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STATE OF THE UNION

IDEAS AND SUGGESTIONS

STATE OF THE UNION -- IDEAS AND SUGGESTIONS

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THE WHITE HOUSE

WASHINGTON

MEMORANDUM TO THE PRESIDENT

From: David Dreyer

Re: State of the Union

December 30, 1993

Summary

The first round of the State of the Union preparation process is complete and has met its principal objective: Soliciting and receiving the best available thinking about how to construct an effective and unifying, durable and uplifting narrative for the speech. We have accumulated much to sort through, so we have provided you with some recommendations on what's best among the contributions to read, and highlight some ideas contained in what was sent you that I believe are valuable for the work ahead.

Best Readings

The speech will probably contain a master narrative (story line) on top, a set of policy prescriptions on the bottom, and connective tissue that relates the theme and the policies in explicable ways to the public in between. In essence, the outside advisors have contributed strategic advice for the speech and ideas about narrative; the Cabinet has contributed mostly policy ideas; and some of the best ideas drawing the two together are contributed by White House staff. In summary, I suggest that you read:

- o Every memo from the outside advisors;
- o The Galston and Reed drafts;
- o Secretary Riley and Reich's memo; and,
- o The New Yorker transcript and the Oval Office transcript (final tabs).

Obviously, there are many other valuable contributions that you can review if time permits.

What to look for

"Words are sacred. They deserve respect. If you get the right ones in the right order, you can nudge the world a little."

1. By far, the best strategic suggestions on what the speech should accomplish and how it should be fashioned come from John Holum and Sherle Shwenninger (World Policy Journal and friend of Stephanopoulos). But there is much agreement among the advisors --

* On the utility of a narrative to spell out your broad vision at this moment in your Presidency and to beat back against the tendency to mention every last policy produced by the Cabinet;

* You should be confident and hopeful, even as you identify with the feelings of anxiety in the society over where workers fit in the changing world or how we can survive the crisis of crime;

* The theme must be durable, and you must describe this point in history as pivotal (see Alan Brinkley and Mike Sandel especially);

* Stress both tradition and vision -- our highest and most enduring values are complemented by America's constant self-reinvention. The marriage of progress (in the face of change) and tradition is why we remain number one in a changing world and remain the symbol everywhere of what the world wants to be;

* Finally, the speech should track people's perception of you as a relentless leader who is constantly fighting for average people.

2. As to narrative, please review carefully Holum, Shwenniger, Stephen Carter, and Bill Galston. You will notice, that in many of the outside advisor's recommendations, there recurs the concepts of "renewal" and "revival." Holum is right to point out its religious connotation. Carter refers to a wounding of the national spirit and the need to restore faith. Carter's memo is remarkably clear and helpful on the historic idea of progress in America. William Strauss, author of Generations (recommended by the Vice President) casts it similarly with a very direct appeal to the future and saving children similar to your Inaugural theme of posterity.

Larry Smith, Counsellor to Aspin, called from the road to echo the Holum belief in "renewal or revival" with this schematic:

- o Economic renewal
 - o Renewal of community and family values
 - o Renewal of faith in public institutions
 - o Renewal of America's leadership role in the world
- global economic dimension
- security dimension/The new contest of values

3. If you read Walter Russel Mead's piece on foreign policy (from the viewpoint of an outside advisor) in conjunction with the State Department's view of foreign policy in the speech, it will demonstrate how difficult it will be reconcile theme and wish list (not just with foreign policy, but everywhere). Mead's piece succeeds brilliantly on history and theme. Ordering the specifics is what makes this tough.

Where from Here?

1. Without nailing down the specific words, we will need from you when we meet again on January 4th some concrete reactions to the storylines offered by various contributors. What do you want the speech to say about America's place in history, the world, and your leadership should be our point of departure.

2. Settling on a narrative will give us implicit instructions on what policies to feature and to what extent they should be featured in assembling a crude draft prior to your departure.

3. While you are in Europe, we should use the week to perfect the way we articulate policy in keeping with the storyline.

4. When you return, we will have a week to polish the rhetoric and respond to what you did and what you learned while you were away.

To: President Clinton

From: Sherle R. Schwenninger

Re: State of the Union Address

Date: December 29, 1993

With your State of the Union address, you need to accomplish four things. First, you need to convince the angry middle--the Reagan democrats, the Ross Perot supporters, and the labor democrats--that you are still on their side, that in spite of what may seem as some backtracking on earlier promises that the policies you have pursued and the programs you have begun to put in place are the necessary first steps (ie, the foundation) for restoring the economic security of the middle class.

Second, at the same time, you must reassure the political insiders and pundits that you have learned the lessons of governing in the first year: that you have the steadiness of hand and purpose (the focus, to use an overused word) to persevere with your agenda without ideological or managerial zig-zags. This means choosing and highlighting a few critical priorities for next year: passage of your health care program; the adoption of an economic security package; and an international jobs and growth initiative.

Third, you need to recast your foreign policy in order not only to get your administration on firmer ground in this area (as it is, you are vulnerable to several potentially serious foreign policy failures in the coming year) but also to make your international priorities more consonant with your domestic philosophy and goals for America.

Finally, you need to provide serious political commentators--those who will shape public judgment about the success or failure of your administration--with a framework by which to judge your administration over the next three years, a framework that would explain the awesome challenges this country faces and the many difficulties we still we must overcome in order to restore the American union. In other words, you must develop, as you no doubt know, a master narrative that more clearly explains your worldview and vision for America. Such a master narrative would include your diagnosis of the state of the union at this historical moment, particularly your understanding of the global economic and technological forces that are reshaping our economy and nation; your philosophy of how government can help restore the American union in light of such forces; why the policies and programs you have put in place in the first year constitute the foundation of a new American social contract for a restored future; and what needs to be done next as a matter of national priority given the challenges that remain and the vision you have for the country.

In his end of the year memo, David Dreyer has laid out many of the themes and ideas that you will want to draw upon. Let me try to

add to it by providing a thumb-nail sketch of a master narrative that weaves together both domestic and international policy.

Master Narrative.

1. America is remade every several generations or so by changes in the structure of the American economy, by new technologies, by new international challenges, by new waves of immigrants, and by new trends in our popular culture. We now find ourselves at such an epochal moment of change. Yet, inspite of these intermittent recreations, there has remained throughout our history an essential core to the American experience--a faith in democracy that is built on a commitment to social progress, to the enlargement of the middle class, and to the unity of the American people. In the end, America over the decades has been held together by a culture of exceptionalism--a notion that we had a special destiny to defend freedom and promote progress in the world--and by a culture of hope--a belief that we all regardless of race, color, or gender could become middle class Americans.

2. The globalization of the American economy that began to take serious effect in the 1980s and the end of the Cold War have dealt powerful blows to this sense of national unity and to our confidence as a nation. They have had a disorienting effect on the American polity at a time when we are trying to absorb new waves of immigrants and to accommodate revolutionary changes in the work place.

3. The new global economy and the accompanying technological changes have posed a particularly difficult challenge for the nation. America became a more divided society in the 1980s because we lacked a social and economic philosophy that could both meet the competitive challenges of the global market place and at the same time deal with the fragmenting effects the world economy was having on our economic and social structure. In the absence of appropriate policy, the world market has created new divisions within American society between skilled and unskilled, educated and less educated, and rich and poor. For the best educated and wealthiest quarter of Americans, deeper integration in the world economy has meant rising incomes and closer association with their counterparts in other parts of the world.

4. But for the majority of Americans, especially the lesser skilled and educated, the global economy has meant not economic opportunity but economic insecurity and the fear if not the reality of downward mobility--lower wages, fewer benefits, and a seemingly zero-sum competition with millions of workers from around the world who are eager to work at a fraction of American wages. For these individuals, the American dream of upward mobility--the glue that has held our diverse nation together--has become just that a dream, and increasingly a faded one at that. Thus, as the world economy

has grown in importance for the U.S. economy, the ties that once bound the wealthiest Americans to the American middle and working classes--as consumers and employees--now no longer bind as closely. The ties between rich and poor bind hardly at all.

5. In previous periods of epochal change, progressive presidents beginning with Abraham Lincoln and continuing with Teddy Roosevelt, Franklin Roosevelt, and Harry Truman put government behind the middle class--behind middle class families, middle class jobs and work, and middle class schools. They also put government behind (ie, in partnership with) modernizing "past" industries (such as agriculture) and in creating new industries (such as aerospace). By contrast, Reagan and Bush put government behind the privileged few. Even as global competitive pressures were eroding middle class wages, they increased taxes on the working and middle classes while granting tax relief for the wealthy without demanding any corresponding obligations. Trickle-down economics combined with excessive military spending not only widened the divisions in America but led to unprecedented budget deficits, especially since the United States was forced to continue to play the role of locomotive for the world economy. It also created resistance to global change and led to a substantial constituency for American withdrawal from an active role in the world just at a time when an active role was necessary to shape our own destiny.

6. As disorienting of previous periods of epochal change were, we succeeded as a nation, because we embraced the economic and technological change and shaped it to fit the American ideal of economic and social progress. We succeeded not because we favored only those best able to benefit from the change but because we refused to leave significant numbers of Americans behind without hope of a better future and because those who benefited first and most from the changes saw that it was in their interest and recognized it as their civic duty to give something back to help others make it as well. With the each crisis in the American union, from the Civil War to the Great Depression, we built a stronger social contract that included more and more Americans. That has been our strength as a nation. That is how we have grown more prosperous and more secure.

7. Each previous crisis in the American union brought its own unique challenges. But each period required major innovations not only in our private lives, in our businesses, corporations, and farms, but in the way we organized government. Many of the government programs that worked in previous periods to advance the middle class promise, we must admit, now no longer work to the same degree and some may even be counterproductive. For example the old safety nets no longer work as they once did; deficit spending no longer produces the economic recovery it once did as stimulation and demand now leak out into the world economy; unemployment compensation no longer protects the laid-off worker, for his or her job may no longer be there as companies and even entire industries

unempl. ins. really did provide protection for all
workers. I'm worried about overselling retraining --
1st because the program isn't that big.
2nd because retraining doesn't ensure
a new job -- 4 & will even less as more
& more get retrained

can we
deliver on this
tho?

down-size. For many workers, retraining into entirely new jobs or areas of work is now necessary. What therefore is required is a new foundation for economic security--a new concept of the American safety net, one that enables workers to develop new skills and protects those that cannot readily adjust. Otherwise, workers will have no other option but to resist change that is beneficial to our society as a whole. Thus the challenge that we faced when we came into office was nothing less of reinventing government--to make it work again for the middle class and above all for those threatened to be left behind by global economic and technological changes.

8. But the challenge of making the government work again for the middle class and the American union, now by virtual of the globalization of the American economy, means going beyond implementing programs at the federal, state, and local levels. It also means coordinating our efforts with those of other nations and governments and increasingly with transnational business enterprises that have no national loyalty. As uncomfortable as it may be to admit, in this age of global markets and international capital flows, we are no longer in full control of our economic destiny. To pretend otherwise is to risk the worst kind of policy failure. We are part, albeit the most significant part, of a larger global market. American growth and jobs depend increasingly upon the growth in other countries, and thus on policy decisions made in Frankfurt and Tokyo. (Our economic recovery would be much stronger and our budget deficit much smaller if Europe and Japan were not in recession.) This makes our international strategy an essential element of our domestic policy.

9. Yet while we must coordinate our policies more closely with our trading and investment partners, we are by no means helpless to influence their policies or to protect our interests. If used wisely, American power and influence can yet shape the world marketplace to be supportive of the American middle class. In fact, the construction of a world economic order that complements liberal trade with a social charter aimed at raising wages and living standards must be one of the principal goals of this administration's foreign policy. To facilitate Western cooperation on a social charter for the global economy, we will strike new strategic bargains with our partners in Europe and East Asia. They need not only our markets but our help in managing the disorder in the former Soviet Union and the great power ambitions of China. In turn, we need their support for coordinated world economic growth.

10. The current recession that afflicts much of the advanced market economies, of course, makes it more difficult to coordinate policies and to maintain relatively open international markets, upon which sustained American economic growth now depends. As unemployment mounts in Europe and other economies, even the most thoughtful leaders find themselves in a difficult dilemma: solutions to the common problems of trade, jobs, and growth can only be found through international cooperation and eventually

stronger international institutions to manage the world economy. But populist political pressures against such cooperation and against ceding authority to international agencies are growing. It is for this reason that our most critical international goal in the year ahead is to increase world economic growth through collective action with our principal trading and investment partners. If left unaddressed, the slow growth and unemployment woes of the advanced democracies can lead to beggar-thy-neighbor policies. Worse, it can drive voters into the arms of xenophobic radicals who play on hate and ethnic and racial prejudice.

11. In the first year of our administration, we have begun to build the foundations for a new American social contract aimed at preserving middle-class America. We have taken the necessary first steps to correct the problems and economic imbalances that resulted from the misguided policies of the 1980s. We have reached agreement on and have begun to implement a five-year plan to reduce the federal budget and for initiating a sustained period of investment-led as opposed to debt-led growth. We have restored progressivity and thus legitimacy to our tax system. We have thus begun to reverse the huge transfer of wealth from the middle class to the wealthy that occurred in the 1980s.

12. In international policy, we have overcome the serious rifts that had developed among the major world trading nations and have completed a GATT agreement that will open markets to American goods and services. We have with NAFTA rationalized economic integration with Mexico and Canada and put continental trade and investment on a more stable footing. And for the first time, we have introduced into a major trade agreement with other countries environmental and labor protections that will ensure that trade results in rising wages and living standards in all the countries concerned. ✓

13. But these are only the beginning first steps that are required to come to grips with the revolutionary changes in the global and American economies. The global restructuring of the economies of the advanced market democracies--a restructuring that entails the movement of previously well-paid jobs to developing countries where wages are cheaper, the introduction of labor-saving technologies in the service as well as in the industrial sector, and the shift in the predominant form of industrial organization to knowledge-based production--has created a profound social crisis in the Western world. The root of the social crisis is higher levels of unemployment, greater job insecurity, generally downward pressure on wages and social benefits, and the creation of new class divisions within Western societies. In other words, global restructuring is undermining the Western social market model that has ensured social peace in the advanced market economies and international peace in the capitalist world for nearly 50 years. ✓

14. The overarching task of this administration in both its domestic and international policy, then, is nothing less than to

preserve social market democracy, which has ensured nearly 50 years of peace and prosperity in the Western world, and to extend it to the democratizing countries of Eastern Europe, Latin America, and other regions by creating the international foundations for world economic growth and development. Indeed, the greatest threat to our security as a nation and to world peace is the employment and slow growth crisis in both Western and developing economies. Let us not forget that the young men and women who cannot find jobs in their home countries are now migrating in the millions to Europe and our shores, or are becoming a source of instability in their own region. From the Islamic world to Mexico to China, a huge army of angry young people waits restlessly for meaningful employment. The militia operating in the former Yugoslavia as well as the Islamic fanatics in Algeria are a reminder that if these young people do not find productive outlets for their energies, they are susceptible to recruitment into the most hideous ultra-nationalist and fascist crusades.

15. The problem of world unemployment and emigration is all the more serious with the end of the Cold War, for there are now two to three billion additional workers that must be integrated into the world marketplace that were previously under closed communist governments. If they do not find employment in the years ahead, a significant number of them are candidates either for emigration or for brown shirt armies. A new world development and employment program therefore demands our urgent attention. As part of our foreign policy aimed at creating the conditions for democracy and stability in the world, this administration will provide the international leadership required to make collective world action on this problem a major international priority.

16. There are, of course, many domestic and international problems that demand our attention--from the state of our schools, to crime on the street, to unemployed youth in our inner cities, to the dangers on nuclear and conventional weapons proliferation. In addition, a turbulent world will require us to address any number of possible foreign policy crises in the year ahead. We have put in place an administration of talented men and women, who with the cooperation of Congress and the American people, are working on each of these problems. At the same time, we must continue to lay the foundations for a new social compact both domestically and internationally. For without such a compact, it will not possible to address in a meaningful way the insecurities of working Americans or the many problems they now face. For this reason, among our many domestic and international initiatives, we have targeted three critical program priorities for 1994. First, passage of our health care program, which will extend coverage to all Americans and at the same time begin to bring escalating costs under control. Second, the adoption of a new economic security program, which will provide the training and educational opportunities workers will need in the new global marketplace and which will stimulate employment in the high-wage industries of the

All very interesting & maybe right... but careful about getting too complicated or having reach appear to exceed grasp

future. And third, an international growth and jobs initiative, which will not only expand markets for American good but also create the conditions for the emergence and consolidation of democracy in regions as diverse as Eastern Europe and East Asia.

* * * * *

This, then, is a rough attempt at a master narrative. If you would like me to spell out any of the ideas contained herein or to address more fully how to recast your foreign policy to be more consonant with your administration's goals, I would be happy to do so.



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MEMORANDUM

To: The President
From: Stephen L. Carter *la*
Date: December 30, 1993
Re: State of the Union Narrative: "Believing in the Future"

Dear President Clinton:

David Dreyer of your staff has asked me to present a narrative about America for consideration as a structure for the 1994 State of the Union message. Mr. Dreyer made clear that I am not being asked for any policy recommendations. On that basis, I offer, as our mutual teacher Guido Calabresi might put it, "one view of the cathedral."

* * * * *

At the beginning of 1994, one confronts an America in which millions are in despair, fearful of the future, worried that the nation has lost its way. The seemingly indomitable American spirit has been wounded. Anyone who hopes to call the nation to action must first confront the stark reality of this pessimism.

It would be a mistake, however, to view the needs and hopes of the American people purely in material terms. Although for millions the economy remains a source of uncertainty, it has been uncertain before, with less depressing effect on the national spirit, and therefore cannot be the true source of the nation's fears. What Americans need, more than anything, is a restoration of faith. They need something to believe in -- or, more to the point, they need to be reminded of how much there is in America for them to believe in. To be precise, the American people need a reawakening of the spirit. In historical terms, this means a reminder of what has always made Americans special: an unshakeable belief in the future, and, thereby, an unshakeable belief in themselves.

The narrative imagination of the American people has been embedded since the Founding in a vision of the future as not only

better than the present, but attainable -- and the product of our own efforts. The future is there to be created by those who believe in its myriad possibilities, and Americans, at their best, have been the strongest believers in it. This belief has led to both the "can-do" attitude that has long been the envy and puzzlement of the world and the sometimes halting but always impressive struggle to solve social problems -- racism, poverty, illiteracy -- with which much of the rest of the world chooses to live.

This vision -- partly ideological, partly religious, partly the result of the geographical accident that, until recently, left the nation untouched by most of the world's problems -- has also been a key in America's self-image as the world's leader, an image that has its roots in the Revolutionary era, when the United States was very far from being the world's most powerful nation.

In his fine book, A History of the Idea of Progress, Robert Nisbet writes:

The affirmations of progress we find in America in the eighteenth and nineteenth centuries are rarely if ever separable from the profound conviction that America was not only a destined nation, but a redeeming nation for that huge part of mankind that lay still bound (in Europe as well as in other, more distant parts of the world) to obsolete and unfree ideas.

Thus Americans, as Tocqueville noticed, have always believed that the future will be wonderful because we will mold it. That last point matters most: we mold it instead of waiting for it. And, having molded it, we will lead others to it.

The American tradition has in this sense been quite different from the European -- and, for that matter, the Aristotelean -- vision of the perfect society as a concrete achievement. The basic social order, for the European, is already accomplished, but, for the American, it is always in transition. Professor Nisbet sees this self-image of America as always moving forward to light the path of the world as millennial, deeply linked to the Puritan spirit that so dominated early America. Perhaps he is right. Certainly our sense of the future as waiting to be created by our efforts is linked to the deep religiosity that has characterized the nation since the Founding. To most Americans, spiritual sustenance is as vital as material and physical sustenance; sometimes it is more so. And the self-image of America as ever prepared to seize the future is vital to sustaining the American spirit.

Moreover, whatever the causes of the self-image, America likes to be reminded of it: in the rhetoric of the most successful politicians, we are special, and the future is ours. It is a better future, but also one that we make ourselves; the task of

leadership is to show us how to reach out and take it.

Thomas Jefferson understood this perhaps better than any politician of the Founding era. It is plain in the text of the Declaration of Independence, which, in its deceptively simple list of grievances, provides the basis for the colonists to take hold of the existing order and twist it into something better -- a something better, the text makes clear, that is not illusory but attainable. (Jefferson gave further evidence of the same understanding with his rather bold prediction that the Constitution would be of service for at best a few years, after which the American people would tear it up and write something better.)

Part of the greatness of Martin Luther King Jr.'s "I Have a Dream" speech in 1963 was precisely his ability to fit his message into this central American narrative. The dream that he described was of a better future, and an attainable one -- something that all of us could bring about by our efforts. Although styled as a protest speech, it was, in its ringing descriptions of the dream, consonant with the relentless American focus on the attainable future. (One might usefully compare the calumny heaped, perhaps without reason, on the Black Panther advice to "seize the time" -- the epitome of living for the present.)

The best American political speeches, from Washington's farewell address to Franklin Roosevelt's "Freedom from Fear" speech, have in common not simply a powerful optimism, a belief in a better future -- all good political speeches have that -- but a faith that that future will come about because of the acts of people of good will. The future, in other words, is not what we wait for but what we create. It is contiguous with the present, but not dictated by the present. We shape it. Recognizing that truth -- that we can believe in the future even as we shape it -- is what has made America great. It is when we forget that truth and look backward (sometimes at the invitation of resentment-minded politicians) that we tumble, temporarily, from this state of grace.

I use the term "grace" advisedly. The narrative of an America that believes in the attainable future is a narrative about the spirit. Although the material obviously matters, the American idea is about much more than prosperity. To our credit, we are perhaps the most religious nation on the face of the earth, and the nation's vitality has come as much from the inspiring power of its religious traditions as from its commercial and technological dominance. This is a point, as Michael Lerner among others has pointed out, that many relentlessly materialistic activists on left and right tend to miss. America possesses an immense spiritual energy. When the American spirit lies wounded, the energy is often formless and unfocused; but when the spirit is lifted up, that enormous energy can work miracles. The miracles come about because people believe in the future and shape it with their own hands.

The vision that I describe has characterized America at its best. America at its worst has featured a belief that the present is worse than the past and the future will be worse than the present. Thus, America's wisest leaders have always understood that this narrative becomes badly twisted and often leads to unjust results when an effort is made to lead backward instead of forward. For example, any number of nativist movements in our history bear witness to the harm that is done when leaders preach that the path to a better future is to return to a rosy past. There is a metaphorical logic to the failure of such efforts: one cannot seize hold of what has already occurred.

The well understood pessimism of this alternate vision is actually its less important aspect; what matters is that the sense of an ugly future stems from people's disbelief in themselves. When politicians appeal to people's rosy, but inaccurate, images of the distant past, they are really saying to the people, "We do not believe in you. We reject the American idea." For example, Governor Wallace's "segregation now, segregation forever" speeches (at least, I think it was Wallace) suggested a disbelief in the ability of white and black to work together to build something better. But so does any contemporary speech implying that those darn liberals -- or those darn conservatives -- have ruined everything.

Quite understandably, one hears such rhetoric more frequently since the shattering detours of Vietnam and Watergate. The appeal to a better past rather than a better future was, for example, the signal feature of Reaganism, and some forms of conservatism continue the same emphasis. But the best and most successful American leaders have instead looked forward and called us to a stronger belief in our own possibilities. During the 1992 presidential campaign (if I may be direct) you did precisely this. You consistently struck the theme of belief in the future, and in the ability of Americans to seize it and shape it, and you did so more inspirationally than other recent Presidents. President Carter, I believe, was on to this theme in his much-maligned "malaise" speech, even though he did not carry it through as effectively as the times demanded. President Bush seemed to understand it only imperfectly (one thinks, for example, of the contradictions in his rhetoric over the Civil Rights Act of 1991), although when he got it right -- as in the Desert Storm speech -- the effect was electrifying.

The Desert Storm speech was successful not because Bush was a particularly effective orator but because of his recognition of the link between America's self-image and the need to see the future as something attainable. Presidents always seem to understand this in time of war, and the nation responds. President Johnson tried to touch the same spirit with his call for a "War on Poverty," and, briefly, he succeeded; but confidence in our own ability to beat the ravages of poverty, like confidence in much else, collapsed in

the seventies. The phrase "War on Poverty" is now largely a joke, which is unfortunate, because although the Great Society had its problems, there were some respects -- notably the assault on actual starvation, more prevalent until then than most Americans like to think -- we did seize the future and we did win the war.

In any case, Johnson was clearly correct in his understanding that the American narrative of the future requires a call to action in the present. To say that the future is ours does not mean that it will be handed to us; to say that we must reach out and mold it means that we must get to work now. Indeed, what rhetoric-minded historians may one day say was the failure of Reaganism was a basic confusion on the implications of the American belief in the future. Reagan correctly understood that Americans believe that the future is theirs, but he also told them that that future could be attained without any work or sacrifice -- a message inconsistent with the essence of the great narrative tradition in which he tried to place his presidency. (That the message was nevertheless effective is a sad tribute to the relative weakness of the understanding of this narrative by Reagan's opponents.)

Three themes are required in order to fit a narrative ⁱⁿ this American tradition. The first and foremost, although it gives some critics fits, is an emphasis on America as a special place and Americans as special people. The second is a realistic yet uplifting vision of an attainable better future. The third is a call to immediate and clear action, involving a mostly inspirational (although certainly practical as well) explanation of how we will get there -- not just we as technocrats, but we as Americans who have built our history on believing in the future and molding it to our liking. For it is through the belief in that narrative that we have built a nation second to none in the world.

With its spirit regenerated, with its imperative belief in the future restored, America will be capable of anything. To rekindle that spark in the American people is the principal political challenge of the closing years of the twentieth century. When that challenge is met, America will once more press forward in the bold tradition of its great historical narrative of progress.

(Reference notes: Among the works of contemporary scholars, in addition to Robert Nisbet's A History of the Idea of Progress, which is probably the most readable book on this point, many of the same themes occur in J.G.A. Pocock's masterwork, The Machiavellian Moment. Neither book is specifically about America, although both of them, in effect, end up here. Books particularly about America include Gordon Wood's The Radicalism of the American Revolution, which lays out the clear vision of the Founders that they were building something both different from and better than the models of nation theretofore seen; Michael Kammen's A Machine that Would Go of Itself, which is about the role of the Constitution in our narrative; and what I believe was the late Judith Shklar's last

book, Citizenship: The Quest for Inclusion, which, although styled as an account of the role of earning and voting in American ideology, actually tells a story that illustrates precisely the narrative vision that I have described.)

* * * * *

This, then, is one view of the cathedral. I hope that these ideas will be of some use. Naturally, I stand ready to be of further assistance to you or your staff.

May I offer my best wishes to you and your family in this holiday season, and continuing thanks for your leadership. And thank you once more for your many kind words about my recent book.

Sincerely,

A handwritten signature in cursive script, appearing to read "Stephen Carter", with a long horizontal flourish extending to the right.

To: President Clinton
From: Walter Russell Mead
Re: Foreign Policy and the State of the Union Address
Date: December 30, 1993

The foreign policy portion of the State of the Union message should accomplish two things. It should explain the overall guiding strategy of American foreign policy and put it in the context of the current world situation. Second, it should show how this overall strategic foreign policy supports the overall domestic reform and renewal agenda of the Administration.

The foreign policy section of the 1994 speech should be longer and more prominent than in the 1993 message because the Administration needs to strengthen its mandate for action as the global situation becomes more troubled.

The Content of American Foreign Policy

Your first task, I am afraid, is to lower the expectations of the American people for the rapid consolidation of international democracy and peace -- and to explain that it isn't the Administration's fault that the end of the Cold War didn't usher in the millennium.

When you took office, there was a broad consensus among foreign policy analysts that the collapse of the Soviet Union meant the end of any serious challenges to American military, political, economic and ideological power. Fukuyama's idea that the end of the Cold War meant the "end of history" and the rapid consolidation of international democracy summed up this very widespread belief. Translated into policy, this meant that the United States should have high expectations about its ability to propagate democracy and international order in specific situations.

Administration spokesmen shared this assessment and proceeded to commit the prestige of the United States to the achievement of goals that turned out not to be attainable without the use of more force or more resources than the nation was willing to commit. There was also a tendency to underestimate the strength of the dark forces in Russia and to overestimate the ability of the Russian government to create and maintain the conditions for Polish style economic reforms.

Today the "end of history" consensus has broken up and a more realistic sense of the possibilities and dangers is beginning to sink in. American policy already reflects much of this new thinking, but the shift has yet to be fully explained to the public.

