

THE WHITE HOUSE
WASHINGTON, D.C. 20500

DATE: 08/14/96

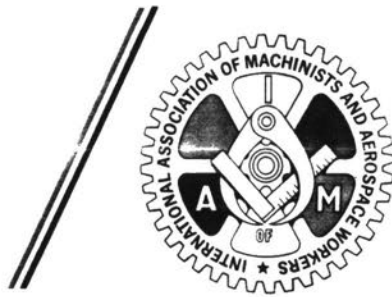
HAROLD ICKES
TONY LAKE
TO: JOHN ANGELL
JENNIFER O'CONNOR

FROM: Staff Secretary

How do you want to handle this?

chron

**International
Association of
Machinists and
Aerospace Workers**



9000 Machinists Place
Upper Marlboro, Maryland 20772-2687

Area Code 301
967-4500



96 AUG 14 P 3: 53
OFFICE OF THE INTERNATIONAL PRESIDENT

CO-3 McDonnell Douglas

August 14, 1996

Subj: McDonnell Douglas Strike

Mr. William J. Clinton
President of the United States
1600 Pennsylvania Avenue
Washington DC 20500

Dear Mr. President,

On June 5, some 6,400 aerospace defense workers struck McDonnell Douglas in St. Louis, Missouri. The company promptly began recruiting "temporary replacement workers" from all across the country.

Some 2,000 replacement workers have been hired. McDonnell Douglas is paying them \$20 an-hour, \$30 an-hour overtime, and providing housing, training and, often, rental cars and \$30 per diem payments. In addition, McDonnell Douglas has complemented their regular guard force by hiring a private security company that specializes in combating strikes.

It is my understanding that the U.S. taxpayers are financing this. Lacking any explicit prohibitions in federal law, military contractors can, and do, bill the Defense Department for costs they incur in a labor dispute.

Such practices by the federal government contradict the explicit intent of the National Labor Relations Act: to promote an "equality of bargaining power" and to protect free, collective bargaining. The federal government should not grant employers an enormous artificial advantage over employees, nor should the government selectively grant defense contractors special bargaining advantages denied to employers not performing work for the U.S. military.

Executive Order 12954 reflected your conviction that government should be a model of fairness and even-handedness in labor management relations, for employers and employees, alike. The practice of federal agencies subsidizing the strike costs of defense contractors is grossly unfair and discriminatory, and it should be halted at once.

CO-3 McDonnell Douglas
August 14, 1996
Page 2

I also write to voice my concerns regarding the safety, quality and cost of military aircraft work being performed by McDonnell Douglas' replacement workers. This work is, indeed, "rocket science." It is often delicate and complex and there is no room for error in high performance aircraft. Human lives are at stake, as the June 19 crash of an F/A-18C in a residential area of Bethalto, Illinois so tragically showed.

The monetary cost of scrapped parts, rework and production delays in aerospace also are extraordinarily high. I often hear from St. Louis residents about damaged equipment and high scrap, rejection and accident rates inside the McDonnell Douglas plants affected by the strike. The taxpayers are absorbing these costs for the company, as well.

I urge you to instruct the Secretary of Defense to conduct an audit of the cost and quality of all aerospace work performed for the government by McDonnell Douglas during the period leading up to the strike and since the strike began June 5. I urge you to disallow any reimbursements to McDonnell Douglas for expenses in excess of normal operating costs and, in particular, to disallow reimbursements for any expenses attributable to the strike.

Mr. President, 6,400 workers in St. Louis and tens of thousands of people throughout the St. Louis region await your response. I look forward to hearing from you soon.

Sincerely,


George J. Kourpias
International President

GJK/baw

cc: R. Gephardt
Gov. Carnahan
R. Reich, Sec. of Labor
W. Perry, Sec. of Defense
M. Kantor, Sec. of Commerce
H. Ickes, Asst. to the President & Dep. Chief of Staff
John Sweeney, President, AFL-CIO

NATIONAL SECURITY COUNCIL

96 JUL 31 A8:13
July 30, 1996

To: Todd Stern

From: Andrew D. Sensi *[Signature]*

Please review the attached package #4038
"Letter from Rep Dellums et al. re:CTBT"
and give your comments /concurrence as
soon as possible.

Thank you.

