-- TEN (10) BOXES TODD STERN CHRON FILES: BOX #1 (AUG 95 & SEP 95) FILED OA #7689; BOX #2 (OCT 95) FILED OA #7690; BOX #3 (NOV 95) FILED OVERSIZE ATTACHMENT #7691; BOX #4 (DEC 95) FILED OVERSIZE ATTACHMENT #7692; BOX #5 (JAN 96) FILED OVERSIZE ATTACHMENT #7693; BOX #6 (FEB 96) FILED OVERSIZE ATTACHMENT #7694; BOX #7 (MAR 96) FILED OVERSIZE ATTACHMENT #7695; BOX #8 (APR 96) FILED OVERSIZED ATTACHMENT #7696; BOX #9 (MAY 96) FILED OVERSIZE ATTACHMENT #7697; BOX #10 (JUN 96) FILED OVERSIZE ATTACHMENT #7698

021890

FG006-01

-- FOUR (4) BOXES TODD STERN CHRON FILES - FILED ON JAN 22 97: BOX #1 (JUL 96) FILED OVERSIZE ATTACHMENT #8116; BOX #2 (AUG 96) FILED OVERSIZE ATTACHMENT #8117; BOX #3 (SEP 96 & OCT 96) FILED OVERSIZE ATTACHMENT #8118; BOX #4 (NOV 96) FILED OVERSIZE ATTACHMENT #8119

-- TWO (2) BOXES FILED ON MAR 11 97:
BOX #1 (DEC 96) FILED OVERSIZE ATTACHMENT #8788
BOX #2 (JAN 97) FILED OVERSIZE ATTACHMENT #8789

--- THREE (3) BOXES TODD STERN CHRON FILES - FILED ON JUN 13 97: BOX #1 (FEB 97) FILED IN OVERSIZE ATTACHMENT #9349; BOX #2 (MAR 97) FILED IN OVERSIZE ATTACHMENT #9350; BOX #3 (APR 97) FILED IN OVERSIZE ATTACHMENT #9351. TWO BOXES TODD STERN CHRON FILES WERE FILED ON AUG 5 1997: BOX #1 (MAY 97) FILED IN OVERSIZE ATTACHMENT #9358; BOX #2 (JUN 97) FILED IN OVERSIZE ATTACHMENT #9359

I0601 * End of documents in list. Press ENTER or enter another command.

--- TWO (2) BOXES TODD STERN CHRON FILES WERE FILED OCT 17, 1997: BOX #1 (JUL 97) FILED IN OVERSIZE ATTACHMENT #10304 BOX #2 (AUG 97) FILED IN OVERSIZE ATTACHMENT #10305

THE WHITE HOUSE

WASHINGTON

Date 7-1-97

To: Don Gips
Sally Katzen
Jim Kohlenberger

From: The Staff Secretary

For your information.

Chron

PRESIDENT WILLIAM J. CLINTON
ANNOUNCEMENT OF ELECTRONIC COMMERCE INITIATIVE
EAST ROOM, THE WHITE HOUSE
Tuesday, July 1, 1997

Acknowledgments: IBM CEO Lou Gerstner; Parent Soup Managing Director Macdara MacColl; Vice President Gore; Secretary Bill Daley; Trade Representative Charlene Barshefsky; GSA Administrator Dave Barram; Deputy Treasury Secretary Larry Summers; FTC Chairman Robert Pitofsky; FTC Commissioner Christine Varney, Ira Magaziner (who coordinated this effort for the White House).

149 years ago, America celebrated the first true communications revolution here at the White House. That was the year Queen Victoria sent the very first transatlantic telegraph transmission, which was delivered to President Buchanan in this very building. At the time, it seemed like a miracle. But soon, it was a crucial part of American life and work -- bringing the entire world closer together.

Today, the Internet is already an important part of many Americans' lives -- and we know that harnessing its remarkable power is critical to achieving our broader goal: preparing this country for the 21st Century, with all its promise and possibility. It's stunning to think that when I first became President, only physicists were using the World Wide Web. Today, 40 million people in more than 150 countries are connected to the Information Superhighway, and we expect five times that many people to be connected by the year 2000 -- trading goods and services, learning about the most cutting-edge research and discoveries, tapping into new worlds of science, literature and culture that were once available only at a handful of leading universities, libraries and museums. We cannot say exactly what the 21st Century will look like. But we do know that its limitless possibility, its unimaginable developments in science and technology, and its unprecedented fusion of cultures and economies from around the world will be shaped in large part by the Internet.

We are fortunate to have with us today -- together at the White House for the first time -- the four individuals who gave birth to the Internet: Vint Cerf and Bob Kahn, who were critical to the development of the Internet in the 1970's; Tim Berners-Lee, who invented the World Wide Web, which brought the Internet into our homes, offices and schools; and David Duke, who headed the team that invented the fiber optic cable, which made high-speed Internet connections possible. I'd like them to stand; their groundbreaking work has done more to shape and create the world our children will inherit than virtually any invention since the printing press itself.

And I'd also like to thank the man who coined the phrase "Information Superhighway" some 20 years ago -- long before many of us had even moved to electric typewriters -- the man who had led our administration's efforts in this area, and my own personal Internet tutor, the Vice President, Al Gore.

Our challenge now is to make the Internet work for all of our people. Within a generation, we can make it so that every book ever written, every symphony ever composed, every movie ever made, every painting ever painted, is within reach of all our children, all within seconds, all with the click of a mouse. The potential for knowledge and culture is nothing short of revolutionary.

That is why VP Gore and I are working to connect every classroom and school library to the Internet by the year 2000, so that, for the first time in our history, children in the most isolated rural towns, the most comfortable suburbs, the poorest inner city schools, will have the same access to the same universe of knowledge. We have also included $300 million in our balanced budget plan to help to build the Next Generation Internet, so that our leading universities and national laboratories can communicate in speeds 1,000 times faster than today, to develop new medical treatments, new sources of energy, new ways of working together.

But one of the most revolutionary uses of the Internet is in the world of commerce. Already, it is possible to buy books and clothing, to obtain business advice, to purchase everything from gardening tools to hot sauce to high-tech telecommunications equipment over the Internet. But that is just the beginning. Trade and commerce on the Internet are doubling or tripling every year -- and in just a few years will be generating hundreds of billions of dollars in sales of goods and services. If we establish an environment in which electronic commerce can grow and flourish, then every computer can be a window open to every business, large and small, everywhere in the world.

Not only will industry leaders such as IBM be able to tap into new markets with the touch of a keyboard, but the smallest start-up company will have an unlimited network of sales and distribution at their fingertips. It will literally be possible to start a company tomorrow, and next week do business with Japan and Germany and Chile -- all without leaving your home. In this way, the Internet can be a tremendously empowering force for large and small business people alike.

But today, electronic commerce carries a number of significant risks -- risks that could block that extraordinary growth and progress from taking place. There are almost no international agreements or understanding concerning electronic commerce. Many the most basic consumer and copyright protections are missing from cyberspace. In many ways, electronic commerce is like the Wild West of the global economy. Our task is to make sure that it is safe and stable terrain for those who wish to trade on the Internet. And we must do so by working with other nations <u>now</u> -- while electronic commerce is still in its infancy.

To meet this challenge, I am pleased to announce the release of our new Framework for Global Electronic Commerce -- a report that lays out the principles we will advocate as we seek to establish basic rules for international electronic commerce. And that basic approach is one of minimal government, minimal regulation, no new taxes and no cumbersome regulation. Because the Internet has such an explosive potential for prosperity, it should be a global free-trade zone, government should make every effort not to stand in its way.

We want to encourage the private sector to regulate itself as much as possible. We want to urge all nations to refrain from imposing new taxes, tariffs, unnecessary regulations or cumbersome bureaucracy in the area of electronic commerce. Where government involvement is necessary, its aim should be to support a predictable, consistent legal environment for trade and commerce to flourish. And we should do our best to revise any existing laws or rules that could inhibit electronic commerce.

We want to put these principles into practice by January 1st of the year 2000. Today, I am taking three specific actions to move toward that goal -- and I am asking the Vice President to oversee our progress on all three. First, I am directing all federal department and agency heads to review their policies that affect global electronic commerce, and to work to ensure that they are consistent with our five core principles.

Second, I am directing members of my Cabinet to work to achieve some of our key objectives within the coming year. I am directing Treasury Secretary Rubin to negotiate agreements, where necessary, to prevent new taxes on electronic commerce. I am directing Trade Representative Barshefsky to work within the World Trade Organization to turn the Internet into a free-trade zone within the next 12 months -- building on the progress of our landmark Information Technology Agreement and our global telecommunications agreement, which eliminated tariffs and reduced trade barriers on more than $1 trillion in products and services. And I am directing Commerce Secretary Daley to work to establish basic consumer and copyright protections for the Internet, to help create a predictable legal environment for electronic commerce and to coordinate our outreach to the Private Sector on our strategy. I am also directing the relevant agencies to work to make sure that Americans can conduct their affairs in a secure electronic environment -- one that will maintain their full trust and confidence. Next week, Secretary Daley and Ira Magaziner will lead a delegation to Europe to present our vision for electronic commerce to our European trading partners.

Third, just as the private sector must work to help parents protect their children from objectionable content on the Internet, I call on the private sector to help us meet one of the greatest challenges of electronic commerce -- ensuring that we develop effective methods of protecting the privacy of every American -- especially children who use the Internet. Many of you have already begun working with Chairman Pitofsky and Commissioner Varney of the Federal Trade Commission, to protect our children's privacy, and I urge you to continue that work. As we rely more and more on a medium that is as vast, as sprawling, and as unregulated as the Internet, it is crucial that we find new ways to safeguard our most basic rights and liberties, so that we can trade and learn and communicate in safety and security.

That is why it is especially important, as I said last week, to give parents and teachers the tools they need to make the Internet safe for children. A hands-off approach to electronic commerce must not mean indifference when it comes to raising and protecting our children. I ask the industry leaders here today to join with us in developing a solution for the Internet that is as powerful for the computer as the V-Chip will be for television, to protect children in ways that are consistent with the First Amendment. Later this month I will convene a meeting with industry leaders and groups representing Internet users, teachers, parents, and librarians to help parents protect their children from objectionable content in cyberspace.

Today, we act to ensure that International trade on the Internet remains free of new taxes, free of tariffs, free from burdensome regulations and safe from piracy. If we do this, we can set loose forces of innovation such as the world has never seen. In the 21st Century, we can build our prosperity in cyberspace. When our vision is realized, every American -- consumers, small businesspeople, and corporate CEO's will be able to extend our trade to the farthest reaches of the planet. If we do this now -- and if we do it the right way -- we can lead our economy into an area where our innovation, our flexibility, and our creativity yield tremendous benefits for all our people.

'97 JUN 28 AM 10:40

Hould do letter WJC

THE WHITE HOUSE

WASHINGTON

RECOMMENDED TELEPHONE CALL

TO:	**Bill and Melinda Gates**
DATE:	**ASAP**
RECOMMENDED BY:	**Maria Echaveste**

PURPOSE: To congratulate Bill and Melinda Gates on the establishment of the Gates Library Foundation.

BACKGROUND: Bill and Melinda Gates announced the establishment of the Gates Library Foundation on June 23, 1997. The foundation will provide every public library in low-income communities with the computer hardware and software required to access the Internet, as well as provide the complete training and support for library personnel. This effort will focus on libraries in both the United States and Canada.

The Gates Foundation will expand upon the work of Microsoft's community affairs initiative, Libraries Online, which was launched in December of 1995. The Gates have started the new foundation with a $200 million cash contribution that will be matched by Microsoft with software of equal value.

TOPICS OF DISCUSSION: The Gates established this foundation in order to ensure that no disadvantaged person, young or old, will be without access to a computer. The foundation is committed to ensuring that every public library has both the equipment and a knowledgeable staff. *You may want to discuss the DC investment initiative with him and encourage him to help specifically with the Washington, DC community.*

JIM DORSKIND:

Please coordinate the reply.

The Gates Foundation is scheduled to begin delivering equipment and training personnel this Fall. *You may want to discuss with him the possibility of collaborating on a back to school program that showcases libraries as a place for children and adults to spend more time reading or accessing the Internet.*

CONTACT PERSON AND TELEPHONE NUMBER: Bill Gates (or his assistant Christine Turner) can be reached at 206-936-8899 or 8055

DATE OF SUBMISSION: June 26, 1997

ACTION:

224505

7-1-97

Send to Dorskind?

Yes ✓

no

a letter would be wonderful - Just return T-Shirt ??

Thoughts ??

[illegible]

EXECUTIVE TRAVEL ASSOCIATES
ETA

UNITED STATES SECRET SERVICE

JOHN L. JOHNSON
SPECIAL AGENT
TRAINING DIVISION

9200 POWDER MILL RD.
BELTSVILLE, MD 20708

WORK 301-344-8530
PAGER 202-535-5000
Pin # 03[illegible]

RAIFORD S. PIERCE, CHAIRMAN

June 3, 1997

The President of the United States
The White House
1600 Pennsylvania Ave., NW
Washington, D.C. 20500

'97 JUN 18 PM 2:38

Dear Mr. President,

The Maple Brook School is located in Armenia, New York. It is a school for children with special needs and once a year they present awards to various individuals who have aided in the education of the handicapped. We have the privilege of assisting them with travel from time to time and they asked me if I could request your autograph (auto-pen is fine) on a T-Shirt with an expression of "Good Luck" or "Best Wishes." The shirt will be awarded to the student that has made great progress or contributions to the school throughout the academic year.

