

THE PRESIDENT HAS SEEN
6/19/96

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Some good stuff
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to cut
for

Remarks prepared by
U.S. Secretary of Labor Robert B. Reich

Commencement Convocation
University of California at Berkeley
Berkeley, CA
May 9, 1995

The Secession of the Successful

Fifty years ago, when the Berkeley Class of 1945 gathered in the Men's Gymnasium for commencement ceremonies, the graduating students pondered the same question many of you are asking today: how long will this guy talk? As they wondered, their minds probably wandered to a setting starkly different from today's: About 98 percent of Berkeley's graduates were white. The majority were men. California itself was a different place: Its population was only about 8 million. The Giants played baseball in New York. The end of the Second World War was near. America was celebrating victory in Europe.

This afternoon, as the Class of 1995 sits in Zellerbach Auditorium, many of you are also deep in thought: Will you commencement speaker go on and on? So let me assure you at the outset: I'll be short. But if you were to ponder your surroundings -- and by no means do I encourage that kind of behavior -- here's what you would find: About two-thirds of your graduating class is Chicano-Latino, Asian, African-American or Native American. Half are women. California has close to 32 million citizens. The Giants play baseball in San Francisco. The Cold War ended five years ago, and the beginning of a new century is five years in the future.

We've made progress.

Or have we? When the speaker finished in 1945, and the graduates got on with their lives -- and when thousands more returned from the war to attend college under the G.I. Bill -- America was percolating with possibility. In the three decades after World War II, our country enjoyed a prosperity unlike any the world had ever seen. Millions of working Americans entered the middle class, and as they worked, they churned out goods for other middle class Americans to buy. The purchasing power of these working Americans fueled demand still further. And that created more jobs, higher incomes, and an even broader middle class whose children came to universities like this one.

The overall economy boomed, but the boom didn't come at anybody's expense. Between 1950 and 1978, the wealthiest 20 percent of America's families saw their incomes double. And so did the poorest 20 percent. We grew together. That was how it worked in America. Now, make no mistake: There were problems, most prominently the opportunities unfairly denied to women and minorities. But as we took on those problems and broadened our culture of opportunity, America became a model for the rest of the world. From Beijing to Berlin, courageous women and men took on tyrants in the name of these American ideals of personal liberty and shared prosperity.

The global triumph of the American model makes all the more troubling the current condition of the American Dream. Instead of an America that is growing together, the Class of '95 has been handed an America that is growing apart. From 1979 to 1993 -- the years you were growing up -- our economy continued to expand. But almost all the growth in income went to the wealthiest fifth of American households. The poorest fifth saw their incomes fall. A new study by Professor Edward Wolff of New York University reveals that by the end of the 1980s the wealthiest fifth owned over 90 percent of the nation's stocks and bonds and other financial assets.

When you leave Berkeley's beautiful surroundings -- when you exit this heady atmosphere of intellectual ferment and political conviction -- you will enter the most economically stratified society in the industrialized world. And you inherit a nation that is surging toward even greater inequality.

What went wrong? In the course of your lifetimes, the American economy has undergone a change as profound as any in its history. Our companies have moved from producing large quantities of identical things to creating, processing, and distributing information. The microprocessor has relocated our economic hub from mass-production factories to personal computers -- which are linking up at a furious pace. All of you -- if I may paraphrase one group of philosophers -- are born to be wired. With the click of a computer key, you can instantly zap e-mail, money, even music to any corner of the planet. Global trade and investment have quickened the tempo and enlarged the consequences of this fundamental change.

In this new economy, education is the fault line dividing winners from losers. Gone forever are the assembly lines that used to provide lifetime jobs with rising wages and benefits to people straight out of high school. The winners are those who can identify and solve problems, manipulate and analyze symbols, create and manage information. The degrees you are earning today signify your competence at doing these tasks. You are thus likely -- not guaranteed, but likely -- to end up on the happier side of the great divide.

Indeed, you may even come to see yourselves more as inhabitants of the global economy -- connected by modem and fax to other great information centers of America and the world -- than as citizens of a particular community. You might feel you have more in common with a similar professional in, say, Switzerland than with a waitress in Oakland or a custodian in Cleveland. And this ability to succeed in the information-rich global economy may lead you to secede from that part of America which remains trapped in the old economy, on the other side of the great educational divide.

