

THE WHITE HOUSE
WASHINGTON, D.C. 20500

DATE: 4-29

TO: John Podesta
Sylvia Mathews
Rahm Emanuel
FROM: Staff Secretary

Any comment?
We'll send to POTUS
tomorrow.

[Signature]

Chiron

THE WHITE HOUSE
WASHINGTON

'97 APR 29 PM4:45

April 29, 1997

MEMORANDUM FOR THE PRESIDENT

CC: ERSKINE BOWLES, SYLVIA MATHEWS AND JOHN PODESTA

FROM: DON BAER, ANN LEWIS, MICHAEL WALDMAN, ANTONY BLINKEN, STEPHANIE STREETT AND JENNIFER PALMIERI

SUBJECT: COMMENCEMENT ADDRESSES

This memo provides a framework for a series of commencement addresses you could deliver between now and mid-June. One proposal we have been developing, included in Mark Penn's agenda at the most recent political meeting, is to use this year's commencement speeches to return the focus of the press and public to the central theme of your State of the Union address -- preparing America for the 21st Century.

We believe that we can further this goal by creating a package of three commencement addresses. Each would focus on a separate subject vital to the American people in the 21st Century, and could contain strong news to ensure enthusiastic coverage. But each would also return to your broader message -- the need to take advantage of the forces of change, so that they work for us, not against us.

Working closely with the Domestic Policy Council, the Press Office, Political Affairs, Public Liaison and the Race/Reconciliation working group, we have identified the following sites and subjects for your consideration:

Sunday, May 18	Morgan State University -- Science and Technology
Saturday, May 31	West Point -- Foreign Policy vision/NATO enlargement
Saturday, June 14	UC San Diego -- Race and Reconciliation

As you have indicated, the June 6 Sidwell Friends graduation will be closed to the press and therefore not a message event.

Morgan State -- Science and Technology. This is the site recommended by the Scheduling, Public Liaison and Political offices. It would be your first commencement address at a historically black college. (The school is headed by Dr. Earl Richardson, a member of your Board of Advisors on Historically Black Colleges.)

No subject better conveys your focus on the future than science and technology, yet it is a subject you have rarely addressed in a concentrated way. This speech is a big opportunity for you to reflect on the new wonders of science and the Information Age -- but also the ethical dilemmas they pose and the need to harness them so that they work for us, not against us (e.g. computers vs. freedom of speech, cloning vs. natural selection). This is an ideal site for such a speech; traditionally a leading producer of African-American teachers, Morgan State has increasingly focussed on the sciences and now enrolls 60% of all African-American engineering majors in Maryland. This topic would also be a follow-up to your May 16 meeting with survivors of the Tuskegee Study. Terry Edmonds, who attended Morgan State, agrees with us that giving a speech on a topic of general interest at a historically black college -- rather than focussing on a race-related topic -- would be seen as a sign of respect by the African-American community.

The following policy announcements could be included if they are ready in time:

- A diabetes initiative (as discussed at a recent political strategy session), since this disease is of special concern to African-Americans;
- Lead-in to the National Bioethics Committee's cloning report, due the following week, or announcement of its findings if we are able to speed up the report's release, which would draw major attention to this speech;
- New legislation on genetic screening, placing limits on use of genetic information by insurance companies for underwriting purposes.

Education and religion options. Another possible topic for Morgan State is **education**, your top priority, which is not currently reflected in this proposed package of commencement addresses. However, this period will not be without a major education event; we will soon propose to you an education town hall meeting for late May (including strong news announcements), which would give us an opportunity to push your standards agenda in a high-profile way during this period. We will also explore "turnaround" school options, including the school you mentioned in Corpus Christi, Texas -- either as a possible venue for a town hall meeting, or as a separate event sometime in late June. An additional commencement option which some have suggested is a major address on **religion**, although it is not clear what you would say that goes beyond your highly-acclaimed 1995 speech on religious liberty.

Recommendation: that you deliver a May 18th commencement address at Morgan State University on science and technology.

Agree _____ Disagree _____ Discuss _____

West Point -- Foreign Policy Vision/NATO Enlargement. This is an opportunity to deliver one of the major foreign policy addresses of your second term -- presenting your vision of the demands of American leadership in the 21st Century, making a strong case for NATO enlargement, and also framing your major foreign policy actions from May through July to make

clear the larger purposes that unite them (with the NSC, we will put forward a themes memo showing how to pull this all together). This would be paired with a speech you would deliver two days earlier in the Hague to commemorate the 50th anniversary of the Marshall Plan -- billed as "President Clinton's major address to the people of Europe on the future of American-European relations." The West Point speech would be your major address to the American people on the same subject. (The contents of both will obviously depend on negotiations regarding NATO and Russia).

