

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Brian V. Kennedy to Natasha F. Bilimoria and Lisa Green at 10:11:07.00. Subject: new markets. (partial) (1 page)	10/27/1999	P6/b(6)

COLLECTION:

Clinton Presidential Records
Automated Records Management System [Email]
OPD ([AFL-CIO])
OA/Box Number: 250000

FOLDER TITLE:

[09/30/1999 - 11/22/1999]

2013-0306-F
ab1186

RESTRICTION CODES

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

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

C. Closed in accordance with restrictions contained in donor's deed
of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C.
2201(3).

RR. Document will be reviewed upon request.

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

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

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Irene Bueno (CN=Irene Bueno/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:30-SEP-1999 08:45:26.00

SUBJECT: Re: one more!

TO: Eugenia Chough (CN=Eugenia Chough/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TEXT:

Yes of course.

Also, I would love to take you to lunch to thank you but also just for fun. Are you available on Friday?

Eugenia Chough

09/29/99 07:11:05 PM

Record Type: Record

To: Irene Bueno/OPD/EOP

cc:

bcc:

Subject: Re: one more!

If it can wait until tomorrow, I'll take a crack at it. If not, let me know. Thanks.

Irene Bueno

09/29/99 01:22:22 PM

Record Type: Record

To: Eugenia Chough/OPD/EOP@EOP

cc:

bcc:

Subject: Re: one more!

I think that the letter could be beefed up a little. We drafted the attached that gives more background. Do you mind taking a shot at this? I know you don't know anything about this issue or maybe you can just send to Renee to work on. LEt me know what you think. I just won't be able to get to it for awhile. Thanks .

Eugenia Chough

09/28/99 01:28:30 PM

Record Type: Record

----- Forwarded by Eugenia Chough/OPD/EOP on 09/28/99
01:28 PM -----

Thanks,
Renee

[illegible]

Administration Progress on H-2A Reform

September 23, 1999

Farm workers are among the poorest and most vulnerable in our society. Average annual earnings of farm worker families are only about \$6,500 and farm workers are employed on average only about 26 weeks per year.

The H-2A "guest worker" program admits temporary nonimmigrant agricultural workers to provide farmers with an adequate supply of laborers during the peak periods in the growing season, if there is an inadequate supply of domestic workers. There is no cap on the number of H-2A visas granted annually. Currently, there are 1.8 million hand-harvest farm workers in the United States of which it is estimated that approximately half are undocumented. In FY 98 there were 35,000 workers in the H-2A program.

Employer Obligations

Under the current program, in order to hire H-2A workers, an employer must demonstrate to the Department of Labor (DOL) that:

- (a) there are not sufficient U.S. workers able, willing, qualified and available to perform the services; and,
- (b) there will be no adverse effect on the wages and working conditions of similarly-employed U.S. workers.

To meet these criteria, employers are required to:

- ✓ engage in positive recruitment efforts;
- ✓ pay workers the higher of the minimum wage, locally prevailing wage, or an "adverse effect wage rate" (AEWR), the average wage paid to non-managerial agricultural workers in the state;
- ✓ provide free and safe housing to workers coming from outside the commuting area;
- ✓ reimburse workers' inbound transportation if they complete half the contract, outbound also if they complete the contract; and,
- ✓ guarantee 3/4 of the hours of the contract the grower offers; and,
- ✓ hire any qualified U.S. worker who applies during the first half of the work contract.

Administration Principles on Reform

The H-2A program has been heavily criticized by the General Accounting Office (GAO), DOL's Inspector General, and the Hill primarily due to the administrative burdens placed on growers and its failure to adequately protect workers. As a result, Congress has proposed legislation to restructure the H-2A program.

The Administration has acknowledged problems with the program and is working administratively (through administrative actions and the regulatory process) to reengineer and streamline the H-2A program to ease application burdens while maintaining strong worker protections. The Administration does not believe that legislation is necessary or appropriate at this time.

The Administration's guiding principles in reforming the H-2A program are to create a system:

- ✓ with procedures that are simple and the least burdensome for growers;
- ✓ which assures an adequate labor supply for growers in a predictable and timely manner;
- ✓ that provides a clear and meaningful first preference for U.S. farm workers and that diminishes reliance on foreign workers;
- ✓ which avoids the transfer of costs and risks from businesses to low wage workers;
- ✓ that encourages longer periods of employment for legal U.S. workers; and,
- ✓ which assures decent wages and working conditions for domestic and foreign farm workers, and that normal market forces work to improve wages, benefits, and working conditions.

The Administration is committed to improving the H-2A program to assure growers of an adequate, predictable labor supply while protecting U.S. farm workers who are among the poorest and most vulnerable in our society.

FY 2000 Budget Initiative

- The President's pending Budget requests \$10 million to fund America's Agricultural Labor Network ("AgNet") that would benefit growers and workers by having an efficient alternative mechanism to match workers with employment opportunities. AgNet would serve as an information broker through an electronic system that allows both growers to find workers and workers to find employment opportunities that meet their needs (e.g., location, duration, type of crop, etc.).

H-2A Regulatory Reform

- On June 29, 1999 DOL published a final regulation that will complete an earlier proposal to:
 - reduce the length of time that employers must file an H-2A application from 60 to 45 days before the date when employees are needed;
 - reduce the deadline for when employer-provided housing must be available for inspection before the date of need; and,
 - modify the requirement that certified H-2A employers provide notice of the exact date on which H-2A employees have departed for the place of employment.
- INS will soon issue a final regulation that will complete an earlier proposal to delegate H-2A petitioning authority to DOL. This proposed change would significantly reduce the burden to growers when filing for H-2A workers by removing an entire step from the current process.
- DOL has also made additional administrative changes to the H-2A program such as modifications to the positive recruitment requirement. DOL intends to consistently meet the existing 20 day deadline to issue approved certifications for growers.

September 28, 1999

Mr. Moe Biller
13602 Gladwyn Court
Chantilly, Virginia 22021

Dear Moe:

Thank you for your letter regarding guest worker legislation. I appreciate knowing your concerns and have shared your correspondence with my Domestic Policy staff.

I assure you that my Administration continues to strongly oppose agricultural guest worker programs. As you know, these programs avoid a sustainable solution to labor shortages and increase illegal immigration. In addition, they reduce employment opportunities for United States citizens and other legal residents and depress wages and work standards for United States farmworkers. We are prepared to work with Congress and all interested parties to address this issue in a way that will not jeopardize vital worker protections. As we move forward in this endeavor, I'm glad to know I can count on your support.

Sincerely,

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Richard M. Samans (CN=Richard M. Samans/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 1-OCT-1999 19:45:49.00

SUBJECT: revised weekly report on Somavia/ILO

TO: Lael Brainard (CN=Lael Brainard/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TO: Sarah Rosen Wartell (CN=Sarah Rosen Wartell/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TO: Melissa G. Green (CN=Melissa G. Green/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

CC: Sharon H. Yuan (CN=Sharon H. Yuan/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TEXT:

Thanks Sarah. Here's a slightly revised paragraph:

ILO Director-General Somavia -- Child Labor and WTO: I chaired a meeting at the White House on Wednesday with the ILO Director-General Juan Somavia, who was in D.C. for the World Bank-IMF meetings. We were joined by Secretary Herman, Karen Tramontano, Lael Brainard and the U.S. labor and business representatives to the ILO: AFL-CIO President Sweeney, American Federation of Teachers President Sandra Feldman, and U.S. Council for International Business President Tom Niles. Somavia expressed gratitude for the strong support of your Administration and the common vision that we share. He described his plans to reform the management of the ILO, press for world-wide ratification of the new Convention on the Worst Forms of Child Labor, enlist greater support from the other IFIs for the child labor agenda, and create an International Campaign, led by public personalities from sport, entertainment, and government, to raise public awareness about the problems of child labor. We also talked briefly about how best to involve him in the WTO meetings in Seattle. He wants to go to Seattle and be helpful, but feels strongly that, as the only head of a world organization from a developing country, it is unwise that he take on a role that developing nations would view hostilely. We agreed that we should continue to work together on finding a role that can be constructive. At the same time, we will continue to promote your call for a high-level meeting between the ILO and WTO, joint research and information sharing by the Secretariats of the two organizations, and a campaign to win formal WTO observer status for the ILO and other appropriate international organizations, similar to that which the World Bank and IMF already enjoy.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Joel K. Wiginton (CN=Joel K. Wiginton/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 4-OCT-1999 16:16:41.00

SUBJECT: fin mod/asbestos

TO: Sarah Rosen Wartell (CN=Sarah Rosen Wartell/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

CC: Bobby D. Conner (CN=Bobby D. Conner/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TEXT:

fin mod -- i still haven't been able to speak to larry, but would you mind sending me that background memo so i can prep just in case? thanks.

asbestos -- bobby connor, a very bring leg assistant in our office, will attend the asbestos hearing. i asked him to email you to let you know and to coordinate schedules.

i had to talk to jennifer leach (she's handling this issue for torricelli along with their LD) on a couple other matters so i asked her a few questions on asbestos. as you know, torricelli is a cosponsor of the bill, yet jennifer told me that they used a couple of their witness slots to invite ATLA and the AFL-CIO. she also noted that they're feeling a great deal of heat from the trial lawyers on their position and are thus using the Ashcroft bill as a "starting point" and that he'll work to improve the bill before it moves anywhere (sounds familiar). as for timing, jennifer is convinced that nothing will happen on the bill this year (even a subcommittee or full committee markup) -- she's probably right. she also noted -- including the member witnesses -- that there will be 13 people testifying tomorrow -- Grassley always holds marathon hearings.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sarah Rosen Wartell (CN=Sarah Rosen Wartell/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 5-OCT-1999 19:29:06.00

SUBJECT: Update

TO: nlurie@osaspe.dhhs.gov (nlurie@osaspe.dhhs.gov @ inet [UNKNOWN])

READ:UNKNOWN

TEXT:

----- Forwarded by Sarah Rosen Wartell/OPD/EOP on
10/05/99 07:28 PM -----

Sarah Rosen Wartell
10/05/99 07:24:44 PM
Record Type: Record

To: See the distribution list at the bottom of this message
cc: Gay L. Joshlyn/OPD/EOP
Subject:Update

Working Group -- Gay is setting up another meeting of our working group
for next Tuesday.

Today, I attended a hearing held by the Senate Judiciary Committee. I can give a more detailed report next week. Suffice it to say that there were very clear efforts (although largely unsuccessful) to focus on the AFL-CIO's opposition, to minimize the issues where the AFL-CIO disagreed, to try to get them to say they would agree to the bill if A or B were fixed, etc. While the AFL was clear they could support some bill, they oppose bills that make the current situation worse, which is what they think the current bill would do. The Senators virtually ignored the Trial Lawyer representative. The strategy was clearly to separate the AFL and ALTA. However, they appeared mostly to infuriate the AFL witness, John Hiatt, especially when GAF's Heyman made a snide and uncalled for attack on AFL's position.

Meanwhile, Congress Daily reported this morning that Chairman Hyde does plan to mark up a bill in the House Judiciary Committee before the Congress adjourns. While Hyde's staff earlier told me they were only 15% done, it appears the leadership has directed that Hyde mark-up a bill, regardless of whether or not he thinks it is done or it has bipartisan support on his committee or the support of the AFL-CIO. Options include marking up the original HR 1283, the new edley proposal (reflected in what I sent around), some yet unseen proposal expected from Owens Corning, or a new bill that would just establish medical criteria but otherwise change nothing else. Democrats are considering whether to offer their own alternative.

This places added importance on your work to assess these issues and review the materials provided. I will have copies of all the new testimony made by next week's meeting. A few new arguments, but not alot.

Susan Green (DoL) -- Can you please call me at your earliest convenience?

There was much inconclusive debate about a particular question of the interaction with worker's compensation programs. I would like to describe the issue to you and see if DoL can provide any clarity.

Message Sent

To:

Joel K. Wiginton/WHO/EOP@EOP
Broderick Johnson/WHO/EOP@EOP
Lauren K. Gillespie/WHO/EOP@EOP
Lisa M. Brown/OVP@OVP
Lon Sorensen/OVP@OVP
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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sarah Rosen Wartell (CN=Sarah Rosen Wartell/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 5-OCT-1999 19:13:28.00

SUBJECT: 8:00 memo

TO: Melissa G. Green (CN=Melissa G. Green/OU=OPD/O=EOP@EOP [OPD])

READ: UNKNOWN

TEXT:

Financial Modernization: Secretary Summers gave a speech Tuesday in which he reiterated the Administration's resolve to veto any bill that: (1) fails to allow firms to choose the operating structure right for them; (2) breaks down walls separating banking and commerce; (3) fails to include adequate protections for consumers (discussing privacy); and (4) erodes the relevance of CRA. He also is meeting with House and Senate Democrats to assure them that the Treasury's views have not shifted. Democrats are nervous because they are not in the room as the Gramm-Leach-Bliley mark is being developed, although neither is Treasury. WH Leg Affairs is picking up anxiety from Democrats that Treasury will cut a deal. Sarbanes staff asked Wiginton today to ensure that their is an "independent WH review" of the Gramm-Leach-Bliley CRA provisions to ensure that Treasury doesn't accept something bad in exchange for being made happy on Op Sub.

Asbestos: Senator Grassley and Torrecelli held a hearing Tuesday on asbestos legislation. While action is highly unlikely this year, they clearly want to move legislation early next. They emphasized "bipartisanship" as they have in bankruptcy. It was clear that the bill's Democratic co-sponsors (Torrecelli and Schumer) were focused on getting tacit or explicit support from the AFL-CIO. They virtually ignored (and occasionally sneered at) ATLA President Middleton and directed all their questions to AFL's Counsel John Hiatt, in an unsuccessful attempt to get him to agree that his concerns were few and could easily be resolved. The strategy is clearly to try to put distance between the Trial Lawyers and the AFL-CIO. Meanwhile, in the House, despite earlier assurances from Hyde's staff that the House bill was only 15% done and would not be ready til January, all confirm Hyde now plans to mark up a bill in Judiciary before Congress adjourns. We think the leadership has simply told him he must do so.

Cash Balance Plan Pension Event: Currently scheduled for Thursday morning. Herman can only be there if they do it early. Summers is unlikely. They were exploring whether Eisenstat was available. If you and Herman, then no need for Eisenstat, but if no Herman, would you prefer being alone to being joined by Eisenstat???

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Irene Bueno (CN=Irene Bueno/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 7-OCT-1999 19:36:14.00

SUBJECT: Letter from AFL-CIO to Bob Bach

TO: Marjorie Tarmey (CN=Marjorie Tarmey/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TEXT:

I will fax you this note along with the letter you sent me but this note is in follow up to your question about the letter that Karen T. forwarded to Maria from the AFL-CIO to Bob Bach from INS.

INS and the Social Security Administration (SSA) are disagreeing about the SSA's role in Operation Vanguard. SSA had been matching all Social Security Numbers(SSNs) that INS requested. After further review of SSA laws and regulations, SSA is now only willing to match SSNs of employees that INS has determined may be undocumented immigrants. My understanding is that top officials of both INS and SSA are meeting to try to resolve this issue and if they cannot, the WH will need to get involved to resolve this issue.

AFL-CIO want to meet with INS to express their support for SSA's position and address other issues. I will make sure that Bob meets with the AFL-CIO.

Please let me know if you have any further questions.

Thanks.

[illegible]

Draft 10/11/99 11am
Josh Gottheimer

**CHIEF OF STAFF JOHN D. PODESTA
REMARKS TO AFL-CIO CONVENTION
LOS ANGELES, CALIFORNIA
October 12, 1999**

I want to thank you for giving me the opportunity to be here today. Unions have been an important part of my life for many years. My brother Tony worked as a lawyer for the Teamsters back in Chicago ... my counselor Karen Tramontano paid her way through law school as a member of the teamsters, practiced union-side labor law for 10 years, and served as John Sweeney's Assistant for Government Affairs at SEIU ... and I spent twenty years on Capitol Hill advocating the issues so important to all of you.

As many of you know, your president and I work closely together. And I can tell you first-hand that John is one, tough negotiator. But I got him to agree that if I came here and talked to you this morning, he would stop trying to unionize my White House staff. In fact, every time John comes to the White House, he makes it harder and harder for my staff to believe me when I tell them that a fifteen hour work day is normal; that three dollars an hour is a living wage, and that heat and air conditioning really are luxury items.

I'm sure it doesn't surprise you that everywhere John goes he's looking for ways to make the AFL-CIO a bigger, stronger, better union. John, you've given the AFL-CIO a new sense of purpose, determination and inclusiveness. For that every worker in America owes you a debt of gratitude.

I want to congratulate all of you on a very successful year. Your membership is at its highest point in recent history. Your workers are negotiating better contracts, with increased wages and benefits. And your voice is resonating with a renewed level of strength and determination. Woodrow Wilson once said: "A nation is as great, and only as great, as her rank and file." As the theme of this convention makes clear, your thirteen million members are improving the lives of our nation's working families, bringing fairness and dignity to the workplace, and securing social and economic equity for America's workers.

Your efforts have helped get America working again. In the 12 years before President Clinton and Vice President Gore came to the White House, irresponsible policies in Washington piled deficit upon deficit and quadrupled the national debt. Interest rates and unemployment were rising, wages were stagnant, and growth was slow.

President Clinton and Vice President Gore believed that with your help we could get America back on track. It would take two things: bringing down our budget deficit and bringing up our investment in people. We set that strategy in motion with our economic plan in 1993. In the years since, we have turned deficits into surpluses, lowered interest rates, and fueled a private-sector-led economic expansion of historic proportions. And we have done so while nearly doubling investment in education and training, putting more police on the street, investing

in technology and medical research, and cleaning up the environment. We showed that we could balance the budget while honoring our values.

Because of the policies we have pursued and the hard work of the American people, our country has made a seismic shift. The American people have created more than 19 million new jobs, with rising wages, the longest peacetime expansion in history, the highest home ownership rate ever recorded, a 30 year-low in unemployment, a 32-year low in the welfare rolls, and a 26 year-low in the crime rate. And by balancing the budget for the first time in a generation, we have changed red ink into black – turning a budget deficit of \$290 million into a budget surplus of more than \$115 billion this year, with growing surpluses projected for years to come.

The progress that we have made together is something the American people see every day – in higher paychecks; in the Family and Medical Leave Bill, in the HOPE Scholarships that help send our children to college; in lower interest rates for owning a home and for buying a car. And the prosperity we have created gives us an opportunity few generations have ever enjoyed: An opportunity to meet the long-term needs of our nation -- the aging of America, the health of our citizens, the education of our children, and the continued long-term growth of our economy.

We face a critical choice: whether to invest the surplus to strengthen America in the long term, or to squander the surplus in the short term. President Clinton and Vice President Gore have proposed a balanced budget that puts first things first: one that uses the bulk of the surplus to save Social Security and Medicare. It includes substantial tax relief, totaling \$250 billion, targeted to help families save for retirement, and pay for child care and long-term care. Our budget also strengthens and modernizes Medicare, cutting costs and using the surplus to make it solvent until at least 2027, and providing for preventative care and help for prescription drugs.

But even as our economy breaks records, too many Americans are having trouble breaking even. To help many of those families, we expanded the Earned Income Tax Credit and cut taxes for millions of hard-pressed working parents. And to honor the dignity of work, the President signed legislation in 1996 that raised the minimum wage to \$5.15 an hour. Back then, some claimed that a minimum wage hike would hurt works and slow the economy. Well, the record is clear. The sky didn't fall – unemployment did.

Since we last raised the minimum wage, eight million new jobs have been created – including more than a million new retail jobs. Now is the time to build on that progress. Our economy is the strongest in a generation – our commitment to working families ought to be very bit as strong. Today, almost 50 percent of minimum wage earners work full-time. 60 percent are women. And 70 percent are adults. Many are sole breadwinners struggling to raise their kids on \$10,700 a year.

No American who works full-time should live in poverty. That's why President Clinton has proposed to raise the minimum wage by \$1 an hour over the next two years. This modest increase would restore the real value of the minimum wage to what it was in 1982. But for a full-time worker, it would mean an extra \$2,000 a year. That's real money – enough for a family a four to buy groceries for 7 months or pay rent for 5 months.

The bottom line: American workers have kept their end of the deal. They're on the job – building our communities – raising their families. Now it's our turn: We should give American workers the tools to protect the health and improve the lives of their families.

Last week, the House Democrats and Republicans took a big step in that direction by passing a strong, enforceable Patients Bill of Rights. The bipartisan legislation provides working families with the real health care protections they sorely need: the right to the nearest emergency room care, the right to see a specialist, the right to know you can't be forced to switch doctors in the middle of a cancer treatment or a period of pregnancy, and the right to hold your health care plan accountable if it causes you or a loved one grave harm.

The overwhelming victory in the House last week reflected the will of the American people to put patients first. But its protections will not be real until the bill becomes law. Republican leaders must not water down the bill or load it with special interest poison pill provisions.

Last week's vote also showed once again that by working across party lines, we can do right by working families. Now's the time to work in that same spirit to meet another vital challenge for which there is tremendous support: making it possible for more people with disabilities to experience the dignity of work and share in our nation's prosperity.

Despite today's record strong economy, three out of four Americans with disabilities who want to work are not working. That's not just a missed opportunity for Americans with disabilities. It's a missed opportunity for America.

One of the biggest barriers facing people with disabilities is the fear of losing their health insurance when they get a job. Under current law, many people with disabilities cannot work and keep their Medicaid or Medicare coverage—creating a tremendous disincentive to work. The Kennedy-Jeffords Work Incentives Improvement Act will make sure that people with disabilities don't lose their health care when they gain a job. It will give workers with disabilities the option to buy into Medicaid and extend Medicare coverage for people with disabilities who return to work.

The legislation recently passed the Senate 99 to zero. A bipartisan majority in the House has already cosponsored it. Congress needs to finish the job. Americans with disabilities who want to work shouldn't have to wait one more day.

