12/24/96

Carol,

Per my conversation with Cheryl Mills -- we can send this to her on Thursday (she would prefer that)

We are to keep the original documents that Todd has pulled and make copies for her.

s

TODD –

I UNDERSTAND
YOU WERE LOOKING
FOR A COPY OF
THE 1ST PAGE OF
THE CHRON.

— Jen

3/28/96	Letter from Peter S. Lowrey re: the National Young Leadership Cabinet and the UJA Young Leadership Washington Conference. POTUS note to Ickes and Sosnik reads, "Hermalin is supposed to be following up w/ this group. They could make a big difference."
3/29/96	Ickes memo re: The Center for New Media, with POTUS note.
3/29/96	Caplan note re: Paul Carey.
3/29/96	Copy of Judge Richard S. Arnold's dissenting opinion from the denial of the suggestion for rehearing en banc the case brought by Paula Jones, forwarded by Skadden, Arps law firm; with POTUS note to copy Quinn.
3/29/96	US New & World Report editorial of 4/1/96 by Mortimer B. Zuckerman titled, "The Silly Hillary Pillory."

APRIL 1996

4/1/96	Ickes memo re: DNC TV commercial entitled "No," with enclosed videotape.
4/1/96	John Sutton memo re: Proposed draft for DSCC direct mail piece, with POTUS edits.
4/1/96	Stern/Caplan memo of 3/30/96 re: Recent Political Information Items and attached items (no substantial POTUS notes).
4/1/96	Ickes memo re: Democratic National Committee financial status and budgets as of 26 March 1996.
4/1/96	Ickes memo re: Democratic National Committee calendar 1996 budgets.
4/3/96	Abraham Biderman letter re: Bob Dole's record on Israel; with POTUS note that reads, "Do reply, cc: S. Ehrman, Ann Lewis."
4/4/96	Illegible POTUS notes, written on the back of a talking points card.
4/5/96	Page from "Inside Politics," March 4, 1996; with POTUS note to Stephanopoulos, Sperling, and Lewis that reads, "Very important to respond at least to the Inside Politics people..."
4/8/96	Caplan memo of 4/6/96 re: Recent Political Information Items and attached items.
4/8/96	Letter of 2/15/96 from Thomas M. Stauffer, President of Golden Gate University, requesting that POTUS do a letter of congratulations to Dr. Mochtar Riady. Stern note confirms that letter was done.

4/8/96	Ickes memo re: DNC retainer with Bobby Watson (State Affairs Co.).
4/9/96	Arkansas Times article of 4/5/96 by Bob Lancaster titled, "Thank you for not ratiocinating," with POTUS note to copy Lindsey, Quinn, and Kendall.
4/9/96	The Washington Post article of 4/6/96 by Ruth Marcus titled, "Despite Clinton Vow to Ban Custom, DNC Offers Benefits to Big Donors"; with POTUS note to VP, Ickes, and Sosnik that reads, "I talked to Peter about this -- need to determine where we are w/ it."
4/9/96	Briefing paper for Coffee with Political Supporters on 4/9/96, with POTUS notes next to the names of the attendees.
4/10/96	Ickes memo re: "American voices: Phase 1 - The Primary Process," February/March 1996, Peter D. Hart Research Associates, with POTUS note to copy Morris and Penn.
4/11/96	Sosnik/Wofford memo re: Texas Runoff Summary.
4/12/96	Baer note that attaches a copy of a memo from Bill Nothdurft re: Chapter One, "The Paradox of Progress" and the latest version of the chapter. Baer also encloses a copy of POTUS' speech form the DNC Trustees Dinner on 3/27/96.
4/14/96	Stern/Caplan memo of 4/13/96 re: Recent Political Information Items and attached items.
4/15/96	Inquiry by John Huang re: the status of a letter of congratulations to Dr. Mochtar Riady, and Hernreich note confirming that letter had been done.
4/15/96	Ickes memo re: DNC TV commercial entitled, "Supports," with enclosed videotape.
4/17/96	Howard Freed letter to Betty Currie, with enclosed proposal titled, "Putting People First '96." Currie/Stern/Caplan notes attached re: how to handle response.
4/23/96	Memo titled, "Highlights from AEI (American Enterprise Institute) session...April 18, 1996," with POTUS note to copy Ickes and Sosnik.
4/23/96	The New Yorker article titled, "A Fever in the White House," by Peter J. Boyer; with POTUS note to Panetta.
4/23/96	Wall Street Journal editorial titled, "Minority Leader Gingrich?" with POTUS note to Stephanopoulos.
4/23/96	New York Times commentary piece titled, "Gardening with Beijing," by Thomas Friedman; with POTUS note to Lake.

THE WHITE HOUSE

WASHINGTON

'96 DEC 20 PM 1:03

December 19, 1996

MEMORANDUM FOR: CHERYL MILLS
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: 12/16/96 Request for Documents

This certification is in response to the memorandum from Jack Quinn, Counsel to the President regarding the 12/16/1996 Document Request. By signing this document, I am certifying that I directed all individuals in my office to search their files as well as the office's files. To the best of my knowledge, these files have been reviewed and all responsive documents have been provided.

