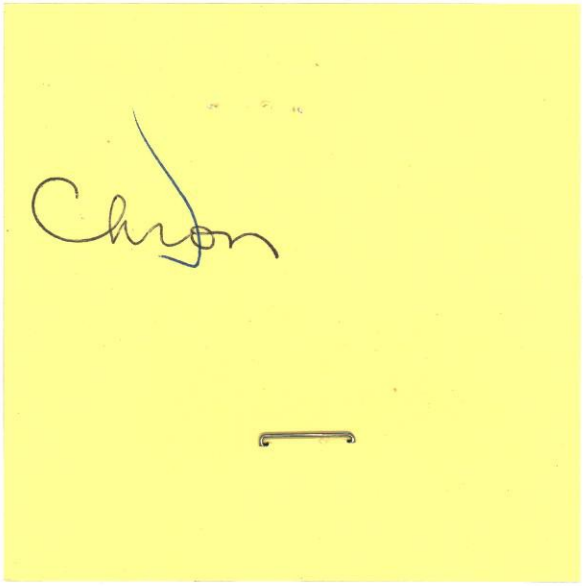


THE PRESIDENT HAS SEEN
4-21-97

THE WHITE HOUSE
WASHINGTON

April 19, 1997

Copies
Tarullo
Berger
Hilley
Scheduling
COS

MR. PRESIDENT:

The attached Tarullo/Berger/Hilley memo recommends that you permit substantive consultations with Congress on moving forward on a joint legislative initiative for trade, investment and development in Africa .

The Administration has had a package of initiatives under internal discussion for several months that consists of (1) an extensive program of escalating trade benefits to African countries based on the countries' level of economic reforms; and (2) establishment of an annual Cabinet-Minister-level U.S.-Africa Economic Forum to elevate the caliber of dialogue. Details of the package are in the memo.

A bipartisan group of House Members, led by Crane, Rangel and McDermott have also been developing an Africa trade package, and have expressed interest in introducing a joint proposal. Our proposal is more detailed in its benefits, and has some downsides as there could be some domestic industry complaints over the tariff cuts, but Tarullo feels that we may be able to find common ground with the Hill -- he has met extensively with the Members.

Please note that the memo recommends a Rose Garden rollout event before the end of the month and that you host the inuagural U.S.-Africa Economic Forum in 1999. *Podesta and Stephanie* point out that there is no time on your schedule for the April event and that it is premature to plan for 1999 now. *But Podesta concurs with moving forward on a joint initiative.*

✓ Approve joint initiative ___ Disapprove ___ Discuss

Should do event in May - clearly can work out '99 schedule — should do

Phil Caplan Phil

THE PRESIDENT HAS SEEN
4-21-97

2615

THE WHITE HOUSE

WASHINGTON

April 16, 1997

'97 APR 16 PM7:11

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: DANIEL K. TARULLO
SAMUEL R. BERGER
JOHN HILLEY

SUBJECT: U.S.-Africa Economic Growth and Opportunity Initiative

Purpose

That you approve a trade, investment and development initiative for Africa, and that you approve a Summit in Washington with key African participants as part of that initiative in 1999.

Background

We have been working for some time to develop an initiative to use trade and other incentives to encourage accelerated economic and political reform and growth in Sub-Saharan Africa (SSA), and to integrate reforming nations more completely and successfully into the global economy.

The worldwide trend towards open markets and open societies has begun to take root in SSA. Democratic elections in more than 20 countries, including the establishment of majority rule in South Africa, offer great promise. A number of countries -- Uganda, Mozambique, Ethiopia and Cote d'Ivoire, to name a few -- have undertaken serious economic reform programs that are showing good results. South Africa, freed from sanctions and pursuing economic integration with its immediate neighbors, can and must become an engine for growth, if the region is to prosper.

Continuing these economic and political reforms is critical to American interests. An Africa that is economically marginalized leads to poverty, instability and conflict that is more costly in human and economic terms. Moreover, our world leadership is enhanced to the degree that we show the way in helping African countries to prosper in the global economy.

We have now defined a program with the following elements:

cc: Vice President
Chief of Staff

Trade, Investment, and Development Initiative

This program provides escalating trade benefits to African countries, depending on the level of economic reforms they have undertaken. The more extensive the reforms, the greater the trade benefits provided. Our objective is to move beyond traditional forms of foreign assistance to emphasize a new approach based on providing market-based incentives to encourage reform within African countries. That is why this approach has attracted support from both conservative Republicans and liberal Democrats: it is both market-oriented and a positive effort toward Africa.

The program establishes three categories or "tiers" of country participants. The **first tier** includes virtually all SSA countries (except Sudan, Eritrea, Nigeria, Gabon, Liberia, for various reasons). The least developed countries in this tier would receive enhanced Generalized System of Preferences (GSP) benefits (i.e., duty-free treatment on more products), a step we had already endorsed to help these countries. The **second tier**, composed of countries that have taken accelerated reform measures, would receive even greater duty-free access to the U.S. market akin to the benefits Caribbean countries receive under the Caribbean Basin Initiative. Tier 2 countries would also receive focused development assistance, support in gaining debt relief and financing programs through the World Bank and IMF. We would consider creating a **third tier** of countries with which we would begin free trade negotiations, at an appropriate time in the context of continuing reforms. No country is yet at this level, but we might signal interest in eventual free-trade talks with South Africa.

U.S.-Africa Economic Forum and Summit

To elevate the level and caliber of dialogue between Africa's boldest reformers and the United States, an annual Cabinet Minister-level U.S.-Africa Economic Forum will be established, under the joint leadership of the Secretaries of State and Treasury, and the USTR. In addition to these meetings, we propose that you host a single Summit in 1999 (in Washington) to inaugurate the program and to draw attention to the most accelerated reformers.

Congressional Considerations

A coalition of disparate members, led by Representatives Crane, Rangel and McDermott, have been developing an African trade and investment legislative initiative, and expressed interest in introducing a joint-Administration-Congressional package. Our effort is somewhat more detailed in its trade benefits and more

robust in proposed financial and technical assistance, particularly if we are successful in marshaling support from the international financial institutions. Dan has met with these members, collectively and individually, and we have had a number of staff discussions. If you approve this approach, we will work rapidly with them to try to craft a joint bill. Some of the program's tariff cuts could cause some industry opposition (e.g., ferro-alloys, fruit juices, watches), and some other features cause concern in some parts of the apparel industry. While we need to make sure that the package of trade benefits offers something of value to African countries, we will also need to be sure that opposition in particular sectors does not endanger the initiative as a whole. We will identify the sensitive areas to our supporters in Congress and be sure they can test these provisions with other members.

Roll-out

Our thought is that, following Congressional and diplomatic consultations, you would invite the bill's sponsors to the White House for a Rose Garden event to announce a joint bill. We should seek to hold this event prior to the April 29 hearing scheduled by the House Ways and Means Committee.

RECOMMENDATION

That you approve the Africa trade, investment and development initiative described above and authorize us to negotiate a common bill with Congress.

Approve_____ Disapprove _____

That you agree to host a single Summit in 1999 in Washington to inaugurate the program and to draw attention to the most accelerated reformers.

Approve_____ Disapprove _____

Attachment
Tab A U.S.-Africa Economic Growth and Opportunity Initiative

A

U.S.-Africa Economic
Growth and Opportunity Initiative

Bilateral Trade Incentives

Tier 1

Reforms: LDCs in Sub-Saharan Africa would continue to receive duty-free treatment provided in the U.S. Generalized System of Preferences (GSP) program, while LLDCs will receive enhanced GSP treatment as provided for in existing law.

Benefits (GSP-Plus): Continued duty-free treatment for the basic GSP list of some 4000 products, plus enhanced duty-free access for about 1800 additional products; possible technical assistance in implementing trade and economic reforms. Countries likely to benefit include all SSA countries, except those that are not now GSP eligible, i.e. Sudan, Eritrea, Nigeria, Gabon and Liberia.

Tier 2

Reforms: GSP-eligible SSA countries would qualify if they are adopting accelerated programs in opening their economies to foreign trade and investment (i.e. progress on bilateral investment treaty, intellectual property rights and binding WTO commitments), while also investing in their people, and improving their economic policy management and governance. These same reforms are being contemplated in the development of special World Bank and IMF programs.

Benefits (CBI-Plus): Countries would receive duty-free and preferential tariff treatment on a further expanded groups of products identical to the preferences given to Caribbean and Central American countries under the Caribbean Basin Initiative (CBI), plus watches, tuna and hydrocarbons, as well as additional access for certain textile products; encouragement to the IMF and World Bank that they provide enhanced balance of payments support to help countries undertake reforms; enhanced agricultural assistance under PL-480; equity investment support and more aggressive export credit marketing to attract private sector investment; support for enhancing greater regional integration and support for an American-African Business Partnership provided by USAID. The tariff preferences offered under this program would especially be attractive to those more economically advanced African countries (such as South Africa, Kenya, Ivory Coast, Ghana and Mauritius) which have arisen above LDC status and are not eligible for the enhanced GSP program.

Tier 3

In the future, reforming countries would be eligible for free trade agreements (FTAs). We do not envision FTA negotiations with any SSA country soon. However, South Africa and/or the countries of the Southern African region collectively are leading candidates and we might want to signal interest in eventual negotiations to encourage further reform, particularly in South Africa. Such a signal might also gain additional support for fast track legislation.

Multilateral Efforts

Though not requiring legislation, our initiative on Africa will be linked to two important multilateral efforts.

- **Denver Summit:** Following up on the Lyons commitment to make Africa a central focus, we expect to announce at Denver both bilateral and joint efforts with our Summit partners. On economic issues, we are working with our Summit partners to adopt common strategies on bilateral assistance, focused on capacity building, good governance, investment in human capital, and infrastructure projects that contribute to economic growth. Together, we will encourage the World Bank and the IMF to adopt special programs to promote economic growth, trade and investment in SSA (below). We also are working with Summit partners to launch initiatives to strengthen democracy and to enhance conflict management in SSA.

- **International Financial Institutions:** We are using the Denver Summit process to encourage IFIs to develop growth and integration strategies for countries which adopt accelerated reforms. This includes IMF programs to provide qualifying countries with complimentary time-limited bridge-financing until additional resources from trade tax and other support are generated; IMF and World Bank technical assistance to promote sound economic management and policy reforms, particularly in helping liberalize trade; investment in health and education; debt relief to highly indebted poor countries (HIPC) that have made accelerated policy reforms.

Patsy Cycles Retrospectives Story

A LOOK AT...

Patterns of History

Think we're living in a unique time? Think again. Outlook invites you on a whirlwind tour of 300 years of American history, courtesy of two authors who suggest that each generation belongs to a repeating cycle with four distinct "turnings." Have a nice trip.

copied Emanuel Taylor COS

The Future Is in Our Past

By Neil Howe and William Strauss

The mood of late-1990s America seems unlike any in living memory—a society entertained yet jaded, active yet aimless, satisfied yet cynical. A recent CNN/USA Today poll revealed Americans to be "optimistic about their own prospects" yet extraordinarily "suspicious of leaders and cynical about the future." Other surveys indicate that public confidence in many American institutions—from businesses and governments to churches and newspapers—is falling, but that confidence in ourselves as individuals is rising.

How can this be? Has there ever been a time in American history when Americans felt so positive about themselves and, at the same time, so disenchanted with the civic order? The answer is yes—several times.

In our recent book, "The Fourth Turning: An American Prophecy," we describe a cyclical rhythm that has governed modern history and reveals the nation's recent past to fit within a recognizable pattern. We see American history as a series of roughly 80-year cycles, each the length of a long human life (we call them the Revolutionary cycle, the Civil War cycle, the Great Power cycle and the Millennial cycle) and



reveals the nation's recent past to fit within a recognizable pattern. We see American history as a series of roughly 80-year cycles, each the length of a long human life (we call them the Revolutionary cycle, the Civil War cycle, the Great Power cycle and the Millennial cycle) and each beginning after a crisis. Each cycle has four distinct eras, or "turnings," that last about 20 years each—the span of a generation.

The First Turning, or "High," is an upbeat era when institutions grow stronger and individualism weakens, such as the post-World War II period of euphoria and complacency that lasted into the early 1960s. The Second Turning is the "Awakening," an era of passionate idealism and spiritual upheaval, when the civic order undergoes challenges from people with new ideas and values—as in the consciousness revolution that reached from the student revolts of the late 1960s to the tax revolts of the early 1980s. The Third Turning, or "Unraveling," is a downcast period of strengthening individualism and weakening institutions. Today, we're midway through a third turning.

If this rhythm continues, about a decade from now America will enter a fourth turning, or "Crisis"—an era of political upheaval that could last into the 2020s.

To see where we are today, look back at America's three most recent third turnings. People who are in their eighties remember the mood of the previous "Unraveling"—the years between Armistice Day in 1918 and the stock market crash of 1929. Euphoria over the military triumph in World War I was short-lived. Optimism about a progressive future had given way to jazz-age cynicism. Unions atrophied, government weakened, new political parties proliferated, and consumer technologies (autos, phones, juke boxes, vending machines) made life feel complicated. The risky pleasures of the lost generation shocked the middle-aged, and parents strove to protect their children (today's senior citizens) from the excesses of the era. The details may be different, but the mood resembled what we feel today.

One cycle further back, in the late 1840s and early 1850s, America drifted into a similarly unsettled mood. The Mexican War had just ended in a stirring triumph, but the euphoria didn't last long. Cities grew mean and politics hateful. Immigration surged and markets boomed. The two major parties, Whigs and Democrats, were both disintegrating (with only the Democrats later surviving, in drastically altered form).

Run the clock back to the 1760s. At that time, the recent conclusion of the French and Indian War had brought 80 years of conflict to a close and had secured the colonial frontier. Yet when England tried to recoup the expense of the war through taxation, the colonists seethed. Immigration from the Old World, emigration across the Appalachians, and disagreements over colonial trade all rose sharply. Colonists separated into conflicting camps, one defending the crown and the other attacking it.

During each of these third turnings, Americans celebrated liberty (the catchword of the 1760s) and individualism (a concept popularized in the 1840s), yet also fretted over social fragmentation, epidemic violence and accelerating economic and technological change. The nation felt released from a long-standing foreign threat, but the public's sense of collective purpose soon dissipated. Culture wars raged, the language of political discourse coarsened, and nativist feelings hardened. Americans felt hostile toward civic life. Institutions that had seemed secure for decades suddenly felt ephemeral. Contemporary accounts of each of these third turnings revealed a mounting anxiety that the society was in trouble.

And, as it turned out, it was. The 1760s were followed by the American Revolution; the 1850s by the Civil War; the 1920s by the Great Depression and World War II. In time, these crises reached climaxes—at Yorktown, Gettysburg and on the Normandy beaches on D-Day—that would have been beyond anyone's imagining during the previous third turning.

Propelling this rhythm is a dynamic of generational aging. History shapes young people, who mature into the parents, leaders and elders of later eras. Every 20 years or so, as each generation enters a new phase of life, the social mood changes, producing a new turning.

This theory sheds light on the rising (boomer) generation of political leaders. In the course of American history, three generations have been born in the aftermath of crisis. In each era, they were indulgently raised (by the standards of their century), came of age rebelling against established institutions, and reached midlife as self-righteous culture warriors. Later, they became the sternly principled elders who led their society into the next great crisis.

When that time comes, today's boomers may produce a great and visionary leader remi cent of two other post-crisis children: Abrai Lincoln and Franklin Roosevelt. Or they r produce an unyielding Old Aquarian who cc turn the world's lights out. Much, too, de nd on today's Generation X, who will t be pra natic 50-somethings, and on tod fussed-o er Millennial Generation child who may have to undertake great public r sions as they reach young adulthood.

The Fourth Turning is coming. It's tim prepare. How? By pruning the government r so it can grow later, readying our defenses an era that will not be like today and stopp the erosion in our civic culture. As individu we can strengthen community ties, sec investments, bolster the education of our c dren, and brace ourselves—and our familie against what history warns is coming.

William Strauss and Neil Howe are the authors of "The Fourth Turning: An American Prophecy" (Broadway Books). They host a discussion forum at www.fourthturning.com on the Internet.

To Every Age, There Is a Purpose . . .

The Turnings	Revolutionary Cycle: 1704-1794	Civil War Cycle: 1794-1865	Great Power Cycle: 1865-1946	Millennial Cycle: 1946- 2026?)
1 HIGH	(1704-1727) **AUGUSTAN AGE OF EMPIRE:** *First confident flowering of provincial civilization; Williamsburg prosperity; slave codes; Augustan culture.*	(1794-1822) **ERA OF GOOD FEELINGS:** *Rational Republicans and orderly Federalists settle and map territories; canals, steamboats and turnpikes push back the wilderness.*	(1865-1886) **RECONSTRUCTION AND GILDED AGE:** *Victorian High of industrial progress, stable families, and prospering middle class.*	(1946-1964) **AMERICAN HIGH:** *America becomes global superpower; strengthening middle class; suburbs and interstate highways; bland "End of Ideology" modernism.*
2 AWAKENING	(1727-1746) **GREAT AWAKENING:** *Spiritual Awakening (Jonathan Edwards); young believers pitted against civic-minded elders; bursting of Old-World social barriers.*	(1822-1844) **TRANSCENDENTAL AWAKENING:** *Slave revolts; abolitionism; women's movements; utopian communes; romantic idealism.*	(1886-1908) **THIRD GREAT AWAKENING:** *Labor and agrarian protests; muckrakers; settlement houses; evangelicals; Henry Steele Commager's "cultural watershed."*	(1964-1984) **CONSCIOUSNESS REVOLUTION** *From urban and campus revolts to tax revolts, environmental, feminist movements; divorce epidemic, rise in violent crime.*
3 UNRAVELING	(1746-1773) **FRENCH AND INDIAN WARS:** *Weak leadership and growing social mobility; immigration; debt; privateering and a wilder young generation.*	(1844-1860) **MEXICAN WAR AND SECTIONALISM:** *Era of "almighty dollar" and Whitmanesque self-worship; the Gold Rush; splintering visions of nationhood.*	(1908-1929) **WORLD WAR I AND PROHIBITION:** *Widening class divisions; crumbling trusts and unions; fun-filled financial boom; jazz-age nihilism.*	(1984-2005?) **CULTURE WARS:** *High-tech individualism; "family values" moralism; worries about crime, incivility, civic decay and cultural exhaustion.*
4 CRISIS	(1773-1794) **AMERICAN REVOLUTION:** *Boston Tea Party ignites a colonial tinderbox; independence declared; Constitution ratified; treaties signed.*	(1860-1865) **CIVIL WAR ERA:** *Attack on Fort Sumter, triggered by election of Lincoln, led to bloodiest war ever fought in the New World.*	(1929-1946) **GREAT DEPRESSION AND WORLD WAR II:** *Stock crash and three-year economic free fall; New Deal; Pearl Harbor; D-Day; A-bomb.*	(2005?-2026?) **NEXT FOURTH TURNING:** *Resolute new mood catalyzes sometime in the "Oh-Oh Decade"; crisis climaxes a decade or two later.*

SOURCE: Excerpted from "The Fourth Turning"



Recent Takes

In a world governed by seasonal cycles, it is natural to look for patterns of change that repeat themselves—and historians as well as soothsayers have been

This century, Oswald Spengler (1880-1936) saw the alternating growth and decay of civilizations as a matter of historical destiny. If this line of thinking suggests that the future is predetermined, it's worth noting that the books listed below—no less than the historians from the

wrote Huntington, "was the breakup or reduction of organized power, its reform and control, the opening up of the processes of decision making to public participation." He concluded that the gap between our ideals and their fulfillment shows no sign of narrowing.

THE CYCLES OF AMERICAN HISTORY (1987)—Arthur M. Schlesinger Jr. argued that America moves through 20-year cycles, alternating between eras of activist

20th centuries. Fischer argued that we are at the final stage of the 20th century revolution, in a state of instability but not necessarily imminent doom.

Rather than looking for cyclical patterns or phases, some argue that the future can be seen as an extension or acceleration of current trends.

POWERSHIFT: KNOWLEDGE, WEALTH, AND VIOLENCE AT THE EDGE OF THE

systems is all but over.

THE ROAD AHEAD (1995)—Bill Gates predicted that more universal access to the information highway will revolutionize the way we live.

THE COMING AMERICAN RENAISSANCE: HOW TO BENEFIT FROM AMERICA'S COMING ECONOMIC RESURGENCE (1996)—Michael Moynihan predicted that America's cultural

...out China and its spies. ... West's struggle against ... spionage has a history ...inese civilization itself. ...y have been a beautiful ...Shi (pronounced shyee

In 1949, Mao's Communists took power with the help of master spies like Li Kenong and Qian Zhuangfei, who had penetrated Chiang Kai-shek's "wireless administration bureau" in Shanghai, where they could read the Nationalists' mail and protect the Communist cause. Once in power, Mao created a new society based on a ... that he was a contender last year for Mayor of Beijing, one of the most visible political jobs in the country.

China doesn't have the high-tech overhead satellites that have made the United States and Russia preeminent in global surveillance, but thousands of Chinese

Continued on Page 16

THE PRESIDENT HAS SEEN
4-21-97

A Short History of Scandal

Supreme Leader, Pigeon in Chief



George Washington
Womanizing; illegitimate children; land theft; bribery in his Cabinet.



Thomas Jefferson
Extramarital affairs; illegitimate children; atheism.



Andrew Jackson
Marriage to a not-yet-divorced woman.



Martin Van Buren
Aaron Burr's illegitimate son.



John Tyler
Appointing relatives; secret and corrupt dealings with Texas, then a foreign government.



Zachary Taylor
Inflated payments to a Cabinet officer from Government funds.

The Presidents and the accusations, supported and unsupported.

By MICHAEL WINES

WASHINGTON

LYING in bed at night, eyes wide open, his busted knee throbbing, having just clicked off Letterman after the umpteenth pasty-white-thigh joke and tossed aside the Washington Post's latest smoldering editorial about his ethics, President Clinton surely must be asking himself: Did I really want to be President this bad?

Richard Nixon was the father of special prosecutors, and he only racked up two of them during his Presidency. Mr. Clinton already has four, one short of a royal flush, and the Senate last week urged Attorney General Janet Reno to complete the hand by demanding another one, this time to poke into Democratic fundraising. Congress is gearing up for more hearings. The Lincoln Bedroom is a national joke.

The Supreme Court is pondering when Mr. Clinton should be sued for supposedly dropping his pants.

Even some people who normally enjoy tormenting him are wondering aloud whether the scandal machine has lost its speed governor. When did it become standard procedure to subject the President of the United States to gossip about womanizing? Or bumper-to-bumper corruption inquiries by the Republicans in Congress? Or endless accusations about some land deal everyone else forgot years ago? What sane leader would put up with such swill?

Those are good questions. The answers are (a) 1789 and (b) George Washington.

Modern political memory does not extend much beyond Watergate, so it is tempting to conclude that the Presidency went from supreme honor to hideous personal embarrassment and potential criminal liability after Mr. Nixon brought his special brand of meanness to the job.

History suggests otherwise. Washington probably lay in bed too, gums throbbing from his ill-fitting false teeth, and wondered why he ever took the lousy job. Ditto Andrew Jackson and his throbbing bullet wound from an old duel, Zachary Taylor and his Mexican War flesh wound, Rutherford B. Hayes and his brace of Civil War scars, and so on. All these pigeons went into office beloved and respected and, innocently or deservedly, got caught in the scandal meat-grinder.

"Certainly there have been White House scandals thoughout American history," said Suzanne Garment, an American Enterprise Institute scholar who wrote the book on the topic ("Scandal: The Culture of Mistrust in American Politics," Times Books, 1991). "It's very hard to say how you compare these things across time, because the means of communication have changed so much and there have been huge shifts in the nature of partisanship — in both directions."

George Washington, for example, seems to have come off far better than Bill Clinton has so far, even

> They threw the book at George Washington, too.

though contemporaries linked the first President to perfidies that make The American Spectator read like Reader's Digest. Mr. Clinton is merely accused of old extramarital dalliances; Washington was widely said to have illegitimately fathered dozens of children, including his own Treasury Secretary (Alexander Hamilton, as a youth, during a sojourn in Barbados, but that wasn't true). Whitewater was just a money-losing subdivision deal to Mr. Clinton; Washington was charged — wrongly, of course — with swindling Shenandoah Valley farmland from Lord Fairfax and then evicting the poor families who farmed it.

Mr. Clinton lost an Agriculture Secretary to corruption charges. Washington lost one Secretary of

Continued on Page 5

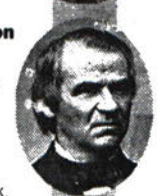
Franklin Pierce
Drunkenness.



Abraham Lincoln
Husband of a Confederate spy.



Andrew Johnson
In addition to political offenses (he was impeached for defying Congress) known as a drunk.



Ulysses S. Grant
Drunkenness; widespread corruption among his associates.



Rutherford B. Hayes
Election fraud.



James A. Garfield
Accepting kickbacks as a Congressman.



...nd-raising scandals ...
...ence the National Security ...
...n Mr. Lake headed.
...t analyzing the rights and wrongs ... every confirmation battle — Mr. Strauss's haughty manner offended a Senate even more impressed with itself than it ... at ... legal ... way to con... Anita Hill, who ... assment. Mr. Thomas prevailed, ... deeply wounded. ...and it is ... even George ...ne Court nomina... ...ley Peter Dunne's Mr. ... observed, "Politics ain't beanbag."

The Pigeon in Chief

Continued From Page 1



Chester A. Arthur
Graft and patronage, mostly in earlier political posts.



Grover Cleveland
Fathering illegitimate child.



Woodrow Wilson
Adultery.



Warren G. Harding
Corruption in Cabinet, notably the Teapot Dome scandal.



Calvin Coolidge
Miscellaneous corruption, including ties to Teapot Dome.



F.D.R.
Adultery.



Harry S. Truman
Kickbacks and self-dealing among top aides.

State who tried to shake down the French. And the Republican Congress (no relation; these were different Republicans) twice investigated Treasury Secretary Hamilton, who was accused of pilfering the till.

The 42d President is alleged to have sidestepped the draft. The first one was accused not just of military incompetence but of stealing nearly $5,000 from the Continental Army.

And this was the fellow who was first in war, in peace and in his countrymen's hearts.

Nineties America seems to believe that while momentous debates once drove politics, they have given way to smarminess and negativism, an obsession with laundered cash and Gennifer Flowers and tabloid sensationalism. Please tell this to Thomas Jefferson, who hired his own attack journalist to discredit Hamilton and other Federalists, was hit up for hush money to keep the relationship quiet, and became the target of a media barrage accusing him of trysts with a comely slave, Sally Hemings, when he refused to pay.

The Adultery Tradition

"Modern politics has it that adultery became a political issue when Gary Hart was caught with Donna Rice in 1988, or when the Clintons bared their marital problems on "60 Minutes." President Jefferson knew better: his political nemesis, Henry (Light Horse Harry) Lee, forced him into a public confession of his attempts to seduce a good friend's wife.

Is the White House being unfairly tarred because a few — all right, a lot of — overzealous people at the Democratic National Committee tried to nail down the election with questionable cash from foreign zillionaires? President Hayes might know; it was said then — and assumed now — that Republican kingmakers bought the electoral votes that put him in the White House in 1876, which Ms. Garment says cast a shadow over politics for the rest of the century.

The list goes on: President Jackson was judged amoral because his wife was not technically divorced from a previous marriage when she married him. President Andrew Johnson became known as a drunk, and all because he was too inebriated to deliver a coherent speech at his swearing-in as Lincoln's Vice President. (The whisky was for medicinal purposes, he said.) U. S. Grant became synonymous with scandal when it was really his loyal appointees who tiphoned off Federal whisky taxes and took kickbacks.

Maybe Mr. Clinton can take heart from the fact that others had it rougher. Either that, or he can be terrified by the prospect that things can still get worse.



Dwight D. Eisenhower
Influence-peddling by chief of staff.



John F. Kennedy
Election fraud.



Lyndon B. Johnson
Political corruption, fraud, theft and tax evasion by top aide.



Richard Nixon
In Watergate, myriad illegal abuses of office.



Jimmy Carter
Budget director's involvement in banking fraud; brother's ties to Libya.



Ronald Reagan
Corruption in Federal agencies and, in Iran-Contra, illegal foreign-policy decisions.



George Bush
Involvement in Iran-Contra and Iraqgate scandals.

pears every Monday, Wednesday, Friday and Sunday

Politics in the White House? Naaah

THE PRESIDENT HAS SEEN
4-21-97



Gene Lyons

As the world knows, the Clinton administration's use of the White House to entertain supporters and potential campaign donors has drawn scornful commentary far and wide.

Never in the annals of the republic has any president [illegible] most sacrilegious, as to pr[illegible] the Lincoln bedroom with mere actors, TV "personalities" and grubby social climbers like Barbra Streisand and Steven Spielberg. Why, it's like an episode of "The Beverly Hillbillies."

Never mind that Abe Lincoln never actually slept in the "Lincoln bedroom." (The White House was gutted to the four walls and completely rebuilt during the Truman administration.) Hillary Rodham Clinton's pathetic alibi that she and her husband lack a seaside compound in Kennebunkport or a ranch outside Santa Barbara provided only more ammunition for the righteous. How dare this shrill harridan from darkest Arkansas compare herself to the aristocratic Barbara Bush or the elegant Nancy Reagan?

So guess which noble statesman occupied the sacred precincts of the Lincoln bedroom on the night of June 3, 1992? That great American, Rush Limbaugh, that's who. You remember him. He used to be a prominent right-wing talk show host.

Limbaugh's role as chief theoretician and head cheerleader for the GOP's ill-fated government shutdown of late 1995 has rather put him in a shadow of late.

Attaching himself to Newt Gingrich like a tick to a dog's ear wasn't a shrewd move either. As Newt's fortunes have dimmed, so have the Mighty Chipmunk's. His TV show failed and his radio ratings declined.

Oh, Limbaugh still exercises his lungs for several hours on the radio every afternoon, but apart from shut-ins and obsessive-compulsive traveling salesmen, nobody pays much mind anymore.

Not so, however, back in 1992. According to the wonderful little book, "The Way Things Aren't: Rush Limbaugh's Reign of Error," published by the media watchdog group FAIR, the Mighty Chipmunk's White House stay came at a felicitous time for George Bush.

During the early primaries, see, Limbaugh had urged his listeners to support Pat Buchanan. President Bush, he argued, had deserted the conservative cause. Indeed, Buchanan had publicly pledged that, if elected, he would appoint Limbaugh White House communications director. And wouldn't that have been a columnist's dream? Given Limbaugh's penchant for making stuff up, it would have been a hilarious two weeks—if he lasted that long.

Alas, it was never to be. Limbaugh's TV producer, Roger Ailes, had been communications director for the 1988 Bush campaign. Evidently knowing his man, Ailes arranged for the Mighty Chipmunk to have dinner and watch a musical with the president and first lady on June 3, 1992.

Limbaugh got the red-carpet treatment. According to a contemporary account by reporter Paul Colford, "Despite Limbaugh's embarrassed protest, the president of the United States insisted on carrying his guest's overnight bag to the Lincoln bedroom."

"The wide-eyed guest" phoned his brother and his mother.

"You'll never guess where I am," he bragged. According to Colford's account, "Limbaugh remained awake into the wee hours so that he could study and savor every detail of the Lincoln bedroom."

That was all it took. The Mighty Chipmunk dropped Buchanan like a bad habit. He became a feverish Bush backer almost overnight. With Ailes producing, Limbaugh's nationally syndicated TV program went on the air in early September 1992. Night after night, the show constituted a veritable half-hour "infomercial" touting Bush's re-election and bashing Bill Clinton with every weapon at Limbaugh's disposal.

Limbaugh received personal briefings from Bush campaign political director Mary Matalin and bragged about it, too. Meanwhile, Ailes continued to function as a high-level, albeit unpaid, media adviser to Bush.

"If Bush had to account for the worth of the Limbaugh broadcasts," FAIR concluded, "his filings with the Federal Election Commission might have exceeded legal limits by millions of dollars."

Politics in the White House? Perish the thought.

McDougal's new story

There was a kind of pathetic irony to Jim McDougal's sentencing the other day. In five years of cavorting on the public stage, the big-talking promoter had finally succeeded in pulling the roof down over his own head.

There he was in front of the cameras again with his newest patron and protector, Kenneth Starr, grinning like somebody who'd cashed an Exacta ticket at Oaklawn rather than a convicted felon on his way to three years in the slammer.

First it was Bill Clinton who was supposed to rescue McDougal from the consequences of his own folly. But the then-governor of Arkansas quit returning McDougal's phone calls after his 1990 acquittal on bank fraud charges.

Politics can be an ugly game. Still, it's reasonable to suppose that if Clinton hadn't dumped his former business partner, he might now face impeachment.

In an apparent attempt at revenge, McDougal turned to Sheffield Nelson, who put him in touch with *The New York Times*. The result has been Whitewater, the longest running, most amorphous political "scandal" of this century, which has forged a seemingly unlikely alliance between vengeful Republicans eager to destroy the Clinton administration and high-dollar journalists increasingly anxious to salvage their reputations.

Having blundered his way into an indictment by Starr, McDougal threw himself once again on Clinton's mercy. His attorneys subpoenaed the president as a defense witness at McDougal's trial. Why, he and Bill would whip these Republican scalawags like yard dogs, McDougal boasted.

In his videotaped testimony, Clinton was remarkably magnanimous, declining Prosecutor Ray Jahn's many invitations to criticize McDougal's slipshod, dishonest management of the original Whitewater project. McDougal never guaranteed him a profit, Clinton said.

Had McDougal not testified in his own defense, most observers think, he and his fellow defendants stood a good chance of acquittal. Jittery, over-medicated and grandiose—or so ex-wife Susan insists—McDougal demanded his place in the spotlight, and his big mouth once again brought disaster down upon them all.

So now McDougal has a brand-new champion and a brand-new story. No matter what else goes wrong, it seems, poor McDougal always has a story.

Gene Lyons is a Little Rock author. His column appears every Wednesday.

The *Democrat*- not all letters rec Clarity, brevity a to the editor. Ser to Voices, *Arkan* Ark., 72203.

a daytime telephone num- letters or pseudonyms will es page, including columns opinions of the *Democrat*- ditorial column of the Edi- olumnists are their own.

Copied Lindsey Emanuel McCurry OAS

THE PRESIDENT HAS SEEN
4-21-97

Mack-Oxley-Bx THE PRESIDENT HAS SEEN 4-21-97

Oil in Ecuador: A Tale of Missed Opportunity

Development Lags as State Stalls Foreign Producers

By THOMAS T. VOGEL JR.
Staff Reporter of THE WALL STREET JOURNAL

QUITO, Ecuador

While the rest of Latin America is opening up to new foreign oil investment, Ecuador, one of the region's largest exporters, is stumbling in the other direction.

That's because Ecuador has become one of the most maddening places in the world for foreign oil companies to do business.

"There is a great sense of frustration for new investment" in oil and gas in Ecuador, says Jay Gallagher, editor of the Houston-based Petroconsultants International Oil Letter. "Policies change and contract terms change," he says. "Given the opportunities that exist in Peru, Bolivia, Venezuela, Colombia and forthcoming opportunities in Brazil, Ecuador will continue to lag behind" in Latin America.

