

Chron

7-8-97

(C)

Quinn/Chirwa memo on Supreme Court's July 1 denial of cert in Texas v. Hopwood. *History.* Hopwood challenged the UT Law School's "dual-track" admissions program which used lower numerical admissions standards for minority candidates than for non-minority candidates. The district court held the program unconstitutional, and the law school abandoned it in favor of an admissions program fashioned after the Court's 1978 ruling in Bakke which approved the use of race as a factor. Although the constitutionality of the law school's new admissions program was not at issue before it, the 5th Circuit affirmed the district court's ruling, and held that contrary to Bakke, universities may not take race into account when making admissions decisions if the goal is simply to further diversity. *Cert Petition.* In filing for cert, Texas did not appeal the lower courts' judgments that the law school's original "dual-track" admissions program was unconstitutional, but requested that the Court overturn the portion of the 5th Circuit ruling regarding the inapplicability of the Bakke holding. DOJ filed an amicus brief in support of cert urging the Court to declare that Bakke remains the law of the land. *Supreme Court.* Although the Court declined to hear the case, the concurring opinion by Justices Ginsburg and Souter acknowledged the issues raised by the 5th Circuit's ruling regarding the vitality of Bakke. They did not view Hopwood as the appropriate case to resolve those issues, however, because the constitutionality of the law school's current admissions program was not squarely at issue before the Court.

(D)

Gibbons memo on Japanese support for science. The GOJ is embarking on a major expansion of federal support of research. By the year 2000, they plan to have a \$37 billion non-military science and technology budget (about the same dollar level as the U.S., and double their 1992 budget). "While we are focused on the struggle with Congress to protect our S&T budget, I also urge that we take great care in our own budget planning.... Under current Administration projections we are headed for a substantial retreat in support for S&T. For the first time in history, Japanese government spending on S&T could eclipse our own federal research investments."

(E)

Rasco follow-up on FDA review of Myotrophin. Carol is monitoring the FDA approval process of the drug which may benefit June Davison, wife of Fred Davison, and others with ALS. The FDA has granted patients and doctors early access to the drug while it remains under study. Cephalon Inc., the manufacturer, expects demand for the drug to exceed supply, and therefore is planning to distribute it through a lottery and has set up a toll-free number to register patients for the lottery. Carol has forwarded this news to the Davisons.

(F)

Tyson memo on Pete Peterson's Atlantic Monthly article. Laura forwards a detailed assessment of the piece in response to your inquiries.

(G)

Sec. Reich memo on "GI Bill of Rights." He forwards a recommended statement. *We have forwarded copies to Laura Tyson, Don Baer and Gene Sperling.*

(H)

Sec. Reich's July 2 National Press Club speech, "Nickel-and-Diming America's Working Families." He suggests that it may be useful for a radio address.

TO Don Baer
Thurs 7/10/97
Can use a lot
0/10
V good copywriting
the head line

THE WHITE HOUSE
WASHINGTON

July 2, 1996

THE PRESIDENT HAS SEEN
7-8-96

96 JUL 21 P6:29

MEMORANDUM FOR THE PRESIDENT

FROM: JACK GIBBONS *JG*
SUBJECT: Japanese Support for Science

The Japanese Government understands the promise of science and technology for its economic future and is embarking on a major expansion of federal support of research. By the year 2000, they plan to have a \$37-billion non-military science and technology budget (about the same dollar level as the U.S.). This means a doubling of their 1992 budget; by any comparison, our leadership will be challenged.

While we are focused on the struggle with Congress to protect our S&T budget, I also urge that we take great care in our own budget planning (especially the out-years). Under current administration projections we are headed for a substantial retreat in support for S&T. For the first time in history, Japanese government spending on S&T could eclipse our own federal research investments.

Attachments:

"Japan is Planning Vast Increase
in Science Research Budget",
New York Times, July 2, 1996, Page C6

cc: The Vice President
Laura Tyson
Joe Stiglitz
Frank Raines
T. J. Glauthier
Michael Waldman

*TO VP / Con / Larry
our science budget
is growing
faster than
the fed govt
RK*

Science Times

The New York Times

TUESDAY, JULY 2, 1996

Japan Is Planning Vast Increase in Science Research Budget

By ANDREW POLLACK

TOKYO

IN an effort to make Japan as strong in pioneering research as it is in product development, the Government is planning a vast increase in public spending on science and technology and an overhaul of the decrepit and rigid university system that many see as stifling creativity.

The plan is aimed at least partly at correcting the situation in which Ja-

pan capitalizes on breakthroughs achieved elsewhere to develop successful products but does not contribute much original research of its own. For example, Japanese scientists have won only five Nobel Prizes in natural science as against 175 for the United States.

The Council for Science and Technology, which is headed by Japan's Prime Minister, proposed in June that the national Government spend 17 trillion yen, or about \$155 billion, on science and technology over the next five years. That would be an increase of about 50 percent over the

11.3 trillion yen spent in the last five years.

The situation in Japan is in contrast to the one in the United States, where scientists have been facing deep cuts in the Federal research budget. But Japanese scientists note that until now, they have been the poor cousins of their American counterparts.

"We waited for an amount like this for many years," said Akito Arima, president of the Institute of Physical and Chemical Research and a member of the working group that developed the new plan. "We Japanese scientists suffered so many years."

There are some cautions. The Ministry of Finance, worried about the nation's growing budget deficit, is likely to resist a big spending increase, so it is not clear that the entire amount will end up being allocated in future years. Still, it is virtually certain, officials say, that there will be a big increase in spending beyond this year's budget of 2.7 trillion yen, or \$25 billion.

And, experts say, there are many problems with Japan's research system that money alone cannot fix, like a system that makes assistant professors and young researchers beholden to full professors and unable to pursue their own ideas.

"The report shows the course of action that should be taken to effect drastic reforms, but this is no more than a starting point," the Yomiuri Shimbun, Japan's largest newspaper, said in an editorial. "What the public wants is the actual enforcement of the reforms."

The new plan signals a growing role for Japan's Government in science and technology, filling in for corporations, which have cut back in the last two years because of Japan's economic slump.

Companies account for 80 percent of the research and development spending in Japan, with the remaining 20 percent provided by the Government. By contrast, government accounts for more than 35 percent of overall research funds in the United

States and Germany and more than 40 percent in France.

The result is that while Japan's overall research and development spending as a percentage of its total economy is as high or higher than that of the United States and European nations, most of the spending goes to product development, not university research.

The new plan, devised by a working group of scientists, businessmen and Government officials, does not specify how much of the money should go to basic research. But its overall thrust is to revitalize research in universities and national research laboratories.

"The biggest priority is to make the environment that surrounds science and technology more flexible, competitive and open," the council's report said.

For a nation that is the world's second largest economy and a technological powerhouse, Japan often falls short in the quality of its universities, many of which look like some-

thing out of the third world. Laboratories are often housed in buildings that are literally crumbling and are so overcrowded that copiers and book shelves are placed in the halls.

Yet there is a growing recognition here that Japan needs more basic research and innovation if it is to be strong in industries of the future like biotechnology and information sciences, in which it now lags behind the United States.

The report calls for upgrading of the physical facilities of national universities and laboratories, a job that Dr. Arima, who was formerly president of the University of Tokyo, estimates will cost \$37 billion by itself.

It also calls for improving computer networks and increasing the number of technicians, so that professors do not have to do basic laboratory chores by themselves. It also calls for an increase in the number of post-doctoral researchers at universities to 10,000 from 6,000.

(MORE)

Japan Is Planning Vast Increase in Science Research Budget

(CONTINUED)

Another recommendation is for universities and national laboratories to hire some researchers on a fixed-term contract. Currently, because of the lifetime employment tradition in Japan, even assistant professors at national universities have tenure, removing an incentive to excel.

Still, experts say there are many other barriers to overcome before Japan achieves excellence in basic research.

One is that the elementary and high school system teaches children to cooperate in a group rather than to follow their own dictates, and to memorize facts rather than think creatively.

Universities are very ingrown. More than 80 percent of the faculty members at the University of Tokyo, Japan's most prestigious school, are graduates of that university.

And rather than attracting the best scholars from all over the world, Japanese universities have been basically closed to foreigners. As of 1993, there were only 25 tenured foreign professors in all of Japan's 100 national universities.

The proposal was developed in fulfillment of the Science and Technology Basic Law, passed last fall by Parliament, which calls for a "radical" increase in public investment in science.

It is expected that by the year 2000, the last of the five years under the plan, Government financing of research will exceed 4 trillion yen, or \$37 billion, roughly double the 1992 figure of 2.1 trillion yen.

HONORARY PARTICIPATION REQUEST

Please return to Room 457

Today's Date: July 10, 1996

96 JUL 11 AM 11:42

Date of Request: 3/26/96

Request for: POTUS/FLOTUS

Type of Request: Honorary Chairs

Requestor Name: Ms. Irma Colon

Title:

Organization: St. Peter's Middle School
150th Anniversary Celebration
Apartment 17D
Two Gregory Park Plaza
Jersey City, New Jersey 07302

Contact Tel. #:

Event Date: September 1996

Event Description: St. Peter's Middle School 150th Anniversary
Celebration

Notes: St. Peter's Middle School in Downtown Jersey City, NJ, is celebrating its 150th anniversary in September 1997. Beginning this September, the school will start a year-long celebration and fundraising drive to pay for essential repairs and scholarships. The President and First Lady have been asked to serve as Honorary Chairs of the year-long celebration and fundraising drive.

The President and First Lady should regret this request. The requesting group is too local.

Recommendations:

7-11-96
MW _____ TS mw EL _____
(Unless otherwise noted, a yes answer
will automatically generate a message).

Comments:

7/11
original file to
E. L. Berman's of C.
S.

Apartment 17D
Two Gregory Park Plaza
Jersey City, NJ 07302

March 26, 1996

President Bill Clinton and First Lady Hillary Clinton
The White House
Washington, DC

St. Peter's School
Jersey City, NJ 07302

Mr. President and Mrs. Clinton:

I address you with knowledge of your interest in the future of our children. I was particularly pleased with your visit to the Union City school and the thrill of the children's experience.

St. Peter's Middle School, serving the historic Paulus Hook Section of Downtown Jersey City, will celebrate its 150th Anniversary in September, 1997. I have volunteered to assist in the planning of the Celebration and the corresponding Building Fund and Scholarship Drive. The goal is \$1 Million to fund essential repairs which hopefully can be stretched to include a Computer Lab to allow the school to offer this all-important technology to its students. The hope is that sufficient money can be raised to establish a tuition assistance program for families in need.

As a parochial school, St. Peter's must rely on the generosity of the community to continue providing alternate means of education. The survival of the school and its ability to offer the children the technology of the 21st Century will greatly depend on the success of its drive to raise sufficient money to realize its dream.

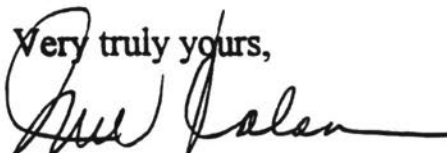
I wonder whether you or Mrs. Clinton will honor the school by serving as Honorary Chair of this all-important event in the school's history or providing whatever support is possible to enhance the fund raising efforts.

President Bill Clinton
Page #2 - March 26, 1996

The planning is in its early stages; the goal is to commence the celebration in September, 1996. I am certain your campaign travels will at some point include the State of New Jersey. What a thrill for the St. Peter's children if your schedule would allow a visit.

I know your dedication to the investment in our children's future; I know the American voters will give you the much-deserved second term in office to allow you to complete your commitment to our Country.

I thank you and Mrs. Clinton in hope of your support.

Very truly yours,

Irma Colon

7-8-96

THE WHITE HOUSE

WASHINGTON

July 3, 1996

96 JUL 3 P11 : 35

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS *Kitty*
SUBJECT: Summary of Cabinet Weekly Reports
June 21-July 3

full copy also sent to Panetta
page 9 also to Panetta

DEPARTMENT OF TREASURY

Treasury Building Fire: Damage to the Treasury building was significant. Approximately 10,000 sq. ft. of the roof sustained major structural damage. Sections of the fourth and fifth floors suffered structural damage and significant water and smoke damage occurred throughout much of the rest of the building, particularly in the north and east corridors. The cause of the fire has not been determined. An investigation is being conducted by agents from the ATF with a report expected by the end of the week.

Enforcement Chief: Raymond Kelly was sworn in as Under Secretary for Enforcement last Thursday. He is currently in Atlanta to review enforcement activities relating to the Olympic Games.

Arizona Militia: On June 27, twelve members of the "Viper Militia" were indicted by a Federal Grand Jury in the Judicial District of AZ. On July 1, approximately 100 law enforcement officers served nine related Federal search warrants in the Phoenix area. Special agents seized approximately 650 pounds of ammonium nitrate, over 100 firearms, approximately 8,000 rounds of ammunition, hand grenades and numerous hand grenade components, and a vast array of militia-related documents and training materials. On July 2, 10 of the 12 defendants were arraigned by a U.S. magistrate judge on the indictment.

Secretary's Schedule: On July 8, Secretary Rubin will participate with you in the Kids and Guns Event. On July 10, the Secretary will participate in the Southwest Border Conference held in El Paso, TX, along with Director McCaffrey and Attorney General Reno.

DEPARTMENT OF COMMERCE

International Travel: On July 10, Secretary Kantor will travel to Bosnia and Croatia to continue the trade development mission initiated by the late Commerce Secretary Ron Brown. On July 14, Secretary Kantor will be in Moscow for the Gore-Chernomyrdin Commission meeting.

Economic indicators for next week:

Foreign Investors' Spending to Acquire U.S. Business (1995)	July 9
Wholesale Trade (May 1996)	July 9
Quarterly Financial Report-Retail (1st quarter 1996)	July 10
Retail Sales (June 1996)	July 12

NetDay '96: On June 29, Sun Microsystems and Cisco Systems sponsored "NetDay 1996 How-To-Conference," highlighting the importance of linking K-12 schools throughout the U.S. to the information highway. Vice President Gore and Secretary Riley joined government leaders to discuss state telecommunications initiatives. The Vice President underscored the Administration's support for an "E-rate," giving schools free access to core telecommunications services and discounts for advanced services.

Cler **"Support for the Cuban People" Initiative:** A proposal to change export control rules in support of this initiative has been delayed. The new initiative would have modified licensing policy to allow certain exports of business equipment to non-governmental Cuban organizations that support the democratic process.

Update 1996 Conference: On July 9, BXA will hold the Update 1996 Conference in Washington, D.C. with Secretary Kantor delivering a speech. BXA expects more than 600 members of the exporting community to attend. There will also be representatives from numerous foreign government export control agencies in attendance.

Census 2000: On June 20, the House Committee on Government Reform and Oversight was scheduled to mark up a report on the majority's objections to the Census Bureau's plans for the year 2000 census. However, Chairman Clinger withdrew the report from consideration, citing concern over leaks to the media and perceptions of racial motivations.