Please note that there is a strong feeling among your foreign policy advisers that you need to press the case publicly for NATO enlargement. Given the timing of this speech, that argument would definitely be newsworthy.

Recommendation: that you deliver a May 31st commencement address at West Point on foreign policy vision and NATO enlargement.

Agree _____ Disagree _____ Discuss _____

UC San Diego -- Race and Reconciliation. This could be the place where you announce actions relating to race and reconciliation, and deliver a strong One America speech -- focussed on harnessing the increasing diversity of our nation as our greatest strength. One recommendation is that you deliver such a speech in California -- the gateway to much of the world and the embodiment of American diversity. UC San Diego itself is very diverse (3% African-American, 29% Asian, 12% Latino), as is the surrounding San Diego metropolitan area (9% African American, 11% Asian, 19% Hispanic).

Giving a race-related speech at a University of California campus will undoubtedly raise two controversial issues -- the UC Regents' affirmative action policy and Proposition 209. However, this would enable you to address these issues directly, and we believe this should not prevent you from giving an address at UC San Diego. In fact, UC San Diego recently signed onto a letter printed in the New York Times in support of affirmative action.

It should be noted that a number of other western, racially diverse schools -- including the Universities of Washington, Oregon, Arizona and New Mexico -- were considered and rejected because of scheduling conflicts or policy issues the Administration has pending with particular universities.

Recommendation: that you deliver a June 14th commencement address at UC San Diego on race and reconciliation.

Agree _____ Disagree _____ Discuss _____

Other principals' commencement schedules. For your information, the Vice President

would be the same day as your UC San Diego speech.

4/29/97

Send to Dorland?

Yes

no

Jim -
This would seem to
me to be some by
Agency Liaison should
get on ASAP. Phil

Staff Secretary

Karen Lee
8005 Mabelvale Pike
Little Rock, AR. 72209
501-568-8056
Business- 501-227-4025

President Bill Clinton
Office of the Presidency
White House
Washington, D.C.

Dear Mr. President;

I am writing this letter to you both as the Commander-in-Chief of our armed forces, and thus in need of all the knowledge and input available concerning affairs that directly affect your constituents who are veterans of the armed forces, and also as a fellow Arkansan who I feel a personal connection to, and would like to thus invoke your personal concern and action in a matter of what seems to be a travesty of justice in the way that our older, helpless veterans are being repaid for their selfless service to their country.

I would first like to introduce myself, for although I have known who you were on every occasion that our paths have crossed, I would definitely not assume that you should remember me. My name is Karen Lee. Our paths in this small city of Little Rock have interacted several times through the years, i.e., We shared the same Lamaze teacher, our first born daughters occupied the same nursery just a few weeks apart. My daughter, Katie, and Chelsea have often tried out for different parts in plays, dances, etc., and I have spoken with you several times as we stood outside in the lobby waiting for them. I was very active backstage in the Ballet Ark. production of The Nutcracker, and I'll bet Chelsea remembers me as one of the "hookers", as we laughingly referred to ourselves, backstage hooking and unhooking costumes. My son, Kory, was Chelsea's little brother in her last Ark. performance as a party girl. She was twelve, he was eight, and at that stage where little boys love to pester all girls, so I'm sure she may not have exactly "fond" memories of him!(ha)

We also share several personal friends and acquaintances. Danny Thomason has been a family friend for almost twenty years, and we speak of you often. You'll definitely not find a more ardent admirer or dedicated defender than you have in Danny. I've spoken with him on this current dilemma and he advised me to bring this to your attention.

My daughter, Katie, is currently dating Thadeous Leopoulos, whose family I know you are very close to, and I'm sure you'll agree that I couldn't have picked a finer friend for her if I'd tried. The two of them share an intense desire to be very involved in as many school and community leadership projects as they can possibly handle. By the way, is it just me, or do you happen to agree that the year 1980, produced some of the most articulate, intelligent, beautiful, and just plain brilliant, children ever seen? I know that surely I'm not prejudiced on that particular subject!