I'm sure you get literally thousands of requests per month to do good work and I am hopeful that you will decide to include this request for consideration and grant us a favorable decision.

Feel free to contact my office should you have any questions about the school, the children, or the work that they do. Being located in Washington, we are able to both deliver and pick up the shirt by your chosen mode of exchange. Thank you in advance for giving these children a gift they will cherish always.

I remain cordially yours,

Raiford S. Pierce

Staff See

CITY OF MONROE

BUSINESS AND ECONOMIC DEVELOPMENT CENTER

P.O. BOX 69 • MONROE, NORTH CAROLINA 28111-0069
FAX 704-289-9263
TELEPHONE 704-282-8340

EDC FAX: 704-289-9263
BUSINESS & ECONOMIC DEVELOPMENT CENTER

JUL 1 AM 11:39

FAX COVER SHEET

DATE: June 27, 1997
TO: The President
COMPANY NAME: The White House
PHONE: ________ FAX: 202/456-6703 (Policy Office)
RE: EPA Air Quality Standards
NO. OF PAGES (INC. COVER SHEET): 2

FROM:

REPRESENTATIVE: Lewis Fisher
TITLE: Mayor, City of Monroe
PHONE: 704-289-2551 Fax: 704-283-6631

Special Note: ________

CITY OF MONROE

P.O. BOX 69 • MONROE, NORTH CAROLINA 28111-0069
FAX 704-283-9098

June 27, 1997

'97 JUL 1 AM11:40

The President
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Mr. President:

I have been advised by the Economic Development Director of our city, that recent amendments to EPA Air Quality Standards will seriously impact the economic vitality of our City.

As the business and economic center of our county, the City of Monroe is home to a number of industries who will be handicapped by additional environmental restrictions. Any decision to raise or change environmental standards must contemplate the impact on employment opportunities in the community affected. A community under stringent environmental regulations without jobs and with migrating business and industry serves no reasonable purpose.

Please allow this letter to serve as notice that the City of Monroe, North Carolina, cannot afford the economic carnage additional bureaucratic regulations may create. We solicit the opportunity to provide information upon which decisions regarding additional environmental regulations are based.

Thanking you in advance for your consideration in this matter, I am,

Very truly yours,

Lewis Fisher
Mayor

MLF:jja

C: Jerry Cox, City Manager
Mark F. Donham, CED, Director Business & Economic Development

7/1/97

Send to Dorskind?

Yes ✓

No

THE PRESIDENT HAS SEEN
7-1-97

Breed | G Sperling | Rahm
What do you think?
BC

DLC
Democratic Leadership Council

copied
Reed
Sperling
Emanuel
COS

FAX TRANSMITTAL SHEET

Pages (including cover): 6

Phone:

Fax: 456-6703

To: Nancy Hernreich

From: AL FROM

Comments: Please pass on to the President. He asked me to send it today.

IF THERE ARE ANY PROBLEMS WITH THIS TRANSMISSION, PLEASE CALL (202) 546-0007. THANK YOU.

June 27, 1997
Memorandum to the President
From: Al From Al
Subject: Guaranteed College Tuition Plan

It was good to see you today and terrific to see you getting around so well.

As promised, I've attached our compromise higher education plan. This plan would further the goal of expanding access to college that you set out when you offered the Hope Scholarship. But it would go even further. It would guarantee that no young person who makes the grade and agrees to do community service would be unable to go to college for inability to pay. And, it would reinforce the linkage of college aid to community service, which is another important part of your legacy.

If, as it appears, you can't get support in the Conference for your plan -- and you don't like the House and Senate plans -- I think you might want to give serious consideration to offering this as a compromise.

Here's how the plan would work:

1. It would offer a four year refundable $2500 annual tax credit (adjusted for inflation) to families of students who attend public, in-state institutions and are willing to perform community service.

2. That tax credit, combined with the new $3000 Pell grant (or other existing higher education aid), would cover the fees and tuition costs at most state colleges, with a significant amount left over for living expenses.

The plan is explained in more detail in the PPI backgrounder I've attached. I think the most attractive part of it is that it would establish a national policy that makes college affordable for every young person no matter how poor. It is not unlike the policy we used to sell the EITC -- that no one who works, full-time, year round to support a family should have a wage below the poverty level.

I think it is a political 10 strike -- and it has the added benefits of being good policy and furthering main objectives of your Administration.

If you have any interest in pursuing this, I'll be in Annapolis this weekend, where I can be reached at 410-626-1236.

I'll follow up on our larger conversation when you get back from Madrid.

PPi
PROGRESSIVE POLICY INSTITUTE

Backgrounder
June 1997

Hope Revisited

Using Tax Policy to Expand Access to Higher Education

by Jonathan E. Kaplan and Chris J. Soares

President Clinton has made balancing the budget and expanding access to a college education central missions of his presidency, and rightly so. Spurring private investment by reducing the deficit, while enabling millions of young Americans to develop productive and advanced skills, is critical to ensuring strong growth and restoring broad upward mobility in the next century. To these ends, the $35 billion earmarked in the budget deal to help families send their children to college offers a landmark opportunity: We can inaugurate a new era in American education in which any young person able to make the grade and willing to serve his or her community will be able to go to college.

To achieve this goal, Congress should dramatically expand access to higher education by redesigning the President's proposed HOPE tax credit and tuition tax deduction. In its place, we propose a four-year, refundable tax credit for families of students who attend public, in-state institutions and are willing to perform community service. Combined with existing federal aid programs, a $2,500 annual tax credit would cover the tuition and fees at most state colleges and universities in the country, with money left over for living expenses. By tying the new tax credit to community service, we also would reinforce the value, introduced by President Clinton in his Americorps initiative, that anyone receiving government assistance should give something back to the country.

The President's current proposal would allow families sending children to college to either deduct up to $10,000 in tuition costs for two years or claim a $1,500 tax credit for tuition costs for two years. While the goal is sound, as the proposal now stands it would provide tax relief to middle-class families already capable of sending their children to college, but not expand access to college for students from low-income families. Most research shows that with the current provision of public and private assistance, rising college costs today do *not* reduce college attendance among children from middle-class families, but rather only affect *which* institutions they attend. Studies show, however, that the cost of college *does* reduce enrollment among children from poor families. But these families do not earn sufficient income to take advantage of the proposed new tax credit and deduction. Moreover, since the value of any tax deduction increases with a taxpayer's tax bracket, the greatest benefits would go to the more affluent families who need them least.

The current proposals would have another unintended effect: higher tuition prices for everyone. This is likely to occur through a normal economic process called "capitalization," in which markets build into the price of a product part of the value of any tax preference associated with the purchase of that product. If the new deduction is worth an average of $1,000 to families sending their children to college, schools will be able to raise their tuition by some amount up to $1,000 without sacrificing enrollment. In all likelihood, only part of this deduction would translate into higher tuition charges. But to the extent this occurs over time, the proposal will end up raising the price of tuition, offsetting the tax benefits to those sending their children to college while subsidizing salaries and other expenses in higher education.

By pushing up tuition charges, the plan could actually *reduce* overall access to college, especially among children from poor families who would not benefit from the new deduction or tax credit. Increased tuition inflation is the last thing low-income students need: Even if tuition prices continue to rise only at the rate of the past 20 years, by 2015 almost seven million students could be priced out of higher education, according to a new study by the Council on Aid to Education.

For all of these reasons, the President's proposals have not found much support in Congress. The plan can be redesigned to target more of its resources to those who, without its help, could not afford to stay in college or even to attend at all. PPI's new plan would create a four-year tax credit—available to students from poor families along with everyone else—if they attend a public, in-state college or university and agree to perform community service. We estimate that by 2001, 3.7 million young Americans would take advantage of this tax credit to pursue higher education, including 1.1 million who otherwise would not have been able to go to college, and more than 400,000 who would have had to drop out for financial reasons. To achieve this, Congress should do the following:

- **Instead of providing a two-year, $10,000 tuition deduction or a two-year, $1,500 tax credit, offer one benefit: *a $2,500 tax credit indexed to inflation and available for four years.*** The credit would cover the tuition and fees for in-state students at most public institutions. Providing the credit for up to four years would cover an entire college education, and indexing the level of the credit to inflation would maintain its value over time.

- **Make the tax credit refundable, so that low-income families owing no income tax could still receive the $2,500 to cover their children's college tuition costs.** In this way, the policy would help those aspiring college students who need it most. Today, less than 40 percent of high school graduates from low-income families go on to college, as compared to more than 55 percent from middle-class families and some 80 percent from affluent backgrounds. Moreover, receiving this benefit would not preclude receiving

[illegible]

other federal aid, such as Pell Grants. For those students from moderate or poor circumstances, the $2,500 credit, along with a Pell Grant, would cover tuition, fees, books, and at least a portion of living expenses at most state colleges and universities.

- **The credit should be directed to students attending two-year or four-year public colleges or universities in their home states.** This condition will help limit the policy's cost and target limited public resources to those who most need them, since more affluent students choosing to attend a private college or go out of state would not receive the tax benefit.

  Directing these public resources to public institutions would also reduce the potential for tuition inflation. Among private institutions, there would be no new inflation pressures. Attempts by public colleges and universities to capitalize the tax benefit into higher tuition prices would face a serious hurdle: Approval by Boards of Regents answerable to governors or state legislatures answerable to voters—including some voters with children attending a public college or university, but unable to claim the new tax credit.

- **Students receiving this credit should also agree to perform community service—before, during, or after college.** Tying the benefit to a young person's willingness to perform public service would extend the compact of mutual responsibility between young people and the country. It would also help target the resources to those who most need or want them, since they would be willing to incur this additional obligation. This restriction would also prevent the HOPE Scholarship from becoming a welfare-state benefit that imposes no responsibility on those receiving it.

This strategy would achieve the President's goal, and more. For the first time in our history, every young American with the ability and tenacity to pursue a higher education will have the resources to do so, so long as they are willing to pay the country back with some form of public service. Once again, we estimate that by 2001, 3.7 million college students would take advantage of this opportunity, including 1.1 million who otherwise could not have attended college and more than 400,000 who would have had to drop out for financial reasons.

These estimates, while necessarily speculative, are based on all the available data and econometric analysis—for example, evidence that each $150 reduction in tuition costs increases college enrollments by 1.6 percent, that 81 percent of students attend public institutions, that 79 percent of those attend them in their home states, and that approximately 32 percent of college students from middle- and upper-income families currently perform community service.

Year	*Number of Students*	*Maximum Value*	*Cost*
FY 1998	1,170,000	$2,500	$ 2.7 billion
FY 1999	2,160,000	$2,575	$ 5.1 billion
FY 2000	2,980,000	$2,652	$ 7.1 billion
FY 2001	3,720,000	$2,732	$ 9.0 billion
FY 2002	3,720,000	$2,814	$ 9.3 billion

This strategy would cost $33.2 billion over the first five years. Compared to the President's proposals, this approach would further expand educational opportunities, promote a greater sense of responsibility among the young people receiving its benefits, stimulate less inflation in tuition prices, and cost less.

Jonathan Kaplan and Chris Soares are Economic Policy Analysts at the Progressive Policy Institute. PPI Research Analyst Stephanie Soler also contributed to this report.

7-1-97

Send to Dorskind?

Yes ✓

No

JOHN ENGLER
GOVERNOR

Coordinate w/ NSC/NEC Yes

No ✓

C

The President
The White House
Attention Betty Currie
Washington, DC 20560-2006

Dear Mr. President:

This week I spoke with Erskine Bowles, your Chief of Staff, and expressed deep concern over reports that some in your administration might favor abandoning the quest for an Open Skies policy with Japan. Such an abandonment would be a disaster for Michigan and for America. The nation would see an immediate and negative impact on balance of trade with Japan, while Michigan and Northwest Airlines would be hurt financially. This would endanger a one billion dollar airport expansion project currently underway and risk thousands of jobs.

Northwest Airlines' competitors may feel these costs are reasonable; I assure you they are not. They also ignore that these same competitors enjoy advantages in other world markets that are denied to Northwest. In conclusion, an Open Skies policy is fair to all as the appropriate goal of American trade policy. Special-interest, backroom deals that pick one airline or one company over another are not.

I hope that this matter will be deferred in Denver and that we will have an opportunity to talk about this in the near future. The attached letters from Jack Smith and Steve Yokich are eloquent testimony of deep concern we have in Michigan.

Sincerely,

John Engler

John Engler
Governor

JE:mc
Attachments

JOHN F. SMITH, JR.
Chairman of the Board
Chief Executive Officer and President

General Motors

June 16, 1997

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

Dear Mr. President:

Our civil aviation relations with Japan have reached a critical stage, and our industry has a stake in these talks.

I understand that U.S. airlines earn a $5.3 billion trade surplus and have a 65% market share. Despite the fact that the U.S. trade deficit with Japan is large and growing, Japan is trying to restructure the aviation market to its advantage. Japan has proposed that the U.S. abandon its open skies policy in favor of a structure in which the market is artificially balanced.

We believe this demand by Japan has repercussions for our industry. If we retreat from our open skies objective in Japan, there will be harmful consequences to this country's ability to achieve further gains in opening Japan's markets in other trade sectors, including automobiles and auto parts. The aviation negotiations are highly visible. The U.S. commitment to open skies is well known. If the United States retreats from this commitment, it will not go unnoticed in Japan.