America's students shouldn't have to wait one more day either to get the world-class education they need to prosper in the 21st century. Even as we've worked hard to bring fiscal discipline to Washington, we have nearly doubled our investment in education and training – providing states and school districts with the tools they need to improve learning. We have increased investment in child learning through Head Start. We have opened wide the doors to college with HOPE scholarships, more Pell grants, and education IRAs. We have begun to organize an army of tutors to help elementary school children learn to read and middle and high school students prepare for college. We have called on Congress to build or modernize 6,000 schools – which includes Davis-Bacon protections to help ensure good wages and quality

construction. We are making progress towards connecting every classroom and library in America to the Internet. And last fall, we fought for and won from Congress a down payment on 100,000 new, highly-trained teachers to reduce class sizes in the early grades.

As we invest more in our public schools, we should demand more from them. The President's Education Accountability Act does just that. It says that every state and school district accepting federal money must: turn around failing schools, ensure teachers know the subjects they are teaching, have reasonable discipline codes, empower parents with report cards on their schools, and end social promotion the right way.

From Medicare to minimum wage, President Clinton and Vice President Gore have laid out the right course for the American people – one that's pro-family, pro-union, and pro-worker. One thing is certain: our economy is working and the American people want it to continue.

Unfortunately, the Republican majority has chosen to leave the proven path of fiscal discipline. They continue to push a plan that fails to reflect the commitment we have made to the American people – paying down the debt to keep interest rates low, protecting and strengthening Social Security and Medicare, and making vital investments in education, the environment, national security, biomedical research, and other critical national priorities.

And even after the President vetoed their risky and bloated tax plan, the Republicans continue to vote against working families. Just last week, the House Republicans acted on a Labor, HHS bill that fails to make vital investment in our nation's children. The House Republican bill undermines our commitment to hire quality teachers and reduce class size in the early grades – and eliminates after-school efforts like the GEAR UP mentoring program. It cuts OSHA by \$51 million below the President's request and \$17 million below last year, severely weakening our ability to protect workers on the job. In another shot at working Americans, it cuts the NLRB by \$35 million below the President's request and \$10 million below last year risking runaway case backlogs and– preventing the agency from resolving charges brought before it for resolution. It also underfunds public health priorities that give Americans better access to health care, and fails to fund programs that aid families caring for elderly or ill relatives.

The Senate did, however, heed our advice when it rejected two wrong-headed amendments that would have hurt American workers. One would have barred implementation of the ergonomics rule so key to safeguarding worker health. The other would have barred enforcement of the Davis-Bacon law in natural disaster areas – a law which assures workers appropriate wages. The President has vetoed every anti-worker piece of legislation the Republicans have sent him and he will continue to that.

With the prosperity our nation enjoys, the confidence we share, and the surplus we have created, we have an opportunity, here in the last months of the 20th Century, to truly prepare our nation for the 21st Century. It is a century that will be remembered as a time when millions of working men and women fought for and won basic freedoms too long denied them: the right to safe work places; the freedom to organize; the ability to put an end to abusive child labor; the right to have health insurance and earn a decent wage. I have little doubt that as we cross into

the next century, the AFL-CIO will continue to build on that progress – standing up for America’s workers and their families, and adapting old-fashioned values to the modern work place, and advancing the cause of labor around the world.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Andrea Kane (CN=Andrea Kane/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:11-OCT-1999 18:25:39.00

SUBJECT: it's getting crowded on the www...

TO: Eugenia Chough (CN=Eugenia Chough/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TO: J. Eric Gould (CN=J. Eric Gould/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TO: Cynthia A. Rice (CN=Cynthia A. Rice/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TEXT:

in Washington Times article on Gore and Labor endorsement in Today's
clips, note AFL-CIO is planning to open a website called
"workingfamilies.com"

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sarah Rosen Wartell (CN=Sarah Rosen Wartell/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:12-OCT-1999 11:28:33.00

SUBJECT: explanation of difference

TO: David W. Beier (CN=David W. Beier/O=OVP@OVP [UNKNOWN])

READ:UNKNOWN

TEXT:

sorry so detailed. not time to shorten. easier to read in the attached.

Background

Internal Revenue Code section 415 limits pensions paid from tax-qualified defined benefit plans, so that an individual's pension may not exceed a specified dollar limit (determined based on the age of commencement) and may not exceed 100% of highest 3-year average pay.

The specified dollar limit for 1999 is \$130,000 for pensions payable beginning at Social Security Retirement Age (currently age 65, but scheduled to phase up to age 67), reduced actuarially for earlier commencement. For example, the specified dollar limit is \$104,000 for pensions payable beginning at age 62, \$89,000 at age 60, \$62,000 at age 55 and \$44,000 at age 50.

The Internal Revenue Code contains a special rule for defined benefit plans sponsored by governments, tax-exempts and merchant marines. For these plans, the \$130,000 section 415 limit applies to pensions payable beginning at age 62 (instead of Social Security Retirement Age) and the actuarial reductions for earlier commencements are based on this age 62 limit. Because the age 62 limit for these special groups is 25% higher than the generally applicable limits (\$130,000 vs. \$104,000), the specified dollar limits at earlier ages are correspondingly 25% higher than the generally applicable rules. For example, the limit for governmental employees at age 55 is \$77,000 (or 125% of the generally applicable age-55 limit of \$62,000).

Another relevant rule permits the payment of a minimum benefit of \$10,000 (unindexed) for any person -- even if retiring early and even with average pay of less than \$10,000 -- who has not participated in a defined contribution plan of the same employer.

For purposes of section 415, all plans maintained by an employer and related entities are combined, except that the regulations permit a multiemployer plan to disregard benefits provided by the same employer through other multiemployer plans. Thus aggregation of a multiemployer plan and a single-employer plan maintained by the same (or a related) employer is required.

Administration Proposals

ú The Administration would exempt multiemployer defined benefit plans from the 100%-of-pay limit.

ú The Administration would give multiemployer plans the same special higher early retirement section 415 limit that currently applies to defined benefit plans sponsored by governments, tax-exempt organizations and merchant marine) a 25% increase over current law and over benefits that apply to most workers.

ú Where the multiemployer plan is a defined benefit plan -- from the aggregation rule requiring plans to take into account benefits provided under other plans maintained by the same employer when testing for compliance with the section 415 limits.

AFL-CIO Proposal

In addition, the AFL-CIO LTD proposed that there be a minimum (or floor) limit of \$104,000 from ages 55) 59 imposed on top of the limitation scale otherwise applicable to governments, tax-exempt organizations, and the merchant marines. (As noted above, that limitation scale goes from \$77,000 at age 55 to \$130,000 at age 62). Thus, the limitation would be the same as we proposed after age 60, but below 60 the limits would be higher for any other category of worker) including those already granted special treatment by Congress.

Age	Current Law AFL-CIO Proposal	Administration Proposal
Below 55	Actuarial reduction from \$62k	Actuarial reduction from \$104k
\$77k		
55-59	Ranges \$62k - \$85k	Ranges \$77k - \$102k
\$102k	\$104,000	
60) 62	Ranges \$89k - \$104k	Ranges \$108k - \$130k
\$130k	\$108k - \$130	
62-65	Ranges \$104k - \$130k	
\$130k	\$130k	

Rationale

The underlying rationale for these benefit limitations is to limit the taxpayer subsidy for pensions to reasonable retirement income levels. Congress loosened the limitations for early retirement in a few special cases -- in one case to offset other adverse in changes in law and in other cases to align benefit treatment more closely with that of workers in comparable industries (making merchant marines more comparable to airline pilots). The Administration believes that cyclical work-cycles, frequent job turn-over, and the toll on their bodies stemming from years of heavy physical labor justifies a comparable increase in the limits for multiemployer plan beneficiaries) an increase to allow early retirement benefits 25% higher than for all but a small number of other workers. However, to raise the limits further would allow tax subsidies to flow to pension benefits that are actuarially equivalent to extremely high pension levels at normal retirement age. Scare taxpayer resources can be better

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===== ATTACHMENT      1 =====
ATT CREATION TIME/DATE:    0 00:00:00.00
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Unable to convert ARMS_EXT:[ATTACH.D84]ARMS29796748S.236 to ASCII,
The following is a HEX DUMP:

[illegible]

Background

Internal Revenue Code section 415 limits pensions paid from tax-qualified defined benefit plans, so that an individual's pension may not exceed a specified dollar limit (determined based on the age of commencement) and may not exceed 100% of highest 3-year average pay.

The specified dollar limit for 1999 is \$130,000 for pensions payable beginning at Social Security Retirement Age (currently age 65, but scheduled to phase up to age 67), reduced actuarially for earlier commencement. For example, the specified dollar limit is \$104,000 for pensions payable beginning at age 62, \$89,000 at age 60, \$62,000 at age 55 and \$44,000 at age 50.

The Internal Revenue Code contains a special rule for defined benefit plans sponsored by governments, tax-exempts and merchant marines. For these plans, the \$130,000 section 415 limit applies to pensions payable beginning at age 62 (instead of Social Security Retirement Age) and the actuarial reductions for earlier commencements are based on this age 62 limit. Because the age 62 limit for these special groups is 25% higher than the generally applicable limits (\$130,000 vs. \$104,000), the specified dollar limits at earlier ages are correspondingly 25% higher than the generally applicable rules. For example, the limit for governmental employees at age 55 is \$77,000 (or 125% of the generally applicable age-55 limit of \$62,000).

Another relevant rule permits the payment of a minimum benefit of \$10,000 (unindexed) for any person -- even if retiring early and even with average pay of less than \$10,000 -- who has not participated in a defined contribution plan of the same employer.

For purposes of section 415, all plans maintained by an employer and related entities are combined, except that the regulations permit a multiemployer plan to disregard benefits provided by the same employer through other multiemployer plans. Thus aggregation of a multiemployer plan and a single-employer plan maintained by the same (or a related) employer is required.

Administration Proposals

- The Administration would exempt multiemployer defined benefit plans from the 100%-of-pay limit.
- The Administration would give multiemployer plans the same special higher early retirement section 415 limit that currently applies to defined benefit plans sponsored by governments, tax-exempt organizations and merchant marine -- a 25% increase over current law and over benefits that apply to most workers.
- Where the multiemployer plan is a defined benefit plan -- from the aggregation rule requiring plans to take into account benefits provided under other plans maintained by the same employer when testing for compliance with the section 415 limits.

AFL-CIO Proposal

In addition, the AFL-CIO LTD proposed that there be a minimum (or floor) limit of \$104,000 from ages 55 – 59 imposed on top of the limitation scale otherwise applicable to governments, tax-exempt organizations, and the merchant marines. (As noted above, that limitation scale goes from \$77,000 at age 55 to \$130,000 at age 62). Thus, the limitation would be the same as we proposed after age 60, but ***below 60 the limits would be higher for any other category of worker – including those already granted special treatment by Congress.***

<u>Age</u>	<u>Current Law</u>	<u>Administration Proposal</u>	<u>AFL-CIO Proposal</u>
Below 55	Actuarial reduction from \$62k	Actuarial reduction from \$77k	Actuarial reduction from \$104k
55-59	Ranges \$62k - \$85k	Ranges \$77k - \$102k	\$104,000
60–62	Ranges \$89k - \$104k	Ranges \$108k - \$130k	\$108k - \$130
62-65	Ranges \$104k - \$130k	\$130k	\$130k

Rationale

The underlying rationale for these benefit limitations is to limit the taxpayer subsidy for pensions to reasonable retirement income levels. Congress loosened the limitations for early retirement in a few special cases -- in one case to offset other adverse changes in law and in other cases to align benefit treatment more closely with that of workers in comparable industries (making merchant marines more comparable to airline pilots). The Administration believes that cyclical work-cycles, frequent job turn-over, and the toll on their bodies stemming from years of heavy physical labor justifies a comparable increase in the limits for multiemployer plan beneficiaries – an increase to allow early retirement benefits 25% higher than for all but a small number of other workers. **However, to raise the limits further would allow tax subsidies to flow to pension benefits that are actuarially equivalent to extremely high pension levels at normal retirement age. Spare taxpayer resources can be better directed to higher social priorities.**

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Carolyn T. Wu (CN=Carolyn T. Wu/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:12-OCT-1999 09:06:43.00

SUBJECT: Re:

TO: Pamela Cicetti (CN=Pamela Cicetti/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TEXT:

she actually had to go to the afl-cio convention in la over the weekend and is not flying in until tonight. the rest of the week is booked. i could schedule a meeting or we could do next week. please advise.....sorry!

Pamela Cicetti

10/12/99 09:04:45 AM

Record Type: Record

To: Carolyn T. Wu/WHO/EOP@EOP

cc:

Subject:

Are Karen and I still on for lunchin the mess at 12 today?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sarah Rosen Wartell (CN=Sarah Rosen Wartell/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:12-OCT-1999 13:43:09.00

SUBJECT: more on 415 limits

TO: David W. Beier (CN=David W. Beier/O=OVP@OVP [UNKNOWN])

READ:UNKNOWN

TEXT:

First, Rick Magahey is preparing a short note for you that is good, but states something slightly differently than my earlier note. I think we are both right. My note assumes that the AFL was asking for multiemployer beneficiaries to get better treatment than other special categories (merchant marines, gov't, non-profits) and Mahgehy's suggests that the AFL was proposing to be added to the special category list and then increase the limits for everyone in that group. At different times, they have argued both. The last paper we had for them is as Magehey describes.

Second, on cost: OMB internal estimates for what we proposed in the VP's letter were \$10-40 million over 10 years (not refined more precisely than that -- over 5 years would be about a third). They assume that they additional increment added by the AFL's further proposal would be a fraction of that but no precise estimates have been done.

AFL, using Joint Tax Committee figures, estimated that their whole proposal would cost less than \$37 million over 5 years, \$81 million over 10. However, we include in our baseline some of these costs.

Third, we understand that the AFL-CIO is arguing that this change is necessary to restore a historical ratio between the early retirement limit and the regular retirement limit. Treasury argues that the relationship is irrelevant to the point. Some history: In 1974, for the first time Congress imposed a cap on benefits. At that time, the cap was the same whether you retired at 55 or 65 -- there was no actuarial reduction. Later, in 1982, they recognized that a retirement benefit level at age 55 was worth more than the same benefit at 65 and imposed an actuarial reduction in the cap. However, they imposed a transitional rule to help phase in the cap and prevent harm to those in the interim. The transitional rule created a floor of \$75,000 for early retirement benefits for everyone. In 1986, they left the frozen transitional floor in place for just a few special categories of beneficiaries -- gov't and non-profits and merchant marines. That floor was not indexed, but the normal retirement age cap was. Over time, that floor became irrelevant, as the normal retirement age actuarially reduced for early retirement rose above \$75,000. (Other aspects of the special treatment for that group -- reducing from age 62 level rather than the age 65 level and thus giving a 25% larger benefit -- remains relevant.)

Thus, Treasury argues that (1) these limits are extremely generous for pensions benefiting from tax subsidies as we propose to change them; and (2) the historical relationship they advance has no policy basis; and (3) whatever the merits of that number, it never before applied to multiemployer plans so arguing for them is besides the point.

Fourth, one clarification to my point about the views of various agencies. PBGC thinks that all these benefit caps should be raised. They question the policy justification for raising them for multiemployer plans

and no other. Thus, they support the administration position reflected in the VP letter. But they argue that all the limits should be increased together to help give highly compensated employees a stake in the company's pension plan and thus incent employers to continue to provide DB plans, thus indirectly benefitting low wage workers. (Others -- including Treasury and the Center on Budget and Policy Priorities -- dispute that conclusion. We have agreed to disagree internally for the time being.)

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Nanda Chitre (CN=Nanda Chitre/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:13-OCT-1999 18:16:35.00

SUBJECT: dina's story - comparison to ctbt

TO: Patrick M. Dorton (CN=Patrick M. Dorton/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TO: Richard L. Siewert (CN=Richard L. Siewert/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Barry J. Toiv (CN=Barry J. Toiv/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TEXT:

^BC-clinton-wto

Clinton to Push Agriculture, E-Trade at WTO Meeting (Update1) ^By Dina Temple-Raston

^c.1999 Bloomberg News

(Adds U.S. agenda, comments from Lott spokesman, analyst.)

Washington, Oct. 13 (Bloomberg) - U.S. President Bill Clinton will travel to the World Trade Organization meeting in Seattle next month to push his priorities on everything from agriculture to electronic commerce to labor standards.

The U.S. seeks to ensure that the trade agenda that comes out of the Seattle meeting will include agriculture, openness in government procurement, tax-free electronic commerce, and provisions on child labor and the environment, U.S. Trade Representative Charlene Barshefsky said.

``There is quite a bit of international agreement on the contours of the U.S. agenda,'' said Barshefsky, adding that other countries would like to see ``future improvements in the global trading system as a whole.''

Clinton also would like to see China enter the WTO this year, yet won't seek a timetable, Barshefsky said. ``What must come first is a commercially meaningful, highly substantive agreement,'' she said. ``We have had some useful discussions with the Chinese in the last couple of weeks.''

Clinton's objective of having a working group to focus on labor issues also has sparked controversy, Barshefsky said. U.S. unions have pushed for it at the Seattle meeting and Europeans have objected.

``If workers have no seat at the WTO table, then the WTO is the wrong table,'' AFL-CIO Secretary Treasurer Richard Trumka told the opening session of the federation's biennial convention in Los Angeles.

Agriculture Talks

The AFL-CIO today formally endorsed Vice President Al Gore, who's seeking the Democratic nomination for president. That's likely to keep the administration under pressure on labor issues.

Top of the Seattle agenda, however, will be agriculture subsidies and barriers, according to Agriculture Secretary Dan Glickman. ``Agriculture is the most export dependent of all U.S. industries,'' he said. ``It is the area is where trade tensions have been at their highest levels in recent years.''

The U.S. has gone to the WTO in recent years to battle what it has seen as unfair trade barriers around the world against, among other things, U.S. beef injected with hormones and genetically altered agriculture.

China WTO Entry

In addition to lobbying for the U.S.'s priorities, Clinton's decision to attend the Nov. 30-Dec. 3 Seattle meeting could leave the door open to a possible last-minute breakthrough on China's WTO entry.

China is seeking a special concessionary WTO arrangement that would give the Asian nation low tariffs around the world while allowing it to open its markets -- from telecommunications to financial services -- more slowly.

Anti-dumping laws designed to prevent China from flooding the U.S. with cheap products, as well as import quotas on Chinese textiles, are major sticking points in the U.S.-China negotiations.

The talks resumed last month after China broke off talks in May in protest of the North Atlantic Treaty Organization's bombing of the Chinese embassy in Belgrade during the Kosovo air war.

U.S. Treasury Secretary Lawrence Summers will discuss China's WTO bid only ``in a very general way,'' during his Oct. 25 trip to Beijing for a China-U.S. Joint Economic Committee meeting, Barshefsky said. China's WTO negotiating team will be in Europe at the time, she said.

Industry Pressures

U.S. negotiators are treading carefully. American producers, including steelmakers and textile manufacturers, are pushing to protect U.S. trade laws from countries such as China and Japan that want to weaken U.S. anti-dumping laws.

Striking an agreement with China has been difficult. Ultimately, Congress will have to approve any accord because in order to pave the way for China's WTO entry, legislators will have to give China permanent most-favored-nation status, something they have been loath to do.

``Whatever piece of paper is negotiated with China, Congress will want to take time and review carefully,'' said John Czwartacki, a spokesman for Senate Majority Leader Trent Lott, a Mississippi Republican.

Congressional analysts say that Clinton -- who has struggled in vain to persuade the Senate to pass legislation ratifying the Comprehensive Test Ban Treaty -- could face a similar defeat on any trade agreement reached with China.

``It is unlikely the president will get positive support for the WTO and improved relationships with China on trade,'' said American University professor James Thurber, who studies Congress. --Dina Temple-Raston in Washington (202) 624-1884, with reporting by Richard Keil and Bill Roberts in Washington/rdm -0- (BN) Oct/13/1999 17:44

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sarah Rosen Wartell (CN=Sarah Rosen Wartell/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:13-OCT-1999 22:16:17.00

SUBJECT: Update on Asbestos

TO: Karen Tramontano (CN=Karen Tramontano/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TEXT:

----- Forwarded by Sarah Rosen Wartell/OPD/EOP on
10/13/99 08:50 PM -----

Sarah Rosen Wartell
10/13/99 08:50:06 PM
Record Type: Record

To: Melissa G. Green/OPD/EOP@EOP
cc:
Subject:Update on Asbestos

Only 2 weeks ago, House Judiciary staff told me they were only 15% done and were months away from moving a bill. Then they were directed (we think from Delay) to report out a bill from the Committee so that it can be brought to the floor before recess. The mark-up is next tuesday.

My working group has begun its work. This is extremely complex stuff. We have representatives from HHS (NIOSH), Treasury, CEA, DoL, and DoJ all researching issues including appropriate medical criteria for use in determining asbestos exposure, the extent to which there continues to be a crisis in the courts of asbestos cases, how financial responsibility is being assessed under the current system, options for claims resolution processes, etc.

The proposals on the table is also a constantly moving target. At the House Judiciary Committee mark-up, there will be three completely different plans that will be considered simultaneously, and possibly a fourth. And amongst these different approaches, there are new variants each day.

In general, the original bill would have created a giant new quasi-public agency that would have medical staff to determine eligibility based on established medical criteria and then would have administered a complex dispute resolution process to determine whether (and which) companies were liable. If you choose to pursue your claim outside this system, the medical determination would nonetheless govern and you would be barred from punitive damages. The AFL-CIO and Trial Lawyers expressed many concerns with that approach.

An industry (GAF) proposal that attempted to address some AFL concerns would give the US Court of Claims responsibility for overseeing special masters determining medical eligibility and then hearing all asbestos claims under new liability rules. Some private rights to sue would be preserved, but again under limited conditions and preemptive rules.

Another proposal would simply impose federal medical criteria for liability, but return to regular courts for determinations, leaving more (but not all) of the existing legal rules in place.

What all these bills have in common is an effort to prevent the "unimpaired" (those who show signs of exposure but are not yet "sick") from recovering until they become sick (other than limited amounts for ongoing monitoring).