It's an odd state of affairs for a country that gets more than a third of its export earnings from oil, and it has started to cost Ecuador dearly.

Mobil Oil Corp., for example, is reconsidering its investments in an Ecuadorean chain of 46 stations that sell gasoline and lubricants, because of serious problems with getting the government to honor its gasoline and oil supply contracts.

"We entered the market under certain conditions, and those conditions have changed, and because of that, we're re-evaluating our future there," said a spokesman for Mobil.

Oil production dropped nearly 11% from 1995 to 1996, partly because of stalled deals with foreign oil companies. Since 1993, Ecuador has tumbled down the list of Latin American crude-oil exporters from third place to fifth, says Petroleum Intelligence Weekly. New investment and major discoveries in Colombia and Argentina vaulted both countries past Ecuador.

Ecuador faces a burgeoning government budget deficit that is about 6.6% of gross domestic product. The country needs more oil revenue to keep the gap from widening.

The situation is unlikely to improve soon for foreign oil companies, even after the ouster of the government of Abdala "El Loco" Bucaram in February. Mr. Bucaram and his appointees have been accused by the new government of stealing some $88 million in government funds. Ecuador's new government, under interim President Fabian Alarcon, is investigating the charges.

From exile in Panama, Mr. Bucaram has said his administration is a victim of political persecution and that he was "the most honest president" to serve Ecuador in the past decade.

After the president's ouster, union members physically forced Bucaram appointees out of their offices at state-owned oil company **Petroecuador** and appointed one of their own as temporary president. "These union leaders are now extremely powerful again," says Fernando Santos, a former oil minister.

Union leaders, instrumental in the nationwide protests that led to the ouster of Mr. Bucaram, have tended to be hostile to foreign oil companies in the past.

The first announcement from union leaders at Petroecuador: They would oppose anyone running the company or the Ministry of Energy and Mines who favored the sale of any of Ecuador's state-owned oil operations to foreign oil companies.

Ecuador's newly appointed minister of energy and mines, Raul Baca, says the new government is determined "to regain the prestige we should have." He says the government will show "total respect for contractual agreements."

But a month into his term, Mr. Baca is sparring with foreign oil companies over oil supply contracts. The impasse threatens to reduce Ecuador's oil revenues further. A deadline for resolving a disagreement over how to price crude oil for export passed more than two weeks ago.

Shortly after being appointed, Mr. Baca demanded that companies that sell gasoline in Ecuador cut their prices because he said their profit margins were too high, even though these companies, including Mobil and Texaco Inc., have contracts that allow them to set their own prices. Mr. Baca says the oil companies weren't honoring a "gentleman's agreement" to keep margins at lower levels.

Last fall, a few weeks after then-Vice President Rosalia Arteaga told oil companies in Houston that Ecuador was a "paradise for foreign investors," the government demanded major changes in an exploration-and-development contract with Dallas-based Maxus Energy Corp., a unit of Argentina's **YPF SA**. Mr. Baca's predecessor as oil minister publicly threatened to send troops to secure the jungle region being developed by Maxus.

Attempts to lure more foreign oil-and-gas companies have had mixed results. Last year, a consortium including Australia's **Broken Hill Proprietary Co.** gave up after spending two years trying to get a pact with the government to explore and develop a natural-gas field in the Gulf of Guayaquil off the coast of Ecuador. But **Atlantic Richfield Co.** two weeks ago succeeded, after five years of trying, in winning approval for a pipeline to carry oil from the Amazon jungle in eastern Ecuador.

To be sure, foreign oil companies have had their own problems. Texaco is fighting a $1 billion class action suit by local inhabitants of the jungle region where it produced oil. The locals allege that the company broke international laws and polluted large sections of the region, which they claim caused health problems. Texaco says it broke no rules and denies the allegations. The Ecuadorean government, whose own Petroecuador was a partner in the Texaco venture, decided late last year to support the locals in the lawsuit.

So charged are attitudes toward foreign oil companies that Ecuador has been unable for four years to figure out how to build a badly needed additional oil pipeline to move oil from fields in the Amazon jungle to coastal refineries. The current pipeline, known as the Trans-Ecuadorean Oil Pipeline, is running at capacity, and oil output from the jungle has been rationed. A new pipeline could increase output as much as 40% to some 450,000 barrels a day, according to a report by the U.S. Embassy in Quito.

Last month, Ecuador's new government postponed the building of the new pipeline for the third time in as many years and announced new plans to expand the current pipeline instead.

"You may disagree with how a country is led, but if a country is consistent in its policies, it provides an environment in which foreign investment can be made," said an executive from one of the world's largest oil companies. "Ecuador doesn't have that."



Note: Boundries of oil areas are approximate
Source: Petroecuador

Top Oil Exporters

Based on first 10 months of 1996, in thousands of barrels per day

RANK	COUNTRY	EXPORTS
1	Saudi Arabia	6,520
2	Norway	2,825
3	Iran	2,700
4	Russia*	2,425
5	Venezuela	2,000
27	Ecuador	250

*Includes Russian exports to other former Soviet republics and elsewhere
Source: Petroleum Intelligence Weekly

WORLD BRIEFS

ALLIANZ MAY PAY WWII CLAIMS

Allianz Holding AG of Germany, Europe's largest insurer, said it would honor its insurance policies held by survivors of the Holocaust and their heirs if they can prove their claims, noting it had done so previously. A lawsuit filed this week in New York accuses seven big European insurers, including Allianz, of failing to pay billions of dollars to insured survivors after World War II and of allowing Nazis to get the proceeds illegally. Meanwhile, Allianz's Riunione Adriatica di Sicurta of Italy said it had received 30 such life insurance claims in the past five years and, despite the loss of policy archives, satisfied nine by giving short-term policies for free. It didn't specify face amounts.

BANDAI, SEGA MAY DEFER MERGER

Bandai Co., a toy maker, said its planned Oct. 1 merger with video-game maker Sega Enterprises Ltd. could be delayed if the two Japanese companies fail [illegible]ian, including Bandai and [illegible]ccord on the [illegible] valued at 129 [illegible] May for their [illegible]nation, to be [illegible] would have [illegible]on yen.

Copied McLarty COS

[illegible]LM UNIT

[illegible] PLC of Brit[illegible]er, program [illegible]ompany, said Distributors [illegible] unit of Rank Group PLC for £65 million ($107.4 million). Rank Film is Britain's biggest independent distributor with a library of 745 films, which Carlton said would increase its catalog to almost 1,000 movies that it might use to start a movie channel on TV. Carlton owns a third of a group bidding for a digital TV license.

POLISH BANK'S PROFIT JUMPS

Bank Handlowy SA, Poland's largest commercial bank, said its net income in 1996 soared 26% to a record 530.4 million zlotys ($172.8 million), marking the third consecutive year of increased earnings. The bank, which is to be privatized this summer, attributed the results to its diversifying of revenue sources that offset lower profit margins on loans. But analysts said the results trailed other Polish banks' performances and questioned whether Handlowy can sustain its earnings.

BRAZIL CELLULAR SALE TO PROCEED

Brazil's Supreme Court rejected a last-ditch bid by nationalists to block the auction of cellular phone concessions to private and foreign investors. The co[illegible] decision paves the way for the governm[illegible] to proceed with Monday's auction. [illegible] government is seeking a minimum of [illegible] billion for 10 regional cellular phone [illegible]cessions. In their suit, two nation[illegible] parties said the sell-off shouldn't pro[illegible] until the Brazilian Congress had pass[illegible] law regulating telecommunications.

POSTSCRIPTS...

The Russian government, its budg[illegible] fantasy because of huge unpaid taxes. [illegible]lected 59% of the tax revenue it expecte[illegible] the first quarter, the Segodnya newspa[illegible] said. . . Ecuador said it would sell 35[illegible] the state-owned telephone company [illegible] presa Estatal de Telecomunicaciones [illegible] September and expected the price to to[illegible] billion; bidders that qualified for the E[illegible] tel privatization, initially planned for A[illegible] 29, include units of MCI Communicati[illegible] Corp. and GTE Corp., both of the U.S., [illegible] telecommunications companies in Ita[illegible] South Korea and Spain.

—*Compiled by Richard L. Hol[illegible]*

India Blocks New Carrier Planned by Singapore Air[illegible]

By a WALL STREET JOURNAL *Staff Repor[illegible]*

NEW DELHI — The Indian gove[illegible]ment has decided to bar foreign airlin[illegible] from holding equity stakes in domes[illegible] carriers, sending a negative signal [illegible] foreign investors in the country.

The cabinet decision effective[illegible] blocks one of the largest proposed forei[illegible] investments in India: a $750 million a[illegible] line joint venture between Singapo[illegible] Airlines, that country's national carri[illegible] and India's Tata Group.

The decision, confirmed by Civil Av[illegible] tion Minister C.M. Ibrahim, appeared [illegible] be one of several issues rushed throu[illegible] Tuesday night by Prime Minister H[illegible] Deve Gowda's government, which is [illegible] danger of collapse because the Congre[illegible] Party has withdrawn its parliamenta[illegible] support. The decision could be ov[illegible] turned if a new government is formed.

The Singapore Airlines-Tata ventu[illegible] is viewed as a foreign-investment be[illegible] wether. The proposed airline had be[illegible] delayed for two years by the gover[illegible]ment following India's decision to op[illegible] its skies to private carriers.

In January, the government said fo[illegible] eign investors could hold stakes of up [illegible] 40% in domestic airlines, but it deferred [illegible] decision on whether to allow forei[illegible] airlines to invest. Many saw the policy [illegible] an attempt to shield state-owned Indi[illegible] Airlines from competition.

Tata said it hadn't received form[illegible] notice of the decision. "If it's true, we c[illegible] only say that we are extremely disa[illegible] pointed," a spokesman said in Bombay

Copied McGinty COS

We did. Up t…
…through security and ov…
first or second gate on the right when you go through security at Little Rock Airport.

Q: All right, sir. Tell the jury about that

…senting so… …m the case." I'm not sure if I made a reference to any particular client of Mr. La…iter. He mentioned that a

potential pa…

Q: All right, sir. A… Don Denton at that time?

Fake - What about Nick Ro

EPA's Obstruction of Pollution Control

THE PRESIDENT HAS SEEN 4-21-97

By Mike Enzi

The worst thing in the world for the environment is poverty—just look at the environmental predicaments of virtually every Third World country. If we want to continue our environmental progress, we need to keep our economy growing. This requires creativity: We must create incentives for business to become proactive in environmental management, and find ways for overworked regulatory agencies to do their jobs without ever-larger budgets. The "environmental audit" laws passed by 20 states—with 20 more soon to vote on such legislation—make for a great beginning. The federal government should get out of the way and let them work.

Under the current system, EPA inspectors make periodic investigations of industrial sites. If they discover regulatory violations, the penalty often includes huge fines and costly litigation, which often postpones compliance. It is a staff-intensive, adversarial and oppressive system. States that have enacted environmental audit legislation, however, take a different approach. They encourage industries to perform their own thorough environmental self-examinations by granting them certain privileges and immunities from fines and prosecution if they discover themselves to be out of environmental compliance.

In order for a company to secure such privileges, it must report its infractions, correct them and establish a plan to ensure that they will not recur. The states' audit programs do not grant exemptions from federal environmental regulations. Nor are they lowering state compliance standards below those of the EPA. Such audit programs simply harness the profit motive to help protect the environment. At the same time, they relieve hopelessly overworked inspectors and shift much of the costs of enforcement where it belongs: to the polluters themselves. So, what's not to like?

Plenty, according to the EPA and some environmental activist groups. They claim that environmental audits give industry a free ride to pollute. This is simply not true: These state programs do not interfere in any way with the EPA's enforcement. Rather, they are a supplemental mechanism. Anything the EPA discovers first remains subject to its stringent cleanup requirements, fines and penalties. Environmental audits simply encourage companies to search their operations voluntarily for environmental problems that the EPA and other regulators haven't yet found. If a company finds itself in violation of environmental regulations, it first documents its probe, then composes a cleanup plan and notifies its state's office of environmental quality. If the cleanup plan meets with the state's approval, the company conducts the cleanup. If any of these steps are ignored, EPA fines again become the answer.

It is particularly galling to hear the EPA proclaim these state environmental audit laws ineffective. Given the federal government's behavior, how could they possibly be a brilliant success? Determined to extinguish these state laws, the EPA and the Department of Justice have stated their intention to proceed with investigations of companies that use environmental self-audits—rendering these state laws moot. The feds have also threatened the states with the loss of what little control they have in the administration of the Clean Air and Clean Water acts, costing them millions of dollars, if they don't stop their environmental audits. This is blackmail—of the states and of the regulated companies. And it is effective blackmail indeed, for until these audit laws are allowed to function as intended, business will never use them to their full promise.

Instead of obstructing environmental audits, the EPA ought to study the Clinton administration's own uses of similar incentives. Both the Equal Credit Opportunity Act, signed by Mr. Clinton during the last Congress, and the Federal Aviation Administration offer privilege and self-audit incentives to their respective industries. It is too early to judge the effectiveness of the ECOA, but by all accounts the FAA's self-audit incentives are used extensively by airlines to correct safety problems that might otherwise go unseen. In the face of this la… precedent, the EPA's claim that environmental audits "threaten public health and safety" falls flat.

I sponsored Wyoming's audit legislation, which passed the state Legislature with a two-thirds majority and was enacted in 1995. Across the country, such bipartisan support is standard for environmental audits. Meanwhile, Washington's current environmental enforcement system has been acknowledged—not least by the current administration—as inefficient, costly and counterproductive. Surely there is a better way of ensuring that industry cleans up its act. The states are taking an innovative approach. When will the EPA?

Mr. Enzi is a Republican U.S. senator from Wyoming.

Notable & Quotable

From "60 Minutes" correspondent Mike Wallace's recent interview with Iranian President Hashemi Rafsanjani:

Mr. Wallace: Well, shall I leave you with this list—this list of people who have been either killed, assassinated or seriously injured by your people, your so-called terrorists.

Mr. Rafsanjani: Inside the United States, people who have been against the government, have they never been killed? What about those people in Waco who were all burned to death?

Mr. Wallace: What about those 241 American Marines who were killed in Beirut 13 years ago, apparently by Hezbollah? . . . a Western intelligence report says in the last year, Iran has sent 30 planeloads of weapons to Hezbollah. . . .

Mr. Rafsanjani: Humanitarian assistance is what those planes that you are talking about provide.

Mr. Wallace: Missiles? Humanitarian assistance? Rockets?

Mr. Rafsanjani: You think those missiles launched there are not available in Lebanon? These are all Russian weapons, stocked in Lebanon from the old days.

THE PRESIDENT HAS SEEN
4-21-97

March 21, 1997

RECOMMENDED TELEPHONE CALL

TO: Gil Gallegos, President of the Fraternal Order of Police (FOP).

DATE: By Friday, March 28.

RECOMMENDED BY: Rahm Emanuel
Bruce Reed

PURPOSE: To demonstrate the President's commitment to law enforcement and to touch base with Gil and thank the FOP for their continued support -- particularly for their recent support of your juvenile justice proposals.

BACKGROUND: The FOP State President's and Trustees met at their bi-annual conference in St. Louis on March 21-22. At this meeting the FOP discussed support the certification of Mexico, trigger locks, cop-killer bullet legislation and other criminal justice issues. You should know that Gil is disappointed that there has been no action by the White House to grant the Uniform Division of the Secret Service Collective Bargaining.

Andy Fois, Director of Legislative Affairs at the Department of Justice, and Joe Brann, Director of the COPS office, represented the Administration at this meeting.

This would be your first contact with the FOP in your second term. You last met with Gil and the Executive Board in September in the Roosevelt Room and in Columbus, Ohio for their endorsement.

Copied
Emanuel
Reed
COS

REMARKS: See attached talking points.

Todd,

I will send to Jim once you have seen.

4/21/97

C.

CONTACT PERSON: Gil Gallegos, FOP President
(Home) 505-344-9511
(FOP office) 505-344-3159
(Task Force Office) 505-344-7169

DATE OF SUBMISSION: March 26, 1997

JIM DORSKIND:

Please coordinate the reply.

Phone Call to Gilbert Gallegos, President of the Fraternal Order of Police
Talking Points
March 25, 1997

- I am sorry that I was unable to be with you in St. Louis for your conference, but unfortunately I was just returning from Helsinki.

- As you know, I am very proud of the relationship we have established over the last four years. I want to thank you for your strong support for me. It has meant a great deal to me. And I just want you to know that it has not been forgotten.

- Over the next four years, I want to continue the strong relationship that my Administration has had with your organization.

- I also want to personally thank you for your support of my Anti-Gang and Youth Violence Strategy. There is no reason why Congress can't move forward on this legislation this year. They should also pass my budget proposal, which will provide for a balanced budget while still insuring that we reach our 100,000 new police officer commitment and continue to expand our anti-drug efforts.

- We also need to ensure that public employees are given the rights and protections that they deserve. As I have said to you before, I strongly believe that the men and women of law enforcement should be afforded adequate and meaningful employment rights. And we will do what we can to help you on this issue.

- I greatly appreciate your strong support for my Administration's initiatives. I look forward to building upon our relationship and continuing to work together with you to reduce further crime in America.

THE PRESIDENT HAS SEEN
4-21-97

THE WHITE HOUSE
WASHINGTON

April 19, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: PHIL CAPLAN

SUBJECT: Recent Information Items

We are forwarding the following recent information items:

(A) **CEA memo on February trade deficit error.** Jeff Frankel explains that the revised figure ($10.4 billion, down from the original $11.6) was due to a miscommunication between Commerce, which compiles the statistics, and the Customs Bureau, which gathers the raw data. Due to suspicions that some crude oil shipments into the U.S. were not being reported, Customs had asked its field agents to check for omissions. Agents submitted old reports without separating them from the current data and Commerce entered all the reports as if they pertained to the February report released this week. The good news is that our overall trade balance turns out to have been slightly better.

(B) **Editorials on the AG's independent counsel decision.** Rahm forwards a cross-section of editorials on the AG's decision to not appoint an independent counsel.

(C) **Lynn Cutler note on Bonnie Campbell.** Lynn wanted to make sure you saw that Bonnie was named by Time as one of the 25 most influential people in America. Lynn also forwards a Des Moines Register editorial complimenting Bonnie on the honor.

(D) **Report from Attorney General regarding implementation of June 27 directive on Victims Rights.** The AG outlines Administration accomplishments in this area -- 1994 Crime Act, Megan's Law, Anti-Terrorism Act, increased collection of fines and penalties to assist victims -- and updates you on several initiatives. DOJ is working with Congress to develop a sound constitutional amendment, and is recommending a legislative package to enhance victims' rights. DOJ has also implemented administrative reforms within the agency and is working with other agencies to raise the federal system to a higher level. Finally, DOJ is reaching out to state and local officials to achieve uniform victims rights standards.

'97 APR 17 PM5:18

4-17-97

JIM DORSKIND:

Please coordinate the reply.

copied
Dorskind

THE WHITE HOUSE

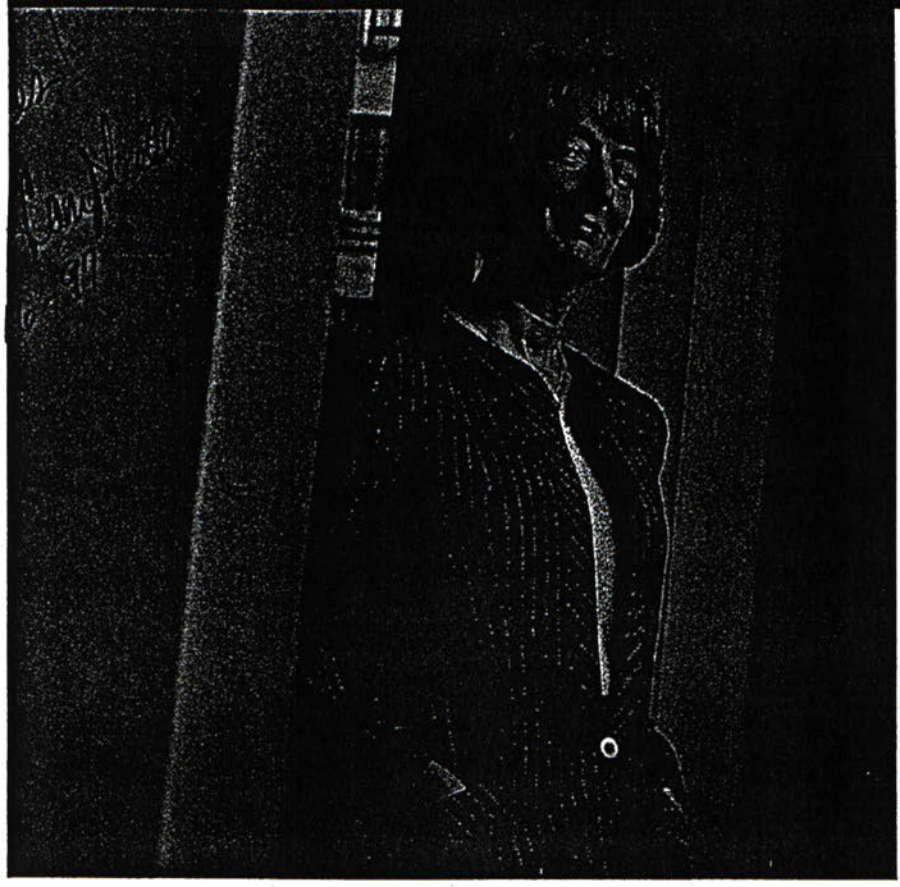
THE PRESIDENT HAS SEEN
4-21-97

To: President Clinton
From: Hyman Cutler
Re: Bonnie Campbell

I wanted to be sure you'd seen the article on Bonnie in Time - one of the most influential people in America!

I've also attached the Des Moines Register editorial.

I know you are as proud of our friend as I am - especially since you put her in a place where she could do so much good.



KATHERINE LAMBERT FOR TIME

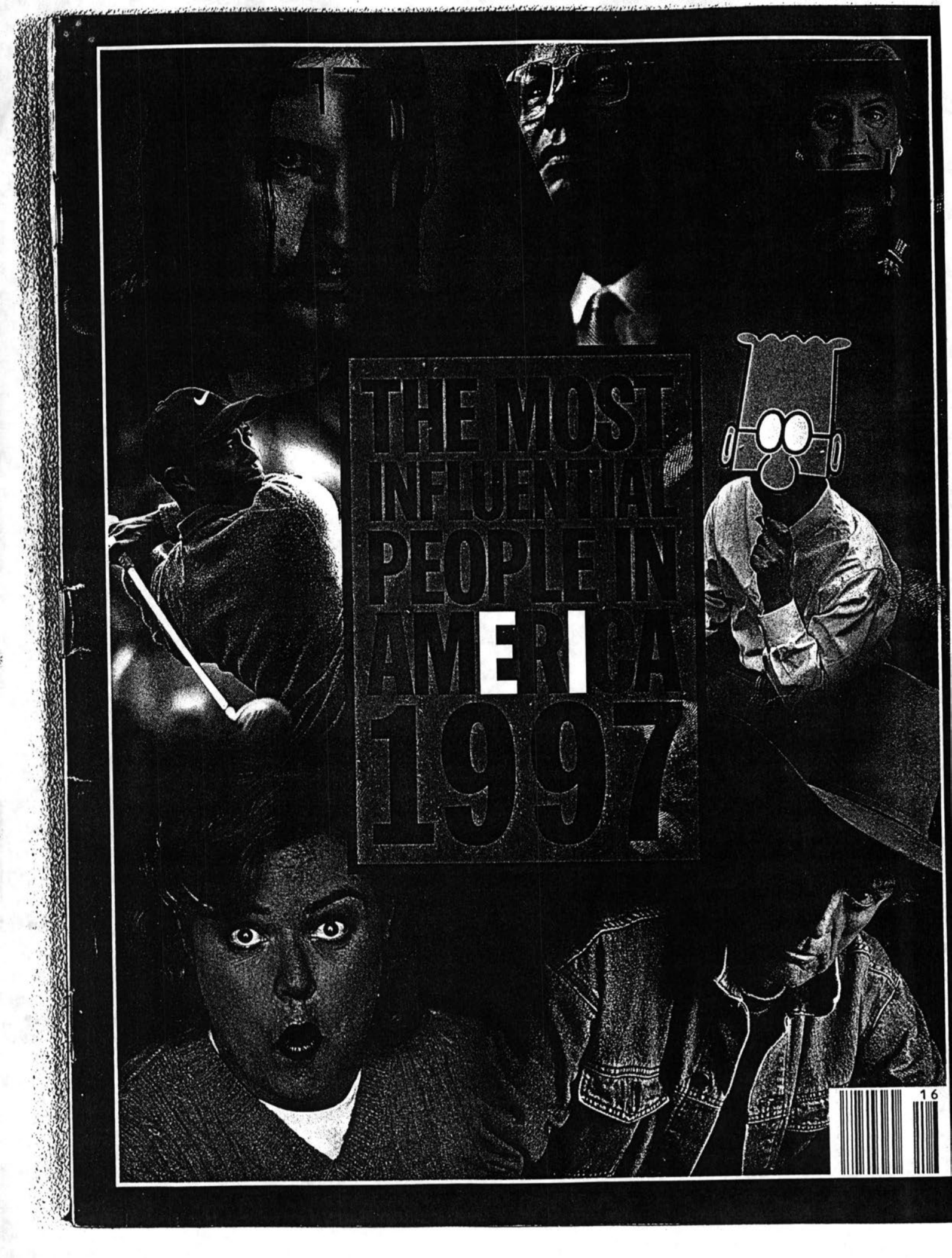
Bonnie Campbell

LAW ENFORCER

One victim at a time. One police officer at a time. One community at a time. Stumping in the manner of an itinerant preacher, Bonnie Campbell is the force behind a grass-roots shift in the way Americans view the victims—and perhaps more important, the perpetrators—of crimes against women. Director of the Violence Against Women office at the Justice Department, she is the first person ever to occupy her bully pulpit, handpicked by the President in 1994 to focus on one of his pet concerns. It is Campbell who applies gentle pressure on Clinton to keep telling the world how his stepfather hit his mother, and Campbell who, by traveling around the country and speaking to small-town sheriffs and big-city D.A.s, is making sure the words domestic violence remain part of the national conversation.

It is not so much what she says, though, as how she listens that makes Campbell so effective. With gracious self-assurance, she forms unlikely alliances between state troopers and rape victims, prosecutors and hot-line operators. Then she returns to Washington to work with the feds to help put teeth into new laws in the Violence Against Women Act, like the one prohibiting people who violate restraining orders from carrying firearms. As part of the 1994 Crime Act, she has some $1.6 billion to divvy up among the states over six years—money that puts beds in shelters and specially trained community police officers on the streets. And amazingly, Campbell then stops by, all the clout of the Attorney General's office behind her, to help recipients find ways to spend the money effectively. She preaches, then makes sure the conversion goes smoothly.

Campbell, 49, brings to her job the rock-solid credibility of having been both a prosecutor and, during her successful 1990 campaign for Iowa attorney general, the victim of a stalker—which led her to write one of the nation's first stalking laws. She has a darker personal motivation as well: in 1975 her half brother Steven Pierce was sent to prison for life for the brutal rape and murder of a teenage girl in upstate New York. Campbell is haunted by this crime. "I have some sense that I should try to make amends in some small way," she says. She is doing more than that, one step at a time. ■


THE MOST
INFLUENTIAL
PEOPLE IN
AMERICA
1997

Support for ag-business park

The Legislature can help Des Moines by approving enterprise zone.

Critics of a proposed agribusiness industrial park on the southeast side of Des Moines may have been surprised to learn that far from being unpopular with east-side residents, the proposal is actually supported by three-fourths of them — a higher percentage than in the city as a whole, according to The Register's Metro Poll.

Perhaps the east-side residents see it as an opportunity to finally clean up the area, which lies south of the Iowa State Fairgrounds and east of Southeast 14th Street. It has long been a collection of the city's castoffs and unwanted enterprises. Or, maybe the poll respondents see the ag industrial park as offering the potential for new jobs. Then again, maybe the true reason for the relatively strong showing of support for the proposed industrial park can be explained by the fact that only two of 10 polled said they were familiar with the details of the proposal. This could mean those who support the proposed industrial park are merely saying they support the idea in general, and will have to see the specific details before signing on for sure.

That is wise. And, that is the position that should be adopted by the critics, too.

Ever since Des Moines business and civic leaders revealed the concept of an industrial park for agri-related companies, the debate has focused almost exclusively on the packing plant. And the assumption is it would be a foul-smelling detraction. But a new meat-packing plant is far from a certain thing, and it is not essential for the success of the agribusiness park.

With or without a packing plant, Des Moines has a unique opportunity to create an industrial park that would attract the nation's premier agricultural businesses. At this point, no one can say for sure what shape such an agribusiness park would take, and everyone should wait to see what is proposed before choosing up sides.

Meanwhile, the Iowa Legislature could do its part to help the city of Des Moines move forward by enacting legislation this session that would allow the city to create an agribusiness enterprize zone in the city. That would allow the city to offer economic incentives, and to find out whether there is support among agribusiness for such a park.

Influential Bonnie Campbell

Is it that you have to leave home to be appreciated? Or that since leaving home Bonnie Campbell is reaching a broader audience on a topic so troubling, and with such tenacity, that people can't help take notice?

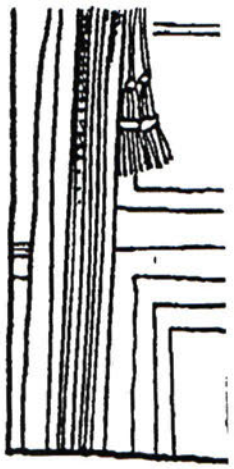


Running the new office of Violence Against Women at the U.S. Justice Department has earned Campbell a place on Time magazine's list of the 25 most influential people in America this year. She's there along with such likely choices as Secretary of State Madeleine Albright and such unlikely ones as radio shock jock Don Imus.

When President Clinton in 1995 announced the post was hers, Campbell said, "The one thing we know that works is to get a community response to" violence against women. She also pointed out that "The criminal-justice system treats these victims differently" than other victims. And "For too long domestic violence has been considered a purely private matter. From now on, it's a problem we all share."

That's vintage Bonnie Campbell, with the instinct for knowing what needs to be done and addressing it directly. And she understands the need to persuade rather than put down those who don't share her point of view.

Helping police and prosecutors respond better to sexual assault and domestic violence is a big part of Campbell's job. She brought to it four years' experience as Iowa's attorney general and a losing 1994 race for governor of Iowa. That defeat turned out to be a win for women and for Iowans, who can feel proud of Campbell's success.



'Refor

I, like most other seni
am deluged wi

Post-it® Fax Note 7671 | Date 4/16/97 | # of pages ▶ 1
To Bonnie Campbell | From John Craig Hall
Co./Dept. | Co.
Phone # | Phone # 712-684-3321
Fax # 1-202-307-3911 | Fax # 1-712-684-1909

destroy the level goals
people forward in gra
whether they have mastere
or not. Then we offer rem
ing, math, etc. Wouldn't it
sense to keep people tog
are striving to master the
at the same time? If exc
skill acquisition is our go
dents should be allowed t
as fast as they are capable.
All students benefit b

Publicn

THE PRESIDENT HAS SEEN
4-21-97

THE WHITE HOUSE
WASHINGTON

April 19, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: PHIL CAPLAN

SUBJECT: Recent Information Items

We are forwarding the following recent information items:

(A) **CEA memo on February trade deficit error.** Jeff Frankel explains that the revised figure ($10.4 billion, down from the original $11.6) was due to a miscommunication between Commerce, which compiles the statistics, and the Customs Bureau, which gathers the raw data. Due to suspicions that some crude oil shipments into the U.S. were not being reported, Customs had asked its field agents to check for omissions. Agents submitted old reports without separating them from the current data and Commerce entered all the reports as if they pertained to the February report released this week. The good news is that our overall trade balance turns out to have been slightly better.

(B) **Editorials on the AG's independent counsel decision.** Rahm forwards a cross-section of editorials on the AG's decision to not appoint an independent counsel.

(C) **Lynn Cutler note on Bonnie Campbell.** Lynn wanted to make sure you saw that Bonnie was named by Time as one of the 25 most influential people in America. Lynn also forwards a Des Moines Register editorial complimenting Bonnie on the honor.

(D) **Report from Attorney General regarding implementation of June 27 directive on Victims Rights.** The AG outlines Administration accomplishments in this area -- 1994 Crime Act, Megan's Law, Anti-Terrorism Act, increased collection of fines and penalties to assist victims -- and updates you on several initiatives. DOJ is working with Congress to develop a sound constitutional amendment, and is recommending a legislative package to enhance victims' rights. DOJ has also implemented administrative reforms within the agency and is working with other agencies to raise the federal system to a higher level. Finally, DOJ is reaching out to state and local officials to achieve uniform victims rights standards.

Office of the Attorney General
Washington, D. C. 20530

'97 APR 15 PM12:11

THE PRESIDENT HAS SEEN
4-21-97

April 15, 1997

The President
The White House
Washington, DC 20500

Dear Mr. President:

As we begin National Crime Victims' Rights Week, I want to underscore the major steps your Administration has taken in support of victims of crime and, in particular, to report to you on the steps the Department of Justice has taken to implement your memorandum of June 27, 1996, regarding the rights of victims of crime. I am pleased to tell you that the Department of Justice has made great progress on this initiative and is fully engaged in renewing our commitment to crime victims.

Mr. President, you and your Administration have made an historic commitment to the rights of victims. You called for a victims' rights amendment to the federal constitution to make victims full participants in our criminal justice system. You directed your Administration to make victims a priority and signed critical protections into law.

You led the fight for the *1994 Crime Act*, which significantly expanded victims' rights. The Crime Act gives victims of violent and sexual crimes the right to be heard in court at sentencing. It strengthens victim restitution provisions in federal law and provides for payment of sexually transmitted disease testing for sexual assault victims. The Act mandates notice to state and local law enforcement concerning the release of federal violent criminals and drug traffickers, and it promotes the establishment of state sex offender registration systems. It requires states to give "full faith and credit" to interstate protection orders and provides $1.6 billion for programs to combat violence against women.

Building on these landmark initiatives, you successfully fought for victim-related provisions in the *1996 Anti-Terrorism Act*, which made restitution mandatory in all federal violent crime cases, increased compensation and assistance services for victims of terrorism, and provided $1 billion in funding to strengthen anti-terrorism efforts.

Copied
Emanuel
COS

You have continued to lead our country in the fight against child abuse and sexual assault by signing *Megan's Law* and the *Pam Lychner Act*, which strengthen state sex offender registration systems and require states to notify communities about the location of registered sex offenders. You also supported legislation last year that made interstate stalking a federal crime.

In addition to fighting for these legislative initiatives, this Administration has ensured substantial financial support for victims' initiatives. For example, approximately 2,500 local victim service programs, as well as state compensation programs, receive funds from fines and penalties paid by federal criminal offenders--not taxpayers. Since fiscal year 1993, we have collected over $1 billion in fines and penalties (including a record $528 million in fiscal year 1996) from criminals for use to assist crime victims.