I'm not suggesting a formal secession. It may not be a conscious secession. The secession of the successful in America has been unplanned and undeclared. But it is gathering momentum, and it threatens our nation's prosperity and its stability.

The well-off have always lived and worked in their own sections of town. But in recent years they have seceded into their own towns, with tax bases supporting their own schools and roads and recreation centers. Some even have moved into their own gated communities and residential compounds, policed by private security forces and tended by private maintenance crews. And they work in office parks or glass and steel towers, similarly protected and maintained.

We are witnessing a retreat from common ground -- not just from public parks, public transportation, public libraries, public schools and public universities -- but from the very idea of shared aspiration and common responsibility. And as the successful secede, they ask with ever louder voice -- in Washington, D.C. as in Sacramento -- why should we care?

With the degrees you will soon receive, many of you have been handed a ticket to secede, if you wish to. But let me urge you to resist. Not because commencement speakers are obligated to offer lofty sentiments. But because you will not want to live in a society sharply divided between winners and losers.

Consider for a moment those who are being left behind. As I travel across America I hear their fears and see their disillusionment. Some of them are trapped on urban islands of desolation and violence, each day drifting further from the mainstream economy. Others of them have jobs, but the jobs are going nowhere. Two or three paychecks are needed in families where one used to suffice. A serious illness or pink slip can mean poverty.

For all these people, the vaunted American dream seems a cynical lie. Some turn to crime. Others to demagogues seeking easy targets of blame: immigrants, welfare mothers, affirmative action, even government itself. Our century's history has revealed the link between economic fear and easily-manipulated hate.

There is no place to hide from the consequences of widespread fear and despair. No walls are high enough to contain it. America's successful cannot secede from a society coming undone. Failure to pay the price of preparing all our citizens for the new economy will end up costing far, far more.

California, as is its tendency, is crashing into the future first. ~~In 1980, California spent 2 percent of its budget on prisons and over 12 percent on higher education. Now the state's proposed budget will devote almost 10 percent to prisons and 9.5 percent to higher education.~~ The Rand Corporation projects that at this rate, by the year 2002 -- just seven years away -- the state Department of Corrections will gobble up 18 percent of the state's budget; higher education will nibble on one percent. The Department itself estimates that by the year 2027 California will have more people behind bars than Western Europe, Canada, New Zealand, Australia, and Japan -- combined. Will that make our economy more productive? Will that make our democracy more accountable? Will that make our nation more American? No, no, and no. Three strikes. You're out.

Our only viable choice is to equip all Americans to succeed in the new economy. That doesn't mean redistributing wealth from the vaults of the rich to the wallets of the rest. The American economy is not a zero-sum game in which somebody's victory is somebody else's defeat. It means investing in the education and skills of our people: Good public schools, excellent community colleges, great public universities. "Public" in the truest sense of the term -- available to all, supported by all. And it means opening pathways for the poor to good jobs paying liveable wages, giving them access to job training and to child care while on the job.

Do not tolerate what is now being considered in Washington: Billions of dollars of cuts in student loans, work-study programs, job training and other means by which people from working-class and poor homes still have a chance to get ahead. When we most need paths from the old economy to the new in order to help overcome the widening income gap which threatens the future prosperity and stability of this nation, this is nonsensical. Slashing education and training to cut the taxes of those who have already crossed safely to the other side is a grotesquely misguided transaction that will only accelerate the secession of the successful from American life.

This great university was built not by a retreating elite hoping to escape the riff-raff. It was built in part by the Morrill Land Grant Act, which helped establish colleges in universities on America's emerging frontier. Half a million students, 8 Nobel prizes, and hundreds of sit-ins later -- the rest is history. The same is true for this entire region. One of your professors said recently that Silicon Valley and California's defense industry didn't emerge because of warm weather. They grew because California's public education system was world-class and low-cost.

America is an experiment. But it's not an accident. Doing better together creates the right conditions. Individual initiative does the rest. It's a simple formula -- tested by experience, refined by failure, expanded by success. Women and men of the class of 1995, the American experiment is now in your able and compassionate hands. Go to it.

###

Tee-Off Productions, Inc.

