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JIM DORSKIND:

Please coordinate
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report from
Health & Human Services

To Dorskind
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THE PRESIDENT HAS
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- **Bolivian Tourist Seeking Medicaid Coverage of Brain Surgery:** *ABC News* and *NBC's Today* program requested background information about potential Medicaid eligibility for a 7-year old Bolivian girl who suffers from a life threatening, cancerous tumor on her spine and had traveled to the U.S. on a tourist visa to seek additional medical care. Her family cannot afford the \$250,000 cost of an operation to remove the tumor. The child is not eligible for Medicaid because she is not a U.S. resident and the onset of the illness occurred before arriving in the United States. Actress Marlo Thomas announced that she was authorizing the transfer of the young child to St. Jude's Hospital and St. Jude will assume full financial responsibility for the child's care.

Should
do letter
of appreciation
to Marlo
Thomas?

FOIA Request: *AP* has requested all congressional correspondence and any other documented communications between Senator Robert Dole and his aides with HHS, its bureaus or agencies, concerning health care reform, Medicare, Medicaid, and all other health insurance related issues.

How
much
this PR

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **Amplification of "One Strike and You're Out":** HUD is embarking on several tracks to amplify your announcement of the "One Strike and You're Out" policy in public housing. On March 28, following your of the One Strike guidelines, Secretary Cisneros departed for Newark to promote the One Strike policy. He held a press conference with Mayor Sharpe James and a roundtable discussion with the Board of Directors of the city's public housing. He will also be a guest on the "Montel Williams Show" that will feature public housing residents. The show is likely to be aired next week. Sub Cabinet members will amplify your announcement in 30 key markets.
- **"A New Day for Public Housing" Press Conference:** On April 3, Secretary Cisneros will hold a press conference to release a report on the Administration's success in remaking public housing. The "Transformation of America's Public Housing: A 1996 Status Report" outlines how the Administration has implemented the most far-reaching change in public housing since its inception.
- **HUD Portfolio Re-Engineering Generates Huge Taxpayer Savings.** On March 20, HUD auctioned off over 16,000 FHA single family mortgage loans, generating up to \$140 million in savings that will applied toward deficit reduction. Last week's auction is the seventh in a series of sales through which HUD intends to auction \$10 billion of single family and multifamily mortgage loans.

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E. K. ...

OFFICE OF NATIONAL DRUG CONTROL POLICY

- **Methamphetamine Strategy:** At your direction, Attorney General Reno has begun development of the Meth Strategy. ONDCP will assume responsibility for

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THE WHITE HOUSE
WASHINGTON

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March 29, 1996

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MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS *Kitty*

SUBJECT: Summary of Cabinet Weekly Reports
March 22 - March 29

DEPARTMENT OF TREASURY

- **On Line Tax Filing:** As of March 22, the IRS had received a record 102,146 tax returns through on-line filing. On-line filing is an alternative method of filing income tax returns whereby the taxpayer can file from home through a transmitter or an on-line service provider.
- **Senate Judiciary Committee Hearings on ATF:** The Senate Judiciary Committee is planning to have a hearing on April 23 to focus on the future role of the ATF. The hearing may also cover the Good Ol' Boys Roundup. It is our understanding that Senator Specter will be active in conducting these hearings and the Committee may request that Secretary Rubin testify.
- **Good Ol' Boys Policy Review:** Treasury Office of Enforcement and the Good Ol' Boys Review Team are working with the Citizens Review Panel to complete the Policy Review. The Policy Review and the Report of the Treasury Office of the Inspector General will be provided shortly to Congress and the public.
- **Youth Crime Gun Interdiction Initiative:** An early April launching of this initiative, which focuses ATF's efforts to interdict gun trafficking to juveniles in approximately 16 cities, is expected.
- **Pastors for Peace:** The Reverend Lucius Walker, Jr., whose Pastors for Peace protest group unsuccessfully attempted to export computers to Cuba, has requested a meeting with OFAC and Customs regarding the enforcement action by Customs which resulted in the seizure of 300 computers at the San Ysidro, CA, station on

January 31. Walker and others have been holding a hunger strike protest vigil for the past 32 days at a wayside tent-chapel near the border crossing. A March 22 *San Diego Union Tribune* article reports that the Pastors for Peace are planning to move their ongoing hunger strike from CA to DC's Lafayette Park in the near future.

- **60 Minutes Requests Interview with Customs Officials:** CBS's *60 Minutes* has requested an interview with the Assistant Commissioner for Internal Affairs, the former head of Internal Affairs in Southern California. It has been reported that the *60 Minutes* piece will focus on a Customs Canine Enforcement Officer, who claims he uncovered a huge load of cocaine which his supervisor did everything possible to prevent him from seizing. Internal Affairs investigated the office's complaint. It is also reported that Senator Feinstein and Alan Bersin have spoken to *60 Minutes* for the segment.

DEPARTMENT OF COMMERCE

- **G-7 Job Conference:** On April 1 and 2, Secretary Brown will lead the U.S. delegation which includes CEA Chairman Stiglitz, Labor Secretary Reich, and Treasury Under Secretary Shaefer, to the G-7 Jobs Conference in Lille, France.
- **Economic Indicators:** The following economic indicators are due to come out over the next two weeks:
 - April 1, Value of New Construction (February 1996)
 - April 2, Gross Domestic Product (fourth quarter 1995, final) and Corporate Profits (fourth quarter 1995, final)
 - April 3, Personal Income and Outlays (February 1996) and Manufacturers' Shipments, Inventories, and Orders (February 1996)
 - April 4, Housing Completions (February 1996)

Iran Oil Sanctions Act: On March 22, the House International Relations Committee unanimously approved this act which will impose sanctions on persons exporting certain items that could contribute to Iranian or Libyan abilities to extract, refine, process, store, or transport petroleum. The bill includes five types of sanctions, and a trade trigger that invokes both export and import sanctions. Congress is likely to send a final bill to you in April.

DEPARTMENT OF LABOR

- **Unemployment Releases:** On April 2, the Bureau of Labor Statistics will release State and Metropolitan employment and unemployment statistics for February. On April 5, the Secretary will release the national employment numbers for March.

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- **Service Employees Union:** Some 1,500 members of the Service Employees International Union (SEIU), employed at 20 Pennsylvania nursing homes owned by Beverly Enterprises, have authorized a strike to begin as early as March 29. Both the SEIU and the United Food and Commercial Workers are renegotiating expired contracts covering Beverly's Pennsylvania nursing homes. Beverly Enterprises is a subsidiary of Beverly Health and Rehabilitation Services Inc., of Fort Smith, AR.
- **Detroit Newspapers Strike:** On March 26, an NLRB administrative law judge began hearing testimony on unfair labor practices complaints brought against Gannett Co.'s *Detroit News* and Knight-Ridder Inc.'s *Detroit Free Press*. Some 2,500 workers, represented by six local unions, have been on strike against the two newspapers since July 13, 1995. Separate complaints charging the unions with picket line misconduct are scheduled for hearing on May 6.

DEPARTMENT OF TRANSPORTATION

- **U.S. - France Aviation Talks:** Secretary Peña announced on March 26 that the United States and France had resolved a disagreement over aviation rights for this summer and agreed to open discussions looking toward normalization of aviation relations.
- * [**U.S. - Japan Aviation Talks:** Secretary Peña announced March 27 that the United States and Japan have agreed to a substantial increase in opportunities for air cargo services between the two nations.
- **U.S. - Poland Aviation Talks:** Secretary Peña met with his Polish counterpart on March 22 and initialed amendments to the two countries' Air Transport Agreement, significantly expanding route rights for the airlines of both nations.
- **Migrant Interdiction:** On March 22, Bahamas air/sea rescue requested the Coast Guard to assist 30 Cuban migrants stranded on Damas Cay, Bahamas. The Coast Guard Cutter MONHEGAN recovered the migrants and transported them to Bimini.
- **Los Angeles Subway Construction:** On March 26, *The Los Angeles Times* reported that two groups have filed suit in Federal Court to block tunneling of the Red Line subway project through the Hollywood Hills. The groups charged that the Los Angeles County Metropolitan Transportation Authority has failed to comply with environmental requirements for park lands or historic sites. Tunneling was scheduled to begin in late April.
- **Final Rule on Fuel Economy Standards:** This week NHTSA is scheduled to issue a final rule concerning the light truck average fuel economy standard for model year (MY) 1998. The manufacturers claim they cannot achieve this level and, based on historic practice, NHTSA would probably have lowered the standard based on an

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analysis of those assertions but for other statutory language, which DOT interprets to mean the standard must be the same as that established for the prior year. This view is supported by legislative history. The rule does not analyze the capabilities of the various manufacturers.

- **Seismic Retrofit Update.** Tuesday, California adopted Proposition 192, which authorizes the State to sell \$2 billion in general obligation bonds to reconstruct, replace, or retrofit 1,209 state-owned toll and highway bridges in phase two of the Seismic Retrofit Program.
- cc: E. Kamauchi • **AMEX Sponsor Refunds:** DOT usage of the government charge card for official travel netted the Department \$1.4 million in sponsor refunds from American Express since the contract started in November 1993.
- **Secretary's Travel:** Secretary Peña will travel to New York and Chicago as part of the Federal Aviation Administration rollout on April 1-2. On April 8-12, he will travel to Chile and Argentina for export promotion and attend the Hemispheric Transportation Initiative ministerial in Santiago. Finally, on April 15-16, Secretary Peña will travel to Houston, Texas, where he will participate in the Traffic Management Center opening.
- **Story on National Science Foundation:** *ABC News* is planning a story for May or June on the National Science Foundation's efforts to acquire an ice-breaker for research purposes. Currently, NSF uses a Coast Guard ice-breaker, and ABC is expected to say that this is adequate and appropriate for their purposes.
- **Administrator Hinson:** On March 13, *CBS* interviewed FAA Hinson regarding the FAA's International Aviation Safety Assessment Program. This is tentatively scheduled to air March 30.
- **Air Traffic Control System Story:** *Atlantic Monthly* is working on an extensive article dealing with the air traffic control system. Plans are to include information from visits to New York facilities.

UNITED STATES TRADE REPRESENTATIVE

- **Ambassador Kantor's Travel to Japan:** Following your trip to Tokyo on April 15-18, the Ambassador will continue on to Kobe for a Trade Ministerial meeting, April 19 -21. While in Kobe, he will participate in a housing event in connection with ongoing repairs from the earthquake in 1994.
- **Sperling Breakfast:** Ambassador Kantor will meet with major national reporters at a Sperling Group breakfast on April 2.

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- **Intellectual Property Rights (IPR) and Government Procurement:** Ambassador Kantor will continue to prepare for announcements in April regarding foreign country practices with respect to adequate and effective IPR protection and fair and competitive government procurement practices.

DEPARTMENT OF JUSTICE

- **Virginia Challenge To Education Regulations:** On April 4th, The Fourth Circuit will hear oral arguments in Commonwealth of Va. v. Riley. The Individuals with Disabilities Education Act (IDEA) requires state educational agencies to submit plans ensuring that all eligible children with disabilities receive a free appropriate public education. The Department of Education interprets that mandate as requiring continued special education services for students with disabilities who have been expelled or suspended from school on a long-term basis for conduct unrelated to their disabilities. Virginia's regulations do not require the provision of such services to expelled or suspended students, and therefore do not meet IDEA requirements.
- **Court Grants Certiorari In Abortion Clinic Matter:** On March 18, the Supreme Court granted certiorari in Schenck v. Pro-Choice Network. The Second Circuit, sitting en banc, affirmed a preliminary injunction preventing the defendants from engaging in certain obstructive conduct in the vicinity of abortion clinics in the Western District of New York.
- **Favorable Judgment Entered In Military Homosexual Discharge Suit:** On March 14, the court granted summary judgment in favor of the Air Force and the DoD in Jackson v. Widnall. The court rejected the claims of a former Air Force officer that he was unlawfully discharged on the basis that he had engaged in homosexual acts. The discharge, under the military's "old policy" governing homosexual service members, was upheld against equal protection and Administrative Procedure Act challenges.
- **Complaint Filed Against Georgia To Prevent Implementation Of Redistricting Plan:** On March 21, the United States filed a section 5 enforcement action, and request for preliminary relief, against the State of Georgia and several state officials. United States v. State of Georgia. The complaint and application for a TRO and preliminary injunction seek to enjoin the state and its officials from implementing new redistricting plans for the state House and Senate, unless and until preclearance is obtained.
- **Court Approves Love Canal Settlement:** On March 19, the District Court in U.S. v. Occidental Chemical Corp., entered a cost recovery consent decree. Pursuant to the decree, Occidental will pay the U.S. \$129 million, plus interest, for the costs incurred in the cleanup of Love Canal.

Leon/Cruse
Isn't this
a terrible
statement?
Is it bad policy?

What do we know about these?

Witness jumping, looking?

- **Fireman Charged in Alabama Church Blaze:** A 19-year-old fireman was charged with arson in the latest in a string of blazes that damaged four black churches in rural west Alabama. The defendant admitted burning the New Liberty Baptist Church, where he helped to battle the blaze as a member of the volunteer fire department. The church fire in Tyler was one of at least 17 that have destroyed black churches throughout the Southeast since late last year.

- **Major Methamphetamine/Marijuana Distributor Pleads Guilty:** On March 20, in the District of New Mexico, Ernesto Cerda-Mincitar pleaded guilty to charges of conspiracy to possess with intent to distribute methamphetamine and possession with intent to distribute methamphetamine and marijuana.

- **Metric Ton of Cocaine Seized in Venezuela:** On March 25, Venezuelan police, with the assistance of DEA Caracas, seized over 1,000 kilograms of cocaine in the city of Guarenas.

- **Pakistani Traffickers Arrested, 55 Kilograms of Heroin Seized:** On March 25, DEA Spokane arrested a member of the Haji Mir Mohammad Ramazan heroin trafficking organization as he attempted to take possession of a controlled delivery of 55 kilograms of heroin. The heroin had been seized on March 20 in New York upon its arrival on a Pakistani International Airlines flight from Karachi.

- **Heroin Rings Broken in New York:** On March 20, DEA New York and the New York City Police Department arrested 12 members of a Queens-based heroin trafficking organization. The group distributed heroin in Manhattan, Queens, Brooklyn and areas of New Jersey. Another investigation by DEA Newark into a New Jersey drug distribution group supplied by the Queens-based organization resulted in the arrest of 14 defendants and the seizure of 846 bags of heroin, 126 vials of crack, and \$27,700 in cash.

- **Triad Gang Boss Deported to United States:** On March 20, Taiwan deported Joe Ho Young to the United States. Young was indicted in the Central District of California last December on two counts of bankruptcy fraud and two counts of false statements to a financial institution. Young is the alleged reputed head of the Wah Ching triad in southern California that specializes in heroin trafficking, extortion, loan sharking, gambling, prostitution, and murder.

When was the training done?

Evidence from ex-m action fed. officials may be doing it?

- **Fish & Wildlife Agent Charged With Training Terrorists:** A Special Agent with the United States Fish and Wildlife Service was charged in the Middle District of Pennsylvania with lying to the FBI and concealing evidence stemming from the training he provided to Islamic terrorists. The charges allege that the defendant lied about the nature and extent of paramilitary training he provided a group of Islamic extremists.

- **COPS MORE Announcement:** On March 29, COPS Director Joseph Brann announced 287 new grants under the COPS MORE program. This is the "second chance" phase of Round 5 of COPS MORE and includes agencies with populations served of fewer than 150,000, and also transit, housing, and university police. The awards will total approximately \$15 million and are expected to result in the redeployment of 961 officers into community policing.
- **Battered Immigrant Women Regulations Announced:** On March 26, Bonnie Campbell and INS Commissioner Meissner announced the Battered Immigrant Women Regulations, which allow battered immigrant women and their children to petition for legal status for themselves.
- **Attorney General's Schedule:** On March 30, the Attorney General will attend a Youth Crime event with Senator Leahy at Univ. of Vermont and meet with Domestic Violence leaders in Burlington, VT. On April 5, she will give a Commonwealth Club Address in San Francisco. On April 10, she will make a Florida INS Announcement in Tallahassee.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **HHS Approves Welfare Waiver for Oregon:** On March 28, Secretary Shalala approved the Oregon Option welfare reform project. Oregon's proposal incorporates previously approved waivers, adds provisions on work and tests the demonstration against key benchmarks focused on moving families off welfare and reducing child poverty.
- **Los Angeles County Update:** HHS and White House officials recently met with officials from the State and County Officials regarding implementation of the County's proposed Medicaid waiver. Since that meeting, County officials have agreed to the HHS's budget neutrality proposal which was originally a major concern to the County. Both sides are moving quickly to review the draft terms and conditions of the waiver in hopes of reaching final approval of the waiver by the end of April.
- **Withholding of Alabama's Disproportionate Share Hospitals (DSH) Medicaid Payments--Update:** On March 26, HCFA officials met with Senator Heflin and Alabama Medicaid officials to discuss the \$18 million in Federal Medicaid DSH payments that HCFA withheld from the State's second quarter Medicaid grant award. The State maintains that HCFA inappropriately withheld funds from the State, but the DSH payments were withheld because the State made these payments through inappropriate managed care arrangements. HCFA will meet next week with State representatives in a further effort to explore potential solutions to the State's financial crisis. Before April 1, HCFA plans to withhold approximately \$23 million from the State's next grant award.

