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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Jim Lyons to POTUS re: December 1-7 Visit to Northern Ireland (3 pages)	12/12/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
Staff Secretary
Todd Stern
OA/Box Number: 11228

FOLDER TITLE:

Chron Files: Monday, December 15, 1997 [1]

2019-0774-S

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RESTRICTION CODES**Presidential Records Act - [44 U.S.C. 2204(a)]**

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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THE PRESIDENT WAS SEEN
12-15-97

THE WHITE HOUSE

WASHINGTON

December 13, 1997

THE PRESIDENT HAS SEEN
12-15-97

MEMORANDUM FOR THE PRESIDENT

FROM: John Podesta *hlp*

SUBJECT:



CHIEF OF STAFF TO THE PRESIDENT

The Bill I
proceed.

Mr. President:

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Following the hearing, Speaker Gingrich wrote a letter to Hatch complaining about Lee's attempted use of a consent decree to impose "hiring quotas" on the LAPD shortly before the California vote on Proposition 209. The charge was less than including sexual harassment, of African-American and women including Mark Fuhrman, had gone on for three years, and the Prop 209.) But the letter and the opposition of conservative g the opposition to Lee. Hatch rallied 8 other Republicans. Wit in support, the Committee was deadlocked. As a result of par Democrats no vote was ever taken. The nomination was retur Senate recessed.

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Since that time, we have been consistent in stating that appointment but a straight up or down vote in the full Senate. Such a vote has been provided to highly controversial Republican Judicial nominees including Judge Bork and Justice Thomas even where they failed to command the support of a majority of Committee members.

While the Republicans can point to a few cases of their nominees being killed by votes in Senate Committees, including William Lucas to be Acting Attorney General for Civil Rights, I think we are in a strong position to argue that the Constitution directs the Senate as a whole to give advice and consent to your nominees.

THE WHITE HOUSE

WASHINGTON

December 13, 1997

OF PRESIDENT 12-15-97

12-15-97

MEMORANDUM FOR THE PRESIDENT

FROM: John Podesta *JP*

SUBJECT: Bill Lann Lee

The Bill Lann Lee fight has come to a head and we need to make a decision on how to proceed.

There are three options: 1) a recess appointment; 2) appointment as Acting Assistant Attorney General; and 3) deescalating the current confrontation and resubmitting his nomination in January. Before discussing the pros and cons of each, it may be helpful to briefly review the history of the nomination.

Lee was nominated on July 21, 1997 after a long vetting process. Senator Hatch was skittish but generally positive about Lee's manner, experience and qualifications. He delayed a hearing on Lee until October 23. Although Lee had drawn conservative interest group opposition, the hearing was uneventful.

Following the hearing, Speaker Gingrich wrote a letter to Hatch complaining about Lee's attempted use of a consent decree to impose "hiring quotas" on the LAPD shortly before the California vote on Proposition 209. The charge was less than real. (The case involved harassment, including sexual harassment, of African-American and women officers by LAPD supervisors including Mark Fuhrman, had gone on for three years, and the settlement had nothing to do with Prop 209.) But the letter and the opposition of conservative groups spooked Hatch into organizing the opposition to Lee. Hatch rallied 8 other Republicans. With all 8 Democrats and Senator Specter in support, the Committee was deadlocked. As a result of parliamentary maneuvers by the Democrats no vote was ever taken. The nomination was returned to the White House when the Senate recessed.

Since that time, we have been consistent in stating that our preference was not a recess appointment but a straight up or down vote in the full Senate. Such a vote has been provided to highly controversial Republican Judicial nominees including Judge Bork and Justice Thomas even where they failed to command the support of a majority of Committee members.

While the Republicans can point to a few cases of their nominees being killed by votes in Senate Committees, including William Lucas to be Acting Attorney General for Civil Rights, I think we are in a strong position to argue that the Constitution directs the Senate as a whole to give advice and consent to your nominees.

On the public front, Lee's interviews and appearances, stressing his background, experience and commitment, have been quite positive. The best press stories are the ones that emphasize his life story rather than the politics of the fight. Editorial support is overwhelmingly positive.

With that in mind, let me run through the pros and cons of the options:

1. Recess Appointment

This is the cleanest option, but the one that will draw the most flack from the Republicans. The civil rights groups are most in support of a recess appointment largely for the strong signal it sends. We are on firm legal and Constitutional grounds. There could be no legal challenge to his ability to serve. Senators Kennedy, Durbin, and Feinstein lean in this direction. The cons are that we would lose any ability to ever get him confirmed. All Republicans perhaps with the exception of Senators Specter and D'Amato will rally with Sen. Lott on the process argument that a recess appointment is usurping the Senate's advice and consent authority. In that case, if Lott brought the nomination to a vote, he would win and we would be in the awkward position of having to filibuster our own nominee - which Daschle and Leahy are prepared to do, with reluctance.

2. Appointment as Acting Assistant Attorney General

As I mentioned, Senator Lott believes that if we must go forward, he urges us to use the Acting Assistant route as opposed to a recess appointment. The Department of Justice feels Mr. Lee could act with full authority. (I have attached to OLC's letter on that point.) The Attorney General fears that this may provoke the Republicans into amending the law to diminish or abolish her ability to make acting appointments in the future, but she is assuaged by Lott's conversation with Erskine. There is also concern that there will be legal challenges to any of Lee's decisions from outside groups. The groups are less enthusiastic of this option, as this is a symbolically weaker position. This would almost certainly be perceived by the press as pulling back. The upside is that we could keep him in the job longer, while working to get a vote. Senators Leahy and Daschle lean in this direction in part to avoid the filibuster situation outlined above and in part to avoid a confrontation with Senator Byrd.

3. Postpone, Resubmit Nomination in January

This is the weakest of the options, in that we have telegraphed that we are going to take some action this week. Very diverse groups have supported this effort with high expectations that you will take some action before Congress returns. All of your Senior Advisors are against this option.

Recommendation

I think the Attorney General, Chuck, Erskine, John and I all favor Option 2 so long as the Republican Senators are really prepared to turn the heat down on Bill, and the civil rights community can be kept on the reservation with general support for our proceeding in this fashion. Rahm and Paul lean to the recess option because its clean and strong, but can certainly support Option 2.



OFFICE OF THE ATTORNEY GENERAL
FACSIMILE TRANSMITTAL COVER SHEET

DATE:

December 12, 1997

TO:

John Podesta

FACSIMILE NO.

456-1907

TELEPHONE NO.

FROM:

Janet Reno

FACSIMILE NO.

TELEPHONE NO.

NUMBER OF PAGES INCLUDING COVER SHEET

7

COMMENTS:



U. S. Department of Justice

Office of Legal Counsel

Office of the
Assistant Attorney General

Washington, D.C. 20530

December 12, 1997

MEMORANDUM FOR THE ATTORNEY GENERAL

From: Dawn Johnsen *DJ*
Acting Assistant Attorney General

Re: Acting Designation

You are considering whether Bill Lann Lee might be made the acting head of the Civil Rights Division. Two possible avenues have been considered: the Vacancies Act, 5 U.S.C. §§ 3345-3349, and your authority under 28 U.S.C. §§ 509-510. You have asked us to address considerations affecting the use of these authorities. As discussed below, we recommend that, if you choose to make Mr. Lee the acting head of the Civil Rights Division, you appoint him as Principal Deputy Assistant Attorney General ("DAAG") for Civil Rights and then designate him to perform the functions and duties of and to act as Assistant Attorney General ("AAG") in charge of the Civil Rights Division, pursuant to your authority under 28 U.S.C. §§ 509 and 510.

As we have discussed, the Department of Justice historically has relied on the Attorney General's §§ 509-510 authority in making Acting designations. The Department has not relied on the Vacancies Act (and in fact the Department has not determined that the Vacancies Act is even available) because of the more specific authority provided by §§ 509-510. Moreover, even if we were to consider the Vacancies Act otherwise available, there are questions about timing that would counsel against attempting to use it here.

Procedures to Appoint Mr. Lee and Designate Him to Act as Assistant Attorney General

Before Mr. Lee is designated to perform the functions and duties of and to act as AAG in charge of the Civil Rights Division, he must first be appointed in the Department. We recommend that he be appointed as an officer, as Principal DAAG (or alternatively as the DAAG at the highest pay grade of the Division's DAAGs). We understand that it is possible to make another DAAG slot available for this purpose.

Once Mr. Lee is appointed, he may be designated Acting AAG in charge of the Civil Rights Division pursuant to an Attorney General Order (prepared by the Office of Legal Counsel). This order may be signed on the same day as the appointment is made. Once Mr.

Lee is appointed and designated Acting AAG, he will have full authority to act as Assistant Attorney General.

Appointing Mr. Lee as Principal DAAG and then designating him as Acting AAG accords with the practice that was followed in 1992 by Acting Attorney General George Terwilliger when Vicki O'Meara was appointed Principal DAAG and then designated Acting AAG in charge of the Environment and Natural Resources Division. (For your information, the Special Assistant positions have an annual pay cap of \$12,000).

Additional Considerations

- As you are aware, the Comptroller General, the Congressional Research Service ("CRS"), and certain members of Congress (most publicly and recently, Senator Thurmond) contest our legal conclusion that §§ 509-510 may be used to fill positions that otherwise would be filled pursuant to the Vacancies Act. They claim that the Vacancies Act is the exclusive authority to fill such positions. Although we have consistently rejected their view, they are as consistent in their rejection of our view. CRS wrote a report this year expressing its disagreement with our view on the availability of §§ 509-510 to fill positions in the Department. See CRS Memorandum to the Hon. Strom Thurmond, re Applicability of the Vacancies Act to Certain Positions in the Department of Justice (May 7, 1997). As recently as November 14, the General Accounting Office ("GAO") reaffirmed its position that the provisions of the Vacancies Act are generally applicable to the Department and that §§ 509-510 cannot supersede that Act. See GAO Informal Op. B-278573 (Nov. 14, 1977) (letter to Hon. Bob Barr, re Justice Department: Compliance with Vacancies Act). Although we have carefully considered and continue to disagree with these views, a use of the §§ 509-510 authority under controversial circumstances could trigger charges that the appointment was illegal. Responses could include a law suit by someone aggrieved by action taken by a person acting under a §§ 509-510 delegation, or action by Congress to remove or limit the Attorney General's broad delegation authority. If the §§ 509-510 authority is to be used in lieu of a recess appointment, it is important to seek some understanding from the relevant members of Congress that they will not seek to retaliate for using an authority that some have questioned.
- Under § 610 of the Treasury and General Government Appropriations Act, Pub. L. No. 105-61, 111 Stat. 1272, 1310 (1997), a person whose nomination is rejected by a vote of the Senate may not thereafter be paid for filling that position. This appropriations rider applies equally to a recess appointment, Vacancies Act designation, or designation under §§ 509-510.
- Although there are no specified time limits under §§ 509-510, we have regularly advised that the President has an obligation under the Constitution to nominate persons to fill Senate-confirmed positions. We have recommended that the 120-day time limit of the Vacancies Act be used as a general guide (that is, that it is desirable that someone be nominated within 120 days of the designation of an Acting AAG), although it is not an

absolute requirement. The important consideration is that §§ 509-510 should not be used to circumvent the confirmation process by appointing someone in an acting capacity with no expectation of nominating someone for that position.

ACTING POSITION

POINTS ON USE OF VACANCIES ACT IN DOJ

- Historically, the Department has not used the Vacancies Act, 5 U.S.C. §§ 3345-3349, to fill vacancies, but has relied instead upon the Attorney General's authority under 28 U.S.C. §§ 509 and 510. In fact, the Department has not conceded that the Vacancies Act is always available, given that §§ 509 and 510 provide more specific authority. The historical practice of relying on §§ 509 and 510 has been critical in providing flexibility, and enables DOJ to defend such arrangements as Jack Keeney's current tenure as Acting Assistant Attorney General for the Criminal Division, which has exceeded the time that the Vacancies Act would have allowed. Invocation of the Vacancies Act here would raise the question why it is not used for all vacancies in the Department's Senate-confirmed offices. It might also raise the question whether its time limitations should be applied to first assistants serving as acting heads of components under §§ 509 and 510.
- The Vacancies Act, in general, permits filling a vacant office for 120 days (or longer if a nomination is made), either with the first assistant or with a Senate-confirmed official detailed from an executive department. Here, the office of Assistant Attorney General was vacant for more than 120 days before the nomination. In a case now before the D.C. Circuit (Doolin v. Retsinas), the parties have briefed the issue whether the 120-day period runs from the vacancy or from the start of service under the Vacancies Act. If the period runs from the vacancy, the Vacancies Act would not be available to fill the position here. Doolin will be argued December 9, and a decision could come early next year.
- Even if the court in Doolin decides that, on the facts there, the 120-day period begins with the service under the Vacancies Act, the court might rest on grounds inapplicable here. First, in Doolin, the court could decide that, absent use of the Vacancies Act, there would have been no means at all to fill the vacant office on an interim basis, and that the necessity to provide for continuing the functions of the agency created the authority to invoke the Act. Here, however, because 28 U.S.C. §§ 509 and 510 offered an alternative, this argument could not be made without attacking the use of those sections. Second, in Doolin, the official who purported to act before use of the Vacancies Act did not occupy (at least according to our argument in the case) the position of "first assistant." The current Acting Assistant Attorney General for Civil Rights, however, may well be thought to be the first assistant, and if she is, the use of the Vacancies Act now would arguably be an evasion of the principle that a first assistant may not serve beyond 120 days. (The time under the Vacancies Act may not be extended by making a second appointment or designation.)

2.

- Conversely, there is some doubt that anyone may be a first assistant in the Civil Rights Division, because the position of Deputy Assistant Attorney General is not statutory (the only statutory references to DAAGs are in the criminal area) and a 19th-century Attorney General opinion concludes that the Vacancies Act covers only statutory assistants. The widespread practice of the government is now to treat non-statutory assistants as eligible to serve under the Vacancies Act, but a controversial use of the Vacancies Act might focus attention on the issue.

POINTS ON USING 28 U.S.C. §§ 509-510

- Nearly all functions of DOJ are vested in the Attorney General (§ 509). Attorney General may authorize "the performance by an officer, employee, or agency of the Department of Justice of any function of the Attorney General" (§ 510). In combination, this authority has been used extensively by Attorneys General over at least the past 50 years to fill vacant positions temporarily, including those of Senate-confirmed component heads.
- The Comptroller General, the Congressional Research Service, and certain members of Congress (most publicly and recently, Senator Thurmond) contest our legal conclusion that §§ 509-510 may be used to fill positions that otherwise would be filled pursuant to the Vacancies Act. They claim that the Vacancies Act is the exclusive authority to fill such positions. Although we have consistently rejected their view, they are as consistent in their rejection of our view. CRS wrote a report this year on the illegality of using §§ 509-510 to fill positions in the Department. A controversial use of this authority could trigger charges that the appointment was illegal. Responses could include a law suit by someone aggrieved by action taken by a person acting under §§ 509-510 delegation, or action by Congress to remove that authority from the Attorney General.
- The authority is critical to the smooth functioning of the Department. This year alone, it was used for the following acting positions that might have been out of time or otherwise improper under the Vacancies Act: Associate Attorney General, Solicitor General, AAG OLC, AAG Civil Rights, AAG Criminal. A law suit successfully challenging the authority, or legislation to limit the Attorney General's authority, would have significant negative consequences.
- Although there are no specified time limits under §§ 509-510, we have regularly advised that the President still has an obligation under the Constitution to nominate persons to fill Senate-confirmed positions. We have recommended that the 120-day time limit of the Vacancies Act be used as a guide, although it

is not an absolute requirement. Sections 509-510 may not be used to circumvent the confirmation process by appointing someone as acting and then failing to nominate someone for that position.

- It is rare to appoint someone to the Department and immediately make them acting under §§ 509-510. Walter Dellinger was made acting with a four-month gap between appointment and delegation, which was very controversial on the Hill. A 1971 OLC opinion indicates, however, that this may be done lawfully, and notes 4 prior examples.

Note: An appropriations rider applies equally to a recess appointment, Vacancies Act appointment, or delegation under §§ 509-510: a person whose nomination is rejected by a vote of the Senate may not thereafter be paid for filling that position.

PRESIDENT WILLIAM J. CLINTON
RADIO ADDRESS ON MEDICARE FRAUD

DECEMBER 13, 1997

THE PRESIDENT
12-13-97

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12-13-97

Good Morning. I'd like to give you a progress report on our fight against waste, fraud and abuse in our Medicare system. Medicare is more than just a program; it reflects our values. It is one way we honor our parents and grandparents -- and protect our families. This summer, we took historic action to strengthen Medicare ^{with more mammograms, cancer screening, major surgery, and diabetes care} by improving benefits, expanding choices for recipients, ^{in H-pneous} and extending the life of the Trust Fund to at least the year 2010. I have also named four distinguished experts to a bipartisan commission that will find ways to ensure Medicare will serve baby boomers and our children as faithfully as it has served our parents.

But to protect Medicare and the fundamental values it represents, we must also vigorously fight waste, fraud and abuse in the system. These activities diminish our ability to provide high-quality, affordable care for some of our most vulnerable citizens. Medicare fraud costs billions of dollars every year, amounting to an unfair fraud tax on all Americans. Our taxpayers deserve to expect that every cent of their hard-earned money is spent on quality medical care for deserving patients.

I am proud of what we've already accomplished to crack down on waste, fraud and abuse in Medicare. Since 1993, we have assigned more federal prosecutors and FBI agents than ever before to fight health care fraud.

As a result, convictions have gone up 240 percent.

We have saved \$20 billion in health care claims. Two years ago, the Department of Health and Human Services launched Operation Restore Trust, which has already identified \$23 in fines and settlements for every dollar invested. Our historic balanced budget gives us an array of new weapons to keep scam artists and fly-by-night health care providers out of Medicare. And earlier this fall, I announced new actions to root out fraud and abuse in the mushrooming home health industry -- from a moratorium on new home health agencies entering the system to a doubling of audits to a new certification renewal process.

But we must do more. Sometimes the waste and abuses aren't even illegal, but embedded in the system.

Last week, the Department of Health and Human Services confirmed that our Medicare program has been systematically overpaying doctors and clinics for prescription drugs -- overpayments that cost taxpayers hundreds of millions of dollars. Such waste is simply unacceptable. These overpayments occur because Medicare reimburses doctors according to the published average wholesale price -- "the sticker price" -- for drugs. Few doctors, however, actually pay full sticker price. In fact, some pay just one tenth of the published price.

That is why I am sending to Congress the same legislation I sent last year -- legislation that will ensure doctors are reimbursed no more and no less than the price they themselves pay for the medicines they give Medicare patients. While a more modest version of this bill passed last summer, the savings to taxpayers is not nearly enough. My bill will save \$700 million over the next five years. I urge Congress to pass it.

There is no room for waste, fraud and abuse in Medicare. Only by putting a permanent stop to it can we honor our parents, protect our taxpayers and build a world-class health care system for the 21st century.

Accord May Cool U.S. Economy, Experts Warn

By CHRISTINA DUFF

Staff Reporter of THE WALL STREET JOURNAL
WASHINGTON — The agreement to curb global warming, if implemented, could end up cooling the U.S. economy, economists warn.

Trying to figure the costs of bringing down carbon-dioxide emissions 7% below 1990 levels, beginning in 2008, won't be easy. As a result, there are massive differences in the ways experts see the potential economic fallout.

The Clinton administration contends the U.S. will begin to use energy more efficiently and businesses will develop a new generation of energy-saving technologies to curb the use of coal and oil, without hurting economic growth. Pro-environment parties argue that the U.S. will come to rely on alternative forms of fuel, such as combinations of hydrogen and electricity, to reduce the carbon dioxide that cars and trucks spew into the atmosphere.

Soaring Energy Prices Feared

There is some hot air in those arguments, according to mainstream economists. They argue that, one way or another, the Kyoto accord would lead to soaring gas-pump prices and heating bills.

By 2010, assuming nothing changes, the U.S. is projected to be emitting 35% more carbon dioxide into the atmosphere than it is now. So to get it down below 1990 levels, the country's carbon-dioxide output would have to be reduced 40%, said Robert Stavins, an economist at Harvard University's Kennedy School of Government. "That's expensive," he said.

To reach those levels, President Clinton has talked about offering U.S. businesses incentives to cut emissions, perhaps even offering subsidies. But William Nordhaus, an economist at Yale University, believes that is "a lot of wishful thinking." Figuring out who to subsidize and by how much would be a giant headache, he said. Technological advances also aren't likely to save the day because they take many years to develop. "Ten years is just a blink of an eye in the energy world," he said.

Instead, the simplest way to cut carbon-dioxide emissions probably is to raise energy prices, many economists say, though they cringe at the expense. Efforts to meet the goals of the Kyoto treaty probably would more than double prices of such wholesale goods as crude oil, coal and natural gas, Mr. Nordhaus figured. At the retail level, that means anywhere from a 20% to 50% increase in the prices of gasoline, heat and the like. For family-budget planning, he said, that translates into about \$2,000 more a year per household for energy and other products. The total effect would be the same as a tax increase of \$100 billion to \$200 billion a year.

Massive Layoffs Feared

Consumers aren't the only ones who would suffer. Many powerful industries have lobbied intensely against mandatory reductions in carbon dioxide, saying it will put the U.S. at a disadvantage and lead to thousands of layoffs of American workers. Should energy prices shoot up, six big U.S. industries — aluminum, cement, chemicals, oil, paper and steel — could suffer big job cuts, concluded an analysis by the U.S. Energy Department.

Almost everyone in Washington, of course, has said a tax increase is out of the question politically. That leaves open a backdoor possibility: an emissions-trading system. Such a system, already being used under the Clean Air Act of 1990 to cut sulfur emissions, would let companies that voluntarily reduce emissions below a certain level sell the difference to others as unused rights to pollute. "We know how to do it," Harvard's Mr. Stavins said.

Of course, he said, the effect would be the same: Companies would still have to pass along the costs of the permits through higher energy prices.

Robert Repetto, who reviewed 162 global-warming economic studies for the World Resources Institute, which researches such issues, said the costs could be lower if the policy is phased in carefully. Households, for example, may have time to switch to different fuels. "This will have minimal longer-term macro impacts on the U.S. economy, provided that implementation measures are cost-effective and market-friendly," he said.

The problem is, America has a bad record for conservation and smart energy choices without prodding, particularly recently. Some of it is because of baby boomers' buying needs. Last month, for the first time, Americans bought more gas-guzzling minivans, sports-utility vehicles and small trucks than they did more fuel-efficient cars. While there are more energy-efficient homes on the market, consumers continue to buy larger homes that need more energy to light, cool and heat.

Meanwhile, manufacturers fear they

will lose market share to imports if other countries don't suffer the same energy-cost spikes. The coal industry sees thousands of job cuts in its future, since the prices of coal, alone, could soar. Mr. Nordhaus said. "Look at railroads that lug the coal," he said. "They're not going to be too excited about it, either."

"If the U.S. negotiators are looking for a way to mess up the world's most productive and prosperous economy, this agreement will do it," said Thomas Donohue, president and chief economic officer of the U.S. Chamber of Commerce.

However, companies might be more worried than they need to be, said Mr. Repetto of the World Resources Institute. Two-thirds of America's international business is done with trading partners who should be making comparable carbon-dioxide cuts, so the economic damage to the U.S. should be "relatively minor," he said. Also, energy costs make up less than 3% of the value of sales for 85% of goods and services that are traded internationally, Mr. Repetto noted.

THE WALL STREET JOURNAL
THURSDAY, DECEMBER 11, 1997

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THE PRESIDENT WAS
12-15-97

The Race Initiative: Tough but Worth the Effort

President Clinton's initiative on race is off to a rocky start.

John Hope Franklin, who heads the National Advisory Committee on Race, is an eminent historian but a poor politician in a post that requires political skills. Transportation Secretary Rodney Slater's political skills abandoned him recently when he participated in a racial dialogue that pointedly excluded whites.

The president's town meeting in Akron last week was fumbling and lacking focus. Mr. Clinton was snappish with one of the few prominent dissident voices and over-

were marked "colored" or "white."

Yet for all the extraordinary progress over these past three decades, race remains an excruciating American dilemma. That's why the multifaceted Clinton initiative is as commendable as it is complex.

Michael K. Frisby reported in this newspaper last week that the White House is bringing the advisory committee on race back firmly under its control. New proposals, with a focus on youth, are being hatched in time for the January State of the Union address.

And there is far more sensitivity to the rap that this has been a one-sided dialogue excluding many conservatives or critics of controversial ideas like affirmative action. Next Wednesday, the advisory committee will meet with prominent conservative Bill Bennett. Two days later, President Clinton will meet with Jack Kemp and, probably, Ward Connerly, who led California's successful anti-affirmative action ballot initiative last year.

Like it or not, the specter of affirmative action hangs over this discussion. Americans are sharply divided over granting selective preferences to minorities.

If affirmative action is seen as quotas or rigid preferences, particularly in school admissions or hiring and promotion, Americans are overwhelmingly opposed. If it is seen as opening up, assuring and even fostering equal opportunities, the public is solidly for it. The problem is that affirmative action has been all of the above.

In two of the most publicized votes, Californians by 54% to 46% voted down affirmative action on the state level a year ago. By the same margin, voters in Houston last month voted to continue that city's affirmative action program. In both cases, the opposing side argued the decision was stacked or the wording of the referendum was flawed; in fact, both votes are very indicative of where America is.

This was evident in the highly public-

cized incident at the president's town meeting in Akron, Ohio, last week. He asked author and affirmative action critic Abigail Thernstrom if she wanted to end the type of affirmative action programs that promoted Colin Powell in the Army. This issue and exchange has been seized upon by both sides with considerably more heat than light.

In fact, according to Clifford Alexander, who was Secretary of the Army when Gen. Powell became a general, the promo-

American cadets every year. The last two incoming classes have been about 7.5% black. These goals are achieved by sending promising young African-Americans to the U.S. Military Academy Preparatory School for a year to get them up to West Point standards. Overall, 14% of West Point's cadets attended this military prep school, but 37% of its African-Americans did. That is affirmative action, recognizing that there isn't a level playing field.

The bill Republicans are pushing in Congress would outlaw nonbinding affirmative action goals, which would do away with much of what the Army and West Point are now achieving. That's why even some conservative African-Americans, like Rep. J.C. Watts (R., Okla.), urge caution before dismantling existing programs.

No one has navigated this tightrope better than Gen. Powell. In his autobiography, he wrote that "preferential" treatment "demeans" achievement, but where discrimination has existed "it is only fair to provide temporary means" to catch up.

This week in an interview, Mr. Powell says the issue has nothing to do with him but rather with where we are as a society and what works. "Some of my friends take only the first part of what I wrote and conclude, 'see, he's against preferences.' But that was very difficult to write and I nuanced it very carefully. We had a preference system for over 200 years that did not include black people."

What is essential now, he says, "is to get away from the inflammatory stuff that shuts down dialogue. Let's stop saying that everyone on one side is a racist. Let's stop saying that all preferences are bad when we live in a system of preferences. We go to court over preferences if someone is black but not if they get a preference because their parents went to that school."

If President Clinton's initiative can help tame such inflammatory rhetoric, that alone will be a useful exercise.

Politics & People

By Albert R. Hunt

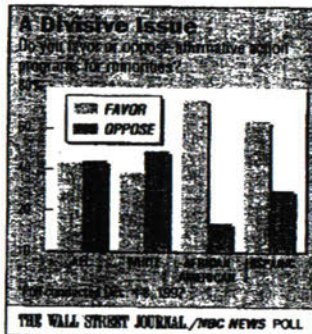


stated the case when he declared that Colin Powell got to his exalted rank in the Army because of affirmative action.

But this still is a very worthwhile effort. America has fumbled, and worse, on race for 200 years. Thus it's hardly surprising that a reasonably ambitious effort for addressing this festering American malady would encounter early trouble.

Moreover, this is a departure for President Clinton, who too often has focused on the small-bore, politically easy agenda items that his former political strategist, the infamous Dick Morris, so cheaply champions. But race is not small bore or easy. There's not only a risk that this won't succeed, but given the history, the odds are that it won't.

Sometimes it's easy to forget that a little over 30 years ago, there were precious few blacks in the executive suites, newsrooms or political corridors; it was commonplace for African-Americans to be excluded from public accommodations and even the vote, and that throughout much of the South, drinking fountains



tion board came back with a paucity of minority candidates. He simply sent them back to see if other candidates could be found; Colin Powell was in the next group. "This was not an affirmative action program," Mr. Alexander says.

But it's absurd to suggest that the army—or almost any other institution that has successfully integrated in recent years—has followed the laissez-faire approach that abandons all remnants of affirmative action, which is now espoused by many conservatives.

One good example is the U.S. Military Academy. West Point now sets a "class composition goal" of 7% to 9% African-

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Adams. The writing of this role has been touched, invitingly though visibly, by theater. Some of Adams's qualities have been shaped into what might be called a George Arliss part. In the 1930s Arliss used to play crotchety older men, including historical figures (Disraeli, Wellington, Richelieu) who were seemingly out of things but who were discreetly observant and who stepped in at the end to settle all difficulties. Adams plays this role here, Adams-ness, and from we get the savor of a damned good part. O Adams dozing in the keen reply when it's at home fussing with hothouse. After the Haven trial, we know must appeal because Adams has so far ap

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peared only peripherally. The structure of the film, as well as the facts of history, require that the case go to the Supreme Court so that Adams can flourish. He does. He argues. He wins. Hopkins, as Adams and as himself, is magisterial.

Morgan Freeman shines—he's an actor capable of reticent shining—as an ex-slave who now is head of an anti-slavery group in the North. Nigel Hawthorne (as of King George) is smilous as Van Buren. Pete (of *In the Name of the Father*) Idog as the principal prosecutor. McConaughey does what sketchiest main character, se lawyer. omen visible in the film are missionaries who come to the e the black men's souls. A sequence results from the

gift of an illustrated Bible to one of the black men, who figures out, from the picture, the relevance of the story of Jesus. The contradiction in a Christian society that owned slaves would have been lucid enough without this sequence. But Spielberg's weakest choice is the John Williams score, which sometimes floats wordless choruses under big moments. The moments might have been even bigger with less music.

Nonet and all, i progress, when it' free, like the mast yet again more tha and beca able. •

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John Quincy Adams, *La Amistad*, and democracy in America.

The Mandarin and the Rebel

BY SEAN WILENTZ

I.

When Congressman John Quincy Adams died in February 1848, masses of Americans mourned. At the Capitol, where Adams was fatally stricken and where his body lay in state, thousands of somber citizens lined up, uninvited, to file past his velvet-draped coffin. Untold thousands more crowded alongside the railroad tracks all the way from Washington to Boston, to witness the train carrying Adams's remains home. Some of Adams's oldest and fiercest political antagonists, from the conservative Whig Daniel Webster to the hard-money Democrat Thomas Hart Benton, wrote tributes. Even the Southern leaders of what Adams in his later years contemptuously called "the slavery" paid chivalrous tribute to the departed patriarch.

To be sure, not every slave-holder forgave Adams. Some recalcitrants and fire-eaters praised him grudgingly and dubiously as, in the Virginian Henry Wise's words, "the acutest, the astutest, the archest enemy of Southern slavery that ever existed." Other slave-holders praised him not at all. Neither was every Northern Jacksonian overcome by sadness at Adams's passing. Shortly after the funeral, the radical free-soil Democratic

editor Walt Whitman (temporarily working in New Orleans) remarked, in a parting jab, that although Adams was "a virtuous man—a learned man... he was not a man of the People."

But Adams, the anxious and austere failed president, had gained something that had eluded the other anxious and austere failed American president of the early republic, his father: he had gained, thanks to his anti-slavery activities, a popular following. Five years before his

John Quincy Adams:
A Public Life, A Private Life
by Paul C. Nagel
(Knopf, 428 pp., \$30)

Amistad
A Film by Steven Spielberg
(DreamWorks Pictures)

death, in the summer of 1843, Adams basked in a tumultuous response, in town after town, when he toured anti-slavery areas of western New York and Ohio; even more remarkably, he received similar receptions when he headed back East through northern Kentucky and Pennsylvania. The public grief later expressed at his death was exceeded in nineteenth-century America only by the outpouring for the martyred Lincoln.

Popularity came as a delightful surprise to the old man. Shortly before his controversial election to the presidency in 1824, Adams remarked, with good reason, that the public perceived him as "a gloomy misanthropist." He never claimed to have mastered the common touch, and for most of his life he took a dim view of political leaders who did. How, then, could such a man surmount the disappointments and the deep melancholy of his White House years (not to mention his early political upbringing) and go on to become a beloved maverick congressman and a fiery crusader against evil? It is one of the more important puzzles of early American political history. I say important, because no American bridged the age of Washington and the age of Lincoln in the way that John Quincy Adams did. And, with the simultaneous appearance of Paul C. Nagel's biography of Adams and Steven Spielberg's film *Amistad* (which includes a forceful portrayal of one of the aging Adams's finest moments), it is a puzzle that may matter to more than the historians. It should.

Beginning with his participation in 1781, when he was fourteen, in the Continental Congress's legation to the court of Catherine the Great, and ending with his final, mumbled vote against the Mexican War in the thirtieth United

THE PRESIDENT HAS SEEN
12-15-97

States Congress, Adams resided at or near the pinnacle of national politics. His long and prominent public career, as recorded in his huge and magnificent diary (itself a neglected treasure of American letters), perfectly exemplified the transition from the Federalists' elitist, deferential republic to the mass-based, democratic republic of the Democrats and the Whigs. How did Adams negotiate this transition, especially after his crushing defeat at the hands of Andrew Jackson in 1828? The answer to this question sheds light on the changing character of American government and, in turn, on the democratic origins of the Civil War.

It also helps to unravel the enigma that is John Quincy Adams. No American political life of the early republic was, on its surface, more ironic than Adams's; and no political personality was more mysterious. As James Monroe's brilliant Secretary of State, Adams was the most successful of the new nation's expansionists—but he went on to denounce the annexation of Texas, the Mexican War, and what became known as Manifest Destiny, ascribing each of them to the malevolent designs of the hated Slave Power. A prominent early exponent of the positive uses of national political power, he would end up trying to check and to obstruct the power of the slave-holders. Adams's first success in electoral politics came in 1802, after his embittered father, turned out of the presidency by Jefferson two years earlier, decided to retire from politics and let the Jeffersonians ruin the country. His first failure came after he appeared actually to have joined forces with the Jeffersonians (a step that, in the long run, probably saved his political career). Later, as Secretary of State, Adams put his political future at some risk by defending the bellicose American military commander in Florida—his future nemesis, a general named Andrew Jackson.

The longer Adams lived, the more the ironies and the mysteries of his life seemed to multiply. He was one of the only genuine intellectuals ever to occupy the White House, and he was one of his era's most high-minded opponents of party strife and demagogic electioneering; but in 1828 he allowed his political friends to take the low road in his reelection campaign against Jackson by printing scurrilous and inflammatory propaganda. The stuff was so clumsy and outrageous that one of Adams's field captains, Thurlow Weed of New York, a true pol, refused to distribute it to the voters in his district, lest he cost Adams votes. Thereafter, humiliated by his defeat, Adams withdrew behind what his son

Charles Francis Adams called his "Iron Mask," the forbidding demeanor that made him a cipher even to his closest friends and family—only to emerge in the 1830s and 1840s as a rebarbative, witty, and amazingly resourceful spokesman for a cause that he had hitherto ignored: anti-slavery. He was no "literary gentleman," Ralph Waldo Emerson wrote in his journal, but "a bruiser," "an old roué who cannot live on slops, but must have sulphuric acid in his tea." A lifelong nationalist and constitutionalist, Adams then agitated sectional issues that eventually severed the Union and plunged the nation into Civil War—much as he foresaw they would.

In short, John Quincy Adams's political life seems not to have added up. And yet (with apologies to Leon Wieseltier) a life that does not add up is not necessarily an ironic life. Adams's achievement was to contain within himself things that did not go together—and to do so with high seriousness and without a whit of cynicism. Among the things that he contained, after 1828, was a new-found appreciation for the possibilities of democratic politics as a vehicle for his overriding personal ambition, which was to be regarded as a courageous, enlightened, and virtuous political leader, a great and good man in the classical mold. He resolved his apparent contradictions by becoming, in effect, America's egalitarian Cicero. And he did so not by his own lights alone, but thanks to the proddings of the sorts of democratic movements that, early in his career, he would have deemed utterly disreputable.

II.

Paul C. Nagel's interpretation of Adams's paradoxes is revealed in his book's subtitle. Looking closely at Adams's agonized private life, Nagel finds emotional tensions that both hampered and animated Adams's public career. This is psychobiography of a pretty unreconstructed sort. The strongest thing to be said in favor of Nagel's approach—it might be called the serotonin theory of history—is that it has led him to study, from start to finish, the manuscript of Adams's diary, which has yet to be published in its entirety. The historian Allan Nevins (whose drastically abridged edition of the 46-year diary, published in 1928, is the best introduction to the riches of this American Pepys) observed that "in all American political literature, there is no record of the kind which approaches [it] in interest and value."

Nagel quotes regularly, and often insufficiently, from the diary's sometimes mordant and sometimes charming observations about matters small (the punctil-

ious revelries of the Russian court, where "everything moves like a piece of clockwork"; church singing in Washington that "lap'd me in Elysium") and large (the negotiation of the Treaty of Ghent, the Missouri Compromise, Jackson's election). Above all, Nagel cites the diary's most tortured passages in order to support his two basic contentions: that, until the 1830s, Adams suffered from chronic bouts of what today would be called clinical depression; and that Adams's struggles with his demons fundamentally shaped his political thoughts and actions.

Adams certainly had reasons to be depressed, in ways common to talented young men of great expectations. He was born in 1767 at the family home in Braintree (now Quincy), in Massachusetts, John and Abigail Adams's eldest son. The heroic tumults of the American Revolution, instigated and led by his father and his father's friends, dominated his early childhood. (When he was five, he witnessed from a Braintree hillside the distant battle of Bunker Hill, the scene of the glorious death of the patriot Dr. Joseph Warren, who happened also to be the Adams family physician.) In 1778, he accompanied his father to Paris, where John Adams was posted as Minister to France; thereafter he and his father moved to Amsterdam and then to Leyden, in accordance with changes in the elder Adams's assignments.

Johnny Adams's serious demeanor and excellent command of French led to his appointment, in 1781, as secretary to Francis Dana, the American minister to St. Petersburg (where all courtiers and diplomats spoke French). Following a journey through Scandinavia and northern Germany, he rejoined his father in 1783, and served as a secretary during the treaty negotiations in Paris that concluded the American Revolution. Two years later, young Adams returned home to complete his college education at Harvard. In 1790, after three years of study with the eminent jurist Theophilus Parsons, he began his own legal practice. And throughout these years (and for many years to come), Adams's parents made it harshly clear that they would tolerate nothing less than greatness from their fortunate first-born son. "You came into life with advantages which will disgrace you if your success is mediocre," John Adams warned in 1794, adding that "if you do not rise to the head not only of your profession, but of your country, it will be owing to your own Laziness, Slovenliness, and Obstinacy."

JQA (as he began to style himself, to avoid getting confused with his father) sometimes hinted that he would have preferred a quiet bookish existence to a career in law and politics; and some of the happiest and most fruitful times in

his life would come from his reading, writing, and teaching. With his translations of Christoph Martin Wieland and Friedrich von Gentz, and his traveler's account, *Letters on Silesia*, Adams established, virtually on his own, the serious study in the United States of German language and literature. Although he would never complete the literary masterpiece that he thought was in him (unless one counts the diary as his masterpiece, which it is), he did write plenty of competent, second-rate verse as well as some strong pieces of dramatic and literary criticism, showing a special affinity for Shakespearean studies. A stint as the first Boylston Professor of Rhetoric and Oratory at Harvard, from 1805 to 1809, brought him great satisfaction (though he initially found his students ignorant, his lecturing chores burdensome, and the Harvard treasurer inept at disbursing his salary on time).

Yet JQA's literary and linguistic talents also recommended him for diplomatic and political leadership in the fledgling republic. His pseudonymous "Publicola" essays—written in 1791 to defend his father, and his father's political alter ego Edmund Burke, and the principles of orderly government, against the democratic diatribes of Jefferson and Paine—were so artful and learned that most readers assumed that John Adams was their author. Subsequent essays by the young polemicist, attacking the erratic French envoy Edmond Genet and defending the Washington administration's foreign policy, gained President Washington's admiration, and in 1794 (to Vice President John Adams's delight), JQA, aged 27, was appointed America's Minister to Holland. At Washington's insistence, the younger Adams remained in the diplomatic corps even after the elder Adams ascended to the presidency in 1797. (Father and son had fretted over the appearance of favoritism.) Only after Jefferson's election did JQA again come home—where he quickly threw himself into politics, winning election to the Massachusetts state senate in 1802 and to the United States Senate a year later.