The AFL-CIO was participating in negotiations that Hyde sponsored in an effort to see if a consensus could be reached. They have been distracted by their convention, however, and were irritated by their shabby treatment during a Senate hearing last week. So, they do not appear to be in a position to be supportive of anything next week. (As I noted earlier, they think there may be some deal that is good for their members possible here, but think the current bills are worse than the current system and worry that -- in this political climate -- they are unlikely to achieve that good public policy outcome. They don't want to be portrayed as recalcitrant as the trial lawyers but they don't want to be part of a Chamber of Commerce strategy to split them and ALTA and make the VP and Democrats uncomfortable.)

There seem to be a number of Democrats who are inclined to support something: first among them Barney Frank (and possibly Jerry Nadler). They come from New England areas with large shipyards. They may be looking for the US gov't (which has avoided all liability in the past) to pay more to meet the unmet needs of those suffering asbestos-related harms.

The working group has been debating whether there is something that we can say at this point to show Democrats that -- while we haven't had time to form a position -- there are serious concerns here that need further study. We thought about a letter setting forth the kind of questions that need to be answered before a plan can be designed. But DoJ doesn't want to irritate Hyde with something so open-ended. Instead, they want to express a few specific concerns that DoJ has about how the Federal government will be treated as a plaintiff and raise other concerns that need further review. Lisa Brown and I fear that --- depending upon how the letter is drafted -- these will be perceived as "parochial" concerns and might actually hurt our cause with Democrats. We are waiting to see the DoJ letter tomorrow (thursday). We may decide it is better to say nothing now.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lisa Ferdinando (CN=Lisa Ferdinando/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:13-OCT-1999 11:04:26.00

SUBJECT: PBS NewsHour, October 12, 1999

TO: Scott Hynes (CN=Scott Hynes/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Irma L. Martinez (CN=Irma L. Martinez/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Beth Nolan (CN=Beth Nolan/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Christine L. Anderson (CN=Christine L. Anderson/O=OVP@OVP [UNKNOWN])

READ:UNKNOWN

TO: Nicole L. Davison (CN=Nicole L. Davison/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TO: Jenni R. Engebretsen (CN=Jenni R. Engebretsen/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Natalie S. Wozniak (CN=Natalie S. Wozniak/OU=NSC/O=EOP@EOP [NSC])

READ:UNKNOWN

TO: Dawn M. Chirwa (CN=Dawn M. Chirwa/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: David Vandivier (CN=David Vandivier/OU=OMB/O=EOP@EOP [OMB])

READ:UNKNOWN

TO: Lindsey E. Huff (CN=Lindsey E. Huff/OU=NSC/O=EOP@EOP [NSC])

READ:UNKNOWN

TO: Steven Reich (CN=Steven Reich/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Kimberly S. Anderson (CN=Kimberly S. Anderson/OU=OA/O=EOP@EOP [OA])

READ:UNKNOWN

TO: Sean P. O'Shea (CN=Sean P. O'Shea/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Laura J. Lewis (CN=Laura J. Lewis/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: James E. Kennedy (CN=James E. Kennedy/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Katharine Button (CN=Katharine Button/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Alejandro G. Cabrera (CN=Alejandro G. Cabrera/O=OVP@OVP [UNKNOWN])

READ:UNKNOWN

TO: Joshua S. Gottheimer (CN=Joshua S. Gottheimer/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Melissa J. Prober (CN=Melissa J. Prober/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Sarah E. Gegenheimer (CN=Sarah E. Gegenheimer/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Rochester M. Johnson (CN=Rochester M. Johnson/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: June Shih (CN=June Shih/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Jason H. Schechter (CN=Jason H. Schechter/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Alison Muscatine (CN=Alison Muscatine/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Laura D. Schwartz (CN=Laura D. Schwartz/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Gene B. Sperling (CN=Gene B. Sperling/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

TO: Barry J. Toiv (CN=Barry J. Toiv/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Sara M. Latham (CN=Sara M. Latham/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: William A. Halter (CN=William A. Halter/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Mark D. Neschis (CN=Mark D. Neschis/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Thurgood Marshall Jr (CN=Thurgood Marshall Jr/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Jeffrey M. Smith (CN=Jeffrey M. Smith/OU=OSTP/O=EOP@EOP [OSTP])
READ:UNKNOWN

TO: Elizabeth R. Newman (CN=Elizabeth R. Newman/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Megan C. Moloney (CN=Megan C. Moloney/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Brenda M. Anders (CN=Brenda M. Anders/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Dominique L. Cano (CN=Dominique L. Cano/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Leslie Bernstein (CN=Leslie Bernstein/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Anthony R. Bernal (CN=Anthony R. Bernal/O=OVP@OVP [UNKNOWN])

READ:UNKNOWN

TO: Joseph P. Lockhart (CN=Joseph P. Lockhart/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Maura M. Pally (CN=Maura M. Pally/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Jennifer H. Smith (CN=Jennifer H. Smith/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Rebecca J. Salay (CN=Rebecca J. Salay/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Kristina Wolfe (CN=Kristina Wolfe/O=OVP@OVP [UNKNOWN])
READ:UNKNOWN

TO: Lisa Ferdinando (CN=Lisa Ferdinando/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Anne W. Bovaird (CN=Anne W. Bovaird/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Michael K. Gehrke (CN=Michael K. Gehrke/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Michele Ballantyne (CN=Michele Ballantyne/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Ruby Shamir (CN=Ruby Shamir/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

TO: Aprill N. Springfield (CN=Aprill N. Springfield/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Ann C. Hertelendy (CN=Ann C. Hertelendy/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Erica S. Lepping (CN=Erica S. Lepping/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Thomas D. Janenda (CN=Thomas D. Janenda/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Toby C. Graff (CN=Toby C. Graff/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Michael A. Hammer (CN=Michael A. Hammer/OU=NSC/O=EOP@EOP [NSC])
READ:UNKNOWN

TO: Victoria L. Valentine (CN=Victoria L. Valentine/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Rebecca L. Walldorff (CN=Rebecca L. Walldorff/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Heather M. Riley (CN=Heather M. Riley/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Jonathan M. Prince (CN=Jonathan M. Prince/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Steve Ricchetti (CN=Steve Ricchetti/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Rachael E. Sullivan (CN=Rachael E. Sullivan/O=OVP@OVP [UNKNOWN])
READ:UNKNOWN

TO: Jeffrey A. Shesol (CN=Jeffrey A. Shesol/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Mark A. Kitchens (CN=Mark A. Kitchens/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Gordon Li (CN=Gordon Li/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Steven J. Naplan (CN=Steven J. Naplan/OU=NSC/O=EOP@EOP [NSC])
READ:UNKNOWN

TO: Paul K. Engskov (CN=Paul K. Engskov/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Anne M. Edwards (CN=Anne M. Edwards/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Melissa M. Murray (CN=Melissa M. Murray/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Eli G. Attie (CN=Eli G. Attie/O=OVP@OVP [UNKNOWN])
READ:UNKNOWN

TO: Nanda Chitre (CN=Nanda Chitre/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Jennifer Ferguson (CN=Jennifer Ferguson/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Lowell A. Weiss (CN=Lowell A. Weiss/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Julia M. Payne (CN=Julia M. Payne/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Richard L. Siewert (CN=Richard L. Siewert/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: gamble-bennett@dol.gov (gamble-bennett@dol.gov @ inet [UNKNOWN])
READ:UNKNOWN

TO: Dag Vega (CN=Dag Vega/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Robin M. Roland (CN=Robin M. Roland/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Melissa G. Green (CN=Melissa G. Green/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

TO: Jennifer M. Palmieri (CN=Jennifer M. Palmieri/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Douglas B. Sosnik (CN=Douglas B. Sosnik/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:
PBS NewsHour
October 12, 1999

TABLING THE TREATY

Senate to delay a Senate Minority Leader Tom Daschle has asked the
this background vote on the Comprehensive Test Ban Treaty. After
the treaty. report, four senators debate the uncertain future of

GWEN IFILL: We are joined now by Republican
Senators John Warner of Virginia and Jon Kyl of Arizona
who oppose the treaty, and Democratic Senators Joseph
Biden of Delaware and Patrick Moynihan of New York,
who support it. Senator Warner, Senator Daschle said
unforeseen circumstances, something you just heard
Senator Lott warn against. You in a letter and some of our
colleagues this afternoon have suggested that there is room
for this to be delayed and not to come up again. Do you
have a deal?

SEN. JOHN WARNER: The
Senate had an excellent day of
debate, and I commend the
number of Senators who are
joining in this. We've had good,
strong leadership from Senator
Lott, Senator Daschle. They
are continuing to explore options. And I'm pleased to say
that my two colleagues to my right here, the two
Democrats, have joined me and Senator Lugar in writing a
letter to both leaders saying that we would support an
initiative if they join to delay this treaty into the 107th
Congress, meaning that the current Congress will not deal
with it in terms of the final vote and that we will let a

new

Congress take a fresh look at it and a new president. To
me, the national security interests absolutely dictate that
result.

GWEN IFILL: But Senator Warner, have you heard from
your Republican leader, Mr. Lott, that he would accept the
compromise that you suggest?

but

SEN. JOHN WARNER: I think it's important that the
letter, which the three of us and Senator Lugar have just
put out...we use different phraseology in there. We simply
said we do not, at this time, foresee any circumstances,
we conclude by saying you know, the Senate historically
has to number one, put the nation's business always first,
irrespective of whatever is happening in the world or here

at home; and number two, that if it's the Senate judgment, at some point in time, that because of circumstances of a compelling nature, of foreign incident, that's the classification that we basically use as justification for

the

Senate bringing it up before the 107th Congress. So I think we've gone and tightened this situation up. The letter has now been distributed to colleagues. The phones are ringing. And many colleagues on both sides are anxious to join in this bipartisan effort.

GWEN IFILL: Senator Kyl, you did not sign this letter. It's clear that you would like to kill this treaty outright. Do

you

find it at all a middle ground that you could accept?

The nuclear test ban debate

SEN. JON KYL: I think it's important to appreciate why the treaty will go down to defeat if there is a vote. It's fatally flawed in a variety of ways. It's not enforceable, it's not verifiable, and it risks our nuclear stockpile. I believe that voting on the treaty and defeating it would send the best message possible, and that is that the United States will insist on minimal

provisions in

sensible arms control treaties and that we will... that the Senate will insist on its co-equal responsibility of being

a

check on an administration that negotiates a treaty that doesn't meet these minimal standards.

GWEN IFILL: Senator Kyl, I'm just trying for a little clarity here. Do you think that Senator Lott will support your position?

SEN. JON KYL: I think, as Senator Warner said, Senator Lott is trying his very best to accommodate all of the possible positions here. But at the end of the day, there

is a

unanimous consent agreement entered into by all 100 Senators to have a vote on this treaty. I believe that

would

be the best thing for us to do because it would strengthen the hand of our negotiators when they go back to the table and seek to get the provisions in the treaty that they

agreed

could be taken out. This administration, incidentally, was strongly in favor of a treaty that allowed us to get out

of it

after ten years and did not require a zero threshold -- but unfortunately, caved in to people around the world who demanded a zero threshold and a treaty in perpetuity. We would have the opportunity to go back and renegotiate some of those things, as well as the verification and enforceability issues.

SEN. JOHN WARNER: Let me interrupt. There's been

no unanimous consent today. It's the unanimous consent that set up the structure by which these important hearings and debates have taken place.

SEN. JON KYL: That's correct.

GWEN IFILL: Senator Biden, you spent a good deal of your day today on the Senate floor praising Senator Kyl, for instance, for his incredible intelligence and legal mind. But you couldn't disagree with him more on this.

SEN. JOSEPH BIDEN: That's because I have greater intelligence...

GWEN IFILL: Is that what it is? Do you regret at all bringing this measure to the floor - accepting Senator

Lott's

challenge to bring this to the floor -- when it's clear you never had the votes?

SEN. JOSEPH BIDEN: Well, I didn't bring this measure to the floor. The request in my resolution was that we have hearings. It was never a request for a vote. That was a misstatement of what -- the resolution that prompted this whole process. You know, we can go back and determine whether or not the leadership should have accepted this configuration of how we get to here or not. But I think that's basically useless. You are about to have a piece on Pakistan. Pakistan has nuclear weapons. India has nuclear weapons. We have been trying to get them to sign this comprehensive test ban treaty. Whether or not they do that will depend a lot on what we do. I'm not suggesting that failing to sign this caused the coup, but I am suggesting

the

world is very fluid out there. At this moment, to reject

this

treaty... by the way, it is verifiable. It's as verifiable

as

Ronald Reagan's INF Treaty -- which we all signed - I didn't hear this stuff when that treaty was up. It is enforceable. But that's not the purpose of the debate here. The question we...at least three of us agree that it would

be

in the national interest to not vote on it. You know, Gwen, I find it fascinating. I doubt whether if I had said to

you or

anyone else who follows this - the foreign policy debates

of

this country, if any President of the United States came along in the midst of a consideration of something that affected the national security and strategic interest of

the

United States and said "I ask you to delay a vote on the thing that I negotiated," it's beyond my comprehension that any Senate wouldn't say "all

right, Mr. President, we'll go along with that." He's not asking them to vote for it. He thinks it's a good treaty. I do. Pat does. All he's saying is let's delay the vote on this.

I

don't know what possible rationale could be applied to not respond to a President asking that. And we've asked that as well.

SEN. JOHN WARNER: And we have responded.

Finding an acceptable middle ground

GWEN IFILL: Senator Moynihan, it is clear that you spent a great deal of time attempting to find the middle ground here. Assuming for a moment that Senator Daschle's letter and Senator Warner's letter that you signed is accepted as the middle ground that can be found on this, don't you think there's a danger in the White House basically saying with a wink and a nod okay, that's fine, just delay it and

it

won't come up again and trying not to send a signal that they're abandoning this altogether?

SEN. DANIEL PATRICK

MOYNIHAN: Well, the

Senate's job is to continue

hearings. You heard Senator

Warner said he wants to hold

hearings. We haven't had

enough consideration of this

treaty. There are changes that could be made. We can find a way to bring Senator Kyl around. He is, as Senator Biden said, exceptionally intelligent. It's an

exceptionally

dangerous world. We don't want to lose this option.

SEN. JOSEPH BIDEN: When we did this, by the way, in the chemical weapons treaty -

GWEN IFILL: Senator Biden, yes.

SEN. JOSEPH BIDEN: -- and we brought it back up, we did this in the chemical weapons treaty. We ended up with 27 or 29 conditions attached to it and got overwhelming support in the United States Senate for it after it had

been

declared dead and pulled down.

GWEN IFILL: But, the key here, Senator Warner, and tell me if I'm wrong, is that you do not want this to come up again. You do not want to see this again before the 2000 election, is that right?

SEN. JOHN WARNER: In this Congress. That's correct. Very explicit has been my statement -- do not bring it up again in this Congress.

GWEN IFILL: Why not?

A treaty beyond party politics?

SEN. JOHN WARNER: Before my committee, testimony from the intelligence community to the effect that we need, and in our own intelligence committee, more time to make the analysis of whether we could verify certain provisions of this treaty as it relates to nations it might want to

violate

the treaty. That's key. That work won't be finished until next year. We're facing our constitutional elections. Is

that

a year to submit a treaty of this importance to the risks

and

the unknown dynamics of a presidential election year? And then, to cap it off, none of us... and I've been 20-some years in the Senate-- could have foreseen in the course of last week's hearings the extraordinary courage of so many former public servants -- six or eight former secretaries

of

defense divided on the issue, former secretaries of state divided on the issue -- honest, conscientious, well-experienced persons who had the same responsibilities as the current secretary of state and the current secretary of defense. And the capstone came from the testimony of the lab directors -- men who have spent their career developing nuclear weapons, preserving the stockpile, testing the stockpile, and any reasonable individual looking at their testimony would have to say there is some doubt in their mind that the substitute for actual testing; namely, a program of scientific computer testing will be ready and in place in perhaps... for a

period

of time of five, ten, maybe fifteen years out, leaving a possibility that some nation could question the credibility of our stockpile and devise its foreign policy and worst yet, its aggression against us because of those doubts. Let us conclude the stockpile today, tomorrow, and for the foreseeable future is credible and safe. We're talking

about

ten or fifteen years out under a treaty that's to be in perpetuity and that's what troubles us.

GWEN IFILL: My apologies, Senator Warner for interrupting. Senator Kyl, you have felt this is something which shouldn't go through. What if all these efforts to

find

middle ground collapse between now and tomorrow? What if, indeed, this came to a vote and it was voted down -- isn't there a possibility this could come back to haunt you as a campaign issue for the other side next year?

SEN. JON KYL: Gwen, I don't think any of us here look at this politically or as a campaign issue. We are

seriously

doing our best. I appreciate the compliments from my colleague, and I'll throw the compliments right back. We've debated the merits of this and whatever differences we

opinion have, I believe that they are heartfelt differences of
about what is in the best interest of the future of the
country. My view is that... the reason the treaty is
opposed by so many people and will fail if it's voted on is that
there are serious flaws in it. We have an opportunity to say
let's go back. And if you really believe this is the way to
proceed with arms control, try to fix those things that are
so flawed in this particular treaty. And I might add that
defeating the treaty today does not prevent any member of
the Senate from bringing it up in the future again. So, I
really do disagree with those who say that this would send
a horrible message, and it would be the end of the world.
No, it's just the United States Senate doing its job as a
coequal partner with the President of the United States.

SEN. JOSEPH BIDEN: Gwen, one of the important things
is every other major treaty we've had, we've had weeks of
hearings. We have had in-depth debate. We've gone on
for eight, nine, ten days debating it. One of the reasons I
think that there is such doubt on the Republican side is I
quite frankly, and on the Democratic side, to the extent it
exists...is that we have not had thorough debate about
this.

John Kyl and I could debate the verification issue I think
in an illuminating way for several hours. He and I both know.
We have studied it thoroughly, as have my colleagues,
because it's our job, we're on the committees that do that.
But I would lay you eight to five that 50 percent of our
colleagues have not had the chance to spend more than an
hour on this treaty.

Political expertise

GWEN IFILL: Based on
your political experience
about the way these things
work on Capitol Hill, I'd
like each of you gentlemen
briefly to just tell me, do
you think we will end up
having a vote on this tomorrow or will there be a
compromise announced?

SEN. JOHN WARNER: I think the leaders are working
very diligently this evening. We've all been with them
within the hour, so... and I'm confident that they will come up
with an option hopefully for a delay such that this will not be
taken up in the next Congress but will be looked at by a
new Congress and new President. There is no rush, no
rush whatsoever in my judgment, to go to this treaty and
vote it down. And you know, gentlemen, the votes are not
there to pass it. And that's why you have joined me in a
conscientious way, because it's in our national security

interest not to vote it down. We may have a difference, my good friend and I, but let me come back to Senator Biden...

GWEN IFILL: Just a moment. I'd just like to ask Senator Biden the same question.

SEN. JOHN WARNER: But let me just finish.

GWEN IFILL: Will there be a vote or a deal tomorrow?

SEN. JOHN WARNER: Let me just finish. I think we've had very good hearings. We've spent a lot of time on this treaty. And this period of time was agreed upon by our two leaders three weeks ago.

GWEN IFILL: Thank you. Senator Biden?

SEN. JOSEPH BIDEN: I've been here longer than any of these guys. And it seems to me that we are in a path of unintended consequences. I wouldn't dare guess what the outcome will be.

GWEN IFILL: Senator Kyl?

SEN. JON KYL: I don't believe the Democratic side is willing to give the kind of assurances that would be necessary to Republicans that it would not come up in the election year next year in order for us to avoid the vote. And Senator Warner is right. There have been extensive hearings on this and, as a matter of fact, more time on the floor, allotted for debate and amendments on this treaty than any other treaty in recent memory in the Senate. Also, to correct one thing, I believe there have been five treaties defeated since the Treaty of Versailles by the U.S. Senate. It is true, however, that none of them were of the consequence of that treaty.

GWEN IFILL: Senator Moynihan, you get the final word.

SEN. DANIEL PATRICK MOYNIHAN: Pray.

GWEN IFILL: That's a good word. Thank you very much, gentlemen. I know you have some work to do this evening. Thank you for taking time with us.

COUP IN PAKISTAN

Pakistani Army Chief General Pervaiz Musharraf said in a speech on state television that the military had dismissed the country's democratically elected government.

Musharraf accused the government of "systematically destroying" state institutions and driving the economy toward

collapse.

On Tuesday, the military closed the airports and placed Pakistani Prime Minister Nawaz Sharif under house arrest.

The coup came just hours after Sharif fired Musharraf, who was visiting Sri Lanka. The general immediately flew back to Pakistan and was met at the

airport

by a large contingent of soldiers.

The conflict between the two men developed this summer after the prime minister ordered militants to withdraw from Indian territory in the Kashmir region, ending two months

of

bitter fighting with India.

Musharraf reportedly orchestrated the incursion into

Kashmir,

and the withdrawal of the militants was considered

humiliating

to Pakistan's military.

During his public address Musharraf said the country is

"calm,

stable and under control" and that no outside forces should think of taking advantage of the situation. He added the armed forces will preserve the integrity of Pakistan with

"the

last drop of our blood."

U.S. officials are watching the developments closely. White House spokesman Joe Lockhart says a political crisis is unfolding, but added that there are no signs that

Pakistan's

recently tested nuclear weapons are insecure -- nor are any Americans or U-S facilities directly threatened.

At the State Department, spokesman James Rubin called for the government to respect Pakistan's constitution. He said

a

military coup would change the United States' approach to Pakistan in the short term.

India expressed grave concern over the coup in neighbouring Pakistan. Prime Minister Atal Bihari Vajpayee held a crisis meeting Tuesday night and put the armed forces on high

alert.

Pakistan and India have fought three wars since they became independent from Britain in 1947, and their forces fought

from

May to July in parts of Kashmir. Both nations tested

nuclear

weapons last year.