Mexico Infrastructure: In August, the U.S.-Mexico Infrastructure Conference will be held in San Antonio, TX to follow up the 1993 U.S.-Mexico Border Infrastructure Finance Conference. Several hundred senior business executives and government officials, including members of the Mexican and U.S. Cabinets, are expected to attend the Conference to discuss economic growth policies to benefit both countries.

DEPARTMENT OF LABOR

Minimum Wage: On July 2, Secretary Reich delivered a major speech on the minimum wage at the National Press Club. The Secretary addressed proposed congressional action to attach amendments to your minimum wage increase that would seriously limit the scope of any increase. He also reiterated your commitment to veto any bill that did not provide for a clean minimum wage increase.

Employment Statistics: On July 5, Secretary Reich will release the national employment and unemployment numbers for June.

Garment Industry: On July 11, Secretary Reich will travel to NY City to meet with DOL staff who are investigating wage and hour violations in the NY garment industry. The Secretary will meet with representatives of the fashion industry press to highlight sweatshop abuses.

Child Labor: On June 28, Secretary Reich, along with Senator Harkin, Reps. Kennedy, Smith and Miller, participated in an event to announce the International Labor Rights Fund's campaign to eliminate the use of child labor in the production of soccer balls. The Secretary also opened public hearings on child labor issues.

Boston Harbor: Labor has begun an Occupational Safety and Health Act enforcement trial against ICF Kaiser, the construction manager for the Deer Island/Boston Harbor cleanup project. A Kaiser employee was killed while trying to board a "man trip," a powered train that carries employees to the project's underwater tunnel. Kaiser was cited along with a contractor for failing to provide safe access to the work area.

Collective Bargaining Update:

McDonnell Douglas: On June 27, the first talks since the beginning of the McDonnell Douglas strike were held. Nearly 7,000 workers, who walked off their jobs due to contract disagreements, were represented by the Machinists of St. Louis, MO.

Longshoremen: Negotiators for the International Longshoremen's and Warehousemen's Union and the Pacific Maritime Association intensified negotiation efforts as they approached the July 1 expiration of their present contract that covers 8,000 longshore and dockside workers at ports in CA, OR, and WA.

NY Hospitals: On June 24, some 6,000 workers represented by the Service Employees Union struck at seven hospitals and six nursing homes in NY. On June 27, the parties returned to the bargaining table for the first time since the strike began.

Auto Workers: The United Auto Workers (UAW) and each of the Big Three U.S. Auto Makers have begun negotiating contracts to replace those expiring on September 14. On August 22, UAW will announce their intentions to negotiate a pattern settlement. Some 400,000 auto workers are covered by the UAW's contracts, with more than half of them employed by General Motors.

G.I. Bill: Workforce development legislation is still in conference. Negotiations among the Republican Conferees have continued and a purely partisan bill, which does not address your concerns, is possible. On June 27, Senator Kassebaum spoke on the Senate floor attacking both the Administration and right wing interest groups.

Labor Racketeering Hearing: On July 11, the House Government Reform and Oversight Committee will hold a hearing on Labor Racketeering. Davitt McAteer, the Solicitor of Labor, will testify.

DEPARTMENT OF TRANSPORTATION

Mesa Air Group: On July 2, the Federal Court of Appeals for the DC Circuit vacated DOT orders that required air carriers to continue to provide transportation to small communities under the Department's Essential Air Service (EAS) program at reduced subsidy levels. DOT argued that it had authority to reduce the subsidies which it had previously agreed to pay, and that EAS carriers were not allowed to terminate EAS services without providing advance notice. DOT urged that its position was consistent with the statutory mandate that EAS services are to be provided without interruption. The Court rejected these arguments, holding when any reduction in subsidy levels occurs carriers can terminate EAS services immediately and without notice.

Olympics Security Equipment: The Federal Aviation Administration (FAA)-certified In Vision CTX-5000 Explosives Detection System, operated by Delta Air Lines under the terms of a grant from FAA, is now fully operational for checked baggage screening during the Olympics at the Atlanta Hartford International Airport.

Pipeline Failure: On June 27, a 36-inch Colonial pipeline failure released an estimated 1,034,100 gallons of diesel fuel oil into the Reedy River near Simpsonville, SC. Temporary repairs have been safely made to allow the pipeline to operate until a new crossing can be drilled under the Reedy River later this year. On June 30, approximately 886,578 gallons of oil were removed by tanker trucks from recovery points established along the river.

SMALL BUSINESS ADMINISTRATION

Gore-Chernomyrdin Meetings: On July 15, Administrator Lader will travel to Russia to participate in the Gore-Chernomyrdin Conference. He will meet with his Russian counterpart to discuss agreements between the two agencies.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Disaster Activities: Preliminary Damage Assessments (PDAs) have been completed in MN, NJ and PA due to flooding and tornadoes, and recommendations are expected to be sent to you soon.

Drought Task Force: On June 26, FEMA coordinated a Multi-State Drought Task Force meeting in Albuquerque, NM with the following states: CO, TX, UT, AZ, NM, KS, and OK. The DOI, USDA, DOC, DOL, HUD, SBA, and the U.S. Army Corps of Engineers also participated. The issues identified as being of great concern by the states were cattle feed, potable water, fire prevention, municipal water supplies going dry, financial and technical assistance, economic hardship, loss of agricultural income, and wild life protection.

DEPARTMENT OF JUSTICE

Violence Against Women: On June 19, a Connecticut district court upheld the constitutionality of the civil rights provision of the Violence Against Women Act. This provision allows the victims of gender-motivated violence to claim civil remedies against their attackers in state or federal court.

Supreme Court's Final Decisions for 95-96 Term:

- Reversing 9th and 6th Circuit Decisions, the Court held that the forfeiture of the proceeds of drug trafficking and of property used in drug trafficking did not constitute punishment for purposes of the double jeopardy clause.
- The Court invalidated the male-only admissions policy of the VMI, holding that women's exclusion from VMI could not be remedied by creating a separate women-only institute.
- The Court upheld the applicable *habeas corpus* provisions of the Antiterrorism and Effective Death Penalty Act of 1996, deciding that the Act does not deprive the Court of jurisdiction over original habeas petitions filed in the Court, and the Exceptions Clause of Article II are not violated in courts of appeals.
- The Court decided that campaign party expenditures were independent and therefore constitutionally protected.

- The Court held that the First Amendment protects independent contractors from the termination or prevention of renewal of contracts in retaliation for their exercise of the freedom of speech.
- First Amendment challenges to the 1992 Cable Television Act resulted in the Court upholding one section that permits the cable operator to allow or prohibit such programming on leased access channels. However, the Court struck down sections requiring operators to block indecent programming on leased access channels and allow viewer access only upon written request.

Hawaii Drug Seizure: On June 17, the Bakersfield, CA Police Department executed a search warrant on a UPS parcel destined for Honolulu containing 17 pounds of methamphetamine, and forwarded the package to Honolulu. On June 18, members of the Honolulu Airport Task Force and Honolulu Police Department made a controlled delivery of the package which resulted in one arrest. This constitutes the largest methamphetamine seizure made to date in Hawaii.

Border Drug Conference: On July 10, the Attorney General will join General McCaffrey in El Paso, TX to host the Southwest Border Drug Conference. The purpose of the conference is to learn first-hand about the challenges faced by those officials and agents who guard our 2,000 mile border with Mexico.

Crime Event: On July 8, the Attorney General will join you and Secretary Rubin at the White House to announce the Administration's strategy to trace guns found on criminals.

Juvenile Crime Statistics: On July 12, the Attorney General will participate in a White House event to announce the latest juvenile crime statistics.

Child Pornography: On July 8, the Senate Judiciary Committee will hold a hearing on DOJ's handling of "Project Special Delivery," a nation-wide sting operation to arrest child pornographers. The Committee has requested AZ U.S. Attorney Napolitano as a witness.

Organized Crime: On July 11, the Human Resources and Intergovernmental Relations Subcommittee of the House Government Reform and Oversight Committee will hold a hearing on efforts by DOL to keep organized crime out of the labor movement. The House Crime Subcommittee is beginning a major investigation into the Administration's dealings with LIUNA and its President, Anthony Coia.

Press Activities: ABC's *Good Morning America* is interviewing Jamie Gorelick for a piece on the general nervousness of Americans based on recent threats of domestic violence. *The New York Times* is working on a story on crime and the criminal justice system under the Clinton Administration.

or early next. DOJ received a request from Stewart Harris, Producer of *Prime Time Live*, for correspondence from former Senator Dole to DOJ "on behalf of or regarding private citizens, corporations or business interests."

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Teen Births: According to the latest statistics, teen birth rates in the U.S. declined in 1994 for the third straight year. The birth rate among teens ages 15-19 was 5 percent lower than the recent high of 62.1.

AIDS: On July 6, the CDC will issue a release on a national survey of AIDS policies and education programs in the workplace. This survey reveals that nearly half of American worksites have implemented HIV/AIDS workplace policies and one in six worksites offered their employees education programs that address HIV and AIDS.

HIV/AIDS Trends: On July 6, CDC will issue a press release disclosing that the U.S. has made major strides in HIV prevention. While delivering good news about HIV prevention, the release also states that each community faces unique challenges and will require new tools as we move into the next era in HIV prevention. Annual increases in AIDS cases have slowed from more than 85 percent in the mid-eighties, to the current rate of less than 5 percent.

Physical Activity Report: On July 10, HHS will release the Surgeon General's Report on Physical Activity and Health. This report is a comprehensive review of everything known about the linkage between physical activity and good health. It emphasizes the significant health benefits to regular moderate physical activity. HHS is working with the White House to coordinate the rollout with the Vice President.

RU-486: On July 19, the FDA's Reproductive Health Drugs Advisory Committee will consider data submitted by the Population Council as part of a New Drug Application (NDA) for RU-486. FDA routinely refers NDAs to this Advisory Committee and asks the panel for a recommendation on the safety and effectiveness of the drug. This meeting is open to the public and is likely to generate major media attention and possible anti-choice demonstrations.

Welfare Waivers: HHS may make decisions on Welfare Proposals for CA, CT, KS, TN, MN, and IL during the next few weeks. These will be the first demonstrations for KS and TN, bringing the total number of states receiving waiver approvals during your administration to 42.

Wisconsin Welfare Reform: HHS is currently in the 30 day public comment period and has received more than 2,000 letters and petitions containing more than 3,000 signatures, most opposing the waivers. HHS is committed to reaching final decisions on the WI request later this month.

Adoption Opportunities Program: On July 8, a *Federal Register* notice will announce the availability of approximately \$2.1 million in FY96 funds for demonstration grants to State child welfare agencies and public or private non-profit adoption agencies to remove barriers that hinder the adoption of special needs children in the child welfare system.

Infant Formula: Next week, the *Federal Register* is expected to publish a proposal approved by Secretary Shalala to revise existing infant formula regulations and to establish requirements for quality factors and current good manufacturing practice. FDA is proposing that infant formulas contain and be tested for required nutrients and that they be produced under strict microbiological controls. The proposal leaves to the manufacturer's discretion the determination of how to incorporate those elements into the production system.

FY 1997 Labor/HHS Appropriations: On June 25, the House Appropriations Committee on Labor, HHS, Education and Related Agencies approved the FY97 appropriations bill. The bill would fund HHS (except for FDA and the Indian Health Service) at \$30.0 billion, which is \$331 million more than FY 1996 levels, but \$1.1 billion less than you sought. No funding was provided for several programs, including your Teen Pregnancy Prevention Initiative, the Healthy Start program and Community Based Family Resources Centers.

Secretary's Schedule: On July 7, Secretary Shalala will be in Portland, OR to participate in events for Rep. Furse. On July 8, Secretary Shalala will be in Vancouver, B.C., to speak at the XI International Conference on AIDS. Later that week, the Secretary will be releasing the Surgeon General's Report on Physical Activity and Health, and will depart for Russia to attend the Gore-Chernomyrdin Health Care Committee Meeting.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Increased Homeownership for Latinos Initiative: On July 5, Secretary Cisneros will hold a press conference in Boston to announce HUD's new effort to target advertising, education and counseling programs to help more Latinos become homeowners. HUD will work with mortgage lending institutions and Latino groups to achieve a goal of 47 percent of Latino households who are homeowners by the year 2000.

Homeownership Zone Program: On July 11, Secretary Cisneros will make \$100 million available to cities to support large-scale homeownership initiatives that will help rebuild distressed inner-city neighborhoods. The Homeownership Zone program aims to revitalize our nation's communities by reclaiming tracts of vacant land to renovate whole

7-8-96

neighborhoods. Specifically, the \$100 million will help 5-10 cities make abandoned neighborhoods livable again by helping them build more than 200 attractive homes.

*Leon
C. Daley*

Chicago Public Housing: On June 27, Mayor Daley announced his plan for a massive redevelopment of Chicago's near north side, which includes the transformation of Cabrini Green. Eight high-rise and mid-rise buildings will be demolished to make room for a new community of public housing, affordable garden-style apartments and market-rate townhomes for families and individuals of all income levels. The Mayor's plan involves \$50 million in federal HOPE VI/Severely Distressed Public Housing funds.

Secretary's Schedule: On July 8, the Secretary will travel to New Orleans, LA, to tour public housing developments and testify at the Housing Subcommittee's field hearing on the turn around of the Housing Authority of New Orleans. On July 12, he will be interviewed by *Dateline NBC*, on public housing accomplishments. On July 14, he will travel to Houston, TX, to address the National Association of Counties Annual Conference. On July 16, the Secretary will travel to Denver, CO, to address the national Council of La Raza's 1996 Annual Conference.

OFFICE OF NATIONAL DRUG CONTROL POLICY

Southwest Border Conference: On July 9, Director McCaffrey and Attorney General Reno will co-host the Southwest Border Counterdrug Conference in El Paso, TX. Secretary Rubin will participate in the conference for several hours. All federal agencies and bureaus, as well as a number of state and local agencies immediately involved in the counterdrug effort on the U.S./Mexico border, will be represented.

Drug Trafficking Conference: On July 15, Director McCaffrey will host the High Intensity Drug Trafficking Areas (HIDTA) Conference to discuss the effectiveness of our Nation's drug control efforts and to recommend improvements to the HIDTA Program.

The National Governor's Association: On July 12, Director McCaffrey will address the National Governor's Association Annual Conference in Puerto Rico. While in Puerto Rico, the Director will also address the Federal Bar Association; meet with Governor Rossello; visit a drug treatment facility; meet with the PR/USVI High Intensity Drug Trafficking area (HIDTA) Executive Committee and participate in an Editorial Board.

VETERANS AFFAIRS

Chicago's Medical Centers: On June 27, VA announced that the integration of Chicago's Lakeside and West Side VA Medical Centers under a common management structure had been approved. The University of Illinois/Chicago Medical School is continuing its effort to kill VA's plan to integrate the West Side and Lakeside VA Medical Centers in Chicago (located six miles apart). With OMB concurrence, Secretary Brown

wrote to Representative Collins to advise her of VA's intention to move ahead with the administrative merger and to consider consolidation of hospital and outpatient services only after an open, participatory process.

Little Rock National Cemetery: On July 11, National Cemetery System Director Jerry W. Bowen will be the keynote speaker in the dedication ceremony for the new administration building at Little Rock National Cemetery.