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- **Nicotine Nasal Spray Approved:** On March 25, FDA approved the first prescription nicotine nasal spray, McNeil Consumer Products' Nicotrol NS, as a treatment for adults trying to quit smoking. In clinical trials, the nicotine nasal spray has been shown to be comparable to nicotine gum or nicotine patches in effectiveness.
- **Congressional Legislation on Medicare Survey and Certification Process:** The upcoming HHS continuing resolution (CR) contains two legislative proposals aimed at freeing up funds needed to conduct initial certification surveys for providers who have applied to participate in Medicare. There is a backlog of initial Medicare surveys throughout much of the country because of the current CR funding level. Both legislative proposals have the support of HHS and OMB.
- **Secretary's Schedule:** On April 1, Secretary Shalala travels to Atlanta, GA, to deliver the keynote address at the CDC's 50th Anniversary Celebration. On April 8 she is tentatively scheduled to travel to Oklahoma to visit the Blake Ryan Kennedy Memorial Library at Pocasset Elementary School. This library was established by HHS employees in memory of Blake Ryan Kennedy, age 3, who was killed during the 1995 bombing. Blake was the son of HHS employee Laura Kennedy. On April 9, Secretary Shalala travels to Austin, TX to visit the Domestic Violence Hotline national headquarters.
- **HIV/AIDS in Prisons:** The April 5 issue of *Morbidity and Mortality Weekly Report* (MMWR) will include a report on HIV/AIDS Education and Prevention in Adult Prisons and Jails and Juvenile Confinement Facilities. This report summarizes the results of a national survey conducted in 1994 for the National Institute of Justice, DOJ and the CDC documented the extent of AIDS in these facilities. By the end of 1994, at least 4588 adult inmates of U.S. prisons and jails had died from AIDS and at least 5279 were living with AIDS.
- **Tobacco:** The April 24 issue of the *Journal of the American Medical Association* will be devoted to articles on tobacco. An article by CDC authors will provide the results of the largest analysis of cotinine levels, an indicator of exposure to tobacco smoke, found in blood samples of a cross section of the U.S. population. The study shows a much higher level of exposure to environmental tobacco smoke than previously suggested. The article has obvious implications for second-hand smoke policies and is expected to get wide media coverage.
- **New Jersey Childhood Brain Cancer Cases:** There has been significant local press interest in a reported cluster of childhood brain cancer cases in the Ocean City area. CDC's Agency for Toxic Substances and Disease Registry is consulting with the New Jersey Department of Health. The Vice President's Office has been contacted about the case through the office of Rep. Torricelli.

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OFFICE OF NATIONAL DRUG CONTROL POLICY

Methamphetamine Strategy: At your direction, Attorney General Reno has begun development of the Meth Strategy. ONDCP will assume responsibility for

coordinating and gaining interagency approval for the strategy with DOJ as the lead agency. The full strategy is planned for release in late April.

SMALL BUSINESS ADMINISTRATION

- **Administrator's Travel:** On April 4, the Administrator will give a keynote address at an Empowerment Breakfast in Denver to highlight SBA's contributions to the EZ/EC. He will also conduct a media tour of the Lower Downtown Historical District, a redevelopment commercial area that received SBA assistance.

VETERANS AFFAIRS

- **Exams Begin for Persian Gulf War Veterans' Families:** Veterans Affairs will begin its Persian Gulf Veterans' Spouse and Children Examination Program on April 1. Certain VA medical centers have been designated by Veterans Integrated Service Network Directors as exam coordinating facilities. These facilities are establishing contracts with their affiliated medical schools to conduct the examinations.
- **American Legion Conference:** On April 1, Secretary Brown will speak at The American Legion's 73rd Annual Veterans Affairs and Rehabilitation Conference discussing the impact on veterans of the budget proposals and veterans' health care eligibility.
- **Secretary's Travel:** On April 3, Secretary Brown will accompany Senator Wellstone on visits to the St. Cloud VA Medical Center, the State Veterans Home in Fergus Falls, MN, and a veterans' forum in Duluth, MN, discussing various veterans' issues, including the impact of budget proposals on veterans. On April 22, Secretary Brown will travel to NJ to meet with Senator Lautenberg and his NJ Veterans Task Force in Newark where he will address the impact of the budget proposals on veterans and veterans' health care eligibility.

Travel Funding: The House seems adamant about retaining punitive limits on FY 96 appropriations for personnel and travel in the Secretary's office and three support offices. The House passed legislation with both of these limits while the Senate version caps only the travel funds. The Secretary has written to potential conferees in opposition to the limits.

Findings on Herbicides: There has been intense congressional reaction to the Institute of Medicine's (IOM) finding of limited/suggestive evidence of an association between exposure to herbicides, such as Agent Orange in Vietnam, and spina bifida in offspring. The House Veterans Affairs Committee will hold a hearing on the IOM report after the Easter recess.

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can we
get help
from
Vets
organization?

- **Persian Gulf Compensation:** The House Government Reform and Oversight Committee/Subcommittee on Human Resources and Intergovernmental Relations will hold the third of three hearings focusing on Persian Gulf compensation issues on May 2.
- **Awards to Veteran-owned Businesses:** On March 26, VA announced that they have awarded more than \$1 billion in contracts to veteran-owned businesses since 1984, placing its Department at the top of the list of all government agencies in this procurement category for the same time period. 69% of these awards have been made since 1993.
- **Rape in the Military:** *ABC's 20/20* will be conducting background interviews this week with VA researchers and program officials on counseling and programs for female veterans who were sexually abused while in the military. The air date is not yet established.
- **Prescriptions and Suicide:** A VA researcher publishing in the *Journal of the American Medical Association* has found that when patients asked their physician for a prescription to commit suicide, about one-fourth of the patients got the drugs. This research received broad media coverage.

DEPARTMENT OF INTERIOR

- **Livestock Grazing Enforcement Action:** Livestock producers in NV, AZ, and UT have filed suit in UT alleging that Departmental actions to modify grazing privileges to protect the Desert Tortoise violate their rights to a hearing. Spring grazing is restricted to protect the Tortoise in years, such as this one, when annual forage production is less than a specified amount. While most ranchers have complied with the restrictions, seven in NV and one in AZ are currently in trespass. The Department will be serving those ranchers with trespass notices and initially will employ informal means to seek compliance with the spring grazing restrictions. It is likely, however, that ranching interests will use the pending UT litigation to seek a temporary restraining order on enforcement of the trespass orders.
- **Seminole Decision:** The Indian Gaming Regulatory Act (IGRA) requires an Indian Tribe that wants to conduct casino type (Class III) gaming on its reservation to negotiate a "compact" with the State in which the reservation is located. IGRA also provides that if the State fails to bargain in good faith, the tribe can sue the State in federal court to enforce the remedial provisions provided by the statute. On March 27, in Seminole Tribe of Florida v Florida, the Supreme Court decided that the provision authorizing suits against States was unconstitutional. The decision leaves in doubt the process now to be followed by tribes that can not secure State cooperation in the compacting process. The Eleventh Circuit Court has suggested that such a tribe should go directly to the

Secretary to obtain authority to establish casino gaming. The Department will have a recommendation shortly.

- **Alaska Subsistence:** The Department has prepared an advance notice of proposed rulemaking (ANPR) addressing subsistence hunting and fishing in AK in response to the Ninth Circuit's decision in Alaska v. Babbitt. The ANPR expands the jurisdiction of the Federal Subsistence Board, comprised of federal agency employees, by:
 - identifying navigable waters in which the U.S. has a reserved water right and which the board will have jurisdiction over;
 - delegating to the Board the authority to restrict hunting, trapping and fishing activities off the public lands where those activities interfere with the subsistence priority on the public lands to such an extent as to result in a failure to provide the subsistence priority;
 - extending the subsistence priority to lands which have been selected by AK or Alaskan native corporations but not yet conveyed to those entities.

The Secretary met with Senators Stevens and Murkowski who asked Interior to consider having a series of hearings in AK during the rule-making process to ensure an open forum for this discussion. OMB has indicated its approval of the ANPR, which the Department anticipates will be published early next week.

- **Stephens Kangaroo Rat Habitat (SKR):** The approval of the Riverside County SKR Conservation Plan marks completion of a 43,000 acre conservation reserve. The unanimous 8-0 vote of the conservation agency acknowledged the extraordinary contribution of State and Federal agencies and is ultimately based on the Administration's commitment to put forward approximately \$3.6 million in land or funds to acquire habitat. The agreement represents an important achievement, and provides a foundation for Orange County and San Diego County votes on Habitat Conservation Plans.
- **Secretary's Travel:** The Secretary will travel to Dry Tortugas in the FL Keys on March 29 - 31, to tour the area with the National Park Foundation Board. On April 5, the Secretary will travel to San Diego to attend a regional meeting of Hotshots, the firefighters who fight fires on public lands.
- **Takings Op-Ed:** The *Los Angeles Times* is scheduled to run an op-ed piece prepared by the Secretary on the Senate property "takings" bill, criticizing it as part of the congressional stealth attack on the environment. He calls it extreme and a radical departure from the constitutional standard, citing the OMB estimate that claims it could cost tens of billions of dollars.

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UNITED STATES DEPARTMENT OF AGRICULTURE

- **Bovine Spongiform Encephalopathy Issue:** The Food Safety and Inspection Service (FSIS) and Animal and Plant Health Inspection Service (APHIS) are coordinating response efforts to the March 20 British announcement of a scientific advisory committee's conclusion that there may be a possible link between Bovine Spongiform Encephalopathy (BSE) and a similar disease in humans, known as Cruetzfeld-Jakob (CJD). There is no evidence of the disease in U.S. cattle, and cattle have not been imported from the U.K. since 1989. No UK boneless beef has been imported since 1983. Although CJD exists in the U.S., there has never been evidence of its association with eating meat. APHIS and FSIS have convened two meetings of industry, academia, and other federal animal and human health agencies to discuss current surveillance programs in this country and how to expand them in view of the UK announcement. USDA agencies will also review with the FDA the issue of regulatory authority and possible action in the area of animal feed, such as the feeding of rendered ruminant material to cattle. The UK has banned such feeding believed to be associated with its BSE epidemic.
- **Poultry Talks With Russians:** Talks between U.S. and Russian veterinary officials, which began on March 21, have reached an accord on Russian concerns regarding food safety in the U.S. poultry slaughtering industry. With the clarification of Russian requirements demanded for compliance, as found in the agreement, Russian veterinary officials will begin again to grant import licenses for U.S. poultry.
- **Karnal Bunt:** Canadian reaction to the newly imposed USDA Karnal Bunt quarantine came March 27, as Canada set up a ban on all durum wheat imports from the U.S. Restrictions were also placed on the import of other wheat varieties from AZ, NM, TX, and CA. Senator Conrad accused Canada of trying to gain a trade advantage and promptly introduced legislation banning the import of Canadian durum wheat and meat into the U.S. As of March 26, 17 countries have agreed to accept shipments of U.S. wheat covered by the Animal and Plant Health Inspection Service certification that the "grain originated in areas of the U.S. where Karnal bunt is not known to exist." Another 10 countries will accept U.S. wheat with no change to their phytosanitary requirements. The remaining countries will require confirmation of intentions, further negotiations, or responses. Mexico has lifted its ban on U.S. wheat imports, provided proper fumigation is applied. Negotiations with China on phytosanitary certification will be required as their temporary waiver expires on April 1.
- **CA Group Petitions To Reopen Avocado Comment Period:** The California Avocado Commission submitted a March 15 petition to Secretary Glickman requesting, among other things, that the Animal and Plant Health Inspection Service reopen the comment period and schedule additional public hearings regarding the proposed rule that would allow fresh Hass avocados to be imported into the U.S. This request is being evaluated.

Leon
can can do this

- **New Scrapie Strain Reported:** At a seminar in Oregon, an Agricultural Research Service Research Microbiologist reported that a strain of scrapie (strain A) not previously known to exist in the United States has recently been identified. Scrapie is a fatal degenerative central nervous system disease of sheep and goats.
 - **Industry Groups Petition USDA To Resolve Inequities:** On March 22, the National Cattleman's Beef Association, the National Pork Producers Council, and the American Sheep Industry Association petitioned Secretary Glickman to immediately initiate rulemaking proceedings to resolve what they describe as long-standing inequities between meat and poultry inspection. The groups cite a USDA-sponsored 1992 study conducted by the Research Triangle Institute (RTI) confirming that the alleged inequities are real and significant. They claim the Department has not addressed the major issues outlined in the RTI report and state they are seeking uniformity in regulations that can still take into account inherent and relevant differences in species.
 - **Trade Update To Be Released:** On April 2, the Economic Research Service will release *U.S. Agricultural Trade Update*, which will discuss October-January FY 96 trade, a comparison of export-import data for January, and the cumulative October-January data for 1995 and 1996.
 - **Second Timber Salvage Report Sent:** The second six-month report to Congress on timber salvage sales, required by the Rescissions Act, was sent to Congress on March 27. The report reveals that 1.8 billion board feet of salvage timber has been sold since passage of the Rescissions Act last summer.
 - **Tongass Land Management Plan:** The Senate Energy and Natural Resources Committee has tentatively scheduled an April 17 hearing regarding the Tongass Land Management Plan. At Senator Murkowski's request, Secretary Glickman assured that the draft Forest Plan and Revised Supplement to the Draft Environmental Impact Statement will not be released to the public until after the hearing or April 20, whichever comes first. The document has nine draft alternatives with a range of allowable sale quantities from less than 50 million to over 500 million board feet. Public meetings and subsistence hearings will be held during the 90-day public comment period in 32 communities in AK and Washington DC. The completion date for the final Tongass Land Management Plan is planned for early August.
- Can we make a secret agreement that would mean the proposed legislation go away?
- Press/Media Inquiries:** NBC's *Dateline* has scheduled a show for March 29 or 31 on Mad Cow Disease. ABC News is working on a story about the Mexican tomato issue.

DEPARTMENT OF ENERGY

- **Hanford Management Contract:** The Department received bids for competition of the management and operation of the Hanford Site in eastern Washington. This is the Department's single largest contract with a value of more than \$1.5 billion per year.

The award of this contract will be a significant accomplishment in the Administration's "Reinventing Government" initiative as the successful bidder will be expected to meet performance goals in each facet of the site's operations. The contract is expected to be awarded in early June.

Idaho Schools: The Department's Idaho National Engineering Laboratory announced the donation of more than 380 personal computers no longer needed by the Laboratory to over 65 schools in Idaho.

- **National Coalition for Minority Business:** On April 3, Secretary O'Leary will address the National Coalition of Minority Business in Washington D.C. The Secretary will highlight the Administration's accomplishments in providing greater opportunities for minority business and in investing in education.
- **Foreign Policy Association:** Secretary O'Leary will address the Foreign Policy Association in New York City on April 11, highlighting the Administration's accomplishments in the areas of nuclear nonproliferation, sustainable development, and the increased competitiveness of U.S. firms in the global market.
- **Secretary O'Leary's Testimony:** On March 29, Secretary O'Leary will testify before the House Energy and Water Appropriations Subcommittee. On April 16, Secretary O'Leary will testify before the Senate Armed Services Committee. The testimony will focus on the Department's national security programs--most notably the stockpile stewardship program to ensure the reliability and safety of our nuclear stockpile without underground nuclear testing. Also the Committee is interested in the Department's programs to secure fissile materials in the former Soviet Union and in our nonproliferation efforts.

ENVIRONMENTAL PROTECTION AGENCY

Regulatory Reinvention Speech: On March 29, the Administrator delivered a major regulatory reinvention address at the Commonwealth Club in San Francisco. The Reinventing Environmental Regulation report highlights the ways in which EPA has made progress in building a new generation of environmental protection, one that protects more and costs less. The Administrator also will present a progress report which details some of the accomplishments EPA has made over the past year such as: Increasing community participation and partnerships, making it easier for businesses to comply with environmental regulations, and eliminating more than 10 million hours of paperwork.

Steel Plant Explosion in Indiana: On March 27, a massive explosion occurred at the Beta Steel processing plant in Burns Harbor, Indiana. Three persons were killed in the explosion. EPA sent two emergency response experts to the scene to assist in the response. No releases of hazardous substances to the environment have been reported.

- **Superfund:** Daily negotiations are ongoing in the Senate, with discussion centering around the new draft of Senator Smith's and Senator Chafee's Superfund bill, which was released last week. On April 23, the Committee has tentatively scheduled a hearing on the revised draft bill at which Administrator Browner will testify. The new draft still does not meet the Administration's priorities of faster, fairer, more efficient clean-up, however, EPA is continuing to meet with staff to try to improve the bill.
- **EPA Clean Air Rules:** In a case involving Virginia and the Administration, the Fourth Circuit Court of Appeals ruled this week that the federal Clean Air Act did not violate the Constitution. Last year, EPA proposed to disapprove Virginia's industrial air pollution permitting program because the state prohibited citizens from being able to challenge air pollution permits granted by the state. Under the Act, EPA's disapproval could lead to the imposition of federal sanctions against VA, such as the cutoff of federal highway funds. Governor Allen sought to turn this issue into a states' rights issue. VA sued EPA, and the court unanimously rejected VA's argument, ruling that the use of sanctions was a proper way to induce state compliance with federal laws.
- **Simplified Process for New Air Pollution Sources:** As part of EPA's efforts to reinvent government regulations and better achieve reductions in harmful air pollution, EPA will propose next week significant revisions to the process by which new sources of air pollution obtain "permits" -- comprehensive documents (or certificates) which specify the air pollution limits an industrial facility must comply with to minimize pollution. The proposal promotes the protection of critical environmental areas such as the Grand Canyon and Yosemite. These changes are projected to reduce regulatory burdens for many facilities by cutting in half the number of industrial projects that need to obtain new permits.