We must have an open market in Japan for our products, as Japanese firms have in the United States for their products. We cannot achieve this result if Japanese negotiators believe the U.S. will back down in negotiations from its commitment to open markets. We urge you, therefore, to remain firm on insisting on an open skies policy.

I sincerely appreciate your attention to this matter.

Sincerely,

Jack Smith

cc: The Honorable Charlene Barshefsky
The Honorable Rodney Slater

General Motors Corporation   100 Renaissance Center   P.O. Box 431301   Detroit, Michigan 48243-7301

Solidarity House

8000 EAST JEFFERSON AVE.
DETROIT, MICHIGAN 48214
PHONE (313) 926-5000
FAX (313) 823-6016

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA—UAW

STEPHEN P. YOKICH, *PRESIDENT* ROY O. WYSE, *SECRETARY-TREASURER*

VICE-PRESIDENTS: CAROLYN FORREST • JACK LASKOWSKI • ERNEST LOFTON • RICHARD SHOEMAKER

May 28, 1997

6-6-97

Steve Economy
Jean Oberstar, Kurth & Company (faxed)
Andi Newman - NW (faxed)
Pat Costick

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

Dear President Clinton:

I am writing concerning our country's international aviation agreements with Japan and the fact that the United States and Japan are currently embarked on an effort to restart formal talks.

The U. S. must not give up any of the route rights previously negotiated for U. S. airlines. That would result in net benefits for Japan, but as best only a wash for the U. S. Moreover, to agree to something less than "Open Skies" could have harsh collateral consequences in other trade sectors, encouraging the Japanese to think that they can continue to manage U. S. firms' access to Japanese markets in those sectors as well.

Our negotiations need also to find some way to ensure that the agreement is self-enforcing for Japan has a history of not implementing its trade agreements with the U. S. A spokesman for the American Chamber of Commerce in Japan stated before the Senate Foreign Relations Committee on April 15, 1997 that Japan has failed to honor market opening commitments in 32 of the 45 such agreements concluded since 1980.

The impact on Detroit:

Detroit is a major hub for flights to Japan and beyond. In 1995 (the last year for which INS date is available), nearly 600,000 passengers flew between Detroit Metro and Japan, more than for any other non-coastal U. S. city, and almost as many as New York.

The excellent access to the Pacific Rim that this implies is critical to the growth of Michigan's business relations with that part of the world and to the associated exports. To work with these people effectively, we at the UAW need to be able to reach them easily -- and vice versa.

Thus, we have a major economic stake in the Administration's policy discussions on the U. S.-Japan aviation relationship. We are also hearing reports that U. S. negotiators are considering a Japanese proposal for an "Interim arrangement in which the U. S. would give up existing rights beyond Japan in return for a few additional flights out of Chicago.

We believe that such changes could hurt Detroit's services to Japan and beyond and could hurt us. The so-called "interim" proposal would be especially devastating. Over 60 percent of the traffic from Detroit to Japan goes on to other Asian cities. Given the growing importance of these markets, we should be expanding these flights - not cutting back.

Open Skies, or at least a broadly liberal U. S. - Japan aviation agreement, is not hopelessly out of reach. The U. S. does have some leverage, principally from the fact that Japan's airlines need more access to the U. S. market, either directly or through code sharing arrangements with U. S. carriers, to stem the losses they are currently incurring. In addition, Japan hates to be left behind, and it is very aware of the proliferation of open skies agreements the U. S. has negotiated in the last few months with other Asian countries, and in the last few years with countries around the world.

Japan's history of failing to open its markets despite promises to do so suggest the U. S. will gain nothing from a transitional agreement. For this reason, our position should remain as it has been and as you indicated to Prime Minister Hashimoto last year - a commitment to Open Skies and a process to achieve it. If a phase-in period to Open Skies is necessary, then the agreement should:

1. lead explicitly to Open Skies;

2. involve a short transition period of no more than three years to minimize the risk that superseding events will give Japan an excuse for not moving forward;

3. withhold all code sharing opportunities with U. S. carriers until Open Skies is in place;

4. contain assurances that U. S. airline slots at NRT and KIX will remain in the possession of the carrier now using them;

5. contain Japan's confirmation that during the transition there will be no governmental limitations imposed on U. S. Fifth Freedom operations other than traffic composition at an agreed level of beyond traffic;

6. limit ANA's incumbency status to the transition period, so that in the event the transition to Open Skies does not take place n schedule, ANA's traffic rights will revert automatically to the status quo as of the date of the agreement.

We therefore urge that the United States not give up existing route rights, even temporarily, in a short-sighted effort to achieve immediate benefits for special interests. Existing rights under the current agreement must be preserved and Japan must agree to an open skies policy. Nothing has occurred to warrant a policy change.

Sincerely,

Stephen P. Yokich

Stephen P. Yokich
President

SPY:co
opeiu494
cc: Charlene Barshefsky, U. S. Trade Representative
Bruce R. Lindsey, Assistant to the President
Alan Reuther, UAW Legislative Director

TIME OF TRANSMISSION

TIME OF RECEIPT

WHITE HOUSE SITUATION ROOM

'97 JUN 20 ~8:15

PRECEDENCE: IMMEDIATE
PRIORITY
ROUTINE

RELEASOR: ______

DTG: ______

MESSAGE NO.: ______ CLASSIFICATION: UNCLASSIFIED TOTAL: 6 PAGES INCLUDING COVERS

FROM: PHIL CAPLAN (NAME) 62702 (PHONE NUMBER) ______ (ROOM NO.)

MESSAGE DESCRIPTION: Letter from Governor Engler forwarding letters from Jack Smith (GM) and Steve Yokich (UAW).

TO (AGENCY)	DELIVER TO	DEPT/ROOM NO.	PHONE NUMBER
	BOWLES		
	BERGER		
	CC: GOODIN, STEPHEN		

REMARKS:

THE WHITE HOUSE

WASHINGTON

June 20, 1997

Erskine/Sandy:

My office received this letter today from Gov. Engler (R-Michigan), forwarding letters from Jack Smith (GM) and Steve Yokich (UAW).

I don't know the state of play regarding Open Skies talks, but I thought you should see the letters -- your discretion as to whether the President needs to see them.

I've cc'd the NSC, which will draft replies.

Phil Caplan
Phil

STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

'97 JUN 20 PM 1:52

JOHN ENGLER
GOVERNOR

June 19, 1997

The President
The White House
Attention Betty Currie
Washington, DC 20560-2006

Dear Mr. President:

This week I spoke with Erskine Bowles, your Chief of Staff, and expressed deep concern over reports that some in your administration might favor abandoning the quest for an Open Skies policy with Japan. Such an abandonment would be a disaster for Michigan and for America. The nation would see an immediate and negative impact on balance of trade with Japan, while Michigan and Northwest Airlines would be hurt financially. This would endanger a one billion dollar airport expansion project currently underway and risk thousands of jobs.

Northwest Airlines' competitors may feel these costs are reasonable; I assure you they are not. They also ignore that these same competitors enjoy advantages in other world markets that are denied to Northwest. In conclusion, an Open Skies policy is fair to all as the appropriate goal of American trade policy. Special-interest, backroom deals that pick one airline or one company over another are not.

I hope that this matter will be deferred in Denver and that we will have an opportunity to talk about this in the near future. The attached letters from Jack Smith and Steve Yokich are eloquent testimony of deep concern we have in Michigan.

Sincerely,

John Engler

John Engler
Governor

JE:mc
Attachments

JOHN F. SMITH, JR.
Chairman of the Board
Chief Executive Officer and President

General Motors

June 16, 1997

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

Dear Mr. President:

Our civil aviation relations with Japan have reached a critical stage, and our industry has a stake in these talks.

I understand that U.S. airlines earn a $5.3 billion trade surplus and have a 65% market share. Despite the fact that the U.S. trade deficit with Japan is large and growing, Japan is trying to restructure the aviation market to its advantage. Japan has proposed that the U.S. abandon its open skies policy in favor of a structure in which the market is artificially balanced.

We believe this demand by Japan has repercussions for our industry. If we retreat from our open skies objective in Japan, there will be harmful consequences to this country's ability to achieve further gains in opening Japan's markets in other trade sectors, including automobiles and auto parts. The aviation negotiations are highly visible. The U.S. commitment to open skies is well known. If the United States retreats from this commitment, it will not go unnoticed in Japan.

We must have an open market in Japan for our products, as Japanese firms have in the United States for their products. We cannot achieve this result if Japanese negotiators believe the U.S. will back down in negotiations from its commitment to open markets. We urge you, therefore, to remain firm on insisting on an open skies policy.

I sincerely appreciate your attention to this matter.

Sincerely,

Jack Smith

cc: The Honorable Charlene Barshefsky
The Honorable Rodney Slater

General Motors Corporation 100 Renaissance Center P.O. Box 431301 Detroit, Michigan 48243-7301

Solidarity House

8000 EAST JEFFERSON AVE.
DETROIT, MICHIGAN 48214
PHONE (313) 926-5000
FAX (313) 823-6016

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA—UAW

STEPHEN P. YOKICH, *PRESIDENT* ROY O. WYSE, *SECRETARY-TREASURER*

VICE-PRESIDENTS: CAROLYN FORREST • JACK LASKOWSKI • ERNEST LOFTON • RICHARD SHOEMAKER

May 28, 1997

6-6-97

Steve Economy
Joan Oberstar, Kurth &
Company (faxed)
Andi Newman - NW (faxed)
Pat Costick

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

Dear President Clinton:

I am writing concerning our country's international aviation agreements with Japan and the fact that the United States and Japan are currently embarked on an effort to restart formal talks.

The U. S. must not give up any of the route rights previously negotiated for U. S. airlines. That would result in net benefits for Japan, but as best only a wash for the U. S. Moreover, to agree to something less than "Open Skies" could have harsh collateral consequences in other trade sectors, encouraging the Japanese to think that they can continue to manage U. S. firms' access to Japanese markets in those sectors as well.

Our negotiations need also to find some way to ensure that the agreement is self-enforcing for Japan has a history of not implementing its trade agreements with the U. S. A spokesman for the American Chamber of Commerce in Japan stated before the Senate Foreign Relations Committee on April 15, 1997 that Japan has failed to honor market opening commitments in 32 of the 45 such agreements concluded since 1980.

The Impact on Detroit:

opeiu494

Detroit is a major hub for flights to Japan and beyond. In 1995 (the last year for which INS date is available), nearly 600,000 passengers flew between Detroit Metro and Japan, more than for any other non-coastal U. S. city, and almost as many as New York.

The excellent access to the Pacific Rim that this implies is critical to the growth of Michigan's business relations with that part of the world and to the associated exports. To work with these people effectively, we at the UAW need to be able to reach them easily – and vice versa.

Thus, we have a major economic stake in the Administration's policy discussions on the U. S.-Japan aviation relationship. We are also hearing reports that U. S. negotiators are considering a Japanese proposal for an "interim arrangement in which the U. S. would give up existing rights beyond Japan in return for a few additional flights out of Chicago.

We believe that such changes could hurt Detroit's services to Japan and beyond and could hurt us. The so-called "interim" proposal would be especially devastating. Over 60 percent of the traffic from Detroit to Japan goes on to other Asian cities. Given the growing importance of these markets, we should be expanding these flights - not cutting back.

Open Skies, or at least a broadly liberal U. S. - Japan aviation agreement, is not hopelessly out of reach. The U. S. does have some leverage, principally from the fact that Japan's airlines need more access to the U. S. market, either directly or through code sharing arrangements with U. S. carriers, to stem the losses they are currently incurring. In addition, Japan hates to be left behind, and it is very aware of the proliferation of open skies agreements the U. S. has negotiated in the last few months with other Asian countries, and in the last few years with countries around the world.

Japan's history of failing to open its markets despite promises to do so suggest the U. S. will gain nothing from a transitional agreement. For this reason, our position should remain as it has been and as you indicated to Prime Minister Hashimoto last year - a commitment to Open Skies and a process to achieve it. If a phase-in period to Open Skies is necessary, then the agreement should:

1. lead explicitly to Open Skies;

2. involve a short transition period of no more than three years to minimize the risk that superseding events will give Japan an excuse for not moving forward;

3. withhold all code sharing opportunities with U. S. carriers until Open Skies is in place;

4. contain assurances that U. S. airline slots at NRT and KIX will remain in the possession of the carrier now using them;

5. contain Japan's confirmation that during the transition there will be no governmental limitations imposed on U. S. Fifth Freedom operations other than traffic composition at an agreed level of beyond traffic;

6. limit ANA's incumbency status to the transition period, so that in the event the transition to Open Skies does not take place n schedule, ANA's traffic rights will revert automatically to the status quo as of the date of the agreement.

We therefore urge that the United States not give up existing route rights, even temporarily, in a short-sighted effort to achieve immediate benefits for special interests. Existing rights under the current agreement must be preserved and Japan must agree to an open skies policy. Nothing has occurred to warrant a policy change.

Sincerely,

Stephen P. Yokich

Stephen P. Yokich
President

SPY:co
opeiu494
cc: Charlene Barshefsky, U. S. Trade Representative
Bruce R. Lindsey, Assistant to the President
Alan Reuther, UAW Legislative Director

THE WHITE HOUSE

WASHINGTON

July 1, 1997

MEMORANDUM FOR MIKE MCCURRY

THROUGH: TODD STERN

FROM: JIM DORSKIND

SUBJECT: INDEPENDENCE DAY, 1997

Attached is the President's message for INDEPENDENCE DAY, 1997, which you may want to release to the media.