*Needs Done -
waiting -*

*See last
page.*

OK now?

yes

WDS

Back to NSC

THE WHITE HOUSE
WASHINGTON

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE 
JOHN HILLEY 
SUBJECT: Letter from Representative Dellums et al.
regarding CTBT

Purpose

To respond to a letter from Representative Dellums and others on the comprehensive test ban treaty (CTBT).

Background

Representative Dellums and 20 other members of Congress have written you in support of concluding the Comprehensive Test Ban Treaty (CTBT). The response from you updates the members on the status of negotiations and addresses their specific concerns regarding peaceful nuclear explosions, Chinese nuclear testing and subcritical experiments.

RECOMMENDATION

That you sign the response to Representative Dellums et al. at Tab A.

Attachments

Tab A Letters to Representative Dellums et al.
Tab B Incoming Correspondence

cc: Vice President
Chief of Staff

THE WHITE HOUSE
WASHINGTON

Dear Ron:

Thank you for your letter in support of a Comprehensive Test Ban Treaty (CTBT). On June 28, the Chairman of the Geneva Conference on Disarmament's (CD) Ad Hoc Committee on a Nuclear Test Ban tabled a compromise treaty text that reflects his best efforts to record agreement and resolve remaining issues. The June 28 text would ban any nuclear weapon test explosion or any other nuclear explosion, including so-called peaceful nuclear explosions (PNE). While the Treaty Review Conference may consider the possibility of permitting PNE's 10 years after entry into force of the treaty, any such decision would need to be taken by a consensus.

Regarding Chinese nuclear testing, the United States has consistently urged China to refrain from further nuclear tests and to join in a global moratorium as we work to complete and sign a CTBT by September. After its most recent test on July 29, China announced it will now abide by a moratorium on nuclear testing -- an overdue, but welcome, development that I hope will give momentum to the conclusion of the CTBT.

Regarding the other issues raised in your letter, the United States supports the preambular language in the June 28 Chairman's text highlighting the Treaty's contribution to both disarmament and nonproliferation. Under a CTBT, the United States will conduct a program of stockpile stewardship designed to maintain the safety and reliability of our nuclear deterrent in the absence of nuclear testing. Subcritical experiments are fully consistent with a "zero yield" CTBT in that they will not produce a nuclear yield, and they are an important component of our stockpile stewardship program. The Department of Energy has postponed a final decision on the planned experiments until their environmental impacts have been fully assessed in an environmental impact statement.

The 61 member states of the CD returned to Geneva on July 29 for their third and final session this year. I have instructed the U.S. delegation to push for consensus on the June 28 Chairman's text, with the goal of forwarding a CTBT to the United Nations so the General Assembly can approve the Treaty and open it for signature in the United States in September. I appreciate your support for this historic endeavor.

Sincerely,

The Honorable Ronald V. Dellums
House of Representatives
Washington, D.C. 20515

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

June 7, 1996

The Honorable William J. Clinton
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President,

We are writing to you to express our support for the completion of the Comprehensive Test Ban Treaty (CTBT) in 1996. Your dedication to the treaty has been essential in bringing the negotiations to the point where a successful conclusion is in sight. Your continued advocacy is essential, however, if the CTBT is to become a reality this year.

The agreement by Russia at the recent G-7 summit to sign onto a "zero-yield" treaty provided a great impetus for a positive CTBT outcome. We congratulate you for gaining the Russians' support on this issue.

On May 14, the Conference on Disarmament in Geneva began its final session to complete the text of the CTBT. By June 28, the treaty must be in place and agreed to by Conference parties or there is a very real likelihood that it will not be completed at all. While progress is occurring toward a finished treaty, trouble spots remain which deserve your attention.

Perhaps one of the biggest stumbling blocks to completion of the treaty has been Chinese insistence that "peaceful nuclear explosions" be allowed. Obviously, such explosions would yield information that would have been useful to the Chinese for military application, and therefore, must not be permitted. In recent days, however, there have been signals that China has shifted its position regarding "peaceful nuclear explosions," and we encourage you to stand firm in the position that such explosions should never be allowed under any CTBT.