I would suggest an approach like the following:

In 1918 and 1945 America emerged victorious from great international conflicts, and hopes were high that the triumph of our armies and our allies in war would lead to the victory of our principles in peace. In both years Americans and their allies optimistically prophesied that a just and decent world order would arise from the ruins of war; both times we learned painfully that building peace is at least as hard as waging war. We have been undergoing a similar process since the Berlin Wall came down in 1989.

In the aftermath of World War One, the nation and its allies made some bad choices. We failed to build an economic order that would have allowed defeated nations like Germany and developing nations like Japan the opportunity to prosper and to build durable democratic institutions. We also failed to build an adequate security system.

The result, of course[and perhaps to oversimplify for rhetorical purposes], was the rise of fascism and the Second World War. After this much greater conflict the United States and its allies vowed to learn from this experience. In the 1940's and 1950's Presidents Truman and Eisenhower built a solid foundation for peace. The Bretton Woods system, GATT and the Marshall Plan laid the foundation of a solid economy that had room for Germany and Japan. NATO and the Japanese-American Security Treaty provided a military alliance to keep the peace.

This foundation proved strong enough to hold together during the Cold War. Now the world faces a new task every bit as difficult and important as the tasks of 1918 and 1945: we must build a foundation for peace on the ruins of the Cold War. Russia and other formerly communist countries must have room to prosper and to move in their own way and at their own pace toward democracy. The allies in the Cold War must not neglect the strength of their collective security arrangements that have proved so successful in the past.

The United States cannot control the political and economic evolution of nations like Russia. Russians must choose their future for themselves and in their own way. But, with the help of Japan and our allies in Europe, we can create the conditions that give the Russian people a real chance to build prosperity and democracy. This is also true for our neighbors in this hemisphere and other developing nations around the world. We must not make the mistakes that led to the rise of fascism and a new era of international conflict earlier in this century. We can and must build a dynamic, free and healthy global economy that can give the world's peoples the opportunity to prosper and find freedom. We can and must maintain the power and the alliances that, whatever conflicts may flare up from time to time, basic world security will be maintained. We cannot prevent every outbreak of violence on the face of the earth, but we can and must maintain peaceful relations among the world's major powers, and we can and must maintain the security of the world's major markets, trading centers, trade routes and the hearts of its great civilizations.

The Relationship between the Foreign and the Domestic Agendas of the Administration.

Explained in this way, the connections among the foreign and the domestic policy priorities of the Administration are much easier to see. It is, frankly, not easy for the average American citizen to see why chasing warlords in Somalia or sending the marines to Haiti would serve his or her interests. But the strategic defense of peace and collective security in an era of nuclear weapons is something that most Americans understand to be one of the unavoidable responsibilities of their government. As long as specific commitments abroad can be explained in this broad strategic context, and as long as the commitments of forces and/or resources are obviously commensurate with the importance of the threat to these broad strategic concerns, most Americans will accept an activist foreign policy in a dangerous time.

Anchoring this concern in the quest for economic growth builds an even closer connection between foreign and domestic policy. Global economic growth combined with market access is clearly necessary for the economic health of the United States and for the economic security of its citizens. If global economic growth is properly appreciated as the strategic centerpiece of your quest for peace and democracy abroad, then your foreign and domestic policies will be seen to be complementary. Foreign policy is not a diversion

from the domestic agenda; rather it is a method to reach the central Administration goal of renewed prosperity for the American middle class.

The State of the Union message needs to underline this concept and to elevate global economic growth as a central foreign policy focus of the United States. This also allows you to turn public attention toward your foreign policy successes of 1993.

When you took office, the United States had two immediate challenges. First, the long period of fiscal irresponsibility had eroded international respect for the American government. Other countries wanted to see the federal deficit brought under control and were unwilling to listen to American proposals for joint action to stimulate the global economy as long as we failed to put our own house in order.

Now we have accomplished this. The decline in the deficit plus the strong economic recovery in the United States give us new opportunities for international economic leadership.

Second, the NAFTA and GATT trade agreements needed to be wrapped up. This too has been done, and you can argue that American exporters in the 1990's will have greater access to more markets than ever before in our history.

We are now ready for the second phase of the Administration's economic foreign policy: moving from market access to market expansion. We want to work with Europe and Japan to get our two most important trading partners back on a high growth path. And we want to work with them to find new approaches toward jump starting the economies of Eastern and Central Europe.

Poverty in Russia does not just create political problems for the United States and our allies. It creates economic problems as well. A healthy, growing economy in the former Communist world would mean billions of dollars in new exports for us and hundreds of thousands of new jobs.

A point which you may or may not want to address in the speech: underconsumption in East Asia and especially Japan is a greater threat to the global economy than low savings in the United States. If Japan reduced its national savings and increased consumption to European levels, the Japanese market would grow by over \$200 billion. This is equal to the most widely accepted forecasts of the benefits to the world economy of the Uruguay Round.

Growth in Europe, Japan, the formerly communist countries and developing countries means peace in the world and growth in the United States. It would be interesting to sound out other governments to see how far you could prepare the way for the speech. Statements from other world leaders welcoming the Clinton initiative for growth and pledging, however vaguely, to cooperate would help cement a public perception of an active, promising foreign policy aimed at safeguarding the real interests of the American middle class. Germany might respond quite favorably to proposals for a fresh initiative in Eastern Europe; the Japanese government might also appreciate a shift away from confrontation over market share in favor of cooperation for market growth. Some advance work on this could give you the basis for specific proposals in the speech.

Talking about how world
employment crisis threatens
freedom & la Schuenniger
is different & works as a foreign
policy point.

I'm skeptical
here. People
support the defense
of freedom & democracy
& believe in American
freedom. You don't
need to sugarcoat
by saying the
efforts in Russia
or E. Europe are
about jobs. The
open markets pt
should be made
in discussing
economic growth.
But not
be thrown in
when discussing
real foreign
policy... liberty
& democracy...
concerns...

DRAFT -- DECEMBER 27

93 DEC 27 P5:19

M E M O R A N D U M

DATE: December 28, 1993
TO: President Clinton
FROM: John Holum
SUBJECT: State of the Union Address

Since the primaries I've not peppered you with political memos, figuring that you were well covered with advice and that someone else certainly would offer the same insights. But that doesn't mean I haven't been itching -- so I was grateful for David Dreyer's invitation to think about overall themes for the State of the Union Address. Following are some results:

Basic Structure.

The basic description in David's end of year memo is solid. I would argue for two broad shifts in emphasis. First, as suggested below, it's important (as well as accurate) to characterize this era as historic and pivotal, which in my view would mean less emphasis on Republican neglect as the source of our difficulties (which is losing political salience anyway), and more stress on the changed circumstances sweeping the planet. The American people look to you to explain the nature of today's challenges and why they are not susceptible to traditional answers. Your best role is not as a politician but as a visionary. This would both elevate the tone and clarify the stakes in forthcoming debates.

Second, I think the address should ring with confidence in our ability to surmount our problems if we all accept responsibility, take the work seriously, and pull together -- not just political leaders and governmental officials, but all Americans. The elements of this are present; I'd just give it more emphasis.

Criteria For A Theme.

First, it's exactly right to draw back from the details of policy and declare broad principles. Our chances for success on health care, for example, were dramatically improved when your

speech defined the six essential elements of reform; they are brightened even more by the simple description of health care coverage that can never be taken away. A president known as deeply knowledgeable on details needs especially to paint a bigger picture, so people will know how it all fits together and where he wants to lead us.

Second, it's also important to look beyond security. For the people of the world's leading democracy and sole superpower, feeling safe on the streets, secure in employment, and confident about filling basic needs should be a means, not an end. After a long period of indifference, we should solve problems, but also aspire to higher purposes than to protect people from bad things.

Third, the theme has to be durable -- something that will be repeated throughout your administration, rather than supplanted after a few months, leaving an impression of inconstancy.¹ That means it has to be broad enough to encompass pretty much all that's underway or planned. And it should also be consistent with the record thus far -- and, indeed, help give it context, so you won't appear to be reinventing yourself after the first year.

Fourth, this period must be defined as pivotal in our history. We are in a time of inescapable change. The Cold War is over. The global economy is so thoroughly integrated that we couldn't shut ourselves off from it even if we wanted to. In our inner cities we're reaping a whirlwind from the decline of families and religious and community values and the collapse of opportunity. The bills are coming due for Federal deficits, for environmental neglect, for a health care system that is both inefficient and insufficient. We can solve these problems; what we can't do any longer is postpone them. So it falls to us to master change.

Fifth, the theme or definition should embrace both tradition and vision -- drawing on the past while looking to the future. You've spoken to the fact that the American people feel insecure, and so are reluctant to accept necessary departures such as defense cuts, more open trade, etc. Fears of a transitional economy, societal breakdowns and a tumultuous world will be lessened to the extent the American people see you drawing on familiar values to address new issues. Of course among the most important of those values are those you've long stressed as central to the nation's character -- opportunity, responsibility, community.

¹ Presidencies, even more than campaigns, are prone to finding something that works and then changing it. In both cases, discipline is an essential complement to creativity and intellectual restlessness.

Possible Themes.

I don't have a settled view of what a theme meeting these standards should be. Possibilities might be "An American Renewal," taken from David's memo, or "The Restoration of America," or "An American Renaissance." Any of these can easily encompass successes on the deficit, trade, the Brady bill, national service, and the environment, along with reinventing government, welfare reform, health care, and redesign of our foreign policy and defense posture for a changed world. Doubtless more creative minds than mine can come up with more choices.

Other Thoughts.

A few additional thoughts:

After making clear that you have engaged the nation in historic work, you should underscore, in a personal conversation with the American people, that you "will not become discouraged, and will not be diverted." It is slipping into the American consciousness that your political successes invariably bring forth low-lives like the Arkansas troopers. It is a heroic element of your leadership that you soldier on cheerfully through all of that and keep advancing the ball -- just as you did in the campaign. Obviously you can't and shouldn't explicitly refer to the personal attacks; indeed, that would defeat what I'm suggesting.² But you can implicitly confirm their triviality, while at the same time invoking a gift you have in common with Franklin Roosevelt, Jack Kennedy and Ronald Reagan -- a personal sense of optimism and cheer, which is both effective and infectious.

A related point is that people need to be reminded continuously that we're in this together, and that everyone's efforts are important and valued. Public service is a worthy calling, but government neither can nor should do it all, or even most of it. States, localities, other communities, churches, families, volunteer organizations all have a vital part to play, and we want to empower them to do so.

Finally, after you congratulate the Congress on last year's successes, you should challenge them again, promising that 1994 will be even harder than 1993. I said at my swearing-in ceremony at ACDA that the country eventually will see you as the kind of leader who spends political capital, rather than hoarding

² . . . Tempting though it is to observe that in reporting whatever someone is willing to say, no matter how outrageous and diverting, the press and media essentially hand over control of our political discourse to the most odious types -- a point best made in private, or by your friends.

it, and that's why change is happening, just as you promised. You celebrate results, rather than ratings. Most politicians sense that taking risks can be good politics (as you've demonstrated especially on NAFTA) because it reveals personal qualities of courage and commitment that override disagreements on specific issues. Most members of Congress, however, find it easier to play it safe, and more this year than last will want to keep their distance if your poll numbers are down. Your legislative program could fare better if you summon the Congress to operate the same way you do -- again, because the work is not just deciding the details of the health or welfare systems, but is defining the country for a new era.

* * *

I hope this is helpful. I'm proud to be a part of your Administration.

J.D.H.

William A. Strauss

93 1316 Rockland Terrace
Arlington, Virginia 22101
Telephone (703) 829-0871

FAX TO: The Vice President, fax # 202/456-6527
FROM: Bill Strauss, fax # 703/847-6485
DATE: December 25, 1993

Here's my contribution. It's what I could do in the short time I had available, and I hope you like it. I've tested these themes in several book-related speeches, and I've always gotten very positive feedback from people on all sides of the political spectrum. I guarantee you that downplaying "Boomerisms" and emphasizing "Millennial Generation" children is a winning strategy.

I'll be in town nearly all of January, and I'd be pleased to sit down with the speech-writing team to help them merge generational themes with other points the President might want to make in his speech.

I know you're busy, Al, but I'd love to hear your comments about what I've drafted.

William A. Strauss

1316 Rockland Terrace
McLean, Virginia 22101
Telephone (703) 821-0871

FAX TO: David Dreier, fax # 202/456-6527
FROM: Bill Strauss, fax # 703/847-6485
DATE: December 25, 1993

Vice President Gore asked me to suggest a few themes for the President's upcoming State of the Union message. I'm delighted to help. Over the past two days, and with help from my colleague Neil Howe, I've drafted a roughly 3000-word text that expresses some generational themes you might find useful.

The centerpiece of this text is its focus on the "Millennial Generation" of today's small children. That's a focus that, I think, can work in very positive ways in the selling of rest of the President's agenda.

Normally, I'd suggest avoiding generational labels (like "Boomers," "Xers," or "13ers"), most of which have negative or downbeat connotations. But I do recommend that the President use the term "Millennial Generation" to refer to today's babies and small children. The tag is upbeat and future-focused, and it lends itself well to other themes in the text.

Let me urge the President not to spend too much time speaking about his own generation, which to many people (young adults, especially) is a tired subject. When he does talk about his own generation, it should mainly be in reference to others-- as an acknowledgment of the good deeds of his parents' generation, and as a springboard for talking about children and young people.

Toward the end, I made reference to a hypothetical "Linda Forbes Anderson" to make a point about intergenerational nurture. If you like that paragraph and want the President to make that point, I'd suggest you locate a woman about age 40, with a living grandparent in his or her mid-90s and a child in kindergarten or preschool, and seat them in the balcony during the speech. (Also, FYI, you should doublecheck the facts about the Launice case before using it.)

I will be on the road in Costa Rica from Christmas morning until the early evening of January 1st. If you have any questions between now and then, please call or fax them to Neil Howe, (my coauthor in writing Generations and 13th-Gen), who is spending the holidays in Montreal will be reachable in Montreal at 514/341-1063 (phone) or 514/341-0386 (fax). From January 2nd on, I'll be reachable at home.

This text is all original and not published elsewhere, though based on ideas Neil and I have written or spoken about in the past. Your speech-writing team is more than welcome to borrow (and, of course, edit) whatever portions of it you'd like.

THE STATE OF THE UNION

(a generational perspective)

"To ourselves and our posterity." The Framers of our Constitution put these five words in the Preamble to commit their nation to treat the present and future as equal partners in the great issues of state. Today, we are making the changes necessary to prepare America for the new Millennium. As we reform the Health Care system, as we combat the violence plaguing our cities, as we keep the peace in a world with new dangers, I call upon all Americans to honor that commitment to "posterity," and to remember what that word really means. It means our children, and their children, and *their* children--all people whom we today love, or someday will come to love, very deeply.

This time of change and new directions has included a fateful transition to a new generation of leaders. Over the course of American history, this is the twelfth time a rising generation has taken over the reins of government. Each time, a new set of men and women has had new visions of the future, set new goals, and taken important new actions that have shaped the world their children, grandchildren, and great-grandchildren came to inherit.

The book is closing on the magnificent accomplishments of the generation that came before us--the generation of John F. Kennedy and Gerald Ford, of Lyndon Johnson and Ronald Reagan, of Jimmy Carter and George Bush. I have no doubt that historians will someday rank their generation right up there with the likes of Jefferson and Madison for the contributions they made to the craft of public service. No other American generation held the White House for so long: 32 years. No other generation bore witness to as many important triumphs--triumphs over joblessness, triumphs over fascism and communism, triumphs over racial segregation, just to name a few.

Like others before them, the course they set reflected the experiences they remembered as children and young adults. These were the children of Prohibition, the high school and college graduates of joblessness and depression, the soldiers and Rosie-the-Riveters who fought and won the most important war in world history. As young adults, they stepped carefully into a postwar world full of nuclear terror, cultural conformism, McCarthyism, and racial segregation. They took note, and fixed their goals accordingly.

From the late 1940s through the '60s, they sparked the great postwar "boom," the word that accounts for my generation's famously upbeat name. In so doing, they created an enduring prosperity that enabled us, their children, to graduate into an economy far fuller of jobs and opportunity than what they knew in their own youth. Once in power, they spared the world another Hiroshima. They conquered science--landing astronauts on the moon, inventing vaccines for terrible illnesses, building the early computers that launched the Information Age. They extended equal justice under law to racial minorities, giving substance to the rich diversity of this nation. Yes, they made mistakes, from Vietnam to the recent runup of national debt, but their shortcomings detract little from the tremendous endowments they left for us.

Above all--and this matters more than anything else--their generation produced the finest moms and dads our nation has ever seen. Ask anybody my age, and they'll tell you: When we were kids, children came first in America. Families were strong, schools had broad public support, the crime rate was low, and community life was strong. The pop culture was wholesome enough that parents could comfortably turn on any TV or radio program, or go to almost any movie, and know it was OK for their kids to share the experience. Sure, there were plenty of elements of yesterday's culture we wouldn't want to resurrect (except maybe on *Nick at Nite*), and sure, there were numerous sexual and other inequities that we now realize were wrong. But no one can argue that, for my generation, that was a terrific time to have been a kid.

One of the traits I admire most about the men and women of the Kennedy-Bush generation is their exuberant optimism. I still see it in so many of the senior citizens I meet around this country. True to the words in that old Johnny Mercer song, today's seniors have always known how to *Ac-cent-ichu-ate the Positive*. As a generation, they've shared a wonderfully positive vision of the future. It's been the gleaming cityscape of Walt Disney's Tomorrowland, the "ask not" selflessness of John Kennedy's Inaugural Address, the predictably happy endings of Jackie Gleason and Lucille Ball's vintage TV shows, the we-can-do-better attitude of Betty Friedan's pathbreaking feminism, and the exuberant spiritualism of the likes of Billy Graham, Ralph Abernathy, and Martin Luther King, Senior. From their perspective, anything and everything was possible in the America their children would someday inherit.

My own generation has known very different experiences. We grew up in a time of material abundance--and of growing doubt about the capacity of large institutions to get important things done. We came of age in a time of new assertions of individual rights--and of a diminished sense of national community. We are reaching midlife in a time of great advances in telecommunications technology--and of an anxiety about the mark the popular culture is making on our children. In a time of new personal freedoms--and of terrible new waves of crime and sexually-transmitted disease. In a time of new federal programs to help those in need--and of a fear that our families are weakening and our streets are being lost to crime. In a time of individual empowerment, of a surge in the demands the American people have placed on their government--and of a cynicism about how that government has forgotten the simple capacity of living within its means. We have acquired the reins of leadership in a time of victory over the great Cold War rivals of our youth--and of mounting pessimism about what the next century holds in store.

It is the great task of my generation to reverse these trends. This requires a set of goals and actions in some ways very different from those of the generation of our parents. But there is one thing they had that we need to capture: It's that *Ac-cent-ichu-ate the Positive* spirit, that unabashed optimism about the future. How can we get it? It's simple. Just like our parents once did with us, we do it by putting children first.

Just as we were the children of the great American boom, the youngest of our sons and daughters are the children of the new millennium. The babies of the '80s and '90s, the elementary school students of today, comprise America's Millennial Generation. They are the children of our destiny. In the years to come, they will redefine what it means to be an American. Forty million and counting, the girls and boys of this Millennial Generation must be living proof of our resolve that our nation's future will be greater than its past. Just as these children can capture our hearts, so too can they be help us sharpen our eyes and lift our souls, as a people.

Let me make these promises to America's Millennial children: We, the leaders of your country, have no greater duty than to provide you with the health, nutrition, and education you need to get a good start on life.

We, the stewards of your economy, have no greater duty than to ensure that by the time you're ready to do the jobs of a hotly competitive global economy, those jobs will be ready for you right here in America.

We, the trustees of your estate, have no greater duty than to restore the fiscal integrity of government so your future won't be strangled by trillions of dollars of debt your elders have accumulated in your name.

And we, the parents of your families, have no greater duty than to do as fine a job raising you as our own moms and dads did with us.

I'm confident that we can do all this, and more. But I have to be realistic about the size of the challenge. If we measure the State of the Union by the State of Childhood in this Union, I do not have much good news to report. The rates of child poverty and teen pregnancies are way too high, our scholastic test scores lag behind the foreign competition, the pop culture is in many ways too violent and sex-laced for a child's consumption--and, tragically, walking to school can be a life-threatening experience for millions of crime-plagued children.

My heart broke when I heard about the shooting of little four-year-old Launice of Washington, D.C. A few months ago, Launice was killed by random gunspray while playing. Like all Americans of conscience, I have heard more than enough stories about the crack babies, about children bearing children--and, especially, about the little Launices being killed and crippled in their homes, schools, and playgrounds. It is time for that to stop. I say, **NO MORE LAUNICES. NO MORE LAUNICES!**

Just as the quality of today's State of the Union was substantially fixed by the quality of our childhood, the quality of tomorrow's State of the Union will depend on how well live up to our promises to them. What gives me hope is that now, unlike a few years ago, we refuse to tolerate harms against our children, and a consensus has emerged about the seriousness of the problem. We've all heard the talk about the so-called "culture wars" of the '90s. From one edge of the spectrum to the other, there are major differences of opinion about this or that--for instance, what should be taught in schools, put in song lyrics, or shown in films. But to my mind, the controversies are overshadowed by the extent to which people of goodwill on all sides of these debates are coalescing around a common set of principles. Let me state them:

- First, that the proper nurture of children ranks right up there with national defense as one of the most important tasks of our society.
- Second, that children fare best when families are strong. There are many good kinds of families, but the best kinds are those with grownup mothers and fathers.
- Third, that small children need and deserve adult protection from things that can hurt them--and from images that are beyond their capacity to understand.

- Fourth, that children must develop goals beyond themselves, to help others and serve their community.
- Fifth, that *values* matter--and are worth teaching.

Even as we share these principles, many in my generation disagree vehemently about the details of what a pro-child, pro-family national agenda must include. In pursuing their own visions and agendas, our parents' generation overcame countless cultural divisions and political arguments. So can we--if we all come to agree that, in the end, our children's welfare matters more than anybody's political point-making.

In our quest to improve the state of American childhood, and with it the future State of the Union, my generation's toughest challenge will be to rise above the pursuit of self we have seen too much of over the past quarter-century. Dating back to my college days, this nation has passed through an era that has put personal desires ahead of community needs. Many of the problems we have today are residues of the atomizing solvent of a little too much individualism. Some of us complain about its adverse impact on the pop culture and family life, others about the harm it has done to the corporate culture and the economy. Both sides have a point.

The "rugged individual" has long been a part of American folklore and is an essential element of the national character. But so is the Jimmy Stewart hero of *It's a Wonderful Life* who selflessly helps his neighbors, or the American fighting men and women who gave their lives in Iwo Jima, Khe Sanh, Kuwait City, or Mogadishu so others would have freedom or the fuel of life.

It is my generation's task to teach our children that there are many things bigger than the individual. A family, for starters. And a community. The American democracy. A human civilization. The precious ecology of this planet.

As we teach that great lesson, I call upon adult America to set a good example for our young pupils. I call upon my adult contemporaries to think of ourselves not just as beneficiaries, but as benefactors.... Not just as the claimants of entitlements, but also as the offerors of endowments.... Not just as the possessors of rights, but also as the bearers of civic responsibilities.... Not just as members of special interest groups, but also as partners of a very special nation we call the United States of America.

In proclaiming my generation's task of leadership, and in summoning us all to do better for the Millennial Generation of small children, so too must I acknowledge, and propose to do right by, the generation in between. By that, I mean the eighty million young adults born in the '60s and '70s, now ranging in age from their teens to their early thirties. These young Americans grew up amidst a divorce epidemic, an R-rated culture, a cynicism about government, and a bleak *Blade Runner* vision of the future. Understandably, many of them have drawn profound and often unflattering lessons from what has happened in American government, business, and culture over the last quarter-century. They, more than anyone, know the damage that divorce has done to families, that debt has done to the dreams of youth. They, more than anyone, feel the burdens of crime, AIDS, and new racial arguments. They, more than anyone, feel the pressures of joblessness and poverty. They, more than anyone, feel the time for talk has passed, and the time for repair has come. They want people my age to stop the blame game and start fixing the fixable.

To these young people, I say: Join us. Our quest is difficult, our challenges immense. We need you. I admire your generous spirit of voluntarism, your willingness

to do good deeds without caring who gets the credit. I commend your talents as entrepreneurs and your skills in advanced technology. I salute your soldiership in America's battle to stay competitive in the global economy. I respect your focus on the bottom line, your desire to keep what works and discard what doesn't, your insistence that jobs get done as ordered, on schedule, and on budget. I appreciate your desire for change, your openness to new ideas. And, if I can speak to those of you who have started families yourselves, I share the hopes and dreams you have for your children.

Polls show that many of you young adults fear that the American Dream may not be there for you or for your children. Let me today commit myself--and, I hope, this nation--to answering those fears. That means good jobs and a growing economy, but the American Dream stands for things even more important than that.

A half-century ago, the historian James Truslow Adams defined the American Dream as giving every youth "the chance to grow into something bigger and finer, as bigger and finer appeared to him." (Or, might I add, to *her*.) For our parents, those children of depression, that dream meant prosperity. For us, the children of the postwar prosperity they created, the American Dream means a renaissance of family, of service, of a community of shared values, of a sense of national direction, of a positive vision of the future.

When will we know we have confirmed the American Dream? Not when everyone can buy a bigger house than our parents, though surely that would be nice. Not when we have more or better automobiles or high-technology appliances, though that is to be wished too. The American Dream will be confirmed when our young people believe in the institutions and values of their nation. It will be confirmed when they look upon government as a form of service, not as a source of waste and indifference. It will be confirmed when young people can again widely admire those who run for office, manage large corporations, and run hospitals or law firms. The American Dream will be confirmed when young people can again freely admit that, yes, they do have heroes.

Rich or middle-class, white-collar or blue, that's the kind of American Dream we all can share. To paraphrase Truslow Adams, that's something bigger and finer, as bigger and finer appears to me.

If my generation can reconfirm the Dream, we will have achieved what the Framers commanded when they inked the word "posterity" into our Constitution. We honor what they did for their posterity, and we wish to do no less for ours. Just as we are heirs of ancestors we mostly admire, so too are we ancestors to heirs whose admiration we should wish to earn.

I predict that, a third of a century from now, today's Millennial children will elect their own young President. What kind of a State of the Union speech will she give? I will be around 80-years-old then, but I hope I'm in this chamber to hear the new visions she offers, the new directions she sets. And I earnestly hope she speaks with gratitude of the record my generation will have established.

Through our family relationships, we communicate across eras of mind-bending length. To demonstrate, let me use the example of Linda Forbes Anderson of Topeka, Kansas, who's sitting up there in the balcony with her family. Linda recently celebrated her 40th birthday. Her grandmother, Emily Forbes, was born in 1897. Her son Jason is a five-year-old who just entered kindergarten this year. Let's imagine that Jason, upon reaching age 35, will make his mom Linda the proud grandparent of a baby girl who will live to be as old as Emily Forbes now is.

Do the math, and you'll see that Linda has been nurtured by and will herself nurture family members whose combined lives could span nearly 225 years, bridging an era that stretches from the 19th century into the 22nd. That's a longer timespan than the 216-year history of the American Republic. The reach of time between the birth of Linda's grandparent and the death of her grandchild is longer than the distance between the generation of Jefferson and Madison and ourselves.

Let me encourage everybody in this country to do that same calculation for your own family. In an age when a "long-term" weather forecast stretches a few days, and a "long-term" business or government projection only a few years, the two-century span of family relationships should teach us what "long-term" does in fact mean.

Whatever your generation, you know it wasn't the first. Surely, you don't wish it to be the last. Set aside any self-focused talk about the "end" of history. As a nation, as in our families, we Americans are nowhere near the end of anything. Rather, we're somewhere in the middle, or even near the beginning.

We recognize our duty, and our children are counting on us. We have much to do, so let's get started.

William A. Strauss

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McLean, Virginia 22101
Telephone (703) 829-0871

FAX TO: The Vice President, fax # 202/456-6527
FROM: Bill Strauss, fax # 703/847-6485
DATE: December 25, 1993

Here's my contribution. It's what I could do in the short time I had available, and I hope you like it. I've tested these themes in several book-related speeches, and I've always gotten very positive feedback from people on all sides of the political spectrum. I guarantee you that downplaying "Boomerism" and emphasizing "Millennial Generation" children is a winning strategy.

I'll be in town nearly all of January, and I'd be pleased to sit down with the speech-writing team to help them merge generational themes with other points the President might want to make in his speech.

I know you're busy, Al, but I'd love to hear your comments about what I've drafted.