Chief of Staff:

____
Leon E. Panetta
Chief of Staff

Counselor:

____
Thomas McLarty
Counselor to the President

Oval Office Operations:

____
Nancy Hernreich
Deputy Assistant/Director of Oval Operations

Strategic Planning and Comm:

____
Don A. Baer
Assistant to President/Director of Communications

Cabinet Affairs:

____
Kathryn Higgins
Assistant to President/Cabinet Secretary

Executive Residence: ____________________

Gary Walters
Chief Usher

Office of Policy Development

Domestic Policy Council: ____________________

Carol Rasco
Assistant to President for Domestic Affairs

National AIDS Policy: ____________________

Patricia Flemming
Director, National AIDS Policy

National Economic Council: ____________________

Laura Tyson
Assistant to the President for Economic Policy

Office of the First Lady: ____________________

Margaret Williams
Chief of Staff

Office of the Counsel: ____________________

Jack Quinn
Counsel to the President

Intergovernmental Affairs: ____________________

Marcia Hale
Assistant to President/Director, Intergovernmental Affairs

Legislative Affairs:

____
John Hilley
Assistant to President/Director, Legislative Affairs

Management and Administration:

____
Jodie R. Torkelson
Assistant to President for Management and Administration

Political Affairs:

____
Doug Sosnik
Assistant to President/Director, Political Affairs

Presidential Personnel:

____
Bob J. Nash
Assistant to President/Director, Presidential Personnel

Press Secretary:

____
Michael McCurry
Assistant to President/White House Press Secretary

Public Liaison:

____
Alexis M. Herman
Assistant to President/Director, Public Liaison

Scheduling and Advance:

____
Stephanie Street/Anne Walley
Deputy Assistant/Director, Scheduling and Advance

Staff Secretary:

Todd Stern
Assistant to the President/Staff Secretary

12/24/96

Records Management:

Terry Good
Director, Records Management

Carol ~~4-15-96~~
Betty Currie transferred
a call from John Huang
sat a.m. to our office.
John Huang faxed the
following info. When Betty
looked at info she confirmed
Dr. Ready is friend of POTUS.
She'd like us to confirm
with Nancy before we do
anything. (Nancy may
already be working on this)
John called to follow-up
on status. I said we'd call
him back on Mon.
Thanks.
Trudy

4/15/96

This letter has
already been
done

TOTAL FIVE PAGES

DATE: APRIL 13, 1996

TO: STAFF SECRETARY OFFICE (202-456-2215) FAX
THE WHITE HOUSE

FROM: JOHN HUANG
(CURRENTLY AT HOME 818-244-5089 TEL & FAX)
(OFFICE – MONDAY 202-863-7178)

RE: LETTER FROM PRESIDENT CLINTON TO CONGRATULATE DR. MOCHTAR RIADY FOR THE UPCOMING AWARD FROM THE GOLDEN GATE UNIVERSITY 6/18/96.

PER OUR CONVERSATION THIS MORNING, I HAVE ENCLOSED INFORMATION PREVIOUSLY SENT* TO NANCY HERNREICH (OFFICE) ON MARCH 1. *(HAND DELIVERED)

I ALSO PERSONALLY MENTIONED TO PRESIDENT ON MARCH 27 IN THE WHITE HOUSE. HE TOLD ME THAT HE WOULD BE VERY GLAD TO DO THE LETTER.

BOTH PRESIDENT AND DR. RIADY HAVE BEEN FRIENDS BACK TO ARKANSAS DAYS SINCE LATE 70's.

PLEASE KINDLY LET ME KNOW ON THE STATUS.

THANKS & REGARDS.

MARCH 1, 1996

TO: NANCY HERNREICH
FROM: JOHN HUANG (TEL: 202-863-7178)

DR. MOCHTAR RIADY IS RECEIVING AN AWARD FROM GOLDEN GATE UNIVERSITY ON APRIL 18, 1996.

THE UNIVERSITY IS REQUESTING A LETTER FROM PRESIDENT CLINTON (OR A TAPED MESSAGE) FOR THIS OCCASION — WHATEVER THE WORDINGS/LANGUAGE THAT YOU DEEM APPROPRIATE.

CAN YOU HELP?

THANKS & REGARDS.

[signature]

GOLDEN GATE UNIVERSITY

San Francisco • East and North Bay • International • Monterey • Sacramento • Seattle • Silicon Valley • Southern California

February 15, 1996

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

Dear Mr. President:

On April 18, 1996, Golden Gate University will bestow its Amicus Award, the University's highest recognition of service and achievement, on Dr. Mochtar Riady, the founder and Chairman of the Lippo Group of Indonesia. The award ceremony will occur during our annual President's Circle dinner, and we anticipate an evening that will not only honor Dr. Riady's remarkable career but also highlight the growing friendship between Indonesia and the United States.

We would be honored if you and the First Lady could join us that evening in San Francisco.

Should that not be possible, perhaps you would consider writing a personal note of greeting and congratulation to Dr. Riady, a note which would be read during the award ceremony and presented to him as a keepsake of the occasion. Further, if you would care to be represented at this event, we would be pleased to receive your designee.

With many thanks for your consideration of this request,

Respectfully yours,

TM Stauffer

Thomas M. Stauffer
President

Office of the President
536 Mission Street • San Francisco, CA • 94105-2968 • (415) 442-7053 • fax: (415) 543-2779

Notes for President Clinton's letter of congratulation on receipt of the Amicus Award from Golden Gate University (San Francisco), April 18, 1996:

Dear Mochtar:

While Hillary and I regret keenly that we can not be with you this evening, we wanted to be sure that you knew that you are much in our thoughts. Our many years of friendship have been a source of great pleasure and satisfaction to us, and we can think of no one more deserving of Golden Gate University's Amicus Award.