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Fort Lauderdale, Florida 33301

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HUGH E. RODHAM
PresidentTONY RODHAM
Vice President
Marketing and AdvertisingGARY ROBERT FINE
Vice President
Production and Financial Planning

May 21, 1996

Hillary Rodham Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C.

Dear Hillary:

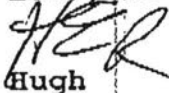
Here is the information you requested concerning the U.A.W. funding of "New Populism" network. Also I am sending you Morris Dees' info on Chuck Harder who has been identified closely by Klanwatch as the voice of the Christian Identity Movement.

This is the new attack plan utilizing talk radio as the disseminator of hate for government, the President and all things liberal and Democratic.

I have enclosed the telephone numbers of John Sweeney and Steve Rosenthal, to whom I have spoken. The question is would you call them for a status report on the funding?

Also would Peter Knight and/or Chairman Dodd be interested in advertising the Campaign on the network and my show? These are my questions and the general information. Any help with the advertising or inquiries to the Union officials would be greatly appreciated. Will talk to you on June 1st or 2nd when we come back.

Love, keep fighting,



Hugh

HER/lsp

Enclosures:

Wall Street Journal Article of 5/16/96

Dees' text pages 114-118

Chuck Harder's "Resume"

John Sweeney's telephone number 202-637-5221

Steve Rosenthal's telephone number 202-637-5102

Senator Dodd's telephone number 202-224-2823

Radio Show's Internet: <http://www.talkamerica.com>

THE PRESIDENT HAS SEEN

6-6-96

Heck
on our discussion
you today - P.S. Do
what you can to help

220,000
fixed dollar
get 54 station -
maybe 50 more

BS



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633 Southeast Third Avenue • Suite 4R
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HUGH E. RODHAM
President

TONY RODHAM
Vice President
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GARY ROBERT FINE
Vice President
Production and Financial Planning

FAX COVER SHEET

TO: CAROLYN HUBER

THE WHITE HOUSE

FAX NUMBER: 202-395-4198

DATE: MAY 21, 1996

FROM: HUGH E. RODHAM

NUMBER OF PAGES INCLUDING COVER PAGE: 8

SUBJECT: RODHAM RADIO

**REMARKS: Letter to Hillary Rodham Clinton from
Hugh E. Rodham dated 5/21/96 and enclosures**

**IF YOU DO NOT RECEIVE ALL PAGES, PLEASE CONTACT HUGH RODHAM'S
OFFICE AT 954-467-5440 AND ASK FOR LINDA.**

Bashing Big Business Becomes a Business For Talk Show Host

Chuck Harder Hits Airwaves,
Tapping Into Resentment;
A Boost From the UAW

By BOB DAVIS

Staff Reporter of THE WALL STREET JOURNAL.
WHITE SPRINGS, Fla. — A creaky old hotel where Astors and Morgans once vacationed is now headquarters of what might be called Populist Inc.

Satellite dishes surround the hotel grounds, sending a radio show called "For the People" to 290 stations in America's small and midsize towns. Seated in a makeshift studio off the lobby is the venture's star, talk-show host Chuck Harder, who has built a devoted following in the heartland by whacking big business.

"If you are wearing Nike shoes, you are wearing a sign of slavery," he tells his audience, claiming the sneaker-maker pays its Indonesian workers 30 cents an hour. (Actually, Nike Inc. says the hourly wage is about 42 cents, which is twice Indonesia's legal minimum.) Other recent targets of Mr. Harder include Caterpillar Inc. for threatening to fire strikers and Microsoft Corp. for allegedly monopolizing the software market.



Chuck Harder

Though his show isn't aired in many big cities, the 52-year-old Mr. Harder is popular in some areas. A recent survey of 3,000 people by the newsletter Talk Daily ranks Mr. Harder among the top-10 radio talk-show hosts, edging out better-known personalities Oliver North and Michael Reagan.

Now the United Auto Workers says it is investing "several million" dollars for a stake of less than 10% in a new venture designed to bring Mr. Harder to a wider audience by upgrading technology and buying stations in major markets. Mr. Harder "has got some guts, and raises issues the others don't talk about," says UAW spokesman Frank Joyce.