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FAX TO: David Dreier, fax # 202/456-6527
FROM: Bill Strauss, fax # 703/847-6485
DATE: December 25, 1993

Vice President Gore asked me to suggest a few themes for the President's upcoming State of the Union message. I'm delighted to help. Over the past two days, and with help from my colleague Neil Howe, I've drafted a roughly 3000-word text that expresses some generational themes you might find useful.

The centerpiece of this text is its focus on the "Millennial Generation" of today's small children. That's a focus that, I think, can work in very positive ways in the setting of rest of the President's agenda.

Normally, I'd suggest avoiding generational labels (like "Boomers," "Xers," or "13ers"), most of which have negative or downbeat connotations. But I do recommend that the President use the term "Millennial Generation" to refer to today's babies and small children. The tag is upbeat and future-focused, and it lends itself well to other themes in the text.

Let me urge the President not to spend too much time speaking about his own generation, which to many people (young adults, especially) is a tired subject. When he does talk about his own generation, it should mainly be in reference to others-- as an acknowledgment of the good deeds of his parents' generation, and as a springboard for talking about children and young people.

Toward the end, I made reference to a hypothetical "Linda Forbes Anderson" to make a point about intergenerational nurture. If you like that paragraph and want the President to make that point, I'd suggest you locate a woman about age 40, with a living grandparent in his or her mid-90s and a child in kindergarten or preschool, and seat them in the balcony during the speech. (Also, FYI, you should doublecheck the facts about the Launice case before using it.)

I will be on the road in Costa Rica from Christmas morning until the early evening of January 1st. If you have any questions between now and then, please call or fax them to Neil Howe, (my coauthor in writing Generations and 13th-Gen), who is spending the holidays in Montreal will be reachable in Montreal at 514/341-1063 (phone) or 514/341-0386 (fax). From January 2nd on, I'll be reachable at home.

This text is all original and not published elsewhere, though based on ideas Neil and I have written or spoken about in the past. Your speech-writing team is more than welcome to borrow (and, of course, edit) whatever portions of it you'd like.

THE STATE OF THE UNION

(a generational perspective)

"To ourselves and our posterity." The Framers of our Constitution put these five words in the Preamble to commit their nation to treat the present and future as equal partners in the great issues of state. Today, we are making the changes necessary to prepare America for the new Millennium. As we reform the Health Care system, as we combat the violence plaguing our cities, as we keep the peace in a world with new dangers, I call upon all Americans to honor that commitment to "posterity," and to remember what that word really means. It means our children, and their children, and *their* children--all people whom we today love, or someday will come to love, very deeply.

This time of change and new directions has included a fateful transition to a new generation of leaders. Over the course of American history, this is the twelfth time a rising generation has taken over the reins of government. Each time, a new set of men and women has had new visions of the future, set new goals, and taken important new actions that have shaped the world their children, grandchildren, and great-grandchildren came to inherit.

The book is closing on the magnificent accomplishments of the generation that came before us--the generation of John F. Kennedy and Gerald Ford, of Lyndon Johnson and Ronald Reagan, of Jimmy Carter and George Bush. I have no doubt that historians will someday rank their generation right up there with the likes of Jefferson and Madison for the contributions they made to the craft of public service. No other American generation held the White House for so long: 32 years. No other generation bore witness to as many important triumphs--triumphs over joblessness, triumphs over fascism and communism, triumphs over racial segregation, just to name a few.

Like others before them, the course they set reflected the experiences they remembered as children and young adults. These were the children of Prohibition, the high school and college graduates of joblessness and depression, the soldiers and Rosie-the-Riveters who fought and won the most important war in world history. As young adults, they stepped carefully into a postwar world full of nuclear terror, cultural conformism, McCarthyism, and racial segregation. They took note, and fixed their goals accordingly.

From the late 1940s through the '60s, they sparked the great postwar "boom," the word that accounts for my generation's famously upbeat name. In so doing, they created an enduring prosperity that enabled us, their children, to graduate into an economy far fuller of jobs and opportunity than what they knew in their own youth. Once in power, they spared the world another Hiroshima. They conquered science--landing astronauts on the moon, inventing vaccines for terrible illnesses, building the early computers that launched the Information Age. They extended equal justice under law to racial minorities, giving substance to the rich diversity of this nation. Yes, they made mistakes, from Vietnam to the recent runup of national debt, but their shortcomings detract little from the tremendous endowments they left for us.

Above all--and this matters more than anything else--their generation produced the finest moms and dads our nation has ever seen. Ask anybody my age, and they'll tell you: When we were kids, children came first in America. Families were strong, schools had broad public support, the crime rate was low, and community life was strong. The pop culture was wholesome enough that parents could comfortably turn on any TV or radio program, or go to almost any movie, and know it was OK for their kids to share the experience. Sure, there were plenty of elements of yesterday's culture we wouldn't want to resurrect (except maybe on *Nick at Nite*), and sure, there were numerous sexual and other inequities that we now realize were wrong. But no one can argue that, for my generation, that was a terrific time to have been a kid.

One of the traits I admire most about the men and women of the Kennedy-Bush generation is their exuberant optimism. I still see it in so many of the senior citizens I meet around this country. True to the words in that old Johnny Mercer song, today's seniors have always known how to *Ac-cent-ichu-ate the Positive*. As a generation, they've shared a wonderfully positive vision of the future. It's been the gleaming cityscape of Walt Disney's Tomorrowland, the "ask not" selflessness of John Kennedy's Inaugural Address, the predictably happy endings of Jackie Gleason and Lucille Ball's vintage TV shows, the we-can-do-better attitude of Betty Friedan's pathbreaking feminism, and the exuberant spiritualism of the likes of Billy Graham, Ralph Abernathy, and Martin Luther King, Senior. From their perspective, anything and everything was possible in the America their children would someday inherit.

My own generation has known very different experiences. We grew up in a time of material abundance--and of growing doubt about the capacity of large institutions to get important things done. We came of age in a time of new assertions of individual rights--and of a diminished sense of national community. We are reaching midlife in a time of great advances in telecommunications technology--and of an anxiety about the mark the popular culture is making on our children. In a time of new personal freedoms--and of terrible new waves of crime and sexually-transmitted disease. In a time of new federal programs to help those in need--and of a fear that our families are weakening and our streets are being lost to crime. In a time of individual empowerment, of a surge in the demands the American people have placed on their government--and of a cynicism about how that government has forgotten the simple capacity of living within its means. We have acquired the reins of leadership in a time of victory over the great Cold War rivals of our youth--and of mounting pessimism about what the next century holds in store.

It is the great task of my generation to reverse these trends. This requires a set of goals and actions in some ways very different from those of the generation of our parents. But there is one thing they had that we need to capture: It's that *Ac-cent-ichu-ate the Positive* spirit, that unabashed optimism about the future. How can we get it? It's simple. Just like our parents once did with us, we do it by putting children first.

Just as we were the children of the great American boom, the youngest of our sons and daughters are the children of the new millennium. The babies of the '80s and '90s, the elementary school students of today, comprise America's Millennial Generation. They are the children of our destiny. In the years to come, they will redefine what it means to be an American. Forty million and counting, the girls and boys of this Millennial Generation must be living proof of our resolve that our nation's future will be greater than its past. Just as these children can capture our hearts, so too can they be help us sharpen our eyes and lift our souls, as a people.

Let me make these promises to America's Millennial children: We, the leaders of your country, have no greater duty than to provide you with the health, nutrition, and education you need to get a good start on life.

We, the stewards of your economy, have no greater duty than to ensure that by the time you're ready to do the jobs of a hotly competitive global economy, those jobs will be ready for you right here in America.

We, the trustees of your estate, have no greater duty than to restore the fiscal integrity of government so your future won't be strangled by trillions of dollars of debt your elders have accumulated in your name.

And we, the parents of your families, have no greater duty than to do as fine a job raising you as our own moms and dads did with us.

I'm confident that we can do all this, and more. But I have to be realistic about the size of the challenge. If we measure the State of the Union by the State of Childhood in this Union, I do not have much good news to report. The rates of child poverty and teen pregnancies are way too high, our scholastic test scores lag behind the foreign competition, the pop culture is in many ways too violent and sex-laced for a child's consumption--and, tragically, walking to school can be a life-threatening experience for millions of crime-plagued children.

My heart broke when I heard about the shooting of little four-year-old Launice of Washington, D.C. A few months ago, Launice was killed by random gunspray while playing. Like all Americans of conscience, I have heard more than enough stories about the crack babies, about children bearing children--and, especially, about the little Launices being killed and crippled in their homes, schools, and playgrounds. It is time for that to stop. I say, **NO MORE LAUNICES. NO MORE LAUNICES!**

Just as the quality of today's State of the Union was substantially fixed by the quality of our childhood, the quality of tomorrow's State of the Union will depend on how well live up to our promises to them. What gives me hope is that now, unlike a few years ago, we refuse to tolerate harms against our children, and a consensus has emerged about the seriousness of the problem. We've all heard the talk about the so-called "culture wars" of the '90s. From one edge of the spectrum to the other, there are major differences of opinion about this or that--for instance, what should be taught in schools, put in song lyrics, or shown in films. But to my mind, the controversies are overshadowed by the extent to which people of goodwill on all sides of these debates are coalescing around a common set of principles. Let me state them:

- First, that the proper nurture of children ranks right up there with national defense as one of the most important tasks of our society.
- Second, that children fare best when families are strong. There are many good kinds of families, but the best kinds are those with grownup mothers and fathers.
- Third, that small children need and deserve adult protection from things that can hurt them--and from images that are beyond their capacity to understand.

- Fourth, that children must develop goals beyond themselves, to help others and serve their community.
- Fifth, that *values* matter--and are worth teaching.

Even as we share these principles, many in my generation disagree vehemently about the details of what a pro-child, pro-family national agenda must include. In pursuing their own visions and agendas, our parents' generation overcame countless cultural divisions and political arguments. So can we--*if* we all come to agree that, in the end, our children's welfare matters more than anybody's political point-making.

In our quest to improve the state of American childhood, and with it the future State of the Union, my generation's toughest challenge will be to rise above the pursuit of self we have seen too much of over the past quarter-century. Dating back to my college days, this nation has passed through an era that has put personal desires ahead of community needs. Many of the problems we have today are residues of the atomizing solvent of a little too much individualism. Some of us complain about its adverse impact on the pop culture and family life, others about the harm it has done to the corporate culture and the economy. Both sides have a point.

The "rugged individual" has long been a part of American folklore and is an essential element of the national character. But so is the Jimmy Stewart hero of *It's a Wonderful Life* who selflessly helps his neighbors, or the American fighting men and women who gave their lives in Iwo Jima, Khe Sanh, Kuwait City, or Mogadishu so others would have freedom or the fuel of life.

It is my generation's task to teach our children that there are many things bigger than the individual. A family, for starters. And a community. The American democracy. A human civilization. The precious ecology of this planet.

As we teach that great lesson, I call upon adult America to set a good example for our young pupils. I call upon my adult contemporaries to think of ourselves not just as beneficiaries, but as benefactors.... Not just as the claimants of entitlements, but also as the offerors of endowments.... Not just as the possessors of rights, but also as the bearers of civic responsibilities.... Not just as members of special interest groups, but also as partners of a very special nation we call the United States of America.

In proclaiming my generation's task of leadership, and in summoning us all to do better for the Millennial Generation of small children, so too must I acknowledge, and propose to do right by, the generation in between. By that, I mean the eighty million young adults born in the '60s and '70s, now ranging in age from their teens to their early thirties. These young Americans grew up amidst a divorce epidemic, an R-rated culture, a cynicism about government, and a bleak *Blade Runner* vision of the future. Understandably, many of them have drawn profound and often unflattering lessons from what has happened in American government, business, and culture over the last quarter-century. They, more than anyone, know the damage that divorce has done to families, that debt has done to the dreams of youth. They, more than anyone, feel the burdens of crime, AIDS, and new racial arguments. They, more than anyone, feel the pressures of joblessness and poverty. They, more than anyone, feel the time for talk has passed, and the time for repair has come. They want people my age to stop the blame game and start fixing the fixable.

To these young people, I say: Join us. Our quest is difficult, our challenges immense. We need you. I admire your generous spirit of voluntarism, your willingness

to do good deeds without caring who gets the credit. I commend your talents as entrepreneurs and your skills in advanced technology. I salute your soldiership in America's battle to stay competitive in the global economy. I respect your focus on the bottom line, your desire to keep what works and discard what doesn't, your insistence that jobs get done as ordered, on schedule, and on budget. I appreciate your desire for change, your openness to new ideas. And, if I can speak to those of you who have started families yourselves, I share the hopes and dreams you have for your children.

Polls show that many of you young adults fear that the American Dream may not be there for you or for your children. Let me today commit myself--and, I hope, this nation--to answering those fears. That means good jobs and a growing economy, but the American Dream stands for things even more important than that.

A half-century ago, the historian James Truslow Adams defined the American Dream as giving every youth "the chance to grow into something bigger and finer, as bigger and finer appeared to him." (Or, might I add, to *her*.) For our parents, those children of depression, that dream meant prosperity. For us, the children of the postwar prosperity they created, the American Dream means a renaissance of family, of service, of a community of shared values, of a sense of national direction, of a positive vision of the future.

When will we know we have confirmed the American Dream? Not when everyone can buy a bigger house than our parents, though surely that would be nice. Not when we have more or better automobiles or high-technology appliances, though that is to be wished too. The American Dream will be confirmed when our young people believe in the institutions and values of their nation. It will be confirmed when they look upon government as a form of service, not as a source of waste and indifference. It will be confirmed when young people can again widely admire those who run for office, manage large corporations, and run hospitals or law firms. The American Dream will be confirmed when young people can again freely admit that, yes, they do have heroes.

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Through our family relationships, we communicate across eras of mind-bending length. To demonstrate, let me use the example of Linda Forbes Anderson of Topeka, Kansas, who's sitting up there in the balcony with her family. Linda recently celebrated her 40th birthday. Her grandmother, Emily Forbes, was born in 1897. Her son Jason is a five-year-old who just entered kindergarten this year. Let's imagine that Jason, upon reaching age 35, will make his mom Linda the proud grandparent of a baby girl who will live to be as old as Emily Forbes now is.

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Whatever your generation, you know it wasn't the first. Surely, you don't wish it to be the last. Set aside any self-focused talk about the "end" of history. As a nation, as in our families, we Americans are nowhere near the end of anything. Rather, we're somewhere in the middle, or even near the beginning.

We recognize our duty, and our children are counting on us. We have much to do, so let's get started.

Columbia University in the City of New York | *New York, N.Y. 10027*

DEPARTMENT OF HISTORY

Fayerweather Hall

December 30, 1993

TO: David Dreyer
The White House
202-456-6527 (FAX)

FROM: Alan Brinkley
212-787-7596
212-769-9173 (FAX)

I'm pleased to have the opportunity to offer some reflections on the President's upcoming State of the Union Address. I have some comments on the long outline you sent me last week, which I gather represents your thinking about the basic themes of the speech; and I also have some more general thoughts of my own about what a State of the Union address can and, in my view, should accomplish.

I have only a few comments on the outline, which is in any case obviously very preliminary. It presents a good, straightforward account of the administration's accomplishments in its first year and suggests ways of fitting them into the broad theme of "security" that the President outlined in Chapel Hill. It also revives a theme familiar in Reagan State of the Union Addresses: the dismal state of the nation when President Clinton took office, the progress the nation has made since his presidency began. That was an effective device then, and it should be effective now (although there is at present nothing like the widespread popular ebullience of the mid-1980s, so it would be wise to make somewhat more muted claims here than Reagan did).

One theme the outline hits very hard is the administration's effort to target the middle class. This is obviously good politics and, in my view, good policy as well. And there are, of course, many reasons to want to reassure the middle class at this time. For example, there are still many people who do not understand that last year's income tax increase hits only the affluent, and there is, I suspect, a broad misimpression among middle-class people that the President has raised their taxes. It is worth reminding them that he did not (except, of course, for the very modest gasoline tax).

At the same time, I feel uneasy about the heavy and explicit use of the term "middle class" in this speech, which does not seem to me to have quite the inclusive meaning you intend. There

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are a great many people in the Democratic (and Clinton) constituencies who do not consider themselves truly "middle class" -- even if most aspire to become so. Workers, in particular, have a rather ambivalent relationship to the idea of the "middle class"; and given the strains in the administration's relationship with the labor movement after the NAFTA fight, I would suggest taking pains to use language that clearly includes them. The President has used such language often before, in referring to the "people who do the work," for example. I would suggest a relatively minimal use of "middle class" and the substitution of a more clearly inclusive term.

I realize that a State of the Union Address serves many different purposes and must satisfy many different constituencies, within the Administration itself and beyond. This speech, in particular, needs to present the case for the accomplishments of the first year more clearly than they have generally been conveyed in the press. It needs to try to restore momentum to the health-care battle. It needs to rebut in some way the perception that the administration's foreign policy is adrift. (If there are important new foreign-policy initiatives in the works, this would be a good occasion to unveil them.)

But I hope the President will be able, as he has in the past, to craft a theme for this speech that will encompass and, in some respects, transcend the many details it must include. In his recent speeches, he has done that very well -- in emphasizing the need for security in an increasingly insecure world. But as important as it is for the President to convey his awareness of problems and his empathy for those who are bewildered and frightened by the difficulties of the world, it is also important that he convey a sense of confidence in the nation's ability to deal with these problems and move successfully into the future. By that I do not mean simply offering specific programs and policies, although that is obviously important. I mean conveying the belief that we are still capable of bold and successful action as a society, that we can still marshall the will and the resources to accomplish great deeds. This is a theme that resonated through the speeches of Theodore and Franklin Roosevelt, John Kennedy, Lyndon Johnson, and (for different purposes) Ronald Reagan. It needs to resonate again.

One way to revive this theme, it seems to me, is to refer to earlier moments in American history in which the nation felt bewildered and even overwhelmed by change and nevertheless found ways of dealing with its problems and anxieties. Perhaps the most vivid such moment was precisely a century ago -- when America was experiencing a radical transformation in the character of its economy, a serious depression, grave problems of crime and disorder, enormous anxieties associated with increasing cultural diversity, and some believed a crisis of the spirit as well. A broad group of politicians and social thinkers seized on

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the problems of that time as an opportunity for imagining a brilliant future, and they expressed those views in books, essays, speeches, and ultimately public policies. Herbert Croly, Walter Lippmann, Theodore Roosevelt, and many others managed to transform the anxiety of their time into a compelling image of the future.

I think in particular of Walter Lippmann's 1915 book Drift and Mastery, one of the extraordinary documents of that time, which conveyed brilliantly the way in which Americans were confronting a world changing so rapidly that most people could not comprehend it. "We are all immigrants spiritually," he wrote. "We are all of us immigrants in the industrial world, and we have no authority to lean upon. . . . We are blown hither and thither like litter before the wind." But Lippmann had an answer to the sense of helplessness and despair he detected. It was what he called "mastery," and it represented a determination by individuals, but also by society (through government) to awake from their torpor and seize control of the future. (There are in the book some extraordinary descriptions of what "mastery" meant to Lippmann, and I can supply you with some of them if you're interested.)

The 1990s are, of course, very different from the 1890s. That, in fact, is precisely the point of the analogy. The world that was born so painfully a century ago is disappearing, just as an old world was disappearing then. A new world that no one can yet fully imagine is appearing, just as one was then. The political leaders of the late nineteenth and early twentieth centuries had to make the case for a public response to the crises of their time; government had very little legitimacy then as an agent of change and reform. In the late twentieth century, leaders who believe that government has a role to play in leading us into the future must make the same case; for we too live in a time in which the popular legitimacy of government is shaky, in which cynicism about the possibility of successful change is widespread, and in which the potential of public action to make a difference needs a champion after twelve years of generally unanswered debunking.

The Clinton administration is clearly committed to using government to improve people's lives. But I'm not sure it has made an explicit case for the positive value of government as forcefully as it could. It is, of course, important to avoid sounding like an unrepentant liberal, to refrain from suggesting that government is the only, or even the principal, agent of productive change. But it's also important to articulate the belief that government can and must do some things, that without energetic and resourceful public action we cannot hope to unleash the countless private actions on which our future depends. We have become so overwhelmed with images of the things government does badly that it might be well in this regard to

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the things it has done well, some of the ways government action has made the lives of ordinary people safer, easier, more comfortable.

On at least two occasions in the last year, the President has effectively presented bold new programs -- his economic package, and his health care reform proposal -- only to see the broad popular support he attracted dribble away in the face of countless niggling criticisms and questions over the following months. One reason for that erosion of support, in my opinion, is the underlying cynicism about politics and government -- the still powerful sense that government can't do anything very well -- that encourages many people to believe even criticisms of the president's proposals that have no basis in fact at all. Rather than undertake the hopeless task of answering every individual attack, it might be better to take on the cynicism itself -- to speak directly and forcefully of government's capacity to improve people's lives. The American renewal of which the President has often spoken refers to much more than government, of course. But as I understand the idea, an essential part of that renewal is a reinvigorated government -- able and willing to undertake important tasks at the same time as it repudiates some of its own failed ventures of the past.

Theodore Roosevelt once said that "a political speech is a poster, not, an etching." It needs detail, but it needs bold themes that stand out from a distance above all. In the world of the sound-bite, the State of the Union Address is just about the only opportunity a president has to make a speech that large numbers of people will actually hear as a speech. It needs to reach beyond the details for a broader message -- for something that conveys a sense of the larger purposes behind the relentless tactical details of politics in Washington. The President has already laid the groundwork for such a message in his excellent speeches of the last several months. This is his best opportunity to clarify it and make it seem vivid to the millions of people who will be watching and listening to him with some cynicism, certainly, but also with considerable hope.

If I can be of any further help in the next few weeks, I hope you will let me know.

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LITTAUER CENTER M-22

CAMBRIDGE, MASSACHUSETTS 02138

December 30, 1993

To: President Clinton

From: Michael Sandel

Re: Possible themes for State of the Union Address

It may be tempting, in the year of health care, to make security the master theme of your State of the Union Address--health security, economic security (jobs and competitiveness), personal security (crime), and national security. I would suggest that security is a good way to talk about the importance of health care reform, but not the best theme for your presidency as a whole.

right

The reason is this: Security, even broadly defined, is not an end in itself but a means to something else, something larger and more inspiring. As you have pointed out, people need security in order to change. But what needs to be articulated is the nature of the change your presidency is about. Following some of the discussion we had at the White House on November 5, I would describe the larger governing purpose of the Clinton presidency as follows:

In its broadest terms, your presidency is about American renewal--economic renewal, political renewal, and ultimately, moral and spiritual renewal. A State of the Union Address organized around the theme of American renewal might consist of three parts:

1. Diagnosis: The need for renewal
2. Agenda: The way to renewal
3. Vision: The purpose of renewal

Sandel to President Clinton (2)

1. Diagnosis: The need for renewal

This part would describe the state of the union--economically, politically, and spiritually--as it existed when you assumed office a year ago. When the American people voted for "change" in 1992, they may not have been able to specify precisely the change they wanted, but they did sense that the country confronted new and troubling circumstances that the politics of the past could not address.

Economically, Americans had long believed that if they worked hard and played by the rules they would reap the fruits of a rising standard of living and leave behind an even better life for their children. But by the 1990s, most people found themselves working harder and making less--manufacturing jobs that once paved the way to the middle class were no longer secure. A growing national debt hung like a cloud over our children's future. And the distant workings of the global economy threatened to deprive Americans of control over their economic destiny.

Politically, Americans had long cherished the practice of self-government and taken pride in the oldest democratic institutions in the world. But by the 1990s, public confidence in political institutions was at an all time low. Americans were fed up with lobbyists and special interests and the role of money in political campaigns. They despaired at the gridlock that prevented government from responding to the problems they cared about most--like jobs and the deficit, health care and crime. At a time when peoples the world over aspired to the example of American democracy, we Americans found ourselves frustrated with the workings of our political institutions as never before.

Beyond economic dislocation and the loss of confidence in our political institutions, a crisis of the spirit afflicted America's neighborhoods and communities, cities and towns. Fear of violent crime was only the most visible and terrifying symptom, as Americans sensed that the moral fabric of family, neighborhood, and community was coming unravelled--too many unsafe streets, too many kids on drugs, too much glorified violence on television and in the movies, too many unwed mothers and absent fathers and broken homes unable to give children the love and discipline they need to become responsible adults.

2. Agenda: The way to renewal

This part would show how the policies and programs of the Clinton administration (some accomplished, others proposed) seek to address the three broad challenges laid out above.

Sandel to President Clinton (3)

3. Vision: The purpose of renewal

This part would step back from policies and programs to address the larger moral purposes of the Clinton presidency. These purposes flow from the new circumstances of life at the end of the twentieth century.

In many ways, we live our lives on a scale more vast than ever before. In the first century of our Republic, men and women produced and exchanged goods, worked and played, voted and prayed, lived and died, in the small spheres of life marked out by towns and farms across the land.

By the beginning of this century, that condition had changed. Railroads spanned the continent. The telephone, telegraph, and daily newspaper brought people into contact with events in distant places. National markets and a new, complex industrial system connected people in a vast scheme of interdependence that coordinated their labors.

In some ways, the new technologies and industries of the early twentieth century brought people closer together. But at the same time, people worried about the loss of community. They worried that people accustomed to a smaller scale of life would not be able to compete in the new national economy, and that, in an impersonal world, men and women would lose their bearings. They also feared that institutions of self-government designed for simpler times would not be equal to the larger public world.

In many ways, theirs was a time very similar to our own. Here is how the writer Walter Lippmann described the anxieties that prevailed in early twentieth century America: "We live in great cities without knowing our neighbors, the loyalties of place have broken down, and our associations are stretched over large territories, cemented by very little direct contact. But this impersonal quality is intolerable: people don't like to deal with abstractions. And so you find an overwhelming demand upon the press for human interest stories, for personal details opened to the vast public."

What the railroads and the telegraph were to them, global financial markets and fax machines and CNN are for us. The economic challenge we confront today is equip Americans to compete and win in the new global economy. That is why we passed NAFTA, and concluded an agreement on GATT, and have proposed education and job retraining programs to enable Americans compete effectively in a global economy.

But even as we adapt to face the challenges of the global economy, we must remember that, for most purposes, most of the time, men and women live their lives and form their identities and cultivate a sense of belonging in smaller settings. That is why, as we respond to the globalizing tendencies in the modern world, we must at the same time work to nurture and strengthen those smaller forms of community that make life worth living, that locate people in the world, that give us a sense of place.

Sandel to President Clinton (4)

The national government cannot by itself restore the vitality of the American family, neighborhood, and community. But it can help create the conditions—through a crime bill that seeks to restore order to neighborhoods where people now fear to walk the streets, through jobs for the inner city to help bring order and discipline and structure and hope to people's lives, through community development banks, enterprise zones, and national service to awaken in young men and women a sense of civic responsibility and engagement.

Apologies for hasty conclusion -

I would be happy to develop this further
if it would be helpful.

Michael Sandel

Meyer ✓

DETERMINED TO BE AN ADMINISTRATIVE

MARKING INITIALS: W DATE: 12/2/93

~~Personal and confidential~~

2016-0774-S-2

TO: The President

93 DEC 30 P12 : 50

FROM: Secretary Robert B. Reich RB

RE: State of the Union

Date: December 30, 1993

The State of the Union speech falls logically into three parts: (1) the foundation laid in your first year, for sustained economic growth; (2) what must be done to build on that foundation, to provide Americans with health care and with work; and (3) the moral dimension of the new American community--which is both the product of, and the precondition for, this ambitious agenda.

I. The economic foundation

The first section should focus on the key achievement of the first year: laying the foundation for sustained economic growth. You and the American people accomplished this through (a) significant deficit reduction, sufficiently credible to lower interest rates and allow consumers and businesses to reduce their towering debts of the 1980s; (b) historic progress in opening foreign markets--Japan, Mexico and the creation of NAFTA, a proposed GATT; (c) tax fairness--shifting the tax burden from the middle class to the wealthy, and cutting the taxes of most Americans; and (d) shifting government priorities from spending to investing in our future.

You might add that there is no need for additional deficit reduction. Cutting the deficit further could impede the recovery, and drain resources from national defense, and from critical public investments in our future. h v

Another sub-theme: This is a strong foundation not only for national growth, but for global growth as well. We could do no better to strengthen other nations' economies than to get our own fiscal house in order, to open world trading routes, and to invest in our own capacities to produce wealth. The world economy is not a zero-sum game, but potentially a hugely positive-sum game in which all nations stand to gain.

I suggest that you not take credit for the cyclical recovery now underway. Arguably, it was on its way in late 1992, and our policies were too recent to have had much effect on it. In any ✓

event, the public already credits you for it, so there is no need to restate what seems obvious to most people. The more legitimate claim is that you have laid the foundation for sustainable growth over the longer-term. This was your first and highest priority, which had to be accomplished before the nation could turn to the next tasks.

