

Chron

Read these pieces - let's discuss -
there may be a positive response.

| B.C.

2000/1/20

need them really - to decide 3-3-77
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THE NATION'S NEWSPAPER

**SUGAR RAY
POISED FOR
COMEBACK 4**

FIGHTS CAMACHO
SATURDAY, 1-20

Sugar Ray
Leonard

**SPRING TRAINING
GAMES START, 1-7-8C**

By Scott
Wachter

**USA
TODAY**

NO. 1 IN THE USA . . . FIRST IN DAILY READERS

FRI.- SUN., FEB. 28 - MARCH 2, 1997

NEWSLINE

A QUICK READ ON THE NEWS

WALL STREET: Dow Jones industrial average drops 58.11 points to 6925.07; Nasdaq index falls 27.89 to 1312.66; 30-year Treasury bond yield rises to 6.80%, 1.4B.

► January is record for stock fund buys. 1B.

**Shooting
for tourney
berths**

College weekend
preview, 1,12C

Kentucky's Ron Mercer
by Michael S. Green, AP

ABORTION: Abortion-rights opponents plan to march outside high schools across USA starting Monday; campaign targets 150 cities through May. 3A.

SNOWMOBILING DEATHS: Jump in deadly snowmobile accidents is prompting states to toughen laws, penalties for reckless and drunken driving. 3A.

EX-PARATROOPER CONVICTED: North Carolina jury convicts former 82nd Airborne Division paratrooper James N. Burmeister, left, of killing two black people as part of skinhead initiation in 1995. 3A.



Burmeister: Sentenced
to 10 years in prison

RIGHT TO DIE: Court rules Oregon can enforce its first-in-nation law allowing doctor-assisted suicide; law no immediate threat to patients' rights. 2A.

PENTAGON WASTE: The military is buying more items that it doesn't need, a General

SPECIAL REPORT

The politically incorrect question of the 1990s:

Can't anyone here speak English?

Exploring the hidden costs of
the nation's language gap

COVER STORY

Consumers frustrated by verbal gridlock

By Gary Strauss
USA TODAY

► Language and life, 8A
► English 'real intimidating' for some, 9A

year-old and shaved his head.

"Everywhere I go — the doctor's office, the eyeglass shop, fast-food restaurants — I'm getting more frustrated," Suzanne Schirmer says. "It's hard to buy anything when you can't communicate with people who aren't from here."

If the Schirmers have complaints over foreign-born employees in the workplace, they've got plenty of company. A recent USA TODAY/CNN/Gallup Poll found growing verbal gridlock across the country: Nearly one of four consumers encountered problems in the past year because a business person or retail employee spoke poor English.

So far, the nationwide frustration over language has remained relatively private. Many native-born Americans try to be understanding of immigrants, whether out of compassion or fear of seeming insensitive, even racist. But this collective consumer pathos underscores a huge language gap with a widening scope and far-reaching implications.

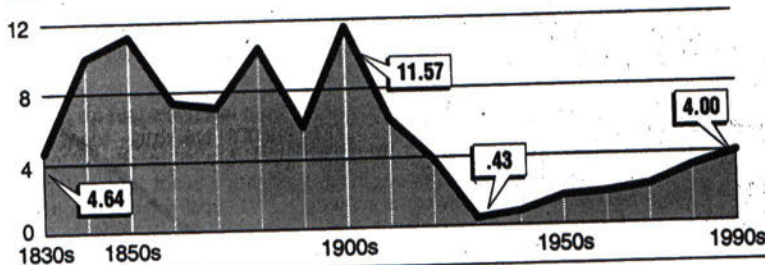
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SPECIAL REPORT: EXPLORING

Immigration is on the rise, again

The immigration rate reached a high just after the turn of the century, when 11 of every 100 U.S. residents were immigrants. Today the rate is higher than at any time since the 1910s. The immigration rate per 100 U.S. residents:



Source: Immigration and Naturalization Service



COVER STORY

Language and accent bias cases are growing

Continued from 1A

cations, particularly as the country's 24 million foreign-born residents move beyond major urban areas and become a greater proportion of the workforce.

Economists say the lack of language proficiency costs businesses billions of dollars.

Disputes about language in the workplace, where immigrants represent about 11% of the labor force, are expected to mushroom now that the Equal Employment Opportunity Commission has begun separately categorizing language complaints.

And with nearly a quarter of the USA's doctors graduates of foreign medical schools, there are plans to test for verbal English competency.

"I've had experiences at fast-food drive-throughs. You're sitting there trying to order McNuggets. How can someone not understand that? You just get fed up and drive off."

— Gina Canfield, Zanesville, Ohio

While economists, corporate America and the courts are just beginning to grapple with verbal gridlock, those who've studied the USA's biggest immigration wave since the

Top 50 foreign languages

The 1990 Census found that nearly 32 million of the 230 million people in the USA older than 5 spoke a language other than English in their homes. Nearly 21% of those people said they did not speak English well or at all. The 50 most common foreign languages spoken in the USA, the number of speakers and the percentage of foreign-language speakers who say they do not speak English well or at all:

Rank	Language	Number of speakers	Don't speak English well/at all
1	Spanish	17,339,172	26%
2	French	1,702,176	9%
3	German	1,547,099	7%
4	Italian	1,308,648	12%
5	Chinese	1,249,213	30%
6	Tagalog	843,251	7%
7	Polish	723,483	14%
8	Korean	626,478	30%
9	Vietnamese	507,069	28%
10	Portuguese	429,860	23%
11	Japanese	427,657	21%
12	Greek	388,260	11%
13	Arabic	355,150	11%
14	Hindi (Urdu)	331,484	9%
15	Russian	241,798	27%
16	Yiddish	213,064	8%
17	Thai (Laotian)	206,266	28%
18	Persian	201,865	12%
19	French Creole	187,658	22%
20	Armenian	149,694	26%
21	Navajo	148,530	15%
22	Hungarian	147,902	9%
23	Hebrew	144,292	5%
24	Dutch	142,684	4%
25	Mon-Khmer	127,441	43%
26	Gujarati	102,418	12%
27	Ukrainian	96,568	14%
28	Czech	92,485	6%
29	Pa. Dutch	83,525	6%
30	Miao (Hmong)	81,877	46%
31	Norwegian	80,723	5%
32	Slovak	80,388	7%
33	Swedish	77,511	4%
34	Serbo-Croatian	70,964	13%
35	Kru	65,848	3%
36	Romanian	65,265	17%
37	Lithuanian	55,781	9%
38	Finnish	54,350	6%
39	Punjabi	50,005	15%
40	Formosan	46,044	21%
41	Croatian	45,206	9%
42	Turkish	41,876	14%
43	Ilocano	41,131	20%
44	Bengali	38,101	8%
45	Danish	35,639	3%
46	Surinam	35,146	15%

and drive off.

— Gina Canfield,
Zanesville, Ohio

While economists, corporate America and the courts are just beginning to grapple with verbal gridlock, those who've studied the USA's biggest immigration wave since the turn of the century say the reasons are easy to explain.

The USA's population of legal and illegal immigrants, foreign nationals, refugees and temporary workers is at an all-time high.

About 14 million foreign-born U.S. residents told the Census Bureau in 1990 that they had limited or no English-language proficiency — the last official query of language skills.

But more than 5 million legal immigrants and foreign nationals have arrived since then, most of them Hispanic or Asian. And the population of illegal immigrants is now up to 5 million, a 28% jump since 1992 alone, says the Immigration and Naturalization Service.

The bottom line: many people who don't speak English well are coming ear-to-ear with increasingly exasperated consumers, especially in the labor-starved, low-wage, low-skill tier of the service sector.

"We're irritated by people who don't speak English or have an accent," says Rutgers University professor Nancy DiTomaso, who studies language competency in the workplace. "Americans tend to be particularly ethnocentric and intolerant. We presume other people should know our language."

Critics say most employers don't realize they have a consumer relations problem. Many who do say it's too costly to provide language training, particularly for low-paid workers who are likely to move on as they become more proficient in English on their own.

But as more and more commerce is fouled by fast-food clerks who mistake orders, taxicab drivers who misunderstand directions and telemarketers who can't explain why they called, sociologists and consumer behaviorists detect a palpable, collective complaint that's evolved into one of the most politically incorrect questions of the '90s: "Can't anyone here speak English?"

"You'd look around the class (taught by an Indian graduate student) . . . and people's faces would be all scrunched up. It was amusing to a point, but then it became very painful. People would yell at her to slow down. Some compared notes after class."

— Vivienne Wildes,
Penn State University

Beyond inconvenience, broader issues are being raised by limited English-language proficiency:

► Growing costs.

Poor English skills among foreign-born residents cost more than \$175

36	Romanian	65,265	17%
37	Lithuanian	55,781	9%
38	Finnish	54,350	6%
39	Punjabi	50,005	15%
40	Formosan	46,044	21%
41	Croatian	45,206	9%
42	Turkish	41,876	14%
43	Ilocano	41,131	20%
44	Bengali	38,101	8%
45	Danish	35,639	3%
46	Syriac	35,146	15%
47	Samoan	34,914	10%
48	Malayalam	33,949	8%
49	Cajun	33,670	7%
50	Amharic	31,505	11%

Source: Census Bureau



Seeking a new home: Immigrants crowd the Ellis Island dining room after their arrival. The island was an examination center for immigrants to America.

billion a year in lost productivity, wages, tax revenue and unemployment compensation, says Ohio University economist Lowell Gallaway, who's studied the financial impact of English language proficiency skills among immigrants since the 1970s.

Since limited English keeps many immigrants in low-wage jobs, immigrants' median income is about 30% below that of native-born workers. The shortfall in federal and state taxes amounts to about \$90 billion a year. Gallaway says lost productivity — time delays, poor output and mistakes by workers who can't understand or speak English — costs another \$40 billion.

"I'm not an immigrant-basher, but I strongly favor doing whatever we can to increase language capabilities of immigrants," Gallaway says.

The fallout is particularly acute in urban areas.

"In some big labor markets, language problems are an increasing source of frustration," says Cornell University labor economist Vernon Briggs. "It's accentuated because 80% of the workforce is employed in service jobs. A lot of these jobs are filled by immigrants. But by definition, service means communication. . . . If workers can't communicate, it certainly affects quality of life."

That isn't likely to change, especially as immigrants — many with

little education in their own countries — fill low-skill jobs.

"They take care of your house, your yard, your children, your parents," says Stanford University economist Clark Reynolds. "They do jobs most native-born American workers don't want — at wages that make things affordable. They'll continue to be an important part of the economy. The problem is there's no bridge between economic need and cultural dissonance."

► Linguistic litigation.

Legal disputes over English-language proficiency and heavy accents are rising. Discrimination lawsuits — ranging from rejecting job applicants to on-the-job harassment — may become as common over the next decade as sex discrimination cases are now, experts say.

"The courts are just beginning to struggle with language-based discrimination cases," says American Civil Liberties Union attorney Ed Chen. "There's going to be conflict between economic interests and equal rights. People who look and sound different make for increasing discrimination."

The New York-based Puerto Rican Legal Defense and Education Fund has three lawsuits pending on behalf of workers who were fired for speaking Spanish on the job. "These people are being told, 'This is Ameri-

ca, speak English," says attorney Ken Kimerling.

One case involves Iraida Calderon, a 33-year-old Brooklyn, N.Y., resident who says her civil rights were violated by Damon House, a New York City drug treatment center. Calderon says she was told not to speak Spanish to other employees or even clients, some who were Hispanic and with limited English-speaking ability. After continuing to speak Spanish, Calderon says she was fired from her \$23,000-a-year job. In that case and the others, employers say the workers were terminated for other reasons.

Faced with increased complaints of discrimination, the EEOC last year began separating language and accent discrimination complaints from other discrimination cases, such as gender and age disputes.

Many of the 32 language cases investigated by the EEOC involve "blanket English-only policies by employers that are not justified," says EEOC chairman Gilbert Casillas.

While language discrimination violates the U.S. Civil Rights Act, proving cases has been difficult, so the legality of English-only workplace policies is unsettled. But Casillas expects more complaints, especially from Asian immigrants who are skilled professionals.

"There's a subtle form of discrimi-

nation — a glass ceiling — involving highly educated Asians and Pacific-Americans who speak with a heavy accent," he says.

► Medical foulups.

Experts fear medical malpractice claims may also increase, given the flood of foreign-born health care professionals practicing in the USA.

"It's a growing issue. If a physician has difficulty with English and can't communicate with a patient, it can cause problems," says Washington, D.C., attorney Jack Olender.

From 1970 to 1995, the number of physicians educated at foreign medical schools practicing in the USA surged 190%. They now represent 23% of the nation's physicians, according to the American Medical Association, which supports boosting English-language skills of foreign-born physicians. About 80% of the USA's doctors with degrees from another country are foreign born.

Beginning in July 1998, the Educational Commission for Foreign Medical Graduates will require an oral English exam, including how well doctors communicate with patients, as part of its certification process.

"Obviously, to provide the best protection to the public, we felt there's a need," says commission operations director Marie Shafron. "We believe they need to have good communications skills."

► Political tension.

The issue of language is becoming increasingly politicized.

Already, 23 states have passed English-only laws for government agencies. Congress approved a similar measure to make English the official language of federal government last year, although it died in the Senate. Similar legislation was introduced two weeks ago by Sen. Richard Shelby, R-Ala.

But to some politicians, language and politics don't mix.

"We have a great phobia about language," says Rep. Jose Serrano, D-N.Y. "There's a belief that not having an official language is going to somehow destroy us. It's foolish that this is even a political issue."

"You try to explain something to them and they don't understand a word. I don't know how many times I've tried to order something over the phone and this has happened to me."

— Elmer Armstrong, Baraboo, Wis.

Clearly, the debate about language is polarizing — and conflicted.

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Founded more than 150 years ago
Migration Coalition, an umbrella
and Medical Center, speaks Russian,
les at the University of California

Americans 'irritated' by non-English speakers

Continued from 8A

Millions of native-born Americans still have strong ties to parents or grandparents who immigrated here. People understand that the pace of American life is vastly more intense than in most other countries, making rapid assimilation difficult. Moreover, immigrant-bashing minimizes the hardships many endured in their native countries, such as racial, ethnic and religious persecution.

So privately, even among friends, many find the language gap a tough subject to raise.

"Language is a touchy issue," says Stuart-Anderson, director of trade and immigration studies at the Cato Institute, a Washington, D.C., think tank that supports legal immigration. "It's an issue people have a visceral reaction to. Everyone has a story. In some ways, it's like picking on the fat kid at school."

The mere mention of the language issue can smack of racism and xenophobia. But once people do start talking, the frustration pours out, spanning a range of immigrant groups, cracking the melting pot.

"I'm worried about how I come off — that I'm not tolerant of other people or anti-immigrant," says Jessica Haney, internet coordinator for the

Feminist Majority Foundation, a non-profit research group in Arlington, Va. "I'm a totally liberal person."

Still, says Haney, "I tried to buy a coffee table, but something that should have taken 10 minutes took 30 because I couldn't understand anyone and no one understood me. I do feel frustrated. There has to be some level of customer service."

"There's a woman from Romania who takes X-rays at the hospital I work at. When you take them, the patient has to stay still. She'll say something to them and the patient won't understand her English and will step away and have to be exposed again to more radiation from the X-ray."

— Tom Jones, Burien, Wash.

Richard Alba, a sociologist at State University New York-Albany who's studied immigration patterns, isn't surprised by the reaction of many native-born consumers. "As ethnic communities build up and distribute beyond metropolitan areas, it's be-

come a phenomena that people notice in their everyday lives," he says.

Says Gerald Celente, who tracks consumer behavior as director of the Trends Research Institute: "Many people aren't sympathetic. One of the elements of our society is people want things fast, they want things easy and they want things now."

States with the heaviest concentrations of foreign-born workers — California, New York, Texas, Florida, Illinois, New Jersey and Illinois — have dealt with varying degrees of verbal gridlock for years.

Yet with foreign nationals continuing to pour into the country, this linguistic culture shock is not only intensifying in big cities, but in small towns and suburbs as well.

"In many parts of the U.S., the public isn't sophisticated about language issues, especially in places which have been relatively homogeneous in an ethnic sense," says James Crawford, author of *Hold your Tongue: Bilingualism and the Politics of English Only*. "There's a feeling among a lot of people that English is being threatened."

The continuing geographic spread of immigrants — to places like Minneapolis, now home to more than 50,000 Southeast Asian refugees largely because of ethnic networking

and employment opportunities — will lead to more anger at immigrants, some experts say.

And things aren't going to get any better.

Says Peter Brimelow, author of the bestseller *Alien Nation*: "The social pressures to compel assimilation and learn English don't exist because immigrants are living in enclaves."

"Language difficulty? Try verbal insanity. On a recent trip to Miami, I couldn't find anyone at the airport to explain why my bags were damaged and I couldn't make clear at the (car rental) counter why I wanted a city map. For what it's worth, I speak three languages."

— Victor Czerkasij, Ooltewah, Tenn.

A smattering of government agencies and businesses are providing some solutions — or are about to.

The INS is evaluating how to standardize the oral language testing component of its citizenship application tests.

Currently, there's no standardized

testing of verbal English competency, although to pass citizenship requirements, immigrants are supposed to have proficiency.

"Now, it's a judgment call on the part of each examiner," says INS spokesman David Rosenberg.

Municipalities also are taking action.

New York City is home to about 1.5 million immigrants who don't don't speak English well, the Census Bureau says. For the past few years, the city's Taxi and Limousine Commission has tried to make the service sector more efficient, requiring 45,000 licensed cab drivers — more than 90% foreign-born — to pass English proficiency tests. Cabbies who don't pass have to pay \$250-400 for 40-80 hours of classes that have a "strong component" of language training, says Commission spokesman Allan Fromberg.

Like many businesses that deal with the public, Southland Corp., owner or franchiser of about 5,000 7-11 convenience stores, tries to achieve a balance of staffing and customer service.

"Providing good customer service is what it's all about," says spokeswoman Margaret Chabris. "We are teaching many people on the job how to conduct business in this country."

But, she adds, "What you find is a disconnect between what some customers expect and what new Americans are comfortable doing or saying. They're an integral part of our workforce. Maybe they're English-language skills aren't where they need to be."

Some observers suggest a bit more tolerance on the part of native-born Americans — and bilingual education — also might help make life smoother.

Creative Hairdressers, the USA's largest privately owned hair salon chain with 600 Hair Cuttery and Bubbles salons, says about 30% of its 9,000 employees are foreign born. But marketing chief Tammy Ebaugh suggests complaints such as Schirmer's are rare.

"They do master the basics of the language, and sometimes there's a heavy accent. But a lot of our stylists get along beautifully."

In the end, however people choose to deal with it, language gridlock is here to stay.

Based on projected immigration patterns and low birth rates among native-born Americans, experts say the nation's population will grow by about 130 million people by 2050. About one third of those people will be from somewhere else.

SPECIAL REPORT: EXPLORING THE USA'S LANGUAGE GAP

Survival 101: Learning English

Immigrants continue to arrive in record numbers, and there aren't nearly enough English classes for all those who want to learn. The result? The nation's linguistic confusion can only grow worse.

By Gary Strauss
USA TODAY

A s snow begins falling on a chilly February evening, about 100 adults slowly file into a sprawling high school 30 miles northwest of Washington, D.C.

Founded more than 150 years ago as a farm community, Germantown got its name because of the predominant language spoken by its merchants. But tonight at Seneca Valley High, there's no common tongue.

Afghans, Nepalese, Mexicans, Chileans, Greeks, Indians, Hmong and Armenians are among 30 nationalities clustered in five classrooms. The group reflects the diversity of the USA's growing immigrant population and immigrants' increasing shift from major urban centers to the suburbs and beyond.

"What day is it today?" instructor Kay Douglas patiently asks her basic level class again and again as students take their seats.

"Tuesday," half her 10 students intone. It's actually Thursday, prompting an American-born, grade school-age girl who's accompanied her Salvadoran-born mother to burst into giggles. The girl will continue to giggle for the next two hours.

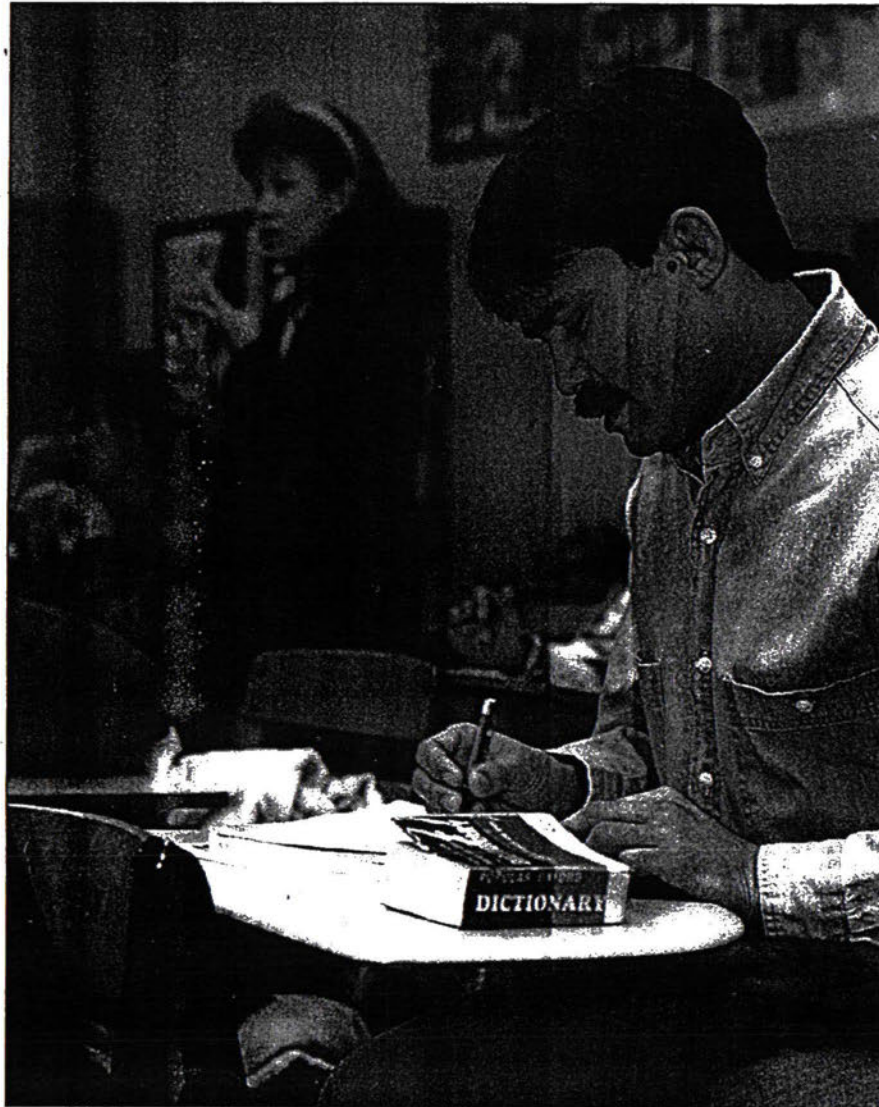
Asking about the snow, Douglas gets quizzical looks until she draws a snowman on the blackboard, eliciting nods and grins.

"At this level, language is real intimidating. I do lots of hand-holding," she says.

In an adjacent classroom, instructor Bonnie Frederick leads 29 beginner-level students. "The gratitude I get from these students is amazing," she says. "It's tough for them to be here. But they want to learn."

Douglas' and Frederick's students are among 12,000 foreign-born nationals who'll take free, 2½-hour, twice-weekly classes of English for Speakers of Other Languages (ESOL) sponsored by the Montgomery County school system this year.

It is Maryland's largest such program and one of dozens nationally that will provide language training to 1.4 million foreign-born adults in 1997.



By Mark Abraham
"They want to learn": Teacher Bonnie Frederick assists students Juying Lai, left, and Anh Ho of Vietnam during English class at Seneca Valley High.



By Judy Greenstock
Progress: Ala Kotowska, a native of Poland, values her English classes.

"People here think because you have a heavy accent, you don't know anything," he says. "They just auto-

ESOL teachers. "Imagine yourself plopped into a country where you had to survive. If more people did, there'd be less political rhetoric and short-term sound bites about immigration policy and more priority on language training."

For now, the federal government is looking at some cheap alternatives. It helped underwrite the \$5 million production cost of *Crossroads Cafe*, a television series that began airing on some of the nation's 350 Public Broadcast Service stations in September.

Each of the 26 *Crossroads* episodes, half-hour "dramedys," features actors who provide viewers language skills.

Some say cash-strapped state and federal agencies will never have the resources to boost English-language proficiency among foreign-born residents, and that corporate America must assume a far bigger role.

"Business seems loath to spend money on this. Many have the feeling (immigrants) are expendable workers," Burt says.

Increasingly, though, employers are providing language training out

...to arrive in record numbers, a
who want to learn. The result? The nati

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Language is survival

According to the 1990 U.S. Census, about 14 million foreign-born U.S. residents don't speak English well or at all. To some native-born Americans, it seems as though they must not want to learn.

But these ESOL students and many like them across the country desperately want to understand and speak English. For them, it's one of the most important steps to economic and social survival.

"There's a political dimension to these issues and a reality," says Cecilia Munoz of the National Council of La Raza, an immigrant service organization.

"The assumption is immigrants don't want to learn English. The real issue is the capacity of programs to provide language training."

Nationwide, demand for ESOL classes vastly exceeds the available classes sponsored by local school districts, community colleges, labor organizations, church groups, immigrant-rights organizations and volunteers.

In New York City alone, there's a waiting list of about 50,000.

"Most groups don't even keep a waiting list because it's too frustrating," says Marjorie McHugh, executive director for the New York Immigration Coalition, an umbrella

High hopes: Ghazina Khadim, an Afghanistan native, studies English with hope organization for 120 Immigration groups in the New York City area.

Of the few classes available nationwide, most teach little more than basic survival English — far below the intensive, prolonged language training many immigrants need to prosper, says Miriam Burt of the Center for Applied Linguistics.

Not easy to learn

English is not an easy language.

Stanford University linguist Kenji Hakuta, who studies immigrants' language-acquisition skills, says that for most foreign-born adults, it takes up to two years of instruction to progress beyond basic survival English and five to seven years to understand and speak English well.

ESOL instructor Lydia Trang is a Vietnamese refugee who took ESOL classes after arriving in the USA in July 1980. Ten years later, she graduated from Towson State College in Maryland. But she says she's still learning a lot about English.

"Slangs and Idiom, singular and plural, it's enough to drive a lot of people crazy," Trang says. "It took me a long time to get my confidence up to speak in front of adults."

Genadi Maltinski, a native of Russia completing his medical residency at Pennsylvania's Reading Hospital and Medical Center, speaks Russian,

Italian, German and Hebrew. He came to the USA in 1993 and still finds English cumbersome.

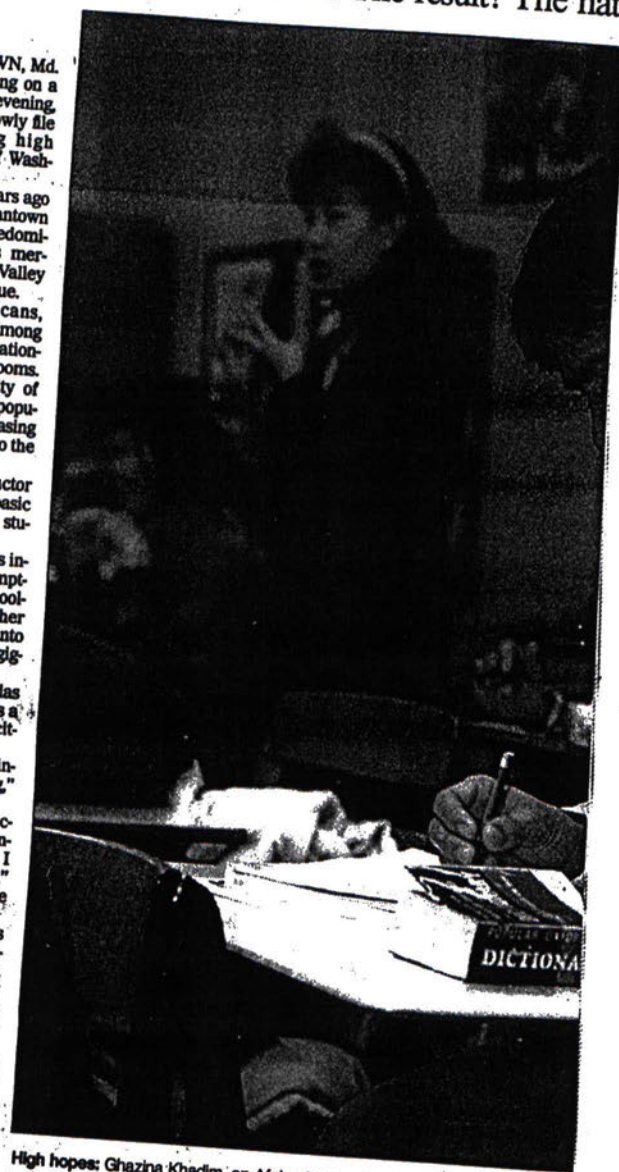
"To be able to talk real well, it's a challenge. Pronouncing vowels, the intonation ... the speed, is very difficult," he says. "I started learning English when I was 35. At my age, it is very challenging."

Many ESOL students don't have the inclination or ability to take classes much beyond the basic level. Even getting to class can be difficult. Of the Germantown ESOL students, many walk or take public transportation, so bad weather, like tonight's snowstorm, lowers attendance. Many students have families; many have full-time jobs.

As work and family responsibilities mount, attendance can drop 25% or more during the three-month course. The class focuses on teaching language for everyday life: dealing with neighbors, personal finance, workplace issues and health care. Understanding this level of English, at a minimum, is crucial.

"If you want a good job, you must speak the language," says David Dolan, who was a teacher in Armenia but works now as a shoe repairman.

"Immigrants' upward mobility is limited by English proficiency," says Wayne Cornelius, research director for the Center for U.S.-Mexican Studies at the University of California at



n's linguistic confusion can only grow worse.



By Mark Abraham

of working for the Voice of America.

San Diego. "They tend to be slotted in jobs that are among the worst and it tends to keep them there."

Ghazina Khadim has master's degrees in political science and journalism from Pakistani colleges. He came to Maryland nine months ago.

With limited English skills, he works as a cashier for a fast-food hamburger chain. He hopes to improve his English so he might eventually work for the Voice of America radio network.

Khadim, 32, sits in the intermediate-level ESOL class taught by Trang, struggling to tell other students why driving is more complex here than in his native Afghanistan.

"There are no traffic lights in my country; there's no place to stop. Everything has been destroyed by war," he says. Khadim's classmates slowly mull this over and collectively respond with a soft, nervous laugh.

While many didn't experience war in their own countries, a lot of them have escaped political or religious oppression.

Some of these students are hoping that by becoming more proficient in English, they will encounter cultural biases less often.

Nektarios Kostraki, born in Crete, owns a floor-covering business in suburban Washington. But he says he lets his American-born secretary field his phone calls.



By Mark Abraham

"They want to learn": Teacher Bonnie Frederick assists students Juying Lai, left, and Anh Ho of Vietnam during English class at Seneca Valley High.



By Judy Greenblatt

Progress: Ala Kotowska, a native of Poland, values her English classes.

"People here think because you have a heavy accent, you don't know anything," he says. "They just automatically look at you different."

Resources lacking

Educators and immigrant advocates say federal funding of ESOL courses is woefully inadequate.

Ron Pugsley, a director in the Department of Education's office of Vocational and Adult Education, says only about \$300 million in federal money is directed to state and locally sponsored ESOL courses each year. "We're serving 1.4 to 1.5 million adults in classrooms," Pugsley says. "Clearly, there's not sufficient resources for the demand."

It's likely to get worse. Pugsley says that during the next 15 years, the USA could take in 17 to 20 million immigrants with limited English skills.

