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November 1, 1993

PHILIP E. CASSIDY
Executive Director

Alexis Herman
Director of Public Liaison
Office of Public Liaison
The White House - OEOB
Washington, DC 20500

Nov 9 1993

Dear Alexis:

I am very sorry that you were not able to join us in Williamsburg and hope that the minor flap over the article in The New York Times passed quickly when placed in the proper context. As you know, my members speak only for themselves and not for the group. Suffice it to say that the members who appeared at that press conference were not shy in expressing their concerns and look forward to a vigorous discussion of the proposals to remedy a system that the President has so correctly identified as being critical to the nation's future prosperity.

The remainder of our program received considerably less press attention, but was well received by the membership. Mickey Kantor, Roger Altman and Bo Cutter all contributed to what we hope were useful discussions. Unfortunately, Laura Tyson and Sandy Berger were unable to join us at the last minute and we certainly missed their participation. I have enclosed, for your information, our October Economic Report and the meeting minutes which were sent to all members.

Now, on to preparing for our February meeting here in Washington. We will meet at The Park Hyatt on February 23 and 24, 1994. We would, obviously, be most pleased if the President could join us for dinner on the 23rd. Bob Allen will issue a formal invitation as soon as I can give him some indication as to what may be possible. If dinner doesn't work, perhaps we could work out something similar to our visit last February. Please let me know what you think.

I look forward to hearing from you. Let me know if I can be of any further assistance.

Best personal regards,

Phil

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The Business Council

The Williamsburg Inn
Williamsburg, Virginia

Friday and Saturday
October 7-9, 1993

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Joseph E. Antonini
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Edwin L. Artzt
Norman R. Augustine
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Riley P. Bechtel
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Outlook Editor
The Washington Post

The Honorable Roger C. Altman
Deputy Secretary of the Treasury

Mr. Joseph V. Anania
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Ambassador Michael H. Armacost
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Asia/Pacific Research Center

Senator Howard H. Baker, Jr
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Former President of the United States

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National Economic Council

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American Enterprise Institute
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Washington Editor,
The Atlantic Monthly

The Honorable Mickey Kantor
U. S. Trade Representative

Dr. Edward N. Luttwak
Director of Geo-Economics
Center for Strategic International Studies

Mr. Alan Murray
Washington Bureau Chief
The Wall Street Journal

Mr. Clyde V. Prestowitz
President
Economic Strategy Institute

Lt.Gen. Brent Scowcroft USAF(Ret.)
Former National Security Adviser
President, The Forum for International Policy

The Honorable Konrad Seitz
Ambassador of the Federal Republic of
Germany to Italy

Robert C. Wilburn
President
The Colonial Williamsburg Foundation

FRIDAY MORNING, October 8, 1993

Chairman Allen called the meeting to order at 8:05 a.m.

The Members observed a moment of silence in memory of Crawford Greenewalt, Former Chairman E. I. du Pont and L. F. McCollum, retired Chairman & CEO of Continental Oil .

New members in attendance were: Jack Creighton, President & CEO, Weyerhaeuser Company; Glen Hiner, Chairman & CEO, Owens-Corning Fiberglas Corporation; Lew Platt, President & CEO, Hewlett-Packard Company; Larry Pugh, Chairman & CEO, VF Corporation; Lee Raymond, Chairman & CEO, Exxon Corporation; Mike Walsh, Chairman & CEO, Tenneco Inc.; and Doug Yearley, Chairman, President & CEO, Phelps Dodge Corporation.

Economic Panel Discussion

Dennis Weatherstone, Chairman & CEO, J. P. Morgan

Not surprisingly, this report sounds somewhat similar to May's report. The Technical Consultant's see 3% growth, 3% inflation, and they are surprisingly unanimous in seeing the slowdown in growth in the first half of the year as a lull. Reports on conditions in a wide range of industries indicate the pick-up, for what it is, is already on the way. Their expectation is GDP growth should be slightly ahead of 3% during the second half of the year, and to average 3% next year. My view is that the 2nd half of the year and the 4th quarter, 3-3 1/2% might surprise us a little, we might actually creep up to nearer 4%. One aspect that deserves highlighting is the recent strong performance of consumer spending, particularly on general merchandise. It stands in contrast to the gloomy readings from consumer surveys. Inflation is expected to hold at 3%, the same rate projected in May. All Consultant's see businesses continuing to focus on cost-cutting. They do not expect that the downward drift of employment at large companies will turn-around, even if growth goes ahead at the 3%+ range. The major risks seen by the Consultant's continue to come from Washington. For growth, the key risk is the possible response of spending to the higher tax rates, and for inflation it is the possibility of a health care program that is either underfunded and thus boosts the deficit or is funded through higher indirect payroll taxes that boost prices and costs.

The Consultant's reading on the Economy is very much consistent with what I hear from business executives from around the country, which is volumes are OK, maybe a little disappointing in the first half, but a little better now. But price increases remain hard to come by. In this type of environment, the focus naturally remains on cost-cutting.

The Consultant's were half right with their interest rate projections in their last report. Short rates held stable, at the 3% level, and the consensus view continues to be for a gradual rise in short rates. The plunging bond yields over the last few months were unexpected. The other major and fundamental source of the rally: the well-behaved inflation indicators and the passage of a budget package more focused on cutting the deficit and stimulating growth made people feel a bit more confident that inflation pressures would remain controlled. I believe that today's yields are more in line with inflation and budget realities, and thus the largest part of the bond rally will be sustained.