Thank You.

Sent to McCurry

THE WHITE HOUSE

WASHINGTON

INDEPENDENCE DAY, 1997

I am pleased to join my fellow Americans across the nation and around the world in celebrating Independence Day.

Looking back across two centuries, we still marvel at the courage and vision of our nation's founders. With clear eyes and staunch hearts, they fashioned a new form of government for our new country, a government that honors human dignity and protects individual rights. They devised a democracy strong enough to endure through the ages, yet flexible enough to meet new challenges and achieve new dreams. And in doing so, they made America a beacon of hope for generations of people around the world who cherish liberty and justice.

We have much to celebrate on this Independence Day. The journey our nation began more than 220 years ago has brought us to a time of peace and prosperity, a time of unprecedented opportunity to realize the full potential of all our citizens. As heirs to the freedom and equality bequeathed to us in the Declaration of Independence, it is now our responsibility -- and our privilege -- to build on that legacy and to ensure that America's promise holds true for all our people.

As we join with family and friends to commemorate another Fourth of July, let us resolve to make America a land where prejudice and discrimination have no place; to recognize that the values and ideals we share are more powerful and enduring than any force that would divide us; and to enter the twenty-first century as the "more perfect Union" first envisioned by our founders two centuries ago.

Hillary joins me in extending best wishes for a wonderful Fourth of July celebration.

Bill Clinton

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

INDEPENDENCE DAY, 1997

I am pleased to join my fellow Americans across the nation and around the world in celebrating Independence Day.

Looking back across two centuries, we still marvel at the courage and vision of our nation's founders. With clear eyes and staunch hearts, they fashioned a new form of government for our new country, a government that honors human dignity and protects individual rights. They devised a democracy strong enough to endure through the ages, yet flexible enough to meet new challenges and achieve new dreams. And in doing so, they made America a beacon of hope for generations of people around the world who cherish liberty and justice.

We have much to celebrate on this Independence Day. The journey our nation began more than 220 years ago has brought us to a time of peace and prosperity, a time of unprecedented opportunity to realize the full potential of all our citizens. As heirs to the freedom and equality bequeathed to us in the Declaration of Independence, it is now our responsibility -- and our privilege -- to build on that legacy and to ensure that America's promise holds true for all our people.

As we join with family and friends to commemorate another Fourth of July, let us resolve to make America a land where prejudice and discrimination have no place; to recognize that the values and ideals we share are more powerful and enduring than any force that would divide us; and to enter the twenty-first century as the "more perfect Union" first envisioned by our founders two centuries ago.

Hillary joins me in extending best wishes for a wonderful Fourth of July celebration.

WILLIAM J. CLINTON

# # #

THE PRESIDENT HAS SEEN
7-1-97

Back to EB

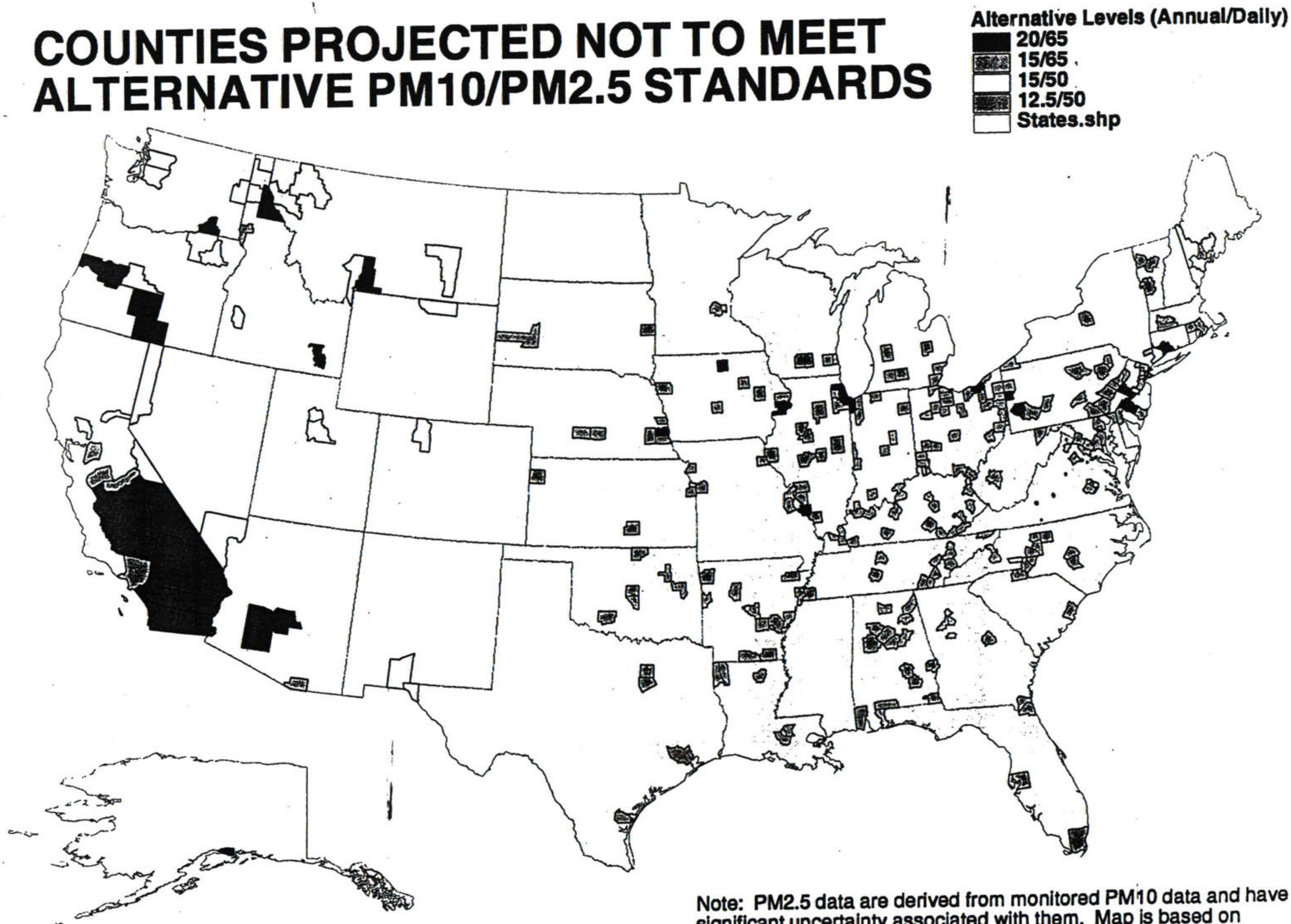
copied
Bowles

'97 JUN 30 AM11:43

Option[1]	Number of Counties in NA	Population in NA Areas	Decrease in Premature Deaths[4]	Decrease in Incidences of Aggravated Asthma[4]
Proposed PM_{10} Standard alone[4]	14	8.7 million	6800 increase[6]	111,000 increase[6]
25/75 plus proposed PM_{10} (24-hour)	16	12.2 million	5600 increase[6]	92,000 increase[6]
20/65 plus proposed PM_{10} (24-hour)	35	26.6 million	800 increase[6]	13,200 increase[6]
Current PM_{10} Standard	*41*	*29 million*	*[4,800 for full attainment]*	*[67,000 for full attainment]*
20/60 plus proposed PM_{10} (24-hour)	44	38.3 million	3,100	51,000
20/55 plus proposed PM_{10} (24-hour)	74	45 million	5,300	87,800
17/55 plus proposed PM_{10} (Annual)	108	53.1 million	8,000	132,300
20/50 plus proposed PM_{10} (24-hour)	95	54.9 million	8640	142,000
18/50 plus proposed PM_{10} (24-hour)	112	59.4 million	10,130	167,000
17/50 plus proposed PM_{10} (Mixed)	123	61.3 million	10,760	177,000
16/60 plus proposed PM_{10} (Annual)	122	62.1 million	11,000	181,700
15/65 plus proposed PM_{10} (Annual)	158	72.4 million	14,500	238,000
15/60 plus proposed PM_{10} (Annual)	160	72.6 million	14,500	238,000
15/55 plus proposed PM_{10} (Annual)	177	76 million	15,700	258,000
15/50 plus proposed PM_{10} (Annual)	188	~~80 million~~ 77	17,000	280,000
12.5/50 plus proposed PM_{10} (Annual)	312	108.9 million	27,000[5]	460,000
20/20 plus proposed PM_{10} (24-hour)	506	151.2 million	40,700[5]	570,000

1. The standard that is the more controlling standard is shown in the parentheses for each option.
2. The numbers reflect changing the proposed form of the PM10 standard from a 98th percentile to a 99th percentile based on comments from certain Governors concerned about health protection.
3. EPA has proposed a more "robust" form of the 24-hour PM_{10} standard, that would be slightly less stringent than the current PM_{10} standard.
4. These numbers were calculated based on the populations in the nonattainment areas and not on the basis of a detailed risk assessment.
5. There is greater uncertainty associated with the magnitude of the estimates for options more stringent than the proposed standards.
6. There is considerable uncertainty with estimating the potential increases in effects associated with options that have lower populations in nonattainment counties than the current PM_{10} standard.

COUNTIES PROJECTED NOT TO MEET ALTERNATIVE PM10/PM2.5 STANDARDS



Note: PM2.5 data are derived from monitored PM10 data and have significant uncertainty associated with them. Map is based on 1993-1995 period. The 24-hour form is 99th percentile.

TABLE I

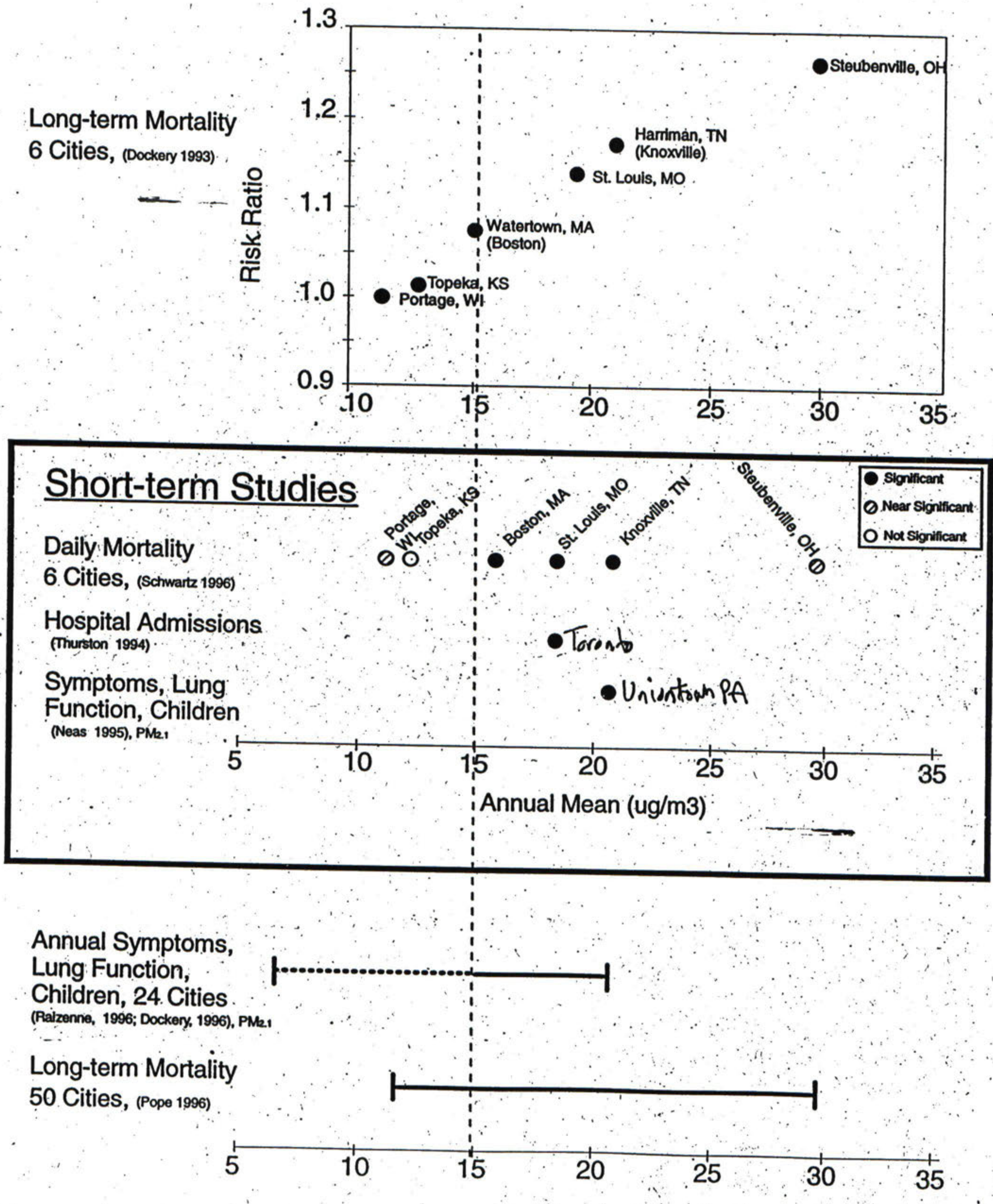
Summary of CASAC Panel Members Recommendations