Likewise, in regard to China, there is increasing evidence that China intends to conduct several nuclear tests at its Lop Nor test site. These tests could cause adverse effects at a critical time during the negotiation or ratification of the treaty and should be canceled. We, therefore, request that you urge the Chinese not to conduct any tests. If any tests do occur, we would expect you to strongly condemn them and call for a halt to any further planned tests.

We understand that the administration has responded favorably to Conference on Disarmament Chairman Ramaker's proposal in response to India's demand that a time-line for disarmament be included in the preamble of the treaty. We further understand that the CTBT itself need not be the vehicle for such scheduled disarmament measures. However, it would be a productive step toward the completion of the CTBT if the US were to acknowledge that an objective of the treaty is "to end the qualitative improvement and development" of nuclear weapons. After all, the CTBT is, in fact, part of the disarmament process, as embodied in the Non-Proliferation Treaty.

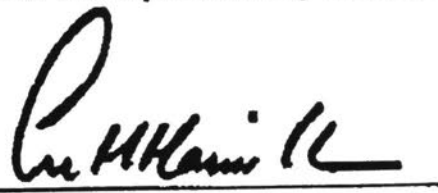
Acceptance by the United States of such disarmament language--as was contained in Chairman Ramaker's working paper--might clear away one big obstacle to completion of the final text and would be consistent with United States disarmament policy and non-proliferation goals. We interpret such "qualitative improvement" language as only restricting new weapons designs or improvement in explosive performance and not in prohibiting necessary safety, reliability, or security upgrades. Given the concern expressed by various parties for the variety of planned facilities under the stockpile stewardship program, we would hope that you would articulate support for such a view of "qualitative improvement" of weapons and back inclusion of language which would restrict such improvements.

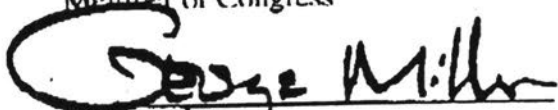
One issue, which is United States-specific and which could be quite problematic as the final days of the current Conference session are approached, is the Department of Energy's plan to conduct a "subcritical" test at the Nevada Test Site. According to the current schedule, the first test is set for June 18, and a second for September 12. These tests, which involve high explosives and plutonium, could be interpreted by many Conference members as a provocative act designed to undermine the CTBT. Thus, we strongly urge you to postpone the scheduled tests.

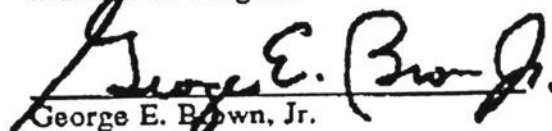
Finally, we remain hopeful that the text of a CTBT will be concluded in June and presented to the General Assembly of the United Nations later in the year, with ratification by all nations to follow. We would hope that the full attention of your administration remains focused on that objective. We hope you will focus your personal attention and prestige on this issue. We share in your anticipation of the completion of this important treaty and look forward to celebrating this long-awaited goal with you.

