THE WHITE HOUSE
WASHINGTON

Date 5/8

To: Don Gips

From: The Staff Secretary

Don -

I think POTUS may have meant for VP to reply to this. Take a look and give me a call.

Phil

Response letter to George Ring

THE WHITE HOUSE
WASHINGTON, D.C. 20500

DATE: 11/15

TO: Greg Simon

FROM: Staff Secretary

POTUS didn't like this letter.
Any thoughts?

Phil Caplan

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN
11-14-96

VP

Interesting letter to
us — I don't think
this is responsive
Pls have it reviewed —
reply —

BC

Copied to VP

THE WHITE HOUSE

WASHINGTON

October 26, 1996

Mr. George M. Ring
President and Chief Executive Officer
Wireless Cable International, Inc.
67A Mountain Boulevard Extension
Warren, New Jersey 07059

Dear George:

Thank you for your thoughtful letter following up on our dinner conversation in July.

I appreciated your sharing with me your proposals on how we can use PBS and the transition to HDTV to achieve universal access to quality educational programming. As you know, my Administration is working on another important initiative to bring computers and Internet access to every classroom in the country.

I certainly do agree with you, however, about the importance of high-quality educational programming for children. Guidelines to which my Administration and broadcasters agreed and which the FCC then adopted in August, require television stations to air three hours of quality children's educational programming per week. We will continue to work very hard to ensure that the promise of the Children's Television Act of 1990 -- that television should serve the educational and information needs of our young people -- is fulfilled.

I believe it is very important to have a non-commercial voice available in every television market. Public broadcasting provides an important source of educational and cultural programming that might not be available on commercial stations, and I am committed to its continued support. Be assured that I will continue to oppose Congressional cuts in the public broadcasting budget.

Regarding HDTV, I think that digital television will be of tremendous benefit to the American public, and I fully support the transition. My Administration favors giving TV stations a second channel to make the transition to digital, but wants the stations to return the analog channel by 2005, earlier than most broadcasters would like (with exceptions for small, rural, and noncommercial broadcasters).

Although broadcasters using the public airwaves have always been required to serve the public interest, the nature of that obligation has changed over time. As we move to digital transmission and increase the capacity and efficiency of broadcasts, it may be appropriate to expand the public service obligations in certain ways.

As for your second proposal, the appropriate taxation of capital gains income, this issue has been the subject of much controversy. Moreover, capital gains income is already significantly favored under current tax law, compared to other types of income such as wages and taxable interest payments.

My strategy in proposing tax incentives is to insist that they are fully paid for. They must also benefit middle-class Americans, promote economic growth, and be provided in an efficient manner. The reduction I proposed in the homeownership capital gains tax cut meets all these criteria -- it would ensure that middle-income working Americans will not have to pay income tax on the sale of their home, and it would make it simpler for taxpayers to comply with the tax law.

I appreciate hearing from you, and Hillary joins me in sending best wishes.

Sincerely,

Bill Clinton

October 26, 1996

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President and Chief Executive Officer
Wireless Cable International, Inc.
67A Mountain Boulevard Extension
Warren, New Jersey 07059

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Sincerely,

BC/SSF/RLM/JAD/TDS/efr-emu-emu-efr-ckb-efr (Corres. #3166134)
(10.ring.g)

cc: Jim Dorskind/TDS, 94 OEOB
cc: Bob Raymar

Xeroxed copy of personally signed original to NH through Todd Stern

CLEAR THRU TODD STERN

PRESIDENT TO SIGN

**Wireless Cable International Inc.**

67A Mountain Boulevard Extension, Warren, N.J. 07059-5626 (908) 271-4880 Fax: (908) 469-8778

GEORGE RING president and chief executive officer

September 13, 1996

The President
The White House
Pennsylvania Avenue
Washington, D. C.

Dear President Clinton:

It was indeed a pleasure to meet with you for dinner in Washington on July 30. It was an eclectic group and you handled their various questions adroitly.

I hope you will consider the following additional thoughts:

A. I raised the issue of educational reform as the system seems to be grossly under serving its constituents even though billions are being spent. Even the best colleges and universities are under a financial strain as they try to keep quality high without breaking the financial back of students and their families.