Indeed, you have been more than a friend to many; you have been, and will continue to be, I am sure, a visionary and a guide to a better, richer life for the people of Indonesia and for the larger community of nations around the Pacific Rim.

I would guess that many people know of the extraordinary success of your business ventures. The rise of the Lippo Group from a dream in your heart to a world-class multinational group of companies spanning the Pacific Basin is a story that resonates powerfully in the American psyche as well, for it is the story of hard work, self-reliance, and the triumph of faith.

More people should know about the other side of the Lippo success story, too. Since this seems to be a fine opportunity to tell them, I will assume the honor of being your messenger. The Riady family has always recognized and celebrated the value of education as the foundation not only of economic development but of full intellectual, physical, and spiritual growth as well. The Lippo Group has established splendid elementary and secondary schools throughout Indonesia. Pelita Harapan University, newly created by the Lippo Group, is well on its way to offering expanded educational opportunities to thousands of Indonesia's best and brightest.

If Hillary and I were with you tonight, we would raise our glasses to you in a salute of warm friendship and deep respect. We would also extend to your family our best wishes for a healthy and prosperous future.

May our paths cross again soon.

Sincerely,

Bill Clinton

GOLDEN GATE UNIVERSITY

San Francisco • East and North Bay • International • Monterey • Sacramento • Seattle • Silicon Valley • Southern California

THE AMICUS AWARD

Each year, Golden Gate University bestows the Amicus Award as its most distinguished recognition of outstanding personal achievement and service to the University. On April 18, 1996, GGU will present the Sixth Amicus Award to Mochtar Riady, founder and Chairman of the Lippo Group.

The Amicus Award was established in 1991 by Dr. Otto Butz, then GGU's third President and now President Emeritus, to acknowledge annually an individual who combines outstanding professional and personal accomplishment with a deep commitment to the University's values.

"I always felt," said Dr. Butz recently, "that one of the most heartening affirmations of the University's educational mission and promise has been its ability to win the confidence and support of exceptional people. The Amicus Award, evoking the rich meanings of the venerable Latin word for 'friend,' seemed a fitting way to express to them the University's recognition and thanks."

The Amicus Award has been given each year since 1991. Past recipients have included two heads of corporations, a prominent attorney and foundation officer, a retired Dean of the Law School, and a married couple who for many years served jointly as Trustees of the University.

GGU's current President, Dr. Thomas M. Stauffer, says of the 1996 recipient of the Amicus Award, "I can think of no one more deserving of this University's gratitude and esteem than Dr. Riady. In the extraordinary success of the global activities of the Lippo Group, and in the profound respect with which he is held by all who know him, Dr. Riady exemplifies the virtues and the values of Golden Gate's heritage and its aspirations for the future. As an entrepreneur of consummate vision and skill, and as a man of profoundly humane values and deep faith, we, as a university community, are honored by his acceptance of the Amicus Award."

Dr. Riady's relationship with Golden Gate University extends back many years. Two of his sons hold MBA degrees from GGU, and, in 1986, Dr. Riady received an honorary doctorate from the University. Following the devastating earthquake of 1989, which severely damaged the University's main campus, Dr. Riady's support was a bright and encouraging light in a difficult period. More recently, Dr. Riady's personal involvement in establishing ties between Golden Gate and Indonesia's Universitas Pelita Harapan has been instrumental in the evolution of a most promising partnership across the Pacific.

Office of University Advancement
536 Mission Street • San Francisco, CA • 94105-2968 • (415) 442-7820 • fax: (415) 882-1660

3/1/56

THE WHITE HOUSE
WASHINGTON

Staff Secretary -

This is a request for a letter to Macklon Reidy when he gets an award. This ~~th~~ it should be vetted very thoroughly as it may not be appropriate to do a letter for a foreign national.

The Reidys are good friends.

See attached article also

LH

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San Francisco • East and North Bay • International • Monterey • Sacramento • Seattle • Silicon Valley • Southern California

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With many thanks for your consideration of this request,

Respectfully yours,

T M Stauffer

Thomas M. Stauffer
President

Letter Done
4/8/96

(Reads:
Letter Done
4/8/96)

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CAN YOU HELP!

THANKS & REGARDS.

[signature]

THE WALL STREET JOURNAL
FRIDAY, MARCH 1, 1996

REVIEW & OUTLOOK

Who Is Mochtar Riady?

Mr. Chertoff: I guess the question is really this, it is whether, in connection with this representation, you received a large amount of money and that may have had an impact on the degree of your cooperation with the Independent Counsel or with us?

Mr. Hubbell: That's pretty rotten.

Shortly after this exchange, Senator Alfonse D'Amato intervened to cut short questioning of Webster Hubbell by Whitewater Committee counsel Michael Chertoff. A New Republic writer described the exchange as "Chertoff's first major gaffe." Perhaps, but as the transcript printed nearby shows, the questioning did establish something: Between the time Mr. Hubbell resigned as associate attorney general and went to jail, he was paid to represent the Lippo Group.

Mochtar Riady

Lippo, in case you're wondering, is a huge conglomerate based in Indonesia. Its assets are estimated at $6 billion, and it concentrates mainly on banking and real estate in Indonesia and Hong Kong. It also does infrastructure projects in China and owns Lippo Bank of California. It was founded by Mochtar Riady, who rose from poor circumstances in Jakarta to become a highly successful executive at the private Bank Central Asia before founding his own empire. The family interests are represented by his sons Stephen in Hong Kong and James in the United States.

