Dole. They said former president George Bush faced the same situation during the 1988 race, when the campaign was getting close to the spending limits and was forced in May to lay off staff, reduce travel, and hold off on advertising. "It limited your ability to do much other than the most basic kinds of overhead," said campaign aide Charles Black, who recently oversaw Texas Sen. Phil Gramm's presidential race. "Dole may not have much money left to get to the convention except for the most basic things . . . It's a problem, I don't want to minimize it, but there are ways around it."

Black and others said the GOP could pick up the slack with permitted advertising highlighting issues that will come up in the fall campaign or criticizing Clinton. But there are constraints on spending that money in direct support of a particular candidate.

Another GOP consultant said the problems would be even greater than not being able to advertise. "Let me be diplomatic: The general election would be terribly difficult," the consultant said. "It's not just what you do, it's what you have in place. He would have to close the California office, break the lease, lay off staff, send back the Xerox machines, and you couldn't get that cranked up again until right after the convention. It would be a logistical nightmare."

Corrado, who worked on campaign finances for Democratic nominee Walter F. Mondale in 1984, noted that Dole's problem against Clinton would be exacerbated by the combination of the early, front-loaded primary season and the lateness of the GOP convention.

"This will be the longest stretch between the close of the nominating process and the convention any candidate has had to face . . . against an opponent who will still have ample amounts to spend," Corrado said.

Iraqi Defectors Killed On Return to Baghdad

Relatives Reportedly Shot Brothers

By Daniel Williams
Washington Post Foreign Service

AMMAN, Jordan, Feb. 23—Seven months ago, Hussein Kamel Hassan Majeed, a brutal lieutenant of Saddam Hussein and the chief of Iraq's secret weapons program, was a potential superstar among international defectors. Today, in one of the Middle East's remarkable twists of fortune, he was gunned down days after returning to Baghdad, by assailants Iraq described as angry relatives.

Hussein Kamel fled the Iraq of Saddam, his father-in-law, in August with his brother, Saddam Kamel Hassan Majid, and their wives, both daughters of the Iraqi president. Their exit was regarded as a sure sign of rot in Baghdad. American intelligence agents rushed to harvest secrets he brought. Presenting himself as savior of his nation, Hussein Kamel called for Iraqis to revolt.

Three days ago, he re-defected and returned home embittered. His Jordanian hosts had shunned him. The Americans, finding his information unremarkable, dropped him. Iraqi exiles rejected him as a Saddam clone—just as cruel and untrustworthy—and refused to follow his lead.

Hussein Kamel should have known the risk he was taking. Before his defection, he himself was regarded as one of Saddam's cruelest enforcers, overseeing the bloody repression of government opponents.

Iraq said that Saddam had pardoned the returning defectors.

See IRAQ, A18, Col. 1

IRAQ, From A1

But late this evening, the Iraqi Interior Ministry announced that Hussein Kamel and his brother and fellow defector were killed by relatives who attacked the family home in Baghdad. Hussein Kamel's father and another brother were also killed, along with two of the attackers, the ministry said.

The report was broadcast just hours after the government news agency issued an ominous announcement: Saddam's daughters had both divorced the "failed traitors." The Iraqi Embassy in Amman confirmed the accounts.

Hussein Kamel's adventure is an abject tale of how things can go wrong for a defector who is neither valuable enough nor virtuous enough for his new friends even to lead on with promises. Best known for cruelly quashing a Shiite Muslim revolt in southern Iraq, he was regarded as too onerous a killer to consider salvaging. "Hussein Kamel was always just another killer in a designer suit," a Western diplomat who followed his case said.

Jordanian and U.S. officials say Hussein Kamel was not as useful a defector as they had hoped. He produced only limited information on Iraq's secret program to build nuclear, chemical and biological weapons and its clandestine foreign network to procure materials for them, officials from both countries said.

"He was supposed to be a source of intelligence, but he contributed remarkably little," said Anthony H. Cordesman, a specialist in Iraqi military affairs at the Center for Strategic and International Studies in Washington.

"The major information windfall from his defection came directly from Iraq, Pentagon and State Department officials said. In reaction to Hussein Kamel's arrival in Jordan, Baghdad unexpectedly released over 100 boxes of information about the Iraqi missile, chemical and biological program that had been withheld. The disclosures in turn made U.N. officials wary of Baghdad's reliability.

"The most important impact of his defection was forcing Iraq to leak those documents that showed Iraq had been lying for four years about its program," said a senior State Department official. "They have only dug the Iraqi hole deeper at the U.N.," he added, noting that right after the disclosures, both Russia and France had stopped pushing for an easing of the U.N. economic sanctions.

Hussein Kamel was also a poor magnet for anti-Saddam Iraqi dissidents. Major groups refused to meet with him. "Most of the outside opposition wants nothing to do with Hussein Kamel," a senior Pentagon official commented recently. "The opposition has basically said, 'You used to kill us. Now you're going to be one of us? We don't trust you.'"

"He meant zero to the opposition. He could not persuade anyone to join or accept him," said Reed Francke, executive director of the Iraq Foundation, a forum for the Iraqi opposition in Washington.

Francke said that Hussein Kamel—despite his rank of general—had been unable to attract other senior Iraqi officers or political figures to defect, disappointing both Jordan and the United States. "He had no credibility. He didn't deliver anything," Francke said.

Jordan exploited his presence to shore up its relatively recent anti-Iraq credentials. King Hussein had given Saddam Hussein moral support during the Persian Gulf War and has had a difficult time living it down. In particular, King Hussein is eager to restore relations with Kuwait and Saudi Arabia, neither of which has fully forgiven Jordan's stand.

Last fall, however, Hussein Kamel's usefulness in even this campaign waned, a Jordanian official said. It soon became clear to King Hussein that his guest had no sway over the Iraqi military and no chance of toppling his father-in-law.

Hussein Kamel had a different, glorious script in mind. Having fled Iraq after a family feud, he predicted that parts of the army would rise up in his name. As a manager of Iraq's military industry, he was intimate with the most closely guarded secrets of the regime and thought he could trade them for American backing, U.S. and Jordanian officials said.

In August, he appeared at a news conference held on the grounds of one of King Hussein's palaces. In his double-breasted suit and bristle-brush moustache, he seemed almost a twin of Saddam. "We'll work to overthrow the existing regime," he said.

Hussein Kamel was housed at various mansions owned by Jordan's monarch, although the Jordanian government gave out a sole address, the Hashemiyah Palace on the outskirts of Amman. He lived in isolation with his wife, Raghad, and their three children, along with his brother Saddam, his wife, Rana, and two offspring.

Only once was he reported to have left his confines—to visit a hospital for a checkup.

Jordanian and American interrogators stopped approaching two months after he arrived. The fountain of information was deemed dry, a Jordanian official said. As early as October, Hussein Kamel considered leaving Jordan for other countries and contacted Syria.

In mid-December, he published a plan to form a "Higher Council for the Salvation of Iraq," with himself as leader. "The phased program" contained a stinging indictment of Saddam Hussein's "autocratic rule" and "irresponsible policies of internal suppression" as well as his "ignition of wars," which Hussein Kamel blamed for Iraq's global isolation.

The document noted "the inevitability of the collapse of despotic regimes which rely on terrorism and fear" and called for "change by all means" to establish a "pluralist, parliamentary and democratic system."

No one took up his plan.

King Hussein began to make Hussein Kamel unwelcome. The wives of the defectors were invited to dinner, but not the men. When Hussein Kamel finally decided he would like to move to Syria, King Hussein said that he would have to leave the spouses and children behind. In effect, his only out was to Baghdad.

Jordanian officials began to hint that Hussein Kamel ought to return home. In a Jan. 4 interview with the Amman newspaper Dustur, Jordan's then foreign minister and current prime minister, Abdel Karim Kabariti, said that just as Hussein Kamel was "most welcome when he came, when he wishes to leave, we will treat him the same way."

The government also permitted a new anti-Iraqi group to open offices in Amman—a message that Hussein Kamel was no longer useful in the campaign to oust Saddam.

Hussein Kamel began to strike back. He praised minor reforms in Iraq and criticized King Hussein's proposals for a kind of pan-Arab, anti-Iraq front. In Jordan, Jordanians themselves rarely criticize the monarch directly.

A dispute between Hussein Kamel and a local journalist provided the Jordanians with a convenient means to turn up the heat. Nayef Tawarah, editor of Illat newspaper, told Hussein Kamel of plans to publish his comments critical of the king. The defector made heated threats on Tawarah's life. "I will cut you up piece by piece," he said in a phone conversation that Tawarah recorded.

"He was definitely unstable," Tawarah said.

Tawarah, who is a friend of Prime Minister Kabariti, announced he would sue the Iraqi. The government quickly told Hussein Kamel that he would have to stand trial if a judge so ordered, a Jordanian official said.

This was all too much for a former general accustomed to acting with impunity. He called the Iraqi ambassador to work out details of a return. Last Monday, he told reporters that he had sent a letter to Saddam inquiring about a return home and the "initial response was positive."

On Tuesday, he drove away in the same three-Mercedes-Benz caravan that brought him across the desert to Amman from Baghdad. He left behind some officers who decided not to go back and a cousin who happened to be in Turkey.

Jordanian officials washed their hands of him. He received no official send-off, only a security escort to the border. "We wanted to make sure nothing happened to him in Jordan," said former prime minister Marwan Qassem. "Once he entered Iraq, it became a problem between him and his government."

Dissatisfying as he was to the Americans and Jordanians, he was certainly more galling to Saddam Hussein. Ordinary Jordanians regarded his return this week as suicidal—unless the whole defection was a fake.

The Iraqi government marked his arrival with a brief statement. "The leadership took a decision to accept his appeal . . . to return as an ordinary citizen," the announcement said.

Uday Hussein, a son of Saddam and an old rival of Hussein Kamel, met him across the border. Jordanians, who were following the defectors' return with morbid curiosity, regarded the reunion as a good sign for the ex-defector.

But it was Uday's TV station that gave out the news of Hussein Kamel's death.

Iraqi embassy spokesman Adel Ibrahim said that Hussein Kamel and his brother were killed by relatives who stormed their house. Some of the invaders were killed as well, he said.

Staff writer David B. Ottaway in Washington contributed to this report.

THE WASHINGTON POST
SATURDAY, FEBRUARY 24, 1996

THE PRESIDENT HAS SEEN

2-26-96

T Baker/Evans

— FYI

— Can we do

via letter to

him—

BC

JIM DORSKIND:

Please coordinate the reply w. the NSC

THE PRESIDENT HAS SEEN
2.26.96

Canadian, 13, Wages War on Child Labor

Article About Slain Pakistani Boy Prompted Campaign That Has Won Prime Minister to Cause

By Charles Trueheart
Washington Post Foreign Service

TORONTO, Feb. 22—Last April, Craig Kielburger of Thornhill, Ontario, read an Associated Press story in his morning newspaper about a boy in Pakistan named Iqbal Masih. At the age of 4, Masih was sold by his parents to settle a $16 debt and had been chained to a rug loom for the next six years. After he escaped, he began to speak out against the exploitation of children. At the age of 12, he was murdered.

Kielburger was himself 12. "It really upset me. What did the two of us have in common except our age?" he said.

So he decided to do something. He read up on the subject, started speaking to school groups and Kiwanis Clubs, founded and staffed with pals and new recruits an organization called Free the Children, and, having just turned 13, set out for Asia on a seven-week fact-finding mission.

It happened that at that very time, Canadian Prime Minister Jean Chretien was leading a trade mission across Asia trying to drum up business for Canadian companies.

Sensing the opportunity, Kielburger asked Chretien for a meeting to discuss his concerns. Kielburger was put off. He introduced reporters to two Indian children he had just liberated from a notorious fireworks factory. He got headlines. He asked for a meeting again in Islamabad. He got 15 minutes of the prime minister's time—and then he got child exploitation put on the official agenda.

At first "quite vague" in his commitments, Kielburger said, Chretien by the end of the Asia trip apparently had become a true believer. When a Canadian business executive stood up at a dinner to say that it was "not an appropriate time on a business trip" to raise child labor issues, Chretien shot back that "on issues like these, any time is appropriate." He was reported to have received a standing ovation.

There is little doubt in Canada that the issue would never have gotten a nod were it not for the persistent and canny Kielburger, who is fast becoming one of the best-known pre-adolescent human rights activists—carrying on the crusade of the fallen martyr he never knew, Iqbal Masih.

> *"The most important thing I've learned is that kids can make a difference."*
> — Craig Kielburger, 13

"There are over 200 million children working in child servitude around the world," Kielburger told reporters in New Delhi, citing carpet-weaving, mines, sugar-cane fields, prostitution and factories making glass, brick and fireworks as zones of acute hazard and widespread child exploitation. Ten million of those children, he said, are in bonded labor, essentially enslaved to their masters.

"Is it right to have children in Pakistan sitting on the floor 12 hours a day, sewing those famous brand-name soccer balls that they will never get to play with?" the eighth-grader asked.

Kielburger may have won headlines for nudging his way into Chretien's Asian spotlight, but his real debut in the public eye came in a speech last year before 2,000 members of the Ontario Federation of Labor.

In the speech, he cited a remark by Canada's then-Foreign Minister Andre Ouellet to the effect that "Canadians can't be Boy Scouts" by pressuring other countries on human rights issues. "Well, I'm a Boy Scout," Kielburger said, "and this just means we the children will have to work all the harder to end exploitation of Third World children."

The Ottawa Citizen newspaper reported a "wild standing ovation," followed by spontaneous pledges of funding from union locals. By evening's end, Kielburger was stunned to find he had collected $115,000 in pledges and buckets of $20 bills. "I think I'm going to faint," he said.

Kielburger is the second son of Theresa and Fred Kielburger, schoolteachers in the suburb north of Toronto. His mother and spokeswoman said in an interview—Craig was having "down time" today after a hectic recent media schedule—that the young man's parents hardly had been inspirations. "It's kind of embarrassing," she said. "I hate to say it, but we don't do too much. We don't do anything political at all."

When last year's article about the Pakistani boy "moved him so deeply and shook him up," his mother said, the Kielburgers urged him to do research and look into it. He contacted human rights organizations and began to pique their interest in such an unusual and appropriate voice for the cause of child exploitation. He speaks without notes and seems intent on keeping media attention focused on the issue instead of where it would sometimes rather be—on him.

Published interviews with his school chums indicate an entirely normal young man who enjoys tae kwan do and hanging out in malls and is active in scouting and church activities. "They'd work like beavers to organize this garage sale" to raise money for Free the Children, Theresa Kielburger said, "then they'd all go swimming and goof off."

Among his other accomplishments in just 10 months, he has built an organization with a core of some 50 kids ranging in age from 8 to 14. Other groups of kids who want to affiliate are inundating the Kielburgers' den-turned-war-room with questions about starting chapters.

As the movement he spawned grew bigger and bigger, Kielburger began agitating to make a trip to Asia. He got introductions and accommodations from children's rights organizations, including UNICEF. He found a social worker originally from Bangladesh, whom his mother describes as "brilliant," to serve as his escort, guardian and tutor, and kept pressing his parents to let him take the trip.

"The idea was utterly ridiculous at the time," Theresa Kielburger said. "I wouldn't even let him take the subway downtown." Eventually, they relented.

This week, in the latest evidence of his growing influence on human rights in Canada, Kielburger was offered an advisory role in an appearance with Canada's new foreign minister, Lloyd Axworthy. The young man was diplomatic. "Hopefully you don't mind if I could just sleep on it," he said, citing the need to consult other members of Free the Children's executive board.

Kielburger said he plans a career in Doctors Without Borders, an international medical relief agency, or possibly in politics.

He has begun to broaden his agenda to include kid power in general. "The most important thing I've learned is that kids can make a difference," he told a high school audience this week. "Knowledge is the key, knowledge is the power. Take that power and bring about change."



ASSOCIATED PRESS

Craig Kielburger, who founded Free the Children to fight forced child labor in the Third World, speaks at a news conference on Parliament Hill in Ottawa.

Copy to NSC only redacted on 2/27/96

S

2/26 Todd
1 more question.
Is it correct to
send to Dorskind
for reply or should
Lake/NSC do
reply

NSC

THE WHITE HOUSE
WASHINGTON, D.C. 20500

DATE: 02/27/96

TO: NSC

FROM: **Staff Secretary**

Please prepare a Thank You letter to John Cullinane per the President's note on the attached.

Thanks.

The Cullinane Group, Inc.

Specializing in technology issues for Senior Management

THE PRESIDENT HAS SEEN
2.26.96

John J. Cullinane
President

cc: Tarplin
L Tyson
B
Bo Brown, Commerce TELEFAX
Do try to help. BC

Venture Capital fund for Ireland

TO: The Hon. William J. Clinton

FROM: John Cullinane

DATE: February 23, 1996

SUBJECT: **News Release**

While there was great interest in investing on the part of many Americans in a venture capital fund for Ireland, I have decided to take a much simpler approach to Irish high tech opportunities. Specifically, The Cullinane Group, Inc., (CGI) will expand its operations to specialize in Irish/American high tech ventures, both North and South. CGI Ireland's goal will be to identify investment opportunities in Ireland most capable of entering the United States market. CGI will provide the necessary management guidance in both Ireland and the United States, including the arrangement of joint ventures between U.S. high tech firms and/or potential users of the technology of Irish high tech companies. In addition, CGI will invest its capital in the Irish company to facilitate its entry into the United States market.

It was obvious from the ease of raising money for a potential Fund that leading American venture capitalists and money management firms recognize that there is great potential for partnerships between the firms that they invest in and Irish high tech companies. This means that Irish firms will have far greater access to American capital and markets than would have otherwise been possible with a single fund.

I believe the enclosed news release summarizes the situation pretty well.

JJC/mb

The Cullinane Group, Inc.

Specializing in technology issues for Senior Management

John J. Cullinane
President

NEWS RELEASE

For Immediate Release

Contact: John Cullinane 617-499-2724
Frank Costello 617-325-0945

The Cullinane Group to Expand Operations to Ireland and Specialize in Irish/American High Tech Ventures

BOSTON, February 22, 1996 – John Cullinane announced today that The Cullinane Group, Inc., (CGI) will expand its operations to Ireland to specialize in investments in Irish high tech companies effective May 1, 1996.

Mr. Cullinane stated, "This is possible because Barry Murphy, National Software Director of Forbairt, has decided to join CGI as a partner. He will head all CGI operations on the island of Ireland. Barry Murphy is highly regarded in the high tech industry in both the North and the South. He is intimately aware of the best investment opportunities in both parts of Ireland and has the confidence of the management of these respective companies. This knowledge and experience makes it possible for CGI to commit to Ireland with such an efficient and focused investment structure."

Barry Murphy also brings an intimate knowledge of government programs that encourage joint ventures between corporations, including the $150 million European Union financed Measure 1 Program. This program works in a similar way as the Israeli BIRD (Israel-U.S. Binational Industrial Research and Development Foundation), a concept that Mr. Cullinane had promoted in Ireland during the past eighteen months.

Mr. Cullinane also stated that because of these efforts, Dan Vilenski, Executive Director of the Israeli BIRD Foundation, is very interested in pursuing the possibility of joint ventures involving Israeli, Irish and American high tech companies. It is expected that CGI would identify appropriate high tech companies in Ireland, both North and South, for such joint ventures.