Under the burden of his parents' desires (and, after 1797, under the burden of a tense marriage to Louisa Johnson, the daughter of an American consul), JQA went to pieces from time to time. The evidence in the diary, as retrieved by Nagel, is unmistakable. Beginning in 1788, when his miseries grew so severe that he had to withdraw temporarily from Parsons's law academy ("God of Heavens . . . take me from this world before I curse the day of my birth"), Adams repeatedly succumbed to fits of anxiety and remorse. He would reproach himself mercilessly

ing strenuously. (He became an avid swimmer.) As he grew older, he also mastered a public demeanor of icy restraint. Nagel finds that, contrary to the conventional historical wisdom, the private JQA, surrounded by close friends and family members, was an amiable and appetitive man, with passions for good drink, good conversation, and good (conjugal) sex. Outside his inner circle, however, Adams acted aloof and irritable. Sometimes, while on diplomatic missions, he ate his evening meals alone, in order to avoid his colleagues' post-prandial bad wine, cheap cigars, and vulgar talk. At other times, when, as he put it, he was not "master of myself," he would lash out rudely at any apparent slight or stupidity. Quick to anger, he would hold grudges for years, even decades, against those he believed had treated him disrespectfully.

Yet Adams, who was exquisitely aware of his "over-anxious" disposition, also admired the "deliberate coolness" and the "real self-command" that he observed in others; and he did his best to hold his emotions in check, fashioning and then donning the Iron Mask that left the rest of the world wondering what was actually on his mind. The Mask proved a valuable tool in diplomatic and political negotiations. Forced to resign from the Senate in 1808 by Federalists angry at his support of Jefferson's embargo, Adams delivered his lectures and licked his wounds at Harvard, only to be persuaded the following year by Jefferson's successor James Madison to take charge of the American Ministry in Russia. Thereafter JQA's career turned into a string of brilliant triumphs, as a commissioner to the Ghent treaty negotiations, as American minister to Great Britain, as Secretary of State (and architect of important treaties with Britain and Spain, as well as of the Monroe Doctrine), as victor in the fractious presidential campaign of 1824.

If JQA's successes owed something to his overcoming of himself, they also owed a great deal to his political ideas, which the psychologizing Nagel inevitably slights. Simply put, Adams was the



JOHN QUINCY ADAMS BY VINT LAWRENCE FOR THE NEW REPUBLIC

for the tiniest of slips: for boastful remarks at dinner, for the mishandling of a minor piece of diplomatic correspondence. His imperfections plunged him into sleepless nights, when he despaired over his utter worthlessness. In his blackest moments, he would copy out excerpts from his favorite poets and playwrights, including these lines from *Henry IV, Part II*: "Oh gentle sleep/Nature's soft nurse, how I have frightened thee/That thou no more wilt weigh mine eye lids down/And steep my senses in forgetfulness."

Adams battled his depressions with valerian root tea and quinine, and with rising early in the morning and exercis-

boldest and most consequential American nationalist of his time. It was his belief in the United States's destiny as a world power that first led him to break with his Anglophilic Federalist colleagues and support Jefferson's embargo. The same belief inspired his greatest achievements as Secretary of State, including the Spanish cession of Florida and the enunciation of the Monroe Doctrine (which might be more properly called the Adams Doctrine) that "the American continents are no longer subjects for any new European colonial establishments," though the United States could intervene in the Western Hemisphere as it saw fit. The same belief led him, as president, to propose a shockingly ambitious program of federal spending on roads, canals, observatories, and a national university, the better to unite the country's various regions, accelerate commerce, and improve the national intellect.

Closely linked to Adams's nationalism was his patrician conception of American politics. Although he gradually backed off from the quasi-Burkean traditionalism of his youth, Adams never put much faith in the political wisdom of the common man, and he put even less in the machinations of professional politicians. Not that he abjured political conflict. Repeatedly, in his diary and in his letters, JQA displayed his enthusiasm for the political fray. In 1811, he actually declined Madison's offer of a seat on the Supreme Court because, he wrote privately, "I am ... and always shall be, too much of a political partisan for a judge." But Adams's vision of orderly politics was a high-minded one, in which enlightened, patriotic gentlemen from around the nation—gentlemen such as himself—would assemble at the capital, and then tug and pull and settle American policy. He despised party electioneering and pork-barrel negotiations and the corruption known as patronage. He appeared to think of politics and government as drawing-room diplomacy by other means.

And here lay the cruellest irony of Adams's career: the patrician nationalism that had served him so brilliantly as an ambassador and as Secretary of State proved disastrously out of touch with the nation's democratizing realities when Adams was in the White House. In 1824, Adams ran for president against three other nominal Jeffersonian candidates (loosely called Democratic-Republicans)—Henry Clay, the Speaker of the House; William H. Crawford, the Georgia Congressman; and General Andrew Jackson, the war hero. Jackson won a convincing plurality of the popular vote, with Adams running second, but

the Tennessean failed to gain a majority in the Electoral College, leaving the outcome to be decided by the House of Representatives. After some hesitation, Clay threw his support in the House to Adams, thereby ensuring JQA's election, and shortly thereafter Adams named Clay as his Secretary of State.

Adams saw his choice of Clay as a healing act of statesmanship; and on a similar lofty non-partisan note, he spurned patronage requests from his own supporters (who had begun to adopt the name National Republicans). But he had left himself vulnerable to vicious Jacksonian charges that he had reached a "corrupt bargain" with Clay, as well as

to charges of disloyalty from his erstwhile political friends. The Clay affair badly damaged Adams's presidency even before he was sworn in. And not long afterward, JQA's pursuit of an idealistic, nationalist domestic program sealed his administration's doom.

In the mid-1820s, the United States was still recovering from the devastating effects of the Panic of 1819 and the ensuing commercial depression, as well as from the political crisis that had surrounded Missouri's admission to the Union as a slave state in 1821. Workingmen and small farmers, ruined by the panic, blamed their distress on centralized federal policies, especially the poli-

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cies of the quasi-public Second Bank of the United States. Southerners, meanwhile, wary of Northern aggressiveness over the slavery issue, regarded any expansion of federal power as an ominous pretext for the abolition of slavery. Yet here was a freshly inaugurated president—a New Englander who had won less than 40 percent of the electorate's votes—calling for federal improvement programs on a dazzling scale. Not surprisingly, Adams's proposals got nowhere in Congress.

Bitterly disappointed, and more certain than ever that history would judge him a failure, Adams fell into yet another severe depression. Haggard in visage, his appetite gone, his clothes hanging on him like sacks, he endured his last months in office and his reelection effort thanks mainly to his reserves of family pride, his adamant sense of duty and discipline, and a determination that someday, somehow, he would get even with his traducers, completing his presidency with his campaign's pathetically amateurish efforts at assassinating Andrew Jackson's character.

Thus it was John Quincy Adams's politics (and his ideas about politics) as much as his gloomy psychology that proved so costly in the late 1820s. Yet it was also politics (and ideas about politics) that would help him revive his reputation and his *amour propre* after 1830, when he emerged as an anti-slavery stalwart. That revival, however, was the result of an unlikely and important turn of events—Adams's intense participation in a now largely-forgotten populist cause, the Anti-Masonic movement.

III.

Adams's formal involvement with Anti-Masonry began in 1831, just as he recovered from the worst torments of his much-tormented life. His final year as president had been a living torture, as political setbacks and public ridicule dragged him down. His long-foreseen defeat actually brought him a measure of relief; but that relief was dashed the following spring by the outbreak of a controversy concerning his alleged condemnation of some prominent old New England Federalists, followed by the final breakdown and suicide of his deranged eldest son, George Washington Adams.

Heartbroken once more, and almost broke, Adams gradually pulled himself together by indulging his natural aptitude for political maneuvering. He was unable, as his wife later remarked, "to bring his mind to the calm of retirement ... without risking a total extinction of life." In 1830, at the urging of his fellow National Republicans (and with the sup-

port of the local offshoot of the burgeoning Anti-Masonic movement), Adams won a seat in Congress by a landslide. "My election as President of the United States," he wrote in his diary, "was not half so gratifying to my inmost soul."

Within weeks, Adams found himself having finally to make up his mind about the Anti-Masons. Anti-Masonry had been on the march throughout New England and western New York since the mysterious disappearance of the dissenting Mason William Morgan, in Batavia, New York in 1826, and then the alleged cover-up of his alleged murder. Tapping into a pious, rural anti-elitism that had been fueled by the revivals of the Second Great Awakening, and by the extremely secular tensions of rapid commercial development, Anti-Masonic organizers, including Thurlow Weed, turned the justified suspicions and resentments over the Morgan affair into a full-fledged popular cause, attacking Freemasonry as a sinister, aristocratic conspiracy against American liberties, and denouncing, among others, the active Mason and the former Grand Master of the Grand Lodge of Tennessee, Andrew Jackson.

In the election of 1828, the aggrieved Anti-Masons had tried to deliver their support to the non-Mason candidate, President John Quincy Adams. Eager to gain anyone's backing, Adams went so far as to denounce secret societies, even promising to divulge the secrets of Phi Beta Kappa, while Jackson stoutly defended his Masonic membership. But there were numerous Masons inside his own campaign, and so Adams refrained from attacking the Masonic order by name, and a formal alliance between grassroots Anti-Masons and the Adams forces failed to develop. The Anti-Masons took to the hustings as an independent organization, won state and local offices, supplanted the National Republicans as the chief opposition to the Jacksonians in New York, and began gearing up for a national campaign in 1832.

In Massachusetts, meanwhile, where statewide support for the Jacksonians was feeble, the Anti-Masons emerged as the National Republicans' main rivals. By early 1831, just after Adams's election to Congress, the divisions in Massachusetts between National Republican insiders and Anti-Masonic insurgents had turned into a full-fledged political brawl. Adams, unexpectedly, threw in his lot with the insurgents. In May 1831, he attended an Anti-Masonic convention at Faneuil Hall; four months later, he described himself as "a zealous Antimason," and he began to produce energetic pamphlets and newspaper essays denouncing Masonry as anti-republican.

There was certainly something odd about Adams—a one-time Harvard professor (and member of the American Academy of Arts and Sciences), a long-time champion of federally sponsored economic development, and, since the 1790's, an outspoken foe of visionary, class-based politics—joining a movement that had been initiated by poor farmers against the rich and the privileged, a movement that was happy to proclaim, in the words of one Anti-Masonic editor, that it represented "the lower classes ... for in this country the lower classes are the head of all." There are some unintentionally amusing passages in Adams's diary from 1831, describing his travels by chaise from Quincy to attend Anti-Masonic meetings in Boston, where he was surrounded by roughhewn men whom he knew not at all, and where "none of the aristocracy" was present. It was not the sort of political meeting that the Massachusetts mandarin was accustomed to attending. Nor does it appear to have been anything more than an accident that Adams was not himself a Mason. (His father had failed to join, but not out of a principled objection; and had the father become a Mason, the son would almost certainly have followed suit.)

To some extent, Adams's new-found Anti-Masonic loyalties may have been (as Charles Francis Adams feared that they would be perceived to be) the product of cold political calculation. Anti-Masonic candidates had captured absolute majorities in eleven of the twenty-four towns located in Adams's congressional district, and enjoyed substantial support in the others. At the national level, the Anti-Masons would help keep opposition to the Jacksonians from coalescing around Henry Clay. But if Adams expected that Anti-Masonry would advance his own career, he was sorely disappointed. Although he flirted with gaining the Anti-Masonic presidential nomination in 1832, his way was blocked by Weed and his New York protégé William Seward, who considered Adams a proven national loser. Adams did win the Anti-Masonic nomination for the Massachusetts governorship in 1833, but he gained less than a third of the total vote in the general election, running well behind the (eventually victorious) National Republican. Meanwhile, despite these defeats, Adams continued his attacks on the Masons through 1835, when the Anti-Masonic enthusiasm began to wane; and he would never retract those attacks.

Adams's delayed but ardent conversion to the Anti-Masonic cause must be judged sincere, chiefly because he found Anti-Masonry so compatible with his own well-established political, social, and ethical views. Although he was, by any reasonable standard, a member of the

New England elite, and even with all his reserve and old-fashioned classicism, Adams was actually the least pompous of the early presidents. He was the first to wear trousers instead of knee-breeches, and he thought nothing of swimming nude in the Potomac. His national development policies promised to quicken the sort of top-down economic changes that so many grassroots Anti-Masons found threatening, but Adams was no pro-business Webster-Clay Whig. He was pre-eminently a moralist, who declared that government by wealth was a terrible thing, and who viewed national economic improvement as an instrument for national mental and moral improvement.

Adams's religious outlook—a deep, post-millennial, morbidly self-examining liberal Calvinist piety—merged easily with the “new measure” evangelicalism and “effort Calvinism” that were sweeping through Anti-Masonic strongholds in New England and New York. (Charles Finney, the great evangelist of the Burned-over District and a one-time Mason, broke with the Order and denounced it in terms similar to Adams's, strongly enough to provoke threats on his life.) Armed with that reformist piety, Adams beheld (like the grassroots Anti-Masons) an American political order that, under Andrew Jackson and his friends, had been corrupted by secret cabals of unprincipled spoilsmen and hacks, men who spread “the baneful weed of party strife” in order to advance their personal fortunes at the expense of the common good.

By these lights, Adams did not interpret the Anti-Masonic movement as many old-line ex-Federalists did, as a crude and noisome threat to a virtuous and orderly government. For Adams, Anti-Masonry was the vindication of a virtuous and orderly government. And the movement had the additional merit of melding perfectly with Adams's injured pride. As he regained his political footing after 1828, Adams cultivated his rage and his resentment against three groups of local and national foes: old-line New England Federalists, especially in Boston (many Masons among them), who had regarded him as an apostate ever since he supported Jefferson's embargo; pro-Jackson slave-holders and their Northern sympathizers (many Masons among them) who had turned him out of the presidency; and his longtime opponents for the leadership of the nation's National Republicans, chief among them the Mason Henry Clay.

Thinking about these villains sometimes drove Adams to distraction. “Among the dark spots in human nature

which, in the course of my life, I have observed, the devices of rivals to ruin me have been sorry pictures of the heart of man,” he thundered in his diary in November 1835. In an eerie presentiment of modern-day enemies' lists, Adams proceeded to name names:

[F]rom the day that I quitted the walls of Harvard, Harrison Gray Otis, Theophilus Parsons, Timothy Pickering, James A. Bayard, Henry Clay, Jonathan Russell, William H. Crawford, John C. Calhoun, Andrew Jackson, Daniel Webster, and John Davis, W.B. Giles, and John Randolph have used up their faculties in base and dirty tricks to thwart my progress in life and destroy my character.

Politically, it was a strikingly disparate collection of antagonists, running all the way from the crustiest of Boston Federalist snobs to the fiery southwestern democrat Jackson—but political Anti-Masonry offered Adams a means to fight them all at once.

By the time Adams drew up his catalogue of demons, however, political Anti-Masonry was on its last legs. Success quieted the movement, as New England legislatures took steps to curtail the giving and the receiving of Masonic oaths, and lodge membership figures plummeted. In Massachusetts, meanwhile, Daniel Webster secured the political predominance of the mainline National Republicans when he crushed an Anti-Masonic effort to elect Adams to the Senate in 1835—a move that led some embittered Adams supporters, including Charles Francis Adams, to advocate backing the Jacksonian Martin Van Buren instead of Webster for the Presidency the following year. Adams could not bring himself to support Jackson's hand-picked successor and he stayed neutral in 1836. Thereafter, realizing that Anti-Masonry had no political future, Adams, like most of his fellow Anti-Masons, joined Webster and Clay in the newly organized Whig party.

The alacrity of his switch has led some historians to conclude that Anti-Masonry had been nothing more than a fleeting political dalliance for Adams, “an outlet,” as his greatest biographer, Samuel Flag Bemis, wrote, “for his compulsive genius for political contention.” In reality, however, Adams's Anti-Masonic interlude (like that of so many Anti-Masons) was a profound transition that would mark him for the remainder of his life. Joining the Whigs hardly led Adams to abandon the anti-party political moralism that had drawn him to Anti-Masonry in the first place, and that the movement impressed on him all the harder. Indeed, Adams's distaste for what he called “mere parti-

zanship” distanced him, at first, from some of the more democratic innovations which former Anti-Masons helped introduce to Whig politics. He recoiled, for example, at what he deemed the Whigs' rabble-rousing, much of it coordinated by men like Weed of New York and Thaddeus Stevens of Pennsylvania, which far exceeded what his National Republican friends had attempted in 1828—the gargantuan rallies and “ball rollings,” the endless rounds of stump speeches by candidates and their supporters, along with what he called, amid the Whigs' famous Log Cabin campaign of 1840, the “immense unwieldy mass of political machinery” that “accomplish[ed] nothing.”

Inside the Congress, meanwhile, Adams continued to fancy himself an elevated, independent man of principle, whose course had put him (as he told Charles Francis Adams in 1835) “to the ban of *all* Presidential parties.” For all of his hauteur, however, Adams had learned, as an Anti-Mason, to work with resourceful democratic organizers, and, in Congress, to work with fellow representatives toward contesting for power and toward mobilizing public opinion on behalf of a patriotic ideal. Although he voted with the Jacksonians on few occasions, 90 percent of his roll-call votes in Congress were in line with the rest of the opposition; Adams obeyed what he called “the bugle horn of party” far more consistently than most of the supposedly disciplined Jacksonians did. And along with other rock-ribbed “anti-party” Whigs, Adams gradually softened his stance about political parties in elections. As the *American Review* put it in 1845, whereas a “party” was organized around principles, and hence was something noble, a “faction” was organized solely for patronage and placement, and hence was corrupt. (Needless to say, the *Review* went on to explain that the Whigs constituted a party and the Jacksonian Democrats a faction.)

With this distinction in mind, Adams became a much more fervent Whig in the early 1840s, delivering unvarnished partisan speeches, telling his constituents that he gloried in the name “Whig,” and even (in the 1844 election) taking to the stump on behalf of the Whig national ticket. Unlike the Democrats, he declared, the Whigs had principles, and the great principles for which the Whigs stood, as Adams saw things, were free speech and anti-slavery. And those were the principles which had become Adams's political passions, in his fight against the notorious gag rule, and in his legal work on behalf of thirty-nine African rebels on a Cuban slave ship, the *Amistad*.

IV.

Steven Spielberg's *Amistad* is a big, persuasive rendering of history. To be sure, it is a Hollywood movie, and so it does not lack tacky foreshortenings and other distortions of the historical record. Interestingly, the tampering is far more evident in connection with the American characters than with the captive African rebels, whose seizure of *La Amistad* set the affair in motion. The filmmakers seem to have taken special care to make sure that the Africans acted authentically—in the shipboard uprising, and in the Africans' recapture by American officials in Long Island Sound, and in the courtroom trials that eventually secured the rebels' freedom. These actors speak in African tongues (there are subtitles), and members of different clans are shown sometimes fighting among themselves, and exploring (with wit as well as pathos) how to make sense of their weird situation in a cold and exotic land.

By contrast, President Martin Van Buren, as played by Nigel Hawthorne, comes off more like an amiable buffoon than like the shrewd backroom politician that Van Buren was; and Van Buren's presidency seems to last a year longer than it did. (The film does accurately convey Van Buren's hopelessly equivocal stance on slavery.) Matthew McConaughey's portrayal of Roger Sherman Baldwin, the abolitionist attorney, as an obscure, scruffy young lawyer—whom some of the Africans dub, in Mende, "Dung Scrapper"—is historically absurd. (The actual Baldwin, who was 46 and a distinguished public official at the time of the *Amistad* uprising, was the scion of a prominent Connecticut family, and would be elected the state's governor three years after the *Amistad* case was settled.) Some of the film's political trappings are anachronistic. (Van Buren was a Jacksonian in good standing, but he did not kiss babies on the campaign trail.) JQA's moving final arguments before the Supreme Court on behalf of the Africans fill several minutes in the movie, whereas JQA's actual speech lasted nine riveting hours, and stretched out over two days. The film shows Adams face-to-face with Joseph Cinqué (Sengbe, in Mende), the rebels' leader, but there is no historical evidence that the two men ever met.

Still, the film's lapses and manipulations are excusable, because it has succeeded in capturing the political and cultural nuances of the *Amistad* affair and the state of the anti-slavery struggle twenty years before the Civil War. *Amistad* is not merely Spielberg's effort to do for slavery what he did for the Holocaust; this is not *Schindler's Ship*. Better than anything on film that I have seen, *Amistad*'s

scenes involving a fictional black abolitionist (played by Morgan Freeman), the real-life white anti-slavery leader Lewis Tappan, and a collection of pious rank-and-file activists evoke the mixture of sanctimony, stamina, and racial idealism that drove the radical abolitionist movement. Slave dealers (black and white), festive crowds at the Havana slave market, even minor characters such as a British naval officer intent on enforcing the ban on the Atlantic slave traffic—all are presented realistically; and thrown together, they challenge the racial stereotypes that distort contemporary American discussions of race, not least in Hollywood.

Anthony Hopkins plays JQA superbly, though there is too much Welsh in his curmudgeonly Boston accent. The screenplay is vague about JQA's anti-slavery commitments during the three years before the *Amistad* case, and in this way the movie somewhat diminishes Adams's historical role. Still Hopkins uncannily projects Adams's suppressed agonies as well as his querulousness, his zest for scholarship as well as his zest for political intrigue, his pragmatism as well as his idealism. Discounting the fictionalized scenes with Cinqué and a few other flights of fancy, the film is reasonably true to JQA's anti-slavery politics. What is missing is any forthright explanation of how and why America's greatest nationalist managed to get involved with anti-slavery in the first place, and what difference his involvement made.

Prior to 1831, Adams publicly displayed no interest in promoting or even defending any anti-slavery cause. His parents, and especially his mother, had certainly passed along to him their anti-slavery views. In 1820, during the debates that led to the Missouri Compromise, he did have some fascinating conversations with John C. Calhoun, after which he remarked in his diary on the perversion and the hypocrisy of the slave-holders, and noted that "if the Union must be dissolved, slavery is precisely the question upon which it ought to break." Yet Adams, the nationalist, ended up endorsing the Missouri Compromise, thereby adding to a long record of seeming indifference on slavery and its spread.

If Adams had died in 1831 instead of going to Congress, as the historian Leonard L. Richards has observed, "he might have come down in history books as a fence straddler, or even a proslavery Northerner, rather than an antislavery man." Nor, after his arrival in Congress, did Adams think highly of the radical abolitionist movement, least of all its great immediatists William Lloyd Garrison and Lewis Tappan, whom Adams regarded as fanatics dedicated to de-

stroying political decency, social stability, and the nation itself. (Still, Adams refrained from publicly joining the anti-abolitionist chorus of old-line Whigs and racist Democrats.) As late as October 1835, he assured his constituents, and himself, that he had no intention of getting mixed up in what he called the "Slave and Abolition whirligig."

As historians of the period know well (but Spielberg does not make clear), it was not slavery that first galvanized Adams, it was the gag rule over anti-slavery petitions that was enacted only weeks after his "whirligig" remark. Beginning in the mid-1830s, the newly-formed American Anti-Slavery Society, headed by Tappan, organized huge congressional petition drives, demanding (among other things) the abolition of slavery and the slave trade in the District of Columbia. Southerners, furious at what they perceived as Yankee arrogance and worried that the abolitionists might stir up slave insurrections, demanded retaliation; and in December 1835, J.H. Hammond of South Carolina (a close ally of Calhoun's) initiated an effort that led to the adoption of a House rule automatically tabling all abolitionist petitions.

Horrified at the Southern onslaught against the people's right to petition, Adams fought back from the floor; and for the next eight years he was the moral and logistical leader of the anti-gag rule forces inside the House, ending his crusade only when the rule was finally overturned in 1844. The gag rule fight was well-suited to Adams, as it allowed him to vent his moral objections to the slave-holders and—by extension, to slavery—without raising an issue that contradicted his nationalist principles. As a result, a historical image of JQA has emerged, based partly on hasty readings of his diary, as the lonely congressional voice of conscience—not truly an abolitionist, but enough of a defender of free speech to defend the abolitionists' right to dissent.

This image is misleading. For one thing, Adams was not really alone, even inside the House. From the very beginning of the gag rule fight, he was joined by a small group of little-known but determined Northern Whigs, including one William Slade of Vermont, who consistently spoke up and voted against the gag rule. Significantly, these men were not mainstream Clay-Webster Whigs, but men with Anti-Masonic backgrounds like Adams, who represented districts where Anti-Masonry had been particularly strong. And in Congress these men (with Adams acting as their chief spokesman) managed to gain the support of a large majority of Northern Whigs, opening up

a wedge of sectionalism that would only widen in the coming years.

Although Adams's respect for the Constitution always kept him from endorsing abolitionism, his thinking and writing increasingly concentrated on the slaveholders and their (mostly Jacksonian) Northern friends as a new conspiracy against American liberties. The Slave Power, headed by Calhoun—"the high priest of Moloch," JQA wrote in his diary, "the embodied spirit of slavery"—had displaced the Masonic Power as the great political evil of the day. Numerous historians have remarked that Anti-Masonic Whigs remained moralistic crusaders, and that they imparted to Northern Whiggery a strong anti-slavery spirit. That imparting had its earliest and most significant effects in Adams's and his colleagues' fight against the gag.

Never one to squander a political opportunity, Adams made the most of the controversy, baiting his Southern colleagues, pulling oratorical and procedural stunts on the floor of Congress—knowing all the while that, though he might be ruled out of order or even shouted down, his performances would be reported to the country, burnishing his name and rallying support to his cause. As in his Anti-Masonic days, he had found an issue—and, as he saw it, a conspiracy—that gathered together all of his enemies, from Jacksonian Democrats to conservative Whig gentlemen of property and standing. He quickly began to reinterpret his own life to reflect that issue, charging that it had been "the Sable genius of the South" that undid his presidential administration.

But Adams said and thought and did all of these things in a political world that was very different from the one in which he had grown up. In the new world, clever and demagogic appeals to the people had become an essential part of everyday politics. In his own Olympian way, from Washington and from his home base in Quincy, Adams had learned to participate in that world—certain that he was standing up for principle, not for "mere partizanship." This he would continue to believe until the day he died, accomplishing the repeal of the gag rule in 1844, fighting the annexation of Texas in 1845, and opposing the Mexican War. And so his efforts, and those of other so-called Conscience Whigs, would arouse a growing Northern anti-slavery constituency, leading to the formation of the Republican Party in the 1850s.

The *Amistad* affair was an important step in that long political progress. As the new film shows, JQA was reluctant to take the case. He was too old, he told the abolitionists; his eyesight was

failing, his memory was weak. Yet here once again, as in the gag rule fight, JQA had an opportunity to fight the Slave Power without compromising his nationalism or attacking the Constitution. And once again, after taking the Africans' case, he played his Ciceronian role to the hilt, working long hours to prepare his oral arguments for the Court, delivering those arguments with a flourish (before a jammed courtroom that had turned, according to one onlooker, into "a theater of great interest"), and, after the justices ruled in the Africans' favor, helping to distribute published versions of his remarks around the North in order to advance the anti-slavery movement.

The *Amistad* incident is important to the understanding of the most excruciating issue in American history; and it also holds the key to the enigma of John Quincy Adams. Adams's recovery in the 1830s was not, as Nagel suggests, a matter of his finally mastering his depressive disorders. Nor was it chiefly a matter of an embittered Adams lashing out gleefully in his old age against his old enemies (although there was an element of that). His achievements were finally neither psychological nor narrowly political. By means of his involvement in Anti-Masonry, Adams had made his transition into the new political world of the demo-

cratic republic—and, in that new context, he made the best use of his authority and his skills, in the House and (during the *Amistad* battle) in the Supreme Court. It was enough to make him a popular hero; and it was enough to make him deserve to be one.

Adams's story was an illuminating part of a larger national story. More than most historians have conceded, and more concretely than any historian has yet detailed, the popular political movements of the early nineteenth century had a decisive effect in shifting the terms, the issues, and the practices of American politics. The rise of Jacksonianism was an outstanding example of those effects—but so were a variety of other political developments that were fiercely anti-Jacksonian, including the rise of political anti-slavery, all of which raised the expectations of voters about politics and about the role of The People in the governmental process.

As the example of John Quincy Adams makes clear, those effects touched every level of American politics, including at least a few men whose entire political careers had made them suspicious of the people. In time, the effects would be revolutionary. To be sure, the designers of the democratic party system that arose in the 1830s did not have revolutionary

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intentions, least of all about slavery; but the democratic impulses that helped create the new politics, and that the new politics in turn encouraged, could not be easily controlled. And the elitist attempt to do so only inflamed the body politic more, to the point of secession, war, and emancipation.

John Quincy Adams had prophesied as much in the late 1830s and 1840s. He noted in his diary that American democracy could never permanently tolerate human slavery, and that the vulgar politicking of the new partisans would eventually tear the country apart. "Where will

it end?" he wrote of the new style of democratic electioneering in 1840. "These meetings cannot be multiplied in numbers and frequency without resulting in yet deeper tragedies. Their manifest tendency is to civil war." He was right. And he would play his part in making it so, though not in any manner that he could have foreseen when he began his anti-slavery work. Perhaps it is not so far-fetched, after all, to imagine a conversation between John Quincy Adams and Joseph Cinqué. From the standpoint of social justice, the mandarin and the rebel were collaborators in America's future. •

The Stain

BY ANTHONY PAGDEN

The Slave Trade

The Story of the Atlantic Slave Trade: 1440-1870

by Hugh Thomas

(Simon and Schuster, 908 pp., \$37.50)

Today slavery seems unthinkable. The idea that it might exist anywhere in the world would shock most people as much as the discovery that there were still places afflicted by the bubonic plague, or places where people were burned alive for their religious beliefs. Yet scarcely more than a century ago it was still possible—for some at least—to look upon slavery as a regrettable but inescapable part of the human condition. The slave trade was effectively over by 1870 (the last verified landing was in Cuba in January of that year); but slavery itself survived in Brazil until 1888, and it was not until 1890 that the General Act of Brussels committed the European colonial powers in Africa to stamping it out in their territories, thereby transforming the abolition of an institution that was for so long the mainstay of the European empires into a part of their "civilizing mission."

Slavery was not only vital to the imperial economies of all the major European powers. It was also an integral and largely unnoticed feature of European life. Thomas Bertram, in *Mansfield Park*, was not the only polished English gentleman to make a fortune out of forced labor, nor was Jane Austen's failure to make any comment on the sources of Bertram's wealth remarkable. His plantations in Antigua exist only to indicate what a good match his son is. It was the fact that the benefits to be derived from

slavery were in this way so plentiful, and yet could be consumed many thousands of miles from their source, that made abolition such a difficult and protracted task. The suffering that slavery and the slave trade imposed upon millions of Africans was almost invisible, though there was plenty of evidence of it for anyone who cared to see. The enlightened theatergoers of Paris, complained Diderot in the middle of the eighteenth century, were prepared to weep their eyes out over the fate of Phaedra, but gave not a thought to the poor African. "It is only the fatal destiny of the unhappy Negroes which is of no interest to us."

This invisibility was partly the consequence of a history that reached back to the ancient world. Modern Europeans may have been unusual in the vast number of peoples that they enslaved in the course of their history; but they were certainly not unusual in building a great, expansive civilization on slavery. Before the creation of modern technologies, few large-scale urban or agricultural developments were possible without the use of massive resources of human labor. And such labor could rarely be acquired voluntarily. Slaves, even when purchased (and until the fifteenth century the vast majority were taken in war), were expendable, and they could be driven to work longer and harder than free men or women. The empires of Egypt and Babylon, Greece and Rome could not have spread far beyond the limits of their

own ethnic regions without the extensive resources provided by costless, and more importantly subservient, labor.

Ancient slavery was in crucial respects unlike modern slavery. In the ancient world, there were many different forms of indebtedness. Most slaves in antiquity, it is true, performed menial mechanical tasks; and most, too, lived lives of abject misery. Like their modern counterparts they were, in law, not persons but things, of which their masters could dispose at will. Yet a large number of slaves in antiquity also occupied positions of considerable responsibility and relatively high social standing. The Romans employed Greek slaves as tutors and household administrators. Athens in the fourth century BCE was policed by a body of three hundred Scythian archers who were slaves. Cicero's confidential secretary, who invented a form of shorthand that was named after him, was a slave called Tiro. And the situation was similar in the Near East. The Abbasids and the Ottoman Turks created slave armies, which in the former case finally seized control of the state. Slaves in the ancient world also came from a wide variety of places, from Gaul and Germany, from Scythia and Namibia, from Carthage. They brought with them different skills, some of which became vital to their masters, and they spoke different languages.

With the collapse of the Roman Empire in the West, this diversity rapidly vanished within Europe itself. The Germanic tribes that took possession of the empire had none of the resources or the ambition to acquire or to control the vast slave populations that had sustained the extensive building programs, civic projects, and urban styles of life of those whom they had vanquished. Early medieval European slaves were employed predominantly as agricultural laborers, and they worked alongside a legally free peasant workforce. By the end of the middle ages, even this form of field slavery had been driven out by the spread of feudalism, the expansion of an agrarian economy, and new agricultural technologies. Most landowners soon discovered that serfs, or indentured peasants, whose legal status was barely distinguishable from that of slaves, were easier to control than slaves and were generally more productive. Slaves still continued to function as domestic servants; but by the early twelfth century the institution had ceased to fulfill any significant economic function.

When, in the middle of the fifteenth century, the Portuguese began to introduce black African slaves into Europe, they did so at first in relatively small numbers, so as to satisfy this lingering domestic market. It was the massive expansion of a new product, sugar, and the creation

enough at his 1983 trial to convince the jury that she had not been raped before her death.

Thompson had maintained the two had consensual sex before her murder.

The 9th Circuit majority said that had his lawyer convinced the jury that no rape was involved, Thompson would have received a long prison term, not a death sentence.

On Tuesday, the Supreme Court was not interested in retrying Thompson. The hourlong argument focused on the peculiar procedural aspects of the case.

"It is a rather messy story," conceded Los Angeles attorney Gregory A. Long, who represented the Death Row inmate.

In August, the 9th Circuit Court explained that two judges wanted to vote in March to reconsider the final ruling rejecting Thompson's claims, but they failed to respond before the deadline for reconsiderations had expired.

"Due to this procedural misunderstanding within our court," the 11-member panel did not convene when it should have in Thompson's case, wrote Judge Betty B. Fletcher of Seattle. In this "exceptional circumstance," the appeals court is empowered to revoke its own final order and to reopen a case, she wrote.

The Supreme Court will meet later this week to vote on the case of Calderon vs. Thompson (97-215). A ruling can be expected in several months.

Council Wants Moviemakers Exempt From Firearms Law (Los Angeles) By Beth Shuster (c) 1997, Los Angeles Times

LOS ANGELES Less than 24 hours after a 7-year-old boy was killed by two men firing assault weapons at a third person in an Inglewood recreation center parking lot and a 34-year-old man died after a verbal confrontation on a Compton street, the Los Angeles City Council Tuesday agreed to exempt moviemakers from a new law aimed at restricting the use of such firearms.

Even though the violence this time occurred outside city boundaries, some City Council members opposed to the exemption linked those outbreaks to what they see as the "glamorization" of weapons in films and on television. As a result, they said the entertainment industry should be included in tough gun laws.

Most city lawmakers, however, said while they are extremely concerned about the recent violence on the streets, as well as on the screen, they did not believe that a line could be drawn by denying so-called action filmmakers the exemption.

"I believe very strongly that there is too much violence portrayed in movies and elsewhere," said City Councilman Mike Feuer, who authored both the gun law and the amendments approved Tuesday. "But one doesn't address that violence with this. ... It's a much deeper question. There are other means that are more appropriate and I will be involved in that."

But Councilman Mike Hernandez, who voted against the exemption, said he found it "ironic" that the council was being asked to make it easier for filmmakers to portray high-powered guns and violence, while at the same time the council is trying to reduce such violence on the streets.

Under the amendments approved by the council Tuesday, the entertainment industry, as well as historical societies and museums, would be exempted from the city ban on the transfer and sales of clips or magazines with a capacity of more than 10 rounds of ammunition.

The exemption allows filmmakers to use the high-capacity weapons with blanks and to freely move them around the city. If the industry had not been exempted, just taking the magazines and clips from one location to another would have been illegal.

The changes now go to Mayor Richard Riordan.

While some said the industry should be encouraged to show the detriments of gun violence, others said they don't see a connection between entertainment and street violence.

"None of the homicides we've investigated recently relate back to the movies," said Lt. Danny Sneed of the Compton Police Department. "It almost always goes back to a problem between gangs."

Still, some council members said the entertainment industry has a responsibility to young people to decry rather than glamorize violence.

Beltway Insiders Targeted by Global Warming Ads
(Washn) By James Gerstenzang (c) 1997, Los Angeles Times

WASHINGTON It's a strange business, this effort to turn public opinion on the subject of global warming. Take, for example, the just-concluded series of television advertisements reducing the complexities of the debate to 30-second spots intended to scuttle any international agreement.

They were shown over two months leading up to the the talks now under way in Kyoto, Japan, intended to produce such a pact by Wednesday.

One showed the price of a gallon of gasoline being raised from \$1.29 to \$1.79. Another depicted an oversized scissor cutting China out of a world map, a bid to drive home the prospect that a global warming accord might not apply to developing nations.

Were they effective?

"The advertising program worked in crystalizing people's opinions," said Red Cavaney, the president of the American Petroleum Institute, the oil industry's lobbying arm in Washington.

Well, not exactly.

One poll found that only 6 percent of the population recalled seeing the ads and of that 6 percent, two-thirds said the commercials did not influence them.

But that wasn't the point.

Even if public opinion was not immediately swayed by the \$13 million campaign sponsored by oil, auto and coal companies and several labor unions, the money was hardly wasted. That's because the ultimate target of the ads is reflected in their display: The spots ran on the Cable News Network and in time slots adjacent to Sunday morning public affairs programs, outlets that attract Washington politicians and policy wonks.

"Issue advocacy advertising of this sort does not have attitude change by the public as its objective," said Kathleen Hall Jamieson, dean of the University of Pennsylvania's Annenberg School for Communication. "They're not trying to influence the public. They're trying to influence" policymakers and legislators.

The ads seek to do so, Jamieson said, by "creating the illusion" that they reflect public concern. That is why such advertising is known in the political communications business as "Astroturf TV." It looks like real grass-roots lobbying, but it is synthetic.

The global warming ads came with a notable pedigree. They were put together by the Goddard Claussen agency, a Los Angeles public affairs company. It created the "Harry and Louise" ads that, by using actors to portray a worried middle-aged couple, were so effective in raising skepticism about President Clinton's bid to reform health care four years ago.

The central elements in the global warming series were predictions of shockingly higher gasoline prices, the exemption of developing nations from any role in curbing climate change, and the failure of small businesses as a result of higher energy costs.

Such results have not been established as inevitable in whatever might emerge from Kyoto. But an industry-sponsored study cited in the ads portrayed each as possible, and that was enough to give the assertions an aura of indisputable fact.

Did they succeed? On this two people whose views have little else in common on global warming find agreement: Phil Clapp, president of the National Environmental Trust, an environmental education organization, and Ben Goddard, whose agency created the ads.

The ads reached television screens just as the Clinton administration was putting together its negotiating position, which drew sharp criticism from environmentalists who said it did not go far enough to counter the effects of global warming.

"The president began to adopt that position once we started our campaign," Goddard said.

Clapp concurred.

The advertising, he said, "was effective not in moving the public, but in moving the White House. That's why you've seen such a weak position out of the White House."

Delegates Rush to Reach Accord at Climate Talks
(Kyoto) By Maggie Farley (c) 1997, Los Angeles Times

KYOTO, Japan, Dec. 10 With the United States offering greater than originally proposed cuts in emissions of "greenhouse gases," negotiations on an accord to curb global warming pushed into their final rounds Wednesday after a grueling all-night session.

Just hours before Wednesday night's midnight deadline here to reach

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Massive firings during good times mean big change in economy, analysts say By Kathy Bergen Chicago Tribune (KRT)

The economy is clipping along, unemployment is at a 24-year low, the stock market remains buoyant and some of the nation's highest-profile employers are announcing wholesale firings.

Huh?

"Welcome to the '90s," said Stephen Roach, chief economist at Morgan Stanley Dean Witter in New York. "The economy is booming and companies are cutting."

The latest corporate giants to wield the ax were Philip Morris Cos. and Hasbro Inc., each announcing plans Tuesday to eliminate 2,500 jobs.

They join quite a crowd of corporations announcing plans for massive layoffs this fall, among them Eastman Kodak Co., Waste Management Inc., Fruit of the Loom Inc., Levi Strauss & Co. and Citicorp, which altogether this fall targeted 28,000 jobs for elimination.

What gives?

A fundamental shift in the way the U.S. economy and its corporations operate -- a shift driven by stockholder demands for short-term profits and intensifying global competition, say economists and labor-market experts.

And it is helping to keep workers anxious and thus less demanding about pay raises.

"This is not cyclical," said James Annable, chief economist at First Chicago NBD Corp. in Chicago. "That's where we get mixed up when we try to understand this type of unemployment compared to what we are used to."

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In the first three quarters of this year, U.S. corporations have announced they will cut 281,496 jobs, according to Challenger, Gray & Christmas Inc., a Chicago-based outplacement firm. While this represents a 22 percent decline from the year-earlier period, there has been a flurry of cutbacks since the end of September.