In my current position as Concierge at The Excelsior Hotel in Little Rock, I have been involved with the care and support of your advance staff as well as numerous other associates of you and your family. I rate as one of my most memorable experiences the twenty three and a half hours I spent at the hotel on election day and night. From the interesting conversation with an old Oxford buddy of yours from London, to the challenge of finding a "small, firm pillow" to help Vice-President Gores' aching back, to the pleasure of seeing Chelsea all grown up, poised and gorgeous, as she and her friends had breakfast the next morning in the Concierge Salon, I count it as a honor to have been able to be involved in serving as a part of your election night victory. Of course, now that my feet have recovered it all seems much more enjoyable!

Now that you are acquainted in a small way with our personal connection, I would like to acquaint you with a matter that is of utmost importance to me personally, and I also consider to be of major importance to all concerned citizens and supporters of this great country we live in.

My father, Harold A. Wilson, S.S. no 429-44-7875, served his country in the Korean War in 1951-52. He left for Korea a healthy young man, in his prime, and returned a sickly, 125 pound, 6 ft. tall, debilitated individual. For the first three or four years that he was back in the States he was in and out of the V.A. hospital, diagnosed with ulcers, chronic headaches, etc., until it seemed his illnesses all culminated in what was at that time diagnosed as a "brain fever", an infection which the doctors could no identify the source of, and from which he barely recovered. From that time on, he suffered from fainting spells, eating disorders which included severe nausea, and various other strange symptoms. However, for the most part he was able to lead a productive and happy life as a Southern Baptist Minister, devoted husband, and loving father of three daughters, of which I am his eldest.

In 1985 he started exhibiting various pronounced abnormal neurological symptoms which eventually led to a diagnosis of a Parkinson type syndrome identified as supranuclear palsy, which is a degenerative neurological disease, possibly attributed to a prior viral or toxic exposure at some time in his life. In 1973 he was diagnosed as having prostate cancer and received radiation treatment through the V. A. at the local CARTI establishment. On July 16, 1973, my father awoke unable to walk. Overnight, he lost the ability to navigate, and to this day he has never walked again on his own. As to why this happened, there has never been a definitive answer from anyone of the medical persuasion, although there were numerous tests run and various diagnosis's proffered, all seeming to be educated guesses at best, and actual ignorance or indifference at the worst end. Because of the fact that my mother also was the victim of a rare neurological disorder, diagnosed also in her fifties, she was unable to physically care for him at home. We were forced to enter him into a nursing home, and at that time were given several choices as to which facility would be my fathers new home. We wanted to be certain that wherever he went that he would be able to stay there for the rest of his life because stability is very important to his mental condition and we wanted to be able to keep him with us mentally as long as possible. When we entered him into the V.A. long term nursing home facility in North Little Rock, AR., we were told that this was a permanent situation as long as my father was in need of full time care.

It was assured to us by various personnel connected with the V.A. that the V.A. would take care of its financial and medical responsibilities to my father, just as he had fulfilled his responsibilities to his country in his early years. Indeed, when he signed his enlistment papers, he was assured that his benefits would be as such, that if he gave his all for his country, that in return his country would care for him if and when he was no longer able to do so on his own. This was the hope and plan of many veterans, who counted on the benevolence of a country that they had proven their dedication to. After three and a half years in the V.A. nursing home, our family was shocked and dismayed to learn, three weeks ago, that the V.A. will no longer care for its' long term veterans, that indeed these aging and ailing men and women will be discharged to wherever and whatever place they may land, including the street, seemingly, since there is no way that many of these older patriots are financially able to afford private nursing home facilities, or if they are able to scrape by with Medicaid or Medicare help, their spouses will be totally impoverished and economically devastated by the impoundment of their pension checks to pay for the nursing facility, in effect leaving either the veteran or his spouse unable to support their basic human needs, such as food, shelter, and medical care. This is an outrage that our older, dedicated veterans are to be rewarded in this way, especially seeing that most of these good, decent men have very few years left on this earth, anyway! Yes, the budget needs to be more balanced, and yes, there will have to be cuts made and sacrifices endured by many, but surely we could grandfather in these men who are already being cared for and are unable both physically and financially to make it on their own. A society who takes away promised benefits from diligent soldiers who are no longer to speak for themselves is not fit to be called civilized. There is nothing civil about what is being done here. I have heard horror stories, including one concerning an old World War 1 Vet who had been in this N. L. R. facility for thirty years, and who was so traumatized at being moved, that he died within a weeks time. This is one of our fears, that a move at this time for my father would be totally debilitating and devastating both physically and mentally to him. He has a very fragile mental as well as physical condition, and we fear he would be so disoriented and confused, that he would loose what lucidity he has, and that with his numerous physical ailments to add to it, that he might very well never recover from the move and we would loose whatever few remaining years or months that he might have.