Many public schools are over loaded with administrative staff while classrooms lack sufficient qualified teachers because those administrative positions pay more than teaching positions. Much of this type of misdirection of funds is in the control of the state and local governments, but the federal government can do several creative things to improve learning without spending a huge sum of money.

You and I both know that the one true road to economic advancement for the citizens of America is education. One of your greatest legacies to the American people could be a well functioning, well funded revitalized educational system. Almost everyone wants <u>their</u> children to have access to a good education. The federal government needs to lead in this area with new ideas for funding in order to stimulate the state governments and municipal boards of education by providing financial assistance to the states to rebuild their schools physically as well as staffing. Federal funds should have performance strings. The White House gets the credit for the plan, but the states get the burden of specific implementation.

I suggest a nominal mechanism for funding the universal distribution of educational television programming. It has two elements:

1. Your administration's initiatives to wire schools for cable TV will inevitably miss many districts. PBS, however, is available to 99% of the households and schools in America without any special equipment or fees required. Poor rural school districts that do not have access to cable TV or even a VCR can be served with high quality programming via PBS for students K-12 regardless of location or budget size. This nearly universal access means that PBS levels the playing field between rich and poor, urban and rural schools. Rich and poor districts can watch the same quality instruction simultaneously. Unfortunately most PBS budgets are being cut by state governments.

2. Broadcasters are being allocated a second channel to convert to HDTV (high definition television). The broadcasters want to digitize this new channel with the option of flexible use, i.e. not necessarily use it for High Definition TV and also keep the channel they now have. A reallocation of broadcast spectrum is also being considered by the F.C.C. Your staff should check with F.C.C. Chairman, Reed Hundt, to get the current F.C.C. thinking and status of this process.

   The broadcasters are awash in profits so they have the ability to bid for this second channel. However, a second option, the educational option, could be offered to broadcasters which would eliminate their uncertainty about the bidding process. The broadcaster would be allowed to keep the second channel if he agrees to produce quality educational programming annually plus provide funding for PBS stations to ensure that this programming gets to all the schools. This annual funding might be a more attractive alternative for the broadcasters than the one-time auction fee approach for the second channel.

   This combination provides a transportation vehicle, i.e. the local (PBS) stations and a funding source, the local VHF/UHF affiliate television stations, that can create universally available educational programming monitored by the F.C.C. to ensure quality and equality throughout the fifty states.

Result: Major first step in achieving universal access to quality educational programming can be achieved while you are in office.

The broadcasters get more spectrum and avoid the risk of a bidding process. Their executives will probably show up in droves for your next conference on children's programming.

The F.C.C. will have an additional on-going mission of monitoring the process.

PBS stations (also in a funding crisis) in each state and, hopefully, the educational community at large will embrace the concept joyfully.

The states will have implementation dollars so they are happy, but the federal government controls the funding flow if goals are not achieved.

B. Capital Gains: Grab the important tax issue by stating that continued deficit reduction is a goal you will not abandon but suggest that you would consider a capital gains tax reduction to 15% on productive assets only, i.e. sale of stocks, corporations, real estate, etc. but not unproductive assets like paintings, etc. If Wall Street can show that this will create more tax revenues and if it does, you will agree to keep this tax cut in place as long as the process continues to generate more tax revenue to help reduce the deficit.

Most Americans have stocks and have seen their stocks increase in value significantly in the last few years. A meaningful reduction in capital gains tax means millions of Americans will save thousands of dollars in taxes. You will be a hero in countering Dole's foolish plan with one that Wall Street will make work as millions of shares will be sold at the lower tax rate creating billions in tax revenues from sales plus these net tax funds will be available for reinvestment, debt retirement, consumer purchases, deposits on homes, new cars, etc. thereby stimulating the economy.

Federal and state capital gains taxes now combine to take over 40% and estate taxes (which should also start to come down) take another 55% of the balance. If a husband and wife spend their life building a company and sell it for a $5,000,000 profit, they may now have to pay $2,000,000 in capital gains taxes. If they die a few years later, their estate pays another $1,650,000 in estate taxes which leaves their children only 27% of the value of their life's work while the government takes 73%! The issue of these excessive taxes should be addressed.