The Riadys are members of predominantly Muslim Indonesia's tiny but fantastically successful ethnic Chinese minority. Last year Forbes magazine wrote that Indonesia had 10 billionaires, six of them new. Most, including Mochtar Riady and Liem Sioe Liong of the Salim Group, owner of the bank where Mr. Riady got his start, have close ties to Indonesia's President Suharto. In case you're wondering whether Mr. Hubbell is an expert on Javanese legal customs or perhaps Irian Jaya property claims, the Riadys are also old Arkansas hands.

One of Mr. Riady's early U.S. investments was Worthen Bank of Arkansas. In 1984, in a partnership with Arkansas financier Jackson Stephens, Lippo bought $16 million of Worthen stock and installed James Riady in Little Rock as a director of the bank. "Mochtar Riady and Jack Stephens owe their friendship to the troubles of another noted financier, Bert Lance," a 1985 story in this newspaper reported. At one point Mr. Riady had offered to buy Mr. Lance's 16% stake in the National Bank of Georgia, but later withdrew, and the shares were eventually sold to Ghaith Pharaon, front man for the corrupt Bank of Credit & Commerce International.

Curiously, Lippo brushed up against the BCCI scandal again in 1991, when its Hong Kong Chinese Bank offered to buy the Hong Kong Bank of Credit & Commerce after regulators seized it. The purchase fell through, but one BCC executive ended up as a senior vice president of Lippo Group Marketing; he was among four former BCC officials reprimanded by a Hong Kong judge in 1995 for laundering money for drug baron Law Kinman. The money-laundering did not involve Lippo, and a spokesman tells us the executive has since emigrated.

The Worthen purchase started a period of intense collaboration between Stephens and Lippo, with a wide variety of deals, including the purchase of Hong Kong Chinese Bank. A 1994 report by Hong Kong's Securities and Futures Commission criticized a Lippo acquisition in which it was assisted by Stephens Finance. An official of Stephens Inc. told us this week, however, that all business affairs between the Arkansas investment giant and Lippo ended in the late 1980s.

But a relationship seems to remain between the Riadys and President Clinton. The Lippo boardroom in Hong Kong is decorated with a portrait of Mochtar Riady with Bill and Hillary (as well as a photo of Stephen Riady and President Bush). The family patriarch was invited to the Clinton inauguration. James Riady attended the pre-inaugural economic summit in Little Rock, the Asian Pacific Economic Conference in Seattle in November 1993, a June 1994 salute to Vice President Al Gore in Washington, and was on hand for President Clinton's November 1994 visit to Indonesia. In connection with the Jakarta visit, Commerce Secretary Ron Brown staged an orgy of contract signings for U.S. business ventures in Indonesia.

Also on hand for these meetings was Maria Haley, a director of the Export-Import Bank and previously an Arkansas official in charge of international business development. She says that Governor Clinton's romancing of the Riadys was what any governor would do to encourage local growth. Mrs. Haley's former husband, lawyer John Haley, is co-defendant with Arkansas Governor Jim Guy Tucker in the case now under appeal after Clinton pal Judge Henry Woods ruled it was beyond the jurisdiction of Independent Counsel Kenneth Starr.

Given this history, Mr. Chertoff's line of inquiry certainly seems appropriate, and well worth pursuing in further private depositions of Mr. Hubbell. The explanation of Mr. Hubbell's work may be entirely innocent, though our inquiries with Lippo in Los Angeles and Hong Kong produced no comment. Mr. Hubbell's phone logs as associate attorney general show calls from James Riady, and clearly he did have a prior relationship with Lippo, presumably through the Rose Law Firm.

The fact remains, though, that while Mr. Hubbell was negotiating his plea bargain with Mr. Starr, he was being paid by a billionaire pal of the President. In the plea bargain, he admitted to mail fraud and tax evasion and agreed to cooperate in exchange for a reduced-sentence recommendation. When the time for sentencing came, Mr. Starr showed what he thought of Mr. Hubbell's cooperation: there was no recommendation for leniency.

Haven for Lawyers

The American Bar Association and the legal profession in general consistently deny that the litigation explosion is anything to worry about—indeed they even deny that there *is* a litigation explosion. At least that's what they say for outside consumption. When lawyers talk among themselves, it seems, it's a different story.

Pick up the January issue of the ABA Journal and you can read an article called "Protect Assets Before Lawsuit Arises" by business journalist Jon Newberry. The premise of this piece is that lawyers, as much as any other professionals, can easily fall victim to warrantless suits. "Expanding theories of liability, disregard for precedent by judges and juries, and unpredictable damage awards all conspire to promote the pursuit of claims that might not have been considered 10 years ago," Mr. Newberry writes. One lawyer is quoted as saying, "I don't want someone to do to me what I do to people all day in court."

The solution recommended by Mr. Newberry is for lawyers to shelter their money overseas. He particularly recommends the Cook Islands in the South Pacific, whose laws offer "stronger protection and greater control of assets than U.S. laws." Let's see if we understand this: The ABA thinks the U.S. legal system is just wonderful, but its own members think the Cook Islands do a better job of preserving the rule of law? We can't help thinking that rather than moving money offshore, a cheaper scheme to "protect assets" would be to pass tort reform in America. Maybe that way our legal system can someday measure up to the standards of the Cook Islands.