DEPARTMENT OF EDUCATION

- **Hopwood v. State of Texas:** On March 18, The Fifth Circuit Court of Appeals reversed an earlier decision and determined that minority admissions preferences at the University of Texas Law School were not justifiable, partially because "diversity" is not a compelling interest that would justify such preferences. The court's decision seems to contradict the Department's previous published guidance on the issue of minority scholarships, which supports the goal of diversity. The University is expected to appeal the decision, and DOJ may file an amicus curiae brief on behalf of the University.

*Yes if
policy
committee
of our
principles*

University of California at Berkeley: On March 20, the Office for Civil Rights (OCR) issued a letter of findings concluding its investigation of a 1989 complaint that UC at Berkeley was discriminating against white undergraduate applicants. OCR determined that the University's affirmative action program did not discriminate.

- **Secretary Riley's Travel:** On April 15, the Secretary will address the National School Boards Association in Orlando. On April 16, the Secretary will participate in the

Emerging Issues Forum with Governor Hunt in Raleigh, NC. On April 19, the Secretary will be in Denver to address the annual meeting of the United Methodist Church and for other events.

- **Manual on School Uniforms:** Next week, the Department will distribute to superintendents the new manual on school uniforms.
- **Budget Hearings:** Secretary Riley is scheduled to testify before the House Subcommittee on Labor, HHS, Education, and Related Agencies on May 9. The Secretary is also scheduled to testify before the Senate Appropriations Committee on April 30. The House Subcommittee on Labor, HHS, and Education appropriations has invited the Department to testify at a hearing May 14 on issues that affect all three agencies.
- **Broder Interview:** Secretary Riley is scheduled to be interviewed by *Washington Post* columnist David Broder on April 4.

GENERAL SERVICES ADMINISTRATION

- Key in
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- **Citizenship USA:** The Public Buildings Service (PBS) is supporting the Administration's "Citizenship USA" initiative by expanding operations at several Immigration and Naturalization Service (INS) facilities. The "Citizenship USA" program is designed to provide naturalized citizenship to some 500,000 legal aliens by the end of the calendar year.
 - **Administrator Nomination:** The nomination papers for David Barram as Administrator of GSA will go up to the Senate in a week. Barram is beginning to meet with Members of the Government Affairs Committee and met with Senator John Glenn March 28.
 - **Travel Testimony:** The Independent Counsel has asked for all records in connection with the White House Travel Office. GSA is coordinating daily with the Department of Justice on these issues, earlier this year GSA responded to a similar request from the House Government Reform Committee and provided testimony at a Government Reform Committee hearing. Absolutely nothing of a negative nature showed up.
 - **Oklahoma City Security:** As the Oklahoma City bombing anniversary approaches, the Administrator and the Commissioner of Public Buildings, Bob Peck, will do a press briefing on government improvements in security. A separate staff briefing will be held for Members of the Oklahoma delegation.
 - **McVeigh/Nichols Trial:** GSA hosted a Security Briefing for the heads of agencies at the Denver Federal Office Building to discuss security measures, anticipated security measures to be implemented in the near future, and the demands on parking in

downtown Denver due to McVeigh/Nichols trial. GSA will also meet with the parents of the children who use the Child Care Center, which is housed at the U.S. Customs House located across the street from the U.S. Courthouse in Denver to inform them of the security measures which will reassure them that the safety of their children is the primary concern.

- **Bomb Threat:** On March 22, GSA Central Office received a bomb threat. Security was contacted and the building was cleared. GSA expects increased incidence of bomb threats as the April 19 Oklahoma City bombing anniversary draws nearer.

DEPARTMENT OF STATE

- **Moscow Visit:** Security issues and a 70-minute meeting with President Yeltsin were the centerpiece of the Secretary's 21-22 Moscow ministerial. The major achievement was Yeltsin's agreement to support Australian language for the scope of the Comprehensive Test Ban Treaty (CTBT) and a P-8 statement on CTBT, a significant step forward in your efforts to complete CTBT by fall. The Secretary had a lengthy exchange with FM Primakov on NATO enlargement, emphasizing that there is no change from our steady, deliberate and transparent approach. He also held a 90 minute roundtable session with Russian political figures from outside the present Administration, including Communist leader Zyuganov.
- **Sharm el-Sheikh Follow-up:** The Secretary opened the follow-up meeting the evening of March 28. Following phone conversations with Peres, Arafat, and Norwegian PM Brundtland, Secretary Christopher was able to announce a package of measures to ease the plight of the Palestinians.
- **China/MFN:** Deputy Secretary Tarnoff joined NSC Deputy Berger March 26 in a strategy session on China MFN with key Democratic supporters. Senator Feinstein and Representatives Hamilton and Matsui organized the session, which also included Senators Moseley-Braun, Murray, Glenn, Exon, and Nunn, and Reps. Peterson and Furse. All predicted this would be a tough year for an MFN vote and urged the Administration to act soon, both on alleged ring magnet transfers to Pakistan and Chinese violations of the IPR agreement. They strongly recommended an authoritative Presidential statement on China policy. The group agreed to remain in close touch with the Administration.

DEPARTMENT OF DEFENSE

- **Bosnia:** The First Lady was warmly received by family members of 1st Armored Division in Baumholder, Germany, on March 24, and by Task Force Eagle soldiers and airmen in Bosnia the following day.

- **Defend America Act:** Last week, Senator Dole and Speaker Gingrich introduced the Defend America Act. The bill, which calls for the deployment of a National Missile Defense system in seven years and a new round of negotiations to change the ABM Treaty, has been referred to the SASC in the Senate and the HIRC and HNSC in the House.
- **Secretary's Travel:** Secretary Perry will travel to Croatia, Bosnia, Albania, and Egypt today through April 4. He will attend bilateral and preliminary meetings in all countries, including the first-ever South Balkan Defense Ministerial in Tirana, Albania. In Bosnia, the Secretary will visit with U.S. troops and meet our commanders. In Egypt, he will tour the Suez Canal, observe Egyptian troops, and address American troops in the Sinai.

UNITED NATIONS

- **Rwanda:** The UN Rwanda Arms Flow Commission submitted a report which alleges that Zaire permitted Rwandan insurgents to fly eighty tons of arms into Goma from the Seychelles in June 1994- a direct violation of the arms embargo imposed by Security Council resolution. The Commission recommended a continuation of monitoring of the arms embargo, as well as steps to strengthen it.
- **Iraq:** After weeks of debate, the Council finally reached agreement on the language of the Iraqi export-import resolution, establishing a mechanism for monitoring trade with Iraq when UN sanctions against Baghdad are eventually lifted or eased. The resolution was formally adopted on March 27.

CENTRAL INTELLIGENCE AGENCY

- **Arms Smuggling to Bosnian Muslims:** *The Los Angeles Times* will soon publish an account of Iranian weapons being sent into Bosnia about a year ago. The story may accuse high-ranking US diplomats of "assisting" such shipments. The Intelligence Oversight Board investigated the situation and reportedly found no US laws were broken.

UNITED STATES INFORMATION AGENCY

- **Nigerian Police Stop USIS Conference:** The "Conference of the American Studies Association of Nigeria," planned by USIS Lagos for March 25-29 was abruptly terminated when Nigerian security police, who arrived before the opening ceremony, closed the conference. PAO Jim Callahan and other USIS officers, along with approximately 50 scholars from Nigeria and other African countries, were ordered to cancel all sessions including a *WORLDNET* dialogue with Dr. Darrell West. West had been refused a Nigerian visa the previous week.

- **Cleaning Up Laos:** Thirty US ordinance experts will travel to Laos in April to train the Laotian military on clearing ordinance from the Vietnam War. This is the primary public affairs issue in Laos, where about ten people -- mostly children -- are killed or maimed each month by cluster bombs and mines.

cc: The Vice President
Leon Panetta
Evelyn Lieberman
Harold Ickes
George Stephanopoulos
Alexis Herman
Carol Rasco
Maggie Williams
Michael McCurry
Doug Sosnik
Marcia Hale
Donald Baer
Ron Klain
Rahm Emanuel
John Hilley

- **Bolivian Tourist Seeking Medicaid Coverage of Brain Surgery:** *ABC News* and *NBC's Today* program requested background information about potential Medicaid eligibility for a 7-year old Bolivian girl who suffers from a life threatening, cancerous tumor on her spine and had traveled to the U.S. on a tourist visa to seek additional medical care. Her family cannot afford the \$250,000 cost of an operation to remove the tumor. The child is not eligible for Medicaid because she is not a U.S. resident and the onset of the illness occurred before arriving in the United States. Actress Marlo Thomas announced that she was authorizing the transfer of the young child to St. Jude's Hospital and St. Jude will assume full financial responsibility for the child's care.

Should
do letter
of
appliance
to child?
Med. so-

FOIA Request: *AP* has requested all congressional correspondence and any other documented communications between Senator Robert Dole and his aides with HHS its bureaus or agencies, concerning health care reform, Medicare, Medicaid, and all other health insurance related issues.

How
see him?
This Bk

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

JIM DORSKIND:

- **Amplify** tracks to public housing Secretary a press Board of "Montel" likely to in 30 ke
 BTW is asking if he should do letter.
 To Dorskind for reply?
- **"A New** Cisneros success Housing the mos
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 no
- **d You're Out":** HUD is embar. Please coordinate the reply. report from Health & Human Services
 nt of the "One Strike and You'r
 lowing your of the One Strike gr
 :work to promote the One Strike
 urpe James and a roundtable discussion with the
 blic housing. He will also be a guest on the
 feature public housing residents. The show is
 Cabinet members will amplify your announcement
- **' Press Conference:** On April 3, Secretary
 ce to release a report on the Administration's
 . The "Transformation of America's Public
 tlines how the Administration has implemented
 ublic housing since its inception.

cc
E. K. ...

- **HUD Portfolio Re-Engineering Generates Huge Taxpayer Savings.** On March 20, HUD auctioned off over 16,000 FHA single family mortgage loans, generating up to \$140 million in savings that will applied toward deficit reduction. Last week's auction is the seventh in a series of sales through which HUD intends to auction \$10 billion of single family and multifamily mortgage loans.

OFFICE OF NATIONAL DRUG CONTROL POLICY

- **Methamphetamine Strategy:** At your direction, Attorney General Reno has begun development of the Meth Strategy. ONDCP will assume responsibility for



THE CHAIRMAN

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL OF ECONOMIC ADVISERS

WASHINGTON, D.C. 20500

March 28, 1996

96 MAR 29 P 6:16

MEMORANDUM FOR THE PRESIDENT

FROM: JOSEPH E. STIGLITZ *for*

SUBJECT: Comments on Last Week's Weekly Economic Briefing

I respond below to your questions and comments on last week's Briefing. To make the replies easier to follow, I provide the subject of each article prior to my responses.

U.S. Economy Outpacing Japan and Germany

1. You noted that the U.S. share of worldwide exports (about 13 percent), although highest among all countries, is low relative to the U.S. share of worldwide GDP (roughly one quarter). The direct implication is that the ratio of our exports to our GDP is lower than the ratio of world exports to world GDP. But this difference in export ratios is due in large part to the size of the United States economy. Because the United States remains the world's largest economy, our huge domestic market is the place where most of our products and services are likely to be sold. Other countries with much smaller domestic markets need to rely more heavily on markets abroad to achieve the efficient scale of production for their industries. Thus, our propensity to export is relatively low compared with countries whose domestic markets are much smaller. I attach a chart showing the relationship across countries between level of GDP and the export-to-GDP ratio. As the chart illustrates, countries with smaller GDPs tend to be countries with higher export ratios.

Unemployment Insurance

1. You asked whether workers, especially white collar ones, should be able to receive 26 weeks of unemployment benefits in one lump sum. Although providing a lump-sum benefit would likely increase the rate at which unemployed workers find work (since they would not suffer any loss in UI benefits for accepting a job), such a proposal would be very costly. The median spell of unemployment is only 8 weeks, so such a proposal would provide substantially more support than current benefits. Furthermore, if workers who were laid off could receive such a lump-sum benefit and still continue working (or resume work after a week or so of unemployment), the number of layoffs would likely increase dramatically.

2. You also asked whether increasing the degree of experience rating would reduce the likelihood that workers would hire an employee in the first place. The answer to this question is not clear. A revenue-neutral increase in experience rating would raise taxes for some employers and lower taxes for others. Employers facing higher taxes may be less likely to hire new workers if there is some significant probability they may have to lay them off, and may prefer instead to use overtime when the workload increases. On the other hand, those employers whose taxes are lower may increase their hiring. The net effect may be to shift employment away from employers with the highest propensity to lay off workers and toward employers with more stable prospects. Moreover, the incentives of employers to lay off workers could be reduced, thereby helping to stabilize employment over the business cycle.

While the net effect on new hiring from increasing the degree of experience rating is unclear, it is generally accepted that unemployment would decrease, both because of a reduction in layoffs as well as a reallocation of labor away from cyclical/seasonal industries and toward more stable industries.

3. You also asked about how much leeway there is to change the Federal UI standards without legislation. We are examining this question, and will report to you in the near future.

Effect of Base Closings on California's Economy

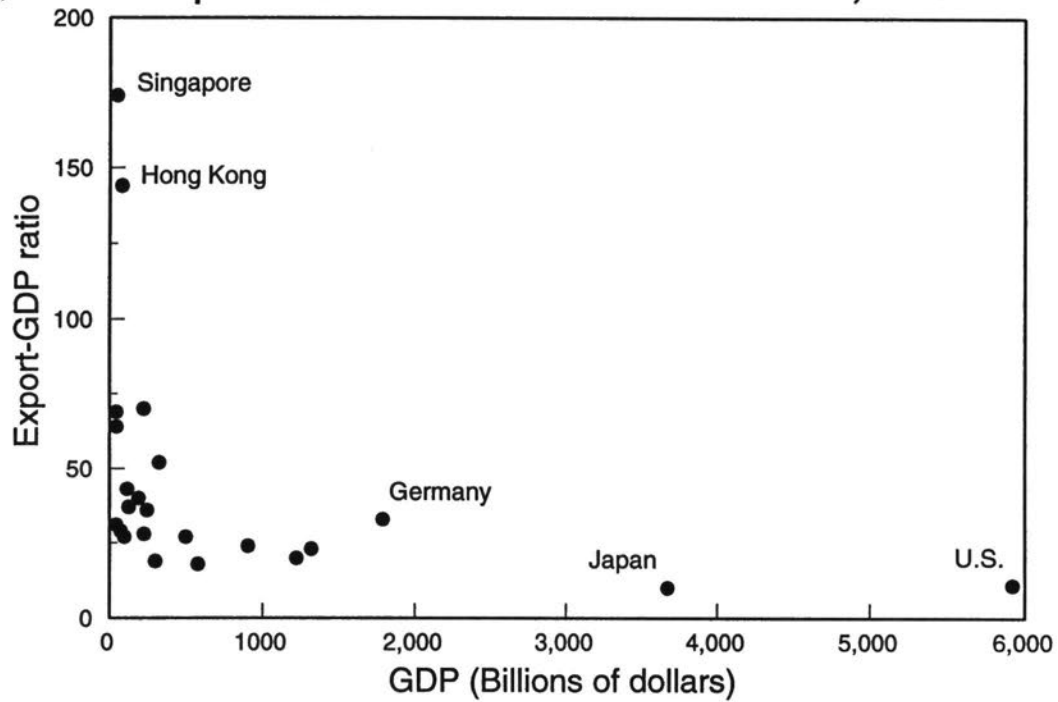
1. You asked whether aerospace workers who lost jobs in California due to defense downsizing were obtaining comparable new jobs. We do not have evidence on the specific jobs taken by workers who were initially laid off. The Rand Study, however, does report on the overall status of workers who had jobs in the aerospace industry in 1989:

- Roughly one-third of 1989 aerospace workers remained continuously employed at their original firm through 1994, and their real wages increased by 8 percent over this period.
- About 15 percent of 1989 aerospace workers changed jobs at least once through 1994, but were continuously employed in California during this period. (They did not experience a spell of unemployment.) These workers had a decline in their real wages of about 11 percent over this period.

Roughly one fifth of 1989 aerospace workers were separated from their original firm and never worked again in California. However, fewer than a third of these workers used the unemployment insurance system, and slightly more than one out of ten was at least 62 years old, suggesting some may have retired. Little data is available on the remainder, who may have left the state for work elsewhere or dropped out of the laborforce.

- About one third of 1989 aerospace workers left their original firm and had wages in at least one, but not every, quarter between 1989 and 1994. These workers experienced a reduction in their real wages as high as 15 percent.

Export Shares and Income Levels, 1992



4.1.96

- Bolivian Tourist Seeking Medicaid Coverage of Brain Surgery:** *ABC News* and *NBC's Today* program requested background information about potential Medicaid eligibility for a 7-year old Bolivian girl who suffers from a life threatening, cancerous tumor on her spine and had traveled to the U.S. on a tourist visa to seek additional medical care. Her family cannot afford the \$250,000 cost of an operation to remove the tumor. The child is not eligible for Medicaid because she is not a U.S. resident and the onset of the illness occurred before arriving in the United States. Actress Marlo Thomas announced that she was authorizing the transfer of the young child to St. Jude's Hospital and St. Jude will assume full financial responsibility for the child's care.