Very truly yours,

GEORGE M. RING
President and C.E.O.

GMR/bd

c.c. Reed Hundt, F.C.C. Chairman

**MEMORANDUM**

**To:** **Nancy Hernreich, Deputy Assistant to the President** **Dated:** **April 17, 1997**

**Tel: 202-456-6610**

**Fax: 202-456-6703**

**From:** **Bob Raymar**

**Tel: 201-621-9020**

**Fax: 201-621-7406**

**Re:** **George Ring Letter 9/13/96**

In September, I forwarded the enclosed thoughtful letter to the President from a strong supporter. To date, he has received no response or even any acknowledgment. Would you please rectify the situation?

Hope all is well. Hello to Ashley and to the President.

Thanks.

RSR/cb
Enclosure

**Wireless Cable International Inc.**

87A Mountain Boulevard Extension, Warren, N.J. 07059-5828 (908) 271-4880 Fax: (908) 469-8778

GEORGE RING president and chief executive officer

September 13, 1996

The President
The White House
Pennsylvania Avenue
Washington, D. C.

Dear President Clinton:

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I hope you will consider the following additional thoughts:

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Many public schools are over loaded with administrative staff while classrooms lack sufficient qualified teachers because those administrative positions pay more than teaching positions. Much of this type of misdirection of funds is in the control of the state and local governments, but the federal government can do several creative things to improve learning without spending a huge sum of money.

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Very truly yours,

GEORGE M. RING
President and C.E.O.

GMR/bd

c.c. Reed Hundt, F.C.C. Chairman

**Wireless Cable International Inc.**

67A Mountain Boulevard Extension, Warren, N.J. 07059-5626 (908) 271-4880 Fax: (908) 469-8778

## FAX TRANSMITTAL

DATE: April 16, 1997

TO: Bob Raymar, Esq.

FAX NUMBER: 201-621-7406

FROM: Barbara Dunn
Secretary to George Ring

SUBJECT/MESSAGE:

Per your request, following is a copy of our letter to "The President."

Total number of pages 4

THE WHITE HOUSE
WASHINGTON, D.C. 20500

DATE: 6-8

TO: John

FROM: Staff Secretary

I assume Emery
has reached you
about this.

Rob

# TELEFAX COVER SHEET

**May 1, 1997**

| TO: | Company | Phone | Fax |
|---|---|---|---|
| Todd Stern | | 456-2702 | 456-2215 |

'97 MAY 1 PM3:58

| FROM: | | | |
|---|---|---|---|
| Emery Simon | | 293-2700 | 293-2707 |

Total number of pages including cover: 2

Todd:

Here is a copy of the letter we sent asking for a meeting with Pres. Clinton for June 4. Any help you can give us is most appreciated.

I'll call Monday to see if you can get away for lunch.

best regards

Emery

BSA Business Software Alliance
1150 18th Street, N.W.
Suite 700
Washington, D.C. 20036

TEL 202.872.5500
FAX 202.872.5501
INTERNET: software@bsa.org
WEBSITE: http://www.bsa.org

April 30, 1997

The Honorable William J. Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

We respectfully request a meeting with you for the CEOs of America's leading technology companies who will convene on Wednesday, June 4, 1997, in Washington, D.C. for the Business Software Alliance (BSA) CEO Forum. The ten Chief Executive Officers who have confirmed their participation in the Forum are as follows:

John Warnock, Chairman and CEO, Adobe Systems, Inc.
Carol Bartz, Chairman, President and CEO, Autodesk, Inc.
Gregory Bentley, President and Chairman, Bentley Systems, Inc.
Andrew Grove, President and CEO, Intel Corp.
Jeff Papows, President, Lotus Development Corp.
William Gates, Chairman and CEO, Microsoft Corp.
Eric Schmidt, Chairman and CEO, Novell, Inc.
Alok Mohan, President and CEO, The Santa Cruz Operation, Inc.
Mitchell Kertzman, President and CEO, Sybase, Inc.
Gordon Eubanks, President and CEO, Symantec Corp.