"This year, we're still behind last year," said John A. Challenger, executive vice president of the tracking firm. "But we're catching up. Layoffs have been surging since July and in late October, it really started to hit the fan."

That month, Citicorp said it was cutting 7,500 jobs. Then in early November, Levi Strauss & Co. said it was firing nearly 6,400 U.S. workers.

In mid-November, within a day, Kodak said it would shed 10,000 workers, or 10.5 percent of its total work force; Waste Management said it would eliminate 1,200 jobs, or 3 percent of its North American payroll; and Fruit of the Loom said it would fire 2,900 workers, or 9 percent of its U.S. work force, on top of 4,000 layoffs announced earlier this year.

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Also Tuesday, Hasbro announced it would trim 2,500 jobs, or 20 percent of its work force, as part of a restructuring aimed at lifting its stock price.

As well, "there is a lot of merger and acquisition activity going on, which accounts for layoffs," noted Challenger. "The banking industry has seen more of that lately."

To be sure, this will not add up to anywhere near the numbers in 1993, when, according to Challenger, Gray & Christmas, U.S. companies announced the erasure of 615,186 jobs.

But it is enough to keep workers guessing and to keep wage hikes low even as job growth continues to skyrocket nationwide.

"We haven't seen that much wage pressure, even in the tight labor market, nor a significant decline in the sense of worker insecurity," said Jared Bernstein, a labor economist with the Economic Policy Institute, a liberal think tank in Washington, D.C.

If there is a silver lining, it is that while some employers are slashing payrolls, others are screaming they can't find enough qualified job candidates, so the hunt for new work may not be as tough as it once was.

"The fact that the labor market is tight is a good thing because it means, hopefully, these (fired) workers can be reabsorbed very quickly and without too much wage loss," Bernstein said. Still, on average, reabsorbed workers lose 15 percent in wages, as well as some benefits, he said.

"The restructuring of the economy has been taking big chunks of people and moving them into lower-wage jobs," noted Annable.

Driving the restructuring has been an intensification of global competition and the emergence of shareholders as king, he said, both of which force companies to eliminate operating inefficiencies.

It is now expected that cost-control programs will be conducted periodically, regardless of the economic climate, he said.

Roach, of Morgan Stanley, sees some danger in this approach.

"I have a radical view that while some cost-cutting is obviously and painfully necessary, Corporate America is deluding itself to think it can compete over the long haul by continuing to slash costs," he said.

"It will lead to increasingly hollow companies that cannot hold onto market share in the expanding global economy," he said.

To achieve a long-term boost in productivity, he said, companies will need to "put workers together with new technologies, increase skills and find new ways of doing things."

"The fact that, in this incredibly vibrant environment, companies still need to make cuts tells me they have serious problems with their own vision: they are not able to get their act together in an otherwise prosperous economic environment," he said.

Challenger puts it more bluntly: "Some of the companies doing cuts are simply just losers. They might have had a dominant niche, like Levis, and they can no longer maintain dominance in the face of Wal-Mart selling jeans at half-price."

Layoffs Becoming a Part of Booming U.S. Economy's Landscape By Kathy Bergen, Chicago Tribune

Dec. 10--The economy is clipping along, unemployment is at a 24-year low, the stock market remains buoyant and some of the nation's highest-profile employers are announcing wholesale firings.

Huh?

"Welcome to the '90s," says Stephen Roach, chief economist at Morgan Stanley Dean Witter in New York. "The economy is booming and companies are cutting."

The latest corporate giants to wield the ax were Philip Morris Cos. and Hasbro Inc., each announcing plans Tuesday to eliminate 2,500 jobs.

They join quite a crowd of corporations announcing plans for massive layoffs this fall, among them Eastman Kodak Co., Waste Management Inc., Fruit of the Loom Inc., Levi Strauss & Co. and Citicorp, which altogether this fall targeted 28,000 jobs for elimination.

What gives?

A fundamental shift in the way the U.S. economy and its corporations operate -- a shift driven by stock holder demands for short-term profits and intensifying global competition, say economists and labor-market experts.

And it is helping to keep workers anxious and thus less demanding about pay raises.

"This is not cyclical," said James Annable, chief economist at First Chicago NBD Corp. in Chicago. "That's where we get mixed up when we try to understand this type of unemployment compared to what we are used to."

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PRESIDENT HAS SEEN
12-15-97

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U.S. offers deeper emissions cuts as negotiations heat up at global-warming conference By Michael A. Lev Chicago Tribune (KRT)

KYOTO, Japan Racing against a Wednesday deadline, the United States softened its position on cutting greenhouse-gas emissions in an effort to strike a deal at the United Nations summit on global warming.

For several days, the United States had held fast to its proposal that it reduce emissions of the atmosphere-warming gases, such as carbon dioxide, to their 1990 level in the next 10 to 15 years. But on Tuesday night, Chief U.S. negotiator Stuart Eizenstat and other American officials indicated the United States would be willing to increase its reduction to 3 to 5 percent below 1990's level if its overall package is accepted.

The target could require a 30 percent reduction in pollution emissions, but the White House apparently believes that technological advances in pollution controls will make the cuts possible without imposing too much of an economic burden.

The U.S. offer also would allow countries to trade emissions responsibilities, or let factories in wealthy nations strike deals to fix dirty factories in poorer nations or pay to plant rain forests to make the cleanup of the atmosphere less expensive.

Analysts said the lower American emissions target is probably a negotiating gambit to get the Europeans to agree to emissions trading and cleanup deals between factories. The Americans believe the deals are economically and environmentally sound, but Europe sees them as loopholes to allow the United States to avoid responsibilities at home.

The U.N. summit has gathered representatives from more than 150 countries in Kyoto to try to draft a plan to reduce the emission of

greenhouse gases, which scientists believe are slowly overheating the Earth.

No proposal has won a consensus at the summit, and it was not clear whether any of the ideas being offered Tuesday would be part of a final agreement, or even whether a deal is likely by the midnight Wednesday deadline.

"It's messy, but the idea that people are being as creative as they are is good," said Dan Dudek, chief economist for the Environmental Defense Fund. "It's a lot like buying a house. There are offers and counter-offers."

American business leaders and many members of Congress have expressed concern that a global warming pact, with deep cuts in emissions, would prove ruinous to the U.S. economy. They also question whether the science of global warming is precise enough to warrant the investment in reducing greenhouse-gas emissions.

Constance D. Holmes, a senior vice president at the National Mining Association who is monitoring the talks as part of a business lobbying group, said the new U.S. proposal would cost the American economy more than 2 million jobs and more than \$150 billion a year.

"We're really surprised and disappointed that American negotiators would give away part of America's economic future to satisfy the political desires of other countries," she said. "President Clinton had said that he would walk away from a bad deal. Frankly, we're not sure why he's not running away from this."

Environmentalists pushing for the most aggressive cuts in pollution were skeptical of the new U.S. target for reductions.

"The numbers don't mean anything if you don't know what the package is," said Adam Markham, a lobbyist for the World Wildlife Fund. "Each time they come up with a new solution there are new loopholes or problems."

Negotiators were clearly feeling the pressure as talks entered the scheduled last day with the prospects for a deal growing but still uncertain.

"We do not sense the urgency on the part of many countries that is necessary given the lateness of the hour," Eizenstat said.

"Nevertheless, we are hopeful that, despite the short time remaining, we will be able to bridge the gaps and reach a successful conclusion."

Many issues divide the summit. One of the most explosive issues is the involvement of the developing world. Emerging countries such as China and India said they could not afford to participate even though they are among the biggest polluters. U.S. Senators have said the Senate will not ratify the treaty unless developing countries commit to emissions reductions.

The United States and the European Union also have remained far apart in their efforts to agree on a plan for the industrialized world to reduce emissions. The two sides have squabbled over almost every element of the plan, including which of six gases should be included and what the timetable for reductions should be.

Europe proposes a more ambitious schedule of reducing emissions to 15 percent below 1990 levels, but it wants to focus on three greenhouse gases, while the U.S. wants to include six gases. The extra three gases are newly developed replacements for CFCs that are coming into wide use. If Europe's proposal included all six gases, the two proposals would be 6 percent closer, though Europe's would still be greater.

Negotiators made no public announcements Tuesday, but a senior White House official indicated there had been some progress with the Europeans and it was possible both sides agreed to including all six gases.

The United States argues that Europe's targets are easier to reach because it gets an advantage from using 1990 as the baseline year. At that time, eastern Germany was still full of inefficient Communist factories and Britain had not yet converted power plants from coal to gas. Today Europe's air is already much cleaner.

The United States also believes the European Union has an unfair edge because it plans to reach its reduction target as a group, with some countries such as Germany providing steep cuts and other emerging nations like Portugal being permitted to increase emissions.

After not making progress on this issue, the U.S. launched a surprise counterattack by declaring it would form its own version of the European system.

Eizenstat said that just as Europe will work together to share the burden of reducing pollution, the United States planned to create its own cooperative group that would include Russia, Japan, Canada and Australia.

The United States said the group would trade emissions. By including Russia, the U.S. group potentially would gain its own advantage because after the collapse of the Soviet Union, the Russian economy has fallen apart and its carbon dioxide emissions are already

SCHOOLS BRIEF

Bearing the weight of the market

Have the growing international flows of goods, services and money diminished the power of the state? The final brief in our series on global economic integration shows that government is as strong as ever

MOST people in the advanced economies seem willing to accept, most of the time, that economic integration through international flows of trade and finance is a good thing. They acknowledge, for instance, that foreign investment can help poor economies to modernise, and that international competition helps to raise productivity and, at least in the aggregate, incomes as well. Previous briefs in this series have given many ex-

A government might want to prohibit dangerous or undesirable working practices, for instance. But if it did, the affected industries might move abroad or shut down, because the new regulation could put domestic firms at a disadvantage in competition with foreign producers. Or suppose the government wants to raise taxes and spending. However popular more public spending may be with voters, the market might well forbid it. In the new global economy, people and firms can flee to other tax jurisdictions rather than paying an onerous tax.

Governments do not even have their former freedom to design their own social policies, the argument continues. The financial markets now sit as judge; if they deem that a new national health-care scheme or a massive education reform will prove too costly, they will punish the country with higher interest rates or a collapsing currency. In this way global market forces not only rule out the kind of compensation to losers that would make globalisation easier to live with, they also seem to challenge democracy itself.

If this thinking were correct, there would be good reason to oppose further globalisation, or to regret that the process has gone as far as it has. But it is not correct. In part it is muddled and in part it is simply wrong.

New thinking

During the 1980s, and especially since the collapse of the Soviet empire at the end of the decade, governments have changed the way they think about the role of the state. The failure of communism rattled faith even in far milder forms of socialism.

Governments had also learned from experience: evidence down the years suggested that ambitious economic intervention was often unsuccessful. Politicians in rich and poor countries alike, regardless of



whether they were of "the left" or "the right", began calling for lower taxes and public spending, for lighter regulation of industry, for privatisation of state-owned enterprises, and in general for their economies to be given greater "flexibility".

In other words, governments have freely chosen to give market forces more sway, in the hope that this will raise living standards. It is odd therefore to say that the global economy has seized power from the state—and it is plain wrong to say that democratic rights have been trampled on.

Many would argue, however, that things are not so simple. Having started to liberalise their economies, governments were left with less power than they had expected. And having surrendered more control than they meant to, politicians found they could not go back. As a result, according to this view, globalisation is running out of control.

Governments themselves have done a lot to foster this idea. Nowadays no statement on economic policy is complete, it seems, without a declaration of impotence which says, in effect, "Our plans reflect not what we would like to do, but what the global market requires us to do." Advancing technology adds to the sense of helplessness. Things that governments could once forbid or restrict—foreign borrowing; imports of computer software; pornography; political ideas—are now far harder to control because modern communications have eroded the boundaries between nations.

It is true that when technology and liberalisation come together, governments can be taken by surprise. Anomalies appear, sometimes requiring fur-

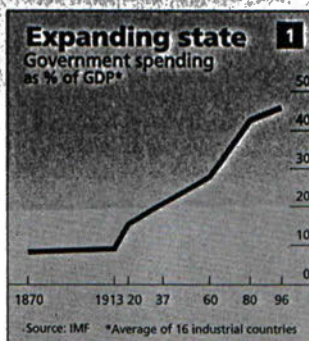
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Even so, the view that governments today stand helpless before the gale of international market forces is a gross exaggeration. Certainly, it is often a useful idea for governments to take up—what more powerful argument could there be against those opposing any given change of policy than to say "we have no choice"? But, useful as the claim may be, the evidence shows that it is not in fact true.

Like Topsy

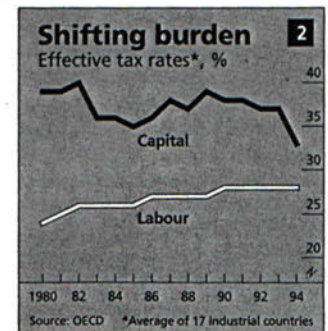
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The view that globalisation makes it harder for governments to govern has come to be widely accepted. The basic idea is simple enough. Globalisation adds to the reach and power of the market: now even governments, not just firms and people, must bow down before the new master of worldwide competition.



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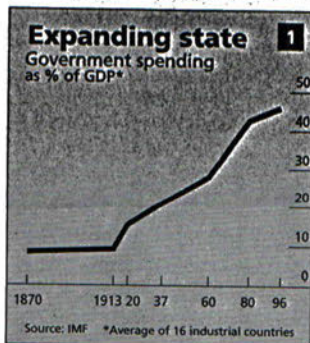
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One of the clearest examples of an apparently small measure of deregulation having larger consequences was Britain's abolition of exchange controls in 1979. This let banks combine foreign capital and new financial technology, and thus compete more vigorously both with each other and with non-bank lenders, such as building societies. Soon, to enable these other lenders to fight back on equal terms, more rules had to be scrapped. This caused new problems—and so the process went on, until the rules that separated banks and building societies had been entirely removed. This inadvertently radical deregulation, and the financial competition it engendered, was instrumental in Britain's boom and bust of the late 1980s and early 1990s.

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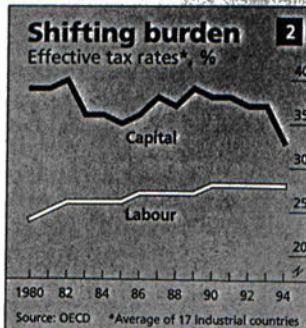
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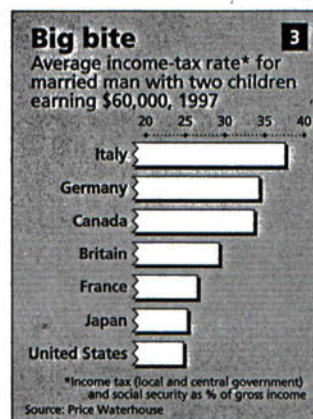
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The view that globalisation makes it harder for governments to govern has come to be widely accepted. The basic idea is simple enough. Globalisation adds to the reach and power of the market: now even governments, not just firms and people, must bow down before the new master of worldwide competition.



Public spending increased as a share of national income in the 40 years before the first world war, a time when the world economy was arguably more open to trade and international flows of capital than it is today. Between 1918 and 1939, when barriers to trade and capital flows were high, spending as a share of national income rose further. Since the second world war, as economies have once more been opened to the outside world, the trend of rising expenditure has continued (see chart 1). The increase in the economic role of the state has been especially rapid since 1960.

True, many governments have tried hard to cut their outlays and their budget deficits of late. By and large, however, they have succeeded only in slowing, not reversing, the rate of growth of spending. Where budget defi-



cits have been reduced, this has been done more by raising taxes than by curbing expenditure. On average, public spending in the advanced economies is bigger in relation to national income than it was in 1990. Even in the unusual case of Britain, after nearly 20 years of strenuous efforts to roll back the state, public spending accounts for about the same share of the national income as it did in 1980.

On the face of it, this is puzzling. Over the long term, a government's ability to spend is limited by its ability to raise taxes. In the past 20 years, better international communications and freer movement of capital should have made it easier for taxpayers to avoid high-tax jurisdictions, putting downward pressure on public spending. Why does this appear not to have happened in a significant way?

The answer is partly that taxpayers remain less mobile than

one might think. Financial capital, to be sure, now moves instantly from country to country. But once capital has been turned into physical assets such as buildings or equipment, moving it is costly. Governments may grant tax preferences to attract new capital to their countries, but they can continue to tax the profits from physical capital that is already in place.

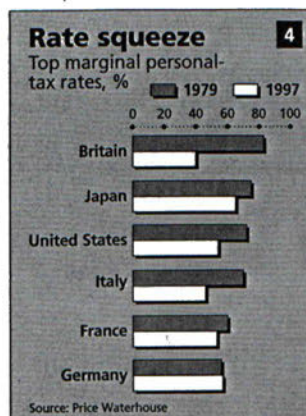
Labour, in any case, remains far less mobile than capital—rooted by ties of family, culture and language. In recent years, therefore, many governments have reduced their rates of company taxation (as well as granting special concessions for new investment), and have shifted the burden on to people instead. Taxes on wages and salaries have risen (chart 2). This has more than made up for the fall in revenues due to lower company taxes.

Extremely high rates of personal taxation in many countries, notably in Europe, confirm that people cannot readily escape the clutches of high-spending governments (chart 3). It is true that competition among governments has changed the structure of personal taxes in many countries, as the extremely high rates paid by the highest-income taxpayers have been cut (see chart 4). So far, however, this has failed to reduce the overall tax burden. Only in the most extreme cases—such as Sweden, where public spending reached 71% of national income in 1993—has emigration of high-income taxpayers forced a retrenchment (and even then only a comparatively modest one) on the government.

Free to borrow

So much for taxes and spending. What about public borrowing and monetary policy? It is often argued that today's global market for capital applies a particularly severe discipline in these areas. Again, this is misleading. In the first instance, greater mobility of capital gives governments more freedom of manoeuvre in fiscal policy, not less. By borrowing from abroad, they are able to let their spending exceed their revenues by more and for longer than would be possible if their economies were closed to international finance.

Of course, if they abuse this freedom, capital markets will turn against them, and raise the



offenders' cost of borrowing. But this is only like saying that people who run up too big a bank overdraft will be offered poor terms for further loans. The fact remains that an overdraft facility increases financial freedom, it does not reduce it.

Admittedly, living with financial freedom can be more complicated than living without it. In particular, the extreme mobility of modern financial capital makes monetary policy more difficult to conduct. For instance, it has become difficult for governments to peg their exchange rates indefinitely in the face of adverse circumstances. Numerous crises, from the collapse of Europe's exchange-rate mechanism in 1992-93 to the trauma in East Asia of recent months, make this clear.

The risk of "contagion", when a crisis in one country leads the market to change its view of prospects in others, is a further complication, as recent events in Asia have emphasised. Nonetheless it remains entirely possible for a government to use monetary policy to steer the domestic economy, provided that it is willing to let its currency float. Today's global capital market only rules out sooner what has always been impossible in the longer term—namely, treating interest rates and the value of the currency as entirely separate instruments matters. Globalisation has not altered the basic limits: monetary policy can be used to regulate the domestic economy or to regulate the exchange rate, but it cannot successfully accomplish both goals at once.

Finally, what of the argument that the new global economy makes it impossible for governments to mandate social protection, such as minimum-wage laws, rules on working hours, health-and-safety standards in

the workplace, and so forth. According to this popular view, if governments grant such protection, they will make their firms uncompetitive and put workers on the dole. Globalisation is thus blamed for a "race to the bottom" in economic regulation.

There is no reason why this should be true. Certainly, social protection does carry economic costs, reducing the amount of output that can be squeezed from any given amount of capital, labour and other resources. This is not to say that social protection is wrong. Citizens may well decide the cost is worth paying. But the cost must be borne. The only question is how.

In an economy closed to flows of trade and finance, the cost will take the form of lower incomes. In an open economy, the same must ultimately be true. This basic logic is the same whether the economy is closed, partially open or globalised. The only difference is that open economies with floating currencies may experience that fall in incomes through currency depreciation—and thus higher prices for consumer goods—while a closed economy will suffer a decline in wages as expressed in the local currency.

The important thing to remember about social-protection rules is simply that, in economics, you rarely get something for nothing. That is the bad news. The good news is that social-protection rules are as feasible, and in the end no more costly, in a globalised economy than they are in a closed economy.

Much the same goes for financial regulation, public spending and macroeconomic policy. Governments, always eager to deflect political pressure, may prefer to justify unpopular decisions by pretending that their hands are tied. In truth, despite all the changes in global markets, they have about as much, or as little, control of their economies as they ever had.

A reprint of the eight articles in this series of Schools Briefs will be available from January 5th 1998, at a price of £6.00 in Britain and £7.50 abroad, including postage and packing. Discounts are available for bulk purchases. Please send your order with pre-payment by cheque to: The Economist Shop, 15 Regent Street, London, SW1Y 4LR. For credit card orders phone +44 (0) 171 839 1937 or fax on +44 (0) 171 839 1921.



THE PRESIDENT HAS SEEN
12-15-97

*Sunny B
amazing! -
Be*

October 22, 1997

Mr. Lee Williams
Public Strategies
633 Pennsylvania Avenue, N.W.
4th floor
Washington, D.C. 20004

Dear Lee:

I am attaching some correspondence I received today from Dr. Jose Teruel, Senior Advisor to the Pan American Health Organization. In addition to his written comments, he has spoken directly to Cuba's Minister of Public Health, who assures him there is interest in the visit from the highest Cuban authorities; he has spoken to members of the Vatican staff who assure him the Vatican is highly interested in the meeting taking place during the Papal visit. He will have a definite answer from the Vatican when he returns to Washington from his visit at the Vatican on November 11 or 12. Dr. Teruel's direct line at PAHO is 974-3043 and his home number is (301) 299-9149.

Of course, Cuba has officials in Washington at the interest section level. Dr. Fernando Ramirez de Estenoz is Cuba's "ambassador". (I only use this term since he was Cuba's ambassador at the United Nations and he, therefore, retains the title). I am a personal friend of his and would do anything you might think advisable.

The consensus everywhere, and I include senatorial offices and congressional offices I recently visited, is that the Pope's visit is of the utmost importance and everyone should "capitalize" from it. I believe, if done properly, everyone has much to gain and little to lose.

Regards,

Silvia Wilhelm
Executive Officer

Encl.

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Berger*



PAN AMERICAN HEALTH ORGANIZATION
Pan American Sanitary Bureau, Regional Office of the
WORLD HEALTH ORGANIZATION

525 TWENTY-THIRD STREET, N.W., WASHINGTON, D.C. 20037-2895, USA

TELEPHONE (202) 974 3000
FAX (202) 974 3663

IN REPLY REFER TO:

To : Mrs. Silvia Wilhelm
Executive Director -CCD

From : Jose R. Teruel
Senior Advisor in International Health
-PAHO/WHO

Washington, October 21 1997

Dear Mrs. Wilhelm

It was a pleasure to meet you again during the recent Seminar in Miami.

As discussed with you, attached is a brief summary of the reasons why I am convinced of the importance and opportunity for President Clinton to visit Cuba during the Pope's visit, next January.

I will be attending a meeting at the Vatican, during the first week of November and discussing this possibility with a high level member of the Pope's staff

Of course it would be much easier for me to talk and discuss about all the implications of this action, but it also could be expanded, as an idea, after you or any other interested person start looking into this possibility.

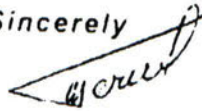
I only shared this idea with you and both Ambassador White and Ambassador Smith. They agree with me that this could be of great importance to straighten the question of the relationship between the U.S. and Cuba and a demonstration of a more dynamic Democratic Party.

The American Association for World Health made a careful study of the impact of the embargo on Health and nutrition in Cuba (see attached the introductory letter of the chairman of the board and the summary of the findings).

In relation to the "divided Cuban family" it is clear that, in Miami, you find today a higher proportion of supporters towards lifting the embargo entirely, than a few years ago. Also I noticed a great concern for the suffering of relatives in the Island, in consequence of the embargo and the ,sometimes, difficult mechanisms used to reach and help them.

I hope we succeed in reducing this unnecessary suffering and, through open dialogue, to achieve better conditions for the Cuba people aand a faster transition to a real democracy preserving the social advances achieved by the Cuba people.

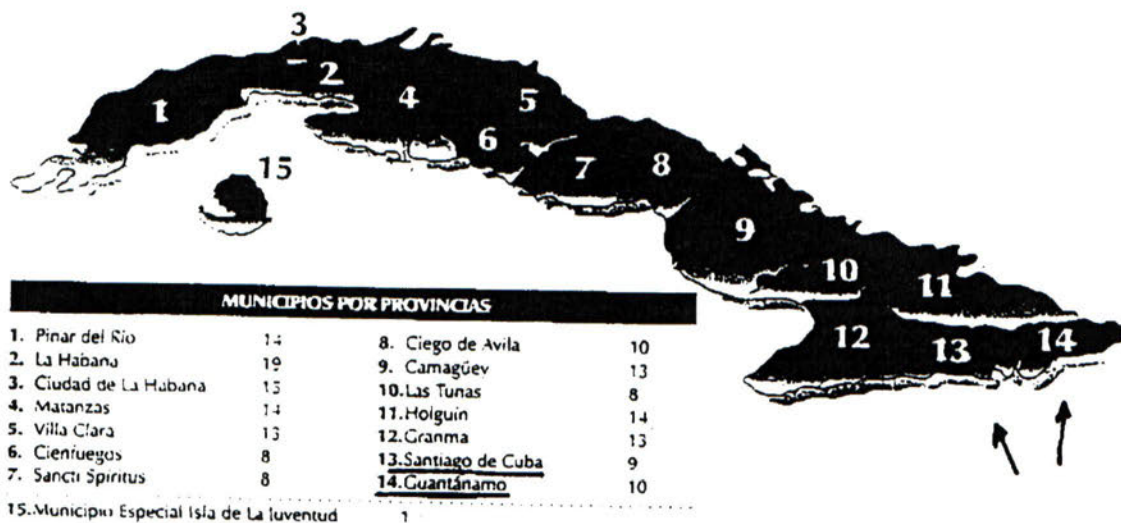
Sincerely

A handwritten signature, likely "W. Cruz", written in ink. The signature is stylized and appears to be written over a horizontal line.

Proposal

President Clinton visit Cuban territory (near Guantanamo) to meet the Pope and Mr. Castro, during the Pope's visit in January 1998.

Objective : Show and express concern for the living conditions of the Cuban people. Reaffirm no restrictions (embargo) on health and nutrition.



I believe that the opportunity of the Pope's visit to Cuba , next January, offers a unique political opportunity that , if well utilized could be a great beneficial to many people concerned with the future of Cuba and particularly with the living conditions of the people in the island.

The U.S. embargo against Cuba is the longest embargo in modern history. The direct effects of embargoes are on trade, aid, and domestic economic activity. It has been postulated that such economic crises have a negative impact on the affected population's health and well-being

The present conditions mostly motivated by the U.S. embargo are creating, a situation of potential conflict and unfortunate results like : unbearable living conditions, internal suspicion and repression , with increasing probability of civil conflicts and eventual uncontrolled immigration.

In all circumstances, when this problem was discussed at international level, the majority of the countries expressed their strong reaction against the embargo, particularly in areas that affects the people of that country.

In my view it is like creating a "modern concentration camp" that the future will judge in the same way we are today reviewing mistakes made in the past by other governments trying to control nations through massive measures that restrict peoples life. What kind of message is the embargo giving to the world and to the people of Cuba?

All the countries recently visited by President Clinton, all the Latin American countries, if not the entire world, are looking with great expectations the visit of the Pope in January. Some analysts explain that the Catholic Church is worried about the decrease of Catholicism in Latin America. Above the obvious concern of the Church on the people and the church in Cuba, the Vatican knows the repercussions of this decision showing interest for the country and the image that will develop with the Pope going personally to Cuba.

This firm decision and attitude of the Catholic Church will have important repercussions through out Latin America, Spain, Canada and all the countries with a large proportion of Catholics and other countries that have expressed concern over the embargo.

Therefore, the proposal is made that the President of the United States, using the unique opportunity of the Pope's visit, also go to Guantanamo (which is U.S. territory) and visit, across the border the municipality of Santiago (or other convenient location), for a short meeting with Mr. Castro and the Pope, to express concern for the people of Cuba.

Ideally, the President could reaffirm that the exception on food and medicines will, be respected as well as, the scientific, cultural, educational and religious relations between the two countries. Other aspects could be referred to by the President as advised after analysis by the proper departments in the Government.

This will clarify to the European Union, Canada, Mexico, the entire Latin America and the world that the Government of the U.S. and, in particular its President, is someone concerned and with the courage for decisions when it implies the principles that this country always defend.

Jose Romero Teruel

Is a Brazilian physician, living in the area of Washington D.C. , since early 1973. He was graduated at the University of Sao Paulo, Brazil, where he also received his Master Degree and Doctoral Degree in Public health. He was a Milbank Faculty Fellow (Milbank Memorial Fund - N. Y.), selected by the Fund, in 1964, for further training in Community Medicine and Public Health. In 1967 he attended a training program at the center for Disease Control in Atlanta, Georgia.

Dr. Teruel started his international career with the Pan American Health Organization, regional office of the World health Organization, in 1973 and became one of its technical directors. In the 80's, while he was the chief of Analysis and Strategic Planning of this Organization, he developed and coordinated a special program for health projects in central America.

This was known as "Health : A Bridge for Peace in Central America" and received full support of USAID and all the Cooperating Agencies from Europe and Canada. The Pope, John Paul II received the delegation of Ministers of Health in a special visit, organized by Dr. Teruel, and provided his support to this health initiative.

Dr. Teruel has traveled extensively, through Latin America visiting the health programs of the countries. The results obtained by Cuban Health System are well known in all the countries. The present embargo gives the wrong idea that the U.S. is playing unfairly with the lives of innocent people trying to reduce results that every country is attempting to achieve in social terms.

At this moment , the Catholic Church and other Religious institutions are analyzing the expansion of their activities in health promotion and community development. This will be discussed in a special meeting at the Vatican (6,7 and 8 of November). It is also expected that new approaches by the Church will be discussed during the next Synod of the Americas (16 November to 12 December 1997).

The Vatican, certainly is willing to play this important role of intermediate and provider of the conditions to facilitate this necessary dialogue. Dr. Teruel will explore this proposal with high level authorities at the Vatican and will inform on his return to Washington.



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The U.S. embargo against Cuba has been in place since the early 1960s. It is one of the few embargoes of recent years that explicitly includes foods and medicines in its virtual ban on bilateral commercial ties. Prompted by our 40-year commitment to international health, especially in the developing world, and by the tightening of the embargo since 1992, the American Association for World Health (AAWH) launched a study of the impact of U.S. policy on the health of the Cuban population.

Over a twelve-month period between 1995 and 1996, a multi-disciplinary research team traced the implications of embargo restrictions on health care delivery and food security in Cuba. The team reviewed key U.S. regulations and their implementation, conducted a survey of 12 American medical and pharmaceutical companies and documented the experience of Cuban import firms with the embargo. The team assessed the impact of U.S. sanctions on health in Cuba through on-site visits to 46 treatment centers and related facilities; it conducted 160 interviews with medical professionals and other specialists, government officials, representatives of non-governmental organizations, churches and international aid agencies. In October 1996, the AAWH sent a delegation of distinguished medical experts to Cuba to validate the findings of the draft report through first-hand observation.

The full report of more than 300 pages is the first comprehensive study of its kind. We are pleased to make it available to those who wish more detailed information than this Executive Summary offers. Neither document includes specific policy recommendations. Both are intended to provide a factual basis for informed decision-making on Cuba, and indeed on the wisdom of including food and medicine in any embargo as a means to achieve foreign policy objectives. The AAWH hopes that our findings will temper debate and enhance public knowledge and policy.

Peter G. Bourne, M.D.
Chairman of the Board
American Association for World Health

Summary of Findings

After a year-long investigation, the American Association for World Health has determined that the U.S. embargo of Cuba has dramatically harmed the health and nutrition of large numbers of ordinary Cuban citizens. As documented by the attached report, it is our expert medical opinion that the U.S. embargo has caused a significant rise in suffering—and even deaths—in Cuba. For several decades the U.S. embargo has imposed significant financial burdens on the Cuban health care system. But since 1992 the number of unmet medical needs—patients going without essential drugs or doctors performing medical procedures without adequate equipment—has sharply accelerated. This trend is directly linked to the fact that in 1992 the U.S. trade embargo—one of the most stringent embargoes of its kind, prohibiting the sale of food and sharply restricting the sale of medicines and medical equipment—was further tightened by the 1992 Cuban Democracy Act.

A humanitarian catastrophe has been averted only because the Cuban government has maintained a high level of budgetary support for a health care system designed to deliver primary and preventive health care to all of its citizens. Cuba still has an infant mortality rate half that of the city of Washington, D.C.. Even so, the U.S. embargo of food and the de facto embargo on medical supplies has wreaked havoc with the island's model primary health care system. The crisis has been compounded by the country's generally weak economic resources and by the loss of trade with the Soviet bloc.

Recently four factors have dangerously exacerbated the human effects of this 37-year-old trade embargo. All four factors stem from little-understood provisions of the U.S. Congress' 1992 Cuban Democracy Act (CDA):

- 1) **A Ban on Subsidiary Trade** Beginning in 1992, the Cuban Democracy Act imposed a ban on subsidiary trade with Cuba. This ban has severely constrained Cuba's ability to import medicines and medical supplies from third country sources. Moreover, recent corporate buy-outs and mergers between major U.S. and European pharmaceutical companies have further reduced the number of companies permitted to do business with Cuba.
- 2) **Licensing** Under the Cuban Democracy Act, the U.S. Treasury and Commerce Departments are allowed in

principle to license individual sales of medicines and medical supplies, ostensibly for humanitarian reasons to mitigate the embargo's impact on health care delivery. In practice, according to U.S. corporate executives, the licensing provisions are so arduous as to have had the opposite effect. As implemented, the licensing provisions actively discourage any medical commerce. The number of such licenses granted—or even applied for since 1992—is minuscule. Numerous licenses for medical equipment and medicines have been denied on the grounds that these exports "would be detrimental to U.S. foreign policy interests."

- 3) **Shipping** Since 1992, the embargo has prohibited ships from loading or unloading cargo in U.S. ports for 180 days after delivering cargo to Cuba. This provision has strongly discouraged shippers from delivering medical equipment to Cuba. Consequently shipping costs have risen dramatically and further constricted the flow of food, medicines, medical supplies and even gasoline for ambulances. From 1993 to 1996, Cuban companies spent an additional \$8.7 million on shipping medical imports from Asia, Europe and South America rather than from the neighboring United States.
- 4) **Humanitarian Aid** Charity is an inadequate alternative to free trade in medicines, medical supplies and food. Donations from U.S. non-governmental organizations and international agencies do not begin to compensate for the hardships inflicted by the embargo on the Cuban public health system. In any case, delays in licensing and other restrictions have severely discouraged charitable contributions from the U.S.

Taken together, these four factors have placed severe strains on the Cuban health system. The declining availability of foodstuffs, medicines and such basic medical supplies as replacement parts for thirty-year-old X-ray machines is taking a tragic human toll. The embargo has closed so many windows that in some instances Cuban physicians have found it impossible to obtain life-saving medicines from any source, under any circumstances. Patients have died. In general, a relatively sophisticated and comprehensive public health system is being systematically stripped of essential resources. High-technology hospital wards devoted to cardiology and nephrology are particularly under siege. But so too are such basic aspects of the health system as water quality and food security.

Specifically, the AAWH's team of nine medical experts identified the following health problems affected by the embargo:

- 1) **Malnutrition** The outright ban on the sale of American foodstuffs has contributed to serious nutritional deficits, particularly among pregnant women, leading to an increase in low birth-weight babies. In addition, food shortages were linked to a devastating outbreak of neuropathy numbering in the tens of thousands. By one estimate, daily caloric intake dropped 33 percent between 1989 and 1993.
- 2) **Water Quality** The embargo is severely restricting Cuba's access to water treatment chemicals and spare-parts for the island's water supply system. This has led to serious cutbacks in supplies of safe drinking water, which in turn has become a factor in the rising incidence of morbidity and mortality rates from water-borne diseases.
- 3) **Medicines & Equipment** Of the 1,297 medications available in Cuba in 1991, physicians now have access to only 889 of these same medicines — and many of these are available only intermittently. Because most major new drugs are developed by U.S. pharmaceuticals, Cuban physicians have access to less than 50 percent of the new medicines available on the world market. Due to the direct or indirect effects of the embargo, the most routine medical supplies are in short supply or

entirely absent from some Cuban clinics.

- 4) **Medical Information** Though information materials have been exempt from the U.S. trade embargo since 1988, the AAWH study concludes that in practice very little such information goes into Cuba or comes out of the island due to travel restrictions, currency regulations and shipping difficulties. Scientists and citizens of both countries suffer as a result. Paradoxically, the embargo harms some U.S. citizens by denying them access to the latest advances in Cuban medical research, including such products as Meningitis B vaccine, cheaply produced interferon and streptokinase, and an AIDS vaccine currently under-going clinical trials with human volunteers.

Finally, the AAWH wishes to emphasize the stringent nature of the U.S. trade embargo against Cuba. Few other embargoes in recent history — including those targeting Iran, Libya, South Africa, Southern Rhodesia, Chile or Iraq — have included an outright ban on the sale of food. Few other embargoes have so restricted medical commerce as to deny the availability of life-saving medicines to ordinary citizens. Such an embargo appears to violate the most basic international charters and conventions governing human rights, including the United Nations charter, the charter of the Organization of American States, and the articles of the Geneva Convention governing the treatment of civilians during wartime.

THE PRESIDENT HAS SEEN

12-15-97

Cast Out By the Right

By Glenn C. Loury

Try to understand my problem. As a black conservative intellectual, I belong to an endangered species. For if few conservatives choose to think of themselves as intellectuals, even fewer blacks can pass muster as conservatives.

Not that my position is uncomfortable. With black critics of racial liberalism being such a rare breed, I have found my voice amplified on a range of issues.

Recently, however, I have been unable to shake a troubling thought: The designation "black conservative intellectual" may not be merely anomalous but oxymoronic.

I should say at the outset that I disagree with those black liberals who think racial loyalty must propel every "authentic black" to the left wing of the political spectrum. And I reject the tenet that no "real intellectual" can ever embrace conservatism.

Today, in fact, the governing political philosophy in America is a (mildly) conservative one, and a growing number of blacks embrace political, economic and social conservatism — some because they are religious traditionalists, others because they are middle-class suburbanites concerned about high taxes and too much government.

I am a bit of both, and so for more than a decade now I have found myself at home within the conservative intellectual movement.

But in the last few years, conservative intellectuals have developed an inflexible, hard-edged dogma when it comes to race. There was a time, from the mid-1970's through the late 1980's, when some of the most nuanced and serious thinking about race came from the right — whether it was James Q. Wilson's work on adolescent criminal behavior, Nathan Glazer's criticism of racial quotas or Charles Murray's analysis of the welfare state. They were concerned about the plight of black Americans. And their writing had a subtlety of thought and a generosity of spirit.

But today conservative discourse on race has largely been reduced to sloganeering, filled with references to black criminality, illegitimacy and cultural pathology. This talk does not describe a tragedy shared by us all. Instead it denounces a cultural failing said to threaten our civilization.

A "get out of the wagon and help the rest of us push" approach to indigent families and a "lock 'em up and throw away the key" attitude toward inner-city law-breakers have become staples of conservative ideology. There is scarcely a thought given to the impact such policies will have on poor black communities.

Once conservatives battled rigid quotas. Now they attack all affirmative action programs meant to encourage greater inclusion of blacks in American institutions. Once conservatives promoted programs that required work in exchange for welfare benefits. Now they want to cut families off benefits entirely.

Black conservative intellectuals are faced with rebutting arguments like those made by Charles Murray in "The Bell Curve," which suggested that blacks might be genetically inferior, or countering arguments

made by Dinesh D'Souza in "The End of Racism," which held that blacks are culturally inferior.

A few weeks ago when I suggested to a gathering of conservatives that their seeming hostility to every social program smacked of indifference to the poor, I was told that a surgeon could not properly be said to have no concern for a terminally ill patient simply because he had moved on to the next case. The analogy alone speaks volumes.

Just last month, I heard a top aide to a Midwestern Republican senator tell cultural conservatives that, in the name of restoring "traditional American values," his boss sought to "build a bridge to the 19th century." (Now that's turning back the clock!)

I have tried to argue with my fellow conservatives about the nuances, complexities and moral ambiguities of issues like welfare, affirmative action and drug control policy. But I have succeeded only in arousing the suspicion that I am not a "true believer."

Indeed, my views on affirmative action have evolved, and that is seen as a betrayal. At a conference in Washington this fall of conservative intellectuals, I suggested that a mod-

est degree of affirmative action in higher education could be justified. That prompted an angry response from Norman Podhoretz, the conservative writer and editor, who called me "disingenuous" and added, "I much prefer the old Glenn Loury to the new one." The discussion limped along from there.