National Disabled Veterans Wheelchair Games: On July 6, Secretary Brown will officiate over the closing ceremony of the National Wheelchair Games in Seattle, WA. He will commend the athletes for overcoming their disabilities and excelling in sports, as well as discuss this Administration's accomplishments on behalf of veterans and their families.

SOCIAL SECURITY ADMINISTRATION

Arrest of Doctor for Supplemental Security Income Fraud: Dr. Ted H. Kobashigawa was recently arrested in Sacramento, CA, for defrauding the State's Medi-Cal program. Allegedly, Dr. Kobashigawa was providing questionable medical evidence to enable Southeast Asian refugees to qualify for SSI disability benefits.

Press Activities: In the next several weeks, *NBC's Nightly News* may air a segment involving SSA's union activities as part of its "Fleecing of America" series.

DEPARTMENT OF THE INTERIOR

Mollie Beattie: On July 11, the DOI has planned a memorial service for Mollie Beattie which will be held in the Department's auditorium. Secretary Babbitt, Assistant Secretary Frampton, Senators Leahy and Jeffords, and Madeleine Kunin will be speaking.

Land Exchange: A draft DOI Inspector General's report criticizing the BLM's land exchange program in NV for failing to obtain fair market value was leaked to the NV news media and members of Congress. According to news reports, the BLM mishandled land exchanges which resulted in taxpayers' losing an estimated \$12.2 million. Rep. Ensign has called for a hearing to be held later this month, and he, Rep. Hansen and Rep. Young have demanded a moratorium on further land exchanges in NV.

Grazing Bill Update: The week of July 8, the House Resources Committee is expected to file their report on the grazing bill. It is expected that the grazing bill or its essential elements will be added to the Presidio legislation with numerous other additions. Secretary Babbitt and Secretary Glickman have sent letters to Congress indicating they would recommend a veto of the bill if grazing were attached. A draft letter for Mr. Panetta's signature is now circulating between White House Legislative Affairs, OMB and CEQ. This would reiterate in the strongest possible terms the dire consequences if bad grazing legislation is added in conference.

Secretary's Schedule: On July 9, Secretary Babbitt will travel to Atlanta, GA to participate in the official opening of the Martin Luther King, Jr., National Historic Site Visitor Center.

UNITED STATES DEPARTMENT OF AGRICULTURE

Salvage Timber: On July 3, Secretary Glickman issued a directive to address public concerns about how the Forest Service has implemented salvage timber sales. The Secretary will direct the Forest Service to make policy clarifications in the emergency salvage logging program in order to increase public knowledge and involvement in decision making.

Wheat Disease: USDA is making progress on actions designed to assist those affected by the Karnal bunt fungus that has been detected in some U.S. wheat. On July 5, an interim rule will be published in the *Federal Register* to provide details on the Karnal bunt compensation plan for those who incurred losses and expenses because of the Karnal bunt quarantine and emergency actions. Another July 5 *Federal Register* interim rule will remove areas of AZ, NM and TX from the quarantine.

Rice Exports: Secretary Glickman registered a strong protest to South Korean Ambassador Kun Woo Park in a meeting on July 1 regarding Korea's failure for the second consecutive year to fulfill a verbal understanding assuring substantial U.S. participation in its rice imports. After an absence of more than 18 months from the rice export market, China has sold more than 70,000 tons of japonica brown rice to South Korea to the detriment of American exporters.

Livestock/Drought Initiative: Using the authority granted by your emergency declaration, Secretary Glickman recently announced that USDA will make available \$40 million of assistance for the purchase of feed in drought-stricken areas of the country.

Wildfires: There have been over 68,000 wildfires reported, totaling more than 2.4 million acres which is twice the 5 year average for this time of year. At present, there are 6 fires in CA, ID, and AZ which are larger than 500 acres and less than 100 percent contained.

Endangered Species: A U.S. District Court recently ruled that the National Marine Fisheries Service must decide by the end of July whether to recommend federal protection

for the West Coast steelhead trout under the Endangered Species Act. A decision to list the species would have wide-ranging effects on logging, farming, fishing and development throughout portions of CA, ID, OR and WA.

 **Empowerment Zones/Enterprise Communities Update:** The next cycle selections for FY96 Rural Business Enterprise Grants have been approved. Notification has been sent to the White House for \$2.3 million in Empowerment Zone/Enterprise Community projects in AR, CA, FL, LA, NC, OK, and WV.

Secretary's Schedule: On July 15, Secretary Glickman will speak at the International Agriculture Summit in Kansas City, MO.

Press Activities: On July 4, *National Public Radio* is expected to air a story about the shortage of USDA inspectors in meat and poultry processing plants. The story is a follow-up to a May 23 *Wall Street Journal* article that discussed the number of unperformed inspection tasks in plants in Madison, WI.

DEPARTMENT OF ENERGY

Nuclear Cleanup: By the week of July 7, DOE is scheduled to release the 1996 Baseline Environmental Management Report to Congress. The annual report describes the activities, schedule, and estimated costs for completing the environmental cleanup of the U.S. nuclear weapons complex. Although this year's estimate of more than \$200 billion is similar to the 1995 estimate, it includes significant productivity improvements allowing for more cleanup for every dollar spent.

Gore-Chernomyrdin Commission: On July 13, Secretary O'Leary will participate in the Gore-Chernomyrdin Commission in Moscow. By the end of this commission session, DOE expects to have agreements in place to conduct materials protection, control, and accounting activities at all Russian Ministry of Atomic Energy controlled sites.

Hanford Community Development: On June 27, DOE convened a meeting with local officials and developers to help mitigate the effects of downsizing at the Hanford site in Richland, WA. DOE presented a portfolio of community projects which include the retention and rehiring of Hanford personnel into the private sector and the creation of new jobs and businesses. In attendance were the recipients of the first \$2.1 million grant to the Hanford community and those who will be receiving additional grant money.

DEPARTMENT OF EDUCATION

Confirmation: Deputy Secretary Kunin has been confirmed as the U.S. Ambassador to Switzerland and will be leaving in August.

Hopwood v. Texas: On July 1, the Supreme Court announced that it will not review this case. The Court neither affirmed nor reversed the decision of the Fifth Circuit Court of Appeals that the affirmative action admissions program of the University of Texas Law School violates the Equal Protection Clause of the 14th Amendment. The action of the Supreme Court leaves standing its own decision in the Bakke case that race can be a plus factor in the admissions process. The Department intends to provide further guidance to colleges and universities after a closer review of the case in light of the Supreme Court's denial of certiorari and consideration of its implications.

FY97 Appropriations: On June 25, the House Appropriations Committee completed its markup of the Department's FY97 Appropriations bill. Floor action is expected following the July 4 recess. The Committee provided \$22.8 billion in discretionary funds for the Department. This equals the 1996 appropriation but is \$2.8 billion less than your request. The Committee eliminated funding for Goals 2000, Safe and Drug-Free Schools National Activities, State Student Incentive Grants, Star Schools, Eisenhower Professional Development, and federal capital contributions for Perkins Loans. Administrative funds for Direct Loans and Federal Family Education Loans were significantly reduced. Increases were provided for Pell Grants, College Work-Study, TRIO, and Chapter 2 Block Grants.

ENVIRONMENTAL PROTECTION AGENCY

Legislative Action: On June 26, the House passed the VA, HUD and Independent Agencies Appropriations bill to fund EPA at \$6.5 billion (you requested \$7.027 billion).

D.C. Drinking Water: Last week, D.C.'s Department of Public Works was notified by EPA Region III that D.C. is expected to exceed the maximum contaminant level for total coliform for the month of June. Exceeding the total coliform limit does not require a boil water advisory, but D.C. will be expected to provide public notification to its customers.

OFFICE OF PERSONNEL MANAGEMENT

Investigations Privatization: On July 7, the privatization of OPM Investigations Service becomes effective as about 700 employees leave Federal service and open the new, employee-owned U.S. Investigative Services, Inc. (USIS). OPM issued the notice to proceed on its contract with USIS after the United States District Court for the District of Columbia denied a request for a preliminary injunction against execution of the contract sought by other private investigations firms. We expect additional inquiries, particularly since critics have tied the privatization to the White House files controversy. OPM will issue a news release on Friday about the start-up of USIS and has sent talking points to the White House Press Office.

GENERAL SERVICES ADMINISTRATION

Treasury Building: GSA staff were actively involved in providing 500 temporary work stations in the Ariel Rios building on Pennsylvania Avenue for Treasury staff forced by the fire to vacate.

Oklahoma Bombing: A sophisticated and comprehensive badge system for the media, court staff, federal employees and participants in the trial was initiated. The system identifies those who have access to different parts of the Federal complex, including the press rooms, court building, and court room. In addition to upgrading security for government-owned buildings, GSA also started guard service on Monday at two nearby buildings where space is leased for government agencies. GSA reports that both the security and media needs of the forthcoming trial are being met.

DEPARTMENT OF STATE

Netanyahu Visit: In addition to his meetings with you and Secretary Christopher, Netanyahu's visit on July 9-11 will include meetings with Secretaries Perry and Rubin, DCI Deutch, and Jim Wolfensohn at the World Bank. The Vice President will host a reception at the State Department for selected members of Congress and the American Jewish Community. Netanyahu will see the Chairmen of the House and Senate Foreign Relations Committees and other key members and will address a Joint Session of Congress.

Chemical Weapons Convention: On June 28, the Senate agreed, by unanimous consent, to vote on the Chemical Weapons Convention (CWC) prior to September 14.

DEPARTMENT OF DEFENSE

Counterdrug Project: 173 military personnel are currently deployed to support Operation Laser Strike, the operation to locate drug target areas and provide imagery intelligence in South America. With this assistance, Colombia recently reported that 5 laboratories were located and destroyed; 44 hectares of coca were destroyed; 14 kilos of cocaine base were seized; 14,563 kilos of cocaine leaf were seized; and 64,000+ gallons of liquid chemicals and petroleum were seized.

Cuban Exiles: On July 13, Cuban exiles are continuing to organize their flotilla. The USCG is the lead agency and will conduct low key, over the horizon monitoring of the event and mark the 12 nautical mile territorial limit. DoD will provide monitoring support to the USCG.

CA Base Conversion: The Army has agreed to transfer two sections of the former Fort Ord to local groups for use as transitional housing. One finding of suitability to transfer was signed with the Housing Authority of Monterey County. The second was signed with

Interim, Inc., a non-profit organization designated a "McKinney homeless provider" by HHS. The transfers will take place in accordance with your 5 point plan for economic revitalization of communities affected by base closure.

North Korea/FY96 Funding for KEDO: The House and Senate are converging on a U.S. contribution of \$13 million, as opposed to the \$25 million sought by the Administration. This figure is well below what the ROK and Japan expect from the U.S. and what is appropriate given its national security importance. The full Senate will address this issue after the July 4 recess. DOD is working with NSC and State to secure an amendment that would restore funding to the full amount.

UNITED NATIONS

Europe Travel: Ambassador Albright is joining the First Lady for part of her tour of Central and Eastern Europe, July 1-7. She met Mrs. Clinton in Warsaw and will travel to Prague and Bratislava with her.

Haiti: On June 28, the Security Council adopted a resolution that creates a new UN Support Mission in Haiti (UNSMIH) whose main goal is to assist the government in professionalizing the police force and maintaining security.

Cyprus: On June 28, the Council extended the 22 year old mission in Cyprus for another six months. The resolution also condemned the fatal shooting of a Greek Cypriot National Guardsman earlier in June. On July 15, Ambassador Albright has scheduled a visit with Special Envoy Richard Beattie to Turkey, Greece and Cyprus.

CENTRAL INTELLIGENCE AGENCY

Gaming a Future China-Taiwan Crisis: CIA's new Integrated Regional Threat Group recently used gaming as a tool to simulate a China-Taiwan crisis. The game's main conclusion was that as new weapons systems come on line, China could prevail in an assault on Taiwan's main island within the next decade, in the absence of U.S. intervention. This conclusion is a departure from previous assessments, which are more skeptical of China's capabilities. The game also showed the usefulness of coalition-building by playing out reactions to the crisis from Japan, Korea, and Southeast Asian states.

Olympic Safety Threat: Terrorism and weapons analysts at CIA are briefing key Administration officials, including the Attorney General, about the chemical, biological, and radiological (CBR) threat to the U.S. in advance of the Olympics. Subversive cults and *ad hoc* extremist groups pose the greatest threat and various chemical and biological agents appear to be their weapons of choice among the CBR options.

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

THE WHITE HOUSE
WASHINGTON

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: Jonathan Gardner

Fax Number: 65709

Phone Number:

FROM: John Trinidad

SUBJECT: Sample of Video Description

DATE: 7-8-96

NUMBER OF PAGES (including cover sheet): 2

MESSAGE: Feel free to
call if you have any other questions

If all pages are not received, please call 202/456-2702

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THE WHITE HOUSE

WASHINGTON

November 1, 1995

VIDEO FOR THE SALUTE TO JAPANESE AMERICAN VETERANS

This video is being taped for playing at the "Salute to Japanese American Veterans" in the Yorty Hall of the Los Angeles Convention Center.

The event, organized by the Japanese-American National Museum, will be co-sponsored by the Department of Veterans Affairs, Department of Defense, Japanese-American veterans associations, and community leaders.

A dinner will be held for approximately 3,000 guests, followed by an entertainment program for an estimated 8,000 guests. The audience will be comprised of both Asian American and non-Asian American community and political leaders.

It will be the largest gathering of the Asian American community in California this year.

The entertainment program will feature prominent Japanese-American, Asian American and non-Asian American entertainers in a musical and dramatic tribute.

In addition to paying tribute to the contributions of Japanese-American Veterans during WWII, the event will kick off the opening of the Japanese American National museum exhibit "Fighting for tomorrow--Japanese-Americans in America's Wars"

MESSAGE CONFIRMATION

JUL-08-96 13:26

FAX NUMBER : 2024562215

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FAX NUMBER : 65709

PAGE : 02

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RESULTS : O.K

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To J Quinn Fy1 -

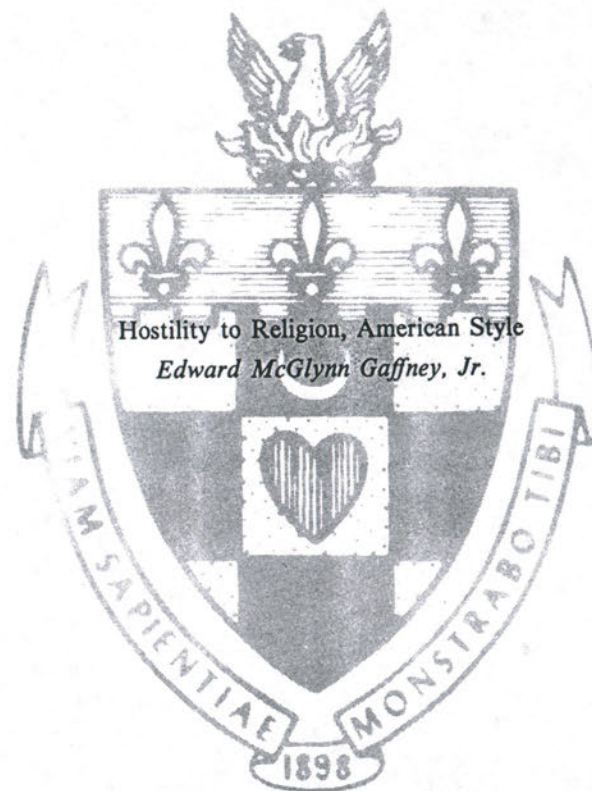
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THE PRESIDENT HAS SEEN
7-8-96

BC

DEPAUL LAW REVIEW



Hostility to Religion, American Style
Edward McGlynn Gaffney, Jr.