FOIA Request: *AP* has requested all congressional correspondence and any other documented communications between Senator Robert Dole and his aides with HHS, its bureaus or agencies, concerning health care reform, Medicare, Medicaid, and all other health insurance related issues.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- Amplification of "One Strike and You're Out":** HUD is embarking on several tracks to amplify your announcement of the "One Strike and You're Out" policy in public housing. On March 28, following your of the One Strike guidelines, Secretary Cisneros departed for Newark to promote the One Strike policy. He held a press conference with Mayor Sharpe James and a roundtable discussion with the Board of Directors of the city's public housing. He will also be a guest on the "Montel Williams Show" that will feature public housing residents. The show is likely to be aired next week. Sub Cabinet members will amplify your announcement in 30 key markets.
- "A New Day for Public Housing" Press Conference:** On April 3, Secretary Cisneros will hold a press conference to release a report on the Administration's success in remaking public housing. The "Transformation of America's Public Housing: A 1996 Status Report" outlines how the Administration has implemented the most far-reaching change in public housing since its inception.

HUD Portfolio Re-Engineering Generates Huge Taxpayer Savings. On March 20, HUD auctioned off over 16,000 FHA single family mortgage loans, generating up to \$140 million in savings that will applied toward deficit reduction. Last week's auction is the seventh in a series of sales through which HUD intends to auction \$10 billion of single family and multifamily mortgage loans.

OFFICE OF NATIONAL DRUG CONTROL POLICY

- Methamphetamine Strategy:** At your direction, Attorney General Reno has begun development of the Meth Strategy. ONDCP will assume responsibility for

4/19/96

- **Nicotine Nasal Spray Approved:** On March 25, FDA approved the first prescription nicotine nasal spray, McNeil Consumer Products' Nicotrol NS, as a treatment for adults trying to quit smoking. In clinical trials, the nicotine nasal spray has been shown to be comparable to nicotine gum or nicotine patches in effectiveness.
- **Congressional Legislation on Medicare Survey and Certification Process:** The upcoming HHS continuing resolution (CR) contains two legislative proposals aimed at freeing up funds needed to conduct initial certification surveys for providers who have applied to participate in Medicare. There is a backlog of initial Medicare surveys throughout much of the country because of the current CR funding level. Both legislative proposals have the support of HHS and OMB.
- **Secretary's Schedule:** On April 1, Secretary Shalala travels to Atlanta, GA, to deliver the keynote address at the CDC's 50th Anniversary Celebration. On April 8 she is tentatively scheduled to travel to Oklahoma to visit the Blake Ryan Kennedy Memorial Library at Pocasset Elementary School. This library was established by HHS employees in memory of Blake Ryan Kennedy, age 3, who was killed during the 1995 bombing. Blake was the son of HHS employee Laura Kennedy. On April 9, Secretary Shalala travels to Austin, TX to visit the Domestic Violence Hotline national headquarters.
- **HIV/AIDS in Prisons:** The April 5 issue of *Morbidity and Mortality Weekly Report* (MMWR) will include a report on HIV/AIDS Education and Prevention in Adult Prisons and Jails and Juvenile Confinement Facilities. This report summarizes the results of a national survey conducted in 1994 for the National Institute of Justice, DOJ and the CDC documented the extent of AIDS in these facilities. By the end of 1994, at least 4588 adult inmates of U.S. prisons and jails had died from AIDS and at least 5279 were living with AIDS.
- **Tobacco:** The April 24 issue of the *Journal of the American Medical Association* will be devoted to articles on tobacco. An article by CDC authors will provide the results of the largest analysis of cotinine levels, an indicator of exposure to tobacco smoke, found in blood samples of a cross section of the U.S. population. The study shows a much higher level of exposure to environmental tobacco smoke than previously suggested. The article has obvious implications for second-hand smoke policies and is expected to get wide media coverage.

New Jersey Childhood Brain Cancer Cases: There has been significant local press interest in a reported cluster of childhood brain cancer cases in the Ocean City area. CDC's Agency for Toxic Substances and Disease Registry is consulting with the New Jersey Department of Health. The Vice President's Office has been contacted about the case through the office of Rep. Torricelli.

Chase
call me
M. T. N.?

Leon
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to be
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vitality
involvement in

4.1.96

- **Intellectual Property Rights (IPR) and Government Procurement:** Ambassador Kantor will continue to prepare for announcements in April regarding foreign country practices with respect to adequate and effective IPR protection and fair and competitive government procurement practices.

DEPARTMENT OF JUSTICE

- **Virginia Challenge To Education Regulations:** On April 4th, The Fourth Circuit will hear oral arguments in Commonwealth of Va. v. Riley. The Individuals with Disabilities Education Act (IDEA) requires state educational agencies to submit plans ensuring that all eligible children with disabilities receive a free appropriate public education. The Department of Education interprets that mandate as requiring continued special education services for students with disabilities who have been expelled or suspended from school on a long-term basis for conduct unrelated to their disabilities. Virginia's regulations do not require the provision of such services to expelled or suspended students, and therefore do not meet IDEA requirements.

*Leon/Cruz
isn't this
a double
standard?
is it bad policy?*
- **Court Grants Certiorari In Abortion Clinic Matter:** On March 18, the Supreme Court granted certiorari in Schenk v. Pro-Choice Network. The Second Circuit, sitting en banc, affirmed a preliminary injunction preventing the defendants from engaging in certain obstructive conduct in the vicinity of abortion clinics in the Western District of New York.
- **Favorable Judgment Entered In Military Homosexual Discharge Suit:** On March 14, the court granted summary judgment in favor of the Air Force and the DoD in Jackson v. Widnall. The court rejected the claims of a former Air Force officer that he was unlawfully discharged on the basis that he had engaged in homosexual acts. The discharge, under the military's "old policy" governing homosexual service members, was upheld against equal protection and Administrative Procedure Act challenges.
- **Complaint Filed Against Georgia To Prevent Implementation Of Redistricting Plan:** On March 21, the United States filed a section 5 enforcement action, and request for preliminary relief, against the State of Georgia and several state officials. United States v. State of Georgia. The complaint and application for a TRO and preliminary injunction seek to enjoin the state and its officials from implementing new redistricting plans for the state House and Senate, unless and until preclearance is obtained.
- **Court Approves Love Canal Settlement:** On March 19, the District Court in U.S. v. Occidental Chemical Corp., entered a cost recovery consent decree. Pursuant to the decree, Occidental will pay the U.S. \$129 million, plus interest, for the costs incurred in the cleanup of Love Canal.

January 31. Walker and others have been holding a hunger strike protest vigil for the past 32 days at a wayside tent-chapel near the border crossing. A March 22 *San Diego Union Tribune* article reports that the Pastors for Peace are planning to move their ongoing hunger strike from CA to DC's Lafayette Park in the near future.

- **60 Minutes Requests Interview with Customs Officials:** CBS's *60 Minutes* has requested an interview with the Assistant Commissioner for Internal Affairs, the former head of Internal Affairs in Southern California. It has been reported that the *60 Minutes* piece will focus on a Customs Canine Enforcement Officer, who claims he uncovered a huge load of cocaine which his supervisor did everything possible to prevent him from seizing. Internal Affairs investigated the office's complaint. It is also reported that Senator Feinstein and Alan Bersin have spoken to *60 Minutes* for the segment.

DEPARTMENT OF COMMERCE

- **G-7 Job Conference:** On April 1 and 2, Secretary Brown will lead the U.S. delegation which includes CEA Chairman Stiglitz, Labor Secretary Reich, and Treasury Under Secretary Shaefer, to the G-7 Jobs Conference in Lille, France.
- **Economic Indicators:** The following economic indicators are due to come out over the next two weeks:
 - April 1, Value of New Construction (February 1996)
 - April 2, Gross Domestic Product (fourth quarter 1995, final) and Corporate Profits (fourth quarter 1995, final)
 - April 3, Personal Income and Outlays (February 1996) and Manufacturers' Shipments, Inventories, and Orders (February 1996)
 - April 4, Housing Completions (February 1996)

Iran Oil Sanctions Act: On March 22, the House International Relations Committee unanimously approved this act which will impose sanctions on persons exporting certain items that could contribute to Iranian or Libyan abilities to extract, refine, process, store, or transport petroleum. The bill includes five types of sanctions, and a trade trigger that invokes both export and import sanctions. Congress is likely to send a final bill to you in April.

DEPARTMENT OF LABOR

- **Unemployment Releases:** On April 2, the Bureau of Labor Statistics will release State and Metropolitan employment and unemployment statistics for February. On April 5, the Secretary will release the national employment numbers for March.

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/1/96

ACTION/CONCURRENCE/COMMENT DUE BY:

SUBJECT: THREE REPORTS AND RECOMMENDATION LETTER FROM THE CHAIRMAN
OF THE PRESIDENT'S EXPORT COUNCIL

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☐	McCURRY	☐	☐
PANETTA	☐	☐	McGINTY	☐	☐
McLARTY	☐	☐	NASH	☐	☐
ICKES	☐	☐	QUINN	☐	☐
LIEBERMAN	☐	☐	RASCO	☐	☐
RIVLIN	☐	☐	REED	☐	☐
BAER	☐	☐	SOSNIK	☐	☐
CURRY	☐	☐	STEPHANOPOULOS	☐	☐
		☐	STIGLITZ	☐	☐
		☐	STREETT	☐	☐
		☐	TYSON	☐	☒
		☐	WALLEY	☐	☐
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Jim -

Can you coordinate
a response with Kitty's
office (Silverman) and
NSC/NEL trade people. (see
attached draft) Thanks, Phil 3/31

REMARKS: PLEASE RETURN REPORT TO THIS OFFICE AFTER REVIEW.
If you would like a copy of the Report to keep, contact
this office. Thank you.

RESPONSE:

Staff Secretary
Ext. 6-2702

WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

☐ O - OUTGOING☐ H - INTERNAL☒ I - INCOMINGDate Correspondence
Received (YY/MM/DD)

96102128

Name of Correspondent: The Honorable C. Michael Armstrong☐ MI Mail Report

User Codes: (A) _____

(B) _____

(C) _____

Subject: submit three reports prepared by the President's
Export Council and draft response letter from the President

ROUTE TO:

ACTION

DISPOSITION

Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
Kitty Higgins		ORIGINATOR	96103126		C	96103126
Todd Stern		A	96103126		C	96103126
Jim Saunders		A	96103126		C	96103127
Todd Stern		A	96103127			1 1
			1 1			1 1

ACTION CODES:

A - Appropriate Action
C - Comment/Recommendation
D - Draft Response
F - Furnish Fact Sheet
to be used as Enclosure

I - Info Copy Only/No Action Necessary
R - Direct Reply w/Copy
S - For Signature
X - Interim Reply

DISPOSITION CODES:

A - Answered
B - Non-Special Referral
C - Completed
S - Suspended

FOR OUTGOING CORRESPONDENCE:

Type of Response = Initials of Signer
Code = "A"
Completion Date = Date of Outgoing

Comments: Not for the President's Vow that to the Congress.

Keep this worksheet attached to the original incoming letter.

Send all routing updates to Central Reference (Room 75, OEOB).

Always return completed correspondence record to Central Files.

Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

THE WHITE HOUSE
WASHINGTON

March 26, 1995

MEMORANDUM FOR PHIL CAPLAN

FROM: LORI KELLER 
SUBJECT: President's Export Council

Forwarded for appropriate action are three reports and a recommendation letter from the Chairman of the President's Export Council (PEC) Michael Armstrong. Also attached is a draft letter of response from the President to Mr. Armstrong. The PEC is holding a principals meeting in the Indian Treaty Room this Thursday, March 28, from 9am-1pm.

A scheduling request has gone to the President for a drop-by. Let me know if you need additional information. Thanks.

attachment



FEB 28 1996

MEMORANDUM FOR KITTY HIGGINS

Secretary to the Cabinet

FROM:

William W. Ginsberg
Chief of Staff

SUBJECT:

Transmittal of three reports and a recommendation letter to the President from President's Export Council (PEC) Chairman C. Michael Armstrong

Attached are three reports and a recommendation letter to the President from The President's Export Council Chairman C. Michael Armstrong. Each report is accompanied by a cover letter from Chairman Armstrong.

The first report (Tab A) is a PEC report on the enhancement of U.S.-Brazil trade relations. In its report the PEC highlights key problem areas and outlines a recommended course of action. This report was considered in the preparation of the U.S.-Brazil Bilateral Trade Review Joint Ministerial Report, a document released by the United States Trade Representative on October 25.

The second report (Tab B) addresses the elimination of non-tariff barriers and the enhancement of market access for U.S. exporters. The report provides specific examples of non-tariff barriers impeding U.S. exports and recommends enhancing government advocacy to promote the elimination of these barriers to trade. The report was meant as input to Ira Magaziner's trade barriers project and the substance has already been forwarded to Mr. Magaziner.

The third report (Tab C) contains three white papers that review some of the broader issues that most U.S. industries face while engaging in international commerce in Europe, Japan, and the Newly Independent States and offers recommendations to help U.S. companies to compete in the global market. These papers are also being forwarded to the Secretary of State, Secretary of Treasury, the U.S. Trade Representative and the Export Import Bank Chairman.

Also attached is a recommendation letter from Chairman C. Michael Armstrong (Tab D) that expresses the concern of the private sector members of the PEC regarding the allocation of agency responsibilities for the export control of the "hot section" in commercial aircraft engines. The private sector members believe that national security and national economic interests should be balanced and recommend a clarification of agency responsibilities for the export licensing of commercial gas turbine engines.

Kitty Higgins
Page 2

Finally, a draft response from the President to Chairman C. Michael Armstrong is included under Tab E.

I would appreciate your forwarding this on to the President at your earliest convenience.

Thank you.

Attachments

Mr. C. Michael Armstrong
Chairman
The President's Export Council
Washington, DC 20230

Dear Mr. Armstrong:

Thank you for the President's Export Council's reports on U.S.-Brazil trade relations, non-tariff barriers, and the impediments to industry while engaging in international commerce in Europe, Japan, and the Newly Independent States. I found these reports, plus your letter which outlines your concerns regarding the current export licensing requirements for "hot section" dual-use technology for commercial aircraft jet engines insightful.

As we move into the twenty-first century, it is essential that our Government continue to assist U.S. firms by improving trading relationships with other nations, including our neighbors in Latin America. As your report recommends, this Administration will continue to work with business and labor leaders to eliminate current barriers to expanded trade between the United States and Brazil. Our success will set the stage for achieving a Free Trade Area of the Americas, expanding our export opportunities, and creating more jobs for our economy.

Additionally, I believe that we must continue to build on the progress this Administration has made in eliminating non-tariff trade barriers so we can expand our Nation's export activities and create more jobs for our economy. I agree that the Government should help U.S. companies to compete and win in the global economy. In fact, this Administration has been analyzing the role that Government can play to help American businesses discover commercial opportunities abroad. Given fair access Americans can meet and beat the competition in global markets.

Your letter which outlines your concerns regarding the current export licensing requirements for "hot section" dual-use technology for commercial aircraft jet engines also

addresses our shared concerns on the ongoing competitiveness of U.S. industry. Assuring the ability of U.S. jet engine manufacturers to compete effectively and maintain the market dominance that was so hard won over the years, in a manner consistent with U.S. national security concerns, is a goal I fully support. I have instructed my staff on the National Security Council and the National Economic Council to incorporate your concerns into the current consideration of this issue. I expect to have a decision soon.

Thank you for your timely input on all these matters of importance to the Administration and to U.S. competitiveness. I am grateful for your work on our Export Council, and I look forward to your continued involvement.

Sincerely,

Per Sharon

copy original sent
to Doriskind
copies not sent to
Hale / Ickes



OFFICE OF THE GOVERNOR
P.O. Box 2950
Agana, Guam 96910

Staff Sec.

To Jim Doriskind
for Reply ?

✓ — coord.

yes

✓

M. Hale
and
H. Ickes

no

William Jefferson Clinton
President of the United States
THE WHITE HOUSE



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

3-25-96

Dear Mr. President,

At the outset let me say on behalf of my daughter Carla a sincere thank you for the wonderful opportunity to have had the pleasure of being in your limousine with you and being able to converse with you concerning a myriad of things that concerned world peace and stability that you have made a priority of this administration. And also for listening to Guam's concern about the relationship it has with the United States over the last 98 years. The loyal, patriotic Americans that inhabit our beautiful hospitable island are longing to have that dignity to be able to exercise the right to self-determination over the past 450 years since



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

The Spanish discovered and conquered Guam, and the subsequent defeat of Spain by the United States in 1898, Guam was merely a piece of land owned as if it were the private property of the conquerors, a mere possession -- people -- land -- the whole works -- The indigenous people called Chamorros previous to the Spanish era lived peacefully for 4000 years -- with quite a rich cultural history -- These same people's quest to be treated with dignity and respect have run into roadblocks after roadblocks with the U.S. simply by bureaucratic red tape or just a plain attitude of "there's only 100,000 people out there, who gives a damn" as was attributed to Henry Kissinger.

Mr. President, our quest is not to move further away from the US, but



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

to be integrated more by the process called "mutual consent." We want to "relate" by giving us the opportunity to say "yes!" That is all we're asking for... a mutually beneficial relationship taking into consideration Guam's unique circumstances.

Had it not been for our great President Kennedy lifting the Navy's order of getting a security clearance before entering or leaving Guam, our people would still be living in a subsistence economy.

Prior to lifting the ban in 1962 the US Navy simply owned us.. But you know Mr. President that just in the last 30 years, our GDP went from zero to 3.5 Billion, with the very minimum tools to do it with-- instead of just a pair of pliers in hand, we need the tool box so we can be a great contributor to our great Nation.



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

Particularly taking advantage
of our superb position in the
northwestern pacific -- only 3 hours
to the great ASIAN tigers. We
can continue to be a great
military bastion while striving
to be the great economic power
showcasing the free enterprise
Democracy for the United States.