Some conservatives understand this. Michael Joyce, the president of the Lynde and Harry Bradley Foundation, is one. John DiIulio, the Princeton political science professor, who promotes the work of inner-city churches with at-risk youths, is another. But they are exceptions.

We need a morally astute, politically mature conservatism that acknowledges personal responsibility as one part of the social contract but also understands the importance of collective responsibility. "Those people" who now languish in America's central cities are "our" people, and "we" must build relationships with them. We cannot simply abandon them or leave them to their own devices.

The fault lies not with conservatism per se but with those conservatives who fail to see that their creed is entirely consistent with the creative use of the moral imagination. □

The New York Times
SUNDAY, NOVEMBER 30, 1997

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How to Get Japan Back on Its Feet

By ROBERT EDELSTEIN
And JEAN-MICHEL PAUL

Trust in the Japanese markets has eroded to the point where investors now openly question the authorities' ability to manage the crisis. In the last month, prices of bank stocks have fallen 15% on average after the failure of both a major bank and a major securities house. Other financial institutions face severe problems. The value of bank loans outstanding has declined 6.6% in the last year and Japan will manage only meager economic growth this year, if any at all. There is a fear that the smoldering financial crisis will lead to an economic implosion.

Japanese politicians have had a substantial hand in allowing this situation to develop. Since at least 1995, they've known that Japan's festering financial problems needed urgent attention, yet scarcely anything concrete has been done. By eschewing a politically delicate public bailout of the faltering banking system, Japanese authorities have lost precious time. Successive mistargeted and ineffective fiscal stimulus packages have generated a ballooning Japanese public debt. It is projected to reach 98.4% of gross domestic product next year, further depressing economic fundamentals.

The current Japanese approach isn't very promising. On the one hand, the au-

thorities deny that any crisis exists, thus further undermining market confidence. On the other hand, financial authorities are successfully injecting liquidity into the economy, up to \$30 billion in the last week of November alone. This has prevented an unmanageable run on the banking system, but it hasn't resolved the underlying economic problems.

Here is what should be done. First, all depositors should continue to be explicitly assured of deposit safety, and liquidity provided as needed. Fortunately, the Ministry of Finance and the Bank of Japan have been impeccable in the quest to allay short-run financial fears.

Second, we estimate that up to half of the major Japanese banks might have to be either closed or merged; the initial bail-out of the Japanese financial sector could require nearly \$80 billion while full bank recapitalization to world standards would cost substantially more. It would not be a surprise if the Japanese people revolted upon seeing their tax money being thrown away in this manner. Indeed, the primary condition for the injection of public money must be the orderly and rapid closing of inefficient financial institutions. The restoration of financial stability would, as a side benefit, buoy the real estate market and reverse the pervasive asset deflation.

Third, bad loans, estimated at nearly \$40 billion for the 19 largest banks—14% of loans outstanding—should be pooled in a Japanese equivalent of the Resolution Trust Corp. that was created after the U.S. savings and loan crisis of the 1980s. This institution would liquidate the collateral to recoup part of the public investment. Ad-

Up to half of the major Japanese banks might have to be either closed or merged; the initial bail-out of the Japanese financial sector could require nearly \$80 billion.

mittedly, much of the collateral is in real estate that is producing very little cash flow, but this could be addressed by appropriate securitization techniques, thereby creating a critical mass in a new asset-backed securities market in Japan. This would help put Japanese finance, heretofore overly dominated by bank lending, on a more diversified and firmer footing.

Fourth, deregulation is needed. More than two-thirds of Japanese savings is em-

bedded in land. But the volume of transactions in land is only one-sixth that of securities. Deregulation of the financial markets and securitization must be vigorously pursued, thereby allowing new investments to be made in emerging companies that were previously denied credit because of their lack of land collateral. This, not inefficient financial stimulus, is the key to Japan's economic revival.

Fifth, banks need a set of new regulations. Japan should revise the capitalization rules that have contributed to today's crisis by inducing banks to go for high-risk investments. Japanese banks should be encouraged to manage risk better than in the past, importing technology from their U.S. counterparts when needed.

Sixth, Japanese banks should adopt a new strategic plan. The introduction of telebanking and the aggressive deployment of automatic teller machines would allow a dramatic decrease in the number of branches while providing around-the-clock banking service. New profit centers also have to be created by, for instance, distributing mutual funds and insurance products. Japanese banks will then be able to capitalize fully on their unique access to cheap domestic capital and Asia's long-term demand for it.

These are the elements of a plan the Japanese financial authorities must implement immediately. Failure to do so will place Japan's economy, as well as the world's, at risk. Success would guarantee Japan's return as the undisputed financial center of an invigorated Asia within a decade.

Mr. Edelstein is professor of real estate at the Haas School of Business, University of California, Berkeley, where Mr. Paul is a doctoral student.

THE WALL STREET JOURNAL
THURSDAY, DECEMBER 11, 1997

The Hmong in America deserve to be heard

The excellent recent series on the Hmong by Ben Barber ("America and the Hmong: Tied by tragedy and hope," Dec. 1-4), which recounts the struggles in Laos and America of our valiant and largely unsung former allies, is a compelling document that should be read carefully by policymakers and the general public alike.

A number of important issues need to be addressed if the Hmong are to have a fair chance at rebuilding their lives and safeguarding

their culture.

For those Hmong refugees who returned to Laos, Refugees International continues to urge that more aid be targeted by the United Nations and other organizations to help affected Hmong communities. Without such assistance, there is little hope that the Hmong who have returned home will be able to achieve self-sufficiency within a reasonable time frame.

Here in America, considerable progress has been made, and many

young Hmong-Americans have blazing, strong academic records, though a number of social problems remain.

Mr. Barber's series does a masterful job of explaining why the Hmong in Laos and here in the United States deserve our understanding and our help.

LIONEL A. ROSENBLATT

BRONSTEIN ROSE
President
Refugees International
Washington

Not signing the Ottawa treaty means continued racism against the Third World

While I applaud President Clinton's initiative on race relations ("Forum finds no consensus on race issues," Dec. 4), I don't think we will make any progress on the issue until our government stops practicing racism and discrimination against people of color in the rest of the world.

For instance, while the president was talking about race relations in his first town hall meeting in Akron, Ohio, the United States was sitting out the historic Ottawa treaty-signing ceremony, where more than 120 nations joined to

ban the use of anti-personnel land mines, which have caused some 26,000 casualties in the Third World. One of the main reasons for our refusal to sign the treaty is the Pentagon's desire to continue to use the indiscriminate, abhorrent weapon in the Third World, in Korea in particular.

Why in Korea but not in Germany, where we also have troops? Have we given any thought to the number of casualties — both civilian and military — in Korea from the use of anti-personnel land mines from the Korean War to the present?

day, and to the casualties that would result from another war there? Korean lives are equally as important as American lives.

The U.S. insistence on excepting Korea from the protection and benefits of the Ottawa treaty is a clear example of our government's racism and discrimination against people of color in the Third World.

JOHN J. KIM

General Secretary
The National Association
of Korean Americans
New York

There is no good reason to ease relations with Fidel Castro

In his Dec. 4 article, "Coming to terms with the outcast," Benjamin Tyree says we should ease tensions with Fidel Castro. In support of that, he cites our problematic, contradictory relationships with China and other erstwhile rivals.

Mr. Tyree is just as wrong as the late Jorge Mas Canosa was right. Mr. Castro is the blood enemy of this country and everything it stands for (or used to). Mr. Castro's lifetime of lying to us and duping us stands as evidence that he will never be anything but our enemy until the day he dies.

China, the Cold War's end, and all those other foreign-policy issues given as reasons by Mr. Tyree are beside the point. As that great American philosopher Mae West once said about goodness, they have

nothing to do with it, dearie.

In his better years Mr. Castro did have a certain amount of influence in this hemisphere. But even that is in decay now, along with everything else about his rotten regime. He is no longer taken seriously by anyone but drug-trafficking criminals, liberals and (to their sorrow) his own enslaved people. In Mr. Castro's old age, his regime has degenerated into a one-of-a-kind issue for U.S. foreign policy, no longer nuanced with overtones or complexities of any sort.

I don't say we should never have dealings with an enemy such as Mr. Castro. What I do say is that as long as we lack the will to take action and remove him, we should leave him in no doubt that he is, by his own admissions, and will forever remain our

enemy. Furthermore, it would be good that our friends in the community of nations clearly understand that, lest in their (frequent) weak moments the shifty old tyrant should tempt them to forget who their real friends are. They can't have it both ways, and we should never encourage them to think they can.

If Mr. Castro wants something from us, such as normalized relations, let him come to us under a white flag and ask politely, showing iron-clad guarantees of good faith up front. Under no circumstances should we ever go to him. Only a fool would want to, and only a traitor or another enemy would have any reason to.

JOHN S. MASON JR.
Alexandria

The State Department always wants to pressure Israel to make concessions

While the United States should place its own interests first, it should permit Israel to do the same, particularly when the security of the Jewish state is threatened ("Netanyahu may pull back some troops from West Bank" Nov. 27).

The Clinton administration recently has brought extreme pressure on the government of Benjamin Netanyahu to make unreasonable concessions to the Palestinian Authority with the argument that Israel has been the major obstacle in reforming the coalition to restrain Saddam Hussein and Iraq. This specious argument has no merit.

For the past 50 years, since the founding of Israel, the U.S. Department of State has blamed every occurrence that does not please American policy on the presence of Israel in the Middle East. Whether it be the civil war in Afghanistan, the Pakistan-India conflict over Kashmir, the Iran-

Iraq war, the Iraqi invasion of Kuwait or the terrorist attacks in Algeria and Egypt, all of these problems would disappear if only Israel ceased to exist. Rather than blaming a flawed pro-Arab policy in that region for mistakes, it is always the fault of Israel, according to the State Department.

Unfortunately, President Clinton has now swallowed the State Department version at the urging of Secretary of State Madeleine K. Albright in his snubbing of Mr. Netanyahu during the recent visit of the Israeli prime minister to the United States. Instead of meeting with Mr. Netanyahu, our president chose to welcome Mr. Netanyahu's defeated opponent, Shimon Peres, to the White House — a breach of diplomatic courtesy and a blatant interference in the political process in Israel. This was not the first time the administration has made clear its preference for Mr. Peres.

the Palestinian Authority land that contains 96 percent of the Arab population of the West Bank and Gaza, should now be looking out for its own security. Our government has chosen the side of terrorism in the present contretemps by favoring further withdrawals not only from the West Bank, but from Jerusalem.

When the interests of two countries collide, as they did in Czechoslovakia in 1938 at the time of Munich, the choice should be clear: The country under attack should make the choice of protecting its own vital concerns at the expense of a perceived but illogical policy of the unaffiliated nation. That is why Israel is reluctant, correctly, to sanction further withdrawals that would render that nation incapable of defending itself in case of attack by neighboring Arab states.

NELSON MARANS
Silver Spring

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The Washington Times
THURSDAY, DECEMBER 11, 1997

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NATIONAL EQUAL JUSTICE AWARD DINNER
PRESENTING THE
THURGOOD MARSHALL LIFETIME ACHIEVEMENT AWARD
REMARKS BY WILLIAM T. COLEMAN, JR.
NOVEMBER 20, 1997¹

copied speech
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With all due respect to Vernon E. Jordan, Jr. and Congressman Charles Rangel, two loyal Democrats here tonight, President John F. Kennedy was wrong when he said: "Life is unfair." Sidney Poitier got to play Justice Thurgood Marshall in Simple Justice. But tonight I receive the Thurgood Marshall Lifetime Achievement Award and I receive it with so many dear friends present.

Mark Twain, a prolific writer, was also a prolific reader. In his home, books were on the floor, in the windows, on stairways, on beds, indeed spread all over. When asked why he didn't have more book cases and book shelves, Twain replied: "It is easy to borrow books, but impossible to borrow book cases and book shelves." But, friends and supporters here tonight have often let me borrow items

¹Senior Partner, O'Melveny & Myers, Secretary of Transportation in the Ford Administration (1975-1977); Chairman, NAACP Legal and Educational Fund, Inc., made an Officer of the French Legion of Honor by President Giscard d'Estaing and given the Presidential Medal of Freedom by President Bill Clinton.

and thoughts comparable to their book cases and book shelves, protected me, gave me substance, never demanding anything in return.

We praise deceased famous men, not to place verbal flowers on their graves. Ecclesiasticus reminds us: we praise them as they have given us an inheritance.

Tonight we commune with Justice Thurgood Marshall to enlighten our understanding of the significance of life, to refine our faculties as assayers of values, to fortify our will in pursuing worthy ends where success is measured not by the coin of the realm, but by a nation's grateful respect, appreciation and indebtedness for a job superbly done. The qualities of his mind, the rare ability of analysis which permitted an application of old concepts, and concepts having nothing to do with race, to frightfully new conditions, summon us to a better appreciation of the good life and a steadier devotion to it.

An observant historian should recognize that much of today's constitutional structure that makes possible today one nation with equal justice for each is due in great part to two Justices -- each had the last name of Marshall.

Chief Justice John Marshall, the fourth Chief Justice of the United States, used vague concepts embodied in the Commerce Clause and certain structural nuances to sustain judicial review of executive and legislative actions and establish supremacy of the federal government. We thus became one nation -- a federal nation, but with the federal government usually supreme. John Marshall's Constitution enabled us to tame a continent, survive a civil war, supplant Great Britain as the world leader, and twice ensure the survival of freedom through wars in Europe and the Far East.

Race, however, represented the one issue that the nation's Constitutional structure, including the Supreme Court and the political process, could not resolve; it eventually prompted a Civil War. The Hayes-Tilden Compromise and an 1896-1938 wayward Supreme Court wrongly and unfairly ended Reconstruction before it could eliminate the effects of discriminatory racial laws, slavery, and public attitudes that were (and still often are even today) significantly influenced by those ancient racial laws (even though now repealed) and traditions based thereon or influenced thereby. Thus, the nation's high-sounding phrases about individual dignity and liberty rang hollow.

One hundred years after John Marshall's death, Thurgood Marshall, the 96th Justice of the Supreme Court of the United States, began his unsurpassed contribution to law by making the Constitution serve the nation's modern needs. As a private lawyer, a Circuit Judge, a Solicitor General and then as a Justice on the Supreme Court, he reinvigorated the Civil War Amendments and the Bill of Rights and transformed them into bulwarks against unfairness, indecency, and incivility on the part of government. He expanded the 1964 Civil Rights Act so that it imposed some restrictions on even private racial and sexual discrimination when done by private corporations and private universities and colleges and so that it protected Whites as well as Blacks and all women. His efforts helped this country begin to accept, as an integral part of society, two groups excluded from the Constitutional Convention -- African Americans and all women. The constitutional transformation Marshall helped engineer has made the sentiments expressed in the Declaration of Independence an achievable goal by the end of the next generation -- if today's Court stops its recent tendency, usually by a bare majority of only one, to become wayward again. Marshall's transformation has made it possible -- if this nation really works at it -- for 250,000,000

people of diverse background, race, sex and religion truly to form one nation before the end of the first quarter of the twenty-first century.

To those of us here tonight, fortunate enough to sit at his feet, argue with him, write paragraphs which he would usually rewrite, and otherwise engage in what good young lawyers do when the senior is a superb lawyer, Thurgood Marshall taught us many things. Four of Marshall's principles were to him, and still are to us, fundamental:

The United States will not live up to the Declaration of Independence until we have a truly integrated society.

Second, the transition must be accomplished peacefully by the intelligent use of the law in the courts and other appeals to reason and moral fairness.

Third, increasingly most Americans want a color blind society, but until that day is reached, even though there has been truly significant progress since 1938, thanks to many in this room tonight, we have to put our minds, hearts, souls and efforts into developing processes which eradicate the residual effects of legalized slavery and legalized racial segregation, and thus permit every

American to achieve his or her full potential regardless of race, sex, or creed.

Finally, and this must be repeated constantly to the young, there must always be an appreciation of, and love for America. It is the only society in recorded history where -- to rewrite slightly what Justice Frankfurter said in dissent in Board of Education v. Barnette "the most vilified and persecuted minority in this country's history" will achieve its full right and participation not by the bullet, the sword or even the use of the ballot, but because American citizens have a moral compass which ultimately will lead them to do the right thing. It is that cherished American feeling which as Justice Frankfurter said in Railway Mail Association v. Corsi even in private matters "forbids indulgence in racial or religious prejudices to another's hurt."

Many have used misleading adjectives in describing the life of Justice Marshall. I offer you five correct ones: daring, romantic, a commanding presence, sophisticated and lucky.²

²Justice Felix Frankfurter used four of the five adjectives to describe another legal giant, Chief Judge Learned Hand who, like Justice Marshall, graced the United States Court of Appeals for the Second Circuit. See Frankfurter, Of Law and Life and Other Things That Matter, pp. 134-5 (1965).

"DARING" because in a nation in 1940-1955 with increasing pressure towards conformity he dared to challenge intolerance and prejudice and racial segregation even when supposedly patriotic persons and the voice of the multitude as well as all branches of government, state and federal, and often even the upper classes of our society, approved of the then status quo, to wit: racial segregation.

"ROMANTIC" because the window of his mind searched for and found favorable winds. He pursued the Holy Grail of fairness even when others repeatedly announced preference for another love, the status quo of over 106 years, to wit: racial segregation.

"A COMMANDING PRESENCE". We watched him often in a room of brilliant lawyers, including law professors from our leading law schools, many of whom now grace our federal bench, our great law firms, or key positions in the nation's major companies, outline the basic issues which needed to be covered in a brief, listen to him ask the right questions and at the end of the discussion become the intellectual leader of those whom he had assembled to advise him. At the end, all would uniformly and willingly turn to Marshall and say, "Thurgood, what do you think are the better arguments?"

"SOPHISTICATED" in that he never confused the familiar, or old legal precedents with the necessary; he questioned his own basic premises even while acting upon them until he got better ones.

Finally, "LUCKY". Look at some of the persons in this room -- Chief Judge Constance Motley, Judge Louis Pollak, Judge Bob Carter, think of people like Paul Freund, Dean Erwin Griswold, Judge Jack Weinstein and others that Thurgood collected around him. Lucky, also, in having attained that which makes all the rest of life bearable, a happy marriage to a wonderful woman.

Lucky even in failure. The Kennedys wanted to appoint him to the Fourth Circuit or the District of Columbia Circuit or to the District Court in Maryland. In each case, they were afraid to put the name before the Senate as Senator Eastland would kill it. Instead, a year later he got appointed to the Second Circuit. I'm pretty sure Chief Judge Jim Oakes, and Chief Judge Bill Feinberg, here tonight, will agree that any lawyer would love to have such a "booby" prize. Thereafter, the Solicitor General of the United States and then Associate Justice of the Supreme Court.

Sir Isaiah Berlin was that Britisher who wrote brilliant dispatches from America about Churchill's leadership during the

second World War. In 1943, Berlin's dispatches came to Churchill's attention. Churchill asked his staff to invite Berlin to lunch. The conversation at 10 Downing Street took an awkward turn when Churchill asked his guest: "Berlin, what do you think is the most important piece you've done lately?" His guest replied, "White Christmas." The invitation had been missent -- to Irving, not Isaiah Berlin.

So, to the two Vernons, [Vernon E. Jordan, Jr., Senior Partner, Akin, Gump, Strauss, Hauer & Feld; Vernon R. Loucks, Jr., Chairman and Chief Executive Officer of Baxter International, Inc.] and Mrs. Marshall, give me a few more minutes so that I can talk about the Legal Defense Fund, otherwise our guests may think your staff invited the wrong Coleman.

An important issue with LDF today is the validity and efficiency of Affirmative Action. Of course, in our schools, in our churches and at the LDF, we emphasize that parental involvement and hard work are essential as education is essential. Many minority families realize that at least a 10% extra effort over what other Americans usually do is required to achieve success. But we strongly believe that Affirmative Action still is an essential tool to end the

residual effect of over 244 years of legalized slavery and 106 years of legalized racial segregation. To borrow from a metaphor of Justice Holmes: "When you get the dragon out of his cave onto the plain and into the daylight, you can count his teeth and claws and see just what is his strength. But to get him out is only the first step. The next is either to kill him or to tame him and make him a useful animal."³

In 1954, Thurgood Marshall naively thought that once the Supreme Court knocked down segregation, Blacks, after a short period of Southern government discontent, would participate freely, and as meaningfully in the American dream the same as everyone else. As stated previously, Thurgood was a romantic. It didn't work that way. Even after the passage of 1964 Civil Rights laws, and the 1991 Civil Rights Statute, no one in this room can say that minorities have the same chances for ultimate success, or get there, even if fully qualified, as easily as most other qualified Americans do. Thus, something else must be put into the process from birth to at least the first real success. I give a few examples.

³The Path of the Law in Collected Legal Papers, 167, 187 (1920).

For 106 years a police force was all White even though the city's population was at least 30% minority. The city certainly is justified in using new vacancies to alter that current racial make up. And, if the requirement to be a Sergeant was the candidate had to have 15 years of previous service on the force, certainly for Blacks something other than strict seniority must be used.

Next, if a city recognizes that due to living patterns and the unequal distribution of poverty the schools in minority communities are not as well kept, indeed dilapidated, poorly staffed, it doesn't take a rocket scientist to recognize that many of such children even though of comparable natural ability, will not do as well on tests to get into colleges as many who live on Park Avenue.

Thus, the universities have to be able to put other items in the admission system so that its student body will be more reflective of the nation. After all, a crucial mission of the Colleges and Universities is to train the next generation of leaders in all walks of American life. We are learning, for example, that LSAT scores will predict those who clearly would fail at the great law schools like Columbia, Yale, Stanford, N.Y.U., Virginia [and you can add your own] and Harvard, but once the test taker achieves the zone above the

minimum cut off, predictability falls by the wayside. Future success is not based upon how high the LSAT score is.

Many in this room managing major companies, law firms, and governmental bodies recognize the need for diversity and, thus, to take artificial barriers out of the process have used imaginative tools to bring its work force in line with the multi-racial make up of this nation.⁴

Justice Ginsburg offers a fascinating observation as to why White women have often progressed faster than Black women and men even after the enactment and enforcement of laws which made racial and sexual discrimination illegal. She said: "Women have not been impeded to the extent ghettoized minorities have been by lingering effects of involuntary segregation in housing and community life. Most non-minority females encounter no formidable risk of death at an early age. Women are found as frequently as men in almost

⁴In walking around the room tonight, during dinner, I was thrilled to meet Black men and women, Black and White, who were Managing Directors or Vice Presidents at many of the investment houses or commercial banks, in this City of New York or were lawyers in some of this nation's major law firms in the City of New York or other great cities in this nation.

every neighborhood and economic class."⁵ In addition, the same artificial barriers do not exist between women and men as between many Whites and Blacks. For women have brothers, uncles, fathers and often spouses. Most Blacks on the other hand still live in racially restricted neighborhoods, go to predominantly Black schools from K to K-12, and even if they work in an integrated environment, have a social life usually restricted to their own race.

A non-racial analogy in the international trade field is apt. John Newhouse in Europe Adrift states: "They (the East Europeans) must acquire unrestricted access to the markets of western Europe, meaning not just a formal removal of tariff barriers but, also, the dissolution of hidden barriers and other contrivances. Enlarging the EU will extend their hope and confidence. Not enlarging it could push some of these societies to regain their pride by rekindling nationalism." (Italics supplied.)

Let me conclude with two breaths of fresh air:

A recent piece in The New York Times bears the heading "European Union Court Upholds Affirmative Action for Women."

⁵Ruth Bader Ginsburg, Sex Equality and the Constitution: The State of the Art, 14 Women's Rts. L. Rep. 361 (1992).

Next, even though a certain religious group has every historical reason to find quotas abominable, leaders thereof recognized that Affirmative Action debate is not about quotas.

The other day the American Jewish Committee in a letter signed by Bob Rifkind of Cravath, Swaine & Moore stated: "The American Jewish Committee wishes to reaffirm its position that the time has not yet come for this nation to abandon Affirmative Action. To the contrary, we strongly believe that appropriate Affirmative Action programs are still required if we hope to realize the promise of America for all our citizens. The attempt to deal with Affirmative Action on an indiscriminate, all-or-nothing basis will not serve any constructive purpose. Rather, careful attention must be given to distinguishing those programs that have worked and should be sustained from those programs that have not and need to be revised and replaced."

I urge our friends and supporters by ideas, criticisms and comments to help LDF work its way through this very difficult issue.

By now you must realize that I accept this cherished Thurgood Marshall Award with profound gratitude. I am, of course, humbled by the fact that the Award bears the name of one whom I

have so greatly admired for half a century -- and for whom, as a young lawyer, I had the inestimable privilege of serving as a spear-bearer in the worthy campaigns of yesteryear.

Thurgood Marshall was a lawyer who rightfully by skill, knowledge, commitment, devotion and respect for the law, dominated every courtroom he entered. He was a pioneering and distinguished judge of our highest court. He took the flawed Constitution of the United States and refashioned it into the charter of freedom that it was meant to be. He was one of the great Americans of our era.

Yet even as I say this, I know that somewhere the Justice is saying "Come on Bill. Knock it off." The Justice was not much given to turning flesh-and-blood people -- including himself -- into icons.

(Mrs Marshall and his two sons were, of course, exceptions).

But there is another, and more important, reason why Thurgood Marshall would have felt a modicum of embarrassment about having his name applied to an award, or, as has also happened, to a law school, or to a large government building. He knew the importance of the work to which he devoted his life. But Thurgood Marshall always felt -- and rightly so -- that he was entitled to only a portion of the credit which tends to get heaped on him alone.

Thurgood Marshall felt that he and William H. Hastie were comrades-in-arms in a battle launched by the lawyer who was mentor to them both, Charles Hamilton Houston. I find it of special pride that Bill Hastie and Charles Houston were both graduates of the Harvard Law School, both Editors of the Harvard Law Review, and both students of Professor Felix Frankfurter whose pride and love for them remained always deeply in Justice Felix Frankfurter's heart, mind and soul.

What was it that Judge Hastie said of Dean Houston?

"He was the architect and dominant force of the legal program of [the NAACP LDF]. He guided us through the legal wilderness of second-class citizenship. He was truly the Moses of that journey."

And what was it that Justice Marshall said of Judge Hastie?

"He wrote the book."

And so I accept this award not in the name of Thurgood Marshall alone, but in the name of the three mythical law partners, -- Houston, Hastie & Marshall -- because I think that's what Justice Marshall would have preferred. And I accept it in the names of these three recognizing that we who are here owe it to them -- just as we owe it to our country, our families and generations still unborn -- to

soldier on seeking that Holy Grail, an America the beautiful which is truly a wholly integrated society in which every American achieves his or her potential regardless of race, creed or color. As Lincoln said:

"It is for us the living . . . to be here dedicated to the unfinished work which they who fought here have thus far so nobly advanced."

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT'S OFFICE
12-15-97

December 8, 1997

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Blumenthal

MEMORANDUM FOR THE PRESIDENT

FROM: SIDNEY BLUMENTHAL *MS*

SUBJECT: J.Q. Adams and Progressive Nationalism

When I saw Anthony Hopkins after the premiere of *Amistad* I remarked to him that I preferred him playing Adams rather than Nixon. The obscure Adams comes into view now, his submerged reputation lifted and restored, not only because of Spielberg. He is suddenly of some interest because of a presidency that is successfully reviving the national project; his relevance is reflective of the current effort.

Adams' great struggle was not in the *Amistad* case, but in his years long battle over the gag rule. A recently published book deals with this episode, *Arguing About Slavery*, by William Lee Miller. I've enclosed a couple of excerpts: first, on Adams' rhetoric, echoed in Lincoln's Second Inaugural; and, second, on Adams' death scene on the floor of the House, in the presence of one-term Lincoln. (If I had been Spielberg, I suppose I would have ended *Amistad* with that scene.) I've also enclosed Adams' First Annual Message to the Congress, in 1825, his State of the Union. See especially page 311 and what follows for awhile, and then turn to the last two paragraphs. Finally, I've included an essay by the historian Sean Wilentz of Princeton on Adams as nationalist.

Adams was an astringent personality, burdened by family history, lacking in political talent, but farseeing. The issues today, of course, are all different, but not that different at all. During the preparation of your Second Inaugural you said to me that you would not have to face the question of saving the union, that this was a time of peace and prosperity. But I think that you sense now that that issue lies just beneath the surface and can emerge if we do not act properly. Articulating the idea that this presidency is shaping a new nation is the way to draw all the other ideas, big and small, into a modern patriotism. A tincture of your urgency on the national fate will go far.

ARGUING
ABOUT
SLAVERY

THE GREAT BATTLE IN THE
UNITED STATES CONGRESS

WILLIAM LEE MILLER

for the suppression of the African slave-trade? Yet my conscience presses me on; let me but die upon the breach.

At some point in the extended struggle in the early days of the first session of the Twenty-eighth Congress, at the end of 1843 and the beginning of 1844—to be recounted in a moment—Adams, battling every morning for the repeal of Rule 21, told Giddings that “he had become nervous and unable to sleep,” according to Giddings’s *History of the Rebellion*, “avowed himself physically disqualified to contend longer for the floor,” and asked Giddings to take over for him. “He said,” Giddings reported, that “he had indulged the hope of living to see the gag rule repealed, but he now regarded it as doubtful.”

Both in his journal and in his history, Giddings reports a moment during those days when Adams, depressed, said earnestly (of course it would be earnestly) to Giddings that there was “but one cause for public men,” and that was to “*do their duty*.”

In the same period—during the last long debate on Rule 21 going into early 1844—there came an episode that was often to be referred to thereafter. One of the many Southerners engaged in assailing Adams—as Giddings tells the story—a man from Alabama named Dellet, quoted, as part of his attack, what he took to be a shocking passage from a speech Adams had given to “the colored people of Pittsburgh, Pennsylvania”:

[Dellet quoting Adams]: We know that the day of your redemption must come. The time and the manner of its coming we know not: It may come in peace, or it may come in blood; but *whether in peace or in blood, LET IT COME.*

Dellet dramatized this passage, and then to underline its offensiveness, read it a second time. As he was finishing, Adams, in his seat, added, “*I say now let it come.*”

Dellet, presumably shocked at this further outrage from Old Man Adams, said:

[Dellet]: Yes, the gentleman now says let it come, though it *cost the blood of thousands of white men.*

[Adams responded]: *Though it cost the blood of MILLIONS OF WHITE MEN, LET IT COME. Let justice be done, though the heavens fall.*

Never did he heartily espouse the side of any of those hot struggles of the rights of man?



TWENTY-ONE YEARS LATER THE president of the United States would make a point, in the next-to-last paragraph (not the last—the next-to-last) of his Second Inaugural Address, which, although vastly different in tone and context, in grace and in moral complexity, from this stark assertion of Adams's, was nevertheless, when one sorted out its naked meaning, not so very different from it:

If we shall suppose that American Slavery is one of those offences which, in the providence of God, must needs come, but which, having continued through His appointed time, He now wills to remove, and that He gives to both North and South, this terrible war, as the woe due to those by whom the offence came, shall we discern therein any departure from those divine attributes which the believers in a Living God always ascribe to Him? Fondly do we hope—fervently do we pray—that this mighty scourge of war may speedily pass away.

To be sure, this paragraph of Lincoln's precedes, and provides a profound dark backdrop to, "with charity for all, with malice toward none" in the renowned last paragraph. But notice the fierce and terrible image that ends this not often closely examined penultimate paragraph:

Yet, if God wills that it [the terrible scourge of war] continue, until all the wealth piled by the bond-man's two hundred and fifty years of unrequited toil shall be sunk, and until every drop of blood drawn with the lash, shall be paid by another drawn with the sword, as was said three thousand years ago, so still it must be said, "The judgments of the Lord, are true and righteous altogether."

Let it come. Let justice be done, though the heavens fall.

WHEN CONGRESS CONVENED IN December of 1843, with, again, the echoing pillars, the tripping Mercuries, the calling of states, the different intonations of ayes and noes, the gobbling manner of the clerk, it was a *new* Congress, the Twenty-eighth, which meant that once again it would be *adopting* its rules. And this one really was a *new* Congress.

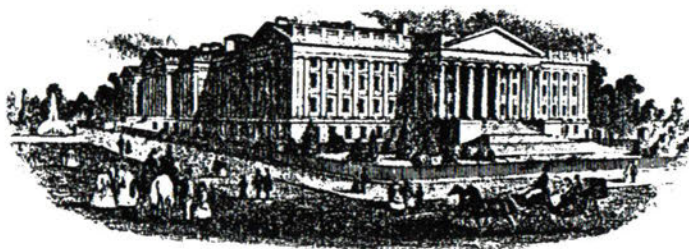
When in the late twentieth century there would be lamentations over the power of incumbency, and the minimal turnover in the elections to the House, the elections for this Twenty-eighth Congress would be cited as a

result. These are the politicians, discussed in the previous chapter, who operated in the great main arena of politics, and amid complexities had as a primary purpose opposition to slavery for reasons of its radical injustice. Their work comes mostly in the years beyond the reach of this story, but they, too, are a key to the ending of slavery.

These politicians depended upon their predecessors, the evangelistic abolitionists, for the pressure, for the agenda-setting, for the raised consciousness that made their work possible; but the abolitionists depended in their turn on these politicians, to gear their affirmations into the machinery of the real world. Both were necessary to bring about the total result, putting the elements together—ending slavery within an enhanced constitutional Union. John Quincy Adams at the end of his life was both an agent of those abolitionists and a harbinger of those politicians.

ADAMS HAD CONTINUED TO serve in the House, fighting and grousing and arguing and doing his duty to the republic as long as he could, for more than three years after the end of the gag rule. When Texas was annexed to the Union he said it was the end of Western civilization, more or less. He was reelected, by a generous margin, in 1846, when he was seventy-nine. His handwriting got so shaky that he had to stop writing his journal, after a tidy sixty-five years. He slumped over his desk in the House on February 21, 1848, when he was eighty years old, and, as we noted in an earlier chapter, died in a committee room of the House two days later. In the Capitol in Washington one can go to see the marker on the spot in the old House chamber where Adams was working at his desk when he was stricken.

It is altogether fitting and proper, for the purposes of the inner history and collective memory of the American people, that on the day that Adams fell there was seated, in a not very good seat in the back row of the House chamber, a young Whig congressman from Illinois serving his first and only term, a messmate of Joshua Giddings at Mrs. Sprigg's lodging house, Abraham Lincoln.



THE WHITE HOUSE

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A COMPILATION
OF THE
MESSAGES AND PAPERS
OF THE
PRESIDENTS

1789-1897

PUBLISHED BY AUTHORITY OF CONGRESS

BY
JAMES D. RICHARDSON
A REPRESENTATIVE FROM THE STATE OF TENNESSEE



VOLUME II

WASHINGTON
GOVERNMENT PRINTING OFFICE

to improve the organization and discipline of the Army; to provide and sustain a school of military science; to extend equal protection to all the great interests of the nation; to promote the civilization of the Indian tribes, and to proceed in the great system of internal improvements within the limits of the constitutional power of the Union. Under the pledge of these promises, made by that eminent citizen at the time of his first induction to this office, in his career of eight years the internal taxes have been repealed; sixty millions of the public debt have been discharged; provision has been made for the comfort and relief of the aged and indigent among the surviving warriors of the Revolution; the regular armed force has been reduced and its constitution revised and perfected; the accountability for the expenditure of public moneys has been made more effective; the Floridas have been peaceably acquired, and our boundary has been extended to the Pacific Ocean; the independence of the southern nations of this hemisphere has been recognized, and recommended by example and by counsel to the potentates of Europe; progress has been made in the defense of the country by fortifications and the increase of the Navy, toward the effectual suppression of the African traffic in slaves, in alluring the aboriginal hunters of our land to the cultivation of the soil and of the mind, in exploring the interior regions of the Union, and in preparing by scientific researches and surveys for the further application of our national resources to the internal improvement of our country.

In this brief outline of the promise and performance of my immediate predecessor the line of duty for his successor is clearly delineated. To pursue to their consummation those purposes of improvement in our common condition instituted or recommended by him will embrace the whole sphere of my obligations. To the topic of internal improvement, emphatically urged by him at his inauguration, I recur with peculiar satisfaction. It is that from which I am convinced that the unborn millions of our posterity who are in future ages to people this continent will derive their most fervent gratitude to the founders of the Union; that in which the beneficent action of its Government will be most deeply felt and acknowledged. The magnificence and splendor of their public works are among the imperishable glories of the ancient republics. The roads and aqueducts of Rome have been the admiration of all after ages, and have survived thousands of years after all her conquests have been swallowed up in despotism or become the spoil of barbarians. Some diversity of opinion has prevailed with regard to the powers of Congress for legislation upon objects of this nature. The most respectful deference is due to doubts originating in pure patriotism and sustained by venerated authority. But nearly twenty years have passed since the construction of the first national road was commenced. The authority for its construction was then unquestioned. To how many thousands of our countrymen has it proved a benefit? To what single individual has it ever proved an injury? Repeated, liberal, and candid discussions in the Legislature have

conciliated the sentiments and approximated the opinions of enlightened minds upon the question of constitutional power. I can not but hope that by the same process of friendly, patient, and persevering deliberation all constitutional objections will ultimately be removed. The extent and limitation of the powers of the General Government in relation to this transcendently important interest will be settled and acknowledged to the common satisfaction of all, and every speculative scruple will be solved by a practical public blessing.

Fellow-citizens, you are acquainted with the peculiar circumstances of the recent election, which have resulted in affording me the opportunity of addressing you at this time. You have heard the exposition of the principles which will direct me in the fulfillment of the high and solemn trust imposed upon me in this station. Less possessed of your confidence in advance than any of my predecessors, I am deeply conscious of the prospect that I shall stand more and oftener in need of your indulgence. Intentions upright and pure, a heart devoted to the welfare of our country, and the unceasing application of all the faculties allotted to me to her service are all the pledges that I can give for the faithful performance of the arduous duties I am to undertake. To the guidance of the legislative councils, to the assistance of the executive and subordinate departments, to the friendly cooperation of the respective State governments, to the candid and liberal support of the people so far as it may be deserved by honest industry and zeal, I shall look for whatever success may attend my public service; and knowing that "except the Lord keep the city the watchman waketh but in vain," with fervent supplications for His favor, to His overruling providence I commit with humble but fearless confidence my own fate and the future destinies of my country.

MARCH 4, 1825.

FIRST ANNUAL MESSAGE.

WASHINGTON, December 6, 1825.

Fellow-Citizens of the Senate and of the House of Representatives:

In taking a general survey of the concerns of our beloved country, with reference to subjects interesting to the common welfare, the first sentiment which impresses itself upon the mind is of gratitude to the Omnipotent Disposer of All Good for the continuance of the signal blessings of His providence, and especially for that health which to an unusual extent has prevailed within our borders, and for that abundance which in the vicissitudes of the seasons has been scattered with profusion over our land. Nor ought we less to ascribe to Him the glory that we are permitted to enjoy the bounties of His hand in peace and tranquillity—in peace with

all the other nations of the earth, in tranquillity among ourselves. There has, indeed, rarely been a period in the history of civilized man in which the general condition of the Christian nations has been marked so extensively by peace and prosperity.

Europe, with a few partial and unhappy exceptions, has enjoyed ten years of peace, during which all her Governments, whatever the theory of their constitutions may have been, are successively taught to feel that the end of their institution is the happiness of the people, and that the exercise of power among men can be justified only by the blessings it confers upon those over whom it is extended.

During the same period our intercourse with all those nations has been pacific and friendly; it so continues. Since the close of your last session no material variation has occurred in our relations with any one of them. In the commercial and navigation system of Great Britain important changes of municipal regulation have recently been sanctioned by acts of Parliament, the effect of which upon the interests of other nations, and particularly upon ours, has not yet been fully developed. In the recent renewal of the diplomatic missions on both sides between the two Governments assurances have been given and received of the continuance and increase of the mutual confidence and cordiality by which the adjustment of many points of difference had already been effected, and which affords the surest pledge for the ultimate satisfactory adjustment of those which still remain open or may hereafter arise.

The policy of the United States in their commercial intercourse with other nations has always been of the most liberal character. In the mutual exchange of their respective productions they have abstained altogether from prohibitions; they have interdicted themselves the power of laying taxes upon exports, and whenever they have favored their own shipping by special preferences or exclusive privileges in their own ports it has been only with a view to countervail similar favors and exclusions granted by the nations with whom we have been engaged in traffic to their own people or shipping, and to the disadvantage of ours. Immediately after the close of the last war a proposal was fairly made by the act of Congress of the 3d of March, 1815, to all the maritime nations to lay aside the system of retaliating restrictions and exclusions, and to place the shipping of both parties to the common trade on a footing of equality in respect to the duties of tonnage and impost. This offer was partially and successively accepted by Great Britain, Sweden, the Netherlands, the Hanseatic cities, Prussia, Sardinia, the Duke of Oldenburg, and Russia. It was also adopted, under certain modifications, in our late commercial convention with France, and by the act of Congress of the 8th January, 1824, it has received a new confirmation with all the nations who had acceded to it, and has been offered again to all those who are or may hereafter be willing to abide in reciprocity by it. But all these regulations, whether established by treaty or by municipal enactments, are still subject to one important restriction.