Volume 42

Fall 1992

Number 1

BRIGHAM YOUNG UNIVERSITY LAW REVIEW



SYMPOSIUM NEW DIRECTIONS IN RELIGIOUS LIBERTY

*Kenneth W. Starr
Stephen Pepper
William P. Marshall
Rex E. Lee
Ruti G. Teitel
Mark Tushnet
Ralph C. Hancock*

*Emily Fowler Hartigan
Michael W. McConnell
Edward McGlynn Gaffney, Jr.
Douglas Laycock
Ira C. Lupu
Angela C. Carmella
Wayne McCormack*

J. REUBEN CLARK LAW SCHOOL

VOLUME 1993

NUMBER 1

THE PRESIDENT HAS SEEN

Wrasno 7-8-96

→ met at NEA
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→ cc CTS at Camp
for supplies
K. HANCOX
PR

(Return card to R. Cameron)

or can we come to the Inauguration
in January 97



Bridgeport

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Felipe Felipe Reinoso Civil Rights
Award
Program Director 1994

- Saturday Hispanic Academy in Science
at Sacred Heart University
- Close Up Foundation
Bridgeport Public Schools

W. Harding High School, 1734 Central Avenue, Bridgeport, CT 06610

Mr. Clinton

7/3/96

I meet you, before you became
President of this great Nation, at
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to the youth particularly the Latino
youth, things haven't change much
I take students from Bridgeport CT.
to Washington DC. Could we visit you →

cc: Rasco / note + card
orig note + copy of
card to RM
copy of note +
original card to
Rebecca Cameron
ETS/Hancox/choon
copy of both

(I)

E. J. Dionne and Amy Schwartz articles on family values. Don Baer forwards these Washington Post pieces from the last two weeks. "E.J. does a good job of setting up your positions and contrasting them with the competition. . . . Although E.J. doesn't go this far, we can blend the strictly 'cultural' critique of the Right and the more purely economic complaints of the Left into your own approach -- going beyond to make it clear you are addressing genuine concerns from both sides by pushing for economic relief (e.g., family leave, college loans) and support for stronger values (e.g., tobacco, TV violence) to help families face harsh forces."

- (J) Article about David Ford, one of the CEOs with Ron Brown. Via Kitty Higgins. David's mother wanted you to see the article she wrote about her son.
Correspondence is working on a reply.

We also received the following items:

- **Thank you from former President Bush.** He thanks you for remembering his birthday. "So far, being a septuagenarian doesn't hurt a bit. Warm regards to you and Hillary, in which Barbara joins."

THE PRESIDENT HAS SEEN
7-8-96

THE WHITE HOUSE
WASHINGTON

July 5, 1996

96 JUL 5 PM 1:11

Pick up on this night
MEMORANDUM TO THE PRESIDENT

FROM: DONALD A. BAER *DB*
SUBJECT: FAMILY VALUES OP-EDS

Does an great job of setting up your positions and contrasting them with the competition. The analysis can help in speeches, interviews, etc.
Attached are Washington Post pieces from the last two weeks by E.J. Dionne and Amy Schwartz on family and values.

In particular, E. J. does a good job of setting up your positions and contrasting them with the competition. The analysis can help in speeches, interviews, etc.

Although E.J. doesn't go this far, we can blend the strictly "cultural" critique of the Right and the more purely economic complaints of the Left into your own approach -- going beyond to make it clear you are addressing genuine concerns from both sides by pushing for economic relief (e.g., family leave, college loans) and support for stronger values (e.g., tobacco, TV violence) to help families face harsh forces.

E. J. Dionne Jr.

Fight Over 'Family Values'

"I'm not worried that my kids will be the victims of crime," said the single mother of two and the holder of two jobs. "I'm worried that they'll commit crime."

That surprising comment, quoted last week by House Democratic leader Richard Gephardt, was one mother's way of summarizing a lot of different problems in one mouthful. She was saying that (1) she had to spend too much time working outside the home, so (2) didn't have enough time to raise her kids properly, (3) didn't trust the influences her kids would come under (from television and perhaps their own friends) and (4) felt responsible for the possibility that her kids would turn out wrong.

Welcome to the new "family values" debate of 1996. It's different from the old family values debate because this time both political parties are playing hard to define its terms.

We all can be forgiven a certain skepticism. We know in advance that the rhetoric we'll hear comes straight from the polls and focus groups. We know in particular that President Clinton's proposals on school uniforms, curfews, the V-chip and flexibility for parents in the workplace are targeted straight at a crucial swing constituency in this election: middle-class married couples, mostly in the suburbs, worried that they are losing control over their kids' upbringing.

But none of this should be allowed to trivialize a debate that actually matters. What's involved is a struggle between two conceptions of what the "family values" issue really means. On one side is the view championed mostly by Republicans that what's wrong with the country's families was caused either by bad government programs or bad values that engulfed the culture during the 1960s.

On the other side are Democrats who argue that the problems with our "values" are rooted in economic problems faced by families. In this view, the values of most parents are just

A lot of Americans are worried that we're creating a society in which kids are more likely to become criminals.

fine, thank you. What is driving parents crazy is a lack of time with their children (because they have to work too much) and a sense that public institutions aren't giving them enough help. In an effort to wrap all this discontent together in one package, the Democrats this week staked their battle to recapture Congress on a manifesto entitled "Families First."

Of course partisans on either side of this debate inject their arguments with some subtlety. Republicans will acknowledge some role for government. They will talk a lot about the failure of the public authorities to control crime and also criticize the performance of the public schools.

Democrats know they'll be accused of thinking that government has all the answers. "People don't want big-government solutions, and they don't want empty promises," the Families First document asserts, more than a trifle defensively. In his speech on families this week, the president went out of his way to sound like the Bill Bennett of "The Book of Virtues" and the war on Hollywood. Parents, said Clinton, worried that "even if I teach my kids good values, will something in the society, in the culture, change my child's life or destroy it?"

Now here's the surprising possibility: This debate could be constructive. For years, "family values" has been rhetoric used to split the electorate. For Republicans "family values" has been a way to cast the



BY BARRIE MAGUIRE

Democrats as advocates of an alien, permissive culture. Democrats charged that Republican talk about "family values" was a way of toeing the Christian Coalition line and trashing gays and single mothers.

This time, practical questions may be put on the table. Clinton's proposals on workplace flexibility and leave time for parents to go to teacher conferences may be modest, but they speak to a real problem. The congressional Democrats' efforts to provide full health coverage for kids are modest too, but they raise the right issue. For their part, the Republicans could do the country a favor if they gave up refighting the '60s culture wars and instead promoted a real argument over the quality of public education.

My guess is that a redefined family values debate will be to the Democrats' advantage. Republicans like the old debate just fine—it's easy to trash "Murphy Brown"—and are reluctant to raise questions about how the economic system is disrupting families.

But whatever its partisan effects, the new debate is going to happen, if only because voters are telling pollsters they want it to. A lot of Americans are worried, with that single mother, that we're creating a society in which kids are more likely to become criminals. Ought that not be a big part of the 1996 debate?

Amy E. Schwartz

Work vs. Family—Too Many Secrets

Earlier this month, as the annual flood of fathering and mothering rhetoric from Father's Day and Mother's Day crested and began to ebb, President Clinton added a few well-chosen but wholly unreported drops of verbiage to the topic in a speech at Glendale Community College. After reiterating his Princeton commencement offer of a tax credit to ease payment of tuition—the part of the speech that got the headlines—the president pointed out that his listeners, working at jobs and classes and child-raising simultaneously, are engaged in “hard, hard work.”

We need, he said, to think about how a society would look “in which people can succeed at work and at home.”

How can you be successful in your job or in a series of jobs over a lifetime and be successful in building a family? How can you do well raising children as well as going to work every day, and if necessary, going back to school over and over again for a lifetime? And if

you think about it, any great society that forces people to make a choice in the end is going to fail. If you have to fail at home in order to succeed at work, we're in trouble. But if the only way you can succeed at home is to fail at work, we're in trouble.

This is so sensible an observation, in line with the fears and preoccupations of a vast cohort of young parents, and yet so glaringly absent otherwise from the usual exhortations to those parents—especially, still, mothers—to spend more time with their kids, that its failure to attract any press coverage was unnerving. No news story I saw so much as mentioned the work-family part of the speech, though wire services carried the full transcript; some stories discussed the tuition tax credit plan, others led with Clinton's gracious remarks on the occasion of Bob Dole's Senate retirement.

The same relative silence marked the next week's “Family Reunion” summit in Nashville, where both the

First and Second Couples talked at length about work and family issues. It wasn't on front pages when the president issued a call for corporations to adopt a variety of small-scale “family flexibility” policies that are supposed to let parents coordinate their hours better—for instance, a guarantee of 24 hours' unpaid leave a year to attend school functions or teacher meetings.

Doesn't anybody think this stuff worth discussing? The president's words were unusual in being framed so as to apply to both fathers and mothers, recognizing the career-family issue as a struggle for both parents even if one is the major breadwinner and the other has taken a few years off. But congressional Republicans too have taken up the flexibility theme. A group of Republican women offered a proposal that avoids mandating anything and leaves the actual granting of flextime in employers' hands. But it shares enough points with Clinton's plan that the Dole cam-

paign responded to the latter by accusing the president of stealing yet another conservative initiative.

That flexibility for both parents would be claimed as a conservative issue shows how far this discussion has moved since the last wave of Father's Day rhetoric. A year ago, when the day featured the first big Washington rally of the Christian men's group Promise Keepers, the argument most often heard from that and other evangelical groups was not just that children suffer if their fathers desert them—everyone now seems to agree on that—but that the modern, involved “new father” who did his bit with child care was somehow also an “absent father.” Why? Because his involvement amounted to blurring away the presence of a traditional daddy-not-mommy person, one who went out to work and was demanding and distanced.

This year, that silly argument is fading. The “Father Facts” booklet produced by the National Fatherhood

Initiative, a moderate group, has a section on father-work conflict and supportive employer policies and notes that “about 20 percent of preschool children in 1991 were cared for by their fathers—both married and unmarried—while their mothers worked.” (It also cites a Harvard study that showed involved fathers over four decades advancing faster, not slower, in their careers.)

For evidence that these changes are well-kept secrets, ignored by the culture even when the president and Congress debate them, consider the New York Times science section the day Clinton spoke at Glendale. In it, a profile of the noted biologist Shirley Tilghman, recently elevated to the National Academy of Sciences at age 49, described how she had addressed a group of young female scientists at Yale and told them that they, like her, could raise children while having a successful career as a scientist.

The women, Tilghman said, didn't believe her. They told her that her

experience would be impossible today and that they expected to have to make a choice between “gametes and glory.” Repeated surveys of college-age students have conveyed similar results: A majority of women students—but far fewer men students—dread those choices and think career-family issues will be a terrible struggle.

When people try to imagine work and family life, a lot depends on what stories they hear told and retold. How many times by now have we heard the story of a parent—usually, not always, a mother—deciding that family is more important than job, that you can never make up for slighting your kids, that you should read to them more and give them quantity, not just quality time? Enough, already: Let's finish the stories. Once you've decided to do all this, then what? How do you manage? What happens next?

The writer is a member of the editorial page staff.

7-8-97

(C)

Quinn/Chirwa memo on Supreme Court's July 1 denial of cert in Texas v. Hopwood. *History.* Hopwood challenged the UT Law School's "dual-track" admissions program which used lower numerical admissions standards for minority candidates than for non-minority candidates. The district court held the program unconstitutional, and the law school abandoned it in favor of an admissions program fashioned after the Court's 1978 ruling in Bakke which approved the use of race as a factor. Although the constitutionality of the law school's new admissions program was not at issue before it, the 5th Circuit affirmed the district court's ruling, and held that contrary to Bakke, universities may not take race into account when making admissions decisions if the goal is simply to further diversity. *Cert Petition.* In filing for cert, Texas did not appeal the lower courts' judgments that the law school's original "dual-track" admissions program was unconstitutional, but requested that the Court overturn the portion of the 5th Circuit ruling regarding the inapplicability of the Bakke holding. DOJ filed an amicus brief in support of cert urging the Court to declare that Bakke remains the law of the land. *Supreme Court.* Although the Court declined to hear the case, the concurring opinion by Justices Ginsburg and Souter acknowledged the issues raised by the 5th Circuit's ruling regarding the vitality of Bakke. They did not view Hopwood as the appropriate case to resolve those issues, however, because the constitutionality of the law school's current admissions program was not squarely at issue before the Court.

(D)

Gibbons memo on Japanese support for science. The GOJ is embarking on a major expansion of federal support of research. By the year 2000, they plan to have a \$37 billion non-military science and technology budget (about the same dollar level as the U.S., and double their 1992 budget). "While we are focused on the struggle with Congress to protect our S&T budget, I also urge that we take great care in our own budget planning.... Under current Administration projections we are headed for a substantial retreat in support for S&T. For the first time in history, Japanese government spending on S&T could eclipse our own federal research investments."

(E)

Rasco follow-up on FDA review of Myotrophin. Carol is monitoring the FDA approval process of the drug which may benefit June Davison, wife of Fred Davison, and others with ALS. The FDA has granted patients and doctors early access to the drug while it remains under study. Cephalon Inc., the manufacturer, expects demand for the drug to exceed supply, and therefore is planning to distribute it through a lottery and has set up a toll-free number to register patients for the lottery. Carol has forwarded this news to the Davisons.

(F)

Tyson memo on Pete Peterson's Atlantic Monthly article. Laura forwards a detailed assessment of the piece in response to your inquiries.

(G)

Sec. Reich memo on "GI Bill of Rights." He forwards a recommended statement. *We have forwarded copies to Laura Tyson, Don Baer and Gene Sperling.*

(H)

Sec. Reich's July 2 National Press Club speech, "Nickel-and-Diming America's Working Families." He suggests that it may be useful for a radio address.

TO Don Baer
this is a
0/18
A good comparison of what
they are and want

THE PRESIDENT HAS SEEN
7-8-96

MEMORANDUM TO THE PRESIDENT

From: RBR

Date: July 3, 1996

RE: "GI Bill of Rights"

96 JUL 5 11:22

You may want to make a statement like the one I have attached.