Avoid the temptation to recount the many other accomplishments of the first year, significant as they were. The core mandate of the election was to rebuild the economic foundation of the nation, which was crumbling. Recitation of other achievements might draw away from this overarching one. At most, I'd suggest only a passing reference to the other accomplishments--Family and Medical Leave, Motor Voter, National Service, National Performance Review, gun control, peace in the Middle East, and so on--as illustrations of the more general theme that you have overcome gridlock, and that the nation is now capable of solving its most intransigent problems. This too is part of the foundation you have laid in the first year.

Finally, acknowledge the pain still experienced by millions of Americans who remain unemployed, or involuntarily employed part-time, or still too discouraged to look for work, or impoverished even though they have jobs. A new economic foundation has been laid, but ediface has yet to be built.

II. Building on the foundation: health and work

In this section of the speech, which looks forward, I suggest that you use the unifying themes of health and work. These are the two prerequisites to becoming a fully-contributing member of society. The possible loss of either is the cause of our deepest anxieties. And yet, most Americans feel vulnerable because health care is expensive and usually dependent on a job; and because jobs are less secure, and many are paying lower wages than fifteen years ago.

Your upcoming agenda responds directly to these two fundamental needs: (a) The Health Security Act will guarantee that our health insurance cannot be taken away; (b) the Administration is not only creating the economic foundation for millions of new and better jobs, but it is committed to helping Americans bridge the critical transitions to get the jobs--transitions from school to work, from welfare to work, and from work to work. (Reference the education and skills standards in Goals 2000, the school-to-work apprenticeship legislation, reform of welfare, and the creation of a re-employment system--all designed to get Americans to work.)

overplaying worker retraining

The trinitarian in me wants to suggest a third unifying theme, such as community, or family, or security against

violence. Any one of them could easily be linked to health and work. But I don't really think you need a third piece. Health and work complement each other nicely, and they are the basics on which all the other values and goals depend.

You will be urged, I'm sure, to devote a separate section of the State of the Union exclusively to foreign policy. This is standard rare, and there may be particularly good reasons for it this time around, given recent events. But I suggest that you instead seek to integrate foreign policy themes into this central section of the speech. As you have stated many times before, domestic and foreign policies are now inextricably tied together. The nation must understand the tight linkage (as should Congress and your own departments).

no

Herewith, are a few ways of combining the core health and work themes, while signaling the others. I have not arrayed them in any particular order.

1. Work gives order and meaning to life; it ennobles and provides meaning and dignity. Good health enables us to be caring parents, effective citizens, productive members of society. But in order to have good health and work, Americans require two things: (a) They and their families need health care; they must be able to see doctors and nurses, and get the care and counseling they need to prevent incapacitating illnesses. (b) They must be prepared for, and able to find, jobs that pay a living wage; they need good schools, youth apprenticeships, assistance in searching for jobs, good information about where they can find jobs and what training the jobs require, and effective job training. Our national responsibility is to fulfill these two prerequisites. The individual's responsibility is to act upon them.

2. Advances in technologies, and the emergence of global markets, present breathtaking opportunities for Americans to lead fuller and more productive lives. But these changes also make careers far riskier, jobs less predictable. Americans can no longer count on remaining in the same work, keeping their health benefits, and thus maintaining their families' basic well-being. In order that we can accept and benefit from these changes, we must feel sufficiently secure to seize the opportunities they present; otherwise, we will resist change, and seek security in preserving the past. The two prerequisites to security in these dynamic times--universal health care, and work for every able-bodied American--free us and our families to face the future with hope rather than with fear.

What does this mean for most people?

3. Lack of jobs is the single biggest problem of our central cities; it is undermining community, and destroying families. Universal health care, coupled with the Earned Income Tax Credit,

can't but we
on even guarantee this
that much. That's why
the security there--outside
health care--is bogus.

no it won't! - This is so facile

and adequate workforce training, will move our people quickly from the unemployment lines and the welfare lines to the lines where paychecks are being given out.

4. The macroeconomic foundation laid in the first year of this Administration has got us back on track toward millions of new jobs. But the old economy is not coming back. It is no longer possible for a high-school grad or dropout to get a good-paying factory job for life. Jobs are less secure. The wage gap between the well-educated and the poorly-educated is widening. These new realities face every major industrialized nation. They call for a new system: (a) To begin to narrow the gap, we must make work pay, through the EITC; upgrade primary and secondary education so that all young people have the basic tools they need for lifelong learning; and smooth the transition from school to work through youth apprenticeships and voluntary national skills standards. (b) To deal with job insecurity, we must turn our unemployment system into a re-employment system, and ensure health care regardless of job.

5. Our old safety nets are broken, and all the incentives are wrong. We must replace the safety nets with trampolines, which help Americans bounce back. We don't need more government or bigger government; we need better government. (a) Our expensive health care system doesn't help prevent disease, it encourages unnecessary tests, and fails to protect us when we need it most; we must create a new system which emphasizes prevention, economy, and universal care. (b) Our expensive unemployment system doesn't help prepare and guide people into new and better jobs; we need a new system which will. (c) Our expensive welfare system actually discourages people from getting jobs; we need a new system which will get them off welfare and into productive work.

6. The health and the skills of our people are our most precious assets. In an increasingly global economy, they are the only assets which are relatively immobile, on which our futures uniquely depend. The global economy presents extraordinary opportunities for us, as for every nation, and this Administration will continue to lead the way toward global economic integration. We will also spur investment in the technologies of the future. But in order to avail ourselves of these opportunities, Americans must be capable of reaching for them. The two strategies go hand in hand: As we open our borders and the borders of other nations to trade and investment, we must simultaneously invest in the health and the skills of our people. Moreover, in a world in which national security turns increasingly on a nation's capacity to produce wealth, the health and skills of our people are the bulwork of our freedom.

III. The new American community

The third and final section should discuss the fundamental challenge of re forging and redefining the national community. In order to accomplish the above-mentioned goals--and many others--Americans must join together as one nation. I believe you should frame this as a moral challenge, because it raises one of the most basic of all moral questions: What do we owe to one another, as members of the same society? Here is where you can proclaim from the bully-pulpit a vision of the public purpose which binds us together, and the new community that you are helping Americans achieve. Some thoughts:

This disc'n totally misses the crisis of values families violence illegitimacy etc.

1. You have laid a foundation for sustained economic growth. You are aiming to give Americans the crucial building blocks for full and productive lives--health care and work. But these goals cannot be achieved unless we join together. We must collaborate -across race, ethnicity, income group, political party and ideology, private and public sectors--to reaffirm our nationhood, at a time when the forces of fragmentation are particularly strong.

2. For almost half a century, this nation's moral authority, and much of its unity, derived from its contrast to Soviet communism--much as light is defined by darkness. The Soviet threat bound us together, and provided a pretext for doing many things which we should have done as a nation in any event: The National Defense Highway Act created a modern system of highways. The National Defense Education Act trained an entire generation of math and science teachers. The race to the moon boosted our aerospace, electronics, and materials industries. We created the world's most effective fighting force, and in so doing devised a successful means of disciplining and training legions of boys from farms and inner cities. But the Soviet threat is now gone, and with it has gone that binding force, and that pretext.

3. Worldwide communications and transportation are forging economic links across borders, and thus reducing the economic interdependence of Americans. The same communication and transportation links are reducing the dominance within the United States of a single American culture. The mass culture that bound Americans together in the years after the Second World War is fragmenting into niche markets served by new technologies which can tailor television programs, newspapers, and magazines to particular socio-economic groups, residing in particular neighborhoods. (A native of Brazil, living in Miami, can now read San Paulo's daily newspaper beamed by satellite to a computerized press a few miles away, watch Brazilian television via satellite, send and receive facsimile messages within seconds, telephone Brazil at the touch of a finger, and fly frequently there to visit family and friends.)

Typically, Reich sees the start of that trend may come years down the road & problems it as reality now

4. Modern technologies and global markets are enhancing the wealth of the most educated Americans even as they are supplanting the jobs of the least-educated. The income gap is widening. Moreover, Americans are segregating by income and ethnicity to a greater degree than at any time since the 1960s. Zip-code marketing is profitable because today, where you live signals a great deal about your lifestyle and what you can afford.

5. These trends notwithstanding, our strength and security as a people--our moral authority in the world--depends on our capacity to join together, and to build a future together. It has always been so in this diverse, universal nation. But today, the opportunities open to us as a united people are greater than ever before, as are the risks of fragmentation. The new American community--founded upon sustained economic growth, universal health care, and work for every able-bodied American, and on the overriding commitment from all of us to achieve these goals--will be a fitting introduction to the 21st century.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20410-0001

TO: JOHN PODESTA
ASSISTANT TO THE PRESIDENT AND STAFF SECRETARY

FROM: HENRY G. CISNEROS
SECRETARY OF HOUSING AND URBAN DEVELOPMENT

SUBJECT: STATE OF THE UNION ADDRESS

DATE: DECEMBER 30, 1993

Enclosed is the input you requested for the President's State of the Union Address. What we have provided are five independent points suitable for the President's speech. Each one of these five points tries to convey a philosophy directly related to the work of the Clinton Administration and our work here at HUD. The five points are: "Transitions," "America Has Nobody To Waste," "A Cohesive Policy Framework: Building Blocks For A Strong America," "The Importance Of Economic Recovery And The Need To Sustain It," and "Strengthening Families." They are briefly explained in five separate memos (see attached). Please call if you have any questions. We are available to provide further data, quotes, examples, and other material to assist your efforts in helping the President prepare his State of the Union Address.

TRANSITIONS

We are an administration in the midst of making change. We are a society moving toward a new century. We are a nation facing profound global transformation. The world we face today is not the same one we faced even a year ago. This is a time of transition.

Transition means facing uncertainty. It means moving from the world of the familiar to the world of the unknown. It means shifting from a predictable groove to an open field of risk and opportunity. It means stepping off the banks and into the river, where movement is the only constant. Transition can bring forth fear and anxiety, but also boldness and courage.

We are not just passive spectators to a changing world. We are the masters of our destiny, and our job is to design transitions and implement them successfully. Our administration is now putting together the building blocks that will provide America with an intelligent and prosperous transition to the next century.

The first transition, as promised, is to retool our economy for immediate recovery followed by long-term growth. This requires making the transition to a global marketplace by negotiating trade agreements, by supporting the peaceful transition from communism to capitalism, and by helping underdeveloped countries become strong markets for American products.

Economic reinvestment will mean each and every worker making the transition to new skills and often to new jobs. Business, labor, and government must be partners in remaking our job training and education systems. Together we will create the productive employees of tomorrow, learning to work smarter as well as harder.

As we build a more competitive and productive workforce in an expanding economy, we can fill more new jobs with the unemployed, the hard-to-employ, and adults and teenagers on welfare. We believe every able-bodied individual that can work should work. Our tack is to end welfare as we know it, and replace it with a system that will assist people to make the transition from dependency to self-sufficiency.

We must also make a transition in our health care system, from excessive cost, insecurity for many people with employer-based plans, and lack of coverage for 39 million Americans, to universal coverage, basic benefits, and greater economic efficiency.

Further, we will need a transition in our communities. We must take back our streets from violent criminals and drug dealers, make them safe and secure with thriving businesses, jobs, housing and services available for every adult and child. This will enable a transition to stronger and more stable families, teaching the core values that make for a healthy society and a prosperous future.

Finally, government must reinvent itself and undergo a major transition from bureaucracy to customer service, from corporate welfare to goal-oriented efficiency. When we have made that transition by the year 2000, we will truly be moving into the 21st Century.

AMERICA HAS NOBODY TO WASTE

We are very proud of the progress we have made thus far--over one million new private sector jobs, a rising production and incomes, and all the other indications of strong economic recovery. Yet at the same time, there is much more progress to be reached. America has no one to waste. Too many Americans are left behind as the nation marches forward toward the 21st Century.

Today 37 million Americans live in poverty, one out of every seven people. This is the highest number and percentage since the 1960s. Nearly a quarter of those in poverty are children--40 percent of Hispanic children and one out of every two African-American children are born poor.

Today 39 million Americans lack basic medical coverage, and the number is still growing.

Today 6.5 million are jobless, and the rate among inner city youth is nearly 50 percent. We cannot afford to tolerate these circumstances.

President Kennedy, in a famous speech, said we all breathe the same air, we are all in this world together. For Americans to prosper and live high quality lives, we must recognize our common destiny. Our fates are intertwined--we will all rise or fall together. Let us begin rising. We have no one to waste.

The best poverty program is a job. When we talk about solving the problem of crime and violence, we know we must create more productive job opportunities. When we talk about drug abuse, we know we must put people to work, give them dignity and pride and a living wage, lead them away from illegality and despair.

When we talk about enhancing our global economic competitiveness and productivity, we know we must have basic health care for all and universal coverage. We must have better schools, and a world class system of education and job training. We must have child care and good transportation. We must have safe streets and thriving communities. We must put an end to discrimination and maintain fair treatment and equal opportunity in employment and housing.

The federal government cannot do all of this. It will take personal responsibility on the part of every individual. It will take intervention by social and community institutions, churches and foundations and businesses and unions. It will take action by state and local government. Each one of us, working together, must strengthen and stabilize family life. Government can and will be a better partner.

Mostly it will take the kind of community spirit that recently led Americans to join hands as neighbors and friends and rebuild after the midwestern floods. We really are all in this together.

A COHESIVE POLICY FRAMEWORK: BUILDING BLOCKS FOR A STRONG AMERICA

For too long we have been a nation divided. For those who grew to adulthood in the 1930s and 40s during the twin challenges of depression and war, the American experience was one of unity, of a great people brought together for a high and common purpose. Many of us who grew up two or three decades later saw a different reality in our formative years--internal conflicts and global confrontations that tore our country apart. Our job is to heal the wounds, to reunify our people with renewed purpose, to infuse a new spirit of optimism and hope.

Our programs are for everyone. The great American middle class, the broad stretch of middle America, those who often are forgotten or ignored by government, you are included in our agenda and you will benefit from the results we produce.

During the past year we have laid the foundations for bringing America together by initiating a comprehensive set of domestic policies. These policies are designed to keep families intact, for communities to thrive, for every individual to have greater opportunity and a firmer sense of personal and public responsibility.

This is an ambitious agenda, one that we are only just beginning to accomplish. But we have made a strong beginning. We established Family and Medical Leave so that no one will ever have to abandon their family responsibilities because of their job, or lose their job due to family commitments. We created National Service, both to expand college opportunities for American youth that need a hand, and to give each of our young citizens the opportunity to give something back to their communities, to make a real contribution as they do for their families.

Our wide-ranging programs--retraining the workforce of tomorrow, making our schools competitive again, restoring economic growth, expanding investment incentives and international trade for the private sector, rebuilding our nation's infrastructure and housing, putting more police on the streets to make our communities safe and free from drugs and violence, proposing health security to cut costs and provide universal coverage, increasing fairness in taxing and spending, reinventing government to improve efficiency and service, reforming welfare to encourage work--these and other initiatives all have a common and consistent purpose: to strengthen our national economy and bring the American people together.

Change takes time, and we are at the beginning. We have proposed a cohesive set of policies, and many of them have already been passed by a very cooperative Congress. Indeed, more legislation was passed in 1993 than any first-year Presidency in four decades. We will continue in the coming year to establish the building blocks for bringing the American people together and creating a better future.

STRENGTHENING FAMILIES

No institution is more fundamental to the American character than the family. Families have been migrating to this land for centuries to establish communities. Thanks to our revolutions in private property ownership, for many decades most Americans lived on family farms. Today most live in single family homes. Families still worship together at religious institutions and participate in education and community affairs. They do this because families are organized around parents and children. This fundamental biological connection is the basis for the spiritual bonds that tie us all together.

Families transmit values. And it is upon these values that our society depends. Prosperity will flow from families, because that is where the work ethic is taught. Reducing crime will flow from families, because that is where personal responsibility is taught. Everything we all care about, from educational performance to social morality to human rights, starts with the family. Even Reinventing Government begins with families, because that is where we learn our basic attitudes toward civic responsibility.

The circle turns, because families also can be weakened or strengthened by government. Tax policies, welfare policies, health and housing and education policies, all of these can have a profound impact on the ability of families to stay together. Our administration is committed to stabilizing family life through positive government action. At the very least, we want government to get out of the way and stop meddling in matters best handled privately by families and communities. I have asked the Community Enterprise Board to examine this issue and come up with new ideas for changing government behavior to make it more compatible with our diverse nation of families.

This commitment is so vitally important, because families, through children, hold the future of our country in their hands. To me it is an outrage to see homeless families broken up by official indifference. And it is tragic to see latchkey children without any parental guidance or supervision because both parents must work long hours at low-paying jobs. We must rebuild the core connection between parents, children, and community. We must reform the welfare system and the child support system to make every parent--fathers and mothers, custodial or absent--fully responsible for the well being of their children. We must make sure there are family and social services and recreation opportunities widely available and affordable for parents and children.

Alexis de Tocqueville wrote 150 years ago: "When the American retires from the turmoil of public life to the bosom of his family, he finds in it the image of order and of peace." That was not always true then, and it certainly isn't always true today. Yet it remains a powerful ideal, and we will work hard to sustain and nurture its realization in the years ahead.

THE IMPORTANCE OF ECONOMIC RECOVERY AND THE NEED TO SUSTAIN IT.

The most vital tasks any nation faces is to maintain prosperity and security. I believe we have taken important steps during our first year in accomplishing these goals. . . The signs of robust economic recovery have been unmistakable during the past year, starting with the creation of over one million net new private sector jobs, more than in the previous four years in America. Other vital signs are also moving in the right direction: the rate of unemployment has been steadily falling; inflation and interest rates have remained low; production and sales have been consistently rising. We cannot and will not rest until every American experiences economic recovery by obtaining a job and gaining a decent income. We are working hard and making substantial progress toward reaching this goal.

Residential construction and sales have always been leading factors in national economic recovery, and this has been especially true in 1993. Construction and sales of single family houses in particular helped to spur the economy out of recession and into growth. Housing has been among the strongest sectors of our economy, with dramatic production and sales increases in the past few months. Hundreds of thousands of renters, many frozen out of the homebuying market by high interest rates a few years ago, are taking the opportunity of low mortgage rates, stable prices, and rising incomes and job prospects to purchase a home. Many existing homeowners have taken advantage of the economic upturn of 1993 to refinance their mortgages, collectively reducing personal debt and saving billions of dollars that can be reinvested or spent on other vital needs.

All of this home building, buying, and refinancing is helping to generate economic growth and create many more jobs. Residential production is an engine of economic development, with this year's activity fueling millions of jobs in building, servicing, remodeling, and furnishing homes. Net new employment in housing construction increased by 120,000 in 1993, and will grow by another 180,000 in 1994.

The American Dream of homeownership is one of the great ideals that built this country. For two centuries, wave upon wave of pioneers and immigrants have reached our shores and crossed our continent for the special opportunity to control their own destiny by building and owning a family home. To rebuild America and make it strong into the 21st Century, we must expand homeownership opportunities, which fell behind in the 1980s after four decades of growth. The current economic recovery is the starting point of these rebuilding efforts. Housing has been key to our recovery, and we must continue to nurture its economic value as we proceed to lay the foundations for long-term, stable economic growth. We must continue not only for reasons of economic health and vitality, but because many Americans, particularly young families just beginning their careers, have not yet reached their dream of becoming homeowners. We will not let up until each one has a real chance.

Our future is at stake--to maintain our national heritage, our pride as a people--without homelessness, and with genuine prospects for a family homestead. We must carefully sustain the current rising economic tide, and housing is an important part of our upward trajectory.



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE SECRETARY

93 DEC 30 P3:34

December 30, 1993

MEMORANDUM FOR JOHN PODESTA
ASSISTANT TO THE PRESIDENT

FROM: SECRETARY RICHARD RILEY
SUBJECT: STATE OF THE UNION ADDRESS

Emotionally and thematically, the President has been speaking with great passion and eloquence in recent months about his increasing concerns that random violence is destroying the civic fiber of this nation and about the very great need to build and protect those "things that bind us together -- our communities, our schools and our families."

His Memphis speech to African-American ministers on violence clearly struck the mark and set the tone. This is a powerful emotional theme for the State of the Union Address. It articulates and supports the growing public sentiment for accountability and renewal of civic morality.

The public's longing and determination to set new and higher standards take many forms: the public outrage against crime and violence, the protest against violence in television, the demand for handgun control, the call for higher ethics in politics, the move to raise the threshold in defining sexual harassment, and the "Three Strikes You're Out" ballot initiative in California.

In many ways, this growing sentiment can be summed up by the very old phrase "putting our house in order." The American people have just come through a recession and their list of what is acceptable is rapidly shrinking. They seem to have little tolerance for anything that gets in the way of achieving results. There is a pragmatic, no-nonsense, get-it-done mood in the making. The recent election of a new class of Mayors who won on promises of results, is but one reflection of this growing sentiment.

What makes this new sentiment distinct is that the call for standards and accountability cuts across traditional political and ideological lines. The recent protest in the African-American community against "gangsta rap" reflects this new mood and the depth of the emerging consensus.

At the same time, this new "put our house in order" sentiment is coupled with a very real recognition that we live in different economic times. The passage of NAFTA suggests that Mr. Perot's "economic nationalism," which harkened back to an America of the 1950's, has given way to a keen awareness that the economics of the world have changed dramatically and people have to prepare for a new reality.

In testing the message for our GOALS 2000 legislation, for example, focus groups were highly responsive to the theme, "A World-Class Education for Every Child." People make the connection between the reform of education and the opportunity for their children to have some chance of "making it" in the new global economy.

All this is to suggest that a speech which allows the President to (1) define his own sentiments about citizenship, values and the civic morality of this nation; (2) give public voice to this new mood for standards and for "putting our house in order;" and (3) offer a future orientation which drives home the message that his policies are designed to get "results" and to prepare people for the future, will touch strong and powerful emotional chords in the American public.

In many ways, this is a reaffirmation of the President's original campaign theme of "opportunity and responsibility" with a greater emphasis on the latter. The President may want to, given the recent surge of violence against children, frame the speech in terms of protecting the health, safety, education and future of this nation's children.

Obviously, reform of education -- for raising standards and striving for educational excellence - fits within this larger thematic framework, particularly our GOALS 2000 legislation which calls for voluntary national "goals" of excellence in education. GOALS 2000, which has already passed the House with strong bipartisan support, will be the first substantive piece of legislation up for a vote in the Senate once Congress returns.

Several factors suggest how education reform can be linked to the broader themes outlined above:

- * Passage of NAFTA and the GATT sets the stage for a Presidential call for a "world-class education for every child" as embodied in our GOALS 2000 legislation.
- * The growing public sentiment for accountability and standards lends itself to GOALS 2000, to the reform of the Elementary and Secondary Education Act and, very directly, to our Safe Schools legislation.
- * Passage of our new School-to-Work legislation responds to the public's pragmatic, no-nonsense, get-it-done approach to the future and to the surge in the educational aspirations of young people (up 20% in the last ten years).

The President may want to spend a few minutes thinking these themes through with Taylor Branch. I had a recent conversation with Taylor and he seems to be of a like mind in thinking that this new public mood of accountability is a movement in the making, that the time is ripe for a radical transformation of our public education system.

Attached is a first cut at some language on "education" for the State of the Union Address.

"STATE OF THE UNION"

For there are two realities in the lives of our children and they are at war -- one with the other. There is the reality of too many guns and too much violence, of young girls getting pregnant and being forgotten by the fathers of their babies, of schools that don't function and young people who drop out and give up on America. For that is what they are doing, giving up on America.

Then there is another reality of dignity, hope and achievement. A reality found anywhere in this country even in our most troubled neighborhoods. Children and parents who obey the law, who believe in the future, who see the value of a first class education, who know that their neighborhood school is a safe haven of knowledge and excellence.

For I tell you that the way out of poverty and the way out of a life of despair, anger and violence is the education of our children and the building of their character.

Our challenge is to give every young person in America the opportunity to get a world-class education. For our world is changing and our children must be prepared. It's not a question of giving up the basics.

Creating a world-class education means setting higher academic goals and raising expectations, recognizing that the old assembly line vision of education doesn't fit our new, global economy. It means parents and teachers working together, rigorous math courses and in-depth science classes, children who know Shakespeare, the wonder of nature, the history of our great country and how to live in a world of fiber optics and information highways.

Isn't that what the American Dream is all about? Giving our children a leg-up in life to get ahead, having a chance to better themselves and make their way in the life of this great nation. For that is the great power of public education in America -- it gives everyone a chance -- a chance that can only be assured in this age of technology if we recognize that excellence has a place in our society and that excellence and equity are never incompatible.

This is why we must reform the education of our children, to ask for the full involvement of every school community and to see this process of reform as our great mission. We know what it takes to meet world class standards. Every day thousands of good teachers in hundreds of good schools strive for and achieve excellence in the classroom.

We simply need to replicate what they do all over America --to raise our expectations of what our children can achieve, to reform how we teach and learn, to set new, rigorous academic standards and to have some basic way to judge the success of this effort school by school, neighborhood by neighborhood, student by student.

Passage of our GOALS 2000 legislation can give 20,000 schools all across this nation a first opportunity at bottom-up reform, to move quickly and boldly to redesign their curriculum to give a world-class education to every child.

This powerful impetus for reform, for achieving excellence, will complement and set the stage for the important reauthorization of the Elementary and Secondary Education Act and our new School-to-Work legislation. It is all part of a piece, and if we are to have education reform and we must have it, all the pieces must go together.

Three-quarters of this nation's high school graduates do not go directly on to four years of college. These young people are the backbone of our future work force, the technicians, designers, and operators who will master the sophisticated technology of the 21st century. They need to jump start their careers as early as possible and our School-to-Work legislation is a first down payment on a long term investment in their educational needs.

Giving our children the best education possible will strengthen our civic values and democratic rights and continue to be the source of our productivity and genius. But an educated American must be a working American so I ask the Congress to work with me to create the new workforce of tomorrow.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

93 DEC 30 P2:25

SECRETARY OF THE TREASURY

December 30, 1993

MEMORANDUM FOR JOHN PODESTA
ASSISTANT TO THE PRESIDENT AND STAFF SECRETARY

FROM: LLOYD BENTSEN *LB*
SUBJECT: STATE OF THE UNION ADDRESS

Thank you for the opportunity to provide input on the State of the Union Address. Rather than suggest any single theme for the entire speech, let me outline a variety of ideas that might fit into a larger framework. Many of the examples are Treasury related, but I hope the themes and the examples have relevance for the entire government.

Specific Issues:

I have only two specific requests for inclusion in the Address. If we are going to pass legislation to consolidate the four banking regulators, we need to send a strong signal of the Administration's commitment. The proposal is good policy and good politics. I hope that the President would specifically mention this initiative -- perhaps as part of the NPR.

I also hope that the President might express his support for the multilateral development banks (World Bank, IMF, etc.). Congress traditionally cuts the Administration request for funding thus increasing the amount we owe these institutions and reducing our influence. These organizations play a crucial role in implementing Administration policies in Russia, the West Bank and developing nations. They have begun to respond to U.S. calls for reform, but we will only make progress if we meet our financial commitments.

General Themes:

The economic recovery has begun: The President should take credit for improving economic conditions. Deficit reduction has led to lower interest rates which have helped interest-sensitive industries like housing and autos. We're making crucial investments; we're addressing the credit crunch; we're opening markets. The economy is turning around.

The President was elected to implement change and he is fulfilling that promise: He's taking the country in a new direction and even if people don't agree with every one of his

policies, we are all benefitting from an end of gridlock and a flow of new initiatives.

The Balanced Budget Amendment: The vote on the Amendment will be looming. The President should use the Address as an opportunity to express his opposition and offer his alternative -- a goal, another mechanism, or a reiteration of what we have already accomplished. We need to remember that we can't beat something with nothing.

The President is willing to make tough choices: The President should take credit for his actions to date (deficit reduction, 252,000 Federal job reduction, push for NAFTA when many predicted failure) and for his continued commitment (FY 95 budget meets caps, campaign finance reform). We need to remind the Congress and the country that while the President has the ability to build a consensus, he also has the strength to fight for his beliefs.

Health Care: This issue is so fundamental that I assume it will be included. I hope the Address might highlight two facts: first, the debate is now about what kind of reform, not whether we should have reform; and, two, health care reform is essential to our long-term economic security.