- more -

We are also pleased that Jon Nackerud, founding President of Relational Technology, Inc., an expert in database and financial software, and a long time associate, will handle the West Coast activities of CGI. John Cullinane stated, "Jon Nackerud has the best sense of emerging market trends of anyone I have ever met in the computer industry."

Frank Costello, former Administrative Assistant to Congressman Joseph P. Kennedy II, and author of many articles and books, will assist CGI regarding communication issues. "Frank Costello is highly respected by both the print and electronic media, in both Ireland and the U.S.," Mr. Cullinane stated.

CGI believes that by taking an "active" investment role in Irish high tech companies the financial rewards for an investor can be much greater, and at a lower cost than otherwise possible. "In addition, there are many American venture capital, money management firms, and individuals that are very interested in partnerships between American and Irish high tech companies," Cullinane said.

"The willingness of CGI to invest its resources in this effort is indicative of the potential of Irish high tech companies in the United States, particularly if they are provided the right management support," Cullinane said. For example, Mr. Cullinane stated that CGI will work closely with Irish companies to provide them with all the necessary support on both sides of the Atlantic to enter the United States market successfully, including capital. These services will include:

- Positioning their products properly for the U.S. market
- Opening doors at senior levels of strategic partners or customers
- Management advice and guidance in U.S.
- Management advice and guidance in Ireland
- Public relations

Mr. Cullinane further said, "This vehicle also affords us the freedom to help the peace process in Northern Ireland and to assist both parts of Ireland in economic development by matching good opportunities with good people on both sides of the Atlantic Ocean, even where there is no financial involvement by CGI. In the final analysis, good jobs for both Protestants and Catholics will do more for peace in Northern Ireland than anything else," he concluded.

###

The Cullinane Group, Inc.

Specializing in technology issues for Senior Management

John J. Cullinane
President

TELEFAX

TO: The Office of the Hon. William J. Clinton
Attn. Nancy Hernreich

FROM: John Cullinane

DATE: February 23, 1996

SUBJECT: **News Release**

Please forward the attached to the Hon. William J. Clinton.

JJC/mb

PAGE 1 of 4

[redacted]

Copies done 2/26/96 Chron

The Cullinane Group, Inc.

Specializing in technology issues for Senior Management

John J. Cullinane
President

THE PRESIDENT HAS SEEN
2 26 96

cc: Tkatch
L Tyson
B
Bo Brown, Commerce TELEFAX
Do try to hurry. BC

Venture Capital fund for Ireland

TO: The Hon. William J. Clinton

FROM: John Cullinane

DATE: February 23, 1996

SUBJECT: **News Release**

JIM DORSKIND:

Please coordinate the reply.

Original + 1 copy to dorskind

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I believe the enclosed news release summarizes the situation pretty well.

JJC/mb

The Honorable Ron Brown
Department of Commerce

VIA SPECIAL MESSENGER

[redacted]

Chron

The Cullinane Group, Inc.

Specializing in technology issues for Senior Management

John J. Cullinane
President

THE PRESIDENT HAS SEEN

cc: Tlaw
L Tyson
B
Bo Brown, Comm TELEFAX
Do try to hit ...

Venture Capital fund for Ireland

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DATE: February 23, 1996

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PHOTOCOPY PRESERVATION

JJC/mb

The Honorable Ron Brown
Department of Commerce

VIA SPECIAL MESSENGER

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Withdrawal/Redaction Sheet
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	From Harold Ickes re: DNC Media Funds (3 pages)	02/22/1996	Personal Misfile

COLLECTION:
Clinton Presidential Records
Staff Secretary
Todd Stern
OA/Box Number: 7694

FOLDER TITLE:
Chron Files February 25-29, 1996 [3]

2019-0774-S
rs3310

RESTRICTION CODES

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

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

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

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

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

DR
J-Sutton
2/27/96 From Todd S.

96 FEB 27 A9:

February 26, 1996

MEMORANDUM FOR EVELYN LIEBERMAN
RON KLAIN
GEORGE STEPHANOPOULOS
BRUCE LINDSEY
DOUG SOSNIK
CHERYL MILLS
TODD STERN
DON BAER

FROM: Harold Ickes

SUBJECT: March campaign kit package

Attached is the draft copy for the Clinton/ Gore March revised campaign kit. I apologize for the short notice, but would appreciate your getting comments back to John Sutton by close of business Tuesday, 27 February.

Clinton/Gore '96 Primary Committee
MEMORANDUM

TO: Karen Hancox

FROM: Kim Cubine, Director of Marketing and Direct Mail

DATE: February 21, 1996

RE: March Campaign Kit Package

Each person should initial his/her name to indicate authorization/changes after reviewing attached direct mail copy. The approval deadline is Monday, February 26, 1996. Kim can be reached directly at (202) 496-4804 or via pager 1-800-skygram (175-7912).

____ ok as is } Ron Klain: _____ Date: _____
____ ok w/changes }

____ ok as is } Bruce Lindsey: _____ Date: _____
____ ok w/changes }

____ ok as is } WH Counsel: _____ Date: _____
____ ok w/changes }

____ ok as is } Doug Sosnik: _____ Date: _____
____ ok w/changes }

____ ok as is } G. Stephanopolous: _____ Date: _____
____ ok w/changes }

✓ ok as is } Todd Stern: 2-27 Date: _____
____ ok w/changes }

____ ok as is } Harold Ickes: _____ Date: _____
____ ok w/changes }

The attached copy will also be reviewed and signed off by C/G '96 Legal, Ann Lewis and Frank Greer.

MEMORANDUM:

TO: Harold Ickes, Deputy Chief of Staff

FROM: Kim Cubine, Director of Marketing & Direct Mail

DATE: February 21, 1996

RE: March Campaign Kit

CC: Laura Hartigan, National Finance Director

Attached is the draft copy for the March Revised Campaign Kit.

Concept: This packaged is a revised version of the very successful campaign kit that C/G '96 mailed in July 1995. Because this package worked so well, we tried to keep as many elements as we could afford with the hopes of mimicking last year's success. For example, we have kept the James Carville signature, simulated the steering committee and enclosed bumper stickers/ lapel stickers. This package will mail to people who have defined themselves as pro-President Clinton but not very enthusiastic about the DNC. It should work very well for this group.

Target Audience: Clinton Positive Survey Respondents

Quantity: 600,000

Mail Date: March 22, 1996

Edit/Approval Date: Monday, February 26, 1996

Signature Request: James Carville

Projected Gross: $720,000

If you have any questions, I can be reached directly (202) 496-4804 or via fax at (202) 496-4848.

Clinton/Gore '96

Dear Jane. Q. Donor:

On behalf of the President, I am asking you to add your name to the list of prominent citizens in the state of (name of State) who are supporting the reelection of President Clinton and Vice President Gore.

As the Republicans finalize their nominee to oppose President Clinton this fall, one thing has become crystal clear. This Presidential election is about the choice we face as Americans and the questions we must ask ourselves about our country's future.

Will America keep its commitment to providing a secure retirement for older Americans or will we abandon our country's seniors by slashing Medicare and Medicaid?

Will America meet the future with better schools, better college opportunity and a better educated workforce, or will we cut education support to fund an unnecessary tax break for the rich?

Will America allow corporate lobbyists to rewrite the regulations protecting the environment and the health and safety of our citizens? Or will we continue our progress and commitment to clean air, strong health standards and safe workplaces?

Will we balance our budget by taking money from the old, the young and the indigent -- and give it to Americans who need it least? Or will we enact a fair balanced budget that preserves hope, opportunity and a secure retirement for all Americans?

If you believe that President Clinton deserves reelection then I invite you to become a member of the (name of state) Citizens for Clinton/Gore.

(name of state) Citizens for Clinton/Gore is an honorary committee of prominent citizens who are lending their names in support of a Clinton/Gore victory. The purpose of the committee is to make a strong early show of support by enlisting the names of as many (name of state) Clinton/Gore supporters as possible.

Your response and your endorsement of President Clinton will help us make a strong beginning and help us win the victory that you and I know that America needs.

So on behalf of the President, I am asking you to please accept membership in this important committee and return your acceptance form right away.

In advance of your acceptance, I have enclosed a bumper sticker and lapel sticker which I hope you will proudly display.

All of us who care about the future of our nation know the importance of this election. Please do your part for the President by joining in this important effort.

Sincerely,

James Carville

P.S. The most important thing you can do is to return your committee acceptance. The second most important thing is to include a contribution along with your reply. Fundraising will play a key role in the campaign ahead and your personal donation will mean a lot to the President. Thank you for any support you can provide.

Citizens for Clinton/Gore

Acceptance Form

- ■ *YES! I accept President Clinton's invitation to become a member of Citizens for Clinton/Gore in my state. I understand that membership is of an honorary nature and is designed to show support for the Clinton/Gore ticket.*

- ■ *YES! In addition to accepting membership in Citizens for Clinton-Gore, I would like to personally support the campaign by making a contribution in the amount of:*

  $20 $25 $35 $50 $100 Other: $_____

*signature:*_____

Please make your check payable to: Clinton/Gore '96 Primary Committee, Inc. P.O. Box 57277, Washington, DC 20037

The Clinton/Gore'96 Primary Committee may be eligible to receive federal matching funds of up to $250 for contributions from an individual, personal account. Contributions from spouses drawn on a joint account may be matched up to $500 if both spouses sign the check or the response card. The campaign cannot accept PAC, corporate or union contributions. The maximum contribution level in a presidential campaign is $1000 per individual.

Please be sure to fill out the required information below.
Federal Election law requires political committees to report the name, mailing address, occupation and name of employer for each individual whose contributions aggregate in excess of $200 in a calendar year.

Occupation:_____

Name of employer:_____
[ ] Check if self-employed.

Your contribution will be used in connection with Federal elections and is subject to the limitations of the Federal Election Campaign Act. Your contribution is not tax-deductible as a charitable contribution for income tax purposes.

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

27-Feb-1996 05:25pm

TO: Jocelyn M. Jolley

FROM: Todd Stern
Office of the Staff Secretary

SUBJECT: Fordham Int'l Law Journal

Susan sent me a note asking whether POTUS would have an interest in writing introduction to the Fordham International Law Journal's forthcoming edition on international security in the post-Cold War era. I checked this with Tony Lake and the short answer is no thank you. I'll send the materials back to you. Thanks, Jocelyn.
todd

2/27 Original Biophy memo + Book rel'd to Jocelyn Jolley

S

THE WHITE HOUSE

WASHINGTON

February 21, 1996

96 FEB 26 P1:27

MEMORANDUM FOR TODD STERN

FROM: **SUSAN BROPHY** SB

SUBJECT: **CONGRESSIONAL CORRESPONDENCE**

Attached are two letters the President has received from various members of Congress encouraging the acceptance of the invitation made by Gideon A. Moor, Editor-in-Chief of the International Law Journal, for the President to write the introduction to the Journal's forthcoming survey edition on international security in the post-cold war era. Please advise Jocelyn at x67500 as to whether or not this is something the President would want to do.

DANIEL P. MOYNIHAN
NEW YORK

United States Senate

WASHINGTON, DC 20510–3201

96 FEB 15 P2 03

February 13, 1996

Dear President Clinton:

Enclosed is an invitation from Gideon A. Moor, Editor-in-Chief of the Fordham University School of Law's International Law Journal, to write the introduction to the Journal's forthcoming survey edition on international security in the post-cold war era.

Any consideration for this request would be appreciated.

Sincerely,

Daniel Patrick Moynihan

President William J. Clinton
The White House
Washington, DC 20500

FORDHAM
UNIVERSITY

February 5, 1996

President William J. Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear President Clinton:

On behalf of the Fordham International Law Journal, I would like to take this opportunity to introduce you to the Editorial Board of Volume 19. Each academic year, the Journal publishes five books devoted to questions of international and comparative law. The Journal takes pride in its ability to attract contributions from leading international policy-makers as well as prominent legal scholars and practitioners. Our most recent editions include: Boutros Boutros-Ghali, Elie Wiesel, Lord David Owen, Madeleine Albright, Jacques Delors, Stephen Solarz, M. Cherif Bassiouni, Louis Henkin, Eleanor Fox, W. Michael Reisman, Paul Szasz, Barry Hawk, and James Silkenat.

In Volume 19's final book, the Journal plans to conduct a survey, entitled: "International Security in the Post-Cold War Era: Can International Law Truly Effect Global Political and Economic Stability?" The Journal applauds your success in re-establishing the United States' leadership role in the World and your adroit management of international crises. Furthermore, your courageous commitment to principle in Haiti and Bosnia reflects the best traditions of America and reminds us, once again, that we are all citizens of the World.

The Journal would like to recognize your leadership in promoting international peace and security by inviting you to write the introduction to our survey issue. Introductions are normally three to fifteen pages in length and do not require footnotes. Madeleine Albright's introduction to Book 5, Volume 18 is an excellent example, should you wish to consult a recent Journal introduction.

We hope that you decide to publish your ideas with the Journal. Should you have any questions or require additional information, I can be reached at the Journal office either by phone (212-636-6931) or by fax (212-636-6932).

Thank you in advance for your time and consideration.

Sincerely,

Gideon A. Moor
Editor-in-Chief

Enc.

International Law Journal
School of Law
140 West 62nd Street
New York, N.Y. 10023-7485
(212) 636-6931
Fax (212) 636-6932
Keeping Faith With The Future

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

96 FEB 21 P1:37

February 15, 1996

Hon. William J. Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

We are pleased to forward to you the enclosed invitation from Gideon A. Moor, Editor-in-Chief of the Fordham University School of Law's International Law Journal, to write the introduction to the Journal's forthcoming survey edition to be entitled "International Security in the Post-Cold War Era: Can International Law Truly Effect Global Political and Economic Stability?"

We have enclosed, as well, a copy of a recent edition of the Journal. Recent editions of the Journal have included such prominent contributors as: United Nations Secretary General Boutros Boutros-Ghali, Elie Wiesel, United States Permanent Representative to the United Nations Madeleine Albright, and many other leading policy-makers, scholars and legal practitioners. We are sure you will agree after reviewing the enclosed edition that the Journal is a publication of the finest quality. The Journal's editorial staff would be deeply honored by your participation in their forthcoming survey issue.

Thank you for your consideration of the Journal's request.

Sincerely,

Jerrold Nadler
Member of Congress

Gary L. Ackerman
Member of Congress

Eliot L. Engel
Member of Congress

Floyd H. Flake
Member of Congress

Maurice D. Hinchey
Member of Congress

John J. LaFalce
Member of Congress

Nita M. Lowey
Member of Congress

Thomas J. Manton
Member of Congress

Major R. Owens
Member of Congress

Charles E. Schumer
Member of Congress

José E. Serrano
Member of Congress

Edolphus Towns
Member of Congress

FORDHAM INTERNATIONAL LAW JOURNAL

DEDICATED TO JIMMY CARTER
PRESIDENT, UNITED STATES, 1977-1981

INTRODUCTION

INTERNATIONAL LAW APPROACHES THE TWENTY-FIRST CENTURY:
A U.S. PERSPECTIVE ON ENFORCEMENT *Ambassador Madeleine K. Albright*

ESSAYS

THE ROLE OF INTERNATIONAL LAW IN THE TWENTY-FIRST CENTURY

Boutros Boutros-Ghali
Arthur C. Helton
Hon. J.J. Bossano
David Palmeter
Hon. Jane A. Restani/Ira Bloom
Ronald A. Brand
A. Peter Mutharika
Jacques deLisle
Elizabeth F. Defeis
Jelena Pejic
Harold J. Berman
James R. Silkenat
Karl M. Meessen
Gregory H. Fox
Paul Goble
John R. McIntyre
Ginger Lew/Jean H. Grier
Jutta Brunnée
Neil H. Afran
Cynthia C. Lichtenstein

VOLUME 18 MAY 1995 NUMBER 5

THE WHITE HOUSE
WASHINGTON

February 27, 1996

Leon --

Bruce and Laura are recommending that the President call Rockefeller ASAP to avoid the risk that a Conference Report is agreed to in the next day or two and voted on with veto-proof majorities in both Houses.

Don't you, and others as you think necessary, need to meet with the President before he calls Rockefeller? (Recall that game plan originally was for President to talk to Breaux to hear clear case against the bill before talking to Rockefeller. It may be that things are moving on the Hill too quickly for that to be feasible, but I would think we'd still need to do that internally.)

I will talk to you about this at tomorrow morning's meeting if I haven't heard from you before.

Todd

cc: Ickes
Hilley

THE WHITE HOUSE

WASHINGTON

February 27, 1996

96 FEB 27 P5:11

MEMORANDUM FOR **THE PRESIDENT**

FROM: **LAURA D'ANDREA TYSON**
BRUCE LINDSEY

SUBJECT: **Products liability bill**

Action needed

Within the next day or two, House and Senate conferees may well agree on a products liability bill that, with no direction from the White House, could pass both Houses by a substantial enough majority to make sustaining a veto difficult. **To avoid this result, we strongly recommend that you quickly inform Senator Rockefeller of your strong and continuing objections to any bill likely to pass -- including the more moderate Senate bill.**

Issues presented

In commenting on the Senate-passed bill last May, we stated that, although you support **balanced** legal reform, even the Senate bill was flawed in two major areas:

- It contains a cap on punitive damages. Although there were complex procedures for the judge to lift the cap in certain cases, the fact that this decision is taken out of the hands of the jury is unacceptable. (The Senate bill also allowed the defendant a new trial on damages if he didn't like the judge's addition to punitives; Senator Rockefeller says he won't support a bill that continues to include this provision.)
- It eliminates joint and several liability for non-economic damages.

In addition, we had earlier stated our concern that tort law, including products liability, has always properly been the province of the states, the vast majority of which have substantially modified their products liability laws since 1980.

The House is reported to have offered to take the Senate bill, but without fixing these objections, and, in fact, making them marginally worse.

Message

The bill hurts consumers and other little people, while simultaneously not buying business the uniformity they desire. The bill discriminates against low income people -- including many women and elderly -- will be less able to recover their very real losses than will those who earn high wages. Juries are in fact responsible about punitive damages; there were only 355 punitive damage awards in products liability cases between 1965 and 1990, and only 3 in 1992. But capping punitives will mean that defendants will no longer have to be concerned about serious punitive damages should they act outrageously irresponsibly. And yet, because the bill properly leaves much to be interpreted by state courts, businesses will not achieve the national uniformity on this issue they are searching for. This is a lose-lose bill.

Securities

~~Legal~~

Litigation

Kate.

As promised.

2/27/96 Phil

THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. John Young
Hewlett-Packard Company
3200 Hillview Avenue
Palo Alto, California 94304

Dear John:

I know my veto of the securities litigation bill disappointed you. As you know, I strongly supported the basic legislation, and was not aware of the pleading changes that were made in the conference until the bill reached my desk, at which time I received a number of letters from legal experts (not identified with the plaintiffs' bar) who stated that the new pleading rules would keep clearly meritorious cases out of court.

When a lawyer I respect called me to lobby for the bill, I asked a simple question: would a person with a claim that every high-tech executive in America agreed should go to court be able to get his case to court under this law? The lawyer paused and finally said, "if he gets a good judge."