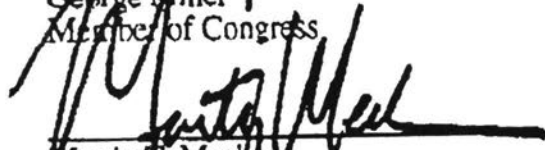
Sincerely,

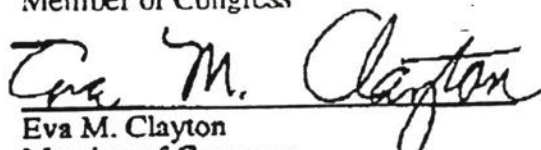

Ronald V. Dellums
Member of Congress


Lee H. Hamilton
Member of Congress

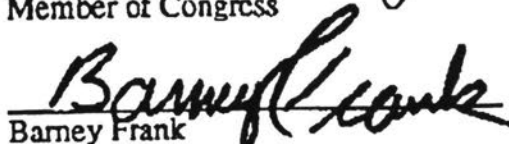

George Miller
Member of Congress

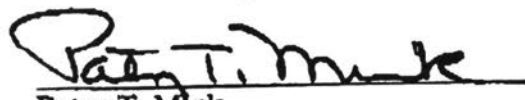

George E. Brown, Jr.
Member of Congress

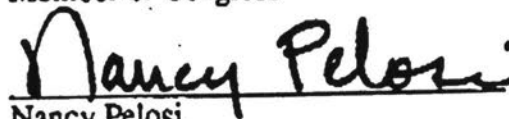

Martin T. Meenan
Member of Congress


Eva M. Clayton
Member of Congress


Melvin L. Watt
Member of Congress


Barney Frank
Member of Congress


Patsy T. Mink
Member of Congress


Nancy Pelosi
Member of Congress

Edward J. Markey
Edward J. Markey
Member of Congress

Lucille Roybal-Allard
Lucille Roybal-Allard
Member of Congress

Peter DeFazio
Peter DeFazio
Member of Congress

Sam Gejdenson
Sam Gejdenson
Member of Congress

Robert T. Matsui
Robert T. Matsui
Member of Congress

Vic Fazio
Vic Fazio
Member of Congress

Cynthia A. McKinney
Cynthia A. McKinney
Member of Congress

Anthony C. Beilenson
Anthony C. Beilenson
Member of Congress

Tom Barrett
Thomas M. Barrett
Member of Congress

Elizabeth D. Hironaka
Elizabeth D. Hironaka
Member of Congress

Eni F. H. Faleomavaega
Eni F. H. Faleomavaega
Member of Congress

THE WHITE HOUSE
WASHINGTON

June 10, 1996

MEMORANDUM FOR ANDREW SENS
NSC Executive Secretariat

FROM: SUSAN BROPHY *SB*
SUBJECT: Presidential Correspondence

Attached are copies of letters sent to the President from various Members of Congress. Since these letters address national security issues, we would appreciate your assistance in drafting a response.

Thank you very much for your assistance. If you have any questions, please feel free to call Chris Walker at x67500.

The following is a brief description of each letter:

- 1) Ronald V. Dellums (D-CA), Lee H. Hamilton (D-IN), George Miller (D-CA), and eighteen others, concerning the Comprehensive Test Ban Treaty;
- 2) Michael Bilirakis (R-FL), concerning China (note: draft for John Hilley required);
- 3) Thomas A. Daschle (D-SD), Mark O. Hatfield (R-OR), James M. Jeffords (R-VT), and Paul Simon (D-IL), concerning the Comprehensive Test Ban Treaty;
- 4) Christopher Cox (R-CA), Sherrod Brown (D-OH), Benjamin A. Gilman (R-NY), Nancy Pelosi (D-CA), and Gerald H. Solomon (R-NY), concerning trade relations with China; and
- 5) Jimmy Hayes (D-LA), concerning importation of Chinese crawfish.

Attachments

Phil,

PS. I'll see you in 96 AUG 92
me!

In case you were wondering, I'm back from my vacation / Site Survey abroad.

Do you know who deals w/ DC issues? Can this person get a response.
You met, Patrick Steel

Jim -

Can you put in system and handle.

Letter can be AP'd.

Phm

Lynn Randels Raskin

96 AUG 12 P 2 45/5

July 31, 1996

Dear Mr. President:

I am writing as a committed resident of Washington, DC in response to the Washington Post article citing your and Mr. Panetta's opposition to tax relief for residents of the nation's capital. I have called this venerable city my home since 1978 and have seen many changes, most of them for the worse. I was a staff member in President Carter's Commission on World Hunger and after years of public service, entered the private service sector as a Realtor. Before moving to Washington, I was a native Texan and active in local politics. I have also lived in New York and California. I provide this history because it is important to note that Washington is unlike other cities and the experience of citizenship here makes me believe that DC must be approached with creative and different solutions if it is to be saved.

Although the concept of "taxation without representation" is not directly guaranteed by the constitution, the tyranny of such taxation is revealed by our earliest national myths. One smarts with the reality that DC residents are second class citizens, denied the voice that voters elsewhere are afforded along with opportunities for political involvement that accompany local representation. How long are residents here expected to maintain DC as a viable city while accepting the package of short comings that accompany such residence: no tax relief despite the absence of representation; no state university system; the most expensive substandard public education system in the country, forcing many parents to choose private education for their children, as you have done; higher than average sales taxes that with the high costs of parking and parking tickets have forced too many shoppers and vendors to prefer the suburbs; car maiming streets and an indifferent, if not alienated bureaucracy?