(all units μg/m^3)

			$PM_{2.5}$ 24-hr	$PM_{2.5}$ Annual	PM_{10} 24-hr	PM_{10} Annual
	Current NAAQS		N/A	N/A	150	50
	EPA Staff Recommendation		18 - 65	12.5 - 20	150[13]	40 - 50
	Name	Discipline				
1	Ayres	M.D.	yes[2]	yes[2]	150	50
2	Hopke	Atmos. Sci.	20 - 50[3]	20 - 30	no	40 -50[4]
3	Jacobson	Plant Biologist	yes[2]	yes[2]	150	50
4	Koutrakis	Atmos. Sci.	yes[2,5,6]	yes[2,5,6]	no	yes[4]
5	Larntz	Statistician	no	25-30[7]	no	yes[2]
6	Legge	Plant Biologist	≥ 75	no	150	40 - 50
7	Lippmann	Health Expert	20 - 50[3]	15 - 20	no	40 - 50
8	Mauderly	Toxicologist	50	20	150	50
9	McClellan	Toxicologist	no[6]	no[6]	150	50
10	Menzel	Toxicologist	no	no	150	50
11	Middleton	Atmos. Sci.	yes[2,3,12]	yes[2,5]	150[3,13]	50
12	Pierson	Atmos. Sci.	yes[2,9]	yes[2,9]	yes[4]	yes[4]
13	Price	Atmos. Sci./ State Official	yes[3,10]	yes[10]	no[3,4]	yes[4]
14	Shy	Epidemiologist	20 - 30	15 - 20	no	50
15	Samet[1]	Epidemiologist	yes[2,11]	no	150	yes[2]
16	Seigneur	Atmos. Sci.	yes[3,5]	no	150[13]	50
17	Speizer[1]	Epidemiologist	20 - 50	no	no	40 - 50
18	Stolwijk	Epidemiologist	75[7]	25-30[7]	150	50
19	Utell	M.D.	≥65	no	150	50
20	White	Atmos. Sci.	no	20	150	50
21	Wolff	Atmos. Sci.	≥75[3,7]	no	150[3]	50

1 not present at meeting; recommendations based on written comments
2 declined to select a value or range
3 recommends a more robust 24-hr. form
4 perfers a $PM_{10-2.5}$ standard rather than a PM_{10} standard
5 concerned upper range is too low based on national $PM_{2.5}/PM_{10}$ ratio
6 leans towards high end of Staff recommended range
7 desires equivalent stringency as present PM_{10} standards

PM2.5 Studies - Basis of Annual PM2.5 Standard



ally insignificant ($p > 0.25$). How-
ate levels were slightly lower in
ly hot metropolitan areas. There-
ed for the relatively hot and cold
emperatures greater than 60° F
sion of these weather indicator
hazard models had little impact
veen particulate air pollution and
dicator variables were included
isk ratios (and 95% confidence
diopulmonary mortality equaled
) 1.34) respectively when sulfate
and 1.05 (0.82 to 1.36) and 1.26
ine particulate pollution is used

pulation-based mortality rates for
also used in this prospective co-
fates and fine particles in Figures
d fine particle pollution were as-
ites. Regression coefficients be-
ollution equaled 10.5 (SE = 1.3)
00,000 persons in the population
ticulate pollution respectively. Al-
id not control for risk factors ex-
correlations were statistically sig-
strated an association similar to
cohort study of participants from
the mean age-sex-race adjusted
isk, estimated risk ratios for the
ast polluted city using sulfate and
ollution equaled 1.25 and 1.24,

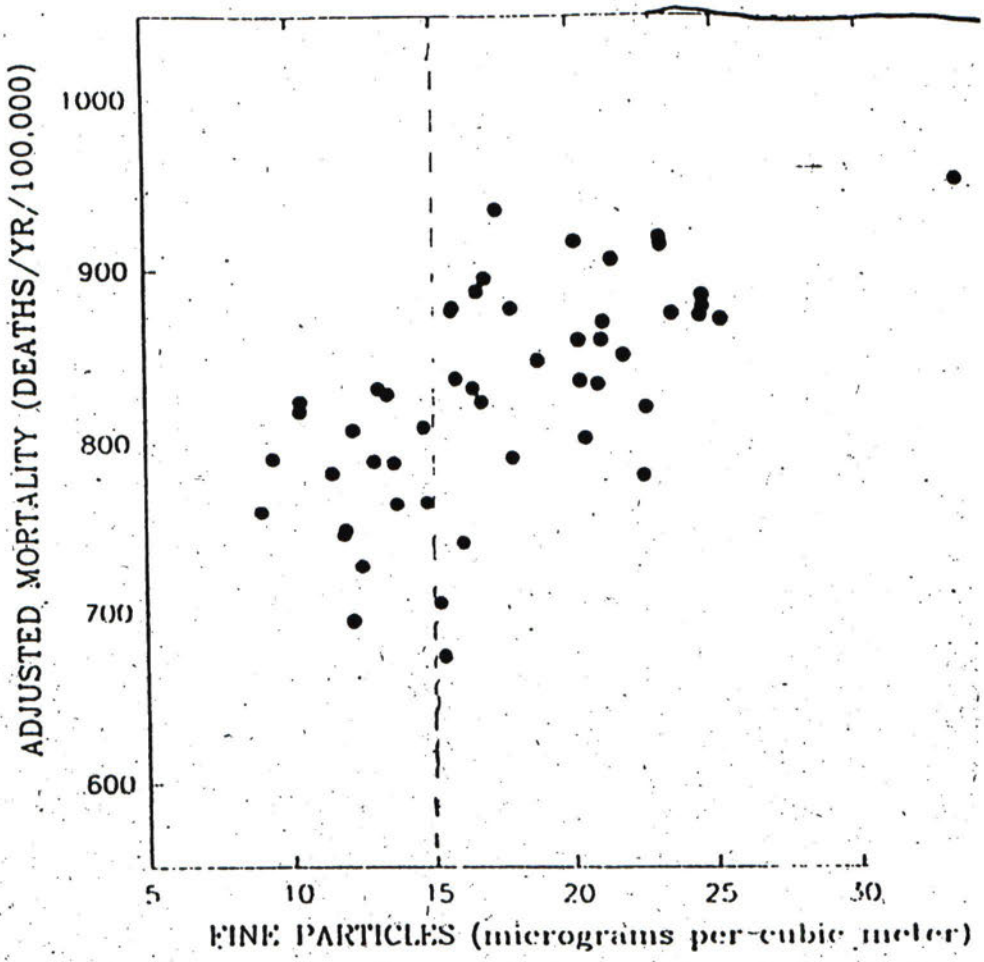


Figure 2. Age-, sex-, and race-adjusted population-based mortality ra
for 1980 plotted against mean fine particulate air pollution levels for 1
to 1983. Data from metropolitan areas that correspond approximatel
areas used in prospective cohort analysis.

DISCUSSION

In this study, sulfate and fine particulate air pollution were
sociated with a difference of approximately 15 to 17% betw
mortality risks in the most polluted cities and those in the l
polluted cites. Previous studies have observed similar results
have been limited by ecologic design or by small number of s
jects or study areas. This study differs fundamentally from pu
ecologic cross-sectional studies in using a prospective cohor
sign that allows for direct control of other individual risk fac
particularly cigarette smoking. Furthermore, because this s
linked ambient air pollution data from national data bases
a large nationwide prospective cohort, this study is larger
represents a wider geographic area.

Although the increased risk associated with air pollution
small compared with that from cigarette smoking, results of

Staff Sec

HENDERSON
STATE UNIVERSITY

EXCELLENCE • SPIRIT • TRADITION

June 19, 1997

'97 JUL 1 PM 2:15

The Honorable Bill Clinton
President of the United States
The White House
Washington, DC

Dear President Clinton:

Since 1972, the Department of Aviation at Henderson State University has been training professional pilots for American industry. During the first 15 of those years, there was no paid faculty, no budget, and no building or other physical facility. Flight training was done
under con ... lled
the admini ... tions,
students w ... l the
other jobs

7-1-97

Send to Dorsland

Yes ✓

No

In 1987, a
curriculum ... hortly
thereafter, ... s.
With the h ... er,
federal and
Caplinger ... sed
aircraft and ... ur
own flight t

The Hender
airplanes. They will be paid for using money collected as student flight fees, and will replace our 15- to 20- year-old leased aircraft which are, quite simply, worn out.

Two major challenges still face us. First, we need money to buy a multiengined training aircraft. This aircraft, because of the high initial cost (almost one half million dollars) is simply beyond our ability to buy from program-generated funds, yet is a required piece of equipment for the training we are required to do. Secondly, we need a combination hanger/training facility at the Arkadelphia Airport in which to store and maintain our new aircraft, and in which to conduct the practical portion of the training which we provide our students.

1100 Henderson Street • Arkadelphia, Arkansas 71999-0001 • (501) 230-5000 • FAX (501) 230-5144

Staff Sec

HENDERSON
STATE UNIVERSITY
EXCELLENCE • SPIRIT • TRADITION

June 19, 1997

'97 JUL 1 PM 2:15

The Honorable Bill Clinton
President of the United States
The White House
Washington, DC

Dear President Clinton:

Since 1972, the Department of Aviation at Henderson State University has been training professional pilots for American industry. During the first 15 of those years, there was no paid faculty, no budget, and no building or other physical facility. Flight training was done under contract by Central Flying Service, and various interested faculty members handled the administrative requirements of operating the program. Despite these austere conditions, students were trained and sent out to fly in US Armed Forces, in the airlines, and in all the other jobs professional pilots do.

In 1987, a full time director was hired for the program, and a new, more adequate curriculum was developed. Federal Aviation Administration recognition was secured shortly thereafter, and three additional faculty members were employed over the next five years. With the help of Sen. Bumpers, Rep. Thornton, and particularly, Mr. Jim Tom Caplinger, federal and state grants totaling $3.5 million were secured to construct the James T. Caplinger Airway Science Academic Center, which was completed last year. Using leased aircraft and our own upper class students as part time flight instructors, we now have our own flight training department, and operate the Arkadelphia Municipal Airport.

The Henderson Board of Trustees last week approved the purchase of a fleet of new airplanes. They will be paid for using money collected as student flight fees, and will replace our 15- to 20- year-old leased aircraft which are, quite simply, worn out.

Two major challenges still face us. First, we need money to buy a multiengined training aircraft. This aircraft, because of the high initial cost (almost one half million dollars) is simply beyond our ability to buy from program-generated funds, yet is a required piece of equipment for the training we are required to do. Secondly, we need a combination hanger/training facility at the Arkadelphia Airport in which to store and maintain our new aircraft, and in which to conduct the practical portion of the training which we provide our students.

1100 Henderson Street • Arkadelphia, Arkansas 71999-0001 • (501) 230-5000 • FAX (501) 230-5144

As you are aware from your recent visit to Arkadelphia, the airport facilities are spartan, and certainly not conducive to good teaching and good learning. Due to the recent tornado, city funds with which to improve the airport are short, and various factors limit the university's ability to help.

Mr. President, we feel we have been good stewards of the resources we have been entrusted with, but we have reached the limit of what we can do without outside help. I discussed the matter with Mr. Caplinger, and we agreed that you might be able to suggest some sources of additional money.

Any assistance which you might be able to give us would make a tremendous difference in the lives of our students.

Sincerely,

Jerry Robinson

Jerry L. Robinson, PhD.
Director of Aviation Programs
(870) 230-5012
robinsj@holly.hsu.edu

Staff Sec.

OFFICE OF THE CITY COUNCIL · CITY OF SEATTLE

Seattle City Councilmember Tina M. Podlodowski

'97 JUL 1 PM 2:15

June 30, 1997

The Honorable William Jefferson Clinton
President of the United States
The White House
Washington, D.C. 20500-2000

Dear Presider

7/1/97

Send to Donskind

Yes V

No

I am writing t
your administ
lesbian comm
your administ

The importar ... nt
the diversity
society cannc
(ENDA), we
equal place a
administratic

I recognize tl
administratic
Roberta Achtenberg left her position in your administration ... Socarides, who I believe has done an outstanding job as your liaison to the gay and lesbian community, nonetheless occupies a position which does not require approval of the United States Senate. This leaves Bruce Lehman as the sole remaining member of your administration to occupy such a position. While Mr. Lehman was confirmed by the Senate early in your first term, he has not since received any kind of promotion or change in position requiring Senate consent. It would be most unfortunate to leave the public with the perception that a glass ceiling exists within your administration for gays and lesbians.

A higher number of appointments of open gays and lesbians further sends a message that your administration truly recognizes the full value of these individuals and their families. The latter is of particular interest to me as I and my partner raise our two children. Leadership from within your administration by all individuals, but especially by open gays and lesbians, can influence policies and attitudes that will make this country a better place for all families. Given the conservative estimate that more than 7 million children in this country have at least one gay or lesbian parent, this leadership is desperately needed.

Staff Sec.

OFFICE OF THE CITY COUNCIL · CITY OF SEATTLE

Seattle City Councilmember Tina M. Podlodowski

'97 JUL 1 PM 2:15

June 30, 1997

The Honorable William Jefferson Clinton
President of the United States
The White House
Washington, D.C. 20500-2000

Dear President Clinton:

I am writing to express my dismay at the under-representation of openly gay men and lesbians in your administration. As your second term moves forward, I and other members of the gay and lesbian community are unaware of any new appointments of openly gay or lesbian members to your administration, particularly at the level of positions requiring Senate approval.