The removal of discriminating duties of tonnage and of impost is limited to articles of the growth, produce, or manufacture of the country to which the vessel belongs or to such articles as are most usually first shipped from her ports. It will deserve the serious consideration of Congress whether even this remnant of restriction may not be safely abandoned, and whether the general tender of equal competition made in the act of 8th January, 1824, may not be extended to include all articles of merchandise not prohibited, of what country soever they may be the produce or manufacture. Propositions to this effect have already been made to us by more than one European Government, and it is probable that if once established by legislation or compact with any distinguished maritime state it would recommend itself by the experience of its advantages to the general accession of all.

The convention of commerce and navigation between the United States and France, concluded on the 24th of June, 1822, was, in the understanding and intent of both parties, as appears upon its face, only a temporary arrangement of the points of difference between them of the most immediate and pressing urgency. It was limited in the first instance to two years from the 1st of October, 1822, but with a proviso that it should further continue in force till the conclusion of a general and definitive treaty of commerce, unless terminated by a notice, six months in advance, of either of the parties to the other. Its operation so far as it extended has been mutually advantageous, and it still continues in force by common consent. But it left unadjusted several objects of great interest to the citizens and subjects of both countries, and particularly a mass of claims to considerable amount of citizens of the United States upon the Government of France of indemnity for property taken or destroyed under circumstances of the most aggravated and outrageous character. In the long period during which continual and earnest appeals have been made to the equity and magnanimity of France in behalf of these claims their justice has not been, as it could not be, denied. It was hoped that the accession of a new Sovereign to the throne would have afforded a favorable opportunity for presenting them to the consideration of his Government. They have been presented and urged hitherto without effect. The repeated and earnest representations of our minister at the Court of France remain as yet even without an answer. Were the demands of nations upon the justice of each other susceptible of adjudication by the sentence of an impartial tribunal, those to which I now refer would long since have been settled and adequate indemnity would have been obtained. There are large amounts of similar claims upon the Netherlands, Naples, and Denmark. For those upon Spain prior to 1819 indemnity was, after many years of patient forbearance, obtained; and those upon Sweden have been lately compromised by a private settlement, in which the claimants themselves have acquiesced. The Governments of Denmark and of Naples have been recently reminded of it.

nor will any of them be forgotten while a hope may be indulged of obtaining justice by the means within the constitutional power of the Executive, and without resorting to those means of self-redress which, as well as the time, circumstances, and occasion which may require them, are within the exclusive competency of the Legislature.

It is with great satisfaction that I am enabled to bear witness to the liberal spirit with which the Republic of Colombia has made satisfaction for well-established claims of a similar character, and among the documents now communicated to Congress will be distinguished a treaty of commerce and navigation with that Republic, the ratifications of which have been exchanged since the last recess of the Legislature. The negotiation of similar treaties with all the independent South American States has been contemplated and may yet be accomplished. The basis of them all, as proposed by the United States, has been laid in two principles—the one of entire and unqualified reciprocity, the other the mutual obligation of the parties to place each other permanently upon the footing of the most favored nation. These principles are, indeed, indispensable to the effectual emancipation of the American hemisphere from the thralldom of colonizing monopolies and exclusions, an event rapidly realizing in the progress of human affairs, and which the resistance still opposed in certain parts of Europe to the acknowledgment of the Southern American Republics as independent States will, it is believed, contribute more effectually to accomplish. The time has been, and that not remote, when some of those States might, in their anxious desire to obtain a nominal recognition, have accepted of a nominal independence, clogged with burdensome conditions, and exclusive commercial privileges granted to the nation from which they have separated to the disadvantage of all others. They are all now aware that such concessions to any European nation would be incompatible with that independence which they have declared and maintained.

Among the measures which have been suggested to them by the new relations with one another, resulting from the recent changes in their condition, is that of assembling at the Isthmus of Panama a congress, at which each of them should be represented, to deliberate upon objects important to the welfare of all. The Republics of Colombia, of Mexico, and of Central America have already deputed plenipotentiaries to such a meeting, and they have invited the United States to be also represented there by their ministers. The invitation has been accepted, and ministers on the part of the United States will be commissioned to attend at those deliberations, and to take part in them so far as may be compatible with that neutrality from which it is neither our intention nor the desire of the other American States that we should depart.

The commissioners under the seventh article of the treaty of Ghent have so nearly completed their arduous labors that, by the report recently received from the agent on the part of the United States, there is reason to

expect that the commission will be closed at their next session, appointed for the 22d of May of the ensuing year.

The other commission, appointed to ascertain the indemnities due for slaves carried away from the United States after the close of the late war, have met with some difficulty, which has delayed their progress in the inquiry. A reference has been made to the British Government on the subject, which, it may be hoped, will tend to hasten the decision of the commissioners, or serve as a substitute for it.

Among the powers specifically granted to Congress by the Constitution are those of establishing uniform laws on the subject of bankruptcies throughout the United States and of providing for organizing, arming, and disciplining the militia and for governing such part of them as may be employed in the service of the United States. The magnitude and complexity of the interests affected by legislation upon these subjects may account for the fact that, long and often as both of them have occupied the attention and animated the debates of Congress, no systems have yet been devised for fulfilling to the satisfaction of the community the duties prescribed by these grants of power. To conciliate the claim of the individual citizen to the enjoyment of personal liberty, with the effective obligation of private contracts, is the difficult problem to be solved by a law of bankruptcy. These are objects of the deepest interest to society, affecting all that is precious in the existence of multitudes of persons, many of them in the classes essentially dependent and helpless, of the age requiring nurture, and of the sex entitled to protection from the free agency of the parent and the husband. The organization of the militia is yet more indispensable to the liberties of the country. It is only by an effective militia that we can at once enjoy the repose of peace and bid defiance to foreign aggression; it is by the militia that we are constituted an armed nation, standing in perpetual panoply of defense in the presence of all the other nations of the earth. To this end it would be necessary, if possible, so to shape its organization as to give it a more united and active energy. There are laws for establishing an uniform militia throughout the United States and for arming and equipping its whole body. But it is a body of dislocated members, without the vigor of unity and having little of uniformity but the name. To infuse into this most important institution the power of which it is susceptible and to make it available for the defense of the Union at the shortest notice and at the smallest expense possible of time, of life, and of treasure are among the benefits to be expected from the persevering deliberations of Congress.

Among the unequivocal indications of our national prosperity is the flourishing state of our finances. The revenues of the present year, from all their principal sources, will exceed the anticipations of the last. The balance in the Treasury on the 1st of January last was a little short of \$2,000,000, exclusive of two millions and a half, being the maintenance of

loan of five millions authorized by the act of 26th of May, 1824. The receipts into the Treasury from the 1st of January to the 30th of September, exclusive of the other moiety of the same loan, are estimated at \$16,500,000, and it is expected that those of the current quarter will exceed \$5,000,000, forming an aggregate of receipts of nearly twenty-two millions, independent of the loan. The expenditures of the year will not exceed that sum more than two millions. By those expenditures nearly eight millions of the principal of the public debt have been discharged. More than a million and a half has been devoted to the debt of gratitude to the warriors of the Revolution; a nearly equal sum to the construction of fortifications and the acquisition of ordnance and other permanent preparations of national defense; half a million to the gradual increase of the Navy; an equal sum for purchases of territory from the Indians and payment of annuities to them; and upward of a million for objects of internal improvement authorized by special acts of the last Congress. If we add to these \$4,000,000 for payment of interest upon the public debt, there remains a sum of about seven millions, which have defrayed the whole expense of the administration of Government in its legislative, executive, and judiciary departments, including the support of the military and naval establishments and all the occasional contingencies of a government coextensive with the Union.

The amount of duties secured on merchandise imported since the commencement of the year is about twenty-five millions and a half, and that which will accrue during the current quarter is estimated at five millions and a half; from these thirty-one millions, deducting the drawbacks, estimated at less than seven millions, a sum exceeding twenty-four millions will constitute the revenue of the year, and will exceed the whole expenditures of the year. The entire amount of the public debt remaining due on the 1st of January next will be short of \$81,000,000.

By an act of Congress of the 3d of March last a loan of \$12,000,000 was authorized at $4\frac{1}{2}$ per cent, or an exchange of stock to that amount of $4\frac{1}{2}$ per cent for a stock of 6 per cent, to create a fund for extinguishing an equal amount of the public debt, bearing an interest of 6 per cent, redeemable in 1826. An account of the measures taken to give effect to this act will be laid before you by the Secretary of the Treasury. As the object which it had in view has been but partially accomplished, it will be for the consideration of Congress whether the power with which it clothed the Executive should not be renewed at an early day of the present session, and under what modifications.

The act of Congress of the 3d of March last, directing the Secretary of the Treasury to subscribe, in the name and for the use of the United States, for 1,500 shares of the capital stock of the Chesapeake and Delaware Canal Company, has been executed by the actual subscription for the amount specified; and such other measures have been adopted by that officer, under the act, as the fulfillment of its intentions requires.

The latest accounts received of this important undertaking authorize the belief that it is in successful progress.

The payments into the Treasury from the proceeds of the sales of the public lands during the present year were estimated at \$1,000,000. The actual receipts of the first two quarters have fallen very little short of that sum; it is not expected that the second half of the year will be equally productive, but the income of the year from that source may now be safely estimated at a million and a half. The act of Congress of 18th May, 1824, to provide for the extinguishment of the debt due to the United States by the purchasers of public lands, was limited in its operation of relief to the purchaser to the 10th of April last. Its effect at the end of the quarter during which it expired was to reduce that debt from ten to seven millions. By the operation of similar prior laws of relief, from and since that of 2d March, 1821, the debt had been reduced from upward of twenty-two millions to ten. It is exceedingly desirable that it should be extinguished altogether; and to facilitate that consummation I recommend to Congress the revival for one year more of the act of 18th May, 1824, with such provisional modification as may be necessary to guard the public interests against fraudulent practices in the resale of the relinquished land. The purchasers of public lands are among the most useful of our fellow-citizens, and since the system of sales for cash alone has been introduced great indulgence has been justly extended to those who had previously purchased upon credit. The debt which had been contracted under the credit sales had become unwieldy, and its extinction was alike advantageous to the purchaser and to the public. Under the system of sales, matured as it has been by experience, and adapted to the exigencies of the times, the lands will continue as they have become, an abundant source of revenue; and when the pledge of them to the public creditor shall have been redeemed by the entire discharge of the national debt, the swelling tide of wealth with which they replenish the common Treasury may be made to reflow in unfailing streams of improvement from the Atlantic to the Pacific Ocean.

The condition of the various branches of the public service resorting from the Department of War, and their administration during the current year, will be exhibited in the report of the Secretary of War and the accompanying documents herewith communicated. The organization and discipline of the Army are effective and satisfactory. To counteract the prevalence of desertion among the troops it has been suggested to withhold from the men a small portion of their monthly pay until the period of their discharge; and some expedient appears to be necessary to preserve and maintain among the officers so much of the art of horsemanship as could scarcely fail to be found wanting on the possible sudden eruption of a war, which should take us unprovided with a single corps of cavalry. The Military Academy at West Point, under the restrictions of a severe but paternal superintendence, recommends itself more and

more to the patronage of the nation, and the numbers of meritorious officers which it forms and introduces to the public service furnishes the means of multiplying the undertakings of public improvements to which their acquirements at that institution are peculiarly adapted. The school of artillery practice established at Fortress Monroe is well suited to the same purpose, and may need the aid of further legislative provision to the same end. The reports of the various officers at the head of the administrative branches of the military service, connected with the quartering, clothing, subsistence, health, and pay of the Army, exhibit the assiduous vigilance of those officers in the performance of their respective duties, and the faithful accountability which has pervaded every part of the system.

Our relations with the numerous tribes of aboriginal natives of this country, scattered over its extensive surface and so dependent even for their existence upon our power, have been during the present year highly interesting. An act of Congress of 25th of May, 1824, made an appropriation to defray the expenses of making treaties of trade and friendship with the Indian tribes beyond the Mississippi. An act of 3d of March, 1825, authorized treaties to be made with the Indians for their consent to the making of a road from the frontier of Missouri to that of New Mexico, and another act of the same date provided for defraying the expenses of holding treaties with the Sioux, Chippeways, Menomenees, Sauks, Foxes, etc., for the purpose of establishing boundaries and promoting peace between said tribes. The first and the last objects of these acts have been accomplished, and the second is yet in a process of execution. The treaties which since the last session of Congress have been concluded with the several tribes will be laid before the Senate for their consideration conformably to the Constitution. They comprise large and valuable acquisitions of territory, and they secure an adjustment of boundaries and give pledges of permanent peace between several tribes which had been long waging bloody wars against each other.

On the 12th of February last a treaty was signed at the Indian Springs between commissioners appointed on the part of the United States and certain chiefs and individuals of the Creek Nation of Indians, which was received at the seat of Government only a very few days before the close of the last session of Congress and of the late Administration. The advice and consent of the Senate was given to it on the 3d of March, too late for it to receive the ratification of the then President of the United States; it was ratified on the 7th of March, under the unsuspecting impression that it had been negotiated in good faith and in the confidence inspired by the recommendation of the Senate. The subsequent transactions in relation to this treaty will form the subject of a separate communication.

The appropriations made by Congress for public works, as well in the construction of fortifications as for purposes of internal improvement, so far as they have been expended, have been faithfully applied. Their

progress has been delayed by the want of suitable officers for superintending them. An increase of both the corps of engineers, military and topographical, was recommended by my predecessor at the last session of Congress. The reasons upon which that recommendation was founded subsist in all their force and have acquired additional urgency since that time. It may also be expedient to organize the topographical engineers into a corps similar to the present establishment of the Corps of Engineers. The Military Academy at West Point will furnish from the cadets annually graduated there officers well qualified for carrying this measure into effect.

The Board of Engineers for Internal Improvement, appointed for carrying into execution the act of Congress of 30th of April, 1824, "to procure the necessary surveys, plans, and estimates on the subject of roads and canals," have been actively engaged in that service from the close of the last session of Congress. They have completed the surveys necessary for ascertaining the practicability of a canal from the Chesapeake Bay to the Ohio River, and are preparing a full report on that subject, which, when completed, will be laid before you. The same observation is to be made with regard to the two other objects of national importance upon which the Board have been occupied, namely, the accomplishment of a national road from this city to New Orleans, and the practicability of uniting the waters of Lake Memphramagog with Connecticut River and the improvement of the navigation of that river. The surveys have been made and are nearly completed. The report may be expected at an early period during the present session of Congress.

The acts of Congress of the last session relative to the surveying, marking, or laying out roads in the Territories of Florida, Arkansas, and Michigan, from Missouri to Mexico, and for the continuation of the Cumberland road, are, some of them, fully executed, and others in the process of execution. Those for completing or commencing fortifications have been delayed only so far as the Corps of Engineers has been inadequate to furnish officers for the necessary superintendence of the works. Under the act confirming the statutes of Virginia and Maryland incorporating the Chesapeake and Ohio Canal Company, three commissioners on the part of the United States have been appointed for opening books and receiving subscriptions, in concert with a like number of commissioners appointed on the part of each of those States. A meeting of the commissioners has been postponed, to await the definitive report of the board of engineers. The light-houses and monuments for the safety of our commerce and mariners, the works for the security of Plymouth Beach and for the preservation of the islands in Boston Harbor, have received the attention required by the laws relating to those objects respectively. The continuation of the Cumberland road, the most important of them all, after surmounting no inconsiderable difficulty in fixing upon the direction of the road, has commenced under the most promising auspices.

with the improvements of recent invention in the mode of construction, and with the advantage of a great reduction in the comparative cost of the work.

The operation of the laws relating to the Revolutionary pensioners may deserve the renewed consideration of Congress. The act of the 18th of March, 1818, while it made provision for many meritorious and indigent citizens who had served in the War of Independence, opened a door to numerous abuses and impositions. To remedy this the act of 1st May, 1820, exacted proofs of absolute indigence, which many really in want were unable and all susceptible of that delicacy which is allied to many virtues must be deeply reluctant to give. The result has been that some among the least deserving have been retained, and some in whom the requisites both of worth and want were combined have been stricken from the list. As the numbers of these venerable relics of an age gone by diminish; as the decays of body, mind, and estate of those that survive must in the common course of nature increase, should not a more liberal portion of indulgence be dealt out to them? May not the want in most instances be inferred from the demand when the service can be proved, and may not the last days of human infirmity be spared the mortification of purchasing a pittance of relief only by the exposure of its own necessities? I submit to Congress the expediency of providing for individual cases of this description by special enactment, or of revising the act of the 1st of May, 1820, with a view to mitigate the rigor of its exclusions in favor of persons to whom charity now bestowed can scarcely discharge the debt of justice.

The portion of the naval force of the Union in actual service has been chiefly employed on three stations—the Mediterranean, the coasts of South America bordering on the Pacific Ocean, and the West Indies. An occasional cruiser has been sent to range along the African shores most polluted by the traffic of slaves; one armed vessel has been stationed on the coast of our eastern boundary, to cruise along the fishing grounds in Hudsons Bay and on the coast of Labrador, and the first service of a new frigate has been performed in restoring to his native soil and domestic enjoyments the veteran hero whose youthful blood and treasure had freely flowed in the cause of our country's independence, and whose whole life has been a series of services and sacrifices to the improvement of his fellow-men. The visit of General Lafayette, alike honorable to himself and to our country, closed, as it had commenced, with the most affecting testimonials of devoted attachment on his part, and of unbounded gratitude of this people to him in return. It will form hereafter a pleasing incident in the annals of our Union, giving to real history the intense interest of romance and signally marking the unpurchasable tribute of a great nation's social affections to the disinterested champion of the liberties of human-kind.

The constant maintenance of a small squadron in the Mediterranean

is a necessary substitute for the humiliating alternative of paying tribute for the security of our commerce in that sea, and for a precarious peace, at the mercy of every caprice of four Barbary States, by whom it was liable to be violated. An additional motive for keeping a respectable force stationed there at this time is found in the maritime war raging between the Greeks and the Turks, and in which the neutral navigation of this Union is always in danger of outrage and depredation. A few instances have occurred of such depredations upon our merchant vessels by privateers or pirates wearing the Grecian flag, but without real authority from the Greek or any other Government. The heroic struggles of the Greeks themselves, in which our warmest sympathies as freemen and Christians have been engaged, have continued to be maintained with vicissitudes of success adverse and favorable.

Similar motives have rendered expedient the keeping of a like force on the coasts of Peru and Chile on the Pacific. The irregular and convulsive character of the war upon the shores has been extended to the conflicts upon the ocean. An active warfare has been kept up for years with alternate success, though generally to the advantage of the American patriots. But their naval forces have not always been under the control of their own Governments. Blockades, unjustifiable upon any acknowledged principles of international law, have been proclaimed by officers in command, and though disavowed by the supreme authorities, the protection of our own commerce against them has been made cause of complaint and erroneous imputations against some of the most gallant officers of our Navy. Complaints equally groundless have been made by the commanders of the Spanish royal forces in those seas; but the most effective protection to our commerce has been the flag and the firmness of our own commanding officers. The cessation of the war by the complete triumph of the patriot cause has removed, it is hoped, all cause of dissension with one party and all vestige of force of the other. But an unsettled coast of many degrees of latitude forming a part of our own territory and a flourishing commerce and fishery extending to the islands of the Pacific and to China still require that the protecting power of the Union should be displayed under its flag as well upon the ocean as upon the land.

The objects of the West India Squadron have been to carry into execution the laws for the suppression of the African slave trade; for the protection of our commerce against vessels of piratical character, though bearing commissions from either of the belligerent parties; for its protection against open and unequivocal pirates. These objects during the present year have been accomplished more effectually than at any former period. The African slave trade has long been excluded from the use of our flag, and if some few citizens of our country have continued to set the laws of the Union as well as those of nature and humanity at defiance by persevering in that abominable traffic, it has been only by

sheltering themselves under the banners of other nations less earnest for the total extinction of the trade than ours. The irregular privateers have within the last year been in a great measure banished from those seas, and the pirates for months past appear to have been almost entirely swept away from the borders and the shores of the two Spanish islands in those regions. The active, persevering, and unremitted energy of Captain Warrington and of the officers and men under his command on that trying and perilous service have been crowned with signal success, and are entitled to the approbation of their country. But experience has shown that not even a temporary suspension or relaxation from assiduity can be indulged on that station without reproducing piracy and murder in all their horrors; nor is it probable that for years to come our immensely valuable commerce in those seas can navigate in security without the steady continuance of an armed force devoted to its protection.

It were, indeed, a vain and dangerous illusion to believe that in the present or probable condition of human society a commerce so extensive and so rich as ours could exist and be pursued in safety without the continual support of a military marine—the only arm by which the power of this Confederacy can be estimated or felt by foreign nations, and the only standing military force which can never be dangerous to our own liberties at home. A permanent naval peace establishment, therefore, adapted to our present condition, and adaptable to that gigantic growth with which the nation is advancing in its career, is among the subjects which have already occupied the foresight of the last Congress, and which will deserve your serious deliberations. Our Navy, commenced at an early period of our present political organization upon a scale commensurate with the incipient energies, the scanty resources, and the comparative indigence of our infancy, was even then found adequate to cope with all the powers of Barbary, save the first, and with one of the principal maritime powers of Europe.

At a period of further advancement, but with little accession of strength, it not only sustained with honor the most unequal of conflicts, but covered itself and our country with unfading glory. But it is only since the close of the late war that by the numbers and force of the ships of which it was composed it could deserve the name of a navy. Yet it retains nearly the same organization as when it consisted only of five frigates. The rules and regulations by which it is governed earnestly call for revision, and the want of a naval school of instruction, corresponding with the Military Academy at West Point, for the formation of scientific and accomplished officers, is felt with daily increasing aggravation.

The act of Congress of 26th of May, 1824, authorizing an examination and survey of the harbor of Charleston, in South Carolina, of St. Marys, in Georgia, and of the coast of Florida, and for other purposes, has been executed so far as the appropriation would admit. Those of the 3d of March last, authorizing the establishment of a navy-yard and depot on

the coast of Florida, in the Gulf of Mexico, and authorizing the building of ten sloops of war, and for other purposes, are in the course of execution, for the particulars of which and other objects connected with this Department I refer to the report of the Secretary of the Navy, herewith communicated.

A report from the Postmaster-General is also submitted, exhibiting the present flourishing condition of that Department. For the first time for many years the receipts for the year ending on the 1st of July last exceeded the expenditures during the same period to the amount of more than \$45,000. Other facts equally creditable to the administration of this Department are that in two years from the 1st of July, 1823, an improvement of more than \$185,000 in its pecuniary affairs has been realized; that in the same interval the increase of the transportation of the mail has exceeded 1,500,000 miles annually, and that 1,040 new post-offices have been established. It hence appears that under judicious management the income from this establishment may be relied on as fully adequate to defray its expenses, and that by the discontinuance of post-roads altogether unproductive others of more useful character may be opened, till the circulation of the mail shall keep pace with the spread of our population, and the comforts of friendly correspondence, the exchanges of internal traffic, and the lights of the periodical press shall be distributed to the remotest corners of the Union, at a charge scarcely perceptible to any individual, and without the cost of a dollar to the public Treasury.

Upon this first occasion of addressing the Legislature of the Union, with which I have been honored, in presenting to their view the execution so far as it has been effected of the measures sanctioned by them for promoting the internal improvement of our country, I can not close the communication without recommending to their calm and persevering consideration the general principle in a more enlarged extent. The great object of the institution of civil government is the improvement of the condition of those who are parties to the social compact, and no government, in whatever form constituted, can accomplish the lawful ends of its institution but in proportion as it improves the condition of those over whom it is established. Roads and canals, by multiplying and facilitating the communications and intercourse between distant regions and multitudes of men, are among the most important means of improvement. But moral, political, intellectual improvement are duties assigned by the Author of Our Existence to social no less than to individual man. For the fulfillment of those duties governments are invested with power, and to the attainment of the end—the progressive improvement of the condition of the governed—the exercise of delegated powers is a duty as sacred and indispensable as the usurpation of powers not granted is criminal and odious. Among the first, perhaps the very first, instrument for the improvement of the condition of men is knowledge, and to the acquisition

of much of the knowledge adapted to the wants, the comforts, and enjoyments of human life public institutions and seminaries of learning are essential. So convinced of this was the first of my predecessors in this office, now first in the memory, as, living, he was first in the hearts, of our countrymen, that once and again in his addresses to the Congresses with whom he cooperated in the public service he earnestly recommended the establishment of seminaries of learning, to prepare for all the emergencies of peace and war—a national university and a military academy. With respect to the latter, had he lived to the present day, in turning his eyes to the institution at West Point he would have enjoyed the gratification of his most earnest wishes; but in surveying the city which has been honored with his name he would have seen the spot of earth which he had destined and bequeathed to the use and benefit of his country as the site for an university still bare and barren.

In assuming her station among the civilized nations of the earth it would seem that our country had contracted the engagement to contribute her share of mind, of labor, and of expense to the improvement of those parts of knowledge which lie beyond the reach of individual acquisition, and particularly to geographical and astronomical science. Looking back to the history only of the half century since the declaration of our independence, and observing the generous emulation with which the Governments of France, Great Britain, and Russia have devoted the genius, the intelligence, the treasures of their respective nations to the common improvement of the species in these branches of science, is it not incumbent upon us to inquire whether we are not bound by obligations of a high and honorable character to contribute our portion of energy and exertion to the common stock? The voyages of discovery prosecuted in the course of that time at the expense of those nations have not only redounded to their glory, but to the improvement of human knowledge. We have been partakers of that improvement and owe for it a sacred debt, not only of gratitude, but of equal or proportional exertion in the same common cause. Of the cost of these undertakings, if the mere expenditures of outfit, equipment, and completion of the expeditions were to be considered the only charges, it would be unworthy of a great and generous nation to take a second thought. One hundred expeditions of circumnavigation like those of Cook and La Pérouse would not burden the exchequer of the nation fitting them out so much as the ways and means of defraying a single campaign in war. But if we take into the account the lives of those benefactors of mankind of which their services in the cause of their species were the purchase, how shall the cost of those heroic enterprises be estimated, and what compensation can be made to them or to their countries for them? Is it not by bearing them in affectionate remembrance? Is it not still more by imitating their example—by enabling countrymen of our own to pursue the same career and to hazard their lives in the same cause?

In inviting the attention of Congress to the subject of internal improvements upon a view thus enlarged it is not my design to recommend the equipment of an expedition for circumnavigating the globe for purposes of scientific research and inquiry. We have objects of useful investigation nearer home, and to which our cares may be more beneficially applied. The interior of our own territories has yet been very imperfectly explored. Our coasts along many degrees of latitude upon the shores of the Pacific Ocean, though much frequented by our spirited commercial navigators, have been barely visited by our public ships. The River of the West, first fully discovered and navigated by a countryman of our own, still bears the name of the ship in which he ascended its waters, and claims the protection of our armed national flag at its mouth. With the establishment of a military post there or at some other point of that coast, recommended by my predecessor and already matured in the deliberations of the last Congress, I would suggest the expediency of connecting the equipment of a public ship for the exploration of the whole north-west coast of this continent.

The establishment of an uniform standard of weights and measures was one of the specific objects contemplated in the formation of our Constitution, and to fix that standard was one of the powers delegated by express terms in that instrument to Congress. The Governments of Great Britain and France have scarcely ceased to be occupied with inquiries and speculations on the same subject since the existence of our Constitution, and with them it has expanded into profound, laborious, and expensive researches into the figure of the earth and the comparative length of the pendulum vibrating seconds in various latitudes from the equator to the pole. These researches have resulted in the composition and publication of several works highly interesting to the cause of science. The experiments are yet in the process of performance. Some of them have recently been made on our own shores, within the walls of one of our own colleges, and partly by one of our own fellow-citizens. It would be honorable to our country if the sequel of the same experiments should be countenanced by the patronage of our Government, as they have hitherto been by those of France and Britain.

Connected with the establishment of an university, or separate from it, might be undertaken the erection of an astronomical observatory, with provision for the support of an astronomer, to be in constant attendance of observation upon the phenomena of the heavens, and for the periodical publication of his observations. It is with no feeling of pride as an American that the remark may be made that on the comparatively small territorial surface of Europe there are existing upward of 130 of these light-houses of the skies, while throughout the whole American hemisphere there is not one. If we reflect a moment upon the discoveries which in the last four centuries have been made in the physical constitution of the universe by the means of these buildings and of observers

stationed in them, shall we doubt of their usefulness to every nation? And while scarcely a year passes over our heads without bringing some new astronomical discovery to light, which we must fain receive at second hand from Europe, are we not cutting ourselves off from the means of returning light for light while we have neither observatory nor observer upon our half of the globe and the earth revolves in perpetual darkness to our unsearching eyes?

When, on the 25th of October, 1791, the first President of the United States announced to Congress the result of the first enumeration of the inhabitants of this Union, he informed them that the returns gave the pleasing assurance that the population of the United States bordered on 4,000,000 persons. At the distance of thirty years from that time the last enumeration, five years since completed, presented a population bordering upon 10,000,000. Perhaps of all the evidences of a prosperous and happy condition of human society the rapidity of the increase of population is the most unequivocal. But the demonstration of our prosperity rests not alone upon this indication. Our commerce, our wealth, and the extent of our territories have increased in corresponding proportions, and the number of independent communities associated in our Federal Union has since that time nearly doubled. The legislative representation of the States and people in the two Houses of Congress has grown with the growth of their constituent bodies. The House, which then consisted of 65 members, now numbers upward of 200. The Senate, which consisted of 26 members, has now 48. But the executive and, still more, the judiciary departments are yet in a great measure confined to their primitive organization, and are now not adequate to the urgent wants of a still growing community.

The naval armaments, which at an early period forced themselves upon the necessities of the Union, soon led to the establishment of a Department of the Navy. But the Departments of Foreign Affairs and of the Interior, which early after the formation of the Government had been united in one, continue so united to this time, to the unquestionable detriment of the public service. The multiplication of our relations with the nations and Governments of the Old World has kept pace with that of our population and commerce, while within the last ten years a new family of nations in our own hemisphere has arisen among the inhabitants of the earth, with whom our intercourse, commercial and political, would of itself furnish occupation to an active and industrious department. The constitution of the judiciary, experimental and imperfect as it was even in the infancy of our existing Government, is yet more inadequate to the administration of national justice at our present maturity. Nine years have elapsed since a predecessor in this office, now not the last, the citizen who, perhaps, of all others throughout the Union contributed most to the formation and establishment of our Constitution, in his valedictory address to Congress, immediately preceding his retirement

from public life, urgently recommended the revision of the judiciary and the establishment of an additional executive department. The exigencies of the public service and its unavoidable deficiencies, as now in exercise, have added yearly cumulative weight to the considerations presented by him as persuasive to the measure, and in recommending it to your deliberations I am happy to have the influence of his high authority in aid of the undoubting convictions of my own experience.

The laws relating to the administration of the Patent Office are deserving of much consideration and perhaps susceptible of some improvement. The grant of power to regulate the action of Congress upon this subject has specified both the end to be obtained and the means by which it is to be effected, "to promote the progress of science and useful arts by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries." If an honest pride might be indulged in the reflection that on the records of that office are already found inventions the usefulness of which has scarcely been transcended in the annals of human ingenuity, would not its exultation be allayed by the inquiry whether the laws have effectively insured to the inventors the reward destined to them by the Constitution—even a limited term of exclusive right to their discoveries?

On the 24th of December, 1799, it was resolved by Congress that a marble monument should be erected by the United States in the Capitol at the city of Washington; that the family of General Washington should be requested to permit his body to be deposited under it, and that the monument be so designed as to commemorate the great events of his military and political life. In reminding Congress of this resolution and that the monument contemplated by it remains yet without execution, I shall indulge only the remarks that the works at the Capitol are approaching to completion; that the consent of the family, desired by the resolution, was requested and obtained; that a monument has been recently erected in this city over the remains of another distinguished patriot of the Revolution, and that a spot has been reserved within the walls where you are deliberating for the benefit of this and future ages, in which the mortal remains may be deposited of him whose spirit hovers over you and listens with delight to every act of the representatives of his nation which can tend to exalt and adorn his and their country.

The Constitution under which you are assembled is a charter of limited powers. After full and solemn deliberation upon all or any of the objects which, urged by an irresistible sense of my own duty, I have recommended to your attention should you come to the conclusion that, however desirable in themselves, the enactment of laws for effecting them would transcend the powers committed to you by that venerable instrument which we are all bound to support, let no consideration induce you to assume the exercise of powers not granted to you by the people. But if the power to exercise exclusive legislation in all cases whatsoever over

the District of Columbia; if the power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States; if the power to regulate commerce with foreign nations and among the several States and with the Indian tribes, to fix the standard of weights and measures, to establish post-offices and post-roads, to declare war, to raise and support armies, to provide and maintain a navy, to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States, and to make all laws which shall be necessary and proper for carrying these powers into execution—if these powers and others enumerated in the Constitution may be effectually brought into action by laws promoting the improvement of agriculture, commerce, and manufactures, the cultivation and encouragement of the mechanic and of the elegant arts, the advancement of literature, and the progress of the sciences, ornamental and profound, to refrain from exercising them for the benefit of the people themselves would be to hide in the earth the talent committed to our charge—would be treachery to the most sacred of trusts.

The spirit of improvement is abroad upon the earth. It stimulates the hearts and sharpens the faculties not of our fellow-citizens alone, but of the nations of Europe and of their rulers. While dwelling with pleasing satisfaction upon the superior excellence of our political institutions, let us not be unmindful that liberty is power; that the nation blessed with the largest portion of liberty must in proportion to its numbers be the most powerful nation upon earth, and that the tenure of power by man is, in the moral purposes of his Creator, upon condition that it shall be exercised to ends of beneficence, to improve the condition of himself and his fellow-men. While foreign nations less blessed with that freedom which is power than ourselves are advancing with gigantic strides in the career of public improvement, were we to slumber in indolence or fold up our arms and proclaim to the world that we are palsied by the will of our constituents, would it not be to cast away the bounties of Providence and doom ourselves to perpetual inferiority? In the course of the year now drawing to its close we have beheld, under the auspices and at the expense of one State of this Union, a new university unfolding its portals to the sons of science and holding up the torch of human improvement to eyes that seek the light. We have seen under the persevering and enlightened enterprise of another State the waters of our Western lakes mingle with those of the ocean. If undertakings like these have been accomplished in the compass of a few years by the authority of single members of our Confederation, can we, the representative authorities of the whole Union, fall behind our fellow-servants in the exercise of the trust committed to us for the benefit of our common sovereign by the accomplishment of works important to the whole and to which neither the authority nor the resources of any one State can be adequate?

Finally, fellow-citizens, I shall await with cheering hope and faithful cooperation the result of your deliberations, assured that, without encroaching upon the powers reserved to the authorities of the respective States or to the people, you will, with a due sense of your obligations to your country and of the high responsibilities weighing upon yourselves, give efficacy to the means committed to you for the common good. And may He who searches the hearts of the children of men prosper your exertions to secure the blessings of peace and promote the highest welfare of our country.

JOHN QUINCY ADAMS.

SPECIAL MESSAGES.

WASHINGTON, December 14, 1825.

To the Senate of the United States:

I transmit to the Senate, for their consideration and advice with regard to their ratification, the following treaties:

1. A treaty between the United States and the Great and Little Osage tribes of Indians, concluded at St. Louis, in the State of Missouri, on the 2d day of June last, by William Clark, Superintendent of Indian Affairs, commissioner on the part of the United States, and the chiefs, headmen, and warriors of the same tribes, duly authorized and empowered by their respective tribes or nations.
2. A treaty between the United States and the Kansas Nation of Indians, concluded at St. Louis, in the State of Missouri, on the 3d day of June last, by William Clark, Superintendent of Indian Affairs, commissioner on the part of the United States, and the chiefs, headmen, and warriors of the said nation, duly authorized and empowered by the same.
3. A convention between the United States and the Shawnee Nation of Indians residing within the State of Missouri, signed at St. Louis, in the State of Missouri, on the 7th day of November last, by William Clark, Superintendent of Indian Affairs, and the chiefs and headmen of the said nation, duly authorized and empowered by the same.

JOHN QUINCY ADAMS.

WASHINGTON, December 15, 1825.

To the Senate of the United States:

I transmit herewith to the Senate, for their consideration in reference to its ratification, a general convention of peace, amity, commerce, and navigation between the United States of America and the Federation of the Centre of America, signed at this place on the 5th instant by the Secretary of State and the minister plenipotentiary from the Republic of Central America to the United States.

JOHN QUINCY ADAMS

THE WHITE HOUSE
WASHINGTON

October 20, 1997

COPIES TO
RUFF
CHIRWA
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MEMORANDUM FOR THE PRESIDENT

FROM:

CF
JWC CHARLES F. C. RUFF
DAWN CHIRWA

SUBJECT:

EXECUTIVE CLEMENCY APPLICATIONS

The attached memoranda submit information concerning petitioners for executive clemency. The first memorandum submits 18 pardon petitions for which we recommend favorable dispositions. The remaining memoranda submit 54 petitions for pardons and 132 petitions for commutations which we recommend you deny. We have also described the criteria under which we reviewed these petitions.

In addition, the following petitions for executive clemency received from the Department of Justice are pending review:

69 pardon applications -- favorably recommended by Justice
69 pardon applications -- recommended for denial by Justice
16 commutation applications -- recommended for denial by Justice

We are in the process of reviewing these remaining applications. Once you have had the opportunity to review the recommendations we are submitting today, we will submit the remaining petitions to you promptly.

Attachments

THE WHITE HOUSE

WASHINGTON

October 20, 1997

12-15-97

MEMORANDUM FOR THE PRESIDENT

FROM

 CHARLES F.C. RUFF
DAWN CHIRWA

SUBJECT

Favorable Pardon Recommendations

We have received the Justice Department's recommendations in favor of pardons after completion of sentence for the 18 individuals identified below. We concur with the Justice Department's recommendation for each petitioner.

We have listed each petitioner by name and the district where conviction and sentencing occurred and have made brief notations regarding the nature of the offense and the specific rationale for granting clemency. For your information, three of the petitioners are from Arkansas: Billy K. Berry, Bill Wayne West and Larry Edward Winfield. Should you desire the full memorandum in any particular case, please let us know.

In submitting these petitions, Justice's recommendations reflect their consideration of the following factors for each petitioner: (1) the nature of the crime; (2) the length of time since conviction; (3) the acceptance of responsibility by the petitioner for his or her actions; (4) favorable character references; and (5) the petitioner's conduct in the years since his or her release from prison.

In addition, in January, 1996, you provided guidance to Justice through White House Counsel Jack Quinn which instructed them to use, in addition to the factors described above, the following more descriptive factors in determining that a petition warrants executive clemency:

- 1) Indications that the crime for which a pardon is sought is truly aberrational, i.e., a lone instance of criminal behavior in an otherwise exemplary life.
- 2) Cases in which the relevant crime was committed long ago when the petitioner was a youth and which does not involve a major crime. Major crimes would include such offenses as drug trafficking, sex offenses involving minors, political corruption and violent felonies such as murder or rape.
- 3) Cases not involving major crimes in which the individual has undergone a meaningful rehabilitation by making sustained and significant contributions to the community since being released from prison.

Also, you instructed Justice to consider the following criteria as raising a high presumption against granting executive clemency:

- 1) Cases involving the types of major crimes listed above.
- 2) Cases involving an extensive criminal history, i.e., where a petitioner has amassed three or more separate convictions.

A presumption against clemency in such cases could only be overcome by a truly exceptional rehabilitative history or if some other extraordinary circumstances exist.

In reviewing Justice's recommendations, we considered the traditional factors relied upon by Justice and the additional guidance you provided. Further, we determined that certain clemency applications which were recommended favorably by Justice did not warrant executive clemency when considered in light of the more descriptive factors you instructed both Justice and us to consider. These applicants' names are included in the attached memorandum recommending denials of pardon applications. In light of the foregoing, we recommend pardons for the following individuals:

NAME/DISTRICT	OFFENSE	RATIONALE
Irving Frank Avery D. CO (1984)	Possession of counterfeit currency plates (oversaw the printing of \$4,000 in counterfeit bills which were never passed).	Suffers extreme remorse; offense was an isolated and aberrant event committed under great stress brought on by personal problems; honorable service in Army, including a tour in Korea; excellent post-conviction conduct; strong support from sentencing judge.
Billy K. Berry E.D. AR (1986)	Medicaid and mail fraud (substituted generic drugs for brand name drugs in Medicaid prescriptions -- cost of crime to government was \$700).	World War II veteran; awarded US Army Air Corps medal six times; numerous charitable contributions and activities; a number of good character references; support from U.S. Attorney and probation officer.
Clio Louise Carson D. WY (1979)	Transmitting wagering information (ran an illegal gambling business from her needlecraft shop).	Stable and law-abiding in the 17 years since offense; well-respected and active in community; involved in many charitable organizations;

**Ralph Wallace
Crawford**
C.D. CA (1985)

Mail fraud (illegally diverted several homeowners' mortgage payments -- of approx. \$43,000 -- to his own account).

relatively advanced age (67) and failing health; support for pardon from U.S. Attorney and probation officer.