The modifications I sought were simple, and would not have weakened the bill since the changes to the pleading rules I objected to (plus the managers' statement on these rules) were not in the Senate or House bill. In fairness to the bill's supporters, we did not raise this issue in conference because we were unaware of it. At any rate, the bill is now law, and we must hope that the benefits it brings are not tarnished by the problems that concerned me.

You are a good friend whose counsel I have always valued. There is a large agenda of critical issues ahead of us, and I hope we will be able to work on them together.

Sincerely,

Bill Clinton

960222

THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. James Treybig
Chief Executive Officer
Tandem Computer, Inc.
10435 North Tantau Avenue
Cupertino, California 95014

Dear Jimmy:

I know my veto of the securities litigation bill disappointed you. As you know, I strongly supported the basic legislation, and was not aware of the pleading changes that were made in the conference until the bill reached my desk, at which time I received a number of letters from legal experts (not identified with the plaintiffs' bar) who stated that the new pleading rules would keep clearly meritorious cases out of court.

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You are a good friend whose counsel I have always valued. There is a large agenda of critical issues ahead of us, and I hope we will be able to work on them together.

Sincerely,

Bill Clinton

960222

THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. Michael H. Spindler
President and Chief Executive Officer
Apple Computer, Inc.
20525 Mariani Avenue
Cupertino, California 95014-6299

Dear Mike:

I know my veto of the securities litigation bill disappointed you. As you know, I strongly supported the basic legislation, and was not aware of the pleading changes that were made in the conference until the bill reached my desk, at which time I received a number of letters from legal experts (not identified with the plaintiffs' bar) who stated that the new pleading rules would keep clearly meritorious cases out of court.

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Sincerely,

Bill Clinton

960222

THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. John W. Snow
Chairman of the Board and
Chief Executive Officer
CSX Corporation
1 James Center
901 East Cary Street
Richmond, Virginia 23219

Dear John:

I know my veto of the securities litigation bill disappointed you. As you know, I strongly supported the basic legislation, and was not aware of the pleading changes that were made in the conference until the bill reached my desk, at which time I received a number of letters from legal experts (not identified with the plaintiffs' bar) who stated that the new pleading rules would keep clearly meritorious cases out of court.

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Sincerely,

Bill Clinton

960222

THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. John Sculley
Chief Executive Officer
Sculley & Associates
90 Park Avenue
New York, New York 10016

Dear John:

I know my veto of the securities litigation bill disappointed you. As you know, I strongly supported the basic legislation, and was not aware of the pleading changes that were made in the conference until the bill reached my desk, at which time I received a number of letters from legal experts (not identified with the plaintiffs' bar) who stated that the new pleading rules would keep clearly meritorious cases out of court.

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Sincerely,

Bill Clinton

960222

THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. Sanford Robertson
Chairman
Robertson, Stephens & Company
Suite 2600
555 California Street
San Francisco, California 94104

Dear Sandy:

I know my veto of the securities litigation bill disappointed you. As you know, I strongly supported the basic legislation, and was not aware of the pleading changes that were made in the conference until the bill reached my desk, at which time I received a number of letters from legal experts (not identified with the plaintiffs' bar) who stated that the new pleading rules would keep clearly meritorious cases out of court.

When a lawyer I respect called me to lobby <u>for</u> the bill, I asked a simple question: would a person with a claim that every high-tech executive in America agreed should go to court be able to get his case to court under this law? The lawyer paused and finally said, "if he gets a good judge."

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Sincerely,

Bill Clinton

960222

THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. Kirk Raab
Chairman
Shaman Pharmaceuticals
213 East Grand Avenue
South San Francisco, California 94080-4812

Dear Kirk:

I know my veto of the securities litigation bill disappointed you. As you know, I strongly supported the basic legislation, and was not aware of the pleading changes that were made in the conference until the bill reached my desk, at which time I received a number of letters from legal experts (not identified with the plaintiffs' bar) who stated that the new pleading rules would keep clearly meritorious cases out of court.

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You are a good friend whose counsel I have always valued. There is a large agenda of critical issues ahead of us, and I hope we will be able to work on them together.

Sincerely,

Bill Clinton

960222

THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. Lewis Platt
Chairman, President, and
Chief Executive Officer
Hewlett-Packard Company
3000 Hanover Street
Palo Alto, California 94304

Dear Lew:

I know my veto of the securities litigation bill disappointed you. As you know, I strongly supported the basic legislation, and was not aware of the pleading changes that were made in the conference until the bill reached my desk, at which time I received a number of letters from legal experts (not identified with the plaintiffs' bar) who stated that the new pleading rules would keep clearly meritorious cases out of court.

When a lawyer I respect called me to lobby <u>for</u> the bill, I asked a simple question: would a person with a claim that every high-tech executive in America agreed should go to court be able to get his case to court under this law? The lawyer paused and finally said, "if he gets a good judge."

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You are a good friend whose counsel I have always valued. There is a large agenda of critical issues ahead of us, and I hope we will be able to work on them together.

Sincerely,

Bill Clinton

960222

THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. Paul Montrone
President and Chief Executive Officer
Fisher Scientific International, Inc.
Liberty Lane
Hampton, New Hampshire 03842

Dear Paul:

I know my veto of the securities litigation bill disappointed you. As you know, I strongly supported the basic legislation, and was not aware of the pleading changes that were made in the conference until the bill reached my desk, at which time I received a number of letters from legal experts (not identified with the plaintiffs' bar) who stated that the new pleading rules would keep clearly meritorious cases out of court.

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You are a good friend whose counsel I have always valued. There is a large agenda of critical issues ahead of us, and I hope we will be able to work on them together.

Sincerely,

Bill

960222

THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. Regis McKenna
Chairman
Regis McKenna, Inc.
1755 Embarcadero Road
Palo Alto, California 94303

Dear Regis:

I know my veto of the securities litigation bill disappointed you. As you know, I strongly supported the basic legislation, and was not aware of the pleading changes that were made in the conference until the bill reached my desk, at which time I received a number of letters from legal experts (not identified with the plaintiffs' bar) who stated that the new pleading rules would keep clearly meritorious cases out of court.

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You are a good friend whose counsel I have always valued. There is a large agenda of critical issues ahead of us, and I hope we will be able to work on them together.

Sincerely,

Bill Clinton

960222

THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. Edward McCracken
Chairman of the Board and
Chief Executive Officer
Silicon Graphics, Inc.
2011 North Shoreline Boulevard
Mountain View, California 94043-7311

Dear Ed:

I know my veto of the securities litigation bill disappointed you. As you know, I strongly supported the basic legislation, and was not aware of the pleading changes that were made in the conference until the bill reached my desk, at which time I received a number of letters from legal experts (not identified with the plaintiffs' bar) who stated that the new pleading rules would keep clearly meritorious cases out of court.

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You are a good friend whose counsel I have always valued. There is a large agenda of critical issues ahead of us, and I hope we will be able to work on them together.

Sincerely,

Bill Clinton

960222

Your report and investment really good — Thanks

THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. C. Richard Kramlich
New Enterprise Associates
2490 Sand Hill Road
Menlo Park, California 94025

Dear Richard:

I know my veto of the securities litigation bill disappointed you. As you know, I strongly supported the basic legislation, and was not aware of the pleading changes that were made in the conference until the bill reached my desk, at which time I received a number of letters from legal experts (not identified with the plaintiffs' bar) who stated that the new pleading rules would keep clearly meritorious cases out of court.

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WASHINGTON

February 21, 1996

Mr. Martin Gerstel
Alza Corporation
4 Hesketh Court
Menlo Park, California 94025

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THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. Lawrence Ellison
Chairman and Chief Executive Officer
Oracle Corporation
500 Oracle Parkway
Box 659525
Redwood Shores, California 94065

Dear Larry:

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THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. Charles Comiso
Senior Vice President
Marketing and Operations
Wyse Technology
3471 North First Street
San Jose, California 95134

Dear Chuck:

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THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. William T. Archey
President and Chief Executive Officer
American Electronics Association
Suite 950
1225 I Street, N.W.
Washington, D.C. 20005

Dear Bill:

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Bill Clinton

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THE WHITE HOUSE

WASHINGTON

February 21, 1996

Mr. Paul Allaire
Chairman and Chief Executive Officer
Xerox Corporation
Post Office Box 1600
Stamford, Connecticut 06904

Dear Paul:

I know my veto of the securities litigation bill disappointed you. As you know, I strongly supported the basic legislation, and was not aware of the pleading changes that were made in the conference until the bill reached my desk, at which time I received a number of letters from legal experts (not identified with the plaintiffs' bar) who stated that the new pleading rules would keep clearly meritorious cases out of court.

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THE PRESIDENT HAS SEEN
2/26/96

DEPARTMENT OF EDUCATION

- **State of American Education Address:** Secretary Riley will deliver the annual State of American Education address February 28 in St. Louis. Area Members of Congress are invited to attend and some 25 downlink sites are planned.

- **Education Summit:** On March 26 and 27, the Secretary will travel to Palisades, New York, for the National Governors' Association's Education Summit. The meeting of governors and business leaders will focus on how States can establish specific standards of achievement consistent with the National Education Goals and how technology can be better used in the classroom.

GENERAL SERVICES ADMINISTRATION

- **Missing Children:** Posting missing children notices to the 1700 Federal building sites has been made easier through the creation of a system that uses Electronic mail to distribute postings. GSA's Region 6 will pull all relevant notices off the Internet, verify them with the DOJ, and send them electronically to Federal Buildings where they can be printed and posted

- **Credit Card Interview:** GSA Chief Financial Officer Dennis Fischer did an on camera interview with NBC Dateline regarding government-wide use of the American Express Card. Dateline is in the process of doing interviews with Congressional members. Rep. Gekas put out a press release calling the Travel Card "plastic pork." Because of the one-sided coverage as the negotiator and manager of the Travel Card, GSA felt obligated to present the other side stressing the following points: No taxpayer liability, and greater savings to the Government. The air date is unknown at this time.

OFFICE OF PERSONNEL MANAGEMENT

- **Mail Order Prescriptions:** OPM was targeted in a full page ad placed by the National Association of Chain Drug Stores in the *Washington Post*, *Washington Times*, and *Roll Call*. The ad asked retired federal employees to call OPM, the White House, and Congressional Committees to object to a new feature of the Blue Cross/Blue Shield plan that requires retirees to fill prescriptions by mail order or incur financial liability. OPM approved the BC/BS proposal because it would save the program $200 million this year and keep premiums from going up by $60 per year for a single enrollee and $150 for a family.

- **Buyouts Back to Work:** On Wednesday, February 21, Director King met with Rep. Frank Wolf (R-VA) to discuss the matter of former FAA employees who took buyouts and have returned to the agency under personal services contracts, a clear violation of the buyout agreement.

THE PRESIDENT HAS SEEN
2/27/96

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3 articles worth reading
XD below RC

WASHINGTON EDITION

THE PRESIDENT

Los Angeles Times

TIMES MIRROR COMPANY

Monday
February 26
1996

DAILY $1.00
AN EDITION OF THE LOS ANGELES TIMES



U.S. Warns Cuba, Weighs Retaliation

■ **Caribbean:** Christopher charges that exiles' planes shot down over Florida Straits were in international airspace. Havana says aircraft were invading its territory.

By ELIZABETH SHOGREN, TIMES STAFF WRITER

WASHINGTON—Charging that the two small civilian planes shot down by a Cuban MIG-29 over the Florida Straits were in international airspace, Secretary of State Warren Christopher on Sunday accused the Cuban government of blatantly violating international law and warned that the United States is considering a range of retaliatory actions.



After 15 hours of silence, the Cuban government admitted to downing the aircraft but declared the action justified because the "pirate Cessna planes" had invaded Cuban airspace.

The two downed Cessnas, each with two people aboard, belonged to a group called Brothers to the Rescue, whose Cuban exile pilots regularly fly over the Florida

Turmoil in GOP Ranks Tied to Misreading of '94 Vote

■ Politics: Party fails to develop new ideas to build on Reagan successes. 'Contract' lacked wide public backing.

By ROBERT SHOGAN
TIMES POLITICAL WRITER

WASHINGTON—It was only a year ago that the GOP ruled the political roost. Jubilant over their historic victory in the 1994 congressional elections, Republicans talked boldly of establishing an enduring political legacy. As for the presidency, all they had to do to regain it, many in the party felt, was simply choose a standard-bearer. Anyone, they believed, could beat Bill Clinton.

In the past few months, their world has been turned upside-down.

GOP legislative leaders, once heralded for their boldness and cunning, have been outmaneuvered and upstaged on Capitol Hill. The party's presidential campaign has turned into a winter of discontent and disarray—a disarray that only deepened Saturday as Steve Forbes revived his campaign by winning the primary in Delaware.

NEWS ANALYSIS

In recent days, senior Republican figures have even begun to publicly discuss the possibility that the party could find itself split in two by midyear. Patrick J. Buchanan has begun warning that his followers might go elsewhere if he is denied the party nomination.

Please see GOP, A5

GOP: Turmoil in Party Is Linked to Misreading of Vote in '94

Continued from A1

On the other hand "if Pat Buchanan becomes the nominee," the result would be "a third party," warned William J. Bennett, the former secretary of education. "I'm pretty confident that would occur." Bennett, who last year considered running for the nomination himself and is now chairman of Lamar Alexander's campaign, made his remarks Sunday on ABC-TV's "This Week With David Brinkley."

How did this stunning reversal of political fortunes come about?

One clue can be found in an already notorious utterance made last week in New Hampshire by Sen. Bob Dole, the once seemingly invincible but now much beleaguered White House aspirant.

"I didn't realize," the Kansas senator remarked, almost offhandedly, "that jobs and trade and what makes America work would become a big issue in the last few days of this campaign."

But the seeming inability to comprehend the deep-seated economic anxieties of average Americans and the resulting "he just doesn't get it" impression left by Dole are only part of the explanation for the Republican decline. And withdrawing from their blind alley will, by the same token, require more than just remedying Dole's rhetorical lapses.

Indeed, the cumulative problems the GOP now faces are rooted in the 1994 election and the misreading by party leaders of that event. Ever since the final days of the Reagan administration, Republican strategists have been looking for a new and compelling set of ideas that could hold together the coalition that Ronald Reagan built. The lack of such ideas led to a frustrating stalemate during George Bush's presidency and contributed to his defeat. With the 1994 victory, many Republican strategists thought their search had succeeded. But subsequent events have proved that judgment premature.

"They thought [November 1994] was the Russian revolution," said conservative spokesman David Keene, the campaign strategist for Dole's 1988 presidential bid. "And so they set expectations for the public and their own troops that were unrealistically high and led to disappointment and frustration."

Several major blunders stem from this initial miscalculation. Among them:

- The GOP congressional leaders sold themselves on the "contract with America" but never got around to selling the public on a program whose details had been only dimly sketched out to voters.



Reuters

Pat Buchanan campaigns at a gun show in Phoenix on Sunday.

"We know from the polls that only about 1 in 4 voters even knew about the contract, and only half of that quarter supported it," said George Edwards, director of the Center for Presidential Leadership at Texas A&M University. "When you start believing your rhetoric, but no one else does, that can be a danger."

- Balancing the budget and other legislative objectives became ends in themselves to the Republicans, while the benefits those goals would supposedly bring to citizens whose living standards had stagnated went unexplained and unmentioned. "They defined the economic issue too narrowly," said John J. Pitney, a congressional affairs specialist at Claremont McKenna College in Claremont, Calif.

"They were talking about dollars and cents. They should have been talking about people."

- In setting out to delineate the national political agenda on a scale no previous modern Congress had attempted, the Republicans underestimated their own inevitable disunity and the constitutional and political power of the president to block their initiatives and dominate public debate.

"There was an unfortunate tendency among House Republicans to assume that the center of the political system is in Congress and to believe that a revolution can begin and end with Congress when the separation of powers precludes that," said Bill Connelly, a political scientist at Washington & Lee University in Lexington, Va., and co-author of "Congress' Permanent Minority?" a book about the House Republicans published before the 1994 election.

The current crop of Republican leaders is scarcely the first to overestimate the significance of its own success.

"Whenever there is a surprising result, and the Republican takeover of the House surprised most people, we reach out for that concept of the mandate," said Charles Jones of the University of Wisconsin, author of "Separate but Equal Branches," a book about Congress and the presidency.

Jones blames the media for helping propagate the notion that the 1994 election represented a mandate for the GOP, instead of just a negative verdict on the Democrats. It was a particularly "goofy" notion, he says, because it depended on one branch of government, the House of Representatives, promulgating a drastic new political agenda.

What made the whole proposition even shakier, Jones argues, was that the supposed GOP mandate was built around a number of untested theories, such as "the idea that all state governments are better than the national government and that not making payments to welfare mothers would stop them from having more children."

Nevertheless, these ideas went directly from being heralded on Capitol Hill to become staples of the rhetoric of nearly every Republican presidential candidate.

One of the basic Republican problems has been the sketchy nature of many of the items in the "contract with America." Don Sipple, a Republican consultant who has taken on the assignment of strengthening Dole's message, calls the Republican mandate "a post-election invention," because it was not until after the votes had been counted that Republican lawmakers fleshed out the bare bones of their proposals.

During the heat of the election campaign, that did not seem to matter, said Rep. Charles Bass, a freshman Republican from New Hampshire, who, like many other GOP lawmakers, endorsed the contract but did not campaign on it.

"What was attractive was not the contract, but the fact that we had a plan, that we had proposed something new," Bass said. No one worried much about details at the time, he said, because "the fact is, not many people thought the Republicans would take over Congress."

Overshadowing even the contract as an article of faith for the GOP was the objective of achieving a balanced budget. That item became the centerpiece of the campaign planks of the two leading GOP contenders, Dole and Sen. Phil Gramm of Texas, at the start of the presidential race (Gramm has since dropped out of the race).

But whatever its merits as public policy, balancing the budget has proved to have little political appeal.

"I've never seen a race decided on that ground," said Sipple, who has been a longtime advisor to California Gov. Pete Wilson. "Eighty percent of the people say they want a balanced budget, but then you start doing it and they fall off you on the specifics."

The lack of compelling ideas coming out of the campaigns of Gramm, Dole and the other early contenders left the way open for political outsider Steve Forbes to plunge in last fall, shelling out unprecedented sums to simultaneously promote his flat tax and to attack the rest of the field. Forbes' televised barrage made a shambles of his rivals' strategies and soured the mood of the electorate toward everyone involved, including himself, although his victory in Delaware—and his sizable checkbook—may allow him to revive his campaign.

Underlying the drive for a balanced budget has been a central belief among many Republican leaders that the main reason for voter discontent was dissatisfaction with government, particularly the federal government.

But the early success of Buchanan's candidacy calls that conclusion into question, according to Texas A&M's Edwards.

"What Buchanan's campaign is indicating is not antigovernment," Edwards said. "He is actually asking government to be much more active, to intervene in the marketplace, whether by limiting immigration or doing something [to restrain] corporations and intervening in trade. That is not an antigovernment stance."

Along with other analysts, Edwards believes that voters' anger is not directed at big government per se, but more generally at other forces that seem to dominate their lives—including big business.

That sentiment was reflected in interviews with voters who backed Buchanan in New Hampshire.

"I'm for Buchanan because he's for Main Street, not for Wall Street," said John Stacken, an electrician who came to cheer Buchanan on at a rally in Nashua last week, just before the primary.