Your June 27 memorandum stressed the need for a federal constitutional amendment to secure certain rights for victims of crime, but also recognized the need for more immediate action to enhance the treatment of victims and ensure victims' participation in the criminal justice process. We have moved forward on a number of related fronts.

First, we have been working with the Congress and the criminal justice and victims communities to develop a sound constitutional amendment, and are recommending a legislative package to enhance victims' rights. Second, we have implemented administrative reforms within the Department of Justice and are working with other federal agencies so that, together, we may raise the federal system to a higher standard than ever before. Third, we are reaching out to state and local officials in an effort to achieve a uniform national baseline of protection for victims. This report discusses each of these undertakings in greater detail.

Mr. President, as you know, our criminal justice system too often fails to treat victims of crime with the dignity, fairness, and respect they deserve. As a result of your leadership, we have taken important steps toward promoting victims' rights by making the federal system better and more responsive to the needs of all victims and doing as much as we can to support the states in their commitment and delivery of services to crime victims.

Respectfully,

Janet Reno

Enclosure

ATTORNEY GENERAL'S REPORT TO THE PRESIDENT

THE CRIME VICTIMS' RIGHTS INITIATIVE

APRIL 1997

The Crime Victims' Rights Initiative

INTRODUCTION

This Administration has an extraordinary record of protecting and expanding rights for crime victims. The President called for a victims' rights amendment to the federal constitution to make victims full participants in our criminal justice system. The President also has enhanced the rights of crime victims by directing the Administration to make victims a priority and by signing critical protections into law.

For example, the *1994 Crime Act* significantly expanded victims' rights, by giving victims of violent and sexual crimes the right to be heard in court at sentencing, and strengthening restitution provisions; by providing for payment for sexually transmitted disease testing of sexual assault victims; by mandating notice to state and local law enforcement concerning the release of federal violent criminals and drug traffickers; by promoting the establishment of state sex offender registration systems; and by requiring states to give "full faith and credit" to interstate protection orders, among other things. The 1994 Crime Act also included $1.6 billion for programs to combat violence against women, and banned the manufacture, transfer, or possession of 19 kinds of assault weapons and certain high-capacity ammunition magazines to reduce victimization by these lethal weapons.

Building on these landmark initiatives, the Administration successfully fought for victim-related provisions in the *1996 Anti-Terrorism Act*, which made restitution mandatory in all federal violent crime cases, increased compensation and assistance services for victims of terrorism, and provided $1 billion in funding to strengthen anti-terrorism efforts. In the last year, the Administration supported *Megan's Law* and the *Pam Lychner Act*, to strengthen state sex offender registration systems and require states to notify communities about the location of registered sex offenders. In response to a related Presidential directive, the FBI has been working with the states to include their data in a national sex offender registry system. The Administration also supported legislation last year that made interstate stalking a federal crime.

Fulfilling the Administration's commitment to making our streets safer, the *Brady Act* has prevented approximately 6,600 felons, fugitives from justice, persons subject to certain domestic restraining orders, and other prohibited persons from buying handguns each month. Recent legislation supported by the Administration will advance this goal by prohibiting persons convicted of misdemeanor domestic violence offenses from purchasing or possessing firearms.

In addition to fighting for these legislative initiatives, the Administration has provided substantial financial support for victims initiatives. For example, approximately 2,500 local victim service programs, as well as state compensation programs, receive funds from fines and penalties paid by federal criminal offenders--not taxpayers. Since fiscal year 1993, over $1 billion in fines and penalties has been collected by the Department of Justice and our United States Attorneys from criminals and used by the Department's Office for Victims of Crime to assist crime victims, including a record $528 million in fiscal year 1996. In

connection with the Oklahoma City bombing, the Federal Emergency Management Agency has provided more than $36 million in funding, and the Small Business Administration has made more than 150 related loans totalling over $7 million. The Justice Department's Office for Victims of Crime has made available more than $600,000 to supplement Oklahoma's compensation programs, to assist victims in travelling to the Denver trial, and to ensure that victims receive appropriate assistance services during the trial.

The President's June 27 memorandum stressed the need for a federal constitutional amendment to secure certain rights for victims of crime, but also recognized the need for more immediate action to enhance the treatment of victims and ensure victims' participation in the criminal justice process. We have moved forward on a number of related fronts. First, we have been working with the Congress and the criminal justice and victims communities to develop a sound constitutional amendment, and are recommending a legislative package to enhance victims' rights. Second, we have implemented administrative reforms within the Department of Justice and are working with other federal agencies so that, together, we may raise the federal system to a higher standard than ever before. Third, we are reaching out to state and local officials in an effort to achieve a uniform national baseline of protection for victims. This report discusses each of these undertakings in greater detail.

LAW REFORM

Victims' Rights Constitutional Amendment

Over the last year, we have been working closely with White House Counsel and Congress to craft a victims' rights constitutional amendment. Our objective has been to guarantee certain fundamental rights for victims of crime while avoiding adverse effects on law enforcement. We hope to reach a consensus in this session of Congress.

Federal Statutory Reform

We have reviewed existing federal law to determine what improvements should be made to provide further protections and assistance for victims in the federal criminal justice process. The legislative proposal includes authorization for a national automated victim information and notification system, key additions to the federal victims' bill of rights, stronger restitution provisions, and the reform the President endorsed to provide employment protections to victims who wish to attend proceedings in their case without fear of reprisals at work.

ADMINISTRATIVE REFORM

Department of Justice Victims' Rights Initiative

In July of 1996, every component of the Department with responsibility for criminal investigation, prosecution, custody or detention of defendants or offenders participated in a system-wide review. This review demonstrated a need for renewed awareness and fuller, more consistent execution of our obligations to victims of crime.

In response, we initiated a series of actions to renew the Department's commitment to victims, make comprehensive and consistent our practices with respect to victims, and raise the level of our implementation of victims' rights and the provision of services to crime victims. These actions include:

1. Revising the *Attorney General's Guidelines for Victim and Witness Assistance* (*AG Guidelines*) to assure achievement of a higher standard of compliance with our victims' rights responsibilities, clarify all victims' rights and services the Department will provide, and define responsibilities for implementation. We have assigned an Assistant United States Attorney to the Office for Victims of Crime, whose principal responsibility is to complete the annual "best efforts" report and to work closely with each component to ensure that the highest possible level of victims services is achieved.

2. Convening a Department of Justice victims' rights working group on which every relevant component will be represented by a senior official. This group will supervise components' implementation efforts, establish relevant policies, review and approve the revised *AG Guidelines*, and review and approve victims' rights training curricula.

3. Developing and providing appropriate victims' rights and services training curricula to all personnel with victims' rights responsibilities. We developed a training video for all employees, describing the scope of victims' rights under federal law and the *AG Guidelines*, as well as employees' responsibilities for implementing these rights.

4. Holding the first National Symposium on Victims of Federal Crime in February 1997 for all federal agencies and other training meetings. We distributed victims' rights training kits to over 800 federal victim-witness coordinators from among the 70 federal agencies with responsibility to crime victims at the Symposium. Numerous other conferences have taken place to train personnel on their responsibilities to victims, including the Sixth Indian Nations Conference, entitled "Strengthening Indian Nations: Justice for Victims of Crime" (January 1997), and the National Symposium on Child Sexual Abuse (March 1997), to which the Department sent multidisciplinary teams, including Assistant United States Attorneys and federal law enforcement officials.

5. Developing and implementing a comprehensive automated victim information and notification system. This system, called for in the President's June 27 directive, will be available for use by the investigative components, prosecutorial components, and, to the extent feasible, the Bureau of Prisons. A Department of Justice Working Group has convened and is developing a comprehensive victim information and notification system to address the needs of victims throughout the criminal justice system from investigation to prosecution to incarceration. Our agencies are coordinating efforts relating to compatible computer systems and funding sources to implement a system that will inform and protect crime victims.

6. Developing and making available to all components appropriate informational materials for routine distribution to victims. In conjunction with its training efforts, the Office for Victims of Crime is working with each component to develop or revise victim-witness brochures, including the FBI and Bureau of Prisons victim-witness brochures, the Victim-Witness Handbook used by United States Attorneys, various specialized brochures for victims of white-collar crime, sexual assault, and domestic violence, and resource packages for child victims.

7. Including compliance with victims' rights responsibilities in the review and evaluation criteria of all field offices with victims' rights and services responsibilities.

8. Including compliance with victims' rights responsibilities in the workplans and performance appraisals of all personnel with victims' rights responsibilities.

Federal law enforcement's implementation of victims' rights must be viewed as a continuum, beginning with the investigative agencies and working through the prosecutorial and litigating components to the prison system. Consequently, our recent efforts on victims' rights have focused on enhancing the provision of victim assistance by law enforcement and prosecutors.

The FBI has embarked on a new plan to include in its protocols procedures to ensure that crime victims are afforded their rights at the earliest possible stage in the criminal justice process--the investigation. By making aggressive implementation of victims' rights a top priority, the FBI will see that victims receive the services to which they are entitled, regardless of whether the case ever reaches the prosecutorial stage. Moreover, by providing services to victims at their first point of contact with the system, the FBI will encourage continued participation by victims throughout the criminal justice process. Such participation, in turn, will improve the Department's overall investigative and prosecutorial abilities. Ensuring victims' rights is critical to strong, effective law enforcement.

The FBI's comprehensive plan contains five basic elements: providing leadership for victims' rights implementation at the highest levels of the FBI; ensuring adequate staffing and support for the victim assistance program; providing appropriate training for FBI management, agents, and victim-witness staff; working closely with prosecutors, the Office for Victims of Crime, and state and local victim assistance programs, among others, to

develop necessary programs and policies; establishing mechanisms to ensure accountability; and implementing an automated case-tracking system. We are already observing tangible results from the FBI's efforts.

The INS has begun a similar process to reform and enhance the services it provides to victims in the many capacities in which it serves: investigatory, prosecutorial, and administrative. INS has designated a victim-witness program coordinator at its Headquarters, and the Office for Victims of Crime is funding a full-time position at INS to assist with training and technical assistance.

During the last year, the United States Attorneys have continued their longstanding commitment to victims of crime. For example, United States Attorneys' offices have worked hard to enhance services for underserved victims of crime, including Native American violent crime and domestic violence victims. Federal prosecutors also administer a newly created Emergency Witness Assistance Program, which assists victims and witnesses who fear retaliation if they testify. In addition, federal prosecutors now will be evaluated on--and in some measure, their advancement will depend on--their success in meeting their obligations to victims.

Working in coordination with investigative agencies and correctional facilities, victim-witness coordinators in United States Attorneys' offices have been instrumental in our efforts to ensure a seamless approach to justice for victims from investigation to prosecution and incarceration. For example, teams of coordinators from United States Attorney's offices and investigative agencies have been trained, and national protocols have been developed, to respond to victims in crisis situations.

Enthusiasm for and progress toward implementing our victims' rights initiative already are visible. For example, in October 1996, more than 300 United States Attorneys, victim-witness coordinators, and law-enforcement coordinators attended a three-day Justice Department training conference. It was the first time that a joint training exercise of this type focused largely on our victims' rights and services obligations.

Full and effective implementation of these reforms depends on the commitment of personnel in all components and functions and at all levels throughout the Department. Accordingly, we have directed all Department component heads to provide leadership in this endeavor and to take all steps necessary to fulfill our responsibilities to victims. In addition, we have written to all Department employees to inform them about our victims' rights initiative and to underscore that the cooperation of all personnel in each component is essential to its success.

Coordination with other Federal Agencies

Pursuant to the June 27 directive, we are coordinating with other federal agencies to ensure the establishment of a common baseline of participation for victims. The Department will assist other federal agencies in developing and implementing plans to achieve full compliance with their victims' rights obligations. For example, we plan to work with all federal investigative agencies to help them develop enhanced victim-assistance strategies. We are asking all United States Attorneys to coordinate the delivery of victim assistance in their districts with other federal agencies and with state and local law enforcement representatives. United States Attorneys' offices will help to ensure the development of close working relationships in the field.

As another example, we intend to work closely with federal judges in an effort to maximize victim participation in the federal criminal justice system. We have advised the federal judges of our renewed commitment to full implementation of federal victims' rights, and the Department has provided them with materials to use in judicial trainings. In addition, we convened a working group of judges in February 1997, to identify current promising practices in the judiciary on victims' issues, and are working to develop an action plan for enhancing the judiciary's response to victims and understanding of victims' issues.

We also are working closely with the Departments of Health and Human Services, Education, Transportation, State, and Defense to develop materials and policies, including training, that will benefit crime victims for whom those agencies have responsibilities in this country and abroad. Finally, the Department is improving its collection of data and information on victim needs and services within the federal system through enhanced work on the annual victims services report. An Assistant United States Attorney has been assigned to work full-time on this project with the Office for Victims of Crimes.

OUTREACH TO STATE AND LOCAL OFFICIALS

Every state has some type of victims' rights law on the books -- state constitutional amendment, statutory rights, or both. We conducted an extensive review of these laws and related state implementation efforts. This review revealed wide disparities in the extent and nature of rights provided and states' progress in meeting their obligations to victims under their own laws.

Pursuant to the directive, this review also included a set of recommendations for helping state and local officials achieve a uniform national baseline of protection for victims. These recommendations include:

1. Convening a conference or set of meetings with representatives of state officials, judges, victims' groups, and others to identify the needs of crime victims, best practices, and resources necessary to achieve a national baseline of victims' rights.

2. Conducting research to identify best practices and disseminating the findings.

3. Providing training and technical assistance to state and local law enforcement and other agencies.

4. Supporting the development of comprehensive service centers for victims.

5. Increasing services to underserved areas, such as rural communities and housing projects, and underserved populations, such as victims of gang violence.

6. Enhancing data collection on victims' needs and services.

7. Urging the adoption of appropriate legal reforms at the state level.

To implement these recommendations, we are identifying "promising practices" in serving victims (for law enforcement, prosecution, corrections, probation and parole), victim assistance in rural areas, professional education, and workplace violence, as well as on such issues as stalking, hate and bias crimes, and gang violence. We have convened meetings to address victims' rights and services in law enforcement, corrections, prosecution, and the judiciary, and in such areas as hate and bias crimes and gang violence, including gang violence in Indian Country. We will continue to develop and disseminate information on "promising practices" through conferences and published materials.

We also provide training and technical assistance to state and local entities, and have developed grant programs specifically designed to increase services to victims in underserved areas. For example, we have encouraged states to use their Federal Victims of Crime Act (VOCA) victim assistance funds to serve underserved victims, and have revised our Victim Assistance Guidelines to ensure that states are free to define underserved victims in terms of demographic characteristics, including rural or inner-city location, or minority status. Through discretionary grant programs, we also are encouraging the development and enhancement of comprehensive service centers for victims.

The Department is evaluating the effectiveness of state VOCA programs, and has amended the VOCA guidelines to permit states to use a portion of their VOCA administrative funds for evaluation of program effectiveness. We also have funded the production of a legislative source book that compiles all victim-related legislation in each state. This unique resource will allow states to assess and compare the legislative protections they provide for crime victims.

Our criminal justice system has too often failed to treat victims of crime with the dignity, fairness, and respect they deserve. As a result of Presidential leadership, we have taken important steps to promote victims' rights, provide necessary services, adequately and appropriately include victims' interests in the criminal justice process, and advance victims' quest for justice and healing. We have also tried to make victims' rights a reality by improving the federal system, making it more responsive to the needs of all victims, and doing as much as we can to support the states in their commitment and delivery of services to crime victims.

4-21-97

Todd,

I will send to Jim once you have seen.

JIM DORSKIND:

Please coordinate the reply.

cc: Executive Clerk

Copied
Bowles
Emanuel
Nash

EB | Rahm | WJ5H
mcDaniel - BC

THE PRESIDENT HAS SEEN
4-21-97

NATIONAL ENDOWMENT FOR THE HUMANITIES

WASHINGTON, D.C. 20506

THE CHAIRMAN

William J. Clinton
President of the United States
White House

April 18, 1997

Dear President Clinton:

My term as Chairman of the National Endowment for the Humanities expires on August 4, 1997. Lucy and I have decided that we will return to Philadelphia and reestablish our lives there. Serving the federal government during your presidency has been satisfying beyond anything I have experienced in my professional life. I will always remain grateful to you for giving me the opportunity to serve my country.

These last four years have not been exactly what I anticipated when I came to Washington to lead an agency that I still regard as critically important to the wholesome cultural life of our nation. If we do not claim and share and examine our cultural heritage, we will never be able to realize our highest ideals as a people. Without a vital NEH, those tasks will never be adequately done.

I appreciate your support for me and the National Endowment for the Humanities during my term as Chairman. There are still struggles ahead, but I will leave a strong and determined agency. Though we have been dramatically curtailed in the size of our staff and in the amount of program funds available, we are still providing crucial support for educational programs, preservation, scholarship, and public programs in the humanities that would not be available without the NEH.

I wish you every success as you face the great challenges of our time.

With great respect,

Sheldon Hackney

THE PRESIDENT HAS SEEN
4-21-97

THE WHITE HOUSE
WASHINGTON

April 19, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: PHIL CAPLAN

SUBJECT: Recent Information Items

We are forwarding the following recent information items:

(A) **CEA memo on February trade deficit error.** Jeff Frankel explains that the revised figure ($10.4 billion, down from the original $11.6) was due to a miscommunication between Commerce, which compiles the statistics, and the Customs Bureau, which gathers the raw data. Due to suspicions that some crude oil shipments into the U.S. were not being reported, Customs had asked its field agents to check for omissions. Agents submitted old reports without separating them from the current data and Commerce entered all the reports as if they pertained to the February report released this week. The good news is that our overall trade balance turns out to have been slightly better.

(B) **Editorials on the AG's independent counsel decision.** Rahm forwards a cross-section of editorials on the AG's decision to not appoint an independent counsel.

(C) **Lynn Cutler note on Bonnie Campbell.** Lynn wanted to make sure you saw that Bonnie was named by Time as one of the 25 most influential people in America. Lynn also forwards a Des Moines Register editorial complimenting Bonnie on the honor.

(D) **Report from Attorney General regarding implementation of June 27 directive on Victims Rights.** The AG outlines Administration accomplishments in this area -- 1994 Crime Act, Megan's Law, Anti-Terrorism Act, increased collection of fines and penalties to assist victims -- and updates you on several initiatives. DOJ is working with Congress to develop a sound constitutional amendment, and is recommending a legislative package to enhance victims' rights. DOJ has also implemented administrative reforms within the agency and is working with other agencies to raise the federal system to a higher level. Finally, DOJ is reaching out to state and local officials to achieve uniform victims rights standards.

THE PRESIDENT HAS SEEN
4-21-97

THE WHITE HOUSE

WASHINGTON

'97 APR 18 AM11:56

April 17, 1997

MEMORANDUM TO THE PRESIDENT

FROM RAHM EMANUEL

SUBJECT EDITORIALS

Attached is a cross section of editorials on the Attorney General's decision not to appoint an independent counsel, I thought you would find it interesting.

Copied
Emanuel
COS

====== HOW'S IT PLAYIN' ======

INDEPENDENT COUNSEL: LEANING AGAINST RENO'S DECISION

Akron BEACON JOURNAL: "Does the public have reason to be confident that an attorney general appointed by the administration under scrutiny will pursue the case as aggressively as required?" (4/16).

Albany (NY) TIMES UNION: "It is no secret that Ms. Reno had earned Mr. Clinton's disfavor with her readiness to appoint special prosecutors during his first term. It seemed apparent that she would remain on the Clinton team only if she promised to change her ways" (4/16).

ANNISTON (AL) STAR: "Janet Reno isn't going to subvert her duty to the law to help fling the presidency into the political stewpot that is cannibalizing national leadership right now. What makes her stand so credible is that she has never failed to appoint prosecutors when truly justified" (4/17).

ARKANSAS DEM-GAZETTE: "At last somebody in Washington has said No to still another call for still more independent counsel. They're already as numerous as gnats on the Potomac, and a good deal more expensive" (4/16).

AUGUSTA CHRONICLE: "Reno's untenable position ... goes well beyond rank hypocrisy. It demonstrates she has neither the intelligence nor courage to carry out the duties of her office, something many of us suspected from the start" (4/16).

BALTO. SUN: "By insisting that prosecutors in the Justice Department are quite capable of handling what has become a very large probe, the attorney general is virtually committed to come up with evidence damaging to her own administration" (4/16).

BERGEN (NJ) RECORD: "We hope that as more details emerge and pressure builds, Ms. Reno will use her oft-cited discretion to change her decision and call for the appointment of a special prosecutor" (4/16).

BOSTON GLOBE: "Reno has not only protected her employers and angered Republicans. Inadvertently, she has also demonstrated why the independent counsel law is a wise complement to the US system of checks and balances. Republicans and the exceptional Democrats who have called for an independent counsel are acting in the best interests of the country" (4/15).

BOSTON HERALD: "How much confidence can you have in an umpire who calls a pitch a strike when it bounces in front of the plate" (4/16).

CHARLESTON POST & COURIER: "If she is in charge of the fund-raising probe, every phase of the investigation and every prosecutorial decision will face her with a potential conflict of interest between pursuing the facts wherever they may lead and protecting the interests of the president" (4/16).

CHICAGO TRIBUNE: "Hard as it is for Republicans to swallow, Reno's is the right decision at this point. And they would be well-advised to swallow it and get on with the real business of government" (4/16).

Cleveland PLAIN DEALER: "Once again, Attorney General Janet Reno has erred in refusing a request for an independent counsel. ... She has fueled congressional and media investigations sniffing for a fire" (4/16).

CORPUS CHRISTI CALLER TIMES: "Reno's decision may satisfy the man who appointed her to office, but it will not satisfy those who pay her salary" (4/16).

DALLAS MORNING NEWS: "Attorney General Janet Reno poured

kerosene on a young fire Monday. ... Her decision makes it look as if she is protecting her boss by interpreting the law in the narrowest possible way" (4/16).

DETROIT FREE PRESS: "The country would have been better served by a broad ... reading of the law and by the appointment of a truly independent special counsel" (4/16).

DETROIT NEWS: "Ms. Reno seems to think she can't ask for an outside investigator unless she catches perps in the process of breaking the law" (4/16).

FOSTER'S (NH) DAILY DEMOCRAT: "The political stench at the White House has become so strong that the appearance of propriety has been further compromised by her refusal" (4/16).

GARY (IN) POST-TRIBUNE: "An overly strict reading of the special prosecutor law has given Reno cover for denying the request, but she made the wrong call" (4/16).

Greensboro NEWS & RECORD: "Can the Justice Department ... be trusted to conduct an objective criminal investigation of the president himself?" (4/16).

L.A. TIMES: "The administration would be better off having a special counsel, who could bring independence and credibility to the investigating arena" (4/15).

Manchester UNION LEADER: "Huh? Did we miss something, or did Al Gore not go on national TV and confess to a crime? ... Reno's action is hardly surprising. She long since has allowed the Justice Department to be turned into a Clinton cover-up operation" (4/16).

MIAMI HERALD: "The FBI's credibility to investigate here is questionable. An independent counsel with a directive to examine both parties' campaign donations might grab fewer headlines than the GOP-controlled congressional hearings on the subject. It might take longer to get results -- impartial results, it's hoped -- but the outcome just could propel a revolted public into forcing campaign-finance reform on the campaigners" (4/16).

MILWAUKEE JOURNAL SENTINEL: "It is improper to prejudge the evidence. But at this stage, Reno's failure to seek an independent counsel lends troubling credence to assertions that she is only doing what the White House desires" (4/15).

NATIONAL REVIEW: "Janet Reno can no longer be trusted to fulfill her responsibilities as attorney general. She should step down. If she fails to do so, Congress should impeach her" (5/5 issue).

N.Y. POST: "The idea that the Clintons gave every appearance of doling out influence over policy to foreign campaign contributors is frightening enough. That these actions -- once discovered -- should escape serious and independent legal investigation is far more ominous" (4/16).

N.Y. TIMES: "The fund-raising disclosures have blown up into the biggest political scandal in the United States since Watergate. ... This is no time for the Attorney General to evade her responsibilities and try to divert the public with legalisms and semantic technicalities" (4/16).

ORANGE COUNTY (CA) REGISTER: "If the president and his inner circle have done no wrong, they deserve an exoneration from a source that is as independent as possible. By offering something less, Ms. Reno may have guaranteed that, whatever the eventual conclusion to the fundraising controversy, a corrosive cynicism will linger" (4/15).

Peoria JOURNAL STAR: "Independent counsels are supposed to be hired when someone close to, or in, the Oval Office is suspected of breaking the law. It may be sleazy, but it is not

illegal, to allow big contributors to sleep in the Lincoln Bedroom, to set up fund-raising coffees, even to use Al Gore to raise cash from his office, assuming the cash has gone into the proper pot. Sleaze is less reason to call out the lawyers than it is to toughen the law" (4/16).

PHILA. INQUIRER: "Her failure to hand these cases off to an independent counsel is a disservice to the American people" (4/16).

ST. LOUIS POST-DISPATCH: "Reno was right to decline -- for the fifth time -- requests by congressional Republicans to appoint an independent counsel. ... Reno promises to appoint an independent counsel if credible evidence of a crime surfaces. But information recently disclosed by the Democratic Party memos under subpoena by Congress -- showing still more close contacts between the administration and its contributors -- reveals nothing more than seedy politics. That description also fits GOP complaints against the attorney general" (4/16).

TULSA WORLD: "Despite the furor, many of the acts that, given the proper spin, appear to be so scandalous are in fact not violations or not serious enough to warrant appointment of an independent counsel. ... Reno may not be able to persevere in the fact of intense partisan political pressure, but she's right" (4/16).

San Diego UNION-TRIBUNE: "It simply is too much to expect the attorney general's underlings at the Justice Department to sort out the tangle of accusations involving the president, the vice president and others. Sooner or later, Janet Reno is going to have to face up to that fact" (4/16).

Spartanburg HERALD-JOURNAL: "Her position is, at best, unrealistic. ... The administration should stop denying the obvious and allow an independent prosecutor to be appointed" (4/16).

USA TODAY: "The attorney general is probably right that there's no evidence of illegality. And that's shameful" (4/16).

W. POST: "The tests for taking the extraordinary step of removing the case from the regular chain of command and naming an independent counsel have not been met" (4/16).

W. TIMES: "The threshold for invoking the independent counsel statute is whether a credible source has provided specific information indicating that a covered person -- such as the vice president -- may have violated a relevant federal law. In the single instance of the Buddhist temple shakedown, that threshold has been surpassed in spades" (4/15).

THE PRESIDENT HAS SEEN
4-21-97

THE WHITE HOUSE

WASHINGTON

April 19, 1997

'97 APR 20 AM11:14

MEMORANDUM FOR THE PRESIDENT

FROM: **GENE SPERLING**

cc: **ERSKINE BOWLES**

RE: **Weekly Report**

Budget Meetings. As you know, John, Frank and I have been engaged in budget meetings on the Hill as well as with Erskine and the rest of the economic team to work on our strategy. We will also be having a series of meetings with both Senate and House Democratic Budget Committee members to get them more involved in the process.

HOPE Act. We are increasing our efforts to defend the HOPE Scholarship. While this program remains popular with the public, it still faces the double-barreled problem of interest groups on the left mistakenly believing that the tax cuts will be transferred from discretionary spending and conservatives who criticize it because it is simply your legislation. Nonetheless, we are taking more action to get support:

- Nearly 300 college presidents have now endorsed HOPE.
- Bob Shireman, on our staff, has made progress with student groups by encouraging them to focus their efforts on principles rather than details. Yesterday, the student groups announced that they are joining with Rock-the-Vote in an effort to get students to sign a petition on the Internet for (1) increased Pell Grants, (2) a tax cut aimed at higher education access, and (3) lower-cost student loans -- a message consistent with your budget proposal. The effort will be featured on MTV this weekend, and rock radio stations will be running PSAs.
- Secretary Rubin and Secretary Riley are both attempting to place op-eds to respond to some of the criticisms. We are also seeking out business support, and op-eds from other sources.
- The Vice President held a roundtable discussion last weekend at the University of Illinois, which reportedly went well.

Income Contingent Loans and the Internet. We met with Education Department officials to ask for a plan to improve information dissemination about income-contingent repayment in the direct loan program (which is available to everyone through consolidation). The goal is for borrowers (especially those who are in repayment) to be able to go on to the Internet and find out what their payments would be. Ideally, they would then be able to apply on-line as well. Because of problems with the current contractor, it will take some time for a plan to be implemented.

School Construction. The League of Cities has now endorsed your school construction legislation, and there are signs of interest from Mayor Giuliani's office. This may help to get Republican support: in the House, there are 80 cosponsors, but no Republicans. A few are interested, but they don't want to be alone, so they are working on a block of moderates. Rep. Obey now supports the concept (he had strongly opposed), but wants more money for rural districts. Education staff and Bob Shireman will meet with his staff to describe how your bill addresses those needs. The American Institute of Architects is beginning to lead a coalition of non-education groups in support of the bill.

Hispanic Education. Working with Maria Echeveste, we are continuing to step up our efforts on Hispanic education -- and are following-up on the specific discussions you had with the Congressional Hispanic Caucus on Wednesday.

- We are working on a follow-up meeting with the Caucus hopefully for next week.
- At the NEC's request, language has been added to the America Reads legislation to ensure that States consider the needs of limited-English proficient (LEP) children.
- We are meeting with staff from Congressman Xavier Becerra, and representatives from the Hispanic Association of Colleges and Universities (HACU), the League of United Latin American Citizens (LULAC), the National HEP-CAMP Association, and the National Association of Farmworker Opportunities Programs.
- To explore the question of adding an LEP factor in the formula for distribution Adult Education Act funds, Bob Shireman and Anna Gomez held a conference call with these organizations and Cong. Becerra's office.

Hispanic Income and Poverty. Peter Orszag, on our staff, met with a Rand researcher who is an expert on the impact of immigration on Hispanic income levels. We will continue to explore trends in Hispanic income and poverty.

America Reads. We have now secured April 26 to announce your America Reads legislation. We also are working hard with the Department of Education to keep up the pressure for college presidents to commit more work-study students. Judith Rodin, President of the University of Pennsylvania, called me to say that she has signed up every Ivy League University.

NetDay. As part of your NetDay radio address, we released state by state figures on the E-rate discount -- which, with FCC approval, would provide up to $2.25 billion in discounts for schools and libraries per year. As you know, we also released new technology grants to seven states and three territories totaling $11.8 million as well as a directive to federal agencies on "educational content" on the Internet.

Fast Track/China MFN. Erskine held a meeting on China MFN and Fast Track this past week. We have agreed that we will meet on a more regular basis to discuss these issues. Charlene Barshefsky and others are going to use the next week or two to get more information to make a definitive recommendation on timing and the inter-relationship between both of these initiatives.

Comp. Time. The Senate is likely to consider the Ashcroft bill this week. The Senate Democratic Caucus has not yet settled on a legislative strategy, but we expect to be party to discussions to amend the Ashcroft bill and to make it more acceptable. We have a prepared a side by side document to spur discussion with the agencies and White House staff on areas of possible compromise. We expect to settle on recommendations sometime early this week.

Skill Grants. We are getting to you a memo stating your principles for Thursday's mark-up. Staff Secretary wants to give White House staff a chance to comment so you will get the memo by Monday afternoon.

Electricity Restructuring. This week, we held an NEC Principals meeting on electricity restructuring, which is being run through an on-going NEC process. Deputy Secretary Curtis presented a briefing on the subject.

Apparel Agreement. The apparel agreement prompted two rounds of generally positive press coverage -- before and after the event held at the White House. Both the *New York Times* and *Washington Post* ran positive op-eds on the agreement and Mary McGrory and Bob Herbert wrote constructive pieces as well. We will forward you a comprehensive packet of press clips shortly.

Pension Legislation. We are looking at the possibility of sending up to the Hill shortly pension legislation comprised largely of items that we proposed last year but were not passed. These items include audit reform as well as amendments to the SIMPLE requiring one percent employer contribution.

D.C. Pensions. We are completing work on a new draft which we will most likely bring to the Hill informally next week.

Patent Reform. For two years, the Administration has been trying to streamline the Patent & Trademark Office and reform the U.S. patent system. Last year, we were stymied by Rep. Dana Rohrbacher, who not only blocked the Administration-supported Moorhead-Schroeder reform bill but tried (unsuccessfully) to undo changes to the patent system that Congress approved as part of the 1995 GATT implementing legislation.

This year, Rep. Coble is sponsoring the successor to Moorhead-Schroeder. Although the Coble bill, H.R. 400, has strong support from high-tech industry because of the substantive patent reforms, OMB was on the verge of sending up a SAP opposing it because of (legitimate) disagreements over the way the bill treats the organizational structure of PTO. We worked closely with the industry coalition to help broker a successful meeting between coalition leaders and OMB officials. Following the meeting, the coalition persuaded Coble to accept a key Administration provision, and the Administration sent up a SAP supporting the bill.

On Friday, the House defeated Rohrbacher's bill 178-to-227. Consideration of H.R. 400 will continue on Wednesday.

Securities Litigation Reform. The NEC held an inter-agency meeting this past Monday to discuss the development of a recommendation on pre-emption of state law. On Tuesday, we received SEC's report on the impact of 1995 Security Litigation Reform Act, which recommend no further action at this time. We will be meeting again this Monday to discuss the findings of the SEC and several other reports.

NEXTEA. This week, Sen. Moynihan introduced his "ISTEA Reauthorization Act of 1997" -- which is very similar to the Administration's NEXTEA bill -- with 32 co-sponsors, including Sen. Chaffee. Despite that impressive showing, there is considerable chaos in the Senate on ISTEA: the traditional coalition of Northeastern and Western members has split, with Baucus (and Daschle) sponsoring a rural-oriented bill similar to the STEP 21 proposal supported by Southern governors. Because of this chaos, there is an opportunity for the White House to play a bigger role in bringing the Senate together on surface transportation reauthorization that it has historically.

In the House, following a meeting with the "big four" GOP and Democratic committee leaders on Transportation & Infrastructure, Rep. Shuster previewed that panel's proposal. According to Shuster, it would maintain the ISTEA framework, but add money and flexibility. However, most of the flexibility would be perverse, in our view, allowing states to shift environmental funds into highway construction.

The mayors are key to our success -- particularly Southern mayors, because of their potential to neutralize Southern governors. We are organizing a series of White House briefings to target them. Other briefings will target labor, minority contractors and environmental advocates.

Pension Event. I have attached a letter written by PBGC's CFO that was published in today's Wall Street Journal responding to the column by James Smalhout which you forwarded to me last week.

OUTREACH

Economic Strategy Institute. On Friday, I spoke at a conference hosted by the Economic Strategy Institute (Clyde Prestowitz) titled "America's Place in the Global Economy." Themes stressed: (1) Relative economic strength compared to five years ago and why this strength should put us in a position to see the overwhelming benefits of more open trade for United States, (2) why Fast Track is essential, (3) the difficulty of getting stronger support for open trade (4) that stronger economic conditions show the importance of education and transitional security that help build a political consensus for pro-change policies such as open trade.

Evans & Novak Forum. I spoke at the Annual Evans & Novak Forum on Friday, as well. Big surprise: Over half of the questions revolved around tax cuts, primarily capital gains.