Overseas the news has not been good. The Consultant's are more pessimistic about growth in Europe and Japan, and see no near-term recovery in either place. Clearly much lower interest rates are a prerequisite for a recovery in Europe, and further fiscal support is likely to be needed in Japan.

There is some progress anticipated on the Japanese trade surplus. The Consultant's see increasing evidence that the strong yen is now beginning to dent the exports, and the trade surplus is expected to decline over the next few years. Again, outside of this country, Asia, led by China, continues to be the stand-out growth performer. Growth in China is expected to slow from over the 12% rate to the high single digits. Overall Asian growth, taking Japan apart, is still pretty good, at 6-7%.

Edwin L. Artzt, Chairman & CEO, Procter & Gamble Company

When I was here a year ago I talked about the changing consumer mind-set. The greater value consciousness that prevailed. That attitude has continued, but the results are much better. Our business is improving, we saw a dramatic shift in consumption rates in the middle of last spring and it has continued and is accelerating. In terms of the market here in the United States, we see some definite improvement in consumer purchasing of household personal products, but I want to underscore that the growth rate is still not up to historic averages. Historically, consumer product sectors have grown at about a 4% rate, reflecting some growth in population, some increase in household formation and the effect of innovative products on consumption in various categories. We had been looking at about a 2% growth rate ever since 1990, that has moved up to 3%. During the last 6 months, about 2/3's of the categories we track are up in trend.

Our business which had been growing on a unit volume basis here in the United States on a compounded average of about 4%/year throughout the 80's, has been growing at about a 6% unit volume rate for the last 6 months. 6% growth in our business in a 3% market environment is pretty good for us. Things are really getting better.

Value-consciousness still remains a prevailing consumer attitude, and we think there are a couple of good reasons for that. One is that real disposable income is still only growing at about 1 1/2%, and that's compared to about 4 1/2% over the past 20 years. People have to stretch their purchasing power. The family household has its budget under control, credit balances are down, and people have reached an equilibrium in their purchasing. They still have not given up luxuries, our business is up on our premium-priced products. But they have to make more choices, and they are making them. We have a significantly more enlightened and discriminating consumer.

Efficiency driven cost reductions are at the root of this pick-up in the economy. Our margins today are at a 10-year high, yet our pricing, as a percent of real disposable income, is at a 10-year low. That kind of balance is what is helping turn around our business. We also see that reductions in price gaps vs. price brands in private label products has definitely started to help our business. The final element working to help us stimulate this recovery has been innovative new products. By and large they are premium-priced products. We have had significant growth with products that improve value, like our compact detergents, liquids and refill packs, which reduce the amount of packaging, which has attractive environmental appeal, but also reduces the cost per use to the consumer.

Hans W. Becherer, Chairman & CEO, Deere & Company

I'm in the capital goods business at Deere & Company, so it's somewhat different from what Ed's been referring to, however, there is a common theme, namely that the value component rides very high on our customers' mind today. It is an important element of our success. Let me add, our

largest business - that is farm equipment - is driven by the well being of the farmer and agriculture, and surprisingly, in spite of the flood disaster this year, the farm sector is very healthy. The balance sheets of the farmer have the lowest debt-to-total-asset ratio in probably 20 years. The commodity prices are up relative to last year. Net cash farm income this year will be up about 13%, to the highest level in history. That's about \$10 billion of disposable income that the farmer and the farming sector has this year, and this is all supporting a very buoyant market.

Industry retail sales are up approximately 15% on a year-to-date basis, and should remain so for the rest of this year. Deere & Company's performance is higher than that, and we expect next year to be up only modestly compared to this year. We are looking at two strong back-to-back years in the farm equipment business in North America.

If we go overseas, the picture is somewhat different. In Mexico, business is off almost 50%, primarily because of changes in credit policy by the government for the farm sector. In Australia and those areas, business is good. Latin American business is good. Europe is terrible. Not only is it an issue of the GATT negotiations which have heightened tensions in the farm sector, but the common agricultural policy reform in the Common Market has created a very sick business pursued by an excessive number of competitors.

Price realization in the North American agricultural sector has improved. Price increases in the area of 3 and 4% went down a year ago, and they have just gone down again. Additionally, discounts have decreased.

A second major business is smaller-sized construction equipment, and it is in a strong cyclical recovery in North America. The industry sales in this category are up about 18% this year. We expect that to continue into 1994, with increases in the area of 10% next year. Sales of the lawn and grounds care equipment have been growing at a compounded rate of about 10% a year. Sales this year will be up about 15%, next year we believe it will be up 7%. It is also interesting to note that the price realization in both construction and lawn and grounds care equipment has been similar to what we have experienced with agriculture equipment, in other words, it's improved. Discounts have decreased, and price increases in the area of 3 and 4% have been sticking.

We also deal in a strong financial services group, our fourth major business. It consists of a finance and leasing company, an insurance business, and health-care businesses. All originally spawned to serve internal needs of our operating divisions and have since grown to serve third parties as well. Each of those are also experiencing a good year.