Republican dedication to balancing the budget and cutting back government led them into the showdown with President Clinton last fall over fiscal policy which forced a shutdown of the government—and ultimately an embarrassing Republican retreat.

"In 1995 the Republicans set the agenda and dominated the political scene until the fall," said Connelly of Washington and Lee. "But all the time the President was sitting there with his veto power."

"The Republican strategy hinged on Bill Clinton caving" on the budget, Connelly said. "But he didn't cave." Actually, as Connelly acknowledged, Clinton did give ground to the Republicans by agreeing to their basic aim of balancing the budget within seven years. But because of the ability of the president to dominate public debate, he made it seem as if he stood his ground on the basic issues involved in the argument.

"He controlled the perception that he didn't cave," said Connelly.

How do Republicans get out of the hole they have dug for themselves?

On the presidential campaign trail, analysts say, the challenge remains what it has always been—find a message that will appeal to voter insecurity about the economy and unease about the coarsening of the culture.

"The benchmark in presidential elections used to be peace and prosperity," Sipple said. "But this campaign is really a referendum on how individuals can take control of their own lives."

But the problem facing the party is not only that time is running short to craft such a message. Even if such a message can be created, the GOP will still need a candidate who can deliver it convincingly. And as even his supporters ruefully acknowledge, Dole, who remains the party's most likely nominee, has during his 25 years on the national scene not yet shown that sort of talent.

BUCHANAN: Builds Verbal Reputation

Continued from A1

from Nelson A. Rockefeller to Bob Dole.

An examination of his written and spoken opinions over the last three decades, a record that runs to more than a million words, reveals a remarkable consistency in Buchanan's core political beliefs and in his attitudes toward those he considers the "enemy."

It is this vast lode of controversy that Buchanan's opponents are mining as they accuse him of "extreme views" and seek to blunt his political rise.

It is a search that, in some ways, resembles the proverbial shooting of fish in a barrel. For Buchanan is the rhetorical *agent provocateur* of the current political scene, couching his views in language deliberately designed to shock and to set his followers apart from all the hostile "thems" that surround them.

The list of foes changes and grows through the years, but they share a common thread in Buchanan's mind: They are out-of-touch elites trying to impose their corrupt and godless values on the common men and women of America.

He, of course, is the leader of the self-described peasant rebellion that is storming the gates of the terrified establishment. "Ride to the sound of the guns," his rallying cry out of New Hampshire, could well have stood as his motto since he threw in his lot with Barry Goldwater and the radical right 32 years ago.

Buchanan's first job after college in 1962 was as an editorial writer for the conservative St. Louis Globe-Democrat, where he honed the skills in argumentation that four years later caught the eye of Richard Nixon, the former vice president then planning a run for president in 1968.

It was in the Nixon White House that Buchanan perfected the use of words as offensive weapons. One of the nation's most effective propagandists, Buchanan knows exactly what he is doing with his language. Its effect is to polarize and define in his terms whatever political clash he has chosen to provoke.

At almost all times, he has chosen the most visceral terms to dramatize his points. Out-of-the-closet lesbians "defecate" on community values, foreign diplomats "vomit" on the United States at the U.N., supporters of welfare are "guilt-soaked wimps," family-planning clinics are "abortuaries" akin to the Nazi ovens of Auschwitz.

These are the techniques of the conservative populists in American politics, from William Jennings Bryan through George C. Wallace, says historian Dan Carter, author of "The Politics of Rage," a new biography of Wallace.

"There are some deep strains in the family we call populism, but they do have a few things in common," Carter said. "They clearly are outside the establishment. When they talk about Washington, Wall Street, transnational corporations, these people are not part of it. They are all insurgents, rebelling against the people running the operation."

All incorporated in their language a sense of "grievance, betrayal, paranoia about elites . . . an angry evangelical moralism that divides the world into the saved and unsaved," he said.

Buchanan is a man who clearly means what he says; he has been steady in his militancy throughout his life. He also understands that the best way to win is by galvanizing an audience through attack and outrage.

The very first object of Buchanan's wrath was the Republican establishment, which in his view torpedoed the candidacy of his first political hero, Goldwater.

"What attracted me about Goldwater was his principled militancy," Buchanan wrote. "When people called us 'the radical right,' they had a point."

For Buchanan, the Goldwater campaign took on an aspect of religious and cultural war—a sentiment and a phrase that stayed with him for three decades. He never forgave Rockefeller for remaining an agnostic in that war, nor has Buchanan ever shown the least respect for Rockefeller's Republican political heirs: President Bush and Dole chief among them.

The foundation, of course, of the Eastern establishment is Wall Street and its scions of old money.

In his early writings, Buchanan used "Wall Street" as shorthand for inherited privilege and disdain for the working man.

But Buchanan's thinking has evolved. Wall Street now represents for him the corporate interests that support trade pacts like the North American Free Trade Agreement and the revision of the General Agreement on Tariffs and Trade, which Buchanan believes encourage U.S. business to shutter American factories in favor of cheap overseas labor.

Wall Street is also responsible for the $50-billion international bailout of the Mexican treasury last year, another deal that Buchanan condemned as inimical to American interests.

Interestingly, he cites the investment house Goldman, Sachs as the chief beneficiary of the Mexican bailout, although dozens of other banks were involved in the deal. He also notes that the transaction was engineered by Treasury Secretary Robert E. Rubin, former chairman of Goldman, Sachs.

Likewise, when Buchanan speaks of the Supreme Court, he seldom names any member other than Justice Ruth Bader Ginsburg, who, like Rubin, is Jewish.

Buchanan has denied accusations of anti-Semitism repeatedly. In New Hampshire earlier this month, for example, he responded to the question by saying that his personal physician and one of the co-chairmen of his presidential campaign, a rabbi who heads an antiabortion group, are both Jews.

But many Jewish leaders consider Buchanan's use of Jews to represent institutions he opposes to be a classic instance of coded anti-Semitism.

"This is a pattern you see in him very often, singling out Jews to exemplify positions he's in opposition to," said Matthew Brooks, executive director of the National Jewish Coalition, a group of Jewish Republicans.

"One time you can ignore it, but there's clearly a pattern here that's very troubling. Someone as bright as he is, and as careful with language as he is, is not doing it out of ignorance. He knows what he's doing," Brooks said.

Jewish leaders also cite as evidence of Buchanan's anti-Semitism his remark after Iraq's invasion of Kuwait that only two groups were "beating the drums for war in the Middle East: the Israeli Defense Ministry and its amen corner in the United States."

He named four prominent Jews as the leading U.S. voices supporting military action against Iraq: former Secretary of State Henry A. Kissinger, former Pentagon official Richard N. Perle and journalists A.M. Rosenthal and Charles Krauthammer. He wrote that the war's casualties would be "American kids with names like McAllister, Murphy, Gonzales and Leroy Brown."

Just before the start of the 1992 campaign, in which Buchanan challenged Bush for the GOP nomination, columnist William F. Buckley wrote: "I find it impossible to defend Pat Buchanan against the charges that what he said and did during the period under examination amounted to anti-Semitism."

As an angry young man in the 1960s and 1970s, Buchanan fumed at court-ordered school busing and integration; he also assailed the women's movement and Congress. Buchanan took on anybody and anything that he found responsible for America going to hell in a handbasket.

And he always did so with utter confidence that the people were behind him.

"Let me say candidly that for the foreseeable future, it is all over for compulsory social integration in the U.S.A., because that body of public approval which must be present for a social change of this magnitude is not there; indeed, a hard opposite opinion is building," Buchanan wrote in 1970 while at the White House.

Homosexuals occupy a special place in Buchanan's oratory, particularly those who are open about their sexual orientation. The most colorful language in Buchanan's canon is found in his descriptions of gay men and lesbians and their sexual practices.

In a September 1994 newspaper column, Buchanan called gays the "aggressors in our cultural war."

"Neither Jesse Helms nor John Cardinal O'Connor goes gay-bashing, but homosexuals annually parade naked in front of St. Patrick's Cathedral, perform lewd acts on the parade route, disrupt Sunday masses and vandalize churches," Buchanan wrote.

He writes in his autobiography that the "truth" demands that he say that gays, through their practice of "promiscuous sodomy," are solely responsible for the plague of AIDS in their community.

For Buchanan, [illegible] simply someone or something that provides a bigger target. He seems unswayed, for example, by charges that he is a closet racist. He has attacked Dr. Martin Luther King Jr., charging him with "voracious womanizing," claiming in addition that King was guilty of plagiarism.

Indeed, race often seems to be part of Buchanan's message. He has repeatedly warned that an "anti-white" bias exists throughout the American government and culture. And although he has opposed ex-Ku Klux Klansman David Duke, he has admonished Republicans to take up the ideas that propelled Duke to political prominence in Louisiana in the early 1990s.

"The national press calls [Duke's] positions code words for racism, but in the hard times in Louisiana, Duke's message comes across as middle class, meritocratic, populist and nationalist," Buchanan wrote in 1991. Buchanan also makes it clear, again and again, that it doesn't matter to him if his ideas are popular today. He is pushing the debate to set the agenda for the future.

"What of the ridiculed concept of 'America first'? Well, just as the nation was not ready for Goldwater in '64—but was more than ready for Reagan in 1980—its time is coming," Buchanan said in 1991. "Mark it down."

Scholar Michael Novak, who studies the interplay between religion and politics at the American Enterprise Institute, says he admires Buchanan's "fighting Irish" spirit even as he disagrees with many of his views, particularly on race and on the influence of Jews and Israel on U.S. foreign policy.

"There's a combative spirit that comes out of oppressed peoples," Novak said, referring to Buchanan's upbringing as a Catholic in a 1950s society ruled by white Anglo-Saxon Protestants. "He calls himself a Republican, but he's filled with class envy and resentment. He's a conservative on social issues, but he sounds like a leftist when he writes about money.

"I can't help admiring his guts, persistence, verve and sparkle," Novak said. "He's not afraid, he fires fast and he takes on all comers."

Buchanan, as always, gets the last word. He was asked on a recent television interview show whether he would apologize for writing that women lack "the ambition and the will" to succeed in the modern world.

Buchanan looked at the questioner as if she were from Venus.

"We don't make apologies," he said.

Times researcher Robin Cochran contributed to this story.

Perot Voters in State Courted for Buchanan

By BILL STALL
and CATHLEEN DECKER
TIMES POLITICAL WRITERS

Volunteers in Patrick J. Buchanan's presidential campaign on Sunday were soliciting members of Ross Perot's Reform Party to re-register as Republicans—the first sign of serious on-the-ground campaigning in the California primary and the first firm evidence of cooperation between Perot and Buchanan forces.

About half of the Reform Party members being contacted expressed a willingness to change their registration so that they could support Buchanan with their votes in the state's March 26 primary, said Penny Ferguson of San Mateo, Buchanan's volunteer coordinator for San Mateo County.

"They're very enthusiastic about Pat," said Ferguson, who added that Reform Party officials volunteered to share their voter registration lists with the Buchanan campaign.

There was no indication of how many new voters the Buchanan campaign might pick up by today's 5 p.m. registration deadline, but the move was considered a significant indication of a potential alliance between Perot and Buchanan, who have taken some similar positions and whose political bases of support overlap to a considerable degree.

Up to now, there has been virtually no visible campaign in California because the primary comes so late in the accelerated 1996 political season and running in so large a state entails immense cost and logistic problems.

Please see PEROT, A6

PEROT

Continued from A1

For months, most campaign strategists had believed the GOP presidential contest would be settled by March 26. But the strength of Buchanan and others in the Iowa caucuses and the New Hampshire and Delaware primaries has cast doubt on that assumption.

State Republican Chairman John Herrington said Sunday, "California is shaping up more and more as being important." But he added that it is too early to tell whether the primary will become pivotal in the selection of a Republican presidential nominee.

Within the past two weeks, the campaigns of Sen. Robert Dole of Kansas, Buchanan and former Tennessee Gov. Lamar Alexander have opened campaign offices with skeletal staffs in California. The western regional coordinator for publisher Steve Forbes works out of Sacramento.

As in many other states, Dole has the advantage of support from prominent political allies in California and access to their own political networks—particularly those of Gov. Pete Wilson and state Atty. Gen. Dan Lungren.

"From an organizational point of view, the Dole organization has a huge head start," said Marty Wilson, a longtime Pete Wilson political strategist who has been appointed Dole's campaign manager in California.

But that has not necessarily translated into voter enthusiasm for Dole in other states or in California. Dole received 36% of the votes in a California mail-in straw poll conducted in January and February and announced at the Republican State Convention on the eve of the Iowa caucuses.

But Buchanan ran a strong second with 25% and Forbes was third with 18%. Judging by their vocal support when the poll was announced, the number of Buchanan boosters among the 1,500 convention delegates appeared to be about on a par with the Dole camp.

California political experts have said they doubt Buchanan can defeat Dole here should the contest narrow to just those two by March 26, but they have indicated that he would be a significant force in a battle between three or four candidates.

Winning is everything in California, where Republicans still give the No. 1 vote-getter all 163 delegate votes, the largest bloc in the nation, representing 16% of the number of delegate votes needed to win the nomination.

Buchanan has several potential conservative constituencies in California in addition to Reform Party members: the National Rifle Assn. and other gun-owner groups, anti-abortion organizations, the Christian Coalition and those who have labored in initiative-petition campaigns against illegal immigration and affirmative action.

Many of those activists are members of the California Republican Assembly, a party-affiliated volunteer association of conservatives. For example, Buchanan supporter Ferguson is the president of the San Mateo CRA and a member of the state GOP executive committee.

The CRA has fewer than 10,000 members in California, but it is considered far more important strategically than its numbers suggest because members are willing to spend considerable time and money working for the causes they support. Ferguson was in Iowa for Buchanan for 2 1/2 weeks.

And while their numbers are not massive, Perot's Reform Party officials have demonstrated an ability to organize. When Perot announced he was forming a new party last fall, California was the first target state for qualifying his group as a recognized political entity.

The Perot supporters managed to enlist nearly 100,000 new party members in a few weeks.

Herrington said the outcome of primaries and caucuses in 10 states on March 12, known as Super Tuesday, and the three big primaries in Illinois, Michigan and Ohio on March 19 will help determine the importance of the California primary.

More than 950 delegates will be selected in those contests.

If there still is a race, it could boil down to an intense one-week campaign in California, where the candidate who can best afford to blanket the airwaves with television commercials might have an overwhelming edge, Herrington and others said.

That could be Forbes, who is financing his campaign from his personal fortune and is not subject to federal campaign spending limits, including a California primary limit of about $2.2 million.

That is not much for a California campaign, where television time in the major markets is extremely expensive.

"The only reason it works," said Leo J. Hindery of San Francisco, national finance co-chairman for Alexander, "is that it's a very quick time frame."

Sources have said Dole may be close to the national spending limit of $37 million by the middle of March, the result of his heavy outlays in an attempt to wrap up the nomination early in the process.

But if Buchanan continues to score well, he could come into California with the potential of raising considerable money from conservatives and have the support of an activist-fueled campaign organization.

Dole forces are attempting to pick up endorsements from supporters of Sen. Phil Gramm of Texas, who dropped out of the presidential contest after the New Hampshire primary. Until this month, Gramm was the only candidate who had built much of an organization in California.

"With Gramm out, our hope between now and the primary is that we will pick up his public endorsement and his activists," Marty Wilson, the Dole campaign manager, said.

Wilson's job is also to keep them from going to Buchanan. Many of Gramm's supporters share Buchanan's positions on a number of issues but went with Gramm out of the belief that Buchanan could not win the nomination.

Wilson said he did not know where Alexander's California strength might lie.

"You need a lot of money to campaign out here," he said. "Buchanan, on the other hand, he'll appeal to red-meat conservative voters, and we certainly have a group of those in California as well."

Buchanan Measured by Life of Sharply Honed Rhetoric

■ **Politics:** Words over three decades show consistency in core political beliefs and his 'us vs. them' attitudes.

By JOHN M. BRODER
and JAMES RISEN
TIMES STAFF WRITERS

WASHINGTON—Since boyhood, Patrick J. Buchanan has seen the world in the simplest of terms: us against them.

Whether "they" were the kids from the neighboring parish or "Zulus" from across the sea, Buchanan stood unmoved at the bridge to protect "us," with fierce words if possible, with fists if necessary.

He has long understood the power of incendiary and divisive rhetoric in American politics and has expressed his unvarnished and at times insulting opinions with apologies to no one.

With unyielding adherence to a conservative view of his Catholic faith, Buchanan excoriates all who do not share his values and the values of what he repeatedly refers to as "a once-Christian nation that has been force-fed the poisons of paganism."

He has used the print and electronic pulpit he has occupied for more than 30 years to hector, mock and belittle the "others" in American society—which at various times have been feminists, Jews, blacks, homosexuals, foreigners, free-traders, atheists, abortionists, the United Nations, intellectuals, Supreme Court justices and corporate executives, not to mention "establishment" politicians ranging

Please see BUCHANAN, A4

Buchanan Quote File

"Look, I would be rather ashamed of myself if, after 10 years of writing a syndicated column on politics and issues, and if, after seven years of radio and three years of nationwide television, I were not controversial. What kind of commentator or critic would you be if you weren't controversial after all that?"

—1985 interview in the Washington Times

ON ISRAEL

"Capitol Hill is 'Israeli-occupied territory.' "

—"The McLaughlin Group" syndicated TV show, June 1990

"What I meant by that is the most powerful lobby in Washington which Congress can't stand up to, one of the most powerful, is certainly the pro-Israeli lobby. It has gotten its way in this town year in and year out. . . ."

—PBS' "MacNeil/Lehrer NewsHour," December 1991

"There are only two groups that are beating the drums for war in the Middle East: the Israeli Defense Ministry and its amen corner in the United States. . . ."

—"The McLaughlin Group," August 1990

ON NAZISM

"You've got a great atrocity that occurred 35, 45 years ago, OK? Why continue to invest . . . put millions of dollars into investigating that? I mean, why keep a special office to investigate Nazi war crimes?"

—Television interview, 1982

ON IMMIGRATION

"Does this First World nation wish to become a Third World country? Because that is our destiny if we do not build a sea wall against the waves of immigration rolling over our shores. . . ."

—Newspaper column, 1990

"I think God made all people good. But if we had to take a million immigrants in, say, Zulus, next year, or Englishmen, and put them in Virginia, which group would be easier to assimilate and would cause less problems for the people of Virginia?"

—Newspaper column, 1991

ON WOMEN

"Rail as they will against 'discrimination,' women are simply not endowed by nature with the same measures of single-minded ambition and the will to succeed in the fiercely competitive world of Western capitalism. . . . The momma bird builds the nest. So it was, so it ever shall be."

—Newspaper column, 1983

CULTURE WAR

"There is a religious war going on in this country. It is a cultural war, as critical to the kind of nation we shall be as the Cold War itself, for this war is for the soul of America."

—Republican National Convention speech, August 1992

"Whose moral code says we may interfere with a man's right to be a practicing bigot, but must respect and protect his right to be a practicing sodomite?"

—1988 autobiography, "Right From the Beginning"

HOMOSEXUALITY

"Compassion for the victims of this dread disease does not relieve us of the obligation to speak the truth: Promiscuous sodomy—unnatural, unsanitary sexual relations between males, which every great religion teaches is immoral—is the cause of AIDS."