Business Roundtable. Bob Rubin and I had breakfast with Don Fites of Caterpillar, Joe Gorman of TRW and Dana Mead of Tenneco. They stressed strong support for China MFN and a desire for a definite position to rally around Fast Track. They were supportive of our position to get an early balanced budget agreement. They agreed that everyone would need to compromise -- except on our major corporate subsidies -- which they believed should be rejected.

They were also very interested in whether there could be common ground on tort reform. We told them that there would be an NEC process with Bruce Lindsey to stake out our positions.

DAN TARULLO

Business Roundtable. Along with Secretary Rubin and Ambassador Barshefsky, I met with 18 CEO's of the BRT. There was strong support for 150 account funding and deep concern over fast track and MFN. They are beginning to mobilize on both fast track and China MFN, but are looking for a clear Administration position.

Ex/Im and OPIC Reauthorization. I had a useful meeting with representative Doug Bereuter (R-NE), one of the eight co-signatories of a letter to the Vice President urging the Administration to support reauthorization for ExIm and OPIC. Representative Bereuter described arguments that work in support of OPIC and the members on which we should focus. However, since he does not chair an appropriations committee, Representative Bereuter is reluctant to lead the defense of "corporate welfare" attack on OPIC. Overall, he shared several good ideas and will ultimately be very helpful.

Economic Strategy Institute. I gave a speech on "United States Priorities in Asia" before the ESI's 1997 annual international trade conference, *A Bridge to the Global Economy.*

International Management and Development Institute (IMDI) speech. I spoke on international economic issues before IMDI's conference on second term priorities.

THE WALL STREET JOURNAL FRIDAY, APRIL 18, 1997

Letters to the Editor

Pension Protection Is Getting Stronger

James H. Smalhout's April 4 editorial-page commentary "The Pension-Guarantee Time Bomb" misses the point entirely. In attacking the Pension Benefit Guaranty Corp., he states that the fact that PBGC was created by Congress in 1974 to protect the retirement incomes of American workers in private, defined benefit pension plans "is almost beside the point." The more than 42 million workers whose pensions are insured by PBGC and their families would disagree, especially the 440,000 workers and retirees who depend directly on PBGC to pay their pensions. That *is* the point.

In the past four years we have seen significant progress in achieving a secure defined benefit pension system and a strong pension insurance program. Today, most of the 50,000 pension plans insured by PBGC are well funded. In 1994, the Clinton administration and Congress recognized the need for improved pension funding and enacted the Retirement Protection Act. The law tightened pension funding requirements, providing the appropriate incentives for improving plan funding over the next 10 to 15 years. It strengthened the insurance program. And, for the first time in PBGC's history, the pension insurance program shows a surplus. While pension underfunding persists in some plans, we now have the tools to address it.

N. ANTHONY CALHOUN
Deputy Executive Director
Chief Financial Officer
Pension Benefit Guaranty Corp.
Washington

THE PRESIDENT HAS SEEN
4-21-97

THE WHITE HOUSE

WASHINGTON

'97 APR 19 PM12:35

April 19, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: **ELI ATTIE, SPECIAL ASSISTANT TO THE PRESIDENT FOR COMMUNICATIONS**

CC: **DON BAER, ANN LEWIS**

SUBJECT: **DRAFT OP-ED ON SERVICE FOR THE PHILADELPHIA INQUIRER**

Attached for your review is a draft op-ed that is scheduled to run in the Philadelphia Inquirer on Sunday, April 27th, the first day of the Presidents' Summit for America's Future (they have also promised some kind of teaser on the newspaper's front page that day). Its purpose is to provide some context for the Summit itself, and to focus on your notion of service as a responsibility of citizenship. It is also intended to build-up AmeriCorps and its role in engaging young people in service.

This draft has been reviewed closely by Don Baer, Ann Lewis, Bruce Reed, Steve Silverman and staff of the Summit itself.

Please let us know your thoughts. The Inquirer has requested that we submit the final text by this Wednesday, April 23rd.

Copied
Attie
Baer
Lewis
COS

draft 4/ 19 11am

PRESIDENT WILLIAM J. CLINTON
"CREATING A NEW SPIRIT OF SERVICE AND CITIZENSHIP"
OP-ED FOR THE PHILADELPHIA INQUIRER
For Publication: Sunday, April 27, 1997

Two hundred and ten years ago, at the Constitutional Convention in Philadelphia, Benjamin Franklin noticed a design on the back of the chair from which General Washington had presided -- a sun hanging low on the horizon. Throughout the difficult months of the Convention, Franklin could not decide whether it was a rising or a setting sun. But as the Convention came to a close, and as the delegates signed America's Constitution, Franklin concluded that the sun was most definitely rising.

Once again, at the dawn of the 21st Century, America finds itself looking toward the future with hope and possibility. And once again, here in Philadelphia, we have chance to reaffirm the basic bargain that has kept us strong since the framers' day: opportunity for all, responsibility from all, and a united American community, where everyone has a role to play. Citizen service is a critical way to fulfill those ideals. To me, it is the very essence of citizenship itself, for it enables all of us -- parents, religious and civic groups, business and labor, teachers and schools -- to solve our problems together, as one community.

This weekend at Independence Hall, we have a tremendous opportunity to rekindle that sense of citizenship, all across America. Former President George Bush and I will convene the Presidents' Summit For America's Future -- to focus the nation on the importance of citizen service, and in particular the steps we must take to strengthen the lives of America's children. We will be joined by every living former President or his representative. In the months and years

to follow, our goal is to mobilize millions of Americans to help our children through service: giving them mentors and positive role models, ensuring that they have a safe and healthy start, giving them the tools to succeed through education, and engaging them in community service as well.

I am especially pleased that the entire effort is being chaired by General Colin Powell, who knows how to mobilize Americans when our national interests are at stake. Together with the Summit's Vice Chairs, former HUD Secretary Henry Cisneros and Lynda Robb, General Powell has already led an impressive effort to recruit businesses and non-profit groups, religious and civic leaders, and citizens from all 50 states and from 140 cities and towns for this weekend's gathering. My hope is that we will leave Philadelphia with a new sense of duty as Americans, and a new determination to carry the ethic of service into our daily lives.

Citizen service comes in many forms. Some volunteer on weekends, and some devote full years of their lives to service. Private organizations play a strong role -- such as the Philadelphia Inquirer, which is donating a dime from every street sale of this issue to the massive clean-up of Germantown Avenue which the First Lady, Vice President and Mrs. Gore and I will join this morning along with hundreds of volunteers. We must honor and encourage all forms of service and voluntarism, and we must applaud the many private and non-profit organizations that have already stepped forward with commitments to serve, helping to fulfill President Bush's vision of a Thousand Points of Light.

THE PRESIDENT HAS SEEN
4-21-97

It is especially important that we engage America's young people in service -- so that they take leading roles in shaping their own futures, and gain the sense of citizenship that will build a better country for decades to come. That is why I am so proud of AmeriCorps, the national service program I launched four years ago, now run by Pennsylvania's former Senator, Harris Wofford. Since its creation, AmeriCorps has enabled 50,000 young people to earn money for college while serving their communities.

The success of AmeriCorps shows that service can help meet our most pressing public needs, from renewing our cities to protecting our environment, from immunizing children to helping them learn to read. Even more important, AmeriCorps reaffirms that basic bargain: creating more opportunity by helping young people pay for college, expecting more responsibility through citizen service, and building a stronger community for us all. Our evidence shows that their service leads to more service: a typical AmeriCorps member trains or recruits a dozen or more volunteers. My hope is that they will leave a much longer legacy, continuing to serve and inspiring others to serve throughout their lives, and beginning a process which will lead to service becoming an important part of every young American's life.

In preparation for the Summit, I have taken a number of actions ~~in recent weeks~~ to encourage more young people to serve. I designated the week of April 13-19 as National Service Week, with over one million young people participating in 3,000 projects across our nation, and thousands of AmeriCorps alumni and returned Peace Corps volunteers participating as well -- reaching out to youth in their communities and teaching a new generation about the power of service. I challenged every state to make service a part of the curriculum in high school and

middle school -- giving students credit for service, putting service on their transcripts, or even requiring it, as Maryland has done under the leadership of Lieutenant Governor Kathleen Kennedy Townsend. I launched a new National Service Scholars program, inviting high schools to select students who have performed outstanding service, making them eligible for $1,000 college scholarships.

These efforts are just the beginning of what we will see at this weekend's Summit, and what we can achieve through AmeriCorps, President Bush's Thousand Points of Light Foundation, and the campaign that General Powell will lead to follow-up on the Summit, "America's Promise -- The Alliance For Youth." Together, we must foster a spirit of service that lasts a lifetime, not merely a week or a weekend. As I have said so many times, the era of big government may be over, but the era of big national challenges is not. Service is a way to meet today's challenges through our oldest and most cherished values.

This weekend, the city that gave birth to our democracy can play a major role in renewing our democracy. For I believe that today's peace and prosperity are much like the sun that was painted on General Washington's chair -- a sign of our nation's enormous promise here at the edge of another new century. But it is up to us to turn that promise into reality. For the sake of our children -- for the sake of our own future -- let the sun rise over Independence Hall this weekend, and let this be the dawn of a new age of service and citizenship for America.

THE PRESIDENT HAS SEEN
4-21-97

'97 APR 18 PM4:59

THE WHITE HOUSE

WASHINGTON

April 17, 1997

MEMORANDUM TO THE PRESIDENT

FROM: STEPHANIE STREETT

SUBJECT: SCHEDULING DECISIONS

CC: JOHN PODESTA & SYLVIA MATHEWS

Copied Streett COS

Description of Event:

Earth Day Event Along the Anacostia River
Staff Contact: Katie McGinty

Photo-Op with White House News Photographer's Association Annual Photography Contest First Place Winners
Staff Contact: Mike McCurry

The first place winners will present their winning photographs to you.

4/23/97

Present the Harry Yount Ranger of the Year Award
Staff Contact: Katie McGinty

This is the highest honor a ranger can receive. This year's recipient is James M. Brady, superintendent of Glacier Bay National and Preserve in Alaska.

4/24/97 Good

Brief Meeting and Photo-Op with Bipartisan Senate and House Co-Sponsors of Employment Non-Discrimination Act
Staff Contact: Maria Echaveste, Doug Sosnik, Craig Smith, Bruce Reed

April/May TBD

Ambassador Credentials Ceremony
Staff Contact: Samuel Berger

THE PRESIDENT HAS SEEN
4-21-97

5/16/97	Meeting with Survivors of the Tuskegee Syphilis Experiments and Their Family Members *Staff Contact: Kitty Higgins, Maria Echaveste*

OPTION

Date of Event:	Description of Event:
4/30/97	Drop-by Annual White House Briefing of the Bipartisan California State Legislature, Indian Treaty Room *Staff Contact: Craig Smith, Karen Skelton, Lynn Cutler* **This request has been forwarded to the Vice President's office for consideration.**
5/19/97	Drop-by Briefing for the Young Presidents and World Presidents Organizations, OEOB 450 *Staff Contact: Maria Echaveste* **This request has been forwarded to the Vice President's office for consideration.**

PENDING

Date of Event:	Description of Event:
4/22/97	Video for Dee Dee Myers' Departure from CNBC *Staff Contact: Mike McCurry* **CNBC is putting together a special farewell tribute to air on Dee Dee's last night of Equal Time on April 24. The proposal is for you to tape a tribute video following the tapings for the Summit for America's Future on Tuesday.**
4/23/97	Drop-by the Vice President's Meeting with the Dalai Lama *Staff Contact: Samuel Berger*
4/30/97	Meeting with Chinese Vice Premier Qian Qichen *Staff Contact: Samuel Berger*

THE PRESIDENT HAS SEEN 4-21-97

May TBD

White House Event with the Attorney General and the Secretary of Labor to Discuss Workplace Violence
Staff Contact: Kitty Higgins

This event would highlight the growing concern of workplace violence and to underscore the reality that workplace violence mainly affects women. OSHA's guidelines on workplace violence at night retail establishments would be unveiled.

5/14/97

White House Reception for Federal Judges
Staff Contact: Charles Ruff

The Federal Judges Association meets once every four years. On the occasion of their last meeting in 1993, you held a reception for members and their spouses. This would be an opportunity to highlight the importance of the judiciary and the need for the Senate to move quickly to confirm your nominees.

5/15/97

F.O.P. National Peace Officers Memorial Service, West Front of the Capitol
Staff Contact: Rahm Emanuel, Bruce Reed

This annual event will honor the 115 police officers killed in the line of duty last year. It is an opportunity to highlight your ongoing commitment to law enforcement.

TBD

Attend the Dedication of the Virginia Kelley Center at the Community Counseling Foundation's Behavior Health Campus, Hot Springs, AR

Community Counseling Services is a community mental health organization serving children and adults with emotional and mental health problems in West Central Arkansas. The Virginia Kelley Center is a twenty unit apartment complex for persons with long term mental illness. ***We would like to regret for you and consider an appropriate surrogate.***

TBD

Second Meeting with Tracey Brown

Tracey Brown has requested a second meeting with you to finish your conversation. ***Is this something you would like us to set up or can it be done in a phone call?***

THE PRESIDENT HAS SEEN
4-21-97

REGRET

Date of Event:	Description of Event:
4/18/97	Brief Meeting and Photo with Representatives of the American Friends of Lubavitch *Staff Contact: Sylvia Mathews*
4/23/97 - 4/24/97	Meeting with the Board of Directors and Active Members from the League of Conservation Voters (LCV) *Staff Contact: Katie McGinty* **This request has been forwarded to the Vice President's office for consideration.**
4/23/97 - 4/27/97	Meeting and Photo with Representatives From the 6th Biennial Symposium on Minorities, the Medically Underserved and Cancer *Staff Contact: Sylvia Mathews* **This request has been forwarded to the other principals for consideration.**
4/29/97	Meeting with the Council members from the President's Council on Sustainable Development (PCSD) *Staff Contact: Katie McGinty* **This is the day after the Summit for America's Future. You currently have the day and evening off. This request has been forwarded to the Vice President's office for consideration.**
4/29/97 - 4/30/97	Drop-by Samuel Berger's Meeting with French Foreign Minister de Charette *Staff Contact: Samuel Berger*
4/30/97	Drop-by Meeting with Members of the Denver Chamber of Commerce and the Colorado Forum *Staff Contact: Dan Tarullo, Victoria Radd* **This request has been forwarded to the other principals for consideration.**

THE PRESIDENT HAS SEEN

4-21-97

5/22/97

Address the Order Sons of Italy in America Annual Education and Leadership Dinner
Staff Contact: Maria Echaveste

This is the evening of Chelsea's ballet recital.

April 1997

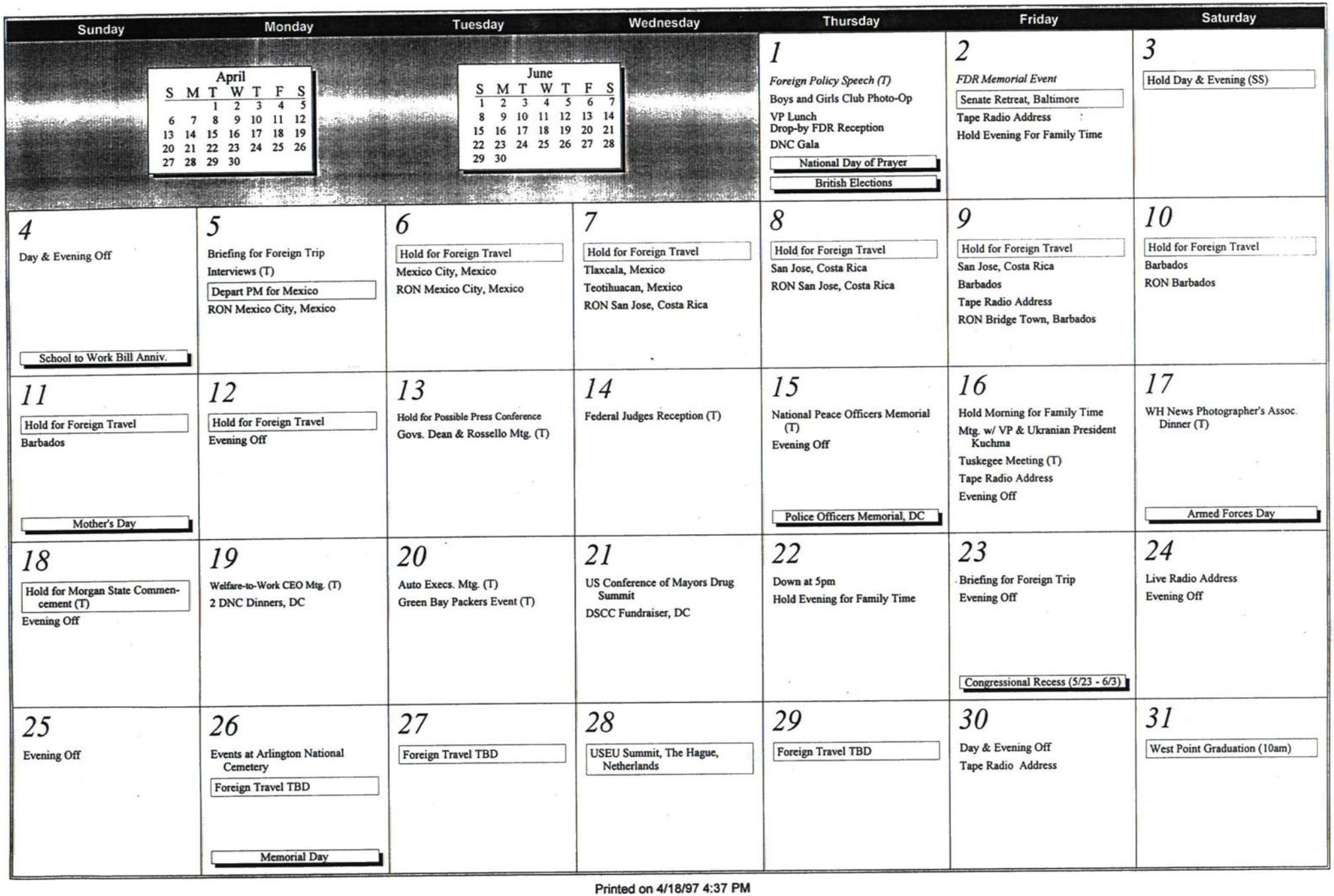
* *Presidential Calendar*

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
March S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31		*1* Meeting w/ King Hussein FCC Liquor Letter Annc. Interview w/ Tracey Brown Hold 1 hour (T) Evening Off April Fool's Day	*2* California School Announcement VP Lunch DBC Fundraiser, DC	*3* Chicago Bulls Event Lunch w/ Portuguese PM Guterres (1 hour) Brown Memorial Evening Off	*4* Chemical Weapons Convention Event Drop-by w/ Women's Economic Leadership Summit Budget Meeting WH Fellows Event Evening Off	*5* Live Radio Address (National Service) Evening Off
6 Day & Evening Off Daylight Savings Time Begins	*7* Mtg. w/ Israeli PM Netanyahu Announcement Videos Drop-by EB/Powell Mtg. Evening Off	*8* Chretien Official Visit	*9* *Shanker Service* Brf. Mtg. w/ Leah Rabin Speech Prep Congressional Mtg. (CWC) Evening Off	*10* Distinguished Rank Award Winners Photo Op VP Lunch Speech Prep Congressional Mtg. *Welfare Cabinet Meeting* Radio and Television Correspondent's Dinner	*11* Speech Prep *ASNE Speech* Hold 1 Hour (MM) Tape Radio Address (Early Childhood) Evening Off	*12* Day & Evening Off Spring Garden Tours
13 Day & Evening Off Spring Garden Tours	*14* *Apparel Industry Event* Videos Hold 1 Hour Evening Off	*15* *"Kick Butts" Event, NY* DCCC Fundraising Lunch, NYC Interviews 3 Hours Down Time Baseball Game Honoring Jackie Robinson, New York City Empowerment Zone Conference, Detroit, MI.	*16* Down until 12:00pm Congressional Phone Calls Congressional Hispanic Caucus Meeting *Foreign Policy Retreat (6-9:30pm)*	*17* *WH Conference on Early Childhood Development* Evening Off	*18* *National Teacher of the Year Event* VP Lunch Evening Off	*19* *Live Radio Address (Net Day)* Day & Evening Off NetDay '97 Anniversary of Waco Oklahoma City Anniversary
20 Day Off Kennedy Center Reception (3:30pm) Speech to UAW Leg-Pol Conference Dinner	*21* Day & Evening Off Passover (begins at sundown)	*22* QDR Mtg. *Earth Day Event* WH News Photographer's Assn. Photo-Op National Service Video (1 hour) Evening Off Earth Day	*23* Congressional Mtg. (T) *RIF Event (T)* Ranger of the Year Award VP Lunch Mil/PPD Departure Photos (T) Hold 1 hour (T) Evening Off	*24* Congressional Mtg. (T) ENDA Meeting Jennings Interview (T) USA Today/Philadelphia Inquirer Int. (T) Evening Off Anti-Terrorism Bill Anniv. Take Daughters To Work Day	*25* *Official Working Visit w/ Japanese PM Hashimoto* Speech Prep Evening Off	*26* *Live Radio Address* Interview w/ Bob Schieffer (T) WH Correspondent's Association Dinner
27 *Hold for President's Summit for America's Future* RON Philadelphia, PA Summit for America's Future, Philadelphia	*28* *Hold for President's Summit for America's Future*	*29* Hold 1 hour (T) Day & Evening Off	*30* Lunch w/ Spanish PM Aznar (1 hour/lunch) National Commanders Photos Speech Prep Library of Congress Gala Dinner	May S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31		

Printed on 4/18/97 4:36 PM

May 1997

* *Presidential Calendar*



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
April S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30		June S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30		*1* *Foreign Policy Speech (T)* Boys and Girls Club Photo-Op VP Lunch Drop-by FDR Reception DNC Gala National Day of Prayer British Elections	*2* *FDR Memorial Event* Senate Retreat, Baltimore Tape Radio Address Hold Evening For Family Time	*3* Hold Day & Evening (SS)
4 Day & Evening Off School to Work Bill Anniv.	*5* Briefing for Foreign Trip Interviews (T) Depart PM for Mexico RON Mexico City, Mexico	*6* Hold for Foreign Travel Mexico City, Mexico RON Mexico City, Mexico	*7* Hold for Foreign Travel Tlaxcala, Mexico Teotihuacan, Mexico RON San Jose, Costa Rica	*8* Hold for Foreign Travel San Jose, Costa Rica RON San Jose, Costa Rica	*9* Hold for Foreign Travel San Jose, Costa Rica Barbados Tape Radio Address RON Bridge Town, Barbados	*10* Hold for Foreign Travel Barbados RON Barbados
11 Hold for Foreign Travel Barbados Mother's Day	*12* Hold for Foreign Travel Evening Off	*13* Hold for Possible Press Conference Govs. Dean & Rossello Mtg. (T)	*14* Federal Judges Reception (T)	*15* National Peace Officers Memorial (T) Evening Off Police Officers Memorial, DC	*16* Hold Morning for Family Time Mtg. w/ VP & Ukranian President Kuchma Tuskegee Meeting (T) Tape Radio Address Evening Off	*17* WH News Photographer's Assoc. Dinner (T) Armed Forces Day
18 Hold for Morgan State Commencement (T) Evening Off	*19* Welfare-to-Work CEO Mtg. (T) 2 DNC Dinners, DC	*20* Auto Execs. Mtg. (T) Green Bay Packers Event (T)	*21* US Conference of Mayors Drug Summit DSCC Fundraiser, DC	*22* Down at 5pm Hold Evening for Family Time	*23* Briefing for Foreign Trip Evening Off Congressional Recess (5/23 - 6/3)	*24* Live Radio Address Evening Off
25 Evening Off	*26* Events at Arlington National Cemetery Foreign Travel TBD Memorial Day	*27* Foreign Travel TBD	*28* USEU Summit, The Hague, Netherlands	*29* Foreign Travel TBD	*30* Day & Evening Off Tape Radio Address	*31* West Point Graduation (10am)

Printed on 4/18/97 4:37 PM

June 1997

* *Presidential Calendar*

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 Day & Evening Off Hold For Family Time (7:30pm)	**2** Day & Evening Off Hold For Family Time	**3** Day & Evening Off Hold For Family Time	**4** Day Off Hold For Family Time Dinner w/ Chancellor Kohl, Washington, DC	**5** Day & Evening Off Hold for Family Time	**6** Sidwell Commencement Tape Radio Address Hold for Family Time	**7** Day & Evening Off Hold for Family Time
8 Day & Evening Off Hold for Family Time	**9** Intern Photo Hold For Picnic	**10** Mtg. w/ Committee of Advisors on Science and Tech. (T) Hold For Picnic	**11** DNC Dinner, DC	**12** BRT Annual Meeting US Open Golf Tournament, DC	**13**	**14** Hold for Possible Commencement Flag Day
15 US Open Golf Tournament, DC Father's Day	**16** Arts & Embassies Reception (T) DNC Dinner, DC	**17** Hold for Picnic	**18** Hold for Picnic	**19** Briefing for Summit of the 8 Depart for Summit of the 8, Denver, CO	**20** Summit of the 8 Economic Conference, Denver, CO.	**21** Summit of the 8 Economic Conference, Denver, CO. First Day of Summer
22 Summit of the 8 Economic Conference, Denver, CO.	**23** Speech to US Conference of Mayors, San Francisco, CA Fundraising Lunch, San Francisco, CA Los Angeles Fundraising Dinner RON AF 1	**24** Day & Evening Off	**25** Hold for Travel to TN Annual VP Family Reunion, TN	**26**	**27** Mtg. w/ Australian PM Howard (T)	**28**
29	**30** Hold for Travel Boston $ Lunch New York $ Gala RON DC Congressional Recess (6/30 - 7/8)					

May

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

July

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Printed on 4/18/97 4:37 PM

July 1997

** Presidential Calendar*



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
June S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30		1	2	3	4 Independence Day	5 Hold for Foreign Travel
6 Hold for Foreign Travel	7 Hold for Foreign Travel	8 NATO Summit, Madrid	9 NATO Summit, Madrid	10 Foreign Travel (Copenhagen, Denmark) (T)	11 Day & Evening Off	12
13	14	15	16	17 TWA Flight 800 Crash Anniversary	18 Intern Photo	19
20	21	22	23	24	25	26 Hold for Travel (CA & NV)
27 Hold for Travel (CA & NV)	28 Hold for Travel (CA & NV)	29 Anniv. of Children's TV Summit	30	31	August S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	

Printed on 4/18/97 4:38 PM

August 1997

** Presidential Calendar*

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4 Congressional Recess (8/4 - 9/3)	5	6	7	8	9
10 Budget Anniv.	11	12	13	14	15	16
17	18	19 POTUS B-day	20 Minimum Wage Bill Anniv.	21 Kennedy-Kassebaum Bill Anniv.	22 Welfare Bill Anniv.	23
24	25	26	27	28	29	30
31						

July

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Printed on 4/18/97 4:38 PM

April 1997

VP BLOCK: FOR DISTRIBUTION

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 Baseball Opening Day Dist Liq Evt/Hussein Mtg. No helo activity 3/31-4/3 Speech Prep/Video Time Urban Dinner Easter Recess	*2* Bagley Mtg Enviro Mtg High Tech CEO's Mtg Note: Velasco last day POTUS Lunch/CA Ed Annct Urban dinner Prep Hold 1 hour + RK Mtg.	*3* Note: Mule Day-Clmbia,TN PM Guterres Lunch RB/Commerce Memorial Speech Prep 30min Urban dinner 7:00 pm	*4* Chemical Weapons Event DC Net Day event EZ Conf prep 30m Note: CA Dem Pty Conv Portuguese reception Women's Eco Ldshp Summit Easter Recess	*5* Hale Bopp
6 AIPAC DC Dinner Daylight savings time 2:00 am Easter Recess	*7* NIH briefing time 20m POTUS Netanyahu mt Remarks to NIH REGO Conf Urban dinner Prep Whitehead, IAFF Mtg Urban dinner 7:00 pm	*8* Burson 15 m Lith Parl Spkr Landsbergis PM Chretien State visit	*9* Agutha Israel OEOB Al Shanker Service Alexis Herman / J Hopkins Chretien breakfast Com Tech meeting / Burson Congressional meeting POTUS/Leah Rabin Mtg Pre-res meeting AIDS Action Evt-PM	*10* EK: Inat Agency / Tucker Mt EZ Conference Brfg Kamarck 15 m MEG NYC POTUS Lunch SEA Reception SynarAwd/TobFreeKids Welfare Cabinet Mtg	*11* Breckenridge, MN Fargo, ND Flood travel POTUS ASNE Speech Watertown SD ND,SD,MN	*12* 2nd stop tbd Champaign University ever Durbin meeting Illinois Dem Party Receptic -Springfield Illinois, 2 stops
13 Mikulski Fundraiser Mikulski meeting Nat'l Donor recognition event Ntl CRIME VICTIMS week Baltimore, MD	*14* 30 M Cong Calls Builders/Trades afternoon DC Dinner w/ Archer EZ prep RON Detroit MI Sensenbrenner Space St mt Speech prep / Pre Res mt Taste of Detroit	*15* Business leaders meeting Delegate breakfasts EZ Mayors meeting EZ Site visit Plenary session // Press POTUS Jackie Robinson game POTUS Kick Butts Evt NYC EZ Conference Detroit	*16* Auto Execs Cong Budget mt Foreign Policy Retreat 6-9 Plenary session // Press time POTUS Children Hlth Annct POTUS Hispanic Caucus Mtg	*17* Cong Budget mt Gore Sr's Anniverary High Tech CEO's meeting Hoit staff time Lunch on the Hill USA Today phone interview WHCon Early Child dev	*18* Cong Meeting VP Enviro Mtg TBD climate Martin Lee, HK meeting Newseum event morning Photo: Crime Victims wk POTUS Lunch Teacher of the Year w/ P	*19* Net Day '97 w/POTUS Net Day Radio Address Anni: of Waco and OK C
20 MEG Richmond POTUS Ken Cen reception POTUS UAW remarks	*21* 30 min Congressional calls Alice Rivlin Kamarck staff time Maurice Sonnenberg McLarty Sundown - Passover	*22* Anacostia w/ POTUS Gips staff time Mbeki meeting Passover Earth Day	*23* Dalai Lama meeting (T) POTUS Lunch USSS departure photos Hold 1 hour + RK Mtg.	*24* Cong TN del lunch on hill Daughters to Work Day Family Conference dinner MALDEF drop by Anti-terrorism sign Anniv	*25* Philly Satellite time Video Time Wrk vis w/J PM Hashimoto	*26* WH Correspondent's Assoc Dinner
27 Philly's own service day Citizens Service Summit Philadelphia, PA	*28* Service Summit opens 10am	*29* 1 hour press Atlanta - TV Carter/Ford LatinAmSummit Machinists DC (T) Atlanta, GA - day trip	*30* AFSCME remarks Wrk visit Spanish PM Aznar Hold 1 hour + RK Mtg.			

March

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

May

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

May 1997

VP BLOCK: FOR DISTRIBUTION

April

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

June

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 Enviro meeting: Labor FDR Awards Lunch with POTUS National Prayer Day DNC Gala	*2* AFT (T) Democratic Senators Retreat Hoit 20 min staff time Baltimore, MD	*3* AFT (T) NOTE: Memphis in May Music Festival 5/2-5/4 NOTE: Strawberry Festival (Humboldt, TN - West T. May 3-10
4 Public Service Recog Week School to Work Bill anniv.	*5* Cinco de Mayo Seattle speech prep	*6* AFL-CIO reception NAVOBS	*7* JJ Dinner RON Seattle (T) Arkansas	*8* Note: press time on plane (T) Seattle - Microsoft event	*9* Note: VA Dem St Party Conv Richmond	*10* Note: VA Dem St Party Co Richmond
11 Mother's Day	*12*	*13* Kuchma briefing (T)	*14* Family Conference dinner Greet Kuchma Andrews AFB Hoit 20 min staff time	*15* Police Officers' Memorial DC	*16* Gore/Kuchma Lunch & Mtg POTUS Mtg with Kuchma	*17* NOTE: Memphis in May Bl Festival 5/15-17 Armed Forces Day
18	*19* **Gore's Anniversary**	*20* Fam Con press roundtable (T)	*21*	*22* Commencement Speech Prep Space Day Dom Pol (T)	*23* Annapolis Commencement NOTE:Congressional Recess 5/23-6/3 Annapolis, MD Memorial Day Recess	*24* NOTE: Memphis in May Sunset Symphony
25	*26* Memorial Day observed	*27* New Hampshire	*28* RaleighL/BirminghamD DNC	*29* CPA Dinner DC Hoit 20 min staff time	*30*	*31* POTUS West Point Commencement
	POTUS Foreign Travel and EU Summit Netherlands 5/26-5/29					
	Memorial Day Recess					

April 1997

HILLARY RODHAM CLINTON

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
6	7	8	9	10 Radio, TV Dinner	11	12
13	14	15	16 Canada State Dinner (T)	17	18	19
20 Mother/Daughter Banquet	21	22 *Earth Day* Passover	23	24 Kentucky Authors' Forum, Louisville, KY	25	26 WH Correspondent's Dinner
27 Service Summit, Phila., PA	28 Service Summit, Phila., PA	29	30			

March

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

May

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

May 1997

HILLARY RODHAM CLINTON

April

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

June

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2 Senior Dinner Dance	3 Maggie's Wedding
4	5	6	7	8	9	10
Latin America						
11 *Mother's Day* Latin America	12	13	14	15 HIPPY Commencement, Wash., DC	16 Senior Breakfast	17
18	19	20 Senate Spouses Lunch [T]	21	22	23	24
25	26 *Memorial Day*	27 No School	28	29	30	31

June 1997

HILLARY RODHAM CLINTON

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 Parent Potluck Dinner	2	3	4	5 Upper School Awards Ceremony/ Closing	6 Sidwell Commencement 10:30am	7
8	9	10	11	12	13 Banneker H.S. Commencement, DC	14 Ohio University Commencement, Athens, OH
15 *Father's Day*	16	17	18	19	20 G-7 Summit Denver	21 G-7 Summit Denver
22 G-7 Summit Denver	23	24	25	26	27	28
29	30					

May

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

July

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

July 1997

HILLARY RODHAM CLINTON

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4 *Independence Day*	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

June

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

August

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

August 1997

HILLARY RODHAM CLINTON

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19 POTUS B-day	20	21	22	23
24	25	26	27	28	29	30
31						

July

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

April 1 7

MEG BLOCK SCHEDULE

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 11:30 AM Priv mtg Dinner at NavObs	2	3 2:00 PM Commerce Memorial Service Dinner at NavObs	4	5 *Event @ NavObs
6	7 Dinner at NavObs Priv meeting at NavObs	8 11:30 AM Priv mtg Canada state visit Gifts meeting/ Intern photo	9 *Lunch at NavObs AIDS Action Foundation Event Video Time	10 Educ Event-NYC WLF Event - NYC NEW YORK	11	12
13	14	15 11:30 AM Priv mtg	16 Women's Bar Association Event	17 WH Eary Devel Conf WLF Conf Reception WLF Confer- DC	18 WLF Lunch w/ HRC	19
20 RICHMOND	21 Private event - eve	22 11:30 AM Priv mtg	23 Race for the Cure Cap Hill Lunch	24 Dinner at NavObs	25 Private Dinner	26 Breakfast @ NavObs WH Correspondents Assoc Dinner
27 Volunteer cleanup event (all four principals) Volunteer Summit - Philly	28 Opening of Volunteer Summit	29 11:30 AM Priv mtg	30 CPC Women's Power Tea			

March

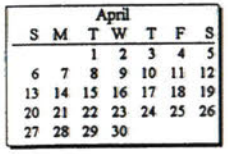
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

May

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

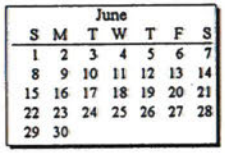
May 1_ 7

MEG BLOCK SCHEDULE



April

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			



June

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

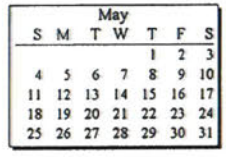
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 Congress Club Tea DNC GALA Private Party	2 *FDR Memorial Dedication Private Dinner	3
4 *Holliday Event	5 *MEG Office Event *Video Time	6 2:30 PM NCS Event Leadership Conf Civil Rights Dinner	7	8	9	10
11	12	13 11:30 AM Priv mtg	14 Dinner at NavObs Senate Spouses Lunch w/ HRC	15	16	17 *WH News Photo Dinner
			*Kuchma (Ukraine) Visit to DC			
18	19	20 11:30 AM Priv mtg *Fam Conf Event *Students Visit	21 Congressional Club Lunch w/ HRC DCCC Event	22	23	24
25	26	27 11:30 AM Priv mtg	28	29	30	31

Printed by Calendar Creator Plus on 4/17/97 1:10 PM FOR DISTRIBUTION *Event not confirmed

June 1_ 7

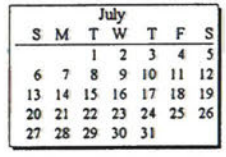
MEG BLOCK SCHEDULE

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 *Private Event	3 11:30 AM Priv mtg	4	5 *Private Event	6 Reception @ NavObs	7 Race for the Cure
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22 BLOCK -- PRIVATE	23	24 Family Conference - TN	25	26 BLOCK - PRIVATE	27	28
29 BLOCK - PRIVATE	30					



May

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31



July

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

July 1[illegible] 7

MEG BLOCK SCHEDULE

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
		BLOCK - PRIVATE				
6 *Private Event	7	8	9	10	11 Private Event	12 Private Event
		BLOCK - PRIVATE				
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

June

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

August

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Printed by Calendar Creator Plus on 4/17/97 1:10 PM FOR DISTRIBUTION *Event not confirmed

August 97

MEG BLOCK SCHEDULE

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
					Possible CA Travel	
3	4	5	6	7	8	9
Possible CA Travel						
10	11	12	13	14	15	16
17	18	19	20	21	22	23
BLOCK - PRIVATE						
24	25	26	27	28	29	30
BLOCK - PRIVATE						
31						
BLOCK - PRIVATE						

July

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Septembe. 1997

MEG BLOCK SCHEDULE

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4	5 *AFL-CIO Working Women Confer - DC	6
7 *AFL-CIO Working W...	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

August

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

October

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Printed by Calendar Creator Plus on 4/17/97 1:11 PM FOR DISTRIBUTION *Event not confirmed

Copied Silverman Sanford Mathews COS

THE PRESIDENT HAS SEEN
4-21-97

THE WHITE HOUSE
WASHINGTON

'97 APR 18 PM6:24

APRIL 18, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: **SYLVIA MATHEWS**

FROM: **STEVE SILVERMAN**
STEFANIE SANFORD

CC: **DON BAER, ANN LEWIS, BRUCE REED, KITTY HIGGINS, MELANNE VERVEER, NANCY HERNREICH, LAURA SCHWARTZ**

SUBJECT: **Background information for Service Summit video interview**

On Tuesday, you will be interviewed for 15 minutes by a producer for the Presidents' Summit for America's Future. Portions of the interview will be included as a part of a video shown at the Summit, which will feature Presidents Bush, Carter and Ford and Mrs. Reagan. Each will talk about one of the Summit themes (Mentoring, Safe Places, Healthy Start, Marketable Skills, and Service). You have been asked to speak on the importance of service in your life and its impact on your development.