That's all good news, the businesses are up, the bad news, employment isn't. We're achieving this prosperity and increases in production through increased productivity and our employment levels continue to go down. Our expectation is that will continue for the next several years. We don't see that the buoyancy we are experiencing will in any way provide an opportunity for hiring.

John F. Smith, Jr., CEO & President, General Motors Corporation

Coming off two years of financial bad news in North American automotive operations, we're having problems meeting dealer demands for cars and trucks. We're in the midst of the most important labor negotiations in our history. I am optimistic about the business. The stakes are high in the

labor contract. The good news is that both sides have worked very hard in the last year to replace mistrust with an atmosphere that has candor and respect as its base. The bad news is that the negotiations are still going to be very difficult.

I'm also very optimistic about the automobile business. Sales have been very strong since March with only a slight dip in July and August, as we - and the whole industry - were short of some models. The GM outlook is for about a 7% increase over last year's sales. 2/3s of the gain is in the light truck sector. That's the phenomenon of people switching from cars to truck-like vehicles. Trucks will account for about 40% of the total vehicle market this year, a record high. In 1994 we expect a continuing gain, about 5% over our forecast for 1993.

Some factors that are driving the market on the consumer side are very favorable. The positives in the economy, low interest rates, low inflation and low consumer debt burdens clearly influence attitudes on vehicle purchases.

Looking at the areas outside of North America, business is bad in Europe. We're looking at car sales in Europe at about a 17% decline over last year's sales. We think we're probably at bottom but we don't see much improvement in 1994. In the key German market we see it being flat next year. All of our key markets are down in Europe with the exception of the U.K. which is coming up from being in a recession phase just a couple of years ago. Latin American markets are going gang busters, with the exception of Brazil - inflation there is moving up again, something like 35%/month. We are cautiously optimistic.

Edgar S. Woolard, Jr., Chairman & CEO, E. I. du Pont de Nemours & Company

Two things you ought to know about the chemical industry. First, we sell very little to the consumer - we sell to industries. Second, it is one of the most global industries in the world, of the ten largest chemical companies in the world, 8 are in Europe - 3 in Germany. And what has been described here about Europe has impacted the chemical industry dramatically. The big three in Germany, who are in fact, 3 of the 4 largest in the world, are just beginning the restructuring that has been going on in the U.S. over the last 3 or 4 years. We have an industry where growth has been slow and where the German auto market and other markets are causing great dynamic reactions throughout the industry.

In Asia, we see tremendous growth. People are building all kinds of chemical plants, it's booming over there. In the U.S., fair, kind of slow growth. The great anchor is Europe. I said here in the Spring of '92, that we are doing very well in Europe, fair in the U.S.. That our biggest problem was the U.S. auto industry which was our biggest market. That has totally turned around in just 18 months time. The result of this is that prices which on average were up 4% a year in the last 7 years of the 80s have been declining for the last 3 years across our industry. The impact on costs at DuPont is that employment has been cut by 30,000 in the last 4 years. The other thing that's interesting is how many companies who are involved in a chemical business are making some kind of significant change. The idea of focusing on the particular businesses you can do better than anyone else in the world is gaining momentum.

The companies that can have the value added products Ed talked about and who can control their costs are going to do well but you're still going to see a lot of changes in the industry.

WEATHERSTONE: It seems to me what we've heard from the real world seems somewhat supportive of what the Economic forecast was, and may be best summed up with what Jack Smith called a cautious optimism.

QUESTION FROM THE FLOOR: IS IT A plus or minus if Ross Perot wins and Congress turns down NAFTA, what long-range impact would that have on our economy, and also what impact would it have on the European Economic Community trade agreement that's up for ratification soon?

ARTZT: I think it would definitely be a minus, we are strong supporters of NAFTA because we feel that the Mexican market can be a tremendous market for U.S. products. Without it our opportunities to export products to Mexico would be arrested, I defer on the impact in Europe.

SMITH: We see it as a real minus if we lose NAFTA. Our experience when Portugal and Spain joined the Common Market was fantastic. We saw real wages increase in Portugal and Spain and as a result they bought more products from the northern countries. There was no huge displacement of jobs from north to south when they joined the market. And our judgment is that the same thing will happen in Mexico.

BECHERER: The American farmer would benefit from a NAFTA agreement. Every one of the businesses that we're in would improve with a NAFTA agreement. It would be tragic for the country if it's not concluded.

WEATHERSTONE: If it's not passed, I think the perception abroad will be very adverse. Europe will say they we were worried about the U.S. going protectionist and now they've proved it. It will make GATT more difficult.

"The World of Geo-Economics"

MODERATOR: Alan Murray, Washington Bureau Chief, The Wall Street Journal

PANELISTS: Edward N. Luttwak, Director of Geo-Economics, Center for Strategic International Studies; Konrad Seitz, Ambassador, Federal Republic of Germany to Italy; Mickey Kantor, United States Trade Representative

ALAN MURRAY: In the 1950s Americans were living in a world where the living standards doubled every 30 years, today, it would take 200 years. This is a dramatic shift, and we will explore what it means to our place in the world today and to the rest of the world.

EDWARD LUTTWAK: Most of us in this room, grew up in a world where the main business of the main nations of this planet was to compete for territory. In the defense and foreign ministries was where the main business of the nation took place. The arena of world affairs would meet there in terms of what can be called geopolitics.