—1988 autobiography

"The cause of this cultural war is the relentless drive by homosexuals and their allies to use schools and media to validate and propagate their moral beliefs, to convert all of America to those beliefs and to codify them."

—Newspaper column, September 1994

ON RELIGION

"Anti-Catholicism, as has often been observed, is the anti-Semitism of the intelligentsia."

—1994 column defending the Catholic Church

"I believe that God created Heaven and Earth. I believe the New Testament is literally the word of God. And I believe the Old Testament is the inspired word of God. . . . [Parents] have a right to insist that godless evolution not be taught to their children. . . ."

—ABC-TV's "This Week With David Brinkley," February 1996

ON RACE

"In the South, the trend of integration of the schools will result in socioeconomic segregation, which is worse for education than racial segregation; it is unfair to the poor who integrate, while the middle class retain the freedom of choice to go to the schools they want; it encourages poor whites to simply abandon the schools, and lifelong teachers to quit their jobs."

—Nixon White House memo on a 1970 speech Vice President Spiro T. Agnew was planning on the school busing controversy

"Poets are the unacknowledged legislators of the world, wrote the poet Shelley. Does it make a difference that school kids in L.A., who never heard of Robert Frost, can recite the lyrics of Ice-T and 2 Live Crew? Ask the people of Koreatown."

—1992 column on the Los Angeles riots

FOREIGN POLICY

"If British and French nuclear arsenals helped deter Moscow in the Cold War, why should not small nuclear arsenals in South Korea, Japan, Taiwan and Australia help deter the neighborhood bullies of East Asia who reside in Pyongyang and Beijing?"

—Newspaper column, April 1994

STANLEY P. GOLD
4444 LAKESIDE DRIVE
BURBANK, CALIFORNIA 91505

96FEB27 A8:06

February 26, 1996

President Bill Clinton
The White House
Fax #202-456-2215

Dear Mr. Clinton:

I missed hearing your strongly-worded remarks when you spoke out against Minister Louis Farrakhan and his latest antics.

Would you please ask someone on your staff to send me a copy of what you said.

Thank you.

Sincerely yours,

Stanley P. Gold

SPG/sg
VIA FAX

2/27/96

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This was faxed to our office.
Send to Dorskind for handling?

Yes ✓

no

C.

BRIGHTWOOD PARK
UNITED METHODIST CHURCH

THE REVEREND
DR. ALPHA ESTES BROWN

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Peter Tufo
Managing Director

Investment Banking Group

World Financial Center
North Tower
New York, New York 10281-1329
212 449 3631

Leon
Summers PK

2-26-96

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN
2-27-96

Gov Schaefer
wants full guarantees
to bail out Lawsuit
HUD is -

2/27/96

The GOP's Flawed Fable

The 'Miracle' of Michigan Traps the Party's Thinking

By Thomas B. Edsall

THE DEATH of Eva Frederick on Nov. 20, 1991, is shaping Republican strategy in the 1996 battle over the budget, Medicare and the deficit. The story of the end of Frederick's life four years ago—and the parallel tale of the political resurrection of Michigan's Gov. John Engler—have become parables of the right, an oft-retold lesson in fortitude rewarded for Republican House and Senate members unnerved by the anguished complaints of constituents, federal workers and community activists.

But the lesson has the potential to backfire on the GOP. Frederick died and Engler survived on a battlefield where it was possible to keep the focus of public attention on government programs perceived as damaging to the family and to the work ethic. In Washington, in contrast, the budget battleground encompasses programs that have become bedrock middle class entitlements.

Frederick, 51, died in the intensive care unit of a Traverse City hospital after surgery for a broken blood vessel in her brain. Her $434 monthly grant from the state general assistance welfare program had been cut off and, according to her children, she had been forced to ration her blood pressure pills.

The day after Frederick died, the front-page story in the Traverse City Record-Eagle began: "Heart-wrenching sobs filled the waiting room at Munson Medical Center and floated down to the elevator. Friends, relatives and daughters of Eva Frederick held each other, their bodies shaking, as they cried for a woman whose life friends and family say was cut short by state welfare cuts."

Marlene Waterson, a friend of Frederick's, vowed to write Engler, the newly elected governor who had pushed through Michigan's legislation ending general assistance. "I just want to let him know that he is hurting innocent people. How can we get through to this man that he is killing people without mercy?"

The Frederick story was perhaps the toughest for Engler. He was picketed and denounced as patients were forced to leave a state mental hospital and state employees were laid off in droves. His favorability ratings collapsed, and the future of the Republican Party in his Rust Belt state looked bleak at best.

But in the months that followed, the Michigan economy began to flourish, the budget cuts seemed less and less harsh and the hard-nosed program Engler had initiated began to look like it was paying off for the working men and women of Michigan. In 1994, Engler ran for re-election on the theme "Promises Made, Promises Kept," and won in a 61 percent landslide.

On the surface, no lesson could be more powerful for Republicans facing the challenge to keep "the promise of 1994" than the story of John Engler who, having left a dead woman on his field of battle, not only survived but prospered. The story of Engler's political resurrection has become a commonplace in Republican circles, and his survival of not only Frederick's death but a wave of hostile news stories and editorials involving other cuts are mainstays of Republican morale building. But like many such stories, the reality is much more complex, and the rele-

See GOP, C2, Col. 1

lawed Fable

GOP, From C1

vance of what took place in Michigan to the battle royal in Washington is the subject of intense debate within Republican and conservative ranks.

Many factors limit the applicability of the Engler parable to the current federal budget debate. To begin with, at the federal level, the chances of speedily rectifying mistakes are much smaller. In Michigan, the day after Frederick's death, the state legislature enacted a program providing $51 million for emergency needs that could be used to cover the costs of prescriptions. Only in the most extraordinary of circumstances could the federal government respond so swiftly to such an event as the death of one person.

More importantly, in the brutal politics of spending cuts, Engler was dealing with the welfare program most closely associated with the public perception of government providing payments to the "undeserving poor": general assistance. This program provided state-financed help for able-bodied adults who were not caring for small children, although the recipients included many men and women ill-equipped to compete in the contemporary marketplace. Similar programs have been killed in other states, including such bastions of liberalism as Massachusetts, with little or no public outcry and with political benefit to the governors backing such changes.

In Washington, however, the partisan battleground has moved away from the terrain of welfare and crime, political turf historically favorable to the Republican Party. Much to the dismay of Republican strategists, the debate over welfare reform has, at least for the moment, become subordinate to the much more costly debate over Medicare. And Medicare is a program seen by many voters as providing benefits to the deserving elderly.

Instead of providing cover for the inevitable consequences of tough actions, the budget battle in Washington has forced to the forefront some of the underlying conflicts between competing Republican strategies to extend the powerful majorities of 1994 into the election of 1996. Those conflicts are rooted in two unresolved questions: Was the election of 1994 a cultural or an economic upheaval; and how can a policy agenda be developed that satisfies both committed Republican voters and the substantially different swing electorate, both of which are crucial to garnering a 51 percent majority?

Although Rep. Zach Wamp (R-Tenn.), a leader of the House Republican freshman, and GOP pollster Fred Steeper would not describe themselves in opposition to each other, in fact their outlooks reflect the tension within the party.

For Steeper, the election of 1994 was about values: "Our compass was headed in the wrong direction. Something had to be done about the breakdown of family and values in our society." Republicans "have been on an economic conservative theme with the balanced budget, but it is not a moral values theme." The attraction of focusing on economic issues in Congress, Steeper said, is that "the budget fight is the one area where all Republicans can agree."

For Wamp, "the meat and potatoes of this Republican majority and the revolution is the size and scope of the federal government . . . ." But, he added, "don't expect us to cure every social woe."

There is a political logic to both positions. The commitment to balance the budget, to restructure such entitlement programs as Medicare and to restrict the regulatory arm of the federal government in such areas as the environment and consumer protection are issues of central importance to the core Republican, conservative electorate—the GOP base vote. And the strong turnout of that base vote, among whom defections to Democratic candidates was kept to minuscule levels, was a major factor in the 1994 outcome.

But of roughly equal importance was the switch from Democratic to Republican congressional voting among a constituency more concerned with "values" issues than the deficit. These voters—primarily white men and women without college degrees—are generally highly supportive of Medicare. And, according to pollsters on both the Republican and Democratic sides of the aisle, a substantial segment of the defectors to the GOP in 1994 are drifting back to the Democratic fold in large part because of the Medicare debate.

"When we took on the issue of Medicare, the question was not whether it was winnable; the question was whether it was a sustainable fight," said one Republican who advised the GOP congressional leadership on budget tactics. "This is an issue that is always going to work in favor of the Democrats," he said, noting that when voters are asked which party is better equipped to handle Medicare, the Democrats routinely win by 20-point margins "What we wanted was to keep . . . it [from] going up to 40 points. That's when we lose elections. These days, it's up in the mid-30s,"—very close to the danger zone.

Conservative writer David Brooks argues in the current issue of The Weekly Standard that "Republicans on Capitol Hill have barely touched the social and cultural issues that are of primary interest to Republican voters and intellectuals . . . . [O]nce the legislative clock started ticking, the Republican revolution settled on pretty traditional concerns—regulatory reform, tort reform and, above all, budget balancing."

"Why," Brooks asked, "did the Republicans make Medicare the centerpiece of their budget? Medicare doesn't tear at the fabric of the nation. It doesn't crowd out civil society in the way other social programs do. But it is where the money is. And if you care about the deficit foremost, you go after the biggest programs first."

Much more dangerous for the GOP is that the Medicare issue has the clear potential to focus public attention on the agenda of the Republican Party in just the way that conservative strategists have successfully linked liberalism and the Democratic Party.

Robert J. Blendon, of the Harvard School of Public Health, who conducted detailed analyses of public attitudes toward health care initiatives, said there is a striking parallel between the way public opposition grew to President Clinton's health care program and the more recent rise in opposition to the GOP's Medicare plans.

"Initially," Blendon said, "people were interested in both plans, and then the majority turned against both the Clinton plan and the Republican Medicare plan"—for very similar reasons. In both cases, pluralities of voters came to believe that the result would be [their] reduced ability to pick a doctor, and high percentages became convinced that they would be worse off, 37 percent in the case of the Clinton plan, 46 percent in the case of the Republican Medicare plan. And similar percentages, about a third of the electorate, decided that the Clinton health care initiative and the Republican Medicare plan would result in a lower quality of health care overall."

The Medicare debate thus has the power to turn the terrain of public discourse from easy riding for the GOP, as it was in 1994, into hostile territory. And this is where the story of Eva Frederick's death begins to take on new, and more dangerous meaning.

One of the consequences of the Republican attack on the Clinton health care program was to strengthen the sense in the public that health care is one of the rewards of being part of the middle class, but a reward under assault and endangered by both private sector and public intervention.

The Clinton health care intitiative left itself open to a scathing portrayal of liberalism and the Democratic Party perhaps best characterized by conservative activist Grover Norquist, head of Americans for Tax Reform. Norquist has argued that the once-vibrant New Deal coalition has devolved into a "takings coalition," an alliance of government and teachers' unions, recipients of welfare programs, government contractors, trial lawyers "who want the state to use its power to take things, usually money, from other people, and redistribute it . . . a coalition of people who want government to take things from other people and give it to them."

The centrality of Medicare to the budget debate, according to a number of Republican strategists, poses the danger of turning the GOP into just such a "takings coalition"—although in this case what the Republicans would be taking is what the government has been providing. And becoming a takings coalition carries with it the liability of making it far more difficult, if not impossible, to survive adverse developments less severe perhaps than the death of Eva Frederick, but inevitable in the process of conducting the drive to significantly constrict the size and scope of the federal government.

the key. Most openings have been tried before, Philadelphia: Slap

THE PRESIDENT HAS SEEN 2-27-96

World Bank Loses Its Way

Dubious policies have appeared in lending to poor nations

With free markets and capitalism fueling change in the world today, poor countries have a harder time than ever competing for development funds. The most needy traditionally have depended on interest-free loans from institutions like the World Bank, but many of these countries, especially in Africa, are not getting adequate funding. Some rethinking on lending policies is in order at the World Bank.

Consider China and India, the two largest recipients of World Bank loans. As Times columnist Jim Mann pointed out last week, China received $925 billion in interest-free loans in 1994 from the bank's International Development Assn., which is supposed to lend to countries so poor that they can't get credit elsewhere. Well, China has foreign reserves of $70 billion and attracted more than $33 billion in foreign investment in 1994; per capita income, at $530 in 1994, was well above the world average of $382 for countries that receive IDA funds. With China on its way to fuller development, surely some of the money going there should be diverted to Africa, where per capita income is only $307 a year. Africa is the only continent where the number of poor is expected to rise in the next decade.

Too often, too conveniently, loans designed to relieve poverty reflect the political interests of the bank and its donor countries, which are led by the United States, Japan, Germany, France and Britain. China is a model of a poor country successfully following the World Bank's recommendations for a capitalist-based economic policy, so the bank wants to continue funding China. Japan, with an eye on regional development, has been the strongest supporter of poverty loans to China. Some World Bank policies, Mann observed, hint of neocolonialism. For instance, London has persuasively argued against any early diminution of poverty loans to India, its former colony and the No. 1 recipient of World Bank loans in 1995. There are far needier countries in Africa, Eastern Europe and Central Asia. They deserve no-interest loans if poverty is the criterion, but they do not have high-profile champions in the lenders' camp. The World Bank is supposed to be impartial, granting loans on a case-by-case basis. It seems to have lost sight of that.

Bagel, Please, and Hold the Lox

When does a bagel become a meal? When it's served with lox.

Washington lobbyists need to know that distinction and others similar to it because the rules have finally changed. The old days of treating House members to three-martini lunches and exquisite lobster dinners are over, thanks to a solid reform law that restricts those who make a living trying to influence legislation. Under the new rules, lobbyists still can spring for a bite to eat, if it is literally a bite. A meatball speared on a toothpick at a reception is allowed. A meatball topping spaghetti is not.

Finger food is usually OK. Doughnuts are fine. So is a croissant. Plain bagels make the cut, but not when served with Nova Scotia salmon. According to an interpretation by a lawyer for the House Ethics Committee, salmon would make a bagel pretty close to a meal. A meal is allowed, but only if at least 25 members of an organization are present so a lobbyist cannot monopolize the House member.

Buying an alcoholic drink is not off-limits as long as the official is standing at a bar when he or she consumes it. But lobbyists can no longer pay for several rounds plus appetizers.

The rules are a little more relaxed for the Senate. Lobbyists can still pick up the tab but only up to $50 a meal and $100 a year, which won't go very far in a town dominated by restaurants that cater to expense accounts.

It is amazing that lobbying reform passed, given the long history of the practice. The term "lobbyists" was coined during the First Congress in 1789, according to the Congress Dictionary. Farmers, merchants and anyone else who had a personal interest in the outcome of legislation had to wait outside in the lobby. During the 19th century, influence-peddlers were considered congressional pests. Only since then did lobbyists begin picking up tabs for meals, gifts, trips and other luxuries.

The meal ban and the other reforms should reassure wary voters. Lobbyists can no longer use a bagel and lox or a chateaubriand to buy access routinely denied to the public.

2-26-96

THE PRESIDENT HAS SEEN
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THE WHITE HOUSE
WASHINGTON

Leon fyi

Rep. Fred Upton said
he's for segmenting tax
cut + a lot of GOP Reps
are —

Bs

2/26/96

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN
2/27/96

C T Smith

Ft. Rep. David Wright
Clarion Pa

Wants to help —
He's big Dem - traitor
to big GOP Minister
to UR x pastor of
1st Baptist Church!

2/26/96

THE PRESIDENT HAS SEEN
2/7/96

THE VICE PRESIDENT
WASHINGTON

February 6, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: Vice President Gore

SUBJECT: Air Traffic Control Reform

Norman Lear's letter underscores the continuing public concern over problems with FAA's air traffic control (ATC) system. Your Administration has taken a number of important steps to correct the problems that we inherited upon taking office, and we're pushing Congress for additional help.

The concerns focus primarily on the age of the system, and on system outages that have periodically knocked out radar and/or communications at major ATC facilities in New York, Chicago, Oakland, and elsewhere.

To give a quick sense of history, the FAA, in the first year of the Reagan Administration, launched a program to modernize the ATC system. Unfortunately, throughout the balance of the Reagan-Bush years, mismanagement, bad planning, and problems with federal procurement rules kept the FAA from delivering much in the way of new technology. The modernization program was years behind schedule, and billions of dollars over budget. When we took office, the ATC system was replete with 30-year-old technology, and its inefficiencies were costing the airline industry an estimated $3 billion a year.

The National Performance Review focused on this problem from the beginning. Building on the recommendations of the National Airline Commission that you created, we proposed turning over the operation of the ATC system to a more businesslike government corporation that would be free from federal budget, procurement and personnel restrictions. We submitted a proposal to Congress in 1994. Unfortunately, they chose not to act, in many cases dismissing the seriousness of the problems.

In the meantime, Secretary Peña and FAA Administrator Hinson replaced the managers of the modernization program, and made changes that put the program back on schedule and avoided over $1 billion in additional costs.

In the FY96 DOT appropriations act, Senator Hatfield, at our request, provided the FAA with sweeping relief from federal procurement and personnel requirements. This was a real breakthrough, and these changes should produce significant improvements in the management and modernization of the system. The FAA has set up teams to design these reforms, and we

have pushed them to be bold and innovative, and to adopt best-in-business practices. Unless Congress intervenes, the reforms go into effect on April 1, 1996.

It is important to note that the FAA takes significant measures to ensure the safety of the system, usually at the expense of efficiency. A recent report by the National Transportation Safety Board found that, while the system has problems, it is "very safe and that the public should not be unduly alarmed by recent press accounts of specific ... equipment malfunctions." Further, the NTSB commended the actions in the last two years to address problems. However, the NTSB did note that the problems with the aging equipment, resulting from previous inaction, reduce the redundancy of the safety systems, with an impact on the margin of safety. Given the possibility of a safety problem, it is important that the Administration expand its efforts to take its due credit for initiating, achieving and seeking additional reforms at the FAA.

We are continuing to push for broader reform of the FAA. Legislation was introduced last year by Senator McCain that would provide much of what we have sought. Unfortunately, it has also prompted a fight over fees between large airlines like American, Delta, and Northwest, and smaller carriers such as Southwest and Valujet. This lack of consensus among the airlines slows down the reform effort. We are working to craft a modified version of the McCain bill that would provide needed management and long-term financing reforms while avoiding the airline fight.

Lear is correct in suggesting that a more businesslike approach is needed to address the FAA's problems. That was the premise behind our corporation proposal. We are now working with the President's Management Council to identify a number of government operations that could be set up as businesslike "performance based organizations" (PBOs) within the government. These PBOs would have a chief executive whose salary was tied to specific performance measures, and who would be accountable for achieving productivity, savings, and other measurable goals. FAA's ATC system is a prime candidate for designation as a PBO.

Your Administration has stepped up to the plate to identify and correct the problems with the ATC system in a way that our predecessors did not. It's worth noting that Reagan Transportation Secretary Jim Burnley has said that his single biggest regret about his tenure was not having pushed ATC reform as we have. We will continue to push for improvements, and for the type of fundamental legislative reform that is necessary to ensure the long-term safety and efficiency of the system.