Owners of the new venture, United Broadcasting Network Inc., have signed up other business-bashers for an expanded network — Pat Buchanan's sister, Bay Buchanan, on the right; former Texas Agriculture Commissioner Jim Hightower on the left. Realizing they won't get much national advertising, the talk-show hosts plan to pitch American-made products on air, with the network taking a percentage of the sales. United Broadcasting's chairman is Pat Choate, an adviser to Ross Perot.

Stirring Emotions

In this brand of populism, political parties don't matter much, and neither do labels like "liberal" and "conservative." The great divide is over corporate power and global economics. "All that right-wing and left-wing stuff is to get us fighting among ourselves about things that don't matter," says Mr. Hightower.

Mr. Harder says his show "brings people hope." But others say it incites different emotions. Morris Dees, chief trial counsel for the Southern Poverty Law Center, Montgomery, Ala., which tracks militia activity, blames Mr. Harder for "creating layer on layer of hatred of government and business."

For instance, Mr. Harder has said that Wall Street firms control the media. Please Turn to Page A4, Column 4

Radio Host Bashes Big Business

Continued From First Page

and that the Council on Foreign Relations, an independent group that debates foreign policy, "controls the world." After the Oklahoma City bombing last year, some news organizations reported that one of the defendants, Terry Nichols, had attended meetings of a Michigan club associated with Mr. Harder's show. Mr. Harder denied any connection and threatened to sue. In fact, Mr. Harder's network did issue guidelines for setting up local chapters and maintained a list of 25 "For the People" groups. Mr. Harder now blames a former employee for setting up the chapters without his approval.

While Mr. Harder is clearly on the fringe of political discourse, he taps a broad resentment against rising corporate profits at a time of middle-class stagnation. Dozens of chief executives are gathering at the White House today to discuss "corporate citizenship."

The populist swing is evident in the world of talk radio, which often fore-shadows—and foment—political change. Pollsters say Rush Limbaugh's television and radio audiences have declined in recent few years as some listeners criticize him for his boosterism of the Republican Party and corporate America. (EFM Media Management Inc., Mr. Limbaugh's syndicator, says his show has an audience of 20 million listeners a week, roughly the same as two years ago.)

Whatever the case, Mr. Limbaugh's audience is far larger than Mr. Harder's. Mr. Harder doesn't use a ratings service and says he doesn't know how many listeners he has.

A bearded 300-pounder with a mellifluous voice, Mr. Harder has been working in radio since he was teenager. He made his reputation in the 1980s as a consumer advocate on stations in Florida and New York, doing pieces like accusing electric companies of overcharging widows. He found a broader audience, though, with his first big on-air attack on corporate America. The target: Mr. Coffee Inc., a company that to him began to symbolize how American corporations were turning on their employees.

Hitting a Nerve

In 1987, a group of investors purchased the company in a leveraged buyout, piling up debt and shifting half the production of coffeemakers to Asia. Mr. Harder's view: "It wasn't moral or ethical to put people out of work just so a bunch of sharp cookies could make millions of bucks a year pushing pencils; that's stealing." (Peter Howell, chief executive of Health-O-Meter Products Inc., which now owns Mr. Coffee, says that even before the buyout, Mr. Coffee was making appliances in Asia to satisfy American consumer demand for ever-cheaper goods.)

Clearly, Mr. Harder had struck a nerve. Listener response was immediate and anguished. Instead of fielding complaints about shoddy products, he was hearing from listeners who said their bosses had shut factories at home and moved their jobs abroad. He found his theme: corporate greed.

His efforts to expand led him to link up with controversial partners. His first satellite-linked radio network, Sun Radio Network, founded, prompting him to sell a majority stake in 1989 to the anti-Semitic Liberty Lobby, a group which claims, among other things, that Jews weren't gassed during World War II. Two years later, Mr. Harder publicly broke with the group and says he finds its politics reprehensible. The past involvement still causes some to criticize him, though Arthur Tellebaum, a Miami official of the Anti-Defamation League of B'nai B'rith, says the group hasn't "seen anything that would cause us to label Chuck Harder as an anti-Semite."

and radio talent, who might have been frightened off by Mr. Harder's reputation. The new network also will feature a news show with Mr. Choate, the company's chairman, and a debate show hosted by Rep. Duncan Hunter, a conservative California Republican. An aide to Rep. Marcy Kaptur, a liberal Ohio Democrat, says the representative is close to agreeing to host a segment, called "Come Shop with Me," in which she will dissect products to show where they are made.