Asides

Global Tax Reform?

About the time tax reformer Steve Forbes was winning Delaware, the newly named economic spokesman for Germany's ruling CDU, Gunnar Uldall, proposed an income-tax rate structure of 8%-18%-28%. For Germany, which boasts top marginal rates of 53% on personal income, 28% is a nearly revolutionary notion. We guess it took the combination of U.S.-side tax fervor and a winter of record unemployment in Germany to wake up Bonn to the growth potential of tax cuts. But it's all too revolutionary for the country's cautious policy makers, who, like their U.S. counterparts, instinctively threw cold water on the proposal.

Carolina Booming

Pat Buchanan is expected to do pretty well in this weekend's South Carolina primary. If so, some other Carolina numbers suggest it won't have much to do with his protectionism. The number of jobs resulting from foreign direct investment doubled there in the 1980s. Today more than 110,000 South Carolinians, 9% of the work force, work at subsidiaries of foreign firms. (Their salaries don't appear to have been driven down by the evil winds of international competition: They earn 21% more a month than the average worker.) Even as Mr. Buchanan took on the world in Carolina, Sweden's SKF announced it would make ball bearings in Aiken, S.C. That's 276 new jobs.

Cuba's Investment Boom That Never Was

The Americas

By Teo A. Babun Jr.

Destruction by Cuban MiGs of two unarmed American light planes last Saturday was of a pattern with other recent harsh actions by the Cuban government. For the past two weeks it also has been waging a campaign of detention against members of a moderate dissident group, known as Concilio Cubano. At least 50 people have been arrested and two leading Cuban dissidents have been sentenced to 1 1/2-year prison terms. Could all these actions be manifestations of government desperation over Cuba's failure to revive its moribund economy?

After the fall of the Berlin Wall, when Cuba's longstanding Soviet funding dried up, Fidel Castro began hustling for foreign capital investment. Since 1990 the Cuban dictator has tried to entice foreign investors into Cuba. For a while it seemed to be working, but now the fine-tuned Castro propaganda is losing out to the facts. With or without a U.S. embargo, the rest of the world can still invest in Cuba. But many who have tried it are finding Cuba simply a bad place to invest.

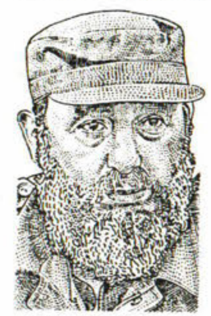
Take the experience of Creditfinance Securities Ltd., a Canadian investment firm that wanted to be part of the "avalanche" of foreign investment reportedly taking place in Cuba. Opening an office in Havana in 1993, it analyzed various investment projects, with its executives making numerous trips to the island. But after two years of negotiations with the Cuban government, they decided that the lack of cooperation and the constant changes in investment "policy" posed too many obstacles to completing an effective transaction. Creditfinance Securities is now investing elsewhere.

Why do foreign investors seem to be leaving Cuba as fast as they can be rounded up? To answer that question it helps to look at the new foreign investment law passed last September with the ostensible aim of increasing investor confidence. The new law allows for 100% ownership of real estate improvements, but not the land under them. It is replete with loopholes for the government, such as the ubiquitous "subject to government approval" clause, and contains provisions that typically terrorize serious investors. There is a prohibition against selling property to a third party. The government provides guarantees against property expropriations—except for "reasons of national interest."

U.S. sanctions announced this week in Washington will almost certainly be seen by Cuba as further deterrents to foreign investment. But while the sanctions may have some impact, the record shows clearly that it is the antimarket stance of the Cuban bureaucracy that drives out investment.

Though Cuban authorities publicly stress their commitment to a continuing but cautious economic reform process, foreign investors are expressing doubts about Cuba's sincerity and commitment. For instance, while the text of the new law is free of ideological language, the Cuban National Assembly passed an accompanying apologist statement stressing that Cuba's economic opening "is not inspired by neo-liberalism nor does it aim for a transition to capitalism. It is an opening to defend and develop socialism, and this is not concealed by our government and is present in the spirit of this law."

Even with such rhetoric, some American businesses are showing interest in perceived future investment opportunities in Cuba. In the past three months there has been a marked increase in Cuba conferences in the U.S. A number of U.S. businessmen have traveled to Cuba, apparently to make contacts. In January, Rep. Joe Moakley (D., Mass.) headed a 20-person delegation that included representatives from ITT Sheraton, Gillette and Bank of Boston. Other U.S. companies such as Minneapolis-based Carlson Hospitality Worldwide, which owns Radisson Hotels, and Archer-Daniels-Midland have stated their interest in entering the Cuban market. But such optimism about prospects for profitable investments seems misguided.


Fidel Castro

Obstacles include the very weak condition of the economy, inadequate infrastructure, and lack of institutions that support foreign investments. Euromoney Magazine ranked Cuba as one of the riskiest of 181 countries in which to invest.

Evidence of the difficult business environment on the island abounds. A number of the much publicized Spanish hotel investments have fallen apart. The original partner for the Melia Cohiba hotel was the first to drop out, leaving the Cuban government partner to complete the construction on its own. Investments by Kawama, a hotelier backed by the large Endesa pension fund, are embroiled in a dispute being lodged with the Paris arbitration court. And Guitart, a Catalan group that invested and took options in a large number of hotels, also withdrew completely from Cuba, reportedly because it found the island's political climate increasingly frustrating.