They would like to meet with you to engage in a broad-based discussion regarding high technology policy issues. Specifically, they would like to personally bring to your attention a report being released to the press that day regarding the software industry's critical economic and employment contributions to the U.S. economy. This report will significantly substantiate your vision that high technology is key to jobs and economic growth in America. During the discussions, we anticipate these CEOs touching on such important matters as the state of the development of electric commerce; the evolution of the Internet; the importance of intellectual property protection here and abroad; and federal legislation regarding securities litigation.

Becca Gould, Vice President, Public Policy, of my staff will be calling your office to see if a meeting can be arranged and to provide any additional information you may need.

Thank you for your consideration of this request.

Sincerely,

Robert Holleyman

Robert W. Holleyman, II
President

cc: BSA Member Company CEOs

THE WHITE HOUSE

WASHINGTON

Date 5/8

To: Jim Dorskind

From: The Staff Secretary

Attached is letter to POTUS from Jude Wanniski, given to us by Vicki Radd.

Wanniski met with Larry Summers to discuss his ideas.

POTUS should respond with general letter saying that he understands Wanniski met with Summers; proud of our budget deal, etc.

BC sig.

thanks
Phil

Phil –

This is the letter I mentioned. Wanniski did get a meeting w/ Larry Summers at Treasury to discuss his views – Thanks, V

PS. Can I get copy of response?

# POLYCONOMICS, INC.

Political and Economic Communications

Jude T. Wanniski
President
86 Maple Avenue
Morristown, NJ 07960
Tel. 201-267-4640
Fax. 201-539-4025

April 22, 1997

The Hon. William J. Clinton
President of the United States
1600 Pennsylvania Ave
Washington, DC
[via fax to Erskine Bowles] (also by mail)

Dear Mr. President:

Our government appears to be heading into budget gridlock once again, as Senator Lott indicates there is only one small chance this week to work out a compromise on your administration's budget. My guess is that it will fail, chiefly because the political forces that bear upon you and congressional Democrats are once again in a standoff with the political forces that bear down on the Republican leadership in Congress. In chess, the term is stalemate. If the Republicans do develop a budget of their own, even Senator Lott concedes it will be less than satisfactory all around. My suggestion is that you consider the bipartisan plan proposed almost a year ago by Jack Kemp, when he still believed his elective political career was at an end.

Republicans blame you for being stubborn and partisan in refusing to bend to their demands and make spending concessions that cannot be done without betraying your constituency. A budget compromise could be made if the Republicans gave up on their attempt to get a serious capital gains tax cut and estate tax relief, cuts which I believe would be very good for the country, along with a $500 kiddie credit, which I believe would not be good for the country. The numbers don't work and no matter how many times you add and subtract, multiply and divide, we come back to stalemate.

The reason this will continue at the legislative level is the determination of the political Establishment, Republican and Democratic, to refuse to accept its responsibility to employ the law of diminishing returns in setting tax rates. It has been true throughout history that when tax rates get too high, they discourage growth and revenues. Part of the responsibility of government is to make those judgements. The budget process by which the Ruling elites now attempt to manage the national economy is diabolical. Imagine a rule at General Motors that would not allow you to cut the price of a Buick unless you raised the price of a Chevrolet!

The Kemp proposal, Mr. President, skirts this process with two executive orders that would be supported by both parties if you initiated them, but would get tangled up in the broader omnibus legislation if initiated by Congress. The first would instruct the Treasury to strip inflation out of capital gains before determining tax liability. The second would instruct the Treasury and the Federal Reserve to stabilize the dollar value of our international gold monetary reserves around a price of $350.

Those of us who assisted Mr. Kemp in devising this plan, which he described on the editorial page of *The Wall Street Journal* on June 18 last year, did so in the belief that it would meet with little objection in either major political party and that it would invite the kind of healthy, non-inflationary economic growth that would find favor both in the financial markets and with Federal Reserve Chairman Alan Greenspan.