Military power was the main asset of the nation, used as little as possible. In effect, diplomacy was their main business. In the world today, nations are no longer applying military power vis-a-vis each other. What we call geopolitics continues, but it's been pushed to the periphery, and is in use by small, third-rate countries that are fighting to control territory.

What has replaced the activity in the main arena of world affairs between the main nations while the little guys go on fighting for the territory? Confusion, uncertainty, a love of continuance of the past, that is what I call geoeconomics. Let me make it clear that I am not an advocate of geoeconomics, it's a phenomenon that I have seen. It is the same-old logic of the same-old national conflict played out in the new grandeur of commerce; national rivalries played out by the means of commerce. For example, look at the airline industry, nations are using their national assets for confrontation to conquer a specific industry. It is war fought by economic means.

Critics will say economics is by nature trans-national and no one is trying to put it within borders. The market in the United States is much richer than it is socially ordered, has much more money than tranquility, much more disposable wealth than the non-economic parts of welfare such as security.

KONRAD SEITZ: What is implicit in what Edward said about economic conditions is that we - Americans and Germans - believe in a field of unfettered free trade and what we do is different. Free trade has two theoretical bases, that we produce what we are best at producing and all cultures have some given natural or competitive advantage. This theory often worked out beautifully after the war when the Americans established the free trade system of GATT. Europe and America specialized in different things, and were content to allow each their own fields of expertise. The system became at risk when Japan appeared on the scene. They never played the GATT game. The bigger the weight of Japan in the world economy, the more difficult the situation became. We introduced managed trade, while still ascribing to the theory of free trade.

MICKEY KANTOR: Simple theories lead to simple solutions which beg reality. Sluggish adherence to some theological principles only lead you to the wrong results because your analysis is skewed by a theology that may or may not exist for a particular case.

For example, from 1945 to 1973 we were the unchallenged economic power of the world. Geopolitics ruled economics for that reason. We used economics as a bulwark against Soviet expansion. We allowed our borders to fall open for trade to protect infant industries in Europe and Japan so they would become stronger economically. And we all agreed it worked. But in 1973 with the oil shock, we were no longer the preeminent economic power in the world; it became a tri-polar world economically. Instead of reacting to that, we continued to play the geopolitical game and allowed our foreign policy to drive our economic policy. The major change this Administration has made is that the President understands clearly that our economic security has become our international security. Economics now has to drive foreign policy concerns.

Slavish adherence to any one approach to this problem is doomed to fail. Practical pragmatic approaches are the only ones that work. Theoretical approaches based on philosophical entreaties are only going to lock us into positions that are not beneficial to anyone.

MURRAY - There seems to be two trade policies in effect. One based on the notion that you can establish a set of rules, a GATT agreement that can govern world trade. But for the Japanese, talk based on rules haven't succeeded, and you have to start talking about result oriented policies. Is that true, and is there any danger in discriminating against countries like this?

KANTOR: I agree that we have two policies, but disagree with the way you characterize it. It is overly simplistic to say we have one policy here and one there. You have to integrate.

LUTTWAK: The Anglo-Saxon hymn, let's have no theology, no strategy, no system, let's be pragmatic and take one thing at a time. There has been a contest in the last 40 years between the Anglo-Saxon players (U.S., Britain, Australia, Canada), believers in pragmatism, and the Japanese, who are not ruled by society. And the results of this contest are clear, the Anglo-Saxon approach has failed.

MURRAY: Dr. Luttwak, the model you talked about, seems to assume there will be or should be a collusion of interest between the people running large multinational corporations and the governments of the countries in which they are located. How does the notion of the globalization of industry fit with your notion of geoeconomics?

LUTTWAK: It does not fit, it is a conflict. In some areas there is no geoeconomics and in some areas it is all geoeconomics. Geoeconomics is driven in part by traditional elitists trying to remain in business. Another thing it is driven by is realities of particular industries. The prevailing rule of American managers is to be absolutely indifferent to the welfare of their fellow Americans, and instead, to pursue the economic goals they wish to pursue under the real pressures of the market. It is also true that some companies have a consciously national identity, pursuing national goals by economic means. In this sense there is not one theology, but clashing theologies. One thing is clear; we cannot lean on the common belief of free trade itself, what we have is a strategic fortress to fight the cold war and a fragile lean-to of international trade.

SEITZ: If you have a national industrial stage and a group of people dedicated to long-term approaches then it makes a big difference. There is no conflict of interest between American and European countries, because both are geared toward balance. There is a much bigger conflict between Japan and the rest. We have to work in creating alliances where you have joint development and production.

"NAFTA" MICKEY KANTOR, U.S. Trade Representative
and Lawrence Bossidy, Chairman & CEO, Allied-Signal, Inc.

KANTOR: All of you engage in international trade and it has a profound effect on what you are doing. We can't escape the reality that we have got to begin to build our markets internationally and we have got to open up our markets, and NAFTA is critical.

The best social program we ever implemented in this country is jobs, and this President is committed to our people, our country and NAFTA because it grows jobs. Let me approach NAFTA from the American worker's perspective. It will not lose jobs, just the opposite. We can no longer afford a program that will give trade preferences to goods made with U.S. component parts, coming in from Mexico, to companies that move there to get trade preferences and to hide behind the high trade barriers in Mexico. It doesn't make sense. In the NAFTA, for the first time in any trade agreement, we are going to induce other nations to enforce their own laws.