"Given how important everyone thinks it is to speak a common language and our preoccupation for the primacy of English, it's stunning how little we spend on English-language training," says Jeff Passel, a demographer with the Urban Institute.

Although President Clinton is pushing education as a cornerstone of his second term, educators say little additional federal funding is anticipated for ESOL programs. If anything, there are signs of cutbacks.

"We need more classes and more and better-qualified teachers," says Susan Bailey, executive director of Teachers of English to Speakers of Other Languages Inc., a service organization representing about 19,000

ESOL teachers. "Imagine yourself plopped into a country where you had to survive. If more people did, there'd be less political rhetoric and short-term sound bites about immigration policy and more priority on language training."

For now, the federal government is looking at some cheap alternatives. It helped underwrite the \$5 million production cost of *Crossroads Cafe*, a television series that began airing on some of the nation's 350 Public Broadcast Service stations in September.

Each of the 26 *Crossroads* episodes, half-hour "dramedys," features actors who provide viewers language skills.

Some say cash-strapped state and federal agencies will never have the resources to boost English-language proficiency among foreign-born residents, and that corporate America must assume a far bigger role.

"Business seems loath to spend money on this. Many have the feeling (immigrants) are expendable workers," Burt says.

Increasingly, though, employers are providing language training out of necessity.

For example, Minneapolis' downtown Hilton Hotel had trouble finding workers after opening in 1992, partially because the massive Mall of America shopping complex had recently opened, tapping 8,000 workers from the area labor pool.

Hilton began turning to immigrants who spoke minimal English. Today, about 40% of hotel's 574 full and part-time workers are foreign-born, representing 18 countries.

"We wouldn't be able to staff the hotel without them," says human resources director Wendy Brockhoff. The hotel has started to provide English-language training, initially to a half-dozen students, at a total cost of just \$300. As more foreign-born workers opt for classes, the hotel hopes the program will translate into better service for guests and simpler employee training, she says.

Ala Kotowska, a university-trained chemist at a baking company in Nysa, Poland, now works as a Hilton housekeeper. She came to the USA in 1992, hoping for a better life for her four children. Three months ago, at age 48, she began taking the Hilton-sponsored ESOL classes.

"It's hard to live in a country where you don't speak the language," says Kotowska, who used to just smile when people talked to her, not knowing what they said or how to respond. "Learning English makes communication better. And I feel better."

Result of miscommunication? New Orleans Riverwalk mall was a shambles after it was struck by a freighter.

were killed.

The political climate

The USA is known as a melting pot. But anti-immigrant sentiment has simmered since the nation was founded, leapfrogging from group to group, shaping political debate.

In the past, native-born Americans railed against Germans, Italians, Russians, Poles and Scandinavians, to name just a few, sometimes using language to fuel resentment.

Those resentments in turn influenced politicians, political platforms and national policy.

Beginning in 1831 and continuing into the early part of the 20th century, political-party platforms took positions against immigrants and their threat to "the great parent stock," as the Democrats put it in 1876.

Even as early as 1751, Benjamin Franklin urged restricting immigration, complaining that in Pennsylvania there were too many Germans. These Germans, he scoffed, could never assimilate or acquire "our

complexion."

In the 19th century, loathing of the Chinese was so widespread that Congress slammed the door to Chinese immigrants. In 1917, Congress barred immigration by "Asiatics" — people from India, Indochina, Afghanistan and Arabia.

In the 19th and early 20th centuries, scholars and policymakers regularly published articles in respected, popular magazines, explaining how "bad" immigrants (identified as Italians, Greeks, Poles and Hungarians) were poor, stupid, illiterate and breeders of crime and disease.

In the South, Italian immigrants were treated as badly as blacks. In the Northeast, "no Irish need apply" signs were common and unremarkable for decades.

Today, discrimination against immigrants is more subtle. But language differences are highlighted: In the past, language skills were not as

important because most immigrants took factory, farming, construction or mining jobs that didn't require an ability to converse with the public.

"We've never been pro-immigrant," says Thomas Espenshade of Princeton University's Office of Population Research. "Every time a new wave comes, people have been concerned the country would fall apart."

Political debate continues.

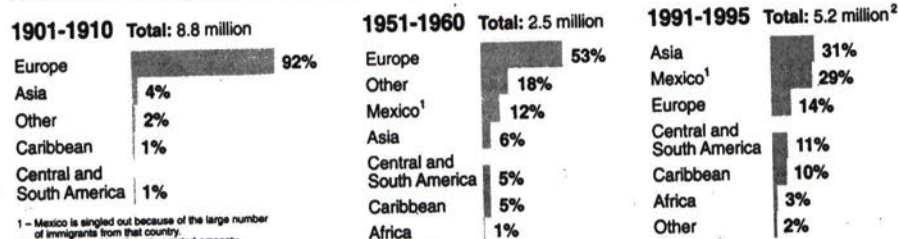
Last year, the U.S. Commission on Immigration Reform, a bipartisan committee created in 1990 to make policy recommendations, suggested a 250,000 annual cut in legal immigrants. But Congress failed to act after lobbying and cross-lobbying by pro- and anti-immigrant groups.

Meanwhile, English-only advocacy groups back the current effort by Sen. Richard Shelby, R-Ala., to enact legislation that would mandate English-only in government offices. Similar laws have passed in 23 states.

NG THE USA'S LANGUAGE GAP

National origin of immigrants is changing

At the turn of the century, the greatest number of immigrants were Europeans. Now they are Asians and Latin Americans.



1 - Mexico is singled out because of the large number of immigrants from that country.
2 - Includes illegal immigrants granted amnesty.

By Grant Jerning, USA TODAY

LANGUAGE PROFICIENCY AFFECTS . . .

The workplace

For some employers, immigrants are key to business — whether they can speak English or not.

Despite offering up to \$10 an hour, restaurateur Bill Hutchinson of Nantucket, Mass., has to recruit a half-dozen foreign workers a year under work visa programs. Without them "I'd be out of business," he says.

Often, they can't speak English. At San Francisco-based ABM Industries, the USA's largest provider of janitorial and maintenance services, half the 48,000 workers are recent immigrants.

"We'd have trouble filling jobs without them," says William Steele, the company's chief executive.

Plenty of immigrants hold high-end jobs as engineers, doctors and computer experts. But now in the U.S. economy, the crunch mostly comes in the service sector.

There, some jobs — particularly in fast food, janitorial and lodging — have especially high percentages of foreign-born workers. That's be-

cause these low-wage jobs are no longer desirable to many native-born Americans and because immigrants, especially those with limited English abilities, are the only workers available to labor-starved employers.

Consumer experts say many companies recognize why English-language skills are important. "Consumers are resentful and frustrated," says Judith Langer of retail consultant Langer & Associates. "There are real, practical issues when you can't understand people you're dealing with."

But even businesses where employees rarely encounter the public face verbal gridlock problems:

► Language deficiencies can cause erroneous messages, poorly worded memos and general miscommunication, says corporate consultant Katie Schwartz, author of *Talking on the Job: The World of Corporate Speech Pathology*.

► Poor language skills make workers reluctant to articulate thoughts,

which can crimp problem-solving and ideas, says Fordham University management professor Paul Baard.

► Poor language skills can lead to conflict, says Lynn McClure, author of *Risky Business, Managing Employee Violence*.

"Language problems on top of cultural differences in the workplace can be a volatile combination."

In the future, supply and demand are likely to muddy the debate over language and the workplace.

Stanford economist Clark Reynolds says that if the economy is to continue growing at 3% a year, the workforce must add up to 15 million more workers than the native-born population can provide. Those shortages will hit all areas.

"It's clear we're going to see substantial shortages in high-end jobs such as engineering and computer software programming. Immigrants are a way to address that," says Jerry Jasinski, president of the National Association of Manufacturers.

Transportation safety



By David Rose Morris, AP
Result of miscommunication? New Orleans' Riverwalk mall was a shambles after it was struck by a freighter.

English is the international language of aviation and shipping. But safety experts say poor English-language skills contributed to accidents that have killed and injured hundreds of people. Among the most recent:

► The National Transportation Safety Board is investigating whether the crash Dec. 14 of a freighter into a New Orleans mall along the Mississippi River happened because the Chinese crew couldn't understand the English-speaking pilot. More than 100 shoppers were injured.

► A controller who spoke poor English was not able to warn the pilots of an American Airlines jet bound for Colombia that they were heading in the wrong direction. The plane hit a mountain Dec. 20, 1995, killing 150.

► An Avianca jet approaching New York's Kennedy International Airport crashed Jan. 25, 1990, after running out of fuel. In spite of its predicament, the plane was not given immediate clearance to land because the crew did not use the word "emergency" in talking with controllers. The captain, who spoke little English, did not detect the error. Seventy-three of the 158 aboard were killed.

THE WHITE HOUSE
WASHINGTON

DATE: 3/3/97

NOTE FOR: Secretary Glickman

The President has reviewed the attached, and it is forwarded to you for your:

Information ☒

Action ☐

Thank you.

Staff Secretary
(x6-2702)

cc:

3-3-97

(D)

*Pub, Glickman
needs to
make sure
things out
to concerned
group*

Sec. Glickman memo on February 28 release of civil rights reports. CRAT report. The USDA's Civil Rights Action team (CRAT) was established in December to conduct a review of civil rights issues within USDA. After conducting "listening sessions" around the country, CRAT makes 92 recommendations for action to address: management commitment, strengthened civil rights complaint and enforcement systems, accountability, and improved program delivery and outreach. Some of the recommendations can be done administratively, others will require legislation. **FSA report.** The USDA Inspector General (OIG) also released a report on Friday about the Farm Service Agency's (FSA) civil rights complaint system. The report showed that the system lacks integrity, direction and accountability. Sec. Glickman has ordered FSA to suspend all foreclosure actions and to work to ensure that no evidence of discrimination exists.

(E)

Strobe Talbott/George Kennan correspondence. Strobe forwards his exchange of letters with Kennan focussing primarily on NATO enlargement. He thought you would find them interesting.

We have also received the following item:

✓ **Gloria Borger (U.S. News and World Report) thank-you note to McCurry.** She thanked Mike for inviting her to the off-the-record session with you. "As a journalist, it is always beneficial to be able to meet the man one-on-one. In this case, it serves to remind that (a) he's human and (b) he's really smart....nothing can ever guarantee good coverage, but this surely can't hurt."



THE SECRETARY OF AGRICULTURE
WASHINGTON
20250-0100

97 FEB 27 PM 7:11

MEMORANDUM TO THE PRESIDENT

From: Secretary Dan Glickman

Subject: Civil Rights

Dan Glickman
2-27-97

On Friday, February 28, 1997, I will release to the public the Department of Agriculture's Civil Rights Action Team (CRAT) report. I am enclosing a copy of the report with this memorandum.

I established the CRAT in December to conduct a comprehensive review of civil rights issues within the Department. Through the extremely hard work and dedication of the CRAT Team Leader, Pearlie Reed, who is Associate Chief of the Natural Resource Conservation Service, as well as the entire CRAT Team, the report has been completed within a very tight deadline.

In developing the report, the CRAT held a number of listening sessions around the country for both customers and employees, all but one of which either I or Deputy Secretary Rominger attended. The CRAT also reviewed the numerous prior reports on the Department's civil rights record, including several reports by the U.S. Civil Rights Commission.

The CRAT report contains 92 recommendations for action addressing a wide range of issues including: management commitment, strengthened civil rights complaint and enforcement systems, accountability, and improved program delivery and outreach. Some of the recommendations can be done administratively, others require legislation, most notably the recommendation to make all Farm Service Agency (FSA) county committee employees Federal employees to establish effective management and accountability.

I am taking immediate action to implement the CRAT report recommendations and am attaching a draft of the statement I will issue on Friday. I am establishing an Implementation Team, that Pearlie Reed will lead, to ensure that these issues are acted upon effectively and efficiently. In addition, I will also be announcing on Friday that Pearlie will serve as Acting Assistant Secretary for Administration, the office with chief responsibility for civil rights enforcement and compliance in USDA.

I met with key members of the Congressional Black Caucus earlier this week to apprise them of my plans to implement the CRAT report. Prior to the release of the report, I also intend to discuss my plans for its implementation with a number of other key constituents.

Also on Friday, the USDA Office of Inspector General (OIG) will release a report of the Farm Service Agency's (FSA) civil rights complaint system. I had requested OIG to conduct this review last December. The report shows that the FSA complaint system lacks integrity, direction and accountability. The report will be extremely helpful as we proceed to establish effective civil rights complaint and enforcement systems Department-wide.

In addition to the OIG report, other employee groups, including Hispanics and Asian Pacific Americans, have prepared reports which reaffirm the CRAT report. These other reports will also guide our implementation of effective civil rights complaints and enforcement systems.

Finally, the OIG issued a management alert earlier this week regarding FSA foreclosure actions against borrowers who have pending civil rights complaints. In December, I ordered the FSA to temporarily halt foreclosure sales until state executive directors, who are political appointees, certified that no evidence of discrimination or inequitable treatment exists. The OIG found three cases that had been certified despite the fact that the borrower had unresolved civil rights complaints pending in the Department.

The OIG management alert is very similar to concerns and recommendations of the CRAT report relative to foreclosure actions by FSA. To correct this problem, I have ordered FSA to suspend immediately all foreclosure actions and to work with OIG, CRAT, and the Office of General Counsel to establish independent teams to conduct a review of each foreclosure action to ensure that no evidence of discrimination or inequitable treatment exists. I also intend to take appropriate personnel action to hold the state executive directors or other responsible staff accountable for this violation of Departmental policy.

The CRAT and OIG reports are likely to generate substantial media, congressional, and constituent interest. I will continue to keep you posted as we proceed with implementation.

STATEMENT OF SECRETARY DAN GLICKMAN
USDA CIVIL RIGHTS ACTION PLAN
WASHINGTON, D.C. -- FEBRUARY 28, 1997

Thank you all for joining me here today. I'd like to send a special welcome out to all our USDA employees from across the country who are joining us via satellite.

For 2 years now, I've had the honor and privilege of serving as secretary of agriculture. I'm *proud* of my service. I'm *proud* of this department, and everyone here who helps make us strong. And I *know* that's the vast majority of us -- both here at headquarters and in the field.

I'm proud of this Civil Rights Action Team, led by Pearlie Reed. Last December, I handed them a *Herculean* task: Tackle the most *sensitive* issue in this department; do a *comprehensive* review; fan out across the country and talk to *real* people who've been affected; and come back here with sweeping recommendations for change ... *in 90 days*.

Well, here they are. They're still standing ... I saw them walk in.

All of us at USDA owe the team a great debt of gratitude. They put their normal duties on hold, and in many cases, they put their *lives* on hold. In every page of this report, we see their commitment to civil rights, to this department, and to all the people we serve.

I'd also like to recognize the work of the Hispanic Issues Task Force, APANA, and other employee groups whose recommendations and insights are reflected in this report.

I'm *proud* of this report. I'm fairly confident in saying it won't be accused of *pulling any punches*. It takes a hard look in the mirror, and that's where we need to start. But I think it's also important to note that this report is based on what we've *heard*. It reflects some very disturbing *perceptions*. Some have been documented by earlier requests; others may need further review.

The Office of the Inspector General has been looking into program delivery. What they've found in many ways mirrors the CRAT report. Those findings will be made available as well.

Our actions today are meant to address both the problems and the perceptions that are out there. That starts by *admitting* that for *far too long* USDA has turned a blind eye to serious, pervasive problems with our civil rights systems.

No more. We're going into phase 2 with our eyes *wide open*.

Many of us here in this room have participated in one or more of the listening sessions. You can't walk away from that experience thinking anything but action. I sat through 3 sessions. They were disturbing. They were frustrating, and yes they sometimes made me angry.

But I'm not here today to point fingers, to cast blame, or to add any fuel to the fire. I'm here simply to say, *it is time to heal*. We cannot change the past, but we can and will set a new course

for the future of this department.

In many ways, our struggles echo our nation's struggles. Every day, it seems we open the newspaper or turn on the news, and there's a story about discrimination, lack of opportunity, and the polarization of our people. It's easy to dismiss the problem as *beyond us*.

That's why I consider this report to be a rare and historic *opportunity*. As Gandhi once said, '*you must be the change you wish to see in the world.*' This report is our chance to change our little corner of the world. It is our opportunity to once and for all change the *culture* of the Department of Agriculture.

We start with a new mission statement that I am issuing today. It is now a condition of employment at the United States Department of Agriculture that every employee treat every customer and co-worker fairly and equitably, with dignity and respect.

That's nothing revolutionary. It is simply the law of the land.

We also start today with a *zero-tolerance* policy for reprisals. Quite frankly, those who choose retaliation should be more concerned about keeping their *own* jobs.

And, we start this new day with a new civil rights leader. I wouldn't blame Pearlie if all he wanted to do right now was sit on the beach for a while. But he doesn't. He understands that we're only halfway there. The hardest half -- turning recommendations into actions -- is still ahead.

I'm pleased to report today that I've offered and Pearlie Reed has accepted the post of acting Assistant Secretary for Administration. In accordance with this report, that position has been beefed up and vested with *all* authority and responsibility for civil rights programs throughout this department. The buck will always stop with me, but Pearlie will be my *full-time* enforcer. I've given him the authority and my full confidence.

This report will not gather dust. It contains 92 recommendations. Most are feasible. Some may need further review. I've set a deadline of 6 months from now for implementation of those recommendations that can move forward immediately. And I want to state very clearly that I will hold everyone in this room *responsible* for making sure that Pearlie and his team have whatever they need to get the job done. I will accept nothing less than *full* cooperation.

Many changes will take place ahead of the 6-month deadline. Some, especially where Congress' approval is necessary, may take a little longer. But there will be no committee to report on the committee's report and make recommendations on the recommendations. We will simply press forward.

Some recommendations address problems we've inherited:

- The action team calls for elimination of the backlog both in program and Equal Employment Opportunity complaints within 120 days. While an ambitious plan, I'm going

to give Pearlie the resources necessary to go for it.

- I've also made all EEO complaints filed before Jan. 1 eligible for alternative dispute resolution. I've asked Pearlie to develop a more efficient process, so we can resolve future disputes in a more timely, respectful and fair manner.

We also need to address more seriously the challenges facing small and socially disadvantaged farmers:

- We'll take aggressive action to minimize the loss of minority-owned farms. I'll issue a permanent policy that suspends foreclosures in cases of alleged discrimination -- until the circumstances can be reviewed by an independent, diverse team. Pending foreclosures will also be halted until the appeal of civil rights complaints are heard.
- We'll establish a national commission on small farms to develop an aggressive strategy for keeping this important American tradition alive and well in the next century.

We'll also lay the foundation for a positive, consistent civil rights environment throughout USDA:

- *All* employees will have annual civil rights training.
- We're creating a *department-wide* workforce planning and recruitment effort.
- We'll create an Office of Outreach that will coordinate *department-wide* efforts to ensure that we reach *all* the people who need or can benefit from our services.

But the most *dramatic* changes will come from our efforts to reign in *authority*. It's the only way to ensure *accountability*. As I've said many times before, we have federal civil rights laws for a *reason* -- everyone in America has basic rights and should be held to the same high standard in their treatment of others.

- The most fundamental systemic change is a *long* time coming. I will seek legislative authority to convert all non-federal county positions in the Farm Services Agency to federal employee status. That will cover *everyone* who receives their salary from the federal government. This action will put us in a better position to bring uniform civil rights accountability to these jobs, while preserving what's *good* about our county field structure -- a strong, local USDA presence.
- I'll also seek legislative authority to guarantee that every county committee includes a voice for underrepresented groups. Where none are elected, two will be appointed. For our field structure to work, it must reflect the *whole* field -- up and down its ranks.
- Here at headquarters, Pearlie -- as acting Assistant Secretary -- will have the authority to review the civil rights records of agency heads and subcabinet officials to make sure they are held *fully* accountable for their operations. I've told them many times that their record

on civil rights is as important -- if not more -- than their record on any *program*. Now the performance review process will be revised to reflect civil rights as a high priority.

- We'll also establish a civil rights arm of the Office of the General Counsel. So we have someone there whose sole purpose is to be the legal champion of our civil rights efforts.
- And, we have a civil rights hotline -- 1-800-358-4309. This is a place you can call if you feel your civil rights case has not been adequately addressed. It's also up and running now for anyone who has questions or who would like a copy of this report. Starting at noon today, it can also be pulled off the Internet. I encourage everyone to read it.

The Chinese have a saying, 'the journey of a thousand miles starts with a single step.' We have a *long* road ahead. We need to get started in earnest, and no one can sit out this trek.

Dr. Martin Luther King said, 'Our lives begin to end the day we become silent about things that matter.' *This matters* -- perhaps more than anything else we do in our time as public servants.

We have problems that each of us must commit ourselves to healing. That's the opportunity given to us by this report. It is now our *highest* obligation.

Thank you.

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United States
Department of
Agriculture

Civil Rights
Action Team

February 1997

Civil Rights at the United States Department of Agriculture

A Report by the
Civil Rights Action Team



DANIEL PATRICK MOYNIHAN, CHAIRMAN
LARRY COMBEST, VICE CHAIRMAN

JOHN DEUTCH
MARTIN C. FAGA
ALISON B. FORTIER
RICHARD K. FOX, JR.
LEE H. HAMILTON
JESSE HELMS
ELLEN HUME
SAMUEL P. HUNTINGTON
JOHN D. PODESTA
MAURICE SONNENBERG

ERIC R. BIEL, STAFF DIRECTOR
JACQUES A. RONDEAU, DEPUTY STAFF DIRECTOR

COMMISSION
ON
PROTECTING AND REDUCING
GOVERNMENT SECRECY
WASHINGTON, D.C.
(202) 776-8727

3-3-97

COS

March 3, 1997

Dear Mr. President:

We hereby transmit the report of the Commission on Protecting and Reducing Government Secrecy.

The Commission was created under Title IX of the Foreign Relations Authorization Act for Fiscal Years 1994 and 1995 (P.L. 103-236) to conduct "an investigation into all matters in any way related to any legislation, executive order, regulation, practice, or procedure relating to classified information or granting security clearances" and to submit a final report containing recommendations covering these areas. The Commission's investigation was the first authorized by statute to examine government secrecy in 40 years, and only the second ever.

The Commission's report is unanimous. It contains recommendations for actions by the Executive Branch and the Legislative Branch, with the object of protecting *and* reducing secrecy in an era when open sources make a plenitude of information available as never before in history.

Respectfully submitted,


Daniel Patrick Moynihan
Chairman


Larry Combest
Vice Chairman

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

SECRET

**REPORT OF
THE COMMISSION ON PROTECTING AND
REDUCING GOVERNMENT SECRECY**

1997

Send to Doistmids

Yes ☒

No ☐

C.

Page Henry Woods suggest that Harry Ashmore be considered for Medal of Freedom.

cc Cross Sec

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF ARKANSAS
U. S. COURTHOUSE
600 W. CAPITOL AVENUE, SUITE 360
LITTLE ROCK, ARKANSAS 72201-3325

HENRY WOODS
JUDGE

February 4, 1997

DETERMINED TO BE AN ADMINISTRATIVE

MARKING INITIALS: N DATE: 2/19/14
7019-0774-3

PERSONAL AND CONFIDENTIAL

The Hon. Hillary Rodham Clinton
The White House
Washington, D. C. 20500-2000

197 FEB 28 PM 3:29

Dear Hillary:

Some of Harry Ashmore's friends are suggesting that he be considered for the Medal of Freedom. I would like to join wholeheartedly in such a recommendation.

Harry stood tall in the late 1950's when the school integration controversy swept over the South. Many who are now garnering high honor took craven positions at that time. I remember going to a Southern Governors Conference at Charleston in 1949 and listening to then-Governor Strom Thurmond make the most vicious attack imaginable on a federal judge, Waites Waring, for having the temerity to integrate a South Carolina school.

My old law teacher, Senator Fulbright, not only signed the Southern Manifesto, but filed an *amicus* brief for the segregationists in *Aaron v. Cooper* when it reached the Supreme Court.

George Wallace has now tried to make amends in his old age for his iniquities and has become somewhat of a folk hero to some of my liberal friends. I cannot forget the brutality he and his ilk unleashed against the blacks in Alabama.

The son of the head of the White Citizens Council in Little Rock, Wesley Pruden, is now editor of the *Washington Times*. His favorite op-ed contributor is none other than Justice Jim Johnson. Although you and I do not think much of the *Washington Times*, I constantly see its people on talk show panels and read their quotations in print (mostly shots at you and the President). Justice Jim was recently high profiled in a flattering article in the *Democrat-Gazette*.

-- (ATTACHED) 2/4/97 from Judge Henry Woods, suggesting that Harry Ashmore be considered for Medal of Freedom.

✓ To Nancy Hemmick for review/consideration

The Hon. Hillary Clinton

February 4, 1997

Page two

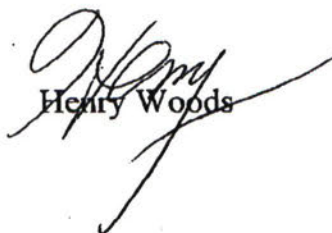
Wesley Pruden, Sr. was the most virulent racist in this community during the Central High crisis. His son appears to be a chip off the old block. To see him and Jim Johnson having a voice in our nation's capitol is disconcerting to those who fought the good fight.

The leader in that fight, not only in Arkansas but in the entire South, was Harry Ashmore. At great physical danger, he planted the standard around which right thinking people could rally. Without a doubt, Harry played the leading role in eventually toppling Orval Faubus. Jim Johnson would have succeeded him without Harry's influence (he won the Democratic nomination). Johnson was the most talented demagogue of all the infamous collection of Southern demagogues - Strom Thurmond, Ross Barnett, George Wallace, Allen Shivers, Willie Rainach, Lester Maddox, Herman Talmadge, Leander Perez, et al. Jim was a better phrase-maker and had more charisma than any of them.

Harry deserves the principal credit for ending the Faubus regime and bringing to pass a succession of excellent Governors - Rockefeller, Bumpers, Pryor and Clinton. It is time to recognize his great contribution.

With best personal regards, I am,

Very truly yours,


Henry Woods

HW:bn

cc POTUS
Melanne
R

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF ARKANSAS
U. S. COURTHOUSE
600 W. CAPITOL AVENUE, SUITE 360
LITTLE ROCK, ARKANSAS 72201-3325

HENRY WOODS
JUDGE

February 4, 1997

~~DEFERRED~~ TO BE AN ADMINISTRATIVE

MARKING INITIALS: N DATE: 9/19/11
Bla- 07741-5

~~PERSONAL AND CONFIDENTIAL~~

The Hon. Hillary Rodham Clinton
The White House
Washington, D. C. 20500-2000

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The Hon. Hillary Clinton
February 4, 1997
Page two

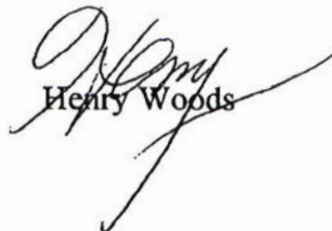
Wesley Pruden, Sr. was the most virulent racist in this community during the Central High crisis. His son appears to be a chip off the old block. To see him and Jim Johnson having a voice in our nation's capitol is disconcerting to those who fought the good fight.

The leader in that fight, not only in Arkansas but in the entire South, was Harry Ashmore. At great physical danger, he planted the standard around which right thinking people could rally. Without a doubt, Harry played the leading role in eventually toppling Orval Faubus. Jim Johnson would have succeeded him without Harry's influence (he won the Democratic nomination). Johnson was the most talented demagogue of all the infamous collection of Southern demagogues - Strom Thurmond, Ross Barnett, George Wallace, Allen Shivers, Willie Rainach, Lester Maddox, Herman Talmadge, Leander Perez, et al. Jim was a better phrase-maker and had more charisma than any of them.

Harry deserves the principal credit for ending the Faubus regime and bringing to pass a succession of excellent Governors - Rockefeller, Bumpers, Pryor and Clinton. It is time to recognize his great contribution.

With best personal regards, I am,

Very truly yours,



Henry Woods

HW:bn

OKLAHOMA Gazette

FAX COVER SHEET

Copy to:
✓ Bruce
✓ Mr. Curry
✓ L. Davis
Return Photos
to write response

TO Nancy Herrreich / Betty Mitchell

FROM Sam Fleischaker

DATE 2/28/97

NUMBER OF PAGES 3
(INCLUDING COVER SHEET)

RE: fun

IF YOU DO NOT RECEIVE ENTIRE FAX, PLEASE
CALL (405) 528-6000 OR FAX (405) 528-4600

BY PAM FLEISCHAKER

**Associate Editor, Oklahoma Gazette
Oklahoma City, Okla.**

A long, lonely night

My cover having been blown by the New York Times and the Washington Post, I see my choices as two: Take the cyanide capsule I keep for such nightmares or confess.

Since I want to live long enough to repeat my sin many, many times, I will save the pill for another heinous act and confess: I Spent a Night in the White House. (By the way, I own the White House, as do you. We even own Lincoln's bed and all his old sheets, which I hope are changed frequently given how many people have been camping out there lately.) But enough about the appointments.

I Spent a Night in the White House for several reasons:

Public Reason: I was invited. I was asked to spend some time with old friends, POTUS and FLOTUS (Look it up), who are busy, busy, busy and had no other time to see me.

Private Reason: POTUS was attempting to lure me into using my vast influence to secure a minimum of ten \$17-grillion contributions to either the Clinton/Gore re-election campaign, the Democratic National Committee or the Lippo Suction Group.

Public Reason for Accepting: My schedule was also crowded (I was visiting Washington, in part, to see lots of old friends, but in truth, to eat as many steamed Maryland blue crabs as I could find in one week) and, being an old FOHAB (ibid. and sic) from the Seventies, I also thought it would be fun to sit up and gab half the night at my friends' house.

Private Reason for Accepting: Secretly, clandestinely, passionately and most definitely in a calculated manner, I was hoping that Mandy Patinkin, Paul Newman or some other Hollywood don would mistakenly but luckily have been booked into the Lincoln bedroom that same night. (There's only one bed. I know this because I went. Yes, indeed, I did.)

In fact, I spent 24 hours there -- most of it alone and asleep. The following should account for all of my time there:

8 p.m.-11:30 p.m. -- I alternately and frequently read the Gettysburg Address, browsed through the guide booklet that explains the antiques in the Lincoln Bedroom (In America, they're antiques. In Europe, they'd be passed over at a flea market as too new.), thought about playing "Chopsticks" or the Rach 2 on the piano but was too nervous, thought about snooping around in other parts of the White

House but was too nervous, thought about asking for food but was too nervous and wanted to call lots of friends long distance to tell them where I was but was too nervous. So I read my crappy detective novel to calm myself and wondered where the hell my old friends were.

11:30 p.m.-12:30 a.m. -- FLOTUS arrived and we talked about our husbands, kids and jobs.

12:30 a.m.-1:30 a.m. -- POTUS arrived, found me snoring on a settee in the hallway, peeled the crappy detective novel off my nose and we talked about our kids, our parents, our jobs, our health, our friends and our enemies. He likes to talk more than she does.

1:30 a.m. -- I was so tired, I had to hit the shucks. He's from Arkansas and knew what I meant.

1:30 a.m.-7:30 a.m. -- Slept badly, then awoke and ate my low-fat bagel with jam, drank decaffeinated coffee alone, read three important newspapers, showered, dressed and left for my hotel, where I tried to get a little sleep.

Noon -- Resumed the eating of steamed Maryland blue crabs with a mutual FOB and FOP.

Neither Paul nor Mandy were at the White House, nor was any attempt made by anyone there to tap into my well-known account of \$50,000 - \$100,000 campaign contributions just waiting to be asked for.

We didn't talk about campaign finance reform, and I doubt POTUS, FLOTUS or the MOCs (members of Congress) will be doing that, either, at least in any meaningful way. Power and greed are not solely the private properties of corporate America. We did, finally, have the time to talk about the things that real friends talk about, so in that way, I, personally, am glad POTUS was "ready to start the overnights..."