Suffered from extreme depression and possible post-traumatic stress syndrome at the time of the offense; earned a Bronze Star and Combat Medical Badge in Vietnam; sincerely remorseful; made full restitution; stable, productive and law-abiding for past 10 years; support from U.S. Attorney, sentencing judge and probation officer.

Aaron Golden
W.D. TX (1986)

Failure to file currency transaction report with the IRS (as owner of currency exchange, exchanged more than \$10,000 without filing required currency transaction reports).

Has cooperated in government investigations of illegal currency transactions; productive and law-abiding since offense; support from former FBI Director William Sessions, Congressman Lamar Smith, U.S. Attorney.

Monroe Lee King
S. D. TX (1973)

Making counterfeit Federal Reserve note plates (found with four \$20 counterfeit plates and paraphernalia used in manufacturing such plates).

Relative youth (23) at time of the offense; age of offense; deep remorse; has shown successful rehabilitation by becoming a self-taught engineer who has received numerous awards and holds 7 U.S. patents for significant engineering inventions; support from U.S. Attorney.

Ralph Lee Limbaugh
N.D. AL (1974)

Theft from interstate shipment (stole \$130 of spark plugs from a motor freight company).

Relative age and minor nature of offense; Korean War veteran; stable, productive and law-abiding citizen for past 20 years; support from probation officer and U.S. Attorney.

**George Edward
Maynes, Jr.**

Distribution of cocaine (purchased \$140 of cocaine at

Relative age and minor nature of offense; relative youth (19)

D. Canal Zone (1975)

the request of a female U.S. Air Force Sergeant in whom he was romantically interested and who was working in an undercover capacity at the time).

at time of offense; isolated incident in his life for which he expresses sincere remorse; stable, productive and law-abiding for past 20 years; support from probation officer.

Linzie Murle Morse
W.D. LA (1973)

Interstate transportation and sale of a stolen motor vehicle (as owner of an auto body shop, purchased several stolen vehicles).

Age of offense; made voluntary restitution; extremely active in community; donates to city funds to feed the poor and supports other local charities; support from U.S. Attorney, sentencing judge, mayor of Sulphur, LA and Attorney General of LA.

Charles Patrick Murrin
C. D. CA (1988)

Bank robbery (while homeless and destitute, robbed a California bank of \$1,160 - received three years probation).

Severe alcoholic at the time of the offense; alcohol and drug-free member of AA since offense; complete and successful rehabilitation; currently attending law school; excellent references from community associates and employers; support from U.S. Attorney, probation officer and sentencing judge.

Moises Jaurequi Ramos
D. NM (1983)

Misprision of a felony (aided his siblings in smuggling undocumented aliens from Mexico).

Relative youth (23) at time of offense; sincere remorse; complete rehabilitation - worked his way through college and currently employed as a nurse; productive and law-abiding for past 13 years; needs pardon to assist in acquiring a nursing license and obtain better employment as a nurse; enjoys excellent reputation in community; support from U.S. Attorney and probation officer.

William Ray Richardson
W.D. MO (1983)

Interstate transportation of stolen property (served as an intermediary in the sale of a piece of heavy construction

Fully cooperated in government investigation of vehicle theft ring; sincerely remorseful; law-abiding and well-respected in

equipment).

community for past 12 years; support for pardon from Governor Carnahan of MO, MO Sec. of State, U.S. Attorney, probation officer and sentencing judge.

Guiseppe Casadei Severi
D. Puerto Rico (1987)

Obstruction of justice (after unwittingly receiving stolen goods, petitioner asked a witness against him to lie to the grand jury about his involvement).

Isolated incident in an otherwise law-abiding life; petitioner was not involved in underlying offense; excellent post-conviction reputation, support from former district director of INS in San Juan; strong support from U.S. Attorney, probation officer and sentencing judge.

Bill Wayne West
E.D. MO (1984)

Dealing in firearms without a license (gun collector who sold firearms to an undercover ATF agent without a license).

Isolated incident in otherwise law-abiding life; sincerely remorseful; excellent post-conviction conduct; active in community affairs; highly regarded by his community; support from the U.S. Attorney.

Anita Glen Whitlock
D. D.C. (1978)

Bank embezzlement (while employed at Riggs Bank, she secreted \$85,000 from the bank's vault).

Diagnosed manic depressive at time of offense; immediately confessed her crime when confronted; extremely remorseful; fully cooperating in ongoing psychiatric treatment; support from her psychiatrist, U.S. Attorney and sentencing judge.

Larry Edward Winfield
W.D. AR (1987)

Mail fraud (submitted false claims for unemployment benefits, amounting to \$2,000 in illegal payments).

Shows sincere remorse, productive, law-abiding citizen for the 8 years since offense; involved in many charitable and civic organizations in his community; support from probation officer as model probationer, U.S. Attorney and sentencing judge.

**Edward Kenneth
Williams, Jr.**
S.D. IA (1979)

Receiving and selling stolen motor vehicles (participated in a stolen car ring operated by his father).

Participated in the car theft ring principally due to his fear of his father; law-abiding for the past 17 years; highly regarded in his community and participates in numerous charitable and civic organizations; sincerely remorseful; strong support for pardon from his local sheriff, the U.S. Attorney and the sentencing judge.

**Louis Anthony
Winters, Sr.**
1. S. SD (1969)
2. U.S. Navy (1957)

1. Two counts of assault with a dangerous weapon (while drunk, petitioner and one brother severely beat three men to avenge the beating of petitioner's other brother).

2. Military court-martial for unauthorized absence from duty (was drunk and failed to return from a furlough).

Petitioner has had other arrests for disorderly conduct, but no adverse contact with the law since 1974; all adverse contact traceable to severe alcoholism; sober since 1982 and completely rehabilitated; active involvement in Oglala Sioux tribal affairs, including running a shelter for abused children on his reservation; commended for his community work by Governor of SD; highly respected leader in his community; needs a pardon to pursue elective office on Oglala Sioux Council; support from Sen. Daschle and U.S. Attorney.

DECISION:

GRANT


(Signature)

DENY

(Signature)

MORE INFORMATION

(Signature)

197 OCT 27 12:48

THE WHITE HOUSE

WASHINGTON

October 20, 1997

100-441114-100

12-15-97

MEMORANDUM FOR THE PRESIDENT

FROM:

CF CHARLES F.C. RUFF
DC DAWN CHIRWA

SUBJECT:

Denial of Pardon Requests

We have received the Justice Department's recommendations against pardons after completion of sentence for the petitioners listed below. Justice's recommendations reflect their consideration of the following factors for each petitioner: (1) the nature of the crime; (2) the length of time since conviction; (3) the acceptance of responsibility by the petitioner for his or her actions; (4) favorable character references; and (5) the petitioner's conduct in the years since his or her release from prison. After a review of the Pardon Attorney's memoranda summarizing each case, we have concluded that denial of these petitions is appropriate.

We will transmit your denial of the petitioners' requests for pardon in the following 54 cases unless you indicate that you want additional information on any of the cases listed. For your information, there is only one case from Arkansas, a petition from Orben Dale Stills.

Lawrence Mark Baldwin
Ode Junior Barnes
Rose Marie Baron
Steven Willer Bernstein
Fred Earl Bolden

Illinois
Texas
Washington, D.C.
Louisiana
Iowa

Rex Lee Brewer

California;

Myra Broadnax
Alberto Britton
Charles Clifford Brooks, Jr.
Charles Clifford Brooks, Sr.

Arizona
Delaware
Florida
Georgia
Georgia

Adrian Furman Bulman
Adriano Cereneche
Susan Belson Chapman

Georgia
Veterans Administration
Texas

Robin Cole
Freddie Day

District of Columbia
Georgia

Edward James DeNauro
Charles Jerry Denton
James Clyde Dismuke, Jr.
Patrick MacDonald Dockery
Darrin Dean Dorn

New York
Tennessee
Georgia
Missouri
Iowa

Lee Rogers Douglas
Harlan John Duhon
Noemi Fernandez
Fred Phillip Gibson

Louisiana
Louisiana
New York
North Carolina;
South Carolina
Ohio

Robert Louis Greco

Joseph Clide Grier
Norman M. Guthrie

Georgia
U.S. Army -- Frankfurt,
Germany

Ernest Buford Hamm
Irma Ann Hendrix
 aka Irma Ann Andrews
William A.S. Heuer

Tennessee
California

Montana

Adolfo R. Ibanez
David Alexander Mayfield, III
Scott Samuel Monroe
Thomas Edward Nash, Jr.
Robert Earl Perry

Texas
Florida
Texas
North Carolina
Texas

Amy Christine Post
Calvin Puckett
Edmund Michael Reggie
Curtis John Roberts
John Lee Robertson

Iowa
Florida
Louisiana
Louisiana
Tennessee

Jay Marvin Sandler
Walter F. Schuerer
Daniel Joseph Sheil, Jr.

Georgia
Iowa
Florida

Thaniel Smith
Gary Lee Sorgea

Mississippi
Illinois

Ronald Xavier Spinapolic
Orben Dale Stills
Eric William Sundquist
Montrel August Surgent
Raymond Charles Tennyson

New Jersey
Arkansas
Washington
Louisiana
Pennsylvania

Willis Gregory Tilford
Thomas J. Watts, Sr.
James Benton West, Jr.

Delaware
Louisiana
U.S Air Force Academy,
Colorado
Missouri

Carl Eugene Wright

APPROVE:



(Signature)

DISAPPROVE:

(Signature)

MORE INFORMATION:

THE WHITE HOUSE

WASHINGTON

October 20, 1997

MEMORANDUM FOR THE PRESIDENT

FROM:

 CHARLES F.C. RUFF
DAWN CHIRWA

SUBJECT:

Denial of Commutation of Sentence Requests

We have received the Justice Department's recommendations against commuting the sentences and/or remitting the fines of the petitioners listed below. Justice's recommendations reflect their consideration of the following factors for each petitioner: (1) the nature of the crime; (2) conduct in prison; (3) the acceptance of responsibility by the petitioner for his or her actions; (4) favorable character references; and (5) the existence of any extraordinary circumstances, such as serious ill health or extraordinary cooperation with authorities. After a review of the Pardon Attorney's memoranda summarizing each case, we have concluded that denial of these petitions is appropriate.

We will transmit your denial of the petitioners' requests for commutation of sentence and/or remission of fines in the following 132 cases unless you indicate that you want additional information on any of the cases listed. For your information, there are three cases from Arkansas, petitions from Gregory Duane Bradley, William Cochran and Jona Lea Decker.

Ronald Alex
James Cecil Anderson
Melvin Anderson
Samuel Lee Anderson
Wendell Paul Ardoin

California
Florida
Georgia
Nebraska
Louisiana

James F. Atene, Jr.
Dwight Baker
Randy S. Baker
Newell R. Barefield
Frederick W. Bauer

Utah
Tennessee
North Carolina
Louisiana
Wisconsin

Robert Ralph Berg
Gregory Blair
Lillie Mae Blalock
Edward Blum

Washington
Texas
South Carolina
Alabama

12-15-97

Nancy Roberts Blum
aka Nancy Ann Blum

Florida
Alabama

Kevin Borkowski
Gregory Duane Bradley
Eva Campis
Elvis Carmona
Ricky Carrasquilla

California
Arkansas
Florida
New Jersey
Connecticut

Gerald W. Clemente
William Cochran
Francisco Colina-Romero
Feliciano Corrales-Valdez
Michael Coyle

Massachusetts
Arkansas
Florida
California
Pennsylvania

James Thaddeus Cronan
Misael Cruz-Valdivias
Abner Cuff
Clarence Dade
Jona Lea Decker

Louisiana
California
Georgia
District of Columbia
Arkansas

Segbeaya Date Degli
Bobby Jack Delauder
Macario DeLeon
Melvin Deutsch
Victor Diaz

New York
West Virginia
New Jersey
New York
Pennsylvania

Nicholas Di Costanza
Alan Randall Dorsey
Anibal B. Duarte

New York
Georgia
Florida
Virginia

Dawn E. Dykstra
Calvin C. Edwards

California
Missouri

Robert Lee Edwards
Richard A. Evans, Jr.
Virden Charles Evans
Dianne S. Freeman
Carlos Frias

Florida
Iowa
Illinois
North Carolina
Florida

Marlene R. Fuentes
Ernesto Fuentes-Cancel

Kansas
Puerto Rico

Terry Gallagher

Indiana
Ohio
Kansas

Salvador Garcia
Gerard Gaskins

Illinois
Connecticut

Luther Gilbert
Aura Rey Giraldo
Joseph Michael Goldman
Jose Gomez
Gonzalo Gomez-Morales

Florida
Texas
Florida
Florida
Arizona

Andres Gonzalez
Roberto Casiano Gonzalez
Zarah Gregory
Bruce N. Harris
Crystal P. Harris

Maine
Texas
Texas
Massachusetts
Virginia

Juanita Harris
Shirley Harris
James Hines, Jr.
 aka James Murray
Thomas Hines
Michael Clay Holmes

Tennessee
Texas
District of Columbia

Ricardo P. Honor
James H. Hutchins
Linda Izzard
Louvenia Jenkins
Richard Clark Johnson

Florida
Virginia
Georgia
Georgia
Massachusetts

Walter Ellsworth Johnson
Khalifa Hamaas Abdul Khaalis
 aka Ernest Timothy McGhee
Burton W. King
Lisa Kyong Mi Lee
George Landen

Maryland
District of Columbia

South Dakota
Hawaii
North Carolina

Elizabeth Logan
Jose Verduzco Maldonado
Dora Evelyn Malfrici
Juan Martinez-Ponce

Missouri
California
New York
California

Billy McCormick	Florida
Mark A. Medley	Pennsylvania
Debbie Lynn Mendez	California
aka Deborah Lynn Mendes	
Juan Mendoza	California
Jose Luis Mora-Avalos	California
Maria E. Moreno	Maine
Joseph Morgan	Georgia
Wayne Musselwhite	Florida
Manuel Noa-Moreno	Florida
Rafael Nunez	Wisconsin
Edelmiro Olivares	Texas
aka Edelmiro Olivarez	
J.C. Pate, Jr.	Alabama
Manahar Patel	Illinois
Shawn J. Pessefall	Florida
Scott W. Pogany	Pennsylvania
William S. Polan	Pennsylvania
Modesta Ramirez-Arreola	California
Primitivo Reigosa	Florida
Glen Robert Rhodes	District of Columbia
Hipolito Rivera-Ramirez	California
Flossie Robinson	District of Columbia
Teodulo Romo-Lopez	Arizona
Freddie D. Roncale	Florida
Joice E. Russell	District of Columbia
Pete Serna Serna	Texas
Pedro Serpa	Nebraska
Mohammed Shafiq	New York
Paul Sheedy	New York
Lois A. Shoemaker	New York
Errol William Sloley	North Carolina
Mustafa Souid	New York
Charles Junior Spears	Illinois
Merlin Standing Yellow Horse	Oregon
aka Merlin Roy Branham	

Jeffrey Robert Stenner
Winston Strongarms
Anna Lou Stuckey
aka Ann Stuckey
Manuel Suastegui
Luis G. Tamayo-Cariballo
Charles Edward Taylor, Sr.
Michael A. Thames
Clarence Lee Turner

Connecticut
Florida
Georgia

California
Florida
Wisconsin
Louisiana
Oklahoma

Ramon Veale
Jackson Vincent
Alex Viramont
Donald Wall
Johnny Lee Wallace

Virginia
Florida
Tennessee
Tennessee
Texas

Stewart Warner
DeRoise Washington
Daniel Ray Watson
Donald Wooten
Noel Gene Wooton

Arizona
Nebraska
West Virginia
Georgia
Pennsylvania

Jack E. Wright
Luis Zapata

Indiana
New York

APPROVE:



(Signature)

DISAPPROVE:

(Signature)

MORE INFORMATION:

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12-15-97

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think of this

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PERSPECTIVE ON THE INTERNET

Microsoft Must Obey the Law



One company cannot be allowed to dictate how, where or even if consumers access the online marketplace.

By BOB DOLE

The court action recently brought by the antitrust division of the Department of Justice against Microsoft has triggered a great deal of thought and debate about the future of the Internet, electronic commerce and the role of government in both.

Even as a member of a generation that grew up listening to the radio, I find myself captivated by this controversy.

Like most Republicans, I am someone whose instincts lead me away from government regulation and toward the magic of the marketplace. In fact, it has been suggested that I am pro-Microsoft because in 1995 I questioned the Justice Department's actions regarding the Microsoft Network. I thought it unfair that the Justice Department subpoenaed proprietary information from the company concerning "all strategic plans prepared by or for Microsoft . . . and any documents provided [to Microsoft] concerning predictions as to the future of computers and computer technology."

I still question the breadth of that government request. But as I review what is at stake today—nearly total domination of one of the primary means of commerce for the coming century—I can only come to the conclusion that no one company should be allowed to dominate the Internet.

Microsoft should not be hindered unnecessarily in legitimate competition by government over-regulation, but it cannot be allowed to use its current dominance in personal computer operating system software to preclude competition. The speed with

which Internet and electronic commerce markets develop creates an increased responsibility for antitrust enforcement officials to move rapidly to prevent anti-competitive practices. While I have always opposed unwarranted government intervention in the marketplace, I think the Justice Department is doing the right thing by taking swift action to force Microsoft to comply with the law.

During a discussion on the future of commerce and technology in the 1996 campaign, a reporter asked me whether Microsoft was too powerful. I answered that the Internet could and would improve the lives of Americans, and that government should do whatever is necessary to ensure that we have vigorous competition in this area, adding that "the sophistication and speed of our [antitrust] enforcement must match that of the technology."

Let me elaborate. Microsoft realizes that its PC operating system monopoly is threatened by the innovation allowed by the Internet. Innovation—the development of new technology—is, perhaps, the greatest contributor to enhancing productivity and improving our standard of living. It has been amply demonstrated that small high-tech firms contribute a disproportionately large share of employment, sales, export growth and innovation. There cannot be innovation without competition, and there will not be competition if potential competitors are blocked at every turn.

Microsoft's goal appears to be to extend the monopoly it has enjoyed in the PC operating system marketplace to the Internet as a whole and to control the direction of innovation. This goal was most clearly laid out in an internal Microsoft memo detailed

in the Wall Street Journal earlier this year:

"Nathan Myrnhovd, Microsoft's chief technology officer, confirms that Microsoft hopes to get a 'vig,' or vigorish, on every transaction over the Internet that uses Microsoft's technology, though he says in some cases Microsoft's share could come from a one-time software licensing fee. (Vigorish is a slang term used by bookmakers that means, roughly, the profit made for bringing two bettors together.)"

You don't need to be Bill Gates (whom, incidentally, I've met and like) to see the profits that can be made by gaining monopoly control of the next major means of commerce. It is fairly easy, for example, to envision the entire securities industry moving to the Internet—initiating millions of online transactions worth billions of dollars each year. If almost everyone must pass through a Microsoft toll booth to use the Internet, it is not unreasonable to believe that Microsoft will impose its "vig" on most activity on the Internet.

No one—not Microsoft, another company or the government—should be allowed to deprive Americans of real choices in how they spend their money. This is particularly true of the Internet, which is rapidly becoming one of the world's most significant sources of information and has the potential to become a major means by which commerce is conducted.

This case, despite the company's protests, is not about one man, Gates, or one company, Microsoft. It is about a fundamental principle of our economic system: open and free competition. When a dominant company artificially dictates how, where and even if consumers have choice in the online marketplace, it is time for the government to step in and enforce the antitrust laws.

Bob Dole was Senate majority leader and the Republican Party's 1996 presidential nominee. His law firm represents a number of computer software companies.

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Abroad at Home

ANTHONY LEWIS

The Road To Asylum

BOSTON

To protect the dignity she still has, I shall call her Fatima Kwakuud. She is a Somali woman who fled rape and threatened murder in her terrorized country to seek asylum in the United States. Her story has a happier ending than many, but what happened along the way shows how difficult the asylum process can be under the 1996 immigration law.

Somalia has for years now been riven by warfare between clans. When Ms. Kwakuud's parents were targeted in the conflict and killed by a bomb in their home, she and her children left Mogadishu for the countryside. But on the way out of the city she was gang-raped, in the presence of her children, by members of an antagonistic clan. Three cousins who tried to protect her were killed.

Her extended family, fearing that she would be a continuing target for attack, arranged for her to leave the country. Because there is no central government in Somalia and no way to get a passport, she got false papers.

Ms. Kwakuud arrived at Kennedy Airport in New York in May, shortly after the new immigration law went into effect. Under that law she was held for two days, then interviewed by an Immigration and Naturalization Service asylum officer to see whether she had a "credible fear" of persecution in Somalia.

The interview was unavoidably difficult: a devout Muslim woman telling strangers about being raped. But she had an advantage that many asylum applicants do not. A volunteer lawyer had heard about her and was there to help. Often the process moves too fast for the person seeking refuge to get any help.

The asylum officer believed Ms. Kwakuud, finding that she did have a credible fear. But under the new law, that only opened the way for her to apply for asylum at a hearing before an immigration judge.

While she waited for that hearing, she was held in an I.N.S. detention center, a converted warehouse in Queens. She had to wear an orange prison jumpsuit: again difficult for a woman who had worn clothing that covered her from head to foot.

She was in the prison for four months. She had relatives in this country — American citizens — who

wanted to take her in, but the New York district of the I.N.S. denied her parole.

The immigration judge granted asylum to Fatima Kwakuud. She is safe here now; her husband and children are in hiding somewhere in the Somali countryside.

One thing in her case raises a question for the statute and I.N.S. policy: Why should a person who has been found to have a credible fear of persecution be kept in prison until the asylum hearing? Many, perhaps most, asylum applicants have been tortured or raped. Prison seems an unnecessary further trauma — and an expensive one for the United States.

The wait for a hearing may be far longer than Ms. Kwakuud's; I know of one woman who has been waiting for 10 months now. And asylum applicants are often held not in I.N.S. detention centers but in state and

Must the process be so difficult for those fleeing persecution?

local prisons, where they are mixed in with hardened criminals.

Moreover, the I.N.S. practice is not uniform. In New Jersey and other districts, applicants who have passed the credible-fear test are judged case by case and may be granted parole if they are found to pose no risk of flight. In the New York district, according to lawyers, I.N.S. officials allow parole only for those who are witnesses or who have extreme medical emergencies.

The I.N.S., I believe, has been trying to administer fairly the new threshold requirement to show "credible fear." But the process is so hasty that there is no way of avoiding mistakes, especially because the 1996 act bars judicial review.

The new legal process that confronts men and women fleeing persecution would daunt most Americans. Eleanor Acer of the Lawyers Committee for Human Rights, which provides volunteer counsel for them, says, "Just think how traumatic it is for someone who doesn't speak our language or know our culture to go through the process."

The Congress that passed the new immigration act — and President Clinton, who signed it — were presumably concerned about abuses by fraudulent asylum applicants. But experience under the act shows that it can meet that point while being made less costly to administer and less harsh to those fleeing savagery. □

Foreign Affairs

THOMAS L. FRIEDMAN

The Other Invasion

Watching the latest go-round with Saddam Hussein, it would be easy to conclude that in the Middle East nothing ever changes. Things just go round and round. In fact, though, just beyond the headlines there are some intriguing forces at work. Saddam Hussein is not the only agent of change in this region.

Consider three conversations I had recently in the Persian Gulf. The first was with Kholoud al-Feeli, a Kuwaiti woman reporter, who remarked to me: "My brother just got married to a Kuwaiti woman he met on the Internet in a Kuwaiti chat room. They kept exchanging messages and finally met in person, and it was love at first sight. They got married here. Their wedding cake was a computer and a keyboard."

A few days later I met another gulf Arab woman journalist, who told me she regularly, but anonymously, files news about her country for a gulf Web site — "and my Government doesn't know I'm doing it."

The third conversation was with Ibrahim Dabboub, head of the National Bank of Kuwait: "You wouldn't believe what just happened here," he said to me. "Kuwait Airways needed to finance the purchase of two new Boeing aircraft. We bid on it the way we always do. But some regional American bank called Nationsbank, which no one had ever heard of here, came in and won the contract [by offering a super low rate]. You don't have to go to the States — the States is coming to you."

What do these conversations have in common? For years the Arab world has been walled off from the information and financial-market revolutions that have transformed Asia and other parts of the globe. Oil allowed the Arab states to escape many of the pressures for downsizing, streamlining and privatizing their economies. Well, the walls are coming down. For technological and economic reasons the Arabs can't maintain those walls anymore.

One sees several responses. First, there are those who are trying to adapt. Take Fatima al-Abdali, a Kuwaiti environmental health scientist, who owns one of the most popular Internet cafes in Kuwait, Coffee Valley, where you can sip latte and surf the Net. Educated in America, Ms. Abdali wears a veil, as a sign of

THE 'PRESIDENT HAS SEEN'
12-15-97

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How keystrokes are transforming the Mideast.

Islamic piety, but is a total Web-head underneath.

"I had this idea three years ago for an Internet cafe," she told me. "I knew it was coming and that if I didn't open one, someone else would. I realized we can have some control over it, so let's teach people the good parts and make it consistent with our own culture, rather than wait to be invaded by it. I adopted it, and adapted it, and on our Web page now we are slowly introducing some women's rights issues."

Another response is the populist-Islamist backlash, manifested in the Kuwaiti press and Parliament, where globalization is often depicted as a new form of colonialism, secularism or imperialism. Workers, Government employees and merchants who relied on Government monopolies and subsidies are all organizing against the first tentative steps by the Kuwaiti Government to privatize some services that it can't afford to keep subsidizing.

What's intriguing, though, is that in the latest student elections at Kuwait University, always a bellwether, Islamist candidates got wiped out by the independent, liberal and secular parties. I asked Abdul Aziz al-Sahli, a 21-year-old communications student, why the Islamists may have stalled. "The Islamists are not that impressive anymore," he said. "The secular parties are helping the students more with the small things that students care about now — Xeroxing, E-mail problems, library books, parking. The society is less ideological now. We need to look for a job."

Indeed, with 60 percent of Kuwait's population under age 20, the Government has got to unleash the private sector to create more jobs. It can't afford the subsidies any longer. It's the same across the Arab world.

Saddam Hussein temporarily upset the Middle East when he invaded Kuwait. Then there was a cease-fire. Saddam might still do something crazy that would explode the whole region.

But in the meantime, there is another, silent invasion going on in the Middle East — the invasion of information and private capital. And how Arab societies respond to this invasion — whether by adapting it, adopting it or rejecting it — will definitely have a huge impact on the future of this region. And be advised: With this silent invasion, there will be no cease-fire. □

The New York Times

MONDAY, DECEMBER 8, 1997

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THE PRESIDENT HAS SEEN
Abroad at Home 12-15-97
 ANTHONY LEWIS

Caving to the Ultras

The Democrats who then controlled the Senate handled judicial nominations by Presidents Reagan and Bush in a reasonable way, confirming most in good time. Suppose, instead, that voices on the extreme left had called for sabotage of the process and Democratic senators had yielded to that demand, blocking nominations for years. There would have been, and should have been, an outcry.

The Republicans who now control the Senate are following the extremist course. The Judiciary Committee has caved in to forces on the ultra-right and blocked many of President Clinton's judicial nominations for months and years. It is time — past time — for an outcry.

Of 73 judicial nominations made in this Congress, 43 are still in the Judiciary Committee. Some of them were first sent to the Senate in the last Congress. Nominees have been waiting as long as two and one-half years.

Clarence J. Sundram was nominated to the Federal District Court in Northern New York on Sept. 29, 1995. He had a hearing before the Judiciary Committee in 1996. He had another last June, at which the chairman, Senator Orrin Hatch of Utah, praised his intelligence and accomplishments and said, "I believe that you will be a great judge."

Then, on July 24, The Washington Times published an article by Thomas L. Jipping that excoriated Mr. Sundram. Mr. Jipping is director of the Judicial Selection Monitoring Project, an extreme-right organization that has been behind many of the attacks on recent judicial nominees.

The Jipping article relied on statements by an Alabama lawyer, Greg Crosslin, that among other things Mr. Sundram had acted unethically when he appeared in a lawsuit over conditions in Alabama mental hospitals. Mr. Crosslin had previously made charges of misconduct against the judge in the case as well as Mr. Sundram: charges that were not sustained.

When he heard about the attack, Mr. Sundram sent a letter to Senator Hatch showing in convincing detail that the charges were false. But since then the Sundram nomination has stalled.

Mr. Jipping's organization produced a videotape that was sent to conservative contributors. Anyone who gave \$10,000 to the organization, it promised, would get "periodic private briefings and intimate dinners" with "public figures close to

the judicial confirmation process."

The videotape is a mélange of falsehoods. It condemns the overwhelmingly centrist judges appointed by President Clinton as "liberal activists," using as its main horrible example a judge appointed by President Bush.

A judicial nominee who has been waiting for action for nearly two years, Michael Schattman of Fort Worth, Tex., was given a copy of the Jipping videotape. He sent it to other stranded nominees as an example of the irresponsibility they face.

The judgeship blockade.

Mr. Jipping, when he heard about this, put out a press release charging that Mr. Schattman "may have violated Federal law" — copyright law! He accused Mr. Schattman of "a fanatical desire to stifle debate and undermine our organization."

In other words, Mr. Jipping thinks that his false political attacks on Clinton judicial nominees should be kept secret from anyone who disagrees with him. In a sane system, he would be dismissed as a crank.

But there is no sign that the conservatives on the Judiciary Committee will give up their obstructive tactics — not so far. The committee has lately been approving a few judicial nominees every so often, but the backlog remains large. Three of the nominees blocked the longest are for the Court of Appeals for the Ninth Circuit, which has had to cancel hearings because of vacancies on its bench. Many of those waiting for extended times are women.

To me the most disappointing figure in this deplorable story is Senator Hatch. He has always seemed to me a model of responsibility. Now, in what is evidently a desire to appear true-blue conservative, he is carrying out the agenda of an extremist band that is the model of irresponsibility.

It is time to fight back against subversion of the nominating process. President Clinton has spoken about the judgeship blockade, but not with the passion needed. The situation is serious enough so that Democratic senators should disrupt the Senate's business, when it returns after the recess, unless and until the judicial confirmation process is restored.

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President Clinton

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December 10, 1997

Hon. President William J. Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C.

Dear President Clinton:

Greetings from California! On behalf of the Arts Council of Santa Clara County, I am pleased to invite you to the annual Silicon Valley Arts & Business Awards. This event is scheduled for Thursday evening, **March 5, 1998** at the Fairmont Hotel in San Jose, California. The Arts & Business Awards, also known as the "ABBYS", are the highest public commendations awarded to business people and companies for their outstanding contributions to the arts.

On occasional years, the ABBYS has presented a "Visionary Award" to a major public figure who has shown extraordinary leadership in support of the arts. In recognition of your courageous support for the NEA and the arts in America, we would like to present you with this award on March 5th. Previous honorees at the ABBYS include the late David Packard, co-founder of Hewlett-Packard Corporation and one of the largest philanthropic foundations in the world, and several CEOs and Silicon Valley companies who raised a record \$12 million for the Silicon Valley Arts Fund.

Our friend, former Sunnyvale Mayor and current Santa Clara County Assessor, Larry Stone, has already spoken to you about this event. To ensure the success of the ABBYS, it is very important to confirm your attendance with me as soon as possible. If the date presents a problem, please suggest alternative days that would fit your schedule in March or April. The Arts Council Board indicated they can be flexible to a limited extent.

I look forward to your response and to seeing you in California soon!

Very truly yours,

Henry C. Manayan, Esq.
Mayor

cc: Arts Council of Santa Clara County
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ROBERT B. REICH

4 MERCER CIRCLE, CAMBRIDGE, MASS. 02138
617-661-2523

1. ac: Sylvia M.
✓ 12/14
2. The President
Blue/Gus
to the President
to the President

Memorandum to the President

From: Robert B. Reich

Date: December 4, 1997

I've been trying to come up with initiatives that fulfill four criteria: they're good for the country, they won't cost much, they're sufficiently bold and simple to catch the public's attention and support, and they'll put Republicans on the defensive through 1998 and perhaps beyond.

✓ 1. **A minimum health-care wage.** Rather than raise the minimum wage again (which some Democrats want to do, and which may very well be justifiable), the suggestion here would be to require employers to provide a minimum one-dollar an hour contribution to a defined-contribution health-care plan (about \$2,000 a year). Most higher-wage workers already receive at least this much; thus, the benefit would go to low-wage workers.

✓ 2. **Proportionate pension benefits.** Companies have been dramatically increasing tax-deferred compensation for executives, while shifting most employees away from defined-contribution pension plans toward 401(k)s or toward no pension coverage at all. This would require that all pension benefits (and tax benefits that go with them) be at least proportionate to wages. The anticipated result would be more and better pension benefits for lower-wage workers.

✓ 3. **Life-long learning card.** Electronic data storage technology would allow all federal education benefits (Pell, IRA's, educational tax credits and deductions, as well as eligible job-training) to be consolidated on one card, like a bank card, against which educational expenses could be credited. The potential accumulation of human capital would thereby be treated no less conveniently than the accumulation of financial capital.

There's more detail behind each of these, should you find any to be promising.

Best to you and Hillary. Clare sends her love.

Bob

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U.S. Brought Wrong Case at Wrong Time to WTO

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The Clinton administration pushed too many international trade rules when it joined the World Trade Organization to commit to reorganize its commercial economy that Kodak could sell more film there. Last week, the WTO rejected every element of U.S. challenge, and because of the fallout from that decision, the White House will find it all the harder to sustain this country's leading role in international trade. To strengthen the mechanism for settling international trade disputes, President Bill Clinton fought hard in 1994 to win U.S. approval for the treaty that created the WTO. It was right then. And until the Kodak case,

manufacturing companies, banks and retail outlets. There's little question that those ties exist, but they are neither unique to Japan nor, the WTO observed, were they created to keep Kodak out of Japanese markets: They were there long before Kodak came along. Besides, Fuji holds no larger share of its home market than Kodak has in this country.

It was the wrong case to bring and the wrong time to bring it, as even some administration insiders now privately concede.

There's a dangerous protectionist sentiment growing in this country, fueled with la-

bor-union money, and Kodak's loss can only feed into it — no matter what the facts.

Just last month Clinton failed to get Congress to approve what is probably the most important piece of economic legislation offered in 1997: fast-track authority to negotiate new trade agreements. The White House has been gearing up to try again next year to win that authority, which is essential if this country is not to be left out of future trade negotiations important to U.S. economic growth. That's no less important now, but it will be all the more difficult.

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Washington won every case it brought — but with little attention.

Now, in the wake of one highly publicized loss, Clinton is under pressure to take unilateral action against Japan or Fuji Photo Film Co., the manufacturer that Eastman Kodak Co. said was unfairly dominating the Japanese market. Acting tough now might indeed help the administration domestically when it crafts future U.S. trade policy, but the cost would be too high: If Washington rejects the finding of the WTO the first time it loses a battle, it will weaken the very institution Clinton correctly fought to create.

Kodak claimed that its access to Japanese markets was unfairly restricted because of the close relationships among Japanese man-

Why U.S. Abortion Rates Are Falling

The national abortion rate has declined sharply in the 1990s, a drop attributable to some positive developments — particularly the increased use of birth control among young women, those who are most likely to experience an unplanned pregnancy.

Experts who monitor abortion trends believe the 15 percent drop in abortions since 1990 is due in part to the increased use of condoms among teens and others worried about contracting AIDS. (Condom use is also credited for the recent drop in teen pregnancies.) In addition, women of the baby boom generation are getting older, less fertile and so

less likely to get pregnant unintentionally.

But there are other factors at work as well, and they cause concern. A plethora of newly enacted state laws have restricted women's access to abortion more tightly than at any time since the Supreme Court's landmark decision to legalize the procedure in 1973. Continuing incidents of violence and intimidation at clinics impede women's choice and compromise their safety as well.

Though it's too soon to tell if the decline will continue, it is welcome news, at least in part because it seems to have resulted from responsible, healthy behavior.

NEWSDAY, WEDNESDAY, DECEMBER 10, 1997

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Vice President
Vice President
Vice President

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12-12-97

THE WHITE HOUSE

WASHINGTON

MEMORANDUM TO THE PRESIDENT

FROM: PAUL BEGALA *PB*

DATE: DECEMBER 11, 1997

RE: 12/12 WSJ POLL

The Wall Street Journal will release the following poll numbers tomorrow:

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12-12-97

THE WHITE HOUSE
WASHINGTON

MEMORANDUM TO THE PRESIDENT

FROM: PAUL BEGALA *PB*
DATE: DECEMBER 11, 1997
RE: 12/12 WSJ POLL

The Wall Street Journal will release the following poll numbers tomorrow:

President's Job Approval: 59/33
President's Handling of Economy: 64/27
President's Handling of Foreign Policy: 52/38
Newt Gingrich Job Approval: 24/47

The VP's rating is down a bit, 36/32. I suspect this is due to polarization of opinion along partisan lines, with Democrats lining up in support, Republicans opposing and Independents reserving judgment. I do not view this as a serious problem for the VP.

To give you some historical context, you are today about where Eisenhower was at a comparable time, a few points below Reagan, and far more popular than Nixon or Truman at the end of their 5th year.

	1/50
Harry Truman:	45/40 (Gallup)
	Early 1/60
Dwight D. Eisenhower:	60/30 (Gallup)
	Early 1/74
Richard Nixon:	27/63 (Gallup)
	12/85
Ronald Reagan:	62/28 (Gallup)

I've attached the Washington Post's year-end review of Ronald Reagan's 5th year, the tone of which is quite dismissive. It's amazing to read the comment from "one of the President's senior political advisors," who said: "You know what the saving grace has been? The TWA hostage crisis, the summit and cancer."

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THE PRESIDENT HAS BEEN

December 30, 1985, Monday, Final Edition

12-12-97

SECTION: First Section; A1 Pictures 1 through 4, The President and Nancy Reagan greet well-wishers on the White House South Lawn after the President's cancer surgery at Bethesda Naval Hospital in July; Waving from hospital window a few days after surgery for colon cancer; Chatting with Soviet leader Gorbachev at Geneva summit; Addressing business people and their families in Pennsylvania. Washington Post photos

LENGTH: 2191 words

HEADLINE: 1985: Mixed Year for Reagan;
Despite His Popularity, 2nd-Term Goals Are Elusive

BYLINE: By David Hoffman, Washington Post Staff Writer

BODY:

President Reagan began his second term last January calling for a balanced budget and "the total elimination one day of nuclear weapons from the face of the earth." A year later, after numerous bouts with Congress and his first summit meeting with a Soviet leader, he has taken only the first, tentative steps toward achieving those goals.

For Reagan, 1985 has been a mixed and often frustrating year. He currently enjoys some of the highest public approval ratings of his presidency, but he has not been able to translate that popularity -- or the strength of his landslide reelection triumph -- into notable victories on Capitol Hill. On the contrary, he was forced repeatedly to compromise with Congress this year, and some of the victories he achieved -- the tax revision vote is the most recent example -- came only after the administration was threatened with a humiliating defeat.

 "You know what the saving grace has been?" said one of the president's senior political advisers. "The TWA hostage crisis, the summit and cancer."

Sen. Paul Laxalt (R-Nev.), a Reagan intimate, said, "Considering what past presidents have done in the first year of the second term, it was a vintage year The summit was, overall, deemed a smashing success. Couple that with his artificial resuscitation of tax reform when everyone -- including me -- thought it was truly dead. He went out in a blaze of glory. Next year could prove to be far more difficult."

THE PRESIDENT HAS SEEN

12-12-97

Mitchell E. Daniels Jr., the White House political director, said that Presidents Dwight D. Eisenhower and Richard M. Nixon had more trouble in their fifth years than Reagan had. "Even if it wasn't always pretty this year," Daniels said, "when you run up the tally board, the stuff we wanted is happening, and the stuff we didn't want, isn't."

This was the year Reagan's top political strategists had seen as a second-term "window of opportunity" -- the best period to win approval of his domestic agenda, including tax revision, and to renew dialogue with the Soviet Union before he became weakened as a lame duck.

But that "window" involved months of inconclusive bickering over budget cuts between Reagan and Congress that finally resulted in the Gramm-Rudman-Hollings legislation, which is expected to force both sides to make the difficult choices they have so far avoided.

Reagan also used the "window" to engage Soviet leader Mikhail Gorbachev in the first U.S.-Soviet summit of his presidency. After years of harsh criticism of the Soviets, Reagan began a "dialogue" with Gorbachev that did not bring about an arms control pact, but did produce an agreement to hold two more summits and generated hopes that the two superpowers may yet achieve a far-reaching treaty to reduce their nuclear arsenals.

The first year of Reagan's second term brought other unexpected challenges for a president trying to cement his place in history and postpone the inevitable day his political power begins to wane.

His vaunted vitality was tested by a serious bout with cancer. His command over Congress was threatened at year's end by the near-collapse of his tax revision bill. He endured an emotional, if not lasting, controversy over his visit to a German military cemetery at Bitburg. And two Middle Eastern hostage crises -- the hijackings of TWA flight 847 and the Achille Lauro cruise ship -- tested the administration's ability to cope with and retaliate against terrorists.