The importance of the presence of openly gay men and lesbians in your administration to represent the diversity of the American people and to reflect the equal opportunity afforded to all in our society cannot be stressed enough. As an endorser of the Employment Non-Discrimination Act (ENDA), we know that you recognize the importance of providing gay men and lesbians with an equal place at the employment opportunity table. However, the message will ring hollow if your administration neglects the fair inclusion of gay men and lesbians among its ranks.

I recognize that there have been tremendously important people who have worked in your administration, such as Roberta Achtenberg, Bruce Lehman, and Richard Socarides. However, Roberta Achtenberg left her position in your administration more than a year ago. Richard Socarides, who I believe has done an outstanding job as your liaison to the gay and lesbian community, nonetheless occupies a position which does not require approval of the United States Senate. This leaves Bruce Lehman as the sole remaining member of your administration to occupy such a position. While Mr. Lehman was confirmed by the Senate early in your first term, he has not since received any kind of promotion or change in position requiring Senate consent. It would be most unfortunate to leave the public with the perception that a glass ceiling exists within your administration for gays and lesbians.

A higher number of appointments of open gays and lesbians further sends a message that your administration truly recognizes the full value of these individuals and their families. The latter is of particular interest to me as I and my partner raise our two children. Leadership from within your administration by all individuals, but especially by open gays and lesbians, can influence policies and attitudes that will make this country a better place for all families. Given the conservative estimate that more than 7 million children in this country have at least one gay or lesbian parent, this leadership is desperately needed.

Appreciating the many concerns and factors you must take into account in making appointments within your administration, I nonetheless urge you to carefully consider the importance of this matter. I strongly urge you to act to ensure that the true diversity and potential of America is reflected in your administration, and that gay men and lesbians are represented at all levels of your administration.

Sincerely,

Tina M. Podlodowski

Tina M. Podlodowski
City Councilmember

Copy made for [illegible]

MOLLY RAISER
3318 O STREET, N. W.
WASHINGTON, D. C. 20007

97 JUL 1 PM 1:20

Molly wants to announce thus to her staff -

Dear Mr.

It i ... gratitude
that I gi ... of Protocol
effective ... is time to
return to ... r that may
bring. I ... ilege and a
great joy ... ry here and
abroad. ... me a life
filled w ... social and
geographi ... t given to
many to h ... the age of
fifty.

How ... perience of
meeting a... presidents,
prime ministers, foreign ministers, and, of course, the extraordinary diplomatic corps of ambassadors accredited to this country. How can I thank you for being behind the scenes while history was being made in all areas of the world, most especially the ... Bosnia and Russia. How can I thank

7/1/97

Send original to Executive Clerk
Yes ______
no ______

Copy to Dorskind
Yes ______
no ______

Dorskind is already working on reply

Send to Oval ?
Yes ______
no ✓

POTUS has seen

C

My family, presen... ved
strongly in public service and this opportunity for me has made them all proud, I know. Thanks, thanks, and ever thanks.

Best,
Molly

MOLLY RAISER
3318 O STREET, N. W.
WASHINGTON, D. C. 20007

June 24, 1997

'97 JUL 1 PM1:20

Dear Mr. President,

It is with some sadness and much gratitude that I give you my resignation as Chief of Protocol effective July 24. After four years, it is time to return to private life - and whatever that may bring. It has been a challenge, a privilege and a great joy to represent you and our country here and abroad. Personally, this job has given me a life filled with broader intellectual, social and geographic horizons. Indeed it is not given to many to have a whole new world opened at the age of fifty.

How can I thank you for the experience of meeting and working with kings, queens, presidents, prime ministers, foreign ministers, and, of course, the extraordinary diplomatic corps of ambassadors accredited to this country. How can I thank you for being behind the scenes while history was being made in all areas of the world, most especially the Middle East, Bosnia and Russia. How can I thank you for the advance trips: to devastated and heartwrenching Sarajevo; to Normandy, where on a fine spring day generals going from beach to beach gave us the history of the invasion; to Moscow, Rome, Naples, Berlin, Paris, Tokyo, Manila, Jakarta, London, Riga, Brussels, Kiev, Prague, Budapest, Sharm el-Sheikh, et. al.; and the trips themselves on which we have seen the importance of the United States to the world, the significance of our example and the necessity of our active involvement.

But mainly I thank you for being able to represent at the highest levels this country whose history, culture and ideals I have studied and valued for a lifetime.

My family, present and past, has believed strongly in public service and this opportunity for me has made them all proud, I know. Thanks, thanks, and ever thanks.

Best,
Molly

Raiter

The President

Personal + Confidential

DETERMINED TO BE AN ADMINISTRATIVE
MARKING INITIALS: OD DATE: 07/29/19
2019-0774-S

ian and Gay Elected Officials
ieapolis - MN - 55406-1857

St. Sec.

THOMAS K. DUANE
COUNCIL MEMBER
3RD DISTRICT, MANHATTAN
275 7TH AVENUE, 12TH FLOOR
NEW YORK, NY 10001
(212) 929-5501

'97 JUL 1 PM2:15

FOR YOUR INFORMATION

Please send response to above address
and:
• Kevin Vaughn Exec. Dir. Philadelphia
Comm. on Human Relations
34 S 11th St. 6th Fl. Philadelphia PA 19107
• Tina Podlodowski Councilmember
Seattle City Council 600 4th Ave.
1100 Municipal Bldg. Seattle WA 98104

t the under-representation of openly gay men ond term of your administration moves nd gay community are unaware of any new to your administration, particularly at the level of positions requiring Senate approval.

7-1-97

Send to Donskind?
Yes ✓
No

The impo ion to represent t afforded to all in our Non-Discrimin ling gay men and l rica. However, sion of lesbians a

Of course in your administra . However, ago. Richard S he lesbian and gay c nt, does not requir the sole remaining Mr. Lehman was confirmed by the Senate early in your first term, he has not since received any kind of promotion or change in position requiring Senate consent. It would be most unfortunate to leave the public with the perception that a glass ceiling exists within your administration for gays and lesbians, preventing them from rising to the level where your choice and their credentials require the public scrutiny of a Senate hearing.

Appreciating the many concerns and factors you take into account in making appointments

International Network of Lesbian and Gay Elected Officials

3801 East 26th Street - Minneapolis - MN - 55406-1857

Gay/Lesb.

'97 JUL 1 PM2:15

June 17, 1997

The Honorable William Jefferson Clinton
President of the United States
The White House
Washington, D.C. 20500-2000

Dear President Clinton:

We are writing to express our extreme dismay at the under-representation of openly gay men and lesbians in your administration. As the second term of your administration moves forward, we and other members of the lesbian and gay community are unaware of any new appointments of openly lesbian or gay members to your administration, particularly at the level of positions requiring Senate approval.

The importance of the presence of openly gay men or lesbians in your administration to represent the diversity of the American people and to reflect the equal opportunity afforded to all in our society cannot be stressed enough. As an endorser of the Employment Non-Discrimination Act (ENDA), we know that you recognize the importance of providing gay men and lesbians with an equal place at the employment opportunity table in America. However, that message will ring hollow if your administration neglects a fair inclusion of lesbians and gay men among its ranks.

Of course there have been some tremendously important people who have worked in your administration, such as Roberta Achtenberg, Bruce Lehman, and Richard Socarides. However, Roberta Achtenberg left her position in your administration over a year ago. Richard Socarides, who we believe has done an outstanding job as your liaison to the lesbian and gay community, nonetheless occupies a position which, while critically important, does not require the approval of the United States Senate. This leaves Bruce Lehman as the sole remaining member of your administration to occupy such a position. And while Mr. Lehman was confirmed by the Senate early in your first term, he has not since received any kind of promotion or change in position requiring Senate consent. It would be most unfortunate to leave the public with the perception that a glass ceiling exists within your administration for gays and lesbians, preventing them from rising to the level where your choice and their credentials require the public scrutiny of a Senate hearing.

Appreciating the many concerns and factors you take into account in making appointments this administration, we nonetheless urge you to carefully consider the importance of this matter. The true diversity and potential of America must be reflected in this administration, and we urge you and the President to act with all due diligence to ensure that lesbians and gay men are represented at all levels of your administration, including as members of the office of the Vice-President, where we believe none serve at this time.

Sincerely,

Thomas K. Duane — Kevin E. Vaughn — Tina Podlodowski (BP)

Thomas K. Duane
Executive Committee Member

Kevin E. Vaughn
Co-Chair

Tina Podlodowski
Co-Chair

cc: Robert Nash
Marsha Scott
Richard Socarides

Greenst
$7070 SH

'97 JUL 1 PM 1:20

June 26, 1997

BC 8882

Dear Nancy,

This is the most important letter I have ever written to anyone in my entire life. I think President Clinton will go down in history as one of the greatest presidents our country has ever had - but only if he protects the environment while it is still possible.

Elizabeth has been an active environmentalist since she was in grade ... s
won the Glob ... th
Prince Phili ... Prince
Charles had ... n he was
visiting Can ... Report
at the Unite ... a
delegate and ... select
committee.
about our pl

7/1/97

Send to Dorskind

Yes ✓

No

C

I have wr
I pray with
history, hav
with dreams ... kind
our last hop ... ity
it is, a bat ... no
hope of a li ... e
light of his

I am more grateful to you than I can possibly express.

God bless you.

With love and gratitude—

Stephanie

from
Stephanie May

re. environment
Elizabeth
misc.

Forward
Stoffo su

'97 JUL 1 PM 1:20
June 26, 1997

BC Sage

Dear Nancy,

This is the most important letter I have ever written to anyone in my entire life. I think President Clinton will go down in history as one of the greatest presidents our country has ever had - but only if he protects the environment while it is still possible.

Elizabeth has been an active environmentalist since she was in grade school. She has a world wide reputation. She has won the Global 500 United Nation Award and she has traveled with Prince Philip when he was on an environmental tour of Canada. Prince Charles had her for dinner aboard the Royal Yacht Britania when he was visiting Canada. She wrote Canada's response to the Bruntland Report at the United Nations. She attended both the Rio Summits as a delegate and was chosen by Gorbachev to serve with him on a select committee. For the first time ever , Elizabeth is pessimistic about our planet's ability to survive.

I have written Bill a letter from the bottom of my heart. I pray with all my heart and soul that he will go down in history, having fulfilled the dreams of the boy born in Hope with dreams of improving the world. He represents for all mankind our last hope. If he fails to make the environment the priority it is, a battle we are steadily losing on all fronts, there is no hope of a life for my granddaughter Victoria Cate , nor for the light of his life, Chelsea..

I am more grateful to you than I can possibly express.

God bless you.

With love and gratitude—

Stephanie

from:
Stephanie May

re. environment
Elizabeth
misc.

June 26, 1997

Dearest Bill,

Thanks so much for your letter. I know how moved you were by the plight of those brave and noble people whose lives were torn assunder by the Red River on a rampage. Tragically these terrible disasters are becoming more and more frequent. Hurricane Hugo which hit my family in Charleston, South Carolina destroyed my cousin Lois's home, which had stood for 200 years, and tore the slate roof off another cousin's house. It leveled forests. In the Charleston hospital, patients were pulled from their beds by the force of the wind and only the courage and strength of doctors and nurses was able to keep them from being sucked out of the windows. There had never been anything to equal the terror and damage of that hurricane. Tornados and cyclones are becoming more frequent. The Antarctic ice cap is breaking apart. Each morning the weather report brings us not only the temperature and weather forecast, but the ultra violet ray count for the day. Daily we are warned to cover our skin with protective cream before we venture out into the sunlight. There is a new form of cancer known as left arm syndrome, a common and often fatal occurance among truck drivers. Cancer is now a major cause of death among little children. When I was growing up cancer was the disease of the elderly. Last year I sold my clocks for the benefit a group in Los Angeles, founded by the parents of a five year old girl who had died of cancer. At the benefit were several other little children who were terminally ill. One little boy couldn't stay for the entertainment because he was in such pain that he had to return home for his morphine. All these innocent little children were the victims of chemical pollution. This is the world we live in. As Dupont used to tell us "Better Living Through Chemistry." It's a great slogan, worthy of Goebels.

Five years ago Elizabeth was a delegate to the Earth Summit in Rio. Although she was devastated that George Bush barely gave lip service to the cause of making the world safe for future generations, she was heartened that Al Gore was an enthusiastic participant. When you selected Al Gore as your running mate we were exhilarated. Finally the future would have friends instead of foes who put corporate profit ahead of a healthy environment.

Time is not on our side. The planet is choking on pollution. Only the insurance industry seems to understand the magnitude of the threat to our survival seriously. Of course that is to be expected. Natural disasters are extremely expensive, not just to the insurance industry but to governments as well. We can no longer afford the luxury of "flexability".

We should be leading the world, setting an example of responsibility in cleaning up our plundered planet, not making embarrassing excuses to put off our responsibility one single day longer.

I used to think that people who sat back and allowed the destruction of God's beautiful earth, without joining the fight to protect our fragile and wonderous world must be atheists. For surely on Judgment Day we will be held responsible and accountable for the rape and plundering of Mother Earth.

Today the forces of corporate greed are waging a war against the future, against our children, Victoria Cate and Chelsea and Al Gore's offspring, who will inherit the earth, ravaged by our generation. We will leave these innocents oceans without fish, forests without trees, polluted lakes and streams, air fouled by toxic chemicals, a world of starvation and disease. The future is already here. It is already happening. Scientists fervently hope that it is not too late to reverse our steady march towards irreversable disaster.