Unfortunately, the greatest part of my work as a Realtor is responding to people who insist on selling their DC homes to establish roots in the suburbs. This is usually done with regret, but with the conviction that a family's welfare will be enhanced with such a move. Not least among peoples' concerns is that their homes (and often their greatest assets) will devalue here with catastrophic personal results. Secondly, people seek the superior array of educational opportunities that the suburbs offer. Committed DC residents have to resist the litany of compelling reasons to make the same trek; it is frightening to live in a city that hemorrhages its citizens and to be reminded so often of the exodus in the national media. Need I point out that the flight from DC crosses race and socio-economic lines; the fear for DC's future is universal.

Many people have held out hope that you and the Congress will prevent the further demise of the nation's capital. I believe that the expectation for tax relief has stanchd the flow for the time being. My most ardent hope has been that a tax relief plan would attract

people and merchants back to the city and redress to some extent the lack of representation. But your and Mr. Panetta's recent pronouncements that such tax relief would be a bad national precedent make me fear real doom for this city.

I hope you will study the situation and hear the concerns of DC's shaky citizenry. These have been well articulated by our delegate, Eleanor Holmes Norton. This is no average American city. We bear an enormous responsibility to maintain the infrastructure and pageantry for the nations government, but we are beginning to fear that there are no rewards or even fair solutions to this burden. I hope you will judge the case of tax relief to Washington, DC, not as a partisan issue, but rather as a unique solution to the particular circumstances and problems of this once great and unique city.

Sincerely,



Lynn Raskin

cc: Chief of Staff Panetta

96 AUG 12 P3:59

MW/

TS:

we should not accept this -

we cannot commit to going
(is this really where Lotus/HRC
want to spend the first Sat
after election?) and I
think it would be a slap if
we say yes to chair + don't
show up. If name is inpt
but not going, check w/
~~Mark~~ Maggie

fine with me
to decline.

Will
8.12.96

Maggie
| W.

9/6 Aug 8 11:50am

HONORARY PARTICIPATION REQUEST

Please return to Room 457

Today's Date: August 7, 1996

Date of Request: 6/18/96

Request for: POTUS/FLOTUS

Type of Request: Honorary Patrons

Requestor Name: Ms. Selwa Roosevelt

Title:

Organization: Washington Opera
John F. Kennedy Center For the Performing Arts
Washington, D.C. 20566

Contact Tel. #: 202/416-7800

Event Date: 11/9/96 [Print Deadline: 10/1/96]

Event Description: Gala dinner and Opening Night Performance of IL GUARANY

Notes: IL GUARANY is the Brazilian national opera. The Washington Opera would like the President and First Lady to serve as Honorary Patrons with the President of Brazil and Mrs. Fernando Henrique Cardoso, who have already accepted and plan to attend. The President and First Lady accepted Ms. Roosevelt's request to serve as Honorary Patrons for the gala honoring Placido Domingo's appointment as Artistic Director of the Washington Opera in March 1996. Per Tracy LaBrecque, Mack McLarty supports this request. The NSC advises that the President and First Lady should not accept if their honorary patronage could be construed as upstaging the state visit by the President of Chile in late November. Because this honorary patronage does not involve any form of meeting between the President and the President of Brazil, it should not upstage the state visit.

The President and First Lady should ACCEPT.

Recommendations:

MW _____ TS OK EL NO
(Unless otherwise noted, a yes answer
will automatically generate a message).

The Washington Opera

Resident Company of The John F. Kennedy Center for the Performing Arts
Plácido Domingo, Artistic Director Designate ♦ Patricia L. Mossel, Executive Director

June 18, 1996

The President
and Mrs. Clinton
The White House
Washington, DC 20500

Dear Mr. President and Mrs. Clinton,

On behalf of The Washington Opera and as a member of its Board of Trustees, it gives me great pleasure to invite you to attend the Opening Night of the 1996/97 season featuring the Brazilian national opera, *IL GUARANY*, with Plácido Domingo in the lead role. The performance will take place on Saturday, November 9, 1996 in the Opera House of the Kennedy Center beginning at 7:00 p.m.

The Brazilian Embassy has confirmed the intention of the President of Brazil and Mrs. Fernando Henrique Cardoso to attend the Opening Night, along with the Ambassador and Mrs. Paulo Tarso Flecha de Lima, and many prominent Brazilian representatives. We expect a full house of distinguished guests and broad coverage by press and television as this is Plácido's inaugural season as Artistic Director of The Washington Opera.