After nearly two years of internal debate over the use of military force against terrorism, Reagan last fall decided to send American fighter jets after the hijackers of the cruise ship, and emerged triumphant from the successful interception.

But in dealing with Congress, Reagan enjoyed little of the honeymoon atmosphere that existed after his first election in 1980. Instead, the president battled defensively to preserve what he had won earlier.

He accepted a smaller MX missile force and no growth above the rate of

inflation for the Pentagon budget, and invoked limited sanctions against South Africa when it was clear that Congress was prepared to legislate tougher action. He won resumption of aid to the Nicaraguan rebels, but military help was barred. He dampened the trade protectionism tide in Congress, partly by reversing policy and seeking to gradually lower the value of the dollar.

His major triumph -- House approval of a tax bill -- came only after a damaging Republican revolt.

"Everyone talks about the honeymoon, but the honeymoon and the fifth anniversary aren't the same thing," said Dennis Thomas, deputy to White House chief of staff Donald T. Regan and an increasingly influential adviser. The last five months, he said, "were one big land-mine field, and we've extricated ourselves from it."

"In each instance, they had Reagan down and out -- on South Africa, trade, appropriations bills and tax reform," he said. "Mark Twain must be amazed at the number of times Ronald Reagan's political demise has been prematurely reported."

But Reagan made little headway this year in permanently reducing domestic spending. After the election, he proposed the most ambitious budget-cutting program of his presidency, seeking to trim or eliminate many government programs that provided subsidies to business and the middle class.

"The basic record there is not much success," said political scientist Norman J. Ornstein of the American Enterprise Institute. He said Reagan and former budget director David A. Stockman wanted to use the "momentum" of the reelection landslide to attack such programs as Amtrak and the Small Business Administration, but "now at the end of the year, after going through the agonizing budget process, Amtrak and the SBA are still intact."

A White House official acknowledged that the effort failed. "The waves pounded on the shore, and the shore won," he said. "The answer is that the great bulk of the effort, 50 major reductions and terminations, were not achieved. The major fiscal and philosophical goal was to really take a serious large whack out of domestic spending, and we got very, very little."

One reason was that Reagan did not lobby as strenuously for politically painful budget cuts as he did in 1981, nor had he sought a mandate for such action during his reelection campaign.

Also, Reagan made deals -- first with the Senate and later the House -- to take certain proposed budget cuts off the table. Then, when Congress adjourned for the year, it left without finishing work on the one piece of legislation

implementing the program cutbacks it had approved.

Reagan may have reached a turning point on defense spending this year. He began by seeking 6 percent growth in Pentagon spending authority over inflation -- and wound up accepting zero growth. Most of the actual deficit savings achieved this year came out of Reagan's military budget, and even with the savings, next year's deficit is projected to exceed \$194 billion.

More important, however, Reagan accepted the Gramm-Rudman-Hollings measure designed to force a balanced budget by 1991. Many administration analysts say the legislation will mean, along with further reductions in domestic spending, cuts in Reagan's planned defense buildup or a tax increase.

"It may come down to a wire -- compromise further on defense or look for revenues," Laxalt said. "That's going to be difficult for him."

Reagan acquiesced on Gramm-Rudman-Hollings, in contrast to his first-term posture of pushing Congress on major legislation. Ironically, the action may be remembered as the point at which deficit reduction became Reagan's top priority, rather than tax cuts and more defense spending.

"We're alive to fight another day," White House aide Daniels said.

"Almost in spite of themselves with Gramm-Rudman, they are back in the ball game," Ornstein said.

On arms control, Reagan this year started a process that may hold the promise of future results. Standing in a parking lot in Geneva, he and Soviet leader Gorbachev agreed to the additional meetings that may create pressure for more solid accomplishments.

"The get-acquainted stage is over and people are going to start looking for concrete results," Laxalt said.

One lesson of 1985, even for some of Reagan's closest advisers, was his deep commitment to the idea of a space-based nuclear shield against incoming missiles, the Strategic Defense Initiative (SDI), often called "Star Wars."

Earlier this year, some White House advisers privately discussed possible limits on SDI in exchange for deep cuts in the Soviet offensive missile force. But Reagan forcefully ruled it out at a Sept. 17 news conference, and two months later at the summit sharply differed with Gorbachev on missile defenses.

Sen. Albert Gore Jr. (D-Tenn.), said the "one big positive" development this

THE PRESIDENT WAS SEEN

12-12-97

year on arms control was Reagan's decision to continue U.S. policy of not undercutting the SALT II accord.

But Gore criticized Reagan's intransigence on SDI, saying "the continuing internecine warfare" in the administration over arms control "has prevented the president from seizing a number of promising opportunities that should have been explored."

"The apparent decision to show no flexibility whatsoever on SDI has threatened to bring all arms control to a standstill," Gore said.

Raymond L. Garthoff, author of "Detente and Confrontation: American-Soviet Relations from Nixon to Reagan," said that while many doubt whether an invincible shield against missiles is possible, "That still is the way Reagan is talking. I think he has concluded that he stood firm at the first summit, things went pretty well. That's all true as far as it goes. What bothers me is he'll be all the less likely to think he should compromise."

In presummit exchanges and later at Geneva, the superpowers agreed on the concept of a 50 percent cut in some categories of offensive weapons, but remained far apart on critical definitions of what would be included. Reagan and Gorbachev also agreed to press ahead in areas where they believe some common ground exists -- such as the talks on medium-range missiles in Europe. But major hurdles remain for Reagan's SDI program and even for the seemingly easier goal of reducing missiles in Europe.

Nonetheless, Reagan and the Soviet leader engaged in an intense two days of personal diplomacy at Geneva unlike anything else in the president's first five years. Helmut Sonnenfeldt of the Brookings Institution, an adviser to President Nixon, said it is now an open question "whether the dialogue that these two leaders began in Geneva will be continued in a way that will make real negotiation possible."

The Geneva meeting has already paid off in one sense for Reagan. During the 1984 campaign, his advisers felt his one vulnerability was the charge by Walter F. Mondale that he would lead the nation into nuclear war. Now, polls show Reagan is getting the highest marks ever for his handling of foreign policy.

"On arms control," said pollster Richard Wirthlin, "the president next year will have strong assets perceptually he didn't have a year ago. There is no doubt in American minds that he can deal with Gorbachev effectively. That's been put to bed with Geneva. The question is: Can we use the opportunity of another meeting to advance the process?"

Reagan also will juggle some other problems next year. Foremost will be

efforts to solidify the resurgent strength of the Republican Party and keep its control of the Senate. At the same time, Reagan will be pushing tax revision and the Gramm-Rudman-Hollings budget knife will begin to cut.

Pressures on the Senate could be volatile. Richard Whalen, a Washington economics consultant and author, said, "The story that will unfold in '86 is the conflict between the White House and the Republican Senate over a wide range of fiscal choices, beginning with tax revision, deficit reduction and coming inevitably to revenue enhancement," a tax increase.

According to Laxalt, general chairman of the GOP, "The Republican Party will go where the economy and Ronald Reagan goes."

Laxalt described as "still in the yeasting stage" the party realignment that many Republicans hoped would come out of the Reagan years.

The recession of Reagan's first term destroyed those hopes of a realignment, but during the last year polls show that Republicans have closed much of the gap with Democrats in party identification.

"The allegiance to the Republican Party has not only shifted," said Wirthlin, "but it is a shift that appears to be much better seated, better established. That doesn't mean we have a realignment. The last stage is in local and state elections. But it does suggest that politics will be played in 1988 on a very different chessboard than in 1984 and 1980."

Whalen said that while Republicans have improved their strength since the 1970s, "many of their gains are highly contingent, and the promise made to younger people is that we will continue noninflationary prosperity. At the first sign that promise is broken, I think these people will behave just like their parents -- and go looking for somebody else to take care of them."

THE WHITE HOUSE
WASHINGTON

OFF PRESIDENT
12-15-97

December 10, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING

RE: Environmental Budget Issues for FY 1999

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As part of our effort to provide you with memos on new ideas prior to your final budget decisions, I asked Katie to provide you with a memo on the new environmental initiatives that she has been working on with the environmental agencies.

Attached is her memo.



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

December 10, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: KATHLEEN A. MCGINTY

LAW for KAM

SUBJECT: ENVIRONMENTAL BUDGET ISSUES FOR FY 1999

OMB has provided its FY 1999 passback for discretionary spending for Federal agencies and its initial recommendation for uses of the \$5 billion in discretionary spending in the Presidential Priority Reserve (PPR). At this point, any unresolved issues concerning discretionary spending in either the passback for current agency programs or proposed new environmental initiatives will have to compete for funding from the PPR.

In general, OMB has proposed an FY 1999 budget that is very strong on overall environmental priorities. However, I believe that the proposed OMB budget falls short in certain key areas, even when the OMB recommendation for additional funding from the PPR is taken into account. As a result, I recommend that another \$359 million for water quality and resource stewardship be added to the OMB recommendation for the PPR, not including funding that may be proposed as part of a separate climate initiative.

This memo provides background on environmental funding issues for FY 1999 and summarizes my recommendations for new initiatives for water quality and natural resource stewardship. I also support funding for the new climate initiative, which is being developed through an interagency process chaired by Gene.

THE BBA AND THE ENVIRONMENT

Several environmental programs were included for protection in the Balanced Budget Agreement (BBA), including those counted in the Function 300 budget category. Funding for Function 300 programs offers one of the principal yardsticks for support for environmental programs and includes the environmental parts of the Environmental Protection Agency (EPA), the Department of Interior (DOI), the National Atmospheric and Oceanic Administration (NOAA), the U.S. Army Corps of Engineers (COE), and the Department of Agriculture (USDA).

However, in the FY 1999 OMB passback for nondefense, discretionary (NDD) spending, funding for these programs is down significantly -- both from the FY 1998 enacted level (minus about \$1.7 billion) and the FY 1999 level of funding specified in the BBA (minus about \$700 million). **OMB recommends a PPR addback of \$298 million for these programs; this would still create a shortfall of nearly \$400 million from the FY 1999 BBA level.** See Table 1.

THE OMB PASSBACK

The OMB budget proposal for FY 1999 contains significant funding for many important Administration environmental efforts. However, the OMB passback also decreases Function 300 programs by \$1.7 billion from FY 1998 enacted levels, mainly in three areas:

- (1) elimination of Congressional earmarks and other low priority programs at the Army Corps of Engineers (-\$1.1 billion);
- (2) reductions in high-priority acquisitions from the Land and Water Conservation Fund (-\$750 million); and
- (3) phasing down of the EPA State Revolving Fund water quality programs (-\$450 million).

These major reductions were offset in part by increased appropriations for Superfund for FY 1999 that Congress provided in advance in FY 1998 but made contingent on enactment of reauthorization legislation (+\$600 million).

Although I have concerns about the potential effects of some of these decreases, these reductions do make available resources that can be used for other purposes. It will be easier to sell these reduced levels of funding if we can show that some of the savings have gone to addressing remaining environmental problems.

SUMMARY OF MAJOR OUTSTANDING ISSUES FOR THE PPR

OMB has proposed allocating \$298 million from the PPR to Function 300 environmental programs and \$200 million to the climate initiative. Much of the final discretionary funding for the climate initiative will be provided through the civilian energy and technology programs of the Department of Energy. These programs are not included in Function 300, but are included instead in Functions 250 and 270. The climate initiative will also include tax incentives.

The proposed OMB level of funding, including the OMB proposed addbacks from the PPR, would not be adequate to fund fully major, new Administration environmental initiatives and existing Administration commitments. The following is a summary of the outstanding issues for Function 300, the OMB level of funding proposed from the PPR, and additional CEQ proposed PPR funding (\$359 million). Also, see Table 2.

Water Resources

Second Generation Clean Water

The Administration could launch a major new initiative to define the next generation of clean water protection by committing to restoration of the 1000 watersheds that remain too polluted for fishing or swimming. Uncontrolled runoff from both cities and rural areas continues to generate

alarming environmental and public health threats, as illustrated by the dramatic *Pfiesteria* outbreaks in Florida, North Carolina, Maryland, and Virginia. Current programs and regulatory steps will not improve the situation until more steps are taken to address polluted runoff and to implement comprehensive watershed management strategies.

OMB has proposed \$248 million for the initiative from the PPR to be added to \$180 million already included in the passback. CEQ and EPA support \$500 million from the PPR, to be divided among five agencies (EPA, COE, DOI, NOAA, and USDA). This funding would support a variety of activities focused on giving support and incentives to local governments and private landowners to address non-point pollution. (In addition, CEQ and USDA support another \$200 million to be provided as mandatory spending through USDA farm programs, not from the PPR.)

OMB has also proposed reducing EPA's water quality State Revolving Fund (SRFs) programs by \$450 million from FY 1998, a reduction which EPA opposes. If the Administration does not provide substantial funding for a new water quality initiative, then the proposed reduction to the EPA's SRFs could actually put Administration FY 1999 funding for water quality below the level the Republican Congress was willing to fund in FY 1998.

Deepening of the Port of New York/New Jersey

The Administration could help ensure the economic viability of the Port of New York and New Jersey by proposing to deepen the harbor to 45 feet. Failure to fund this project is a serious, and potentially fatal, threat to the Port and to tens of thousands of union jobs. Major shipping lines are already threatening to relocate to Halifax if the 45-foot deepening project does not begin to move, because these lines already are turning away ships with 45-foot drafts. A current DOT study documents significant cargo diversion from New York to Canada because of this problem.

Funding for this project will support an Administration agreement among environmentalists, longshoremen, and port shipping interests that was announced by Vice President Gore. The agreement resolved controversy over ocean dumping, which had threatened the viability of the Port of New York and New Jersey by blocking harbor dredging for years, and coupled closure of a controversial ocean dumping site with a series of steps to ensure the economic viability of the Port. Although the agreement did not explicitly commit to deepening the harbor to 45 feet, many parties to the agreement believe that it is a necessary step to fulfilling the objectives of the agreement.

The OMB passback includes funding for explicit parts of the agreement but does not include funding for harbor deepening to 45 feet in part because of concerns that the Federal cost could total \$540 million. The Port estimates the cost at only \$400 million and is prepared to commit to cost-sharing. CEQ supports the Army Corps of Engineers' proposal to provide \$32 million in FY 1999 toward harbor deepening while completing a longer-term study about the feasibility of eventually deepening the harbor to 50 feet.

Resource Stewardship

Endangered Species

The Administration is supporting Congressional efforts to provide DOI with additional tools for protecting species as part of a reauthorization of the Endangered Species Act (ESA). These approaches help avoid litigation and gridlock and rely on innovative approaches such as those that provide cooperative incentives to private landowners and prevent crises before they arise through ecosystem management.

However, many of these alternative tools are resource intensive, requiring substantially higher levels of funding to implement than the agency currently possesses. Furthermore, a failure to request an adequate amount of funding for these approaches in the FY 1999 budget could undermine the credibility of Administration's efforts to revise the ESA in a responsible manner.

DOI has proposed \$134 million in additional funding for species and habitat funding from the PPR. OMB has recommended an increase of only \$50 million but has dealt with some of the species and habitat funding issues separately. CEQ supports \$75 million of the additional funding proposed by DOI, if it is focused on ESA reform and other innovative Administration approaches to species and habitat protection.

The Everglades

The Administration presently is implementing a historic plan to save the Everglades. As the Vice President's recent trip to Florida reveals, the success of this plan is very important and highly popular. The current Administration plan for Everglades restoration calls for \$100 million a year for the next three years for DOI. However, the OMB passback proposes requesting only \$50 million a year for the next six years because of a backlog of money stemming from the slow pace of acquisition deals.

Although land acquisition deals have been moving slowly, the OMB proposed level of funding would definitely be seen as Administration backtracking on its commitment to the Everglades. Indeed, it would be very problematic for the Administration to look like it is backing away from its commitments to Everglades restoration when we are constantly pressuring the State of Florida to maintain its commitments.

A better solution is to step up efforts to clear out the backlog. The Administration recently negotiated a purchase of 50,000 acres in the Everglades Agricultural Area. After local cost-sharing arrangements are worked out, the Federal share of this acquisition could range from \$70 to \$100 million. The remaining funding would be used for purchases in the East Coast buffer. The next parcel has been identified and processing will begin immediately now that the Everglades Agricultural Area deal is solidified.

CEQ supports DOI's proposal to keep requesting \$100 million a year for Everglades restoration instead of \$50 million for FY 1999 as proposed by OMB. Further, the additional \$50 million

should be provided from the PPR and not taken from DOI's base program for other acquisitions.

Land and Water Conservation Fund Acquisitions

OMB is currently working with CEQ, DOI, and USDA on possibilities for increasing funding for the Land and Water Conservation Fund (LWCF) other than using the PPR. Increased funding for the LWCF would make it possible to acquire highly desirable tracts of land such as increased bison rangeland around Yellowstone, prime forest land in the Northeast, and New Mexico rangeland for one of largest elk herds in the world.

Funding for the LWCF is supposed to be provided from Outer Continental Shelf receipts that run about \$900 million a year. However, the caps on discretionary spending constrain the amounts that can actually be spent with the result that LWCF appropriations for the last four years have averaged less than \$200 million a year. An exception is the \$699 million that was secured as part of the BBA, which included funding for the Yellowstone and Headwaters agreements.

The OMB effort to find a new budget approach for funding for the LWCF is an extremely valuable effort and should be highly commended.

Forest Policy

Although levels of funding for national forest policy are not in dispute in the budget, it is worth noting that the FY 1999 budget will provide an excellent opportunity for announcing a far reaching position on managing our forests for the next century. CEQ and OMB are currently working with USDA and the U.S. Forest Service on the content of that position.

Any major forest policy announcement must have three central elements: (1) elimination of unwarranted subsidies such as the purchaser road credit in a way that holds counties and small businesses harmless; (2) a science-based policy to protect remaining roadless areas in national forests; and (3) delinking of current payments to local governments based on the amount of timber that is harvested.

TABLE 1.
OMB PASSBACK FOR ENVIRONMENT PROGRAMS (FUNCTION 300)
COMPARED TO FY 1998 ENACTED AND THE BBA
(in millions of dollars of discretionary budget authority)

AGENCY:	FY 1998 Enacted	FY 1999 BBA Protected	FY 1999 OMB Passback	FY 1999 OMB-BBA
Army Corps	\$ 4,058	N.A.	\$ 2,988	
EPA	\$ 7,361	N.A.	\$ 7,395	
DOI	\$ 6,245	N.A.	\$ 5,591	
NOAA	\$ 2,072	N.A.	\$ 2,157	
USDA	\$ 3,293	N.A.	\$ 3,166	
other	\$ 239	N.A.	\$ 239	
TOTAL	\$23,268	\$22,222	\$21,536	-\$ 686

Notes: Detailed Function 300 numbers for FY 1998 and 1999 are not currently available. Therefore, in order to illustrate trends in environmental spending, amounts for agencies are assumed to be as follows -- sums for the Army Corps of Engineers, EPA and NOAA are equal to the agency's total budget; DOI is equal to the agency's budget minus funding for PILT, territories, and the non-environmental part of the Bureau of Indian Affairs; USDA is equal to the total for the U.S. Forest Service and the Natural Resource Conservation Service; "other" is the residual amount for programs in FY 1998 that is unaccounted for when compared to the Function 300 total and is assumed to be the same for FY 1998 and FY 1999.

TABLE 2.
PROPOSED ENVIRONMENTAL FUNDING FOR FUNCTION 300
FROM THE PRESIDENTIAL PRIORITY RESERVE
(millions of dollars of discretionary budget authority)

INITIATIVE:	OMB PPR FY 1999	CEQ ADD TO OMB PPR	CEQ PPR FY 1999
o Watershed Health Initiative	\$248	+\$252	\$500
o ESA Related	\$ 50	+\$ 25	\$ 75
o Everglades	\$ 0	+\$ 50	\$ 50
o NY/NJ Harbor	\$ 0	+\$ 32	\$ 32
TOTAL	\$298	+\$359	\$657

Note: Total does not include potential funding for the climate change initiative, which may be funded through activities other than Function 300 discretionary spending programs. It also does not include the new forest policy or the LWCF, since they do not require funding from the PPR.

THE WHITE HOUSE

WASHINGTON

December 11, 1997

OFF PRESIDENT 1997
12-15-97

MEMORANDUM FOR THE PRESIDENT

FROM: DANIEL K. TARULLO *DT*

RE: WTO Financial Services Negotiations

WTO negotiations to liberalize world trade on financial services are scheduled to conclude on Friday, December 12. A strong, liberalizing WTO agreement on financial services would be beneficial to market confidence, to U.S. leadership and to the multilateral trading system. The United States walked away from a deal in 1995 because liberalization commitments from key markets in Asia and Latin America were inadequate.

Events have changed rapidly in the last 48 hours. Overall, the offers on the table now are far from perfect but constitute a significant improvement, including commercially meaningful commitments not to reverse a substantial portion of liberalization that has occurred in emerging markets over the past three years, and some new liberalization as well. U.S. securities, banking and insurance companies want to capture these gains in an agreement, and, with few exceptions, are expected to provide active support. However, Malaysia plans to force divestiture of wholly foreign-owned insurance subsidiaries, including AIG, to no more than 51%. Citicorp supports, as a matter of principle, AIG's position that we should not accept a deal which leaves this issue unaddressed. We are seeking a way to harvest the significant liberalization commitments that have been made in an agreement while retaining U.S. leverage to address our significant problems in Malaysia.

We will seek to negotiate an approach that will retain our ability to deny access to the U.S. financial services market to any country that forces divestiture of foreign owned companies. Forced divestiture is a principle that the United States cannot accept, and that the WTO should not sanction. However, this will be very difficult to negotiate and could result in other nations pulling their offers off of the table. Given the prominence of the issue, and Citicorp's support, this may be the best approach.

If agreement is not reached, the United States will be blamed by virtually everyone, with further ramifications for our leadership in the WTO and other economic fora. On the other hand, accepting an inadequate or badly flawed deal could have repercussions for fast track and consideration of resources for the IMF next year. Senator Sarbanes is likely to oppose under any circumstances (even with industry support). Senator D'Amato has been guarded, but not negative in his reaction.

cc: Vice President
Chief of Staff
National Security Advisor

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In Los Angeles, a New Generation Discovers Philanthropy

By JUDITH MILLER

LOS ANGELES, Dec. 1 — Steven Spielberg has given more than \$45 million to charity in the past five years and vows to commit at least \$20 million more by the year 2000. David Geffen has probably given away nearly as much.

Just this year, Michael D. Eisner, the chairman of the Walt Disney Company, transferred 1.3 million shares of Disney stock, worth \$127 million, into his family's charitable foundation, and he recently promised \$25 million from his company to help build the Disney Concert Hall in downtown Los Angeles.

In Hollywood, a new generation of philanthropists is being born — and not a moment too soon, some philanthropists would say.

For all their glitzy wealth and self-promotion, residents of Los Angeles, particularly members of the entertainment industry, have been relatively stingy when it comes to charity. The nation's second-largest city, Los Angeles ranked 48th in a survey of giving by the Chronicle of Philanthropy in 1994, the most recent data available. (New York City was 27th, while Minneapolis was No. 1).

"Hollywood has not really been involved in the city until now," said Harold M. Williams, president of the J. Paul Getty Trust, which runs the J. Paul Getty Museum and, with its \$4.3 billion endowment, does not need to raise money. "While there are incidents of huge generosity, there is, unlike New York, no sense of civic pride that obliges one to give in a sustained or systematic way. There is no Brooke Astor."

Yet Eli Broad, chairman of SunAmerica, the financial services corporation, who has helped raise money for the new concert hall, argues that the Disney gift suggests a resurgence of the old coalition between entertainment, business and civic interests that 30 years ago helped pay for the city's original concert hall and other pioneering civic projects.

Philanthropy professionals trace charity's tepid performance in Los Angeles to several factors. As a relatively new city compared with those in the East, for instance, it has less of a tradition of giving. Its population is

increasingly made up of immigrants who are not only new to the city but to the American style of charitable giving. The city's entertainment industry is notoriously volatile, as are the incomes of those who depend on it. Finally, Los Angeles has been battered by natural disasters and economic changes that reduced the financial base for charity.

Perhaps the greatest obstacle to philanthropy is the city's geography. In New York City, many of the leading cultural institutions are concentrated in the wealthiest neighborhoods, like the Upper East Side. But in Los Angeles, cultural institutions downtown are far from their well-heeled patrons in Pasadena, the traditionally Catholic and Protestant stronghold, and in the Westside, home of the entertainment industry and Jewish professionals.

"I love downtown," said Jack Shakely, president of the California Community Foundation, which serves mainly Los Angeles County. "But many friends won't go there for lunch, much less dinner. They think of downtown as some kind of Kurt Russell movie."

The city's separation of social elites also complicates fund-raising. Historically, a few prosperous families owned large tracts of Los Angeles and influenced much of its development. But in the early 1960's, as its wealth diminished, the establishment was forced to reach out to the Jewish studio heads of Hollywood and to blacks who had gained a share of power in politics and the civil rights movement.

Dorothy Chandler, the wife of The Los Angeles Times publisher and the city's leading cultural patron, joined forces with Lew R. Wasserman, the head of MCA, the entertainment conglomerate, to build the Music Center of Los Angeles County, the city's first major performing arts facility. The center's largest auditorium, a frequent home to the Academy Awards ceremonies, was named the Dorothy Chandler Pavilion.

But the alliance between Hollywood and old-line society did not last. In addition, the persistence of what Mr. Shakely calls a "Jewish-Protestant gulf" and the lack of a unified social elite have hindered the civic spirit that underpins philanthropy.

The city's troubled economic base has intensified philanthropic dependence on the entertainment industry, which tends to be cause-oriented, highly personal, and more political than other philanthropic groups. As a result, causes like AIDS and civil liberties often take priority over the city's cultural institutions.

Hollywood charity also tends to be more flamboyant than gifts from other Los Angeles givers, like Katherine B. Loker, an heiress who is said to have given about \$20 million to universities, or B. Wayne Hughes Sr., chairman and co-founder of Public Storage, the nation's largest owner and operator of self-storage space, who has given about \$25 million to health charities. "Hollywood giving is all about billing," said Edward Bleier, president of pay television and cable distribution for the Warner Brothers unit of Time Warner, who lives in New York.

Consider Mr. Geffen, a founding partner of the new movie studio Dreamworks SKG, who is worth an estimated \$2 billion and who has given away more than \$35 million. The Los Angeles Museum of Contemporary Art now has a Geffen Contemporary annex (\$5 million gift); the University of California at Los Angeles has a Geffen Playhouse (another \$5 million gift); and the Gay Men's Health Crisis in New York, an AIDS service organization, has a David Geffen Center for H.I.V. Prevention and Health Education (\$2.5 million gift). Fund-raisers in Los Angeles joke that Mayor Richard J. Riordan could solve the city's fiscal troubles simply by changing its name to Los Geffen.

Hollywood givers also like creating their own philanthropies. For instance, Mr. Spielberg, the film director, has chosen to promote Jewish life through two new foundations. He said he also gives to Los Angeles institutions, as well as to "whatever touches me."

But in a break with most of Hollywood, Mr. Spielberg said that at least 25 percent of his giving is anonymous. Likewise, Mr. Eisner, though not yet known as generous by mogul standards, declined to disclose how much he gives each year. But, to lure

COMPARISON THE Philanthropy in Two Cities

Los Angeles lags far behind New York City in giving to its charities and cultural institutions. Here are contributions made in 1996.

New York	Los Angeles
1996 POPULATION 7.4 million	3.6 million
UJA-Federation of Jewish Philanthropies \$139.4 million	Jewish Federation Council of Greater Los Angeles \$40.8 million
New York Community Trust \$165.6 million	California Community Foundation \$30.9 million
Thirteen/WNET \$66.0 million	KCET Community Television \$41.0 million
Metropolitan Opera Association \$63.6 million	Los Angeles Opera \$6.5 million
Museum of Modern Art \$29.1 million	Museum of Contemporary Art \$15.4 million
New York Philharmonic \$8.9 million	Los Angeles Philharmonic \$6.4 million

Sources: Chronicle of Philanthropy; the organizations

The New York Times



Steven Spielberg, left, and David Geffen, partners in the studio Dreamworks SKG, are two of Hollywood's most generous philanthropists.

other givers, he went public with the company's "challenge" gift to the Disney Concert Hall, which depends on other corporate sponsors to donate \$25 million more.

Supporters of the Disney hall have raised 80 percent of the money needed to build the 2,350-seat hall, which is seen as a instrumental in reviving downtown and to building the kind of inclusive civic coalition that characterizes New York philanthropy.

The Disney corporate gift took more than a year to secure because the company wanted to insure that a performing arts center would be provided at the hall for students of the California Institute of the Arts, which it supports, Mr. Eisner said.

Nevertheless, supporters say, the gift will shake loose other foundation and corporate money. "Once the city has a few high-profile projects around which all citizens can rally," said Mr. Broad, the SunAmerica executive, "people who have never given will do so and a tradition of giving will finally take hold here."

Others are not so sure. Mr. Wil-

liams, of the Getty, said the Disney gift was perhaps the start of a trend. Mr. Eisner said that while that was not his intention, he would be delighted if it had that effect.

"I personally did well in Southern California, so I feel I should give back here," he said.

[Mr. Eisner has done so well, in fact, that on Wednesday, he exercised options to buy about \$695 million in Disney stock.]

Mr. Eisner said that he might also make an individual gift to the hall for programs if they are consistent with the goals of his family's charity, the Eisner Foundation, to help disabled and disadvantaged children.

Prof. Gary N. Tobin, a philanthropy expert at Brandeis University, called the Disney matching grant "a great step forward," but he was cautious about whether it marked a turning point for Los Angeles.

"Yes, there is Spielberg and other potentially big givers in L.A.," Professor Tobin said. "But will they give to the city's life or to anything? We don't know yet."

Today's debate: KODAK VS FUJI

USA still ahead at WTO despite Kodak's defeat

OUR VIEW Trade reversal for U.S. film and photo giant, while a serious setback, is hardly fatal.

Since Kodak lost its case against Fuji before a World Trade Organization panel last week, howls have echoed from Tokyo to Washington.

Kodak's CEO George Fisher, naturally, called it "unacceptable."

Trade Representative Charlene Barshefsky opined, "It is clear that this panel had a remarkable instinct for the capillary."

And Sen. John Ashcroft, R-Mo., complained that the WTO ruling "raises serious questions about the credibility of this international body and of the U.S. trade representative's capacity to secure and defend free-trade agreements."

Wait a minute. The score for U.S. complaints brought before the WTO is 7-1.

The U.S. has won cases against Canada on publication restrictions, Japan on alcohol taxes, Europe on its ban of hormone-treated beef and India on protection of U.S. patents — a vital concern as the U.S. exports huge amounts of patented products.

The Kodak loss is big, no doubt, and the complaint serious — that Japan's government conspired with Kodak's main competitor, Fuji, to block its access to Japan's market. A Kodak victory would have given U.S. businesses a wedge to drive against Japan's interlocking of banks, businesses and retail outlets — called *keiretsu* — that make Japanese markets hard to penetrate and give Japanese firms a protected base to compete with U.S. firms.

But the loss — magnified because Kodak has announced several thousand layoffs here — shouldn't be overblown.

Kodak, an American icon, isn't struggling now simply because of Fuji. Kodak's problems result more from its own bad decisions. Among them: deciding not to pay

Film rivalry

Fuji is by far the dominant force in Japan's color film market, while Kodak's share has remained small and even decreased slightly over the past decade. Japan's Konica and Germany's Agfa control the rest of the Japanese market. Percentage of market share from 1989 through 1995:

- ▶ 1989: Fuji, 77.6%; Kodak, 7.2%
- ▶ 1990: Fuji, 77.3%; Kodak, 7.0%
- ▶ 1991: Fuji, 78.9%; Kodak, 6.0%
- ▶ 1992: Fuji, 80.1%; Kodak, 4.3%
- ▶ 1993: Fuji, 80.0%; Kodak, 5.3%
- ▶ 1994: Fuji, 77.4%; Kodak, 5.5%
- ▶ 1995: Fuji, 72.3%; Kodak, 6.6%

*Last year available

Source: Fair Trade Commission of Japan

\$1 million for sponsorship of the 1984 Los Angeles Olympics. That gave Fuji its first big chance to get U.S. film distributors. As Fuji gained ground, Kodak lost its focus, spreading itself into other businesses rather than defending its film profit center.

Fuji, meanwhile, is a competitor, not an enemy. It employs 7,500 here, compared with 53,000 for Kodak, and has invested \$2 billion in U.S. facilities. Kodak, meanwhile, has put nearly a billion into Japan.

Finally, Japan is not impenetrable. It bought \$67 billion in U.S. products in 1996, up 40% since 1990. Japan's economic woes threaten to end those gains, but the deepening crisis — now so severe that a depression is possible — is more likely to bring change than any WTO action.

The *keiretsu* system's inefficiency has stalled growth while the banks that support it are mired in \$300 billion of bad debt. Those problems are forcing Japan to ever so gradually dismantle its barriers, starting with closing some banks.

In the meantime, the U.S., as the world's biggest trader, has more to lose than anyone from knocking out the world's trade referee. A 7-1 record isn't shabby.

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USA TODAY • WEDNESDAY, DECEMBER 10, 1997

THE PRESIDENT HAS BEEN

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Robert J. Samuelson

The Asian Connection

It may be more threatening to our economy than we complacent Americans like to think.

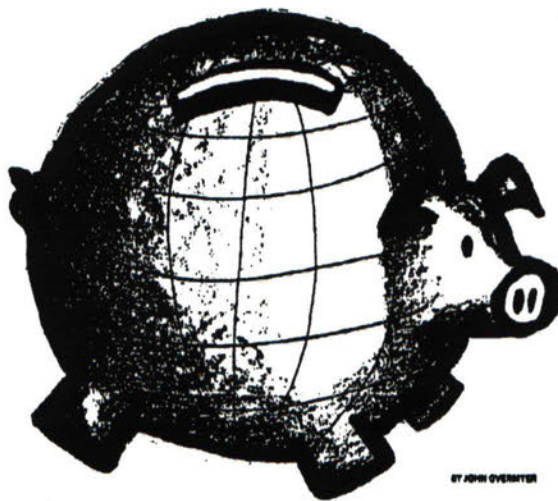
I have spent a career disputing economic doomsayers. In the 1980s, the United States was "deindustrializing"; no, it wasn't (since 1980, industrial production has risen 54 percent). Then we'd lost "competitiveness"; no, we hadn't (the United States remains the largest exporter, with 13 percent of the world total). More recently, living standards had stagnated; no, they haven't (home ownership—66 percent of households—is at a record). But now I'm uneasy with the recent swing of economic opinion toward boundless optimism. And I doubt its latest conclusion: that Asia's economic breakdown will hardly disturb the super-charged U.S. economy.

You can see the optimism in the stock market's recovery since late October. Or you can hear it in the reassuring statements of Treasury Secretary Robert Rubin and Federal Reserve Chairman Alan Greenspan. Perhaps they are correct. But anyone even slightly familiar with history will find unsettling parallels between the present situation and the onset of the Great Depression. Then as now, stock markets worldwide crashed; then as now, banking crises depressed production and employment; then as now, government officials professed optimism.

This is *not* a prediction of another Depression. It is not a prediction of anything. But it is a caution: Slumps (even deep ones) do happen; global interdependence works both ways (for ill as well as good), and governments can lose control of events. Americans underestimate the magnitude of Asia's setbacks. Consider the slaughter in their stock markets. In the past year (between November 1996 and November 1997), Morgan Stanley Capital International reports the following declines: Japan, 25 percent; Singapore, 25 percent; Hong Kong, 27 percent; the Philippines, 55 percent; South Korea, 59 percent; Indonesia, 60 percent; Malaysia, 68 percent; Thailand, 75 percent.

Confidence has shriveled. Asia's capitalist class—one engine for economic growth—has seen much of its paper wealth vanish. Banks across the region are reeling from bad loans. Inflows of foreign capital have slowed or reversed. In 1997, Americans have withdrawn about \$3 billion from Asian mutual funds, reports the Investment Company Institute. Construction of new factories by global companies will decline; new contracts for foreign investment in China have dropped 30 percent in 1997.

All this means that Asia's slump could go deeper and last longer than most economists now assume (typically, forecasts see drops in economic growth but few outright declines). Here is what Bruce Steinberg, Merrill Lynch's chief economist, recently told clients after a trip to Asia: "We believe that Asian economies are in even worse shape than we thought before we visited." How are they going to revive growth? If one or two countries try to export their way out of a slump, it's fairly easy. If many try, it isn't.



BY JOHN OVERSTON

And there may be more trouble. Asia's problems have spread to other "emerging markets": Brazil, India, Russia. There is some danger of a global bank run. International banks (mainly U.S., European and Japanese) could call loans to banks in developing countries. At the end of 1996, there was \$335 billion of such short-term loans (maturities of less than a year), estimates the Institute of International Finance in Washington. Half were to developing countries outside Asia. By failing to renew loans, banks could trigger new distress. It was to reassure foreign banks—or replace them—that the International Monetary Fund last week arranged a loan of more than \$55 billion for South Korea. (Korean banks have huge short-term foreign-bank loans.)

What supposedly shields us from this economic implosion is that our exports—especially to Asia—aren't large enough to drag down the economy. It's true that exports represent only 11 percent of U.S. output (gross domestic product). But it's not true that a tiny share is affected. At least 25 percent of U.S. export markets now face economic slowdowns. (This includes Japan, Korea, Taiwan, Brazil, Thailand, Malaysia, Argentina, Russia and China.) And because the dollar has appreciated on foreign-exchange markets—global investors have sought a safe haven in U.S. stocks and bonds, raising the demand for dollars—all exports will face harder times. A higher dollar makes U.S. goods more expensive abroad.

The Asian crisis could also harm the U.S. economy in a second way: Cheap imports could depress prices, lower profits and reduce business investment. Asia is said to be awash in excess industrial

capacity in everything from computer chips to chemicals to cars and auto parts. No one knows the size of these alleged gluts or the extent to which they can be exported. But if they can be, they will be. America's factories may lose some sales and, to keep others, may have to cut prices. If this happens, would companies continue to invest in expanded capacity? And if investment (another 10 percent of GDP) and exports both weaken, would the economy stay strong?

Good questions. But in today's cheerfulness, doubts are dismissed. There are said to be offsetting forces. Import competition could dampen inflation. Consumer purchasing power—income adjusted for inflation—would improve. With lower inflation, interest rates might drop; indeed, long-term interest rates have already declined by about one percentage point since spring. And Asian economies might recover sooner rather than later. After Mexico's 1994-95 debt crisis, foreign investment resumed once Mexico shifted its economic policies.

It's all guesswork. Japan—its economy stagnant, its banks weak—remains a troubling enigma. Elsewhere in Asia, slumps might trigger popular backlash. In Korea, there are already protests against the tough conditions attached to the IMF's loan. And the U.S. economy still shows some worrisome signs of rising inflation. No one knows how the uncertainties will converge. The pessimism of the past underestimated the economy's basic vitality. But today's optimism may mistake strength for invulnerability. Surveying possible dangers, I suspect that not all will bypass us. It would be nice to be wrong.

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The Washington Post

WEDNESDAY, DECEMBER 10, 1997

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David S. Broder

Trade: The Monitors Are Missing

Trade policy is so much at the center of the political debate that it is astonishing to discover one critical piece has been sadly neglected. Simply put, the United States is not getting enforcement of the agreements it signs because it is short of enforcers.

The issue was raised with me not by a protectionist Democrat or a Republican hostile to the Clinton administration but by Sen. Jeff Bingaman of New Mexico, an ally of the president and a supporter of expanded trade.

Here's some of what he told me—and I confirmed with the administration. Compliance with trade agreements is a shared responsibility of the U.S. trade representative's (USTR) office and the Department of Commerce. A key part of the latter agency is its Market Access and Compliance unit (MAC). In 1993, MAC had a staff of 230 people; as a result of budget-cutting by Congress and President Clinton, it now has 150.

That may sound like a substantial number. But here's what it means in practice. MAC's Japan desk has dropped from 21 people to eight in the last four years. The China desk has only three analysts. That is 11 people monitoring our dealings with two

nations where we have run up a \$77 billion trade deficit in the first nine months of this year!

Things are no better at the USTR office, which has the responsibility of presenting the American case in international trade disputes. Its compliance office has all of six lawyers—fewer, Bingaman notes, than many small-town law firms.

The Clinton administration does not challenge Bingaman's figures or his conclusion that these offices are woefully undermanned. This year, Ambassador Charlene Barshefsky, the head of USTR, lobbied with the Office of Management and Budget and on Capitol Hill in support of a successful effort by Bingaman and Sen. Judd Gregg (R-N.H.) to get funds to increase the number of compliance attorneys in 1998 from six to 13.

Commerce Secretary Bill Daley wrote Bingaman last month, "I wholeheartedly agree with your assessment that these programs which monitor and enforce compliance with trade agreements need more attention and support." But with a hiring freeze in place and steady pressure to continue downsizing his department, Daley told me, "I can understand why the American people think these trade agreements aren't being enforced."