Exiled Pakistani opposition leader Benazir Bhutto blamed

interview Prime Minister Sharif for provoking the coup. In an
the with the BBC, Bhutto accused Sharif of using elements of
military against the Pakistani people.

had "I have further heard that the ruling parliamentary party
contacted the army chief and offered him their support
because they feel that Mr. Nawaz Sharif was turning the
country into a police state," she said.

its Pakistan is an overwhelmingly Muslim country of 140 million
people. It has been ruled by military leaders for much of
52-year history, but had sustained a democratically elected
government since 1985.

CHOOSING FAVORITES

presidential On the eve of the AFL-CIO endorsement of a
explores labor's role candidate, Jeffrey Kaye of KCET, Los Angeles
in presidential politics.

JIM LEHRER: Organized labor and presidential politics.
Jeffrey Kaye of KCET-Los Angeles, begins.

CROWD: Working
people! Fighting back!

JEFFREY KAYE: U.S.
labor leaders meeting at the
national AFL-CIO
Convention in Los Angeles
are likely to endorse a
presidential candidate

tomorrow.

JOHN SWEENEY, AFL-CIO President: We will
endorse a candidate who shares our outrage, who shares
our vision and our values, and who will, above all,
champion the concerns of working families.

JEFFREY KAYE: AFL-CIO President John Sweeney
did not mention a specific candidate in his keynote speech
to representatives of 68 unions representing 13 million
workers. But in interviews and behind the scenes,
Sweeney is pushing for the labor federation to endorse
Vice President Al Gore.

Endorsing a candidate

JOHN SWEENEY: We
believe the Vice President has
a strong voting record. He
knows the concerns of
workers, he identifies strongly
with the issues of advocating
an increase in the minimum

wage, protecting Social Security, addressing the health care needs of workers and their families.

JEFFREY KAYE: Both contenders for the Democratic presidential nomination, Vice President Gore and former Senator Bill Bradley, have close ties to labor. Bradley urged the AFL-CIO to delay its endorsement; Gore pushed hard for labor leaders to endorse him now. Union officials supporting the Vice President say he has been more visible on labor issues than Bradley. Douglas Dority is president of the United Food and Commercial Workers Union, which over the weekend endorsed Gore.

DOUGLAS DORITY: Al Gore has gone around this country as the Vice President and spoke out for workers' rights to organize, and that's a key ingredient.

JEFFREY KAYE: So Gore is electable?

DOUGLAS DORITY: Yeah, he's absolutely electable.

JEFFREY KAYE: More electable than Bradley?

DOUGLAS DORITY: I think -- yes. Yes, I believe that.

JEFFREY KAYE: On Saturday, at a pre-convention event, Gore's wife, Tipper, campaigned on his behalf.

TIPPER GORE: My husband has been proud to stand with you and provide the leadership that has created a new era of hope and prosperity in America.

A possible labor divide?

JEFFREY KAYE: But not all labor leaders here support an early endorsement of Al Gore. Leaders of the Service Employees and Machinists unions say they want to hear from their members first. And Teamsters President James Hoffa believes it's too early in the presidential race to commit organized labor to a candidate. The Teamsters' spokesman is Chip Roth.

CHIP ROTH: We feel that it is unwise to endorse at this early stage. We feel like our members' best interests are served by allowing the primary process to unfold to the extent that we can adequately assess the candidates' positions on issues that are important to working families-- issues like trade, employment, job safety, for instance.

JEFFREY KAYE: Free trade has been a major concern

of labor leaders opposed to an early presidential endorsement.

VIDEO NARRATOR: All it's done is drag the workers down. Look at where they live.

JEFFREY KAYE: Yesterday convention delegates viewed a videotape of industrial union leaders touring the Mexican border town of Tijuana last week. Labor expert Harley Shaiken of the University of California at Berkeley spoke to them outside one factory, or Maquiladora, owned by Sanyo.

HARLEY SHAIKEN: And the average wages in the Maquiladoras right now probably hover around 80 to 85 cents an hour. So you've got this very unusual situation. You've got first world productivity; you've got third world wages.

JEFFREY KAYE: The trip to factories and to the slums where the workers live underscored a harsh reality: The loss of industrial union jobs in the United States. Edward Fire heads the Electronics Workers Union.

Labor and past trade agreements

EDWARD FIRE: The essential fact is, we have lost a degree of political power in the United States of America; the labor movement has. I don't think there's any question about that. And this is one of the direct results. If we had the political ability to elect people to office at the highest levels, including the President of the United States, in

the

first instance, I don't think that the number of jobs that have come down here would have, in fact, come down.

JEFFREY KAYE: Both Gore and Bradley have similar positions on trade. Both supported the North American Free Trade Agreement, NAFTA, which organized labor opposed.

HARLEY SHAIKEN: I think the teamsters, the UAW, the Machinists, that appear to be reluctant to make an early endorsement-- which is not the same as saying they're opposed to an endorsement-- have all been impacted rather directly and immediately by issues related to NAFTA and other trade agreements. So my sense is that their position on trade is probably one of the things that influences the reluctance to give the early

endorsement.

JEFFREY KAYE: Some labor leaders say delaying an endorsement will enable unions to influence candidates on issues as the race shapes up. But Jay Mazur, president of UNITE, the garment workers union, says an early presidential endorsement should make a candidate even more willing to support labor's issues.

JAY MAZUR: One doesn't say once you've got the endorsement, it's all over. The endorsement is just the beginning of the process. I think there's plenty of room between now and the year 2000 when the election takes place to continue to try to persuade those candidates, whether it's the President of the United States or other candidates, to see our position very clearly.

JEFFREY KAYE: Sweeney says delaying an endorsement would put labor at a disadvantage.

JOHN SWEENEY: We're left out of the process. And a Republican will be elected, a conservative Republican who is not finding any solutions will be elected to the White House.

JEFFREY KAYE: The union label on political candidacies means big bucks, although labor's contributions are dwarfed by business interests. During the 1996 election cycle, labor unions spent \$120 million on federal political activity, according to the Center for Responsive Politics. Unions also mobilize campaign workers to build support and get out the vote. Vice President Gore is expected to speak to the convention tomorrow afternoon, following his likely endorsement.

END

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: "Coffin, Nicole" <ndc3@cdc.gov> ("Coffin, Nicole" <ndc3@cdc.gov> [UNKNOWN

CREATION DATE/TIME:14-OCT-1999 14:03:35.00

SUBJECT: Update

TO: Jonathan H. Schnur (CN=Jonathan H. Schnur/OU=OPD/O=EOP [OPD])

READ:UNKNOWN

TEXT:

Hi Jon,

Saw on the wire this morning that the AFL-CIO expects to endorse the VP today. It made me think about the summit and wonder how you are doing. So I decided to drop you a note. Things are pretty here (Media Relations Office for the Center for Disease Control) with West Nile and so forth. I am learning a lot and getting tons of press officer/media relations experience.

Keep in touch,
Who knows maybe we will work together again in the future,

Nicole Coffin
1998 PMI
Press Officer
Division of Media Relations
Center for Disease Control
404-639-7239

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jacquelyn.F.Vassanelli@usdoj.gov (Jacquelyn.F.Vassanelli@usdoj.gov [UNKNO

CREATION DATE/TIME:14-OCT-1999 19:01:45.00

SUBJECT: Re: Meeting with AFL-CIO on Vanguard

TO: Irene Bueno (CN=Irene Bueno/OU=OPD/O=EOP [OPD])

READ:UNKNOWN

TEXT:

Irene:

I do not recall seeing this letter. Would you please fax me a copy at 305-0134. Thanks.

Jackie

Reply Separator

Subject: Meeting with AFL-CIO on Vanguard

Author: Irene_Bueno@opd.eop.gov at inetgw2

Date: 10/14/99 2:19 PM

We received a cc copy of a letter from AFL-CIO requesting a meeting with Bob Bach to discuss Operation Vanguard and other issues. Please let me know if this meeting has been scheduled. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: William G. Dauster (CN=William G. Dauster/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:15-OCT-1999 15:55:03.00

SUBJECT: President's Letter on Citizens for Tax Justice

TO: Laura Efurd (CN=Laura Efurd/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TEXT:

As I said in my voice-mail message, our good friends at the AFL-CIO are very concerned that we get a letter from the President on the occasion of the Twentieth Anniversary of Citizens for Tax Justice. You can read more at their web site <http://www.ctj.org/html/ctjis20.htm>. Although I have not been in contact with them directly, I am told that the contact person at CTJ is Bonnie Rubenstein at 626-3780. This is an important progressive group in our wonkinsh economic circles, so I would very much appreciate it if the White House could help out. Let me know if there is any way that I can contribute to this happening. Thanks very much.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sarah Rosen Wartell (CN=Sarah Rosen Wartell/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:18-OCT-1999 18:05:06.00

SUBJECT: Re: 415

TO: Karen Tramontano (CN=Karen Tramontano/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TEXT:

The 2nd column reflects what the interagency process concluded we could support. When you say lift to \$104 I suspect you mean the full AFL-CIO proposal, below 55 and above. In short, for various policy reasons, we decided against going that far and instead raising multiemployer to the same level as other "special" categories currently get. Their proposal would put multiemployer in the same boat as the other "special categories" and then raise them all.

Age	Current Law AFL-CIO Proposal	Administration Proposal
Below 55	Actuarial reduction	Actuarial reduction from
	from \$62k	
\$77k		from \$104k
55-59	Ranges \$62k - \$85k	Ranges \$77k -
\$102k	\$104,000	
60)62	Ranges\$89k - \$104k	Ranges \$108k -
\$130k	\$108k - \$130	
62-65	Ranges \$104k - \$130k	
\$130k	\$130k	

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sarah Rosen Wartell (CN=Sarah Rosen Wartell/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:19-OCT-1999 20:43:18.00

SUBJECT: 8:00

TO: Melissa G. Green (CN=Melissa G. Green/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TEXT:

Financial Modernization -- Privacy: Congressman Markey's office (and Consumer's Union) were upset with press clippings that described the privacy agreement as resolving the WH's concerns and eliminating the threat of a veto. No one here talked to Kathleen Day for her Tuesday story. Lockhart did brief on Tuesday and point out how far they came, but he did not -- as Tech News reported -- say that our veto threat on privacy was no more. Treasury has agreed to continue to say we support "opt-out, opt-out" and will continue to raise it, even if privately we admit we realistically have no chance of getting it. Markey is okay with that. They will refrain from criticizing us as having caved on privacy if we refrain from saying the deal is good enough. Sarah spoke with Jake Tuesday night and he understands. We can drop back just a bit to leave Markey room.

Financial Modernization -- CRA: At about 4:30, Leach apparently gave a summary of where things stood to industry lobbyists. His spin was that the Administration had come a long ways and that things were not far apart and a deal was obtainable. Consumer groups (ACORN -- was in the group of lobbyists) called Sarah (and I assume treasury staff) last night upset with what they heard (although recognizing it might have a Leach spin). They were focused on the "recertification" concept and how it is not the same as "maintain". Although the maintain they want sounded like more than what the House bill had. The "maintain" they say we should fight for would have the bank under an on-going obligation to continue to be satisfactory to continue to do the already-approved activity.

Financial Modernization--Process: Principals reconvene at 9:30 this morning with language. Treasury working with Democratic staff last night. After that, if there is not new movement from Gramm, he will take his language to the Senate caucus in conference where it will be adopted (possibly with Schumer and Dodd and even possibly Edwards support). Leach and LaFalce could offer their alternative, but even if House caucus adopts it, Gramm can get Senate to reject it. Gramm could force his version out of Conference today. Yesterday afternoon: Gramm listened to Summer's proposal and then said: "Can't get there from here. I'll just do my thing. Veto if you will." Leach is supportive of essentially what Administration would propose. Managed to pull Gramm off the edge (when Summers' threatened to claim the break down was Gramm's fault). But unclear that Gramm will make any movement anymore. He retreated on previous views.

Pensions in Minimum Wage: Treasury pension staff indicated that Archer has scheduled a mark-up of the minimum wage bill for W&Ms on Thursday. Could be cancelled by leadership in jurisdictional battles. But if it goes forward, Treasury/DoL staff are preparing a Summers/Herman letter (1 and 1/2 pages) to the Committee setting out their concerns with the pension provisions. (Treasury tax policy needs to figure out how we don't suggest we are okay with the rest, because this letter focuses on

pensions.) Need Guidance: Is that something people would be interested in sending? We could then use it as an attachment or reference it in any SAP on the whole package. And, if there is no mark-up, we could send it in advance of floor consideration.

Pensions -- Section 415: Karen Tramontano has asked that we reconsider the Administration position on this pension bill issue. We gave the AFL-CIO Building Trade Department a large measure of what they wanted, in the letter that the VP sent for the Administration in August. But not all. (The issue -- in short -- is what is the maximum size of a tax-favored pension benefit for early retirement for multiemployer plan beneficiaries. We agreed to treat multi-employer plans like other previously authorized special categories (nonprofit and gov't ees, merchant marines) that can have higher benefit levels at early retirement than any other employees. We did not agree -- as requested -- to also raise the limits for that whole group (including the multiemployers) further. We did agree to support other changes that benefit multiemployer plans as well. But the AFL continues to press hard for us to raise the limit so that tax-favored pensions for those below 55 are capped at an amount actuarially reduced from \$104k instead of \$77k as we propose. Sarah needs to brief Gene on this issue and get guidance how to handle. In the meantime, she told Karen we can always reconsider. Not sure if Karen wants us to do this immediately, or in the FY 2001 budget, but I suspect the former.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sarah Rosen Wartell (CN=Sarah Rosen Wartell/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:22-OCT-1999 20:50:09.00

SUBJECT: weekly

TO: Juliana C. Chen (CN=Juliana C. Chen/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

CC: Richard M. Samans (CN=Richard M. Samans/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TEXT:

Financial Modernization: We raced to put out a statement late Thursday night seeking to frame the Conference agreement as a capitulation by Senator Gramm to the Administration's core principle. Between Secretary Summers and me, we did CNN, CNBC and Fox News. Much of Friday was spent trying to overcome the natural suspicion of community and civil rights leaders about any "agreement" reached with Senator Gramm. While we expect that heat will continue from the left and we will face some criticism from some House Democrats, our efforts have been encouraging. Reverend Jackson and LISC both issues statements strongly supportive of the resolution. We expect others to follow on Monday, when the text is available. We have talked to Cathy Bessant, Sandy Weill, Jackson, Wade Henderson, LISC and Enterprise heads, and others. We are providing information and support to Minority Leader Gephardt and his staff to help them explain the agreement to the Democratic caucus. To be comfortable and help convince others, Gephardt and others want to see the bill text reflecting the agreement, which should be available by Monday.

Child Labor Convention: At a hearing Thursday, Senator Helms expressed his support for the ILO Convention on the Worst Forms of Child Labor and said the Convention would be considered by the Senate Foreign Relations Committee on November 3rd. While he expressed skepticism that the convention would make a difference in the "most corrupt and impoverished countries," he said "we must do what we can do to try." He noted that negotiators had consulted regularly with the Committee and had ensured that the convention was consistent with U.S. law. Secretary Herman, AFL-CIO President Sweeney, and US Council for International Business President Tom Niles testified representing the three ILO sectors. Some Senators took the occasion to press for stronger linkage between labor rights and trade. Senator Wellstone specifically urged the Administration to push boldly for labor rights in the WTO. Senator Feingold pressed Secretary Herman for views on a possible child labor amendment to the Africa Trade bill.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sharon H. Yuan (CN=Sharon H. Yuan/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 22-OCT-1999 08:54:47.00

SUBJECT: Inside Trade- WTO Labor

TO: Richard M. Samans (CN=Richard M. Samans/OU=OPD/O=EOP@EOP [OPD])

READ: UNKNOWN

CC: Matthew P. Schaefer (CN=Matthew P. Schaefer/OU=NSC/O=EOP@EOP [NSC])

READ: UNKNOWN

CC: John D. Duncan Jr (CN=John D. Duncan Jr/OU=NSC/O=EOP@EOP [NSC])

READ: UNKNOWN

CC: D Holly Hammonds (CN=D Holly Hammonds/OU=OPD/O=EOP@EOP [OPD])

READ: UNKNOWN

TEXT:

ARCHER SEEKS CLARIFICATION OF ADMINISTRATION LABOR
INITIATIVE IN WTO

Date: October 22, 1999 -

The Chairman of the House Ways & Means Committee was scheduled to meet with U.S. Trade Representative Charlene Barshefsky yesterday (Oct. 21) to clarify the Clinton Administration's plans to introduce the issue of labor standards into the World Trade Organization. These plans were highlighted by President Clinton in a major trade speech last week without consulting the committee.

Clinton announced on Oct. 13 the U.S. would seek a working party on labor rights in the WTO and advocate a stronger working relationship between the WTO and the International Labor Organization.

Chairman Bill Archer (R-TX) sought the meeting with Barshefsky to get a better explanation of how the labor initiative fits into the stated trade agenda, according to congressional sources.

The U.S. has delayed the formal presentation of its labor working party proposal in the WTO, which was expected immediately after Clinton's speech on Oct. 13. Commerce Undersecretary David Aaron said this week the Administration was still consulting with Congress on the labor issue.

In a related development, the Advisory Committee on Trade Policy and Negotiations is wrestling with the exact wording of its recommendation to examine the relationship between labor standards and trade, informed sources said. The ACTPN in principle endorsed a working party, but a first draft of a letter expressing that recommendation was dropped over

objections mainly a company, sources said.

The chairman of ACTPN is now drafting a second version of the letter himself and is trying to strike the balance between a text that will be acceptable to the companies represented in ACTPN and AFL-CIO President John Sweeney, one source said.

Key among the issues Archer wants to clarify is which trade issues on the agenda the Administration is prepared to trade off to gain backing for its controversial labor initiative, according to a congressional source.

One possible trade-off involving a delay in implementation was implied by Deputy Commerce Secretary Robert Mallet in an Oct. 11 press conference in Geneva (Inside U.S. Trade, Oct. 15, p. 1).

He said the U.S. could provide incentives to developing countries to endorse better labor rights and environmental protection.

"I do not know what those incentives may be," he said in a Geneva press conference. "They may be a more protracted timetable for implementation of certain rules."

Any plans to trade off trade liberalization goals to gain more backing for a labor proposal comes at a time when the U.S. is already at odds with many key trading partners over trade issues, a congressional source said. For example, the European Union and the U.S. are at odds over agriculture, while Japan opposes a priority U.S. initiative to eliminate tariffs in seven sectors such as forestry and fisheries, the source said. The eighth sector in the ATL is chemicals for which the U.S. wants a harmonization of tariffs.

The source pointed out that House Republicans are not against addressing the labor issue by having the ILO take a strong stance and developing better coordination between the ILO and the WTO. But anything going beyond that will likely end up bogging down trade negotiations, the source said.

A similar sentiment was expressed by Senate Finance Committee Chairman Bill Roth (R-DE) in an Oct. 15 statement following the Clinton speech to the Democratic Leadership Council. Roth said that any labor and environment initiative in the WTO will pose a problem for trade because the organization has no competence in these areas and they are controversial among trading partners.

"If we pursue that course, we will prevent any agreement on trade or on labor or on the environment," he said. Labor and environment standards should be addressed

in international organizations dedicated to the tasks, namely the ILO and environmental organizations like the Convention on International Trade in Endangered Species, he said.

But Roth emphasized his belief that any examination of the nexus between labor and trade, such as impact on wages and working conditions, will show that trade is essential for a growing and competitive economy and, therefore, essential to raising living standards and maintaining full employment.

Vice President Al Gore also highlighted the importance of labor and environmental standards in his speech to the AFL-CIO convention that endorsed him. Gore said these standards should be included in trade agreements that will be considered under fast-track negotiating authority. "I believe our president needs the authority to reach new trade agreements and open new markets to our goods and services," he told the convention. "But as president, I will also insist on and use the authority to enforce worker rights, human rights, and environmental protections in those agreements."

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: "Johnson, Alice" <Alice_Johnson@NIFL.gov> ("Johnson, Alice" <Alice_Johnson

CREATION DATE/TIME:27-OCT-1999 12:46:03.00

SUBJECT: RE: URGENT: FINAL REPORT

TO: Bethany Little (CN=Bethany Little/OU=OPD/O=EOP [OPD])

READ:UNKNOWN

TO: ajohnson@nifl.gov (ajohnson@nifl.gov [UNKNOWN])

READ:UNKNOWN

TO: "'Russ.Kile@npr.gov'" <Russ.Kile@npr.gov> ("'Russ.Kile@npr.gov'" <Russ.Kile@npr

READ:UNKNOWN

CC: Lynn.Kahn@npr.gov (Lynn.Kahn@npr.gov [UNKNOWN])

READ:UNKNOWN

TEXT:

Yep, it's all worked out -- thanks to Bethany.

Alice Johnson
Senior Policy Analyst
National Institute for Literacy
1775 Eye Street, NW, Suite 730
Washington, DC 20006-2401
ajohnson@nifl.gov
202-233-2034 (voice)
202-233-2050 (fax)
Institute's Homepage: www.nifl.gov

-----Original Message-----

From: Russ.Kile@npr.gov [SMTP:Russ.Kile@npr.gov]

Sent: Wednesday, October 27, 1999 12:08 PM

To: bethany_little@opd.eop.gov; gyoung@nifl.gov;
Russ.Kile@npr.gov; ajohnson@nifl.gov

Cc: Lynn.Kahn@npr.gov

Subject:RE: URGENT: FINAL REPORT

Alice, Lynn and I assume you and Bethany are on this and we are
staying out
of the discussion. Let us know if there is anything you need us to
do.

-----Original Message-----

From: Tony [mailto:tsarmiento@workingforamerica.org]

Sent: Wednesday, October 27, 1999 11:22 AM

To: Bethany Little; Glenn Young; Russ Kile; Alice Johnson; Nancy
Mills

at AFLCIO

Cc: Jon Schnur; Jon Schnur (at AOL)

Subject: RE: URGENT: FINAL REPORT

I strongly recommend that all commitments must be made by
organizations

represented on the leadership group. Other commitments made by others should be moved to a SEPARATE document. I've discussed my concerns with Bethany Little at length this morning, and left detailed voice mail messages with Alice and Russ Kile also.