Please, I beg of you, look into this situation, and consider what those of us involved in this tragedy are facing. At the very least, the system should grandfather in the veterans currently being cared for these facilities, and hold off for a few years the complete elimination of all of these homes. I would like to be an advocate for all of these disabled and soon to be displaced patriots who are unable to speak for themselves, and for their families who feel so totally helpless at this point. I cannot believe that the American public as a whole would agree with a policy that seems so totally heartless as to refuse care to people who gave so much for their country. I intend to make as many people aware of what is happening to our veterans as I can possibly reach, and I wanted to reach out to you first of all, as I know you to be a compassionate person and a dedicated patriot, yourself. Thank you for taking the time to read this and I sincerely hope that you will take it upon yourself to do whatever is needed to remedy a truly unjust situation.

Respectfully,
Karen Lee

4/29/97

Send to ROSC?

Yes ☒

No ☐

(a little late!)

(enrol)



1997 APR 29 AM 8:47

*Aviation Coalition for Competition and
Expanded Services Between the United States and Japan*

DIRECT DIAL: 804-788-8562

April 21, 1997

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

Dear Mr. President:

As you prepare for your upcoming meeting with Japanese Prime Minister Hashimoto, I urge you to continue your vigorous commitment to expansion of the passenger aviation market between the United States and Japan.

By all accounts, important progress was made during the most recent round of informal talks held between the two governments. The goal of expanded travel opportunities between the two largest civilian aviation markets appears well within reach.

For the United States economy, a comprehensive agreement could generate up to 300,000 new jobs and an annual economic impact of over \$9 billion. For American consumers, a new agreement would mean reduced fares, more consumer choice, and greater economic opportunities. Results would begin to accrue almost immediately.

Our organization -- more than 2,000 representatives of local development and airport authorities, business associations, consumer groups, airlines and labor groups -- stands firm in our support of an agreement that will provide significant expansion of passenger air travel based on market forces.

We support the efforts your administration has made to date in negotiating a new agreement, and encourage your active, personal engagement in this issue, so that all Americans can reap the benefits and opportunities of expanded air travel between the two countries.

The President
April 21, 1997
Page 2

With kindest regards, I am

Sincerely,

A handwritten signature in dark ink, appearing to read "Gerald L. Baliles", with a stylized flourish at the end.

Gerald L. Baliles
Chairman
ACCESS U.S.-Japan

THE WHITE HOUSE
WASHINGTON

Date 4/29

To:

Tracy

From:

The Staff Secretary

I talked with Nancy and
she said POTUS would probably
want the gold bag.

The gift would be from
the Host Committee. Will you
contact Kevin directly or should I?
He is in Denver today. Phn

'97 APR 24 PM 2:13

FASCIMILIE COVER SHEET

DATE 24 April 1997
TO: Phil Caplan
TEL: 202/456-2702
FAX 202/456-2215

FROM: K. Varney

979-9637
303/446-5111 - Denver

TEL:
FAX:

Number of pages including cover 3

COMMENTS

Phil,

Here is the request to use the
Presidential seal on a golf bag
that will be presented to the President
as a gift at the Summit.

The contacts for more information

are Ed Morrissey, Denver Buffalo Co. 303/831-1299.
Fred Wolking, Wolking Golf 303/465-3854

FAX TRANSMISSION

FRED WOLKING GOLF

6340 W 100TH PL

BROOMFIELD, CO 80020

303-465-3654 / 800-853-2695

FAX: 303-438-6746

To: Ed Morrissey / Denver Buffalo
Co. **831-1299****Date:** April 22, 1997**Fax #:** 303-831-1292**Pages:** 1, including this cover sheet.**From:** Fred Wolk**Subject:** Presidential Seal**COMMENTS:**

Dear Ed;

I just got off the phone with Jackie at Belding. She has been searching for embroidery info on the Presidential Seal. We set up the logo for a bag in 1991 and there are no records going back that far. As I recall, we had to make the tape send a swatch for approval, once it was signed off we were allowed to make the bag and then were required to return the swatch and the embroidery diskette. It looks like we will be starting from scratch with a very limited time frame.