Mr President —
This is the
article I told
you about.
L

THE PRESIDENT HAS SEEN
2/27/86

VP

We might ask
Billy Graham to
endorse the TV
rating system. VCUP
efforts —

BG

My Answer

Billy Graham

Q. MAYBE THERE isn't any answer to this, because I know they didn't have television in Biblical times, but do you think we ought to control what our children watch on television? My husband says we shouldn't bother because they need to know what the world is like anyway, but I'm concerned about what the violence and immorality they see on TV might do to them.

A. NOT LONG AGO I read about some wells in our part of the country that were contaminated because of a nearby chemical waste dump, and you have probably read similar stories. Now let me ask you a question: Would you allow your children to drink water from such a well? Of course not, because you know it could seriously harm them physically.

The same thing is true with our children's moral and spiritual health. Just as they are affected physically by the things they eat, so they are affected morally and spiritually by the things they see and hear — whether on television or elsewhere. Yes, they need to learn what the world is like — but they will learn that soon enough anyway. I would strongly encourage you, therefore, to control what your children watch and set forth some clear-cut guidelines for their viewing habits. That is not to say all television is a bad influence, any more than all wells are poisoned, but you need to exercise discernment. The Bible says: "Listen, my son. . . . Hold on to instruction, do not let it go; guard it well, for it is your life. Do not set foot on the path of the wicked or walk in the way of evil men" (Proverbs 4:10,13-14).

Beyond that, however, ask God to help you make your home a place where Christ is honored. Your example of love and purity and commitment to Christ will be the greatest influence on your children.

ARKANSAS GAZETTE
Friday, February 5, 1988

THE PRESIDENT HAS SEEN

2/27/96 THE WHITE HOUSE

WASHINGTON

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THE PRESIDENT HAS SEEN
2/27/96

A Democratic strategy for closing the income gap

The following is a condensed version of Sen. Kennedy's Feb. 8 address to the Center for National Policy, a Democratic think tank.

EDWARD M. KENNEDY

By many indicators, the economy is doing well. But appearances are deceiving. Most Americans are working harder and earning less. They worry about losing their jobs, losing their health insurance, affording their children's education, caring for their parents in old age and somehow still saving for some semblance of security in their own retirement. An economically unjustified, socially dangerous, historically unprecedented and morally unacceptable income gap has opened up between the wealthy few and the worried many. From the Snow Belt to the Sun Belt, this is the winter of America's discontent, and politicians in both parties ignore it at their peril.

The Republican program, from the Contract with America to the flat tax, exploits the income gap but does nothing feasible to close it. A century ago, when economic power was concentrating in monopolies, we enacted the antitrust laws. In the midst of the Great Depression, we created a New Deal of employment programs and a social safety net. Today, we need a strategy to confront this Quiet Depression, close the income gap and put the American dream back in the dreams of all Americans.

The strategy I advocate combines incentives for good corporate citizenship, improved protections for workers' rights; increased investment in education, training, technology and research; and greater wage and benefit security for all employees. As a basic precondition of all else, we must assure reliable, substantial economic growth. We cannot right the nation's economic imbalance or reverse the income gap facing working families if 2.5 percent is the fastest the Federal Reserve will let the economy grow.

We should create a two-tier corporate tax rate to encourage corporations to create higher-quality and better-paying jobs. We reward other countries with tariff benefits if they qualify as "most favored nations." We should establish a category of "most favored companies" and reward them if they share profits with workers and maintain or add good jobs, instead of treating their employees as disposable. For example, the corporate tax rate could be reduced from 34 percent to 30 percent for such companies, and half the tax benefit could be earmarked for employees.

We should encourage employers and workers to place retirement savings in pension funds, IRAs and 401(k) plans that invest in most favored companies. We should give preference to such companies in awarding government contracts and grants. We should encourage companies that award dividends to their stockholders to contribute a similar benefit to their employees.

We can pay for these reforms by eliminating costly tax loopholes that have the perverse effect of hurting American workers, encouraging layoffs, discouraging job creation and rewarding companies that move American jobs overseas. For example, we should eliminate the transfer-pricing and title-passage loopholes, which enable multinational companies to avoid US taxes by shifting income through rigged transactions to overseas subsidiaries. We should close the runaway plant loophole, which subsidizes US corporations that generate jobs and investments in foreign countries. We should repeal the Benedict Arnold loophole, which allows billionaires to thumb their noses at Uncle Sam, renounce their American citizenship and move to a foreign tax haven to evade taxes on the massive wealth they've accumulated in America.

We should put new trust in antitrust by amending the antitrust laws to restrain mergers and acquisitions that cause layoffs so large that they are contrary to the public interest. A new economic strategy must also expand opportunities for workers who want union representation, including temporary and part-time workers. Governments at every level – federal, state and local – must invest more in job education and job training and insist that higher standards are met. Small business, as the principal job creator in the economy, must be encouraged to do more of what it does best – create new products, enter new markets, raise productivity and put more people to work; unnecessary red tape associated with government assistance and regulation must be reduced. We should give research a higher priority, through both direct federal investment and new incentives for business. We should do more to defend American workers against low-wage labor and sweatshop practices from overseas and strengthen our immigration laws to prevent the importation of foreign wages and working conditions.

We should act directly to improve incomes and benefits. That means raising the minimum wage – and strengthening, not weakening, the earned income tax credit. We should create new incentives to extend pension protection to all workers, not just the 48 percent who are currently covered.

Health care, too, must be a priority again. The bipartisan insurance reforms that Sen. [Nancy] Kassebaum [of Kansas] and I have proposed deal with two flagrant problems in the current system – the excessive use of exclusions for preexisting conditions and the loss of coverage when employees change their jobs or lose their jobs. Clearly, even more needs to be be done; my abiding goal is still health security for every citizen.

No economic strategy, no matter how far-reaching, can resolve all the hurts or fulfill all the hopes of the nation. But too often we forget the link between values and economics. When the economy is wrong, nothing else is right. We must end the income gap in America and restore true progress and opportunity for all. The rising tide must lift all boats, not just the yachts. That is our duty as progressives. That is the defining mission of the Democratic Party. It is the only way we can win – and the only way we will deserve to win – in 1996.

THE WHITE HOUSE
WASHINGTON, D.C. 20500

DATE: 2-27

TO: Evelyn (Lieberman)

FROM: **Staff Secretary**

Any comment? This is an all-black pretty much ~~Hallmark~~ list.

Todd

EC

THE WHITE HOUSE

WASHINGTON

96 FEB 23 P12 : 09

February 22, 1996

MEMORANDUM FOR THE PRESIDENT

From: Alexis Herman

Subj: Screening of "Once Upon A Time....When We Were Colored"

Per your discussion with Bob Johnson at the fundraiser for Carol Moseley-Braun, attached is a list of suggested attendees for the White House screening of Bob's film "Once Upon A Time....When We Were Colored." I am assuming that you still want me to proceed with scheduling an informal screening in the White House theater. As we discussed, there are clear benefits to inviting a combination of athletes and entertainers who have never had this kind of evening at the White House before.

_____ Proceed with scheduling _____ Hold

cc: Harold Ickes

Leon
c/o Bonnie & Clyde, Inc.
816 Broadway, 4th Flooor
New York, New York 10003

Dr. Maya Angelou
Wake Forest University
2710 Reynolds Road
M.B. 9, Suite 1
Winston-Salem, North Carolina 27106

Mr. Clarence Avant
1140 Mayter Place
Beverly Hills, CA 90069

Ms. Angela Bassett
c/o Krost-Chapin Management
9911 West Pico Boulevard
Los Angeles, CA 90035-2718

Mr. Lavar Burton
c/o Howard Brandy
755 North La Cienega Boulevard
Los Angeles, CA 90064

Mr. Reuben Cannon
Reuben Cannon & Associates
1640 South Sepulveda
Los Angeles, CA 90025

Ms. Suzanne DePasse
President
DePasse Entertainment
5750 Wilshire Boulevard, Suite 640
Los Angeles, CA 90036

Mr. Charles Dutton
Roc Productions
1040 North Las Palmas
Bungalow E
Hollywood, CA 90038

Mr. Morgan Freeman
William Morris Agency
151 El Camino Drive
Beverly Hills, CA 90212

Mr. Danny Glover
Carrie Productions
41 Sutter Street, Suite 1648
San Francisco, CA 94104

Ms. Whoopi Goldberg
c/o Bragman, Nyman & Cafarrelli
9171 Wilshire Boulevard, Penthouse Suite
Beverly Hills, CA 90038

Ms. Oprah Winfrey
Harpo Productions, Inc.
110 North Carpenter Street
Chicago, IL 60607

Mr. Quincy Jones
1100 Bel Air Place
Los Angeles, CA 90077

Mr. Spike Lee
Forty Acres and a Mule
124 DeKalb Avenue
Brooklyn, New York 11217

Mr. Butch Lewis
Butch Lewis Productions
250 West 57th Street, Suite 311
New York, New York 10036

Mr. & Mrs. Norm Nixon
607 Marguerita
Santa Monica, CA 90402

Ms. Phylicia Rashad
25 Magnolia Avenue
Mt. Vernon, New York 10553

Mr. John Singleton
President
New Deal Productions
10202 West Washington Boulevard
Culver City, CA 90232

Mr. Mario Van Peebles
3208 Cahuenga Boulevard, West
P.O. Box 130
Los Angeles, CA 90068

Ms. Cicely Tyson
315 West 70th Street
New York, New York 10023

Mr. Denzel Washington
c/o Sandy Rice
955 South Carrillo, Suite 200
Los Angeles, CA 90048

Ms. Alfre Woodard
c/o Block-Korenbot
8271 Melrose Avenue, Suite 115
Los Angeles, CA 90046

Mr. & Mrs. Tim Reid
United Image Entertainment
11990 San Vicente Boulevard, Suite 340
Los Angeles, CA 90020

Mr. Lem Daniels
c/o Merrill Lynch
2121 Avenue of the Stars, Suite 100
Century City, CA 90067

Mr. Andre Harrell
President & CEO
Uptown Entertainment
729 Seventh Avenue, 12th Floor
New York, New York 10019

Mr. George Jackson
Jackson/McHenry Entertainment
2425 Olympic Boulevard, 6th Floor
Santa Monica, CA 90404

Sinbad
c/o Mark Atkins
3151 Cahuenga Boulevard West, Suite 315
Los Angeles, CA 90068

Mr. Robert Townsend
Tinsel Townsend
8033 Sunset Boulevard, Suite 890
Los Angeles, CA 90046

Mr. Will Smith
c/o Danita Patterson
NBC Studios
3000 Alameda, #2709
Burbank, CA 91523

Mr. Al Freeman, Jr.
Chairman
Department of Theatre Arts
College of Fine Arts
Howard University
Washington, D.C. 20059

Ms. Julie Dash
137 North Larchmont, Suite 244
Los Angeles, CA 90036

Mr. Carl Franklin
c/o Concord Horizons
600 South Main Street
Venice, CA 90291

Mr. Brad Johnson
c/o Georgia's Restaurant
7250 Melrose Avenue
Los Angeles, CA 90046

Forrest Whittaker
132 South Rodeo Drive, Suite 300
Beverly Hills, CA 90212

SPORTS

Hank Aaron

Ralph Boston, Olympic Decathlon

Daryl Green, Washington Redskins

Flo Joyner

Dion Sanders, Dallas Cowboys

John Thompson, Georgetown Hoyas

Chris Webber, Washington Bullets

ENT HAS SEEN
2-27-96



MARA LEVERITT

Maggie Williams
Call me about
This — BC

Hillary pilloried

A sad acceptance is settling over a lot of women I know. We were—and mostly remain—Hillary's fan club, women who saw in her not only a wise public servant, but vestiges of ourselves.

Women who knew Hillary personally and countless others who knew her only through the media, felt they had a bond with her. She made sense. She had that wonderful, gracious style. She made it easy for us to feel we had a lot in common.

Whom among us hasn't struggled with her hair? We all have that streak of wanting to be sweet and to keep a house like Martha Stewart. We share her passion for children.

Like her, most of us have taken husbands' names. We believe in volunteerism and we admired Hillary for hers.

Like her, we also learned we wanted careers to call our own. We have bumped up against some of the same double standards we've seen her have to negotiate. We identified with her and her vision. As we juggled our own jobs, kids and communities, we felt a sisterly sense that we were all headed in the same direction. It was encouraging to have Hillary around.

Had her reasons for leaving Arkansas been less spectacular, we would have mourned Hillary's departure more. As it was, we were glad for the rest of America to meet this woman of whom we were so proud.

Sure enough, everywhere Hillary went, she attracted women just like ourselves. They applauded and supported her as we had.

Now, in a strange way, that support is being tested. In the past few weeks, we have seen Hillary under attack in the Senate, grilled before a federal grand jury, and dogged by a blood-scenting media as she's gone around the country talking about how it takes a village.

Many of Hillary's defenders see the venom that's been spit her way and suspect the serpent of misogyny. Others see only politics in the assaults, a vicious effort by conservatives to neutralize a powerful opponent.

Others view Hillary's predicament as a combination of both. To them, she is being picked on because she is both liberal and a woman—and an uppity woman at that.

So they're frustrated on her behalf. They rail about Kenneth Starr. They mutter the name of D'Amato. They're pulling for Hillary to not only endure but to triumph. Thousands have phoned the White House, reassuring her of their support.

Yet, at the core of her support here in Arkansas, I sense a growing disappointment. The anger at Republicans persists, but it's tinged these days with bafflement. Heads shake. I hear a weariness creeping into conversations.

It seems we as Hillary's defenders can no longer understand why she's let our job grow so big. So long as the issues were her public record or her aspirations for this country, we stood ready to take all comers.

But now we're faced with something else, matters about which we know nothing, and around which Hillary's own behavior strikes us as increasingly odd.

AS LOYAL AS WE MAY WANT TO BE, WE FEEL THAT IN THESE MATTERS, SHE'S ON HER OWN.

We don't know what happened on the telephone and in the White House the night of Vince Foster's death.

We don't know why, when questioned about that night, the memories of so many very bright people, especially the ones closest to Hillary, seem suddenly to have dimmed.

We don't know why certain sensitive billing records, having so inexplicably disappeared, have now inexplicably reappeared.

We don't know about the work Hillary did on the scam known as Castle Grande. But we have to admit that the notion that she never asked what and where the development was is a little hard to swallow.

We can't understand why she has circled the wagons so hard on these issues, been so uncharacteristically and damningly self-protective. What we do know is that by assuming such a closed, defensive posture, she has allowed what should have been a minor skirmish to become a major disaster.

As loyal as we may want to be, we feel that in these matters, she's on her own.

We share her dismay at the reach and tactics of the Republican special prosecutor. We're tired of the bashing that she and our state have received. We'd still bet there's more virtue in Hillary's nail polish than in the whole life of Alfonse D'Amato. We want her to prevail.

But as we struggle to defend her, we wish Hillary would help us a little more. We yearn for the old openness we think would be her most effective weapon.

We hate the image of Hillary as some kind of dragon lady. It's not the person we knew.

We cringe at the sight of her being burned at what is clearly a political stake. We just wish that in her desperation, Hillary would quit supplying so much of the kindling.

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THE PRESIDENT HAS SEEN
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The Arkansas
REPORTER

David Hale's paychecks

The public gets the tab.

BY JOHN HAMAN

David Hale's whereabouts since he left the municipal court bench and pleaded guilty to a couple of federal criminal charges have been a closely guarded secret of Whitewater Prosecutor Kenneth Starr. As have been his means of support.

But details are emerging. At a minimum, the federal government has paid $57,000 in the care and keeping of its star witness. And, it turns out, Pulaski County taxpayers have been footing an additional load.

Hale, who is only 54, has earned $2,388 in judicial retirement each month since 1994, or almost $29,000 a year. After a deduction for health insurance premiums, the Pulaski County treasurer sends him a check for $1,987.

The checks are addressed to a private mailbox operation, Mailboxes Etc., at 1818 N. Taylor St. All the checks sent to Hale have been deposited at Pulaski Bank & Trust, and all, except one, have been endorsed in Hale's handwriting. The June 1, 1994, check was endorsed by his wife, Sue Hale.

Hale obtained this retirement benefit through special legislation, much as Little Rock Traffic Judge Bill Watt crafted his own lucrative retirement plan through special legislation. Watt is a former Hale business associate and has received immunity for his Whitewater testimony.

In early 1993, when Hale might already have known he was being investigated by the FBI, Hale and various county officials encouraged Rep. Jim Dietz of North Little Rock to file bills that brought Hale's unique county municipal judgeship under the retirement plan used by other municipal judges, and effectively vested his benefits a year and a half before the 16 years he otherwise would have been required to serve.

Like Watt—but unlike judges in state courts—Hale didn't have to contribute a dime to his own retirement fund.

To qualify for Hale's free retirement, you have to be a municipal judge in a county with more than 150,000 residents—only Pulaski County qualifies—and with at least two municipal courts. The act allows judges who meet this criteria to retire at the young age of 50 with a half-salary, as long as their combined time as judge and deputy prosecutor add to 16 years. Hale spent several years as a deputy prosecutor. Needless to say, this law fits only one man.

Dietz knew that he was setting up a one-man retirement plan for Hale, but said he had no intention of protecting a criminal. He says the bill was actually contemplated, if not filed, two years earlier. Still he is angry about the way things have turned out.

"I am not in favor of anybody receiving compensation from any (public) entity when they have committed serious wrongdoing," Dietz says, "which obviously he did."

County attorney Nelwyn Davis has researched the possibility of revoking Hale's pension, based on his guilty plea, but her preliminary conclusion is not encouraging. Once you're vested in this country, it appears, you're vested for good—even if you're convicted of felonies that occurred while you were serving as judge.

SOLVENT: Continued from previous page

•Fleet National Bank and Stephens Inc., money market accounts, one producing more, one less than $1,000 a year.

•A Goldman Sachs Global Income Fund producing more than $12,500 a year in dividends and interest.

•Three mortgages producing less than $1,000 a year each.

•Two life insurance policies, one earning more than $12,500 a year and one producing more than $1,000.

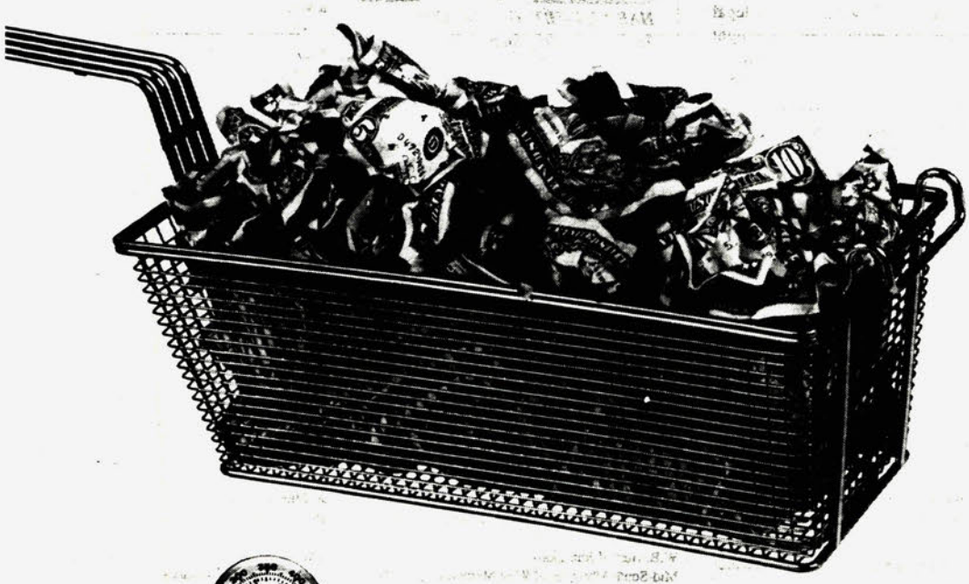
•More than $1,000 from the Market Plaza Shopping Center Partnership.