No matter who else appears on the new network, Mr. Harder is still the star, with his on-air persona as the foe of big businesses. "Oh, they hate my guts," Mr. Harder says, after doing yet another riff on the air about corporate perfidy. "I love it."

A Novel Idea

Next, Mr. Harder signed up stations in rural America and medium-sized cities for another radio venture, People's Network Inc. Ralph Nader regularly appeared on his show, praising its "vibrant audience." Mr. Buchanan and other opponents of the North American Free Trade Agreement also spoke on the show. Listeners were agitated that when Mr. Harder printed the 2,000-page Nafta agreement, he sold around 7,000 copies—at about \$20 each.

Now his backers think they can make business out of populism. He sold most his assets to United Broadcasting, a bought a minority stake. United Broadcasting executives parlayed the UAW endorsement into deals with other invest-

GATHERING STORM

picked up on by politicians, but it spread like a brush-fire across a dry Alabama sage patch, jumping from the political arena to the pulpits of fundamentalist preachers and into the appeals of single-issue conservative groups. But nowhere does the old Wallace message echo more loudly than on talk radio.

No talk show host has more consistently and effectively delivered antigovernment messages to the militia-infested heartland over the past four years than smooth, affable, 325-pound Chuck Harder. He is the king of grassroots airwaves.

"We have a government, ladies and gentlemen, that is lying to the people, raping the people, defrauding the people," Chuck Harder said during his three-hour radio call-in show carried on over three hundred mainly small-town stations in forty-six states. "These [federal officials] are very power hungry and, in my opinion, evil people. They want all the marbles."

Had Timothy McVeigh tuned to KBYR while visiting his army buddy Michael Fortier in Kingman, Arizona, he might have heard a similar message from Harder from 2:00 to 5:00 P.M. or during two daily replays. While traveling from Kansas to Oklahoma City in his rented Ryder truck, he could have heard Harder on eight different stations advertise videotapes about government-implanted computer chips designed to enslave American citizens. And, while locked in the Perry, Oklahoma, jail, McVeigh might have heard Harder's broadcast from KSIW in nearby Woodward suggesting that President Clinton resorted to homicide as a cover-up: "The difference between Watergate and Whitewater is a very, very big pile of bodies."

His Peoples Radio Network, broadcasting from the

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roadcasting from the

historic Telford Hotel on the banks of the Suwannee River in White Springs, Florida, features a twenty-four-hour-a-day, seven-day-a-week lineup, including news on the hour. Seven months before the Oklahoma City bombing, Harder added a thirty-minute television talk show now carried on eighty stations.

His style and voice are a blend of Mike Wallace and Peter Jennings, credible, authoritative, nonconfrontational; he's a self-anointed spokesman for George Wallace's forgotten and angry "little people." Dion Cole, a Florida highway patrolman, told CNN, "I believe what he says because he's done his research, and surely he couldn't say it over the radio if it wasn't fact."

Chuck Harder's audience is so loyal that more than forty thousand pay at least \$15 a year to belong to his nonprofit "For the People" organization. Another thirty thousand pay an extra \$19 a year to subscribe to his biweekly thirty-two-page *News Report*. Uplink satellite dishes dot the lawn of the once-abandoned hotel he bought and renovated to produce his shows and house his sixty-two employees. For the People took in more than \$4 million in 1994 alone, all nontaxable, in membership fees and mail-order merchandise sales. Backed by his army of loyal subscribers, Harder can offer programming free to grateful low-budget stations.

Harder and other conservative talk radio hosts did not create the anger they tap. The frustration they voice—the same frustration that is fueling the Religious Right, neo-Nazi groups, and various other ultra-conservative movements—is complex and deeply rooted.

No dividing line neatly separates this century's domestic extremists. George Wallace ushered in a new mode of conservative politics in the late 1960s, but the distrust of government elites engendered by Joseph McCarthy in the 1950s accounted for some of the

underlying feelings Wallace so skillfully manipulated. The messages and the messengers reaching the heartland from television pulpits, political commercials, and talk radio mikes have inbred family trees. A year before the Oklahoma City disaster, Reverend Pat Robertson took aim at the government on his *700 Club* with a message Louis Beam, Pete Peters, or William Pierce would have been proud to deliver.