The Administration is committed to reducing regulatory burden: The Republicans like to portray Democrats as the party of government regulation and red tape. We should fight this perception (which will only grow as the health care debate intensifies). Examples include what we have done already (credit crunch initiatives, Executive Order on reducing regulations by 50 percent) and what we propose to do (Superfund reform -- which the President mentioned in his first State of the Union, bank regulatory consolidation). Less regulation means more efficiency and lower costs to consumers.

The President has brought honesty back to government finances: For years the President's budgets were dead on arrival in Congress. Partly it was politics, but part of it was that they did not have any credibility: the only number that added up was the deficit which kept on growing. We have presented honest budgets with honest projections. This theme worked well in the first State of the Union and bears repetition.

The President takes the concerns of business seriously: You might consider the following rhetorical questions:

- o When was the last time you saw a Democrat stake his career over a free trade agreement the way this President did on NAFTA?
- o Who would have guessed that this President would become personally involved in helping U.S. businesses sell their

products overseas? Or how about the way we have tackled export controls to let more goods go abroad?

- o Which reporters would have thought that this Administration would come up with new Community Reinvestment Act regulations that bankers almost universally support?
- o Who would have thought that our first budget would earn the endorsement of major small business organizations? Who would have predicted that the President would meet each week with CEO's and small business leaders?

This Administration knows that the country can't grow without a healthy banking system: That's why our credit availability initiative stripped away needless regulations which hindered credit for small businesses and consumers. We reformed the Community Reinvestment Act to insure credit for undeveloped communities and small towns. And we will continue these efforts. We will urge Congress to pass the Community Development Bank legislation which has now passed the House, and consolidate our four banking agencies, in order to reduce the cost to taxpayers and the burden on banks.

Crime: I know that crime is under consideration for a major portion of the speech and hope that it might include some less glamorous but essential issues like reform of Federal Firearm Licensing (FFL) and computerization of gun records at ATF. An ATF/New York Police Department pilot project that checks the backgrounds of potential gun dealers has demonstrated the importance of licensing reform: before the project began, 90 percent of all dealer applications were granted; since the project began, 90 percent of all applications have been withdrawn or denied.

Promoting prosperity abroad helps underwrite our security and strengthen democracy. Supporting reform in Russia, the FSU and in Eastern Europe, assisting in the reconstruction of the West Bank and Gaza, and preparing the economic foundations of political reconciliation in South Africa are strategic imperatives as much as they are economic imperatives. The International Financial Institutions, now commemorating 50 years of development efforts, will play a critical role in the overall U.S. development assistance strategy to meet these challenges.

Expanding trade is the best engine of growth. With NAFTA, the Uruguay Round, and APEC, this Administration has had the most ambitious and successful trade agenda since World War II. We need to build on this momentum with new regional and multilateral initiatives -- in the rapidly growing regions of Latin America and Asia and in those sectors which represent our economic future -- like financial services, telecommunications, etc. We can only

compete if we continue to keep our markets open as we encourage other countries to open their markets to U.S. products.

Our economic future lies increasingly with the emerging markets.

Just as we can no longer view our strategic interests through the prism of containment, our foreign policy must now reflect our economic stake in growth and access to the rapidly growing markets of the future. With the Seattle Conference of APEC Heads of State, the APEC Finance Minister's Meeting, and the upcoming Latin Summit, we are creating a new diplomatic architecture -- focussing on our economic interests -- to complement the structures created among the industrial countries of the West in the aftermath of World War II.

Security: The President might reemphasize his commitment to security: health, safety and economic.



United States Department of State

Washington, D.C. 20520

UNCLASSIFIEDMEMORANDUM FOR ANTHONY LAKE
THE WHITE HOUSE

SUBJECT: State Department Input for President Clinton's
State of the Union Message

The attachment to this memorandum contains the Department of State's ideas and suggestions for the President's State of the Union message as requested in John Podesta et al's memorandum to Cabinet Secretaries dated December 22, 1993. It develops the theme of America "Strong at Home, Strong Abroad," and outlines the six tenets of foreign policy we would like to see included in the address.

I hope this will be of use to you in preparing the President's address to the nation.

A handwritten signature in dark ink, appearing to read "Marc Grossman".

Marc Grossman
Executive Secretary

Attachment as stated

SUBJECT: STATE OF THE UNION ADDRESS

In response to the invitation for ideas and suggestions for the President's January 25 State of the Union Address we are pleased to forward the following proposal for a theme and the six tenets of U.S. foreign policy that we would like to see integrated into the President's message.

THEME: Strong at Home, Strong Abroad. - Security for All Americans.

The 1994 State of the Union message should break with the long tradition of dealing with foreign and domestic concerns in separate sections of the address.

RATIONALE:

- President Clinton was elected to address neglected domestic issues, and he has made them the Administration's highest priorities. But he has also repeatedly emphasized that this cannot be done by turning inward. Traditional distinctions between domestic and foreign affairs are losing relevance in dealing with job loss, health care, public safety, and the environment -- problems that concern all Americans. Good domestic policy and good foreign policy have become two sides of the same coin. We must be strong at home to be strong abroad and we must be strong abroad to be strong at home.
- "Security for All Americans" is not a doctrine but a strategy to deal with domestic and international realities. It continues to encourage local action and responsibility but offers additional federal help in dealing with the increasingly important international aspects of economic growth, narcotics trafficking and other criminal activity, migration and population issues, and environmental degradation. It also recognizes that regional conflicts, risks of proliferation, terrorism, and humanitarian suffering, are intruding to a much greater degree into our local politics, than the traditional abstractions of balance of power and secret diplomacy.
- This more comprehensive approach to national security entails a shift in the strategic focus of foreign policy from the zero-sum political-military goal of containment and deterrence to the positive-sum political-economic goal of shared growth and cooperation. U.S. economic expansion and the President's international activities in 1994 should remind the American people of the linkage between foreign policy and our economic well-being.

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- A signature of President Clinton's first year has been his ability to achieve domestic and international synergy, most notably in the area of economic reform and revitalization; for example, linking success in deficit reduction with the successful U.S. role at the Tokyo G-7 Summit, or in the NAFTA, APEC, GATT "triple play," so vital to prosperity at home and abroad. The vast support for Russian reform, that he has raised from the Congress and our allies by offering a vision of safety from nuclear dangers, lower defense burdens, and trade expansion, is another example. In his speeches he has demonstrated a knack for weaving domestic and foreign issues together, whether speaking to the Urban League, the AFL-CIO, or the United Nations.
- Putting economic security and prosperity at the center of a new national security policy does not obviate the need for a strong and flexible defense; it recognizes that such a defense cannot be paid for if the nation is not prosperous. It also recognizes that shared economic expansion regionally and globally will promote stability and provide the resources to solve a host of other problems, such as the environment, that are high on the Clinton Administration's agenda and further reflect the growing synergy between economic security and national defense.
- Several important sub-themes that have featured in Presidential statements this year could help tie together foreign and domestic policy in the State of the Union:
 - bi-partisanship is important to effective problem solving at home and abroad;
 - it is important to have greater citizen engagement, responsibility, and partnership with government to solve problems, whether in dealing with the demand and supply problems of narcotics, making certain we have the skills and opportunity to compete through better trade policy and promotion; or the vital role that non-governmental, private business and other groups are playing in partnership with U.S. official assistance to Russia;
 - our commitment to strengthening multilateral institutions and greater burdensharing will enable us to make progress towards goals we share with other nations at reduced cost to ourselves, thereby freeing additional resources for investment at home;
 - the National Performance Review to reinvent government has improved domestic and foreign policy structures, enhanced their capacity to work more synergistically, and allowed budgets to be reduced and redirected to meet our national priorities;

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- the importance of fundamental universal values to community building at home and abroad. As the President declared in Memphis, strong families are vital to secure jobs and secure streets. Human rights and democracy also must be at the core of our foreign policy because history shows that governments that abuse their own citizens are a threat to others as well.
- the broad concept of national security is consistent with the vision of Roosevelt and other American architects of the United Nations who, prior to the Cold War, envisioned a world sufficiently secure to allow people everywhere the opportunity to enjoy freedom from fear, freedom from want, freedom of worship and freedom of speech and expression. As the first post-Cold War President, after a year in office, President Clinton could speak again of those hopes and dreams that can now be the basis of action.
- In sum, a State of the Union address built around "Strong at Home, Strong Abroad" could serve at least six purposes: reaffirm the President's commitment to domestic reform; indicate how success in foreign affairs contributes to domestic renewal; show how domestic success enhances America internationally; establish economic progress as our new strategic means and goal for greater national security across a widening agenda of local, regional and global issues; generate public support for an active foreign policy to consolidate the gains of the Cold War; and, make the case for investing in preventive diplomacy to forestall future crises that could deflect us from the much larger investments that will be necessary to restructure our domestic economy to meet the challenges of the 21st Century.

ACCOMPLISHMENTS AND PRIORITIES OF SPECIAL INTEREST TO THE DEPARTMENT OF STATE:

While we appreciate that space in the address is severely limited, we would like the Administration's accomplishments in meeting our major foreign policy priorities highlighted:

- **Economic Security:** More than ever, the quality of life in America depends on our engagement in the global economy. The President's injunction -- we must compete not retreat -- should be strongly reinforced. Our international economic strategy has seven inter-related components:
 - enhancing America's competitiveness through the President's budget deficit package passed this year and the other efforts we are making have already brought us international benefits, notably the renewed confidence and support that America was shown at the

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Tokyo Economic Summit. We are following up our fiscal responsibility with a broader global competitiveness agenda to help raise the standard of living and security of Americans by incentives to develop civilian technology, assist defense conversion, improve the country's infrastructure (including information networks), help retain and upgrade the skills of workers, and reform health care to assist the competitive position of American firms by lowering costs and improving the mobility of labor;

- enhancing access to foreign markets -- fulfilling the President's pledge to make trade a priority element of American national security -- through major new trade agreements, NAFTA and the Uruguay Round of GATT, through the strengthening of Asia Pacific Economic Cooperation (APEC) at this year's first senior leaders meeting in Seattle, and the establishment of a new U.S. - Japan Framework arrangement to help redress the economic imbalances that plague our most important bilateral relationship;
- strengthening government partnership with business by creating an "advocacy network" and other measures to assist U.S. firms competing for major government contracts throughout the world, by streamlining export licensing and reducing U.S. barriers to the export of some of our most attractive products and services for tomorrow's markets, and upgrading the capacity of our embassies and other foreign missions to help American business penetrate local markets;
- improving macro-economic coordination with our major industrial partners to ensure that the lowering of U.S. deficits is complemented by necessary reforms in Europe and Japan so that the industrial democracies will continue to enjoy unparalleled prosperity and stability at home, while serving as the engine of growth for an increasingly interdependent global economy;
- improving open regional economic cooperation across Asia and the Pacific and throughout the Western Hemisphere will be much easier following the successes of the past year and the President's Western Hemisphere Summit later this Spring. Our expanding economic cooperation on these two fronts not only promises direct benefits for our domestic renewal but has the strategic value of discouraging protectionism elsewhere;
- extending U.S. leadership that was shown this year in amassing a multilateral economic assistance package for Russia and the newly independent states promises to develop major new markets for America over the long term and is of immediate value in promoting security that can lower defense and other costs;

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- reforming U.S. foreign assistance, begun in 1993, will ensure that broad based development bolsters political stability in key developing countries and that these countries will continue to be among America's most rapidly expanding and important new markets.
- **Support for Reform in Russia and the Newly Independent States:** This was given special emphasis by the President in 1993, resulting in major accomplishments. It is our biggest foreign policy challenge, a point that presumably the President will want to reiterate following the January 12-15 Moscow Summit. In addition to highlighting those accomplishments, and their domestic and international implications for America, it will be important to recall the steadfast support for market reforms and democracy that this Administration has provided, as well as our success in mobilizing the support of others. Efforts to reduce the nuclear threat, through arms control, defense conversion, cooperation in counterterrorism and illegal exports of weapons material and technology, and other steps should be highlighted in terms of promoting peace and being able eventually to lower our defense expenditures. American engagement in Eurasia also extends to preventive diplomacy, helping to reduce the threat of regional instability and conflict, that could drain scarce resources from more productive uses and pose fresh international dangers.
- **Europe and NATO:** Will also be of special interest following the President's participation in summits with NATO and the European Union and his meeting with East European leaders. Presumably the State of the Union will address any progress and follow-up plans to advance the mutually reinforcing nature of the Administration's successful negotiation of the GATT with Europe and our leadership in advancing the new Partnership for Peace concept, as well as our engagement in building democracy and free markets in Eastern Europe. The potential benefits for American security and economic expansion of an increasingly open, free and integrated Europe have been greatly enhanced by the end of the Cold War, but at the same time ethnic strife, aggressive nationalism, stagnant economies, and trade protectionism are of growing concern.
- **Expanding cooperation across Asia and the Pacific, particularly improving relations with Japan and China:** Has been a distinct achievement of the Clinton Administration. This is not done at the expense of Europe or other regions; it reflects new domestic, regional and global realities. Sustaining the Asian economic miracle has become vital to U.S. prosperity, regional stability -- including internal reform and responsible external behavior by China -- and global growth. In 1993 the Administration has skillfully handled China, Japan and the risk of crisis on the Korean peninsula. Each deserve special mention as we look to 1994; Chinese progress in human rights will test our burgeoning economic partnership, the North Korean

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threat to the non-proliferation regime must be resolved, and progress must be made in reducing our huge imbalances with Japan.

- Advancing peace in the Middle East: Has been a major accomplishment in 1993 and we are determined to consolidate and extend these gains in 1994. In addition we will pay special attention to advancing peaceful reconciliation in South Africa, Central America and the Caribbean that are of special concern to the American people.
- Leadership on global issues: America is uniquely positioned to think and act globally on a range of problems that will impact on the nature of an emerging post-Cold War world community and on the quality of life for all Americans. These are challenges we must meet for the sake of our children and generations to follow.

-- Arms control and non-proliferation will continue to arouse the public's deepest fears and hopes and be one of our top foreign policy priorities. Although the terrifying threat of U.S. nuclear annihilation has dramatically receded, huge nuclear stockpiles remain and as many as twenty countries have or are developing nuclear and other advanced weapons technology. Presumably the President will want to refer to any progress that he makes on arms control, including strategic arms reduction, as a result of his trip to Russia.

The Administration has made non-proliferation one of its highest priorities; we are actively seeking the indefinite extension of the Non-Proliferation Treaty beyond 1995, a strengthening of the membership of the Missile Technology Control Regime, the replacement of the Cold War's COCOM with a new multilateral mechanism tailored to today's threats, the prompt entry into force of the Chemical Weapons Convention in 1995, the adoption of regional security and arms control measures in the Middle East and South Asia, compliance with the Biological Weapons Convention, and the safe and secure dismantlement of the thousands of nuclear weapons that remain in several states of the former Soviet Union.

If the address does cover non-proliferation, it would be important to signal our appreciation of the recent agreement by Brazil and Argentina to adopt full-scope safeguards, South Africa's abandonment of its nuclear weapons and missile programs, and accession to the NPT by Belarus and Kazakhstan. If we continue to make progress with North Korea, this could be reinforced by the President;

-- Protecting against environmental, population and public safety dangers raises a host of challenges that dramatically illustrate the imperatives of integrating domestic and foreign policy to achieve comprehensive

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security. The President has taken on the major environmental issues that were raised at last year's Rio Summit -- climate change and biodiversity -- that were side-stepped by the previous administration. His commitment to reduce the emission of greenhouse gases in the U.S. to their 1990 level by the end of the decade, and to work with U.S. automakers to improve car fuel efficiency, are important steps locally and globally.

The President has also shown leadership in promoting a reduction in global population growth that so threatens the environment and economic progress in vast regions of the world. In 1994 we expect to be at the forefront of the Cairo International Conference on Population and Development.

Unrestrained immigration, narcotics trafficking, the spread of AIDS, and terrorism are all issues that threaten the personal security of our citizens and to which the Administration is developing comprehensive strategies that link economic incentives with law enforcement at home and abroad. The cruise missile strike against the headquarters of Iraq's intelligence service illustrates President Clinton's determination to deliver a firm proportional response to terrorist activities.

- Promotion of human rights and democracy will remain at the very heart of U.S. foreign policy as a reinforcement of our most abiding values and national identity. More than idealism motivates this commitment. The awful political truth of this century, the most violent in human history, is that governments that abuse power and deny the basic human rights of their own citizens threaten us all. Democracies, in contrast, are rarely aggressive, make more reliable partners, encourage free markets, and cooperate in managing the environment.

The advent of majority rule in South Africa will be a major event in 1994, where American engagement will be prominent. We will continue to be at the forefront of reinforcing these values across the newly independent states of Eurasia. While setbacks are inevitable, including in Haiti and the former Yugoslavia, the President should reiterate our determination to seize opportunities to enlarge political and economic freedom abroad, the best guarantees for our long-term security and prosperity at home.

- Strengthening the Capacity of the United Nations to prevent conflict and promote peace around the world reduces the risk of the U.S. being drawn into regional conflicts that we also cannot ignore. We have given special attention to promoting regional solutions for regional problems and will continue to exert leadership in helping to strengthen the OAS, OAU, ASEAN, and other regional security arrangements.



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

MEMORANDUM

To: John Podesta
From: Donna E. Shalala *Donna E. Shalala*
Subject: The State of the Union Address
Date: 12/30/93

In response to your request for themes for the State of the Union address, I would suggest the following:

1. The Administration's commitment to working Americans. One of President Clinton's strongest electoral mandates was to address more than a decade of lost jobs, wages, and benefits for working Americans. The Administration has taken very strong steps in this area, both in jump-starting the economy and in laying the groundwork for long-term economic security (NAFTA, the economic plan, deficit reduction, health care reform, etc.).

The President should speak personally and passionately about his commitment to policies that help working Americans. The Health Security Act will particularly benefit working Americans, who are disproportionately uninsured and whose economic security is jeopardized because of rising health costs. The President also should point out that the Administration is reforming the welfare system because we believe that everybody who can work should work.

2. The Administration's commitment to children and families. Children are our greatest resource. Someday, they will become the foundation of our workforce and our democracy. As UNICEF's 1994 State of the World's Children report shows, America has not provided for our children as well as we can. The Administration has taken strong steps to support children and families (Head Start, immunizations, EITC, WIC, etc.). We believe that investing in children and families is the right thing to do and the smart thing to do. The President should challenge Americans to become advocates for children.
3. The Administration's commitment to stopping violence and to promoting strong, secure communities. Violence is an equal opportunity epidemic. It is destroying communities and creating a climate of fear that undermines civic life. With the Crime Bill, the Brady Law, other major initiatives, and inspiring rhetoric, the Administration has shown leadership. The President should challenge all Americans to do their part.

Thank you.



THE SECRETARY OF THE INTERIOR
WASHINGTON

93 DEC 28 A9:53

MEMORANDUM

December 27, 1993

TO: John Podesta,
Assistant to the President and Staff Secretary

FROM: Bruce Babbitt *B. Babbitt*

RE: State of the Union Address

The State of the Union would be a good place to develop the theme of security and opportunity that you have touched upon in earlier speeches. You should focus on just the most important domestic themes -- health care, crime, welfare reform and the associated work training concepts, and the economy.

Health care is principally a security issue, but you have and should again characterize it as an opportunity issue -- guaranteed health care provides mobility in the workforce, encourages risk-taking and initiative, and preventive care especially makes all citizens more productive.

The existing welfare system provides some security, but it does so by reducing initiative -- sketch a reform agenda that provides a measure of security (principally for the children) while providing real incentives to join the workforce.

Crime is the ultimate security issue; it can also be used to illustrate the corrosion and destruction of opportunity.

Keep pushing your definition of the entrepreneurial economy -- world competitiveness, forcing new technology, partnerships in research and development. At the same time that we are providing citizens a measure of security, you are asking them to help unleash a new wave of creative work, risk-taking, and innovation.

The same themes -- security and opportunity -- can be used to characterize your efforts abroad. In this new world, the best long-term security investment is to promote democracy and human rights. And the emerging global economy (NAFTA, GATT, the Asian initiatives) can generate opportunity for all, most especially Americans. The global economy is becoming a fact -- the only question is whether America will lead and reap the benefits, or stand by while others reach for world leadership in the coming century.

You should consider talking about a "Second American Century" of international leadership -- while the phrase has a slightly chauvinistic and provocative ring, it is, for just that reason, a nice way to contrast our leadership role in this new world and explain how it differs from the past century.

A final note. As suggested above, I would not be inclined to deal with environmental or natural resource issues as such. However, should you choose to do so, I strongly recommend that you include a sentence or two of very specific language regarding the fair pricing and sustainable harvest of natural resources, including timber, water, minerals and forage, thereby sending an unequivocal signal to many watching members of Congress that we are not backing away from grazing and mining reform.



THE SECRETARY OF THE INTERIOR
WASHINGTON

December 30, 1993

MEMORANDUM

TO: John Podesta
FROM: Bruce Babbitt *BB*
RE: Sustainable Development

You asked for some thoughts on global environmental policy:

"Sustainable development" is the current slogan for global environmental cooperation - The problem is to squeeze something specific and memorable from that husk.

Try linking environmental cooperation to 1) economics and 2) science and technology

1. Take credit for the green clauses in NAFTA - an unprecedented breakthrough - the word "environment" has never before been included in a trade agreement - from now on all trade and investment should include environmental protection.

2. We must turn the power of science and technology to the global environment.

The space initiatives with Russia should be followed up with a global oceans campaign using the remarkable underwater technologies developed by both countries during the cold war to map the oceans, locate mineral deposits and manage all fish stocks on a sustainable basis, inviting all countries to participate.



The Secretary of Energy
Washington, DC 20585

December 30, 1993

93 DEC 30 P3:49

MEMORANDUM FOR THE PRESIDENT
FROM: HAZEL R. O'LEARY *Hazel R. O'Leary*
SUBJECT: State of the Union Address: Nuclear Non-Proliferation Theme

I. SUMMARY

On September 27, 1993, our Administration unveiled its non-proliferation and export control policy. The policy addressed the issue of non-proliferation broadly, touching on fissile material control, export controls, missile proliferation, biological and chemical weapon proliferation, regional initiatives and conventional arms transfers. The key elements of the policy were the proposals to prohibit the production of highly enriched uranium and plutonium (fissile materials) for nuclear explosive purposes and submit excess U.S. fissile materials to international inspections. The policy also stated that the U.S. would not encourage the civil use of plutonium for nuclear power purposes.

II. DISCUSSION

As you have indicated, the most significant threat to U.S. national security in the post-Cold War world is the further spread of nuclear weapons. As a result, we have flagged the issue of nuclear non-proliferation as a top national security priority. The American people are scared by the specter of rogue nations developing nuclear weapons. The ongoing situation in North Korea has raised public awareness of the problem of nuclear proliferation and made clear the potentially enormous cost to the U.S. of allowing new nations to develop nuclear weapons. The public wants to be assured that the U.S. is doing everything in its power to stop the proliferation of nuclear weapons and that our administration is acting on this problem with conviction. Some in the advocacy and national security communities would like us to become more aggressive in this area.

We face a two-pronged challenge in the coming year on the issue of nuclear non-proliferation. What does this mean?

- One challenge is paving the way for the successful indefinite extension of the Non-Proliferation Treaty (NPT) in early 1995.



- The other is stopping any additional nations from developing nuclear weapons and attempting to roll back proliferation where it has occurred. (Nuclear weapons programs have successfully been rolled back in South Africa, Brazil and Argentina.)

To some degree these issues overlap. For example, your decision this summer to continue the U.S. moratorium on nuclear testing served the dual purpose of making the extension of the NPT more likely to create a barrier to further nuclear proliferation. However, some believe that there are policy conflicts in achieving the goals of extending the non-proliferation treaty with the goal of reducing weapons-grade material and other nations' abilities to develop weapons. This conflict is most apparent in the production of plutonium. The Administration has recognized that in order to maximize political support for the indefinite extension of the NPT, it may be necessary to allow non-nuclear NPT signatories to engage in civil plutonium activities as long as the activities are internationally monitored. This position is staked out in a Presidential Decision Directive. Yet, this policy will allow nations to add to the plutonium glut that exists in the world today. And, since all plutonium can be used in nuclear weapons, its accumulation creates serious proliferation and security dangers, thus endangering the achievement of your second goal of stopping other nations from developing weapons.

Some in the arms control and national security communities believe that a two-pronged approach towards plutonium is not productive. They argue that plutonium for civil (good) and military (bad) purposes can be utilized to develop weapons. They also argue that there is a contradiction in allowing some nations to maintain civil plutonium programs, while discouraging developing nations from developing similar civil plutonium programs, especially if these programs are monitored by international inspectors. The problem is that once a nation has a plutonium separation capability, it can build a nuclear weapon. And if a nation decides to build such a weapon, it only takes a few months to withdraw from the NPT as North Korea has demonstrated.

RECOMMENDATION

The State of the Union Address is an opportune time to frame the Administration's nuclear non-proliferation goals and remind the country of some of the goals and proposals you have articulated. You can provide concrete examples of how they are being implemented and lay out new goals and initiatives. This whole area ties into our Administration's security theme. What better way to highlight the Administration's security theme than to set as a goal the continued reduction of nuclear weapons and the materials that comprise such weapons?

III. SUGGESTED FOCUS FOR INCLUSION IN THE SPEECH

- Thematically, the issue of nuclear proliferation should be outlined around grand U.S. goals such as ending the spread of nuclear weapons and rolling back proliferation where it has occurred. The threat to U.S. national security and international stability should be clearly defined, but past successes should also be identified. The theme should emphasize your vision for a future secure from the nuclear threat.
- The continued moratorium on nuclear testing and September non-proliferation policy should be cited as an examples of the Administration's commitment to end the spread of nuclear weapons and as a significant move forward from past U.S. efforts. However, it should also be recognized as just the first tier of activity in a multi-tiered effort. It could be emphasized that completely ending the production of fissile materials, for both civil and military purposes, is an ultimate U.S. goal.
- Non-proliferation can be the framework within which all other nuclear arms control initiatives fit. For example, pursuing an end to nuclear testing and moving forward on a comprehensive test ban to which you are committed, and gaining Ukraine's adherence to START and the NPT should be cast in terms of how they will help U.S. non-proliferation efforts. Progress on implementing the non-proliferation and other nuclear arms control policies should be mentioned. For example, the opening of the CTB talks, the choosing of a venue for the fissile materials convention, progress with Ukraine on START and NPT, and progress with North Korea (if any) could be mentioned.

IV. ACTIONS TO BE ANNOUNCED IN THE STATE OF THE UNION

- A new, high-level Administration task force dealing with nuclear proliferation issues should be announced. It could be headed by the Vice President or National Security Advisor and include the Secretaries of State, Defense, and Energy; the Director of the Arms Control and Disarmament Agency and other relevant agency heads. The purpose of this task force would be to demonstrate high-level commitment to the issue and be an entity for creating and clearing new policy initiatives. There should also be an invitation to all members of Congress to work with the proliferation council in order to develop the necessary consensus on proliferation policy.

- Issues to be considered by the proliferation council should include examining deeper nuclear arms reductions, revising U.S. security assurances, broadening the nuclear arms control process to include other nations, reviewing U.S. nuclear declaratory policy, and considering transparency and accountability measures for monitoring worldwide fissile material stockpiles. These issues could form new elements of the Administration's non-proliferation/arms control agenda.
- Direct the task force to develop a new arms control agenda within six months.

V. CONCLUSION

We recommend that you include this theme in the speech and adopt the recommendation to develop new non-proliferation initiatives. This proposal has been discussed with some individuals at the Department of Defense. However, the proposals clearly need to be vetted with the NSC, State Department and others.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460
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DEC 30 1993

MEMORANDUM FOR THE PRESIDENT

FROM:

CAROL M. BROWNER *CMB*

THE ADMINISTRATOR

SUBJECT: STATE OF THE UNION ADDRESS

I appreciate the opportunity to provide my thoughts and suggestions on the State of the Union Address. I will restrict my comments to prospective issues that you may want to mention regarding the environment. As to the past year, you have a strong record of accomplishments and may want to draw on a recent Houston Chronicle column that I wrote about your fulfillment of your Earth Day commitments (attached).

Overall, a theme that I have developed for our environmental protection efforts is that we need a new generation of environmental thinking. We have achieved successes with the last 20 years of command-and-control statutes. But continued progress requires a renewed commitment to environmental goals combined with greater innovation and flexibility in the tools we use to achieve those goals.

My suggestions for your comments on next year's agenda are as follows:

* Cabinet Status. A brief mention of the need to elevate the Environmental Protection Agency to cabinet status will be helpful in fulfilling your commitment on this issue. The Cabinet Bill has passed the Senate and is ready for a floor vote in the House, perhaps in the first week in February. Cabinet elevation may be one of a small handful of environmental legislative initiatives that we will be able to point to for the fall 1994 elections. A brief mention in your State of the Union address could give you a quick environmental win with a minimum of effort.