Staff sec.
Bill White &
Scheduling
are handling
this - FYI

'97F

2/28/97

Send to Leg Affairs -

Yes ☒

No ☐

C.

Congress of the United States

House of Representatives

Washington, DC 20515-0526

HOWARD L. BERMAN

February 18, 1997

The Honorable Bill Clinton
The President
The White House
Washington, D.C. 20515

Dear Mr. President:

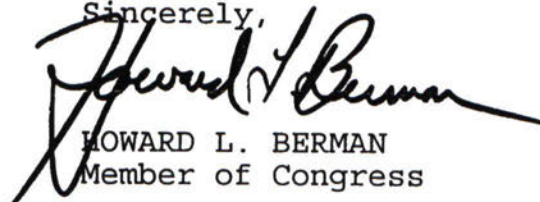
I am writing on behalf of my close friend, Dick Gunther, to express my hope that you will be able to accept his invitation to present the 1998 Legacy Awards in a ceremony to be held in May, 1997. The Legacy Award Program is sponsored by the American Association of Retired Persons (AARP) and exists to encourage the participation of senior volunteers in worthwhile programs.

Mr. Gunther was seated beside you during a program last year and had the opportunity to describe this program to you. He was delighted by your enthusiastic response to his request. I have enclosed a copy of his letter to Ms. Nancy Hernreich, to whom you suggested that he put his invitation.

If you are unable to present the awards personally, Mr. Gunther hopes that it might be possible to arrange for a photograph to be taken of you and the award winners.

I very much appreciate your attention to this request and hope that your schedule will permit you to take advantage of this opportunity to honor the most active of America's senior volunteers.

Sincerely,



HOWARD L. BERMAN
Member of Congress

HLB/gs
Enclosure

cc: Ms. Nancy Hernreich
Deputy Assistant to the President and
Director of Oval Office Operations

FEB 28 PM 12:17

January 10, 1997

Ms. Nancy Hemreich
The White House
West Wing - 1st Floor
Washington, DC 20502

Dear Ms. Hemreich:

In the middle of last year I sat next to President Clinton at a DNC event in Washington and described to him a program through the American Association of Retired People (AARP) called the Legacy Award, which gives recognition and cash grants to selected senior individuals who represent the highest tradition of volunteerism. The aim of this program is to encourage senior volunteerism throughout the country and with the vast outreach of AARP this effort has great potential to significantly increase the participation of senior volunteers at a time of increasing need with the cutback of social service funds.

I asked the President if he would be willing to personally grant those awards next May or, as an alternative, could we have a brief ten minute photo-op at the White House with the Legacy Award winners. It would help the visibility of our program and certainly the connection with AARP would give the President positive support from this huge constituency. President Clinton told me that he would participate. I explained to him that for the previous award cycle Vice-President Gore had told me he would participate but his involvement fell through the cracks with all the buffeting I got from one office to the next trying to confirm this arrangement. President Clinton then told me to get in touch with you because "nothing falls through the cracks when it comes to Nancy". He even wrote out your name in his own writing so I would be certain I reached the right person. Following his advice, I called you on the phone and at your request wrote you a detailed letter on July 10th, 1996 (copy of which is enclosed), which outlined the whole Legacy Award program.

On August 21st I received a brief note signed by Stephanie Streett and Anne Hawley stating that they were unable to make a commitment at that

CENTURY PARK EAST

11TH FLOOR

LOS ANGELES, CALIFORNIA 90067

(310) 552-3545 FAX (310) 552-1635

time, which was certainly understandable as the election loomed on the horizon.

Now, with President Clinton firmly in place for a new term I am reactivating this request. We are planning on giving our awards on the 6th of May in Washington and participation by the President, either at the award ceremony or in a brief photo-op at the White House would enhance the visibility of our program and thus encourage more volunteers.

As I stated above I am appealing to you at the suggestion of the President. His praise of your efficiency was a wonderful tribute to your abilities, and I request that you please let me know if there is anything I can do to help confirm President Clinton's participation.

Very truly yours,


Richard S. Gunther

Phil-

How do you
want to handle?


Give Jim do a
"hand you're a supporter"
letter + signed photo.
let me see
PhM

Sandra Sobieraj
Staff Writer

'97 FEB 28 PM5:59

2021 K Street, N.W., 6th Floor
Washington, DC 20006
(202) 776-~~8777~~ 9494
Fax: (202) 776-9586
Home: (202) 466-3235
Internet: sobieraj@ap.org

February 28, 1997

Mike --

Before our very own Terry Hunt spilled his Diet Coke on the president's letter (attached), it read, in part: "Since your grandmother is not bound by your professional constraints, if you'll give Mike McCurry her address, I'll send her a letter and a signed picture."

Here goes:

Mrs. Frances Sobieraj
908 Sherman Place
Utica, New York 13502

Please thank President Clinton for his thoughtful offer; my grandmother will be delighted.

And, thanks to you.



Sandra Sobieraj



THE WHITE HOUSE

WASHINGTON

(2-11-97)

Dear Sandra

Thank you for the letter
but I'm already decided to not go to the
and for your kind words about my
visit - It was very enlightening and I
thank you?

Since your grandfather is not
bothered by your professional contributions,
if you'll give him a letter and a signed
picture.

Sincerely,

Bill Clinton

MMC
Mym -
P/S follow - P.
- MC



THE WHITE HOUSE
WASHINGTON
(2-17-97)

Thank you for the Dob-Kemp
button, already added to my
'96 collection + for your
kind words about our
visit - it probably enlightened
me more than you.

Since your grandmother
is not bound by your
professional constraints,
if you'll give MMC her
address I'll send her a
letter + a special picture.

Dear Sandra

Thank you for the Dob-Kemp
button, already added to my '96 collection,
and for your kind words about our
visit - it probably enlightened me more
than you.

Since your grandmother is not
bound by your professional constraints,
if you'll give Mike DeLong her address
I'll send her a letter and a special
picture.

Sincerely
Bill Clinton

cc all
this to
DeLong

Sandra Sobieraj
Associated Press
2021 K Street, N.W.
Sixth Floor
Washington, D.C. 20006

THE WHITE HOUSE
WASHINGTON

CS
THE PRESIDENT HAS SEEN
3/31/97

March 1, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: BRUCE REED BR/leh

SUBJECT: DPC WEEKLY REPORT

good ***
Handgun Safety Lock Directive: A key provision in your Anti-Gang and Youth Violence Bill requires all Federally-licensed gun dealers to sell a safety locking device with every handgun. (A 1991 GAO study found that such devices could prevent one-third of all deaths resulting from accidental shootings.) To focus attention on this issue, we are preparing a directive that would require agencies to provide safety locks to all federal law enforcement officers, so that the officers can protect their children against accidental shootings. This directive would make the Federal government a model for the nation in promoting use of safety locks.

good
Seat Belt Study: The Department of Transportation will give you a report on March 10 on ways to increase seat belt use. Increasing belt use by only 15 percentage points -- from 68% to 83% -- would save over 2000 lives each year. DOT's report is likely to urge you to: offer financial incentives to states, consistent with our budget proposal, to improve and enforce seat belt laws; set an ambitious national goal for seatbelt use; and challenge the private sector to fund passenger safety education. DOT is working to get some private sector commitments now, so that you can announce them when you accept the recommendations contained in the report.

OK
Patients' Bill of Rights/Quality Commission: We will be ready soon -- probably around March 10 -- to announce the members of the Advisory Commission on Quality and Consumer Protection in the Health Care Industry, which you will charge with developing a Patients' Bill of Rights. We can combine announcement of the Commission with the release of an HHS regulation that would guarantee an expedited appeal whenever a plan proposes to deny care that a Medicare patient believes is urgently needed.

good
Medicare Fraud Legislation: HHS and DOJ jointly announced on February 25 a settlement agreement requiring a laboratory operation that had committed massive medicare fraud to pay \$300 million to the government. The settlement brought to over \$800 million the total amount recovered by Operation Labscam, a joint investigation of Medicare fraud undertaken by the two departments. These aggressive enforcement efforts prepare the way for a legislative proposal on medicare fraud that we could unveil as early as the week of March 10. This proposal, which we are currently working with HHS to finalize, would give the government new tools to go after Medicare fraud by requiring certain suppliers of health care services to provide identification numbers and to post bonds. We could announce this initiative in a radio address when you travel to Florida in the middle of March; alternatively, we could focus then on our children's initiative,

which would greatly assist Florida's efforts to expand coverage for children.

 **Child Support Enforcement:** HHS will soon be ready to submit to Congress a report required under the new welfare law recommending an incentive funding system, based on program performance, for state child support enforcement programs. The report recommends that incentive payments hinge on state performance in five areas: establishment of paternity, establishment of child support orders, collections on current child support due, collections on past child support due, and cost effectiveness. We can couple submission of this report with the release of new state-by-state data showing that child support collections have increased by more than 50% over the last four years.



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

February 28, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: KATHLEEN A. MCGINTY

CC: ERSKINE BOWLES

RE: CEQ WEEKLY REPORT

THE PRESIDENT HAS SEEN

5.3.97

AGREEMENT WITH KETCHIKAN PULP COMPANY - TONGASS

Reaction to the settlement agreement reached last week with Ketchikan Pulp Company and Louisiana Pacific Corporation has been uniformly favorable, particularly in Alaska. Attached are editorials from the Ketchikan Daily News (the most directly affected community) and the Anchorage Daily News.

An earlier news story from the Anchorage Daily News quoted Senator Frank Murkowski (R-AK) as saying, "What we have today, peaking through those rain clouds on Southeast Alaska, is a ray of sunshine." Poetic. It was good of him to demonstrate his gratitude to us this week.

EVERGLADES

Editorial writers in Florida have received warmly the Administration's budget proposal for Everglades restoration, including both new funding for land acquisition and the assessment on Florida sugar. Sample editorials are attached. The Everglades issue continues to work very well for the Administration.

UTAH MONUMENT

Senator Robert Bennett (R-UT) introduced legislation this week that he characterizes as merely implementing the various promises you and the Administration have made regarding management of the new Grand Staircase-Escalante National Monument. The bill addresses issues that were not included in the official Proclamation but were mentioned in your speech accompanying the Proclamation or arose in other conversations with Secretary Babbitt and me. He casts the issue as holding you to your word.

Our preliminary analysis of the bill indicates that it would significantly change current law regarding monument management, tilting use of the area toward mineral extraction and other development. It could effectively gut the monument proclamation. Senator Bennett has been

chastised in the Utah press for overreaching and potentially disrupting the monument management planning effort now underway in Utah (editorial attached).

TAKINGS LEGISLATION

Takings legislation similar to measures considered in the last Congress recently have been defeated in three western states. Montana, Wyoming and North Dakota legislatures each rejected takings compensation bills apparently because of concerns over potential fiscal impacts, government service paralysis, and environmental consequences. Although property rights advocates will continue to press for enactment of compensation bills, it seems that much of the steam has gone out of the drive, in no small part because of the stand the Administration took on the issue during the 104th Congress.

HEADWATERS

This past Tuesday the parties to the Headwaters agreement had a conference call during which three key issues were discussed with Charles Hurwitz. First, while geothermal leases present numerous political and legal challenges, we will continue to explore them in the coming week in an effort to decide whether we will offer them for exchange. Second, we are continuing to talk with the state of California to identify measures to compensate for its loss of 50% of the oil and gas royalties. The state estimates it would receive \$2 million a year in tax revenue, thus reducing our royalty compensation from the original \$10-12 million estimate down to \$8-10 million annually. The state is adamant that it wants income-producing assets as compensation. Third, we did not commit to seek a supplemental appropriation to cover a potential federal shortfall although we did agree to provide an answer at a meeting set for March 11. We have been pushed hard by both Senator Dianne Feinstein (D-CA) and Mr. Hurwitz to commit to a supplemental.

Mr. Hurwitz may be feeling slightly vulnerable at this point in light of recent events. California Public Employees Retirement System (Calpers), which is the second-largest institutional holder of Maxxam stock, publicly warned Hurwitz that the long-term value of Maxxam would be "significantly harmed" if he tries to log old-growth redwoods. Also, the California Federation of Teachers voted unanimously to use its influence to stop Mr. Hurwitz from logging (over \$3 million of the State Teachers Retirement Fund is invested in Maxxam). Finally, enviros announced a nationwide boycott of old-growth redwood. All three of these events have received press, particularly Calper's action.

BISON

Secretaries Glickman and Babbitt have written Governor Marc Racicot (R-MT) offering to work with Montana to find a solution to the unacceptable destruction of bison leaving Yellowstone National Park. They proposed to: (1) obtain supplemental winter range; (2) manage the herd by hunting or other appropriate measures to keep the numbers within an agreed upon range; and (3) eliminate brucellosis in the bison herd. Secretaries Glickman and Babbitt discussed a draft of the letter with Governor Racicot before sending it.

Decisions relating to the long-term management of the herd will be based upon the environmental impact statement scheduled to be released for public comment this August. In the short term, there appears to be adequate winter range for those bison that have migrated onto Forest Service lands on the west side of Yellowstone. Because there is little private land in this area, Montana has scant justification for continuing to shoot bison here, although ~~they have shot~~ about 130 bison since the USDA and DOI have informed them that such shooting is not necessary to maintain their brucellosis-free status. However, on the north side of the park, there is little public land and bison may continue to leave the park. If these bison cannot be hazed back into Yellowstone, and they have not tested negative for brucellosis, they are likely to be shot by Montana Department of Livestock in accord with the Interim Bison Management Plan to which the U.S. is a signatory.

SUPERFUND/BROWNFIELDS

As part of the effort by the Senate and House Republicans to make Superfund a top priority, Senators John Chafee (R-RI) and Robert Smith (R-NH) met with the Vice President on Friday seeking a commitment that we negotiate on the basis of S.8 (the Smith-Chafee Superfund reform bill introduced at the start of this Congress). The Vice President made clear that we are not prepared to accept S. 8 as the basis for a negotiation on a Superfund bill, and that we want to start from a clean sheet of paper to produce a bill with broad, bipartisan support. The Vice President emphasized that we continue to want legislative reform of Superfund and hope to work with Senators Chafee and Smith to develop a consensus bill. Carol Browner will reiterate this message when she testifies in the Senate on March 5th. Given the wide gulf between S. 8 and any proposal we could accept, we expect negotiations on a bill to be protracted. While prospects for a bill now appear remote, there is some indication that Senator Chafee will move in our direction enough to produce a bill in this session that we could accept.

COSTA RICA

I traveled to Costa Rica last week and, among other things, spent a considerable amount of time with President Figueres and key members of his Cabinet. The President has many ideas to suggest for your visit in May. His top priority continues to be to showcase Central America in general and Costa Rica in particular as models of sustainable development. He also emphasized, however, that many Leaders would want to engage you on the issue of parity and he offered suggestions as to how that might be handled.

To take the issue of parity first: He warned that the Leaders would not be satisfied by your budget submission on this front because: (1) they realize the hostility in Congress to passage of the proposal and (2) they believe that the proposal itself is inadequate --- even if passed they believe it would only allow for marginal progress. His suggestion for handling this issue would be to turn the focus somewhat from trade to investment. In particular, he would recommend that a group of economists from Harvard that the Leaders have engaged previously (including Porter and Sachs) be brought in to discuss strategies to encourage investment in Central America. To tie back to the sustainable development focus, we discussed the possibility of adding to the group

several of the CEOs of the Fortune 500 companies that constitute the US Business Council on Sustainable Development. I discussed this overall notion with Ambassador de Vos and he seemed to think that this is an idea that all of the Leaders (not just Figeures) would support.

On the matter of sustainable development, Costa Rica truly is undertaking some remarkable efforts. Whether it is sustainable timber production; organic coffee growing; biodiversity preservation; or climate change, the entire country seems engaged in the effort and very literate about the issues. Of particular note at the moment, Figeures is trying to launch an ambitious project to promote electric vehicle use (indeed, he took us for a drive in his very own electric car). One piece of this effort involves a demonstration with 6 Solectria vehicles that is hamstrung because Costa Rica cannot find the \$150,000 total differential between electric and conventional vehicles. I am working to see if we can't find funds that could assist this effort.

In addition to this effort, Costa Rica is poised to launch an incredibly inventive effort on climate. Specifically, they have invented the "Certifiable, Tradeable Offset" or CTO, essentially making a whole new currency -- a tradeable commodity -- out of carbon emission offsets. In simplest terms these CTOs are commodities that will be backed by a Costa Rican guarantee that they have preserved biodiversity that otherwise would not have been preserved and/or they have avoided carbon emissions in the energy sector that otherwise would have been emitted. The Department of Energy must certify that the Costa Rican guarantees are good. Once they do (which could happen before your visit), then the Chicago Board of Trade has agreed to start trading these commodities! As a pilot run, the Norwegian government has already purchased \$2 million in CTOs. The Costa Ricans are showing here that the environment -- fully preserved as opposed to managed or harvested in some way -- has real economic value. The FOREST has value as a forest --- not just as an inventory of TREES.

I will debrief Mack McLarty and others planning your trip on these discussions.

February 27, 1997

Anchorage Daily News

Tongass peace

Deal is expensive, but worthwhile

In the long-running fight over Alaska's Tongass National Forest, peace finally has come to one part of the valley. When so many different adversaries — President Clinton and Alaska Sen. Frank Murkowski, environmentalists and the Ketchikan Pulp Mill's owners — profess satisfaction at the outcome, the architects of the deal deserve a salute for a job well done.

Though the peace is expensive — it will cost the federal treasury \$140 million — it is a constructive resolution to a difficult situation. The deal ends what promised to be years of litigation with far bigger sums at stake. It keeps two Southeast sawmills open for three years, while reducing the environmental impact of more widespread logging. And the deal ends once and for all the Ketchikan mill's overly long-term contract timber contract, which was awarded decades ago, in an era of far less environmental concern.

As they say in politics, failure is an orphan, while success has many fathers. Credit Sens. Murkowski and Stevens and Rep. Young for a vigorous defense of the Ketchikan-area timber industry's concerns. President Clinton drove a hard bargain on behalf of environmental interests. Louisiana Pacific managed to cut its losses in the Tongass while still keeping a badly needed presence in the area.

As this chapter of Tongass history closes, we hope parties on all sides can unite now behind a new set of common interests. Though the timber industry in Southeast will be smaller, long-term conflicts with other key activities like fishing, tourism and Native subsistence have been reduced. With cooperation and creativity, Southeast can find ways to make better use of its remaining timber and establish a healthier, long-term economic and environmental balance for the region.

Deal reached on timber jobs

2 sawmills to stay open

By DAVID WHITNEY
Daily News Washington Bureau

WASHINGTON — The Clinton administration and Louisiana-Pacific Corp. settled a dispute over timber supplies, signing an agreement that will keep 425 timber jobs in Southeast Alaska for three more years.

The agreement, praised by Alaska's congressional delegation, environmentalists and Louisiana-Pacific officials, resolved legal claims arising out of timber-supply shortages caused by the 1990 law reforming logging practices in the Tongass National Forest.

The timber and mill company will receive \$140 million from the government and authorization to cut 300 million board-feet of additional trees. The deal also terminates the controversial long-term timber contract of

Louisiana-Pacific's Tongass subsidiary, Ketchikan Pulp Corp.

The contract termination is the result of the company's decision to close its Ketchikan pulp mill next month. The contract, long blamed by environmentalists for driving environmentally destructive logging of the huge forest's most productive old-growth stands, had required continued operation of a pulp plant.

"This is a good example of how jobs and environmental protection can go together," said Lois J. Schiffer, assistant attorney general in charge of the Justice Department's environment and natural resources division.

Alaska Sen. Frank Murkowski, chairman of the Senate Energy and Natural Resources Committee, said the agreement was a cause for optimism.

"What we have today, peaking through those rain clouds on Southeast Alaska, is a ray of sunshine," said Murkowski, a Republican.

Murkowski wrangled a pledge from the White House last fall to negotiate with Louisiana-Pacific over the shutdown of its pulp operation. Former White House chief of staff Leon Panetta said the administration would commit a two-year timber supply to the company's two Southeast sawmills if Louisiana-Pacific would set-

tle other outstanding claims.

Under the deal, Ketchikan Pulp Co. will get enough timber to keep nearly 100 workers employed at its Wards Cove and Metlakatla sawmills. If employment falls below that level, Louisiana-Pacific could forfeit \$5 million of the settlement proceeds.

Schiffer said that the company and the government figure it will take about 325 loggers and other forest workers to cut timber for the sawmills.

Louisiana-Pacific's chairman and chief executive officer, Mark Suwyn, said in a prepared statement that he and the administration shared the goal of trying to cushion the impact of the pulp mill's closure, which will idle about 400 workers.

Suwyn said the settlement also resolves the company's lawsuit over the 1990 Tongass Timber Reform Act.

"We chose this course which gives us the opportunity to operate the sawmills profitably for three more years, get this issue behind us, and concentrate our energies on the future," Suwyn said.

Environmentalists, who turned logging in the Tongass into a national issue, seemed satisfied with the results.

"The true transition from the pulp mill era to a community-based future for Southeast Alaska starts to-

day," said Bart Koehler, director of the Southeast Alaska Conservation Council.

Koehler said that even with the \$140 million payment to Louisiana-Pacific, taxpayers come out ahead. He said that logging cost the government about \$30 million a year.

Friday's settlement was announced after the close of the financial markets so as not to influence Louisiana-Pacific's stock. But Kathryn F. McAuley, a forest products investment adviser with Brown Brothers Harriman in New York City, said she does not think the deal will affect Louisiana-Pacific's sluggish

In a recent meeting with Alaska Gov. Tony Knowles, Suwyn mentioned the possibility of building a veneer plant in Southeast Alaska, but

there was no elaboration on that idea Friday.

The Tongass Timber Reform Act was enacted by Congress in 1990 to scale back logging practices that were targeting the best timber areas for harvest. Those areas also were critical habitat for fish and wildlife.

The logging was conducted by Ketchikan Pulp and Alaska Pulp Corp. under 50-year contracts issued in the 1950s when the federal government was trying to attract a year-round industry to Southeast Alaska.

Alaska Pulp closed its pulp mill in 1993, and the Forest Service canceled its contract about six months later. Louisiana-Pacific announced it would close its pulp plant after the White House balked at the company's plea for a contract extension.

Saturday/Sunday, Feb. 22-23, 1997
KETCHIKAN DAILY NEWS

EDITORIAL

Ketchikan's glass half full

It's an incredible compliment to both sides that they reached an agreement regarding Ketchikan Pulp Co.

The Clinton Administration and Ketchikan Pulp Company, a subsidiary of Louisiana-Pacific, could not have been further apart on KPC's sawmills and operation just three months ago. But Alaska's Sen. Frank Murkowski brought the two parties to the table. And the support and leadership of Alaska Gov. Tony Knowles kept them there. The U.S. Forest Service and the Department of Justice put forth a tremendous effort on the agreement.

The agreement released Friday modifies the company's 50-year contract over the next three years until it ends in December of 1999.

The agreement also maintains jobs at the Metlakatla and Ketchikan sawmills as well as in logging camps. It reaffirms the company's plan for cleaning up the pulp mill site and settles legal claims between Louisiana-Pacific and the federal government.

The announcement leaves Ketchikan with mixed emotions because while many jobs will be preserved many others will be lost.

As one local official pointed out, now instead of the glass being empty as it appeared in October when the company announced the closure of the pulp mill, it is half full. It will be Ketchikan's challenge to fill the other half. And judging by what the community has been able to do in working with all of the parties to the agreement that challenge will be met.

A12
THURSDAY/February 27, 1997

OUR VIEW

The Salt Lake Tribune's Editorial Position

Monument Politics

When President Clinton created the Grand Staircase-Escalante National Monument last September, his official proclamation and his dedication speech didn't quite jibe. Sen. Bob Bennett may be justified in trying to mend the confusion, but alas, his proposed legislation only adds to it.

Utah's junior U.S. senator is doing some political tweaking with a bill that sets forth parameters for managing the vast new monument. If he is simply seeking some clarity from the administration regarding its intentions for the monument, fine. But Sen. Bennett's extreme interpretation of what the president meant is, in some instances, almost surely what he did not mean.

Last Sept. 18, President Clinton stood at the Grand Canyon and declared the 1.7-million-acre monument far to be managed in a way that provides for economic sustainability of local communities. In his something-for-everyone speech, he covered his bases by asserting that the monument land will still be open to multiple uses and that the monument, which encompasses 176,000 acres of school trust lands that are supposed to generate mining revenue, "will not come at the expense of Utah's children."

But in the official proclamation, there is no mention of multiple uses — other than a stated protection of "valid existing rights" and of existing grazing permits or leases — nor are there provisions for dealing with Utah's school trust lands. Given those inconsistencies and the manner in which the monument

was thrown into the Bureau of Land Management's lap, there is merit in establishing the monument's intended values and uses in order to guide the BLM's management plan.

But Sen. Bennett's bill is not so much an interpretation of what the president meant — which the senator claims it to be — as it is his own model for the national monument. And under that model, there would have been little point in the president declaring a national monument; it might as well have been left as BLM land.

Under the Bennett bill, mineral and oil extraction within the monument would be encouraged — even though the president never mentioned them — and even dam-building would be permitted. If the president really intended that the monument be managed "in a way that provides for economic sustainability of local communities," as the Bennett bill puts it, then why did the president pointedly try to run off Andalex in his speech? Obviously, he did not have the same kind of "economic sustainability" in mind.

Typically, President Clinton left some fuzziness in the wake of his hasty monument declaration last year — but not nearly enough to warrant Sen. Bennett's curious translation. The most charitable interpretation of the Bennett bill is that it seeks greater clarity of the president's intentions for the monument; beyond that, the bill is not helpful to the management-plan process.

EDITORIALS

Clinton budget kind to environment

President Clinton's budget is an exercise in eluding tough decisions inasmuch as it delays most of its much-ballyhooed spending restraints until after he leaves office.

But there is one area in which the budget appears fairly sound. The President would make a solid investment in environmental cleaning, increasing funding by 12 percent for the Environmental Protection Agency. The money appears to be directed toward necessary cleanup work, not additional federal programs.

OF PARTICULAR INTEREST to Floridians, Mr. Clinton would appropriate \$114 million for restoration projects in the Florida Everglades. He also calls for the Interior Department to spend \$100 million to buy and restore tracts of land in the Everglades.

The vast River of Grass spans from the Kissimmee chain of lakes to Florida Bay and the Keys. Its health is critical to South Florida's water supply, as well as its fishing and tourism industries.

In addition, the President proposes a penny-per-pound assessment on Florida sugar farmers to raise an estimated \$35 million a year for Everglades restoration. Unfortunately, its chances of getting through the Republican Congress are small, particularly since Florida voters rejected a similar state initiative last November.

But that defeat came after a barrage of advertising by the sugar industry that falsely asserted the tax would increase property taxes. Voters did pass an amendment that requires the polluter to pay for the cost of cleaning up the Everglades. Now the state is falling short of needed funds for the Everglades. It may be necessary to raise the taxes of South Florida residents in order to get rid of the mess largely created by the sugar growers. Members of Congress should keep that in mind.

Regardless of whether the penny-per-pound tax is dead on arrival on Capitol Hill, Mr. Clinton's budget gives the Everglades and Florida a much-needed helping hand in saving a vital resource.

In other areas, the President would allocate \$650 million to clean up the nation's worst tox-

ic waste dumps by 2000. This would double the pace of the current effort. The President would also emphasize restoring and putting to good use polluted areas that have been abandoned and helping urban neighborhoods deal with contaminated sites, some of which were caused by companies that went out of business years ago.

The budget would adequately fund the Safe Water Drinking Act Amendments, a bipartisan measure developed with the help of local governments and private utilities that establishes reasonable drinking water standards.

President Clinton wants to increase citizens' ability to obtain information about toxic pollution released in their community. He would provide funding for related reporting and tabulation.

The budget would fund research into the effects of pollution on children and review new health standards aimed specifically at safeguarding youngsters, who are more likely than adults to suffer ill effects from pollutants.

At the same time EPA undertakes more cleanup work, it's important to note that it is changing its regulatory tactics. Rather than dictating cleanup strategies, the agency now is more inclined to simply set standards that will protect the public and then allow private companies — and the marketplace — determine which cleanup procedure works best.

EPA chief Carol Browner says of an organization once noted for its regulatory zeal, "We are making progress. We are changing. We think a lot of our successes flow from giving people greater flexibility in meeting our standards."

FOR THE MOST part, we want to see less spending by Washington. But the boost for EPA is justified. Protecting the nation's environment is a legitimate federal responsibility. After all, pollution doesn't recognize state boundaries.

While bureaucratic abuses no doubt still occur, under Browner the EPA has become much more efficient and sensible. This is one area where Congress should follow Mr. Clinton's lead and make sure the Environmental Protection Agency is given the funding it needs.

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O U R V I E W S

Share 'Glades burden

☐ Taxpayers shouldn't shoulder the entire extra cost of building marshes to cleanse the Everglades any more than farming interests should.

Wither go the Everglades? Will the fabled "River of Grass" fall victim to a tangled web of lawsuits and court rulings? Or will those who polluted it act responsibly and find a way to continue its restoration?

Those are issues now facing the South Florida Water Management District, which learned last week that the first phase of the clean-up could run at least \$100 million more than originally thought.

Who should pay?

The answer won't be easy.

Once a home to vast fields of sawgrass and a wide variety of wildlife, the Everglades slowly was ditched, diked and drained of its water to encourage farming and protect the developing coastline from floods. The results were devastating.

In 1994, the first agreed-upon effort to undo that damage was approved by environmentalists, sugar farmers in the northern tier of the Everglades and a host of government officials with an interest in restoring the Everglades. That settlement called for spending about \$685 million — with as much as \$322 million to be borne by sugar farmers.

The idea — and it was a good one — was to build marshes that would scrub pollutants from the farms as discharges flowed south into the Everglades. The first of those six marshes is nearing completion and seems to be working well.

When the legislation was passed, though, lawmakers properly capped the contributions that both taxpayers and sugar farmers would pay to build the marshes. That, too, was appropriate.

Cost estimates to build the marshes varied wildly in 1994. Now that the first of the marshes is under construction, water managers have a much more solid picture of what the actual costs will be. And, unfortunately, they far exceed what was planned

ited by lawmakers. If not, the entire restoration effort could grind to a halt next year, when marsh construction is to begin in earnest and cash is expected to run short.

A proposal by water managers simply to delay the project until more money is available is wrong-headed. That could re-open federal litigation settled in 1994.

What's more, every day that phosphorus-laden run-off continues to wash into the Everglades, another two to five acres is lost to cattails and other wildlife that slowly have strangled the Everglades' natural ecosystem.

A second proposal under consideration by the water district is even more insidious. That plan would extend indefinitely a special Everglades tax imposed by the water district that was due to expire in 2004.

That would be duplicitous at best. Lawmakers guaranteed taxpayers in 1994 that their liability for the first phase of the clean-up would be finite.

Likewise, a third proposal to borrow money to pay for the overruns could add as much as \$70 million to the overall cost of the project. That, truly, would be a colossal waste of taxpayer dollars.

Water managers, too, seem to forget that voters sent them a clear message in November. That's when they approved a constitutional amendment that would make Everglades farmers "primarily responsible" for cleaning up their pollution.

Certainly, what constitutes primary responsibility will be sorted out by the courts — especially if water managers decide to dump the full burden of cost overruns on taxpayers when they meet next month.

One thing is clear: Taxpayers shouldn't shoulder the entire additional cost of building the cleansing marshes any more than farming interests should. The 1994 legislation was predicated upon a shared responsibility between the two

THE PRESIDENT HAS SEEN
3-3-99

- **EFT '99:** On February 24, Treasury officials met with approximately 20 representatives of the financial community regarding the initiative to convert the federal government's check payments to electronic funds transfer by January 1, 1999. EFT '99 is expected to improve service to recipients of federal funds, reduce payment costs by about \$100 million per year, and prevent over 100,000 financial crimes such as mail theft and check forgery.