I do believe this year that there's going to be persecutions against Christians. The government frankly is our enemy and we're going to see more and more of the people who have been placed in office last year . . . getting control of the levers of power and they will begin to know how to use them and they'll use them to hurt those who are perceived as their enemies.

Pat Robertson's Christian Coalition borrowed from Jerry Falwell's earlier Moral Majority. The prayer cloths of both contain threads from prior right-leaning leaders like Barry Goldwater as well as more from recent ones like Phyllis Schlafly of Eagle Forum and Paul Weyrich of the Free Congress Foundation.

Economic uncertainty, job insecurity, corporate downsizing, declining real wages, changing technology, and competition from cheap foreign labor are scaring people to death. Corporations report higher earnings, executives earn huge salaries, stock markets hit new highs, but the average worker feels abandoned and betrayed. The nation that was so confident after coming home victorious from World War II is now sure of nothing. We are, many feel, a nation in decline.

"The American dream of the middle class has all but disappeared, substituted with people struggling just to buy next week's groceries," wrote Timothy McVeigh in a letter published in his hometown newspaper, the

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cream of the middle class has all but
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column in his hometown newspaper, the

Lockport, New York, *Union-Sun Journal* in February
1992. "What is it going to take to open the eyes of our
elected officials?"

That is a sentiment Harder has repeatedly expressed
to his radio audience. "America is dying," Harder warned.

Angry, frustrated Americans want simple, not com-
plicated answers. Many older Americans in rural areas
remember gathering around the woodstove at the cross-
roads country store, sharing gripes with kindred neigh-
bors and feeling a sense of community. Now they gather
around the radio. The Chuck Harders shape the debate,
targeting scapegoats, real or imagined.

Most urban Americans never hear Chuck Harder
unless they pass through small towns like Hancock in
Michigan, Chanute in Kansas, Roanoke in Alabama,
Eden in North Carolina, or Bogalusa in Louisiana, and
tune in as he "saves the little guy" from a wicked federal
government in league with greedy corporations. Just
nine days before the Oklahoma City bomb exploded, a
commentator for *The Nation* put it this way:

Harder's daily nostrums ricochet off the shuttered
factories of the heartland and into the jarred con-
sciousness of a mostly rural audience already scared
out of its wits by the uncertainties of a rapidly chang-
ing America. Unlike Rush Limbaugh's straightfor-
ward propaganda for the Republican Party, Harder
rallies his fervently loyal audience around a paranoid,
conspiratorial vision, seasoned by facile scapegoating
that in its worst moments degenerates into a vehicle
for thinly veiled xenophobia and anti-Semitism. In
sum, Harder isn't an antidote to Limbaugh; he is his
country cousin.

Today, more than 1,000 commercial radio stations
have all-talk formats, most covering news and issues.
The vast majority of the hosts are conservative. Harder's

300 stations are second only to Limbaugh's 639. Other popular conservative and far-right hosts include G. Gordon Liddy with 225 stations and Pat Buchanan with 140. They overlap Harder's small-town audience and extend into major media markets. Popular conservative talk radio hosts from Limbaugh to Oliver North to Atlanta's Neal Boortz to Ken Hamblin, "the black avenger," to New York City's Bob Grant replay Harder's message to millions.

Many shortwave stations also carry antigovernment programs. Rick Tyler, broadcasting from WWCR 5.065 in Nashville, Tennessee, told his listeners that he "could talk for hours about the criminal conduct of our government. They are ruthless, they are cunning, they are cutthroat and, furthermore, we are their target."

"We are engaged in the most desperate war we have ever fought," William Pierce said from his Hillsboro, West Virginia, studio, "a war for the survival of our [white] race. Ultimately we cannot win it except by killing our enemies." He assured his solitary listeners bent over shortwave radios across the land that they were not alone in this holy struggle: "There are a hundred thousand or so of us here today listening to this program who aren't confused or ashamed or guilty."