Following the performance at the Kennedy Center, there will be a seated dinner for about 350 people at the Organization of American States Building. President and Mrs. Cardoso will be in attendance. We would be delighted if you could also attend the dinner, but we certainly would understand if that made too much of a demand on your time. I have attached a one-page sheet outlining more details on the event.

In addition, we would like to request that you serve as Honorary Patrons of the Opening Night performance and the Gala Dinner at the Organization of American States Building. As our Honorary Patrons we would like to list you on the title page of the Opera's STAGEBILL program, in the Gala Dinner invitation and program using the language, "Under the Honorary Patronage of The President of United States and Mrs. Clinton."

It would also be wonderful to have a letter signed by you, indicating the importance of this event to both the United States and Brazil, to be included in STAGEBILL for all seven performances of *IL GUARANY*. We will be in communication with the appropriate White House staff regarding the details.

Your presence at the Opening Night Performance and Gala would send an important message, not only to The Washington Opera, including Plácido and his wife Marta, but also to the rest of the nation and to Brazil.

With much gratitude,

Selwa Roosevelt

Selwa Roosevelt

cc: Mrs. Donna McClarty

THE WHITE HOUSE

WASHINGTON

July 13, 1996

MEMORANDUM FOR ANN STOCK

FROM: MACK McLARTY

SUBJECT: WASHINGTON OPERA

We have talked about the Washington Opera, and I wanted to bring a couple of specific matters to your attention and ask for your guidance and assistance.

I realize that in all likelihood the President and Hillary will not be able to make a decision about attendance at the November 9 events until shortly before that date. I think that is just fine and that we can play it by ear as we go. Given Hillary's desire to attend if possible, and the President's understanding of the importance of President Cardoso's leadership in Latin America, I think they may well desire to attend after the November 4 election.

The two specific issues that Lucky raises in her letter, aside from attendance, are -- First, a request for the President and Hillary to serve as honorary patrons of the Opening Night performance and the Gala Dinner. I believe the President and Hillary have done this on a number of occasions for similar endeavors, but I wanted to get your views on this matter so that we could respond in a correct and timely manner. I have also asked Kathy Whalen in the counsel's office to review this matter.

Secondly, Lucky makes the request that the President sign a letter which will be included in the stage bill indicating the importance of this event to both the United States and Brazil. It seems to me that this is an appropriate request, and one to which we can easily respond. I have made Jim Dorskind aware of this request since Lucky notes that she will be in touch with the appropriate White House staff regarding details.

I believe these are the only matters at this point that we need to consider. I simply wanted to make sure we moved these requests forward and didn't let them slip through the cracks in what is going to be a full and hectic period for all of us.

I look forward to hearing your thoughts. Thanks, as always, for your cooperation.

cc: Kathy Whalen ✓
Jim Dorskind

W.M.F.

The Washington Opera

Resident Company of The John F. Kennedy Center for the Performing Arts

Plácido Domingo, Artistic Director Designate ♦ Patricia L. Mossel, Executive Director

EVENT: Opening Night Performance of IL GUARANY
Gala Dinner following the performance

LOCATION: Opera House, Kennedy Center - Performance
Organization of American States Building - Gala Dinner

DATE: Saturday, November 9, 1996 at 7:00 p.m.

DESCRIPTION: Opening Night of The Washington Opera's 1996-97 season on November 9, 1996 marks the official debut of Plácido Domingo as Artistic Director of the Company. He will also sing the lead role of Pery in IL GUARANY, the Opening Night production by Carlos Gomes. Premiering in 1870, IL GUARANY is the Brazilian national opera. It was written in Italian. Mr. Domingo has assembled a stellar cast and artistic team re-engaged from the work's mounting at the Bonn Opera in Germany in 1994. He will star opposite soprano, Veronica Villaroel, with direction by the celebrated German film director, Werner Herzog. John Neschling will conduct.

Inspired by the melodies and rhythms of his Brazilian heritage, Gomes composed a full-blooded Italian opera with ravishingly beautiful Verdi-like arias, duets and choruses.