•Less than $1,000 from the State Employee Federal Credit Union.

•More than $1,000 in interest on money in an escrow account at Arnold, Grobmyer and Haley, a law firm that has represented the governor.

•More than $1,000 from his former law firm.

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EDITORIAL

Hale's heroes

It may be getting crowded over at Kenneth Starr's place. He's been harboring David Hale for a year or so, and now it looks like Louie Caudell's bunking with him too.

The Little Rock police chief is lying low *somewhere* since it was revealed he held up an investigative report on Hale, a felon who is Special Prosecutor Starr's pet witness in the Whitewater affair. Efforts to reach Caudell are rebuffed by spokespersons—"Don't call us and we won't call you, either." Possibly the Little Rock Board of Directors can coax the chief into explaining why he withheld information from the local prosecuting attorney, with whom he should have the closest working relationship, to help a jackleg federal prosecutor grind political axes.

Caudell's is a firing offense. He issued a deceptive public statement last week that no one had tried to "unduly" influence the Hale investigation, then was damned by his own words when the Arkansas Democrat-Gazette published excerpts from a letter he'd written Starr three weeks earlier.

"[Prosecuting Attorney Mark] Stodola asked members of the Special Investigations Division to investigate allegations that Mr. Hale filed false insurance claims and diverted other persons' money into financial ventures without their consent," Caudell wrote. "The investigative portion of this case has been completed for some time; however, at your offices request we have postponed presenting this file for a prosecutorial decision. In light of the approaching statute of limitations, we anticipate presenting this file to Mr. Stodola in the near future. The Little Rock Police Department and federal law enforcement agencies continue to work in a spirit of mutual co-operation and respect. It is in this spirit of cooperation that I am now requesting any advice you have in how to proceed in this matter. While I am aware that decisions on matters such as these are generally collaborated on among the prosecutorial entities, please be assured that I stand ready to assist your council in any matter that furthers a legitimate criminal justice cause."

We're reminded of the state senator who solicited Witt Stephens' advice to the legislature some years back: "Just tell us what to do, Witt." Caudell pleads "Just tell me what to do, Ken." You can hear the whine coming off the page.

(For what it's worth, Starr wrote back that he really hadn't told Caudell to stall the investigative report on Hale. Must have been a misunderstanding, he said, as he's said before that he would never meddle in local law enforcement.)

Prosecutor Stodola has the file now, and still time to enforce the laws of the state of Arkansas against David Hale. We expect he'll see his duty more clearly than Louie Caudell saw his.



GEORGE F



MAX BRANTLEY

Ethics lesson from Huckab

The state Ethics Commission and its staff deserve praise for last week's handling of an investigation of Lt. Gov. Mike Huckabee's campaign finances.

In a unanimous bipartisan vote, the Commission scolded Huckabee for abysmal bookkeeping and excessive post-election spending. In essence, he used the pretext of retiring a $17,000 campaign debt to justify a $100,000 political operation.

The Commission stopped short of sanctions because Huckabee himself had asked for the review, albeit in response to media pressure.

The finding sends a message that the ethics law, if unspecific, is not vague. It means what it says when it allows spending after an election "solely" to retire campaign debt—not to pay permanent staff with duties unrelated to fund-raising and to make general political appearances. Certainly not during a legislative session, when fund-raising is prohibited by law. Other valuable lessons:

• Campaign reporting forms need to be changed. There's no place to report campaign expenses that have been incurred, but not paid. This helped create the confusion about Huckabee's actual 1994 campaign debt.

• The commission and the legislature should emulate other states and eliminate all post-election fund-raising. A couple of reasons: 1) Only winners have much luck raising money after a campaign. That's when campaign contributions take on the appearance of a quid in search

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2/27/96



ERNEST DUMAS

Truth is secondary to Prosecutor Starr

What the country has learned about special prosecutors is that they are apt to be ruthless. The sweep of their power and the high political motive behind their anointing almost necessarily make it so.

Everything becomes secondary to trapping the quarry. *Everything:* justice, civility, principle, truth itself.

Kenneth Starr, the special Whitewater prosecutor chosen for his partisan ardor to go after President Clinton, his wife and whatever friends and associates he could dragoon, proved the point again last week.

Starr's very appointment violated the fundamental precepts of justice. A prosecutor should have neither conflicts nor personal animus. Starr had lost his Washington post when Clinton was elected. He was open about his antagonism before a Republican judge, after meeting with a senator who thought the old Republican prosecutor was too even-handed, tapped him for the Whitewater job.

Prosecutors are supposed to find and prosecute crooks, but they owe their community or their nation the fair-minded and even-handed pursuit of justice.

Consider a week of disclosure about the Whitewater prosecutor's administration of fraud charges against Gov. Tucker and his co-defendants, Jim and Susan McDougal.

Tucker disclosed that Starr had interfered with a state investigation of David Hale, the former municipal judge who is living in exile on government support in exchange for testifying against Tucker. Hale triggered the Whitewater investigation when the government nailed him for defrauding the government small business loan program. He said Tucker and Clinton made him do it.

Hale is the key witness in the trial. If he is not credible, the case collapses. A person might be instantly suspicious simply on the knowledge that Hale was a friend and supporter of Clinton's Republican opponents in Arkansas and owed his judgeship to the man who defeated Clinton in 1980.

Two years ago, the state Insurance Department discovered that Hale had drained $150,000 out of an insurance company in which he was a principal and asked the state to prosecute. Prosecuting Attorney Mark Stodola asked the Little Rock police to investigate.

Starr talked to the prosecutor and the police chief. The police chief wrote him and seemed to acquiesce in Starr's request to hold off. Tucker suggested that Starr had an agreement to protect Hale.

The prosecutor's star witness already has many sins to account for when he is put on the stand. His fragile credibility would not be helped by fraud charges outside the special prosecutor's control.

But Starr said early last week that it was not true. He said he had made no effort to prevent Hale from being charged and that the meetings with the local prosecutor had been purely "informational." Had Starr been hauled before his own grand jury on that statement, he could have been indicted for perjury.

By Saturday, Starr had decided to change the story. He admitted that he had tried to dissuade Stodola from filing charges against Hale, as anyone in the local prosecutor's office could have testified. Starr said it would be unusual for a state prosecutor to charge someone who was cooperating in a federal investigation.

Reporters were sent to Sam Dash, a Washington friend of Starr who is paid handsomely to provide political cover for the prosecutor. He is Starr's ethics consultant. Dash, the Democratic counsel in the Watergate hearings 20 years ago, told the Arkansas Democrat-Gazette Saturday that Starr's conduct was not dishonorable and was, in fact, perfectly appropriate.

If it were not, Dash would be in an ethical pickle too. He leaned on the local prosecutor himself, on Starr's behalf, reportedly implying that the local officials might be charged themselves with obstruction of justice if they tried to nail Hale for insurance fraud. The statute of limitations on prosecuting Hale tolls in a few weeks. He will then be protected from charges.

Almost as intriguing has been the special prosecutor's efforts to shield a friend and business associate of Hale, Little Rock Municipal Judge Bill Watt. Watt apparently will join Hale in supplying testimony against Tucker and the McDougals in exchange for immunity from prosecution for his own misdeeds. Starr sought to protect him from public identity and questioning before the trial, but the judge ordered that his name be given to the defendants.

Watt last year acknowledged helping Hale launder contributions to the campaign of Clinton's Republican opponent in 1986. Those with Republican connections get immunity or protection; the slightest misstep by a Democrat nets him a sentence. Blind justice should make no distinction.

Like truth, it is a casualty when prosecution assumes a political vendetta.



ROBERT MCCORD

Cheating themselves

A lot of parents are doing their children's homework. I notice it nearly every time I do research in the reference department of a public library.

"Some parents not only do the research but will sit down and actually write their child's papers," according to Stephany Bailey, the reference department supervisor at North Little Rock's Laman Library. "We see more of it every year."

It's a national problem. The Education 2000 legislation adopted by the Congress advises parents: "The basic rule is, 'Don't do the Assignment Yourself—It's Your Childs's.' "

Librarians like Mrs. Bailey tell parents that they are making a mistake, that part of their child's education is to learn how to do research. But parents get huffy and insist that the librarian help them find the material because their child is either working, going to a ball game, or too involved in other school activities.

Writing about this problem in Newsweek, an Alabama librarian said it would be better to let a busy high school student get an F for not doing a paper or putting it off until the last minute. "Now that would be a *real* learning experience," she wrote.

But parents are under pressure for their kids to make good grades to win a scholarship or be accepted by one of the better colleges. So much pressure, in fact, that the Boston Globe reports that parents of 16,000 students this year (twice the number five years ago) have designated their children as "learning disabled" so they can take Scholastic Aptitude Tests without time limits.

But college-bound kids aren't helped by parents doing their library work. College librarians won't take them by the hand and teach them how to use card catalogs, not to mention the computers most reference departments have now.

What's likely is that college students shielded by their parents will turn to outfits like Research Assistance of Los Angeles, which does a $2.5 million annual business writing 200 research papers a day for students on any subject for $50 to $200 each.

Or perhaps they will join in a group of five like one at the University of Arkansas uncovered in November by a reporter doing a story on cheating. Two students who do well in English write all the term papers, and three others proficient in science, math and business take all the final exams. They explained that there are so many students taking exams that professors can't recognize everyone. "Besides," one added, "we don't go to class half the time."

University of Arkansas officials said 37 cases of cheating came before the Judiciary Board in 1995, but they acknowledge that far more cases were either ignored or handled by individual faculty members. In a 1992 poll, 67 percent of college students at 31 major colleges said they cheated. Professors don't like to report cheaters because it reflects on

See page 16



ERNEST DUMAS

Move over Whitewater

It is not too early to begin thinking about special prosecutors and congressional investigations for 1997 on the chance that people elect a president from one of the Republican contenders.

A president from the current crop could provide the richest trove of old scandals the country has ever seen. The microscopic examination of a president's past for some slip of propriety or judgment only started with Bill Clinton, but it cannot be stopped with him—unless, of course, the Republicans retain control of both houses and stonewall the certain calls for inquisitions.

Lurking in the future of Bob Dole or Lamar Alexander, should one of them be elected president, is a Kenneth Starr, looking into ancient business and political deals and the computer hard drives and file cabinets of their offices in search of incriminating or embarrassing memos or acts. Though special prosecutors in the past have been Republicans, even when the targets were Republicans, from now on the gunslingers will employ hotly partisan staffs like Starr's.

Incest will be a term applied no longer to Arkansas but to Tennessee or Kansas.

Dole's own vacation home would be a good starting point for a sweeping investigation of his past. It would be called Seawater. Dole has a condo in the Sea View developments at Bal Harbour, Fla., which his wife obtained in 1982 (four years after Whitewater) at a price purportedly far below market value from the chairman of the Archer-Daniels-Midland Co., the huge agribusiness conglomerate that has profited from the senator's intervention in farm policy and that has been the source of mammoth sums of campaign money for him.

Alexander's past could keep a whole army of hard-eyed Kenneth Starrs in business for years. While he was holding public office in Tennessee, the famous Washington outsider regularly mixed business and politics and accumulated a fortune that put Lyndon Johnson's to shame. Alexander became governor with assets of about $150,000 and left a millionaire.

While he was governor, Alexander did a little business brokering on the side. He made a cool $620,000 by selling newspaper stock that he had obtained for brokering the paper's sale. Imagine the scandal if President Clinton had raked in $620,000 for persuading Walter Hussman to buy the Arkansas Gazette.

Alexander always found public service rewarding; his fortune continued to build while he ran a public university. He steered $100,000 of state work to a political associate and an inn in which his wife had a financial interest.

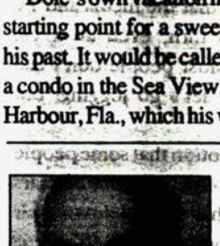
Blackberry Farm should make everyone forget Whitewater. Remember that Bill and Hillary Clinton invested in some scrubby Ozark land in 1978 before he became governor and lost $45,000 when interest rates went through the roof and stalled the development. All the Whitewater investigations flowed from that inopportune little investment. No evidence was ever unearthed showing that any act of his administration sought to save that little investment or its promoters.

Consider Lamar and Honey Alexander's Blackberry Farm. They invested in a remote mountain inn and in the surrounding land. As governor, he proposed routing an interstate highway extension near the development. Criticism forced him to back away, but when he left office he used emergency funds to resurrect the project. This month, they'll begin building the extension to the Lamar Alexander Parkway, near Blackberry Farm.

As president of the University of Tennessee, he steered university business to the inn. Owing to his interest in the inn and the rich $200-a-night rate, officials balked. A 1992 report by the state comptroller said Alexander told officials that he had sold his stake and that Blackberry would give the university a discount. Later, they learned that he had transferred his stock to a blind trust for the benefit of his wife, and the university got no discounts.

Remember the expose of Hillary Clinton's turning a $1,000 investment in cattle futures into a $99,000 profit in a year's time? Honey Alexander paid $10,000 in 1988 for stock in Whittle Communications, founded by a friend of Alexander, and then turned around and sold it back to the founder for $330,000. Alexander, incidentally, is still drawing down $295,000 a year from the Tennessee equivalent of the Rose Law Firm for no legal work.

Democrats should be looking now for a few tough prosecutors—people, like Kenneth Starr, with a reason to get even. Let's nominate Paula Casey, who nailed David Hale and was pilloried by Al D'Amato for it.



ROBERT MCCORD

Good news about Arkansas

Despite all the hits Arkansas has taken from political opponents of Bill Clinton, the northeastern press and Whitewater Prosecutor Kenneth Starr, Arkansas is still doing okay.

That's the result of a review of the proceedings of the recent 25th meeting of the National Advisory Board of the First Commercial Bank. Economists, demographers, the governor and five ex-governors assured these prominent men and women that the state was in good shape. It was entering what undoubtedly will be its 10th consecutive year of job growth that surpasses the national average. In 1995, it was 3.6 percent in Arkansas and 2.3 percent in the nation.

And the quality of jobs has improved, as measured by wages. In 1970, Arkansas manufacturing wages were 74 percent of the national average. Now they are 80 percent, and new plants with higher wages continue to come into the state. Even low-paying service jobs are improving slightly.

But the state isn't attracting high-tech industries, and this prompted discussions about whether the state's target should be high-tech or low-tech. Former Gov. Frank White leaned toward the low side, expanding existing industries and agriculture. "We cannot force-feed on that which we aren't, but we can be dynamite on what we are," he said. Other governors, especially Clinton, urged more efforts for high-tech jobs.

More people are leaving Arkansas than are moving in. That doesn't bother former governor and now Sen. Dale Bumpers. "Too many people gauge progress by population increase, but our priority should not be to pack as many people as possible in this small state," he said.

The most interesting thing the directors were told was that 83 percent of Arkansans (86 percent of whites, 68 percent of blacks) really like living in Arkansas. Only 2 percent contacted in a state-wide survey said they didn't like Arkansas.

The survey uncovered only one negative—56 percent said state taxes were too high.

But nearly three-fourths of Arkansans are satisfied with their quality of life and think it is improving. To maintain this degree of satisfaction, White pointed out the need to improve the state parks and protect the environment.

Drugs and crime were cited as the state's major problems. But surprisingly, 81 percent of Arkansans say they still feel safe when they shop or go to public events.

If you are skeptical of surveys and politicians, listen to newcomer, Charles "Chip" Dudley, a resident of Memphis who came to Arkansas last year to run Boatmen's banks.

He told the North Little Rock Rotary Club last week that he considers Arkansas one of America's finest places to live. For one thing, he feels much safer here than he did in Memphis, where there's more crime.

His only criticism: Arkansas has outdated banking laws and Little Rock hasn't found its identity. Memphis struggled with its identity for years but finally decided (after Federal Express opened there) it was a distribution center. Now it's the sixth largest in the country.

Maybe Little Rock's destiny is to become the city with America's lowest crime rate, Dudley says. He asks, why not adopt a one-year tax and raise $40 million to fight crime like we did to build the arena?

THE PRESIDENT HAS SEEN
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From TRUMAN by David McCullough

"Millions of Americans had seen and heard for themselves a President who was friendly and undisguised, loyal to his party, fond of his family, a man who cared about the country and about them, who believed the business of government was their business, and who didn't whine when he was in trouble, but kept bravely, doggedly plugging away, doing his best, his duty as he saw it, and who was glad to be among them. He wasn't a hero, or an original thinker. His beliefs were their beliefs, their way of talking was his way of talking. He was on their side. He was one of them. If he stumbled over a phrase or a name, he would grin and try again, and they would smile with him."

***

"Truman himself went over every line of every speech he gave. He worked painstakingly on every draft and was the first to approve suggested deletions. 'That's good,' he would say. 'Never use two words when one will do best.' Convoluted structure and high-blown or evasive phrases greatly annoyed him. 'That's not the way I would say it,' he would remark. 'Let's just say what we mean.'"



January 10, 1996

THE PRESIDENT HAS SEEN
2/27/96

THE WASHINGTON POST
MONDAY, FEBRUARY 26, 1996

JONATHAN YARDLEY

The GOP's Self-Inflicted Wound

In attempting to understand last week's nonsense in New Hampshire, we do well to bear in mind three axioms so hoary that their essential truth may no longer be adequately grasped. The first is "He who lies down with dogs rises with fleas." The second, "As you sow, so shall you reap." The third, "Chickens always come home to roost."

These are to the point because for a quarter-century the Republican Party has operated in the belief that it could remain faithful to its "mainstream" convictions, such as those may be, while at the same time currying the favor of fringe-group voters whose special-interest enthusiasms blithely mock those convictions. In the interests of electoral gain, especially in the whilom one-party South, it has welcomed the votes of racists and other occupants of the margins, deluding itself into believing that it could retain its imagined purity while riding those votes to triumph after triumph; it has convinced itself, in other words, that it could lie down with dogs without rising with fleas.

New Hampshire showed it otherwise, to the horror of Bob Dole, Lamar Alexander, Colin Powell and other establishmentarians. The airwaves and newspaper columns were filled with indignation after a sufficient number of Granite State Republicans cast their votes for Pat Buchanan to give this loudmouthed bully a narrow but indisputable victory. Republicans of the three-piece-suit persuasion were as one in voicing their dismay over this sudden ascension of the unwashed and in denying that it had anything to do with the GOP as they, the anointed, envision it.

In truth, the unwashed have everything to do with the GOP as it now exists. The party has climbed their backs into majorities in both houses of Congress and—so it seemed until last week—a clear shot at the White House as well. Although old-school Republicans, George Babbitt's next of kin, are still the party's basic constituency, it has been the willingness of these respectable folk to make common cause with the unrespectable—the marginal, the aggrieved, the moonstruck—who have brought about the Republican ascendancy.