Layer upon layer of irresponsible, inflammatory antigovernment rhetoric beamed daily from talk radio into the heartland feeds the militia agenda and, in some cases, provides direct support. Chuck Harder interviewed Ken Adams, a top officer of the Michigan Militia, for over an hour portraying his assault-trained, gun-toting private army as a friendly neighborhood watch group.

HARDER: So this is essentially citizens willing to be there in the time of need, maybe the way the American Radio Relay League is there for ham radio operators.

ADAMS: Absolutely.

Charles "Chuck" Harder

- Resides in White Springs, Florida, where he and his wife bought a historic hotel in 1990, but no longer rents rooms to the public. Harder broadcasts his For The People radio show from the hotel lobby.
- Founder and director of For The People, a Patriot organization
- Members of For The People pay a \$15 membership fee; Harder claims 21,000 listeners.
- Hosts popular Patriot radio show whose guests have included major Patriot movement figures, including Militia of Montana founder John Trochmann, Michigan militia activist Mark Koehnke, and George Eaton, founder of The Present Truth Ministries and editor of *The Patriot Report*.
- According to Harder, his network has 282 radio affiliates in 42 states (mostly small AM stations) and 70 television stations that carry a TV version of his show.
- His show is filled with allegations of government conspiracies, i.e. OKC bombing coverup, alien abductions, black helicopters ...
- Harder's programming is free; his network is tax exempt.
- According to IRS documents, Harder and his For The People group took in more than \$4 million in 1994, most of this coming from the sale of merchandise such as publications and videos promoted by his network. For example, according to a CNN broadcast, one video that came out after First Lady Hillary Clinton promoted a national child care program concerned the implantation of computer chips to enslave citizens. Harder: "She's also saying, under her breath, 'I can hardly wait to implant them so we can track them like laboratory rats.'"
- IRS records also showed compensation for Harder and his wife is listed at \$57,000, but he also receives other benefits, i.e. his tax-exempt group paying \$40,000 in rent for his hotel headquarters and another building. (CNN report)

THE WHITE HOUSE
WASHINGTON

cc: w/incoming
Bob Nash

Cc:
Leon P. J.

It's very important what
you think about this

June 5, 1996

Thomas J. Schneider
Restructuring Associates, Inc.
Suite 350
1050 Seventeenth Street, N.W.
Washington, D.C. 20036

Dear Tom:

Thanks for your letter of May 28 and for your suggestion that Bill Halter be made Director for General Government and Finance at OMB. As always, I appreciate your advice and have passed your letter on to Bob Nash so that he too is aware of your strong support for him.

Hillary and I hope we'll be able to arrange something among all our schedules -- we'd really like to see you and Cynthia before too long.

Sincerely,

Bill

*Thanks -- it's great
I didn't know I wanted
this job --*

Manner

RESTRUCTURING ASSOCIATES INC.

SUITE 350

1050 SEVENTEENTH STREET, N. W.

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May 28, 1996

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

Dear President Clinton:

Another job recommendation: Bill Halter for Associate Director for General Government and Finance at OMB.

I first met Bill during the 1992 campaign, and was very impressed. We have kept up and built our friendship.

Other than playing a great game of golf, he is extremely bright, temperate of judgment, and totally loyal to you. The Arkansan heritage and upbringing help, but he also deeply shares your vision for America.

He made the mistake of going to college in the West (Stanford) where he got ridiculously good grades. He was similarly mistaken to accept his Rhodes and go the Oxford (good decision) where he met Bruce Reed. He then joined McKinsey followed by the Senate Finance Committee and the Joint Economic Committee of Congress. After the campaign, he became an advisor to various people in OMB, most recently Alice Rivlin.

I know you have appointed a great replacement to Ms. Rivlin (Frank is a college classmate of my brother's), but I think you would be extremely well served by someone of the caliber of Bill, someone who will be first, second, third and fourth loyal to you, and who has followed you long enough to have a sense for how you think about problems.

I hope you seriously consider Bill for the job.

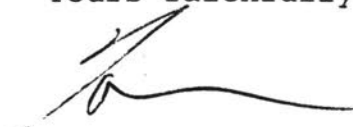
I also hope Cynthia and I see you and Hillary in June. Life is crazy at my level. I feel as if I am on a roller coaster. It is the best of times and the worst of times.