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3-3-97

- **Health and Welfare Case:** On February 26, DOL announced that it was pursuing additional charges against the managers of a Chicago, IL, group health and welfare fund. The managers allegedly used assets to pay expenses for cell phone and health club memberships while as much as \$5 million in health and welfare benefits went unpaid for the plan participants.
- **Wheeling-Pittsburgh Steelworkers:** On February 25, the United Steelworkers announced that talks with the Wheeling-Pittsburgh Steel Corporation had broken off. No details were provided. The strike by 4,500 workers in OH, PA and WV is nearing the end of its fifth month.
- **CA Nurses:** On February 24, negotiators for the CA Nurses Association concluded a series of meetings with members on the status of bargaining with Kaiser Permanente. The nurses also authorized a series of one-day strikes at facilities in northern CA. The association is considering "when, where, and if" to call strikes. About 7,500 registered nurses are covered by the contract with Kaiser which expired January 30.
- **Sweatshops Report:** During the week of March 3, DOL will release its latest Garment Enforcement Report which details its efforts to investigate and eliminate sweatshops in the garment industry. There is a request for White House involvement.
- **Labor Legislation:** On February 26, the Senate Labor and Human Resources Committee began its mark-up of the TEAM Act and the Family Friendly Workplace Act. The committee adjourned on February 28 after disposing of only one amendment. Senator Kennedy delivered lengthy remarks against the TEAM Act and the majority's agenda on labor issues. DOL shared with the committee its letter to you that recommends a veto for both bills.
- **Testimony:**
 - ▶ March 12 - Commissioner of the Bureau of Labor Statistics Abraham will testify before the House Budget Committee about the consumer price index.
 - ▶ March 4 - DOL Inspector General Masten will testify before the House Ways and Means Oversight Subcommittee hearing on "high risk" programs.
 - ▶ March 4 - Ray Uhalde from the Employment and Training Administration will testify before the Education and Workforce Committee on job training.

DEPARTMENT OF TRANSPORTATION

- **Jessica Dubroff Accident:** On March 4, the NTSB will meet to consider the final report on the accident in Cheyenne, WY, on April 12, 1996, that resulted in fatal injuries to Jessica Dubroff, her father, and her flight instructor. The accident occurred after takeoff during a coast-to-coast record attempt by the youthful pilot.

*Palmer
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out*

THE PRESIDENT HAS SEEN

3-3-97

with the greatest declines in the Northeast and the West. AIDS deaths were down 18 percent among gay/bisexual men, 15 percent among all men, and 6 percent among IV drug users. AIDS deaths were up, however, among women (3 percent) and heterosexuals (3 percent). All races experienced a decline in AIDS deaths, with the greatest declines among Whites (21 percent) and Hispanics (10 percent), and the smallest decline among African-Americans (2 percent).

WI Child Support Proposal: The Wisconsin Works Child Support Demonstration is a statewide section 1115 demonstration project in which WI would pay all current child support collected, on behalf of families receiving Temporary Assistance for Needy Families (TANF), directly to the family and all collected arrears accrued on their behalf as of the month of their eligibility for TANF assistance. This waiver proposal was submitted prior to the passage of last year's welfare law and may be approved by HHS early next week. WI's TANF plan under the law has already been certified complete.

- **Breast Cancer Screening:** At its February 25 meeting, the National Cancer Advisory Board (NCAB) discussed issues surrounding mammography screening. The NCAB decided to form a subcommittee to develop clear recommendations to the National Cancer Institute. The recommendations will include the message the NCI should communicate to women and health care providers. The NCAB intends to complete the process in about two months.
- **NY Section 1115 Waiver:** HCFA and HHS are working with NY to finalize the remaining programmatic terms and conditions. Budget neutrality discussions are proceeding; HCFA recently sent NY a revised budget neutrality term and condition NY for analysis. HHS is developing a term and condition related to the transition of safety net hospitals into a managed care environment. Resolution of all issues is expected within the next several weeks.
- **Tobacco Regulations:** On February 27, under the Small Business Regulatory Enforcement Act, FDA announced the availability of a small business compliance guide on FDA's tobacco regulations to protect children and adolescents. The guide is intended to help small businesses comply with the final rule, which went into effect on February 28, restricting the sale and distribution of cigarettes and smokeless tobacco to children and adolescents.
- **Labscam Settlement:** As a result of work by the OIA, DOJ, and other law enforcement agencies, SmithKline Beecham Clinical Laboratories, Inc., has paid \$325 million to settle its civil liability for filing false claims for reimbursement to the Medicare, Medicaid, Civilian Health and Medical Program of the Uniformed Services, and Railroad Retirement Board health care programs and to implement stringent compliance requirements.

THE PRESIDENT HAS SEEN

3-3-97

- **Arctic National Wildlife Refuge Case:** For decades the U.S. and AK have both claimed ownership of the coastal submerged lands along AK's northern coast, including lands within the boundaries of the Arctic National Wildlife Refuge and the National Petroleum Reserve-AK (NPPRA). On February 24, the U.S. Supreme Court heard oral arguments in the Dinkum-Sands case, which will determine who owns these critical North Slope lands beneath the territorial sea and beneath tidally influenced coastal inland waters. A decision from the Court is expected by the end of June. If AK wins, it intends to lease the lands in question, some of which are in the ecologically critical lagoons of the Arctic National Wildlife Refuge. The Court has before it a report by a Special Master in which he found the application for withdrawal and creation of the Arctic National Wildlife Range did not effectively reserve to the U.S. offshore submerged lands within the Range from AK. At stake in these areas is over \$1 billion in escrowed oil revenues.
- **GA Conservation Grant:** On March 3, DOI and Governor Miller will announce a \$1 million grant to The Trust for Public Land from the North American Wetland Conservation Act for wetland conservation activities along the Ocmulgee River greenway in central GA.
- **New Science Scholarships:** On March 7, Secretary Babbitt will meet with partners with the National Park Service who created and recently announced the National Parks Science Scholars Program. The National Parks Science Scholars Program will help develop the next generation of scientists working in the fields of conservation, environmental science, and park management. The program will award three-year \$75,000 scholarships to each of four finalists who are presently enrolled as Ph.D. candidates.

Termination of Tribe Food Stamp Benefits: DOI is very concerned about the impact of the provision of the Welfare Reform Act which limits receipt of food stamp benefits to three months in a three-year period for able-bodied adults who are not working. Under the new law, states are authorized to request waivers of the eligibility criteria on behalf of tribes where unemployment levels are above 10 percent. Secretary Babbitt expressed several concerns in a meeting with Secretary Glickman, including that states may be unaware that they are responsible to request waivers on behalf of tribes and also that states may not have a mechanism in place to coordinate with tribal governments. A telephone survey of some BIA Area Offices shows that Indian welfare assistance clients rely heavily on food stamps and that 50-80 percent have been receiving food stamps. Based on the information provided by the states, it appears that four states are planning no waiver requests at all: IA (1 tribe), WI (11 tribes), MI (11 tribes), and MN (12 tribes).

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THE WHITE HOUSE
WASHINGTON

February 28, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS *Kitty*
SUBJECT: Summary of Cabinet Weekly Reports
February 21 - February 28, 1997

DEPARTMENT OF TREASURY

- **Foreign Currency Trading:** On February 25, the Supreme Court ruled unanimously in support of Treasury's position on the Treasury amendment in *Dunn v. Commodity Futures Trading Commission*. This ruling means that off-exchange trading in foreign currency options is not subject to regulation by the CFTC. Treasury officials continue to meet with representatives of financial institutions and Senate staff to discuss issues surrounding the amendment, professional market exemptions and equity derivatives in an effort to find areas of common ground.
- **Asia Trip:** On March 2-4, Deputy Secretary Summers will visit Hong Kong and Japan to attend the Asia-Pacific Six Markets Group meeting, and to confer with the economic and financial authorities in Japan and Hong Kong. The Six Markets Group -- the U.S., Japan, China, Australia, Hong Kong, and Singapore -- will bring together finance and monetary authorities at the Deputy level to discuss issues related to the economic outlook for Asia, developments in financial and foreign exchange markets, and cooperation in the supervision and regulation of financial institutions and markets.
- **Electronic Benefits Transfer:** In April, AL will "go live" with their statewide Electronic Benefits Transfer program. While a few other states have statewide programs, AL will be the first state that offers the availability of direct federal payments (e.g., Social Security benefits) on the same benefits card. This option will permit a food stamp recipient who receives other federal payments to consolidate the payments and access them through a single card.

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\$140,000,000 to Ketchikan to settle all claims. Ketchikan's major claim was that the Tongass Timber Reform Act of 1990 breached its long-term contract and constituted a taking by altering material terms of the long-term contract.

- **Winstar Damages Trial:** On February 24, Glendale Federal Bank, FSB v. U.S., the first "Winstar" case to proceed to trial on damages, will commence. Glendale seeks almost \$2 billion in damages or restitution for the government's breach of an agreement to allow Glendale to use an accounting fiction in order to meet regulatory capital requirements. Last summer, in U.S. v. Winstar Corp. (1996), the Supreme Court held that Congress breached contracts with three thrifts (including Glendale) when it eliminated the use of this accounting device in the Financial Institutions Reform, Recovery and Enforcement Act of 1989.
- **Defense Fraud:** On February 11, in the Eastern District of VA, the American Eurocopter Corporation (AEC) pleaded guilty to one count each of defrauding and making false statements to the U.S. Government and its agency, the Defense Security Assistance Agency (DSAA), in connection with a \$63 million direct commercial sales contract between AEC and the Government of Israel for the sale of helicopters. AEC was sentenced to pay a fine of \$11.7 million, and \$300,000 for costs of the investigation. In a related settlement, AEC agreed to pay over \$10 million to settle all claims by the U.S. Government, as well as the suit that triggered the government's investigations.
- **Kingpin Statute:** On February 13, in the Southern District of CA, Miguel Angel Andalon-Silva was sentenced to 240 months of imprisonment and five years of supervised release. On September 20, 1995, the defendant pleaded guilty to being the principal administrator of a continuing criminal enterprise involving the importation of more than 1,400 kilograms of cocaine into the U.S..
- **IN Fugitive Arrested:** Jeffrey Collins, a fugitive since his 1987 indictment for allegedly financing and laundering money for the largest marijuana smuggling operation in IN, was arrested in Wilmington, NC. Thirty-seven persons were indicted in this case for importing more than 90 tons of marijuana; the defendants netted more than \$50 million dollars from their 10-year operation.
- **Whitehurst Case:** On February 21, Frederic Whitehurst, a chemist in the FBI Laboratory Division, sought to block DOJ and the FBI from taking any disciplinary or other personnel action against him until defendants establish, and permit him to utilize, protections for FBI whistleblowers. On January 24, Whitehurst was put on administrative leave. He states that he fears DOJ and/or the FBI will take adverse action against him without affording the procedural protections to which he claims he is entitled. DOJ's response is due on February 28.

- **Branch Davidian Litigation:** On February 18, Judge Walter S. Smith, Jr., denied plaintiffs' motions for his recusal or, in the alternative, transfer to San Antonio, TX. Andrade, et al. v. Chojnacki, et al., W.D. TX. The motion was based on rulings and comments made by Judge Smith during the Branch Davidian criminal trial, his knowledge of local events and acquaintance with two of the Bivens defendants and comments critical of him by Branch Davidian sympathizers. Judge Smith denied the motion for transfer, which was based on the alleged inability of the plaintiffs to get an impartial jury in Waco, as premature.
- **SC Church Arson Sentence:** On February 20, in U.S. v. Cox and Welch, (D.SC.), defendants Gary Cox and Timothy Welch, two former Ku Klux Klan members, were sentenced to 234 months and 216 months, respectively, to be followed by five years supervised release, arising out of their guilty pleas to charges that they burned two churches in Greeleyville, SC, last June. In a separate but related case, defendants Arthur Allen Haley and Hubert Lavon Rowell, also two former members of the Ku Klux Klan, pled guilty in connection with their involvement in a June 1995 arson at another SC church, and the burning of a migrant camp in that state.
- **Proposition 209:** On February 20, DOJ filed an *amicus* brief on the merits in Coalition for Economic Equity v. Wilson, (9th Cir), the constitutional challenge to Proposition 209, which would essentially ban affirmative action in the public sector in CA. In December, a district court preliminarily enjoined enforcement of the initiative, ruling that it probably was unconstitutional. DOJ was not involved in the case at the district court level. A panel of the Ninth Circuit has expedited CA's appeal from the preliminary injunction and deferred submission of a motion by a private group supporting the initiative for a stay pending the court's consideration of the merits of the appeal.
- **Motor Voter:** On February 11, DOJ sent notice letters to the AK and SD Attorneys General, advising them of the intent to file lawsuits against their states under the National Voter Registration Act (NVRA), the Motor Voter law. In the letters, DOJ alleges that AK and SD are violating Section 8 of the NVRA by initiating a process of removing voters from the voter registration rolls based upon their failure to vote. The letters also invite the states to negotiate to resolve the matter.
- **Budget Hearing:** On March 4, Attorney General Reno will testify before the House Commerce-Justice-State Subcommittee on FY98 DOJ budget. INS Commissioner Meissner will be asked to answer INS questions during that hearing. On March 12, the Senate Commerce-Justice-State Subcommittee will hold hearings on FY98 budget.
- **Armored Car Gun Licensing Legislation:** On February 13, the House Commerce Committee approved by voice vote legislation that would require that gun licenses for armored car personnel issued by one state be honored in other states.

- **Attorney General's Schedule:**
 - ▶ March 4 - House Appropriations Testimony
 - ▶ March 5 - DOJ/DC School Event regarding Peer Mediation Program
 - ▶ March 12 - Senate Appropriations Hearing
- **Media Inquiries:**
 - ▶ The *Arkansas Democrat Gazette* is doing a story on the rising trend in state and federal prosecutions of environmental crimes.
 - ▶ *PBS Frontline* is working on a story about the regulation of gambling, including the Bicycle Club, run by the federal government.
 - ▶ The *Economist* is working on a piece about youth violence in the U.S.

DEPARTMENT OF COMMERCE

- **Trade Mission Review:** On March 3, Secretary Daley will release the Trade Mission Review report. This report will summarize the results of the Secretary's 30-day review of the trade mission participant selection process. Significant media coverage is expected.
- **Shrimp Case:** On February 25, the WTO set up a panel to rule on a case, brought by Malaysia, Thailand, and Pakistan, related to a U.S. ban on wild shrimp imports from countries whose fishing fleets do not fit their nets with devices to exclude turtles. The shrimp exporters say the U.S. is not justified in trying to apply its own environmental legislation to other countries.
- **Statistics Overhaul:** On February 24, the National Association of Business Economists, a group of leading corporate economists, issued a report urging you to overhaul the government's process for producing economic analysis. The Association asked you to consolidate the government's three main statistical agencies into a single high-level office similar to those in Great Britain and Canada. The new agency would be headed by a statistician general of the U.S., who would serve a seven-year term and be removable only for cause.
- **Asia Trip:** On March 1-9, Under Secretary Stuart Eizenstat will travel to Beijing, Shanghai, and Hong Kong. While in Asia, Eizenstat will open the U.S. Commercial Center in Shanghai, highlight ITA's Market Development Cooperator Program activities, and meet with senior Chinese Governmental officials to discuss ongoing efforts under the U.S.-China Joint Commission on Commerce and Trade.

- **Middle East Trip:** On February 28-March 5, Acting Deputy Assistant Secretary Barnett (ITA) will travel to Israel and Jordan. In Israel, Barnett will meet with Israeli government officials to follow-up on general trade issues, including the US-Israel Commercial Relations Committee, and will speak to the Middle East Career Women's Forum.
- **Middle East Spectrum Management Seminar:** On March 2-6 the National Telecommunications and Information Administration (NTIA), in conjunction with State, will hold a spectrum management seminar in Tel Aviv, Israel. About 20 participants are to attend from Israel, Egypt, Jordan and the PLO. There will be meetings following the seminar to identify possible projects to assist one or more of these nations in developing their telecommunications laws and associated regulations.
- **The following economic indicators will be released during the next two weeks:**

Gross Domestic Product (4th Q - preliminary)	February 28
Personal Income and Outlays (January)	March 3
Value of New Construction Put in Place (January)	March 3
New One-Family Houses Sold and For Sale (January)	March 4
Housing Completions (January)	March 5
Manufacturers' Shipments, Inventories and Orders (January)	March 6
- **Boycott Statistics:** On February 20, BXA's Office of Antiboycott Compliance released statistics on boycott-related requests reported to it during the quarter ending December 31, 1996. The statistics reveal continuing progress in dismantlement of the secondary and tertiary boycott of Israel. BXA has sent this data with samples of prohibited requests to U.S. embassies in Oman, Qatar, Bahrain, Saudi Arabia, and the United Arab Emirates so they can bring them to the attention of the local authorities. Highlights of the data are:
 - ▶ Total boycott requests from the Gulf Cooperation Council (GCC) countries (i.e., Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, the United Arab Emirates) substantially declined over the last year, from 545 in the October-December 1995 period to 355 in the same period in 1996.
 - ▶ Total prohibited requests from the GCC are down by over 50 percent, from 274 in the October-December 1995 period to 131 in the same 1996 period. Prohibited requests from four GCC countries have dropped considerably during this time: United Arab Emirates, from 110 to 63; Oman, from 94 to 33; Saudi Arabia, from 55 to 17; and Kuwait, from 5 to 1.

- **Philippine Defense Trade Advocacy:** At the request of the U.S. Embassy in Manila, BXA recently convened an interagency defense trade advocacy working group with representatives from DOD and State to focus on the Philippines. The Philippine government recently approved funding for the first five-year budget of its 15-year defense modernization program. This budget will enable the Philippine Ministry of Defense to make defense procurements potentially worth several billion dollars.
- **Minority Business Development Success Stories:**
 - ▶ Nava Enterprises, Inc. In El Paso, TX, was assisted by the El Paso MBDC in obtaining a loan for \$375,000 to build a special events center in El Paso. This project will revitalize the Five Points area of El Paso that once was a bustling center for commercial activity.
 - ▶ Under the auspices of the Los Angeles Minority Business Opportunity Committee, Mayor Riordan, recently announced the opening of an outreach office to enhance Minority Business Entrepreneur participation in the Alameda Corridor Public Works project.
- **Secretary's Schedule:** Secretary Daley will participate in the following events:
 March 3 - meeting with Chairman Arafat.
 March 3 - press briefing to release the Trade Mission Review Report.
 March 5 - speech at the Travel and Tourism Unity dinner in Washington, DC.

DEPARTMENT OF LABOR

- **American Airlines:** On February 27, the Presidential Emergency Board appointed to help resolve the dispute between American Airlines and the Allied Pilots Association, began closed hearings in Washington. The hearings are scheduled to conclude on March 5.
- **Marty Slate Death:** On February 24, Marty Slate, Executive Director of the Pension Benefit Guarantee Corporation, died at his home in Bethesda, MD. Acting Secretary Metzler represented DOL at his funeral in Boston, MA. An additional memorial service is planned for next week in Washington, D.C.
- **Employment Statistics:** On March 7, BLS will issue the national employment and unemployment figures for February.
- **Police Overtime Case:** On February 19, the Supreme Court -- in Auer v. Robbins -- held that St. Louis, MO, police sergeants were paid on a "salary basis," and therefore exempt from overtime pay requirements of the Fair Labor Standards Act. The Court deferred to the Secretary's interpretation of the overtime exemptions of the Act.

- **Health and Welfare Case:** On February 26, DOL announced that it was pursuing additional charges against the managers of a Chicago, IL, group health and welfare fund. The managers allegedly used assets to pay expenses for cell phone and health club memberships while as much as \$5 million in health and welfare benefits went unpaid for the plan participants.
- **Wheeling-Pittsburgh Steelworkers:** On February 25, the United Steelworkers announced that talks with the Wheeling-Pittsburgh Steel Corporation had broken off. No details were provided. The strike by 4,500 workers in OH, PA and WV is nearing the end of its fifth month.
- **CA Nurses:** On February 24, negotiators for the CA Nurses Association concluded a series of meetings with members on the status of bargaining with Kaiser Permanente. The nurses also authorized a series of one-day strikes at facilities in northern CA. The association is considering "when, where, and if" to call strikes. About 7,500 registered nurses are covered by the contract with Kaiser which expired January 30.
- **Sweatshops Report:** During the week of March 3, DOL will release its latest Garment Enforcement Report which details its efforts to investigate and eliminate sweatshops in the garment industry. There is a request for White House involvement.
- **Labor Legislation:** On February 26, the Senate Labor and Human Resources Committee began its mark-up of the TEAM Act and the Family Friendly Workplace Act. The committee adjourned on February 28 after disposing of only one amendment. Senator Kennedy delivered lengthy remarks against the TEAM Act and the majority's agenda on labor issues. DOL shared with the committee its letter to you that recommends a veto for both bills.
- **Testimony:**
 - ▶ March 12 - Commissioner of the Bureau of Labor Statistics Abraham will testify before the House Budget Committee about the consumer price index.
 - ▶ March 4 - DOL Inspector General Masten will testify before the House Ways and Means Oversight Subcommittee hearing on "high risk" programs.
 - ▶ March 4 - Ray Uhalde from the Employment and Training Administration will testify before the Education and Workforce Committee on job training.

DEPARTMENT OF TRANSPORTATION

- **Jessica Dubroff Accident:** On March 4, the NTSB will meet to consider the final report on the accident in Cheyenne, WY, on April 12, 1996, that resulted in fatal injuries to Jessica Dubroff, her father, and her flight instructor. The accident occurred after takeoff during a coast-to-coast record attempt by the youthful pilot.

*Robert
Dubroff
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- **UPS Address:** On February 25, Secretary Slater addressed the UPS Stage 3 Gala Celebration and presented a letter from the Vice President to James Kelly, Chairman of United Parcel Service stressing the themes of Corporate Citizenship and the environment. UPS became the first major North American airline to comply fully with the Stage 3 quiet aircraft noise rules, 3 years before the federally mandated deadline.
- **Advanced Security Equipment Deployments:** Raytheon Service Company has begun the final on-site testing of the CTX-5000 Explosives Detection Systems installed at Chicago O'Hare and John F. Kennedy International Airports. The O'Hare equipment successfully met all requirements on February 21 and the JFK equipment on February 25. However, the schedule for full operational capability for both systems has been delayed until mid-March to provide a longer period of on-the-job training for security screening personnel.
- **Grand Canyon Overflights:** On February 21, the DOT and DOI issued a joint release announcing a delay in a small feature of the regulations on restoration of quiet in the Grand Canyon. The delay was made in order to gain more information and tighten restrictions. The caps and curfews will still be effective on May 1, 1997. The Grand Canyon rule implementation team is currently negotiating the route structure plans with the local native American tribes in and adjacent to the canyon.
- **Garvey Named Acting FHWA Administrator:** On February 19, Jane F. Garvey was named acting Administrator of the FHWA. Ms. Garvey had been FHWA Deputy Administrator since 1993.
- **Ship Construction Contract Award:** On February 20, the Coast Guard announced that Marinette Corp. of Marinette, WI, was awarded a contract to construct 6 additional 175-foot Keeper class coastal buoy tenders. The 6 ships to be constructed will cost approximately \$73 million. Construction is scheduled to begin this year with projected delivery dates from 1999-2000.
- **FAA Financing Independent Assessment:** On February 28, the Coopers and Lybrand Financial Assessment of the FAA is expected to be released. The Department expects that this report will generate press and congressional interest. DOT is finalizing lists of members to be appointed by the Secretary to the National Civil Aviation Review Commission, which Congress established to report on FAA financing.
- **MD Air Bags:** On February 19, Governor Glendening was involved in a crash when his vehicle, driven by a MD State Trooper, crashed with a car driven by a 22-year old volunteer firefighter. Both the Governor and the trooper were belted and their air bags deployed. The Governor stated he is confident the air bag and safety belt prevented both

the trooper and him from serious injury. The MD Legislature is currently in the final phases of primary safety belt legislation with an outcome expected by the end of the month. Governor Glendening is the third governor in recent months to be saved by an air bag and safety belt.

- **Brothers to the Rescue Memorial:** On February 24, several Cuban-American organizations conducted an aerial ceremony without incident recognizing the February 24, 1996, shootdown of 2 Brothers to the Rescue aircraft by Cuban fighters in international waters. Coast Guard and FAA monitored the demonstration. DoD forces provided additional monitoring and support.
- **GPS Access:** On February 27, DOT and DoD announced an agreement assuring civil users of the satellite-based Global Positioning System (GPS) the availability of a second frequency. A second frequency is essential for critical civilian uses of GPS. The White House Commission on Aviation Safety and Security called for the establishment of a second civil frequency as part of a broader program to maintain U.S. leadership in aviation and satellite technology.
- **Aviation Negotiations:**
 - ▶ **United Kingdom:** On February 18-20, U.S. and U.K. delegations held civil aviation negotiations in Washington, D.C. The two sides made some further progress on "open-skies" issues in an effort to replace the restrictive Bermuda-2 agreement.
 - ▶ **Japan:** On March 4-6, another high-level exploratory meeting is scheduled in Washington, D.C. to continue discussions that began last month in Tokyo aimed at exploring whether a basis exists for resuming passenger negotiations.
- **Aviation Excise Tax:** The House and Senate voted this week to reinstate the aviation ticket tax through the end of FY 97.
- **Gore Commission:** On March 5, the Senate Aviation Subcommittee will hold a hearing to consider the implementation of the Gore Commission recommendations. Nancy McFadden, General Counsel, and Barry Valentine, Acting FAA Administrator, will testify.
- **Drug Interdiction Hearing:** On March 10, the House Subcommittee on National Security, International Affairs, and Criminal Justice will hold a hearing on Operation Frontier Shield, the Coast Guards major drug interdiction operation around Puerto Rico. Commandant Admiral Kramek is expected to testify.

- **Secretary's Schedule:** Secretary Slater will participate in the following events:
 - ▶ **March 3:** Address the National Association of Counties Legislation Conference in Washington, D.C.
 - ▶ **March 4:** Testify on DOT FY98 Appropriations before the House Appropriations Transportation Subcommittee.
 - ▶ **March 5:** Address the 15th annual Travel and Tourism Industry Unity Dinner in Washington, D.C.
 - ▶ **March 6:** Testify before the Senate Appropriations Transportation Subcommittee.
- **Media Inquiries:**
 - ▶ Next week, *ABC Nightline* is expected to air a segment on air bags. The segment is expected to mention four former NHTSA administrators who do not support allowing deactivation.
 - ▶ *CBS News* traveled to the Coast Guard Seventh District, in FL, for an upcoming segment on Operation Frontier Shield, the Caribbean drug interdiction effort. Air date not known.
- **FOIA Requests:** The *Washington Post* requested a record of contacts between FAA and Webb Hubbell with respect to the Los Angeles Airport Commission.

UNITED STATES TRADE REPRESENTATIVE

- **Canada:** On February 27, Ambassador Shapiro traveled to Ottawa for bilateral consultations with Deputy Trade Minister Rob Wright. The consultations covered the full range of bilateral issues, as well as preparation for a March NAFTA Commission meeting and Prime Minister Chretien's visit to Washington, D.C., on April 8-9.
- **China WTO Accession:** On February 27, USTR led an interagency delegation to Geneva for discussions concerning China's accession to the WTO. On February 28, March 1 and 3, USTR will hold bilateral meetings with its Chinese counterparts. On March 4-6, there will be a Working Party session on China's WTO accession.
- **Trade Policy:** On March 6, Ambassador Barshefsky will meet with your Advisory Committee for Trade Policy and Negotiations regarding the Administration's trade agenda for 1997. The discussions will focus on fast-track.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **Decline in Aids Deaths:** AIDS-related deaths declined 12 percent in the first six months of 1996 compared to the same time period in 1995, according to the February 28 issue of *Morbidity and Mortality Weekly Report*. This is the *first decline* in AIDS-related deaths in the history of the epidemic. AIDS-related deaths declined in all regions of the country,

with the greatest declines in the Northeast and the West. AIDS deaths were down 18 percent among gay/bisexual men, 15 percent among all men, and 6 percent among IV drug users. AIDS deaths were up, however, among women (3 percent) and heterosexuals (3 percent). All races experienced a decline in AIDS deaths, with the greatest declines among Whites (21 percent) and Hispanics (10 percent), and the smallest decline among African-Americans (2 percent).

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C. Palmer
B. O'Neil

WI Child Support Proposal: The Wisconsin Works Child Support Demonstration is a statewide section 1115 demonstration project in which WI would pay all current child support collected, on behalf of families receiving Temporary Assistance for Needy Families (TANF), directly to the family and all collected arrears accrued on their behalf as of the month of their eligibility for TANF assistance. This waiver proposal was submitted prior to the passage of last year's welfare law and may be approved by HHS early next week. WI's TANF plan under the law has already been certified complete.

- **Breast Cancer Screening:** At its February 25 meeting, the National Cancer Advisory Board (NCAB) discussed issues surrounding mammography screening. The NCAB decided to form a subcommittee to develop clear recommendations to the National Cancer Institute. The recommendations will include the message the NCI should communicate to women and health care providers. The NCAB intends to complete the process in about two months.
- **NY Section 1115 Waiver:** HCFA and HHS are working with NY to finalize the remaining programmatic terms and conditions. Budget neutrality discussions are proceeding; HCFA recently sent NY a revised budget neutrality term and condition NY for analysis. HHS is developing a term and condition related to the transition of safety net hospitals into a managed care environment. Resolution of all issues is expected within the next several weeks.
- **Tobacco Regulations:** On February 27, under the Small Business Regulatory Enforcement Act, FDA announced the availability of a small business compliance guide on FDA's tobacco regulations to protect children and adolescents. The guide is intended to help small businesses comply with the final rule, which went into effect on February 28, restricting the sale and distribution of cigarettes and smokeless tobacco to children and adolescents.
- **Labscam Settlement:** As a result of work by the OIA, DOJ, and other law enforcement agencies, SmithKline Beecham Clinical Laboratories, Inc., has paid \$325 million to settle its civil liability for filing false claims for reimbursement to the Medicare, Medicaid, Civilian Health and Medical Program of the Uniformed Services, and Railroad Retirement Board health care programs and to implement stringent compliance requirements.

- **CO Medicare Demonstration:** In January, HCFA announced a Medicare Managed Care Competitive Pricing Demonstration project in the metropolitan Denver area. The demonstration will test the effects of greater market competition among Medicare managed care plans. On February 27, HCFA representatives met with Denver area Medicare managed care plans to receive their input on the demonstration's bidding process. The competitive bidding part of the demonstration is scheduled for April and May.
- **NY Foster Care Funds:** Since 1983, NY has submitted Federal Financial Participation claims which included claims for ineligible social services activities. The potential for a very large disallowance for NY, including New York City, for ineligible claims has led Mayor Giuliani to request that Secretary Shalala become directly involved. The disallowance for NYC alone might approach \$100 million. The Secretary is scheduled to call Mayor Giuliani to discuss this issue on March 5.
- **Kurdish Asylees Update:** The resettlement of Kurdish evacuees is proceeding smoothly and on schedule. The current camp population in Guam is 3,952. The Office of Refugee Resettlement is targeting March 12 as the date for the last cases to be allocated among the voluntary agencies for resettlement.
- **Acting Commissioner:** John Callahan, Assistant Secretary for Management and Budget at HHS, has been named Acting Commissioner of the Social Security Administration and will assume these duties by March 1.
- **Home Health Agencies:** On March 5, HHS will publish proposed regulations on conditions of participation for Home Health Agencies that participate in the Medicare program. This regulatory reform initiative is intended to place greater responsibility on agencies to evaluate and improve the quality of services to beneficiaries, and to emphasize on giving consumers information to use in selecting a home health agency.
- **Reinventing the Regulation of Tissue:** On February 28, the FDA released its latest Reinventing Government Report, on the subject of human tissues for transplantation. Tissues -- ranging from skin and bone for direct transplantation to highly "manipulated" tissues involving high-tech therapy for diseases such as cancer -- have been regulated under a decades-old regulatory scheme. The report outlines a new framework that will provide for direct FDA regulation only when clearly necessary to protect public health; many tissues will be subject to no regulation or only to self-certification. The tissue industry is expected to applaud this action.
- **Temporary Assistance to Needy Families (TANF) Notifications:** On February 21, VA's TANF plan was certified complete. The total number of certified plans is 38. As of February 26, plans have been submitted by 41 states, one tribe and one territory.