Below are my suggested edits.

On page 1, last paragraph, if we are going to mention some of the stakeholder groups, we should mention all. I suggest the following insert about unions after the sentence about employers:

Employers spend an estimated \$60 billion plus annually on education, training and upgrading skills of their employees. ****INSERT: Unions are expanding education and training benefits for workers and their families through collective bargaining. **** Public institutions and government programs etc.

On page 7:

I still recommend that we delete the bullet on individual learning accounts because there is no consensus on what an individual learning account is. Also, if we move the CAEL commitment to another document, there is no related commitment.

Delete:

ú The AFL-CIO will establish links between its website and the American Council on Education's website in order to give members and unions information about how to access assistance for education and training. (note substitute/consolidation language below)

Insert AFL-CIO before US Chamber:

ú The American Council On Education (ACE) with the AFL-CIO and the National Association Of Manufacturers will expand ACE's "College is Possible" campaign to include information for working adults about how to access workplace-based tuition assistance and scholarships. The ***INSERT: AFL-CIO and the **** U.S. Chamber of Commerce will develop hyperlinks to

the
College

is Possible campaign websites that will direct businesses to
important
lifetime learning resources for workforce preparation. (NOTE: I
hope
the

report will recognize -- at least obliquely -- that the AFL-CIO
INITIATED
the discussion with ACE about this commitment.)

page 10: Insert AFL-CIO

ú The Lila-Wallace Reader's Digest Fund, Harvard
University's
National

Center for the Study of Adult Learning and Literacy, the U.S.
Department of
Education, the National Institute for Literacy, the National
Council
of

State Directors of Adult Education, and the National Coalition for
Literacy,
will host a national literacy summit in February 2000. The summit,
which
will be modeled in part on Vice President Gore's Summit on 21st
Century

Skills for 21st Century Jobs, will bring together a broad group of
stakeholders to create an action plan for how to close the skills
gap. The
U.S. Chamber of Commerce, Northeastern University, the U.S.
Department of

Labor, the National League of Cities, ****INSERT the AFL-CIO, ****
and the
American Council on Education will support and work with this and
other
partnership efforts to help Americans improve basic skills.

Finally, I had a brief conversation with Phyllis Isreal, who is
representing
Robert Georgine of the AFL-CIO Bldg. and Construction Trades Dept.
Unfortunately, she has not been receiving any of the earlier drafts
of the
report. I have emailed her the last draft, but she has expressed
concerns
about the action steps related to Recommendation 1 concerning the
NSSB.

-----Original Message-----

From: Glenn Young [mailto:gyoung@nifl.gov]
Sent: Wednesday, October 27, 1999 12:19 AM
To: asiu@att.com; ajohnson@nifl.gov; aberger@uschamber.com;
becky_paneitz@cpcc.cc.nc.us; bethany_little@opd.eop.gov;
bglover@uts.cc.utexas.edu; dmorman@doleta.gov; dalston@nea.org;
gpatterson@state.de.us; hcastillo@utbl.utb.edu; peisen@nam.org;
jami.king.a0dy@statefarm.com; jaltess@sln.suny.edu;
jkalas@sln.suny.edu;
James.J.Oconnell@ceridian.com; schnurjhs@aol.com;
kcarnes@ta.doc.gov;
lisaacs@maimonidesmed.org; mharriso@mdcc.edu;

philadelphia.reads@phila.gov; mhopkins@brtable.org;
mbarkman@uswa.org;
nmills@aflcio.org; pmeserve@lynx.dac.neu.edu;
panderson@cwa-union.org;
pmeserve@lynx.dac.neu.edu; peisen@nam.org; pfurdell@uschamber.com;
Pfurdell@uschamber.com; isreal@compuserv.com; dmorman@doleta.gov;
robert_muller@ed.gov; rhamm@doleta.gov; russ.kile@npr.gov;
sknell@cisco.com; scarreon@doleta.gov; susan_robinson@ace.nche.edu;
rosenblum@nlc.org; tolshefs@aft.org; lindsleyt@nab.com;
tsarmiento@workingforamerica.org; robert_muller@ed.gov;
vmorrow@cccco.edu; bbuehlma@uschamber.com; schnurjhs@aol.com
Subject: URGENT: FINAL REPORT

is
the
changes
of
don't

Thank you for a very productive meeting today. As promised, here
final draft, which reflects today's discussion. Please review your
organization's commitments for accuracy and let me know of any
ASAP. Please also review the rest of the document and let me know
any glaring problems by 6:00 p.m. Wednesday, October 27. If I
hear from you, I will assume that you and your organization are
comfortable with it.

typos)

I will incorporate any minor changes (such as wordsmithing and
that I receive by 6:00 p.m. and send the report to the printer
Wednesday
evening -- the absolute deadline if we are to have the report back
by
November 4th. If a major substantive change arises, we will only
be
able to incorporate it if we take the time to get sign-off from
everyone, which means we won't have the report back by the 4th.

Please call me at 202-233-2034 with any questions or concerns.

Thank you!

Alice

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lisa J. Macecevic (CN=Lisa J. Macecevic/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME:27-OCT-1999 09:13:34.00

SUBJECT: judiciary ctte events today

TO: Sarah Rosen Wartell (CN=Sarah Rosen Wartell/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

TO: Richard E. Green (CN=Richard E. Green/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: John E. Thompson (CN=John E. Thompson/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TEXT:
CQ MONITOR NEWS

PRODUCT LIABILITY, STALKING AND COMPENSATION BILLS
ON AGENDA
By Amy Fagan, CQ Staff Writer

Oct. 26, 1999 - The House Judiciary Committee plans to take up a full docket of legislation on Wednesday, including measures that would limit product liability for manufacturers, alter the way workers are compensated for asbestos-related illnesses, and crack down on stalkers.

First, the panel plans to complete consideration of a bill (HR2366) that would limit product liability for small businesses with fewer than 25 employees. Debate began last Tuesday but was postponed due to scheduling conflicts.

Proponents of the measure said it is needed to address frivolous lawsuits that threaten to bankrupt some small businesses. The bill would cap punitive damages at \$250,000, or three times compensatory damages, whichever is less, and would only award such damages when the claimant can prove by "clear and convincing evidence" that a defendant engaged in especially egregious misconduct.

The measure also would exempt small businesses from joint liability and instead hold them responsible for the proportion of the problem they caused.

Panel Democrats oppose the bill because they say there is no proof it is truly needed and, if enacted, it would prevent injured consumers from receiving rightful compensation.

Last week, the panel defeated numerous Democratic attempts to weaken the bill. Continued attempts are expected during Wednesday's markup. Among them, the

panel
will consider an amendment by Jerold Nadler, D-N.Y., to lessen the
punitive damage
restrictions by defining them as \$250,000 or three times compensatory
damages,
whichever is greater.

ASBESTOS: Substantial debate is expected as the panel considers a
controversial bill
(HR1283) designed to free asbestos manufacturers from complicated
litigation by shifting
many asbestos cases from the courts to a new administrative body.

Since the 1970s, asbestos manufacturers have been hit with thousands
of lawsuits from
employees seeking compensation for numerous health problems arising from
exposure
to the material. Some manufacturers claim endless litigation is
threatening to bankrupt their
companies.

The resulting bill is designed to address these concerns. Under the
measure, plaintiffs
seeking damages for asbestos-related injuries would first have their
medical conditions
certified by a nine-member medical board. If a claimant met medical
criteria, the case
would go forward. The parties would attempt to settle the case during a
60-day period.
Failing that, the next step would be alternative dispute resolution, a
mediation process
outside the court system. Only if the dispute remained unresolved after 60
days of
mediation could the claimants go to court. Punitive damages would be
prohibited.

Bill opponents, including the Association of Trial Lawyers of America
and the AFL-CIO,
argue that workers injured by asbestos would lose legal rights and end up
with smaller
awards. They say victims would not be fairly compensated because the
bill's settlement
process relies on overly stringent medical records, and would promise no
specific dollar
amount for claimants.

Panel members on both sides of the aisle have voiced similar concerns.
The majority
plans to offer a substitute to address them and increase support for the
measure, but the
details were not known as of press time.

Democrats still strongly oppose the measure, however, and plan to
offer amendments to
weaken it and negate its impact. They claim the asbestos bill -- like the
small business
liability measure -- favors large corporations while restricting the
rights of victims.

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Brian V. Kennedy to Natasha F. Bilimoria and Lisa Green at 10:11:07.00. Subject: new markets. (partial) (1 page)	10/27/1999	P6/b(6)

COLLECTION:

Clinton Presidential Records
Automated Records Management System [Email]
OPD ([AFL-CIO])
OA/Box Number: 250000

FOLDER TITLE:

[09/30/1999 - 11/22/1999]

Adam Bergfeld
2013-0306-F
ab1186

RESTRICTION CODES

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

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

C. Closed in accordance with restrictions contained in donor's deed
of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C.
2201(3).

RR. Document will be reviewed upon request.

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

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

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Brian V. Kennedy (CN=Brian V. Kennedy/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 27-OCT-1999 10:11:07.00

SUBJECT: new markets

TO: Natasha F. Bilimoria (CN=Natasha F. Bilimoria/OU=OPD/O=EOP@EOP [OPD])
READ: UNKNOWN

TO: Lisa Green (CN=Lisa Green/OU=OPD/O=EOP@EOP [OPD])
READ: UNKNOWN

TEXT:

Union Labor Life Insurance Company (ULICO) and the Building and Construction Trades Department of the AFL-CIO would like to touch base on the New Markets Initiative. Would one of you be able to do a conference call with Mary Ellen Boyd (Bldg Trades), and Jim Kennedy (ULICO)? Jim Kennedy (b)(6) can set up the conference call -- 962-8460.

- 111.jpg
- 222.jpg
- 333.jpg

[651]

===== ATTACHMENT 1 =====
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D84] ARMS21955830X.336 to ASCII,
The following is a HEX DUMP:

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01FFD8FFE000104A46494600010201004800480000FFFE002646696C65207772697474656E2062
792041646F62652050686F746F73686F70A820352E32FFEE000E41646F626500648000000001FF
DB0084000C08080809080C09090C110B0A0B11150F0C0C0F1518131315131318110C0C0C0C0C
110C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C0C
10140E0E0E14140E0E0E0E14110C0C0C0C0C1110C0C0C0C0C0C110C0C0C0C0C0C0C0C0C0C0C
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0007FFC4013F000001050101010101010000000000000030001020405060708090A0B01000105
010101010101000000000000000010002030405060708090A0B1000010401030204020507060805
030C33010002110304211231054151611322718132061491A1B14223241552C16233347282D143
07259253F0E1F163733516A2B283264493546445C2A3743617D255E265F2B384C3D375E3F34627
94A485B495C4D4E4F4A5B5C5D5E5F55666768696A6B6C6D6E6F637475767778797A7B7C7D7E7F7
11000202010204040304050607070605350100021103213112044151617122130532819114A1B1
4223C152D1F0332462E1728292435315637334F1250616A2B283072635C2D2449354A317644555
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59CAF0ADB5BE9A7ED691274EDD75FF00B945660D4E7FA8E602E3A6AD04C4A1DD8B5D4D0F7B58DA
```

**Clinton Presidential Records
Automated Records Management System
[EMAIL] and Tape Restoration Project [Email]**

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies a non-responsive email attachment

This attachment was not printed because its content does not relate to the request made under the Freedom of Information Act.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Alice_Johnson@NIFL.gov@INET@LNGTWY (Alice_Johnson@NIFL.gov@INET@LNGTWY [U

CREATION DATE/TIME:27-OCT-1999 19:50:18.00

SUBJECT: Re: URGENT: FINAL REPORT

TO: Jonathan H. Schnur@eop (Jonathan H. Schnur@eop [OPD])

READ:UNKNOWN

TEXT:

Tony,

Just wanted to let you know that we have taken care of all of these revisions. Thanks!

Alice

Alice Johnson
Senior Policy Analyst
National Institute for Literacy
1775 Eye Street, NW, Suite 730
Washington, DC 20006-2401
ajohnson@nifl.gov
202-233-2034 (voice)
202-233-2050 (fax)
Institute's Homepage: www.nifl.gov

-----Original Message-----

From: Tony [SMTP:tsarmiento@workingforamerica.org]

Sent: Wednesday, October 27, 1999 11:22 AM

To: Bethany Little; Glenn Young; Russ Kile; Alice Johnson;

Nancy

Mills at AFLCIO

Cc: Jon Schnur; Jon Schnur (at AOL)

Subject: RE: URGENT: FINAL REPORT

I strongly recommend that all commitments must be made by organizations represented on the leadership group. Other commitments made by others should be moved to a SEPARATE document. I've discussed my concerns with Bethany Little at length this morning, and left detailed voice mail messages with Alice and Russ Kile also.

Below are my suggested edits.

On page 1, last paragraph, if we are going to mention some of the stakeholder groups, we should mention all. I suggest the following insert about unions after the sentence about employers:

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families

through collective bargaining. **** Public institutions and government programs etc.

On page 7:

I still recommend that we delete the bullet on individual learning accounts because there is no consensus on what an individual learning account is.

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Delete:

ú The AFL-CIO will establish links between its website and the American Council on Education's website in order to give members and unions information about how to access assistance for education and training. (note substitute/consolidation language below)

Insert AFL-CIO before US Chamber:

ú The American Council On Education (ACE) with the AFL-CIO and the National Association Of Manufacturers will expand ACE's "College is Possible"

campaign to include information for working adults about how to access workplace-based tuition assistance and scholarships. The

***INSERT:

AFL-CIO

and the **** U.S. Chamber of Commerce will develop hyperlinks to the College

is Possible campaign websites that will direct businesses to important

lifetime learning resources for workforce preparation. (NOTE: I hope the

report will recognize -- at least obliquely -- that the AFL-CIO INITIATED the discussion with ACE about this commitment.)

page 10: Insert AFL-CIO

ú The Lila-Wallace Reader's Digest Fund, Harvard University's National Center for the Study of Adult Learning and Literacy, the U.S. Department of

Education, the National Institute for Literacy, the National Council of

State Directors of Adult Education, and the National Coalition for

Literacy,

will host a national literacy summit in February 2000. The summit, which

will be modeled in part on Vice President Gore's Summit on 21st Century

Skills for 21st Century Jobs, will bring together a broad group of stakeholders to create an action plan for how to close the skills

gap. The

U.S. Chamber of Commerce, Northeastern University, the U.S.

Department of

Labor, the National League of Cities, ****INSERT the AFL-CIO, **** and the

American Council on Education will support and work with this and other

partnership efforts to help Americans improve basic skills.

Finally, I had a brief conversation with Phyllis Isreal, who is representing

Robert Georgine of the AFL-CIO Bldg. and Construction Trades Dept.

Unfortunately, she has not been receiving any of the earlier drafts of the

report. I have emailed her the last draft, but she has expressed concerns

about the action steps related to Recommendation 1 concerning the NSSB.

-----Original Message-----

From: Glenn Young [mailto:gyoung@nifl.gov]

Sent: Wednesday, October 27, 1999 12:19 AM

To: asiu@att.com; ajohnson@nifl.gov; aberger@uschamber.com;

becky_paneitz@cpcc.cc.nc.us; bethany_little@opd.eop.gov;

bglover@uts.cc.utexas.edu; dmorman@doleta.gov; dalston@nea.org;

gpatterson@state.de.us; hcastillo@utbl.utb.edu; peisen@nam.org;

jami.king.a0dy@statefarm.com; jaltess@sln.suny.edu;

jkalas@sln.suny.edu;

James.J.Oconnell@ceridian.com; schnurjhs@aol.com;

kcarnes@ta.doc.gov;

lisaacs@maimonidesmed.org; mharriso@mdcc.edu;

philadelphia.reads@phila.gov; mhopkins@brtable.org;

mbarkman@uswa.org;

nmills@aflcio.org; pmeserve@lynx.dac.neu.edu;

panderson@cwa-union.org;

pmeserve@lynx.dac.neu.edu; peisen@nam.org; pfurdell@uschamber.com;

Pfurdell@uschamber.com; isreal@compuserv.com; dmorman@doleta.gov;

robert_muller@ed.gov; rhamm@doleta.gov; russ.kile@npr.gov;

sknell@cisco.com; scarreon@doleta.gov;

susan_robinson@ace.nche.edu;

rosenblum@nlc.org; tolshefs@aft.org; lindsleyt@nab.com;

tsarmiento@workingforamerica.org; robert_muller@ed.gov;

vmorrow@cccco.edu; bbuehlma@uschamber.com; schnurjhs@aol.com

Subject: URGENT: FINAL REPORT

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final draft, which reflects today's discussion. Please review your organization's commitments for accuracy and let me know of any changes

ASAP. Please also review the rest of the document and let me know

of

any glaring problems by 6:00 p.m. Wednesday, October 27. If I don't hear from you, I will assume that you and your organization are comfortable with it.

I will incorporate any minor changes (such as wordsmithing and typos)

that I receive by 6:00 p.m. and send the report to the printer Wednesday

evening -- the absolute deadline if we are to have the report back

by

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Please call me at 202-233-2034 with any questions or concerns.

Thank you!

Alice

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Russ.Kile@npr.gov (Russ.Kile@npr.gov [UNKNOWN])

CREATION DATE/TIME: 27-OCT-1999 12:18:30.00

SUBJECT: RE: URGENT: FINAL REPORT

TO: Russ.Kile@npr.gov (Russ.Kile@npr.gov [UNKNOWN])

READ: UNKNOWN

TO: Bethany Little (CN=Bethany Little/OU=OPD/O=EOP [OPD])

READ: UNKNOWN

TO: ajohnson@nifl.gov (ajohnson@nifl.gov [UNKNOWN])

READ: UNKNOWN

TO: gyoung@nifl.gov (gyoung@nifl.gov [UNKNOWN])

READ: UNKNOWN

CC: Lynn.Kahn@npr.gov (Lynn.Kahn@npr.gov [UNKNOWN])

READ: UNKNOWN

TEXT:

Alice, Lynn and I assume you and Bethany are on this and we are staying out of the discussion. Let us know if there is anything you need us to do.

-----Original Message-----

From: Tony [mailto:tsarmiento@workingforamerica.org]

Sent: Wednesday, October 27, 1999 11:22 AM

To: Bethany Little; Glenn Young; Russ Kile; Alice Johnson; Nancy Mills at AFLCIO

Cc: Jon Schnur; Jon Schnur (at AOL)

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Finally, I had a brief conversation with Phyllis Isreal, who is representing Robert Georgine of the AFL-CIO Bldg. and Construction Trades Dept. Unfortunately, she has not been receiving any of the earlier drafts of the report. I have emailed her the last draft, but she has expressed concerns about the action steps related to Recommendation 1 concerning the NSSB.

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From: Glenn Young [mailto:gyoung@nifl.gov]
Sent: Wednesday, October 27, 1999 12:19 AM
To: asiua@att.com; ajohnson@nifl.gov; aberger@uschamber.com;
becky_paneitz@cpcc.cc.nc.us; bethany_little@opd.eop.gov;
bglover@uts.cc.utexas.edu; dmorman@doleta.gov; dalston@nea.org;
gpatterson@state.de.us; hcastillo@utbl.utb.edu; peisen@nam.org;
jami.king.a0dy@statefarm.com; jaltess@sln.suny.edu; jkalas@sln.suny.edu;
James.J.Oconnell@ceridian.com; schnurjhs@aol.com; kcarnes@ta.doc.gov;

lisaacs@maimonidesmed.org; mharriso@mdcc.edu;
philadelphia.reads@phila.gov; mhopkins@brtable.org; mbarkman@uswa.org;
nmills@aflcio.org; pmeserve@lynx.dac.neu.edu; panderson@cwa-union.org;
pmeserve@lynx.dac.neu.edu; peisen@nam.org; pfurdell@uschamber.com;
Pfurdell@uschamber.com; isreal@compuserv.com; dmorman@doleta.gov;
robert_muller@ed.gov; rhamm@doleta.gov; russ.kile@npr.gov;
sknell@cisco.com; scarreon@doleta.gov; susan_robinson@ace.nche.edu;
rosenblum@nlc.org; tolshefs@aft.org; lindsleyt@nab.com;
tsarmiento@workingforamerica.org; robert_muller@ed.gov;
vmorrow@cccco.edu; bbuehlma@uschamber.com; schnurjhs@aol.com
Subject: URGENT: FINAL REPORT

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Please call me at 202-233-2034 with any questions or concerns.

Thank you!

Alice

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Barbara D. Woolley (CN=Barbara D. Woolley/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:28-OCT-1999 15:41:26.00

SUBJECT: medical privacy - consumers, women, providers

TO: Kelley L. O'Dell (CN=Kelley L. O'Dell/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Jonathan M. Young (CN=Jonathan M. Young/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Peter P. Swire (CN=Peter P. Swire/OU=OMB/O=EOP@EOP [OMB])

READ:UNKNOWN

TO: Stephanie A. Cutter (CN=Stephanie A. Cutter/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Christine A. Stanek (CN=Christine A. Stanek/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TO: Karin Kullman (CN=Karin Kullman/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TO: Devorah R. Adler (CN=Devorah R. Adler/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TO: Sara M. Latham (CN=Sara M. Latham/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TEXT:

Proposed List - Medical Privacy for Oval

Janlori goldman, director, health privacy Project
national Partnership for Women and Families
National Multiple Sclerosis Society
Consortium for Citizens w/ Disabilities and the national Assn of People
with AIDS
Alliance of Genetic Support Groups
AARP
Brazelon Center for Mental health
Ameridan Nurses Association
Chai Feldblu, Georgetown University law School
Consumers Union
American Psychiatric Association
American Medical Assnociatio
AFL/CIO
SEIU
AFSCME
ronald Weich, ACLU

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Morley A. Winograd (CN=Morley A. Winograd/O=OVP [UNKNOWN])

CREATION DATE/TIME:29-OCT-1999 14:50:03.00

SUBJECT: VP Event Nov 4th

TO: Laura M. Quinn (CN=Laura M. Quinn/O=OVP@OVP [UNKNOWN])

READ:UNKNOWN

CC: Paul J. Weinstein Jr. (CN=Paul J. Weinstein Jr./OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

CC: Jennifer R. Muller (CN=Jennifer R. Muller/O=OVP@OVP [UNKNOWN])

READ:UNKNOWN

Kelly.Paisley@npr.gov (Kelly.Paisley@npr.gov [UNKNOWN])

READ:UNKNOWN

TEXT:

Laura:

well here is a ready made deliverable for the NOV. 4 Schnur event if it happens. Official type stuff. I will get more information about it (this is the first I heard of it) in time for our Monday 3 PM message meeting.

morley

----- Forwarded by Morley A. Winograd/OVP on 10/29/99

02:48 PM -----

Russ.Kile@npr.gov

10/28/99 07:39:17 PM

Record Type: Record

To: Morley A. Winograd/OVP@OVP

cc: Sophia P. Jackson/OVP@OVP, Kelly.Paisley@npr.gov,

Barry.Phelps@npr.gov, Lynn.Kahn@npr.gov

Subject: VP Event Nov 4th

It appears that the Access America for Workers Website and NPR role in implementing a community approach to performance measurement will be part of the VPs announcements at the November 4th meeting and press conference with the Skills summit leadership group. This will be the VP message event for the day. Its scheduled for 11-12:15 in the VPs ceremonial office with the press conference to follow in room 450.

Confirmed for the meeting are Jerry Jasinowski - NAM, Roberts T Jones - NAB,

Morty Barr - CWA,

John Morgridge - Cisco Systems, Lawrence Perlman - Ceridian, Secretary Daley

- Commerce, Linda Chavez Thompson - AFL-CIO, and several University and community college presidents.

Please let us know if there is anything else you would like to know about this event.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Irene Bueno (CN=Irene Bueno/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:29-OCT-1999 20:25:09.00

SUBJECT: Clearance of legislation introduced by Senator Bob Graham

TO: Larry R. Matlack (CN=Larry R. Matlack/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

TO: Brian V. Kennedy (CN=Brian V. Kennedy/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

TO: Debra J. Bond (CN=Debra J. Bond/OU=OMB/O=EOP@EOP [OMB])
READ:UNKNOWN

Irene Bueno (CN=Irene Bueno/OU=OPD/O=EOP [OPD])
READ:UNKNOWN

TEXT:

We discussed this legislation in the IWG meeting today and Maria asked that DPC begin a policy process to develop Administration policy on the legislation and to make a recommendation on the timing and the way we want to make our position known and I wanted to get advice and guidance on the process. I just got a copy (it's not on line) and will make a copy and have it delivered to you.

I would like to send this legislation through OMB clearance (LRD) to develop Administration policy. I expect that we will need to have some meeting to discuss before we finalized our position. Also, we will need to figure how we present our views on the legislation - will it be in response to a letter from the Hill or something else.

I also heard from groups (AFL-CIO, farmworker justice, etc) that they would like us to come out early in opposition to this legislation.

Please let me know if this makes sense or if you have any suggestions.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Irene Bueno (CN=Irene Bueno/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:29-OCT-1999 20:32:22.00

SUBJECT: Graham's legislation

TO: Maria Echaveste (CN=Maria Echaveste/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

CC: Reynaldo Valencia (CN=Reynaldo Valencia/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

CC: Marjorie Tarmey (CN=Marjorie Tarmey/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

Irene Bueno (CN=Irene Bueno/OU=OPD/O=EOP [OPD])

READ:UNKNOWN

TEXT:

After the IWG meeting, I heard from AFL-CIO (Jake Jones) who just met with Farmworker Justice, MALDEF, UFW and others and they oppose the Graham legislation and plan to do statements. I think NCLR was not there b/c the staff person (Joel Najar) who works on this issue was out of town but I will verify this with Joel. They requested that we come out early with our opposition to the legislation.

I am beginning a policy process to review and develop a position on the legislation and we will make a recommendation as to our position and the timing of the release of our views. Earl suggests that before finalize our views that we meet with Graham's staff which makes sense.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Russ.Kile@npr.gov (Russ.Kile@npr.gov [UNKNOWN])

CREATION DATE/TIME: 1-NOV-1999 12:14:01.00

SUBJECT: RE: 21st Century Skills Community Mobilization Strategy

TO: Bethany Little (CN=Bethany Little/OU=OPD/O=EOP [OPD])

READ:UNKNOWN

TEXT:

the problem is that afl-cio has been using lifetime learning. were reluctant

to make a unilateral change like that without their buy in.

well make the other changes - no problem.

-----Original Message-----

From: Bethany_Little@opd.eop.gov [mailto:Bethany_Little@opd.eop.gov]

Sent: Monday, November 01, 1999 11:33 AM

To: Muller, Robert

Cc: 'lynn.kahn@npr.gov'; muller, robert; russ.kile@npr.gov; johnson, alice; talbert, charles

Subject: RE: 21st Century Skills Community Mobilization Strategy

A few quick thoughts...I think this looks really good, and we've clearly come a long way! I agree with Rob that "lifetime learning" doesn't work, and would therefore vote for "lifelong". Also, I don't know if this would work or make sense, but it strikes me that it might be ideal if the 4 measures of success actually paralleled the 4 recommendations/goals in the report. Would that be possible? finally, in describing what the Steering Committee would do, I might be less inclined to explain it in terms of the Steering Committee's action, and more inclined to outline their role in terms of results, i.e. rather than

"The Steering Committee will model a collaborative,
> > cross-agency perspective that supports the individual efforts of
> > specific
> > agencies and departments, while making sure local communities have easy
> > access to federal resources, can easily share best practices and
lessons
> > learned across communities and agencies, and can easily navigate the
> > hallways of inter-governmental programs and policies."

we might say somethig like,

"The Steering Committee will work with communities to establish effective partnerships for lifelong learning..." Just a few things to consider.
Thanks again for all your initiative and leadership in moving this forward!

(Embedded

image moved "Muller, Robert" <Robert_Muller@ed.gov>

to file: 11/01/99 11:02:04 AM

PIC31876.PCX)

Record Type: Record

To: See the distribution list at the bottom of this message

cc: "Talbert, Charles" <Charles_Talbert@ed.gov>

Subject: RE: 21st Century Skills Community Mobilization Strategy

I have no strong opinions either way -- it would have to be lifelong learning or learning over one's lifetime, lifetime learning doesn't work. NICE JOB, thanks Charles and Lynn!!

> -----Original Message-----

> From: Lynn.Kahn@npr.gov [SMTP:Lynn.Kahn@npr.gov]

> Sent: Monday, November 01, 1999 10:06 AM

> To: bethany_little@opd.eop.gov; Robert_Muller@ed.gov;

Russ.Kile@npr.gov;

> Alice_Johnson@NIFL.gov

> Cc: Charles_Talbert@ed.gov; Lynn.Kahn@npr.gov

> Subject: FW: 21st Century Skills Community Mobilization Strategy

> Importance: High

>

> Charles and I worked on this version -- there is general
> agreement but everyone would word the list in the first sentence
> differently. When we agree on that list, we can fix the "measures of
> success" sentence (end of first paragraph). Also, you all disagree about
> "lifetime" or "lifelong."

>

> This works as the basis of tomorrow's meeting/telephone
> conference. What else can Charles and I do to be helpful?

>

>

> > 21st Century Skills

> > COMMUNITY MOBILIZATION STRATEGY

> >

> >

> > The Leadership Group recommends a Community Mobilization Strategy that
> > reflects the complexity and multiple levels of workforce development,
> > adult literacy, lifelong learning and communities of learning. This
> > strategy would support and expand community-based partnerships that
> > cross

> > multiple sectors to focus on clear, objective, measurable goals that
> > improve outcomes for learning. Measures of success include: (1)
giving

> > American workers more opportunities to learn 21st century skills and

> > obtain high-skill, high-wage jobs; (2) improving the ability of

American

> > businesses to find high-skill workers; (3) helping adult learners
better

> > appreciate the importance of lifelong learning and (4) encouraging more

> > adults to re-engage in learning new skills.

> >

> > A Steering Committee composed of representatives from major federal

> > agencies, as well as community, educational, labor and business
> > organizations will provide guidance to the Community Mobilization
> > Strategy. The Steering Committee will model a collaborative,
> > cross-agency perspective that supports the individual efforts of
> specific
> > agencies and departments, while making sure local communities have easy
> > access to federal resources, can easily share best practices and
lessons
> > learned across communities and agencies, and can easily navigate the
> > hallways of inter-governmental programs and policies.
> >
> > The Vice President's National Partnership for Reinventing Government
> will
> > support and facilitate the work of the Steering Committee.
> >
> >

Message Sent

To: _____

"'Lynn.Kahn@npr.gov'" <Lynn.Kahn@npr.gov>
Bethany Little/OPD/EOP
"Muller, Robert" <Robert_Muller@ed.gov>
Russ.Kile@npr.gov
"Johnson, Alice" <Alice_Johnson@NIFL.gov>

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Debra J. Bond (CN=Debra J. Bond/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME: 1-NOV-1999 10:41:27.00

SUBJECT: Re: Clearance of legislation introduced by Senator Bob Graham

TO: Irene Bueno (CN=Irene Bueno/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TEXT:

Sounds good to us. Let me know if you need us to do anything.

Irene Bueno

10/29/99 08:25:01 PM

Record Type: Record

To: Debra J. Bond/OMB/EOP@EOP, Larry R. Matlack/OMB/EOP@EOP, Brian V. Kennedy/OPD/EOP@EOP

cc:

Subject:Clearance of legislation introduced by Senator Bob Graham

We discussed this legislation in the IWG meeting today and Maria asked that DPC begin a policy process to develop Administration policy on the legislation and to make a recommendation on the timing and the way we want to make our position known and I wanted to get advice and guidance on the process. I just got a copy (it's not on line) and will make a copy and have it delivered to you.

I would like to send this legislation through OMB clearance (LRD) to develop Administration policy. I expect that we will need to have some meeting to discuss before we finalized our position. Also, we will need to figure how we present our views on the legislation - will it be in response to a letter from the Hill or something else.

I also heard from groups (AFL-CIO, farmworker justice, etc) that they would like us to come out early in opposition to this legislation.

Please let me know if this makes sense or if you have any suggestions.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Nancy Mills <Nmills@aflcio.org> (Nancy Mills <Nmills@aflcio.org> [UNKNOWN

CREATION DATE/TIME: 2-NOV-1999 18:41:24.00

SUBJECT: RE: 2 suggestions for students of collaborations

TO: Russ.Kile@npr.gov (Russ.Kile@npr.gov [UNKNOWN])

READ:UNKNOWN

TO: ajohnson@nifl.gov (ajohnson@nifl.gov [UNKNOWN])

READ:UNKNOWN

CC: Jonathan H. Schnur (CN=Jonathan H. Schnur/OU=OPD/O=EOP [OPD])

READ:UNKNOWN

CC: Tony Sarmiento <tsarmiento@workingforamerica.org> (Tony Sarmiento <tsarmiento@w

READ:UNKNOWN

CC: PANDERSON@cwa-union.org (PANDERSON@cwa-union.org [UNKNOWN])

READ:UNKNOWN

TEXT:

Let me know whether we should be trying to actually get someone from either or both programs.

>>> <Russ.Kile@npr.gov> 11/02/99 06:30PM >>>

I like it. Nice bone to dol too who is running the vets task force on re-employing vets.

-----Original Message-----

From: Nancy Mills [mailto:Nmills@aflcio.org]

Sent: Tuesday, November 02, 1999 6:28 PM

To: ajohnson@nifl.gov

Cc: PANDERSON@cwa-union.org; Russ.Kile@npr.gov;

Jonathan_H._Schnur@oa.eop.gov; tsarmiento@workingforamerica.org

Subject: 2 suggestions for students of collaborations

1) How about getting one of the students coming out of the military who

is a graduate of the Cisco, CWA, and The Department of the ARmy collaboration? Non union company, union, and federal government....pretty unusual collaboration (and 2 of the three are on the Leadership Group) and I understand that Lucent Technologies has just

hired 100 graduates of the program! A god story about collaborations being good for business, good for workers, and good for the future of the country. Paul says he will start looking tomorrow for someone who is

close enough (on the east coast) to come for the event (without a commitment of course....pending your reaction)

2) A good community based collaboration might be the Wisconsin Regional

Training Partnership.....exactly the kind of community driven collaboration that the Leadership Group says it wants to encourage and support. Manufacturers (who are part of NAM), unions(who are affiliated

with the AFL-CIO), community colleges, WIA Boards, etc. have come

together to train workers....both incumbent and welfare to work folks.

Again, we could probably get you either category of "learner" and it would tie into the VP's announcement about what the Federal Government is going to do differently (WRTP folks would love to talk about how they use help both connecting to other similar community driven projects as well as how they could use help navigating the Federal Government's alphabet soup!) That way the "parent organizations" on the Leadership Group could also get reinforcement for encouraging more of these on the ground collaborations...

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: "Johnson, Alice" <Alice_Johnson@NIFL.gov> ("Johnson, Alice" <Alice_Johnson

CREATION DATE/TIME: 2-NOV-1999 19:01:25.00

SUBJECT: RE: 2 suggestions for students of collaborations

TO: ajohnson@nifl.gov (ajohnson@nifl.gov [UNKNOWN])

READ:UNKNOWN

TO: Russ.Kile@npr.gov (Russ.Kile@npr.gov [UNKNOWN])

READ:UNKNOWN

TO: "'Nancy Mills'" <Nmills@aflcio.org> ("'Nancy Mills'" <Nmills@aflcio.org> [UNKN

READ:UNKNOWN

CC: Jonathan H. Schnur (CN=Jonathan H. Schnur/OU=OPD/O=EOP [OPD])

READ:UNKNOWN

CC: Tony Sarmiento <tsarmiento@workingforamerica.org> (Tony Sarmiento <tsarmiento@w

READ:UNKNOWN

CC: PANDERSON@cwa-union.org (PANDERSON@cwa-union.org [UNKNOWN])

READ:UNKNOWN

TEXT:

For now, could you get us profiles of success stories from both?

Alice Johnson
Senior Policy Analyst
National Institute for Literacy
1775 Eye Street, NW, Suite 730
Washington, DC 20006-2401
ajohnson@nifl.gov
202-233-2034 (voice)
202-233-2050 (fax)
Institute's Homepage: www.nifl.gov

-----Original Message-----

From: Nancy Mills [SMTP:Nmills@aflcio.org]
Sent: Tuesday, November 02, 1999 6:34 PM
To: ajohnson@nifl.gov; Russ.Kile@npr.gov
Cc: PANDERSON@cwa-union.org; Jonathan_H._Schnur@oa.eop.gov;

Tony
Sarmiento

Subject:RE: 2 suggestions for students of collaborations

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>>> <Russ.Kile@npr.gov> 11/02/99 06:30PM >>>

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Sent: Tuesday, November 02, 1999 6:28 PM
To: ajohnson@nifl.gov
Cc: PANDERSON@cwa-union.org; Russ.Kile@npr.gov;
Jonathan_H._Schnur@oa.eop.gov; tsarmiento@workingforamerica.org
Subject: 2 suggestions for students of collaborations

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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sarah Rosen Wartell (CN=Sarah Rosen Wartell/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 8-NOV-1999 08:18:36.00

SUBJECT: 8:00 addendum -- provide today if possible FYI

TO: Melissa G. Green (CN=Melissa G. Green/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TEXT:

Pension Cash Balance -- In Minimum Wage: Treasury reports that the Senate Democrats version of the minimum wage/tax package includes not only the Administration's disclosure provision but also Senator Harkin's ban on "wear-aways."

Pension Section 415: Senate Democrats' version of the minimum wage/tax package includes all of Section 415 relief that multi-employer plans have been seeking. (Note: Treasury told me AFTER they had met with Karen Tramontano and AFL-CIO BTG Georgine on Friday that Karen had decided that they should hold firm on the 415 limits (although give on one issue further -- plan aggregation exemption). I was furious that Treasury participated in that dialog without letting me know, especially since I had heard from Dauster that Beier, you and Summers had agreed that we would not object (and implicitly support) the 415 limits in the tax/minimum wage bill. While I think the Treasury position is the stronger argument as a matter of policy. Congress (and Dems) appears ready to provide the full increase, so it seems nuts for us to be pushing back so hard right now. I left a message for Karen but didn't hear back.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Karen Tramontano (CN=Karen Tramontano/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:13-NOV-1999 14:17:19.00

SUBJECT: mfg initiative

TO: Gene B. Sperling (CN=Gene B. Sperling/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

CC: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

CC: Thomas A. Kalil (CN=Thomas A. Kalil/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

Melissa G. Green (CN=Melissa G. Green/OU=OPD/O=EOP [OPD])

READ:UNKNOWN

TEXT:

our friends at the afl-cio and mfg sectors that are watching our efforts
-- our concerned that nothing is happening -- i'm sure alot is happening
-- but can we do another meeting w/ them to discuss progress or our
thoughts -- or whatever -- thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: David E. Tornquist (CN=David E. Tornquist/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME:15-NOV-1999 12:53:03.00

SUBJECT: Repeal of Railroad "Cramdown" provision to be added to the Omnibus - FYI

TO: Michael Deich (CN=Michael Deich/OU=OMB/O=EOP [OMB])

READ:UNKNOWN

TO: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

CC: Victoria Wassmer (CN=Victoria Wassmer/OU=OMB/O=EOP@EOP [OMB])

READ:UNKNOWN

CC: Kenneth L. Schwartz (CN=Kenneth L. Schwartz/OU=OMB/O=EOP@EOP [OMB])

READ:UNKNOWN

CC: Douglas Pitkin (CN=Douglas Pitkin/OU=OMB/O=EOP@EOP [OMB])

READ:UNKNOWN

TEXT:

As you may have heard, Trumpka, the AFL-CIO's #2 person, and Hamberger, head of the AAR, reached an agreement last week on eliminating cramdown. Rail labor subsequently rejected the deal Trumpka negotiated for them.

The rumor is that John Sweeney is meeting with the WH today to get support for adding the elimination of cramdown to the Omnibus bill. Rail labor supports the Crapo bill which puts all issues puts all issues covered by cramdown under the Railway Labor Act framework. Our bill only puts selection of forces and assignment of employees under the RLA framework.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Melissa G. Green (CN=Melissa G. Green/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:15-NOV-1999 15:26:27.00

SUBJECT: AFL-CIO/China/WTO Statement

TO: Michele Ballantyne (CN=Michele Ballantyne/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TEXT:

brutal

----- Forwarded by Melissa G. Green/OPD/EOP on 11/15/99
03:25 PM -----

Michele Ballantyne

11/15/99 01:36:35 PM

Record Type: Record

To: Melissa G. Green/OPD/EOP@EOP

cc:

Subject:AFL-CIO/China/WTO Statement

fyi

----- Forwarded by Michele Ballantyne/WHO/EOP on 11/15/99
01:36 PM -----

SCOTT HYNES

11/15/99 12:35:10 PM

Record Type: Record

To: Karen Tramontano/WHO/EOP@EOP

cc: Fern Mechlowitz/WHO/EOP@EOP, Michele Ballantyne/WHO/EOP@EOP

Subject:AFL-CIO/China/WTO Statement

It's on the web at the following address (see below for full text):
<http://www.aflcio.org/publ/press99/pr1115.htm>

Statement by AFL-CIO President John Sweeney on China and the WTO
November 15, 1999

The fevered rush to admit China to the WTO is a grave mistake. It is disgustingly

hypocritical of the Clinton White House to invoke the need to "put a human face on the

global economy" while prostrating itself in pursuit of a trade deal with a rogue nation

that decorates itself with human rights abuses as if they were medals of honor.

At a time when WTO rules protecting workers' and human rights and the environment

are yet unwritten, this agreement undermines that possibility and squanders a chance

for the WTO to achieve the legitimacy it and other international

institutions lack among
people around the world.

By continuing to persecute dissenters, to imprison labor leaders and
worker activists
and to export goods produced by child and slave labor, China shows it
has no interest
in playing by even the most basic rules of the world community.

The agreement reached this weekend would deal away our democratic
principles and
most cherished values and we will fight it.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Patrick M. Dorton (CN=Patrick M. Dorton/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:15-NOV-1999 19:19:02.00

SUBJECT: AP story On China

TO: Loretta M. Ucelli (CN=Loretta M. Ucelli/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Thomas D. Janenda (CN=Thomas D. Janenda/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Malcolm R. Lee (CN=Malcolm R. Lee/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

TO: Richard L. Siewert (CN=Richard L. Siewert/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Joel Johnson (CN=Joel Johnson/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Carolyn T. Wu (CN=Carolyn T. Wu/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Michele Ballantyne (CN=Michele Ballantyne/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Melissa G. Green (CN=Melissa G. Green/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

TO: Karen Tramontano (CN=Karen Tramontano/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:

NOVEMBER 15, 18:05 EST

Unions To Fight China Trade Deal

By MARTIN CRUTSINGER
AP Economics Writer

WASHINGTON (AP) * The United States and China reached a major trade agreement on Monday that offers the prospect of billions of dollars in increased overseas sales for American manufacturers, farmers and high-tech industries. But labor unions said they would fight the deal in Congress as a job-killer.

After being criticized by business leaders for walking away from an April trade agreement with China, President Clinton moved in recent weeks to restart the stalled talks through personal phone calls to Chinese President Jiang Zemin, who gave the go-ahead a week ago for Clinton to send a high-level bargaining team to Beijing.

``This is a good agreement for China, for America and for the world,' ' an elated Clinton told reporters at a

news conference in Ankara, Turkey.

Major business groups, including the U.S. Chamber of Commerce and the Business Roundtable, joined him in praising the agreement and pledged to work for congressional approval.

But the package was denounced by labor unions, the U.S. textile industry and others who face intense competition from lower-priced Chinese imports.

In exchange for Beijing's agreement to slash tariffs and other trade barriers that now keep U.S. products away from China's 1.3 billion consumers, the United States will support China's membership in the World Trade Organization, the 135-member Geneva-based organization that sets the rules for global trade.

For the United States to receive the market-opening benefits of the agreement, Congress must vote to grant China permanent normal trading relations with the United States, ending the annual congressional vote on tariff rates for Chinese imports.

``The fevered rush to admit China to the WTO is a grave mistake,' AFL-CIO President John Sweeney said in a statement. ``It is disgustingly hypocritical of the Clinton administration to pledge to 'put a human face on the global economy' while prostrating itself in pursuit of a trade deal with a rogue nation that decorates itself in human rights abuses.''

Teamsters union president James P. Hoffa called the deal a ``slap in the face'' to American and Chinese workers. The American Textile Manufacturers Institute, an industry trade group, contended the deal could result in the loss of 150,000 American textile and apparel manufacturing jobs.

The American negotiating team, led by U.S. Trade Representative Charlene Barshefsky and by Gene Sperling, the president's chief economic adviser, insisted they had struck a deal that would result in significant gains for American exporters while retaining protections for threatened U.S. industries such as textiles.

Under the deal reached Monday, China agreed to reduce its tariffs on U.S. goods from an overall average of 22.1 percent down to 17 percent with even bigger reductions on certain farm products. China agreed to cut its barriers limiting sales of American wheat, corn, rice and cotton.

The Chinese also promised to lower barriers that now seriously hinder the ability of U.S. companies to do business in China in the areas of banking, insurance, securities and telecommunications. The American movie industry would see an increase in the number of films it can export annually and U.S. firms won the

right to offer auto loans in China.

However, the Chinese were unwilling to go back to an April offer to allow U.S. firms to have 51 percent majority ownership in telecommunications companies.

U.S. negotiators were only able to achieve 50 percent foreign ownership in telecommunications, which Barshefsky said would still provide American companies with the ability to control their Chinese subsidiaries.

Barshefsky said that in every other major area she was able to achieve comparable offers to what China had proposed in April when Clinton sent Premier Zhu Rongji home empty-handed.

A study done for the House Ways and Means Committee earlier this year estimated that China's reductions in tariffs would boost U.S. exports by \$11.6 billion when fully phased in while the lowering of investment barriers would result in \$2.4 billion in increased earnings for U.S. corporations.

While substantial, these figures would still leave a large gap in America's trade deficit with China, which through the first eight months of this year was running at an annual rate of \$64 billion, second only to America's deficit with Japan.

In a 90-minute conference call from Hong Kong to reporters in Washington, Barshefsky and Sperling described a tense six-day period in which Zhu personally had to intervene at critical points to rescue the talks from failure * including a final meeting with Zhu on Monday morning after the American team had sent their bags to the airport, prepared to leave without a deal.

``The six days were very intense, at times very contentious,'' an exhausted Barshefsky told reporters. ``The decisions that had to be made by China were politically very difficult.''

For China, the fear is that the removal of protective trade barriers in manufacturing and agriculture will throw millions out of work, adding to social unrest in the country. But the Chinese are counting on an economic boost from the increased foreign investment that they should gain by committing to abide by WTO rules. Chinese reformers also hope that WTO membership will accelerate a drive to remake China's inefficient state-run enterprises.

home] us news] world] business] sports] weather] search] help]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Michele Ballantyne (CN=Michele Ballantyne/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:15-NOV-1999 13:36:38.00

SUBJECT: AFL-CIO/China/WTO Statement

TO: Melissa G. Green (CN=Melissa G. Green/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TEXT:

fyi

----- Forwarded by Michele Ballantyne/WHO/EOP on 11/15/99
01:36 PM -----

SCOTT HYNES

11/15/99 12:35:10 PM

Record Type: Record

To: Karen Tramontano/WHO/EOP@EOP

cc: Fern Mechlowitz/WHO/EOP@EOP, Michele Ballantyne/WHO/EOP@EOP

Subject:AFL-CIO/China/WTO Statement

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November 15, 1999

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that decorates itself with human rights abuses as if they were medals of honor.

At a time when WTO rules protecting workers' and human rights and the environment

are yet unwritten, this agreement undermines that possibility and squanders a chance

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people around the world.

By continuing to persecute dissenters, to imprison labor leaders and worker activists

and to export goods produced by child and slave labor, China shows it has no interest

in playing by even the most basic rules of the world community.

The agreement reached this weekend would deal away our democratic principles and

most cherished values and we will fight it.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: David E. Tornquist (CN=David E. Tornquist/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME:16-NOV-1999 13:45:43.00

SUBJECT: Re: Repeal of Railroad "Cramdown" provision to be added to the Omnibus - F

TO: Michael Deich (CN=Michael Deich/OU=OMB/O=EOP [OMB])

READ:UNKNOWN

CC: kenneth l. schwartz (CN=kenneth l. schwartz/OU=omb/O=eop@eop [OMB])

READ:UNKNOWN

CC: douglas pitkin (CN=douglas pitkin/OU=omb/O=eop@eop [OMB])

READ:UNKNOWN

CC: victoria wassmer (CN=victoria wassmer/OU=omb/O=eop@eop [OMB])

READ:UNKNOWN

CC: dorothy robyn (CN=dorothy robyn/OU=opd/O=eop@eop [OPD])

READ:UNKNOWN

TEXT:

Crapo v. the Admin Bill. Mort is right, the bills are effectively identical. I was originally told something different by DOT. I have now spoken to several other people in DOT GC, AAR and UP/SP and everyone agrees with Mort's interpretation.

Labor's Position. Labor strongly supports the Crapo bill.

Current Status. Slater and McFadden have called AAR to, as it was described to me, "pressure them to cave on cramdown". Slater is also now calling railroad CEO's.

AAR's last offer to labor was to voluntarily eliminate cramdown in exchange for a new system which allows mergers to be implemented and labor's support for a clean STB bill. The new mechanism is negotiable. AAR offered to have employees whose function is moved to a new location as a result of a merger be subject to the receiving location's existing labor agreement. For employees from more than one location whose functions are being consolidated, labor would choose among the existing agreements to determine which one the new location would be subject to. AAR also wanted to negotiate over how 40 transactions currently underway would be treated, they prefer to have these grandfathered under existing rules. They also agreed to no new cramdown proceeding through the end of the year while the details of the agreement is negotiated.

The hang up appears to be on how to deal with the 40 ongoing transactions and whether there should be a fixed date by which the details of the agreement should be finalized. e.g. year-end.

Who Walked? Hamberger sent a letter last Friday to labor indicating that management's negotiators have cleared their schedules for this week and are ready to meet anytime to continue the negotiations that recently broke down. Labor has not responded. After Hamberger and Trumpka's handshake agreement, both AAR and the AFL-CIO TTD issued press releases which cited nearly identical understandings of what was agreed to. Trumpka later on sent a letter containing a different explanation of what was agreed to.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Melissa G. Green (CN=Melissa G. Green/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:16-NOV-1999 12:57:57.00

SUBJECT: mfg initiative

TO: Karen Tramontano (CN=Karen Tramontano/OU=WHO/O=EOP@EOP [WHO])

READ:UNKNOWN

TEXT:

are you okay with us bringing in industry first and than labor again?

----- Forwarded by Melissa G. Green/OPD/EOP on 11/16/99

12:57 PM -----

Karen Tramontano

11/13/99 02:17:06 PM

Record Type: Record

To: Gene B. Sperling/OPD/EOP@EOP

cc: Thomas A. Kalil/OPD/EOP@EOP, Dorothy Robyn/OPD/EOP@EOP

Subject:mfg initiative

our friends at the afl-cio and mfg sectors that are watching our efforts
-- our concerned that nothing is happening -- i'm sure alot is happening
-- but can we do another meeting w/ them to discuss progress or our
thoughts -- or whatever -- thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Kevin_Dempsey@deweyballantine.com (Kevin_Dempsey@deweyballantine.com [UNK

CREATION DATE/TIME:16-NOV-1999 11:25:15.00

SUBJECT: Re: THIS IS FINAL -- PLEASE GET OUT ASAP (See Notice Below)

TO: Timothy E. Punke (CN=Timothy E. Punke/OU=OPD/O=EOP [OPD])

READ:UNKNOWN

TEXT:

Timm-

Looks like a good agreement. I think business will be all for this. The question is what you do about the AFL-CIO.

Thanks for the info. Let's keep in touch.

Kevin

Timothy_E._Punke@opd.eop.gov on 11/16/99 10:58:54 AM

To: Kevin Dempsey/DC/DEWEY@DEWEY

CC:

Subject: THIS IS FINAL -- PLEASE GET OUT ASAP

FYI on China

----- Forwarded by Timothy E. Punke/OPD/EOP on 11/16/99
10:53 AM -----

To: See the distribution list at the bottom of this message

CC:

Subject: THIS IS FINAL -- PLEASE GET OUT ASAP

(See attached file: US-China Summary.1115.doc)

- US-China Summary.1115.doc-Notice-----

This e-mail message is confidential, intended only for the named recipient(s) above and may contain information that is privileged, attorney work product or exempt from disclosure under applicable law. If you have received this message in error, or are not the named recipient(s), please immediately

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===== ATTACHMENT      1 =====
ATT CREATION TIME/DATE:    0 00:00:00.00
```