We have reviewed the Maraniss book and briefly interviewed several of your friends (Carolyn Huber, David Leopoulos, Doug Eakeley, Diane Blair, Carolyn Staley, Mauria Aspell, Nancy Hernreich) about their memories of you. Below is an outline of their thoughts on service that might be helpful to you as you prepare for Tuesday. We are also working to contact Linda Dixon and Tom Caplan for additional information and if necessary will forward an addendum to you.

First Blind Student at Georgetown: While a student at Georgetown University, you chaired the Freshman Orientation Committee. In preparing for duties, you learned that a member of the new freshman class, Harold Snider, was also the first blind student admitted to the Georgetown School of Foreign Service. You looked for services throughout Washington, D.C. that would assist the visually impaired. Upon learning that no such services existed, you spent the first three weeks of school escorting the new student around campus and the community, mapping routes and measuring travel times, until he was comfortable in his new surroundings.

Assistance to Victims of Post-MLK Assassination Riots: Ms. Staley's weekend plans for a trip to Washington, D.C. to visit you were dramatically altered when Dr. Martin Luther King, Jr. was assassinated. She remembers that you picked her up at the airport and decided, in the wake of the tragedy, to scrap previous plans in favor of putting a red cross on the side of your Buick and spending the weekend delivering food and medical supplies to churches where many people had taken refuge after being left homeless as a result of the post-assassination unrest.

GUCAP (Georgetown University Community Action Project): Friends remember you as active in this undergraduate service organization.

High School: Each person with whom we spoke had some personal story where you had helped them individually when they were in need, from Latin translations to seasickness. Most friends and a couple of the biographies characterize your high school extracurricular involvement as super-human -- counselors and principals were literally concerned that you were too engaged in the school community and spending too little time in class.

Legal Services Corporation: We understand that both you and the First Lady were actively involved in pro bono legal work early in your careers.

Holidays in Little Rock: Carolyn Huber and Nancy Hernreich remember that you were especially active in the community during the holidays. At Thanksgiving, you worked as a family in homeless shelters and soup kitchens. At Christmas you collected and distributed gifts to needy children across the city.

Volunteering on Political Campaigns: Leopolous, Eakeley and Blair all commented on the amount of time that you spent volunteering on campaigns and on running for offices. The notion of this sort of political service is absent from the Summit content, yet it is clear that participating in the country's democratic process is a crucial part of citizenship and service in America. Certainly for you, those early experiences as a political volunteer instilled a profound sense of civic passion, patriotism and a commitment to your home community -- qualities of citizenship that service programs hope to instill in young people. This involvement also enabled you to meet a broad range of people who became mentors and influential people in your professional development.

THE PRESIDENT HAS SEEN
4-21-97

The Washington Post
MONDAY, APRIL 21, 1997

Welfare-to-Work Program: A South Carolina Success Story

By Judith Havemann
Washington Post Staff Writer

South Carolina is among the poorest states in the country. Its schools rank near the bottom in academic achievement. And its public services have historically been rather meager. Yet in the past year the government of this up and coming southern state has achieved what most everyone else has only talked about: It appears to have hired more people through its welfare-to-work program than any other public or private employer in the country.

At a time when the Clinton administration is promoting plans to place 10,000 welfare recipients in federal jobs, and three other states are advancing similar initiatives, South Carolina is evidence that the task actually can be accomplished.

Its experience illustrates the challenge facing governments as they attempt to use the public sector as a means of prodding private employers into hiring people off public assistance at a faster rate. For governments, the task can be particularly controversial: Are "make-work" jobs being created merely to reduce the welfare rolls? Are jobs being "dumbed down" so that government bureaucrats can reach welfare hiring quotas? Are these programs simply hiring one worker who is on welfare rather than another who would otherwise be?

None of these outcomes need occur if the program is properly run, according to officials in South Carolina.

In a single year, the state has put 442 welfare recipients on its payroll without creating any new jobs or displacing any state workers. And while that number may seem small compared with the 3 million women who could soon be looking for jobs under the terms of the new welfare reform act, it is wildly successful compared with other welfare-to-work programs. The Marriott Corp., regularly held up as a model for its welfare employment program, hires about 100 employees off public assistance rolls a year, while two other companies frequently singled out for attention—Monsanto and Sprint—have found jobs for only 50 and 18 respectively.

"There is a lot of talk out there and varying degrees of action," said Allen Gantt, personnel director for the South Carolina Vocational Rehabilitation Department. "But if you believe in it, you do it."

State officials say there is no secret or magic to their success. The South Carolina legislature simply embedded a goal in its welfare law [illegible] lic commitment to carry it out, and—with free child care and Medicaid available for up to two years—recipients were able to overcome the stigma of welfare dependency and land jobs in state government at a rate unattainable in the past.

Wanda Burgess, a mother of four, is one of the newly hired. She has gone from welfare recipient to South Carolina prison guard, from $290 a month to $1,274, and from worry and uncertainty about herself to pride in her abilities.

Burgess had been struggling to live on her meager welfare check and income from a part-time job when her caseworker sent her a postcard detailing a training program for prospective corrections officers.

Free child care and transportation were offered, and with only a little hesitation Burgess gave up her part-time job to enter the program. At first, her classmates felt she was getting special treatment since she received for free a uniform that others had to pay for. It was an early test of the self-assertiveness she would need as a state prison official.

"Instead of me taking it negative, I explained it to them. I didn't let them give me a hard time," she said. "I nipped it in the bud."

Now employed at the maximum security women's correctional institution in the state capital of Columbia, she is praised by the warden and veterans in the prison gatehouse alike.

Some welfare experts say that hiring employees like Burgess is easy. They call it "creaming" off the top performers within the welfare system. And critics of government hiring programs caution that the programs are of little use if they merely help those recipients who were the most employable, and who would likely have gotten another job anyway.

With her high school diploma and strong motivation, Burgess may seem like a bedrock example of a cream employee. But her experience suggests otherwise. "I've done everything," she says, "been a cashier, worker at a cleaners, at Wendy's. I even got a job as a por[illegible]

> *"There is a lot of talk out there and varying degrees of action. But if you believe in it, you do it."*
>
> — Allen Gantt, personnel director, S.C. Vocational Rehabilitation Department

James T. Clark acknowledges that some of the welfare recipients hired by the state might have gotten jobs anyway, but not all. "Welfare recipients have been so stigmatized that employers have had an institutional bias against hiring them," he said.

The South Carolina welfare-to-work program, he said, is simply saying, "These people have been outcasts, plus they have been costing tax money. And so all things being equal, give them a shot."

Under South Carolina's two-year-old program, the state is required to target 10 percent of all jobs requiring a high school diploma or less to be filled with welfare or food stamp recipients.

Agency heads are not required to hire recipients, nor are recipients given an official preference such as extra points on a qualifying test. Rather, personnel officers are simply told that their superiors are watching and that their performance in hiring welfare recipients will be scrutinized.

Initially, some agencies protested that they were not quite clear what the legislature meant. Some said they had nothing available for people with the skills and educational levels of welfare recipients. Some worried it might violate fair employment laws to even ask prospective job candidates whether they were on welfare.

"You can't just wait for agencies to take the initiative," said Hiram Spain Jr., who oversees the state's welfare-to-work programs. "You've got to be proactive, to have them look among their jobs, find out what jobs are actually there, and then fill them."

Step one of the process was for state agencies to identify all the jobs that require a high school education or less. After prodding, the agencies fingered 4,057 of their roughly 70,000 jobs. Not surprisingly, most of them were already filled.

Some agencies, such as transportation, virtually ignored the directive. Others, like the departments of Social Services, Corrections, Disabilities and Special Needs and Vocational Rehabilitation, took it to heart. The Department of Disabilities and Special Needs, the agency charged with helping people with men[illegible] year, and filled more than half of them with welfare recipients. They included positions like "direct care worker" for the department's clients. There also were jobs for food service aides, clerical specialists, groundskeepers, plumbers, electricians and vehicle operators in the department's offices throughout the state.

To attract welfare recipients to its jobs, the department sent notices to local welfare offices about potential staff openings and adjusted its training curricula to meet the needs of applicants. If a job candidate "had trouble reading, they might view a videotape so we make sure that they could take in the information and be successful in their job," said Vicki Patterson, director of community education for the department.

Once hired, she said, they merge into the work force, with the same pay, benefits privileges and responsibilities as any other state employee.

"We've had no problems," she said.

Douglas Besharov, senior fellow at the American Enterprise Institute, cautions against crediting South Carolina with more success in hiring welfare recipients than it deserves. "How many did they hire the year before?" he asks. "I regularly train state and local social services professionals. I ask for a show of hands from people who have been on welfare, [and] from a third to half of the room will respond."

South Carolina cannot answer Besharov's question. It did not count the welfare recipients it hired before this year.

But many of the jobs are precisely the kind of entry-level positions welfare recipients have always gotten—food service, maintenance and personal service for the needy. Only 282 of the jobs are permanent and with benefits. Nine jobs were temporary with benefits, and 151 were temporary jobs without benefits.

Critics also have charged that to meet the hiring targets, government personnel officials might be tempted to lower standards and undermine the level of competence in governments already suffering from a lack of respect and confidence.

Corrections official Robert B. Jett said the state has not succumbed to the temptation.

The state requires corrections officers to have virtually spotless criminal records and to meet the same educational standards as any other job candidate. If applicants lack a high school equivalency degree, the state will help them get it, said Jett, but South Carolina will only go so far. "If they can only read at the [illegible]

THE PRESIDENT HAS SEEN
4-21-97

Midwest Boom Fueled by Mexico Trade

Exports Rise Due to Nafta, Demand for Construction Gear

By CARL QUINTANILLA
Staff Reporter of THE WALL STREET JOURNAL

The Midwest economy is booming, and a big reason why is just south of the border.

Mexico, whose economy is starting to recover from the 1994 peso devaluation, is quickly becoming a major export market for Midwestern manufacturers. The country is spending billions of dollars to modernize its infrastructure, creating strong demand for heavy-construction equipment such as bulldozers and cranes – primary products of the Midwest.

Exports of other Midwestern staples, such as autos and agriculture, also are surging because of looser trade barriers under the North American Free Trade Agreement. In addition, Nafta has encouraged many Midwestern companies to set up shop or expand operations in Mexico, giving them a base to boost sales throughout Latin America.

No. 2 Spot

The growth in exports has helped Mexico replace Japan as the U.S.'s second-largest trading partner behind Canada. Midwestern states are among the biggest beneficiaries of the trend. Exports to Mexico by 10 Midwestern states jumped

Tracking the Economy on Page A4.

16% last year from two years earlier, according to the U.S. Census Bureau. That compares with an 11.7% increase in total U.S. exports to Mexico during the same period.

Case Corp., a Racine, Wis., equipment maker, says sales to Mexico surged 63% last year, more than the 47% sales increase to Latin America overall. "We're seeing a rebound," says Mick Stahl, Case's director of business development in Latin America. "It's eye-opening what's going on."

Caterpillar Inc., the Peoria, Ill.-based construction-equipment giant, estimates Mexico will spend $35 billion to $50 billion through the year 2010 on projects such as new highways and waste-water treatment plants. The company says it is expanding its facility in Monterrey, Mexico, to meet "increased customer demand" for some of its machine components.

Auto makers, meanwhile, saw exports of light vehicles to Mexico soar 30% last year, while agricultural exports jumped 34.4%. Shipments of wheat, rice, soybeans and cotton reached their highest levels since since 1970.

Growing Market

The Midwest is finding increased demand for its exports in Mexico.

	1996 EXPORTS (in millions)	CHANGE FROM 1995
Michigan	$3,184.8	+ 2.7%
Illinois	1,282.4	+ 21.5
Ohio	757.1	+ 12.7
Missouri	512.5	+ 20.3
Kansas	477.5	+ 51.1
Wisconsin	382.5	+ 21.8
Indiana	340.6	+ 21.2
Iowa	267.1	+ 22.9
Nebraska	264.3	+122.1
Minnesota	244.1	+ 30.0
U.S. average	$56,760.8	+ 22.6

Sources: U.S. Census Bureau, Massachusetts Institute for Social and Economic Research

Missing Middle Class

Of course, not all Midwestern industries are benefiting. Some retailers are still feeling the negative effects of the late-1994 peso devaluation, which sent Mexico's economy into a tailspin. Earlier this month, Chicago-based Sears Roebuck & Co. sold its 60% stake in Sears Roebuck de Mexico SA to a Mexican industrial conglomerate. Sears had been losing money in Mexico because it targeted the middle class, which practically vanished during the economic slump.

Still, economists say the overall growth in Midwestern exports has helped fuel the region's already-strong economy and could help sustain the boom if the U.S. economy starts slowing. One advantage is that Nafta, which was designed to help U.S. companies ship goods to Mexico, and vice versa, aids the Midwest more than other regions. Not only are Midwestern products in strong demand, but the timing of some of the treaty's tariff reductions favors certain Midwest companies – such as auto makers, which were heavily involved in the Nafta negotiations.

"No producers in the world have more-privileged trade status in Mexico than the producers of the Midwest," says Diane Swonk, chief economist for First Chicago NBD Corp. In other industries, like telecommunications and retail, she adds, "it's much more slow."

Offsetting the Dollar

The growth in trade with Mexico also could offset the negative effects of a strong dollar, which is hurting some companies' exports. Caterpillar's sales in Europe fell 12% last year, in part because the dollar made its goods more expensive than those of foreign rivals. Latin American sales helped offset that, the company says.

Mexico isn't risk-free, of course. Many Midwestern companies still recall that the peso devaluation pushed the inflation rate up to 52% and caused thousands of Mexican businesses to fail. In the 12 months following the devaluation, Cummins Engine Co of Columbus, Ind., sold the same number of engines that it would have sold in only four days before.

"It pretty much closed business down," says Mr. Stahl, the Case executive.

Handicaps also remain. Mexico has poor transportation systems, and fewer miles of paved road than Texas. In July the country also faces a round of political

Please Turn to Page A4, Column 3

Continued From Page A2

elections, many of which don't have a clear frontrunner.

Still, many Midwestern companies seem ready to brave the risks.

The Midwest is "at the forefront" of Mexican trade, says Christopher Felts, deputy director of international trade at the Indiana department of commerce. "But you have to be very patient. These are volatile markets."

Many companies already are using Mexico as a springboard for sales of products to South America. Navistar International Corp., a Chicago-based maker of trucks and school buses, is building a $167 million plant in Mexico – its first new facility in 16 years – to assemble trucks for delivery in both Mexico and Brazil.

This month, Deere & Co., Moline, Ill., is breaking ground on a 500,000-square-foot plant in Monterrey to build diesel engines for its John Deere products world-wide. The Mexican plants make it easy to ship goods to Brazil, where the market for high-tech tractors is booming. About 15,000 Brazilian farms are bigger than 1,000 acres, which require high-horsepower farm equipment.

U.S. business people say cooperation between their companies and Mexican officials is also improving. Navistar and Cummins negotiated with officials in Mexico City recently to gain permission for their low-emission engines to run five days a week – despite the highly polluted city's ordinance that heavy-duty trucks run only four days a week.

THE WALL STREET JOURNAL
MONDAY, APRIL 21, 1997

Copied Sperling COS

THE PRESIDENT HAS SEEN
4-21-97

E. J. Dionne Jr.

Orrin Hatch To the Rescue

So who do you think said the following about the plight of poor kids without health insurance?

"One of every three children in this country is uninsured. Ten million children are uninsured . . . these are the poorest of the poor working families. . . . And we must help these working poor families who are frantic about what to do with their children."

The options are (a) Sen. Ted Kennedy, (b) Sen. Paul Wellstone, (c) President Clinton, or (d) Hillary Rodham Clinton.

Okay, it's a trick question. The answer is none of the above. That scourge of liberals, Sen. Orrin G. Hatch, Republican of Utah, said the words recently on ABC's "This Week."

If you think it odd that Orrin Hatch is playing the role of Hubert H. Humphrey or Robert F. Kennedy as the friend of poor children, so does he. "I think they would resent that," he said with a laugh during an interview this week. Then he thought for a moment and added: "Hubert would not. Hubert had very high hopes for me."

Humphrey would be proud of Hatch. With his friend Ted Kennedy, Hatch is the co-sponsor of a bill that would increase cigarette taxes 43 cents a pack to raise $30 billion over five years. (Read his lips: new taxes.) Of that, $20 billion would go to provide health coverage to about half of the poor children without insurance. Most of their parents work and are not eligible for Medicaid. The other $10 billion would go to deficit reduction.

How can the president resist being on the right side of an effort to get health insurance for kids?

The Senate Republican leader, Trent Lott, was livid when Hatch rounded up Republican co-sponsorship for the Kidcare health bill. Lott is agitated that in a non-election year, Republicans would do things they were forced to do in 1996, such as raise the minimum wage or guarantee health coverage for people who change jobs. "This is not last year," Lott snapped. Does this mean the Republicans didn't believe in the things they did to win an election? Heavens!

Lott doesn't alarm Hatch, who says things about poverty many Democrats are scared even to think. "We make $134,000 a year," Hatch says of his fellow senators. "I hear complaints from senators all the time" about how hard it is to get by on that sum. "If it's difficult for us who earn $134,000, what is it like for people to work for $25,000 a year?"

Unlike so many of his colleagues, Hatch faces up to the fact that parents who "can't put food on the table" can't afford health coverage. And employers of uninsured low-wage workers aren't about to boost their labor costs 20 percent or more by buying insurance.

Senators find it easy to relate to people with whom they've shared problems. Sen. Pete Domenici (R-N.M.), whose daughter suffered from mental illness, crusaded to pass a provision requiring health insurance policies to cover mental illness. Domenici is a fine man, and his concern for mental health is admirable. But what about working parents whose kids have no health coverage at all? That means no coverage for ear infections, or broken legs, or pneumonia, or heart conditions, or cancer. Will senators' kids have to be stripped of health insurance entirely before Congress understands what such families go through?

Hatch is too collegial to answer that question, but he predicts his colleagues will get the message. "I think we'll pass this bill in the end."

Low-income working families, says Hatch, face "a choice between dropping employment to get Medicaid eligibility or staying employed and getting no health insurance." Some choice. Don't politicians say all the time that people should stay off welfare and keep working? No wonder Hatch says this bill is "the most conservative thing in the world."

Many conservatives fear that Kidcare is a foot in the door for national health insurance. One can only hope they are right. It's irrational to have a health system, so brilliant in many respects, that leaves about 40 million people without basic coverage.

President Clinton made many mistakes in pushing for universal coverage, but his goal was right. He's endorsed Hatch-Kennedy, but how hard will he fight for it? Hubert Humphrey would be surprised if a conservative Republican showed more spunk for expanding health coverage than a Democratic president. Clinton should get over the trauma of losing his last health care fight and join the new one.

And if Trent Lott wants to fight this bill, how can the president resist being on the right side of the question: Don't kids deserve the same health coverage their grandparents get? You can bet their grandparents think so.

The Washington Post
FRIDAY, APRIL 18, 1997

THE PRESIDENT HAS SEEN
4-21-97

Robin

Copied
Emanuel
COS

THE PRESIDENT HAS SEEN
4-21-97

- **Cocaine Seizure:** On April 13, Coast Guard, interagency forces, and authorities from St. Kitts and Nevis teamed up in response to a drug airdrop near the island of St Kitts. A Coast Guard helicopter later recovered 300 lbs of cocaine in the vicinity of the island. No arrests have been made.

- **Colombian Coast Patrol:** On 21-25 April, the U.S. Coast Guard, Colombian Navy, and Colombian Coast Guard will conduct OP COLOMBUS 1-97. This law enforcement operation will employ joint bilateral patrols with the Colombian Navy off the coast of Columbia. The Coast Guard Advisor to Colombia and the Coast Guard International Training Detachment are also working closely with the Colombians on this operation.

- **McDonald and Sharma Resignations:** On April 11, Secretary Slater announced that Gail C. McDonald, the seventh administrator of the St. Lawrence Seaway Development Corporation and the first woman chief of the agency, will resign May 1 to pursue other interests. In addition, on April 14, Secretary Slater announced that Dr. Dharmendra Sharma, Administrator of RSPA, will resign July 1 to pursue other interests.

Airbags and Child Restraints: On April 30, the House Commerce Subcommittee on Telecommunications and Finance will hold a hearing on airbags and child restraints. Administrator Martinez will testify.

- **NEXTEA Proposal Introduced:** On April 10, the Administration's NEXTEA proposal was introduced by House Transportation and Infrastructure Committee Chairman Shuster and Ranking Member Oberstar, and by Subcommittee on Surface Transportation Chairman Petri and Ranking Member Rahall. The bill was referred to the House Transportation and Infrastructure Committee and the House Ways and Means Committee.

- **Media Activities:**
  - The *Washington Post* is working a major two-part feature on the history and future of air bags. Administrator Martinez and Charles Kahane of the Performance Improvement Division were both interviewed. The article was expected to run April 13-14, but is being reviewed by *Post* legal staff.
  - On April 10, *Dateline NBC* interviewed an FAA official from the Office of Regulation and Certification regarding ValuJet. The segment will air May 11.
  - On April 4, the *Lehrer NewsHour* interviewed the FAA director of Air Traffic Service regarding the impact of National Weather Service cuts on FAA's weather services. Air date to be announced.

- copied Podesta COS

'97 APR 18 PM6:42

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN
4-21-97

April 18, 1997

Copied
Entire report:
Higgins/COS
page 8
Send to Donskind for reply
page 11
Podesta/COS

MEMORANDUM FOR THE PRESIDENT

FROM: **KITTY HIGGINS**

SUBJECT: **Summary of Cabinet Weekly Reports**
April 11 - 18, 1997

DEPARTMENT OF TREASURY

- **G-7:** On April 27, Secretary Rubin will host the G-7 Finance Ministers and Central Bank Governors Meeting. On April 28, he will attend the G-10 Finance Ministers and IMF's Interim Committee Meetings and, on April 29, the World Bank's Development Committee Meetings. At the April 27 meeting, the G-7 Finance Ministers will review a draft Final Report to Heads of State for the Denver Summit on Promoting Financial Stability. The report recognizes recent progress and urges further steps in major financial centers to improve cooperation among financial market regulators; endorses a concerted international strategy for strengthening financial sectors and supervision in emerging markets; and welcomes the conclusions of a G-10 report on the international implications of electronic money developments.

- **Bosnian Currency:** State Assistant Secretary Kornblum, new Presidential envoy Gelbard, and Treasury Assistant Secretary Lipton helped the Bosnian parties reach agreement on the basic arrangements for the creation of a single central bank which will operate as a currency board and with a single currency that will be used in all parts of the country. There are many technical issues yet to be resolved and the authorities and the IMF have pledged to spend the next several weeks attempting to reach an IMF agreement.

- **Mark-to-Market:** Treasury has finalized a legislative proposal to provide a tax incentive for owners under HUD's mark-to-market proposal for restructuring a portion of their section 8 housing portfolio. In the next two weeks, Treasury is looking towards a possible announcement with HUD, but is vetting the proposed legislation with the appropriate committees. Deputy Secretary Summers is reaching out to Representative Lazio, Chair of the Housing and Community Opportunity Subcommittee, to try to obtain his support for the bill.

THE PRESIDENT HAS SEEN
4-21-97

- **Enforcement Assistance:** Within the past few weeks, Treasury enforcement bureaus have played key roles in two high-profile investigations. On April 3, Customs agents in San Diego, CA, assisted USDA and the FBI in the search of a San Diego business for records relating to the importation of strawberries from Mexico that have been confirmed to be those linked to the Hepatitis A outbreak in several states. In the Chicago "Girl X" case, where the victim was found with writing on her stomach, Secret Service Forensics experts used handwriting samples taken from more than twenty individuals to help lead investigators to a single suspect who later confessed to the crime.

- **Fictitious Treasury Securities:** The Bureau of the Public Debt (BPD) recently became aware of a situation in which certain foreign individuals and groups are attempting to sell fictitious Treasury securities referred to as "Limited Edition" Treasury securities. BPD requested that the Securities and Exchange Commission (SEC) investigate and notify its foreign securities regulatory counterparts. BPD also contacted the National Association of Securities Dealers, the New York Stock Exchange and financial institution regulatory agencies, so that they could issue supervisory alerts or warning notices during the week of April 14.

- **D.C. Initiative:** During the week of April 14, Treasury and OMB staff met with staff of Representatives Davis and Norton of the Joint Tax and Ways and Means Committees to discuss legislative strategies for the D.C. Initiative and begin drafting legislation for the D.C. Economic Development Corporation. Treasury staff are also working on a series of joint Brookings-D.C. Agenda-Treasury workshops for stakeholders in D.C.'s economic development efforts. The objectives of the workshops are to familiarize participants with "best practices" employed in economic development projects throughout the country and to foster demanding but realistic expectations about what a newly formed economic development corporation could accomplish. Treasury continues to work with OMB and D.C. officials to clarify the details of your D.C. Initiative.

Good — I should coming on to our offer meeting — I not sure how UP —

- **Savings:** Treasury is exploring policy options on ways to increase savings. In addition, Treasury is exploring the feasibility of a public relations campaign devoted to the importance of saving. Next week, Treasury hopes to roll out changes to the U.S. Savings Bonds which would take effect May 1. These changes are designed to make the U.S. Savings Bonds more attractive to investors.

Good

- **Foreign Visitors Firearm Access:** ATF has published a proposed regulation that will tighten the 90-day residency requirement for the purchase of a firearm. This regulation is a result of the February shooting at the Empire State Building. Following this incident, you requested that Treasury take measures to restrict firearms access to foreign visitors. The proposed regulation will strengthen the existing residency requirement by 1) requiring a firearms purchaser to attest that he has resided in the U.S. for 90 days, and 2) requiring that he substantiate this period of residency with documentation (e.g. utility bills) in addition to photo identification.

is this statutory or regulatory should it be 6 mos or longer

- **Adoption:** On April 10, the IRS posted a new publication on the adoption tax credit on its Web site. Treasury, HHS and the IRS developed this publication to explain the tax credits and income exclusion for employer provided adoption benefits. The publication will be available from the IRS in paper form in May.

- **Press Activities:** In the April 21 edition of *Time*, Secretary Rubin is profiled as one of "Time's 25 Most Influential Americans."

- **Secretary's Schedule:** Secretary Rubin will participate in the following events:
  - **April 24** - Address the Center for National Policy Conference and host the spring meeting of the Social Security and Medicare Trustees.
  - **April 25** - Meet with Chairman Greenspan and hold a pre-G-7 press conference.

DEPARTMENT OF JUSTICE

- **Pan Am 103 Aid:** Next week, DOJ anticipates that the House will take up a bill that would clarify a portion of the law enacted last year that waives foreign immunity from lawsuits for countries that are involved in terrorist acts. It would clarify the provision to ensure that American survivors of victims of state-sponsored terrorism could sue and is designed specifically to give legal redress to victims of Pan Am 103.

- **Airline Antitrust Agreement:** On April 22, the Antitrust, Business Rights and Competition Subcommittee of the Senate Judiciary Committee will hold a hearing on the antitrust implications of the British Airways and American Airlines alliance.

- **CA Contested Election Hearing:** On April 19, the CA 46th District Contested Election Task Force of the House Oversight Committee will hold a field hearing on the contested election between Representative Loretta Sanchez and Robert K. Dornan in CA.

- **Southwest Border Hearing:** On April 23, the House Judiciary Immigration Subcommittee plans to hold a hearing on Southwest Border immigration and drug issues.

- **DOJ Oversight Hearing:** On April 30, the Senate Judiciary Committee has announced that it will hold an oversight hearing of the Department's operations. The Committee's announced agenda is enforcement of the crime and terrorism laws, immigration law enforcement, Independent Counsels and the operation and management of DOJ in light of the number of existing vacancies.

- **Media Inquiries:**
  - This weekend, several newspapers ran stories about the Peet Marwick audit of naturalization fixes.
  - The *Associated Press* is working on a piece about the reimbursement of White House employees for legal fees in connection with congressional testimony and other legal appearances about the Whitewater, travel office and FBI files matters.

- **FOIA Requests:** Karen Gullo from the *Associated Press* has requested records regarding DOJ "decisions regarding requests for reimbursement of legal fees from 23 White House employees involved in the Whitewater and travel office matter."

- **FBI Laboratory:** This week, DOJ Inspector General (IG) released the findings of an 18 month investigation into allegations of wrongdoing by the FBI Laboratory. The investigation was sparked by complaints from Dr. Frederic Whitehurst, an employee of the FBI Lab, who had made numerous allegations of perjury, fabrication of evidence, mishandling of evidence, contamination and faulty policies and procedures. The IG report substantiated some important allegations made by Whitehurst and identified some Lab practices and policies in need of change. The IG did not substantiate the vast majority of the hundreds of allegations made by Whitehurst, including the many instances in which he alleged that Lab examiners had committed perjury or fabricated evidence.

- **Israeli Extradition:** Abu Marzook v. Albright, 97 (DLC) (S.D.N.Y. Apr. 7, 1997); In Re Mousa Mohammed Abu Marzook, (EOIR N.Y. Apr. 4, 1997). On April 2, at the end of the statutory 60-day period for extradition, Israel advised the U.S. that it no longer wants Abu Marzook extradited. Marzook had been found extraditable in two district court decisions. On April 11, the court entered a decision and order formally dismissing the case. On April 14, in immigration proceedings, the INS filed a motion to recalendar Marzook's exclusion case where he remains subject to terrorism charges filed upon his 1995 U.S. arrival. Marzook's attorneys have begun settlement explorations.

- **Whitewater:** On April 10, U.S. District Judge G. Thomas Eisele granted DOJ's motion to dismiss a complaint filed under the qui tam provisions of the False Claims Act (FCA) against former Whitewater Independent Counsel Robert B. Fiske, Jr. U.S. v. Robert B. Fiske, Jr., (E.D. Ark.). The complaint was filed by G. Randolph Satterfield, a Little Rock attorney who represented one of the three defendants criminally prosecuted by Mr. Fiske's office in 1994. Mr. Satterfield alleged that Mr. Fiske violated the FCA 1) by claiming compensation for his duties as an Independent Counsel during a period in which the Independent Counsel statute was not in operation; and 2) by failing to disclose a conflict of interest during the investigation. The court found the claims to be without merit because the DOJ hired Mr. Fiske and represented to him that it would pay his salary and because Mr. Fiske fully disclosed a prior representation to the DOJ.

THE PRESIDENT HAS SEEN
4-21-97

- **AIDS Military Wrongful Death Cases:** On April 1, Judge G. Thomas Porteous, Jr., U.S. District Court for the Eastern District of LA, granted the U.S.'s motion for dismissal in L.B.J. v. U.S. The plaintiff was a minor child whose parents died of AIDS. Plaintiff alleged that the U.S. committed medical malpractice on his father, an active duty sailor stationed and treated on board the USS INDEPENDENCE, which unnecessarily led to a negligent transfusion of blood containing the HIV virus. Plaintiff's civilian mother was diagnosed HIV positive approximately three years after the father's initial positive test. Plaintiff alleged that the U.S. was also negligent for exposing his mother to the virus and for failing to warn both parents of the risk of tainted blood. The court ruled that it lacked subject matter jurisdiction because the initial treatment of the father was unquestionably incident to his military service and, therefore, barred. The court also ruled that the claims of the non-military mother were barred because they had their genesis in the medical treatment of the father.