Indeed Cuba's one big foreign investment "success," the much publicized $1.5 billion joint-venture commitment with Mexico's Grupo Domos to upgrade the local telephone system, appears to be in difficulty. Cash-strapped Domos has been negotiating with the U.S. State Department to allow a U.S. company to help rescue the telephone deal. While Cuban government officials have been playing down reports that the island's biggest foreign investment venture is in trouble, behind-the-scenes scrambling reveals a severe lack of *dinero*. Again, one wonders why one of the world's telecommunications giants has not been an eager investor in the great opportunity in Cuba.

Cuban officials are working overtime on damage control and to create a perception of stability. But government statistics just don't add up. If we are to believe the latest published report, Cuba's tourists spend more than twice what a tourist spends in the Dominican Republic, a much more mature and developed tourist market. And what's more amazing, they spend $4 more per visit than do tourists to the U.S. This from an industry that generated almost no revenue seven years ago.

Mr. Castro was able to closely control information while Cuba had a closed economy. But as investors are able to go into Cuba and kick the tires, tangible facts will be what sells. Cuba's new foreign investment law is inadequate to attract serious investors into the market. If Mr. Castro wants capital he may just have to accept a few tenets of capitalism for Cuba. As it is now, the depressed economy will most likely stay depressed until Cuba is a welcome place for investment. The realization—and accompanying frustration—of such a quandary could be the cause of the apparent short fuse.

Mr. Babun is president of Cuba-Caribbean Development Co., a division of T. Babun Group Inc.

Mr. Hubbell and the Lippo Group

Following are excerpts from a Senate Whitewater Committee hearing on Feb. 7. A related editorial appears nearby.

Majority Counsel Michael Chertoff: Mr. Hubbell, I want to ask you in connection with, I guess, judging the quality of your testimony, whether you have had discussions with anybody in the last couple of years concerning any financial arrangements that might be made in terms of work or any other kind of financial arrangements when you get out of jail?

Webster Hubbell: Me?

Mr. Chertoff: I don't mean with your wife or family. I mean, with anybody who has a business or anything of the sort.

Mr. Hubbell: No, I have not.

Mr. Chertoff: Are you familiar with a group called the Lippo Group?

Mr. Hubbell: Yes.

Mr. Chertoff: What kind of entity is that?

Mr. Hubbell: They are a group in Indonesia that at one time had a major ownership of Worthen Bank.

Mr. Chertoff: Have you had discussions with anybody, either from the Lippo Group or representing the Lippo Group, concerning whether you might do any business with them or work for them when you get out of jail?

Mr. Hubbell: No, I have not.

Mr. Chertoff: Have you had discussions with representatives of the Lippo Group at all in the last three years?

Mr. Hubbell: Yes.

Mr. Chertoff: When?

Mr. Hubbell: When I left the Justice Department prior my pleading guilty.

Mr. Chertoff: What were the nature of those discussions?

Mr. Hubbell: I'm sorry, I can't disclose those.

Mr. Chertoff: Did it involve a financial—something of a financial nature?

Mr. Hubbell: I was—can I consult with my lawyer?

(Witness conferred with counsel.)

Mr. Hubbell: Mr. Chertoff, I don't think I am violating the attorney-client privilege. The Lippo Group itself was not my client, but a representative of that group—one of their affiliates was a client of mine, and all of the nature of the conversations I had related to that representation. That representation occurred in the summer and fall of 1993—'94, excuse me.

Mr. Chertoff: Over what period of time, how long did the representation last?

Mr. Hubbell: It lasted—it lasted until I pled guilty in 1994.

Mr. Chertoff: Which was when?

Mr. Hubbell: December of 1994.

Mr. Chertoff: So it lasted for over a year?

Mr. Hubbell: No. No, I left the Justice Department in April, and I believe I started representing them sometime in the summer of 1994.

Mr. Chertoff: So it lasted for about five months?

Mr. Hubbell: Yes.

Mr. Chertoff: You were in practice in Washington?

Mr. Hubbell: Yes.

Mr. Chertoff: Did you have other clients?

Mr. Hubbell: Yes.

Mr. Chertoff: Had you had a pre-existing relationship with this group?

Mr. Hubbell: Yes.

Sen. Paul Sarbanes (D., Md.): Mr. Chairman, how does this—I am not quite sure—

Mr. Hubbell: I want to make clear, I have had no discussions about getting paid by anybody when I leave jail. I have no employment opportunities at this moment.

Mr. Chertoff: I guess the question is really this, it is whether, in connection with this representation, you received a large amount of money and that may have had an impact on the degree of your cooperation with the Independent Counsel or with us?

Mr. Hubbell: That's pretty rotten.

Mr. Chertoff: I am just going to ask you the question about what the nature of the arrangement was.

Mr. Hubbell: I was doing work for the client and they paid me like the other clients—

Mr. Chertoff: On an hourly basis?

Mr. Hubbell: No. I will not represent anybody on a hourly basis anymore.

Chairman Al D'Amato (R., N.Y.): Let me suggest this. I am going to suggest any further questions along this line, that we take them in a private deposition. And I will ask counsel to not go forward as it relates to pursuing this line. I think that would be in the best interest, if there—you know, if there are facts that we should know, why then, that's—we can pursue it. If there's information that is not relevant, why, then, there is no need to bring it out in a public way. So it would seem to me that that would be the best, and I would ask Mr. Chertoff to suspend any further questioning of Mr. Hubbell as it relates to this particular area that has been opened up.