Indexing capital gains, retroactively and prospectively, has no theoretical opponents in the Democratic Party or among Republicans. Treasury bureaucrats may complain it is difficult to administer, but it is easily done in the U.K., as Senate Finance discovered when it had hearings on the subject in 1993. By the stroke of your pen, you would release an estimated $7 trillion in inflated gains from tax liabilities and the backs of American farmers and small businessmen. People would dance in the streets and celebrate your administration for several generations.

When Alan Greenspan became Fed chairman ten years ago, the gold price was $350. By using it as a guide to inflationary impulses, he has managed to keep it from straying too far in one direction or the other. Both Kemp and I have spoken to him about formalizing that practice within a price range, which would give the markets some flexibility on either side of $350. By taking the risks of wide swings out of the market, the value of government bonds would increase by a significant amount. This would of course reduce the cost of debt service in the budget for years to come, as the past debt is refinanced at lower interest rates.

This executive order would also cover the warning of Ross Perot, who observed during the campaign last year that your Treasury had been issuing a great amount of short-term debt to economize on debt service. If inflation hit suddenly in the next several years, the administration would have its hands full refinancing short debt at very high interest rates, ballooning the deficit that has lately been coming down nicely. This executive order might have some complaints from purists who insist gold should have no role in policymaking, but these purists are more likely to be found in the GOP than among Democrats.

If the budget talks break down tomorrow, as we fear, Senator Lott and Speaker Gingrich will attempt to fashion a Republican budget. The financial markets would have an added burden of worrying through the summer into autumn whether this can be done without your veto or another government shutdown. The suggestion I make regarding the executive orders is one that would not only be cheered in the bond and stock market, it would also make it much easier for a budget to be worked out on the Hill, as the prospects of higher revenues from a sounder economy would be factored into the calculations of the Congressional Budget Office.

At the very least, I hope that you would discuss the idea with Jack, who may be assuming that you are not interested in ideas that come from the other party and would reject them out of hand. There are many executive orders that you can sign, but few that will enjoy widespread support in both parties. My belief is that if you did these, you would break the barrier of partisanship and acrimony that has grown up around these years of budget stalemate.

Sincerely, as ever,

Jude Wanniski

Jude Wanniski

cc: Mr. Jack Kemp
The Hon. Newt Gingrich
The Hon. Trent Lott
http://www.polyconomics.com/memo.html

THE WHITE HOUSE
WASHINGTON

Date 5/8

To: Gene Sperling

From: The Staff Secretary

This is the form letter that Correspondence will send to constituents writing in about the budget.

Any comment?

Phil Caplan

THE WHITE HOUSE

WASHINGTON

May 8, 1997

Mr. John M. Doe
Title
Organization
Business Adr1
Business Adr2
Business City, BState BZip-BZip9

Dear John:

Thank you for sharing your thoughts about budget and economic issues.

My Administration has worked hard over the past four and a half years to reduce the budget deficit, eliminate wasteful spending, and streamline government, while supporting education and training, technology, and other key investments that enhance productivity and living standards for the American people. The tough choices we have made have cut the deficit by two-thirds and have helped the economy to produce more than 12 million new jobs.

I remain committed to balancing the budget in a way that protects our fundamental values and builds on our progress. I have agreed with Congress on a detailed plan for balancing the budget by 2002. This agreement -- very close to the proposal in my fiscal year 1998 budget -- makes the difficult spending cuts necessary to balance the budget, but it also honors our values and protects our future. It reaffirms our nation's investments in education, training, and the environment. The agreement strengthens the Medicare trust fund and preserves the Medicaid guarantee of health care to children, pregnant women, people with disabilities, and older Americans. Finally, it extends health care coverage to 5 million children, improves last year's welfare reform bill, bars tax increases on working families, and targets tax relief for middle-income Americans.

Balancing the budget should be a means to increased investment and productivity and higher incomes and living standards for the American people. My Administration's budget agreement with Congress balances the budget in the right way -- by achieving deficit reduction while maintaining those investments that will enable our nation to prosper and achieve these goals. As we continue to work together with Congress, I hope that we can balance the budget, continue to strengthen our economy, and preserve the American Dream for our children.

Sincerely,

Bill Clinton

(5/8/97)