TX Hate Crime: On April 7, in U.S. v. Eli Mungia & Roy Martin, the Fifth Circuit affirmed the convictions of defendants who drove through the streets of Lubbock, TX, with a sawed-off shotgun, and in three separate incidents, shot three African-American men at close range after luring them to the defendants' car. The shotgun blasts killed one of the victims and seriously injured the other two.

- **AR Prison Gender Discrimination Case:** On April 14, in U.S. v. State of Arkansas, et al., (E.D. Ark.), DOJ and the AR Department of Correction (ADC) filed a consent decree that would settle a case that DOJ brought against the ADC in 1995 alleging that the agency discriminated against women in the hiring, promotion and assignment of correctional officers at correctional institutions and facilities housing male offenders, in violation of Title VII of the 1964 Civil Rights Act.

- **MO Rental Discrimination Case:** On April 7, in U.S. v. Telegraph Park Apartments Partnership, (E.D. Mo.), the court ruled in favor of the defendant in a Fair Housing Act case in which DOJ alleged a pattern or practice of discrimination on the basis of race and familial status in the rental of apartments. The ruling came after a November 1995 bench trial in which DOJ presented evidence gathered primarily from "testers" who sought rental units from the defendant. The court found that there were non-discriminatory reasons for each difference in treatment that the tests showed.

- **NYU Medical Center Settlement:** Following a three-year investigation, New York University Medical Center has agreed to pay $15.5 million to settle charges that it fraudulently received excessive payments for overhead costs associated with federally sponsored medical research and to resolve its indirect research cost rate for the last several years. The settlement is the culmination of a suit filed by a former NYU financial employee who claimed that the Medical Center deliberately misled HHS about the Medical Center's costs associated with conducting medical research.

I'd like a memo on their requests at stake.

THE PRESIDENT HAS SEEN
4-21-97

- **Campaign Finance:** The Acting Solicitor General has petitioned the Supreme Court to review the *en banc* D.C. Circuit's decision in Federal Election Commission v. Akins, which presents the question of whether an organization that spends more than $1,000 on contributions or coordinated expenditures in a calendar year, but is neither controlled by a candidate nor has as its major purpose the nomination or election of candidates, is a "political committee" within the meaning of the Federal Election Campaign Act of 1971 (FECA). Respondents -- former ambassadors, Members of Congress and other government officials -- initially filed an administrative complaint with the FEC, alleging that the American Israel Public Affairs Committee (AIPAC) had violated the FECA. The district court ruled in favor of the FEC, but the *en banc* D.C. Circuit reversed.

- **Service Activities:** In an effort to promote the importance of volunteerism, the Attorney General is scheduled to conduct nationwide interviews on volunteerism and participate in a high school Earth Day Clean Up event during the week of April 21. On April 18, she participated in a Volunteerism Event at DOJ.

DEPARTMENT OF COMMERCE

- **Bluefin Tuna:** Last week, the National Marine Fisheries Service (NMFS) announced their proposed bluefin tuna quotas for 1997. NMFS will be seeking public comment on the new Atlantic bluefin tuna category allocations, which are based on a quota assigned to the U.S. at the November 1996 meeting of the International Commission for Conservation of Tunas. This will likely be a controversial issue, especially in NC where the bluefin fishery was closed earlier this spring.

- **Weather Service Contractor Bankruptcy:** On April 1, a firm providing Automated Surface Observing System (ASOS) augmentation at several airports around the country filed a Chapter 11 bankruptcy petition. The contractor was supplying the National Weather Service (NWS) with observation personnel at certain airports as part of the transition phase of the Weather Service Modernization Program. It has come to light that the contractor failed to pay its employees assigned to such airports for nearly three months. As a result, the employees have threatened to quit, leaving the NWS without necessary augmentation personnel. On April 10, the two employees assigned to the Casper, WY, airport did not report for duty and as a result of this situation, it became necessary to seek the assistance of FAA personnel on scene to cover weather observation needs. The General Counsel's Office is providing assistance to the NWS to assure that there will be no further interruption of augmentation service at airports covered by the contractor and that the contractor's employees are properly compensated for past services provided. There has been congressional and press interest in this matter.

- **Computers to Cuba Penalty:** On April 10, Acting Assistant Secretary for Export Enforcement Frank Deliberti (BXA) ordered Martin Kaufman of Orleans, Ontario, Canada to pay a $10,000 civil penalty to resolve allegations that it exported computer equipment from the U.S. through Jamaica to Cuba, in violation of the Export Administration Regulations. This matter received significant press coverage in the Miami area.

- **ITA Success Story:** AES of Arlington, VA, has been awarded a contract to construct a natural gas power plant in Brazil. The project, estimated at $300 million, will have approximately $200 million in U.S. content, including gas turbines supplied by Westinghouse.

- **Hurricane Center Funding:** On April 8, Representative Shaw introduced with sixteen co-sponsors a bill that would provide an FY97 supplemental of $10 million to the National Weather Service (NWS) for salaries and expenses, of which $2 million must be used for the National Centers for Environmental Prediction. The proposed legislation does not provide an offset for these additional funds and designates it as an emergency requirement. GOP leadership has insisted on total offsets for all emergency supplemental spending.

- **Congressional Hispanic Caucus:** On April 23, Under Secretary Everett Ehrlich and Director Martha Riche will meet with members and staff of the Congressional Hispanic Caucus to discuss Census 2000 and pending hearings and legislation on the Bureau's plans for the decennial census. On April 23, the Secretary will meet with the Caucus.

- **Fasteners:** Between April 15-22, the *Washington Post* may run an item on the Fastener Quality Act's requirements and issues relating to its implementation. The auto industry has vocally opposed aspects of the regulations to govern the program by the National Institute of Standards and Technology (NIST). On April 2, a reporter interviewed NIST officials.

- **China Exports:** The Bureau of Export Administration (BXA) expects a follow up article in the *New York Times* regarding the case of shipments of machine tools to China by McDonnell Douglass. *Newsweek's* International Edition is running a story on export controls and China for which Under Secretary William Reinsch was interviewed several times.

- **Weather Service Budget Cuts:** National Weather Service (NWS) has taken measures to address this year's budget shortfall that continues to receive media attention, especially in FL. Letters to the editor from Under Secretary Baker were written in response to editorials that ran in the *Miami Herald*, the *Fort Lauderdale Sun-Sentinel* and the *Orlando Sentinel*. The letter to the *Orlando Sentinel* editor was published on April 14. Publication dates for the other two letters are tentatively scheduled for later this week.

THE PRESIDENT HAS SEEN
4-21-97

- **February Trade Estimate Mistake:** On April 17, the Census Bureau estimate of the February trade deficit was initially overestimated by $1.2 billion due to misreporting of crude oil imports by the Customs Bureau. Customs had been trying to update its files and had sent in backdated import declarations, some going back as far as November 1995, which were inadvertently mixed in with the current month's oil import declarations. The mistake was discovered and the correct trade deficit figure for February, $10.4 billion, was released late on April 17. There has been some media coverage.

- **Dismantlement Bill:** On April 14, Representative Royce introduced the Department of Commerce Dismantling Act. The bill would transfer many of DOC's functions to other Departments and eliminate several bureaus and programs.

Let's do a track for not to shut-down work

Helms-Burton: An interagency team led by Under Secretary Eizenstat reached an understanding with the European Union (EU) concerning the Helms-Burton law. The EU agreed to suspend its case in the WTO while the Administration consults with Congress with a view to obtaining an amendment to waive Title IV. In addition, it was agreed that the U.S. and the EU would work to create international rules to protect investment.

- **Census Release:** On April 21, Census will release its report, *Estimates of the Population of States by Age Groups and Sex: 1990 to 1996.*

- **Coho Salmon:** Next week, at a press conference in Portland, OR, the National Marine Fisheries Service (NMFS) will announce a decision about whether or not to list two populations of coho salmon, one in northern CA and southern OR, and the second along the OR coast. NMFS Northwest Regional Administrator will be presenting recommendations on the transboundary and OR coast populations of coho. The decision will be considered controversial by environmental groups that have been pushing for NMFS to list the coho as "threatened" under the Endangered Species Act.

- **The following economic indicators will be released during the next two weeks:**

Housing Vacancies (1st Q)	April 22
New One-Family Houses Sold and For Sale (March)	April 28
Advance Report on Durable Goods, Manufacturers' Shipments and Orders (March)	April 29
Gross Domestic Product (1st Q)	April 30
Personal Income and Outlays (March)	May 1
Value of New Construction Put in Place (March)	May 1

copy to Dorskind

- **House Race and Ethnicity Hearing:** On April 23, the House Committee on Government Reform and Oversight Subcommittee on Government Management, Information and Technology will hold a hearing on OMB Directive 15: race and ethnicity classifications. Census Director Riche will testify regarding Census research on this

JIM DORSKIND:

Please coordinate the reply.

issue. This fall, OMB is scheduled to announce the race and ethnicity classifications for the federal government, including a proposed multi-ethnic category. These categories will be incorporated in Census 2000.

DEPARTMENT OF LABOR

- **PA Independence Hall Asbestos Inspection:** On April 11, OSHA opened an inspection at Independence Hall and adjacent Carpenters Hall in Philadelphia, PA, to investigate alleged asbestos exposure hazards. The Park Service had identified asbestos in several locations and remediation was ongoing in several locations. Asbestos exposure to Park Service employees was a concern when an area thought asbestos free was found to have asbestos. Based on OSHA's inspection findings to date, there is no violation of OSHA regulations or exposure over the permissible exposure level. The Park Service has done the necessary sampling and follow up actions as required. During your Summit on Volunteerism in Philadelphia, PA, one of the photo opportunities is supposed to be at Independence Hall. *USA Today* has expressed interest in the story.

- **Defense Worker Grant:** Next week, DOL will award a Defense Diversification Program grant of up to $785,000--with $588,700 provided immediately--to provide job training and reemployment services to 520 of the approximately 3,500 civilian defense workers who are being dislocated as a result of the Base Realignment and Closure Commission's decision to close the O'Hare IAP Air Reserve Base located in Chicago, IL. DOL has already provided approximately $490,000 to serve these workers. This grant, which is pending, will bring DOL funding for this project to a total of nearly $1.3 million.

- **International Child Labor Hearing:** On April 18, DOL's Bureau of International Labor Affairs (ILAB) held a public hearing on international child labor to gather information on the efforts initiated in the private sector to inform consumers that child labor is not used to make a particular product, with a focus on labeling. ILAB will publish a report on this topic this summer, the fourth in its child labor series. Witnesses included Senator Harkin, Congressman Miller, and representatives of Reebok Corp., the International Labor Rights Fund and the National Consumers League.

- **UAW/Chrysler Strike:** On April 10, 1800 UAW members struck Chrysler's engine plant in Detroit, MI, after negotiators failed to reach agreement on a local contract by the union's midnight, April 9, deadline. The strike led to the closure of three Chrysler truck assembly plants in MI and MO, idling about 10,000 workers. Another 2,000 workers were idled by the closure of an assembly plant in Canada. The facilities affected produce the Dodge Ram and Dakota pickup trucks, Jeep Grand Cherokee sport utility vehicles and full-size vans. Outsourcing and health and safety matters are the principal issues in dispute. Talks to date reportedly have focused on issues other than outsourcing.

- **APA/American Airlines:** With sessions in San Francisco, CA, and Seattle, WA, on April 16 and 17, respectively, the Allied Pilots Association (APA) concluded a series of informational meetings on its agreement in principle with American Airlines. On April 16, ratification ballots were sent to the membership. On or after May 5, the counting will take place. If the agreement is rejected, the status quo period will remain in effect for an additional 30 days.

- **OK UAW/GM Strike:** A strike by approximately 3,500 UAW-represented workers at the General Motors auto assembly plant in OK City entered its second week, with the parties continuing efforts to settle their differences. The stoppage began after negotiators failed to come to terms on a local contract by the union's midnight, April 4, deadline. Outsourcing and job cuts are the key issues in dispute at the facility, which produces the Chevrolet Malibu and Oldsmobile Cutlass.

- **United Steelworkers/Goodyear Tire & Rubber Co.:** On April 19, contracts with the Goodyear Tire & Rubber Company and Uniroyal Goodrich will expire. Talks which began in early March with the United Steelworkers are continuing under a news blackout. Covered by the master agreement at Goodyear are about 12,000 workers at facilities in seven states. An additional 8,000 Goodyear workers at eight other locations are employed under different contracts, and the union is aiming to bring them under the master agreement. Some 4,000 workers are covered by the contract with Uniroyal Goodrich. The union's major goal in this year's round of talks is a common expiration date of April 23, 2000, for all tire industry contracts. Other objectives are improvements in wages, leave, pension and welfare benefits and employment security.

DEPARTMENT OF TRANSPORTATION

- **Earth Day Events:** On April 22, Secretary Slater is tentatively scheduled to plant trees with AmeriCorps volunteers and the North Virginia Development Team, a public/private partnership that plants trees, preserves topsoil and works on other roadway improvements. The Development Team is one of 16 projects scheduled to be presented with an Excellence in Environment Award from DOT on Earth Day. On April 17, during the NE Corridor Tour, Secretary Slater joined area bike riders in the final mile of the Valley Forge Bicycle Trail to the Philadelphia Art Museum. This event emphasized DOT's commitment to establish and maintain bicycle trails.

THE PRESIDENT HAS SEEN

- **Intermodal Northeast Corridor Tour:** On April 17-21, Secretary Slater will observe highway, rail, transit, air and port facilities in ten northeast states. On April 21, the Secretary will testify at a Senate Environment and Public Works Committee field hearing on NEXTEA in RI. The Secretary will also announce FTA Grants totaling $146 million.

- **National Drive Safely at Work Week:** On April 17, Secretary Slater participated in a event to announce the April 20-26 National Drive Safely at Work Week (NDS@WW). Companies across America have agreed to promote awareness during the week and to implement programs from the NDS@WW Planner . NDS@WW, sponsored by the Network of Employers for Traffic Safety, will feature a series of daily safety messages.

- **U.S.-Japan Maritime Talks:** On April 11, the U.S. and Japan successfully concluded lengthy talks in Washington to resolve the dispute about restrictive Japanese port practices. Japan's current port practices discriminate against foreign carriers. Under the terms of the agreement, Japan will grant licenses to foreign carriers to operate marine terminals and stevedoring services. Between now and July 31, Japan's current system for prior consultation on port activities will also be significantly reformed. The successful negotiations have been communicated to the Federal Maritime Commission.

- **Airport Survey Allowed in India:** After more than one year of negotiations, the Civil Aviation Authority of India will allow U.S. airline inspections and a site survey of the New Delhi International Airport in April. The term site survey substitutes for assessment because of India's sensitivity of the word used in context of sovereignty.

- **U.S.-Chile Aviation Talks:** During the week of April 7, the U.S. and Chilean officials concluded two days of open-skies talks. U.S. representatives fielded questions about the open-skies framework, and the two sides agreed to meet again on the issue in the fall.

- **U.S.-Italy Aviation Talks:** During the week of April 7, the U.S. and Italy concluded two days of open skies talks. The two sides agreed to meet again on the issue in the fall, although no date was set.

- **Explosives Detection Program:** As of April 10, 15 of 19 Category X Airports have completed the Cooperative Agreements for the new FAA program. Of the remaining four airports, Los Angeles International Airport and John F. Kennedy International Airport have provided letters of intent and are expected to sign the Cooperative Agreement in the near future. Baltimore Washington International Airport intends to join the program and Detroit Metro Airport is still evaluating the agreement, but is expected to join. The annual recertification of teams at 35 airports under the old K-9 program is proceeding well, with 5 of the 35 evaluations completed. All teams presented for evaluation thus far have passed and been recertified.

THE PRESIDENT HAS SEEN
4-21-97

- **Cocaine Seizure:** On April 13, Coast Guard, interagency forces, and authorities from St. Kitts and Nevis teamed up in response to a drug airdrop near the island of St Kitts. A Coast Guard helicopter later recovered 300 lbs of cocaine in the vicinity of the island. No arrests have been made.

- **Colombian Coast Patrol:** On 21-25 April, the U.S. Coast Guard, Colombian Navy, and Colombian Coast Guard will conduct OP COLOMBUS 1-97. This law enforcement operation will employ joint bilateral patrols with the Colombian Navy off the coast of Columbia. The Coast Guard Advisor to Colombia and the Coast Guard International Training Detachment are also working closely with the Colombians on this operation.

Podesta
Wanted to see copies of boarding authorities from So. Korea

- **McDonald and Sharma Resignations:** On April 11, Secretary Slater announced that Gail C. McDonald, the seventh administrator of the St. Lawrence Seaway Development Corporation and the first woman chief of the agency, will resign May 1 to pursue other interests. In addition, on April 14, Secretary Slater announced that Dr. Dharmendra Sharma, Administrator of RSPA, will resign July 1 to pursue other interests.

Airbags and Child Restraints: On April 30, the House Commerce Subcommittee on Telecommunications and Finance will hold a hearing on airbags and child restraints. Administrator Martinez will testify.

- **NEXTEA Proposal Introduced:** On April 10, the Administration's NEXTEA proposal was introduced by House Transportation and Infrastructure Committee Chairman Shuster and Ranking Member Oberstar, and by Subcommittee on Surface Transportation Chairman Petri and Ranking Member Rahall. The bill was referred to the House Transportation and Infrastructure Committee and the House Ways and Means Committee.

- **Media Activities:**
  - The *Washington Post* is working a major two-part feature on the history and future of air bags. Administrator Martinez and Charles Kahane of the Performance Improvement Division were both interviewed. The article was expected to run April 13-14, but is being reviewed by *Post* legal staff.
  - On April 10, *Dateline NBC* interviewed an FAA official from the Office of Regulation and Certification regarding ValuJet. The segment will air May 11.
  - On April 4, the *Lehrer NewsHour* interviewed the FAA director of Air Traffic Service regarding the impact of National Weather Service cuts on FAA's weather services. Air date to be announced.

- copied
Podesta
COS

UNITED STATES TRADE REPRESENTATIVE

- **Personnel Appointments:** On April 15, Ambassador Barshefsky announced selections for two key positions at USTR: the nomination of Peter L. Scher to be Special Trade Ambassador for Agriculture and the appointment of Susan G. Esserman as General Counsel. Mr. Scher most recently held the position of Chief of Staff to Secretary Kantor at Commerce, and previously served as Chief of Staff to Ambassador Kantor at USTR. Ms. Esserman most recently served as the Acting General Counsel at DOC.

- **EU Veterinary Equivalency:** An EU delegation will return to Washington, D.C., this week to continue negotiations on a veterinary equivalency agreement. Accordingly, USDA has postponed until April 30 the date on which the U.S. will stop EU red meat and poultry slaughter plants from exporting to the U.S. After April 30, unless the U.S. reaches a veterinary equivalence agreement, USDA's inspectors will have to complete a plant-by-plant review for compliance with U.S. meat inspection requirements before those plants will be approved to resume exports to the U.S.

- **Mexico Wheat:** Mexico has requested NAFTA Chapter 20 consultations with the U.S. on recognition of Mexico's Mexicali Valley as karnal bunt free for wheat. The U.S. has ten days to respond and 30 days to consult with Mexico before Mexico can request a NAFTA panel. USDA's APHIS has conducted all necessary inspections and has been working with its Mexican counterpart over the past several weeks to draft a proposed rule to recognize the Mexicali Valley region as karnal bunt free.

- **Vietnam Agreement:** On April 16, Ambassador Barshefsky announced the conclusion of an Ad referendum bilateral copyright agreement with Vietnam. The bilateral agreement, the first trade agreement to be concluded by this Administration with Vietnam, establishes a legal framework to protect artistic, musical, cinematic, choreographic, computer software and other works from copyright infringement in Vietnam. U.S. copyright industries have been increasingly concerned by the growth of copyright piracy in Vietnam.

- **Special 301:** On April 30, Ambassador Barshefsky will announce USTR's decision under Special 301 on foreign countries' implementation of intellectual property rights protection.

- **NAFTA Briefing:** This week, senior USTR officials briefed the House Ways and Means Committee on the NAFTA labor and environment agreements and key trade issues in light of the Ways and Means CODEL to Mexico.

- **Testimony:** On April 24, Ambassador Barshefsky will testify before the Senate Agriculture Committee concerning agricultural trade issues. On April 30, she will testify before the Senate Commerce Committee on the impact of emerging trade issues on U.S. consumers.

SMALL BUSINESS ADMINISTRATION

- **7(a) Business Loan Program:** On April 16, SBA announced an administrative action to cap the size of the loan guaranteed under its flagship 7(a) small business loan guarantee program. SBA projects that with current levels of demand for the program, the agency would exhaust its 1997 loan authority of $7.8 billion by mid-August. SBA currently guarantees up to 75 percent of most 7(a) loans, with a limit on the total guaranteed amount at $750,000 per loan and no limit on total loan size. Under the new SBA proposal, the agency will now only provide its guarantee on loans of less than $500,000. The change will allow SBA to still provide loans to 90 percent of its borrowers. The proposal must go to the Hill for a 15-day review before implementation.

- **SBA Reorganization:** Last week, Administrator Alvarez announced that she will reorganize the SBA to provide a stronger management focus for her two main objectives: 1) transforming the agency into a 21st century leading edge financial institution; and 2) leading on your Welfare to Work initiative. Under the reorganization, the Administrator will split the agency's Office of Economic Development into two separate entities, the Office of Capital Access and the Office of Entrepreneurial Development. The Office of Capital Access will manage the agency's major financial programs. The Office of Entrepreneurial Development will spearhead the welfare to work effort and manage the business education and counseling programs.

- **Loan Securitization:** On April 23, Administrator Alvarez will chair a meeting of SBA lenders on a proposed rule that allows the securitization of the unguaranteed portion of the SBA 7(a) loans. Prior to March 31, only non-bank lenders could securitize the portion of their loans that were not guaranteed by SBA. Last year, Congress extended this authority to all SBA lenders in legislation. The rule must ensure that the government's interests are protected in the securitization transaction and that the transactions are standardized to minimize the agency's administrative costs in reviewing proposed transactions.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **Farm Injuries:** Each year, about 100 people under 20 years of age are killed on farms and more than 100,000 are injured in agriculture-related activities. Agents associated with

these deaths and injuries include tractors and other farm machinery, livestock, building structures, and falls. On April 21, the National Institute for Occupational Safety and Health will launch a $5 million national research program designed to protect children on farms from illness, injury and death.

- **HMO Appeals Regulation:** HHS expects to release its revised Health Maintenance Organization (HMO) appeals regulation in the near future. The revised regulations restructure the time HMOs have for reconsidering the denial of an enrollee's request for service. HMOs currently have 60 days in which to make that determination. HHS has concluded that this is unnecessarily long. HHS is coordinating a roll-out plan with the White House.

- **Mad Cow Disease:** On April 17, FDA published a "draft final rule" concerning the prevention of bovine spongiform encephalitis or "mad cow disease." The rule identifies the particular policy option -- a ban on the use of mammalian tissue in the feed of cattle and sheep -- that HHS is likely to adopt later this spring when a formal final rule is issued. A 10-day comment period will ensue during which the industries may formally express concerns in addition to those submitted in the course of the 60-day comment period following the January 3 proposal.

- **Alzheimer's Disease:** New drug therapies may slow important functional signs and symptoms of Alzheimer's disease, according to a report by scientists at 23 Alzheimer's Disease Cooperative Study sites across the U.S. On April 22, the National Institute on Aging (NIA) will hold a press briefing on findings from the clinical trial on the effectiveness of deprenyl and/or vitamin E in slowing the progression of Alzheimer's disease. A paper on the study is to be published in the April 24 issue of the *New England Journal of Medicine*.

- **Senior Volunteerism:** On April 21, the Administration on Aging will participate in a signing ceremony in Rock Creek Park, Washington, D.C., launching a MOU with EPA, the Corporation for National and Community Service, and seniors' organizations to commit to develop cooperative relationships to involve older American volunteers and senior centers in the protection of our natural resources and our environment.

- **Temporary Assistance to Needy Families (TANF) Notifications:** On April 11, the TANF plan for DE was certified complete. This increases the total number of certified plans to 40. As of April 15, plans have been submitted by 43 states and D.C. In addition, five tribes/territories have submitted plans, all of which are pending certification.

- **Food Safety Initiative:** HHS, USDA and EPA are completing a draft report to you with recommendations on how to reduce the annual incidence of food borne illness by

* important

THE PRESIDENT HAS SEEN
4-21-97

enhancing the safety of the nation's food supply. As directed by you in late January, HHS has been working for almost three months with consumers, producers, industry, states, universities and the public to identify additional ways to improve food safety through government and private sector action, including public-private partnerships. HHS will forward the final report at the end of next week.

- **MD Child Welfare Waiver:** As early as April 17, HHS may announce approval of a demonstration project to improve child welfare services in MD. This will be the sixth waiver granted by the Administration for states to undertake innovations in their child welfare programs. The MD project will demonstrate the use of subsidized guardianship arrangements, with an emphasis on kinship care.

- **Food Ingredients:** On April 17, FDA published a proposed rule deriving from your initiative to reinvent the regulation of foods. The rule is expected to realize significant savings for both industry and FDA. The agency would replace current "Generally Recognized as Safe" (GRAS) food-ingredient petition regulations with a greatly simplified "notification" procedure.

- **Biomedical Research:** On May 1, the Senate Labor and Human Resources Subcommittee on Public Health and Safety will hold a hearing on biomedical research priorities. NIH director Varmus will testify.

- **NIH Resource Allocation:** On May 13, the House Appropriations Subcommittee on Labor, HHS, Education and Related Agencies tentatively is scheduled to conduct a hearing on how NIH determines the allocation of its resources. NIH director Varmus has been invited to testify.

- **Secretary's Schedule:** On April 21, Secretary Shalala will participate in an immunization event with the D.C. Birthing Project and D.C. Healthy Start. On April 26, she will be the keynote speaker at the annual meeting of the U.S.-Japan Leadership Forum in New York.

- **Arrhythmia Study Halted:** The National Heart, Lung and Blood Institute has stopped a clinical trial comparing two treatment strategies for patients with life-threatening heart arrhythmias (abnormal heart rhythms). The study compared patients treated with an implantable cardiac defibrillator to those given antiarrhythmic drug treatment, with the objective of determining which strategy offers the greatest reduction in mortality. The data showed a significant reduction in deaths in the group of patients whose arrhythmia was treated with a defibrillator. Patients who have ventricular fibrillation or ventricular tachycardia and are currently taking an antiarrhythmic drug should talk to their physician about an implantable cardiac defibrillator.

THE PRESIDENT HAS SEEN
4-21-97

- **FOIA Request:** The *New York Times* has requested all correspondence and other records containing information about contacts between employees or officials of HHS and the following individuals, between January 20, 1993 and the present: Harold Ickes (previously requested), Doug Sosnik, Don Fowler, Marvin Rosen, Richard Sullivan, John Huang, Terence McAuliffe, any employees of the Democratic National Committee, any employees of the Clinton/Gore '96 campaign.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **Jobs-Plus Partnership:** On April 18, Secretary Cuomo announced a welfare-to-work initiative called Jobs-Plus for residents of public housing in seven cities: Baltimore, MD, Chattanooga, TN, Cleveland, OH, Dayton, OH, Los Angeles, St. Paul, MN, and Seattle, WA. Each project includes three program elements: 1) tangible work incentives to encourage residents to go to work and increase their incomes; 2) state-of-the-art strategies for the most effective employment training, placement and retention programs; 3) the creation of a community culture that supports work among working-age residents. Jobs-Plus is funded by $5 million in federal funds under HUD's Moving to Work initiative, by a $1.5 million grant from the Rockefeller Foundation and $400,000 from the Surdna Foundation.

- **Cleveland Project:** HUD continued implementation of the "Get Tough" initiative against bad landlords by taking over Belvoir Cliffs Apartments in Cleveland, OH. The 160-unit development is occupied by low-income families and elderly tenants and was in desperate need of repairs. Emergency repairs will be made, while authorities conduct a inspection to determine the work required in the building. Over a period of years, the landlord, Melvin Ross, received more than $12.5 million in rental assistance from HUD. Ross, who is cooperating with HUD, was cited for failure to maintain the property and has been suspended from future participation in HUD programs.

- **First-Time Homebuyers:** The FHA began to offer special incentives for first-time homebuyers to purchase from its inventory of single-family homes. HUD will sell any property in its inventory for a 2-percent down payment, and will also pay 3 percent of closing costs. For buyers who can go to settlement quickly, there's an added $1,000 bonus.

How many homes are there in the inventory?

THE PRESIDENT HAS SEEN
4-21-97

- **EDSS Grants:** On April 17, Secretary Cuomo announced that HUD will invest $31 million in 45 public housing developments across the country as part of an intensified effort to move public housing residents from welfare to work. Eighty percent of the grants in HUD's newest welfare-to-work initiative will fund supportive services and economic development efforts. The remaining 20 percent will pay for meals, personal assistance, housekeeping aid, transportation, and adult day care for elderly and disabled residents. Funds for the new welfare-to-work initiative come from Economic Development and Supportive Services (EDSS) grants. HUD expects to issue the 1997 notice of funding availability for the next round of Welfare-to-Work/EDSS grants in early May.

- **Secretary's Schedule:** On April 23, Secretary Cuomo will rollout HUD's Portfolio Reegnineering legislation, with Secretary Rubin.

OFFICE OF NATIONAL DRUG CONTROL POLICY

- **Boys and Girls Club of America:** On April 24, Director McCaffrey will deliver the keynote address at the 91st Boys and Girls Club of America Annual National Conference in Atlanta, GA. 1,250 Boys and Girls Club representatives and community leaders from across the nation will attend. Topics include drug and alcohol abuse, violence, education, and importance of reaching out to serve more youth, especially teens.

- **Caribbean Trip:** Director McCaffrey is tentatively scheduled to travel with Mack McLarty to Mexico on April 20-22 and Barbados on April 25-26. McLarty will lead the delegation and try to achieve agreement on Summit agendas and the final wording of Heads-of-State declarations. The Director will address the importance of counterdrug issues and seek agreement on final wording for drug issues in the declarations.

DEPARTMENT OF INTERIOR

- **Endangered Species Act:** DOI and DOC have reached final agreement with Native American tribal negotiators on the text of a joint Secretarial Order regarding the ESA and tribal treaty rights and trust responsibilities. This order represents a landmark achievement in addressing a decades-old controversy over the ESA's affect on the exercise of tribal treaty rights. While not conceding DOI's legal position that the ESA can affect the exercise of treaty rights, the new Secretarial Order would rely heavily on government-to-government consultation and coordination to avoid or minimize disputes under the ESA with tribes. DOI and DOC are presently anticipating a major roll-out/signing ceremony in Washington, D.C. within the next three to five weeks.

- **Klamath National Wildlife Refuge:** DOI must make its annual water management decisions by April 25 regarding distribution of water from the Klamath Project (OR) among local tribes, endangered species, irrigated agriculture, and wildlife refuges. Instream flows in Klamath River and water levels in Upper Klamath Lake have contributed to declines in fish populations and threaten extinction of some species. Adequate water resources may not be available this summer. DOI is looking for ways to manage available water supplies in ways that impose the minimum adverse impact to endangered species, tribal trust resources, migratory birds and irrigated agriculture. Any decision is likely to be controversial. DOI expects keen Congressional interest, particularly from members representing western agricultural districts, and legal challenges from several sides. DOI expects extensive local press coverage and limited regional press coverage.

- **National Park Week:** On April 21-27, parks across the country will celebrate National Park Week with activities ranging from special presentations by historians or naturalists to guest articles by rangers in local newspapers. On April 23, the National Park Partnership Leadership Awards will be presented at a reception at the White House Visitors Center and the Harry Yount National Park Ranger Award will be presented at a dinner at the Willard Hotel in Washington, D.C..

- **Ellis Island:** On April 14, NJ will begin surveying its new boundaries on Ellis Island as defined in the special master's recommendation. NY was extended the courtesy of accompanying the NJ surveyors but declined on the grounds that they are hopeful the full Supreme Court will overrule the master.

- **Golden Gate NRA Partnership:** With the assistance of DOE's Federal Energy Management Program, the NPS's Golden Gate Recreation Area has entered into a partnership with the local utility company (Pacific Gas & Electric) to save energy (natural gas and electric). The Presidio of San Francisco is projected to earn a rebate payment of $3,600,000 over a ten-year period.

- **Glacier Bay:** NPS plans to issue in the next few weeks a notice of proposed rulemaking to solicit public comments on a proposal to gradually phase out commercial fishing in Glacier Bay NP in southeast AK.

- **Mormon Trail Sesquicentennial:** On July 5, the Mormon Pioneer National Historic Trail will celebrate its 150th anniversary. Between now and September, the BLM expects between 200,000 and one million people from around the world to come to WY to visit the Trail.

- **National Park Volunteer Day:** April 26 is National Park Volunteer Day. In Antietam Battlefield, MD, 250 8th graders will clean 4,800 cemetery headstones and in the Glen Canyon National Recreation Area in UT, 250 5th graders will undertake a park cleanup project. Similar activities will occur in most National Parks.

- **National Wildlife Refuge System Legislation:** Secretary Babbitt, conservation group representatives, and staff from the offices of Congressmen Dingell, Young, and Miller have reached general agreement on revised legislation regarding the management of the National Wildlife Refuge System. A new bill might be introduced jointly by these members, ensuring rapid passage in the House.

- **Gray Wolves Conference:** On April 18, Defenders of Wildlife and Congressman Dicks co-hosted a conference to examine successful restoration of wolves to the Yellowstone ecosystem and the possibility of reintroducing them to the Olympic mountain region.

- **Secretary's Schedule:** Secretary Babbitt will participate in the following events:
  - **April 20** - Visit the San Pedro River in AZ.
  - **April 21** - Extending an open invitation to members of the AZ State Legislature to join him on a Riparian Tour at the Buenos Aires National Wildlife Refuge in southern AZ.
  - **April 22** - Join Mayor Daley and the River Rats for a cleanup of the Chicago River. Chicago-area AmeriCorps volunteers will also participate in the event.
  - **April 24** - Press conference with the National Park Foundation and American Airlines to launch the "Miles for Trails" campaign. The National Park Foundation and American Airlines have joined in a partnership to raise $1 million annually for trail restoration and trail accessibility projects throughout the National Park System.
  - **April 25** - Travel to southern NJ and help kickoff the annual Shad Fishing Festival. *ESPN* will cover this event.

- **Press Activities:** The *Los Angeles Times* is working on a story on the Sesquicentennial anniversary of the Mormon Trail. *USA Today* is doing a piece on Yosemite for April 18.

UNITED STATES DEPARTMENT OF AGRICULTURE

- **KS and MO:** On April 18, Secretary Glickman delivered the Eisenhower Lecture at Wichita State University, focusing on hunger and public service. The Secretary also participated in a gleaning/food rescue event. On April 19, the Secretary will be in Odessa, MO, to participate in Representative Skelton's farmers advisory meeting and in Blue Springs, MO, to visit with rural development leaders from the town of Sedalia.