Attachment

A year and a half ago I proposed replacing our bureaucratic system of job training with a market-based system. I asked Congress to consolidate the federal government's 70 different job-training programs and give people who had lost their job vouchers instead, up to \$2,600 worth, which they could cash in at a local community college or technical institute and get the training they needed, when they needed it. Participating institutions would issue "report cards" on how they were doing placing people in new jobs, so that laid-off workers could be wise shoppers. Local businesses, educators, and citizens from their communities would oversee one-stop career centers, where workers could get career guidance.

Last fall it looked like we had a good, bi-partisan effort going. But then something happened. For over 6 months, the other side simply disappeared into negotiations with themselves. The product that emerged a few weeks ago is a real disappointment. Vouchers have shrunk to little pilot projects. There are no report cards at all. In fact, there are no standards -- most of the training dollars simply go to state bureaucracies, with no accountability. There are no local workforce development boards. And our hugely successful School-to-Work apprenticeship program (in which over a half million young people are now involved, with 100,000 participating businesses) would be terminated.

What happened? The idea was hijacked by the radical right -- by Phyllis Schlafly and her Eagle Forum. [...]

If Congress sent me a bill tomorrow which did all the things we set out to do -- consolidate programs, offer vouchers and report cards, create community-based workforce development boards, and continue our School-to-Work program -- I'd sign it in a heartbeat.

UNITED STATES DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY

712

To: ~~The President~~
Fr: RBR

96 JUL 3 P12:00

Usch. for Sat. radio address?

THE PRESIDENT HAS SEEN
7-8-76

WORKING FOR AMERICA'S WORKFORCE

Nickel-and-Diming America's Working Families

Robert B. Reich
U.S. Secretary of Labor

The National Press Club
Washington, DC
July 2, 1996

The day after tomorrow, families across this land will engage in our annual celebration of the American Dream. Next week, the United States Senate will decide whether that dream is to be available to all hard-working families.

Struggling working families are the unspoken heroes of America. Mothers and fathers, working long hours at tough jobs, sometimes doing two shifts. Doing work that's hard on muscles and joints. Doing what needs to be done: Janitors, maids, child-care workers, cashiers, busboys, fork-lift operators, gas-station attendants. The people who vacuum the boardrooms, file the papers, answer the phones, serve the food, cut and sew the clothing, empty the bedpans, pick the crops, sweep the halls.

These are the invisible workers of America.

Over ten million of them earn less than \$5.15 an hour.

And they are the voiceless workers of America. They are not what the Beltway types like to call a "special interest." There is no National Association of Working Poor on K Street to lobby their cause in the halls of Congress.

These are the people who sit at kitchen tables late at night figuring out which bills they must pay, which can let slide a few more weeks. Hoping they or their kids stay healthy because they can't afford to see a doctor. Worrying that their golden years will go sour because they have no pension.

They're not on welfare, although some come dangerously close. They don't need a capital gains tax cut, because they have no capital. They don't need a "medical savings account" because they can't afford to save. They simply work hard -- very, very hard -- and play by the rules.

Today, in the most powerful nation on the planet, in the most successful economy in the world, almost one out of ten working families lives in poverty.

National productivity is up. Corporate profits are up. Unemployment and inflation are down. So far under our watch 9.7 million new jobs have been created -- most of them paying well.

This economy is doing better than it has in three decades.

But millions of struggling families are in danger of being left behind.

And that's why the fight now being waged in Washington is so important.

-- We're proud of having expanded the earned income tax credit for 15 million hard-working, low-wage families. But the other side wants to contract it.

-- We want to protect the extra overtime pay on which so many hourly workers depend, and at the same time give working families the flexibility to take overtime as extra leave. But they want to give employers -- not employees -- the right to decide whether and when extra leave should substitute for extra pay.

-- We want to crack down on sweatshop employers who cheat their workers out of hard-earned wages. But they continue to cut the number of workplace inspectors.

-- We want to expand opportunities for working people and their children to get the education and skills they need -- including at least two years of free tuition at an average community college. The other side seeks to cut funds for education and job training.

-- We want to give poor working women safe, affordable child care. But they disagree. They won't provide the child care that poor women need in order to move from welfare to work.

-- We want to preserve and protect the right of hardworking people to seek a better life by forming unions and bargaining for better wages and benefits. The other side wants to gut this right by allowing companies to set up sham unions.

Perhaps no issue better dramatizes the plight of struggling working families -- and the struggle here in Washington to help them -- than the President's effort to pass a modest 90 cent increase in the minimum wage. We want to raise the minimum wage because \$4.25 an hour-- \$8,500 a year -- is not a fair wage. The other side disagrees.

Who are these invisible workers, who would benefit if the minimum wage were raised? More than two-thirds are adults. Almost 60 percent are women. More than a third are the sole breadwinners in their households.

Talk about family values. We recently found that some 2.3 million children live in poor or near-poor families where a worker would get a raise if the minimum wage were increased 90 cents an hour.

The minimum wage is nearing a 40 year low in terms of real purchasing power. The last increase, five years ago, has been all but wiped out by inflation. 97 percent of it already gone. But the other side continues to fight, delay, obstruct, do whatever possible to deny hardworking families this modest 90-cent adjustment for inflation.

Let me tell you what they're up to now. Raising the minimum wage is so popular with the American public, who recognize it as an issue of basic fairness, that the other side wants to set things up next week so that they can seem to be voting in favor of it.

Don't be fooled. It's a cruel shell game. They plan to amend it with a series of exceptions whose net effect will be to deny this 90-cent-an-hour raise to millions of workers.

Here's shell game Number One: They propose to exclude anyone who's in a job less than six months. Because low-wage workers change jobs so often, the practical effect of this would be to deny a raise to 42 percent of workers who would otherwise get one. That's four million working people.¹ And you don't need to be a rocket scientist to know that this provision will create a powerful incentive for employers to push people out of jobs before the 6 months is up. The President will veto any bill with this cynical amendment.

Shell game Number Two: They want to exclude anyone employed by a company with less than half a million dollars in yearly earnings. This is much broader than the small business exclusion in current law. Workers in fully two-thirds of all businesses would be denied a raise. Another guaranteed veto.

Shell game Number Three: They want another six month delay -- until January 1997. Remember it's been nearly a year-and-a-half since the President first offered his minimum wage proposal. In fact, the second installment of that raise -- to \$5.15 an hour -- would be taking effect this week if the other side hadn't blocked it. Another six months will cost a minimum wage worker \$878. When you're making only \$8,500 a year, \$878 makes a big difference. Another reason to veto.

They are pushing other mean-spirited exclusions. Consider this one, directly from the pockets of the restaurant industry: They want to deny any increase to tipped employees like waiters and waitresses. That's two million people right there who wouldn't get a raise.

¹ Tabulations from the Current Population Survey. See Appendix A.

So this is their response to the invisible workers of America: Here's 90 cents -- unless you're among the excluded millions, who will be locked into a minimum wage at a 40-year low.

Enough of this pettiness. Stop nickel-and-diming America's struggling working families. The economy is strong. People at the top are doing better than ever. You've delayed and obstructed long enough. Vote a clean 90 cent increase in the minimum wage, and do it as soon as you return next week.

Let us resolve this Fourth of July weekend that the American dream will be available to every American who puts in a hard day's work. And when the Senate returns next week, let them honor the people who do the work that keeps America going.

###

Appendix A

**Percentage of Hourly Paid Workers by Hourly Wage Rate and Tenure with Current Employer.
(16 years and over, Total reporting specific tenure; February 1995)**

	Total	\$4.25	\$4.25 to \$5.14
1 year or less, Total	35.5%	76.6%	66.8%
6 months or less	20.4%	54.4%	42.3%
0 to 1 month	5.5%	15.3%	12.1%
0 to 3 months	11.2%	32.5%	24.2%
More than 1 year, Total	64.5%	23.4%	33.2%

Source: Unpublished tabulations from the Current Population Survey.

Note: The percentages in this table are based on data from the February 1995 Contingent Work supplement to the Current Population Survey (CPS), which included data on employer tenure. Due to differences in sample, imputation, and weighting, the estimates of the number of hourly workers and of those at or around any specific wage level based on this supplement differ somewhat from the figures derived from the basic monthly CPS earnings sample.

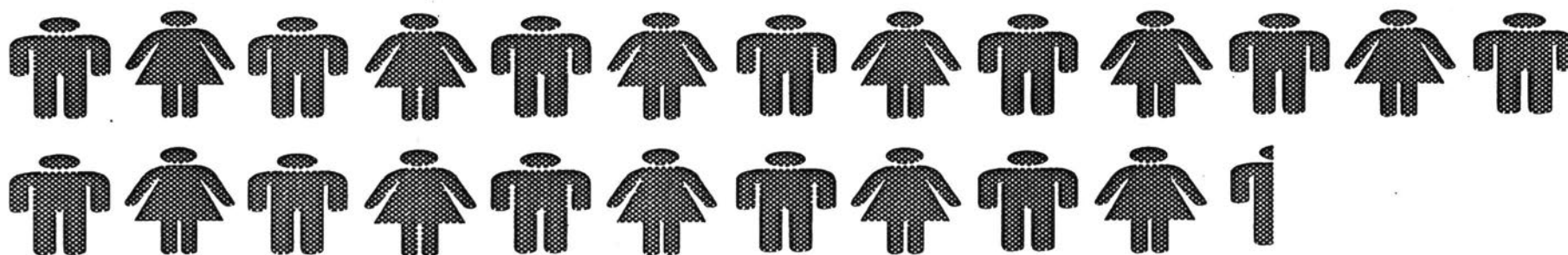
Also, estimates of the number of hourly paid workers and those at particular wage levels are known to vary during the course of the year due to seasonal fluctuations in the labor force. Seasonality likely affects job tenure patterns as well; however, tenure data are only collected in occasional supplements to the CPS.

Minimum Wage Increase: Who Benefits?

U.S. Department of Labor

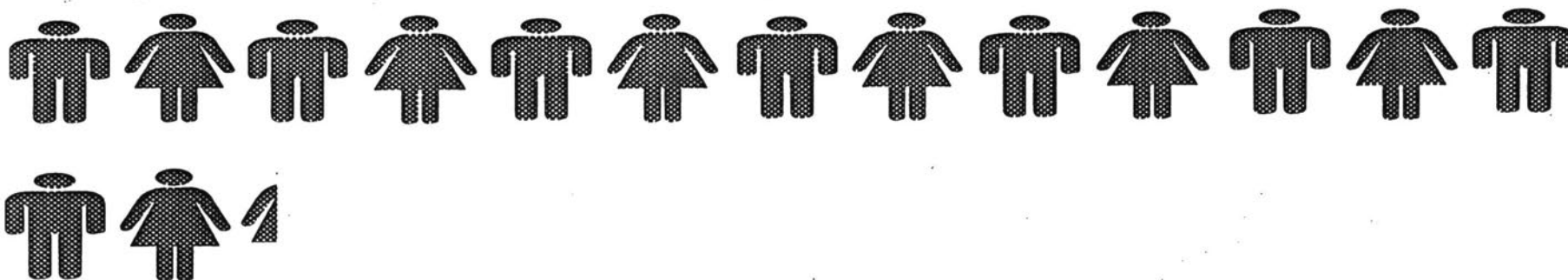
July 2, 1996

Kids benefit



2.34 million kids in poor or near-poor families . . .

Including:



. . . 1.52 million kids in poor or near-poor families with only a single breadwinner

Each icon = 100,000

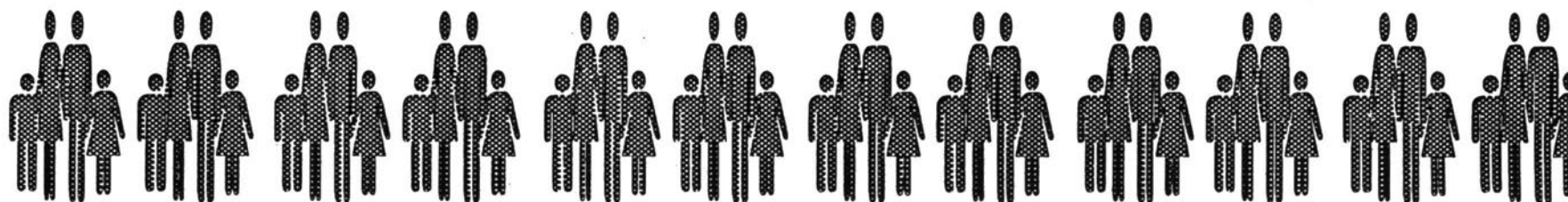
Source: Economic Policy Institute,
based on 1995 Current Population Survey

Minimum Wage Increase: Who Benefits?

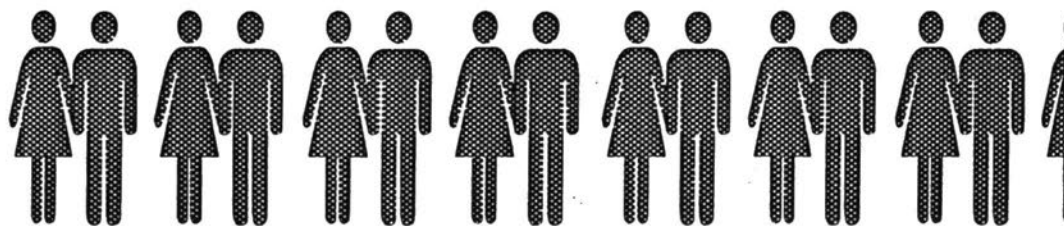
U.S. Department of Labor

July 2, 1996

Families benefit



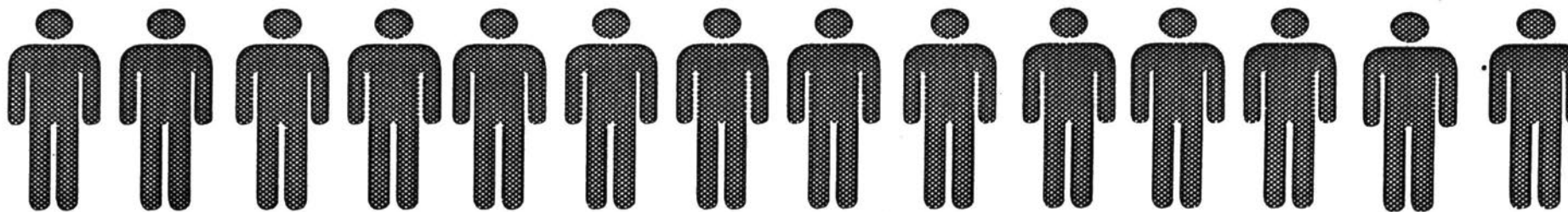
1.19 million families with children



720,000 families with no children

Each icon = 100,000

Source: Economic Policy Institute,
based on 1995 Current Population Survey



1.39 million single adults

7-8-97

(C)

Quinn/Chirwa memo on Supreme Court's July 1 denial of cert in Texas v. Hopwood. *History.* Hopwood challenged the UT Law School's "dual-track" admissions program which used lower numerical admissions standards for minority candidates than for non-minority candidates. The district court held the program unconstitutional, and the law school abandoned it in favor of an admissions program fashioned after the Court's 1978 ruling in Bakke which approved the use of race as a factor. Although the constitutionality of the law school's new admissions program was not at issue before it, the 5th Circuit affirmed the district court's ruling, and held that contrary to Bakke, universities may not take race into account when making admissions decisions if the goal is simply to further diversity. *Cert Petition.* In filing for cert, Texas did not appeal the lower courts' judgments that the law school's original "dual-track" admissions program was unconstitutional, but requested that the Court overturn the portion of the 5th Circuit ruling regarding the inapplicability of the Bakke holding. DOJ filed an amicus brief in support of cert urging the Court to declare that Bakke remains the law of the land. *Supreme Court.* Although the Court declined to hear the case, the concurring opinion by Justices Ginsburg and Souter acknowledged the issues raised by the 5th Circuit's ruling regarding the vitality of Bakke. They did not view Hopwood as the appropriate case to resolve those issues, however, because the constitutionality of the law school's current admissions program was not squarely at issue before the Court.