President Salinas has lowered the tariffs and non-tariff barriers to some extent in the last five years

and we know what has happened. 444,000 new jobs strictly due to exports to Mexico. We have increased our exports from \$12 to \$46 billion to Mexico and it has become our third largest market in the world.

The second fastest growing major region in the world is Latin America. Are we going to reject this treaty and turn them to Japan and Europe?

We are going to build the largest trade preference zone in the world. If we want to compete and be put on a level playing field, we have got to build the largest market in the world in order to grow our capital, grow our jobs and be more competitive.

You can be of inestimable help. I'm up on the Hill every day, and I get a constant refrain. "If there was a secret ballot tomorrow, NAFTA would pass overwhelmingly", but politics are involved. They are not hearing from your workers. But they are hearing from the Perot folks and from Labor.

LARRY BOSSIDY: I don't want to extol the benefits of NAFTA, I just want to talk a little bit about what we have to do to win a battle for an epic trade difference.

First: This curious consortium which forms the opposition is well-financed. Therefore, one of the things were trying to do with U.S.A/NAFTA is raise money. We've asked a number of companies to contribute \$100,000; 50 have. We are going to need more if we are going to prevail over what is going to be a very hectic upcoming six weeks.

Second: We have a National Products Day on Wednesday, October 20th, on the South Lawn of the White House, where products exported to Mexico will be displayed. It'll get good media coverage, and we hope it will make some difference in swaying some people's minds.

Third: We want you to make NAFTA a top priority of your Washington offices. Each and everyone of you, I hope, will communicate with your Congressmen your thoughts on this matter with regard to the jobs it will either create or retain. That will have a major bearing on how they vote. And finally, we want to activate our grass roots campaign and that means your plant managers and their workers and suppliers and retirees. We need all of your constituencies to write or call their congressmen.

At the end of the day we can come out on the right side of this issue.

"The New International Economic Issues"

MODERATOR: Jodie Allen, OUTLOOK Editor, The Washington Post

PANELISTS: Roger C. Altman, Deputy Secretary of the Treasury; Kenneth S. Curtis, First Vice-President, Deutsche Bank Capital Markets, Asia; Clyde V. Prestowitz, President, The Economic Strategy Institute, Christopher C. DeMuth, President, American Enterprise Institute for Public Policy Research

KENNETH COURTIS: First question: where is the growth going to occur over the next 10 years? My opinion is 1/2 to 3/5 of the growth in the word economy will come out of Asia, which will

experience 4.7% growth. Second question: where is the money going to be? Net savings rates of households and corporations in the Western G-6 nations was 7.6%, falling systematically from the 1960s where it averaged 15.2%. Last year's Japanese net savings was 22.8%. I don't see much occurring in demographics and public policy to suggest growth relative to the imbalance that will occur anytime soon. In 1982, 14% of central banking reserves were held by Asian central banks, by June of this year it was up to 43%.

Europe and North America being net importers of capital, are going to be increasingly importing capital in terms of Asia. Money is going to be available in Asia to finance their growth in terms that are more favorable to them, and companies can lead in those markets and can have increased access to assets.

Any instability - financial, economic, political or military - in Asia will be transferred to world markets at a much greater speed and force than is currently understood. In all of this, is that Japan represents 65-66% of the economy of Asia, and in that sense, we cannot have an Asian strategy without a Japanese strategy.

If we can't put investment into the Japanese market place it's going to be very difficult to cut the grass from underneath them and slow their pace of expansion globally and particularly in the Asian market.

Japan itself is at an impasse. The cold war has ended, demographics have changed. If they make the transition and free up domestic demand they will be tougher competitors than they have ever been in the past. If not history will see that the 1980's was the peak of Japan. I think from the corporate perspective they are on the defensive, so now is the time to roll back market shares and cut prices, because they cannot respond.

Japan is shifting to Asia at a blinding speed. They are moving to harness the Asian markets from a global perspective. Another point is to look at China. My sense is that all the indicators are out there, that China is at it's peak in the current cycle and is going to come down. After China comes down in the next 2-2 1/2 years it will be very attractive to invest there. The long-term trend in China is a very positive.

This integration is going to be a very bumpy one, especially for the nations of Asia like Thailand, Indonesia, and Malaysia.

Japan has an enormous vested interest in keeping the momentum going in China. There is a movement of converging interests for the Chinese and Japanese. History can get into the way.

Common Market is forecasting 2 1/2% growth, and North American is going to have a slow decade.

After every major war, the balance of power changes. Now with the end of the cold war, the balance of power has dramatically shifted, and the institutions today are just incapable of dealing with the new balance. The new superpowers, Washington and Tokyo will have to sit down and put all the cards on the table and try to come up with new institutions.

ROGER ALTMAN: I want to make some basic points about the inter-relationship of international

economic trends and geopolitics. Not from the point of view of the short-term, but long term.

First: There are reasons for great optimism in terms of the world economy and economic growth. Huge regions of the world are in the process of converting to capitalism. Communism as an economic philosophy is dead and buried, and the role of the state in economic matters is diminishing. Global trade and investment are rising relentlessly and will continue to do so, as will the trade liberalizing process. The concept of a closed economy, at least among developed countries, is in sharp retreat. I think NAFTA will be an extremely close vote, but will be won. GATT, very similar, down to the wire, but successful. The trends in the globalization of financial markets and the investment that they intermediate are inexorable. I would argue that the negotiations of trade liberalization are less important than the realities of these markets.