What no one among these old-line Republicans could or would see was that this marriage of convenience eventually would sour, that going national with the "Southern strategy" would bring too many nut cases into the corral. If Buchanan had not emerged as the offspring of this alliance, someone very much like him would have materialized in his stead. Give the true believers an inch—speaking of hoary axioms—and sooner or later they are going to take a mile.

So for students of political history and human nature, the rise of Pat Buchanan was as inevitable as that of the sun itself. Having created a climate congenial to coarse talk and bad manners, the Republicans inevitably would wake up one day and find the louts running the show. This is the price they are paying for a quarter-century of political opportunism, and it is exceedingly difficult to feel sorry for them.

Though there has been a certain amount of punditorial cud-chewing about George Corley Wallace as the linear ancestor of Pat Buchanan, a more instructive parallel can be found elsewhere. It is true that Wallace and Buchanan share the demagogue's style and the hater's rhetoric, but for the Democratic Party of the 1970s Wallace was the last nasty gasp of a dying past, while for the Republicans of the 1990s Buchanan is the personification of a future toward which they have been pointing with unerring, if potentially self-destructive, accuracy.

The closer parallel is to George McGovern in 1972. Personal comparisons between the two men yield little of use; though McGovern was naive and rudderless, he seems to have been more or less a gentleman, a characterization that will never besmirch Buchanan, whose physical and rhetorical resemblance to Joe McCarthy is uncanny and unnerving. But just as Buchanan is both leader and instrument of the rowdy hard-right outsiders who have been let into the GOP's tent, so, too, was McGovern both leader and instrument of the left-wing schemers who took control of the Democratic Party in 1972.

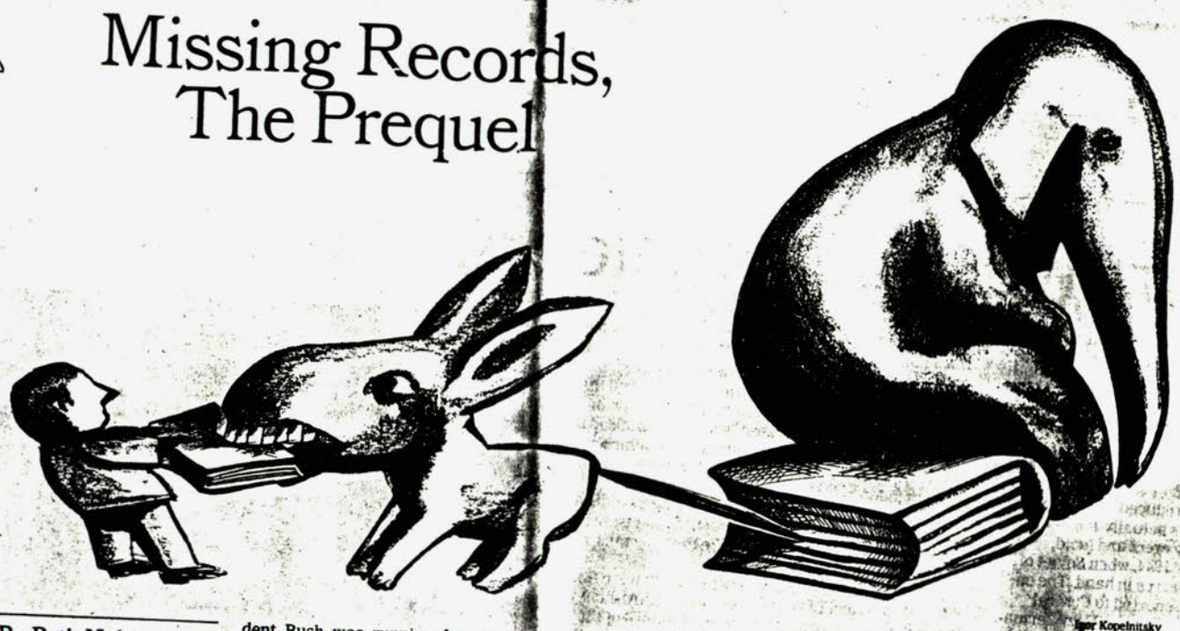
Although the parallels are not exact, it is fair to say that the Democrats were trying to do then what the Republicans are trying to do now: to be all things to all available persons, while at the same time surrendering whatever remnants of integrity and conviction they still retained. By 1972 the Democrats—ever since the New Deal a far more heterogeneous and internally combustible crowd than the Republicans—had become so Balkanized that they were a collection of special-interest groups in search of a party; the nomination of George McGovern marked the seizure of the party by one of the noisiest, most contentious and least representative of those groups, just as the ascension—not to mention the possible nomination—of Pat Buchanan does the same.

No one need be told what the brief but disastrous McGovern sovereignty did to the Democrats. It was so traumatic, so offensive to the party's traditional constituency, that recovery still appears to be years in the future; Sen. Bill Bradley's recently published memoir, with its troubled reflections upon the party's capacity for self-destruction, is a cautionary reminder of just how deep the wounds went and how unpleasantly they still fester.

The agonies of the Democrats have been amusing; those of the Republicans are likely to be even more so, for the GOP is cynical and manipulative whereas the Democrats were—and apparently still are—merely self-indulgent and fatuous. The GOP reminds us that the belief that one can sow the seeds of hatred and division without reaping their strange fruit is deeply rooted within human nature and is not susceptible to alteration by education or experience; it is tempting to say that the history of the 20th century, if not of humankind itself, can be written as what happens when those seeds begin to bear fruit.

It is especially amusing that the torments of the GOP should turn out to have begun in New Hampshire. The press makes a quadrennial conceit out of sentimentalizing that state, which it likes to see as the embodiment of Yankee independence and ingenuity. In fact, New Hampshire is fiscally irresponsible—it has neither an income tax nor a sales tax—and repressively conformist: Its state motto, which until recently it forced motorists to display on their license plates, is "Live free or die." It is a most fertile spawning ground for the likes of Pat Buchanan, and what happened there last week should have surprised no one.

Missing Records, The Prequel



Igor Kopelnitsky

By Beth Nolan and John Podesta

WASHINGTON

An independent counsel is investigating a number of Administration officials, including the President himself. The counsel requests documents from the White House. Many are turned over, with the exception of one. The counsel issues a second request for papers, but this document is still not provided.

Then, one day a White House staff assistant responsible for keeping the President's family records discovers the document. She immediately recognizes that the independent counsel has requested it.

Sound familiar?

It should. But this is not only because of the controversy surrounding Hillary Rodham Clinton and the billing records of the Rose Law Firm. The document in question was George Bush's diary, long sought by Lawrence E. Walsh, the independent counsel investigating the Iran-contra scandal in the Reagan Administration.

Mr. Walsh first requested all relevant White House documents, including the diaries of officials, in 1987, when Mr. Bush was Vice President. A second request was made in the summer of 1992, when then President Bush was running for re-election.

That September, an Administration staff assistant, Patty Presock, found the Bush diary in the personal safe on the third floor of the White House's living quarters. But even then the document was not delivered, according to Mr. Walsh's Iran-contra report. Instead, Ms. Presock told President Bush of her discovery and said she believed it was relevant to the latest independent counsel request. Mr. Bush said he directed Ms. Presock to have the Presidential counsel, C. Boyden Gray, "sort it out."

She gave the diary to Mr. Gray, who looked at it that day, according to Mr. Walsh's report. Then, for more than two months, nothing happened. Eventually, in December 1992, after President Bush had lost the election, Mr. Gray showed a few lawyers on his staff some excerpts. They readily concluded that the diary should be turned over to the independent counsel.

On Dec. 11, 1992, almost six years after the original request, Mr. Gray notified the independent counsel that a diary had been found. Entries from it were not produced until late December. In his final report, Mr. Walsh seems to imply that President Bush knew the diary was relevant in 1987, at the time of the first request, but that he intentionally did not produce it.

We do not recall any clamor or outrage over these findings from those members of Congress who are now so critical of the Clinton White House. We do not recall Senator Alfonse D'Amato rushing to have hearings about this delay, even though Congress had held its own extensive hearings on Iran-contra and made its own request for documents.

Mr. Walsh sought to investigate the long delay in producing the diary. But Mr. Gray and the former deputy counsel refused to be interviewed. They and their private counsel would not do so without guaranteed protection of lawyer-client privilege and Fifth Amendment protection from self-incrimination. President Bush also refused to be interviewed without limits that the independent counsel found unacceptable.

Maybe there were sound reasons for the delay in handing over the diary. Maybe the privileges the lawyers insisted on deserved protection. But we'll never know exactly what happened — unless the Senate authorizes a select committee to investigate the Bush diary. Since these investigations are clearly influenced by partisanship and a desire for political gain, we won't hold our breath.

But before slinging charges against President and Mrs. Clinton for being uncooperative, some of their most vocal critics might review recent history.

Compare the actions of the Bush Administration to those of the Clinton Administration. Earlier this month, when Carolyn Huber, an aide in the Clinton White House, found the billing records from the Rose Law Firm, she immediately called the Clintons' personal lawyer, and he arranged to have the records turned over within a day. And the Clintons have made it clear that they will help answer any questions about the law firm's billings. Indeed, even before Mrs. Clinton was subpoenaed, she had already answered questions three times from the independent counsel investigating Whitewater.

Those who are so quick to criticize the way the Clinton White House has handled matters might, with some much needed perspective, own up to the disingenuous quality of some of their charges. □

Beth Nolan, a professor at George Washington University Law School, was associate counsel to President Clinton from 1993 to 1995. John Podesta, a visiting professor at Georgetown University Law Center, was Staff Secretary to President Clinton from 1993 to 1995.

Remember George Bush's mislaid diary?

Please. Every lawyer loses files.

Docudrama

By Sidney N. Herman

CHICAGO

Documents that are relevant to an investigation are found in an unexpected place six months after they were first sought. A shocking development?

Absolutely not. In most major pieces of litigation, files turn up late. One side or the other always thinks of making something of the late appearance, but these lawyers know the truth: it could just as easily happen to them.

Despite diligent searches, important papers in large organizations are always turning up after the initial and follow-up searches. How many times have you looked for something on your desk and couldn't find it, only to have it appear right under your nose later? Happens all the time.

Indeed, as every litigator knows, there is nothing worse than having an important document show up late. You've only highlighted its absence for your opponent. If you know where it is, it is far better to include it in the initial delivery of relevant papers, where it gets mixed in with the rest of the morass. Why red-flag it by holding it back?

My former partner, Kenneth Starr, knows all this. As independent counsel in the Whitewater investigation, he will take it into account.

But the American people have no reason to know that this is a normal occurrence; it is not part of their everyday experience. Reporters really don't have any reason to know this either. Or they may know, and simply choose to ignore it.

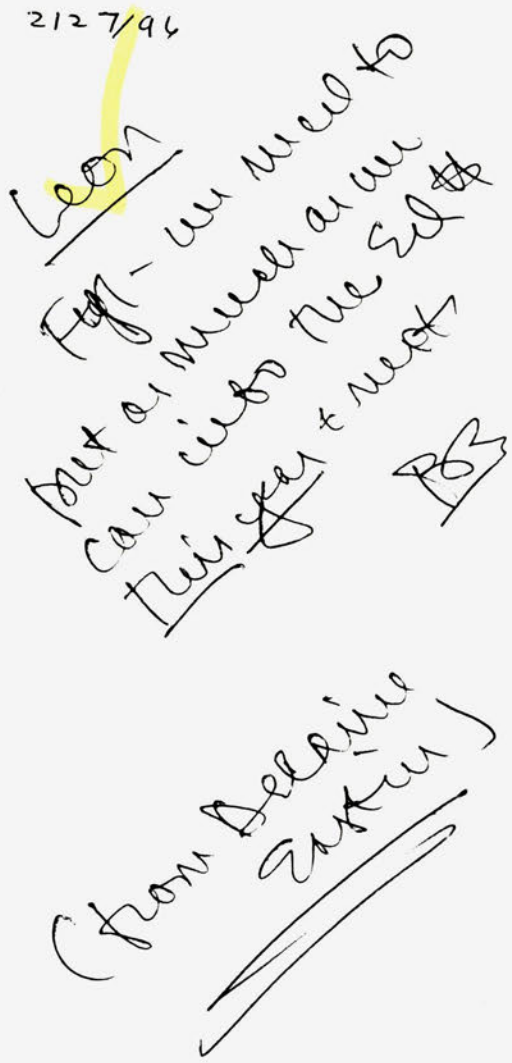
Last summer, notes that were critical to the celebrated libel suit brought by Jeffrey Masson against the writer Janet Malcolm appeared in her private study, years after they were first sought. I recall that discovery being treated as an interesting happenstance, nothing more.

When documents show up belatedly, even in private quarters, there is simply nothing unusual about it

Sidney N. Herman is a lawyer.

THE PRESIDENT HAS SEEN

2/27/96

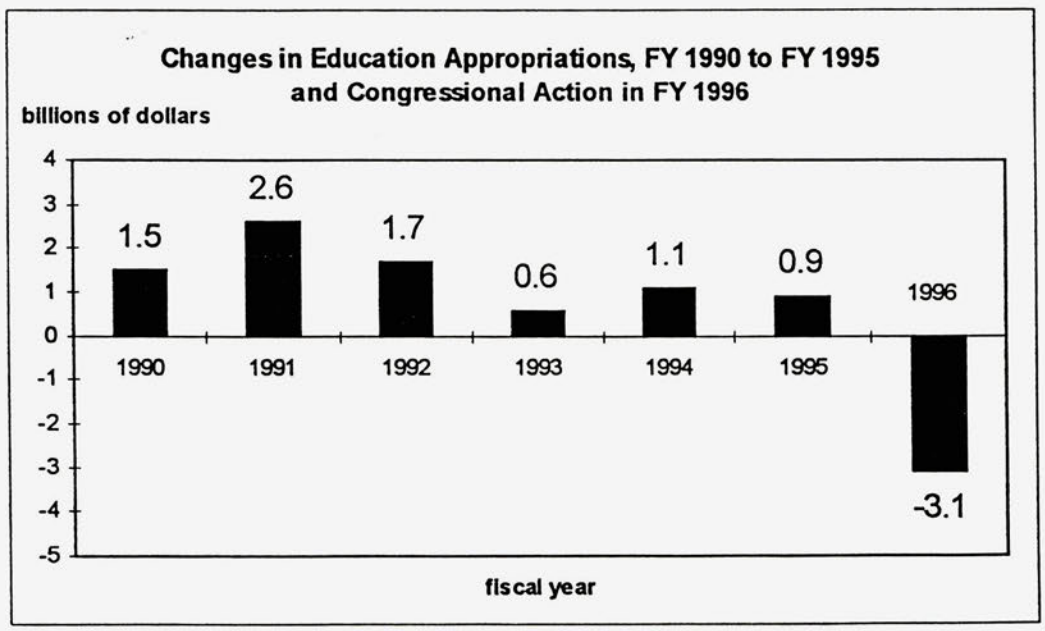


-26-96

REDUCTIONS IN MAJOR FEDERAL EDUCATION PROGRAMS TO CALIFORNIA FOR FY 1996*

(dollars in millions)

	FY 1995 Appropriation	FY 1996 Continuing Resolutions	Change	Percent Cut
Title I	$ 717.1	$ 594.3	$ -122.8	-17.1%
Safe and Drug Free Schools	$ 47.9	$ 35.9	$ -12.0	-25.1%
Voc Ed	$ 100.1	$ 83.6	$ -16.5	-16.5%
Adult Ed	$ 28.0	$ 23.3	$ -4.7	-16.7%
Bilingual Ed	$ 54.4	$ 36.9	$ -17.5	-32.2%
Goals 2000	$ 42.1	$ 33.5	$ -8.6	-20.4%
Total	**$ 989.7**	**$ 807.6**	**$ -182.1**	**-18.4%**

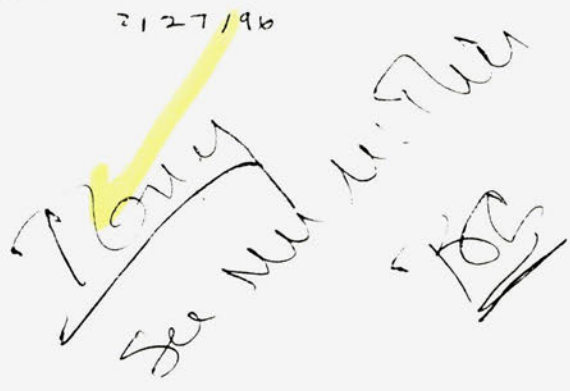


* Cumulative effect of Continuing Resolutions through the remainder of FY 1996.

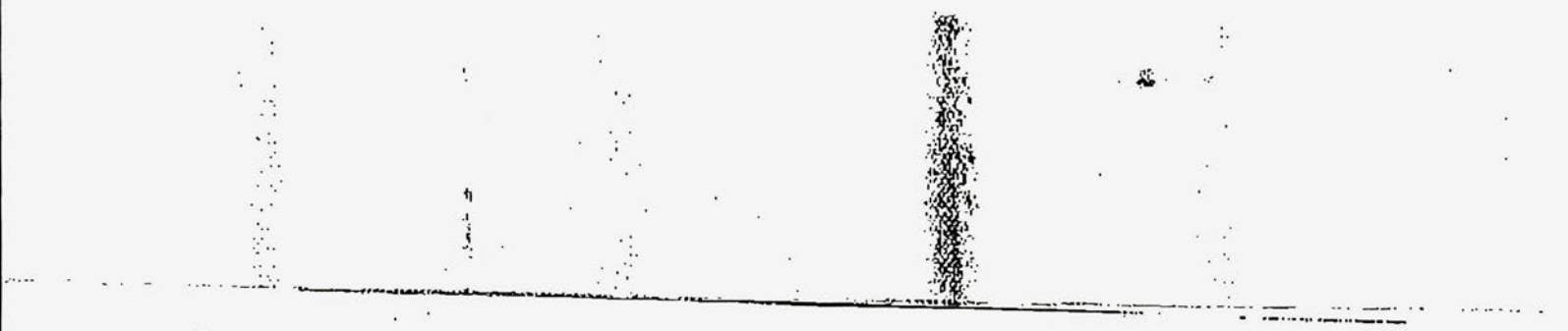
SOURCE: U.S. Department of Education

THE PRESIDENT HAS SEEN

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2-26-96



Further to our conversation, if we could get a public statement issued today along the lines of the following, it could be extremely beneficial and helpful. I am suggesting this in light of your discussion on February 13th.

> *"At this time of terrible tragedy in Israel, I extend my deep and profound condolences to the government and people of Israel in their time of mourning.*
>
> *In the same way that the United States supports the Government of Israel's strong commitment towards the peace process, we support Prime Minister Shimon Peres in his firm resolve to combat terrorism and vigorously deal with those forces that seek to destroy chances of a true and lasting peace. The United States stands together with Israel in this difficult hour of need."*

Doug, if at all possible, it would be extremely helpful if a statement along these lines could be issued in time for Israeli T.V.'s nightly news broadcast at 12:30 p.m. Washington time.

Please advise if you get a response, so I could alert the right people.