The United States lost a big battle just last week when the World Trade Organization (WTO) ruled for Japan in an important test case involving Kodak's efforts to crack a film market now dominated by Fuji. While complaining about that decision, Barshefsky was quick to point out that prior to that, the United States was 14-0 in cases it brought before the WTO.

The issue is not the competence of U.S. advocates but the workload they are carrying. This year, Barshefsky's office has been handling four times the number of enforcement actions it had pending in 1993—with the same number of lawyers. Next year, she will have more, but Commerce's MAC will be limping along at the same shriveled level that Bingaman cited. Republicans who once talked of abolishing the department have whittled its budget. And Clinton, who likes to boast of the 220 trade agreements signed by his administration, also enjoys bragging that he has cut the federal work force to the lowest level since John Kennedy's day—even if it means vital work is not getting done.

The American Chamber of Commerce in Japan issued a detailed report earlier this year which found that of 45 trade agreements signed by

Washington and Tokyo since 1980, only 13 have been successfully implemented. Just last week, Barshefsky said the targets set in a 1995 agreement on autos and auto parts are not being met by Japan.

Greg Mastel, a veteran of Capitol Hill now on the staff of the nonpartisan Economic Strategy Institute, told me, "Historically, we have been very good at negotiating agreements and very bad at enforcing them. There are probably hundreds of cases of countries not complying, but unless an industry has the time and money to document and pursue a complaint, the administration doesn't have the wherewithal to do it."

What Mastel is describing is an all-too-familiar Washington phenomenon. Enormous energy and attention are devoted to the fights over what the policy should be, but almost nothing to whether the policy is carried out. If the supporters and opponents of NAFTA and "fast track" would allocate just a fraction of the millions spent on those high-profile trade battles to seeing that the agreements the United States has negotiated are actually enforced, the disagreements would be fewer—and this country would be a lot better off.

The Washington Post

WEDNESDAY, DECEMBER 10, 1997

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Jay Taylor

Understanding Tibet

Tibet is more complex than either Richard Gere or Jiang Zemin would have us believe. As an example, the full story of the Tibetan revolution of 1959 has yet to be told. The accepted version of the uprising is that after popular demonstrations in Lhasa against the Chinese occupation, rumors spread that the Peoples Liberation Army (PLA) was about to arrest the Dalai Lama. Tibetans reportedly poured into the streets to protest; the PLA reacted violently; the Dalai Lama fled and the rebellion was on.

Classified papers on this subject are contained in the Foreign Relations of the United States 1958-1960 Vol. XIX published last year. In an unusual commentary in the preface of this volume, the historian of the Department of State notes that because of the CIA refusal to release certain material, the documentation on Tibet "falls short of the standards of thoroughness and accuracy mandated" by law. Nevertheless, despite lengthy deletions, there are numerous references in the material to a CIA covert operation in Tibet before March 1959 to encourage and arm an anti-Communist uprising, apparently in conjunction with Taiwan's Special Operations unit. Former Chinese Nationalist officials privately confirm that Indian intelligence cooperated in this effort.

The fact that the rebellion was stirred up from the outside may explain in part Mao Zedong's animosity toward India at the time. But it does not excuse the grave abuses by the Chinese government in Tibet that followed.

The traditional theocracy of Tibet was not the Shangri-La that many Westerners like to imagine. No doubt it was a spiritual country, at its best perhaps somewhat like that Hollywood portrays. But it was also a society of subservience, illiterate, desperately poor peasants whose labor supported the church-state and its vast priesthood.

Where power concentrates so does its abuse, and this was as true of the abbots and the Lamas of old Tibet as in any theocratic state. But where an outside power seeks forcibly to reform such a system the abuses will usually be greater. The ravages of the Cultural Revolution in the 1960s and Peking's official effort to shift the ethnic balance in the region warrant the charge of cultural genocide.

During his recent visit to the United States, Jiang Zemin, an avowed fan of "Gone With the Wind," drew the analogy between China's determination to keep Tibet and Lincoln's fight to preserve the Union. In international law and practice, China's claims to Tibet are in fact as good as those of the Union to the south, Canada to Quebec or the United States to Hawaii. But in Canada and America, the original idea of popular sovereignty, as espoused by the likes of Thomas Jefferson has returned or is returning. Even in the 1860s, without the moral issue of abolition, Lincoln could not have defeated the southern separatists and probably would not have tried. The American Declaration of Independence asserts the basic premise of a democratic union—membership must be voluntary. In other words, any people have the right to break the bonds that join them to another unless there is a specific and compelling moral reason to oppose their action.

Thus Canadians will not resist by force the departure of Quebec if that is the wish of most Quebecers. The newly democratic Russians have let most of their empire go. The Czechs said goodbye to Slovakia. But neither China nor the Chinese people have reached that stage of liberality in their thinking about sovereignty and human freedom. Neither have Turkey, India and a few other inheritors of empire. Outside efforts to divide and weaken China are still fresh in memory, including America's covert involvement in the 1959 uprising in Tibet.

Thus the Dalai Lama is wise in saying he will not raise the issue of independence if the Chinese government will hold talks with him about the future of Tibet. But Jiang Zemin is wrong to demand that the Dalai Lama renounce the idea of independence as a *quid pro quo* for talks. If the Chinese people hope to win the support of the Tibetan people for union with China and to earn the due respect of mankind on this issue, a dialogue with the Dalai Lama is the first step.

The writer is a former deputy assistant secretary of state for intelligence and research.

Robert W. Hahn

Fighting Global Warming Quietly

Sometime late in the next century, our heirs will discover whether global warming produces dramatic changes such as the disappearance of coastlines and an upsurge in tropical diseases. The task facing us now is how best to address the possibility of human-induced climate change on a global scale.

The real issue is what steps countries should take to control greenhouse gas emissions that contribute to global warming. At the negotiations in Kyoto, Japan, more than 150 countries have been focusing on "targets and timetables." While such discussions can provide good political theater and photo ops, they miss a fundamental point: Carrying out significant reductions in greenhouse gases will require an institutional capability that simply does not exist now.

Consider these three political facts: A winning short-term strategy for politicians in developed countries is to talk tough on climate change but do relatively little. The appearance of doing something can go a long way toward assuaging the concerns of most citizens while helping to neutralize pressures from environmental groups.

If anything is done in the short term, developed countries are likely to bear virtually all the costs. Climate change is generally not a high priority for developing countries. Putting food on the table is—not to mention the annual toll of 3 million children who die of diarrheal diseases from poor sanitation.

It is unlikely that anything significant will be done to reduce greenhouse gases for at least the next decade and possibly longer. Developing countries will not do much unless the developed countries show them the money. Developed countries will continue to bide their time while recognizing the impossibility of achieving much without the cooperation of the developing countries.

The stated U.S. policy of reducing greenhouse gas emissions to 1990 levels by the year 2000 illustrates the political problem. President Bush agreed to this policy at Rio in 1992, but it is now clear that the United States and most other developed countries will fail to meet it. The Clinton-Gore proposal extends this deadline to at least 2008—conveniently not on their political watch. Why?

The costs of stabilizing emissions of carbon dioxide—a major greenhouse gas—by 2010 are likely to be substantial. Estimates center around \$80 per ton of carbon reduced, which translates to a 20-cent-per-gallon gasoline tax. Not long ago Congress balked at a much smaller BTU tax. Few legislatures elsewhere in the world are likely to be any bolder. So the most likely outcome of international negotiations over the next decade is that a select group of developed countries will agree to do something that has a relatively low cost.

What is to be done?

There may be economic justification for doing something now. While estimates of the costs and benefits of climate change are highly uncertain and changing all the time, economic models suggest a modest carbon tax—on the order of 1 to 10 cents per gallon of gasoline—might make sense, assuming most countries cooperate in an agreement.

But there's the rub. To get results will require widespread cooperation among countries. Even if developed countries freeze their emissions, worldwide emissions would still grow around 150 percent by 2050 because of the increase from developing countries. Moreover, if China or India does not eventually agree to binding targets, some greenhouse-gas producers will simply set up shop there because it is cheaper.

How to get most countries to participate is the \$64,000 question that no one can really answer. It may simply require waiting for some of them to get rich enough to be willing to spend their own money on this problem.

But even rich nations will be more serious about getting the job done if they can do it cheaply. Virtually every economic study suggests that there could be substantial savings to designing a market-based program for greenhouse gases, similar to the U.S. allowance-trading to reduce sulfur dioxide emissions, which gives business flexibility in meeting prescribed targets.

Unfortunately, we do not yet have the institutional know-how and political will to implement such a cost-effective approach for reducing greenhouse gases on a global scale. Instead of rushing to go global, we should be looking to set up modest multi-country tests—call them "case studies"—that might be applied globally in the decades ahead.

For example, the Scandinavian countries, which have already implemented carbon taxes, could continue on that path. The United States and other countries interested in tradable permits, or a system combining permits with a cost cap, could use that approach. Other European countries might want to try a combination of command-and-control regulations and market-based approaches.

The case studies should focus on developing national institutions, such as those needed for monitoring emissions, and enforcing nations' obligations, facilitating international trading of permits and resolving disputes. Such national institutions will be crucial to carrying out novel, low-cost approaches.

The case studies would set the stage for achieving necessary reductions later on, when developing countries will be ready to join an agreement without receiving significant side payments from the developed world.

The last thing we should be doing now, in our state of ignorance about the warming problem and institutional responses, is to rush into an unworkable worldwide policy. That is why we should focus on the quiet work of learning how to build institutions that can effectively address the problem, and not on public grandstanding.

The writer is a resident scholar at the American Enterprise Institute and a research associate at Harvard.

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The Washington Post

WEDNESDAY, DECEMBER 10, 1997

LETTERS TO THE EDITOR

Appropriate Airport Names

I have been following with interest the proposal to rename the Washington National Airport the Ronald Reagan Airport and the several letters to the editor that appeared on Nov. 29.

I'm surprised that no one appears to have noticed the obvious: The Washington National Airport already bears the name of one of our most illustrious presidents, George Washington. If any change is to be made, I suggest the addition of "George" to make it perfectly clear that the name honors our first president and is not merely a reference to the airport's location.

The airport is adjacent to George Washington's "home town," Alexandria, and within a few miles of his beloved Mount Vernon. What could be a more appropriate name for the airport serving the nation's capital?

HELEN ANNE VIGNESS
Arlington

Competition Both Unfair and Immoral

In commenting on "fast track," Lawrence Berlin disparages the idea of the United States pressing other countries to change their labor arrangements and regulations as part of a trade agreement with us ("No Trade Deals," letters, Nov. 23).

He goes too far in his denigration. There is no question that low-wage foreign labor is a threat to many American jobs. Therefore, the holders of those jobs, and organized labor as their representative, are entitled to try for whatever protection they can get against such competition. This does not mean, as Mr. Berlin seems to assume, that foreign countries would have to raise wages to the U.S. level, obviously a ridiculous idea. But American labor certainly is entitled to protection from competition with child labor, convict labor and slave labor.

Other concepts, such as a minimum wage tied to the "living wage" in the

With much ado about renaming Washington National Airport, it may be of interest to know how poorly airport naming has been handled by Congress in the past.

When the large international airport, now named Dulles, was under construction by the FAA (then called the Federal Aviation Agency) and nearing completion, then-Administrator Pete Quesada dropped by my office one evening after the close of business and said, "Bud, what are we going to name this airport we're building?" I asked him what suggestions he already had. He answered that his assistant administrator for management had suggested it be named "Lincoln International Airport."

I advised that Lincoln already had the penny and the \$5 bill, not to mention a fairly visible monument on the Mall.

The appropriate name came to me almost instantly, because only one was really suitable that had not been memorialized already. I pointed out the compelling reasons for my suggestion: "Marshall International Airport."

First, George Marshall was a Northern Virginian of the very highest stature as secretary of state, and the airport was in Northern Virginia.

Second, the president, Dwight Eisenhower, owed to Marshall his miraculous jump in rank from lieutenant colonel to general, his selection as supreme commander of the Allied Forces in Europe, and—through this opportunity—Eisenhower later became president of the United States.

Third, "Ike" did not come to Marshall's defense when others impugned his reputation.

Fourth, the airport was an international gateway for Europeans visiting the nation's capital who would, most appropriately, be reminded of the Marshall Plan when landing at "Marshall International Airport."

Mr. Quesada enthusiastically agreed with my suggestion and took it to President Eisenhower, who also approved it, reportedly, with great enthusiasm. The only reason the airport was not so named was the coincidence of the death of the long-serving John Foster Dulles, who recently had been secretary of state. The very day after Mr. Dulles died, Sen. Homer Capehart introduced a bill to name it "Dulles International Airport," which was automatically adopted by both Senate and House without considering alternatives.

Incidentally, the name was not one of the best for aviation, because in radio communications there was some early confusion between "Dulles" and "Dulles" airports.

Bearing in mind how this happened, I am not in favor of renaming National Airport.

DAGGETT H. HOWARD

Vietnam

The writer was the Federal Aviation Administration's first general counsel.

Iraq: The Clinton Policy Worked

The picture painted by Jim Hoagland of the president's foreign policy team during the continuing crisis with Iraq ("Crisis-Management in a Fox," op-ed, Nov. 26) is very different from the one I saw unfold. Mr. Hoagland points out quite rightly that "international support for the U.S. policy of containment and for sanctions has been eroding for months," but his conclusion that the recent efforts of the president and his foreign policy team "point to the bankruptcy of U.S. policy on Iraq six years after the Gulf War" is just plain wrong.

First, as Mr. Hoagland states, the present crisis is only a phase in the battle to manage the situation with Iraq and in the region. It is not the end of the story. So, one might ask how good an idea it would be for the United States to bomb Iraq unilaterally at the expense of eroding the coalition that has been so key to containing that nation over the past half-dozen years. This is not a question of "rallying behind the allies." It is, instead, an effort to make them keep their eye on the target—stopping Saddam from building weapons of mass destruction. Short of leveling Iraq, the best way to prevent such a buildup from occurring is the constant vigilance of the U.N. weapons inspectors.

There is nothing sexy about the work of these inspectors. They are experts who carefully and methodically root out efforts by the Iraqi government to build up an unspeakable arsenal of weapons of mass destruction. The inspectors have been largely successful. They must continue their work. The Clinton policy of working with America's allies, making good use of the United Nations—combined with

a willingness to use force—is a guarantee that they will.

It has been said that one of Saddam's reasons for creating the present crisis is to win the battle of public opinion in order to get sanctions lifted. If that is so, he has failed miserably. Through careful diplomacy and round-the-clock efforts, the president and his foreign policy team have reawakened the world to the need for the U.N. inspectors to be able to continue their work as the first line of defense against Saddam.

It also is important to remember that no action or effort to stop Iraq has been ruled out. The Clinton administration certainly seems prepared to bring to

An Ounce of Prevention . . .

The Nov. 29 Real Estate story "Unseen Structural Defects, Safety Hazards Make for a Real-Life House of Horrors" tells of two home buyers in different states who were faced with large expenses to repair major defects in their houses because the problems were not reported by Federal Housing Administration appraisers.

It is peculiar that the article does not mention home inspectors. It is the job of the home inspector to detect and report structural defects, electrical defects, plumbing problems, health and safety hazards etc. Thousands and thousands of full-time professionals called home inspectors do just that.

These home buyers must have been badly misled to think that the appraiser would do a thorough home inspection; it takes from three to four hours.

JAMES R. THOMPSON
Oakton

The writer is a certified home inspector

bear whatever military force it may need to let the U.N. inspectors do their job properly. For now, however, the administration appears to be adopting a wait-and-see attitude—waiting to see if Saddam will comply with U.S. and allied demands—before taking the next step of using military force. The president has done this before when he thought it necessary. There is no reason to believe he won't do it again.

WILLIAM C. DANVERS
Arlington

The writer worked on the National Security Council staff from January of 1994 to September of 1997.

The Washington Post

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THE PRESIDENT
12-15-97

EB
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The Washington Post
WEDNESDAY, DECEMBER 10, 1997

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Herman should
follow up — and
we should do weekly
w/ construction industry leaders
on — good man — BC

12 12-81

President William J. Clinton
The White House
Washington, DC

Dear Mr. President:

Your leadership has transformed my life's work, and I would like you to consider how it might transform others. When I met you in Washington in October, 1991 at your first National Finance Directors' meeting, I was a practicing labor attorney for the Carpenters Union. In 1993, when you took office, you called for the creation of public-private partnerships to heal the wounds left in inner cities by race riots of the 60's and by suburban flight. I heeded that call and today run a nonprofit known as the America Works Partnership.

AWP (no relation to the New York for-profit) builds collaboratives among banks, corporations, community development corporations, community-based organizations, public officials and the unionized construction industry. Our work connects low-income urban residents to training tied to careers in the construction industry. Those careers, as you know, pay starting wages of roughly \$12 per hour along with health care and pension benefits.

We are doing systematically what no one else in this industry has done: Finding out who has specific jobs and linking them to trainees whose education, transportation, childcare and other needs are provided for. We don't just access jobs, however, we also create them--by providing technical assistance to community organizations, joint venturing to build housing, arranging for pension fund commitment to spur local development, creating access to bonding and liability coverage while incubating minority and women-owned contractors in training programs, and much more. We also persuade public works agencies to refocus their contract procurement specifications to mandate the hiring of low-income residents--one of several ideas I shared with Eli Segal a year ago.

To date, 86% of our preapprenticeship trainees are people of color, 25% women (in an industry that traditionally hires less than 2%). We work with housing authorities in 24 cities and on citywide or statewide scale in Detroit, St. Louis, Ohio and Alaska. But to make big change in this bellwether industry for welfare reform (ask Paul Dimond why) I need you, even if for only one hour--any business hour of your choosing.

The America Works Partnership
Edward J. Gorman, III President
101 Constitution Ave NW; Suite 217; Washington, DC 20001
202-543-4900 202-544-1737 fax AmWksPart@aol.com e-mail

Working together for JOBS

THE PRESIDENT HAS BEEN
12-15-97

December 13, 1997

President William J. Clinton
The White House
Washington, DC

Dear Mr. President:

Your leadership has transformed my life's work, and I would like you to consider how it might transform others. When I met you in Washington in October, 1991 at your first National Finance Directors' meeting, I was a practicing labor attorney for the Carpenters Union. In 1993, when you took office, you called for the creation of public-private partnerships to heal the wounds left in inner cities by race riots of the 60's and by suburban flight. I heeded that call and today run a nonprofit known as the America Works Partnership.

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The America Works Partnership
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The problem is that union and contractor association leaders, who have the power and the clear need to transform the perceived and real racism extant in the industry, will change too slowly in a time when welfare reform demands answers on a large scale. We can, with your help, greatly accelerate that dynamic if we create conditions that compel leaders to confront the opportunity now. (I know how this can be done and would welcome a longer discussion.) That is why I need you for one hour. I need you to pound the pulpit for 45 minutes in a meeting inside the White House or at a function we will arrange.

These folks need your intervention--they need you to demand, cajole, wheedle, or otherwise persuade them to create the institutional connections we provide, to make a serious and determined effort to drive the ugly stain of racism out of the industry once and for all, to recognize their self-interest in reaching out to the urban disenfranchised that we lose sight of in the national self-congratulation accompanying low unemployment rates, and to build the bridges now, while framing carpenter and other jobs go begging throughout the U.S., that will sustain the necessary connections well beyond the distribution of short-term welfare reform dollars.

I also need 15 minutes of encouraging conversation from you to Secretaries Cuomo and Herman to help them complete their consideration of proposals which will fund the nucleus of this effort. We are too small to cover the U.S. with this idea in less than 15 years at our current rate and, of course, by then this great moment in our economy will have passed.

If you seek references, please call Mayor Archer, Paul Dimond, Jerry Hultin, or any of your friends sitting on our Board (Mayor Willie Brown has just agreed to join, Mayor Penelas is close to deciding). Perhaps we could do this in Detroit?

Ending racism, spurring economic development (\$100 million of union pension funds were pledged in Detroit), creating career opportunities at a living wage and perhaps moderating labor's views of your welfare reforms could be accomplished--with your help now. Please say yes!.

Very truly yours,



Edward J. Gorman, III

The America Works Partnership
Edward J. Gorman, III President
101 Constitution Ave NW; Suite 217; Washington, DC 20001
202-543-4900 202-544-1737 fax AmWksPart@aol.com e-mail

THE AMERICA WORKS PARTNERSHIP



WORKING
together for
JOBS

"Rebuilding America. One Neighborhood at a Time"

"Rebuilding America, One Neighborhood at a Time"



Detroit Mayor Dennis Archer (right) and AWP President Ed Gorman (seated) initial the Agreement forming the first AWP affiliate: the Detroit Works Partnership

OUR MISSION

The America Works Partnership (AWP) exists to identify, mobilize, and coordinate the complementary strengths and resources of national, city, and regional public and private partners across the country. These partners are committed to addressing comprehensively the nation's human resources, housing, community and economic development needs. To this end, AWP brokers the coordination of existing, or creates new, community-based solutions which offer training tied to careers with living wages for residents of the affected community.

AWP is focused on producing a trained workforce that reflects the diversity of the community it serves. The Partnership, a Section 501 (c) (3) non-profit organization, builds mutually beneficial, local collaboratives between the public and private sectors. These partnerships produce:

- Pre-apprenticeship and apprenticeship training opportunities for low-income persons,
- Real construction career opportunities in the public and private sectors,
- The coordination of community and private development projects at the front-end of the work production cycle,
- Investment standards for community development projects embracing AWP's training-to-jobs continuum,
- Technical assistance in the development of community-based programs, and
- Community-based non-profit affiliates through which these activities can be conducted.

In short, community investment, development, funding and technical assistance are focused squarely on solving the particular chronic problems blocking the economic revitalization of the community and its residents. AWP and its affiliates pledge to rebuild America, one neighborhood at a time.



WORKING TOGETHER FOR JOBS

Founded in 1995, the America Works Partnership, in collaboration with local housing authorities and HUD, created the Resident Apprenticeship Demonstration Program in 21 cities. These programs offer welfare recipients the opportunity to learn life skills and a craft upon entry into a bona fide union apprenticeship program.

AWP's expanded training now leads to jobs, dignity, self-respect and an opportunity to move from welfare to work and from homelessness to homeownership. Low income persons begin with life skills, literacy, math and GED prep programs, and progress through basic construction safety and trades' awareness training. They then enter assured union apprenticeship slots and jobs for which AWP or its affiliates obtain commitments for in the public works or private sector.



Working Together for Jobs Trainees assemble with their trainers as a new class is launched at the Carpenters' apprenticeship and training center in St. Paul, Minnesota.

PARTNERSHIP DEVELOPMENT

AWP seeks to develop mutually beneficial partnerships with local leaders and community-based organizations to combine national, state, and city resources. Our aim: to create a network of local affiliates capable of rebuilding America's long-neglected communities.

AWP and its local affiliates bring together existing talents and resources under one umbrella and create practical, workable solutions to long-standing community problems through a comprehensive planning, implementation and fundraising effort.

For example, the Detroit Works Partnership was created through a partnership with the mayor, banks, local unions, community-based organizations, foundations, corporations and community development corporations. Each stakeholder benefits from collective efforts to train skilled workers, create living wage jobs, rehabilitate neighborhoods, develop or enhance small contractors and stimulate the local economy.

AWP IS ACTIVE IN:

Cities

ATLANTA	MINNEAPOLIS
BALTIMORE	NEW HAVEN
BUFFALO	NEW YORK
CINCINNATI	OAKLAND
CLEVELAND	PITTSBURGH
CHICAGO	PORTLAND, OR
DETROIT	RICHMOND, CA
DAYTON	ST. LOUIS
INDIANAPOLIS	ST. PAUL
JACKSONVILLE	SAN DIEGO
LOS ANGELES	SAN FRANCISCO
MEMPHIS	SEATTLE

STATE-WIDE EFFORTS

ALASKA
OHIO
CONNECTICUT



TECHNICAL ASSISTANCE

AWP provides the following assistance to:

Welfare/School-to-Work Pre-apprenticeship and Apprenticeship Programs

- Planning and implementing a training-to-apprenticeship-to-career program, including recruitment, curriculum design and development, life skills, literacy and craft training, apprenticeship, job placement and evaluation;
- Leveraging the effectiveness of the program with new partners (Private Industry Councils; corporations; community-based organizations; local schools; etc.);
- Integrating state-of-the-art educational technology models into training programs;
- **Ranked third** among top 100 U.S. Dept. of Labor technical assistance providers for School-to-Work.

Elected and Public Officials

- Conducting statewide and community-wide strategic planning and assisting with welfare-to-work human resource development;
- Connecting corporate, community, association and labor leaders to launch autonomous local affiliates and identify work opportunities and funding sources;
- Connecting for-profit companies to community development;
- Developing commercial, residential and homeownership opportunities.

Community Development Corporations

- Promoting successful community development models to federal, state and local governments;
- Linking AWP's development partners to community development corporations.

Small Business Development Assistance

- Developing small contractor assistance programs offering business training and access to bonding and liability insurance;
- Creating and expanding new businesses within communities.

Corporate and Financial Institutions

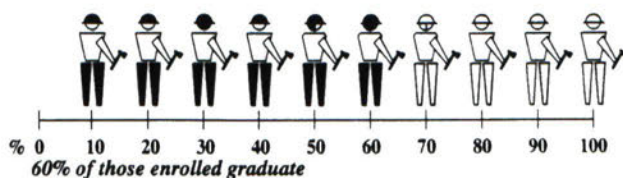
- Promoting corporate image building, CRA credit and strengthened community ties;
- Encouraging the availability of pension funds for community investments and residential mortgages.

SUCCESSES

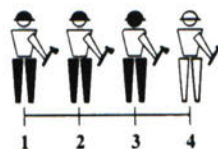
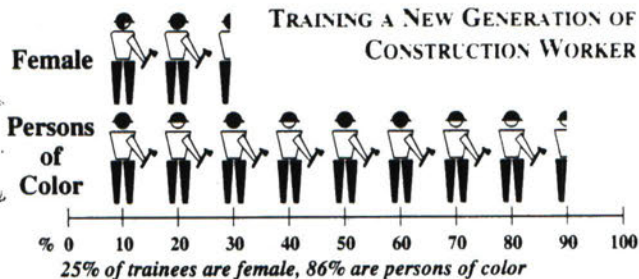
AWP successes include:

- Graduating 60 percent of those enrolling in the program, a higher retention rate than traditional industry averages.
- Finding jobs for three out of every four graduates with private- and public-sector employers.
- Linking women and persons of color (25 percent of AWP trainees are women, 86 percent are people of color) with building trades unions.
- Providing technical assistance for community development projects like the \$6.7 million Architects Building renovation in Detroit.
- Assisting cities and affiliates to submit grant proposals to, and obtain awards from, federal and state agencies and foundations.
- Negotiating participating agreements with employers and public works agencies to provide a continuum of jobs for low-income persons.
- Encouraging union and public employee pension funds to invest in the revitalization of communities, e.g., \$100 million pledged in Detroit.

GRADUATION TO ENROLLMENT SUCCESS



TRAINING A NEW GENERATION OF CONSTRUCTION WORKER



3 OUT OF 4 GRADUATES
LAND JOBS



TESTIMONIALS

"Detroit Works brings new investment into Detroit so that citizens of this city and their Detroit-based businesses can participate in the economic and community development throughout the city."

**The Honorable Dennis W. Archer, Mayor
City of Detroit**

"Things were pretty bleak for me for a while. I had nothing to look forward to. Now I have a career to last a lifetime."

**Barry Bell, Resident Trainee
St. Louis**

"First I was afraid to come here and train... now I don't want to leave."

**Dolan Ball, Painters Local 193, Resident Trainer
Atlanta**

"This unique model involving... organized labor and the federal government will serve as a model for other cities across the America."

**Andrew Cuomo, Secretary U.S. Department of
Housing and Urban Development**

"The America Works Partnership is not just a 'jobs' program. This is a careers program. Training is the first step of the program. We understand the need to keep people working."

**A.L. "Mike" Monroe, General President
International Brotherhood of Painters and
Allied Trades**



HUD Secretary Andrew Cuomo speaks at the March, 1996 launching of the Detroit Works Partnership.

THE AMERICA WORKS PARTNERSHIP FOUNDING BOARD OF DIRECTORS

The America Works Partnership owes a large debt of thanks to those who agreed to become the Founding Board Members of AWP. Many of these individuals, who come from the public, corporate, foundation and not-for-profit sectors continue to serve on the Board. The Founding Board Members are:

Luis Alvarez, President

The National Urban Fellows, Inc.

Dennis W. Archer, Mayor

The City of Detroit

Larry H. Dale, Chairman

National Equity Fund

Millard D. Fuller, Founder & President

Habitat for Humanity International

Ronald F. Fortune, President & CEO

Computer Curriculum Corp., a division
of Simon & Schuster

Edward J. Gorman, III, President

America Works Partnership

Jerry M. Hultin, Former Board Member

Federal Home Loan Mortgage Co.

Josephine Ann Kane, Executive Director

The McAuley Institute

Kathryn S. Keeley, Executive Director

Georgia Campaign for
Adolescent Pregnancy Prevention

Thomas L. Kenyon, Executive Director

New Jersey Region, The National Conference

Tony Knowles, Governor

State of Alaska

A.L. "Mike" Monroe, General President

International Brotherhood of Painters

Arthur Moore, General President

Sheet Metal Workers International

Andris J. Silins, 2nd Vice President; Secretary-Treasurer

United Brotherhood of Carpenters

John E. Taylor, President,

National Community Reinvestment Coalition

George V. Voinovich, Governor

State of Ohio



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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
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001. memo	Jim Lyons to POTUS re: December 1-7 Visit to Northern Ireland (3 pages)	12/12/1997	P1/b(1)
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COLLECTION:

Clinton Presidential Records
Staff Secretary
Todd Stern
OA/Box Number: 11228

FOLDER TITLE:

Chron Files: Monday, December 15, 1997 [1]

2019-0774-S
rs3385

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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THE PRESIDENT WAS SEEN
12-15-97

**TO THE HONORABLE,
BILL CLINTON
PRESIDENT OF THE
UNITED STATES OF
AMERICA**

Capital
Echeverste
ces

A statement by:

GEORGE R. WILLY

3200 SOUTHWEST FREEWAY

SUITE 1180

HOUSTON, TEXAS 77027

(713) 961-5297

e-mail: grwpc@earthlink.net

December 12, 1997.

Greetings from the South Asian Communities in Texas.

Mr. President, I want to thank you for this opportunity and also commend your Deputy Assistant, Doris Matsui who has been a guiding star to us.

After Doris called me about this meeting, I telephoned our community leaders and asked them what they would like to present to you if they were sitting in my place. These are their thoughts along with my own.

Mr. President, all of the leaders wanted me to convey their deep gratitude to you for having withstood the attacks of Congress on Affirmative Action, Religion and Education. They are also aware of your steadfast resolve in being fair about Immigration legislation. Given your concern for immigrants, there were many comments about the bill you signed into Law on 11/26/97. Thousands from our communities have been trapped by this legislation. Our understanding was that any applicant who filed a petition prior to January 14, 1998 would be allowed to proceed to completion. During the pendency of application, it was believed that the applicants will be protected. The Service has taken the position that those in pending status are still liable to be deported if caught. There is panic in the community. Clarifying legislation or Justice Department regulations must be introduced to clear the air. Regulatory measures are fairly simple in this instance.

The welfare reform bill and your leadership have increased charitable efforts in our communities. Organizations and individuals are doing extraordinary things quietly. Some of these efforts go beyond our own communities. Those in the thick of these activities asked me to invite your attention to their work. They feel that your recognition of what they do will increase funding from within and without the community. Thus far they have labored in the vineyards, without so much as a pat on their backs.

In recent years, South Asians have increased business activities with countries of their origin. However, governments as they change, have sometimes threatened to and in other cases confiscated large investments.

I was asked to inquire, if you would consider forming a mediator or facilitator panel at the Commerce Department to bring such conflicts to the table before they become diplomatic or even international headaches.

Health:

The South Asian Community in Texas especially the physicians are urging you to revisit the healthcare issue with a mind to offering universal coverage. We are of the belief that under your leadership the budget will finally be balanced. Any surplus created should go towards healthcare for all the reasons you advocated during the Healthcare campaign.

Mr. President, as the incoming Chairman of the South Asian Chamber of Commerce, I want to extend a standing invitation to you to visit the Chamber whenever you visit our fair city of Houston.

The South Asian Community continues to support you as you slay the dragons.

Your economic policies tempered with justice and compassion have produced one of the most productive economies in recent memory. Your efforts in lifting the weak in our society amidst the din of mindless cries of modern day Adam Smiths-has been heartening.

We also applaud you for your tireless work in race relations. In expanding the issue of race beyond black and white, you have given us the opportunity to address these issues more as cultural problems and less as racial problems. We are developing some ideas that we intend to present to you through your Commissioner.

Mr. President, keep up the good work.

InfoNet Title: Final Text of 245(i)...

Keywords: SECTION 245(I) IMMIGRATION INS INA ALIENS ADJUSTMENT STATUS SUNSET
COMMERCE STATE JUSTICE APPROPRIATIONS ELIGIBILITY

Abstract: Attached is the final text of the Commerce, State and Justice (CJS) Appropriations which contains various immigration-related provisions, including those on 245(i). Only major provisions are included while other sections are omitted.

H.R.2267

One Hundred Fifth Congress
of the
United States of America
AT THE FIRST SESSION

Begun and held at the City of Washington on Tuesday,
the seventh day of January, one thousand nine hundred and
ninety-seven

An Act

Making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1998, and for other purposes.

[Italic->] Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled [<-Italic] , That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1998, and for other purposes, namely:

TITLE I--DEPARTMENT OF JUSTICE

[Sections omitted]

SEC. 110. The Immigration and Nationality Act of 1952, as amended, is further amended--

(1) by striking entirely section 286(s);

(2) in section 286(r) by--

(A) adding ` , and amount described in section 245(i)(3)(b)' after `recovered by the Department of Justice' in paragraph (2);

(B) replacing `Immigration and Naturalization Service' with `Attorney General' in paragraph (3); and

(C) striking paragraph (4), and replacing it with, `The amounts required to be refunded from the Fund for fiscal year 1998 and thereafter shall be refunded in accordance with estimates made in the budget request of the President for those fiscal years. Any proposed changes in the amounts designated in such budget requests shall only be made after Congressional reprogramming notification in accordance with the reprogramming guidelines for the applicable fiscal year.'; and

(3) in section 245(i)(3)(B), by replacing `Immigration Detention Account established under section 286(s)' with `Breached Bond/Detention Fund established under section 286(r)'.

SEC. 111. (a) LIMITATION ON ELIGIBILITY UNDER SECTION 245(i)-
Section 245(i)(1) of the Immigration and Nationality Act (8 U.S.C. 1255(i)(1)) is amended by striking `(i)(1)' through `The Attorney General' and inserting the following:

`(i)(1) Notwithstanding the provisions of subsections (a) and (c)

of this section, an alien physically present in the United States--

(A) who--

(i) entered the United States without inspection; or

(ii) is within one of the classes enumerated in subsection (c) of this section; and

(B) who is the beneficiary (including a spouse or child of the principal alien, if eligible to receive a visa under section 203(d)) of--

(i) a petition for classification under section 204 that was filed with the Attorney General on or before January 14, 1998; or

(ii) an application for a labor certification under section 212(a)(5)(A) that was filed pursuant to the regulations of the Secretary of Labor on or before such date;

may apply to the Attorney General for the adjustment of his or her status to that of an alien lawfully admitted for permanent residence. The Attorney General'.

(b) REPEAL OF SUNSET FOR SECTION 245(i)- Section 506(c) of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1995 (Public Law 103-317; 108 Stat. 1766) is amended to read as follows:

(c) The amendment made by subsection (a) shall take effect on October 1, 1994, and shall cease to have effect on October 1, 1997. The amendment made by subsection (b) shall take effect on October 1, 1994.'

(c) INAPPLICABILITY OF CERTAIN PROVISIONS OF SECTION 245(c) FOR CERTAIN EMPLOYMENT-BASED IMMIGRANTS- Section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) is amended--

(1) in subsection (c)(2), by inserting 'subject to subsection (k),' after '(2)'; and

(2) by adding at the end the following:

(k) An alien who is eligible to receive an immigrant visa under paragraph (1), (2), or (3) of section 203(b) (or, in the case of an alien who is an immigrant described in section 101(a)(27)(C), under section 203(b)(4)) may adjust status pursuant to subsection (a) and notwithstanding subsection (c)(2), (c)(7), and (c)(8), if--

(1) the alien, on the date of filing an application for adjustment of status, is present in the United States pursuant to a lawful admission;

(2) the alien, subsequent to such lawful admission has not, for an aggregate period exceeding 180 days--

(A) failed to maintain, continuously, a lawful status;

(B) engaged in unauthorized employment; or

(C) otherwise violated the terms and conditions of the alien's admission.'

SEC. 112. (a) SHORT TITLE- This section may be cited as the 'Philippine Army, Scouts, and Guerilla Veterans of World War II Naturalization Act of 1997'.

(b) IN GENERAL- Section 405 of the Immigration and Nationality Act of 1990 (8 U.S.C. 1440 note) is amended--

(1) by striking subparagraph (B) of subsection (a)(1) and inserting the following:

(B) who--

(i) is listed on the final roster prepared by the Recovered Personnel Division of the United States Army of those who served honorably in an active duty status within the Philippine Army during the World War II

occupation and liberation of the Philippines,

(ii) is listed on the final roster prepared by the Guerilla Affairs Division of the United States Army of those who received recognition as having served honorably in an active duty status within a recognized guerilla unit during the World War II occupation and liberation of the Philippines, or

(iii) served honorably in an active duty status within the Philippine Scouts or within any other component of the United States Armed Forces in the Far East (other than a component described in clause (i) or (ii)) at any time during the period beginning September 1, 1939, and ending December 31, 1946:'

(2) by adding at the end of subsection (a) the following new paragraph:

(3) (A) For purposes of the second sentence of section 329(a) and section 329(b) (3) of the Immigration and Nationality Act, the executive department under which a person served shall be--

(i) in the case of an applicant claiming to have served in the Philippine Army, the United States Department of the Army;

(ii) in the case of an applicant claiming to have served in a recognized guerilla unit, the United States Department of the Army; or

(iii) in the case of an applicant claiming to have served in the Philippine Scouts or any other component of the United States Armed Forces in the Far East (other than a component described in clause (i) or (ii)) at any time during the period beginning September 1, 1939, and ending December 31, 1946, the United States executive department (or successor thereto) that exercised supervision over such component.

(B) An executive department specified in subparagraph (A) may not make a determination under the second sentence of section 329(a) with respect to the service or separation from service of a person described in paragraph (1) except pursuant to a request from the Service.'; and

(3) by adding at the end the following new subsection:

(d) IMPLEMENTATION- (1) Notwithstanding any other provision of law, for purposes of the naturalization of natives of the Philippines under this section--

(A) the processing of applications for naturalization, filed in accordance with the provisions of this section, including necessary interviews, shall be conducted in the Philippines by employees of the Service designated pursuant to section 335(b) of the Immigration and Nationality Act; and

(B) oaths of allegiance for applications for naturalization under this section shall be administered in the Philippines by employees of the Service designated pursuant to section 335(b) of that Act.

(2) Notwithstanding paragraph (1), applications for naturalization, including necessary interviews, may continue to be processed, and oaths of allegiance may continue to be taken in the United States.'.

(c) REPEAL- Section 113 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1993 (8 U.S.C. 1440 note), is repealed.

(d) Effective Date; Termination Date-

(1) APPLICATION TO PENDING APPLICATIONS- The amendments made by subsection (b) shall apply to applications filed before February 3, 1995.

(2) TERMINATION DATE- The authority provided by the amendments made by subsection (b) shall expire February 3, 2001.

SEC. 113. Section 101(a)(27)(J) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(27)(J)) is amended to read as follows:

(J) an immigrant who is present in the United States--

(i) who has been declared dependent on a juvenile court located in the United States or whom such a court has legally committed to, or placed under the custody of, an agency or department of a State and who has been deemed eligible by that court for long-term foster care due to abuse, neglect, or abandonment;

(ii) for whom it has been determined in administrative or judicial proceedings that it would not be in the alien's best interest to be returned to the alien's or parent's previous country of nationality or country of last habitual residence; and

(iii) in whose case the Attorney General expressly consents to the dependency order serving as a precondition to the grant of special immigrant juvenile status; except that--

(I) no juvenile court has jurisdiction to determine the custody status or placement of an alien in the actual or constructive custody of the Attorney General unless the Attorney General specifically consents to such jurisdiction; and

(II) no natural parent or prior adoptive parent of any alien provided special immigrant status under this subparagraph shall thereafter, by virtue of such parentage, be accorded any right, privilege, or status under this Act; or

[Sections omitted]

SEC. 125. Section 217(f) of the Immigration and Nationality Act (8 U.S.C. 1187(f)) is amended to read as follows:

(f) DEFINITION OF PILOT PROGRAM PERIOD- For purposes of this section, the term 'pilot program period' means the period beginning on October 1, 1988, and ending on April 30, 1998.'

[Sections omitted]