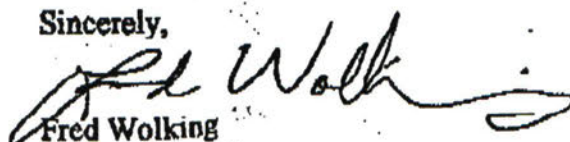
The logo placement on this sketch is a suggestion based on what Jackie and I think would look good. I have not seen the Summit of 8 logo so this could change depending on how complex that artwork is. Please let me know what you think.

To get started I will need;

1. Copies of the paperwork giving permission to use the Presidential Seal and the Summit of 8 logos.
2. Camera ready artwork for both logos.
3. Your definite approval on the logo placement on the bag.
4. Wordings for the brass kick plates on the XL tour series bags.

Please call me ASAP. Thank you.

Sincerely,


Fred Wolk

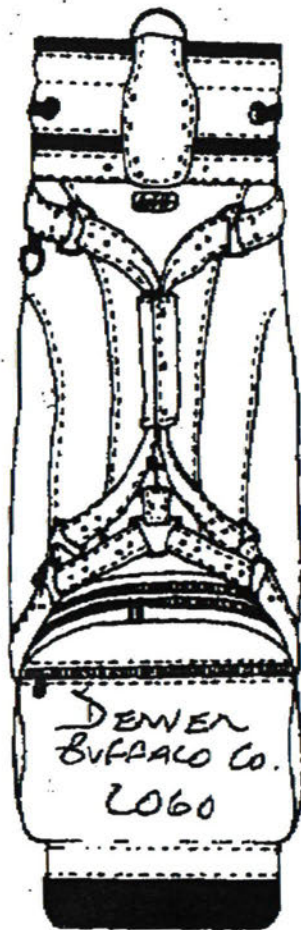
SHIP



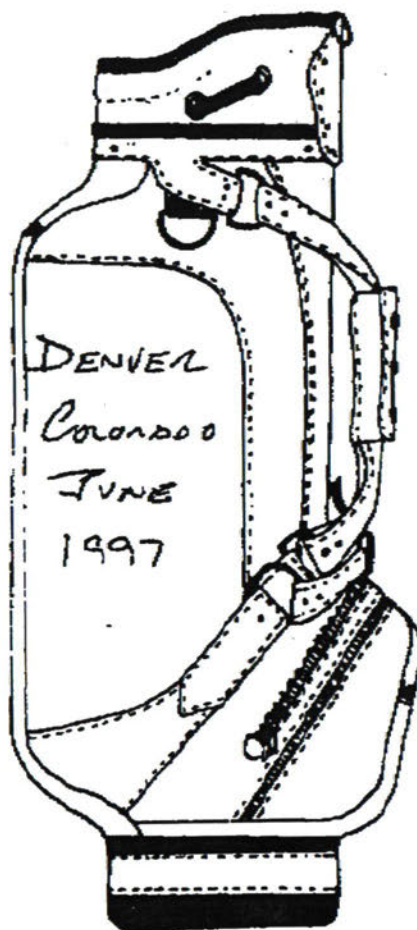
1621 Emerson Avenue
 CA 93033
 7000
 6197
 97 fax

Belding
 Logo
 Tapes
 Camp

Ball Pocket Side



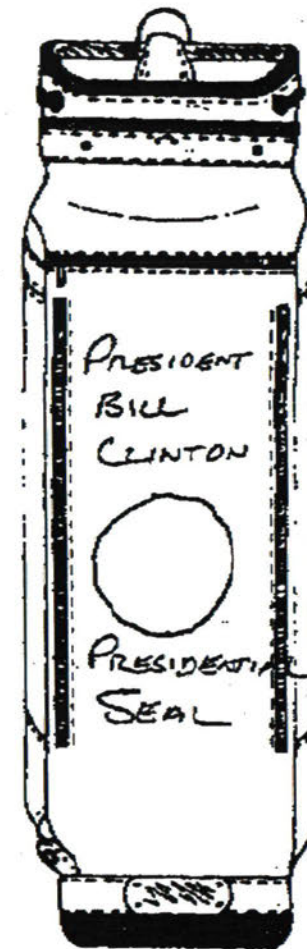
Left Side



Right Side



Belly Side



Shoulder Strap



NOTE: Use these sketches to diagram colors, logo placement or personalization. Please be specific!