- **TANF Consultations with Tribes:** Tribal TANF pre-Notice of Proposed Rulemaking consultations have begun. On-site consultations and conference calls have been held with Indian tribes and other stakeholders in the following States: AK, NM, OK, OR, SD, WA, and WI. Additional consultations have been scheduled with national tribal organizations, other tribes and other stakeholders. Written input on a series of questions related to the tribal TANF provisions are being solicited from federally recognized tribes and other interested parties.
- **FY98 Appropriations:** On March 4, the Senate Appropriations Subcommittee on Labor, HHS, Education and Related Agencies will hold a hearing on proposals for your FY98 appropriations. Secretary Shalala is scheduled to testify.
- **Medicare Testimony:**
 - ▶ On March 4, Inspector General Brown and Principal Deputy Inspector General Mangano will testify before the House Committee on Ways and Means, Subcommittee on Oversight. The hearing will focus on High Priority Issues in Medicare.
 - ▶ On March 5, the House Commerce Subcommittee on Health and the Environment will hold a hearing on Medicare home health care. HCFA Administrator Vladeck will testify.
 - ▶ On March 6, the House Ways and Means Subcommittee on Health will hold a hearing on the quality issues affecting Medicare managed care. HCFA Administrator Vladeck will testify.
 - ▶ On March 6, the Senate Labor and Human Resources Committee will hold a hearing on the quality and choice issues of Medicare's managed care. Bruce Fried, Director, Office of Managed Care, HCFA, will testify.
 - ▶ On March 11, the House Ways and Means Subcommittee on Health will hold a hearing on Medicare payment for graduate medical education and disproportionate share hospitals. HCFA Administrator Vladeck will testify.
- **Secretary's Schedule:** Secretary Shalala will participate in the following events:
 March 3 - Address the National Association of Counties' Annual Legislative Conference, in Washington, D.C.
 March 4 - Testify before the Senate Appropriations Committee. The Secretary will also have meetings with Representatives Becerra, Brown, and Tanner.
 March 7 - Address the National Conference of State Legislatures.
- **Management of FDA:** On March 6, the House Commerce Subcommittee on Oversight and Investigations will hold a hearing on the general management of the Food and Drug Administration. The Deputy Commissioners of FDA have been invited to testify.

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Prevalence of Overweight Among Children: The most recent national estimates indicate that the prevalence of overweight during childhood and adolescence has increased. Overweight during childhood and adolescence is associated with overweight in adulthood, and overweight and obese adults are at increased risk for a number of serious medical conditions. The second National Health and Nutrition Examination Survey will be reported in the March 7 *Morbidity and Mortality Weekly Report*.

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Teen Drug Abuse: On March 6, the National Institute on Drug Abuse (NIDA) will release the first science-based guide to preventing young people from using drugs. Dr. Alan Leshner, NIDA director, will mention the guide, *Preventing Drug Use Among Children and Adolescents: A Research-Based Guide*, during his speech at the 20th annual PRIDE conference in Atlanta on the same day. The guide presents 10 examples of programs that have been scientifically studied and found to be effective.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **CA Discrimination:** A report prepared by the Federal Reserve Bank of San Francisco concluded that high prices alone do not account for the relatively low level of homeownership among minorities, and in minority neighborhoods. The year-long project identified "differential treatment" of minorities, including lower quality of service, more requirements and fewer choices in all phases of the home buying process.
- **Boston Firm Threatens HUD With Lawsuit:** Energy Capital Partners, headed by Fred Siegel, threatened to sue HUD after the Department pulled out of a program to make subsidized housing more energy efficient. Secretary Cuomo canceled the program because of potential conflict of interest, after reports that Siegel was a top fundraiser for your re-election campaign.
- **HUD Web Site:** *Government Executive* magazine selected the HUD Home Page as one of the ten best government web sites. Editors praised HUD's web page for description of programs, and information on funding and contracting opportunities for HUD's community and business partners.
- **Housing Industry:** HUD's quarterly U.S. Housing Market Conditions reported that 1996 set a record for sales of new and existing homes combined. The report shows that new homes are larger and better furnished than in the past, and that the aggregate value of new homes in 1996 was the second best ever, topped only in 1994.

- **Relocation Funds:** Last week, Representative Packard introduced a bill to bar any federal agency from paying relocation money to people living illegally in the U.S. His action stemmed from a situation in southern CA, where tenants had to relocate from a closing HUD-assisted complex. One tenant, an illegal immigrant mother of 10, did not qualify for subsidized housing, but did qualify for a \$12,000 relocation payment under the Uniform Relocation Act, which does not consider immigration status for eligibility.
- **Neighborhood Networks Site:** The residents of Clarendon Hill Towers in Somerset, MA, celebrated the opening of their computer learning center. The new center is the 100th Neighborhood Networks site, a HUD initiative that encourages managers of HUD-assisted housing to establish partnerships for developing in-site computer learning centers.
- **Secretary's Schedule:**
 March 2 - Address the National Association of Counties Legislative Conference in Washington, D.C.
 March 6 - Testify before the House Housing Subcommittee on HUD's reactions to a bill to reform public housing.

VETERANS AFFAIRS

- **Third-Party Reimbursements and Veterans' Co-payments for Medical Care:** The proposal to let VA keep third-party reimbursements and veterans' co-payments for medical care shifts about \$468 million from Treasury receipts (mandatory) to VA medical care spending (discretionary). The Veterans' Affairs Committees are raising concerns that they might be forced to make PAYGO cuts in VA benefits in order to enact this proposal. VA believes they need to work with the Budget Committees to fashion an FY98 budget resolution paving the way for the proposal without PAYGO offsets in the veterans' area.
- **Low Income Entitlement Programs:** The National Center for Veteran Analysis and Statistics prepared a statistical brief on veterans' households affected by reductions in low-income entitlement programs in 1996. The analysis of data from a recent Current Population Survey shows that 1.2 million households headed by a veteran and nearly 112,000 households headed by a veteran in receipt of compensation or pension, would be affected by such reductions. This information will be useful in understanding the effect of both VA and non-VA assistance programs on these households.
- **Reinventing Government:** To make its healthcare facilities more user friendly, VA has developed a streamlined medical benefits application form. The newly designed one-page patient registration/application form is a shorter and consolidated version of three separate VA forms. To further improve processing new applicants for medical benefits,

the one-page form is being tested for automation at nine VA medical centers. Nationwide implementation of the new automated medical benefits application form is scheduled for March 4.

- **Veterans ID Cards:** In support of Vice President Gore's reinventing government, VA is improving customer service by issuing identification cards for veterans to use to get VA services. After two years of planning and development, implementation of the Veterans Universal Access Identification Card is scheduled for completion by March 31. At that time, all VA healthcare facilities will be able to issue the new cards. The new VA ID cards include the veteran's picture, a bar code and a magnetic strip of encoded patient demographic information such as name, gender, date of birth, and social security number. Patients will receive cards when they come to VA facilities to register or receive services.
- **Management of Substance Abuse Research:** On February 26, media were invited to cover conference on the impact of VA research on the management of substance abuse. ONDCP Director McCaffrey delivered the keynote address. VA treats eight percent of the Nation's 3.6 million chronic substance abusers, making it one of the largest providers of substance-abuse treatment in the country.

OFFICE OF NATIONAL DRUG CONTROL POLICY

- **U.S.-Mexico Drug Threat White Paper:** ONDCP postponed indefinitely the white paper release scheduled for February 21, as a result of the arrest of top Mexican drug enforcement authority General Jesus Gutierrez Rebollo. The Government of Mexico readily agreed to a substantive revision of the White Paper section on corruption.
- **Media Activities:** On March 2, Director McCaffrey will appear on *ABC This Week*. On March 4, Director McCaffrey will be interviewed by the *Chicago Tribune* regarding drug policy.
- **Director's Schedule:** On March 11, Director McCaffrey will testify before the House Committee on Banking and Financial Services.

DEPARTMENT OF INTERIOR

- **Yosemite National Park Reopen:** On March 15, Yosemite Valley will again open to visitors. Reopening is dependent upon continued progress on repairs to Highways 41, 120, and 140, and upon favorable weather conditions. Portions of Yosemite Valley, including popular hiking trails, will remain closed past March 15th.

- **Arctic National Wildlife Refuge Case:** For decades the U.S. and AK have both claimed ownership of the coastal submerged lands along AK's northern coast, including lands within the boundaries of the Arctic National Wildlife Refuge and the National Petroleum Reserve-AK (NPR). On February 24, the U.S. Supreme Court heard oral arguments in the Dinkum-Sands case, which will determine who owns these critical North Slope lands beneath the territorial sea and beneath tidally influenced coastal inland waters. A decision from the Court is expected by the end of June. If AK wins, it intends to lease the lands in question, some of which are in the ecologically critical lagoons of the Arctic National Wildlife Refuge. The Court has before it a report by a Special Master in which he found the application for withdrawal and creation of the Arctic National Wildlife Range did not effectively reserve to the U.S. offshore submerged lands within the Range from AK. At stake in these areas is over \$1 billion in escrowed oil revenues.
- **GA Conservation Grant:** On March 3, DOI and Governor Miller will announce a \$1 million grant to The Trust for Public Land from the North American Wetland Conservation Act for wetland conservation activities along the Ocmulgee River greenway in central GA.
- **New Science Scholarships:** On March 7, Secretary Babbitt will meet with partners with the National Park Service who created and recently announced the National Parks Science Scholars Program. The National Parks Science Scholars Program will help develop the next generation of scientists working in the fields of conservation, environmental science, and park management. The program will award three-year \$75,000 scholarships to each of four finalists who are presently enrolled as Ph.D. candidates.

Termination of Tribe Food Stamp Benefits: DOI is very concerned about the impact of the provision of the Welfare Reform Act which limits receipt of food stamp benefits to three months in a three-year period for able-bodied adults who are not working. Under the new law, states are authorized to request waivers of the eligibility criteria on behalf of tribes where unemployment levels are above 10 percent. Secretary Babbitt expressed several concerns in a meeting with Secretary Glickman, including that states may be unaware that they are responsible to request waivers on behalf of tribes and also that states may not have a mechanism in place to coordinate with tribal governments. A telephone survey of some BIA Area Offices shows that Indian welfare assistance clients rely heavily on food stamps and that 50-80 percent have been receiving food stamps. Based on the information provided by the states, it appears that four states are planning no waiver requests at all: IA (1 tribe), WI (11 tribes), MI (11 tribes), and MN (12 tribes).

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- **Hopi-Navajo Land Claim Case:** Hopi officials say they will evict any Navajos who do not sign a 75-year lease to stay on Hopi Partitioned Land after the March 31 deadline. The eviction will occur regardless of the outcome of Federal District Court Judge Earl Carroll's ruling on the fairness of the proposed 75-year lease agreement.
- **Grand Staircase-Escalante Congressional Report:** The first of three reports that Congress requested in last year's appropriation bill has been sent. The report dealt with costs associated with the monument, the process for developing a management plan, and a description of how affected parties will be involved in developing the management plan. Congress has also requested one other plan from DOI by April 1 that deals with state trust lands inside Monument boundaries.
- **Secretary's Testimony:** On March 5, Secretary Babbitt will be testifying before the House Appropriations Subcommittee on Energy and Water Development. On March 6, the Secretary will testify before the House Resources Subcommittee on Fisheries Conservation, Wildlife, and Oceans about the Wildlife Refuge Bill.
- **Northern Marianas Minimum Wage:** Governor Tenorio will visit Washington for two weeks in early March to lobby Congress in opposition to DOI and Administration proposals to establish a minimum wage in the Commonwealth of the Northern Mariana Islands.
- **Secretary's Schedule:** On March 9, Secretary Babbitt will travel to Selma, AL, to participate with Congressman Lewis and Secretary Slater in commemoration of the Bloody Sunday massacre and the Selma to Montgomery march. The Omnibus Parks Bill authorized a Selma to Montgomery National Historic Trails Council.

UNITED STATES DEPARTMENT OF AGRICULTURE

- **Civil Rights Update:** On February 26, Secretary Glickman met with Representatives Bishop, Clayton, Hilliard and Thompson as well as other members of the Congressional Black Caucus to give them an update on civil rights progress at USDA. On February 28, Secretary Glickman addressed USDA employees, followed by a media availability and constituent briefing, on the recommendations of the Civil Rights Action Team.
- **Yellowstone Bison:** On February 26, Secretary Glickman and Secretary Babbitt sent a letter to MT Governor Racicot outlining three interrelated objectives that could form the basis for a long-term solution to this problem. The three objectives are: (1) additional winter range, (2) management of herd size, and (3) elimination of brucellosis. They are actively exploring various options for additional winter range, that would also be the location of a quarantine facility. At such a facility, bison which have tested negative for brucellosis could be tested and shipped to tribes, who are strongly interested in this

approach. Managing the size of the herd is critical to the overall plan. The ecosystem can only sustain a certain number of bison, and all parties will work to reach an agreement on limits for the herd. A bison hunt as well as the transshipment discussed above are possible management tools. They are also continuing to research effective vaccines so that they can eliminate brucellosis from the bison herd. On February 26, Secretary Glickman and Secretary Babbitt discussed the proposal with Governor Racicot, who was cautiously optimistic and had a number of questions and comments about the proposal.

- **Agricultural Trade Developments:**

- ▶ On February 27, USDA opened a new Agricultural Trade Office in Hanoi.
- ▶ U.S. meat and poultry exports surged in 1996: the value of poultry exports increased 22 percent to reach \$2.5 billion. Pork export sales reached a record level of \$1.02 billion, a 21 percent increase over 1995. Beef exports showed surprising strength, with sales totaling 611,456 tons, 3 percent above last year's record. The value of egg and egg product exports jumped 26 percent to \$216 million.
- ▶ Hudson Foods, Fayetteville, AR, has announced plans to purchase up to 49 percent of a processing plant in Poland. Hudson is the seventh largest poultry processor in the U.S. Hudson's export sales to Poland in 1996 were nearly \$250 million.

- **Secretary's Schedule:** Secretary Glickman will participate in the following events:
March 3 - Address the National Association of Counties conference, Washington, D.C.
March 10 - Address the NC Governor's Agricultural Summit, Raleigh, NC.

DEPARTMENT OF ENERGY

- **Secretary Peña Confirmation:** Senator Murkowski has attempted to link Secretary Peña's nomination to his Yucca Mountain interim storage legislation, the Tongass forest management plan and a request to exempt AK from commuter airline safety rules. Two mark-ups were canceled. After meetings and conversations with the Chief of Staff, Senator Murkowski has promised an answer by Tuesday on a schedule for acting on the Secretary's nomination.
- **Hanford Site in WA Privatization Contract:** DOE expects to announce during the first week of March a 25-year contract valued in the range of \$100 million. The contract to be awarded to Johnson Controls, Inc. of Milwaukee, WI, is a cost-savings, privatization effort to replace an existing, privately-owned and constructed system. \$20-30 million will be allocated for construction to be completed by the end 1998. The remainder of the contract value is for DOE's purchase of services for the Hanford site from the new steam system over the next 25 years.

- **Long Island Tritium Contamination:** Investigators at DOE Brookhaven National Laboratory suggest that a research reactor's spent fuel storage pool is the most likely source of the tritium contamination. Plans are being developed to ship all the spent fuel from the pool to DOE's Savannah River site in SC for storage so that a liner and leak detection system can be installed in the pool. DOE agreed to connect an additional 500 (800 residences have already been connected) residences around the Laboratory to public water at a cost of \$6.2 million to give the community added confidence in the quality of their drinking water. EPA has concluded that there is no public health threat.
- **Nuclear Weapons Materials Shipments:** On March 4 (originally scheduled for February 11), Under Secretary Grumbly will meet with staff from Governor Nelson's office to discuss the November shipping incident along a NE highway involving the transportation of classified materials.

DEPARTMENT OF EDUCATION

- **Drug Program Report:** On February 25, DOEd released a report showing that federal drug abuse prevention funds have had limited impact on reducing youth drug use. The report, which received widespread media coverage, was particularly critical of DARE (Drug Abuse Resistance Education), a program in place in about 70 percent of school districts. DOEd staff have met with DARE officials to explore ways to enhance the program's effectiveness.
- **Connie Lee Stock Sale:** On February 27, DOEd sold its shares of stock to Connie Lee. The 1997 Omnibus Consolidated Appropriations Act provided for the privatization of Connie Lee and directed that DOEd pay the proceeds of the sale of its shares to the DC Financial Control Board for financing school construction. The sale will net over \$18 million for the DC schools.
- **Tort Claim:** DOEd received a claim for damages for emotional distress and loss of income from Christina F. Jeffrey, who contends she was fired from a tentative appointment as Historian of the House of Representatives in the wake of a controversy over her 1987 comments on a DOEd grant proposal on the Holocaust. Ms. Jeffrey claims that DOEd wrongfully released her "confidential grant review" and seeks damages of over \$2,000,000. DOEd has six months to make a determination on the claim.
- **Campus Crime Report:** On February 25, DOEd released a Congressionally mandated report on crime on college campuses. The report showed a campus violent crime rate of 65 incidents per 100,000 in population, compared to a national violent crime rate of 714 incidents per 100,000. It should be noted that other research shows that well over half of all crime against students occurs off campus.

- **Brown University Athletics Discrimination:** Brown University has appealed a First Circuit ruling in Cohen v. Brown University, a collegiate athletics case under Title IX of the Education Amendments of 1972. On November 21, the First Circuit upheld DOEd's three-part test to determine whether a school is providing nondiscriminatory athletic opportunities for men and women. Brown had argued that the test imposes an unconstitutional gender-based quota on athletic programs and should be struck down. In upholding DOEd's test, the Court of Appeals found that it does not rely entirely on statistical balancing of men's and women's participation but involves other factors as well, and thus is not a quota system.
- **Partnership for a Drug-Free America Event:** On March 4, Secretary Riley will participate in an announcement of a major joint anti-drug effort involving the Partnership, DOEd, the ABC television network and *Reader's Digest*.
- **New American High Schools:** On March 10, Secretary Riley will announce six urban high schools selected to serve as models for school reform in reform efforts at a press conference at Central Park East High School in New York City. The schools were chosen for their dedication to strong academic achievement for all students and preparing all students for college and careers; the schools and their districts will work with DOEd and education reform leaders to build on their current successes and expand them district-wide. The schools selected are in New York, NY, Miami, FL, Boston, MA, St. Louis, MO, Chicago, IL and San Diego, CA.
- **Education Bill:** Minority Leader Gephardt introduced an omnibus education bill with provisions similar to Administration initiatives on Hope Scholarships, school construction, America Reads, and technology in schools. The bill is similar to one already introduced by the Senate Democratic leadership.
- **Education Tax Incentives:** On March 5, the House Ways and Means Committee is scheduled to hold a hearing on your education and training tax incentives.
- **Education Hearing:** On March 5, Secretary Riley will testify before the House Education and Workforce Committee regarding your education agenda.
- **Appropriations Hearings:** On March 11, Secretary Riley will testify before the House Labor/HHS/ Education Appropriations subcommittee on the FY98 budget.
- **Higher Education Budget:** On March 12, the House Labor, Health and Education Appropriations Subcommittee is scheduled to hold a hearing on the FY98 budget request for postsecondary education.

- **FOIA Request:** DOEd is completing its response to a February 11 *Washington Post* request for all records of contacts with Don Fowler and Marvin Rosen of the DNC.

ENVIRONMENTAL PROTECTION AGENCY

- **EPA Policy Priorities:** On February 27, Administrator Browner announced a restructuring to create new offices that will oversee three of the Agency's highest policy priorities: protecting children from environmental health threats, reinventing environmental regulation to achieve better results at less cost and expanding the public's access to information about local pollution. The new offices are: the Office of Children's Health Protection, the Office of Reinvention, the Center for Environmental Information and Statistics, and the EPA office of Intergovernmental Affairs.
- **Pigeon River:** On February 27, EPA, NC and TN officials met with citizen groups in TN to hear their concerns about water quality in the Pigeon River. On February 28, they met to evaluate the information and discuss possible options to resolve this issue. EPA is in the process of reevaluating the permit and water quality variance issued by NC for the Champion pulp and paper mill. The company discharges into the Pigeon River which then flows into TN. EPA will work with TN and NC to ensure that the new standards are met. TN and NC recently agreed to seek a stay of litigation connected with the permit so that both sides could engage in a series of discussions hosted by EPA to find solutions to protect public health and the environment along the Pigeon River.
- **OH Air Standards:** On February 27, Administrator Browner met with Governor Voinovich and several OH legislators to discuss EPA's proposed air quality standards on ozone (smog) and particulate matter (soot). Governor Voinovich is strongly opposed to the proposed standards. At the recent National Governors Association (NGA) meeting, he led an effort to request that EPA conduct extensive cost-benefit analysis before any new standards could be implemented and release all research data used in development of the proposed standards. NGA adopted a neutral resolution on Clean Air Policy.
- **Superfund:** On March 5, Administrator Browner will testify before Senate Environment and Public Works Subcommittee on Superfund, Waste Control and Risk Assessment. On March 12, she will testify before the House Transportation and Infrastructure Subcommittee on Water Resources and the Environment.
- **EPA Document Response:** Congressman Bliley (Chairman, Commerce Committee) recently asked EPA for information and documents about the ozone/PM rule. EPA had inadvertently omitted a document criticizing an OMB letter to Representative Bliley about its review of the ozone/PM rule. Representative Bliley received this document from another source. Bliley accused EPA of purposefully withholding information, and has suggested that EPA was controlling OMB's actions with regard to the ozone/PM rule.

EPA has responded with a public statement of continuing compliance with congressional oversight requests and noting the inadvertent omission of the document in question and will continue to work with the Committee in responding to its oversight requests.

OFFICE OF PERSONNEL MANAGEMENT

- **Federal Labor-Management Partnerships:** On April 9, 10 days before the second anniversary of the Murrah Building Explosion, the National Partnership Council, chaired by Director King, will meet in Oklahoma City.
- **Employment Bill:** On February 26, the House Civil Service Subcommittee held a hearing on Chairman John Mica's Veterans' Employment Opportunities Act of 1997. The bill enhances the preferences afforded veterans in the hiring process and extends the protections given to veterans during reductions in force. Director King presented the Administration's support for the goals of strengthening protections for veterans. Representatives of four veterans organizations testified in support of the legislation which is similar to a bill passed by the House during the 104th Congress. Immediately following the hearing the Subcommittee held a markup of the bill, and without discussion or amendment, reported it to the full Committee.
- **Media Inquiries:** The *New York Times* requested information on how the federal government works with respect to welfare-to-work. *USA Today* requested information regarding the government's plan to help former welfare recipients find federal jobs. *NBC News* requested information on the various "job scams" in which private companies advertise and charge people for information about federal jobs that is available without charge from OPM.

UNITED STATES INFORMATION AGENCY

- **Deng's Death:** For the first time since China announced it was halting its efforts to restrict access to selected Internet sites, activity from VOA's Internet server rebounded. Following Deng's death February 19, 255 Chinese text files and 11 audio files were downloaded by computer systems in China. For the first time ever, Chinese texts represented a majority (41 percent) of the downloads from VOA's public Internet server.

GENERAL SERVICES ADMINISTRATION

- **Barram Confirmation Hearing:** On February 25, the Senate Government Affairs Committee held the confirmation hearing for Acting Administrator Barram. The hearing was dominated by the issue of the follow-on contract for FTS-2000. The hearing went well but follow-up questions are expected.

- **D.C. Recycling Efforts:** GSA has offered to assist the District with contracting, developing scopes of work, and other technical support including preparation of recycling specifications for Washington, D.C.'s commercial offices, and analysis of waste management recycling programs in specific office buildings.
- **FL Florida Everglades Aid:** On February 28, there will be a ceremony for the transfer of the Cocoa Federal Building to Cocoa, FL. This transfer is unique in that the proceeds of the sale (\$199,000) will be given to the Trust Fund established by the Everglades Restoration Act of 1995. The City of Cocoa intends to use the building to house the FL Historical Society's historical research library.
- **MA Center Plaza Controversy:** The proposed construction of a privately owned hotel on public land adjacent to the Boston JFK building continues to be a major issue both programmatically and in the press. GSA is discussing the matter with a wide variety of individuals and interests and is continuing their efforts to meet with Boston City Councilors. On February 25, GSA has scheduled a meeting with the Boston Redevelopment Authority staff on February 28. The *Boston Herald*, the *Boston Globe*, *The Beacon Hill Times* and the *Beacon Hill Press* have recently carried articles about Government Center Plaza.
- **Media Activities:** *CBS News* requested information from GSA and the Coast Guard (USCG) on procedures for disposing of lighthouses in the Great Lakes region and in FL. USCG has asked GSA to dispose of 40 historical lighthouses, and GSA is formulating a national disposal strategy to ensure efficiency and consistency.

SOCIAL SECURITY ADMINISTRATION

- **Chater Completes Tenure:** On February 28, Commissioner Chater completed her tenure. John J. Callahan, Assistant Secretary for Management and Budget at the Department of Health and Human Services, will serve as Acting Commissioner until a new Commissioner is confirmed.
- **SSI Benefits for Disabled Children:** Beginning early next week, SSA will begin sending notices to representative payees of approximately 263,000 children advising them that SSA is now beginning to review their cases under the new definition of childhood disability which the Commissioner announced earlier this month. Notices will be sent over the next 2-3 months.
- **GAO Study of Official Time Used for Union Activities:** SSA is one of thirty Federal agencies that is being asked to fill out a General Accounting Office questionnaire on official time used for union activities. The study was requested by Chairman John Mica, Subcommittee on Civil Service, House Committee on Government Reform and

Oversight, and is intended to solicit information concerning the amount of time used for union activities, the dollar value of that time, and the number of employees involved. Auxiliary data on union dues and partnership activities is also being collected.

- **Waste, Fraud and Abuse Hearing:** On March 4, the House Committee on Ways and Means, Subcommittee on Oversight will hold a hearing on Federal programs which have been identified by the General Accounting Office (GAO) in its High Risk Series of reports as being particularly vulnerable to waste, fraud and abuse. Twenty-five programs have been placed on this list including the Supplemental Security Income (SSI) program which SSA administers. A representative from GAO will present its findings to the Subcommittee. SSA has not been invited to testify.
- **Future of Social Security Hearing:** On March 6, the House Committee on Ways and Means, Subcommittee on Social Security will hold a hearing on the future of Social Security. The Subcommittee will examine the Report of the 1994-1996 Advisory Council on Social Security. Advisory Council members, Edward Gramlich, Sylvester Schieber and Robert Ball, are expected to testify.
- **Public and Private Retirement Hearing:** On March 6, the Senate Special Committee on Aging will hold a hearing on challenges to public and private retirement programs posed by the retirement of the "baby boom" generation. SSA has not been invited to testify.

cc:

The Vice President
Erskine Bowles
Bruce Reed
John Podesta
Sylvia Mathews
Ron Klain
Rahm Emanuel
Maggie Williams
Michael McCurry
Doug Sosnik
Marcia Hale
Don Baer
Maria Echaveste
John Hilley
Janice Kearney
Craig Smith
Ann Lewis

February 28, 1997

MEMORANDUM FOR THE PRESIDENT AND THE VICE PRESIDENT

FROM: Craig Smith

SUBJECT: Weekly Political Update

THE PRESIDENT HAS SEEN
313197

*See a copy
Mike*

ARKANSAS

House Speaker Bobby Hogue (D) has accepted a position at the University of Arkansas causing observers to speculate he will not run for governor in 1998. Hogue, only the second House Speaker to be re-elected this century, has made no public announcements on his political aspirations. Governor Mike Huckabee (R) is expected to run. The only other Democrat mentioned is FEMA Director James Lee Witt.

CALIFORNIA

U.S. Senator Dianne Feinstein (D) continues to poll strongly among possible candidates for California governor. A Field Poll conducted February 11-17 of 797 registered voters polled likely candidates for California governor pitted against each other in an open primary. Surprising to most observers, the poll showed that GOP frontrunner Attorney General Dan Lungren placed third behind Los Angeles Mayor Richard Riordan (R). Former White House chief of staff Leon Panetta finished fourth with 10%.

U.S. Senator Dianne Feinstein	27%
Los Angeles Mayor Richard Riordan	13%
Attorney General Dan Lungren (R)	11%
Former White House Chief of Staff Leon Panetta (D)	10%
Lieutenant Governor Gray Davis (D)	8%
Former Insurance Commissioner John Garamendi (D)	5%
Controller Kathleen Connell (D)	3%
Northwest Airlines Al Checchi (R)	0.5%

The same poll shows that U.S. Senator Barbara Boxer (D) continues to have a commanding lead over possible Republican challengers in the 1998 U.S. Senate race.

U.S. Senator Barbara Boxer (D)	37%
U.S. Representative Tom Campbell (R)	10%
State Treasurer Matt Fong (R)	9%
San Diego Mayor Susan Golding (R)	5%
U.S. Representative Chris Cox (R)	3%
U.S. Representative David Drier (R)	3%
Undecided	33%

California's new "open primary" law will place every candidate, regardless of party, on the same primary ballot. The law is currently under legal challenge.

In the Los Angeles mayoral race, Republican mayor Richard Riordan received the endorsement of organized labor over state Senator Tom Hayden (D). Because labor and Hayden are more ideologically in line, many see labor's endorsement as the left's acceptance of Riordan's reelection as inevitable.

HAWAII

Observers believe that Governor Ben Cayetano (D) is beatable and his supporters are beginning to organize. Leaders of most Filipino organizations have already endorsed Governor for re-election in a "pre-emptive strike" to discourage Honolulu mayor Jeremy Harris (D) from challenging Governor Cayetano. Maui Mayor Linda Crockett Lingle (R) also is considering entering the race.

IOWA

Senator Tom Harkin is taking a more serious look at running for governor after getting very positive feedback from people around the state. Two unrelated items have fueled speculation that he will indeed run -- Ruth Harkin's resignation at OPIC and the Harkins' purchase of a farm back in the state. Senator Grassley will announce his intentions for '98 on May 1st, but has already hinted that he is more likely to run for reelection to the Senate than for governor.

MICHIGAN

An EPIC/MRA survey of 600 likely voters conducted February 17-20 (with a 270 person subsample conducted February 24) showed Archer running with a 20% plurality against five announced and prospective Democratic candidates, not including Riegle. Archer insists he will not run. Former Senator U.S. Don Riegle received a surprisingly low 15% in a trial heat without Archer against the current little-known Democratic field. In a poll that includes neither Archer nor Riegle, former Michigan Commerce Department Director Doug Ross edges out State Rep. Karen Willard and former Lansing Mayor Larry Owen by a few points. Undecideds run 61% to 71%.

DEM PRIMARY (w/Archer)

Archer	20%
Ross	7%
Willard	5%
Agee	4%
Owen	2%
Berryman	1%
Undec.	61%

DEM PRIMARY (w/Riegle)

Riegle	15%
Ross	6%
Agee	6%
Willard	5%
Owen	2%
Berryman	1%
Undec.	66%

DEM PRIMARY (no Archer/Riegle)

Ross	9%
Willard	7%
Owen	6%
Agee	4%
Berryman	2%
Hamilton	1%
Undec.	71%

JOB APPROVAL

Clinton	62%
Archer	54%
Engler	52%
Riegle	38%

	FAV/UNFAV	ID
Archer	55%/ 5%	75%
Riegle	38%/21%	78%
Owen	9%/ 6%	34%
Ross	8%/6%	28%
Willard	4%/4%	23%
Berryman	5%/4%	24%
Hamilton	3%/3%	18%
Agee	5%/5%	26%

MISSOURI

St. Louis Mayor Freeman Bosley is in a tough, bitter fight for reelection against popular former police chief Clarence Harmon, who is also African American and a Democrat. The primary will be held on Tuesday, March 4. It is too close to predict who the winner will be. The general election is April 1, but the Democratic nominee is a virtual lock given the demographic makeup of the city.