* Water Issues. Polling indicates that clean water issues have extremely strong public support, the highest of the environmental issues. One 1993 Times Mirror poll found that 77% of the public believes that government is not doing enough to control water pollution. Shortages in water funding also form a large part of the states' concern about unfunded mandates. You are well positioned to support reform of the Clean Water Act (addressing wastewater) and the Safe Drinking Water Act (addressing drinking water). Your FY 1994 and FY 1995 budgets have proposed new state revolving funds for local infrastructure investments, and we are close to finalizing administration positions on the reform of the two statutes. Senator Max Baucus, the Chair of the Environment and Public Works Committee, also

strongly supports reauthorization of the statutes. Your comments could focus on a legislative package that would reform the existing statutes, and provide the funds that will create jobs and help states and localities provide safe drinking water, and clean streams and waterways. (By the way, thank you for your commitment to funding these and other items in EPA's FY 1995 budget.)

* Superfund. Your comments in last year's address about getting the lawyers out of Superfund were widely praised. We have conducted an extensive Superfund reform effort since then, and an inter-agency process has reached resolution on a proposed Superfund reform package. (You have been sent a memorandum asking for your approval of the proposed package.) In addition, the National Commission on Superfund, a broad-based committee of industry, state, labor, environmental and citizen groups has developed a reform proposal that is consistent in many ways with the proposed administration package. Without getting into specifics, your comments could focus on reducing legal costs, speeding up cleanups, promoting the development of new technologies (an issue that was very successful for us in the NAFTA debate) and protecting local communities.

I hope these thoughts are useful. I will be pleased to provide suggested language on any of these points.

HOUSTON CHRONICLE DEC 29 1993, A 21

Clinton clearly leads the way on environment

By CAROL M. BROWNER

ON a sunny morning in April, President Clinton celebrated Earth Day by announcing an ambitious environmental agenda. As 1993 draws to a close and we reflect on the year gone by, it's clear that more environmental leadership has come from the White House in the past 12 months than in the previous 12 years.

In his Earth Day address, the president pledged that his environmental policy would promote a healthy economy and create jobs. He said we need not choose between economic development and a safe, clean environment — the two go hand in hand. Preventing pollution helps protect our health and future generations — and by eliminating the cost of environmental cleanup, it's also good for the bottom line.

The Clinton administration set a precedent with the Forest Conference in April, when loggers, environmentalists and other members of the Pacific Northwest community sat down together and hammered out a plan to save both jobs and trees.

The new Environmental Technology Initiative launched by my agency will also boost our economy. It will create new jobs for Americans who will build and use new anti-pollution devices. In addition, EPA and the Commerce Department have forged a strategy to market U.S. environmental products around the globe — again creating high-wage, high-skilled American jobs.

In his Earth Day address, the president pledged to protect our environment both at home and abroad. In June, he signed the international biodiversity treaty that George Bush walked away from in 1992 — because preserving the miraculous variety of plants and animals helps to protect human health. More than half of our prescription drugs, for example, come from plants.

The president pledged to address the threat of global warming. In October, he issued a Climate Change Action Plan to boost energy efficiency and reduce U.S. emission of greenhouse gases to 1990 levels by the year 2000. Saving energy means saving money for consumers. And cleaning up our air means saving lives.

The president and I worked to add a tough environmental side agreement to the North American Free Trade Agreement. NAFTA is the first trade agreement ever to include environmental safeguards.

In his Earth Day speech, the president pledged that the federal government would lead by example. In August, he ordered all federal agencies to cut their releases of toxic pollution in half by 1999. Federal agencies will also be required to

Browner is administrator of the U.S. Environmental Protection Agency.

report their toxic emissions to the public, just as private firms do.

In October, President Clinton ordered federal agencies to purchase recycled products. The purchasing power of the federal government will greatly expand the market for recycled products — and create more jobs.

The administration led by example again when the EPA, the Department of Agriculture and the Food and Drug Administration joined forces and agreed — for the first time — on a proposal to reform food safety policy. We called for a strict, health-based standard to ensure that all pesticides used on all foods are safe for all Americans, including children. And together, we've begun helping farmers to reduce their use of pesticides.

"The bounty of nature is not ours to waste," the president said on Earth Day. "Preserving our heritage, enhancing it and passing it along is a great purpose worthy of a great people."

During the last 12 years, environmental policy became polarized and adversarial. The president has led the way in showing that the choice between jobs and a safe environment is a false choice. There is now a foundation for a better future, both for environmental protection and for economic growth.

With the president's leadership, that is the path we'll continue to take in this administration.



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

DATE: December 28, 1993

TO: John Podesta
Assistant to the President and Staff Secretary

FROM: Jesse Brown *Jesse Brown*
Secretary of Veterans Affairs

SUBJ: State of the Union Address

As requested in your memorandum of December 22, 1993, attached is suggested material for inclusion in the President's State of the Union message next month.

The President's health care reform proposals are good news for veterans. A reference to the special place of veterans in that plan will help galvanize the veterans' community and sustain their support for the Health Security Act. A suggested paragraph is provided.

The attachment also briefly outlines Administration initiatives to address health and disability concerns of veterans exposed to Agent Orange, and of those who served in the Persian Gulf.

The nation's veterans have been heartened by the President's attention to their views and his support for issues of special concern to them. They can be expected to continue their close attention in months to come, especially as national health reform unfolds.

Attachment



Putting Veterans First

DEPARTMENT OF VETERANS AFFAIRS

Topics for the State of the Union Address

January 1994

National Health Care Reform

The Health Security Act of 1993 is the only national health care reform bill that specifically addresses and seeks to improve veterans' health care. Recognizing the special contributions veterans have made to the nation, the President's legislation provides service-disabled and low-income veterans with comprehensive health care benefits completely free of premiums, copayments, or other charges. At the same time, the bill makes sweeping, overdue reforms of VA health care eligibility rules, enabling VA doctors to provide care based strictly on medical need. The complex rules currently in effect, in many cases lead to fragmented care that is driven more by short-sighted fiscal considerations than by sound medical practice. The Act also provides a three-year, \$3.3 billion investment fund to enable VA to bring its facilities up to competitive standards.

Agent Orange

A controversy that has lasted many years came a few steps closer to an end with the past year's announcement that the Department of Veterans Affairs will award disability payments to Vietnam veterans who were exposed to Agent Orange and are suffering from Hodgkin's disease, porphyria cutanea tarda (a liver disorder), respiratory cancers, and multiple myeloma (a bone-marrow cancer). Results of a comprehensive review by the National Academy of Sciences convinced the Secretary that the government should accept responsibility for these conditions. These decisions potentially affect thousands of veterans and their families.

Persian Gulf veterans

The Administration took quick action to address head-on the appearance of unexplained illnesses affecting veterans who served in the Persian Gulf during the 1991 war. VA Secretary Jesse Brown assembled a special advisory task force to review the situation and advise him on how to respond to growing concerns about the health of these veterans. Most recently, pursuant to the President's assigning him responsibility for research in this area, the Secretary created the Persian Gulf Research Coordinating Council to plan an integrated approach to Federal research into the so-far unexplained illnesses. VA is the lead agency on the Council which also includes the Defense Department, the Department of Health and Human Services, and the Environmental Protection Agency. VA's plans call for specialized research centers to conduct basic science and human studies to shed light on the health impact of Persian Gulf military service.

By the time of the State of the Union address, the Administration will likely have also created the Persian Gulf Veterans Coordinating Board, comprising the Secretaries of Defense, HHS, and VA, to coordinate clinical and disability benefits issues, as well as research relating to Persian Gulf veterans' health issues.



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

December 21, 1993

MEMORANDUM

TO: Carol Rasco

FROM: Peter Edelman *PBE*

SUBJECT: Ideas concerning violence for possible inclusion in state
of the Union Message

Attached is the document we discussed. This is also the guts of the 10 page report you will receive from the working group the first week in January in addition to the Executive Summaries, which will be about 5 pages apiece. We have now told the individual groups that their longer reports are due to us on January 17. This will give them enough time to reflect the editing suggestions we made to them. If it seems useful, we could go through another round of comment and editing at that time.

The attached document reflects the input of about 15 to 20 people -- the members of our steering committee and the working group chairs. I would welcome your comment or Bruce's comments or anyone else's as to substance, tone, organization, or anything else. We can expand on anything that needs elaboration, reduce discussion of matters where we are stating the obvious or being unduly repetitive, etc.

It would be very helpful to get feedback. I hope you find the document helpful. Happy holidays!

December 21, 1993

SOME IDEAS FOR STATE OF THE UNION MESSAGE
(From Interagency Task Force on Violence)

The startling escalation in violence in the last few years has produced pervasive fear and concretely altered the quality of life for millions of Americans. Drive-by shootings, killings over drug turf, and gang-related violence have reached suburbs, smaller cities, and small towns all over the nation. Homicide rates have soared. Children are killing children.

Guns are everywhere. There are now over 200 million firearms in the United States. Half the households in the country now have a firearm.

Drug and alcohol abuse cause the toll to mount and add immensely to our national bill for health care. The incidence of violence among alcohol abusers is 12 times higher than the rate in the general population, and 16 times higher among drug abusers.

Americans are coming to realize that violence in the home is far more prevalent than they thought, and closely related to what happens in the street. Between 2 and 4 million women are seriously assaulted by their domestic partners each year, including 1300 to 1400 who are murdered by their husband or partner, accounting for 40 percent of all homicides of women. Over 3 million young children witness parental violence each year, and there are nearly 900,000 confirmed reports of child abuse. Each year some 1300 children die as a consequence of abuse or severe neglect.

The consequences are devastating in the longer run as well as immediately. Too many children model their later behavior on what they see and experience at home -- reinforced, sad to say, by what they see on television and at the movies and what they hear in the music they listen to. The average American child watches 28 hours of television a week, and sees 8000 homicides and 100,000 acts of violence before he or she finishes elementary school. The emotional, physical, and sexual abuse of children, unacceptable in itself, is part of a continuity of violence that we must understand much more fully than we now do.

The President began a process of national self-examination about the damage we are doing to ourselves with his eloquent and profoundly thoughtful speeches in Memphis on November 13. People feel that this is a time of crisis. Crises, though, present both danger and unusual opportunity for change. So this is both a time of risk and a time to seize the moment and assume a common responsibility to restore coherence and hope to life for every American.

The answers, unfortunately, are not simple. There is a whole series of "both ... ands" in what we must do. We need both law

enforcement and prevention. We need both short-range and long-range strategies. We need both national policy and local action. We need both public policy and private initiative. We need both carrots and sticks. We need to bring to together every segment of our nation and our communities to deal with every aspect of the diversity of violence. We need all of us on all of this.

We absolutely have to begin with safety. It should be a given but it is not. People must feel secure at home and as they go out to work and shop. Children must feel secure on their way to and from school and while they are there, and when they are out playing in the neighborhood. Older Americans must feel secure as they enjoy the fruits of their retirement. Assuring the physical security of every American is where we must start.

But if all we do to assure safety is enforce the law, as fundamental and essential as that is, the irony is that the destruction of order will continue and worsen. Law enforcement is a form of prevention, but it is not sufficient. If we invest only in more prisons, we will never have enough prisons to lock up all the perpetrators. Law enforcement professionals are the first to say this. They know that ultimately, they cannot do their job effectively unless the community joins them -- first, to help make the streets safe, but second, to take all the other steps that are necessary to create economic opportunity and to strengthen families, neighborhoods, schools, and communities. These are the steps that in the long run will change the climate and the conditions which fuel so much of the violence. The key is prevention, to start as early as necessary to stop violence before it starts.

We go into detail below, but national policy to prevent violence before it starts includes focusing on how guns are used, who has them, and how they are made, urging the media to be more responsible, and investing in our people, especially our children. Local policy must include neighborhood and community-wide partnerships and coalitions to reduce and prevent crime and violence and reach out to young people to provide role models, educational enrichment, and connections and, in the end, hope. It must include strategies to strengthen families, neighborhoods, and schools, and specific interventions like mentoring and educational enrichment. It must include more attention to victims.

We believe the President can use the bully pulpit to educate and celebrate and inspire, as he has already done in so many ways. He can educate us all as to what each of us can do to take responsibility. He can educate us as to just how pervasive the violence is -- in the home as well as on the street, the hate violence as well as the street crime, the suicides as well as the homicides. He can educate us by telling us that guns are dangerous consumer products, that violence is not the way to settle disputes, that we should have respect for and value human life, that real men

don't beat women, that teens should not be drinking, and that no one should be using, distributing, or selling drugs.

And it is so important that the President can celebrate what works. He can tell the people that we have many things we can do, things that work. This is a time for us to act, not retreat behind locked doors. There are neighborhood and community-wide antiviolence coalitions and programs in cities across America that are making a difference. The Beacons program in New York is turning schools into community centers. New Futures in Savannah, the Omega Boys Club in Oakland, El Puente in Brooklyn, Youth Development, Inc. in Albuquerque, City Year in Boston, Rheedlen in Manhattan, and Youthnet in Kansas City are all making a difference in the lives and futures of young people. They deal with youth as assets and take a developmental approach. And there are individual heroes to be celebrated -- from the man who disarmed the killer on the Long Island Railroad to the thousands of young people from the most difficult of circumstances who beat the odds every year and make it, despite everything.

Finally, the President can inspire. Just as national service will tap into youthful idealism, there is an enormous wellspring of idealism among people of all ages. There is a desire to help and do something worthwhile. The President can inspire all Americans to participate, to be part of the effort to replace fear with hope, to shift the focus. He can motivate people to take action, to get involved, to serve in a variety of ways that help individual families and communities. The long list of specific ideas that follows below shows there is good reason for optimism.

One vital matter on which the President can educate specifically has to do with issues about race and ethnicity. The issues and the facts about violence are deeply intertwined with both realities and Americans' prejudices about race. The realities and the prejudices need to be separated and differentiated. This is not a simple matter, but one simple truth is that there is no causal connection between race or ethnicity and violence. Violence is associated with poverty and discrimination, lack of education, lack of jobs, and lack of hope -- and these are things we can change.

Another truth is that the victims of crime are disproportionately low-income people and minorities, and that the fear which stalks the streets of neighborhoods is most intense in low-income neighborhoods.

And there are other related matters to which we do not attend sufficiently. Young African-American, Latino, and other minority young men and women still face widespread racial and ethnic discrimination in the job market as they go about the crucial phase of looking for the first job that will help determine their entire life's direction. The intertwined forces of race and poverty bring

disproportionate responses against minorities and the poor in the criminal justice system as well, where we see disparities in rates of conviction, sentencing, and incarceration. The schools attended by low-income minority children are routinely the worst in the city. And hope is at its lowest ebb in the low-income predominantly minority neighborhoods of our cities.

In all of this we need to view our children and youth as assets and resources to be developed, and not presumptively as threats and collections of problems as is too often the case. The vast majority of young people, including those at risk for socioeconomic reasons, never engage in violence. Indeed, children and young people can be significant resources to aid in efforts to eliminate violence, through peer mediation and counseling and other activities.

The following are some specific ideas for an antiviolence movement that must involve all Americans. They represent the "both ... and" approach called for above. Some of the ideas relate to tougher law enforcement and others relate to prevention and child and youth development and strengthening families, schools, neighborhoods, and communities. These, then, are some possible elements of the call to action:

1. Enact the crime bill, which includes a significant number of absolutely vital elements. Community policing is the most important of these -- a policy of demonstrated effectiveness in cities across America. Of vital importance also are the provisions for drug and alcohol treatment in the criminal justice system, boot camps and other prison initiatives, drug courts, prevention of violence against women, safe schools, and other prevention activities including the Dodd Ounce of Prevention amendment and the Bradley-Domenici-Danforth amendment to turn schools into community centers.
2. Next steps on guns. Firearms are at the heart of this epidemic of violence. And both the victims and the perpetrators are getting younger and younger. Fights that used to end with a black eye now end in death. Disgruntled employees return to the work site with guns and settle scores fatally. And loaded handguns in the home increase the risk of tragedy to an innocent person. We have done extraordinarily well in reducing motor vehicle deaths and injuries by making safer cars, safer roads, getting drunk drivers off the road, educating and licensing drivers, and registering and inspecting cars. We can do the same thing with guns. The Brady Bill was a historic event. Now we can move forward to keep guns out of the hands of children and out of the wrong hands, get rid of the most dangerous ammunition, make guns safer, tighten regulation of gun dealers, and educate people about how dangerous guns are. The President has of course already called for a ban on assault weapons and a ban on possession of guns by juveniles, and he has asked for a study of the licensing and registration of handguns.

He might consider announcing that we are going to address the prevention of firearm injuries as aggressively as we have addressed cancer, smoking, and motor-vehicle related injuries through rigorous enforcement of the law and new research and programs that bring together justice and health professionals through the National Institute of Justice and the Centers for Disease Control.

3. **Media.** We suggest that the President announce he is inviting leaders of all the media -- networks, cable, filmmakers, record companies, video toys, perhaps the print media -- to the White House for a meeting to discuss what they can do. There is a lengthy agenda of possible and important areas and steps for them to consider: reducing the violence in films, programming and products; news policies; policies regarding the hours when various types of programming appear; ratings systems; measures of the incidence of violence in programming and products; proactive efforts to send antiviolence messages in films and programs; and strategies to do public education by way of public service announcements, documentaries, and other activities. The media are a powerful influence on our culture and we should urge them to focus that power on positive, pro-social outcomes.

4. **Neighborhood and community-wide antiviolence coalitions, and accompanying programs and interventions that work to strengthen families, child and youth development activities, and neighborhoods.** These initiatives are absolutely key to the President's call to take our cities back block by block and neighborhood by neighborhood. They are developing on their own in many communities. Our interagency group has worked with Denver and Omaha, but seven cities in Texas have action plans for crime prevention connected to broad-based coalition building, and cities like San Diego and Seattle have done their own city-wide task forces. Fort Worth says it has reduced crime in all categories by 25 to 30 percent by the totality of its activities, including a major emphasis on community policing. The President might assign the U.S. Attorneys around the country to lead federal teams and thereby draw on federal expertise to help in any city that wants it. It might also be appropriate to consider modest federal cash assistance on a formula basis to states and major cities as "glue" to start up and staff the coalitions. The federal government can also work to cut red tape for localities, develop improved on-line computerized information about federal resources, and produce new resource guides and how-to manuals about promising activities to reduce violence. All of these activities will make a major difference to communities as they seek to develop their own approaches to the problem. Even more broadly, all of this must be part of rethinking the federal government's ability to respond to the needs of all communities across all Departments and programs. This is a major focus and purpose of President Clinton's Empowerment Zone and Enterprise Community legislation, which was enacted in 1993 and is now in the process of being implemented. The federal government should seek to promote comprehensive program

development at the local level in every way possible to meet the varied needs of children and youth and their families.

5. **Drug and alcohol policy, including both law enforcement and treatment/prevention.** Drug sales and excessive alcohol use are closely interwoven with a large proportion of the violence. The President might emphasize his determination to redouble our law enforcement efforts against drug dealing, as well as the concrete efforts he is making to increase our investment in treatment and prevention, especially efforts to prevent young people from using alcohol and other drugs. The CDC is currently developing a comprehensive school health education program that will make it possible to teach every student every year about the risks of alcohol and drug abuse and how they can avoid getting involved. The President might emphasize the new hard-core drug and alcohol abuser treatment initiative that is currently slated to be proposed in his FY 1995 budget, the significant criminal justice drug treatment portion of the crime bill, and the substance abuse treatment benefit in the health care reform legislation. The latter looks toward a historic shift in substance abuse treatment as of the year 2001 when the mental health and substance abuse benefits in the health care plan will achieve parity with the benefits available under the rest of the plan.

6. **Promote jobs and opportunity and hope for young people.** This is vital. The President might consider adding together and emphasizing the various youth employment initiatives that are projected as part of welfare reform, reorientation of the Job Training Partnership Act, and national service.

7. **Safe and effective schools.** Too many of our children are terrified to go to school, especially as they get to middle school and find gang pressures from older children, so that the threat of violence within the school becomes even more worrisome than the dangers that confront children on their way to and from school. In a recent survey, 37 percent of teens said they did not feel safe in school, and 50 percent said they knew someone who transferred to another school because of safety concerns. Of course our schools will not be totally safe until our communities are safe. At the same time, though, antiviolence curricula in schools and mediation and conciliation activities, including peer mediation, can reduce the proclivity of children to resort to violence. Finally, there is no substitute for working to make all of our schools places where children can learn, for helping all of our teachers to be good at listening to children, and for making our schools much better at helping young people make a successful transition to the labor market or to postsecondary education. To pursue all of these ends, the President might call once again for enactment of the Safe Schools Act, the Goals 2000 legislation, the school-to-work bill, and the Elementary and Secondary Act reauthorization, including the important provisions it contains constituting the Safe and Drug-Free Schools and Communities Act.

8. Turn schools into community centers and encourage nonprofit organizations, colleges, and others to work with schools within neighborhoods to reach "at risk" youth with after-school, evening, and summer academic enrichment and recreation, with large numbers of adult role models to create meaningful adult relationships for young people who so often lack them, and organized activities to connect youth to the labor market. This is of course related closely to the previous recommendation. The question used to be, it's 10 o'clock, do you know where your kids are? Now the question is, it's 4 o'clock, do you know where your kids are? As indicated above, the President might call for enactment of the Ounce of Prevention (Dodd) and Bradley-Danforth-Domenici amendments in the crime bill to do these things. These youth development initiatives are vital elements in a violence prevention strategy.

9. Million Mentors Initiative. This is obviously related directly to the previous two suggestions. So many young people lack meaningful adult relationships in their lives today, for a variety of reasons. Mentoring has become a cure-all solution in the minds of some, but, properly done and in the context of other initiatives and policies, it has an extremely important role to play. The President might call for the nation to mobilize to get a million mentors in place to work with young people. Rough estimates indicate that there are perhaps 150,000 to 200,000 mentors around the country now through Big Brothers and Big Sisters and other, smaller groups, so a million mentors is a reasonable aim. It represents exactly the kind of partnership between government and the people that we need and want to promote. It has to be carried out by private individuals, but because doing good mentorship programs is neither simple nor free, an infrastructure is required to accomplish the aim. Careful organization is required to recruit, screen, train, supervise, monitor, support, and provide logistical assistance for mentors. The President might consider proposing a small grant program to states to distribute as they think most wise to create the needed infrastructure. The leverage from such a small set of grants would be multiplied many times over, because the heart of the effort would be private action.

10. Additional federal law enforcement activities to prosecute and assist local prosecution of violent crime and gang activity. The Department of Justice, through its Criminal Division, will undertake the following activities:

-- At the local level, Justice will work with local authorities to define the specific problems that need to be addressed, inventory federal and local prosecution and investigative resources, and develop a joint anti-violence strategy. An integrated force of federal investigators (FBI, DEA, INS, U.S. Marshals, and Customs) will be deployed to work with local law enforcement officials on this.

-- Justice will design the specific federal role to be undertaken

as part of the locally determined strategy, based on the special advantages of the various federal tools available to assist.

-- Justice will coordinate and share intelligence among federal and local law enforcement agencies.

-- Justice will create a new Violent Crime Section in the Criminal Division to support training, help in the field, facilitate coordination, and share intelligence and ideas.

11. Juvenile Justice. The juvenile justice systems in most states satisfy no one. They neither levy sufficient sanctions against violent offenders nor respond with policies and interventions appropriate for first-time and minor offenders who do not constitute a threat to the security of the community. Thirteen percent of juvenile offenders are serious offenders who have committed rape, murder, robbery, or assault; 80 percent were arrested for property crimes, drug offenses, or the like; and 7 percent have committed minor offenses like shoplifting or status offenses. Between 1988 and 1992, the number of violent crime arrests of juveniles increased by 47 percent, more than double the increase for persons 18 and older. Juvenile arrests for murder increased 51 percent compared with a 9 percent increase for adults. We need to encourage and assist the states to differentiate among juvenile offenders in ways they have not in the past. Federal leadership can help states in a number of ways:

-- in the design of tougher sanctions and appropriate correctional facilities for violent offenders. The crime bill includes funds for facilities for serious juvenile offenders. Federal leadership can help states understand that for many serious offenders, especially younger ones, strengthening the juvenile justice system can be more effective in protecting the community than sending accused offenders to the adult system;

-- in developing alternatives to unnecessary and costly institutionalization for minor offenders who will benefit far more from interventions that are based in the community. Federal leadership can help states develop ways to work with the families of young offenders and on realistic strategies for attending to the reintegration of offenders back into the community; and

-- in developing better assessment tools to differentiate among categories of offenders and assess their needs.

12. Massive public education. We know that public messages have an effect. We can see what has happened with cigarette smoking, use of seat belts, and designated drivers. The President might wish to encourage a new set of public messages on such matters as:

- guns as dangerous consumer products
- "time out" or "squash it" to appeal to kids to settle

- disputes nonviolently
- real men don't beat women
 - underage drinking

We need to turn the power of our marketing community toward violence prevention. The President might consider asking Congress to fund the Centers for Disease Control to work with the private sector on the development of the best specific messages to reach those at greatest risk. Schools should be asked to play a major role in the public education strategy, which should be dovetailed with what occurs through the mass media. Schools can be requested to take time out to talk with children about violence, especially if the President establishes a National Violence Prevention Week, or calls for a National Day of Nonviolence.

13. Use national service to get full-time volunteers into violence reduction and prevention activities. Our new national service program has enormous potential to assist in enlisting Americans to take individual responsibility for participating in meeting our national violence crisis. The President might mention in the State of the Union Message that the Summer of Service in 1994 will be a Summer of Safety and call on everyone involved at the grass-roots level and on up to make violence reduction a priority in implementation of the national service program.

14. Get prosecutors and police and social service people to cooperate in each community to implement tough domestic violence arrest and prosecution protocols and safe places for battered women and children to go, and stronger prosecutorial policies against child abuse as well. As we said earlier, there is a continuity of violence. We have learned, for example, that 27 percent of women and 16 percent of men experienced sexual abuse as children. Over 61 percent of sexual assaults occur to girls younger than 18. This is in addition to the fact that a woman is beaten every 15 seconds in this country, and that 160,000 children each year suffer injuries from child abuse or severe neglect that are serious enough to send them to the hospital. What children see and experience at home reflects itself all too often in their later behavior. As indicated in the brief discussion of the crime bill, the President might call on Congress to enact the Violence Against Women Act provisions contained in the crime bill. He might also commend the American Medical Association for its leadership in getting physicians to see signs of domestic violence and child abuse when they examine women and children. Congress responded to the President's request last year to initiate a new program at CDC to prevent violence against women. This was an important beginning. It is a seed that needs to grow.

15. New hate crimes legislation. The increasing number of incidents of violence and vandalism against others based on their race, ethnicity, gender, or sexual orientation are a matter of the deepest concern. Although less than a third of law enforcement

agencies reported in the category of hate crime in 1992, there were 5700 incidents of hate crime. The President might call for enactment of tough new legislation to let the perpetrators of these horrible acts know that the nation means business in saying that it wants the ugliness to stop.

16. **Strengthen families and parenting skills.** What happens to children in their infancy is deeply determinative of outcomes later on in their lives. The Family Preservation and Support legislation enacted in 1993 as part of the budget reconciliation act is a promising beginning on getting assistance to families of young children so they can learn parenting skills and deal with problems before they become so serious as to require that a child be removed and placed in foster care. We need to look as well at the promise of home visitation programs, based on the experience in Hawaii and Arkansas and elsewhere, as a part of an initiative to help young families, and especially to work with families where there has been violence. The President might want to make reference to the zero-to-three initiative that is now under consideration within the Administration. For the longer run we need not only to consider home visitation and other outreach and expand parent education, but we also need to build up a network of family support centers like Avance, which began in San Antonio and is now in 9 sites.

17. **Strengthen neighborhoods via the Empowerment Zones and Enterprise Communities.** This landmark legislation, also enacted in 1993 as part of the budget reconciliation process, will support model neighborhood development in 104 communities around the country. Strong neighborhoods, like strong families, are a vital element in reducing the level of violence. The experience gained from this legislation will guide community development strategy for the nation.

18. **Enact health care reform.** Health care reform has great implications for the reduction of violence in a number of different ways. More families seeing a physician regularly will result in more identification of domestic and child abuse. Drug and alcohol treatment will reduce the incidence of violence among people who would have been at risk had they not received treatment. Health promotion and disease prevention activities under the public health reform provisions of the health care reform will help change people's behavior and thereby have an effect on violence. Schools can play a major role in health promotion, including antiviolence education activities.