(D)

Gibbons memo on Japanese support for science. The GOJ is embarking on a major expansion of federal support of research. By the year 2000, they plan to have a \$37 billion non-military science and technology budget (about the same dollar level as the U.S., and double their 1992 budget). "While we are focused on the struggle with Congress to protect our S&T budget, I also urge that we take great care in our own budget planning.... Under current Administration projections we are headed for a substantial retreat in support for S&T. For the first time in history, Japanese government spending on S&T could eclipse our own federal research investments."

(E)

Rasco follow-up on FDA review of Myotrophin. Carol is monitoring the FDA approval process of the drug which may benefit June Davison, wife of Fred Davison, and others with ALS. The FDA has granted patients and doctors early access to the drug while it remains under study. Cephalon Inc., the manufacturer, expects demand for the drug to exceed supply, and therefore is planning to distribute it through a lottery and has set up a toll-free number to register patients for the lottery. Carol has forwarded this news to the Davisons.

(F)

Tyson memo on Pete Peterson's Atlantic Monthly article. Laura forwards a detailed assessment of the piece in response to your inquiries.

(G)

Sec. Reich memo on "GI Bill of Rights." He forwards a recommended statement. *We have forwarded copies to Laura Tyson, Don Baer and Gene Sperling.*

(H)

Sec. Reich's July 2 National Press Club speech, "Nickel-and-Diming America's Working Families." He suggests that it may be useful for a radio address.

TO DONALD
THURSDAY
JULY 10
GALILEO
0/20
A good copy of the speech
has been made and will
be sent to you

7-8-76

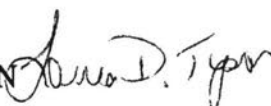
THE WHITE HOUSE

WASHINGTON

96 JUL 3 11:35

July 1, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: LAURA D'ANDREA TYSON 
SUBJECT: ASSESSMENT OF PETE PETERSON'S *ATLANTIC MONTHLY* ARTICLE

In a recapitulation of many earlier writings, Peter Peterson describes in dramatic terms how the sharp increase in the ratio of elderly Americans to the working-age population will put severe stress on the economic relationships between generations -- most notably as more resources are required to service Social Security and Medicare. While demographics predict that elderly in the United States will grow as a proportion of the total population, that prediction, by itself, does not lead to dire consequences. Moreover, the policy prescriptions suggested by Peterson are generally more radical than warranted by the scope of the policy problem.

Overview: Peterson argues strongly against what he calls the "entitlement ethic", where Americans claim many government-provided benefits as a right. He notes that if current policy choices are maintained indefinitely, non-discretionary spending (e.g., Social Security, Medicare, Medicaid, and interest on the Federal debt) becomes an ever-larger fraction of total government spending. Peterson attributes much of the increase in non-discretionary spending to changing demographics, particularly the projected aging of the population.

None of this is news -- the Administration's annual budget notes this trend, the recently-released reports on the status of the Medicare and Social Security Trust Funds make the point in the context of the respective programs, and the Administration's Health Care Task Force noted that Medicaid and Medicare spending were on unsustainable paths.

The questions to be addressed before formulating policy are how big are the respective problems and how much of each problem is attributable solely to an aging population as opposed to other factors. For instance, per capita health care costs are projected to grow far faster than the economy for almost any forecast horizon, while per capita costs for Social Security recipients are expected to grow in line with the economy as a whole.

Peterson notes that by 2030, Americans over age 65 are projected to comprise 20 percent of the total population. But looking at just the fraction of the population that is elderly can be misleading. For example, the 1996 *Economic Report of the President* notes that while the fraction of the population that is elderly will grow rapidly beginning around 2010, the fraction that is made up of children is declining. The total dependency ratio -- the fraction of total population under 20 and over 65 -- is projected to grow only slightly over the next 75 years, failing to reach the levels experienced without great fiscal stress in the 1980s. Even though the elderly have different needs than children, the ability to shift resources between age cohorts means the potential future problem is not insurmountable.

The dire predictions made by Peterson (and others who write on these topics) reflect the inexorable accumulation of Federal debt, as a result of continued projected deficits, with ever-higher Federal interest payments taking up increasing shares of the Federal budget (and GDP). But through a form of policy judo, steps taken today to partly reverse the financial outflows can make compound interest work to support significant improvements in projected future interest payments. This indicates the benefit of starting sooner rather than later to address these policy concerns.

Peterson blames the current system of maintaining separate trust funds for various entitlement programs (e.g., Social Security and Medicare Part A) for making it difficult to reform them, since the trust fund system masks their "pay-as-you-go" nature. However, the system of trust funds is partly responsible for the great political support these programs enjoy, because people feel their "tax contributions" are "earmarked" for their personal future benefit, even if this is not actually the case. In any event, Peterson's criticism of trust fund accounting is not really essential to his main argument.

Peterson's Policy Prescriptions: Peterson makes six broad policy recommendations in the article. They include:

- (1) Balance the Federal budget by 2002 and run a budget surplus for many years thereafter.
- (2) Reform entitlement spending programs by:
 - (a) Subjecting all entitlements to "means-testing" whereby people with incomes above \$40,000 per year lose 10 percent of their benefits for every \$10,000 of additional income (however, for those with incomes over \$125,000, only 85 percent of benefits are eliminated). Affected entitlement benefit programs include Social Security, Medicare (presumably the insurance value of Medicare coverage), Federal pensions, farm payments, veterans' benefits, and Medicaid;
 - (b) Raising the normal retirement age for Social Security and Medicare to 70 by 2015 (this compares with the gradual increase to 67 by 2027 scheduled under current law);

(c) Establishing limits on Federal health spending by moving to vouchers, managed care, or higher deductibles and co-payments for Medicare and Medicaid; and capping or eliminating the tax favored treatment given to employer-provided health coverage.

(3) Encourage Americans to work longer through education efforts about the value of older workers and through the repeal of the Social Security earnings test.

(4) Establish a system of fully-funded, privately-managed mandatory retirement accounts to which 4-6 percent of pay is contributed each year. This would be a precursor to replacement of Social Security with private accounts.

(5) Shift to a consumption-based tax system.

(6) Mount a broad-based public education program on the importance of saving.

Virtually all of these proposals are intended to increase the amount of savings in the U.S. economy -- both public savings (lower deficits) and private savings. For many of these proposals, the expected effects on saving arise directly from the policy (e.g., a lower Federal deficit directly increases public saving and shifting to a privatized Social Security system would substitute pre-funded private retirement plans for a largely pay-as-you-go public system). Other proposals have an indirect effect on savings. For instance, Peterson argues that means testing for Federal payments would reduce people's expectations of future cash flows from the government, leading them to increase their current saving rate to support future consumption out of individual resources.

Assessment of Peterson Proposals: Most of the policy prescriptions posed by Peterson are more extreme than warranted by the seriousness of the underlying policy problems, but are consistent with his exaggerated portrayal of them.

Some of Peterson's prescriptions are already being undertaken to some extent, via Administration initiatives to implement its growth agenda. For instance, the Administration has proposed a plan that is projected to result in budget balance by 2002. The Administration signaled support for and you ultimately signed legislation to increase the amount that Social Security recipients can earn without having their benefits reduced. The Administration proposed pension simplification legislation that would encourage employers to establish simple, portable, fully-funded pension accounts for their workers. A number of savings and investment incentives were proposed by the Administration and enacted in 1993 and others have been proposed since then. Finally, a wide-ranging education campaign emphasizing the need to save and the value of saving throughout one's lifetime is already being undertaken by the Department of Labor.

Some of Peterson's proposals have been considered and rejected by the Administration. For instance, means-testing for all payments from the Federal government

would undermine the universal support for programs like Social Security, have the same disincentive effect as a marginal tax rate increase on all people with incomes over \$40,000, and strike at the heart of the credibility of promises made by the Federal government to pay pensions and veterans' benefits. Similarly, privatization of Social Security through a system of mandatory private retirement accounts would have several shortcomings including: shifting the risk of fluctuating returns to individuals; eliminating the redistribution that currently takes place within Social Security (by providing higher relative benefits to lower wage workers); substantially increasing transaction costs; threatening the ability to provide insurance against disability and premature death; and undermining the commitment to shared responsibility that characterizes Social Security.

While programs for the elderly will indeed rise in cost as the population ages, we believe that more modest steps than those proposed by Peterson could shore up Federal finances for the foreseeable future. In thinking about how to address these concerns, we note that, for example, Medicare spending per capita is rising rapidly relative to GDP, while Social Security spending per capita is increasing more modestly. Moreover, the potential shortfall in financing health programs such as Medicare is much larger than for other programs. Therefore, we believe that it is useful to separate health programs (such as Medicare) from other programs (such as Social Security) for purposes of both discussion and planning.

One possible strategy for major reform based on this separation would consist of three separate sequential initiatives:

- (1) Short-term Medicare "fix" along the lines contained in the Administration's Budget proposals that would extend the life of the Part A Medicare Trust Fund through 2006.
- (2) A bipartisan long-term Social Security reform process that should be initiated after the November election.
- (3) A bipartisan health reform effort that would address the long-term costs of Medicare, noting that any incremental reforms be chosen so as not to prevent more far-reaching future reforms in other areas of health care.

The latest magazine covers promise some tantalizing lists. Redbook offers "25 Ways He Wants You to Seduce Him." Fitness suggests "10 Things a Couple Should Never Share." (Don't ask.) McCall's provides "6 Things Good Mothers Never Say." Men's Health serves up "27 Great Anti-Fat Foods." (One suggestion: Add pureed chili peppers to nonfat ice cream.) And Glamour blows the lid on "19 Lies Men Tell Women and 19 We Tell Them."

One of the strangest can be found in this week's TV Guide, which outlines "The 100 Most Memorable Moments in TV History." It's a jaw-dropping list, all right, from No. 100 (Mork and Mindy's baby) to No. 1 (Neil Armstrong walks on the moon). In mind-boggling fashion, TV Guide proceeds to mix the real (the O.J. Simpson verdict, the JFK assassination) with the fictional (inales of The Fugitive and Neihart).

Making lists is an American pastime for a public obsessed with "the biggest" and "the most." Fascination with "the best" has gone

arts, in sports, and on television. One of the more pointless debates lately was whether the Chicago Bulls are the greatest basketball team of all time. Who could ever know for sure? Facets of our culture are so subjective. If we could break our selves of this fixation with "the best," we all might be happier. The subtleties and complexities of life don't lend themselves to lists and discussions of "the greatest." But the media show no signs of drawing back on these articles about "the ultimate."

The folks at Time Inc. could be

year. Entertainment Weekly has picked "The 50 Greatest Directors." Jerry Lewis was in, Charlie Chaplin wasn't. People has saluted "The 50 Most Beautiful People in the World." (Brad Pitt was in, Tom Cruise wasn't.) And Time has listed "America's 25 Most Influential People." (Martha Stewart, Calvin Klein and Courtney Love made the cut.)

Frivolous, you say? Not when it comes to circulation. A list story on the cover can inflate newsstand sales 20 percent to 25 percent, an Entertainment Weekly editor once told me.

publishers have supplied everything from Rock and Roll: The 100 Best Singles to The 100, about "the most influential persons in history." (The top three, in order, were Mohammed, Isaac Newton and Jesus Christ.)

David Bianculli's new Dictionary of Teleliteracy (Continuum, \$29.95) announces "Television's 500 Biggest Hits, Misses and Events." But the New York Daily News TV critic has the good sense to offer his listings A to Z, from ABC World News Tonight to Zorro, rather than trying to assign numbers to what he considers "indelible television memories."

"I didn't really want to produce these according to importance," said senior editor David Bianculli, who oversaw the project. "What I tried to do was create them on the impact they had on the viewing public."

But the result is a disorienting, hodgepodge. The article blends entertainment and news, exactly what television has long been.

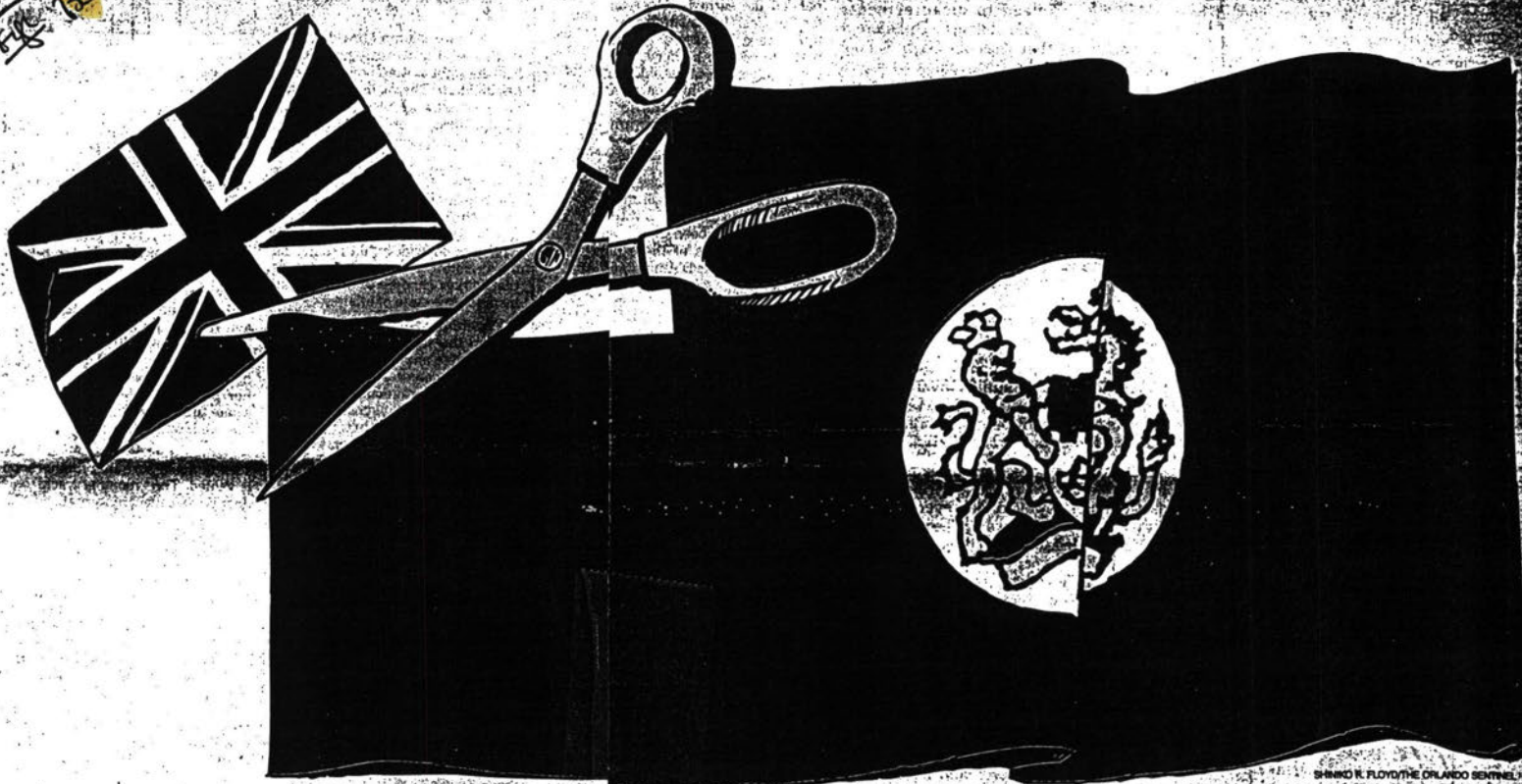
Please see LISTS, G-4

Hal Boedeker, Sentinel television critic, has been writing about TV for seven years.