Unable to convert ARMS_EXT:[ATTACH.D1]ARMS27105592W.336 to ASCII,
The following is a HEX DUMP:

[illegible]

SUMMARY OF U.S. – CHINA BILATERAL WTO AGREEMENT

AGRICULTURE

The Agreement provides increased access for U.S. exports across a broad range of commodities and elimination of barriers. Commitments include:

- Significant cuts in tariffs that will be completed by January 2004. Overall average for agricultural products will be 17 percent and for U.S. priority products 14.5 percent.
- Establishment of a tariff-rate quota system for imports of bulk commodities, e.g., wheat, corn, cotton, barley, and rice, that provides a share of the TRQ for private traders. Specific rules on how the TRQ will operate and increased transparency in the process will help ensure that imports occur. Significant and growing quota quantities subject to tariffs that average between 1-3 percent.
- The right to import and distribute products without going through state-trading enterprise or middle-man.
- China has also agreed to the elimination of SPS barriers that are not based on scientific evidence and no export subsidies on agricultural products.

INDUSTRIAL PRODUCTS

China's commitments will eliminate broad systemic barriers to U.S. exports, such as limits on who can import goods and distribute them in China as well as barriers such as quotas and licenses that restrict imports of U.S. products.

TARIFFS

- Tariffs cut to an average of 9.4 percent overall and 7.1 percent on U.S. priority products.
- China will participate in the Information Technology Agreement (ITA) eliminating all tariffs on products such as computers, telecommunications equipment, semiconductors, computer equipment and other high technology products.
- In the auto sector, China will cut tariffs from the current 100% or 80% level to 25% by 2006, with the largest cuts in the first years after accession.
- Auto parts tariffs will be cut to an average of 10% by 2006.
- Significant cuts will also be made in the wood and paper sectors, going from present levels of 12-18% on wood and 15-25% on paper down to levels generally between 5 and 7.5%.
- China will also be implementing the vast majority of the chemical harmonization initiative. Under that initiative, tariffs will be at 0, 5.5 and 6.5 percent for products in each category.

ELIMINATION OF QUOTAS AND LICENSES

WTO rules bar quotas and other quantitative restrictions. China has agreed to eliminate these restrictions with phase-ins limited to five years.

- Quotas: China will eliminate existing quotas upon accession for the top U.S. priorities (e.g. optic fiber cable). It will phase-out remaining quotas, generally by 2002, but no later than 2005.
- Quotas will grow from current trade level at a 15% annual rate in order to ensure that market access increases progressively, and reduces the effect of quantitative restrictions.
- Auto quotas will be phased out by 2005. In the interim, the base level quota will be \$6 billion (the level prior to China's industrial auto policy) and this will grow by 15% annually until elimination.

RIGHT TO IMPORT AND DISTRIBUTE

Trading rights and distribution are the major priority of the manufacturing sector. At present, China severely restricts trading rights (the right to import and export) and distribution (wholesaling, retailing, maintenance and repair, transportation, etc.). Under the Agreement, China will provide, for the first time, trading rights and distribution rights to U.S. firms. Trading rights will be progressively phased in over three years. Distribution rights will be provided even for China's most restricted distribution sectors such as wholesale, transportation, maintenance and repair. China will provide for trading rights and distribution.

SERVICES

China has made commitments in all major service categories with reasonable transitions to eliminate most foreign equity restrictions (especially in sectors where the U.S. has a strong commercial interest), agreeing to accede to the Basic Telecommunications and Financial Services Agreements, and "grandfathering" of current market access for U.S. service providers.

GRANDFATHERING

China will grandfather all existing current market access and activities in all services sectors. This will protect existing American distribution services, financial services, professional and other service providers in China, including those operating under contractual or shareholder agreements or a license, from restrictions as Chinese commitments phase in.

DISTRIBUTION

In China today, foreign firms have no right to distribute products other than those they make in China, or to own or manage distribution networks, wholesaling outlets or warehouses. China also now frequently issues businesses licenses which limit the ability of American firms to conduct marketing, after-sales service, maintenance and repair and customer support. As the section on industrial goods noted, this is a severe barrier to goods exports as well as to service exports.

China's commitments address all these issues. They reflect a comprehensive commitment on distribution - including wholesaling, sales away from a fixed location, retailing, maintenance and repair, and transportation. Thus, Americans will be able to distribute imported products as well as those made in China, offering significant opportunity to expand U.S. exports of goods. As noted above, China will phase out all restrictions on distribution services for most products within three years.

SERVICES AUXILIARY TO DISTRIBUTION

Chinese commitments in services auxiliary to distribution include rental and leasing, air courier, freight forwarding, storage and warehousing, advertising, technical testing and analysis, and packaging services. All restrictions will be phased-out in 3 to 4 years, at which time U.S. service suppliers will be able to establish 100% wholly-owned subsidiaries.

TELECOMMUNICATIONS

China now severely restricts sales of telecommunications services and bars foreign investment. China's commitments mark its first agreement to open its telecommunications sector, both to the scope of services and to direct investment in telecommunications businesses. Through these commitments, China will become a member of the Basic Telecommunications Agreement. Specific commitments include:

- Regulatory Principles – China has agreed to implement the pro-competitive regulatory principles embodied in the Basic Telecommunications Agreement (including cost-based pricing, interconnection rights and independent regulatory authority), and agreed to technology-neutral scheduling, which means foreign suppliers can use any technology they choose to provide telecommunications services.
- Scope of services – China will phase out all geographic restrictions for paging and value-added services in 2 years, mobile/cellular in 5 years and domestic wireline services in 6 years. China's key telecommunications services corridor in Beijing, Shanghai, and Guangzhou, which represents approximately 75% of all domestic traffic, will open immediately on accession in all telecommunications services.

- Investment – Under present circumstances, China allows no foreign investment in telecommunications services. With this agreement, China will allow 49% foreign investment in all services, and will allow 50% foreign ownership for value added in two years and paging services in 3 years.

INSURANCE

For insurance, China now restricts foreign companies to operating in Shanghai and Guangzhou. Under the agreement:

- Geographic Limitations – China will permit foreign property and casualty firms to insure large-scale risks nationwide immediately upon accession, and will eliminate all geographic limitation for future licenses over 5 years, allowing access to the key cities of priority U.S. interest in two to three years.
- Scope – China will expand the scope of activities for foreign insurers to include group, health and pension lines of insurance, which represent about 85% of total premiums, phased in over 5 years.
- Prudential Criteria – China agrees to award licenses solely on the basis of prudential criteria, with no economic needs test or quantitative limits on the number of licenses issued.
- Investment – China agreed to allow 50 percent ownership, remove onerous joint venture requirements on foreign life insurers, and phase out internal branching restrictions. Life insurers may now choose their own joint venture partners. For non-life, China will allow branching or 51% ownership on accession and form wholly owned subsidiaries in 2 years. Reinsurance is completely open upon accession (100 percent, no restrictions).

BANKING

Currently foreign banks are not permitted to do local currency business with Chinese clients (a few can engage in local currency business with their foreign clients). China imposes severe geographic restrictions on the establishment of foreign banks.

- China has committed to full market access in five years for U.S. banks.
- Foreign banks will be able to conduct local currency business with Chinese enterprises starting 2 years after accession.
- Foreign banks will be able to conduct local currency business with Chinese individuals from 5 years after accession.
- Foreign banks will have the same rights (national treatment) as Chinese banks within designated geographic areas.
- Both geographic and customer restrictions will be removed in five years
- Non-bank financial companies can offer auto financing upon accession.

SECURITIES

China will permit minority foreign owned joint ventures to engage in fund management on the same terms as Chinese firms. As the scope of business expands for Chinese firms, foreign joint venture securities companies will enjoy the same expansion in scope of business. Minority joint ventures will be allowed to underwrite domestic securities issues and underwrite and trade in foreign currency denominated securities (debt and equity).

PROFESSIONAL SERVICES

In the professional services, China currently tightly restricts operation of foreign law firms and accounting firms. In the Agreement, China has provided a broad range of commitments, including on legal, accountancy, taxation, management consultancy, architecture, engineering, urban planning, medical and dental, computer-related services. China will permit foreign majority control except for practicing Chinese law (an exception common to many WTO members.) For accountancy, China has agreed to eliminate a mandatory localization requirement and will now allow unrestricted access to its market to professionals licensed and follow transparent procedures.

AUDIOVISUAL

China's commitments cover the right to distribute video and sound recordings and cinema ownership and operation. For video and sound recordings, China will allow 49% foreign participation in joint ventures engaged in the distribution of these products. China has also agreed to import 40 films after accession growing to 50 films in three years, of which 20 films will be revenue sharing.

TRAVEL AND TOURISM

Hotels – China will allow unrestricted access to the Chinese market for hotel operators with the ability to set up 100% foreign owned hotels in 3 years, with majority ownership allowed upon accession.

PROTOCOL PROVISIONS

Commitments in China's WTO Protocol and Working Party Report establish rights and obligations enforceable through WTO dispute settlement procedures. We have agreed on key provisions relating to antidumping and subsidies, protection against import surges, technology transfer requirements and offsets as well as practices of state-owned and state-invested enterprises. These rules are of special importance to U.S. workers and business.

China has agreed to implement the TRIMs Agreement upon accession, eliminate and cease enforcing trade and foreign exchange balancing requirements, eliminate and cease enforcing local content requirements, refuse to enforce contracts imposing these requirements; and only impose or enforce laws or other provisions relating to the transfer of technology or other know-how, if they are in accordance with the WTO agreements on protection of intellectual property rights and trade-related investment measures.

These provisions will also help protect American firms against forced technology transfers, as China has also agreed that, upon accession, it will not condition investment approvals, import licenses, or any other import approval process on performance requirements of any kind, including: local content requirements, offsets, transfer of technology, or requirements to conduct research and development in China.

ANTIDUMPING AND SUBSIDIES METHODOLOGY

The agreed protocol provisions ensure that American firms and workers will have strong protection against unfair trade practices including dumping and subsidies. The U.S. and China have agreed that we will be able to maintain our current antidumping methodology (treating China as a non-market economy) in future anti-dumping cases without risk of legal challenge. This provision will remain in force for 15 years after China's accession to the WTO. Moreover, when we apply our countervailing duty law to China we will be able to take the special characteristics of China's economy into account when we identify and measure any subsidy benefit that may exist.

PRODUCT SPECIFIC SAFEGUARD

The agreed provisions for the protocol package also ensure that American domestic firms and workers will have strong protection against rapid increases of imports.

To do this, the Product-Specific Safeguard provision sets up a special mechanism to address increased imports that cause or threaten to cause market disruption to a U.S. industry. China is a major exporting country that enjoys open access to U.S. markets. This mechanism, which is in addition to other WTO Safeguards provisions, differs from traditional safeguard measures. It permits United States to address imports solely from China, rather than from the whole world, that are a significant cause of material injury through measures such as import restrictions. Moreover, the United States will be able to apply restraints unilaterally based on legal standards that are lower than those in the WTO Safeguards Agreement. This provision will remain in force for 12 years after China accedes to the WTO.

STATE-OWNED AND STATE-INVESTED ENTERPRISES

The Protocol addresses important issues related to the Chinese government's involvement in the economy. China has agreed that it will ensure that state-owned and state-invested enterprises will make purchases and sales based solely on commercial considerations, such as price, quality, availability and marketability, provide U.S. firms with the opportunity to compete for sales and purchases on non-discriminatory terms and conditions.

China has also agreed that it will not influence these commercial decisions (either directly or indirectly) except in a WTO consistent manner. With respect to applying WTO rules to state-owned and state-invested enterprises, we have clarified in several ways that these firms are subject to WTO disciplines.

-Purchases of goods or services by these state-owned and state-invested enterprises do not constitute "government procurement" and thus are subject to WTO rules.

-We have clarified the status of state-owned and state-invested enterprises under the WTO Agreement on Subsidies and Countervailing Measures. This will help ensure that we can effectively apply our trade law to these enterprises when it is appropriate to do so.

TEXTILES

China's protocol package will include a provision drawn from our 1997 bilateral textiles agreement, which permits U.S. companies and workers to respond to increased imports of textile and apparel products. This textile safeguard will remain in the effect until December 31, 2008 which is after the WTO agreement on Textile and Clothing expires.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Malcolm R. Lee (CN=Malcolm R. Lee/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:18-NOV-1999 16:29:11.00

SUBJECT: AFL-CIO- CEA Meeting

TO: Robert Z. Lawrence (CN=Robert Z. Lawrence/OU=CEA/O=EOP@EOP [CEA])
READ:UNKNOWN

CC: Sharon H. Yuan (CN=Sharon H. Yuan/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

CC: ebiel@doc.gov (ebiel@doc.gov @ inet [UNKNOWN])
READ:UNKNOWN

CC: novick_robert@ustr.gov@INET@VAXGTWY@VAXGTWY (novick_robert@ustr.gov@INET@VAXGTWY)
READ:UNKNOWN

CC: Melissa G. Green (CN=Melissa G. Green/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

CC: Victoria A. Greenfield (CN=Victoria A. Greenfield/OU=CEA/O=EOP@EOP [CEA])
READ:UNKNOWN

CC: Karen Tramontano (CN=Karen Tramontano/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:

Happy to join you for discussion with AFL on import surges. Have a meeting with gene on China WTO at 3:00, but am trying to reschedule that.