Sen. Sarbanes: Could I suggest that that suggestion might have been advisable some time ago before all of these innuendoes were thrown out on the record. It may in fact be terribly unfair.

Mr. Hubbell: I think it is awful u
I would have to say that the chairma
done everything possible, I hav
swered questions now, for people
year and a half. Anybody who
question, I've answered. I have nev
voked the privilege. I have never
anything but answer your questions
year and a half. And now to imply th
am not entitled work at all, Mike, between that time and wanting to know about my clients, I am entitled to say something. I have for a year and a half been hauled all over this country, answering questions, and I've answered every dadgum one of them.

Webster Hubbell

And I am a little bit upset that, after it is over, somebody wants to know about my private business like there's something wrong with me trying to do some work and support my family. I have a wife and four children, and I needed the work and I did. But there wasn't anything improper with it and nobody promised me a damned thing.

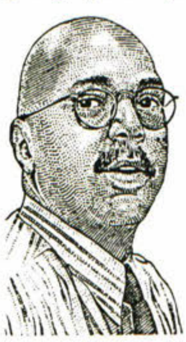
Chairman D'Amato: Well, I think, Mr. Hubbell, you are certainly entitled to put that answer on the record, and I accept it. And I suggest that, if there be any further need to explore that avenue, that we do it in camera, by way of deposition, so that we can ascertain whether or not there is any relevance or not. It would seem to me that would be the manner in which we should proceed.

A Death in the Family

By Martin Schenker

Michael Crawford, 41 years old, died suddenly this weekend at his apartment in Manhattan. He worked for me.

Mike was one of the many journalists at this company you've probably never heard of. He was an editor, and a damn good one. At The Wall Street Journal and throughout Dow Jones, anonymous protectors of accuracy, grammar, style and fairness labor daily for the simple satisfaction of a phrase repaired, a lead paragraph sharpened, a numerical error fixed, a headline made to sparkle. They get no bylines, but you benefit from their craft every day.



Michael Crawford

What set Mike apart was who and how he was. He couldn't have been further from the stereotypical image of an editor, barking orders and dripping with cynicism. Soft-spoken, gentlemanly and encouraging, Mike always found a way to make the copy he handled better without confrontation with the author. Reporters loved working with him, not insignificant when you consider that reporters are cats and editors are dogs.

In an era when it almost seems technology aims to overtake thought, Mike's death serves as a reminder to us of the wonder and irreplaceable value of the human spirit. Mike was a terrific person: balanced, mature, nurturing, like a priest. He dressed sharply, played an excellent point guard, and was an avid fan of his hometown Cleveland Indians.

I am a Mets fan, but this year I'll follow the Tribe. For Mike.

Mr. Schenker, formerly national news editor of the Journal, is now managing editor of the Dow Jones Investor Network.

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FRIDAY, MARCH 1, 1996

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Murdering History

g out David W. Belin as an ex- investigating the dark side of n politics is like running Oedipus andidate of family values ("His- cording to Hollywood," editorial Feb. 13). The truth, as demon- rated by the record of the Warren Commission of which he was a member, is that Mr. Belin is incapable of investigating anything, especially a conspiracy. Conversely, one could persuasively argue that the Warren Commission, of which Mr. Belin may be the last surviving defender, was itself a conspiracy aimed at hiding the truth about the JFK assassination from the American public.

Mr. Belin has the temerity to claim that academic materials discussing Oliver Stone's films "J.F.K." and "Nixon" inject "a virus of lies into our nation's school system." In fact, Mr. Belin's Warren Commission Report unleashed an epidemic of lies from which American society still suffers. This is the "investigator" who, among others, managed to produce the official version of the murder of the president without ever discovering that the CIA had been actively plotting for four years to assassinate foreign heads of state. He confidently assured us that Jack Ruby, the killer of the alleged assassin, had no ties to organized crime, though we now know that Ruby had worked since his childhood for the Al Capone mob and was the Chicago Mafia's point man in Dallas. And in his remorseless investigation of Oswald himself, this hawk-eyed crusader for the truth managed to miss a mountain of evidence, subsequently uncovered by independent researchers such as Prof. John Newman, that the putative assassin had long-standing ties to intelligence organizations, including the CIA.

Mr. Belin congratulates himself on his intrepid sleuthing for the 1975 Rockefeller Commission, yet the principal reason the commission had to investigate the CIA's assassination program was that the CIA had so successfully lied to Mr. Belin and his Warren Commission colleagues 11 years earlier; because of those lies, the fact that political murder was part of U.S. foreign policy had remained in the shadows. Who can deny that if the Warren Commission had known in 1964 that the CIA had tried some 14 times to murder Fidel Castro, and that Castro had responded with his own threats against President Kennedy, its findings would have been different? That this did not happen, we can attribute in part at least to Mr. Belin's indefatigable investigative efforts.

Mr. Belin's statements about "Nixon" in his recent article are, quite frankly, just as ludicrous and insulting to the American public as were his assertions as a writer of the Warren Commission Report. He criticizes the film for suggesting that Richard Nixon knew about the Castro murder plots, and claims that it takes the position that Jack Kennedy had no involvement with them. Mr. Belin argues that there is no evidence of Nixon's knowledge, and that the attempts to kill Castro were wholly of the Kennedy administration's creation. This is utter nonsense.