Countdown for Hong Kong

THE PRESIDENT HAS SEEN

One year from today the country will pass from British rule back to China. Here's what the change is likely to mean.



SHIRAZ H. FLOYD/THE ORLANDO SENTINEL

By Richard Halloran

SPECIAL TO THE SENTINEL

HONG KONG — A year before this next-to-last vestige of European colonialism in Asia passes from British to mainland Chinese rule, Hong Kong Chinese who have chosen to remain here are putting on their best faces for the future but cannot conceal their anxieties.

Anthony Wong, chief planner for the Hang Seng Bank, reflected a widespread mood: "The road ahead will be bumpy. You're going to see a lot of ups and downs. It will be a very uncomfortable ride, but we're going in the right direction."

A prominent politician who considers himself pro-Chinese, Tsang Yok Siang, was more pointed: "The basic trouble is that the British don't believe the Chinese; the Chinese believe the British will leave them behind them; and Hong Kong people trust neither the British nor the Chinese."

At the stroke of midnight between June 30 and July 1, 1997, China will resume sovereignty over Hong Kong after 150 years of British rule. This will entail far more than hauling down one flag and running up another because the culture, politics, economics and legal systems of Hong Kong differ fundamentally from those of China.

For Americans, and indeed anyone connected with Hong Kong, the transition will

be important on at least three counts:

■ Whether the large trade with Hong Kong, and through here into mainland China, will be jeopardized. The United States, Japan, Taiwan and Singapore exported \$73 billion worth of goods to Hong Kong in 1995, much of which went into \$52 billion worth of re-exports to China.

The American Chamber of Commerce in Hong Kong has published a list of 47 concerns about the rights of foreign residents, business and legal environment, communications and transport, banking and financial services, human resources, education and the social climate after 1997.

■ China's treatment of Hong Kong will be a clear indicator of whether Beijing intends to live up to its international agree-

ments. Even if Britain cannot enforce the turnover treaty with China, Beijing's actions will be scrutinized the world over. China has promised Hong Kong "a high degree of autonomy" but Beijing's actions during the past year have caused many in Hong Kong to doubt that China will permit self-government.

■ The return of Hong Kong to China in 1997 and of Macao, the Portuguese colony across the Pearl River estuary, in 1999 will mark the end of the Western imperialism that spread across Asia after the Portuguese explorer, Vasco da Gama, sailed to India in 1498. For the first time in 500 years, all Asians will be their own masters.

In the transition, many Hong Kong Chinese say they are concerned about cultural

changes even if mainland China really intends to allow Hong Kong the promised "high degree of autonomy." That means Hong Kong elects a legislature, retains English common law, controls its police, sets government budgets and retains tax revenues, keeps its convertible currency, manages its foreign-exchange reserves, retains air and shipping agreements, and regulates its borders.

Please see HONG KONG, G-4

Richard Halloran, formerly with The New York Times as a foreign correspondent in Asia and military correspondent in Washington, is based in Honolulu. He wrote this analysis for the Sentinel.

Is it 1996 or 1936? Dole repeating history

By Thomas V. DiBacco

SPECIAL TO THE SENTINEL

Unless Bob Dole finds some issues and engaging rhetoric to jump-start his presidential campaign, the 1996 election

nated by the Grand Old Party in Cleveland 60 years ago this month.

Recall that FDR, like Bill Clinton in 1992, had defeated a Republican incumbent, Herbert Hoover, in 1932. FDR used the Great Depression of his time to catapult himself into the White House;



smoking has addiction?

Watermelon and stereotypes

□ Some racist images cannot be forgotten, but a crystal dish and the good silver help.

By Sherri M. Owens

OF THE SENTINEL STAFF

You bite down into your own life, a chunk of summer and spit out

When I think of hot summers and cool watermelon, I don't get the warm-and-fuzzies. Instead, I feel like someone has kicked me in the gut. Maybe you'll think I'm being too sensitive — we African-Americans are given that label a lot — but I wouldn't bite into a slice of watermelon in "mixed company" if you paid me.

I'm a college-educated twenty-something who has seen the age-old advertisements showing an

into perfectly square, little pieces — or maybe even scooped out in neat, little balls — and placed in a dainty, crystal bowl with the good silver at its side.

As I lean over to take a bite, maybe Mr. Rebel will catch a glimpse and think, "Well, that's different." Who knows? If he realizes his mental image of the barefoot, pickaninny chomping on a watermelon slice is off base, maybe he'll think twice before making

Hong Kong worries China will not give 'high degree of autonomy'

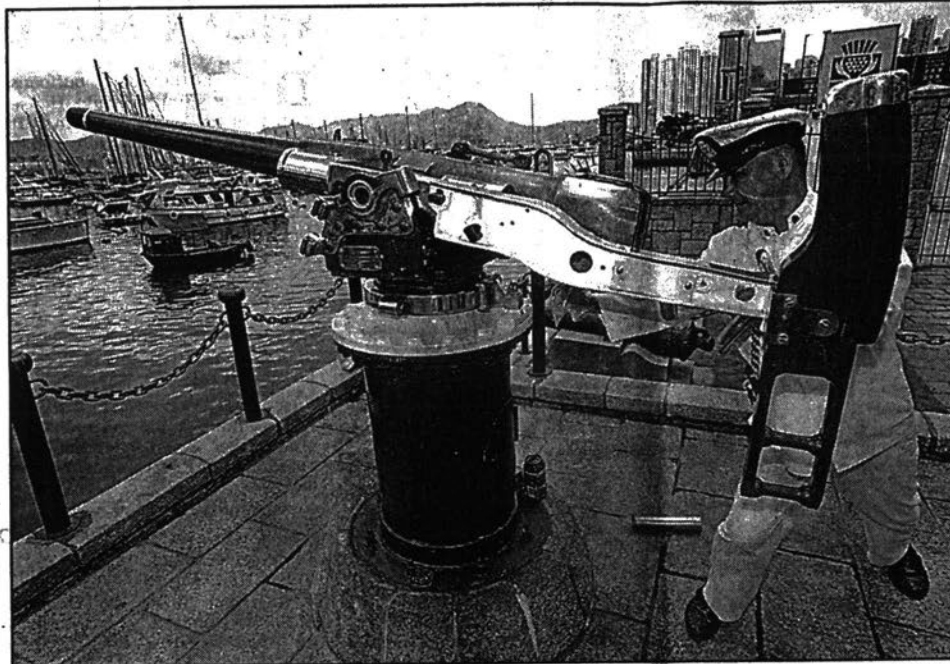
HONG KONG from G-1

The concern is that Chinese bureaucrats may not be able to keep their hands off because they have been so long accustomed to interfering in the lives of Chinese. A senior Hong Kong official who asked not to be identified said: "The Chinese have never once mentioned socialism in our discussions. They want control and power. They are more authoritarian than Marxist."

China's Preparatory Committee, formed to open the way for the takeover, has already laid demands on Hong Kong, including air time on government radio and television to broadcast what the Chinese called "propaganda." In Marxist lexicon, that is a good word. In capitalist Hong Kong, it is pejorative. Hong Kong declined.

Many Hong Kong Chinese worry about the potential for envy and corruption because they are so much better off than mainland Chinese. The per capita income in Hong Kong was \$23,400 in 1995 while that in next door Guangdong province, the richest in China, was only \$915. The commanding general of the Chinese garrison to be stationed in Hong Kong will get \$143 a month, his soldiers considerably less. A European executive said that when Chinese associates come from the mainland on business, three or four will share a hotel room and barely have enough money to pay for meals. "After they take over," he said, "they will be tempted to have their hands out."

Michael M.K. Leung, commissioner of the Independent Commission Against Corruption, established in 1974 to rid Hong Kong of bribery, extortion, smuggling and



A guard cleans Hong Kong's Noonday Gun — a symbol of the British colonial past.

other corrupt acts, sought to be reassuring. "We are getting 100 percent cooperation from the Chinese authorities," he said. "I see no worry in this."

A week of conversations with Hong Kong Chinese leaders, British officials and expatriates turned up indicators that will be watched for the next year:

The first will be Beijing's choice to be the chief executive to succeed the British governor, and whether that person is allowed to be independent or is subservient to Beijing.

An appointment is expected by the end of this year.

A close second are Hong Kong's competent and respected civil servants and whether they stay. Britain has authorized 50,000 British passports for Hong Kong Chinese, half of which have been reserved for civil servants until June 30, 1997.

Another is whether China allows the new Hong Kong government, a separate Special Administrative Region within China, to appoint its chief of police and director of tax-

ation, as agreed between Britain and China.

A struggle over the fate of Hong Kong's Legislature has already erupted. A new Legislature was elected last year; China has said repeatedly that it will not honor that election but will appoint a new Legislature.

Hong Kong law, which is derived from British common law, provides for protection of human rights. Daniel R. Fung, the solicitor general, said China is committed to retaining the legal system: "If this

does not resonate with the man on the street, the system will crumble."

Freedom of speech and the press are a question mark. Some 3,000 Hong Kong Chinese took to the streets on June 2 to protest the Chinese crackdown on advocates of democracy in Beijing in 1989. Hong Kong journalists seem resigned to losing some freedom, particularly after a top Beijing official, Lu Ping, said: "Freedom of press has to be regulated by laws."

Under its authority over foreign affairs and defense, China plans to post 10,000 soldiers of the People's Liberation Army in Hong Kong. People here are wondering whether the PLA will stay in barracks or roam the streets to intimidate people.

Lastly, the exodus of Hong Kong Chinese has slowed. About 500,000 have left, many of them senior and middle managers, since 1984 when Britain agreed to turn Hong Kong over to China. About 43,000 emigrated to Canada, Australia and Asian nations in 1995, down from 62,000 in 1994.

Many middle-class Hong Kong Chinese say they plan to stay, but have acquired passports from other nations in case things don't work out. A senior civil servant said: "I believe Hong Kong is going to be all right, and I don't want to go somewhere else to start over again." But he has sent his sons to school in England.

Curiously, people in Hong Kong seem less worried about the economic future and are counting on their experience in trade and international finance to keep the Chinese from becoming oppressive. They point to the market economy developing in China and argue that Beijing will not let Hong Kong's

prosperity die because it serves Chinese interests.

William K. Fung, a prominent executive who was educated at Princeton and Harvard, was up beat. "I really have faith in this 'one country, two systems' thing," he said. "The Chinese have got to make the world see that Hong Kong and Macao work."

Three years ago, the managers of the Hang Seng Bank examined their options in a series of brainstorming sessions and came up with a five-year plan that included staying in Hong Kong. They decided, as the bank's chief executive officer, Alexander S.K. Au, said recently, that their franchise was in Hong Kong and the bank should focus on Hong Kong and China.

Indeed, China can't seem to wait to muscle in on lucrative Hong Kong businesses. Citic Pacific, a Chinese investment firm, recently forced Swire Pacific, an old British firm, to part with controlling interest in the Cathay Pacific airline at somewhat less than the market value. Beijing thus served notice that it intends to govern Hong Kong's airlines.

Enough Hong Kong Chinese business leaders have sought to compromise with Beijing that the British governor, Chris Patten, exploded in May: "They wouldn't be doing it if most of them didn't have foreign passports in their back pockets. Some say if we just make this accommodation, everything will be all right. But where are they going to draw the line?"

That brought out fresh anti-British sentiment that is never far below the surface here. Grumbled a civil servant: "Patten and the Brits are leaving Hong Kong, so why should he be trying to meddle in our affairs."

Lucy in candy factory rates higher than JFK slaying on TV history list

LISTS from G-1

accused of doing.

The "Who Shot J.R.?" episode on *Dallas* (No. 13) and the finale of *The Mary Tyler Moore Show* (No. 12) butt up against the Reginald Denny beating (No. 11).

Lucy Ricardo's stint in the candy factory (No. 2) is sandwiched between young John-John Kennedy's salute to his assassinated father (No. 3) and Armstrong's lunar stroll.

wants to think of Lucy and the JFK assassination in the same terms?

Or put the Challenger explosion (No. 17) next to the wedding of Luke and Laura on *General Hospital* (No. 16)?

Who watches television that way?

"Different people employ television in different ways," Hiltbrand said. "I wanted this to speak to people who use television to be entertained. For better or worse, those moments have moved people. You look at sheer numbers. The O.J. Simpson verdict transfixed the nation, but so did the shooting of J.R. Ewing."

Everything that comes across televi-

and Joe Namath in pantyhose (No. 61), but those moments won't mean much to younger readers. The assassination attempt on Ronald Reagan didn't even make the Top 100.

Lists, in essence, become showoff exercises. It's fine if David Letterman draws up a facetious Top 10 list.

And most music lovers probably want to know Wynton Marsalis' "14 Greatest Jazz Musicians in History" in *The Book of Lists*. (Duke Ellington is No. 1).

A list can provide insight on a consumer issue — such as "8 Perfect Summer Suits" in *GQ*.

"I, ABC News analyst Jeff Greenfield once told me. Lists give people 'a false sense of their grasp of the universe. You probably know more factoids than you ever knew. But I don't think it gets you very far in understanding the world you live in.'"

Yet there's a strong trend in journalism to factoids. It's a reflection of the tendency toward shorter stories. The list phenomenon moves journalism closer to the box-score approach, a handy-dandy way to catch readers who don't have time to read.

"List stories are a trend that are going

JFK assassination weekend was the most important thing on television, then the moon landing."

But why do we have to have numerical lists to begin with? They seem so juvenile.

And in trying to list our pleasures, we can overlook something, as Hiltbrand did when he left out the birth of Little Ricky Ricardo.

Assessing the whole of television with glib nostalgia, as *TV Guide* has done, seems anachronistic. Television is an expanding medium, with more channels and more players joining the mix all

THE PRESIDENT HAS SEEN

7-8-96

THE WHITE HOUSE

WASHINGTON

June 28, 1996

96 JUN 28 P5:10

RECOMMENDED TELEPHONE CALL

TO: Governor Ben Nelson, 402/471-2244

DATE: This call should be scheduled anytime during the week of July 1.