President Bill Clinton
May 28, 1996
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We are engaged in your campaign. I have been asked to be on the platform committee. Cynthia and I raised \$270,000 for the Gala. I told Peter Knight I would help with business outreach, especially with the technology community. We will help any other way we can. Just ask.

Keep up the great work. You are constantly facing tough decisions, and I do not believe that anyone could do a better job in handling them.

Yours faithfully and warmly,

A handwritten signature in black ink, appearing to read 'Tom Schneider', with a stylized flourish extending to the right.

Tom Schneider

THE WHITE HOUSE
WASHINGTON

June 3, 1996

96 JUN 3 17:52

MEMORANDUM TO THE PRESIDENT

From: John Hilley

Subject: Legislative Summary, Week of May 27, 1996

House of Representatives

Floor Action: Highlights

After two days of heated debate, the House passed by voice vote the FY97 Omnibus Civilian Science Authorization Act. The President's principal science advisors have recommended a veto because the bill substantially decreases funding for high-priority science programs. A Brown amendment bringing funding levels closer to the President's request was rejected (176:235).

Still, the administration scored several significant victories during consideration of the bill. Notably, members rejected an amendment to cancel the space station program (127:286 -- 181 Republicans against the amendment) and an amendment to reduce funding for the space station (146:269 -- 173 Republicans against the amendment).

Other Floor Action

1. The House passed the FY97 Military Construction Appropriations Bill (369:43), which appropriates \$900 million more than the President requested. OMB has written to Rep. Obey and Rep. Livingston objecting to the level of funding in the bill but not threatening a veto.
2. As a result of the White House's disclosure of an additional 1,000 documents and an 11-page privilege log, House Republicans did not offer a scheduled motion holding former and current White House employees in Contempt of Congress in connection with the travel office matter.

Committee Action

1. A subcommittee of the House Judiciary Committee reported out a bill designed to limit state recognition of same-sex marriages. The full committee is expected to take up the bill within two weeks.

The Week Ahead

1. On Wednesday or Thursday, members will consider a Republican-

drafted welfare proposal to enact waivers requested by Wisconsin Governor Thompson for that state's federally-subsidized social services programs. When Rep. Armey announced this plan on the floor just prior to recess, Democratic members reacted angrily. Rep. Bonior and Democratic members of the Wisconsin delegation identified as their principal objection the limited time available to study a complex proposal. Rep. Armey responded that the President had already expressed support for the Wisconsin-style plan. HHS is evaluating the specifics of the Wisconsin welfare proposal.

2. The House will also consider the FY97 Foreign Operations Appropriations bill. OMB has written Rep. Livingston expressing concerns with funding reductions contained in the bill. Among other objectionable aspects of the measure, it severely cuts U.S. contributions to the multilateral development banks and reduces funding for development programs and for security assistance programs. Moreover, the bill impedes family planning efforts by denying full funding to private organizations that engage in such activities. A SAP is pending.

3. If possible, the House will take up the Budget Resolution Conference Report.

Senate

The Senate stood in recess and will return June 4. Sen. Dole has announced that he will resign by June 11. We expect that the Republicans will choose their new leadership team by late this week or early next week.

The Week Ahead

1. When the Senate returns, members will vote on the motion to invoke cloture on the motion to proceed to Sen. Dole's Defend America bill. A SAP pending with OMB indicates that the President would veto the bill in its current form. Democrats believe they have enough votes to block cloture.

2. They will also consider the Department of Defense Authorization bill, a version of which passed the House last week. The sponsors of the McCain-Feingold campaign finance reform bill, which the President supports, have filed their bill as a possible amendment to the DOD Authorization bill. It is expected that they will withdraw the amendment if the leadership sets a time certain for consideration of their bill.

3. Sen. Dole also indicated that he may bring up the Balanced Budget Amendment, which was defeated by one vote (65:35) when it came up in March.

4. Other bills the Senate may consider are the TEAM Act, which permits meetings between workers and management for purposes other than collective bargaining; the minimum wage increase,

small business tax package and temporary gas tax repeal passed by the House the week of May 20; and the Kennedy/Kassebaum health care reform, if the conferees reach agreement.

cc: The Vice President
 Leon Panetta
 Harold Ickes
 Evelyn Lieberman