I suggest you have Robert Novick from USTR (General Counsel) as well as a political level person from Commerce (Eric Biel or Robert LaRussa, or Bernard Carreau). USTR handles our 201 law, Commerce can speak to how hard we have worked for expeditious relief on dumping cases.

I can mention our trade law reform working group as a place where we are reviewing possible changes to our trade laws. Karen, are we still saying there is room for improvement in our trade laws to address import surges? We have been more conservative on this line since the quota bill vote.

I suspect we will also get heat for sitting on the wire rod 201 decision, where I will say that the President is still reviewing .

[illegible]

November 18, 1999

John Sweeney, President
AFL-CIO
815 16th Street, NW
Washington, DC 20006

Dear President Sweeney:

With our recently concluded accession agreement for China to enter the World Trade Organization, we have made an important and historic step forward in U.S.-Chinese relations. It is a step that is good for America, good for China, and good for the world economy.

By opening the doors of the Chinese marketplace, this strong agreement will create unprecedented opportunities for American workers, farmers and companies while bringing increased prosperity to the people of China.

And while we have long believed this agreement to be important and have worked diligently to produce it, it was not made in haste. It was not made without the welfare of American workers and the people of China in mind.

We did not reach an agreement in April because several important issues remained unresolved. Perhaps one of the largest stumbling blocks was that we were unable to obtain needed protocol provisions for American workers. It was perhaps the single greatest factor in our not striking a deal at that time. In marked contrast, we were able to reach an agreement this week, due in large part because we were able to achieve those very same protocol provisions.

Thanks to the hard work of our negotiators, we were able to reach an agreement that provides strong protection to American workers and companies from unfair trade practices. Two of the provisions are worthy of closer examination.

The acquisition of adequate import surge mechanisms was a problem in April. But this week we were able to secure a product-specific safeguard so we can address import surges. The safeguard will be in place for 12 years after China's accession so if we incur a rapid increase in imports that threaten to cause market disruption to an U.S. industry, we can use it.

Another key provision from the protocol package relates to anti-dumping measures. In April we insisted on preserving our right to use non-market economy methodology in any anti-dumping cases that might arise. The recently concluded agreement guarantees this right. It will be preserved for 15 years after China's accession and will be available should the Chinese attempt to dump textiles or other products on the U.S.

That difficult issues such as these were resolved in a positive way has resulted in an agreement that is stronger and better for American workers. Attached to this letter are documents detailing the highlights of the agreement as well as a breakdown of some of the key issues resolved. I strongly encourage you to review them.

President Clinton has long been committed to opening markets abroad and enforcing trade laws so all nations play by the same rules. Of course, our markets are open and have been for some time. This agreement simply levels the playing field between the U.S. and China. In so doing, it will create more American jobs by increasing the ability of American companies to provide a broad array of products in the Chinese market.

However, it is also important to recognize that this is more than just a trade agreement. With its entrance into the WTO, China has embraced principles of economic openness, innovation and competition that will bolster its economic reforms, increase the prosperity of its people, and advance the rule of law.

I know that you may have strong reservations about this agreement, but I hope that you will take the time to consider the historic opportunity that it provides. It is a chance to greatly strengthen the overall relationship between the United States and China. It is a chance to create an international economy that we believe will lead to greater freedom and greater prosperity for workers at home and abroad.

I appreciate your consideration of our views.

Sincerely,

John Podesta
Chief of Staff

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sharon H. Yuan (CN=Sharon H. Yuan/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:19-NOV-1999 13:05:27.00

SUBJECT: Inside Trade

TO: Timothy E. Punke (CN=Timothy E. Punke/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TO: Malcolm R. Lee (CN=Malcolm R. Lee/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TEXT:

UNIONS BEGIN FIGHT AGAINST PERMANENT MFN FOR CHINA IN WAKE OF DEAL

UNIONS BEGIN FIGHT AGAINST PERMANENT MFN FOR CHINA IN
WAKE OF DEAL

Date: November 19, 1999 - Inside US Trade -

The AFL-CIO and twelve industrial unions this week began their fight against permanent most favored nation status for China with a letter urging all members of the House and Senate to oppose it. China's World Trade Organization membership requires the U.S. to extend permanent MFN unless it wants to go through a complicated process of choosing not to apply the agreement to China.

"In considering the China WTO trade deal, we believe Congress is now being asked to choose between two fundamentally different visions about the future of Americas trade relations with the rest of the world," the Nov. 17 letter said. One vision sees the primary purpose of trade to improve the lives of working families, the other is driven by multilateral corporations who want to maximize profits, the letter said.

The letter raises four objections to the deal, which it charges will make it harder to get the WTO to consider basic worker rights and labor standards as part of the rules governing trade. It also points out that the agreement does not contain any provision asking China to abide by internationally recognized human rights and worker rights.

The second objection is the absence of "effective provisions" to stop import surges, which could put "thousands" of U.S. industrial workers at risk, the letter said.

Third, the deal will likely increase the U.S. trade deficit as predicted by the International Trade Commission, a point conceded by National Security Council Asia Advisor Ken Lieberthal in a Nov. 15 broadcast of the News Hour with Jim Lehrer. Lieberthal said the "trade deficit may grow in the few years" because China exports "far more" to the U.S. than the U.S. to

China.

As a result of these vastly different baselines, the deficit will increase even if U.S. exports grow more than Chinese exports, he said. But Lieberthal insisted that the agreement will still be beneficial. The "deficit will not grow as much as it would have grown without this agreement and over time clearly it will shrink with this agreement," he said.

The fourth objection raised questions about the extent to which China will adhere to the negotiated deal and WTO rules in general, given that China's government does not operate based on rule of law, the letter charged.

_source: Inside US Trade
_date: November 19, 1999
_issue: Vol. 17, No. 46
_title: UNIONS BEGIN FIGHT AGAINST PERMANENT MFN FOR CHINA IN WAKE OF DEAL
, Inside Washington Publishers

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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Thomas D. Janenda (CN=Thomas D. Janenda/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:22-NOV-1999 18:27:38.00

SUBJECT: WTO Protests - FYI

TO: Charles M. Brain (CN=Charles M. Brain/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Mary E. Cahill (CN=Mary E. Cahill/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Anne M. Elliott (CN=Anne M. Elliott/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Carolyn T. Wu (CN=Carolyn T. Wu/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Patrick M. Dorton (CN=Patrick M. Dorton/OU=OPD/O=EOP@EOP [OPD])
READ:UNKNOWN

TO: Kris M Balderston (CN=Kris M Balderston/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Richard L. Siewert (CN=Richard L. Siewert/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Peter Goelz (CN=Peter Goelz/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TO: Karen Tramontano (CN=Karen Tramontano/OU=WHO/O=EOP@EOP [WHO])
READ:UNKNOWN

TEXT:

FYI -- Notice RED note about march to the Seattle Docks on Dec. 1st. --
TJ

----- Forwarded by Thomas D. Janenda/WHO/EOP on 11/22/99
06:21 PM -----

Michael K. Gehrke

11/22/99 06:04:43 PM
Record Type: Record

To: Thomas D. Janenda/WHO/EOP@EOP
cc:
Subject:WTO Protests - FYI

Seattle-bound Numbers Grow

News of the agreement to smooth China's entry to the World Trade Organization has created its own "China Syndrome" for organizers of the Seattle WTO event while galvanizing new participants and encouraging others to join forces with our Nov. 30 march and rally.

Although the White House is calling the deal "historic," AFL-CIO President John Sweeney told reporters Nov. 19 that "the truly historic turn of events will take place in the streets of that wonderful working-class city, Seattle." The attempt to bring China into the WTO is "less likely to reform China, as its advocates claim, than it is to further deform the WTO," he said.

* In addition to the Nov. 30 march and rally, activists will participate in the 50th anniversary of the International Confederation of Free Trade Unions Nov. 25; an ICFTU conference on globalization and workers rights Nov. 28-29; a Steelworkers Rapid Response conference Nov. 28; an interfaith gathering, procession and "human chain" Nov. 29; a USWA benefit for locked-out Kaiser Aluminum workers Nov. 30; a forum on workers rights, trade, development and the WTO Dec. 1; and a USWA march and rally to the Seattle docks Dec. 1.

* A new poll by the University of Maryland's Program on International Policy Attitudes found that 93 percent of Americans agree with this statement: "Countries that are part of international trade agreements should be required to maintain minimum standards for working conditions."

* The city of Seattle is changing the name of Pine Street, one of the key legs of the march route through downtown, to Union Way on Nov. 30 in honor of the WTO event.

* Dozens of rally captains and marshals completed training to make sure our march and rally are orderly and secure. More than 800 Machinists will serve as marshals. The media have featured warnings from businesses that WTO protests might be dangerous, bogus cautions that threaten to dampen participation by working families. The training session was open to the press in an effort to counteract misinformation.

* The count on buses chartered from around the Northwest to bring participants into Seattle has risen to 125. Seven planes also have been booked.

* A car caravan will proceed from Sacramento, Calif., with some 60 vehicles making the 13-hour drive from the capital of the Golden State to Seattle.

* The newly affiliated Society of Professional Engineering Employees in Aerospace, in tough contract talks with Boeing Co., has organized a contingent of members to participate in the rally and march. SPEEA's members voted by an 80 percent majority last month to affiliate with the AFL-CIO as Local 2001 of the Professional and Technical Engineers.

* Some 30 members of the French metalworkers union will travel to Seattle with their hosts from the Boston Jobs with Justice chapter.

For more information on unions' campaign to make the WTO work for working families, check out the Washington State Labor Council's website at www.wslc.org and the AFL-CIO website at www.aflcio.org. And for more information about how you can get involved, call 888-811-2WTO or 206-448-4888.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Holzer Harry <holzer-harry@dol.gov> (Holzer Harry <holzer-harry@dol.gov> [

CREATION DATE/TIME:22-NOV-1999 09:18:06.00

SUBJECT: RE: NEC process on tax credits

TO: Thomas A. Kalil (CN=Thomas A. Kalil/OU=OPD/O=EOP [OPD])

READ:UNKNOWN

TEXT:

Tom,

Robert Lawrence has asked me to talk about our policy initiatives on incumbent worker training and manufacturing to a group of AFL-CIO economists and policy types tomorrow.

Can you let me know where things stand at the moment?

Perhaps we can chat over the phone today, or you can update me by email.

Thanks

Harry

From: Thomas_A._Kalil@opd.eop.gov

[SMTP:Thomas_A._Kalil@opd.eop.gov]

Sent: Thursday, October 28, 1999 2:23 PM

To: Holzer Harry

Subject: NEC process on tax credits

Yes - I will be.

Are you around this afternoon? I want to talk to you about the minority proposal.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Gay L. Joshlyn (CN=Gay L. Joshlyn/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:22-NOV-1999 17:18:55.00

SUBJECT: Meeting cancelled

TO: Thomas A. Kalil (CN=Thomas A. Kalil/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TO: Michael M. Daum (CN=Michael M. Daum/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TO: Richard M. Samans (CN=Richard M. Samans/OU=OPD/O=EOP@EOP [OPD])

READ:UNKNOWN

TEXT:

the 10 am meeting with AFL-CIO people at CEA has been cancelled.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Patrick M. Dorton (CN=Patrick M. Dorton/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:22-NOV-1999 08:49:21.00

SUBJECT: Editorial Board Mailing

TO: GRESSER_EDWARD@ustr.gov@INET@LNGTWY (GRESSER_EDWARD@ustr.gov@INET@LNGTWY [UNKN
READ:UNKNOWN

TEXT:

Ed, the White House Press office wants to send out an editorial board mailing on our China deal hopefully by the end of the day. In this packet, however, we would need to have a 1-pager on why this is better than the April deal (I think your guys have a grid on this) and why this is good for labor and human rights as well as the paper we have already done. Is this something that you could spearhead? The 1-pagers would need to be very specific (good description of the import descriptions etc.) -- in the general resume format of the attached fact sheets we worked on earlier.

This is the most recent AP story:

U.S., China Agreement Was Best Deal

By MARTIN CRUTSINGER
AP Economics Writer

WASHINGTON (AP) * The trade agreement the United States reached with China this week is better than the deal President Clinton walked away from in April and will address concerns raised by labor unions and supporters of human rights, the administration said Friday.

However, AFL-CIO President John Sweeney charged that the agreement ``treats human rights as a disposable nuisance,' ' and he pledged labor unions will work to defeat the measure when it comes up for a vote next year in Congress.

U.S. Trade Representative Charlene Barshefsky and Gene Sperling, the president's chief economics adviser, both insisted that the agreement they reached Monday in Beijing far surpassed the offer that Chinese Premier Zhu Rongji had made to Clinton in April.

The president was sharply criticized by business and farm groups when he rejected that package of Chinese market-opening proposals, which they viewed as generous in dismantling trade barriers U.S. exporters have complained about for two decades.

``I can say with complete honesty, this is a better package than we had in April,' ' Barshefsky told reporters Friday. ``Where the Chinese needed adjustments in a few sectors, we were able to rebalance and come out with a stronger package for the United States.' '

Barshefsky and Sperling said the rebalancing effort resulted in better offers for U.S. companies in the areas of telecommunications, auto financing, the Internet and movie distribution in China.

Sperling said the United States was also able to win Chinese agreement to provide extra protections against a surge in textile shipments into the United States and the sale at unfair costs, a practice known as ``dumping,' ' that they had not been willing to give in April.

He said the U.S. side had made it clear to the Chinese that the protections were essential to win to House passage. The fight for House approval is expected to be harder than the Senate vote because of the concerns of many House Democrats about casting a vote opposed by organized labor.

In return for China's offering to lower its trade barriers to U.S. exports, the administration will support China's bid to become a member of the World Trade Organization.

However, Congress has a say in the matter because the U.S. exporters will not receive the benefits from the lower trade barriers unless Congress votes to grant China the same favorable tariffs it offers other nations on a permanent basis, ending its annual review of the issue. Opponents have used the annual review as a referendum on other issues such as China's stance on human rights, Taiwan and alleged nuclear espionage.

In a speech Friday at the National Press Club, the AFL-CIO's Sweeney pledged that labor ``will wage a full and vigorous campaign against granting normal trade status to China.' ' He acknowledged that the unions would be outspent by big U.S. corporations, who are preparing their own intense lobbying effort in support of the deal.

But Sweeney noted that labor opposition had been decisive in defeating Clinton's efforts over the past four years to get the congressional authority known as ``fast track' ' he needs to negotiate new free trade agreements.

Organized labor has opposed congressional passage of fast track unless it includes provisions requiring labor and environmental protections to be a part of future trade deals.

Sweeney said thousands of union members and environmentalists will be in Seattle for a huge march on Nov. 30 to protest the policies of the 135-nation World Trade Organization as it opens four days of talks aimed at launching a new round of global trade negotiations.

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ATT CREATION TIME/DATE: 0 00:00:00.00

[illegible]

**The Clinton Administration Agenda For Seattle WTO:
Expanding Opportunities For American Agriculture
October 13, 1999**

- I. **Building On Progress of the Uruguay Round In Boosting Opportunities For American Agriculture Through Trade:** The completion of the Uruguay Round in 1994 marked the first major step toward construction of a system of international rules governing trade in agricultural products. The agreement improved market access for farmers and ranchers, reduced unfair trade practices, restricted our trading partners from using measures not based on sound science to block American goods while preserving our right to maintain the highest possible standards of food safety for consumers, and provided a strong and credible means of settling disputes. Specifically, the Uruguay Round's Agreements on Agriculture lowered tariffs and reduced trade-distorting export subsidies. Its Agreement on Application of Sanitary and Phytosanitary Measures (SPS) ensured that all WTO members -- 110 at the time, 134 today -- would use science-based sanitary and phytosanitary measures to protect human, animal and plant health rather than as an arbitrary means to bar imports. The Uruguay Agreements also created a strong WTO dispute settlement system which the U.S. has used thirteen times in the past four years to enforce the Agriculture and SPS Agreements on issues ranging from fruit sales to Japan, pork exports to the Philippines, and dairy sales in Canada.

- II. **Next Step Is To Launch Negotiations In Seattle To Achieve U.S. Agricultural Objectives:** The Uruguay Round made considerable progress toward open markets, fair trade, respect for science, and an enforceable rule of law in agriculture. But while those negotiations produced a very strong beginning, we are still far from having achieved our goals. The United States has developed a set of specific proposals for Seattle that constitute an ambitious and achievable agenda for the new WTO Round. Our agenda addresses the major concerns raised in consultations with farmers, ranchers and others, including elimination of export subsidies, reform of Europe's Common Agricultural Policy -- which is the world's largest single distortion of agricultural trade, reduction of worldwide tariff disparities, improvement in market transparency and restriction of unfair practices of state trading monopolies, and the establishment of fair treatment for trade in agriculture products made using biotechnology. **In Seattle, our goal is to launch negotiations to expand opportunities for farmers, ranchers, and other agricultural producers with a specific agenda that will:**
 - **Completely Eliminate Remaining Export Subsidies.** The European Union spends 50% of its overall budget on agricultural supports that distort trade. This includes \$7 billion in export subsidies to support the 2% of the population involved in agriculture-related activities. These EU subsidies represent 85% of the total world's agricultural export subsidies -- and put U.S. producers at a disadvantage in world markets. In September, the U.S. helped forge an agreement among APEC nations in Auckland, New Zealand to make elimination of export subsidies an "important objective for the Seattle Round."
 - **Reduce Agricultural Tariffs And Improve Access For Products That Are Limited By Tariff Rate Quotas.** Since 1948, tariffs on manufactured goods have dropped 90% to an average of just 4% today. Agricultural tariffs, however, remain too high, with bound rates averaging around 50% worldwide, while U.S. agricultural tariffs average under 10%. This tilted playing field disadvantages American agricultural producers and consumers. Along with a reduction in tariffs, we will work to expand the Tariff Rate Quotas (TRQs) so that U.S. exports can grow.
 - **Reduce Trade-Distorting Domestic Supports and Strengthen Rules That Ensure All Production-Related Support is Subject to Discipline.** Currently, European Union farmers are paid to increase production irrespective of market conditions. This causes excess production for the world market and has the effect of depressing international prices. After the Uruguay Round commitments are fully implemented, the European Union will provide \$80 billion of trade-distorting domestic support each year, while the U.S. will be under \$20 billion. This level of spending distorts world trade and undermines the competitiveness of U.S. agricultural producers in world markets.

- **Open Up the Operations of State Trading Enterprises (STEs) So That They Face The Same Risk In The Marketplace As Private Traders.** U.S. agricultural producers have lost too many sales in third country markets due to the non-competitive, nontransparent operations of STEs.
- **Ensure Fair Treatment For Agricultural Products Made With Biotechnology.** Biotechnology -- the use of genetic engineering to raise productivity and create pest-resistant plant strains, develop new medicines and other innovations -- offers remarkable opportunities to protect the environment and fight hunger in the years to come. It also, however, raises consumer concerns which must be met through fair, transparent and scientifically based regulatory processes. In the new Round, we will address disciplines to ensure that these products are treated fairly, consumers and public health are fully protected, and the world's farmers and consumers get the full potential benefits of biotech products.

III. **Steps At Seattle WTO To Boost Agricultural Trade Will Matter For The U.S. Economy -- Particularly Our Rural Economy.** In the past year, a series of unpredictable events -- the financial crisis overseas, natural disasters at home, and a boom in world production -- have placed many rural communities in financial distress. Opening markets so that American farmers, ranchers, and agricultural producers can sell more of their products to the 96% of the world's population that lives outside U.S. borders will help boost farm sales and incomes and lift the overall U.S. economy. According to US Department of Agriculture estimates:

- The United States is the largest exporter of agricultural goods in the world. In 1998, agricultural exports totaled \$52 billion -- this year, USDA has estimated that agricultural exports will total \$49 billion. These exports represent about 1/4 of total U.S. agricultural production.
- Agriculture is one of the few sectors that has consistently run a trade surplus, posting a positive balance of trade every year since 1960. This surplus is estimated to be \$11 billion in 1999.
- U.S. agriculture exports rose by 23.3% between 1994 and 1997, before sharply lower commodity prices and reduced Asian demand caused a turn-around.
- Each export dollar creates another \$1.28 in supporting activities to process, package, ship and finance products. This means that farm exports generated about \$122 billion of total economic activity in 1998.
- Agricultural exports currently support three-quarters of a million U.S. jobs. Until the last year's drop in commodity prices and Asian economic growth, agricultural exports supported even more jobs -- more than 900,000.
- The production from 1 in every 3 acres planted in America is exported.
- These jobs pay higher than average wages and are distributed among a range of communities and professions, both on and off farm, in urban and rural communities. One-third of these jobs are in rural areas, many of which rely on agriculture-related industries as their primary employer and source of economic growth.

IV. **Trade Agreements That Break Down Barriers Are Essential to Increasing U.S. Agricultural Exports:**

- USDA estimates that agricultural export gains attributed solely to trade liberalization since 1985 have been at least \$3.5 billion per year. Once the Uruguay Round and NAFTA are fully implemented by 2005-2008, the projected impact is estimated to grow to over \$10 billion per year. With agriculture exports expected to grow substantially by then, exports directly attributed to trade liberalization will represent 13% of total U.S. agricultural exports. These export gains have already translated into increased opportunities for tens of thousands of U.S. workers --over the next decade this number is expected to approach 200,000.
- Bulk agricultural commodities depend on overseas markets. The portion of domestic commodities like wheat, soybeans, corn, cotton, and rice exported is typically in the 20-50% range. High-value agriculture products also depend on overseas markets. These products include cattle hides (62% of total production exported), poultry meat (17%), beef (8%), pork (6%); almonds (71%), walnuts (51%), sweet cherries (40%), prunes (39%), and raisins, citrus, grapes, pears, sweet corn (26-37%).