The second mega-trend in effect is that Europe is the past and the Pacific community is the future. European will economically and politically is diminishing. Economies in Western Europe are increasingly exposed as rigid and less adaptable to the ferocious pressures of global competition. One has to doubt whether most of Western Europe can adapt to the changes we are talking about this morning in the same fashion that the U.S. has adapted. The medium-developed world is the future and the Pacific community is the center.

Third mega-trend: The jury is out whether the Japanese model will continue to realize the successes it has in the past. Questions about its adaptability, limits on Japanese opportunities in the Pacific region, stemming from old antagonisms, i.e. China. Short-term, Japan's global current account and its surplus will diminish sharply. That will positively affect the U.S. account with Japan.

Fourth mega-trend: China will probably become the world's largest economy. On a purchasing power parity basis, total GDP of China is already 45% of ours, larger than Germany's or Japan. Chinese GDP growth has averaged 8.7% - we've been around 2.3%. On that basis, its GDP will surpass ours in about 11 years. There are obstacles to that, but the rise of China is probably the single most important international economic issue the U.S. faces.

CHRISTOPHER DeMUTH. I'd like to offer a qualification to the view that Roger Altman presented. I think the most important development in contemporary international politics is the fact the U.S. and other nations are increasingly ceding authority over matters that were once considered the prerogative of the nation state, such as foreign military intervention, to regional and global international organizations. The authority that is being ceded to international organizations is not in response to international politics, but is in response to domestic political pressures.

The growth of international trade and commerce has increasingly been eroding the jurisdiction of governments over domestic matters. The existence of international commerce puts great pressure on governments to get domestic economic policies right.

I believe that this NAFTA project is going to go poorly. I think, as we have seen in Europe, these agreements will tend to break down. They will provide new sources of friction among governments, and new sources of uncertainty for business executives. In the end, I think they will break down for the simple reason that differences among nations in income, cultural traditions, for the extent of redistribution they want in their domestic economies or tradeoffs they want to have between income

and leisure and most importantly of all, environmental matters are very different. It is fine, in the NAFTA side agreements to be addressing true cross border pollution problems, but when it gets into matters of domestic policy, our ideas of a good domestic environmental policy are likely to be radically different from those of Mexico.

These will break down and I think that is a good thing. Clearly the adaptability of national economies and their policies is going to be critical. I think it would be best that the U.S. recognize that in a world of international commerce, our policies have to be adaptable rather than trying to export our policies, assuming that they are the best for everyone else.

CLYDE PRESTOWITZ: The single most important factor facing the world economy over the next 10-15 years is going to a major shift in paradigm and how the U.S. and the world reacts to that shift. For most of the past 40-45 years we have won, in the U.S. and globally, an international economic policy based on a certain paradigm. That paradigm asserted the primacy, the priority of geopolitics. We were prepared because we were able to make economic concessions to achieve geopolitical objectives. It was also based on a concept that through free-trade we could support growth of peace, and cement alliances, cement the resistance to the spread of communism by creating a higher standard of living on an international basis.

The debate between protectionism and free trade is a meaningless debate. The truth of the matter is that global markets will be increasingly integrated whether you like it or not. So the question becomes, what are the terms of integration which becomes linked with jobs and their quality. It is the fundamental question that will face all leaders. As we approach the question in terms of global integration we have competing approaches as to how its done. This is going to force the U.S. to make some choices among policies.

I question the adequacy of the current international organizations (GATT, OECD, IMF) to deal with this question. I believe they are inadequate.

JODIE ALLEN QUESTION: What game is Salinas playing by setting a January 1 deadline for approval of NAFTA without further amendment completion of NAFTA or he would take his business elsewhere? Smart strategy or real threat?

ALTMAN: Look at it two ways 1. Domestic pressures as they apply to Mr. Salinas and 2. whether his expression has any impact on the debate in this country. I think it's obvious that the failure of NAFTA to pass would be bad for Mexico and Mr. Salinas is acutely aware of that and how high the stakes are. I'm skeptical about how wise a comment it is relative to our debate in this country. I would doubt he would sway a single vote in this country by his comment but perhaps he's done it for his own reasons at home.

The reasons that NAFTA is in such difficulty are not essentially related to what Mr. Salinas wants or doesn't want. They center around the issue of jobs. Will it create or cost job? The issue from here to the end is a nitty-gritty, vote by vote, trench warfare issue, that Mr. Salinas comments have more or less nothing to do with.

PRESTOWITZ: His statement is indicative of a number of problems that Mr. Salinas is facing. It is negative from the U.S. point of view, even gives some ammunition to it's critics. I think the threat to

go to Europe or Asia is an idle threat. Mexico has nowhere else to go. It suggests to me that he has to play to his own nationalist wing and if NAFTA goes down then we could expect a protectionist, xenophobic reaction that will be good for no one.

JODIE ALLEN QUESTION: To follow-up on your comment that the side agreements might cause friction, but they won't cause results, contradicts comments made that it would give us leverage to protect things like the environment and workers, especially child laborers. Which is the truth?