NEW HAMPSHIRE

Ex-Dick Swett aide Jeff Woodburn upset incumbent New Hampshire party chair Michael King in this week's party elections. King had stressed his work as party chair during the 1996 elections, while Woodburn pushed his record as a winning campaign manager and emphasized his plan to strengthen the state party's grassroots organization.

NEW JERSEY

Ex-governor Jim Florio (D) announced that he would not run for governor in 1998 and instead threw his support behind U.S. Representative Jim Andrews (D). The endorsement was seen as a boost to Andrews' primary campaign, where Florio's backing will help him in south Jersey, but the endorsement could haunt him in a general election against Governor Christine Todd Whitman (R) this fall.

Governor Whitman raised \$750,000 at a fundraiser in East Brunswick this week, bringing her total war chest to \$3.1 million. \$300,000 of the funds were raised out-of-state, as Whitman recently traveled to California, Florida and Michigan.

U.S. Representative Jim Andrews (D) pledged not to raise taxes if elected governor, but the pledge has been criticized as "irresponsible" by Democrats and "overeager" by the Whitman camp.

NEW YORK

A three-panel judge threw out the 12th District, ruling it unconstitutional because it used race as the predominant factor in developing the district. The district is currently represented by U.S. Representative Nydia Velazquez (D), who promised to appeal. The district will be redrawn by the New York legislature, which has a GOP-controlled Senate and a Democratically controlled House. If the legislature cannot agree on a new district by July 30, the court will redraw.

NORTH CAROLINA

Trial attorney John Edwards (D) has been meeting with Democratic leaders to discuss a possible challenge to incumbent U.S. Senator Lauch Faircloth (R). Edwards is a political newcomer

but is expected to show tremendous fundraising prowess. 1996 Democratic candidate Charlie Sanders and state Attorney General Mike Easley (D) also are expected to run.

OKLAHOMA

U.S. Representative Tom Coburn (R) caused a stir this week and admitted an error in judgement when he criticized NBC for airing "Schlinder's List" on February 23. Coburn called the airing an "all time low, with full frontal nudity, violence and profanity being shown in our homes." Coburn's recant came after a flurry of criticism from fellow Republicans Bill Bennett, Senator Al D'Amato and Jack Kemp.

RHODE ISLAND

1994 Democratic nominee and Ex-state Senator Myrth York has hired a campaign manager to begin work towards a possible rematch against Governor Linc Almond (R). She has not officially announced but has been meeting with Democratic leaders and constituency groups.

SOUTH CAROLINA

Governor David Beasley (R) came under fire from House Democrats for changing state license plates from the current Carolina wren plate to one emblazoned with the Governor's 1994 campaign and inaugural slogan "Putting Families First." Most state drivers would have the tags by the 1998 elections. Possible challengers to Beasley include state Attorney General Charlie Condon (R), Charleston mayor Joe Riley (D) and 1994 Democratic nominee Nick Theodore.

SOUTH DAKOTA

The South Dakota Senate voted to move the state's early presidential primary from February to June and Governor Bill Janklow (R) is expected to sign the bill into law. In 1996, however, South Dakota's February primary date was shared by North Dakota and Arizona. State Sen. Alan Aker (R) said that "Arizona has really stolen our thunder." That fact, combined with low voter turnout and the \$400,000 cost of the separate primary, led to a consensus among lawmakers that the primary should be returned to its original date.

TEXAS

New polls show both Governor George Bush (R) and his property tax relief plan are extremely popular. A Harte-Hawks poll conducted 2/3-15 by the University of Texas polled 998 adults on Governor George Bush's (R) approval ratings and tax plan.

Governor Bush		Support Bush Tax Plan	
Approve	69%	Yes	60%
Disapprove	25%	No	30%

VIRGINIA

GOP candidate and Attorney General James Gilmore has suggested that he will not step down as attorney general while he runs for governor this year. In Virginia, it is traditional that attorneys general retire before they begin their campaigns.

WISCONSIN

It was revealed last weekend that Governor Tommy Thompson's (R) former top aide and campaign strategist, Jim Klauser, has received at least \$114,000 in "soft money" from the

* | Republican Governors Association for political consulting over the past four years while on state payroll. The fees were paid by the Republican National State Elections Committee which received many donations from Wisconsin corporations which have business before the state. While Klauser's arrangement did not violate state ethics laws, the appearance of impropriety and conflicts of interest have many Republican political leaders worried. Thompson said he played no role in securing the contract and knew no details though some Republicans dispute that. Governor John Engler ended Klauser's contract when he took over the RGA in January 1996 but Klauser got another party contract in August 1996 and has hinted that he might still be on contract with the party, but neither he nor GOP officials will confirm it. On Thursday, February 26, a *Milwaukee Journal Sentinel* editorial said that the "inattention to appearance, and the allure of soft money, probably make necessary" an audit "to put some perspective on the arrangement." That same day, the Democratic state chairman called upon the RNC Chair to return contributions to corporate donors who gave to the RNC soft money account from which Klauser was paid and wrote a letter to U.S. Senator Fred Thompson (R) requesting that his committee investigate the GOP-Thompson-Klauser soft money tie.

✓ | Another top story last weekend was U.S. Representative Scott Klug's (R) announcement that he will not seek reelection. This is very good news for Democrats since this district leans Democratic. Two Democrats had already announced their intentions to run against Klug --state Rep. Tammy Baldwin, who is openly lesbian, and State Senator Joe Wineke. There is speculation that several others may choose to run now that the seat is open including two local leaders who have already announced that they will not seek reelection to their current posts, Madison Mayor Paul Soglin and Dane County Executive Rick Phelps. Speculation has also begun to focus on Secretary Donna Shalala.

✓ [Rep. Mark Neumann (R), who is tired of battling for reelection in his Democratic leaning district every two years, will make six stops around the state on Monday to announce that he will challenge Senator Russ Feingold next year. This provides the Democrats with another pick-up opportunity.

cc: The First Lady
Mrs. Gore
Erskine Bowles
John Podesta
Doug Sosnik

*Good - new
good - new
good - new*

THE PRESIDENT HAS SEEN

3-3-97

THE WHITE HOUSE

WASHINGTON

February 27, 1997

NOTE TO: THE PRESIDENT

FROM: KITTY HIGGINS *Kitty*

Ed Dorn, Under Secretary of Defense for Personnel and Readiness, also serves as DoD's liaison to the families of those killed in the crash of Ron Brown's plane. He recently met with several family members and prepared this report at our request.

Additionally, the Commerce Department is planning an April 3rd memorial service to mark the anniversary of the crash.

cc: Erskine Bowles
John Emerson
Sylvia Mathews

EB
New this
Monday there is
more we can do
by on the red tape
and insurance/claim
problems
RE



PERSONNEL AND
READINESS

UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000



MEMORANDUM FOR THE PRESIDENT

SUBJECT: Meeting with the Families of the T-43 Tragedy

Families of fifteen of the 33 American victims of the April 3, 1996 air tragedy met in Arlington on February 1 and 2. They were heartened by your January 31 letter, which I read aloud. I then discussed three commitments your Administration has made: *to honor* those who were lost, to *support* those who survive them, and to *prevent* such a tragedy from occurring again. Other speakers included grief counselor Karen Marshall Black; Gerald Kauvar, staff director of the Vice President's Commission on Aviation Safety and Security; and Commerce Assistant Secretary Will Ginsberg, who discussed plans for commemorations.

HONORING THOSE WHO WERE LOST

We are making progress toward meeting the families' wishes for appropriate memorials and commemorations in the United States. Several already have occurred, e.g., the Dover ceremony, the tree that you and Mrs. Clinton planted at the White House, and a university fellowship named in honor of Secretary Brown and Adam Darling. Commerce has taken the lead in planning a commemoration in Washington on April 3; several family members agreed to serve as advisors. In addition, Will Ginsberg relayed the Croatian government's invitation to a June commemoration in Dubrovnik.

We need to be especially sensitive toward the families of those victims who were not employed by Commerce, because they sometimes feel "left out." Commemorations featuring you, the First Lady or the Vice President should honor all the victims.

COMPENSATION AND OTHER SUPPORT FOR THE FAMILIES

Although current law provides substantial compensation for the dependents of government civilian employees and service members who die while serving, several families are frustrated by their inability to sue for damages. Further, widows of two private citizens (who are not eligible for such benefits) have been told that their husbands' life insurance policies did not cover military air travel. Their only recourse is to make claims under the Military Claims Act. This led the widow of one corporate executive to complain bitterly that the government agency which caused her husband's death now gets to decide how much her husband's life was worth.



Aside from the level of compensation, several of the families have been vexed by all the paperwork -- the red tape of tragedy. One widow said that she has had to hire three lawyers: one to settle her husband's estate, one to force a life insurance company to honor its policy, and one to pursue her claim against the Air Force.

Support for the survivors has been uneven. The armed services have detailed and generally successful procedures to support military families immediately following a loss, but we do not do as good a job for civilian employees, and we provide little help to the families of private citizens. Further, none of the support systems is designed to provide long-term emotional support.

The Commission recommended several steps to address these shortfalls. I will ensure that the T-43 families' experiences are taken into account during followup by the Transportation Department and the NTSB. The families will derive solace from knowing that their loved ones' deaths prompted improvements.

PREVENTING ANOTHER TRAGEDY

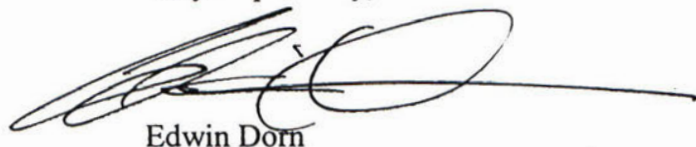
This remains a highly charged issue. The Air Force believes that it conducted a sound investigation and took the proper corrective actions. Several family members adamantly disagree; they continue to demand an independent investigation, detailed information about the responsible officers (beyond what is releasable under privacy rules), and legislation to permit lawsuits against the government in cases such as this. The Commission heard at least one witness who advocated that the NTSB investigate military air mishaps that result in civilian deaths, but the Commission's recommendations did not address that issue.

To the extent that this is a matter of trust, face-to-face communication may help. With that in mind, I have arranged for Secretary Brown's son Michael to meet one-on-one with Air Force Chief of Staff Ron Fogleman.

CONCLUSION

The meeting helped me understand the depth of the families' grief, the intensity of their anger and the unevenness of our responses. We have worked hard to resolve many issues, and will continue to do so. However, our efforts are not likely to satisfy family members who believe that the current system of accountability needs fundamental reform.

Very respectfully,

A handwritten signature in black ink, appearing to read 'Edwin Dorn', with a long horizontal line extending to the right.

Edwin Dorn

Attachment: Attendees

LIST OF ATTENDEES

FAMILY MEMBERS

Netti Jackson	Lee Jackson's mother	Treasury
Luther Jackson	Lee Jackson's brother	
Patricia Conrad	Barry Conrad's wife	Barrington Corp
Kathy Kaminski	Steven Kaminski's wife	Commerce
Christina Kaminski	Steven Kaminski's daughter	
Edward Kaminski	Steven Kaminski's father	
Vera Kaminski	Steven Kaminski's mother	
Pamela Beyer	Jim Lewek's wife	CIA
Darrell Darling	Adam Darling's father	Commerce
Karen Darling	Adam Darling's mother	
Ken Dobert	Gail Dobert's father	Commerce
Maureen Dobert	Gail Dobert's mother	
Ray Dobert	Gail's brother	
Mrs. Ray Dobert and child	Gail's sister-in-law	
Emma Williams	William Morton's mother	Commerce
Ron Thomas	Friend/lawyer for Emma	
Dierdre English	Ian Turner's wife	Bridge Housing Corp
Tracie Brown	Secretary Brown's daughter	Commerce
Tami Brown	Secretary Brown's daughter-in-law	
Michael Brown	Secretary Brown's Son	
Jim Warbasse	Naomi Warbasse's husband	Commerce
Nora Poling	Naomi's mother	
Mary Poling	Naomi's sister	
Mr. Cushman	Paul Cushman's father	Riggs Bank
Mrs. Hamilton	Carol Hamilton's mother	Commerce
Mrs. Nash	Nathaniel Nash's wife	NY Times
Debbie Davis	Ashley Davis' sister	Air Force
Mr. and Mrs. Ferguson	Cheryl Turnage's parents	Air Force

OTHER ATTENDEES

Karen Marshall Black	Grief Counselor
Hans Emphraimson	KAL 007 Family Support Group
Edwin Dorn	Under Secretary of Defense (P&R)
CAPT Gerry Hoewing	Senior Military Assistant to USD (P&R)
Charlotte Cope	Consultant to Mr. Dorn
Nick Timenes	Consultant to Mr. Dorn
Will Ginsberg	Assistant Secretary of Commerce
Steve Bauer	FEEA
Gerry Kauvar	WH Commission on Airline Safety and Security
Rochelle Dornatt	Congressman Farr's Chief of Staff
Matt Green	Congressman Farr's Office

"Read these pieces—
let's discuss—there
may be a positive
response" —

Eden/Bored

need their money - to do it 3-3-77
then receive a portion of your - Bc

THE PRESIDENT HAS SEEN

<http://www.usatoday.com>

THE NATION'S NEWSPAPER

**SUGAR RAY
POISED FOR
COMEBACK 4**

FIGHTS CAMACHO
SATURDAY, 1-20

Sugar Ray
Leonard

**SPRING TRAINING
GAMES START, 1-7-8C**

By Scott
Wechter

**USA
TODAY**

NO. 1 IN THE USA . . . FIRST IN DAILY READERS

FRI.- SUN., FEB. 28 - MARCH 2, 1997

NEWSLINE

A QUICK READ ON THE NEWS

WALL STREET: Dow Jones industrial average drops 58.11 points to 6925.07; Nasdaq index falls 27.89 to 1312.66; 30-year Treasury bond yield rises to 6.80%, 1.4B.

► January is record for stock fund buys. 1B.



Shooting for tourney berths

College weekend
preview, 1,12C

Kentucky's Ron Mercer
by Michael S. Green, AP

ABORTION: Abortion-rights opponents plan to march outside high schools across USA starting Monday; campaign targets 150 cities through May. 3A.

SNOWMOBILING DEATHS: Jump in deadly snowmobile accidents is prompting states to toughen laws, penalties for reckless and drunken driving. 3A.

EX-PARATROOPER CONVICTED: North Carolina jury convicts former 82nd Airborne Division paratrooper James N. Burmeister, left, of killing two black people as part of skinhead initiation in 1995. 3A.



Burmeister: Sentenced to prison for killing two
black people

RIGHT TO DIE: Court rules Oregon can enforce its first-in-nation law allowing doctor-assisted suicide; law no immediate threat to patients' rights. 2A.

PENTAGON WASTE: The military is buying more items that it doesn't need, a General

SPECIAL REPORT

The politically incorrect question of the 1990s:

Can't anyone here speak *English?*

Exploring the hidden costs of
the nation's language gap

COVER STORY

Consumers frustrated by verbal gridlock

By Gary Strauss
USA TODAY

► Language and life, 8A
► English 'real intimidating' for some, 9A

year-old and shaved his head.

"Everywhere I go — the doctor's office, the eyeglass shop, fast-food restaurants — I'm getting more frustrated," Suzanne Schirmer says. "It's hard to buy anything when you can't communicate with people who aren't from here."

If the Schirmers have complaints over foreign-born employees in the workplace, they've got plenty of company. A recent USA TODAY/CNN/Gallup Poll found growing verbal gridlock across the country: Nearly one of four consumers encountered problems in the past year because a business person or retail employee spoke poor English.

So far, the nationwide frustration over language has remained relatively private. Many native-born Americans try to be understanding of immigrants, whether out of compassion or fear of seeming insensitive, even racist. But this collective consumer pathos underscores a huge language gap with a widening scope and far-reaching implications.

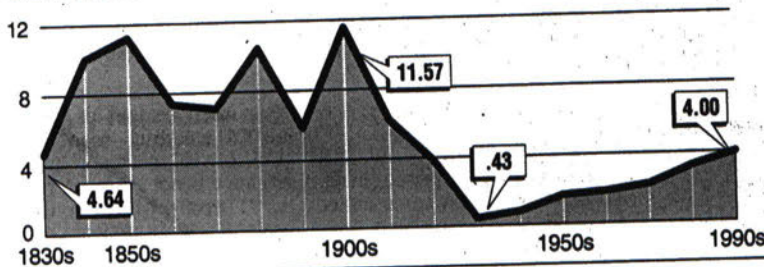
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SPECIAL REPORT: EXPLORING

Immigration is on the rise, again

The immigration rate reached a high just after the turn of the century, when 11 of every 100 U.S. residents were immigrants. Today the rate is higher than at any time since the 1910s. The immigration rate per 100 U.S. residents:



Source: Immigration and Naturalization Service



COVER STORY

Language and accent bias cases are growing

Continued from 1A

cations, particularly as the country's 24 million foreign-born residents move beyond major urban areas and become a greater proportion of the workforce.

Economists say the lack of language proficiency costs businesses billions of dollars.

Disputes about language in the workplace, where immigrants represent about 11% of the labor force, are expected to mushroom now that the Equal Employment Opportunity Commission has begun separately categorizing language complaints.

And with nearly a quarter of the USA's doctors graduates of foreign medical schools, there are plans to test for verbal English competency.

"I've had experiences at fast-food drive-throughs. You're sitting there trying to order McNuggets. How can someone not understand that? You just get fed up and drive off."

— Gina Canfield, Zanesville, Ohio

While economists, corporate America and the courts are just beginning to grapple with verbal gridlock, those who've studied the USA's biggest immigration wave since the

Top 50 foreign languages

The 1990 Census found that nearly 32 million of the 230 million people in the USA older than 5 spoke a language other than English in their homes. Nearly 21% of those people said they did not speak English well or at all. The 50 most common foreign languages spoken in the USA, the number of speakers and the percentage of foreign-language speakers who say they do not speak English well or at all:

Rank	Language	Number of speakers	Don't speak English well/at all
1	Spanish	17,339,172	26%
2	French	1,702,176	9%
3	German	1,547,099	7%
4	Italian	1,308,648	12%
5	Chinese	1,249,213	30%
6	Tagalog	843,251	7%
7	Polish	723,483	14%
8	Korean	626,478	30%
9	Vietnamese	507,069	28%
10	Portuguese	429,860	23%
11	Japanese	427,657	21%
12	Greek	388,260	11%
13	Arabic	355,150	11%
14	Hindi (Urdu)	331,484	9%
15	Russian	241,798	27%
16	Yiddish	213,064	8%
17	Thai (Laotian)	206,266	28%
18	Persian	201,865	12%
19	French Creole	187,658	22%
20	Armenian	149,694	26%
21	Navajo	148,530	15%
22	Hungarian	147,902	9%
23	Hebrew	144,292	5%
24	Dutch	142,684	4%
25	Mon-Khmer	127,441	43%
26	Gujarati	102,418	12%
27	Ukrainian	96,568	14%
28	Czech	92,485	6%
29	Pa. Dutch	83,525	6%
30	Miao (Hmong)	81,877	46%
31	Norwegian	80,723	5%
32	Slovak	80,388	7%
33	Swedish	77,511	4%
34	Serbo-Croatian	70,964	13%
35	Kru	65,848	3%
36	Romanian	65,265	17%
37	Lithuanian	55,781	9%
38	Finnish	54,350	6%
39	Punjabi	50,005	15%
40	Formosan	46,044	21%
41	Croatian	45,206	9%
42	Turkish	41,876	14%
43	Ilocano	41,131	20%
44	Bengali	38,101	8%
45	Danish	35,639	3%
46	Swiss	35,146	15%

and drive off."

— Gina Canfield,
Zanesville, Ohio

While economists, corporate America and the courts are just beginning to grapple with verbal gridlock, those who've studied the USA's biggest immigration wave since the turn of the century say the reasons are easy to explain.

The USA's population of legal and illegal immigrants, foreign nationals, refugees and temporary workers is at an all-time high.

About 14 million foreign-born U.S. residents told the Census Bureau in 1990 that they had limited or no English-language proficiency — the last official query of language skills.

But more than 5 million legal immigrants and foreign nationals have arrived since then, most of them Hispanic or Asian. And the population of illegal immigrants is now up to 5 million, a 28% jump since 1992 alone, says the Immigration and Naturalization Service.

The bottom line: many people who don't speak English well are coming ear-to-ear with increasingly exasperated consumers, especially in the labor-starved, low-wage, low-skill tier of the service sector.

"We're irritated by people who don't speak English or have an accent," says Rutgers University professor Nancy DiTomaso, who studies language competency in the workplace. "Americans tend to be particularly ethnocentric and intolerant. We presume other people should know our language."

Critics say most employers don't realize they have a consumer relations problem. Many who do say it's too costly to provide language training, particularly for low-paid workers who are likely to move on as they become more proficient in English on their own.

But as more and more commerce is fouled by fast-food clerks who mistake orders, taxicab drivers who misunderstand directions and telemarketers who can't explain why they called, sociologists and consumer behaviorists detect a palpable, collective complaint that's evolved into one of the most politically incorrect questions of the '90s: "Can't anyone here speak English?"

"You'd look around the class (taught by an Indian graduate student) . . . and people's faces would be all scrunched up. It was amusing to a point, but then it became very painful. People would yell at her to slow down. Some compared notes after class."

— Vivienne Wildes,
Penn State University

Beyond inconvenience, broader issues are being raised by limited English-language proficiency:

► Growing costs.

Poor English skills among foreign-born residents cost more than \$175

36	Romanian	65,265	17%
37	Lithuanian	55,781	9%
38	Finnish	54,350	6%
39	Punjabi	50,005	15%
40	Formosan	46,044	21%
41	Croatian	45,206	9%
42	Turkish	41,876	14%
43	Ilocano	41,131	20%
44	Bengali	38,101	8%
45	Danish	35,639	3%
46	Syriac	35,146	15%
47	Samoan	34,914	10%
48	Malayalam	33,949	8%
49	Cajun	33,670	7%
50	Amharic	31,505	11%

Source: Census Bureau



Seeking a new home: Immigrants crowd the Ellis Island dining room after their arrival. The island was an examination center for immigrants to America.

billion a year in lost productivity, wages, tax revenue and unemployment compensation, says Ohio University economist Lowell Gallaway, who's studied the financial impact of English language proficiency skills among immigrants since the 1970s.

Since limited English keeps many immigrants in low-wage jobs, immigrants' median income is about 30% below that of native-born workers. The shortfall in federal and state taxes amounts to about \$90 billion a year. Gallaway says lost productivity — time delays, poor output and mistakes by workers who can't understand or speak English — costs another \$40 billion.

"I'm not an immigrant-basher, but I strongly favor doing whatever we can to increase language capabilities of immigrants," Gallaway says.

The fallout is particularly acute in urban areas.

"In some big labor markets, language problems are an increasing source of frustration," says Cornell University labor economist Vernon Briggs. "It's accentuated because 80% of the workforce is employed in service jobs. A lot of these jobs are filled by immigrants. But by definition, service means communication. . . . If workers can't communicate, it certainly affects quality of life."

That isn't likely to change, especially as immigrants — many with

little education in their own countries — fill low-skill jobs.

"They take care of your house, your yard, your children, your parents," says Stanford University economist Clark Reynolds. "They do jobs most native-born American workers don't want — at wages that make things affordable. They'll continue to be an important part of the economy. The problem is there's no bridge between economic need and cultural dissonance."

► Linguistic litigation.

Legal disputes over English-language proficiency and heavy accents are rising. Discrimination lawsuits — ranging from rejecting job applicants to on-the-job harassment — may become as common over the next decade as sex discrimination cases are now, experts say.

"The courts are just beginning to struggle with language-based discrimination cases," says American Civil Liberties Union attorney Ed Chen. "There's going to be conflict between economic interests and equal rights. People who look and sound different make for increasing discrimination."

The New York-based Puerto Rican Legal Defense and Education Fund has three lawsuits pending on behalf of workers who were fired for speaking Spanish on the job. "These people are being told, This is Ameri-

ca, speak English," says attorney Ken Kimerling.

One case involves Iraida Calderon, a 33-year-old Brooklyn, N.Y., resident who says her civil rights were violated by Damon House, a New York City drug treatment center. Calderon says she was told not to speak Spanish to other employees or even clients, some who were Hispanic and with limited English-speaking ability. After continuing to speak Spanish, Calderon says she was fired from her \$23,000-a-year job. In that case and the others, employers say the workers were terminated for other reasons.

Faced with increased complaints of discrimination, the EEOC last year began separating language and accent discrimination complaints from other discrimination cases, such as gender and age disputes.

Many of the 32 language cases investigated by the EEOC involve "blanket English-only policies by employers that are not justified," says EEOC chairman Gilbert Casillas.

While language discrimination violates the U.S. Civil Rights Act, proving cases has been difficult, so the legality of English-only workplace policies is unsettled. But Casillas expects more complaints, especially from Asian immigrants who are skilled professionals.

"There's a subtle form of discrimi-

nation — a glass ceiling — involving highly educated Asians and Pacific-Americans who speak with a heavy accent," he says.

► Medical foulups.

Experts fear medical malpractice claims may also increase, given the flood of foreign-born health care professionals practicing in the USA.

"It's a growing issue. If a physician has difficulty with English and can't communicate with a patient, it can cause problems," says Washington, D.C., attorney Jack Olender.

From 1970 to 1995, the number of physicians educated at foreign medical schools practicing in the USA surged 190%. They now represent 23% of the nation's physicians, according to the American Medical Association, which supports boosting English-language skills of foreign-born physicians. About 80% of the USA's doctors with degrees from another country are foreign born.

Beginning in July 1998, the Educational Commission for Foreign Medical Graduates will require an oral English exam, including how well doctors communicate with patients, as part of its certification process.

"Obviously, to provide the best protection to the public, we felt there's a need," says commission operations director Marie Shafron. "We believe they need to have good communications skills."

► Political tension.

The issue of language is becoming increasingly politicized.

Already, 23 states have passed English-only laws for government agencies. Congress approved a similar measure to make English the official language of federal government last year, although it died in the Senate. Similar legislation was introduced two weeks ago by Sen. Richard Shelby, R-Ala.

But to some politicians, language and politics don't mix.

"We have a great phobia about language," says Rep. Jose Serrano, D-N.Y. "There's a belief that not having an official language is going to somehow destroy us. It's foolish that this is even a political issue."

"You try to explain something to them and they don't understand a word. I don't know how many times I've tried to order something over the phone and this has happened to me."

— Elmer Armstrong, Baraboo, Wis.

Clearly, the debate about language is polarizing — and conflicted.

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Founded more than 150 years ago, the Immigration Coalition, an umbrella

and Medical Center, speaks Russian,

res at the University of California

Americans 'irritated' by non-English speakers

Continued from 8A

Millions of native-born Americans still have strong ties to parents or grandparents who immigrated here. People understand that the pace of American life is vastly more intense than in most other countries, making rapid assimilation difficult. Moreover, immigrant-bashing minimizes the hardships many endured in their native countries, such as racial, ethnic and religious persecution.

So privately, even among friends, many find the language gap a tough subject to raise.

"Language is a touchy issue," says Stuart Anderson, director of trade and immigration studies at the Cato Institute, a Washington, D.C., think tank that supports legal immigration. "It's an issue people have a visceral reaction to. Everyone has a story. In some ways, it's like picking on the fat kid at school."

The mere mention of the language issue can smack of racism and xenophobia. But once people do start talking, the frustration pours out, spanning a range of immigrant groups, cracking the melting pot.

"I'm worried about how I come off — that I'm not tolerant of other people or anti-immigrant," says Jessica Haney, Internet coordinator for the

Feminist Majority Foundation, a non-profit research group in Arlington, Va. "I'm a totally liberal person."

Still, says Haney, "I tried to buy a coffee table, but something that should have taken 10 minutes took 30 because I couldn't understand anyone and no one understood me. I do feel frustrated. There has to be some level of customer service."

"There's a woman from Romania who takes X-rays at the hospital I work at. When you take them, the patient has to stay still. She'll say something to them and the patient won't understand her English and will step away and have to be exposed again to more radiation from the X-ray."

— Tom Jones, Burien, Wash.

Richard Alba, a sociologist at State University New York-Albany who's studied immigration patterns, isn't surprised by the reaction of many native-born consumers. "As ethnic communities build up and distribute beyond metropolitan areas, it's be-

come a phenomena that people notice in their everyday lives," he says.

Says Gerald Celente, who tracks consumer behavior as director of the Trends Research Institute: "Many people aren't sympathetic. One of the elements of our society is people want things fast, they want things easy and they want things now."

States with the heaviest concentrations of foreign-born workers — California, New York, Texas, Florida, Illinois, New Jersey and Illinois — have dealt with varying degrees of verbal gridlock for years.

Yet with foreign nationals continuing to pour into the country, this linguistic culture shock is not only intensifying in big cities, but in small towns and suburbs as well.

"In many parts of the U.S., the public isn't sophisticated about language issues, especially in places which have been relatively homogeneous in an ethnic sense," says James Crawford, author of *Hold Your Tongue: Bilingualism and the Politics of English Only*. "There's a feeling among a lot of people that English is being threatened."

The continuing geographic spread of immigrants — to places like Minneapolis, now home to more than 50,000 Southeast Asian refugees largely because of ethnic networking

and employment opportunities — will lead to more anger at immigrants, some experts say.

And things aren't going to get any better.

Says Peter Brimelow, author of the bestseller *Alien Nation*: "The social pressures to compel assimilation and learn English don't exist because immigrants are living in enclaves."

"Language difficulty? Try verbal insanity. On a recent trip to Miami, I couldn't find anyone at the airport to explain why my bags were damaged and I couldn't make clear at the (car rental) counter why I wanted a city map. For what it's worth, I speak three languages."

— Victor Czerkasij, Ooltewah, Tenn.

A smattering of government agencies and businesses are providing some solutions — or are about to.

The INS is evaluating how to standardize the oral language testing component of its citizenship application tests.

Currently, there's no standardized

testing of verbal English competency, although to pass citizenship requirements, immigrants are supposed to have proficiency.

"Now, it's a judgment call on the part of each examiner," says INS spokesman David Rosenberg.

Municipalities also are taking action.

New York City is home to about 1.5 million immigrants who don't speak English well, the Census Bureau says. For the past few years, the city's Taxi and Limousine Commission has tried to make the service sector more efficient, requiring 45,000 licensed cab drivers — more than 90% foreign-born — to pass English proficiency tests. Cabbies who don't pass have to pay \$250-400 for 40-80 hours of classes that have a "strong component" of language training, says Commission spokesman Allan Fromberg.

Like many businesses that deal with the public, Southland Corp., owner or franchiser of about 5,000 7-11 convenience stores, tries to achieve a balance of staffing and customer service.

"Providing good customer service is what it's all about," says spokeswoman Margaret Chabris. "We are teaching many people on the job how to conduct business in this country."

But, she adds, "What you find is a disconnect between what some customers expect and what new Americans are comfortable doing or saying. They're an integral part of our workforce. Maybe they're English-language skills aren't where they need to be."

Some observers suggest a bit more tolerance on the part of native-born Americans — and bilingual education — also might help make life smoother.

Creative Hairdressers, the USA's largest privately owned hair salon chain with 600 Hair Cuttery and Bubbles salons, says about 30% of its 9,000 employees are foreign born. But marketing chief Tammy Ebaugh suggests complaints such as Schirmer's are rare.

"They do master the basics of the language, and sometimes there's a heavy accent. But a lot of our stylists get along beautifully."

In the end, however people choose to deal with it, language gridlock is here to stay.

Based on projected immigration patterns and low birth rates among native-born Americans, experts say the nation's population will grow by about 130 million people by 2050. About one third of those people will be from somewhere else.