OFFICE USE ONLY

ORDER DATE

FRED WOLKING

4-24-97 11:52AM

72024002210

THE WHITE HOUSE
WASHINGTON, D.C. 20500

DATE: 4-25

TO: John Roberts
Gene Spurling
Frank R. Jones

FROM: Staff Secretary

F42,

Bob

United States Senate

OFFICE OF THE MAJORITY LEADER

WASHINGTON, DC 20510-7010

April 28, 1997

The Honorable William Jefferson Clinton
President of the United States
The White House
Washington, DC 20500

APR 28 PM7:31

Dear Mr. President,

Before our phone conversation tomorrow, I want to describe to you how things look from my perspective. The better we understand each other's viewpoints, the more likely we are to reach an agreement that is in the best interests of the American people.

The economy is strong.

The Congressional Budget Office (CBO) projects 1997 nominal GDP growth of 4.6 percent. Unemployment is barely above five percent, and inflation is still holding steady. While I would like to see much higher GDP growth, the current economic conditions are favorable. We both know it is easier to balance the budget when the economy is strong.

The deficit is at a low point. It will only go up from here.

The latest data suggests a 1997 deficit of \$92 billion. At 1.2 percent of GDP, the deficit is at its lowest point in the past two decades. Yet historical comparisons are not as important as future projections. Beginning the year after next, entitlement spending trends will cause steady and permanent increases in the deficit.

There is no better time than the present to reach an agreement to balance the budget and cut taxes. Each year we wait, the task will only get harder.

The political timing is ideal right now.

You are in the first year of your second term. We are 19 months from the next Congressional election, and over three years from the next Presidential election. The country is strongly in favor of bipartisan solutions. We have demonstrated our ability to cooperate on a major national security issue.

Yet we do not have all year to reach an agreement, as you have recently suggested. Factions are coalescing in Congress, and they are drawing lines in the sand. In a week or two, we will be over-constrained (if we are not already). I believe that if we fail tomorrow, the chances for a later agreement will decline rapidly.

We must continue to cooperate, Mr. President. If we succeed, the Nation will thank us, and we can foster an environment of bipartisan cooperation and problem-solving. If we fail, I believe the environment in Washington could descend into one of bitter partisanship. I would like to spend the next two years getting things done, rather than fighting pitched appropriations battles and struggling to avoid another government shutdown. Do you think our Nation is better off with an agreement, or without one?

We have moved almost as far as we can.

It is not my intent to negotiate in this letter. While specific details can wait until tomorrow, I see two critical issues remaining.

The first, and most important, is the Consumer Price Index (CPI). We have both listened to the experts. We both know that the political challenges are formidable. Conservatives are telling me that if we follow the advice of the technical experts, we will be raising taxes. Two years ago your party drafted fund-raising letters for the DNC about "Republicans cutting Social Security," and labor unions have talked about spending hundreds of millions on an advertising blitz against Republicans.

Without your leadership, we cannot follow the advice of the experts. Republicans will not legislate a change in the CPI. Doing so would be both bad policy and bad politics. I tried to reach out to you in March with my suggestion for a commission, only to be brushed away. I now believe that the only way we can achieve the right policy goal (correcting the inaccuracies in the CPI as a measure of increases in the cost of living) is for you to make such changes administratively.

The second critical issue is your set of proposals to increase new spending. Many Republicans believe that they were coerced into \$8 billion of extra non-defense discretionary spending just to return home to campaign for the 1996 elections. This amount is now built into the baseline for future spending, meaning the additional cost over the next five years is \$40 billion.

Now, over and above that, your latest proposal includes \$83 billion of additional non-defense discretionary spending, and \$54 billion of new entitlements. Mr. President, we can't stop the car by stepping on the gas. I understand your desire for increased "investments," but there are many in Congress who believe that we are already spending too much. You said in 1996 that the era of big government was over, and yet your negotiators insist on \$5 billion new *mandatory* spending for school construction grants! The Trustees just told us again that medicare part A will be bankrupt in four years, yet your negotiators still propose to increase medicare spending with \$12 billion of new benefit spending over the next five years.

I will face enormous difficulties getting Republican support for increases in non-defense discretionary spending. If you continue to insist on new entitlement spending, my task becomes impossible.