This can all happen now.
President if just one person
would do what is right by
Guam -- We believe that you
have been put in this position
despite great odds ~~for~~ to carry
thru what President Kennedy had
started -- We look to you for
our future -- We put our
Trust in your hands ... We look
forward to seeing you on our beautiful
shore.

God Bless you
and the First Family
Carl

Post Office Box 2950, Agana, Guam 96910 • (671) 472-8931 • Fax: (671) 477-6000

THE WHITE HOUSE
WASHINGTON

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM:

ANTHONY LAKH
JOHN HILLEY

SUBJECT:

Letter from Senator Dole, Speaker Gingrich et al.
on ABM

Todd,
Preapproval,
please. Thanks.
Key
x69461

Purpose

To respond to a letter from Senator Dole, Speaker Gingrich and 12 other members of Congress regarding the Administration's policy on the Anti-Ballistic Missile (ABM) Treaty.

Background

Senator Dole, Speaker Gingrich and 12 other members of Congress wrote you restating their opposition to the Administration's commitment to: (a) seek a negotiated solution to the ABM/TMD demarcation issue and (b) multilateralize the ABM Treaty. The response from you restates our policy on these related issues.

RECOMMENDATION

That you sign the response to Senator Dole, Speaker Gingrich et al. at Tab A.

Attachments

Tab A Letter to Members
Tab B Letter from Members

4/1/96
see
edits

cc: Vice President
Chief of Staff

THE WHITE HOUSE

WASHINGTON

Dear Mr. Speaker:

Thank you for your letter regarding my Administration's policy on the Anti-Ballistic Missile (ABM) Treaty.

You indicate in your letter that the Administration intends to "expand" the scope of the ABM Treaty to establish limits on U.S. theater missile defense (TMD) systems. This is not the case. As I have noted in previous letters, the U.S. position in these negotiations is intended to ensure that advanced U.S. TMD systems can proceed, even though some of them may have a theoretical capability under certain scenarios to intercept certain strategic ballistic missiles. In other words, we are trying to "raise" the threshold of demarcation between TMDs and ABMs, not lower or restrict it.

You indicate in your letter that you oppose our efforts to multilateralize the Treaty to include those former republics of the Soviet Union, which are co-equal successors to Russia and which chose to participate in this Treaty. As you know, Congress in 1993 adopted legislation urging me "to pursue immediate discussions with Russia and other successor states of the former Soviet Union" on clarifying and updating the Treaty. Indeed, the Ballistic Missile Defense Act of 1995, ~~that~~ Congress approved and I signed into law last month, includes provisions on the demarcation issue that apply to any agreement or understanding between the United States and "any of the independent states of the former Soviet Union."

More fundamentally, though, it is clear that were we to refuse to recognize Ukraine, Belarus and Kazakhstan as ~~coequal with Russia~~ as successors to the ABM Treaty, that oversight could negatively affect those countries' readiness to carry out the obligations of other arms control treaties for which they are successors to the Soviet Union, such as START I and the Intermediate-Range Nuclear Forces Treaty,

coequal with Russia,

Despite our differences on these points, I am confident ~~that~~ we agree that we must develop and, when required, deploy the defenses to protect the United States and our forward-deployed armed forces from the ballistic missile threats of our potential adversaries.

Sincerely,

The Honorable Newt Gingrich
Speaker of the House of Representatives
House of Representatives
Washington, D.C. 20515

Congress of the United States

Washington, DC 20515

February 12, 1996

The President
The White House
Washington, D.C.

Dear Mr. President:

We are writing to express our continued objections to your administration's efforts to expand the scope of the Anti-Ballistic Missile (ABM) Treaty. With ballistic missile proliferation on the rise, this Cold War era treaty is increasingly an obstacle to effectively defending our forces, our allies, and our citizens.

Therefore, we remain opposed to any efforts that would put strict and unnecessary limits on the capabilities of our current theater missile defense (TMD) systems. We completely disagree with your administration's stated view that a "demarcation" agreement would be a step forward. In fact, such an agreement would be a big leap backward. TMD systems are not prohibited by the ABM Treaty. By making these systems subject to an artificially low threshold (as the U.S. has proposed) your administration is creating a self-imposed limitation on currently legal TMD systems and technologies which will impede our ability to defend America and its interests. Moreover, artificial limitations on today's TMD systems will also severely constrain future systems and thus our ability to protect against future threats.

Furthermore, we continue to object to any moves to multilateralize the outdated ABM Treaty. This treaty is decades old and was negotiated in a bipolar world dominated by two superpowers. Adding signatories will not make this treaty any more relevant to the post-Cold War world. Instead, it will seriously complicate our ability to develop new and more capable ballistic missile defenses (BMD). Finally, multilateralizing the ABM Treaty will diminish our ability to amend the ABM Treaty should your administration or a successor administration decide to pursue a more flexible and effective national missile defense system than that currently permitted under the Treaty.

In short, Mr. President, your policy is opposed by a bipartisan majority in the Congress. Our views -- clearly expressed to you on a number of occasions these past few years -- have not been taken into account by your administration. In the absence of any genuine efforts to address our concerns, we regret

that we will have no choice but to pursue the legislative options at our disposal. The Congress is prepared to undertake a full review of: the growing ballistic missile threat to our nation; the validity of the ABM Treaty as a means of ensuring America is protected against this threat; and the BMD requirements necessary to fully protect America. The Congress is also prepared to aggressively pursue a ballistic missile defense program in order to ensure that America will not be playing catch-up in the 21st century -- as your policy would have us do.

We hope that you will reconsider and reverse the course your administration has taken. Failing that, the Congress will act this year in pursuit of the most important national security objective: defending America.

Sincerely,

Walt Dill

Bob Livingston

Lloyd Spence

Don Gih

Clair Cox

Barry

Ben Dan

Strom Thurmond

Phil Coker

John Warner

Gene Helms

McStevens

Forrest

Clarence Henry

BY MESSENGER



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

MAR 20 1996

W.H.D.B. only
Paul McCune
** should be with*
** before the long*
** as the known*
BE



100
Lure
me back

MARTIN PERETZ
The New Republic
1220 19th Street, N.W.
Washington, D.C. 20036
202-331-7494

THE PRESIDENT HAS SEEN
1/96

March 19, 1996

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

Dear Mr. President:

It was a very great pleasure and privilege to be with you at David Geffen's house. I had tried to fortify myself against your strength. But I have to admit: to no avail. The talk was fresh and vigorous. . . and compelling. I only wish that David had forgone the Hollywood habit of showing his guests a new movie.

✓ You may remember that I told you that Michael Lewis had been trying to get some time with you and that we had been promised it many times over nearly a year without anything ever happening. This was when almost everybody, including TNR people, were being churlish about you and Michael was an enthusiast. So, now that the President has said that He'd like to have Michael spend some time, how do I proceed? I am sending a copy of this letter to Harold since he was a witness to our conversation.

Warm and good wishes.

Martin Peretz
Martin Peretz

cc.: Mr. Harold Ickes

THE WHITE HOUSE
WASHINGTON, D.C. 20500

DATE: 4-1

TO: LHR

FROM: Staff Secretary

I'm sending this forward
at John Angell's request.
Patricia has evidently
been asking for it.

Tobey

159299

THE UNITED STATES TRADE REPRESENTATIVE
Executive Office of the President
Washington, D.C. 20506

APR
96 MAR 1 P2:53

MEMORANDUM FOR THE PRESIDENT

THROUGH: LEON PANETTA

FROM: Michael Kantor

RE: Florida Agriculture Promises and NAFTA

DATE: March 26, 1996

This memorandum answers recent charges that the Administration reneged on promises it made to the Florida delegation during the NAFTA debate -- specifically, on vegetables and citrus.

Commitment on Vegetables: The Administration committed to protect the U.S. vegetables industry from import surges from Mexico.

Status on Vegetables: The peso devaluation and crop conditions in Florida (not the NAFTA) have resulted in a significant surge in imports of tomatoes and other winter vegetables from Mexico. To address this problem, the Administration has worked with the Florida Delegation, Governor Chiles and members of his staff to take the following actions:

- **Safeguard Legislation:** The Administration is supporting legislation sponsored by Senator Graham to address effectively a problem with current U.S. safeguard law. Last year, the Florida Growers tried unsuccessfully to use the existing safeguard law. That law does not take into consideration the situation where imports enter the U.S. on a *seasonal* basis and compete only with domestic production from a similar production season. The Graham legislation would fix this problem. It has passed the Senate, but has not yet cleared the House.
- **New Safeguard Investigation:** Despite the problem with the existing law, the Florida growers are pursuing a new action this year with the International Trade Commission (ITC). They believe the problem is worse this year, strengthening their case even without passage of the Graham legislation. If the ITC rules in favor of the Florida industry, they will forward to you a recommendation for relief. This likely would occur in mid-September. Under the safeguard law, the final decision on relief is yours.
- **Packaging Legislation:** The Administration is supporting a second Graham bill that would subject Mexican tomatoes to the same packaging requirements as Florida tomatoes.
- **Industry-to-Industry Talks:** At the encouragement of the Florida congressional delegation, the Administration helped organize discussions between the two countries tomato industries.

- **TRQ Implementation:** The Administration has examined the enforcement of tariff-rate quotas (TRQs) for tomatoes and developed a proposal for weekly TRQs. The proposal was submitted to the Federal Register to solicit public comment. There is substantial opposition to the measure, however, and it is not a high priority for the Florida industry.
- **Import Information:** USDA established a weekly monitoring system for tomato imports. This system will include a weekly USDA report on imports and prices. Every effort is being made to address a key concern of Florida growers -- the lag time between the date of physical entry and the date of reporting.
- **Mexican Marketing Information:** We are attempting to obtain reliable and timely supply, price and trade information on tomatoes from Mexico. Mexico has not been willing to provide this information to date, but we are continuing to make a strong effort.
- **Market Promotion:** USDA's Foreign Agricultural Service is working with the Florida industry to develop a more assertive approach to global consumer demand, including through the use of the Market Promotion Program (MPP).
- **Japanese Import Ban:** We will redouble our efforts to resolve the tomato import issue (tobacco blue mold) in Japan. This issue was raised by Secretary Glickman during his trip to Japan last August.
- **School Lunch Program:** USDA is reviewing possibilities for further purchases of tomatoes on a competitive basis for the school lunch program. USDA's Agricultural Marketing Service, Food and Nutrition Service, and Food and Consumer Service will continue to work with the Florida industry to identify alternative methods of procurement and distribution of fresh tomatoes to avoid problems resulting from perishability and the short growing season.
- **APHIS Inspectors:** USDA has increased the number of APHIS inspectors at Florida points-of-entry and continues to review alternatives to ensure that sufficient resources are available at Miami International Airport.

Commitment on Citrus: The Florida industry's key concern was the potential for a surge of imported Mexican orange juice. To address this concern, the Administration committed to establish a "price-based tariff snapback" for imports of frozen concentrated orange juice from Mexico. The snap back comes into effect in the event of an import surge, and essentially returns the tariff to the pre-NAFTA level.

Status on Citrus: The snapback was established as part of the NAFTA. Since that time, there has been no orange juice surge to trigger the snapback. Globally, U.S. exports of orange juice have increased each year since the NAFTA was implemented, and were nearly 14% higher in 1995 than in 1993, the year before the NAFTA. At the same time, U.S. orange juice imports from the world have fallen 18 percent.

Suggested Talking Points:

- We are very concerned about the problem facing the winter vegetable industry in Florida. This problem is a result of the devaluation of the Mexican peso -- not the NAFTA. The barriers to imported Mexican tomatoes were very low even before NAFTA.
- We have been working hard with Senator Graham, Governor Chiles and the Florida delegation to develop appropriate responses. We are supporting legislation to amend U.S. safeguard law in a way that we believe will help the Florida winter vegetable industry. This legislation has passed the Senate. We are also supporting legislation that would subject Mexican tomatoes to the same packaging requirements as Florida producers.
- In addition to the legislative measures, we also are working to provide better and more timely information about imports of tomatoes, and to help the Florida industry better pursue export opportunities for their products.
- To guard against surges from Mexico in the area of frozen, concentrated orange juice -- the Administration put in place a special "snapback provision." Because there has not been a surge in the area of orange juice, this measure has not been triggered. Globally, U.S. exports of orange juice have increased each year since the NAFTA was implemented, and were nearly 14% higher in 1995 than in 1993, the year before the NAFTA. At the same time, U.S. orange juice imports from the world have fallen 18 percent.

EMON A. MAHONY, JR.
P. O. BOX 17004
FORT SMITH, AR 72917-7004
TEL: 501/783-3181, EXTENSION 2203
FAX: 501/784-2095

Staff Sec.

March 26, 1996

4-1-96

To Jim Doriskind
for Reply?

Honorable Bill Clinton
President of the United States
Attention: Ms. Nancy Hernreich
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Yes

No

Dear Mr. President:

As you know, many people are seriously upset about your impending veto of the Product Liability Bill. The statement is being made and repeated often you are too tight with certain lawyer groups.

Mr. President, I think it would be a mistake to under-estimate the unhappiness with which most people in America view the legal system. I think you would probably also be shocked to learn the number of people who believe they are abused by the legal system and its practitioners in their daily lives.

The purpose of this letter is not to protest the veto, because I think that decision has been made. Rather, the purpose is to suggest that if the heat gets too great because of your perceived relations with the legal profession, there is a remedy for that problem.

In my opinion, much, if not all, of the over-reaction to the legal system is occasioned by the self-policing of the legal profession. Lawyers, unlike many other groups in America, are not subject to objective policing of their activities. If lawyers' privileges of practicing were subject to control by objective third parties, none of whom could be engaged in the activity of practicing law, I think the nation would be well served.

Such objective review could be couched as language directed at the "bad" lawyers, and in no way admonishes the vast majority of such professionals who are properly regarded as unbonded guardians of human liberty.

The Honorable Bill Clinton
Att: Ms. Nancy Hernreich
March 26, 1996
Page 2

In any event, please do not under-estimate the extent to which the regular citizen hates and fears lawyers in our society. The politician who can tap that spring will harvest frightening successes.

Sincerely yours,

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

Emon A. Mahony, Jr.

EAMjr:lap

THE PRESIDENT HAS SEEN

41196

THE WHITE HOUSE

WASHINGTON

96 MAR 7 10:18

April 1, 1996

MEMORANDUM TO THE PRESIDENT

FROM: STEPHANIE STREETT & ANNE WALLEY *aw*

CC: EVELYN LIEBERMAN

SUBJECT: SCHEDULING DECISIONS

Accept:

Date of Event:

Description of Event:

4/9/96

Meeting With Greek Prime Minister
Costas Simitis

4/12/96

Meeting With British Opposition Leader
Tony Blair

4/8/96

Meeting With General McCaffrey to
Discuss His Recent Trip to Mexico

4/30/96

Lunch With Prime Minister Peres & King
Hussein @ Blair House

5/1/96

White House Reception Honoring the
25th Anniversary of Wolf Trap

5/1/96

Olympic Dinner, Washington, DC

May

Veteran's Media Roundtable

Pending:

Date of Event:

Description of Event:

4/11/96

Satellite Media Tour to Targeted Markets (Trade/Japan Trip)

4/23/96

Earth Day Event

4/24/96 - 4/25/96

National Teacher of the Year Award

4/25/96

National Crime Victims' Rights Week Announcement

April - May

Visit by Former Haitian President Aristide and His Wife

April - May

Movie Screening of "Once Upon a Time When We Were Colored" For Bob Johnson

5/15/96

Attend 15th Annual National Peace Officers' Memorial

Regret:

Date of Event:

Description of Event:

4/1/96

Ceremony Honoring Red Skelton

Red Skelton was scheduled to receive a Presidential Citation however, due to his failing health, he was unable to travel to the White House. We are going to mail him the citation.

4/15/96 - 4/19/96

Meeting With Noa Rabin During Her US Book Tour

You will be in Japan/Russia during this time.

4/23/96 - 4/25/96

Attend the Service Employees International Union Conference

You will satellite into the event on 4/24/96.



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

THE PRESIDENT HAS SEEN
6.1.96

March 29, 1996

96 MAR 29 P10:05

MEMORANDUM FOR THE PRESIDENT

FROM: KATHLEEN A. MCGINTY *pastor/hofner for*
CC: LEON PANETTA
RE: CEQ WEEKLY REPORT

WILDLIFE REFUGE EXECUTIVE ORDER

✓/✓
The Executive Order you signed this week on management of the National Wildlife Refuge System has been extremely well received by the sport hunting, fishing communities, conservation and environmental groups. USA Today said of the order "... for the first time, conservation of fish, wildlife, and plants is the primary role for the 92.3 million acres National Wildlife Refuge System." The Coloradoan stated "the order eliminates confusion, proclaiming refuges should be run to protect of plant and animal life while allowing for a variety of recreation activities."

is there
a
possibility
in making
any of
hunting
✓
You may be amused to read, in the Washington Times article, that the harshest criticism of the order was that you were "pandering to hunters." Congressman Don Young (R-AK) issued a news release saying that you were making "an election-year promise to America's 60 million sportsmen." I believe that you may comfortably use the refuge executive order as a positive example of your Administration's work when you address any group with a large number of hunters, fishers, or outdoors-oriented people. See attached clips

In response to the Executive Order, Congressmen Young, John Dingell (D-MI), Bill Brewster (D-OK), Toby Roth (R-WI), John Tanner (D-TN), and Bart Gordon (D-TN) wrote you on Wednesday "applaud your action earlier this week by Executive Order" and called the order "a positive step to ensure the future of hunting and fishing on our nation's wildlife refuges..."