SPECIAL REPORT: EXPLORING THE USA'S LANGUAGE GAP

Survival 101: Learning English

Immigrants continue to arrive in record numbers, and there aren't nearly enough English classes for all those who want to learn. The result? The nation's linguistic confusion can only grow worse.

By Gary Strauss
USA TODAY

A s snow begins falling on a chilly February evening, about 100 adults slowly file into a sprawling high school 30 miles northwest of Washington, D.C.

Founded more than 150 years ago as a farm community, Germantown got its name because of the predominant language spoken by its merchants. But tonight at Seneca Valley High, there's no common tongue.

Afghans, Nepalese, Mexicans, Chileans, Greeks, Indians, Hmong and Armenians are among 30 nationalities clustered in five classrooms. The group reflects the diversity of the USA's growing immigrant population and immigrants' increasing shift from major urban centers to the suburbs and beyond.

"What day is it today?" instructor Kay Douglas patiently asks her basic level class again and again as students take their seats.

"Tuesday," half her 10 students intone. It's actually Thursday, prompting an American-born, grade-school-age girl who's accompanied her Salvadoran-born mother to burst into giggles. The girl will continue to giggle for the next two hours.

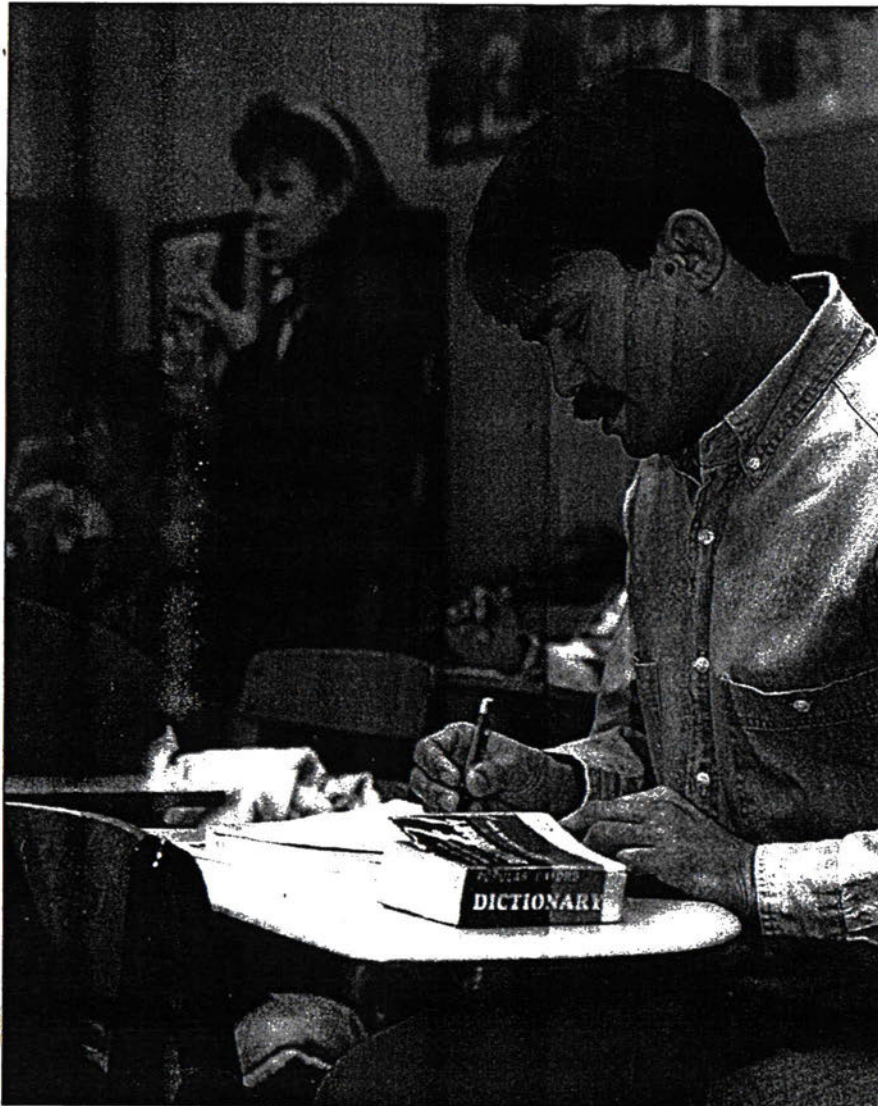
Asking about the snow, Douglas gets quizzical looks until she draws a snowman on the blackboard, eliciting nods and grins.

"At this level, language is real intimidating. I do lots of hand-holding," she says.

In an adjacent classroom, instructor Bonnie Frederick leads 29 beginner-level students. "The gratitude I get from these students is amazing," she says. "It's tough for them to be here. But they want to learn."

Douglas' and Frederick's students are among 12,000 foreign-born nationals who'll take free, 2½-hour, twice-weekly classes of English for Speakers of Other Languages (ESOL) sponsored by the Montgomery County school system this year.

It is Maryland's largest such program and one of dozens nationally that will provide language training to 1.4 million foreign-born adults in 1997.



By Mark Abraham
"They want to learn": Teacher Bonnie Frederick assists students Juying Lai, left, and Anh Ho of Vietnam during English class at Seneca Valley High.



By Judy Greenblatt
Progress: Ala Kotowska, a native of Poland, values her English classes.

"People here think because you have a heavy accent, you don't know anything," he says. "They just auto-

ESOL teachers. "Imagine yourself plopped into a country where you had to survive. If more people did, there'd be less political rhetoric and short-term sound bites about immigration policy and more priority on language training."

For now, the federal government is looking at some cheap alternatives. It helped underwrite the \$5 million production cost of *Crossroads Cafe*, a television series that began airing on some of the nation's 350 Public Broadcast Service stations in September.

Each of the 26 *Crossroads* episodes, half-hour "dramedys," features actors who provide viewers language skills.

Some say cash-strapped state and federal agencies will never have the resources to boost English-language proficiency among foreign-born residents, and that corporate America must assume a far bigger role.

"Business seems loath to spend money on this. Many have the feeling (immigrants) are expendable workers," Burt says.

Increasingly, though, employers are providing language training out

...to arrive in record numbers, a
who want to learn. The result? The nati

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It is Maryland's largest such program and one of dozens nationally that will provide language training to 1.4 million foreign-born adults in 1997. The cost to federal, state and local governments: \$900 million.

Language is survival

According to the 1990 U.S. Census, about 14 million foreign-born U.S. residents don't speak English well or at all. To some native-born Americans, it seems as though they must not want to learn.

But these ESOL students and many like them across the country desperately want to understand and speak English. For them, it's one of the most important steps to economic and social survival.

"There's a political dimension to these issues and a reality," says Cecilia Munoz of the National Council of La Raza, an immigrant service organization.

"The assumption is immigrants don't want to learn English. The real issue is the capacity of programs to provide language training."

Nationwide, demand for ESOL classes vastly exceeds the available classes sponsored by local school districts, community colleges, labor organizations, church groups, immigrant-rights organizations and volunteers.

In New York City alone, there's a waiting list of about 50,000.

"Most groups don't even keep a waiting list because it's too frustrating," says Marjorie McHugh, executive director for the New York Immigration Coalition, an umbrella

organization for 120 immigration groups in the New York City area.

Of the few classes available nationwide, most teach little more than basic survival English — far below the intensive, prolonged language training many immigrants need to prosper, says Miriam Burt of the Center for Applied Linguistics.

Not easy to learn

English is not an easy language.

Stanford University linguist Kenji Hakuta, who studies immigrants' language-acquisition skills, says that for most foreign-born adults, it takes up to two years of instruction to progress beyond basic survival English and five to seven years to understand and speak English well.

ESOL instructor Lydia Trang is a Vietnamese refugee who took ESOL classes after arriving in the USA in July 1980. Ten years later, she graduated from Towson State College in Maryland. But she says she's still learning a lot about English.

"Slangs and idiom, singular and plural, it's enough to drive a lot of people crazy," Trang says. "It took me a long time to get my confidence up to speak in front of adults."

Genadi Maltinski, a native of Russia completing his medical residency at Pennsylvania's Reading Hospital and Medical Center, speaks Russian,

Italian, German and Hebrew. He came to the USA in 1993 and still finds English cumbersome.

"To be able to talk real well, it's a challenge. Pronouncing vowels, the intonation ... the speed, is very difficult," he says. "I started learning English when I was 35. At my age, it is very challenging."

Many ESOL students don't have the inclination or ability to take classes much beyond the basic level. Even getting to class can be difficult. Of the Germantown ESOL students, many walk or take public transportation, so bad weather, like tonight's snowstorm, lowers attendance. Many students have families; many have full-time jobs.

As work and family responsibilities mount, attendance can drop 25% or more during the three-month course. The class focuses on teaching language for everyday life: dealing with neighbors, personal finance, workplace issues and health care.

Understanding this level of English, at a minimum, is crucial.

"If you want a good job, you must speak the language," says David Dional, who was a teacher in Armenia but works now as a shoe repairman.

"Immigrants' upward mobility is limited by English proficiency," says Wayne Cornelius, research director for the Center for U.S.-Mexican Studies at the University of California at



High hopes: Ghazina Khadim, an Afghanistan native, studies English with hope

STANFORD UNIVERSITY

n's linguistic confusion can only grow worse.



By Mark Abraham

of working for the Voice of America.

San Diego. "They tend to be slotted in jobs that are among the worst and it tends to keep them there."

Ghazina Khadim has master's degrees in political science and journalism from Pakistani colleges. He came to Maryland nine months ago.

With limited English skills, he works as a cashier for a fast-food hamburger chain. He hopes to improve his English so he might eventually work for the Voice of America radio network.

Khadim, 32, sits in the intermediate-level ESOL class taught by Trang, struggling to tell other students why driving is more complex here than in his native Afghanistan.

"There are no traffic lights in my country; there's no place to stop. Everything has been destroyed by war," he says. Khadim's classmates slowly mull this over and collectively respond with a soft, nervous laugh.

While many didn't experience war in their own countries, a lot of them have escaped political or religious oppression.

Some of these students are hoping that by becoming more proficient in English, they will encounter cultural biases less often.

Nektarios Kostraki, born in Crete, owns a floor-covering business in suburban Washington. But he says he lets his American-born secretary field his phone calls.



By Mark Abraham

"They want to learn": Teacher Bonnie Frederick assists students Juying Lai, left, and Anh Ho of Vietnam during English class at Seneca Valley High.



By Judy Greenstock

Progress: Ala Kotowska, a native of Poland, values her English classes.

"People here think because you have a heavy accent, you don't know anything," he says. "They just automatically look at you different."

Resources lacking

Educators and immigrant advocates say federal funding of ESOL courses is woefully inadequate.

Ron Pugsley, a director in the Department of Education's office of Vocational and Adult Education, says only about \$300 million in federal money is directed to state and locally sponsored ESOL courses each year.

"We're serving 1.4 to 1.5 million adults in classrooms," Pugsley says. "Clearly, there's not sufficient resources for the demand."

It's likely to get worse. Pugsley says that during the next 15 years, the USA could take in 17 to 20 million immigrants with limited English skills.

"Given how important everyone thinks it is to speak a common language and our preoccupation for the primacy of English, it's stunning how little we spend on English-language training," says Jeff Passel, a demographer with the Urban Institute.

Although President Clinton is pushing education as a cornerstone of his second term, educators say little additional federal funding is anticipated for ESOL programs. If anything, there are signs of cutbacks.

"We need more classes and more and better-qualified teachers," says Susan Bailey, executive director of Teachers of English to Speakers of Other Languages Inc., a service organization representing about 19,000

ESOL teachers. "Imagine yourself plopped into a country where you had to survive. If more people did, there'd be less political rhetoric and short-term sound bites about immigration policy and more priority on language training."

For now, the federal government is looking at some cheap alternatives. It helped underwrite the \$3 million production cost of *Crossroads Cafe*, a television series that began airing on some of the nation's 350 Public Broadcast Service stations in September.

Each of the 26 *Crossroads* episodes, half-hour "dramedys," features actors who provide viewers language skills.

Some say cash-strapped state and federal agencies will never have the resources to boost English-language proficiency among foreign-born residents, and that corporate America must assume a far bigger role.

"Business seems loath to spend money on this. Many have the feeling (immigrants) are expendable workers," Burt says.

Increasingly, though, employers are providing language training out of necessity.

For example, Minneapolis' downtown Hilton Hotel had trouble finding workers after opening in 1992, partially because the massive Mall of America shopping complex had recently opened, tapping 8,000 workers from the area labor pool.

Hilton began turning to immigrants who spoke minimal English. Today, about 40% of hotel's 574 full and part-time workers are foreign-born, representing 18 countries.

"We wouldn't be able to staff the hotel without them," says human resources director Wendy Brockhoff. The hotel has started to provide English-language training, initially to a half-dozen students, at a total cost of just \$300. As more foreign-born workers opt for classes, the hotel hopes the program will translate into better service for guests and simpler employee training, she says.

Ala Kotowska, a university-trained chemist at a baking company in Nysa, Poland, now works as a Hilton housekeeper. She came to the USA in 1992, hoping for a better life for her four children. Three months ago, at age 48, she began taking the Hilton-sponsored ESOL classes.

"It's hard to live in a country where you don't speak the language," says Kotowska, who used to just smile when people talked to her, not knowing what they said or how to respond. "Learning English makes communication better. And I feel better."

Result of miscommunication? New Orleans Riverwalk mall not detect the error. Sixteen people were killed.

The political climate

The USA is known as a melting pot. But anti-immigrant sentiment has simmered since the nation was founded, leapfrogging from group to group, shaping political debate.

In the past, native-born Americans railed against Germans, Italians, Russians, Poles and Scandinavians, to name just a few, sometimes using language to fuel resentment.

Those resentments in turn influenced politicians, political platforms and national policy.

Beginning in 1831 and continuing into the early part of the 20th century, political-party platforms took positions against immigrants and their threat to "the great parent stock," as the Democrats put it in 1876.

Even as early as 1751, Benjamin Franklin urged restricting immigration, complaining that in Pennsylvania there were too many Germans. These Germans, he scoffed, could never assimilate or acquire "our

complexion."

In the 19th century, loathing of the Chinese was so widespread that Congress slammed the door to Chinese immigrants. In 1917, Congress barred immigration by "Asiatics" — people from India, Indochina, Afghanistan and Arabia.

In the 19th and early 20th centuries, scholars and policymakers regularly published articles in respected, popular magazines, explaining how "bad" immigrants (identified as Italians, Greeks, Poles and Hungarians) were poor, stupid, illiterate and breeders of crime and disease.

In the South, Italian immigrants were treated as badly as blacks. In the Northeast, "no Irish need apply" signs were common and unremarkable for decades.

Today, discrimination against immigrants is more subtle. But language differences are highlighted: In the past, language skills were not as

important because most immigrants took factory, farming, construction or mining jobs that didn't require an ability to converse with the public.

"We've never been pro-immigrant," says Thomas Espenshade of Princeton University's Office of Population Research. "Every time a new wave comes, people have been concerned the country would fall apart."

Political debate continues.

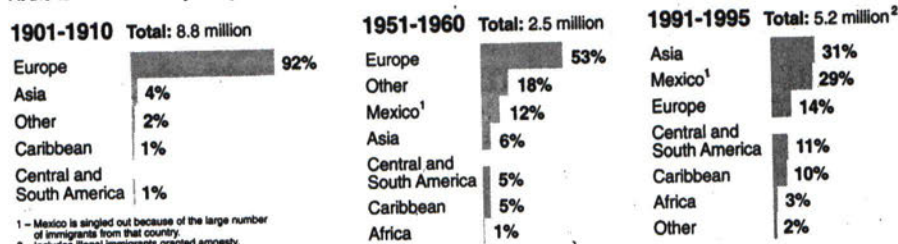
Last year, the U.S. Commission on Immigration Reform, a bipartisan committee created in 1990 to make policy recommendations, suggested a 250,000 annual cut in legal immigrants. But Congress failed to act after lobbying and cross-lobbying by pro- and anti-immigrant groups.

Meanwhile, English-only advocacy groups back the current effort by Sen. Richard Shelby, R-Ala., to enact legislation that would mandate English-only in government offices. Similar laws have passed in 23 states.

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National origin of immigrants is changing

At the turn of the century, the greatest number of immigrants were Europeans. Now they are Asians and Latin Americans.



By Grant Jerding, USA TODAY

LANGUAGE PROFICIENCY AFFECTS . . .

The workplace

For some employers, immigrants are key to business — whether they can speak English or not.

Despite offering up to \$10 an hour, restaurateur Bill Hutchinson of Nantucket, Mass., has to recruit a half-dozen foreign workers a year under work visa programs. Without them "I'd be out of business," he says.

Often, they can't speak English. At San Francisco-based ABM Industries, the USA's largest provider of janitorial and maintenance services, half the 48,000 workers are recent immigrants.

"We'd have trouble filling jobs without them," says William Steele, the company's chief executive.

Plenty of immigrants hold high-end jobs as engineers, doctors and computer experts. But now in the U.S. economy, the crunch mostly comes in the service sector.

There, some jobs — particularly in fast food, janitorial and lodging — have especially high percentages of foreign-born workers. That's be-

cause these low-wage jobs are no longer desirable to many native-born Americans and because immigrants, especially those with limited English abilities, are the only workers available to labor-starved employers.

Consumer experts say many companies recognize why English-language skills are important. "Consumers are resentful and frustrated," says Judith Langer of retail consultant Langer & Associates. "There are real, practical issues when you can't understand people you're dealing with."

But even businesses where employees rarely encounter the public face verbal gridlock problems:

► Language deficiencies can cause erroneous messages, poorly worded memos and general miscommunication, says corporate consultant Katie Schwartz, author of *Talking on the Job: The World of Corporate Speech Pathology*.

► Poor language skills make workers reluctant to articulate thoughts,

which can crimp problem-solving and ideas, says Fordham University management professor Paul Beard.

► Poor language skills can lead to conflict, says Lynn McClure, author of *Risky Business, Managing Employee Violence*.

"Language problems on top of cultural differences in the workplace can be a volatile combination."

In the future, supply and demand are likely to muddy the debate over language and the workplace.

Stanford economist Clark Reynolds says that if the economy is to continue growing at 3% a year, the workforce must add up to 15 million more workers than the native-born population can provide. Those shortages will hit all areas.

"It's clear we're going to see substantial shortages in high-end jobs such as engineering and computer software programming. Immigrants are a way to address that," says Jerry Jasinski, president of the National Association of Manufacturers.

Transportation safety



By David R. Morris, AP
Result of miscommunication? New Orleans' Riverwalk mall was a shambles after it was struck by a freighter.

English is the international language of aviation and shipping. But safety experts say poor English-language skills contributed to accidents that have killed and injured hundreds of people. Among the most recent:

► The National Transportation Safety Board is investigating whether the crash Dec. 14 of a freighter into a New Orleans mall along the Mississippi River happened because the Chinese crew couldn't understand the English-speaking pilot. More than 100 shoppers were injured.

► A controller who spoke poor English was not able to warn the pilots of an American Airlines jet bound for Colombia that they were heading in the wrong direction. The plane hit a mountain Dec. 20, 1995, killing 150.

► An Avianca jet approaching New York's Kennedy International Airport crashed Jan. 25, 1990, after running out of fuel. In spite of its predicament, the plane was not given immediate clearance to land because the crew did not use the word "emergency" in talking with controllers. The captain, who spoke little English, did not detect the error. Seventy-three of the 158 aboard were killed.

THE PRESIDENT HAS SEEN

3-3-97

Booed/Deer
Fry - Interacting
MS

SPECIAL ANALYSIS

State Variation in the Welfare Caseload Reduction

Statistical analysis shows that improving labor market conditions explain about half of the nationwide welfare caseload reduction over the past few years (see *Weekly Economic Briefing*, February 14, 1997). Federal waivers granted to states explain a significant share of the remainder. The diversity of individual state experiences is illustrated by the map on the following page.

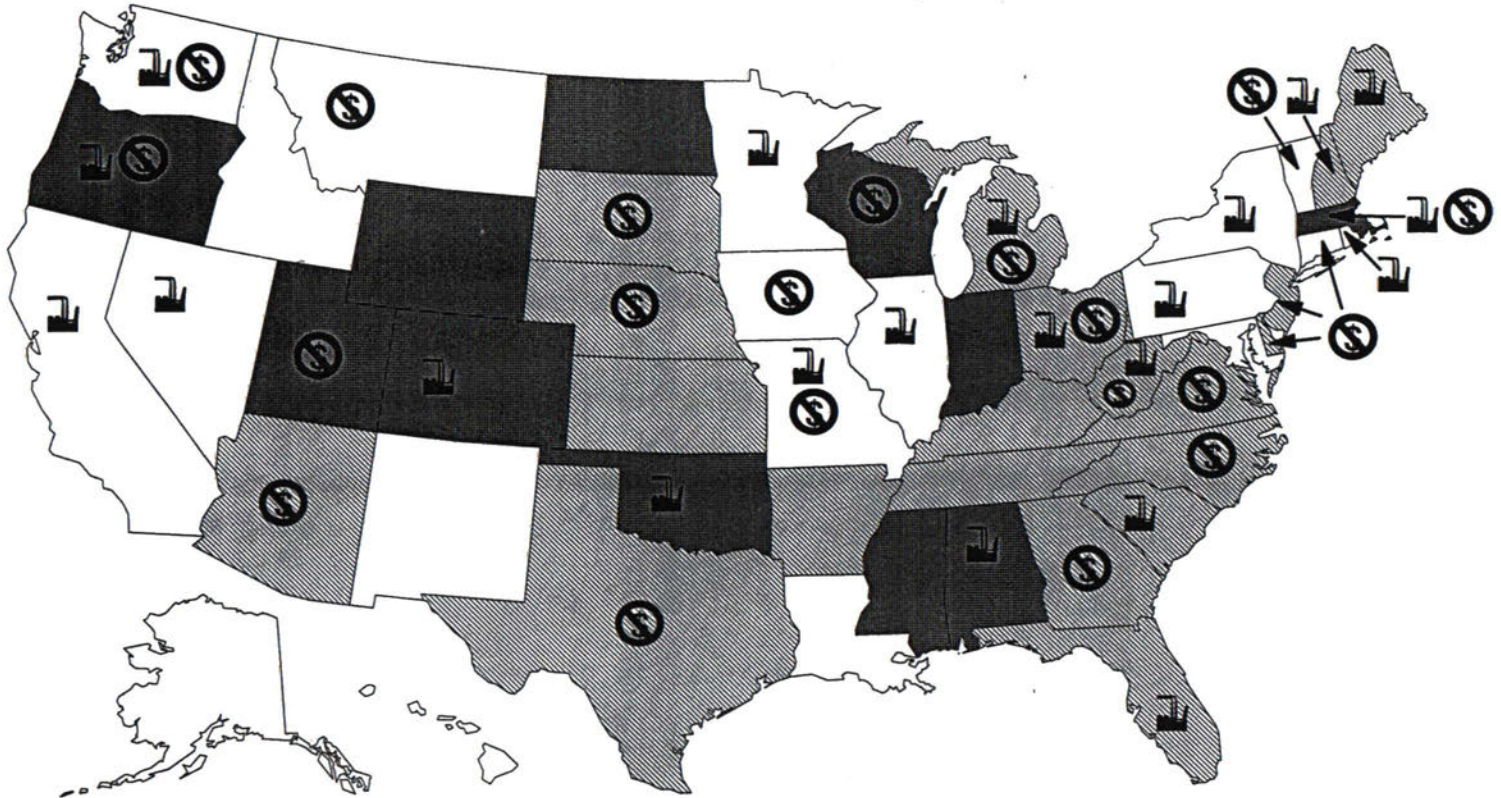
The effect of a lower unemployment rate. A reduction in the unemployment rate was found in the statistical analysis to be associated with a decline in the fraction of the population receiving welfare. This pattern held in many states, but not all. Florida, Massachusetts, Michigan, and Oregon experienced a significant drop in the unemployment rate and a substantial reduction in welfare caseloads. California, New York, and Pennsylvania, by contrast, saw little change in their welfare caseloads despite a sharp drop in unemployment. Thus, changes in the unemployment rate alone cannot explain the entire reduction in welfare caseloads.

The effect of Federal waivers. Waivers typically contain dozens of provisions altering the rules for receiving welfare in a state. To conduct a statistical analysis, it is necessary to simplify by defining a small set of broad waiver categories and then test for an impact on caseloads. Initial categories included time limits, family caps (no additional payment for an additional child), and additional work and job search requirements. Preliminary analysis indicated that time limits were the key waiver and could explain roughly an additional quarter of the caseload reduction.

Subsequent and ongoing analysis done in cooperation with the Department of Health and Human Services added additional categories of waivers. It shows that sanctions reducing benefits for recipients who do not satisfy work and job search requirements is actually the most important waiver category for explaining the reduction in welfare caseloads. The threat of benefit cuts may motivate individuals to strengthen their commitment to the labor force. Alternatively, it may increase the perceived stigma associated with receiving benefits; this could reduce the willingness of current recipients to remain on the rolls or of prospective recipients to apply for benefits. Regardless, the new analysis based on a refined and extended set of waiver categories continues to show that waivers matter and can account for roughly another quarter of the caseload reduction, over and above the half accounted for by an improving economy.

Sanctions were in place in many of the states experiencing large reductions in welfare caseloads, including Arizona, Michigan, North Carolina, and Texas. Still, the relationship between sanctions and caseload reductions is not perfect. Missouri and Washington saw little reduction in caseloads despite sanctions and a falling unemployment rate. Other factors beyond what can be readily embodied in a statistical analysis account for the rest of the caseload reduction.

What about impact
of so to inc in caseload
collection?



Reduction in welfare recipients:

- Over 25 percent
- 15 - 25 percent
- Less than 15 percent

- \$ Sanctions approved six months or more before Oct. 1, 1996
- \$ 1.6 percentage points or more reduction in unemployment

MEMORANDUM

TO: The President
FROM: Beth Dosoretz
RE: OFFER TO HELP
DATE: February 28, 1997

THE PRESIDENT HAS SEEN

3-1-97

Ron and I want you to know we are thinking about you. We are both very unhappy about these press issues. If there is anything they can do, do not hesitate to contact them. They are there for you.

Do 2

To Dorskind³⁻¹⁻⁹⁷
for Reply?

yes _____
no ✓ _____

Mancen
Lewis aw

POLITICS & POLICY

GOP to Rebuke Companies for Bipartisan Donations

By HELEN COOPER

Staff Reporter of THE JOURNAL

WASHINGTON — are adopting a strategy: "Don't get mad for this time isn't the idealized labor."

It's Corporate America Annoyed that by hedging its bets by the Democrats as well as the GOP, a group of 200

the nation's biggest companies, is about to receive an ultimatum: Stop donating so much to the Democrats and become more involved in partisan politics, or be denied access to Republicans in Congress.

GOP House leaders are expected to deliver the message tonight at a dinner meeting with some 20 chief executives of Business Roundtable companies. Scheduled to attend are Speaker Newt Gingrich, Majority Leader Dick Armey, Rep. Tom DeLay of Texas and Rep. John Boehner of Ohio, among others. Corporate bigwigs expected at the meeting include Don Fites, chief executive officer of Caterpillar Inc. who is chairman of the Business Roundtable, and John Snow, chief executive of CSX Corp.

Republican Party Chairman Haley Barbour, who is spearheading the drive, accuses the business group of "sitting on its hands" during the past election campaign; he calls America's big CEOs ineffectual in the battle against Democrats and organized labor. "If their view is going to be neutral when the left tries to undo their agenda," Mr. Barbour says in an interview, "they need to paint up a billboard that says, 'We don't fight.'"

Companies that want to have it both ways, vows one top GOP strategist, no longer will be involved in Republican decision-making "or invited to our cocktail parties."

The GOP strategy is a high-risk one.

While Business Roundtable companies donated \$11.44 million to the Democratic 1996 election cycle, as of Jan. 2 they gave more than \$25.76 million—to Republican candidates, according to the Center for Politics, a Washington-based group that monitors campaign

leaders insist they aren't but their strategy comes at the GOP is gearing up to mount a fund-raising and has criticized the Clinton administration for cozying up to wealthy Asians and Asian-Americans who have donated heavily to the Democratic Party.

But Mr. Barbour isn't worried about alienating the GOP's longtime corporate backers. "The best way to be friends is to be upfront with them," he says. Roundtable companies, he adds, "should give a bigger percentage to the Republicans" than they now are giving.

Mr. Barbour has been sounding the anti-Business Roundtable drumbeat with increasing ferocity, calling the group inefficient and incompetent in numerous interviews. And Business Roundtable members say he has suddenly become unavailable when they call to talk about the problem.

"I've been unable to connect with Haley," Caterpillar's Mr. Fites said in a letter to Roundtable members two weeks ago. "When I do reach him, I want to explain" that the Business Roundtable, as a group, doesn't give money to political candidates,

Mr. Fites said.

But Business Roundtable companies do, and therein lies the problem for Republicans, who have long thought of Corporate America as their own private money machine. Lately though, big companies have been hedging their bets more than before, and giving substantial money to the Democrats as well. With a Democratic administration, that is expected to continue.

Telecommunication giants AT&T Corp., MCI Communications Corp. and Sprint Corp., along with their political-action groups, for example, rewarded the Democrats in Congress and the Clinton administration for being sympathetic to their cause during the telecommunication-legislation fight. They spread out their huge contributions almost equally, giving \$1.74 million to the Democrats and \$1.98 million to Republicans. Eastman Kodak Co., which is counting on the Clinton administration to push its trade complaint against Fuji Photo Film Co. of Japan, gave the Democrats \$40,711 in the 1996 cycle, and \$39,088 to the Republicans.

Adding to the GOP's corporate-money complaints was the huge, albeit losing, \$35 million campaign by organized labor to elect a Democratic Congress. When GOP strategists tried to counter the attack, forming a group called the Coalition, the business-led group raised just \$5 million. In addition, the Business Roundtable declined to join. "We do not solicit or spend money on behalf of candidates for political office," the group's spokes-

woman, Johanna Schneider, said.

"We've got the labor unions giving 99% to Democrats, and then the Business Roundtable turns around and says they're neutral?" says one top GOP strategist. "If they're neutral, then they should park up their belongings and move out of town. Washington is a partisan town."

Republicans say they are drawing up a list of corporations that will be warned in shape up or ship out of the GOP decision-making circle. Those in the GOP doghouse include Anheuser-Busch Cos., which isn't a member of the Business Roundtable, but which, along with its PAC, gave \$482,057 to the Democrats while giving \$395,700 to the Republicans; and UAL Corp.'s United Airlines, which, along with its PAC, gave \$265,087 to Democrats and \$148,145 to Republicans.

While clearly concerned, corporate CEOs are also annoyed. "Quite frankly, I'm puzzled by this entire situation," the Business Roundtable's Mr. Fites says in his letter to fellow top dogs. "It is counterproductive to the large number of mutual goals that the roundtable shares with the Republican congressional leadership. I'm also concerned that these unfounded attacks could drive a wedge between roundtable members and congressional Republicans that will not serve either side well."

Indeed, many business executives say it is ludicrous to think that a company like, say, Anheuser-Busch, which gave the Republicans close to \$400,000 in the past election campaign, might be denied access

Nancy - John wants
him to go to L.
POTUS, then he'd
like it back -
Return to Nancy H.