19. **Vigorously enforce the laws against employment discrimination, especially with regard to entry-level jobs, which is an area that has been virtually untouched by enforcement policy.**

20. **Support research on the causes of violence and promising interventions of all kinds.** We simply need to know more about the problem and about what works if we are going to be as effective as

we can possibly be in reducing the prevalence of this terrible problem. Only \$31 is spent on research for every year of life lost due to violence. In comparison, \$794 is spent on cancer, and \$697 is spent on AIDS.

NOTE: Martin Luther King's birthday would be a good time to do something or things to dramatize all of the above -- possibly a speech or lead a march against violence or go to Lincoln Memorial or meet with kids and talk about Dr. King or some combination.

THE WHITE HOUSE

WASHINGTON

December 28, 1993

MEMORANDUM FOR THE PRESIDENT

VIA: JOHN PODESTA
FROM: BILL GALSTON ^{WAG}
SUBJECT: STATE OF THE UNION

In this memorandum I want to make three points that may be relevant as you prepare for your State of the Union address.

Mood of the Country

Your speech will occur in the context of a public torn between hope and fear. The principal area of hope is our economy, where confidence is growing that your economic strategy is beginning to work--that jobs are at last being created, that incomes are finally rising, and that big-ticket items such as homes and autos are once again within the reach of average families. The principal area of fear is our society, where anxiety abounds about the rise of crime and violence, the erosion of families, the disintegration of entire neighborhoods and communities, and (underlying everything else) the weakening of essential values and faith. In his First Inaugural, at the depth of the Great Depression, FDR assured the American people that their troubles involved only material things--not matters of morality and the spirit. Such reassurance would be neither accurate nor believable today.

I believe that in overall tone and approach, your State of the Union speech should reflect this duality of public mood.

o For the economy, the message should be: We're not out of the woods yet, but we're moving in the right direction. Let's use 1994 to build on the solid foundation we've created, by continuing to reduce the budget deficit and open the world to our goods and services while making vital public investments and reinventing the way government conducts the people's business.

o For the society, the message should be darker: We're facing a crisis of values and community, and we have to face up to it. Everything we cherish is in jeopardy if we can't reinforce personal responsibility, family cohesion, community solidarity, and public safety. That's why we need things like tough crime bills, expanded gun control, and welfare reform. But this isn't a matter for government alone. We need community-based organizations and the private sector to join in nothing less than a national mobilization to reweave the tattered fabric of our society.

Right

Two Audiences, Two Sets of Objectives

o Your speech will have two distinct (though related) audiences, and two sets of objectives.

* For Congress, the principal objective is to demonstrate that you have a limited, well-defined legislative agenda that both meets urgent national needs and passes the test of legislative feasibility as well as political viability. Right now, members are afraid that they will be inundated with so many administration proposals that they won't be able to process them in a careful and orderly manner. In the State of the Union speech, you have an opportunity to show them that you have in fact made choices and established priorities, and that these priorities represent reasonable benchmarks for the second session of the 103rd Congress.

* For the people, the principal objectives are: (1) to demonstrate that you continue to understand that many of them are experiencing wrenching, baffling changes; (2) to explain these changes in a way that reduces the mystery and points the way to a better future; and (3) to show that you have a solid plan for seizing and building that future. For example: I believe you should once again explain why the emerging world economy will be filled with opportunity for American workers and firms--but only if our country creates a world-class system of education and training, and only if individual Americans make good use of that system.

A Specific Suggestion: Investment in a Reformed System of Education and Training as a Key Objective for 1994

I believe that the State of the Union address affords you an important opportunity to bring together the pieces of your education and training agenda into a powerful, unified theme.

I rest my case on four propositions.

1. Larger, smarter investments in human beings--from youngsters to dislocated workers are the core of your strategy for creating a more productive and competitive economy and a more decent and unified society. You campaigned on the basis of just such a strategy, and it is now vital to execute it.

2. Legislation to produce fundamental reform in education and training is now on a fast track toward enactment in 1994. Among the key items:

o Goals 2000 and the School-to-Work Opportunities Act will be approved early next year.

o The administration's proposals for reauthorizing the Elementary and Secondary Education Act have been adopted as the markup vehicle by the Congress and are moving forward rapidly.

o The Department of Labor is on the verge of significant proposals for dislocated workers and "one-stop" consolidation of currently disjointed training/retraining programs.

o The Head Start Advisory Committee report will be out shortly and will serve as the basis of reforming and reauthorizing the program this year.

In short, you will be in a far stronger position this year to argue to Congress and the country that you aren't just pouring new wine into old education and training bottles but are demanding--and receiving--basic reform as the precondition for increased investment. And you can bolster this case by pointing to your national service and student loan programs as examples of fundamental change already achieved that must now be sustained and strengthened.

3. The budget decisions you made last week are fully consistent with the theme of next year as The Year of Education and Training. Consider the basic building-blocks of your strategy: Head Start, Goals 2000, Chapter 1, School-to-Work, Jobs, Corps, One-Stop Career Shopping, Dislocated Workers, and National Service. The aggregate proposed increase in these programs for FY 1995 over 1994 is \$3.0 billion--more than 22 percent! This represents very tangible evidence of a top presidential priority.

4. A coordinated strategy for education and training will make it easier to explain to Congress and the American people what 1994 is all about. The proposal I've sketched would allow you to say that there are four top domestic priorities for 1994: health care, crime, welfare reform, and investment in educated and trained minds. Each redeems a key campaign pledge; each contributes to the overall economic well-being of our country; and each promotes security, independence, and opportunity for all our citizens.

THE WHITE HOUSE
WASHINGTON

December 30, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING
THROUGH: JOHN PODESTA AND DAVID DREYER
SUBJECT: STATE OF THE UNION

I. NATIONAL PURPOSE AND ECONOMIC GROWTH

The State of the Union is our opportunity to provide a moral lift and sense of national purpose to our economic growth message.

We have provided important economic frameworks that shift paradigms: the notion that there are two deficits that must be addressed simultaneously to invest in our future and similarly, that we need to think of government resource allocation not simply in terms of the quantity of spending, but in terms of consumption versus investment. And we have tried often to move beyond talking only of numbers and statistics to how it affects jobs and income.

Nonetheless, we must do more to show the American people that what is behind our quest for economic growth is a moral imperative tightly tied to the very vision of America. When we went to the Gulf War, despite cynical attempts to tie it to jobs and oil prices, what unified the American people was something larger: patriotism and a belief that we were on the side of right and freedom. Even if we cannot marshal that type of support for an economic vision, the American people will respond well to a President who presents this higher ground for an economic growth plan.

A. THE AMERICAN VISION OF ECONOMIC GROWTH:

The distinctive vision of the American dream is that ours is a nation where any family could provide security for their family and a better life for their children without squeezing out any other family. It is a vision of a middle class that not only grows stronger, but can also make room for any family willing to work their way up. This vision--that more and more families can live the American dream without denying it to others -- informed both the Pilgrims and those who explored the frontier and is at the heart of the notion that America is the land of opportunity.

Economic growth, however is an essential ingredient of this vision. Without economic growth, people begin to believe that there is a fixed economic pie and that there is a "them" out there whose potential success will take away their slice. This belief lends even the children of immigrants to want to shut the door on the next generation of immigrants and causes one minority group to turn on another -- not to speak of normal majority-minority resentment.

Without economic growth, the American social fabric starts to unravel because too many Americans begin to believe that other Americans who are fighting for their own security are fighting against them instead of being part of the same struggle for the American dream. These sentiments defy the core vision that the American dream is not about the opportunity of any individual family, but about a nation that makes room for every family who works hard and plays by the rules.

This vision makes America a special and unique place because it is a vision that allows all Americans to celebrate -- instead of fear -- the fact that economic mobility can be a function of how hard you work and not who you are borne. And perhaps most important, this vision informs the American ideal that a cacophony of races and ethnic types can strive together in harmony, sharing the fruits of economic growth created by their mutual labor.

That is why the struggle to regain control of our economic destiny and achieve a growing economy is such a profound struggle. Because while every nation seeks growth to improve the standard of living of their people, in the United States we also seek it because it informs a very special and unique vision that we want to make more -- not less -- real, with every American generation.

Thus, we are trying to change our economic policy because we want to maintain our vision of the American dream even in the most economically challenging and competitive of times. This is not just a struggle for short-term numbers to boost short-term economic recovery. It is a long-term struggle to move America closer to the vision of a nation where a multitude of different people can work together to grow our economy so that each person can share in the same American dream instead of fighting among themselves over how the economic pie should be divided.

Benjamin Franklin said at the end of the 18th century that we must hang together or we will hang separately. At the end of the 21st century, our motto must be that we must grow together so that we do not grow apart.

II. DEFINING THE NAYSAYERS

In our State of the Union meeting before Christmas, the Vice President made the point that our predecessors excelled at defining their opponents in understandable terms and we must be able to do the same. Lief me mention two cases where I think we must do this.

1. Opponents of Health Care As Special Interests: Currently, our health plan is like a target that everyone under the sun takes shots at. Right now, each shot is being defined too often as another piece of evidence as to why our plan has political or substantive problems, yet most of those shooting have vested financial interests in the status quos. We must use the State of the Union to create a context by which the American people can perceive the self-interested critics as being self-interested critics so that next time they see a doctors group taking a shot at us they see a special interest blocking our effort to help average families and not a hole in our plan.

2. Action and Optimism versus Denial and Pessimism: Our opponents would like to define us as doomsayers who, because of our pessimism about America, believe that we must take hysterical government actions that will screw up what was never broken. We must have a direct counter-assault to pre-empt that misguided view.

A. New Optimism: The fact is that they are the pessimists. They look out and see a broken health care system, declining schools, a failed retraining program and because of their pessimism, they say this is the best we can do. Because of this pessimism they choose denial and defense of the status quo.

B. Never Rest: As part of the notion, we must define ourselves -- in opposition to the naysayers -- as people who will never rest as long as the economy is not working for all families and as long as crime is rampant.

This notion of this President never resting as long as people are hurting does three critical things for us. One, when people see mistakes or too many things going on, it defines us as an Administration working its heart out for the American people, which at times, will be messy. This is the Vice President's vision of "three yards and a cloud of dust." Two, it contrasts the changes we are trying to bring with the complacency and neat-and-tidy apathy of the Bush Administration they voted out.

Three, I believe this is a way to get people on the fringes. I believe that there are potentially millions of Americans who have strong disagreements with us on some issues who will come with us if they believe that, right or wrong, this President does wake up every morning and work his heart out for the American people. I think we should even explicitly reach out to such people and say, I know we have

made mistakes, and I know many of you have disagreed with us, but that there should be no question of what we are trying to do and whose side we are on.

The Clinton Administration is replacing the old pessimism with a new optimism. We are replacing denial and pessimism with action and optimism. It is summed up in your line "There is nothing wrong with America that cannot be fixed by something right in America." They are the ones who will settle for second best. We will always take action to seek our ideals. We have a higher standard for America.

III. SUGGESTIONS FOR OUTLINE

Whatever the over-arching themes we choose, we will still face a major challenge in finding ways to organize the many specifics we will want to mention in ways that strengthen our themes -- not make them disintegrate into laundry lists. I have a few suggestions -- each of which can work together or be used separately.

A. REBUILDING THE FOUNDATION

One organizing framework would be to start with a larger vision of our economic mission, and then having laid a vision of America's destiny, describe how the America you inherited had four or five major cracks in the foundation of what it needs to lead the world into the 21st century. Then describe how your agenda is geared toward rebuilding the foundation needed to secure the vision of the American dream.

The advantages of this approach are four-fold, if you start with a strong and elevated vision, and then go to why you inherited cracks that must be corrected to maintain that vision, you do the following: One, you tie every specific to a higher vision; two, you remind the American people of long-term problems we inherited; three, you show that all of the specifics including new things you do this year, are part of a comprehensive and coherent vision you have had from the beginning about what is needed to keep America great; and four, it provides a context in which to identify four or five major sub-themes -- "cracks in the foundation" -- under which we can organize specifics so that we avoid the problem of having either a laundry list or trying to stretch to fit every specific under one major them.

It seems to me that it might be best to mention each crack in the foundation and then show how you have responded. This prevents the reading of an America-in-decay-laundry list, and also shows how there is an imperative for action in each of these areas and not just that we are doing so many things because we are into government activism for its own sake. Another thought is to briefly mention the list of four or five major problems, show clearly that you have always had a comprehensive plan and then do problem-response from these.

1. The economic and fiscal responsibility to maintain control of our economic destiny and demonstrate international economic leadership.

2. The willingness to invest in the jobs and workers of the future and ask all Americans to take mutual responsibility for bringing out the best in all of our people.
3. The need to reward work and family.
4. Health security for all Americans at all times.
5. Strengthening our social fabric by strengthening families, fighting all forms of violence and drug abuse, and tearing down the barriers that divide us.

B. Cracks In The Foundation Of The American Dream

1. Loss of Control of Our Economic Destiny: By allowing our deficits to spiral we lost control of our economic destiny. The sense that we no longer had our economic house in order, caused other nations to doubt our leadership and put us in a position where a steady recovery was on an inevitable collision with higher interest rates that would choke-off renewed prosperity.

Response: ● 27 days after taking office we laid out an economic growth plan that included \$500 billion in deficit reduction. No phony numbers; no rosy scenarios; just the hard truth.

● It wasn't pretty, and as I predicted, everyone found something that they didn't like. We took on the sacred cows, but we did so fairly, without punishing the elderly and the middle-class. We cut spending by \$255 billion; cut 342 programs and had a 12% cut in spending. We had an entitlement cap, executive order, and a Deficit Reduction Trust Fund.

● Guess What? The deficit is going down not up! And the New York Times even says it may be the first time it has gone down in consecutive years since the end of World War II.

2. Failure to Take Mutual Responsibility to Invest in our People and the Jobs of Today and Tomorrow: However, vital as our need to drive down the deficit, we cannot forget that it is only one-half of one over-arching problem: our declining investment in the full potential of the American people. High deficits kept real interest rates high and discouraged the small businesses and entrepreneurial spirit that drives productivity and job creation. Yet our foundation has been weakened not only because we borrowed too much but because at all levels -- government, business, and individual we failed to take responsibility for investing in the full potential of our people. Every serious student of the new world economy knows that we can only prosper if we improve the skills, training and flexibility of our people.

Response: A. A comprehensive initiative for mutual responsibility for lifelong learning.

- Every child needs to learn:
Head Start
WIC
Child Care
Parental Responsibility (HIPPIY)
- New responsibility for quality and performance in our schools:
Goals 2000
Parent's responsibility to help children
- Responsibility for all young people to choose a path to a higher skills for better jobs:
School-to-Work
National Service
EXCEL Accounts (income contingent loans)
- Responsibility to keep learning and training for the future
Call to Businesses
Major Re-employment Initiatives

B. Jobs for Today and Tomorrow

- Conversion to a new world economy
Technology Reinvestment Program
Modernizing Highways and Mass Transit
Information Highways
Manufacturing Extension (NIST)
Alternative Fuel Vehicles and Smart Highways
- Environmental Infrastructure
Clean Water Revolving Fund
No Change Between Jobs and Environment
- Spurring Job Creation and Small Business
Small Business Tax Incentives
Empowerment Zones, CRA and Community Development Banks
- Opening Markets for American Goods that Create American Jobs
NAFTA
GATT

Trade Promotion

Embracing change, but giving people the security to see change and in their interest

3. Failure to Reward Work and Family: Our failure to invest in the future has led to another crack in the foundation: an increasing belief that we as a people do not reward work and strengthen family. Too many people no longer believe that a lifetime of hard work is rewarded by being able to provide security to one's family and better life to one's children.

Response: Our response must be both economic and social/moral. We need more growth and more jobs and policy changes, but we need to fortify our work and family ethics.

- Earned Income Tax Credit – 15–20 million families
- Welfare Reform that puts work over welfare
- Family and Medical Leave so that working parents never have to choose between their family and their jobs. (story of father you met at White House).

4. Health Care That is Always There: You must again define the health care problem, but in this context you should articulate the moral imperative to do health care to take away the pain that a lack of health security causes average families and makes more secure the foundation of the American Dream.

Response: This must be another occasion to provide a huge lift to health care, so that we again move it beyond the squabbling over specifics to make the issue that this is a unique moment in history to strengthen the American dream. The only real issue is whether we will seize the moment for all Americans or let a cacophony of special interests turn this into a politics as usual defense of the status quo.

Never Again: As in the health care speech when the refrain was "you're covered," here we can mention the small and large human tragedies that happen because of our lack of health care security, and say after each incident that we have a historic opportunity to be able to say "never again" to someone losing their home because of a child's doctor bills, or people dying without homes or committing suicide because of our lack of health security.

5. Strengthening our social fabric by strengthening families, fighting all violence and drug abuse and tearing down the barriers that divide us: This would be the section in which we could go directly to crime and our social and moral fabric.

Response: The response here would be both specific and moral.

- 100,000 caps
- Brady Bill
- Fighting Drugs
- Fighting Drugs
- Assault Weapons
- Safe Schools

This would also be a section to speak directly to values and tie them back to your economic mission to strengthen the distinctive vision of the American dream.

III. UNITING THE INVEST IN PEOPLE AGENDA

In your first State of the Union we all spoke of the importance of uniting the human investment side of your agenda. Yet, in the rush to shorten, we took out the connecting lines. The result is that it can look too much like we are simply putting out a liberal laundry list, when you in fact have a comprehensive vision for lifelong learning for a new economy.

It is why that in this State of the Union, we connect the dots. The two unifying themes are lifelong learning and work and responsibility.

A. Work and Responsibility: The attraction of the work and responsibility theme is that it tightly brings together your three largest initiatives: worker training, welfare reform and health care.

Worker training: Constant choices for re-employment. Yet, each person has the responsibility to invest in themselves and companies have the responsibility to invest in ongoing training so they are always ready to change.

Welfare Reform: Our policy will empower people and help them, but we will only reward work and responsible behavior among all of our people.

Health Care: Work should include the right to health care, and adjustments people make in adjusting to economic change should not threaten health security. Yet we believe that every employer has the responsibility to provide health care and that every person has the responsibility to take care of themselves and their family.

- B. **Embracing Change:** Another unifying theme is the notion that these investments in people are all part of a comprehensive vision to help America embrace the future. Up until now, we have done this with health care and worker training and spoken of security as a foundation for people embracing the future. To use this to unify all of our human investments we would need to broaden more to go beyond security to why lifelong learning is also a foundation.
- C. **Lifelong Learning:** This may seem like a well-used expression at this point, but the American people probably do not yet see that the various programs you are calling for are unified under a vision of offering new investments and now learning at each stage of life. Tying it together from getting children ready to learn to a new re-employment policy is something people can comprehend and help them to see why you do have a comprehensive plan.
- D. **Merging Responsibility and Lifelong Learning:** The theme I recommend -- and what flows from your message for years -- is a new era where government, business and the American people take mutual responsibility for a new era of learning at every stage of life. There is truly a responsibility component to all of your human investment policies -- especially if we play up the role of parental responsibility to get children ready for school (and when in school) and if you challenge business to do their part in school-to-work programs, summer jobs and ongoing worker training that helps companies stay on the cutting edge so that their workers can keep their jobs.
- E. **Mutual Responsibility for Lifelong Learning**

Pre-Kindergarten: WIC, Head Start, Family Preservation, Immunization. Government can help, but we will only build the workforce of tomorrow if parents are responsible for the health and education of young children.

School Reform: We challenge parents to work take responsibility for working with their children, and all of the members of the school community for taking responsibility for results. There is no better team than a parent, teacher and student working together.

School-to-Work: New avenue for non-college bound, helps make every young person responsible for taking some additional education path for high-skilled jobs. Businesses have responsibility to take part in schools and in lending assistance and work opportunities--like summer jobs.

National Service: Responsibility for your community and your education.

Worker Training: (See above)

Welfare Reform: (See above)

Health Care: (See above)

IV. THE LANGUAGE OF FREE ENTERPRISE

As a final note, I just want to emphasize the importance of you not only stressing what you've done for small business and entrepreneurship, but that you make clear with your language that you are a champion of the virtues of free enterprise, the spirit of entrepreneurship and the merits of competition. Heartfelt passages on the virtues of free enterprise are needed to help convince those who are skeptical of any Democrat, that you truly are a pro-growth Democratic President.

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December 29, 1993

MEMORANDUM FOR JOHN PODESTA

FROM: BRUCE REED

SUBJECT: STATE OF THE UNION ADDRESS

The State of the Union address is the President's first opportunity in front of a national audience to issue the strong moral challenge he laid down in Memphis. While there is a good deal of business to transact in the speech -- the economy, health care, welfare reform, crime, etc. -- he should not miss this chance to talk above all about the changes we must make from the inside out, and the larger values that are missing from much of our society: work, faith, family, opportunity, personal responsibility, community. The best moments of his campaign and Presidency have come when he put those values first.

There are many ways to speak to those values, but here is one approach. Next year marks the 30th anniversary of both the War on Poverty and the Civil Rights Act. (LBJ announced the (\$962 million!) War on Poverty in March 1964; it passed in August. He signed the Civil Rights Act into law in July 1964.) The President should use this anniversary to note how far we have come, but also to issue a moral challenge about how very far we have to go -- and spell out a new direction based in part on the lessons we have learned from past failures.

Thirty years later, poverty is down, but not much, and we have fostered two generations of dependency in the meantime. The family has deteriorated badly; divorce has increased and marriage declined; out-of-wedlock births have increased five times over; and children are poorer. Millions more Americans are working as the economy has continued to expand; but entire communities are growing up without work or the ethic of work.

Thirty years later, opportunity is closer to being equal than ever before. And yet because of the surge in crime and violence, millions of Americans of every color are denied the most basic civil right of all -- the right to walk the streets in safety. The conditions of civilized life have vanished, and with them, the prospects of broad economic opportunity. The basic institutions that built this country -- work, family, school, and even faith -- are crumbling, and as a result, the social fabric is coming apart at the seams.

There is much we can learn from these last 30 years. We have learned that we can't solve everything from Washington: government cannot neglect our problems, but it can't help if individuals, families, and communities don't take responsibility for solving them. We've learned that our mission is to expand opportunity, not bureaucracy -- and this administration

has put three decades of bigger and bigger government to an end. We've learned to value empowerment, not entitlement, because in the end our goal is for people not to need us anymore.

Above all, we have learned not to trust grand, easy promises -- because our success as a nation depends not on what politicians promise to do for us, but what we have an opportunity to do for ourselves. We face big challenges in passing these legislative initiatives, but we will not change society by launching new programs and passing new laws. Government will do everything it can, but the greatest challenge falls to each of us in our own lives, families, and communities.

12/30/93

To: John Podesta
From: David Kusnet
Re: State of the Union Address

Here are some very fast thoughts on themes, ideas, and phrases for the State of the Union Address. This is not intended as a comprehensive listing of elements for the speech but rather to suggest some points for consideration.

I. Overview

The State of the Union Address offers the President the opportunity to:

- o Offer Americans a lucid explanation of the world at the edge of the 21st Century -- the aftermath of the Cold War; the emergence of the global economy; and the erosion of the social contract that expanded and secured the middle class for three decades following World War II.

- o Reaffirm American values as guideposts for American renewal in the new world that is unfolding around us.

- o Present policy recommendations as big ideas that can improve people's lives in the immediate future -- and prepare America for the 21st Century.

- o Address not only Congress but the country, explaining what Americans must do to make use of the opportunities offered by the President's programs and to respond to the changes that are transforming their lives.

In this address, the President can be at his best -- teacher, preacher, and leader of the nation.

II. The Nation and the World

Returning from a trip to Europe, including Russia and other formerly communist countries, the President has a unique opportunity to define the strengths and the values that make our nation the world's leader and inspiration.

In doing this, he can return to -- and expand upon -- several of the themes of his campaign, the Inaugural, and the February 17, 1993, Address to the Joint Session of Congress:

- o America's genius is its capacity for reinvention and renewal.

o A secure and expanding middle class is embodiment of the American Dream.

o If we draw upon what is best in our traditions, we can answer and overcome our challenges. "Our democracy must be not only the envy of the world but the engine of our own renewal. There is nothing wrong with America that cannot be cured by what is right with America."

Most of all, this State of the Union Address should place the challenges of this moment -- and the accomplishments of the past year -- in the proud and hopeful context of American history. The most obvious analogy is the America in which the President came of age, a restless and resourceful nation engaged in promoting peace, prosperity and democracy around the world, while lifting working people into the middle class here at home.

An important element of the speech will be explaining what it takes to meet these challenges once again -- to build a stable world and a secure middle class -- at a time when foreign countries and American communities seem to be coming apart, even as a global economy is coming together. The challenge is to offer a fresh and lucid explanation of what is happening -- and a sense of hope for what we can accomplish.

III. Values and Themes

Since September, the President has done an outstanding job of addressing the pervasive sense of insecurity -- the fear of crime, unemployment and the loss of health coverage, and the sense of social breakdown. And, as the President's discourse unfolds, it offers the prospect of security in concepts larger than security -- concepts such as community and responsibility.

From the growing inequality in incomes, to the downsizing of large corporations, to the physical fear that erodes our sense of community, the changes that are transforming our lives are driving Americans apart. But -- to address these challenges -- Americans need to draw together. What's needed is a renewed sense of community -- what we must do for each other -- and responsibility -- what we must do for ourselves. True security comes from being rooted in a community and from taking responsibility for your own life.

Restoring the social fabric could be a theme of the speech. The social fabric encompasses not only the institutions that define our civilization -- family, work, and community, and voluntary institutions from the church basement to the union hall -- but also the web of rights and responsibilities that connects people to each other and to the larger society.

The President has wisely avoided the pitfall of stereotypical liberalism: making individual responsibility contingent upon social responsibility. But the concept of the

social fabric can and should include certain social as well as individual norms. To suggest a way of discussing "how things ought to be," here is a paragraph from the first draft for the DLC speech:

"In our hearts and in our minds, we know how things should be. Yet, as Senator Daniel Patrick Moynihan has written, we are increasingly 'defining deviancy down' and accepting the unacceptable, from violent crime to countless acts of incivility. It is time to say that some things are wrong -- and must be made right.

"On any day, in any place, at any time, parents abandoning children is wrong, children having children is wrong, and children killing children is wrong.

"And our communities and our country must also offer the hope and opportunity that knits our social fabric together. When people line up at dusk in response to rumors of jobs opening up the next morning; when parents work their fingers to the bone to raise their children in poverty; when jobless men and women cannot find the training for new jobs; and when working families live in fear of losing their health coverage -- then our social fabric becomes a little more frayed and tattered.

"The great challenge of our times is to find a way to offer our people the opportunity and the security to take responsibility for their own lives, to make change our friend and not our enemy, to bring out the best in each other and not the worst."

"Security" is a word that can be repeated when appropriate throughout the speech, while larger themes are introduced and explained. "Community" is another word worth repeating. Indeed, as theme of the speech might be the call for is a new spirit of community in America and a new community of nations in the world.

"American renewal" follows from the values of community and responsibility. Our country renews itself when our people work together to offer individuals and families the opportunity to improve their own life. The Homestead Act and the land grant colleges; the rewards for work that were at the heart of the New Deal; the GI Bill and VA mortgages in postwar America -- all offered opportunity for those willing to build better lives for themselves. At every crucial moment in our history, our nation has found new ways to achieve timeless goals.

IV. Presenting Policies

With all that has been accomplished this past year -- and all that will be proposed for the future -- the challenge is to find ways to group these programs together and present them as

what they are: big ideas that will change America for the better.

These are a few -- admittedly overlapping -- possibilities:

1) Rewarding work (or, in a more specific context, rewarding work over welfare): This encompasses tax fairness for the middle class; tax relief for the working poor (and, while we've rarely discussed it this way, EITC benefits many who consider themselves middle class); opportunities for education and training; job opportunities through defense conversion and new technologies; health security; and much else that we're doing. If there is not a specific welfare reform proposal, EITC, universal health coverage, expanded job training, and waivers of federal regulations for states experimenting with welfare reform can all be presented as a giant step towards "rewarding work over welfare."

2) Lifelong learning: At a time when few can count on a lifetime job, lifelong learning is the foundation for job security. Taken together, the education and training initiatives -- Head Start, to Goals 2000, school-to-work transitions, reforming student loans, National Service, and job training and retraining -- amount to a revolution in lifelong learning. In particular, we should elevate Goals 2000 to a major initiative: High standards in preparation for the jobs of the future is the essence of what this Administration is about.

3) Reciprocal responsibility: A useful exercise would be to list achievements and proposals that are premised on reciprocal responsibility -- from National Service, to Goals 2000 and safe schools, to standards of civility in housing projects, to tax incentives targeted to productive investment.