I place a high priority, Mr. President, on reaching an agreement. We must also be able to enforce an agreement. Too many times in the past there has been bipartisan consensus, either on deficit targets, or on spending levels, only to have that agreement breached or ignored later in the process. We need a strong enforcement mechanism to ensure that we balance the budget and cut taxes.

Your negotiators have given virtually no ground.

I must compliment you on the skill of your negotiators. John Hilley, Gene Sperling, and Franklin Raines, and Leon Panetta before them, have fought fiercely for your interests over the past two years. They have represented your goals with clarity and strength of purpose.

At the same time, they have given virtually no ground. In 1995, Republicans proposed net tax cuts of \$245 billion. We are now indicating our willingness to accept a net tax cut around \$100 billion. This is, in my opinion, far too little. If our goal were merely to return to the average rate of taxation in the post-World War II era, we would need to cut taxes by almost \$400 billion over the next five years. Instead, we're talking about letting the American people keep an additional 22 cents of every \$100 dollars they earn. The American people need and deserve a larger tax cut.

In 1995 you said your priorities were medicare, medicaid, education, and the environment. While the Balanced Budget Act of 1995 would have saved \$227 billion in medicare over seven years, our latest proposal would save at least \$100 billion less than that. For education and the environment, even a freeze in non-defense discretionary spending would provide \$172 billion more than Republicans proposed in 1995. In response to your stated priorities, our latest proposal added back more than \$1 billion for student loans relative to the Balanced Budget Act.

In contrast, the most recent proposal we have from your negotiators is essentially identical to your original budget proposal from June of 1995. The across-the-board trigger to automatically cut spending and increase taxes is still there. Your medicare and medicaid savings are where they were in 1995. Your latest proposal for non-defense discretionary spending for the next five years is \$58 billion above *your own proposal from last year*.

This year, your budget submission proposed to save \$100 billion (after new benefit addbacks) in medicare using CBO scoring. Your OMB apparently was off by eighteen percent in their estimates, because CBO scored your net medicare savings at only \$82 billion. Before the most recent round of discussions, Erskine Bowles told me privately that we would see movement from the Administration *every single day*. The first day, your negotiators made proposals to bring your medicare savings back up to your original \$100 billion. This was a deft political move. Your negotiators claimed to have made a significant concession, while in reality your original proposal had not changed.

Since then, Pete Domenici and John Kasich have seen virtually no movement. The latest White House proposal still insists on \$83 billion of new non-defense discretionary spending, and on \$54 billion of new entitlement spending. While we have come down this year from a \$200 billion tax cut to one in the neighborhood of \$100 billion, I have seen only about \$12 billion smaller spending increases than in your original budget submission. Our current and future budget problems are driven by too much and unsustainable spending. You exacerbate that by proposing \$137 billion of spending increases. The movement promised by Mr. Bowles has not occurred.

The Nation needs our strong leadership.

Mr. President, I need your help to achieve a balanced budget in 2002. I have Republican Senators telling me that our likely deal is a bad deal. The same phenomenon exists in the House. Mr. Gephardt and liberal Democrats in the Senate are priming their guns in anticipation of a Republican-only budget. Republican leaders are wary of unwarranted attacks on CPI, and the same may be true for medicare. Over the past two years we have tried to propose solutions to the entitlement trends driving our short- and long-term fiscal problems. If the specter of political attacks from the Left prevents us from making needed changes in medicare or medicaid, we will be faced with the unpleasant choice between proposing significant squeezing of non-defense discretionary spending, or abandoning our goal of balancing the budget and cutting taxes. I do not see how in such an environment your proposed "investments" could have any chance of success, nor even how the programs you have initiated over the past several years could be maintained at their current levels. This is not my preferred course of action, but if we cannot reach an agreement, I may be faced with no other alternative. I must choose between these alternatives now.

I believe your decision will define your second term. If you want to continue the cooperative effort we demonstrated last week, then you need to take bold steps to make whatever corrections to the Consumer Price Index your economic advisors tell you are technically correct. You also need to propose a much more modest set of "investments" than those your negotiators have demanded. I believe that, with these two issues resolved, and with a strong enforcement mechanism, we can rapidly reach a budget agreement that is in the best interest of the Nation.

I would really like the next two years to be constructive, Mr. President, and I am trying my hardest to work with you. I hope you agree with me and will do the same. With best wishes, I am

Respectfully yours,



Trent Lott