3

In the Doghouse

These big companies and their PACs are among those being criticized by the GOP for giving too much to the Democrats during the past election cycle:

Company	Republicans	Democrats
AT&T	\$1,295,158	\$786,647
American International Group	304,600	292,299
Anheuser-Busch	395,700	442,867
Bochtel	245,600	213,558
Bohannon Steel	83,025	58,888
General Electric	468,125	322,238
ICI	404,268	684,821
Textron	544,050	369,280
Exxon	283,723	268,387
United Airlines	148,145	265,887
Xerox	60,708	48,588

Source: Center for Responsive Politics

because it gave the Democrats more. Says Arthur House, senior vice president with the automotive parts company Tenneco Inc.: "If you find someone who's on a committee and is disposed to helping your business, you'll help them back. They don't come with 'Rs' and 'Ds' by them - they're in both camps." Tenneco and its PAC gave \$231,050 to the Democrats, compared with

\$489,970 to Republicans in the 1996 cycle. "America," says Kenneth Cole, head of government relations with AlliedSignal Inc., which gave \$287,150 to Republicans and \$49,300 to Democrats, "is a bipartisan country. It doesn't want to be a single-party country."

- Sarah McBride
contributed to this article.

the new Inside Congress

Exclusive news on the people, politics
and agenda of the 105th Congress

VOL. 4, NO. 7 - FEBRUARY 14, 1997

List includes 95 Republican Loyalists

GOP TO CIRCULATE ROSTER OF 'TRUSTWORTHY' LOBBYISTS TO MEMBERS

Halley Barbour, the erstwhile chairman of the Republican National Committee who revolutionized the party's fundraising apparatus, wants Corporate America and its Washington, DC, trade associations to dump Democratic lobbyists and hire Republicans, according to numerous Hill and business sources. But a bevy of "K Street Republicans" — including some of the capital's most powerful pro-GOP lobbyists — disagree with Barbour's slash-and-burn tactics and are encouraging a simple, more amicable approach to increasing the GOP's presence in the lobbying community. They plan to circulate a list of Republican lobbyists that members of Congress "should get to know and can trust."

The "K Street Crowd," a loose association of GOP lobbyists who meet once or twice a month to trade political gossip and discuss job openings for loyal Republicans, late next week will be circulating the list to new members of the House and Senate, sources say. The list of "reliable" Republican lobbyists, a copy of which was obtained by *Inside*

continued on page 10

Group looking at big GPI cut

BLUE DOGS WANT CLINTON TO HALT SOCIAL SECURITY 'SCARE TACTICS'

The Blue Dogs, an influential group of conservative House Democrats, are urging President Bill Clinton and other administration officials to stop using "scare tactics" on Social Security during the balanced-budget amendment fight if they want the Blue Dogs' help in "fixing" the welfare reform bill. A number of Blue Dogs, including Rep. Charles Stenholm (D-TX), are high-profile backers of the balanced-budget amendment that will be voted on by the House later this year and have "been offended by what the White House is doing on Social Security," says a Democratic source close to the group. The Blue Dogs are preparing an alternative budget proposal that may be released as early as next week.

Clinton wants to restore roughly \$15 billion in welfare funding for legal immigrants, much of it on food stamps and benefits for the disabled, elderly and minors. Several liberal California Democrats, including Reps. Robert Matsui and George Miller have already come out publicly against the Clinton proposal, saying that the plan is too

continued on next page

A CAPITOL VIEW

REINVENTING THE REINVENTION OF GOVERNMENT

The debate over restructuring government — a debate with profound implications for tax policy, budget deficits and everything else touched by the federal colossus — has entered a new, more cautious phase. The Republican rebel yell for gutting departments and hurling federal workers into the street has been muted.

Instead, we hear the careful utterances of people like freshman Rep. Pete Sessions (R-TX), who says in an interview that Republicans and Democrats "are going to work together" to reform the federal government, "regardless of what happened in the past." The freshman boasts of 16 years as a manager in the private sector and has vowed to

Sessions puts his faith in a 1993 law known as the Government Performance and Results Act (GPRA). Implementation of the law begins this year with the requirement that agencies submit to Congress strategic plans and an "annual performance plan." This effort at creating a "results-oriented" government will culminate in March 2000, when agencies must file the first of what will be annual reports on their progress in meeting strategic goals.

"Such program-by-program assessments should provide a road map to determine how limited federal tax dollars can be applied most effectively in the future," House Majority Leader Dick Armey (R-TX) said this week.

The act was passed by a Democratic Congress in order to give President Bill

continued on page 13

HEADS UP

Health industry's 'Consensus Group' outlines lobbying strategy (p3) ... Sensing victory, organized labor scales back anti-ABA ad campaign (p5) ... AARP, liberal groups target President Bill Clinton's Medicaid plan (p6) ... Comptroller Eugene Ludwig played questionable role in killing last year's banking reform bill, documents show (p7) ... Sen. Fred Thompson's probe raises profile of campaign finance reform debate (p8) ... Rep. Henry Bonilla to run NRCC minority outreach program in 1998 (p14) ... House subcommittee leaders (p15) ... Political Notebook (p18)

FORMER CEO JOINS COMMON CAUSE EFFORT ON CAMPAIGN FINANCE REFORM

Jerome Kohlberg, former partner in Kohlberg and Co., has joined Common Cause in its effort to collect more than 1 million signatures urging Congress to pass the McCain-Feingold campaign finance reform bill. Kohlberg recently founded the Campaign For America, a group of CEOs that is working "exclusively" on the campaign finance issue, say Hill sources. Sens. John McCain (R-AZ) and Russ Feingold (D-WI) are working with Reps. Chris Shays (R-CT) and Marty Meehan (D-MA) to pull together a range of supporters on the issue. The members hope the CEOs will galvanize vital support from the business community for the plan, sources in the effort say.

The Campaign for America consists mostly of former CEOs, insiders say. The group plans to run an ad in the *Wall Street Journal* later this month urging business leaders to support campaign finance reform.

The members this week also gained the support of the Interfaith Coalition, one of the country's largest groups of religious leaders. The coalition, which represents more than 40 denominations, believes support for the issue came "from the pews," says a source involved with the Unitarian Universalist Association. Many churches are concerned that if the campaign finance system continues along the same path, their members' "voices will be drowned out by those with substantial resources," the source adds.

ORGANIZERS OF PRO-COMMISSION COALITION MEET

Several members involved in the effort to organize a commission to study campaign finance reform met on Thursday (Feb. 13) in Rep. Rick White's (R-WA) office, staff sources say. White introduced a bill, H.R. 99, that would establish a base closure-type panel to study and recommend solutions to problems with the campaign finance system.

White met with Reps. Bob Franks (R-NJ) and Steve Horn (R-CA), active members of the moderate GOP Lunch Bunch. "The ideal is to make adjustments and get as many people on as possible," says a staffer involved in the effort. White is targeting other members, including many GOP moderates, in an effort to push a commission proposal if other campaign finance plans fail.

HOUSE FRESHMEN HOLD FIRST FINANCE REFORM TASK FORCE MEETING

A bipartisan group of 12 freshmen who were tapped to serve on a bipartisan task force to study the campaign finance issue held their first meeting this week, staff sources say. The members gathered for more than 30 minutes on Wednesday (Feb. 12) to "hammer out organizational details," a source who attended the meeting adds. Reps. Asa Hutchinson (R-AR) and Tom Allen (D-ME) are heading up the task force.

"The meeting went well, but nothing was really said," says a staffer who attended the session. The freshmen plan to study the issue and may draft their own reform bill. Reps. Chris Shays (R-CT) and Marty Meehan (D-MA), who are trying to drum up support for their broad reform plan, sent a letter late last week asking for an opportunity to work with the group. The freshmen leaders, however, have yet to decide on how the task force will deal with the controversial topic.

REPUBLICANS CIRCULATE FAVORED LOBBYIST LIST . . . begins on page one

Congress, includes more than 95 names and reads like a Who's Who of downtown players (see text).

"This is a resource guide of activist Republicans representing industry downtown who will work with [members of Congress] and [Capitol Hill] staff on agenda [items]," says a K Street GOP source. "These are people you should know and can trust."

The list was compiled by senior staffers on Capitol Hill and members of the "K Street Crowd," the source says. "This was not designed to be an exclusive list, and other names will be added later," he adds.

Sources familiar with the project insist that most K Street Republicans do not want the list to be used as a political knife to slice away Democratic lobbying access to Capitol Hill. Many conservative activists, including Barbour and several GOP leaders on the Hill, have told Corporate America that lobbyists with Democratic credentials will not be welcome in Republican offices this Congress.

But numerous K Street Republicans disagree with such an approach, and instead favor simply letting members of Congress know the names of "friendly" GOP lobbyists they can work with throughout the 105th Congress. The "K Street Crowd" will encourage members of Congress and their senior staff to work with these GOP lobbyists on their legislative initiatives.

For instance, on health care issues, the group will encourage GOP members to work with lobbyists such as Brenda Becker of Blue Cross/Blue Shield. "If you deal with health care, you'll know that Brenda has similar political views and understands where you are coming from," says a GOP source. "You can call her and trust her." The "K Street Crowd" will encourage members and staff to "bounce ideas off lobbyists like Becker," who can give an honest assessment of their proposal, the source adds. -- Jim Vande Hei

List of 'Trustworthy' GOP Lobbyists

Jack Abramoff, Preston Gates Ellis & Rouvelas Meeds	Thomas Donnelly The Jefferson Group	Andres Innes National Mining Assn.
Gary Andres Dutko Group	Nancy Dorn Hooper Hooper Owen & Gould	Kelly Johnston Nat. Food Proc. Assn.
Bob Arensberg ACLI	Ken Duberstein The Duberstein Group	Ron Kaufman The Dutko Group
Bob Bannister Bannister and Co.	Juanita Duggan Phillip Morris Management Corp.	Rick Kessler The Jefferson Group
Brenda Becker Blue Cross/Blue Shield	John Fish RJ Reynolds Tobacco Co.	Tom Korologos Timmons and Co.
Jeff Bergner Bergner, Bockorny, Clough & Brain	Karl Gallant The Ramhurst Corporation	Bruce Leftwich Career College Assn.
Ed Bethune Bracewell & Patterson	Henry Gandy The Duberstein Group	Dan Leonard Edelman Public Relations Worldwide
Dave Bockorny Bergner, Bockorny, Clough & Brain	Bruce Gates Washington Counsel	Steve Pfister/Kent Knutson Nat. Retail Fed.
Jim Boland Boland & Madigan	Ed Gillespie Barbour, Griffith & Rogers	Nelson Litterst NFIB
Mike Boland Boland & Madigan	Elaine Graham National Restaurant Assoc.	Tom Loeffler Arter & Hadden
Kevin Burke Food Distributors Int'l.	Ben Ginsberg Patton Boggs	Peter Madigan Boland & Madigan
Jim Burnley Winston & Strawn	Jim Hagan Nuclear Energy Institute	Dan Mattoon BellSouth Corp.
Judy Butler Podesta Assoc.	Terry Haines Boland & Madigan	Tim McBride Chrysler Corp.
Nick Calio O'Brien Calio	A.J. Harris CIGNA Corp.	Jim McClure McClure, Gerard & Neuenchwander
Dan Caprio Jr. KPMG Peat Marwick	Steve Hart Williams & Jonson	Kim McKernan O'Brien Calio
David Carmen The Carmen Group	Jack Hassett Occidental International Corp.	Tom McNamara The Jefferson Group
Ken Carroll Nat. Assn. of REALTORS	Tim Hecht Hocht, Spencer & Assoc.	Dan Meyer Duberstein Associates
Jim Cicconi Akin, Gump, Strauss, Hauer & Feld	Paul Heiling Boeing Co.	Jim Miller Verner, Lipfert, Bernhard, McPherson and Hand
Dan Cohen Arter & Hadden	Lindsay Hooper Hooper Hooper Owen & Gould	Randy Moorhead Phillips Electronic North American Corp.
Cherly Crute SBCA	Clay Hough Patton Boggs	Don Morrissey ICI
Dan Crippen Washington Counsel	Jerry Howard Natl. Assoc. of Homebuilders	Heather Nauert Pioneer Financial Services

- Staff Secy
- JIM D.

C O V E R

S H E E T

AFSCME

EXECUTIVE OFFICE

FAX

If a
POTUS
call or
letter

1625 L Street, NW, Washington, DC 20036 - Tele: 202/429-1100; Fax: 202/429-1102

hasn't

already been
done, pls
do this

DATE: 2/28/97

TO: John Podesta

'97 FEB 28 PM 3:36

LOCATION: White House

FROM: Frank Cowan

PAGES TO FOLLOW: 1

COMMENTS:

John,

Can you help me with this? A close friend of mine grew
up with Boeheim and wanted to acknowledge his winning streak.

If possible, my friend would like to hand deliver the letter.

I will have someone pick it up when it is ready.

Thanks much.

3/3/97

Dan -

Can you look into
this. Anything been done?

If not, can you have short,
warm note drafted and let
me see. Thanks Phil

February 28, 1997

Mr. Jim Boeheim
Syracuse University
Manley Field House
Syracuse, New York 13244

Dear Jim:

Congratulations on your 500th coaching victory! I'm glad that none of those wins came at the expense of the University of Arkansas.

My best to your players and coaches. I hope your winning streak continues for a long time.

Sincerely,

Bill Clinton

Diane Suitt Gilleland
LITTLE ROCK, ARKANSASPlease coordinate
the reply.Need to
DORSKIND

27 February 1997

THE PRESIDENT HAS SEEN
3-1-97

Dear Mr. President:

It was so nice to see you Monday at the ACE meeting. You left the higher education community feeling great about you and about themselves for already having endorsed your plan. I also want to thank you again for your notes of encouragement to Leahbeth. She is making great progress. When I told her Monday night that you were checking on her progress, you could hear the result of the encouragement — a renewed or revitalized energy and commitment to her recovery. Thanks also for the picture. I'm going to send it to Leahbeth.

Barry Monitz called me late today and asked me to write you a note conveying this brief message:

"The aphorism of your speech was enormous support for you as a leader, as well as for the education issues you have proposed. You will weather the flap regarding the stayovers at the White House. Let me know if I can do anything to help. Also, here is the best

and latest available polling numbers regarding Leon. As usual, it illustrates California's unusual political environment.

Hope you enjoy the watch; Stan Ikenberry gave me one to replace mine — it had no numbers! Thanks for coming to the meeting, and I look forward to seeing you again either in D.C. or California."

Barry

My message
from Barry
Munitz

Mr. President, I am thrilled to be back in Washington as a Senior Fellow at ACE. They have asked me to help frame and operationalize foundational policy commissions focusing on higher education finance, leadership and governance, K-16 issues, and civic responsibility in the democracy. I think I've died and gone to heaven — no Nick Wilson or watching and suffering the unintended consequences of term limits and a vacuum in the Governor's Office.

Sam Brattin was in town yesterday and we had lunch. He seems to be doing well, although Huckabee replaced him as Chair of the PSC. He still has four years on his term as a Commissioner. We concluded it will take years to repair the damage that is being done in this 60-day session.

Thanks for everything. Love Fred,

John Jacobs: Early returns

By John Jacobs

Political Editor

(Published Feb. 27, 1997)

IT'S FAR too early to draw any meaningful conclusions about polls taken now and over the next few months for the 1998 governor's race. Ordinarily, such polls measure how well the public knows a politician's name and little else.

But numbers that show who is popular and who isn't at this early stage are precisely what's most intriguing about a Field Poll released Tuesday, the first public poll to measure support for various 1998 gubernatorial candidates in both an open and closed primary system.

In an open primary, a change approved last year with Proposition 198, any voter can vote for any candidate on the ballot, regardless of party. In a closed primary, which the state Democratic and Republican parties are suing to have restored, Democrats vote only for Democrats, Republicans only for Republicans, and the like.

The "news" in the poll is that U.S. Sen. Dianne Feinstein, a Democrat, is the overwhelming favorite, regardless of which system is used. That's not very surprising. Feinstein, who ran for governor in 1990 and lost to Gov. Pete Wilson, is contemplating another try. She was also on the state ballot in 1992 and 1994. Polls such as these would likely encourage her.

In an open primary system, Feinstein has a commanding 2-1 -- 27 percent to 13 percent -- lead over the person in second place, Los Angeles Mayor Richard Riordan, a Republican. That's the surprising part. That 13 percent for Riordan, who is running for re-election this spring and who says he will not be a candidate for governor, is 2 percentage points more than what is recorded for the expected GOP nominee, Attorney General Dan Lungren.

FORMER WHITE House chief of staff Leon Panetta, whom most political professionals believe to be relatively unknown in California, is just 1 point below Lungren at 10 percent, and Lt. Gov. Gray Davis, a well-known Democrat and the other announced candidate, trails with 8 percent.

It should not shock anyone that the mayor of the state's largest city, centered in one of the nation's largest media markets, should have a recognizable name. But that's scarce comfort to Lungren, who has been in the public eye for years and who has made no secret of his ambition to be elected governor.

More surprising and worse for him is that in the more traditional closed primary, where only Republicans can vote, it's a dead heat, with noncandidate Riordan at 29 percent and Lungren at 28 percent. The rest, 43 percent, are undecided. For Lungren, this is hardly a sign of strength.

The other surprising piece of information in these numbers is the relative strength of Panetta and weakness of Davis.

In a closed Democratic primary, Feinstein again holds a commanding lead, with 37

percent. But Panetta, not Davis, is in second place, with 17 percent to Davis' 12 percent. With Feinstein out of the race, Panetta holds a narrow 2-point lead over Davis, 23 percent to 21 percent, with former state Insurance Commissioner John Garamendi in third place with 11 percent.

The wild card here is the \$550 million man, Alfred Checchi, the Beverly Hills business executive who told Silicon Valley executives last week that if he runs for governor, as he clearly wants to do, he will commit \$30 million of his own money. That buys a lot of name identification quickly.

Indeed, Feinstein is still paying politically for the \$30 million ad campaign Republican Senate candidate Michael Huffington waged, much of it attacking her, in 1994. Although her approval rating of 57 percent is the highest of any candidate mentioned, her 32 percent unfavorable rate is also the highest.

By contrast, 49 percent approve of Lungren and 23 percent disapprove; 45 percent approve of Davis and 14 percent disapprove; 45 percent approve of Riordan and 16 percent disapprove. Panetta's political problem is that only 32 percent approve of him, and 23 percent disapprove. Nearly half, 45 percent, have no opinion.

Even more surprising is that 59 percent -- three out of every five voters -- have no opinion about Garamendi, who has been involved in state politics for more than 20 years, ran for governor just two years ago and is now deputy secretary of the Interior.

GARAMENDI'S relative weakness should provide a cautionary lesson for every "down ballot" state officeholder, whether it's Treasurer Matt Fong, Controller Kathleen Connell, Secretary of State Bill Jones or even Davis. Winning any statewide office other than governor or senator means little to most voters and means nothing in terms of predicting how one would do running for a bigger office.

The name that's missing here is that of the current incumbent, who by law cannot succeed himself. But Wilson got some bad news of his own last week from the same Field Poll. After months of getting great press for handing out serious money for public education -- as required by law -- Wilson's approval ratings are back in the nether regions.

Wilson's favorable ratings this month are 39 percent, compared to an unfavorable rating of 51 percent. In June 1996 and October 1994, his rating was 44 percent favorable and 49 percent unfavorable. A whopping 35 percent of those who don't like the governor said they "dislike his immigrant bashing, ethnic divisiveness."

More intriguing is that while the job performance of the state Legislature is rated lower than Wilson's, the public would side with the Legislature over Wilson by nearly a 2-1 margin, 55 percent to 30 percent, in a fight over the state budget. If these trends hold, Senate President Pro Tem Bill Lockyer and the Democrats will have a stronger hand to play in the budget endgame.

JIM DORSKIND:

Please coordinate
the reply

THE PRESIDENT HAS SEEN

2-28-97

Duty to Kathy

4N656 Knoll Creek Dr..
St. Charles, IL 60175
(630) 377-7414

February 8, 1997

Hillary Rodham Clinton
The White House
Washington, DC 20500-2000

Dear Hillary,

First, I have to tell you what a delight it was to see you during the Inauguration. Being able to present Betsy with her bracelet as a group was just wonderful, and at last you were able to surprise HER! Thank you for letting so many of us participate. I was overwhelmed, as I had both Hillary and Kari with me. Hopefully, we will be able to be together on a much more regular basis.

Enclosed you will find two requests. Betsy and I hope you can focus on the BPI request, as we are involved in a project on the Westside, actually just south of the Expressway from Westhaven/Horner. I know that Betsy has sung the praises of Jamal Place, and has wanted you to see it. From what she tells me, Maggie, Patty and Neal have done a tour. Betsy and I are now on the Jamal Advisory Board and I attend Mass at St. Agatha's Catholic Church in the same neighborhood. Community revival and development in St. Agatha's parish, along with determination and miraculous results at Jamal will hopefully bring a BPI type agenda to the other side of the Ike, as well. If you are able to accept BPI's invitation, we hope that you can visit Jamal at the same time. It is a fifteen minute drive from the Loop. Your appearance there would help the community greatly, not to mention what a thrill it would be for the boys at Jamal. In addition, it would make Betsy's and my task a little easier, in helping Ann Duell, Jamal's Director, form a more powerful Board, bringing in business, labor and financial support.

The Ballet Chicago request, from my friend, Tina, is also very important, but Betsy and I cannot stand on our toes any longer, so you see where our priority is! Chelsea and you would have a great time, however. Please tell your daughter that we sat with her friends at the Parade. They were so nice and kept all of us in stitches. The group from Sidwell acted so much like Kari's group from Elgin Academy so made us feel quite at home. Having your high school friends sitting with Chelsea's high school friends was great and truly fun.

On a more serious note, I cannot tell you how moved I was during the President's State of The Union address. Having been the Constituency Director for the Illinois campaign, I was very close to the Asian community. When the race card was pulled my heart was broken. The APA group was my favorite, as I flew in the Pacific for so long, and felt so close to the people. We never made any marks for fundraising here, but we had a cohesive, meaningful and patriotic outreach in Chicago, which included so many new players from so many cultural backgrounds. When fingers pointed down on these people, who are such great citizens, I watched many sad and confused faces. The Viet Seniors who were so happy to be a part of a crowd on Michigan Ave. the afternoon that you and Betsy did the Kathy and Judy Show, Mrs Hahn, who runs a great cleaners on Clark St., whose sons are in graduate school, yet took the time to help out during the convention, by working transportation out of the Sheraton, did not deserve the jokes or editorial condemnation they received, simply because they were Asians. They are great Americans and love this country. I am happy to say that they are my friends, so when Bill made it extremely clear that the importance of the

*Send cc
of her letter
w/ last \$
marked to
POJUS
per HRC*

*My message
from Barry
Muniz*

APA community, as well as others, was a vital and strong part of our country, I actually cried. Standing up for these people is so important. Tonight I am attending a Lunar New Year dinner with the Asians and it will be the first time I have seen them since the Address. I can't wait. Thank you, Bill.

Again, thank you for including so many of us in Washington. I love making the Cut!! Take great care of yourself, my friend, and remember we are always behind you. You are STILL doing the best job as First Lady and yes, your singing HAS improved!

Love,

Kathy Burgess

Kathy

cc: Betsy

THE WHITE HOUSE
WASHINGTON

March 2, 1997

MR. PRESIDENT:

You will discuss this memo
in the morning with Stephanie.

THE PRESIDENT HAS SEEN

3-3-97

Phil Caplan

only problem
right feeling
will be in the air!
What time does sun
go down?—

Copied
Streett
Hawley
Elkon
COS

THE PRESIDENT HAS SEEN
3-3-97

THE WHITE HOUSE
WASHINGTON

February 28, 1997

MEMORANDUM TO THE PRESIDENT

FROM: STEPHANIE STREETT
ANNE HAWLEY *HH*
NICOLE ELKON *NE*

SUBJECT: TRIP TO HELSINKI & COPENHAGEN

COPY: JOHN PODESTA
GENERAL DONALD KERRICK
DON BAER
DAN ROSENTHAL

37 FEB 28 1997

Please find attached a copy of the staff recommendation for the schedule for your trip to Helsinki and Copenhagen.

The following are several issues we would like to bring to your attention.

HELSINKI, FINLAND

You will arrive in Helsinki the morning of Wednesday, March 19. This will allow you to do the appropriate meetings with the President and Prime Minister of Finland and have six hours to be briefed for the summit, see some of Helsinki and relax.

The summit with President Yeltsin will take place at President Ahtisaari's residence. (See the attached booklet.) The residence was designed by a Finnish architect and completed in 1993. It is located just five minutes from where President Yeltsin is staying. President Yeltsin's advance team, with whom we met, was very pleased with this choice. They agreed that this modern building sets the tone for a meeting about the future of the relationship between our two countries. The summit schedule outlined was proposed by President's Yeltsin team. The extra breaks between meetings are at the request of President Yeltsin's staff. We will make it clear that we remain flexible should the Russians desire more rest periods for President Yeltsin.

The summit begins the night of Wednesday, March 19, with a dinner hosted by the Finnish President at the Palace. (The Palace was the site of the Bush - Gorbachev meeting in 1989 and

serves as the President's office.) There will be approximately thirty guests at the dinner. The next day the meetings will be as outlined, concluding with a press conference in the late afternoon.

President Yeltsin has suggested the two of you have dinner that night at a restaurant. This will delay your arrival in Copenhagen, however we were not planning on scheduling anything that evening. Sandy Berger and Strobe Talbott are in favor of you attending this private dinner. Again, we will make sure the Russians understand we are flexible should they withdraw the offer.

Will you have dinner with President Yeltsin the night of Thursday, March 20?

Agree ☒

Disagree _____

Discuss _____

Due to the amount of down time you have, the staff recommends that you stay at the Intercontinental Hotel during your stay in Helsinki. Secretary Albright, Sandy Berger and all other staff needed to brief you will be at the hotel. This will allow you flexibility in deciding when you want to be briefed for the summit in addition to a lot of privacy. There is a three room suite with a private sauna. The Ambassador's residence has very little privacy - only a bedroom with adjoining bath are at your disposal. The Ambassador's residence is in a residential neighborhood.

Will you stay at the Intercontinental Hotel in Helsinki?

Yes ☒

No _____

Need to discuss _____

COPENHAGEN, DENMARK

Your visit will be the first of a sitting U.S. President to Denmark. There is a lot of enthusiasm surrounding your stop. The schedule includes laying a wreath at a World War II memorial, a standard meeting and joint press statement with the Prime Minister, a private lunch with the Queen and a speech to the people of Denmark. You will have several hours at the end of the day to sight see before returning to Washington.

The wreath laying would be held at Memorial Park. Memorial Park is built on the same spot where the Nazis killed 200 Danes. The Memorial is in honor of the Danish men and women who gave their lives fighting the enemy during the German occupation from April, 1940 until May, 1945. There are 158 graves and 242 plaques at the park.

In addition, the staff proposes you deliver a speech because this will allow the maximum number of Danes to see you. The speech will be about general foreign policy themes, focusing on your vision for the 21st century. No new specific policies will be announced. (The speech would take place in the Palace Square.)

Do you approve of the schedule for your trip to Copenhagen?

Approve  _____

Need to discuss further _____

The staff recommends you stay at the Queen's Guest Palace. Ambassador Elson has also invited you to stay at his residence but understands that the Guest Palace is more convenient. The Guest Palace has sufficient rooms for Secretary Albright and your senior staff. The Palace is already a secure location so there will be no added inconvenience to the citizens of Copenhagen.

Will you stay at the Guest Palace?

Yes  _____

No _____

Need to discuss _____

We will be briefing you on Monday on the this schedule if you have further questions.

**THE PRESIDENT'S TRIP TO
HELSINKI, FINLAND & COPENHAGEN, DENMARK**

(as of 2-28-97)

TUESDAY, MARCH 18, 1997

6:00 pm Depart Andrews
 [flight time: 8 hours - time change: + 7 hours]

WEDNESDAY, MARCH 19, 1997

Note: Helsinki is 7 hours ahead of Washington, DC.

197 FEB 28 04:07:58

9:00 am Arrive Helsinki

9:15 am Depart Airport

9:30 am Arrive Intercontinental Hotel

9:35 am - DOWN TIME
10:45 am

10:55 am - BRIEFING FOR MEETING WITH PRESIDENT AND PRIME MINISTER
11:15 am

11:25 am Depart Intercontinental Hotel

11:30 am Arrive Palace

11:35 am - **MEETING WITH THE PRESIDENT OF FINLAND**
12:05 pm **POOL SPRAY**
[4:35 am EST]

12:15 pm - **MEETING WITH THE PRIME MINISTER OF FINLAND**
12:30 pm **POOL SPRAY**
[5:15 am EST]

12:40 am Depart Palace

12:45 pm Arrive Intercontinental Hotel

12:50 pm - BRIEFING FOR SUMMIT/DOWN TIME
6:40 pm

6:50 pm Depart Intercontinental Hotel

7:00 pm Arrive Palace

7:05 pm GREET PRESIDENT YELTSIN

7:10 pm - **INFORMAL DINNER HOSTED BY THE PRESIDENT OF FINLAND**
9:00 pm **POOL PRESS**
[1:10 pm EST]

9:05 pm BID FAREWELL TO PRESIDENT YELTSIN

9:10 pm Depart Palace

9:20 pm Arrive Intercontinental Hotel

RON HELSINKI

THURSDAY, MARCH 20, 1997

Note: Helsinki is 7 hours ahead of Washington, DC.

9:15 am Depart Intercontinental Hotel

9:30 am Arrive Residence

9:45 am GREET PRESIDENT YELTSIN

9:50 pm - **PHOTO WITH PRESIDENT YELTSIN AND PRESIDENT AHTISAARI**
9:55 pm **POOL PRESS**

10:00 am - **BILATERAL MEETING WITH PRESIDENT YELTSIN (small group)**
11:30 pm **POOL PRESS**
[3:00 am EST]

11:35 pm - BREAK
11:55 pm

12:00 pm - **WORKING LUNCH (expanded group)**
1:30 pm **CLOSED PRESS**

1:35 pm - BREAK
1:55 pm

2:00 pm - **BILATERAL MEETING WITH PRESIDENT YELTSIN (small group)**
3:30 pm **CLOSED PRESS**

3:35 pm - BRIEFING
4:30 pm

4:35 pm Depart Residence

4:40 pm Arrive Hotel Kalastajatorppa

4:45 pm - **JOINT PRESS STATEMENT**
5:30 pm **OPEN PRESS**
[9:45 am EST]

5:35 pm Depart Hotel

6:30 pm - **DINNER WITH PRESIDENT YELTSIN**
8:00 pm **RESTAURANT TBD**

xxx **EMBASSY MEET & GREET**

9:00 pm Wheels up Helsinki
[flight time: 1 hour, 30 minutes - time change: - 1 hour]

9:30 pm Arrive Copenhagen

Note: There is an arrival ceremony

9:15 pm Depart Airport

9:30 pm Arrive Palace

Note: There is an arrival ceremony

RON COPENHAGEN

FRIDAY, MARCH 21, 1997

Note: Copenhagen is 6 hours ahead of Washington, DC.

8:00 am - BRIEFING FOR MEETING WITH THE PRIME MINISTER/SPEECH PREP
8:30 am

8:30 am Depart Palace

8:45 am Arrive Memorial Park

8:50 am - **WREATH LAYING CEREMONY**

9:20 am **POOL PRESS**

[1:50 am EST]

9:30 am Depart Memorial Park

9:45am Arrive Parliament Building

9:50 am - **MEETING WITH THE PRIME MINISTER**

11:00 pm **POOL PRESS**

[2:50 am EST]

11:05pm - **BRIEFING**

11:25 am

11:30 am - **JOINT PRESS STATEMENT**

12:00 pm **POOL PRESS**

[4:30 am EST]

12:10 pm - **PRIVATE LUNCH WITH THE QUEEN**

1:30 pm

1:40 pm Depart Parliament Building

1:45 pm Arrive Palace

1:50 pm - **SPEECH PREP**

2:20 pm

2:30 pm - **SPEECH TO THE PEOPLE OF DENMARK**

3:30 pm **OPEN PRESS**

[8:30 am EST]PALACE SQUARE

xxx **EMBASSY MEET & GREET**

3:30 pm - **DOWN TIME/SIGHT SEEING**

tbd

8:00 pm Depart Copenhagen

[flight time: 8 hours, 35 minutes - time change: - 6 hours]

10:35 pm Arrive Andrews

RON WHITE HOUSE