The letter, however, also asks that the Administration work with them to pass the Young/Dingell wildlife refuge bill, now pending in the House. Given Congressman Dingell's involvement, it would seem appropriate to meet with the members and explore the possibility of agreement. I do not anticipate that we can reconcile our policies and constituencies with those being championed by Congressman Young, however, this approach would elevate hunting and fishing above all other uses and purposes of the refuge system -- completely alienating and enraging the environmental community. The Executive Order went as far right as we can go on this issue. If Congress is willing to enact the Order into permanent law, perhaps we can agree, although I think it merits serious discussion whether we want to

help Congressman Young pass any legislation or give the Republican leadership colorable claim to a pro-environment action.

BUDGET RIDERS OPPORTUNITY

As you know, we have under our belt a good record of substantive and politically important environmental victories -- defeating the Contract with America, the Dole bad meat reg reform bill, and some 40 different anti-environment measures in the budget. In particular, your strong stands on the budget have been very successful and persuasive.

However, we have made some recent decisions (e.g., sea lions) that are substantively sound but anger at least part of the environmental community and mix our message in the media. There are others coming up. This underscores for me the importance of a solid win on the remaining budget issues to retain our solid credentials.

To increase our chances of winning (and raise the profile of our substantively strong position) I believe that we should bolster our tough negotiations with a public strategy during the recess. We should turn up the heat on the Republican leadership. We ought to speak of the riders as one big special interest anti-environment deal. We ought to declare that the battle is a referendum on the environment and call on the Republicans to make their actions match their newly moderated rhetoric.

For example, Senator Bob Dole (R-KS) got good press recently for fighting for \$200 million in the farm bill for the Everglades, and he'll be relaxing in Florida during the recess. But his budget blocks a tool (the EPA wetlands veto) that was last used in a high profile way to protect the Everglades from a Bush-Administration Corps of Engineers plan. We should go to Florida and demand that they drop the measure blocking Everglades protection and describe why \$200 million is only a good start . . . but our comprehensive plan is what's really needed for the Everglades.

EVERGLADES

The Florida environmental community launched a very aggressive and well funded drive this week to pass three ballot initiatives concerning the Everglades. The initiatives would establish a penny-a-pound assessment on Everglades area sugar, require industries which pollute water in the Everglades area to pay the cost of remediation, and set up an Everglades Trust Fund.

Senator Dole, Speaker Newt Gingrich (R-GA), Congressman Richard Armey (R-TX), and Senator Connie Mack (R-FL) held a news conference late last week at which they claimed credit for "saving" the Everglades through the \$200 million included in the Farm Bill. Senator Dole chided the Administration's plan to raise a portion of the funding through an assessment on Florida sugar, suggesting that it was better to ask the taxpayers than the sugarcane industry to clean up its problems. I believe that Dole's position on this point, is

consistent with the overall Republican pro-industry, anti-environment image, should be worked to our benefit in Florida. Among other opportunities, we should draw comparisons between our plan for the Everglades and Dole's in the Farm Bill signing statement and associated media communications. (Note that Dole has felt significant heat from environmentalists in criticizing the assessment and even went so far as to call Paul Tudor Jones this week to say he was not opposed to the assessment and not beholden to the sugar industry.

TIMBER THEFT

* Articles in the Washington Post and the Los Angeles Times this week focused on the issue of a timber theft investigation in the Forest Service, stimulated by whistle-blower allegations that the Forest Service had failed to follow-through on allegations regarding a major timber theft case in Southern Oregon involving Weyerhaeuser, and had undermined the ability of employees vigorously to pursue other timber theft investigations. U.S. Department of Agriculture (USDA) Inspector General (IG) has investigated these complaints and has concluded that no evidence has been found to warrant prosecution, but has forwarded its report to the Department of Justice (DOJ) for additional review. Until DOJ has completed its review, USDA will not be making specific public rebuttals to the allegations.

1 One of the allegations that has received considerable adverse publicity is that the Forest Service dismantled a timber theft unit and that there is no active timber theft program on-going. It is true that a timber theft unit was dismantled, but that was at the recommendation of the Inspector General. The unit had previously been attached to the timber shop; the IG recommended that responsibility be shifted to the Chief's office instead. However, purportedly because of budget cutbacks, the new group was never established. The Secretary's office is looking into this further. Meanwhile, the Chief of the Forest Service has sent a memo to all Forest Service employees discussing the importance of vigilance against timber theft.

SEA LIONS IN BALLARD LOCKS

The State of Washington has received formal authorization to trap certain problem sea lions in Seattle's Ballard Locks. No trapping has occurred yet, and each day that passes makes it somewhat less likely that any animals will be taken this year.

The Humane Society sent us a letter today which reluctantly supported lethal removals of problem sea lions, but only if accompanied by other long term measures to restore healthy fish populations, such as habitat protections. We are already working with National Marine Fisheries Service, the Corps of Engineers, and other federal agencies to determine whether and to what extent the Administration can or should pursue the long-term measures recommended by the Humane Society letter. These ideas (some of which depend on actions by non-federal entities such as zoning boards and state foresters) may prove helpful in the long run, but do not eliminate the urgency to protect the few returning steelhead from predatory sea lions this year.

RIGHT WHALES

✕ (Right whales are the most endangered type of whale in the world. A small population of 200 - 300 winter off the coast of Florida and Georgia and migrate north to the coastal waters off New England in the spring. Beginning this January, five right whales were found dead in coastal waters of Florida and Georgia, in the vicinity of Naval exercises. Unfortunately, three of the whales were calves. There is no evidence conclusively establishing a casual relationship between the naval exercises and the whale fatalities. However, because of the extremely high risk that any deaths pose to the continuation of the species. NATO exercises were to begin in the same area this week and the Navy together with the Marine Mammal Commission and the National Marine Fisheries Service, has taken extraordinary measures to move their exercises 50 miles out of the area where the whales are most likely to be found, include observers and brief all NATO participants on the situation. Further, the Commander of the North Atlantic Fleet has sent a message to all U.S. Navy personnel in the area to draw attention to the need to take every possible action to avoid harm to the whales.

GOP AND THE ENVIRONMENT

In their latest effort to reshape their image on the environment, Speaker Gingrich today named a 66-member task force of lawmakers to craft a positive agenda on the environment. Environmentalists called the task force "a joke" and said it included 39 lawmakers who are at the bottom of the list among House members in a ranking by the League of Conservation voters earlier this year.

1 [Melanie Griffin of the Sierra Club said, "you've got all the champion of the anti-environment bill that we've seen come out of the Congress. It's the extreme of the extreme." The article is attached for your review.

Also, Speaker Gingrich will be hosting Larry King Live tonight and his guest will be the Columbus zookeeper. (Newt wanted to be a zookeeper when he was growing up and he poses with animals when he wants to appear softer or more moderate on the environment.) The zookeeper is unlikely to be downright hostile to Gingrich. However, he is also a strong defender of the Endangered Species Act, and is likely to ask some probing questions. Among the most interesting: there are a couple of newts on the threatened species list that could go extinct if the GOP budget rider blocking new ESA listings stays in place.

OREGON ECONOMY

|| The Oregonian reported on March 22nd that high-technology products are fueling Oregon's export explosion. Southeast Asia is beginning to emerge as a booming market for Oregon's goods. State exports are soaring, more than doubling the national growth rate. The article is attached for your review.

Clinton takes shot at sportsmen's vote with wildlife order

By Paul Bedard
THE WASHINGTON TIMES

President Clinton yesterday splashed a large baited hook in front of the "Bubba vote" by giving hunters and anglers a special "priority" in the nation's protected-wildlife sanctuaries.

Mr. Clinton signed an executive order recognizing hunters and fishermen as "the first partners" in the nation's 508 refuges and said their activities should be a priority in the wildlife areas.

Mr. Clinton, a once-a-year duck hunter, said his order provides "increased opportunities for families to experience wildlife-dependent recreation, particularly opportunities for parents and their children to safely engage in traditional outdoor activities, such as hunting and fishing."

Under the new rules, hunting and fishing can continue in the federal wildlife sanctuaries unless a park manager determines that the activities are not consistent with public safety and sound animal management.

Mr. Clinton's election-year move stops cold efforts by some in the U.S. Fish and Wildlife Service to ban hunting and fishing in the federal refuges, such as Maryland's Blackwater Refuge on the Eastern Shore, Chincoteague National Refuge in Virginia, Eastern Neck in Rock Hall, Md., and Laurel's Patuxent National Wildlife Refuge.

The order puts into law a major portion of a bipartisan bill before the House. The National Wildlife Refuge Improvement Act contains a list of uses for refuges echoed in the executive order.

Mr. Clinton's order is aimed at quelling concerns of the country's 60 million sportsmen that the president is anti-hunting, an administration official said. "There were vicious rumors that this administration was anti-hunting, and the facts don't bear that out," the official said.

Dallas Miner of the Congressional Sportsmen's Foundation agreed. "It certainly will be viewed as favorably by our community," he said.

"We're generally supportive," said Steve Moyer of Trout Unlimited.

Wildlife groups also hailed the Clinton order. "We're broadly supportive," said Ben McNitt of the National Wildlife Federation.



President Clinton

The National Rifle Association took exception. "What he's doing is pandering to America's hunters in an election year," said NRA spokesman Jim Manown. He called the order "cover" for the administration's opposition to the House bill.

The rules had allowed refuge managers to permit limited hunting and fishing in cases where the hobbies didn't hamper public safety or hurt the fish and wildlife populations. Hunting is now allowed at 274 refuges.

Mr. Clinton's order guarantees the rights of hunters and anglers so long as the refuge managers determine that hunting and fishing are "compatible" with the refuge and that the sports do not cause harm to the animal population.

Democratic analyst Alan Madison said Mr. Clinton's move has a "political upside" in showing hunters and anglers that his administration is friendly to them. "This is a symbolic message to an important Democratic constituency that certainly needs some reassuring and bolstering from the president," he said.

Mr. Madison, a vice president with the communications firm Powell Tate, added that while the executive order will not be critical to Mr. Clinton nationally, it could help him in such battleground states as Louisiana and Michigan, where sportsmen are a major voting force.

WASHINGTON

Muskie listed as critical after heart attack, bypass

Former Democratic senator and secretary of State Edmund Muskie, 81, was in critical condition Monday in a Washington, D.C., hospital after a heart attack.



Muskie: Hospitalized in Washington

The onetime vice presidential and presidential candidate from Maine entered Georgetown University Hospital March 18 for surgery to open a blocked artery in his leg. He suffered a heart attack in the hospital Thursday while convalescing from the operation. He received triple-bypass surgery following the heart attack.

Muskie lives in Washington and is a partner in the Chadbourne & Parke law firm. He was governor of Maine from 1955-59 and a U.S. senator from 1959-80. He was Hubert Humphrey's vice presidential running mate in 1968 and lost his attempt to win the Democratic presidential nomination to George McGovern in 1972. Muskie also had an eight-month stint as secretary of State in 1980-81 under President Jimmy Carter. — Richard Benedetto

REFUGE POLICY DISPUTE: President Clinton issued an executive order Monday that says, for the first time, conservation of fish, wildlife and plants is the primary role for the 92.3 million-acre National Wildlife Refuge System.

Legislation making its way through Congress would put recreational activities such as hunting and fishing on an equal footing with conservation. Many environmentalists fear its passage would lead to destruction of the refuges.

The administration, attempting to supersede the bill or encourage its amendment, would put hunting, fishing, wildlife photography and wildlife conservation on a list of priority activities. — Linda Kanamine

NO MORE TEA PARTY: Calling it an anachronism that should have been ended decades ago, Congress has voted to take the government out of the tea-tasting business.

The Senate, by a voice vote and with no debate, approved a House-passed measure Monday that disbands the seven-member Board of Tea Examiners, which was created 99 years ago. President Clinton was expected to sign the bill.

The board meets two days each year in a Brooklyn warehouse to sniff, touch and taste tea from the world over to see if it is good enough to be sold in the USA.

Lawmakers tried several times previously to abolish the board, which costs taxpayers \$200,000 a year. Critics of the board have argued that Americans should assume the responsibility of determining whether they like a particular tea well enough to buy and drink it. The board consists of six outside experts and one full-time Food and Drug Administration employee.

ALSO . . . PRESIDENT CLINTON will travel to Oklahoma City for a meeting April 5 with families of those killed in last year's federal building bombing, the White House said Monday. Clinton will be out of the country on the bombing's anniversary, April 19. . . . **A HIGHER MINIMUM WAGE** plan will be brought before the Senate today by Democrats. Senate Minority Leader Tom Daschle, D-S.D., plans to offer the proposal as an amendment to legislation involving national parks and federal land transfers.

U.S. Fish and Wildlife to take control of refuges

By Gannett News Service

WASHINGTON -- Concerned about a push in Congress to open the nation's wildlife refuges to potentially harmful activities, the Clinton administration said Monday the U.S. Fish and Wildlife Service can determine what activities should be allowed on its 508 refuges.

"In terms of the public understanding of what the refuges are for, it's really going to make our job much easier," Fish and Wildlife Service director Mollie Beattie said of the White House order.

"The refuge system doesn't have the kind of support that the Park Service does," Beattie said of her sister agency in the Interior Department. "It really doesn't have a constituency."

The National Wildlife Refuge System, covering 92 million acres in all states, is one of the least-understood federal land management programs. It began when President Theodore Roosevelt set aside Florida's 3.5-acre Pelican Island to protect tropical birds from plume hunters, and in the 93 years since has expanded into a network of refuges created to protect the nation's plant and animal

life.

Unlike federal parks and forests, which were granted clear "mission" statements when they were created, the refuge system was never given an organic act defining what refuges are for. Consequently, the system has been beset by a variety of uses — from jet skiing, cattle grazing, military training, and oil and gas development — that sometimes work against wildlife protection.

Clinton's order eliminates that confusion, proclaiming refuges should be run to protect the variety of plant and animal life while allowing for a variety of recreation activities. The order was issued in conjunction with the 61st North American Wildlife and Natural Resources Conference in Tulsa, Okla.

It says the mission of refuges is "to preserve a national network of lands and waters for the conservation and management of the fish, wildlife and plants of the United States for the benefit of present and future generations."

"From this day forward, there can be no doubt that the core mission and first obligation of the National Wildlife Refuge System is

the conservation of wildlife habitat," Interior Secretary Bruce Babbitt said.

Realizing refuges are funded in part by hunters through the purchase of duck stamps, Beattie has significantly expanded the number of refuges on which fishing and hunting are allowed. But until Monday, her office lacked the direction needed to manage the far-flung refuge system.

"If we say there should be no jet skiing in a refuge, people say, 'Why not?' The other land systems all have legislation saying what they're for, and not having that makes our jobs kind of hard," she said.

Legislation by Rep. Don Young, R-Alaska, chairman of the House Resources Committee, would designate activities such as hunting and fishing a "purpose" of wildlife refuges.

It would force refuge managers to prove those activities would be harmful to wildlife if they want to ban them.

Beattie said hunting and fishing are often compatible with refuges but said there are some refuges where those activities could hamper conservation efforts.

Date: 03/29/96 Time: 18:27

GGingrich Names Task Force to Improve GOP Image on Environment

WASHINGTON (AP) With Republicans battling an image of being anti-environment, House Speaker Newt Gingrich named a 66-member task force of lawmakers Friday to craft "a positive agenda" on the environment.

Environmentalists called the task force "a joke" and said it included 39 lawmakers who were at the bottom of the list among House members in a ranking by the League of Conservation Voters earlier this year.

"You've got all the champions of the anti-environment bills that we've seen come out of the Congress. It's the extreme of the extreme," said Melanie Griffin of the Sierra Club.

The task force, which also contains GOP moderates who for months have sought to soften their party's stand on environmental issues, had been expected for months.

The group's co-chairmen are Rep. Sherwood Boehlert, R-N.Y., a moderate who is a favorite of environmentalists, and Rep. Richard Pombo, R-Calif., who last year crafted a bill on endangered species protection that has been broadly denounced by environmental groups.

Boehlert predicted the task force "will develop proposals that have broad support across the ideological spectrum."

"We will project a positive program ... based on common sense in the wise use of our natural resources," added Pombo.

The task force met privately with Gingrich on Friday and afterward his office issued a statement saying the group's aim was "to develop and implement a proactive positive agenda that is both reasonable and reflects a common sense approach to the environment."

A growing number of GOP moderates in recent months have expressed concern to Gingrich that the party was being tagged as seeking to destroy 25 years of environmental laws. President Clinton has singled out the environment as a campaign issue, repeatedly focusing on the GOP-led Congress, particularly conservatives in the House.

"He's appointed a task force with 22 zeroes and an overall score of 19 percent average (pro-environment voting record)," said Deb Callahan, president of the League of Conservation Voters. ✓

Among those on the task force are:

Rep. Jim Hansen of Utah, chief sponsor of a controversial Utah wilderness bill opposed by environmentalists.

Rep. Todd Tiahrt, sponsor of a bill allowing increased logging on national forests.

Rep. Dana Rohrabacher of California, who has scoffed at reported threats to the earth's ozone layer.

Reps. Jimmy Hayes and Billy Tauzin of Louisiana, who have led the campaign to overhaul wetlands protection regulations and strong critics of other federal environmental regulations.

Rep. Joel Hefley of Colorado, author of a bill to create a national parks closing commission.

Reps. Helen Chenoweth of Idaho and Barbara Cubin of Wyoming, strong critics of endangered species protection laws and who both have been outspoken advocates for property owners.