RECOMMENDED BY: Marcia L. Hale
Director of Intergovernmental Affairs

Doug Sosnik
Director of Political Affairs

BACKGROUND: The Governor called the President last month to discuss his political campaign in Nebraska and is hoping the call could be returned next week.

TOPICS OF DISCUSSION: 1. The Governor's campaign for the U.S. Senate.

CONTACT PERSON AND

TELEPHONE NUMBER: Alison Bracewell x6-7060

DATE OF SUBMISSION: June 28, 1996

ACTION: _____

cc: Nancy Hernreich

attachments

*(Klein/Sosnik)
I called -
we need to discuss
insurance for
tribe - PC
DSCC has played
(167,000)
he was only 7,000 in
house -
in 1994 may need
PC*

THE WHITE HOUSE
WASHINGTON

June 28, 1996

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: Doug Sosnik, Linda Moore and Joe Trahern, Political Affairs

SUBJECT: Governor Ben Nelson (D-NE)

I. SUMMARY

Governor Ben Nelson (D-NE) is currently favored to win the Nebraska Senate race.

II. DISCUSSION

The seat is open because Senator Jim Exon (D-NE) is retiring. Nelson's challenger is businessman Chuck Hagel (R), a decorated Vietnam War veteran. In its most recent issue, the *Cook Political Report* moved the race from "Lean Dem" to "Toss-Up." Hagel is a strong candidate with significant personal wealth and Nebraska is a heavily Republican state. However, most observers believe that the very popular governor, re-elected in 1994 with 74% of the vote, still retains the edge.

The most recent poll, a Mason-Dixon poll of 846 registered voters conducted May 6-8, is summarized below.

GENERAL ELECTION

Nelson	49%
Hagel	35%

FAV/UNFAV

Nelson	55%/12%
Hagel	39%/15%

The most recent poll in the presidential race is a Mason-Dixon poll of 822 registered voters conducted April 4-9 summarized below.

GENERAL ELECTION MATCH-UPS

Dole	49%	Dole	45%
Clinton	38%	Clinton	36%
		Perot	07%

PERSONAL FAVORABILITY

Dole	40% fav/31% unfav
Clinton	33% fav/44% unfav
Perot	14% fav/66% unfav

Nelson and the Vice President spoke several weeks ago. During that conversation, Governor Nelson asked the Vice President for fundraising assistance. The Vice President

told the Governor that he could count on such support. Since that conversation, the DNC raised \$50,000 for the Nebraska Democratic Party and the Nelson campaign was very pleased.

Although it is not likely the reason he has called you, it is possible that Governor Nelson will mention to you that he wants the University of Nebraska womens' volleyball team, which won the NCAA championship this year for the sport, to be invited to the White House for a champions' event. His daughter is currently a student at the University of Nebraska, though she is not on the team. This request is currently pending in the scheduling office.

Governor Nelson is anti-choice and supports legislation banning partial birth abortions. Nelson, however, resisted pressure from Republicans to call a special session to pass legislation outlawing the practice. The National Rifle Association has endorsed Nelson's Senate bid, the first time it has ever backed him. The endorsement came as something of a surprise since Governor Nelson supports waiting periods and background checks and has mixed views on making it legal to carry concealed weapons. Given that Hagel is supportive of the NRA, it is unlikely that the group will play an active role in the race.

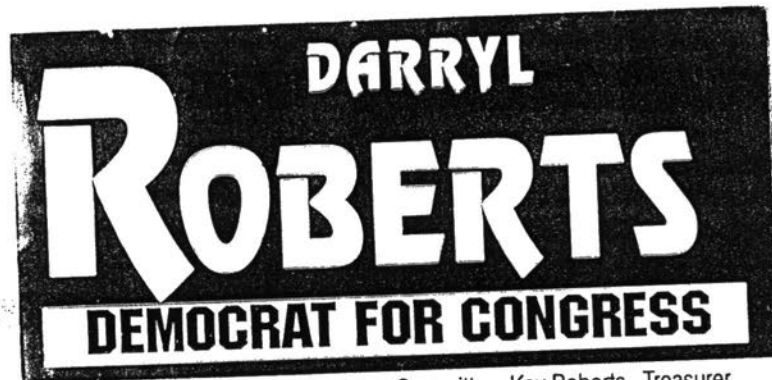
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BC

THE PRESIDENT HAS SEEN
7-8-96



Paid for by Roberts For Congress Committee, Kay Roberts, Treasurer

From a Pres. Clinton Delegate

Please come ride
Pres. Truman's train
with Darryl —

Thanks - See you in
Chicago - Anne Witte OKC

7-8-96

July 1, 1996

Back to US

MEMORANDUM FOR THE VICE PRESIDENT
RON KLAIRFROM: GREG SIMON *AS*
SUBJECT: STRATEGY ON KIDS TV THREE HOUR RULE

In order to elevate the President's visibility on the adoption of the kids TV rule, we should consider meeting with both children advocates and the FCC itself. Given the meeting notice requirements at the FCC, it could be July 25th before they take up the kids TV rule.

There are five proposals:

1. On July 24th, the day before the vote, have a White House meeting with advocates, pep rally style, to celebrate the achievement, complete with kids and kids TV personalities in a Rose Garden party. Discuss our history on the issue and focus on the July 29th meeting at the White House as a discussion of the quality of children's programming.
2. Request the FCC have a special open meeting at the White House before July 25th to discuss the issue with the President and the Vice President.

Problems

- Gives the Commissioners opposing the rule a very high profile forum to complain about big government and attacks on the First Amendment. (We may not mind that given the unpopularity of that opinion).
 - Some may argue that dragging the FCC to the White House even for a an open meeting is undue pressure on an independent agency. Given the open nature of the meeting and the very public position we have on this issue, we have good defenses to a "pressure" argument, especially since we are winning through persuasion, not through a recess-appointment of the fifth commissioner as everyone expected us to. But this option requires careful consideration.
3. Have the President attend a special meeting at the Commission before July 25th to address the Commission about the kids TV rule.
 4. Have the President send a letter to the Commission the day before the July 25th meeting reiterating his support for the rule and noting his call for a White House summit on the quality of kids programming
 5. Have the President visit the Commission Monday July 22nd and address the entire organization in a speech lauding their work on reinventing government, spectrum auctions and what they are about to do on kids TV. This would be a public "list of accomplishments" speech coupled with exhortations about serving children through the V chip, education technology and kids TV.

THE WHITE HOUSE
WASHINGTON, D.C. 20500

DATE:

7/8/96

TO:

John Angell

FROM: Staff Secretary

Any comments/edits?

Please advise. POTUS
will sign this at the noon
event today.

J. Selen

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE SECRETARY OF THE TREASURY
THE ATTORNEY GENERAL

SUBJECT: Implementation of the Youth Illicit Gun
Interdiction Initiative

Firearms violence is a scourge on our society. Homicides committed by young people with firearms have nearly tripled since 1985, and other types of gun-related violence have been on the rise. Too many guns are in the hands of our Nation's children.

Through the Brady Handgun Violence Prevention Act and the Violent Crime Control and Law Enforcement Act of 1994, we have reduced criminals' access to firearms, including military style assault weapons. The Gun-Free School Zones Act of 1990 is working to take guns out of schools, making schools a safer learning environment for our children.

In addition, working in cooperation with State and local law enforcement in unprecedented fashion, Federal investigators and prosecutors have successfully disrupted numerous illicit gun markets across the country over the last 3 years. We need to strengthen our efforts to clamp down on these illegal markets, especially those that provide illicit guns to children.

The Department of the Treasury's Bureau of Alcohol, Tobacco and Firearms (ATF) has developed a pilot program that will trace all guns used in crime that are seized by Federal, State, and local law enforcement officers, and use that trace information to help identify illegal gun traffickers. The project utilizes an innovative computer software system that examines crime gun trace information and provides law enforcement officers with crucial investigative leads about the sources of these guns. By analyzing patterns of gun trafficking that exist in an area, we are developing more effective law enforcement strategies to target illegal gun dealers for prosecution, particularly those who put guns into the hands of our Nation's young people.

I am directing you to implement this project in seventeen pilot cities. In addition, you should work with local, State, and Federal law enforcement in each of these cities to ensure that all illicit guns seized in their cities are traced and to develop joint investigative and prosecutive strategies to combat the problem of illegal gun trafficking. Your efforts should build upon existing partnership programs with State and local law enforcement officers, such as the Anti-Violent Crime Initiative.

You should jointly report to me in writing by August 8, 1997, on the first-year accomplishments of this project.

7-8-96

1 neighborhoods. Specifically, the \$100 million will help 5-10 cities make abandoned neighborhoods livable again by helping them build more than 200 attractive homes.

Chicago Public Housing: On June 27, Mayor Daley announced his plan for a massive redevelopment of Chicago's near north side, which includes the transformation of Cabrini Green. Eight high-rise and mid-rise buildings will be demolished to make room for a new community of public housing, affordable garden-style apartments and market-rate townhomes for families and individuals of all income levels. The Mayor's plan involves \$50 million in federal HOPE VI/Severely Distressed Public Housing funds.

Secretary's Schedule: On July 8, the Secretary will travel to New Orleans, LA, to tour public housing developments and testify at the Housing Subcommittee's field hearing on the turn around of the Housing Authority of New Orleans. On July 12, he will be interviewed by *Dateline NBC*, on public housing accomplishments. On July 14, he will travel to Houston, TX, to address the National Association of Counties Annual Conference. On July 16, the Secretary will travel to Denver, CO, to address the national Council of La Raza's 1996 Annual Conference.

OFFICE OF NATIONAL DRUG CONTROL POLICY

Southwest Border Conference: On July 9, Director McCaffrey and Attorney General Reno will co-host the Southwest Border Counterdrug Conference in El Paso, TX. Secretary Rubin will participate in the conference for several hours. All federal agencies and bureaus, as well as a number of state and local agencies immediately involved in the counterdrug effort on the U.S./Mexico border, will be represented.

Drug Trafficking Conference: On July 15, Director McCaffrey will host the High Intensity Drug Trafficking Areas (HIDTA) Conference to discuss the effectiveness of our Nation's drug control efforts and to recommend improvements to the HIDTA Program.

The National Governor's Association: On July 12, Director McCaffrey will address the National Governor's Association Annual Conference in Puerto Rico. While in Puerto Rico, the Director will also address the Federal Bar Association; meet with Governor Rossello; visit a drug treatment facility; meet with the PR/USVI High Intensity Drug Trafficking area (HIDTA) Executive Committee and participate in an Editorial Board.

VETERANS AFFAIRS

Chicago's Medical Centers: On June 27, VA announced that the integration of Chicago's Lakeside and West Side VA Medical Centers under a common management structure had been approved. The University of Illinois/Chicago Medical School is continuing its effort to kill VA's plan to integrate the West Side and Lakeside VA Medical Centers in Chicago (located six miles apart). With OMB concurrence, Secretary Brown

THE PRESIDENT HAS SEEN
7-8-96

June 25, 1996

M E M O R A N D U M

TO: The President

FROM: Nancy Hernreich
Mildred C. Alston

RE: Recent Correspondence

6/25/96
work circulating?
BR

Edwin Yoder Column - The majority report of Sen. D'Amato's Senate Select Committee on Whitewater is the best argument against its own conclusions -- it reiterates the charges it began with. Their game was to portray behavior of HRC "in the most sinister light." In the predatory and prejudicial climate they established, even the most innocent act was sure to be viewed as confirmation of mischief. A defensive response was understandable and well within the known rules of American politics.

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^EDWIN YODER COLUMN<

^(FOR IMMEDIATE RELEASE, Normally Advance for Wednesday, June 19, 1996)<

^(For Yoder Clients Only)<

^By EDWIN M. YODER, JR.=

WASHINGTON--When Jesse Jackson delivered himself of a bizarre comparison between the bombing of black churches and the Supreme Court's invalidation of racially gerrymandered congressional districts in the South (''at night,'' said he, ''the enemies of civil rights strike in white sheets, burning churches; by day, they strike in black robes, burning opportunities'') he echoed an old joke about Justice Hugo L. Black: ''He used to put on a white robe and run around scaring black people; now he puts on a black robe and runs around scaring white people.''

The reference was to the brief Klan career of this great judicial champion of racial equality. Black redeemed himself by becoming a key participant in the court's unanimous 1954 Brown decision against school segregation--and many others.

In the distraught reaction of Jackson and others to the court's verdict on racial gerrymandering, there is nostalgia for a time when the court seemed to speak clearly--and unanimously--for black aspirations.

But that nostalgia involves a serious misreading of earlier Supreme Court decisions--against racially segregated schools, parks and playgrounds; against Jim-Crow public transportation; and yes, eventually, even against miscegenation laws.

Except in their effect, these earlier decisions were neither pro-black nor pro-white; they were affirmations of equal protection of the laws--a race-blind principle protective of all. Those whose self-perceived interests are served by this or that legal rule invariably extol the rule as eternally right and just. But it's the

(more)

rule, not the application, that matters. The Supreme Court can be a political weather vane following fashionable causes and trends. Or it can be the watchdog of constitutional principle. Not both.

The racial gerrymandering of certain congressional districts (one in North Carolina and three in Texas were at issue in last week's decisions) is a challenging problem for the court. On the one hand the justices are advised that ``to get beyond race, race must be taken into account.'' On the other hand, they hear the ghostly voice of the first Justice Harlan, warning that ``color blindness'' is the essential mandate of the 14th Amendment.

The court has been groping its way in the racial gerrymander cases toward a rule that no redistricting that is ``predominantly'' shaped by racial motives is constitutional. That is a sound rule, however exalted the declared purpose of the gerrymandering may be, and however deplorable it is that many states had not elected black congressmen for almost a century.

We know, in fact, that there is an unexalted side to the matter. The pressure on state legislatures to create ``majority-minority'' districts originated in a sly plan within the Bush Justice Department to herd Democratic black voters into Jim-Crow districts, with the predictable result (wonderfully convenient for the Republican Party) that neighboring districts, thus bleached of biracial coalitions, would elect more Republicans. As they did overwhelmingly in 1994.

The process gained office and visibility for a few new black and Hispanic Democratic representatives, good people for the most part, but at the price of a drastic forfeiture of black influence in a now Republican Congress. It is of more than incidental interest that if black voters chose to distribute their vote less predictably between the two parties, the inflammatory issue of racial gerrymandering would vanish overnight. There would be no purpose, political or constitutional, to be served by race-conscious redistricting.

It is a wonder that black politicians as shrewd as Jesse Jackson do not so much as acknowledge that more is involved in this overheated

(more)

argument than a judicial betrayal of black interests. Jackson's inflammatory remark equates the nocturnal vandalism of thugs with the deliberations of a body that has time and again shown itself a more reliable enemy of racial oppression than any other branch of American government. But by taking a clear stand on neutral principles, independent of political and partisan advantage, the court assures that it will remain a friend of the Constitution.

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