As the Church Committee Report of 1977 made clear, the plots began under the Eisenhower-Nixon administration, with authority from the White House. They were supervised by the Special Group on Cuba, of which Vice President Nixon was a member, and they included at least two murder attempts and the creation of the CIA-Mafia plots, surely the most sinister of all the assassination schemes, during the summer and fall of 1960. That Richard Nixon, who counted on the removal of Castro as his October surprise in the 1960 election, knew nothing about the plots is highly unlikely, as historians Arthur Schlesinger and Michael Beschloss have argued. In later years Nixon himself said that no one pushed harder on Cuba than he did, and in 1960 there was no "harder push" against Castro than the CIA's attempts to murder him.

Second, the film does not claim that JFK had no involvement in the Castro plots, for the historical record makes it clear that he did. What the film says is that Kennedy was not told about them before the Bay of Pigs invasion, a point on which most historians agree. The record indicates that only after that debacle did he and his brother Bobby aggressively take charge of the effort to murder Castro. And so once again, Mr. Belin's keen investigative instincts have caused him to miss both the forest and the trees.

That Mr. Belin, of all people, should accuse Oliver Stone of revisionist history is a monstrous practical joke. Oliver Stone did not help write the Warren Commission Report, perhaps the single greatest distortion of history in our lifetimes—Mr. Belin did. But Oliver Stone was instrumental in forcing the release of some two million pages of documents relating to the Kennedy murder that Mr. Belin and his colleagues had tried to hide from the American public for 75 years. And Oliver Stone did not succumb to the CIA's systematic pattern of lies about its political murder plots—Mr. Belin did. Oliver Stone has tried, successfully, to provoke a vigorous public discussion of America's clandestine postwar history.

Where official investigators fail, artists who care about history must intervene. Mr. Belin has proved that he is no open-minded investigator of history; he is a gullible servant of the status quo. The only historical truth that emerges from Mr. Belin's article is that, if we were to leave official history to investigators like him, we would get, as the philosopher de Maistre warned us, precisely the government we deserve.

STEPHEN J. RIVELE

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(Mr. Rivele co-wrote the film "Nixon" with Christopher Wilkinson and Oliver Stone.)

* * *

Mr. Belin writes that Nixon was not in the slightest involved in the assassination plots against Fidel Castro. I fear that the historical record is not so clear as he claims. The assassination of Castro was an integral part of the Eisenhower administration's original conception of the project that ended so ingloriously in the Bay of Pigs. As Richard Bissell, the chief CIA planner, later said, "Assassination was intended to reinforce the plan. There was the thought that Castro would be dead before the landing."

"I had been," Nixon himself wrote in Reader's Digest in November 1964 of the invasion project, "the strongest and most persistent advocate for setting up and supporting such a program." Philip Bonsal, the American ambassador to Cuba in 1959-60 and an experienced and careful professional, called Nixon—in his book "Cuba, Castro and the United States"—"the father of the operation." Brig. Gen. Robert Cushman, Nixon's military aide and later deputy director of the CIA, told Howard Hunt in 1960 that the vice president was "the project's action officer within the White House" and said that "Nixon wanted nothing to go wrong" (see Hunt's memoir, "Give Us This Day," pp. 39-40). John Ehrlichman's notes of a conversation with Nixon on Sept. 18, 1971, describes him as "deeply involved" in the Bay of Pigs.

"We will probably never know for certain whether Vice President Nixon flashed the green light for a CIA-Mafia attempt against Castro," Michael Beschloss writes in "The Crisis Years," but after a review of the evidence Mr. Beschloss finds it not improbable that he did. John Newman, after his own review of the evidence, writes in "Oswald and the CIA" that "It is thus likely that Nixon knew some of the details about the CIA's cooperation with the Mafia." The CIA's internal history denies this; but then intelligence agencies, trained in techniques of deceiving the enemy, often end up using those techniques to deceive everyone else, including at times themselves. In any event there can be no question about Nixon's ardent involvement as vice president in the Castro problem.

The CIA assassination plots began under Eisenhower, continued under Kennedy and went on into the Johnson administration. No evidence has yet been produced to show that any of these three presidents authorized the plots or were even informed about them.

Mr. Belin claims the existence of documents "that specifically showed that Robert Kennedy was aware of these plots." He does not identify the documents in his Journal piece, but I suspect he is referring to a document cited in his book defending the Warren Commission. On page 111, he writes, "In May 1961 . . . the FBI first told [Robert Kennedy] about the CIA collaboration with the Mafia in assassination plots directed against Castro." He cites as proof a memorandum of May 22, 1961, written by Edgar Hoover to Robert Kennedy. That memorandum, a report to the attorney general on a CIA briefing of the FBI, does indeed mention CIA collaboration with the Mafia, but it says nothing about assassination plots—for the simple and ample reason that the CIA briefers had not informed the FBI for what the Mafiosi were going to be used.

The CIA in those days told the FBI as little as possible. As the Church Committee report "Alleged Assassination Plots Involving Foreign Leaders" puts it (page 127), the CIA briefing "did not reveal the specific objective of the Giancana operation to the FBI." The Hoover memorandum merely referred in general terms to the CIA's use in "clandestine efforts against the Castro government" of "hoodlum elements" with "sources and contacts in Cuba." I repeat: nothing at all about assassination plots.

The distortion of the Hoover memorandum does not inspire confidence in Mr. Belin's talent for accuracy.

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