DEMUTH: We are a very rich nation, and have the wealth to provide for the welfare of children in America. You can imagine a case where international realities are constraining on government, even a very rich government, from pursuing genuinely good policies. That is not an important point given the realities of domestic policies in this very rich country today. The best things we can do, our best international competitiveness policy, our best domestic industrial policy, is to cure our policy infrastructure. Our policy infrastructure is in worse shape than our transportation infrastructure and it has far more to do with the success of American firms in international commerce than all the trade agreements, all the side agreements, all the efforts to harmonize what the other nations are doing. I think we should focus on the reality that alone we cannot shape international commerce and try to get our domestic infrastructure cured. That swamps the importance of all of the other issues in international economic policy today.

PRESTOWITZ: I think the debate in NAFTA over labor and environmental standards points out the point I was trying to make earlier, and that is the new paradigm. And that is that when you move toward deep integration, where multinational corporations are producing and investing heavily in foreign countries, then it seems to me that you will inevitably get forced towards a standardization of rules. The best example of this is the European Community.

Dinner Speaker , Friday, October 8, 1993
JIMMY CARTER - Former President of the United States

As a former President I have almost unlimited access to anyone on earth, and the prestige of having been the leader of the greatest nation on earth. Out of that environment I have evolved a few basic principles for the Carter Center. I'll only mention two of them.

First of all, we do not duplicate what others are doing. If the United Nations, World Bank, U.S. Government, Harvard University or others are involved in an issue effectively, we do not duplicate or compete with them.

Second, we don't undertake a study, conference or project just for the academic analysis of an issue, unless there is a direct action or result that's in prospect. We bring together people who are experts on the most important issues to our country and the world. We also bring together people who can actually put into effect the recommendations we make. We concentrate on a few major issues: Peace or conflict resolution; Democracy or the holding of elections; Human Rights in which we intercede with the leader of nations in which human rights violations are taking place to alleviate suffering. I don't think there is any way to separate the search for peace, democracy, freedom, human rights and the alleviation of human suffering. We think they are interrelated.

Every day at the Carter Center we analyze every conflict on earth. The most recent count that I've had is that there are 112 conflicts on earth, 34 of which are major wars. A major war, by our definition, is one in which more than 1,000 people have been killed on the battlefield. Most Americans would know about two or three or four. With a very few exceptions, all of these wars are civil wars, and the tragedy is that they have resulted in tremendous suffering. The worst on earth is Sudan, within which almost a million people have died. 260 thousand people died in one year, while almost totally outside the consciousness of the American people.

Yet the tragedy of these major wars is that except in special cases, the United Nations and the U.S. Government are prohibited from dealing with them. The reason is it is not appropriate for a U.S. Embassy or a United Nations official even to communicate with revolutionaries who are trying to change or overthrow a government which is a member of the United Nations or to whom our ambassador is accredited. We move into those vacuums, and one of the characteristics of our Center is that increasingly, the disreputable people - as judged by American public opinion - stay in contact with us.

Another thing that we do, in addition to analyzing conflicts, is try to resolve them, through mediation and negotiation. Increasingly, the holding of honest elections in a war-torn country is the best way to alleviate or prevent a war.

I have been in politics a relatively short time, but I know politics is the science of self-delusion. If you want to be the mayor, the congress member or the president of a country, you believe that if the election was only honest, and if the people know me and all these other characters, surely they will vote for me. We go into countries and conduct elections. We make sure that the voters list is accurate, that opponents can qualify without intimidation, that they can have access to the news media, that the votes are honest and are counted accurately, and that the victors and the losers will accept the results of the election graciously. We have handled elections in Panama, Nicaragua, Haiti, the Dominican Republic, Suriname, Guyana and Paraguay in this hemisphere alone.

This next year we have three elections where we believe we will be involved. Ethiopia in May, a second election in Panama, and the third in the Middle East which must be held within nine months of the recent agreement.

We stay in contact with people like Noriega in Panama, and the Sandinistas in Nicaragua, and with others, including more recently and for the last ten years, Arafat, representing the PLO, and even more recently General Aideed in Somalia. They come to us because they do not have access to our government. I think it is a mistake for there not to be any communication, because quite often these are oppressed leaders, and to exclude them from any possibility of redemption or saving face, means their their own citizens continue to be persecuted. We provide an opening to these kinds of leaders.

Another very important thing that we do is to try to alleviate suffering. In Africa, we have 26 different nations included in our programs. We have, at the Carter Center, the task force on Child Survival, which is responsible for the immunization of all the children in the world. And working within this task-force is the World Health Organization, U.N.ICEF, United Nations Development Program, Rotary Clubs and others. We have another task-force on disease eradication. We analyze every disease that afflicts human beings and try to identify those that theoretically might be totally

eradicated from the face of the earth - not just prevented and cured - but totally eradicated.

We are very concerned about starvation in Africa, and we have a program to teach small farmers how to rapidly increase their production of basic food grains, maize, millet, wheat, and sorghum. We had a program in Sudan where we were able to increase their production from 150,000 tons to 850,000 tons per year. This has given us a foot in the door of Sudan, which has by far the worst war on earth today. This the kind of thing we are able to do at the Carter Center, acting as a non-governmental organization, but trying to cooperate fully with our own government.