When I think of the future I am not only terrified but grief stricken. I am especially grief stricken today because I had believed that you and Al Gore are our best hope for taking the lead internationally to turn things around so that our children can grow up without fear of starvation, devastating floods, droughts, cyclones, forest fires (caused by glabal warming and drought) and other such calamities. You and Al Gore are our last best hope for saving the world.

Bill, I have loved you since I first met you during the Duffey campaign. I know you to be a brilliant, loving, deeply Christian, compassionate, caring person. If you fail to understand the terrible danger which scientists are now agreed upon, then all is lost. You are the world's last best hope If you cannot hear our desperate cries for help and rescue us, then all is lost.

There will be no historians to judge you in a world without food or water or air. The judge will be God alone. My prayers are that you will change man's steady march to the abyss and lead this generation into a world which was once filled with God's bounty. You are the only leader in the world who can change the course charted by corporate greed, and set us on a new path towards the sunlight of hope.

May God be with you.

With love —

Stephanie

Thomas Staff se

jgill @ penfield-gill.com
06/26/97 02:04:00 PM

'97 JUL 1 PM1:20

Record Type: Record

To: Nancy V. Hernreich

cc:
Subject: Clean Air and a safe 1st Amendment

MIME-Version: 1.0
Content-type: text/enriched; charset=us-ascii
Content-transfer-encoding: 7BIT

Dear Mr. Presiden

7-1-97

Congratulations a

Send to Dorskind?

support for cleane

Yes ✓ ______

has meant for too

No ______

noxious effluent f

thing to have a Na

selfish defectors v

personal gain.

On the First Amendment, I am very pleased that the Supreme Court has ruled today against the infamous CDA act put over on the country by Senator Exon from Nebraska.

I am delighted to read that your own thinking on this issue is rapidly evolving towards making Internet use a parental choice issue and not a big government issue.

Now if I could only persuade you that the bill offered by Senator Kerry on the topic of encryption is as badly flawed as the CDA, that would be wonderful. I will keep trying.

Theonogy Staff sec

jgill @ penfield-gill.com
06/26/97 02:04:00 PM

'97 JUL 1 PM 1:20

Record Type: Record

To: Nancy V. Hernreich

cc:

Subject: Clean Air and a safe 1st Amendment

MIME-Version: 1.0
Content-type: text/enriched; charset=us-ascii
Content-transfer-encoding: 7BIT

Dear Mr. President,

Congratulations and thank you for coming out so strongly in support for cleaner air for all of us. Living in New England has meant for too many years that we have had to live with the noxious effluent from areas to the west of us. It will be a great thing to have a National standard that protects all of us from selfish defectors who abandon the common good for their personal gain.

On the First Amendment, I am very pleased that the Supreme Court has ruled today against the infamous CDA act put over on the country by Senator Exon from Nebraska.
I am delighted to read that your own thinking on this issue is rapidly evolving towards making Internet use a parental choice issue and not a big government issue.

Now if I could only persuade you that the bill offered by Senator Kerry on the topic of encryption is as badly flawed as the CDA, that would be wonderful. I will keep trying.

Best regards,

Jock

PS: Here is an analysis of why the McCain-Kerrey bill is a bad idea:

[Source: Center for Democracy and Technology - via a private note]

McCain-Kerrey would, if enacted, make the use of government-approved key recovery systems in the United States all but mandatory. The bill would do so by:

1. Creating a tightly-regulated, federally-licensed system of Certificate Authorities and Key Recovery Agents.

2. Forcing everyone to use the licensed CAs and KRAs through:

a. Immunity from liability for registered CAs/KRAs -- Registered agents would be free from any non-contractual liability relating to encryption; for example, they could never be sued for negligence in the storage of keys or issuance of certificates. People in the business tell me these are tremendously valuable safe harbors; the bill would assess a huge economic penalty on those who choose not to register. Moreover, several provisions of the bill which protect against government abuse of keys (through civil recovery) *do not apply* to unregistered agents; only those using registered agents are protected from abuse.

b. Mandatory use of KR for government systems or federally funded systems that communicate with the government -- Would make key recovery the standard through the massive weight of federal procurement, and by mandating its use on systems most likely including Internet II, many university networks, major government contractors, etc.

c. MOST INSIDIOUSLY, the bill would link the ability to get a public key certificate to the use of key recovery. Certification is critical for the development of a trusted system of electronic commerce. Many believe that people and businesses will need to use CAs in order to participate in the online economy. However, under McCain-Kerrey they will only be able to use a CA if they use key recovery. The ultimate effect will be to make the use of key escrow a prerequisite for participation in the information economy.

[As an aside: This linkage drives the technical people absolutely wild because: (1) tying key recovery to signature keys introduces frightening new vulnerabilities, since nobody should have access to your identification/signature key but you; and (2) the government's attempts to draw a distinction between "authentication keys" and "encryption keys" makes no sense at all, since an authentication key can be easily used to create a secure session.]

Taken as a whole, McCain-Kerrey is specifically crafted to force the adoption of key recovery both domestically and abroad. The bill creates new compulsions to use key recovery that would be far more effective than today's export controls. The bill would make it economically infeasible not to use use key recovery. The bill would mandate key recovery for large portions of the information infrastructure bought by or interacting with the federal government. This is not a truly voluntary system.

As the recent experts' report on "The Risks of Key Recovery" explains in detail, key recovery is risky, costly, and ultimately unproven. Just as importantly, we fear that the push towards key recovery amounts to an attempt to circumvent the normal Fourth and Fifth Amendment protections afforded to individuals; the bill would force people to use recoverable keys that are afforded little or no privacy protection.

The price for participation in the online economy should not be the forfeiture of your constitutional civil liberties. Sadly, that is both the intent and the effect of the McCain-Kerrey bill.

<center>

<bold><color><param>0000,8080,0000</param>Jock Gill

</color></bold>Penfield Gill, Inc.

Boston, MA

<bold><color><param>0000,8080,0000</param>jgill@penfield-gill.com</color></bold>

<bold><color><param>0000,0000,8080</param><<http://www.penfield-gill.com>

</color></bold></center>

'97 JUN 30 PM 7:38

June 30, 1997

Will (& when) to name an exec dir

MEMORANDUM FOR THE PRESIDENT

FROM: Maria Echaveste

cc: Sylvia Mathews

THE PRESIDENT HAS SEEN
7-1-97

SUBJECT: Preliminary Agenda for Race Initiative Advisory Board Meeting

Plans are underway for the first meeting of the Advisory Board for your initiative on race and reconciliation. A notice has been published in the Federal Register because of the Federal Advisory Committee Act ("FACA") requirements; the meeting will take place on July 14, 1997, at the White House Conference Center from 9:00 am to 2:30 pm.

The purpose of this meeting is to begin the planning for the Advisory Board's work and the time line for accomplishing the goals of your Initiative. The main items for discussion are:

a) overview of structure, including executive director, staff, budget, logistics;

b) feedback from the advisory board members on their experiences since June 14, 1997 (date of the speech);

c) scope and mission of the advisory board; and

d) development of a workplan and timetables to accomplish the goals of the initiative, including type and topic of town hall meetings, best ways to determine best practices and communications strategy.

While you are not expected to attend the meeting, it may ~~appear as an option~~ for you (you will have just returned from Europe). Before finalizing the agenda and preparing for the Advisory Board meeting, we are asking for any input and suggestions you may have.

Copied to
Echaveste
Mathews
COS

THE PRESIDENT HAS SEEN
7-1-97

Unrepentant Iraq

Six years after the Persian Gulf war, Saddam Hussein remains determined to manufacture chemical and biological weapons and the means to deliver them. The United States must rally a wavering United Nations Security Council to make sure that the Iraqi dictator does not succeed.

Mr. Hussein still has not resigned himself to the consequences of his disastrous 1990 invasion of Kuwait. That aggression led to Iraq's swift defeat by an American-led military coalition and the enactment of strict U.N. disarmament requirements.

Baghdad has never fully complied with those strictures. Encouraged by signs of division among the gulf war allies and the five permanent members of the Security Council, Iraq has stepped up its defiance. Three times this month it interfered with helicopters taking U.N. inspectors over suspicious sites, endangering the inspectors' lives. On three other occasions, it kept inspectors waiting outside the facilities long enough for potentially compromising material to be spirited away by Iraqi agents.

The Security Council responded with a resolution demanding that Iraq immediately cease its belligerent behavior. But in a regrettable though unavoidable compromise, the threat of new sanctions was postponed for at least four months.

Three Security Council members, Russia, China and France, have been increasingly reluctant to insist that Baghdad fulfill its arms control obligations. France hopes for an early resumption of the once profitable commerce between the two countries. Russia would like to see Iraq free to sell more oil so that it can repay its substantial debts to Moscow. China dislikes the whole idea of sanctions, arguing that what countries do on their own territory should not be subjected to international scrutiny or punishment.

The compromise resolution was passed only after strenuous diplomatic efforts by the Clinton Administration. France's support came at the cost of watering down and postponing the proposed sanctions. Russia's support required President Clinton's personal intervention with Boris Yeltsin at the Denver summit meetings. China dropped its earlier threat to veto the resolution after suggestions that such a move would antagonize Congress only days before a crucial House vote on Beijing's trade status. Such timely coincidences cannot be counted on the next time Iraq provokes a crisis.

Rolf Ekeus, the U.N. inspection chief who warned of Baghdad's continuing chemical and biological weapons efforts, will step down tomorrow after six years of persistent and effective sleuthing. Mr. Hussein is doubtless already preparing to test the mettle of Richard Butler, the Australian diplomat who will succeed Mr. Ekeus.

Mr. Butler, a for[illegible] passionate arms control ad[illegible] reputation for toughness. B[illegible] assignment, he will also n[illegible]ing of a united Security Cour[illegible]nity will be difficult for Wa[illegible]reat of chemical and biologi[illegible] the cost of failure could be g[illegible]

Copied
Sperling
Reed
COS

Mr. Clinton and the Cities

The urban initiatives recently announced by President Clinton look dismayingly timid. They will prove important only if they signal a strong effort by the Administration to win Congressional approval for more than $10 billion worth of urban initiatives proposed earlier. But even if Mr. Clinton gets every dime of the money, it will not be nearly enough to mend urban blight.

The Administration plans to cut the cost of homeownership in half for 2,000 police officers who move into Government-owned inner-city homes. That may help a few crime-ridden communities but is too small to constitute a development strategy. Mr. Clinton's plan to cut closing costs by an average of $200 for first-time home buyers is sensible but not enough to overcome the huge financial obstacles that many poor families face when buying homes. A third initiative would allow poor families to use their Government-provided rental vouchers to pay off mortgages should they seek to own their own homes. This is a good idea, though not many renters will be able to marshal the other costs of moving to homeownership.

The Administration previously proposed more powerful programs for the cities that would spend more than $10 billion, spread over five years, on enterprise zones, reclaiming polluted urban industrial sites, housing vouchers and welfare-to-work programs. The money may not make it through a hostile Congress.

Even the full request is by no means enough. This shortfall underscores the importance of private initiatives like the $87 million commitment made this month by the Rockefeller Foundation, Prudential Insurance, Chase Manhattan Bank and several other corporations and foundations. This, coupled with $10 million from the Department of Housing and Urban Development, will pump money into an urban policy that demonstrably works. The money will finance community development groups that build housing and create business ventures, reclaiming neighborhoods beset with crime and economic deprivation. The $97 million will bring the 10-year contribution by the consortium to about $250 million.

The Administration's report on cities, released last week, points out that middle-class families continue to leave large cities for the suburbs, leaving behind an increasingly poor population. The sad truth is that current commitments, private and Government, will not come close to reversing urban blight. But the President has at least restarted the Federal effort to face up to the problem.

The New York Times
MONDAY, JUNE 30, 1997

Gene S/Bruce

THE PRESIDENT HAS SEEN
7-1-97

What now?
VP/EB
RE

Lobbyists for TV Angle to Elude Rules to Return Free Channels

Proposed Measures Could Stall Airwave Auction

A1

By JOEL BRINKLEY

In April, Federal regulators lent each of the nation's 1,600 television stations a second channel for the coming transition to digital broadcasting, despite complaints that the extra channels represented a multi-billion-dollar gift of public property.

In response to those complaints, the Federal Communications Commission, at the urging of the White House, passed a rule calling for the return of the channels in 2006. The newly vacated channels would then be auctioned, with the Government projecting that it could raise more than $5 billion from the sales.

But now lobbyists for the television broadcasting industry have managed to work two provisions into Senate and House budget bills that could allow broadcasters to evade the most significant commitments they accepted in exchange for the additional channels.

One provision would enable broadcasters to keep those channels for an indefinite period. The other could delay the introduction of digital high-definition television broadcasts far beyond the Government-set deadlines.

Under the provision the House Commerce Committee passed last week, broadcasters would be allowed to keep their second channels beyond 2006 in any city where more than 5 percent of the homes were still watching conventional television.

That is a situation likely to prevail in most cities for decades, industry experts say. As a result, if the provision becomes law, the loan of a second channel "looks more like the giveaway that the opponents had originally claimed," said Gary Shapiro, head of the Consumer Electronics Manufacturers Association. His industry is planning to put high-definition television sets on sale next year. These sets produce startlingly sharp pictures on a new wide screen and make digital services, like electronic mail or the Internet, available in the home through the television.