The Opening Night Gala immediately following the performance at the Kennedy Center will take place at the Organization of American States Building. This will be a seated dinner for approximately 350 persons.

AUDIENCE: The Opening Night of IL GUARANY and the Gala following will be a significant cultural event in the nation's capital drawing supporters from the ranks of Washington's VIPs, the diplomatic and international business communities and Washington Opera patrons.

We are particularly honored that the President of Brazil and Mrs. Cardoso have indicated their intention to attend.

Dorshind for a
reply

yes ☒

no ☐

Need to coordinate
with NSC, Counsel's
office, ...

2545 Central Avenue
Boulder, CO 80301
(303) 442-2200
(303) 442-3000 fax
<http://www.objinc.com>
berni@objinc.com

5/2/96
96 AUG 10 P1:54

2545 Central Avenue
Boulder, Colorado 80301
(303) 442-2200
(303) 442-3000 fax
info@objinc.com
<http://www.objinc.com>

July 29, 1996

President Bill Clinton
The Whitehouse
Washington D.C.
2500-2000

Dear Mr. President,

Given the current physical acts of terrorism and your own initiatives in dealing with preventing terrorism in cyberspace, I would like to bring to your attention to a way to cope with airline terrorism; and to protect ourselves from cyber attacks that could compromise our information systems. As leader of the country you are in a key position to help avoid future disasters.

Firstly, we are a software company specializing in custom, mission critical applications which enhance legacy systems. One of our areas of specialty is airport automation. We have the ability to easily and quickly capture additional information at the airport. Based on software we have written for both Continental and Northwest Airlines, these and other airlines could easily provide positive baggage identification, even on domestic flights. To date they have not chosen to 'turn on' this capability.

In addition, it is possible to add automated profiling of passengers and cargo which would alert agents to get security involved. Along with the above measures, software can be quickly created to link to Customs and Immigrations databases, providing additional checks based on passport information. These measures can be supported with relatively low cost automation (e.g. low-end Personal Computers and servers) while delivering the equivalent of Level 4 security for domestic as well as international flights.

Of gravest concern is our vulnerability to corruption of our mission critical information systems (reference your own initiatives in trying to secure cyberspace from terrorism). As you may recall, I sent you material on the year 2000 computing crisis, warning that 90% of our mission critical software wouldn't work if it were the year 2000 today (including telephone switching systems, credit card settlement, banking, insurance, IRS, student loans, Social Security, navigational software, GPS, embedded weapons systems, aircraft maintenance, etc.). Based on Gartner Group estimates, it will cost \$1.50 per line of code to repair, line-by-line, current software. This approach is estimated to cost

\$600bn, which is in no one's budget. As a result, corporations are shipping their source code off-shore to countries such as India and Pakistan, to have their code repaired.

This path carries with it two extremely dangerous issues. Firstly, we are potentially compromising national security. There are mission critical applications being transferred out of the country. There is no way we can police the 'repaired' software for viruses which have been introduced that could corrupt information (e.g. banking records, aircraft maintenance records, brokering records, etc.) Secondly, software is an asset of corporations and also the country. By transferring the source code of these applications to other countries we have compromised our Intellectual Property Rights. There is nothing to preclude a country like Pakistan from selling on the 'black market', for example, an airline's maintenance system that it has been contracted to 'repair', to China or the USSR, etc.

This off-shore transfer is already happening. Northwest Airlines is using this strategy now. With disasters such as ValueJet in mind, the concern is that the maintenance scheduling system is among the transferred software, along with other systems which, if compromised, could jeopardize air safety and security. Northwest Airlines is a publicly traded company. Its executives have a fiduciary responsibility to protect the assets of the corporation. Software is an asset of the company. Billions of dollars have been invested in its creation. It is a capitalized asset on the books. Further, the U.S. leads the world in software capabilities. By moving the source code off-shore, we have now compromised one of our most coveted and strategic assets - our Intellectual Property Rights. In addition, much of the sophisticated logic in, for example, aircraft maintenance scheduling, was invented by the U.S. military. As a result, national security is being inadvertently compromised even further.

I would like to offer my help and expertise to address the current situation. If ignored, both of these areas make the U.S. extremely vulnerable to terrorism, physically and electronically.

Sincerely,

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

Bernadette Reiter
President & C.E.O.