- **European Union Talks:** On April 8-10, USDA attorneys participated in the continuing veterinary equivalency talks with representatives of the European Union (EU). The negotiators were able to resolve a number of outstanding issues, but unresolved issues remain involving poultry exports from the U.S. to the EU, preventing the parties from being able to conclude an agreement. The U.S. is considering the EU's latest offer on these issues.

- **Disaster Update:** During the week of April 7, in ND, SD, MN and MT, several USDA Farm Service Agency (FSA) county offices were closed due to power outages and blizzard conditions. In ND, more than 3,000 power line poles were snapped, cutting electricity to more than 83,000 people.

- **Civil Rights Update:** The week of April 14, the USDA Civil Rights Implementation Team (CRIT) named executive sponsors, team leaders, team members, liaisons, and advisors for the 32 teams that will be implementing Secretary Glickman's Civil Rights Action Team recommendations. On April 23, the National Black Farmers Association plans to hold a rally at USDA headquarters in Washington, D.C., with Representative Thompson as a featured speaker. The Congressional Black Caucus and Secretary Glickman will meet with the group's leadership following the rally.

- **Hepatitis A Outbreak Update:** The number of confirmed cases of Hepatitis A in MI has grown to 183. The FDA's investigation of the distributor's records shows about 60 percent of the suspect product went into commercial channels. USDA is investigating the allegation that the product was grown in Mexico. Frozen strawberries linked to the Hepatitis A outbreak were re-exported from the U.S. to Canada, and Canadian authorities have also documented re-exports of the strawberries from the suspected lots to third countries, including Brazil, Aruba, and Malaysia. On April 5, Canadian authorities issued a public health advisory from Quebec and have taken the precaution of inoculating some individuals although no cases have yet been documented in Canada.

- **Low-Income Funds:** The $469 million allocated for FY97 direct operating loans to low-income and beginning farmers who are unable to obtain credit from commercial sources will be exhausted by May 30. Many states have already depleted their allocations, and without additional funds, more than 2,400 low-income and beginning farmers will lose the resources necessary to enable them to continue farming operations.

- **Boundary Waters Final Report:** On April 28, the final report from the Boundary Waters Canoe Area (BWCA) Wilderness Mediation Committee is expected to be signed by committee members and forwarded to the MN Congressional delegation. On April 3, the BWCA Wilderness Mediation Committee finished negotiating sessions without resolving the main issue of motorboat access.

- **Tongass Update:** Six interagency scientific panels finished assessing selected alternatives for the final Tongass Land Management Plan (TLMP), some of which were modified since release of the draft environmental impact statement in April 1996. By the end of April, the summaries of the panels are expected to be completed. Notes of a silent observer for one panel were obtained by the press, causing Senator Murkowski to raise questions about the panel's credibility.

- **OR Animal Liberation:** Last week, the supervisor of the Willamette National Forest in OR received a letter from the Animal Liberation Front (ALF), claiming that 47 trees were spiked on the Robinson Scott project on the McKenzie Ranger District to protest and stop clearcutting. The letter also claimed that an incendiary device had been placed in a Forest Service vehicle, but was removed when it failed to ignite. No spikes were found in any of the Forest's trees, and the FBI is investigating the situation.

- **Trade Developments:**
  - On April 15, responding to a World Food Program request, the U.S. announced an emergency food aid program providing about $15 million of corn for North Korea. This is in addition to an earlier $10 million contribution of corn and rice.
  - The U.S. could benefit from a recent Indian announcement of increased liberalization of corn imports. This significant announcement follows several years of joint efforts by the local poultry industry, the Office of Foreign Agricultural Affairs and the U.S. Feed Grains Council.
  - From July 1996 to January 1997, U.S. apple exports to Japan were 667 tons (valued at $381,539), down 43 percent compared to the same period last season, increasing the likelihood of falling below the 1995/96 level of 1,403 tons.

- **Agricultural Markets In Review:** During the week ending April 11, wheat prices rose sharply on freeze concerns. Corn prices advanced, as cold, wet weather in the Midwest could force some intended corn acreage to be planted with soybeans. Rice prices surged following USDA's report of a sharp reduction in long grain stocks. Soybean prices fell as crush and exports slowed. Cotton prices slumped on the lack of supporting news. Strong packer demand led steer prices up, partially offsetting a sluggish market earlier in the week. Weather related problems led hog prices up, while broilers advanced on good retail sales. Wholesale cheese and butter prices were virtually unchanged.

- **Earth Day Update:** On April 22, Secretary Glickman will participate in an Urban Resources Partnership in Boston, MA, and announce nearly $70 million in water and sewer awards in over 30 states. The Secretary's announcement will make the point that a sound environment, especially clean and safe water, is essential to sound public health and will be boosted by events in 16 states where USDA officials will visit to make official award presentations.

- **D.C. Initiative Update:** On April 24, Secretary Glickman will announce an Urban Natural Resource Initiative at John Burroughs Elementary School in northeast Washington. The initiative, involving several USDA agencies, will provide both technical and financial assistance to implement the program, a partnership with several federal and local government agencies, schools, professional organizations, nonprofits, volunteer groups and concerned citizens. The announcement will be accompanied by a tree-planting ceremony.

- **Welfare Reform Update:** During the period April 11-14, USDA approved a request from three Native American reservations in NE to waive provisions of the welfare reform bill regarding work requirements that limit receipt of food stamps for childless able-bodied adults to three months in any three-year period unless the individual is working at least 20 hours per week, due to the lack of job availability. USDA also partially approved a request from AL, where 16 counties and one city were excluded from the Act's provisions, although the request was to exclude 17 counties.

- **Farm Forum:** On May 9, Secretary Glickman plans to hold an Agriculture Forum with key Members of the House and Senate agriculture committees and appropriations subcommittees to discuss the future of several USDA programs and the county delivery system.

- **Hearing:** On April 24, Secretary Glickman will testify before the Senate agriculture committee on trade issues.

- **Press Activities:**
  - On April 18, *ABC*'s *20/20* is expected to air a segment on an EBT (electronic benefits transfer) food stamp sting and the Lone Star Card in Houston, TX.
  - *The Washington Post* requested import data on frozen vegetables and fruit for an article about proposed regulations concerning country of origin labeling.
  - *NBC Dateline* inquired about the San Angelo, TX, Evans Meat Company case, in which the meat plant's owners have been fined $4 million and sentenced to prison following an investigation by several federal agencies.

- **FOIA Requests:**
  - The *New York Times* requested correspondence and other materials between USDA employees and officials with Harold Ickes, Doug Sosnick, Don Fowler, Marvin Rosen, Richard Sullivan, John Huang and Terence McAuliffe.
  - ID's attorney general filed a FOIA request with the Forest Service for lists of names and addresses of any entities or individuals holding leases, permits, or licenses authorizing any activity on National Forest System lands within the state. Both Forest Service regions, based on an USDA Office of General Counsel opinion that names and addresses are protected, are likely to deny the request. DOI's opinion in this matter, however, is not consistent with the Forest Service.

DEPARTMENT OF ENERGY

- **NM Trip:** On April 17-21, Secretary Peña will travel to NM for his first tour of DOE facilities in the area and to participate in several events that reflect the Administration's priorities. On April 17, the Secretary participated in a radio show with an Earth Day Message. At Martin Luther King Elementary School in Rio Rancho, NM, the Secretary will also participate in a "net day" technology event which will connect the final cable in an Internet installation project. While in NM, Secretary Peña will meet with Governor Johnson and Attorney General Udall.

- **Gasoline Prices:** On April 14, the spot price for conventional gasoline was 59.08 cents per gallon in the NY Harbor, 1.75 cents per gallon higher than a week ago. Prices were higher early in the week on news of import demand from Nigeria and elsewhere. At week's end, concern about the implications of reports linking Iran to the 1996 bombing of U.S. barracks in Saudi Arabia drove prices even higher. (The spot price for West TX Intermediate crude oil at Cushing, OK, rose from $19.25 per barrel to $19.90 per barrel over this period.)

- **Heating Oil Prices:** On April 14, spot prices were mostly higher than a week ago with heating oil in the NY Harbor up 2.15 cents to 58.53 cents per gallon. Late-season cold weather kept heating oil demand unexpectedly strong in the Northeast. A sharp jump midweek pushed NY Harbor heating oil prices briefly above regular gasoline for the first time since mid-February.

- **National Science Bowl:** On May 2-5, the seventh annual National Science Bowl will be held at the National 4-H Conference Center in Chevy Chase, MD. 45 teams of high school students will compete for top honors. January-March, 1997, regional tournaments were held at DOE facilities, other agency sites and educational institutions. More than 6,000 high school students from 1,600 high schools are participating in this fast-paced math and science competition. Secretary Peña, senior DOE officials and representatives of the corporate sponsors will attend. You have been invited to attend.

- **OH Citizen's Advisory Board:** Over the last two years at Fernald, near Cincinnati, OH, DOE set up a Citizens' advisory board to help reach decisions about an environmental restoration project at a former uranium reprocessing facility resulting in decisions that the community can live with. Citizen input led to savings of more than $2 billion by allowing the facility to be used for industrial use rather than restoring it to "green field" condition and allowing some of the waste to be disposed of onsite.

THE PRESIDENT HAS SEEN
4-21-97

- **China Renewable Energy Mission:** On April 18-May 4, representatives from DOE's National Renewable Energy Library (NREL) will travel to China to encourage further cooperation in the area of energy efficiency and renewable energy and hold discussions on increasing markets for U.S. renewable energy technologies. Topics include the construction of grid-connected wind farms, solar home systems, electric vehicle development and potential solar, thermal and geothermal feasibility studies.

- **Nuclear Power Documentary:** On April 22, *PBS Frontline* will air an hour-long documentary titled "Nuclear Reaction." This program will focus on what has "derailed" nuclear power in the U.S. and the differing national attitudes toward nuclear power.

DEPARTMENT OF EDUCATION

- **TX Affirmative Action:** On April 11, Assistant Secretary for Civil Rights Norma Cantú wrote a widely publicized letter to TX State Senator Rodney Ellis clarifying the position, stated in previous letters to TX officials, on affirmative action in TX, LA and MS in the wake of the Hopwood decision. Assistant Secretary Cantú stated that in the 5th Circuit Hopwood is controlling, and that affirmative action programs cannot be used for the purpose of ensuring diversity in higher education in the three states. Assistant Secretary Cantú stated that the Office for Civil Rights (OCR) is reviewing the TX higher education system to determine whether TX has eliminated the vestiges of its formerly segregated system as required by the 1992 Supreme Court decision in Fordice, and that narrowly tailored affirmative action programs by an institution for the purpose of remedying that institution's own past discrimination are permissible under Hopwood and could be required under Fordice. On April 10, Solicitor General Walter Dellinger wrote to DOEd's General Counsel to clarify that Hopwood is generally applicable law in the 5th Circuit.

- **Central State University:** Department staff are preparing a letter from Secretary Riley to Governor Voinovich in response to the Governor's April 4 letter. The Governor wrote to Secretary Riley to express his concern over the Office for Civil Rights' (OCR) higher education desegregation investigation involving Central State, Ohio's only historically black college, and urged the Secretary to evaluate DOEd's position carefully. OCR notified Governor Voinovich by letter in March that it would resume its investigation of Central State due to the state's failure to submit a proposed remedial plan to OCR.

- **Remedial Education in Religious Schools:** On April 15, the Supreme Court heard oral arguments in New York City's appeal of the 2nd Circuit decision in Agostini v. Felton prohibiting the city from providing federally supported remedial instruction on religious schools' campuses. Remedial instruction in reading and mathematics, available under federal legislation to all students regardless of what schools they attend, is currently provided to religious school students off campus to meet the requirements of the 1985 Supreme Court ruling in this same case, which was then styled Aguilar v. Felton. On oral argument, the Justices directed several questions to the Solicitor General regarding the procedural issue of whether a motion for post-judgment relief is a proper vehicle for reversing the Supreme Court ruling in Aguilar.

- **Read*Write*Now!:** Secretary Riley will appear at events across the country starting in May to launch DOEd's annual summer reading program. Events are scheduled for DC, May 14; Boston, May 15; New York City, May 20; and Denver, May 29.

- **Title I Funding:** Title I remedial instruction funds are allocated based on Census Bureau poverty concentration data, and Secretary Riley is reviewing the findings of a report issued by the National Academy of Sciences on March 21, which recommends that DOEd split the difference between the Census Bureau's 1994 estimates and 1990 data. Because shifts in poverty reflected in the updated data would retarget some funds to counties with higher concentrations of poverty and thus could have a significant impact on some states' allocations, any decision is likely to be controversial. On April 26, Secretary Riley should announce his decision.

- **Education and the Economy Report:** On April 24, Secretary Riley will hold a press conference to release "Education and the Economy: An Indicators Report" prepared by the National Center for Education Statistics. The report will examine a variety of statistics regarding the impact of education and vocational training on worker productivity.

- **Science Report:** On May 2, Secretary Riley will announce the National Assessment of Educational Progress (NAEP) report on student performance in science. The NAEP Science test has not been administered before, so no historical data will be announced.

- **Secretary's Schedule:**
  - April 18 - Addressed the National Association of State Boards of Education in DC.
  - April 29 - Address Cable Television Association in Philadelphia, PA.
  - April 30 - Attend the NY State Standards and Technology Conference in Albany, NY.
  - May 6 - Address the International Reading Association in Atlanta, GA.
  - May 12 - Give remarks at the Boston Globe Symposium on Literacy.
  - May 15 - Attend the Business Coalition Partnership Conference in Boston and the Providence Math/Science Coalition in RI.
  - May 16 - Address the Lawyers for Civil Justice in DC.

- **Teaching Excellence and Accountability:** On April 25, DOEd will send letters to state and local education officials notifying them of federal resources available to help them address the challenges of recruiting, training and rewarding the best teachers and increasing teacher accountability.

ENVIRONMENTAL PROTECTION AGENCY

- **Outstanding Mother Award:** On April 17, Administrator Browner traveled to NY to be honored as one of 1997's Outstanding Mothers by the National Mother's Day Committee, in recognition of her contributions to family and society as a civic leader and environmentalist.

- **Earth Day Events:** Next week, Administrator Browner will participate in several events:
  - April 21 - Event with the Vice President to announce an Executive Order to Protect Children From Environmental Health and Safety Threats.
  - April 22 - Earth Day Event with you regarding Community Right-To-Know Expansion.
  - April 22 - Sign an MOU with several other federal agencies and senior citizens groups to amplify your message on volunteerism and the need for environmental protection.

- **Cape Cod Groundwater Contamination:** Last week, EPA issued an order to the National Guard Bureau and the MA National Guard concerning activities at the MA Military Reserve on Cape Cod. EPA ordered that the use of propellants and pyrotechnics in conjunction with training exercises be stopped because of contamination of the aquifer that supplies drinking water to local residents. EPA is working with DoD and the National Guard on an agreement to control groundwater contamination while still respecting the training needs of the National Guard. Governor Weld and Senators Kennedy and Kerry are supportive of EPA's action, as are the residents of Cape Cod, for whom contamination at the Military Reserve has been a concern for many years.

- **Eastern States Air Pollution:** This week, EPA identified 26 eastern states that will need to make additional air pollution reductions in order to address regional ozone (smog) air pollution. Over the last 2 years, EPA has worked closely with a group of 37 eastern states to develop a broad strategy to reduce smog. EPA expects that many of these states will need to make additional air pollution reductions. Final results are expected in June 1997, after which EPA would propose regulations to implement a regional program.

- **CA Wastewater Treatment Facility:** On April 18, the operation of the International Wastewater Treatment Plant (IWTP) in San Diego, CA, was formally initiated. EPA, through the International Border and Water Commission (IBWC), funded the $239 million cost of the facility. Vice President Gore attended the ground-breaking ceremony for the plant in 1994. Construction of the facility addresses a concern of the residents of San Diego County. Since the 1980s, renegade sewage flows from Tijuana, Baja California, Mexico, north into San Diego. In 1990, the U.S. and Mexico agreed to build a plant in San Diego to treat sewage from Tijuana. The plant is now ready to begin operation, although the ocean outfall for the plant will not be completed until 1998. In the interim, the treated wastewater will be discharged to San Diego's wastewater treatment system. Once complete, the outfall will discharge the treated wastewater into the ocean approximately 3 miles off the San Diego coastline.

- **Administrator's Schedule:** The Administrator will participate in the following events:
  - April 23 - House Government Reform Subcommittee Hearing on proposed air standards.
  - April 24 - Address Los Angeles Town Hall on proposed air quality standards.
  - April 25 - Address National Conference of Black Mayors in St. Louis, MO.
  - May 4-6 - G-7 Environmental Leaders Meeting, Miami, FL.

- **Hazardous Waste and Landfills:** This week, the Administrator will sign two regulatory actions addressing the management of certain hazardous wastes (wastes from wood preserving operations, mineral processing wastes, etc.) These actions are required under the Land Disposal Restriction (LDR) program of the Resource Conservation and Recovery Act, the law governing hazardous waste.

UNITED STATES INFORMATION AGENCY

- **America Aid Poll Results:** Recent USIA polling shows that Ukrainians are highly skeptical of American aid. Only one in six think that American aid has been helping the people of Ukraine at least somewhat. Nearly half (45 percent) say the aid has not helped much; another quarter (28 percent) say it has not helped at all. Only one in five have heard much or somewhat about a U.S. program to help close the Chernobyl atomic energy plant; nearly three-fourths have heard little or nothing at all about this. Even fewer (5 percent) have heard about U.S. efforts to help Ukraine fight official corruption.

- **Civic Education Essay Contest:** On April 18, the First Lady met at the White House with the top 10 finalists in a national essay contest co-sponsored for the second year by VOA and the National Endowment for the Humanities. The grand prize winner is a Romanian-American from Georgia, Vasile Stanescu. Other finalists include a Vietnamese-American, a Chinese-American, and a Native American who lives on a reservation in ND. All answered the question, "How do the ideals of duty, honor, and justice that guided George Washington in the 1790s shape your life and the lives of those around you in the 1990s?" Before coming to the White House, the finalists will record their essays for broadcast over the VOA.

GENERAL SERVICES ADMINISTRATION

- **OK Bombing Anniversary:** The White House has asked representatives from GSA to present a wreath on your behalf at the Murrah building bombing remembrance services. GSA staff continues to work with and support, the families and survivors of the bombing.

- **Heightened Security:** During the last few weeks GSA has increased its security patrols in Federal facilities, placed tighter control on entrances and heighten employee awareness of security issues.

- **Press Inquiries:**
  - *ABC News Your Money* will run a piece on the Silver Spring Metro Center I building, which is part of the NOAA complex. The building was bought by GSA in 1987 as part of the previous administration's opportunity purchase program. Latent structural problems were found and repaired by the developer, and in 1993, NOAA employees were relocated due to noxious odors caused by a chemical reaction in the carpet epoxy and leveling compounds. GSA has consulted with air quality experts and engineers and now have a solution that will allow the building to be reoccupied.
  - The *AP, Washington Post, Dallas Morning News, Albuquerque Journal* and *Scripps-Howard* were given an update on security countermeasures.

SOCIAL SECURITY ADMINISTRATION

- **Internet Computer Service:** SSA's decision to suspend its online (Internet) Personal Earnings and Benefit Estimate Statements (PEBES) pending a 60-day review has received generally positive comments from around the country. Public forums are being planned for various locations across the U.S. to solicit expert and public opinion.

- **1997 Annual Reports:** Under law, the Social Security and Medicare Boards of Trustees submit annual reports on the operation and status of the Social Security and Medicare trust funds. On April 24, the Board is scheduled to meet to review and approve its annual reports.

- **Welfare Reform Governor's Letter:** Acting Commissioner Callahan is sending letters to all Governors offering to provide to designated State agencies, upon request, a list of those individuals who may potentially lose benefits due to Welfare Reform. The Privacy Act grants SSA the authority to provide this information to the States if the information is to be used for a closely related purpose and not redisclosed. A number of States have requested this information in order to assist individuals with naturalization, maintaining Medicaid eligibility or helping them to obtain State assistance.

- **Social Security Disability Hearing:** On April 24, the Social Security Subcommittee of the House Ways and Means Committee has tentatively scheduled a hearing on backlogs in appeals of Social Security disability claims.

OFFICE OF PERSONNEL MANAGEMENT

- **Welfare to Work Hearing:** On April 24, Director King will be part of an Administration panel that will testify before the House Subcommittee on Civil Service on your Welfare to Work Initiative. Others scheduled to testify include OMB's John Koskinen and representatives of DoD, DOI, VA and the Bureau of the Census.

- **Service Initiative:** On April 17, Director King joined a cleanup of D.C.'s Woodlawn Cemetery, along with a team of Americorps volunteers, as part of the amplification of the upcoming Service Summit.

VETERANS AFFAIRS

- **Sexual Harassment:** Both Veterans' Affairs Committees are planning hearings on VA's disciplining of senior managers who have sexually harassed VA employees. Members may voice concerns that VA's "zero tolerance" policy is not being applied strictly enough. The hearings are likely to be very confrontational.

- **VA Medical Centers:** Next week, VA plans to announce the integration of the VA medical centers in Grand Island and Lincoln, NE. Although there is resistance to integration from some local media and veterans in the Grand Island area, VA believes the Congressional delegation will support integration as a way to make VA health care dollars go further.

- **Volunteers' Service to Veterans:** During National Volunteer Week, April 13-19, VA is honoring volunteers who contributed nearly 14 million hours of service to our Nation during FY96. This is the equivalent of almost 7,000 VA employees. VA's Voluntary Service is the largest volunteer program in the Federal government. The monetary value of the time contributed by volunteers last year was more than $175 million.

- **Secretary's Schedule:** Secretary Brown will participate in the following events:
  - April 23-24- Testify before the House Appropriations Committee on the FY98 budget.
  - April 29 - Testify before the Senate Appropriations Committee on the FY98 budget.

- **Deputy Secretary's Schedule:** Deputy Secretary Gober will participate in the following events:
  - April 30 - Address the Annual Training Conference before the AR Department of Veterans Affairs, Little Rock, AR.
  - April 30 - Participate in a Customer Service Day at the Little Rock VA Regional Office and attend an all-employee meeting with the VA Medical Center Director.
  - May 18 - Baccalaureate Ceremony Speaker at Parkview Arts/Science Magnet High School, Little Rock, AR.

- **Press Inquiry:** Last week, *USA Today* interviewed the director of VA's Readjustment Counseling Service for a story on post-traumatic stress disorder (PTSD) among Persian Gulf War veterans and VA's treatment and research programs for PTSD. The reporter also plans to visit the VA Vet Center in Baltimore, MD, to see work with Gulf veterans with PTSD. No publication date of the story has been projected.

FEDERAL EMERGENCY MANAGEMENT AGENCY

- **Disaster Denial:** On December 23, 1996, the Governor Pataki requested a major disaster declaration as a result of the TWA Flight 800 crash on July 17, 1996. The Governor's request has been denied. A letter from Cabinet Secretary Higgins indicating Administration support for congressional action to assist NY accompanied the denial letter.

cc:
The Vice President
Erskine Bowles
Franklin Raines
John Podesta
Sylvia Mathews
Ron Klain
Rahm Emanuel
Maggie Williams
Michael McCurry
Doug Sosnik
Marcia Hale
Don Baer
Maria Echaveste
John Hilley
Janis Kearney
Craig Smith
Ann Lewis
Bruce Reed
Gene Sperling
Kathleen McGinty
John H. Gibbons

THE PRESIDENT HAS SEEN
4-21-97

April 18, 1997

MEMORANDUM FOR THE PRESIDENT AND THE VICE PRESIDENT

FROM: Craig Smith

Copied Smith COS

SUBJECT: Weekly Political Update

'97 APR 18 PM7:32

Knowles Race Confidential

ALASKA

Incumbent Anchorage Mayor Rick Mystrom (R) was reelected Tuesday to a second term with 53% to challenger Tom Fink's (R) 43%. When approached by reporters about the possibility of running for the U.S. Senate in 1998, Mystrom did not rule out the possibility. Should Senator Murkowski (R) decide to retire and challenge Governor Knowles, Mystrom is rumored to want the seat.

ARIZONA

Jury selection for Governor Symington's (R) trial begins next week. Symington will be tried on 23 counts in connection with real estate deals. He is charged with 21 counts of providing false information to financial institutions and once count each of attempted extortion and lying in his bankruptcy proceedings.

CALIFORNIA

San Diego businessman Darrell Issa (R) announced Friday he is formally exploring a challenge to Sen. Barbara Boxer (D) and immediately put $2 million of his own money into the effort. Issa is the third major Republican to formally explore the race. The others are San Diego Mayor Susan Golding and Treasurer Matt Fong. Several Republican Congressmen are considered potential candidates as well, most notably David Dreier, Sonny Bono, and Chris Cox.

The California State Senate voted overwhelmingly to repeal a state law that shields tobacco companies from potential lawsuits by the state and individual citizens. By a vote of 28-9 the Senate approved the bill and sent it to the Assembly where a similar proposal is pending. A compromise between the two bills is likely.

COLORADO

Governor Roy Romer may be headed for a showdown with the Colorado Legislature over welfare reform. Arch-conservatives are insisting on a welfare program that devolves power to the counties; an approach the Governor opposes. The Governor has indicated that he may call a special session of the legislature to resolve the impasse.

There are rumors that former Republican U.S. Senator Hank Brown may run for Governor in 1998.

Welfare Idea

G-8 preparations are getting back on track. Governor Romer spoke to Harold Ickes about an idea Romer has for bringing the 15 Western Governor's to Denver during the Summit to showcase a project they have been working on called the "Western Governor's University." This virtual

THE PRESIDENT HAS SEEN
4-21-97

university based on technology is a pet idea that Romer and Utah Governor Mike Leavitt (R) are championing. Every member of the Colorado Congressional Delegation is supporting the G-8 host committee except for Republican freshman Bob Schaffer, who refuses to let his name be to used for the effort.

FLORIDA

Lt. Governor Buddy MacKay (D) received the endorsement of Tampa's very popular Mayor Dick Greco. Jeb Bush (R) was pushing Greco to support him, but the non-partisan Mayor endorsed MacKay. There is speculation that Greco may become MacKay's running mate.

The *Orlando Sentinel* is reporting that the Democrats may finally have the evidence necessary to show that the $875,000 "independent expenditure" by the NRSC on behalf of Republican State Legislative candidates was not independent. The *Sentinel* has discovered an invoice listing the "Florida GOP" as the client for TV ads paid for by the NRSC. State Senate Ethics and Elections Committee Chairman Charlie Crist (R), who is running against U.S. Senator Bob Graham (D) in 1998, has refused to hold hearings on the legality of this "independent expenditure", but this evidence may enable the Democrats to apply more pressure. There is also speculation that the Governor is considering calling for an independent probe if Crist refuses to investigate, an ironic reversal of the situation in Washington.

GEORGIA

Mayor Bill Campbell (D) and City Council President Marvin Arrington (D) appeared together for the first time since Arrington announced his candidacy for mayor. Speaking at a charity dinner at an Atlanta University Center forum, Mayor Campbell delivered his address without mentioning his co-honoree's name, instead saying he was one of "Atlanta's most prominent public servants."

HAWAII

Maui Mayor Linda Lingle (R) who announced her interest in challenging Governor Ben Cayetano (D) has recently talked to Republican party leaders about a possible challenge to U.S. Rep. Patsy Mink (D). Lingle reportedly feels that her chances of beating Mink are better than a gubernatorial race against Cayetano.

The state legislature moved the same sex marriage issue to a constitutional amendment that will appear on the ballot in November, 1998. The language states that Hawaii will only allow marriages of the opposite sex, but includes provisions of benefits for partners of the same sex.

ILLINOIS

12th District (Carbondale). Rep. Jerry Costello (D) has been "implicated" in a supposed scheme to use his congressional influence to gain approval of a land-based casino for a gambling syndicate. The allegations involve a small-time gangster who says a partner arranged for Costello to get federal of the Pokagons Indian tribe in exchange for 25% of a casino to be built on the newly recognized Native American land. Costello denies any wrongdoing.

THE PRESIDENT HAS SEEN
4-21-97

IOWA
Gov. Howard Dean (D), in Des Moines on Tuesday to recruit gubernatorial candidates urged Sen. Tom Harkin (D) to run.

Jack Kemp was in Des Moines, speaking at a transportation conference sponsored by the Greater Des Moines Chamber of Commerce Federation and addressing GOP state legislators. It is Kemp's second trip to Iowa this year.

KENTUCKY
The latest development in the year-long probe of alleged wrongdoing on the part of several Democratic groups in the state during the '95 gubernatorial election came this week when Attorney General Ben Chandler (D) ordered uncooperative witnesses to testify before a special grand jury. The AFL-CIO, the Teamsters, the A. Phillip Randolph Institute and the Democratic Party are under investigation for violating state campaign spending limits and engaging in improper coordination of activities. Patton said his campaign didn't do anything wrong. He supports the use of the special grand jury because he wants "all of the truth out."

MARYLAND
Baltimore Mayor Kurt Schmoke (D) said "out loud" that he plans to make a bid for the U.S. Senate in three years if Sen. Paul Sarbanes (D) decides not to run for reelection. Many observers have assumed that Schmoke was considering this bid, but this was the first time the Mayor acknowledged it.

MASSACHUSETTS
Gov. William Weld (R) denied a report that he told Treasurer Joe Malone (R) that he would not seek a third term. Weld said that this comment "was an April Fools' Day misunderstanding." Previously Gov. Weld said that he will not make his decision until September. He did add that if Rep. Joe Kennedy (D) were to announce his candidacy for governor, it might push him to declare as well.

NEW HAMPSHIRE
NH 2000. Sen. John McCain (R) will address the joint spring dinner of the Merrimack County and Concord GOP committees on May 1. Steve Forbes (R) will attend the annual New Hampshire Federation of GOP Women Lilac Luncheon in Derry on May 5. Finally, Elizabeth Dole (R) will be the keynote speaker at a small business development conference in Nashua on June 5.

NEW MEXICO
The Serna (D) for Congress campaign has $100,000 cash on hand. Media will go up next week. Secretary Pena will be in Espanola and Albuquerque this weekend. Serna is in San Francisco and Los Angeles today and expects to raise $15,000.

House Speaker Ray Sanchez (D) is still exploring the possibility of a gubernatorial race. He has been polling statewide and expects to make a decision within the next month.

THE PRESIDENT HAS SEEN
4-21-97

NEW YORK

Rep. Charles Schumer (D) announced that he was running for Sen. Alphonse D'Amato's (R) seat in 1998. Schumer was considering running for Governor or Senate, and most observers believe that his decision to run against D'Amato is an indication of Governor Pataki's (R) relative strength and D'Amato's weakness. Schumer's decision puts him into a primary contest with New York City Public Advocate Mark Green (D). The question is what effect Schumer's entry will have on Geraldine Ferraro's (D) decision. One group of observers believe that Ferraro is hesitant to enter another potentially hostile primary battle considering her experience in the 1992 Senate primary, and there are reports that her husband is not very enthusiastic. Others believe that Schumer's decision makes it easier for Ferraro because she will be running against two downstate males and neither is Italian American. Either way Democrats are now concerned that the stage is now set for a repeat of the damaging 1992 primary, which contributed to D'Amato's narrow victory. The DSCC finance chairman, Senator Torricelli (D), said, "The decision about whether or not Al D'Amato is reelected will probably be made by the Democrats."

CTS caucus about this?

Governor George Pataki (R) officially "dumped" Lt. Governor Betsy McCaughey Ross (R) from his 1998 reelection ticket. Pataki cited her "outright refusal to work as part of a united team." Ross fired back, "I will continue to serve my term, and whatever office I choose to run for in 1998, I will make sure there is no appearance or reality of government for sale." Pataki in a move clearly aimed to soothe anger among female voters is considering three more conservative women to replace Ross. Ross has ruled out a run against Rep. Carolyn Maloney (D-14), but is still considering challenging Senator Al D'Amato (R) in a 1998 primary.

It was reported in the in the *New York Daily News* that Mayor Giuliani (R) quietly held more than two dozen private political fund raisers last year as he amassed an unprecedented campaign war chest. Giuliani is expected to reach the legal spending limit by the end of the month. His May 20 gala fundraiser is expected to bring the Mayor's total to $9.5 million, which is the most that can be spent under New York City law.

NY 2000. A poll of 1,008 likely voters surveyed 4/7-10 and conducted by the Zogby Group/ *New York Post* finds the Vice President as the Democratic front runner and Colin Powell as the Republican front runner.

Democratic Primary	
Al Gore	34%
Jesse Jackson	10
Richard Gephardt	9
Bill Bradley	8
Bob Kerrey	3
John Kerry	3
Not Sure	30

GOP Primary	
Colin Powell	24%
George W. Bush	17
Elizabeth Dole	8
Jack Kemp	8
Dan Quayle	7
Steve Forbes	7
Christine Whitman	4
John Kasich	2
Lamar Alexander	2
Fred Thompson	2
George Pataki	1

RHODE ISLAND

Gov. Lincoln Almond (R) in an effort to lure the New England Patriots to Rhode Island, used campaign funds to buy seven Super Bowl tickets for his staff. Sources indicate that Gov. Almond's campaign owes $40,000 from a loan he made to his campaign in 1994. This is adding fuel to the speculation that Gov. Almond is not running for reelection and hopes to give the Republican nomination to Lt. Governor Bernie Jackvony. The possible Democratic candidates in the gubernatorial race are `94 nominee Myrth York; State Senator Paul Kelly; ex-Warrick Mayor Frank Flaherty; and U.S. Attorney Sheldon Whitehouse.

RI 2000. House Minority Leader Dick Gephardt (D) visited Rhode Island on April 14 to raise money for the party and "promote a package of education funding bills supported" by Rep. Patrick Kennedy (D). If Gephardt makes the decision to run, it appears he will have at one least supporter in Rhode Island. Kennedy said, "Dick Gephardt is my friend and leader in Congress. If he should choose to run for president, he has my full support."

TEXAS

Bush 2000. Governor George W. Bush is featured in a 4-page spread of the April 21 issue of *Newsweek.* It is a biographical piece on Governor Bush comparing his upbringing and political career to that of his father, former President George Bush, and sounding like a road map to the White House. While ex-President Bush led a privileged life and made all the privileges available to his son George, the article shows how this Harvard-educated governor walks and talks like a regular guy leading a regular life. The article also depicts the Bush boys, George and Jeb, as the Kennedys of the right. The article reiterates his philosophy that his generation is to blame for a permissive attitude that endangers the nation and should be replaced by a "responsibility society."

Houston. Ex-Controller George Grenias has announced he will run for mayor. Grenias and Mayor Bob Lanier clashed during their office tenure. Other possible candidates include Mayor Pro Tem Gracie Saenz (R), NYC Police and former Drug Czar Lee Brown (D), Council member Helen Huey (R), U.S. Representative Sheila Jackson-Lee (D), State Senators John Whitmire and Sylvester Turner (D). Rob Mosbacher (R) has announced his candidacy.