4) Preparing for the 21st Century: A powerful idea that the President introduced in the APEC speech is that our institutions were created in an earlier era and must be brought into the Information Age. This theme encompasses reinventing government, creating a new system of job training and retraining, defense conversion and dual use technologies, and initiatives such as Clean Car and alternative fuels that preserve the environment and promote economic growth.

V. The Bully Pulpit

In the State of the Union -- and in his discourse with the American people this year -- the President has the opportunity to advance the message of Memphis and further explain what it means for individuals and institutions to "assume more responsibility" and "have the courage to change."

Part of this means making use of opportunities to improve your own life, from education and training to preventive health care. Part of it means fulfilling individual responsibilities: to raise your children right and live within the law. And part of it

also means that the folks at the top of the ladder -- for instance, large employers, insurance companies, or those the people sent to Washington -- should uphold their responsibilities to society.

In this address, a friendly challenge to Congress, to powerful institutions, and to individual Americans would be appropriate. A presidential populism should set standards of responsibility and challenge everybody -- up and down the ladder -- to do right by America.

VI. Random Points on Rhetoric

These are a few points on rhetoric that may be useful for how we talk and think about larger ideas:

1) The deficit should be addressed as a symbol of larger problems: the accumulated burden of the mistakes of the past. This encompasses trickle-down economics, spending on outmoded government programs, skyrocketing health care costs, stagnant economic growth, and increasing poverty and dependency.

2) Just as we have called for "changing the direction of federal spending from consumption to investment," we should also call for changing the direction of social spending from programs that reward dependency to programs that encourage self-reliance. This encompasses investments in children, education, and training, as well as EITC and Empowerment Zones.

3) New job training and retraining programs should be distinguished not only from the existing unemployment compensation system but also from past and present job training and retraining programs. Many of these are seen as failures -- or worse.

4) At a time when the world seems more threatening than a year ago, the "dual use" aspect of defense conversion should be stressed. The changes we seek should be presented as something that makes America stronger militarily and economically -- suppleness as strength.

Analysis of the world and national situation, reaffirmation of American values, policy recommendations grouped together as big ideas, and a call to all Americans to accept the challenge of change, from those in the halls of Congress to those watching in their own homes -- these can be the elements of a successful State of the Union Address.

TO: John Podesta
FROM: Susan Brophy
DATE: December 30, 1993

RE: State of the Union

My comments on the State of the Union are related to health care. Since I have never attended a health care communications meeting it is quite possible that the following is self-evident and widely discussed, if not, my thoughts...

As you are probably aware, a few weeks ago Mass General Hospital and Brigham and Women's Hospital, two of the biggest and best teaching hospitals in Boston, announced a merger. Last week two other prestigious Boston hospitals, New England Deaconess and New England Baptist, also announced a consolidation of services (see the attached article). While this news did not get a great deal of attention in Washington, it did in Boston, where the magnitude of the news that these venerable, previously change-averse institutions would merge was understood.

After hearing the news of these hospital mergers and other accounts of the efficiencies being produced by the health industry, I was struck that most of what was happening in health care management was as a direct result of the issue being raised by the Clinton Administration and in anticipation of health care reform legislation. However, it appears that we are neither getting nor taking appropriate credit for this activity.

I think that if we begin to take credit for this in the State of the Union speech, it is less likely that in the final analysis the press will focus on process -- the differences between the bill that is finally passed and that which was originally proposed, which are likely to be substantial. The focus will hopefully be on the fact that people and providers have begun thinking differently about health care, acknowledging that the present system doesn't work and needs changing, and are themselves preparing for the change. We should begin establishing a win-win scenario where credit is given for raising the issue, provoking changes in the industry and producing a comprehensive health care bill, even one that doesn't look exactly like the one originally proposed.

I believe the State of the Union is the place to start.

More Boston hospitals to link up

Deaconess, N.E. Baptist say they'd keep identities, it would work together to cut costs, sell services

By Charles Stein
GLOBE STAFF

Two more Boston hospitals are joining forces. New England Deaconess Hospital and New England Baptist Hospital say they are close to a deal that would bring the two institutions together under a common parent company.

"It's just a matter of dotting the i's and crossing the t's," said Dr. Richard Gaintner, president of Deaconess, who would run the combined entity.

The participants stress that this would be an affiliation rather than a merger. The two hospitals would retain their own names, medical staffs and boards of directors. They would, however, work together to cut costs and sell their services to insurance companies. News of the combination comes just two weeks after the announcement of a merger between the city's

two largest hospitals, Massachusetts General and Brigham & Women's. Other hospitals around the region are also talking about coming together, pushed by insurers and employers that want to wring costs out of the health care system. The goal in all cases is to form a network that can deliver a full range of medical services at a competitive price.

"I would hope these two hospitals would be looking at cost reduction too," said Ann Thornburg, a partner at the accounting firm of Coopers & Lybrand.

Yesterday, the two hospitals were talking more about medicine than money. "We are complimentary institutions," said Raymond McAfoose, president of Baptist. It is best known for its orthopedics and sports medicine. Former Celtics star Larry Bird was treated at the hospital for the back ailment that ended his career.

HOSPITALS, Page 47



Deaconess specializes in diabetes and cardiology.

Deaconess, N.E. Baptist say they'll join forces

HOSPITALS

Continued from Page 45

Deaconess is a Harvard teaching hospital that specializes in diabetes, infectious diseases, oncology and cardiology. Deaconess has 431 beds; Baptist has 200.

The two hospitals have worked together for years. Baptist cardiologists routinely send patients to the Deaconess for certain types of heart surgery. The two once were partners in a surgery center in Brookline.

For Deaconess' Gaintner, the link with Baptist is just the latest in a string of affiliations he has engineered. The hospital has formally aligned with Nashoba Community Hospital in Ayer and is close to similar arrangements with Glover Memorial Hospital in Needham and

Waltham-Weston Hospital in Waltham. Deaconess provides specialized expertise to the local hospital which in turn send patients to Deaconess when they need complex care.

Deaconess was one of the Harvard teaching hospitals brought together earlier this year by Daniel Tosteson, dean of the Harvard Medical School. Tosteson was to get the hospitals to coordinate services and avoid duplication. But when Brigham and Massachusetts General decided to merge, the other hospitals were left out of the picture.

Gaintner says he is not bothered by that. "We wish the other hospitals were going to pursue," he said.



EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D.C. 20500

THE CHAIRMAN

December 30, 1993

93 DEC 30 P1:00

MEMORANDUM FOR JOHN PODESTA

FROM: LAURA TYSON
ROBERT RUBIN
ALAN BLINDER.13

SUBJECT: State of the Union Address

We presume that the State of the Union speech will include a discussion of the President's economic policy. This discussion may include an extensive check list of his many economic accomplishments and future initiatives. (See "The Components of the Strategy" below.) **Our suggestion is that the President emphasize that all the apparently-disparate parts form a coherent whole--that we have a comprehensive, short-term and long-term economic strategy.**

Emphasizing the strategy would serve at least three purposes. It would:

- o make for a better speech by tying things together and giving the economic message some thematic coherence;
- o bolster confidence by showing that the President understands the problems and has a strategy for dealing with them--even if we run into difficult times again;
- o preempt potential press attacks that there is no coherent strategy, just a laundry list.

The Strategy in Brief

If our suggestion is adopted, we believe the speech should make **at least** these four main points:

- o That the government has a proper role to play in the economy. The Reagan and Bush Administrations believed that the role of government was "as little as possible." President Clinton's answer is quite different, and he could defend it quite eloquently (see "The Role of Government" below).

- o That our short-run concern was to get the economy moving and creating jobs again. This is now happening. A sustained expansion seems to be underway at last, with good, new jobs being created at a quickening pace.
- o That the long-run goal of our policy goes beyond more jobs to **better** jobs--that is, to higher real wages and standards of living. This is where the investment theme comes in.
- o That our short-run and long-run policies are not inconsistent, but rather complement one another.
 - Deficit reduction is a long-run strategy, but it is already having salutary short-run effects. By reducing interest rates, it gave the economy a much-needed short-run boost. Without deficit reduction, we ran the danger that high interest rates would continue to choke off incipient recoveries.
 - With deficit reduction, lower interest rates have moved the economy onto a sustained recovery path and have paved the way for our long-run strategy of shifting the economy toward more investment.

The Components of the Strategy

In listing the President's achievements and programs for the future, it is critical that we make clear that **the economic strategy is much more than just deficit reduction**. It begins but does not end there and includes the following elements:

- deficit reduction
- investments in:
 - public infrastructure
 - technology
 - education and training
 - workforce policy (displaced workers, etc.)
 - EITC and other policies to help the disadvantaged
 - environmental preservation
- health care reform
- trade policy to open foreign markets and promote exports

- regulatory reform (e.g., credit crunch)
- the NPR to improve the efficiency of government

Each of these is described in the draft of the "President's Message" for the 1994 Economic Report of the President, which Laura sent to the President earlier.

The Role of Government

We suggest something like the following as the "Clinton vision" of the proper role of government in the economy. (It is adapted from the draft of Chapter 1 of the 1994 Economic Report of the President.)

American economic policy has always been predicated on a firm belief in private enterprise, free markets, and vigorous competition; and it still is. But the Federal Government has long played a role: in regulating commerce, in providing a healthy macroeconomic environment, in looking after the well-being of citizens who fare poorly in the rough and tumble of the marketplace, etc.

While there is a broad social consensus on these and other roles of government, significant differences remain both between and within the two political parties. Sometimes these differences come into sharp focus and a presidential election becomes a watershed for economic policy. The election of 1932 was such an event, as the Nation turned away from an obviously defective brand of laissez faire and embraced Franklin Roosevelt's call for widespread reform. So was the election of 1980, when Ronald Reagan was elected president on the premise that government was part of the problem, not part of the solution.

The election of 1992 was another watershed in national economic policy--a time to go beyond laissez-faire to recognize that there is a place for government in our Nation's economic affairs, but that government must be kept in its proper place. It is not a call for bigger government, but for better government. It is not a swing away from markets, but toward people. It is not marked by a longing for the past, but by eager anticipation of the future.

This Administration rejects both the 1960s overoptimism about government and the excessive pessimism of the 1980s. Market forces are often stronger than anything the government can do. But

ill-conceived public policies--like excessive budget deficits--have indeed been part of the problem, and well-designed government policies--like human capital and infrastructure investments--can and should be part of the solution. To admit that the government cannot do everything is not to say that it should not do anything.

While my Administration has an admittedly ambitious economic agenda, we think of it as bolstering and augmenting market forces rather than interfering with them. A strategy based on long-run investments does not bear fruit overnight. It takes time to see the full results and patience to wait for them. The important thing is to get started down the right path--and soon. The Administration believes that 1993 marked a turning point in that regard.

THE WHITE HOUSE
WASHINGTON

93 DEC 30 P2:16

December 30, 1993

MEMORANDUM FOR JOHN PODESTA

FROM: RICK ALLEN

SUBJECT: 1994 STATE OF THE UNION ADDRESS

This memorandum has three parts: suggested use of national service in the speech; proposed text regarding that subject; and general ideas concerning the structure and content of the speech. I have reviewed these ideas with Eli.

1. The role of national service in the 1994 State of the Union Address:

As discussed at greater length below, great State of the Union addresses avoid string cites of legislation to be introduced, in favor of a thematically-unified series of observations about the past, present and future, into which the actions of the administration are woven.

Accordingly, we would see national service discussed both as an example of a collaborative legislative success in 1993, and as a program which will begin to have a nation-wide impact in 1994, with the latter receiving lengthier consideration.

Finally, it would be appropriate to mention national service in various parts of the text as one element of the administration's response to domestic challenges -- for one of national service's greatest strengths is that it is not merely a program, but a delivery system for change across a wide variety of domestic concerns. In every administration initiative at home, national service will play a role: as a part of community policing, AmeriCorps members will help free cops from desk-work to get back on the street -- or better yet, they'll come into communities at the side of uniformed officers and stay there to help create neighborhood watch associations or advise citizens how to make their homes and businesses safer. To further the health care initiative, AmeriCorps members will help provide the services needed by the frail elderly, the disabled and those afflicted by AIDs to live independently, and they will do the outreach needed to make our administration's drive for universal immunization of toddlers effective. In conjunction with the focus on early childhood education, AmeriCorps members will help staff Head Start clinics and act as aides in primary schools. National service will be getting things done wherever there are needs, and it can be mentioned with some frequency as an indication of the administration's multi-dimensional attack on pressing problems.

2. Proposed text regarding national service:

"In a year that provoked so many strong emotions, one of my happiest moments came walking across a slightly soggy White House lawn, with a wonderful group of young service corps members from all over the country, to sign our national service bill into law. Reminded of the great experiments in citizen action, from Franklin Roosevelt's CCC to John Kennedy's Peace Corps, we celebrated a success that transcended party. And we honored the determination of my young companions that day -- and the thousands like them, with whom I've spoken throughout our country -- to transform our nation, if only we will give them the chance.

This year, 20,000 Americans will have a special chance. As members of AmeriCorps, our new national service initiative, they will be getting things done in our largest cities and our smallest rural hamlets. Through direct, community-based service, they will make a real difference meeting some of our most pressing needs. They'll make sure we have more homes and less hopelessness, more tutors and less truancy, more friendship and less fear. And in exchange for hard work and a real commitment to their country, we'll help them go to college.

AmeriCorps will be the vanguard of change. These first participants will be joined by Americans of all ages and backgrounds, transforming every season of life into a season of service. National service celebrates the proud diversity of the American people, and I believe it will do much to strengthen and advance this great, old and youthful Union.

National service provides the power to liberate leadership, to inspire involvement, and ultimately, to change lives. And it will play a part in each of the great contests ahead, fighting crime and improving health care, stopping illiteracy and saving our national parks."

3. Some ideas about the speech's structure and content:

I am sure you are reading through past President's efforts as they began their second year; I would commend to you an unlikely one: Ronald Reagan's 1982 State of the Union. In tone and structure, it does what I think necessary for the President's speech this year.

The speech should begin by looking back to the conditions left after the last 12 years, and then review the past year's efforts (the President is particularly good at enumerating what we've accomplished, while acknowledging how much work remains). In discussing 1992, and even though the principal audience will be the nation (and the media), I would focus on the secondary audience: the Congress. Reagan listed his first year's triumphs in a sequence of paragraphs beginning, "Together..."; it was more than a rhetorical device -- it was the recognition (as JFK put it in his January, 1962 address) that "it is [the President's] task to report the state of the Union -- to improve it is the task of us all." A similar device could emphasize that while partisanship has not been eliminated, gridlock has been broken.

As the President begins to look forward, he should lay out in some detail why his economic plan, already beginning to work, will mean better lives for all Americans. The essence of the '92 campaign remains the foundation for next year -- and 1996. It will also provide a context for the discussion of his budget priorities, which would next follow.

The death trap of State of the Union speeches are the lengthy and disconnected citations of promised legislative initiatives -- and given the criticism of the administration as lacking thematic unity among programs, this failing would be particularly painful this year. I am not current on the developing message link among health care, crime control, welfare reform and other central proposals as elements of a single over-arching approach -- but whether we see things through the prism of security (economic and personal); of the campaign trinity (opportunity, responsibility and community); or of the relationship of government to the governed (and citizens with one another), a consistent and integrative mechanism is needed.

With the overall theme articulated, the budget then describes an accountable and effective government, making hard choices and real cut-backs in order to fund essential investments.

I would also urge ending the way Reagan did: with the recognition (as the President enunciated it in Memphis) that each of us is responsible for improving our nation. Across our history, each generation has met the challenge of American renewal mainly by defending our values with force of arms. Now, though the world is still a dangerous place, some wonder whether peace time can ever provide the urgency needed to surmount deep-set domestic hurdles. In '82, Reagan ended by observing that heroes were to be found not only in history books -- they are all around us (and then we got the paeans to Jeremiah Denton and Lenny Skutnik). The President should similarly make his final rhetorical pivot on the theme of his Memphis speech, and enliven it with particular individuals who exemplify the standard we hope all to meet.

This State of the Union provides an enormous opportunity for the President and all of us. We would love to help in any useful way, and would appreciate the timely chance to comment on the sections dealing with national service.

Dwyer ✓

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF SCIENCE AND TECHNOLOGY POLICY
WASHINGTON, D.C. 20506

December 30, 1993

93 DEC 30 P12:51

MEMORANDUM FOR JOHN PODESTA

FROM:  **JOHN H. GIBBONS, ASSISTANT TO THE PRESIDENT
FOR SCIENCE AND TECHNOLOGY**

SUBJECT: STATE OF THE UNION ADDRESS

In the earliest days of this Administration, the President pledged to put science and technology to work for the American people. At San Jose, in February 1993, he promised to design Federal science and technology investments to yield:

- Long-term economic growth that creates jobs and protects the environment;
- A more efficient and responsive government; and
- World leadership in basic science, mathematics, and engineering.

The State of the Union Address is an appropriate time to inform citizens of our early and steady progress toward those goals even in tight budget times. The Clinton Administration has its feet firmly planted in "here and now" realities, but our eyes cast clearly toward the future. In traditional politics, the "here and now" reigns, but in our technological age and highly capitalized economy, long-term commitments are also essential. Thus, some of the President's resource commitments are for our children and can't be expected to produce rewards before the turn of the century. Such a commitment to the future is long overdue.

In planning investment strategies, we've had to adhere to the First Rule of Holes: "If you're in one, stop digging." The President's policies evince an unprecedented commitment to serious reduction of deficit spending, which is fundamental to keeping interest rates down, to increasing the amount of new capital available for private investment, and to easing the mounting debt burden on our children. But we can't just stop digging deeper into debt -- we also have to climb out. In his first year in office, the President has worked closely with Congress and the private sector to create a world class business environment in the United States, to reinvent government's role in providing for national and economic security, and to "win the peace," i.e., to master change and lead the world toward democracy and free markets.

Building a World Class Business Environment

As we look ahead, we have an unprecedented opportunity to concentrate on building economic prosperity. New technologies promise entirely new avenues for growth in everything from making and distributing movies to building and maintaining new generations of automobiles. The technologies derive from pioneering fundamental research and can make work safer and more rewarding.

But we can only benefit from these opportunities by exploiting our strengths. One of America's greatest strengths is our ability to benefit from change. Many of us are here because we had relatives willing to take a risk and build a new life in a new country. We all benefit from their ingenuity, their ability to learn, their courage.

These talents put us in an ideal position to benefit from the fast changes that a competitive and growing world economy must create. But we must move quickly to use this advantage to good effect. In 1993, the President made the Federal government a full partner in two ventures with potentially tremendous payoffs for competitiveness:

- The Clean Car Initiative aims to preserve jobs and expand growth in a key U.S. industry. In September, the President and the CEO's of Ford, GM, and Chrysler committed Federal and private resources to development of a safe, high-performance car that can run on renewable fuels and produce little or no pollution. This partnership moves us cooperatively toward common goals: a clean environment; competitive businesses; and prosperous citizens.
- The White House, with private sector input, is developing a comprehensive, long-range environmental technology strategy to guide Federal policies in the years ahead. The world market for environmental technologies -- technologies that prevent and cleanup pollution -- is growing rapidly, and it is important for the United States to be well positioned to capture a substantial share of the global market. The process is well underway, and our goal is to have the strategy ready for release by the President or Vice President on Earth Day, April 1994.

The key to continuing these successes is investment: by individuals who save their money and invest in themselves and their own education; by businesses that invest in new products and new production equipment; and by a government willing to back these commitments with public investments in fundamental scientific research, research partnerships with industry, and with continued investments in our children and in the skills of people who must keep pace with the changing nature of job markets.

The vast majority of the ideas and action needed to exploit these new opportunities will not come from the government. But there are many actions we can take to help the private sector capture these opportunities.

First, we've got to ensure all our businesses have the incentive to invest in new ideas and new equipment. We are pleased that lower interest rates, increased investor and consumer confidence, and new policies, such as long-term research and experimentation tax credits, that improve the climate for investment are beginning to show in the economy. We

are committed to continue our work to forge trust between the people and their government, and more productive partnerships between the government and the private sector.

Second, we've got to ensure our workers are prepared to meet the challenges presented by a changing global market place. This means having the best educated and best trained workforce in the world. We will do this by bringing the Federal Government, States, businesses, and universities around the nation into a new partnership to improve learning methods and learning technologies and to train teachers. We will consolidate the many specialized training projects we've designed over the past decades and manage them in a way that helps American workers adapt to changes of all kinds. We will ensure anyone who wants to learn in America has practical access to the instruction needed, when and where it is needed.

Third, we've got to ensure our companies are in the best position to change effectively and exploit the potential of new technologies by being the first to develop high quality products in the world's best production facilities. This means forging many new research partnerships, such as the Clean Car Initiative, between Federal research facilities, universities, and private firms in areas such as advanced electronics, advanced computers, and many others.

It also means managing our defense research to ensure the enormous investment we have made in defense technology can be exploited by private firms and to ensure future defense research supports the needs of civilian businesses as well. This strategy lets us get more out of each defense research dollar since the military can purchase first-rate products from civilian businesses. In 1993, the Administration effectively implemented the Technology Reinvestment Project (TRP), which has the dual aims of making the latest and best technologies available to the military at affordable cost, and at the same time strengthening the competitive performance of American commercial companies -- with an eventual payoff down the road of creating high-quality jobs. Grants were provided for innovative private research projects, technology transfer, and support for use of advanced technologies in small businesses and manufacturing education and training.

Reinventing Government's Role

As we move further into the post-Cold War period, the challenges and the change we face are no less daunting than those of the Cold War. They are simply different. To serve our clients well, government must adapt. Several programs illuminated the Clinton Administration's ability to adapt to the changing world order and take advantage of emerging opportunities, including:

- The Space Station redesign effort. The civil space program and the scientific and technological advances it makes possible are of great importance to a forward-looking nation. But a program that consumes so many resources, e.g., money, talent, needs clear goals and leadership that appreciates the importance of efficiency in these tight budget times. The President quickly initiated and completed a process that should enable this country to continue its exploration of space with a minimum of impact on other important projects by improving management effectiveness, setting more realistic goals, and cooperating more completely with foreign partners. The highly successful mission to repair the Hubble Telescope demonstrates NASA's ability to respond to the challenge of deploying and maintaining space-based technologies.
- The President pledged his own highest efforts, as chairman of the newly formed National Science and Technology Council, equivalent in status to the National Security Council or the National Economic Council, to restructuring R&D to be in closer alignment with national goals, to reaffirming the commitment to fundamental discovery, and to shifting the Federal spending ratio to favor civilian over military research.

World Leadership

The President has used science and technology to help establish U.S. primacy in global affairs. For instance:

- Scientific advances are the wellspring of the technical innovations whose benefits are seen in economic growth, improved health care, and many other areas. The U.S. scientific enterprise has been a resounding success. This is true whether one measures the overall knowledge base produced or the technology that has derived from fundamental discoveries. We train the best scientists, have great universities, and have provided the bases for some of the fastest emerging industrial efforts, such as biotechnology.

The Clinton Administration has proposed investing heavily in fundamental research -- despite deficit reduction efforts -- to help ensure a sound future. We've not shirked the responsibility of evaluating how those investments are made, and we plan to continue to build partnerships and new understanding to strengthen the importance and effectiveness of the investment.

The President has taken the first steps toward reaffirming our social contract with fundamental research and discovery. He is reaching out to show U.S. citizens the joy of mastering change and the importance of understanding their world in sophisticated and scientific ways. He is emphasizing the strategic importance of fundamental

research and urging us not to be afraid to change directions when new national challenges face us in the 21st Century.

- Successful conclusion of NAFTA and GATT depended, in part, on persuading various constituencies that education and training technologies could be used to benefit American workers affected by open markets, that technology transfer could be a major advantage to American businesses, and that the U.S. research establishment should be free of expensive and invasive reporting requirements under new trade regimes. The United States prevailed on all important counts.
- Rather than act as a passive witness to the upheaval in Russian and the former Soviet states, the President constructively engaged the efforts of the Federal government, our allies, development banks, and the private sector to aid their post-Communist progress. By establishing the Gore-Chernomyrdin Commission, which emphasizes high-technology areas such as energy, environment, and space, as well as basic science, the President directed the power of science and technology toward building democracies worldwide. In one stunning example of beating swords into plowshares, the Vice President secured an agreement from the Russians to shut down the two remaining Russian military plutonium-production reactors still operating at Tomsk, nominally because they provide heat and electric power to nearby populations, in exchange for U.S. help in improving Russian gas turbine technology (which in itself is a military technology (jet engines) being turned to civilian purposes).

Americans thrive on change, which means we should fare well in the global economy quickly taking hold. The Federal Government has an essential role in catalyzing needed change: by ensuring businesses have the incentive to invest in new ideas and equipment; by providing our workers access to education and training technologies that broaden their skills; by enabling companies to exploit new technologies to gain market share; and by maintaining the foundation of scientific knowledge that will yield the new technologies of the future.

The Clinton Administration hasn't run away from the changes that a new world economy is creating. We've figured out how to exploit a long tradition of American ingenuity, and we intend to define the direction of world economic change by investing in our people and in new technologies.



OFFICE OF NATIONAL DRUG CONTROL POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
Washington, D.C. 20500

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DECEMBER 29, 1993

MEMORANDUM TO JOHN PODESTA
ASSISTANT TO THE PRESIDENT AND STAFF SECRETARY

FROM: RICIA McMAHON *RM*
EDWARD H. JURITH *EJH*

RE: SUGGESTIONS FOR INCLUSION IN THE PRESIDENT'S
STATE OF THE UNION ADDRESS

In response to your memo of December 22, 1993, the following are suggestions of Dr. Lee Brown, Director of the Office of National Drug Control Policy:

"An important area in which we must act to reduce the level of violence is to reduce drug abuse.

The Administration's drug strategy identifies reducing chronic or hard-core drug use as the principal challenge for our drug policy. For too long our national drug control policies have failed to come to grips with the harsh realities of chronic drug use, especially in our inner cities and among the disadvantaged. Recent hospital emergency-room data suggest that problems resulting from serious heroin and cocaine use are on the rise. Studies conducted for the Office of National Drug Control Policy found that although heavy users constitute only about 20 percent of all cocaine users, they account for roughly two-thirds of total cocaine consumption.

Chronic drug use fuels the continued high level of crime in our inner cities. The relationship of drugs to violence is well established. One study of the drug market on the lower east side of New York found that one-half of all violence was drug and alcohol-related. We reduce violence by reducing the availability of illegal drugs and the level of drug use. It is for this reason that our strategy makes the reduction of drug-use by chronic drugs users its number one priority.

Accordingly, we will be proposing a significant expansion of Federal support for the treatment of chronic drug users, and the expansion of drug treatment and intervention services in the criminal justice system.

Suggestions that drug use or violence can be reduced by expanding the availability of dangerous drugs are simply wrong.

We cannot make our neighborhoods safe and secure if drugs are readily available. The Empowerment Zone and Enterprise Communities program will reach out to those communities hardest hit by the ravages of drug use and violence, spur public safety and economic development, and increase the availability of social services, thereby reducing drug use.

We cannot continue to ignore what is readily apparent -- as a society we must come to the assistance of those individuals and communities whose drug use is endemic. Through our initiatives in pending crime legislation, the proposed increase in drug treatment services, the expansion of Head Start, our Safe Schools proposal, health care reform, and national service we have created a framework that will permit our National Drug Control Strategy to come to grips with the harsh realities of serious drug use - the root causes of addiction.

We cannot address drug abuse in isolation. Fighting drug abuse also means providing educational opportunities, good jobs and safe neighborhoods.

Too many of our fellow citizens have been left out of the mainstream of American society. They, for a whole host of reasons, have been unable to tap into the bounty of this great nation. Drugs too often become the tonic to relieve their pain. The pain of non-acceptance. The pain of being left out. The pain of hopelessness. The pain of belonging to a great and prosperous nation, but yet have little to show for it.

Our failure to address the problem of the chronic drug user will undermine our efforts to restore our economic vitality, reform our health care system, and make our communities safe.

- We cannot have a strong economy and be competitive in the world if we have a large underclass that is unskilled, poorly educated, and addicted to drugs and alcohol.

- We cannot reform our health care system if a large segment of our society, because of their addictions, dramatically increase health care costs, place an inordinate demand on emergency care and public health services; and lead unhealthy lifestyles that require more intensive medical attention to chronic conditions.

- We cannot make our neighborhoods safe and secure if drugs are readily available and violence that is part and parcel of the drug trade flourishes.

How we combat the drug problem speaks much about Americans as a people. Drug abuse and the devastation it leaves in its wake extends beyond the user, but endangers whole families, communities, and the nation".