In addition to Boehlert, moderates on the task force include Reps. Wayne Gilchrest of Maryland, Jim Greenwood of Pennsylvania, John Porter of Illinois, Jim Ramstad of Minnesota and Rick Lasio of New York, all of whom had a 77 percent or better rating by environmentalists.

APNP-03-29-96 1833EST

Oregon basks in record exports

■ The state's educational troubles are a cloud on the horizon of the growth in trade

By RICHARD READ

of The Oregonian staff 3-22-96 A-1

Oregon is suddenly becoming an export powerhouse, cashing in on markets from Austria to New Zealand.

State exports are soaring, more than doubling the national growth rate as Northwest companies push deeper into Asia and win record high-technology sales abroad.

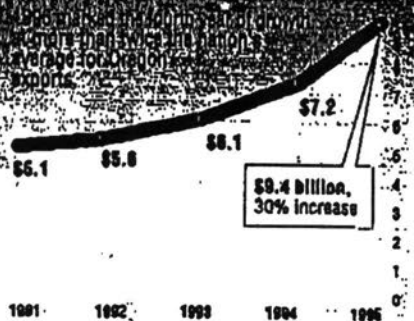
Oregon's foreign sales jumped 30 percent in 1995, reaching a record \$9.4 billion. The hottest market was Southeast Asia, with sales leaping 74 percent to exceed those to Canada.

■ **MAIN BUSINESS:** Southeast Asia emerges as a booming market for Oregon's goods/ C1

French fries, oysters, lumber, plastics, computer equipment and furniture sail and fly out of Oregon in record quantities to the Pacific Rim and Europe. The spectacular growth boosts the state economy because export jobs tend to pay more than other jobs.

But because those jobs require more education and training, experts warn that Oregon will have trouble sustaining high growth if it

RAPID GROWTH



Source: Trade Stats Northwest, U.S. Department of Commerce.

Please turn to **EXPORTS, Page A14**

■ Continued from Page One

doesn't fix its ailing education system. The state's biggest challenge is to maintain its well-qualified work force and improve higher education, says William C. Scott, Oregon Economic Development Department director.

"We're at risk of going the other direction," Scott said. "The percentage of our public-sector investments going into education is declining, and that's in order to build prisons, basically."

High-technology products are fueling Oregon's export explosion. High-tech exports shot up 65 percent last year, accounting for almost half the state's foreign sales.

The high-tech boom propelled Oregon, which ranks 29th in the United States in population, to become the nation's 19th biggest exporter. The state's export growth more than doubled the strong national growth rate of almost 14 percent.

In contrast, Washington's exports declined by 5 percent.

Washington, home of the Boeing Co., the nation's biggest exporter, sells more than 2½ times as much as Oregon abroad. But weak aircraft orders dragged Washington's exports below \$25 billion last year.

Aside from Boeing, Washington exports grew strongly, although not at Oregon's astronomical rates. "It shows an amazing strength in the state's economy," said Steve Odoin, managing director-international for the Washington Department of Community, Trade and Economic Development.

Idaho exports jumped 22 percent. Montana recorded a 9 percent gain.

California, the No. 1 export state, increased foreign sales by 19 percent.

The figures are based on U.S. Customs declarations that identify the origin of products by Zip code. The reports do not include services — such as environmental consulting, a fast-growing Oregon export — and software.

Oregon products encounter favorable economic conditions abroad these days. The weakened dollar makes U.S. products relatively cheap in other currencies, cloaking sales.

New trade pacts, such as Nafta and the General Agreement on Tariffs and Trade, are cutting import duties worldwide.

"We've started to get into the area of reducing trade barriers in agricultural products," said John Mitchell, a U.S. Bancorp economist. "That bodes well for Oregon and the region."

Exports of Oregon agricultural commodities jumped 25 percent last year by value, helped by rising wheat prices. Food and related products increased 12 percent.

"We're moving closer and closer to the dinner table," said Dalton Hobbs, Oregon Agriculture Department seafood marketing manager.

"We used to send wheat, and we still send a lot, but now we see intermediate products such as starches and flour, and ultimately we'll see the growth of finished products."

Processing farm goods before export keeps desirable jobs in Oregon, especially in rural areas. Export increases help protect the state from economic downturns at home.

Economists say the runaway

growth won't last indefinitely.

"You'll see fluctuations in world demand," said Paul Warner, the chief state economist. "You're going to have fluctuations caused by changes in exchange rates, as in Mexico for example."

Oregon exports to Mexico plunged from \$135 million in 1994 to less than \$87 million in 1995 because of the falling peso and Mexican economic woes.

The longer term worry is Oregon's education system, which lags behind the state's economic development because of insufficient funding at all levels. Oregon universities produce too few engineers to fill the best technical jobs. Portland Public Schools teachers are moving toward a strike.

"The question is, 'Do we have the educational infrastructure to keep up?'" said Gary Finseth, Trade State Northwest president, who prepared the export data. "I don't think we do."

Oregonians need to learn more about the languages and cultures of Asia and Europe, said Scott, the economic development director.

Members of Oregon's main trade group, the Pacific Northwest International Trade Association, aim to protect export growth by lobbying Congress to deepen the Columbia River channel and renew China's most-favored-nation trade status.

"The renewal process is going to be the most controversial and probably the most difficult for years," said Steve Newman, association executive director, noting congressional outrage over China's threats against Taiwan.

Asian allure

A major partner in trading develops for Oregon products

By RICHARD READ

of The Oregonian staff 3-22-96

Out of nowhere, Southeast Asia has emerged as a major trade partner for Oregon.

Exports to the booming region have more than tripled in four years, reaching \$1.4 billion last year. That's more than Oregon sells to Canada, its close neighbor and second-biggest customer after Japan.

And Oregon companies are beginning to forge into Southwest Asia, the region including India, Pakistan and Bangladesh.

"In Cold War days, we saw only the giant U.S. companies," Humayun Kabir, Bangladeshi ambassador to the United States said during a visit to Portland. "Now there is tremendous scope for midlevel companies to do business internationally."

The original members of Asean, the Association of Southeast Asian Nations, have made up the world's fastest-growing economic region for several years. Now those countries — Malaysia, Indonesia, Thailand, Singapore and the Philippines — and Brunei, a more recent Asean member, are becoming major electronics producers with the help of U.S. and Japanese investment.

High-rise construction is transforming skylines from Bangkok to Manila. U.S., Japanese and local factories produce cars, televisions and computers not just for export but for a ballooning middle class.

Almost two-thirds of Oregon's exports are high-technology goods.

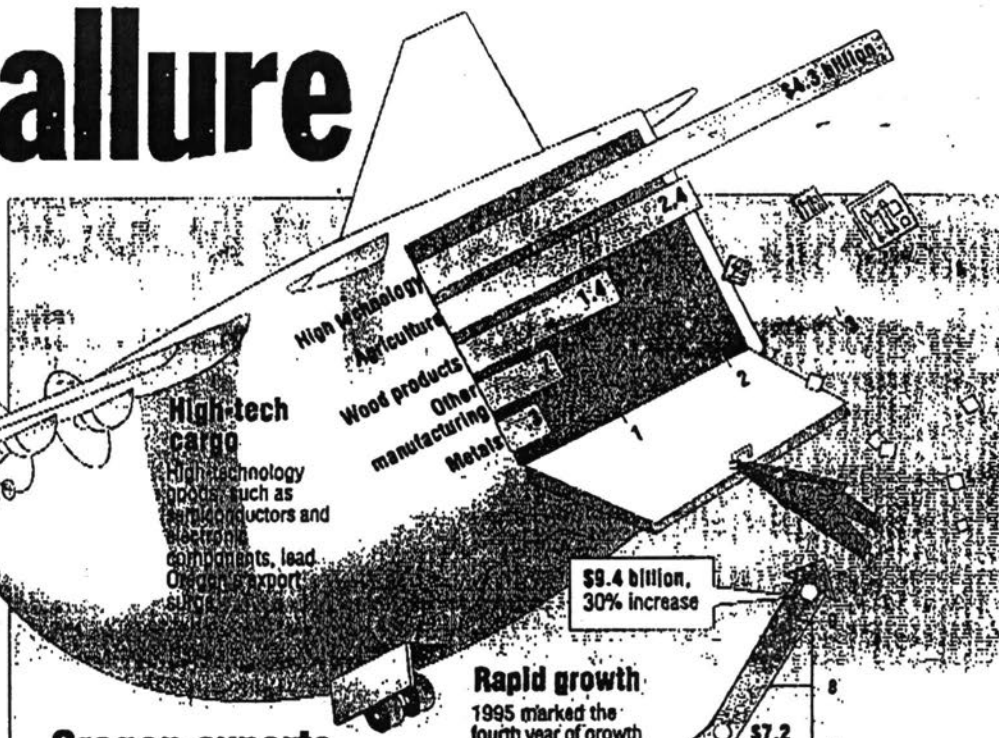
"Malaysia's now our eighth-largest trade partner, sort of coming out of nowhere," said William C. Scott, Oregon Economic Development Department director.

As war zones become trade zones, development quickens in Vietnam, Burma, Cambodia and Laos. Oregon's exports to Vietnam, for example, quintupled in 1995 to \$2.7 million.

Officials in South Asia's less-developed nations hope that increased trade will lead to joint ventures and investment by Oregon companies.

"Oregon is probably the second- or third-biggest supplier of U.S. goods to Bangladesh," Kabir said. "We're more interested in locating manufacturing facilities in our country."

Southeast Asia's spending spree upstages growth of exports to Europe. Oregon's sales in Europe jumped 40 percent last year to \$1.9 billion.



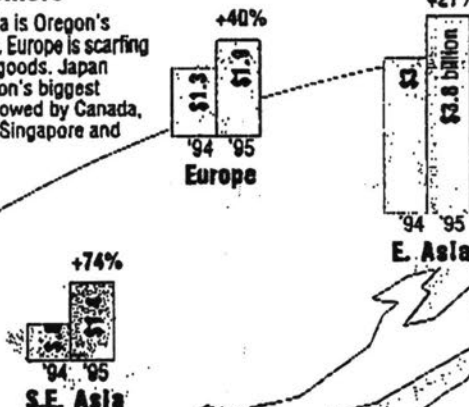
Oregon exports are up, up and away

The value of exports shot up 30 percent in 1995, shattering all records.



Top customers

Southeast Asia is Oregon's hottest market. Europe is scarfing up high-tech goods. Japan remains Oregon's biggest customer, followed by Canada, South Korea, Singapore and Germany.



U.S. exports by state

Oregon recorded the fourth fastest export growth in the nation last year, following Utah, Mississippi and Louisiana.

	1995*	% Increase		1995*	% Increase
1. California	\$96.6	18.9%	11. Pennsylvania	\$15.2	11.7%
2. Texas	68.8	14.8	12. Massachusetts	15.1	15.3
3. New York	37.1	9.1	13. New Jersey	13.8	5.8
4. Michigan	28.4	-0.2	14. Virginia	12.9	13.8
5. Illinois	25.6	16.3	15. Georgia	12.4	23.6
6. Washington	24.8	-5.0	16. Indiana	11.8	25.6
7. Ohio	23.9	9.0	17. Arizona	10.2	19.2
8. Florida	23.7	11.4	18. Wisconsin	10.1	16.1
9. Louisiana	23.1	13.3	19. Oregon	9.4	30.2
10. North Carolina	16.5	11.1	20. Minnesota	9.3	12.4



4.1.96

analysis of those assertions but for other statutory language, which DOT interprets to mean the standard must be the same as that established for the prior year. This view is supported by legislative history. The rule does not analyze the capabilities of the various manufacturers.

- **Seismic Retrofit Update.** Tuesday, California adopted Proposition 192, which authorizes the State to sell \$2 billion in general obligation bonds to reconstruct, replace, or retrofit 1,209 state-owned toll and highway bridges in phase two of the Seismic Retrofit Program.

AMEX Sponsor Refunds: DOT usage of the government charge card for official travel netted the Department \$1.4 million in sponsor refunds from American Express since the contract started in November 1993.

- **Secretary's Travel:** Secretary Peña will travel to New York and Chicago as part of the Federal Aviation Administration rollout on April 1-2. On April 8-12, he will travel to Chile and Argentina for export promotion and attend the Hemispheric Transportation Initiative ministerial in Santiago. Finally, on April 15-16, Secretary Peña will travel to Houston, Texas, where he will participate in the Traffic Management Center opening.
- **Story on National Science Foundation:** *ABC News* is planning a story for May or June on the National Science Foundation's efforts to acquire an ice-breaker for research purposes. Currently, NSF uses a Coast Guard ice-breaker, and ABC is expected to say that this is adequate and appropriate for their purposes.
- **Administrator Hinson:** On March 13, *CBS* interviewed FAA Hinson regarding the FAA's International Aviation Safety Assessment Program. This is tentatively scheduled to air March 30.
- **Air Traffic Control System Story:** *Atlantic Monthly* is working on an extensive article dealing with the air traffic control system. Plans are to include information from visits to New York facilities.

UNITED STATES TRADE REPRESENTATIVE

- **Ambassador Kantor's Travel to Japan:** Following your trip to Tokyo on April 15-18, the Ambassador will continue on to Kobe for a Trade Ministerial meeting, April 19 -21. While in Kobe, he will participate in a housing event in connection with ongoing repairs from the earthquake in 1994.
- **Sperling Breakfast:** Ambassador Kantor will meet with major national reporters at a Sperling Group breakfast on April 2.

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN

4-1-96

Laura

Complete
copy to Tyson

Have we done any
studies to determine why
wage growth doesn't accompany
employer profit growth as much
as it used to? — Or is that
wrong?

BC

THE PRESIDENT HAS SEEN

11.1.96

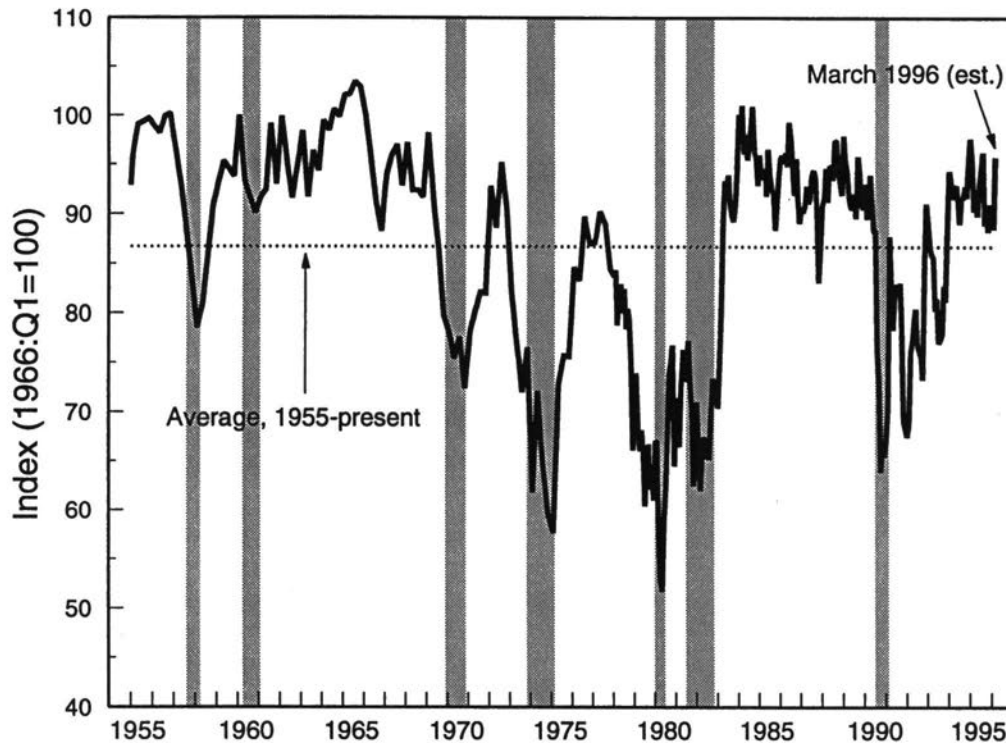
WEEKLY ECONOMIC BRIEFING OF THE PRESIDENT OF THE UNITED STATES

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

March 29, 1996

CHART OF THE WEEK

Consumer Sentiment



Note: Shaded areas indicate recessions.

Consumer confidence in the economy is above average by historical standards according to the latest reading of the University of Michigan Index of Consumer Sentiments. Although media reports indicate increased anxiety among Americans concerning jobs and the economy, the index is at levels similar to those recorded during periods of strong economic expansion in the 1960s and the 1980s.

THE WHITE HOUSE

WASHINGTON

March 30, 1996

THE PRESIDENT HAS SEEN

411196

MEMORANDUM FOR THE PRESIDENT

FROM: TODD STERN *TS*
HELEN HOWELL

SUBJECT: Recent Information Items

We are forwarding the following recent information items:

*Rein might
Cong - am
get execs to
lobby GOP*

(A) **Lake/Tyson memo on World Bank's IDA replenishment.** Negotiations on a 3-year replenishment of the International Development Association were completed in Tokyo this month (Rubin note on this subject thanking you for your strong public support for IDA is attached). Donor countries agreed on a special 1-year emergency fund of \$3 billion followed by a 2-year fund of \$4 billion annually with U.S. contributions of \$800 million in FY 98 and FY 99. Our \$934.5 million in arrears, which we propose to clear in the FY 97 budget, prevented us from joining the first-year fund and consequently, despite Treasury's efforts, U.S. companies are barred from bidding on projects associated with the special fund. Our arrears to other MDBs may lead to similar ineligibility for U.S. companies if those MDBs set up their own special funds.