Welfare privatization. The Communications Workers of America, the national affiliate of the Texas State Employees Union, launched a radio advertising campaign on Monday to derail privatization of welfare programs. The two-week run features three radio ads in English and Spanish during drive time in major Texas cities. One of the radio scripts states " . . . That's right. The guys who brought us the $3,000 toilet seat are trying to take over public service for families, children and seniors." The other ads focus on the possibility of losing 17,000 jobs and the confidentiality factor of personal information.

VIRGINIA

After raising more than $3 million each, Lt. Governor Don Beyer (D) and Attorney General James Gilmore (R) began the final seven months of the campaign with approx. $1.7 million each in the bank.

WISCONSIN

Minority Leader Dick Gephardt (D), Reps. Tom Barrett (D) and Jay Johnson (D) and '96 congressional candidate Lydia Spottswood (D) held a news conference on student aid at the University of Wisconsin-Milwaukee last Saturday. Gephardt stated that "education is the number one issue in America today." Later that same day, Gephardt asked Wisconsin Democrats to help return their party to power in the House and portrayed Republicans as irresponsible tax-cutters. (Clips are attached.) Spottswood is expected to run again for the seat currently held by Rep. Mark Neumann (R). Neumann is expected to challenge Sen. Russ Feingold (D).

A recently released March survey done by St. Norbert College/Wisconsin Public Radio poll of 407 adults (3/18 & 3/23; MoE 5%) shows a dip in Gov. Tommy Thompson's still-strong approval ratings. His excellent/good rating fell from 79% in October to 69% in March. (The October figures are based on likely voters.) Other elected officials remained relatively stable. The President slipped only 2% to 69%. Sen. Herb Kohl dropped 1% to 68% to while Sen. Russ Feingold stayed even at 55%. The Vice President stands at 69%. There are no October figures on the Vice President's standing. On issues, the poll finds that Wisconsin Citizens identify taxes (25%), education (11%), crime (9%) and welfare issues (7%) as the most important issues facing them. Democrats are considered the party most able to deal with important problems by a margin of 42% to 27%.

cc: The First Lady
Mrs. Gore
Erskine Bowles
John Podesta
Sylvia Matthews
Doug Sosnik
Rahm Emanuel
Maria Echaveste
Kitty Higgins
Marcia Hale
Bruce Reed
Gene Sperling
Mike McCurry
John Hilley

Gephardt urges GOP to address college costs

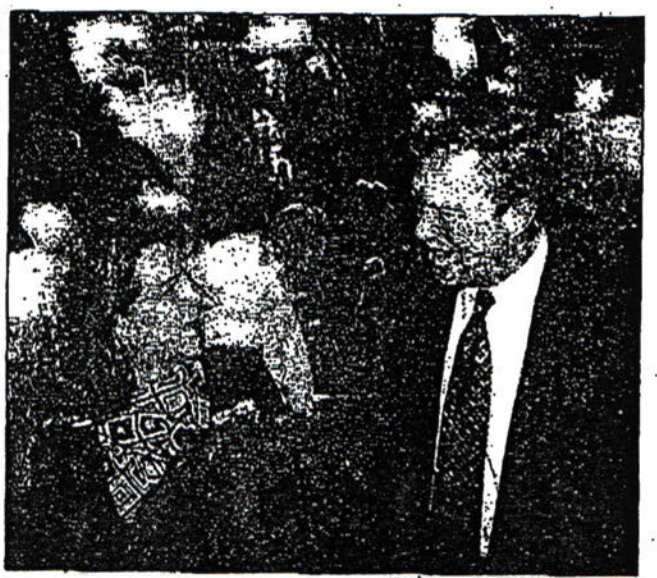
Democratic leader joins Barrett, Johnson in citing jump in student debt

By Tom Heinen
of the Journal Sentinel staff

Saying the average debt burden for new graduates at University of Wisconsin campuses has increased 67% since 1990, House Minority Leader Richard Gephardt joined Wisconsin Democratic Reps. Tom Barrett and Jay Johnson in calling Saturday for Republicans to stop blocking legislation that would make college more affordable.

President Clinton and Democrats have proposed solutions in the House ranging from tax deductions to more grants for low-income students, but they have not been able to get the Republican majority to put the issue on the agenda for debate, said Gephardt (D-Mo.).

"In my opinion, education is the number one issue in America today," said Gephardt, who was in Milwaukee for the Wisconsin Democratic Party's annual Jefferson Jackson Dinner.



WILLIAM J. LIZDAS/STAFF PHOTOGRAPHER

House Minority Leader Richard Gephardt chats with former congressional candidate Lydia Spottswood before his speech at the state Democratic Party's annual fund-raising dinner at the Hyatt Regency.

"Every student, every family understands that if we're to have a high standard of living, to have successful families, we have to have educated people. . . .

"If you go around the world, you can find people who are operating and working every day at a much lower standard of living. . . . The only way we can hold our standard of living and have decent wages for our workers is if people have the mental capability to be 10, 20, 50 times more productive than the workers of businesses they are competing against around the world."

U.S. Rep. Tom Barrett:
"Unfortunately, . . . education isn't even on the radar screen of the 105th Congress."

"I will compliment our state government, because our state government, on a bipartisan basis, has historically done a good job in keeping tuition affordable," Barrett said. "Unfortunately, . . . education isn't even on the radar screen of the 105th Congress."

Timothy Casper, 23, president of the United Council of UW Students, said 35 students from UW campuses went to Washington last week to meet with Wisconsin's representatives and to deliver more than 23,000 postcards from concerned students. The students are seeking increased funding for student grant programs, changes in how student financial need is calculated, and elimination of the 4% fee for originating a student loan.

The congressmen held a news conference at the University of Wisconsin-Milwaukee on Saturday. They released a study showing that:

- Graduates' average debt in the UW System rose from $7,317 in 1990 to $12,186 in 1995. That 67% increase outpaced a 6% growth in starting salaries and a 16% growth in inflation.
- The percentage of graduating UW students with debt rose from 52% in 1990 to 57% in 1995.

Milwaukee Journal Sentinel
P3B
Local
4/13/97

Democratic leader rips GOP for tax cut fervor

At state Democratic gathering, Gephardt stresses 'fiscal order'

By Craig Gilbert
of the Journal Sentinel staff

House Minority Leader Richard Gephardt urged Wisconsin Democrats on Saturday to help return their party to congressional power in 1998, and portrayed Republicans as a party of irresponsible tax-cutters.

"What's important is that a party take over control of the Congress of the United States that has basic common sense and responsibility for putting the fiscal order of this country back into shape," said Gephardt, addressing the annual fund-raising dinner of the Democratic Party of Wisconsin at the Hyatt Regency.

Gephardt credited his own party with shrinking deficits inherited from the Reagan-Bush years and derided recent comments by GOP House Speaker Newt Gingrich on the budget:

"What is Gingrich saying then? He's saying first, 'We're going to balance the budget. Let's put the tax cut off.' Now he came out the other day and said, 'No — the tax cuts are what we need. We ought to get rid of the capital gains tax and get rid of the estate tax.'

"Now, many of us are for revising those taxes," Gephardt said. "He said *eliminate* them. I think next he's going to say eliminate the income tax. And I guess we'll just print money."

In addition to fiscal order, Gephardt's speech also touched on a theme more traditional to his party: health care coverage.

"We've got to get every child in this country covered," said Gephardt, referring to a legislative initiative under way in Congress to provide medical insurance for children.

Gephardt was the featured speaker at the party's $100 per person dinner, expected to raise about $50,000. Democratic officials here said his presence underscored the state's tactical importance next year, as the party tries to win back the House.

At least one and possibly two Republicans — Madison's Scott Klug and Janesville's Mark Neumann — will be vacating their seats in 1998. Klug has announced he will not seek re-election, and Neumann is likely to challenge Senate Democrat Russ Feingold. Both their districts traditionally lean Democratic. Gephardt also thanked party members here for helping take away two seats from the GOP last year.

A number of the state's top Democratic elected officials also spoke Saturday, many of them ridiculing what they described as a do-nothing GOP Congress.

In an interview before the dinner, Gephardt spoke along similar lines:

"They're frozen on the budget. They don't seem to be able to do anything on the budget. It's very hard to do much if you don't have a budget."

"I'm now beginning to wonder if they're ever going to come out of their deep freeze. They seem to be frozen because of their own conflicts and lack of agreement on their side about what they want to do. On the budget, half of them think their number one goal is balancing the budget, the other half think the number one goal is cutting taxes, primarily for the wealthy. Those two goals are kind of in conflict."

Gephardt said his party's top priorities in the House included health coverage for children, grants and tax breaks for college education, and pension protection.

Gephardt is widely seen as a likely presidential candidate in 2000 and a more liberal rival to Vice President Al Gore in that contest. But the minority leader stayed away Saturday from the sorts of issues on which he's expected to battle Gore, such as trade.

Milwaukee Journal Sentinel p3B local 4/13/97

Chicago Sun-Times

FRIDAY, APRIL 18, 1997

Madigan kills concealed-weapon bill

BY DAVE MCKINNEY
SUN-TIMES SPRINGFIELD BUREAU

SPRINGFIELD—A move to allow Illinoisans to carry concealed weapons fizzled Thursday in the Illinois House because of a parliamentary maneuver by House Speaker Michael Madigan.

"We've been had," said Rep. Michael Weaver (R-Ashmore), the bill's sponsor. Weaver said he had lined up enough votes to pass the bill before Madigan's decision.

Madigan (D-Chicago) invoked a House rule that requires a supermajority to pass laws affecting home-rule governments. He indicated that the proposal needed 11 more than the 60 votes that gun-rights supporters had on hand because the bill would preempt local gun ordinances such as the ones in Chicago, Morton Grove and other suburbs.

Madigan, who opposed the bill, brugged off objections from the house floor, asking bystanders, 'What's the beef?"

The gun debate dominated a day in which House Democrats muscled through enhanced family-leave and flex-time benefits for workers and passed an ethics package sponsored by Madigan.

The House also voted overwhelmingly late Thursday to restore partial benefits to about 17,000 elderly and disabled legal immigrants, who stand to lose federal assistance this summer.

Rep. Manuel Santiago (D-Chicago), the initiative's sponsor, estimated that the program would cost the state $50 million to offset federal welfare cuts that are scheduled to kick in during July and August.

Gov. Edgar has expressed support for restoring benefits to elderly and disabled immigrants.

In another crucial vote, the House dealt a serious setback to incinerator projects in Robbins and Ford Heights by refusing to reinstitute state subsidies for the waste-burning plants.

Last year, bowing to environmental concerns, Edgar stripped the plants of $700 million in state subsidies over the next 20 years.

Lawmakers representing the two economically depressed southern suburbs contended that the communities would be denied vital economic development if the Robbins plant closed or the Ford Heights plant does not start up. But the plea fell on deaf ears in the House, falling 17 votes short of passage.

"Why should we import waste from out of state to pollute our air and pay them to do it?" said Rep. Eileen Lyons (R-Western Springs), who fought the proposal.

On another front, the House moved to revamp Illinois' campaign finance laws by approving a ban on personal use of campaign funds, voting to strengthen disclosure requirements and banning most gifts to state officials.

The Madigan-backed campaign reforms face an uncertain reception in the Senate.

Under the disclosure proposal, which was supported by Edgar, politicians would be required to list the occupation and employer of anyone contributing more than $150. Current law requires the disclosure of donors' names and addresses.

Another ethics bill would outlaw most gifts that legislators and key government decision-makers now are allowed to receive from lobbyists.

MORNINGLINE

Should small businesses have to provide family-leave time for employees?

Yes: (312) 408-3641

No: (312) 408-3642

Phone lines open until 5:30 p.m. today. (A charge for a local call to downtown Chicago applies.) Results in Monday's Sun-Times.

Chicago Sun-Times

FRIDAY, APRIL 18, 1997

Post-it® Fax Note 7671
To
Co./Dept.
Phone #
Fax #
Date
From
Co.
Phone #
Fax #
# of pages ▶

Illinois House votes to expand family-leave law

BY DAVE MCKINNEY
SUN-TIMES SPRINGFIELD BUREAU

More small businesses in Illinois will have to provide family leave to employees under two labor-backed initiatives passed Thursday by the Illinois House.

One proposal would broaden the federal family-leave law to allow people working for companies with 25 or more employees to take up to six months off per year in unpaid leave for the births, the care of elderly parents or other family-related matters.

The federal law applies only to companies with 50 or more employees.

The other initiative to sail out of the House would grant workers up to 24 hours per year of unpaid leave for any reason they choose. The flex time could be taken in four-hour increments per day.

Labor unions lobbied for both measures, which were sponsored by House Speaker Michael Madigan (D-Chicago). The bills now go to the Republican-led Senate.

The bills work to "allow working families to balance all aspects of their lives, at home and at work," said state Rep. Jan Schakowsky (D-Evanston).

House Republicans predicted a "disaster" for small businesses.

■ Morningline, Page 14
■ Gun bill setback, Page 14

Chicago Sun-Times

FRIDAY, APRIL 18, 1997

Stroger wins Daley's support, sheds 2 potential GOP rivals

BY MARK BROWN
COOK COUNTY REPORTER

While Cook County Board President John Stroger stoked his re-election prospects with an additional $300,000 and Mayor Daley's endorsement Thursday night, two potential Republican rivals took their names out of consideration.

Former State's Attorney Jack O'Malley and Lt. Gov. Bob Kustra said they won't be challenging Stroger or anyone else for the county post next year.

"I don't anticipate running for anything, including that office," said O'Malley, who was considered a formidable potential challenger despite his re-election defeat last year. "I don't see myself doing anything in '98."

Likewise, Kustra's press secretary, Christopher Allen, said his boss has ruled out a county race.

"The bottom line is that Bob's not running for Cook County board president," Allen said. "That's not one of the options he's considering."

Although some Democratic leaders have expressed concern that Stroger could be vulnerable next year because of the county's budget woes, his re-election chances are considered much stronger without O'Malley or Kustra in the race.

The GOP traditionally has had difficulty finding a big-name candidate to run for the board presidency in Democrat-dominated Cook County.

Stroger, who already had raised $1,052,516 toward his re-election before Thursday's fund-raiser at the Excalibur, made it clear that he intends to seek a second term.

"I'm preparing to run," Stroger said Thursday.

Stroger emphasized that he hopes to see construction of a new Cook County Hospital brought to completion in his second term, and said he will emphasize cost-cutting during the rest of this term.

His supporters say his prospects are good, despite the fallout over a failed attempt at a large increase in the county tax on real estate sales.

"I think he'll do well," Daley said on his way out of the fund-raiser. "I've known John for years and he's done a good job."

It was Daley's support that helped Stroger emerge victorious from a three-way Democratic primary with Circuit Court Clerk Aurelia Pucinski and Commissioner Maria Pappas in 1994.

Pucinski's name has been floated as a potential rival in next year's Democratic primary, but a source close to her said she is unlikely to run against Stroger. Pucinski could not be reached for comment, and her representative said she has made no future political plans.

The mayor dismissed the discussion of a Pucinski candidacy as "all talk."

"I don't see it," he said.

Former state Treasurer Pat Quinn also is considering the race.

Chicago Tribune

MetroChicago

MONDAY, APRIL 14, 1997

Edgar pitches school reform

GOP opposition downplayed as TV ads hit airwaves

By Andrew Buchanan
TRIBUNE STAFF WRITER

Gov. Jim Edgar said Sunday he believes there is growing support in the Illinois General Assembly this spring to overhaul a school funding formula that produces a startling gap between rich and poor school districts.

At a Sunday afternoon news conference in Chicago to roll out TV advertisements for his school-reform initiative, Edgar downplayed reported Republican opposition to his proposal to shift the burden of school funding from property taxes to income taxes.

The Republican governor said he thinks both House GOP Leader Lee Daniels of Elmhurst and Senate President James "Pate" Philip (R-Wood Dale) realize the time for change is now.

"There has been on [Philip's] part and many of his members an acknowledgment that we do have a problem with the equity issue and with how we fund education," Edgar said.

Daniels attended a Springfield rally last week about the issue, Edgar said.

"I think he did indicate that now is the time to do something on this," Edgar said. "I think Lee has established the parameters, and now we're trying to see if we can get agreement."

Under the current formula in Illinois, most school funding comes from local property taxes, which vary greatly. Some school districts have as little as $3,000 to spend annually on each child, while others can spend five times that.

"I am more optimistic now than I was a month ago, and I am more convinced than ever, that this is the year," Edgar said. "We're much farther along than I thought we'd be at this stage as far as getting many [legislators] shaking their heads yes."

Illinois Education Association President Bob Haisman, who attended the governor's news conference, said a coalition of teachers, parents administrators and others have been in Springfield meeting with lawmakers on the issue and are making headway.

"By God, we're getting some results there. I think the governor's right on his reading," Haisman said.

Edgar unveiled a pair of television ads that appeal to legislators to use the last six weeks of the spring session to tackle the school-funding issue.

The governor spoke of raising taxes, closing the gap between rich and poor school districts and the struggle of selling his plan to skeptical suburban legislators.

"The resistance is much greater in the suburbs because they don't see the need. They don't understand schools that have outdated text books, or that don't have computers, or that have overcrowded classrooms," Edgar said.

"They have to understand that this is a large state, and we need to look at the needs of the entire state and not just one area."

Although Edgar has said he is flexible about the details, he said he believes an increase in the income tax would be the fairest way to finance $400 million in additional school funding, coupled with $1.5 billion in property-tax relief.

Edgar wants the state to be able to help every school district spend a minimum of $4,225 per student.

"I have been involved in state government for almost 30 years, and this has been a problem for 30 years. The time has come to do it," Edgar said. "I ran for office to get elected so I could get something done once elected. This is what I want to get done."

The television ads began running across the state Sunday night and cost $600,000 to produce and air, more than half of which will come from Edgar's campaign coffers. They will run for three weeks.

Chicago Tribune

MetroChicago

MONDAY, APRIL 14, 1997

Candidates line up as Yates' term nears end

Schakowsky is first to declare intentions

By Joseph Tybor
TRIBUNE STAFF WRITER

Candidates began falling in line Sunday for one of the most prized Democratic seats in Congress.

State Rep. Jan Schakowsky (D-Evanston) formally announced her candidacy for the seat occupied for nearly a half-century by congressman Sidney Yates, who has said he will retire after his current term.

Schakowsky's announcement was no surprise. She formed an exploratory campaign committee as far back as 1995 to be ready for the day when Yates finally said nay to re-election.

Though she is first, she will not be the last to seek the seat in 1998 from the Democrat-dominated 9th Congressional District, which includes the traditionally liberal North Side lakefront.

It is heavily Jewish, yet ethnically and racially diverse, snaking into parts of the Northwest Side and into Evanston, Skokie, Lincolnwood, Morton Grove and Niles.

J.B. Pritzker, heir to the Pritzker fortune that includes the Hyatt hotels, also covets Yates' position and, like Schakowsky, formed an exploratory committee a few years ago.

More recently, Pritzker has been reaching out to the kind of small donors who can provide a support base for a campaign and on March 1 hired a fundraiser.

State Sen. Howard Carroll also is a considered a formidable would-be candidate. However, playing the politician, Carroll said on Sunday he will not make up his mind definitively until the current session of the state legislature concludes.

Cook County Clerk David Orr's name also has surfaced.

Yates, 87, is the dean of the U.S. House of Representatives.

He first won the seat in 1948 during the administration of Harry S Truman and returned to office without much problem every term except when he left to run unsuccessfully for the Senate in 1962 against Republican Sen. Everett M. Dirksen.

Schakowsky and Pritzker shelved their attempts to run in 1995 and 1997 because it was considered near political suicide to oppose the popular Yates in a primary.

Yates has not formally announced this will be his last term, but in a telephone interview from Washington on Sunday, he confirmed his tenure is

SEE YATES, PAGE 2

Yates

CONTINUED FROM PAGE 1

coming to an end.

"I have not made a formal declaration of resignation, but if the question is, Will I run again? the answer is no," Yates said.

The immediate prize for the congressional wannabes is Yates' endorsement in the Democratic primary in March 1998. The winner of the primary virtually is assured election in the staunch Democratic district.

The early word is that Carroll, who served as Yates' campaign chairman in his November 1996 victory, is the favorite to get Yates' nod.

Carroll, Schakowsky and Pritzker have sought audiences with Yates in recent weeks and had talks with him or his aides, Yates said.

"It's widely believed that Yates would endorse Carroll," longtime political consultant Don Rose said Sunday.

However, a source close to Schakowsky said Yates told her he will stay away from supporting anyone in the primary.

For now, that is Yates' tack, but he left open the possibility he could change his mind.

"That may happen," Yates said of his possible endorsement of Carroll, "but I don't know that it will. Ordinarily, I haven't taken a position in the primaries. As of now, the probability is that I will not."

In making her announcement Sunday, Schakowsky picked up support from U.S. Rep. Jesse Jackson Jr. and former Democratic National Committee Chairman David Wilhelm.

She scheduled a private fundraiser later Sunday in the lakeshore home of former Democratic National Committeewoman Marjorie Benton.

"I come from a family not just of advocates, but of fighters for social progress," Jackson told a kickoff rally at the Clarendon Park Fieldhouse. "I think I know a fighter when I see one, and Jan Schakowsky is a fighter, and that is just what we need."

To complement her campaign theme for the television cameras, Schakowsky met with several boxers working out in the field house, including Wayne Hankins, the Illinois cruiserweight Golden Gloves champion.

A three- or four-way primary would not be easy or inexpensive. Schakowsky said she expects the primary race to cost about $1 million.

The 1990 primary, when former Chicago Ald. Edwin Eisendrath unsuccessfully challenged Yates, was at that time the most expensive congressional primary in the nation, with both candidates spending $1.4 million.

Schakowsky said she has raised about $100,000.

Before a group of enthusiastic supporters, Schakowsky traced her political career to 28 years ago, when she and other mothers began a fight to get freshness dates on groceries.

"A date on cottage cheese did not change the world, but it's changed my life forever," said Schakowsky. "It convinced me that a few committed individuals could make their world better."



Tribune photo by Jim Prisching

State Rep. Jan Schakowsky and her father, Irwin Danoff, embrace after she announced her bid for U.S. Rep. Sidney Yates' seat.

She worked on consumer issues for Illinois Public Action, now Citizen Action of Illinois, and was elected to the Illinois House of Representatives in 1990.

She champions many of the liberal causes that Yates has in his years of winning a 100 percent approval rating from the liberal Americans for Democratic Action.

She boasts of fights on behalf of seniors, against nursing home abuse and for universal health care reform.

Pritzker could not be reached for comment, but Rose said he "has taken organizational steps and hired campaign people."

Carroll said he wants to remain focused on important issues pending in the legislature, but he gave an indication of how he is leaning toward making a run at Yates' job.

"Most people like a promotion, and most people would look at working on the federal level instead of the state level as a promotion," Carroll said. "I seriously love the legislative process, and I'm going to give it very, very serious thought but not until the [legislative] session is over."

THE PRESIDENT HAS SEEN
4-21-97

THE WHITE HOUSE

WASHINGTON

April 18, 1997

'97 APR 18 PM6:52

Copied Hale Emanuel COS

MEMORANDUM FOR THE PRESIDENT

FROM: Marcia L. Hale

SUBJECT: Weekly Report

National Service Summit: We continue to work with the leadership of the Summit for America's Future to include elected officials from all levels of state and local government. There appears to be a strong turnout of mayors and governors and we hope to have more county and legislative officials in attendance.

We have faxed your proclamation on service to key state and local electeds along with the attached memo in which we ask them to amplify your message and to facilitate events in their communities which promote public service and volunteerism. We also asked them to recognize the people who volunteer in programs in their own communities.

The National Association of Counties launched a positive program called "Community Countdown 2000." It is designed to promote "citizens' responsibility" by creating public-private partnerships to involve citizens in their government. A synopsis of the program is attached for you, as it clearly helps to promote the kind of interaction and involvement that you are promoting. It might be a useful tool for follow-up to the Service Summit in the months ahead.

Rahm
We should get Dr. Gray Cates to contact to him after the welfare reform has been

Welfare Reform: We have asked Commissioner Michael Hightower, President of NACo, to organize counties in a campaign to promote the hiring of welfare recipients. Several large counties have already begun an aggressive program, including Cuyahoga County in Ohio.

NACo is also planning a series of hearings on welfare reform implementation. One of the key goals of the hearings is to identify different ways in which counties are trying to make the law work. They will emphasize the impact of the legal immigrant provisions, unmet needs, such as transportation and child care, welfare to work programs, and public/private collaborations.

They plan press activity in Fulton County, Georgia, Hennepin County, Minnesota, Santa Clara County, California, and Dade County, Florida.

New York -- TWA Flight 800: We coordinated with Cabinet Affairs, Legislative Affairs, OMB, and FEMA to respond to New York's request for federal assistance to New York State and Suffolk County for costs incurred in response to the July, 1996 TWA crash. We informed New York State and Suffolk County officials of the Administration's approval of their attempts to seek reimbursement through the legislative supplemental process.

THE PRESIDENT HAS SEEN
4-21-97

Immigration: With our support, the National Association of Counties is planning a series of events related to the "100 Day Countdown" until the loss of welfare benefits to legal immigrants. They are requesting anecdotal information through their weekly bulletin, which is distributed to 1,000 county officials weekly. They will also feature a series of articles in *County News*, a biweekly publication with a circulation of 26,000. NACo plans to work with state associations in key states to encourage county officials to be in touch with their governors and seek cooperation on addressing this problem.

We are working closely with a coalition of the National Conference of State Legislatures, the National League of Cities, and the United States Conference of Mayors to address concerns regarding the legal immigration provisions.

Mayor Webb: We spoke with Mayor Webb several times regarding the Denver Summit. While he continues to be apprehensive, he is appreciative of the visits that several cabinet members are making to Denver to help with this involvement of the business community.

Empowerment Conference: Mayor Archer called to express his appreciation to the Vice President for helping to make the conference such a success. He also said that he felt the Big 3 auto meeting went extremely well for all involved.

Tobacco: The tobacco lawsuit negotiations that have been underway over the last few weeks were revealed this week. The majority of Attorneys General remain skeptical about the negotiation proceedings but have remained active in the settlement talks. In a related matter, Minnesota Attorney General Skip Humphrey cited evidence of consumer fraud in the state's case against the tobacco industry.

New York City: We coordinated the participation of local elected officials in both the "Kick Butts" event at the Andries Hudde School and the baseball game honoring Jackie Robinson. The electeds were pleased to have been invited to sit in your special guest box. It was an historical occasion and many of the local electeds in particular, New York City Council Speaker Peter Vallone and Assembly Speaker Sheldon Silver, expressed that they were honored that we asked them to attend the game as your guests.

THE WHITE HOUSE

WASHINGTON

April 18, 1997

MEMORANDUM FOR STATE AND LOCAL ELECTED OFFICIALS

FROM: Marcia Hale, Assistant to the President and Director of Intergovernmental Affairs

SUBJECT: Presidents' Summit for America's Future -- April 27 - 29, 1997

As the Presidents' Summit for America's Future in Philadelphia is approaching, the Office of Intergovernmental Affairs wanted to highlight for you the attached Presidential Proclamation on National Service and Volunteer Week. It is our hope that you, as an elected leader in your community, will take a leadership role in the many activities that are underway across the country as part of this exciting and important bipartisan effort.

We hope that you will release your own proclamations that herald the concept of citizen service. All of your communities have volunteers who make a tremendous difference every day, and it is the goal of President Clinton, joined by Presidents Bush, Ford, and Carter, along with Mrs. Nancy Reagan, to highlight the work of those who perform community service.

The Presidents' Summit for America's Future is chaired by General Colin Powell and former President George Bush. The Vice-Chairs are former HUD Secretary Henry Cisneros, and the Hon. Lynda Johnson Robb, the Chairman of the Board of Reading is Fundamental.

Many of you will be with your community and state delegations at Independence Hall in Philadelphia April 27 - 29 for the Summit. Whether or not you are attending the Service Summit, the most important work can be done in your own communities as you mobilize the citizens in your community in a united effort to solve our common problems.

The proceedings of the Presidents' Summit will be aired live on C-SPAN. We strongly encourage you to take advantage of this accessibility. For example, you might go to a day care center or a senior meal delivery site and lead a discussion with volunteers at the center. Local Voluntary Action Centers, AmeriCorps projects, religious community-led programs, and dozens of other efforts can be the backdrop for your statements and speeches on this subject. Our ability to communicate to the local media will help to magnify this important message from President Clinton and all of the leaders of the Summit. We want to motivate young people to begin a life of service this week, and you, as a leader in your community, are in the ideal position to do that.

As the President's Proclamation outlines: "Our mission is nothing less than to spark a renewed national sense of obligation, a new sense of duty, a new season of service." As elected officials, you are in the best place to help make that dream a reality. Thank you in advance for your efforts to help foster a new season of service. If you have any questions, please call Lynn Cutler, Deputy Assistant to the President for Intergovernmental Affairs, at 202/456-2896.

Community Countdown



SPONSORED BY YOUR LOCAL COUNTY

COMMUNITY COUNTDOWN 2000

A Citizens Initiative of the National Association of Counties

The National Association of Counties (NACo) is embarking on a three-year country-wide initiative to address the issue of public confidence in government by creating an environment in which citizen responsibility can be nurtured, flourish, and be recognized as integral to addressing local challenges.

This initiative will promote "citizen's responsibility" for America as we enter the new millennium.

National Association of Counties
440 First Street
Washington, DC 20001
202/393-6226

COMMUNITY COUNTDOWN 2000

A Citizens Initiative of the National Association of Counties

As the ideas of "devolution" and "new federalism" become part of the political rhetoric of the 90's, a host of new challenges will be presented to the leaders of local government as they seek to secure America's future. Public confidence resides in the middle of these challenges and must be addressed if local solutions to big problems are to become possible.

NACo, recognizing the seriousness of this new political environment and that public cynicism is detrimental to any democracy, is seeking partners to assist in this national initiative to establish the link between citizens involvement in governance and enhanced public confidence in government.

As a national initiative, the project will become the focal point for a growing number of local individuals and organizations who wish to create a positive legacy for future generations, and for community-minded citizens who feel left out of the national debate regarding preserving the American dream. It is truly an initiative about taking "responsibility" for America.

COMMUNITY COUNTDOWN 2000

A Citizens Initiative of the National Association of Counties

GOAL:

To build public confidence in government across America by engaging citizens in a collaborative process with county governments to define and address key challenges in their communities.

OBJECTIVES:

- To mobilize officials of America's 3,072 counties to provide opportunities for local citizens and organizations to meet, select, discuss and share ownership and responsibility for solutions to community problems.
- To provide basic issue information to the public and offer mechanisms for citizens and organizations to become actively involved in problem solving at the local level.
- To establish momentum for the concept of citizen action by reporting the results of the initiative's activities to state and national decision-makers and the media.
- To provide the framework to facilitate active citizen and youth participation in solving local problems through the year 2000 and to give national recognition to outstanding contributions.

KEY INITIATIVE STRATEGIES:

Phase One:

- *Community Countdown 2000 National Conversation*
- Advertising and Promotion (continues throughout initiative)

Phase Two:

- "Acts of Caring" Community Responsibility Demonstration

Phase Three:

- Kids "Ideas that Count"

PHASE ONE

COMMUNITY COUNTDOWN 2000
National Conversation

The purpose of the *Community Countdown 2000 National Conversation* is to:

- Involve citizens in defining and addressing the problems facing their respective communities;
- Demonstrate how individuals and groups can take an active role in creating better communities; and,
- Inspire hope in the millions who are skeptical about America's future.

The initiative will begin with the implementation of the *Community Countdown 2000 National Conversation*. The first step in the *National Conversation* is for counties to gain input from as many local citizens as possible. Options for garnering such input include placing advertisements in local papers asking citizens to identify their community's key challenges (citizens will clip the ad and send it in); or disseminating a similar survey to citizens using other county communications vehicles (e.g. property tax bills, etc.)

During the same time frame, counties across America will convene local *Community Countdown 2000* roundtables as part of the *National Conversation*. The purpose of these meetings will be to review the citizen feedback, and discuss and determine the top three challenges facing their respective communities.

Results from the *National Conversation* roundtables will be sent to the state county associations and then forwarded to NACo. State associations will issue media releases regarding the top issues identified in their state, as well as host a session at their state meetings assessing the results of the process.

A national panel will be convened by NACo to consider the results from all submitting counties in order to determine the top three issues in the country for the next phase of the *Community Countdown 2000*, "Acts of Caring."

COMMUNITY COUNTDOWN 2000
National Conversation

- The *Community Countdown 2000 National Conversation* was launched via satellite transmission on January 18, 1996 in Austin, Texas. As part of the launch, NACo released a list of five questions that every citizen would ask candidates for federal office in 1996. These *Questions that Count* will assist the public in understanding how the rhetoric of the national campaign will actually impact local government services and taxes.

- *Community Countdown 2000 National Conversation* kits have been developed by NACo and sent to officials in each county. The kit provides a variety of tools including: a video to set the context for the conversation and inspire active participation; and suggested formats and procedures for conducting the conversation.

- NACo leadership in counties will receive training in successful consensus-building; techniques to capture the results of these sessions; and how to report the findings for state and national use.

- Local cable television companies will be encouraged to provide community access coverage of *Countdown* meetings.

- NACo is currently looking for a sponsor to develop a national advertising and promotions campaign that will represent the initiative's comprehensive public awareness strategy. Its advocacy messages in advertising and promotions will be developed to complement the sponsoring corporations message.

PHASE TWO

COMMUNITY COUNTDOWN 2000
"Acts of Caring"

Based on the results from the *National Conversation,* a "Blue Ribbon Panel" will be convened by NACo to define three overarching issues that can be actively addressed by citizens in communities across America.

Acts of Caring will encourage individuals and organizations to make progress toward meeting one of the three challenges facing America's communities. When such acts are accomplished, citizens will report them to their county's *Countdown 2000 Coordinator* who will keep track of the acts, post the number of acts in a conspicuous public place, and report the acts to the state association and NACo for release in press reports.

The *Acts of Caring* project will raise awareness for citizens' involvement in government and will create stronger ties between citizens and local officials.

Of those *Acts of Caring* that are submitted, national awards will be given by the "Blue Ribbon Panel" highlighting the most innovative and effective "Acts" that are being undertaken by citizens to improve their communities.

PHASE THREE

COMMUNITY COUNTDOWN 2000
Kids "Ideas That Count"

Children of all ages will be called upon to consider the future for their communities and offer *Ideas that Count*. The project will be designed to generate excitement and creativity within schools regarding the concept of communities, and to educate students about local government and the importance of their ideas and involvement. The project also builds on the success of NACo's recent effort focused on children's needs by involving children in what might be their first act of community citizenship -- helping to develop ideas to make communities better in the future -- their future.

During the early phases of the initiative, efforts will be implemented to develop school curricula and other support materials. Beginning in early 1998, *Countdown 2000 Coordinators* will mail *Ideas that Count* promotional collaterals and applications to school principals and parent organizations throughout their local counties for students to submit ideas. Included in this packet will be brochures for teachers with lesson ideas that will tie students to communities and provide the framework for coming up with ideas to better their communities by the turn of the century.

Ideas that Count will be submitted to local *Countdown 2000 Coordinators,* and then forwarded to the state associations and NACo for further media and promotional efforts. A national recognition program will be implemented to showcase the project's most innovative ideas.