But Mr. Shapiro realizes such sets will not be easy to sell if there is no high-definition programming on the air.

The provision's sponsor, Representative W. J. (Billy) Tauzin, the Louisiana Republican who is chairman of the telecommunications subcommittee, says his aim is to protect consumers who still have conventional analog televisions and may not be able to afford digital sets. Once broadcasters give back their second channels, only the new digital channels will be on the air. At that point, only people who have bought digital television sets or who have converter boxes for their conventional sets will be able to watch television.

SPECIAL PLEADERS

A periodic look at lobbying.

Five percent "is a low number," Mr. Tauzin acknowledged. "But it's designed that way on purpose so that, as we enter this new world, we don't leave some people behind."

The second provision relates to how quickly stations would begin broadcasting on their new digital channels. As one condition for the second-channel loan, broadcasters agreed to an F.C.C. rule that would

Continued on Page D3

Continued From Page A1

require network-affiliated stations in the nation's 30 largest cities to begin broadcasting digital programming by the fall of 1999; others would follow soon after.

But under a provision that the Senate Commerce Committee passed last week, that requirement becomes something closer to a suggestion. The provision states: "The commission shall encourage broadcasters to transmit programming in digital format in the 30 largest markets by Nov. 1, 1999."

"I'm an old broadcaster," explained Senator Conrad Burns, the Montana Republican who sponsored the amendment, "and I know that you can run into a lot of difficulties in the construction phase of these digital stations. And I think we need to give the broadcasters flexibility to deal with unforeseen and unknown circumstances."

It is possible that neither provision will become law; the Senate and House versions of the budget bills disagree on these and many other issues. But many members of Congress have shown themselves to be vulnerable to lobbying from broadcasters because politicians need to be on television to be re-elected.

"If the law takes these two bad turns," said Reed E. Hundt, the F.C.C. chairman, who speaks for the Administration on telecommunications issues, "what a result that would be: Give the digital television licenses to broadcasters so no competitors could get them; tell broadcasters they don't really have to build the digital television systems and then tell broadcasters their reward for not using this incredibly valuable property is that they never have to give back the analog licenses."

James C. May, an executive vice president with the National Association of Broadcasters, vigorously disputed Mr. Hundt's interpretation.

"Instead of focusing exclusively on issues of broadcasters and the transition," he said, Congress had "decided also to look at consumers and not disenfranchise a whole group of consumers who continue to rely on over-the-air analog TV."

Legislative aides and communications industry officials said numerous executives of television stations, as well as lobbyists from the broadcasters' association and other trade groups, had urged the two committees to pass the provisions.

A broadcast industry lawyer who has followed the Congressional debates said the broadcasters were pushing on an open door in the House. Commerce Committee members were concerned about how their constituents were reacting to the idea that their television sets might be obsolete in a few years, "and the broadcasters were ultimately successful because they used this consumer argument," the lawyer said.

Kenneth Johnson, an aide to Mr. Tauzin, said: "It's true. Part of this was driven by industry concern, but part of it is driven by concern for consumers, too."

In the Senate, John McCain, the Arizona Republican who is chairman of the Commerce Committee, opposes Mr. Tauzin's measure. As a result, his committee passed a countermeasure that says broadcasters will be able to keep their second channels beyond 2006 only in cities where less than 95 percent of the public has access to digital television signals from local stations. That seemed a much more likely target than Mr. Tauzin's — until, over Mr. McCain's objections, his own committee approved the amendment sponsored by Senator Burns.

At the broadcasters' association, Mr. May said, "We don't want to do anything to upset the F.C.C. schedule." But Congress was considering whether to turn the F.C.C. regulation into a law, he added, and "if we took that schedule and codified it into Federal law, and then needed to modify it later, it would be immensely difficult to change."

Communications lawyers in Washington disagree as to what effect the provision sponsored by Senator Burns might have if the Government simply encourages broadcasters to meet the F.C.C.'s schedule for starting digital broadcasting. Some say a Congressional action always has more force than an agency regulation. According to this argument, the Congressional language would have the force of law and, thus, television stations would not be required to meet the F.C.C. schedule.

Other communications lawyers say the relationship between communications law and regulation is not so clear.

Whoever is correct, television manufacturers find the whole debate dismaying. "It's extremely unfortunate and will create a major credibility gap for the consumer," said Jim Meyer, executive vice president for Thomson Consumer Electronics, the largest American maker of televisions, which sell under the RCA and General Electric brand names.

Copied
VP
Bowles

The New York Times

WEDNESDAY, JUNE 25, 1997

THE PRESIDENT HAS SEEN
7-1-97

Rahm
can we do
anything on this
BR

Dissidents Are Leaving Perot Party

WASHINGTON, June 29 (AP) — A dissident faction decided on Saturday to split with the Reform Party of Ross Perot after failing to resolve its differences with members loyal to Mr. Perot, the former Presidential candidate.

The faction, which calls itself the National Reform Party Steering Committee, said Mr. Perot wielded too much power in an organization that was intended to build a third major political party.

Late Saturday, Carolyn Guillot of Santa Monica, Calif., a spokeswoman for the steering committee, said a "founding convention" not affiliated with the original Perot party would be held no later than Oct. 15. The committee includes 50 current and former Reform Party members from 16 states.

Party dissidents first gathered in the Chicago suburb of Schaumburg, Ill., last October, after former Gov. Richard D. Lamm of Colorado lost to Mr. Perot in his bid for the Reform Party's Presidential nomination.

The Reform Party elected national leaders at a meeting of state delegates in Nashville in January. An inaugural convention is being planned for this fall.

Russell J. Verney, chairman of the Perot party's national organizing committee, showed up at Saturday's meeting to plead for peace.

"We can't steer ourselves in a circle and fire inward," Mr. Verney said. "We have more than enough work for all of us to do positively."

Some former Reform Party members from New Jersey have already jumped ship to another state-level third party known as the Conservative Party.

G.O.P. Freshmen Agree to Stop Push for Fund-Raising Curbs

By ADAM CLYMER

WASHINGTON, June 29 — The prospects for any campaign spending legislation have suffered another blow as House Republican leaders have persuaded their freshmen to stop cooperating with Democrats on a bill to prohibit "soft" money, donations to political parties outside of Federal limits on amounts and sources.

The leaders — including Representatives Tom DeLay of Texas, the majority whip; John Linder of Georgia, chairman of the National Republican Congressional Committee, and Bill Paxon of New York, who led the committee last fall when the freshmen were elected — said their party would be hurt by curbing soft money unless political efforts by unions were also curbed.

Representative Bill Thomas of California, chairman of the House Oversight Committee, said he was disappointed. Mr. Thomas said he had hoped to use the freshman initiative as a starting point to bring an incremental campaign bill to the House floor.

Mr. Thomas also favors some restrictions on labor's campaign activities, which have been overwhelmingly directed against Republicans, but he said he had hoped that a push from freshmen would get a legislative effort moving.

Representative Asa Hutchinson of Arkansas, the Republican co-chairman of the freshman task force, said that he still backed the plan, but that if it went forward it would have only the support of individual Republican freshmen.

Besides the soft money ban, the freshmen's plan would have required any group spending $25,000 or more on advertisements that used a candidate's name or picture to file disclosure reports. The sources of "issue advertisements" and independent spending in the 1996 elections were frequently anonymous. Mr. Hutchinson said that proposal had generated "enormous pressure" on the task force from the Christian Coalition and National Right to Life, which argued that it would limit their free-speech rights.

The plan would also double, to $50,000, how much an individual could give in a year, and it would eliminate ceilings on how much parties could spend directly to help candidates. It would direct candidates to file reports more frequently and to file them by computer.

In addition, it would require the return of any contribution whose source was not fully disclosed. Candidates and parties are now allowed to keep such contributions if they contend that they have made their "best effort" to discover the sources.

Representative Rick Hill of Montana, another Republican on the task force, contended that the package was fair and would not hurt Republicans. "People have lost confidence in the whole system," Mr. Hill said, "and it's part of the responsibility of all of us to do something."

When the Republican leaders appeared at a freshman caucus on Wednesday, and were joined by Senator Mitch McConnell of Kentucky, the party's leading opponent of election law changes, one modestly elder voice was heard on the other side. Representative Zach Wamp of Tennessee, a sophomore, argued for change, calling it a moral imperative.

Mr. Wamp said soft money, especially from prime Republican sources like the alcohol and tobacco industries, was "internally corruptive." And he said it was hypocritical for Republicans to move to change welfare, the legal system, Medicare and many other problems while "we left out that one important reform — and guess what, it's the one that affects our ability to stay here."

Representative Anne M. Northrup of Kentucky, one of the freshmen who opposed the package, said she had wondered about freshmen trying to move ahead without help from their more experienced party colleagues. She said the plan had never had wide support.

Ms. Northrup said real reform would require both parties to make serious sacrifices. Unless the plan dealt with the "bottomless pit" of union money, she said, "then there is no campaign reform."

Mr. Hill said Democratic leaders had also opposed the freshmen's effort. Representative Martin Frost of Texas, head of the Democratic Congressional Campaign Committee, said he had told the freshmen that their plan did not go far enough to inhibit issue advertisements. A senior aide to the Democratic leadership said the leaders had warned the freshmen not to trust the Republicans to keep their promises.

But the warnings by the Democratic leaders were plainly not so effective as those from top Republicans. Representative Tom Allen of Maine, the Democratic co-chairman of the task force, said two-thirds of the Democratic freshmen had signed up to support the package. Representative Jim Davis of Florida, president of the Democratic freshmen, said, "It's our intention to go forward."

The New York Times
MONDAY, JUNE 30, 1997

Copied
Emanuel
COS

THE PRESIDENT HAS SEEN
7-1-97

CAPITAL JOURNAL
By Gerald F. Seib

Can We Leave The MFN Rut? Here's One Way

WASHINGTON'S ANNUAL wrangle over trade with China is staggering to its usual, unsatisfying conclusion. But maybe — just maybe — the U.S. has learned something this year.

In a nutshell, it is this: To change China's behavior, it's time to stop dealing in gross generalities and start being specific.

Every spring, there is a great debate over whether to continue China's "most-favored-nation" trade status (which really offers no favors at all, because virtually every country has the same status). Great issues of human rights, arms proliferation and religious persecution in China are raised, yet nothing that might actually improve the situation happens. Congress ultimately approves a continuation. The only real-world effects are that relations with China are soured, and the lack of an American consensus is illustrated again.

This scenario played out again yesterday in the House, which voted 259 to 173, a bigger margin than expected, to continue China's status. That effectively ends this year's saga, because both the House and the Senate would have to kill China's most-favored-nation status. It's tempting to say nothing has changed.

Yet as the dust settles on the debate, there remains standing a different idea for dealing with China, one that holds some promise of bridging the gaps in the debate. It's being advanced, in particular, by Michigan GOP Sen. Spencer Abraham, a most-favored-nation supporter who nonetheless thinks there should be some way to penalize China for behavior the U.S. doesn't like.

"To debate China policy in an MFN-or-bust context is not a very productive exercise," says Sen. Abraham.

THE ABRAHAM THEORY is that the way to register unhappiness over specific Chinese activities isn't to use the blunderbuss of most-favored-nation revocation, which hurts everybody in its path, including American workers and consumers and residents of Hong Kong. Instead, he proposes identifying the Chinese actions that offend Americans and tailoring some specific responses.

He has introduced a bill to do exactly that. Because some of the most troublesome Chinese trade and worker-rights practices are carried out by companies run by the Chinese army, the bill would require an annual listing of companies controlled by the military and specifically ban exports from two that tried to sell AK-47 guns to U.S. gangs.

Because Americans remain appalled by the attack on pro-democracy demonstrators in Tiananmen Square and by China's suppression of religion and promotion of abortions, Chinese officials involved in those activities would be denied visas to the U.S. Because the U.S. is concerned about Chinese exports of weapons of mass destruction, the bill would increase pressure on the State Department to impose sanctions as punishment for specific troubling sales.

Spencer Abraham

Because the U.S. is troubled by the lack of democracy in China, it would double the money it spends on student and cultural exchanges, on democracy programs and on Radio Free Asia. Finally — and this is the most controversial piece of the bill —, if lots of American taxpayers have problems with China's overall human-rights practices, then maybe the fair thing to do is to end taxpayer subsidies of business with China. So the Abraham bill would require the U.S. to oppose World Bank and International Monetary Fund loans to China and to reduce American contributions to development banks by the amount of loans they make to China.

"MY THOUGHT was that we had to have some alternative to the MFN-only scenario that gave us a chance to make some changes, and some more targeted changes," Sen. Abraham says.

Sen. Abraham may be pointing the way toward a middle ground: Use general trade with China for the "engagement" that everybody hopes will be a positive influence, while registering some specific complaints with specifically targeted sanctions.

Pieces of the Abraham approach also are being pursued by a bipartisan House group. There's plenty of room to argue over the specifics. GOP Rep. David Dreier of California, a member of the House group, likes much of the Abraham package, but strongly opposes ending international development loans. He thinks they help open China. "My view is that the single best force for positive change in China has been the economic reforms," he says.

In truth, nobody knows precisely what policy mix will work best. But the concept of better targeting America's message to China seems a better way to handle the most perplexing foreign-policy issue of the day.

THE WALL STREET JOURNAL WEDNESDAY, JUNE 25, 1997

Copied
Berger
COS