✓

(B) **Pena and McCurry notes on press coverage of Alameda Corridor announcement.** Via Leon. Good California coverage of March 18 announcement re \$400 million loan for L.A.'s Alameda Corridor. Media Affairs and DOT drafted press release with quote from you and Mike gave it to the papers the day before the announcement. It resulted in front page stories in the L.A. Times and the Long Beach Press-Telegram.

✓
ag

(C) **McCurry memo on regional media interviews.** We're receiving excellent feedback from regional media interviews you're doing on the ground during travel. These interviews accomplish three key goals: *Generate positive media coverage on issues concerning voters in the state* (e.g., NJ Roundtable -- "President: Reform shouldn't hurt kids," "Clinton supports safety net for laid-off workers," "Clinton stakes out environment issue"; CA satellite TV interviews -- your strong answers on immigration and affirmative action reinforced your record.) *Reach out to influential reporters who will be covering you during the election* -- (e.g., NJ, Michigan and California). *You are reaching other markets in the states you are visiting.* In sum, this concentrated outreach to local reporters is worth the investment of your time.

THE WHITE HOUSE

WASHINGTON

March 27, 1996

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INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM:

ANTHONY LAKE

LAURA D'ANDREA TYSON *per f. LDT*

SUBJECT:

World Bank's IDA Replenishment

Negotiations on a three-year replenishment of the International Development Association, the soft loan window of the World Bank, were completed in Tokyo this month. Secretary Rubin sent you a note on this (attached), which expresses appreciation for your strong interest and public support for IDA.

The IDA donor countries agreed on a special one-year emergency fund of about \$3 billion, which does not include the United States, followed by a two-year fund of about \$4 billion annually, with U.S. contributions of \$800 million in FY 98 and FY 99. Our \$934.5 million in arrears, which we propose to clear fully in the FY 97 budget, prevented us from joining the first-year fund.

Unfortunately, Treasury was unable to convince the others to open procurement in the special IDA fund to companies from nondonor countries. This means U.S. companies are ineligible to bid on projects associated with the special fund. Our arrears to other MDBs' soft loan windows are prompting moves by other donors to set up similar special funds, with procurement rights limited to companies from donor countries.

Attachment

Tab A Incoming Memo from Secretary Rubin

cc: Vice President
Chief of Staff



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

March 7, 1996

96 MAR 8 AM 11:17

MEMORANDUM FOR THE PRESIDENT

FROM: Robert E. Rubin *ER*

SUBJECT: U.S. Funding for the International Development Association (IDA)

I greatly appreciate the strong personal interest you have taken in U.S. participation in the World Bank's International Development Association, and wanted to apprise you of some important recent developments.

Negotiations to replenish IDA are scheduled to conclude March 17-18 in Tokyo. As you know, this is a major G-7 Summit issue which President Chirac raised on his recent visit, and one on which you have had personal contact with Jim Wolfensohn.

The \$700 million which Congress approved last year left unpaid U.S. commitments to IDA of \$934.5 million. Your budget proposals would clear these arrears in FY 1997. We cannot, however, both do this and begin contributions to a new IDA replenishment. Consequently, the IDA replenishment agreement to be concluded in Tokyo is expected to include a one-year emergency fund in which we will not participate. This emergency fund will bridge to a two- or three- year IDA agreement with U.S. participation.

I strongly believe that the United States should commit to seeking from the Congress a new annual contribution to IDA of \$800 million beginning in FY 1998, an appreciable reduction from the Bush Administration's commitment (\$1.25 billion) that proved unworkable. This is a credible pledge which has prospects of Congressional support and also preserves U.S. interests and influence in the World Bank Group. The NEC, State and OMB are on board. We also believe funding at this level is sufficient to maintain IDA's important development efforts in the world's poorest countries. It will, for example, permit a significant increase in IDA funding for Sub-Saharan Africa. Annual U.S. funding at \$800 million also strikes a sound balance between the \$700 million Congress approved last year and the more than \$950 million level initially sought by Jim Wolfensohn and some other donors.

Your strong interest in and public support for IDA have been very helpful in bringing these important replenishment negotiations to successful closure.

THE WHITE HOUSE

WASHINGTON

March 30, 1996

THE PRESIDENT HAS SEEN

411196

MEMORANDUM FOR THE PRESIDENT

FROM: TODD STERN *TS*
HELEN HOWELL

SUBJECT: Recent Information Items

We are forwarding the following recent information items:

- TS might
know
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get
Exes to
lobby GOP*
- (A) **Lake/Tyson memo on World Bank's IDA replenishment.** Negotiations on a 3-year replenishment of the International Development Association were completed in Tokyo this month (Rubin note on this subject thanking you for your strong public support for IDA is attached). Donor countries agreed on a special 1-year emergency fund of \$3 billion followed by a 2-year fund of \$4 billion annually with U.S. contributions of \$800 million in FY 98 and FY 99. Our \$934.5 million in arrears, which we propose to clear in the FY 97 budget, prevented us from joining the first-year fund and consequently, despite Treasury's efforts, U.S. companies are barred from bidding on projects associated with the special fund. Our arrears to other MDBs may lead to similar ineligibility for U.S. companies if those MDBs set up their own special funds.
- ✓*
- (B) **Pena and McCurry notes on press coverage of Alameda Corridor announcement.** Via Leon. Good California coverage of March 18 announcement re \$400 million loan for L.A.'s Alameda Corridor. Media Affairs and DOT drafted press release with quote from you and Mike gave it to the papers the day before the announcement. It resulted in front page stories in the L.A. Times and the Long Beach Press-Telegram.
- ✓*
- Agree*
- (C) **McCurry memo on regional media interviews.** We're receiving excellent feedback from regional media interviews you're doing on the ground during travel. These interviews accomplish three key goals: *Generate positive media coverage on issues concerning voters in the state* (e.g., NJ Roundtable -- "President: Reform shouldn't hurt kids," "Clinton supports safety net for laid-off workers," "Clinton stakes out environment issue"; CA satellite TV interviews -- your strong answers on immigration and affirmative action reinforced your record.) *Reach out to influential reporters who will be covering you during the election* -- (e.g., NJ, Michigan and California). *You are reaching other markets in the states you are visiting.* In sum, this concentrated outreach to local reporters is worth the investment of your time.

THE WHITE HOUSE

WASHINGTON

March 18, 1996

96 MAR 18 P5:21

MEMORANDUM FOR THE PRESIDENT

FROM : MIKE MCCURRY
PRESS SECRETARY

MMC

SUBJECT : REGIONAL MEDIA INTERVIEWS

As you are aware, the Media Affairs Office, in consultation with Political Affairs and Clinton/Gore 96, has been scheduling regional media interviews for you on the ground during travel. Overall, we have received excellent feedback from reporters on these interviews.

The interviews have accomplished the following goals:

1. Positive media coverage on issues of concern to the voters in the state you are visiting

* New Jersey Roundtable - The headlines from your interview with six New Jersey reporters, reaching a circulation of more than a million people, included: "President: Reform shouldn't hurt kids"; "Clinton supports safety net for laid-off workers"; and "Clinton stakes out environment issue". Your roundtable also did NOT step on your environmental message. The majority of papers ran both stories on the front page. And, by making the papers travel to a roundtable, they were also forced to cover the event as well.

* California Satellite tv Interviews - Your answers on immigration and affirmative action during the California satellite interviews reinforced your strong record on both of these important topics. Given that breaking through on California tv is almost impossible outside of the market you are in (and sometimes even in the market itself), your interviews forced other California markets to cover your event AND run the interview. The amount of coverage you received on tv discussing issues on the minds of California voters was well worth the cost of a satellite tour even with the occasional questions on Whitewater.

2. You are reaching out to influential reporters who will be covering you during the election

* The six political reporters that you met with in New Jersey will be covering the election and have not sat down with you since you became President. Talking to them won you big

points. In fact, some commented that they had a more thoughtful conversation with you than they have ever had with Christine Todd Whitman.

* Your radio interviews in Michigan and California not only reached thousands of listeners, it provided you with the opportunity to provide a much needed "stroke" to friendly radio talks show hosts (i.e. Michael Jackson).

3. You are reaching other markets in the state(s) you are visiting

* Thirty minutes to one hour of interviews on the ground in most states will permit you to reach major markets in the state you are visiting - markets that otherwise give limited attention to your trip. You are also "touching" more people even if you are doing it through the airwaves or through print.

We are also working more closely with people on the ground and Political Affairs to make sure that your interviews, particularly your radio interviews, are being targeted to a heavy concentration of swing voters.

On a related note, Media Affairs is compiling a list of editorial boards that endorsed you and the boards that you have visited since becoming President. Included in that list will be recommendations for boards that will need to be done before November.

In sum, we continue to believe this concentrated outreach to local reporters pays a dividend worth the investment of your time.

cc: Evelyn Lieberman
Harold Ickes
Doug Sosnick
Don Baer

4-196

- (D) **"Politics: Fable vs. Fact" by Jane Bryant Quinn in 4/1 Newsweek.** Via Leon -- "Your point!" Sub-title: "The federal budget would be in surplus if it weren't for the interest owed on past debt." She writes: government has cut defense spending, growth of discretionary programs, and federal employees, but payments to individuals are increasing (bondholders, Medicare patients, Social Security beneficiaries); when complaining about big government, people must decide if they really want fewer health and safety laws; low inflation and interest rates are here to stay; most Americans are paying less Federal income tax; while there is angst over layoffs, wage cuts and low income growth, unemployment has dropped to 5.5%, a level reached in only four of last 25 years; most displaced workers are losing out not to cheap foreign labor but to mergers, changing technologies and tough U.S. competition.
- (E) **New York Observer article re Raines/Fallows flap.** Via Baer. Reports on Howell Raines attack on James Fallows on NYT editorial page: "The Fallows Fallacy -- A Plan for Turning Reporters Into Lackeys." Raines said Fallows is "a carrier of... *Washington Monthly* disease," contrasting career journalists from those (like *Washington Monthly* types) whose early political employment makes them more apt to make life easy for politicians and to advocate for certain policies. Fallows and Charlie Peters then fired back at Raines. Article gives the blow-by-blow.
- (F) **Rasco note on Florida friends.** Carol recently spent 3 days in Florida doing women's events, and visited with Kathy Baczko. She and her husband are looking forward to their move here to work on your behalf for the rest of the year. Carol also visited with Judy Pruitt (nee Stephens), who she sends her regards.

We also received the following items:

- **Ickes note on talk with Jack Sheinkman.** *Caribbean Basin Initiative* -- Jack warns of danger of including CBI in the budget; Harold said we would not submit any legislation until fully discussing issue with interested parties including labor. *Workers' rights* -- Jack believes you're not getting credit you deserve for your strong stand on worker rights, especially in connection with WTO and GATT, and urges you to highlight your efforts more. *Dole/Mack bill* -- He urges you to speak out against this bill to eliminate Humphrey Hawkins. *ADA annual convention* -- He urges you to attend on June 21 in D.C.
- **San Diego Tribune article on immigration.** Via Rahm. Article notes you and Dole match up well on immigration, with major split occurring on Prop 187. It mentions your Operation Gatekeeper, noting Dole has been less active on the issue. Notes your efforts to increase enforcement internally despite interference by Hill GOP who oppose tougher sanctions against employers that knowingly hire unauthorized workers. Points out legal immigration is a tougher issue for GOP than illegal and suggests that Dole is trying to have it both ways by supporting modest temporary reductions in legal immigration.

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THE WHITE HOUSE
WASHINGTON

96 MAR 27 P4:22

March 26, 1996

MEMORANDUM FOR THE PRESIDENT

CC: LEON PANETTA
EVELYN LIEBERMAN
DON BAER
NANCY HERNREICH

FROM: Harold Ickes 

SUBJECT: Jack Sheinkman

On 25 March, I spoke with Jack Sheinkman, who has been trying to reach the President. He had 3 specific issues.

1. Caribbean Basin Initiative: He cautioned about the danger of including the Caribbean Basin Initiative in the budget or legislation. I informed him that the Administration would not submit legislation to Congress regarding the Caribbean Basin Initiative until there had been very full discussions with interested parties, including the AFL-CIO.
2. Worker rights: He said that the President is not getting the credit he should be receiving with his strong stand with respect to worker rights especially in connection with the World Trade Organization and GATT. He pointed out that the International Labor Organization had recently declared El Salvador in violation of worker rights. He urged the President to point out on a continual basis that he is fighting to strengthen workers' standards.
3. The Dole/ Mack bill to eliminate Humphrey Hawkins: Mr. Sheinkman said that Senators Dole and Mack have sponsored a bill to eliminate the Humphrey Hawkins act and the employment act of 1946. He urged that the President to publicly speak out against this.
4. ADA convention weekend of 21 June: He urged very strongly that the President attend the annual convention of Americans for Democratic Action which will be held in Washington DC the week of 21 June.

4.1.96

- (D) **"Politics: Fable vs. Fact" by Jane Bryant Quinn in 4/1 Newsweek.** Via Leon -- "Your point!" Sub-title: "The federal budget would be in surplus if it weren't for the interest owed on past debt." She writes: government has cut defense spending, growth of discretionary programs, and federal employees, but payments to individuals are increasing (bondholders, Medicare patients, Social Security beneficiaries); when complaining about big government, people must decide if they really want fewer health and safety laws; low inflation and interest rates are here to stay; most Americans are paying less Federal income tax; while there is angst over layoffs, wage cuts and low income growth, unemployment has dropped to 5.5%, a level reached in only four of last 25 years; most displaced workers are losing out not to cheap foreign labor but to mergers, changing technologies and tough U.S. competition.
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→ complete copy sent

agru

Simon
Gould
W's direct

cc Penn
DM
Am Levin

96 MAR 21 P2:11

March 20, 1996

MEMORANDUM TO THE PRESIDENT

FROM: RAHM EMANUEL R.E.

SUBJECT: IMMIGRATION

Attached is an article from today's San Diego Union Tribune on immigration. Senator Dole is going to the border Friday and this article will influence the coverage. In addition to this article, I had our US Attorney Alan Bersin announce a new anti smuggling initiative.

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THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN

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96 MAR 31 P1:39

March 31, 1996

RECOMMENDED TELEPHONE CALL

TO: Senator Barbara Mikulski

DATE: March 31, 1996

RECOMMENDED BY: Susan Brophy
Office of Legislative Affairs

PURPOSE: To offer condolences to Senator Mikulski on the death of her mother, Christine Mikulski.

BACKGROUND: Christine Mikulski died on Sunday, March 31 at 4:00AM of congestive heart failure. She was 82 years old. Mrs. Mikulski went by the name "Miss Chris". She had been experiencing health problems off and on over the last year. Mrs. Mikulski decided earlier in the year to forego heart bypass surgery.

She was admitted to Mercy Hospital in Baltimore on Saturday, March 30. Senator Mikulski was with her when she died.

CONTACT PERSON AND
TELEPHONE NUMBER(S): Senator Mikulski 410-342-7484
410-342-1391

Note: The first number is the Senator's number in Maryland. The second is the Senator's sisters home. As of 1:00PM on Sunday, March 31, the Senator was at her home. However, she is expected to spend at least part of the day at her sister's home.

DATE OF SUBMISSION: March 31, 1996

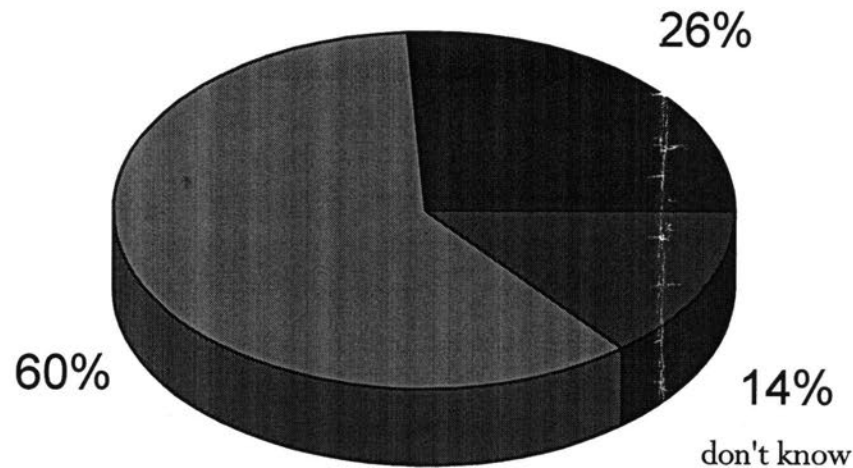
ACTION: _____

A Clear Majority of New Yorkers Believe D'Amato's Attacks on Clinton Are Politically Motivated

THE PRESIDENT HAS SEEN
411196

fair / somewhat
BC

Senator D'Amato has done a good job chairing the Senate Whitewater investigation where he has been tough, but fair in addressing legitimate concerns about possible wrongdoing.



Senator D'Amato has wasted too much time and money on the Whitewater investigation, neglecting other more important issues, to carry out an unfair, politically motivated attack on the President and Mrs. Clinton

The New York Times

THE NEW YORK TIMES **NATIONAL** TUESDAY, MARCH 5, 1996

D'Amato Dips in Poll

ALBANY, March 4 (AP) — Senator Alfonse M. D'Amato's job approval rating has dipped to 34 percent, down from 39 percent in November, an independent poll reported today. The statewide poll of New York voters, by Quinnipiac College in Hamden, Conn., had Mr. D'Amato losing a hypothetical United States Senate race to New York City's Public Advocate, Mark Green, 50 percent to 33 percent.

The telephone poll of 733 New York voters was conducted Feb. 21 to 27 and had a margin of error of 4 percentage points.