Another program that we have recently started is the Atlanta Project. I have been so deeply immersed in the problems of the world, that I tended to ignore the problems that exist in the ghetto areas of our own country. So we decided to prove that the lives of our own neighbors, instead of steadily deteriorating, could be turned around and made better. So we identified, in Atlanta, the people that are the most destitute and in need. We divided this group into 20 different communities. One of the keys to this is that we have formed a partnership with major corporations. Each corporation has a partner community of destitute people. This partnership is bringing rich dividends, not only to the people in the community, but also to the corporations as well. Marriott is the company that broke ground with this corporate partnership, and out of it has come the model for the cluster communities in the Atlanta Project.

We have almost an uncrossable chasm between rich and poor people in this country. I am not talking about bank accounts, a rich person in our society is one that; has a home in which to live, modicum of education, at least a chance for a job, who is not afraid to go out the front door, who believes that the police and judicial system are on our side, and who think that if we make a decision it would make a difference, at least in our own lives. The poor people who are our neighbors, don't have any of these things. We have written a work book on this that is available to you, and if you are interested, just contact me.

Another project we have, is to analyze the communications in what was the Soviet Union. We were asked to look at the television there by then President Gorbachev. They had only two major channels. He wanted to know how a television network could be used to conduct an election, a referendum. I received a call from Russia telling me the people planning the election in December were using our textbook (which has now been adopted by the United Nations) as a guide on how to conduct that election. There were only two networks, now there are over 100 in the former Soviet Union, and they have followed the guidelines laid down by the Carter Center for the evolution of these new and independent networks.

One other point I want to make to you is about Somalia. I think Somalia indicates some of the problems that I have hastily gone over in my previous remarks tonight. There has to be some kind of communication kept open with those whom we despise or distrust, or whom we think are inferior to us, or who have committed crimes according to our standards. To close off communications with them almost inevitably causes increased suffering of their subordinates or citizens, or it means that a disagreement will rapidly escalate into increasingly massive military confrontation. That's why we keep open our doors of communication. I'll just give you a quick example. About 5 or 6 weeks ago, I got a letter from General Aideed asking me if I would meet with a delegation representing him. I immediately checked (as I always do) with the State Department and the United Nations and they thought it might be constructive. So a delegation came from Aideed to talk to me, and presented his

case in a fairly convincing way. I was encouraged to arrange communication with Aideed and his people. I arranged for a delegation to go into Mogadishu to meet with Aideed, his tribal members, and members of other tribes who in the past have opposed Aideed. Last week the delegation came and reported to me in New York that they had had a successful visit to Mogadishu, that Aideed had grown tremendously in stature and popularity in the last few weeks. He still desired to resolve the issue peacefully, and that he wanted to abide by the findings and decisions of an international commission - all of whose members would be appointed by the United Nations Security Council. He wanted me to be the mediator - which I've not been asked to do. I was delighted by the new approach announced by President Clinton yesterday, which I think has a good chance of success, and that he backed away from the ill-advised attempt by the United Nations forces under our own General Howe, to kill or capture Aideed (which I think is a hopeless task) and to revert back to a political solution. Only the Somalians can decide what kind of government they would like to have.

The last thing I will mention is the Middle East. I have been involved in the Middle East since my presidency, and have had no restraints placed on me by the White House and have frequently met with both sides. As you know, right until the final signing, our country refused to have any communications with the PLO, so the entire process was conducted in Norway. Out of all the negotiations has come an agreement totally compatible with the Camp David Accords, and which has good prospects for success in the future.

I would like to close my remarks by urging all of you to look very closely at the possibilities of investment of business enterprises in the West Bank and Gaza. That's what I was really asked to talk about tonight. But I think you realize that the World Bank and IMF orchestrated a meeting, presided over last week, by Secretary of State Warren Christopher and \$2 billion was pledged by the participants there. The first priority will be to restructure an infrastructure in the West Bank and Gaza, this would include garbage collection, the renovation of elementary school systems, fresh water supplies, transportation, and also some sort of legislative capability. In the long term it will be very important for American business leaders to take a close look at not only the potential for your profits in the area, but also for a major contribution toward peace.

I hope that you will see that these trends in the global community are ones that have great potential tragedy involved if they are not addressed by dealing with the leaders who are personally involved. Secondly that these are not hopeless cases. The world is an environment of cause and effect. Wars can be prevented or ended with the same basic techniques as you resolve a conflict within your own family circle, neighborhood, or corporation. The world cries out for peace. Human rights is on the cutting edge of societal change. There have been successes like the West Bank and Gaza, and between Israel and Egypt. I hope that this group of leaders in our own country will take the responsibilities in your own fashion to make a profit and to contribute to a better life, not only for us in this country, but for those who look to us for leadership around the world.

QUESTION: You have commented that you have been in contact with Gen. Aideed. Do you believe there is a solution without further bloodshed to our troops and to the people of Somalia. Is he reasonable enough that he is amenable to any solution other than his own leadership?

ANSWER: Let me avoid one aspect of that question. I don't want to speak for him, because I don't know the degree of his integrity or his honesty with me. I just know what he tells me. Aideed was the preeminent leader in Somalia who overthrew the disastrous dictatorship. He is looked upon by

his own tribes, and increasingly by other tribes as the preeminent person who brought freedom to Somalia. At the same time he has been involved with a military struggle with other warlords for preeminence in Somalia. When the United Nations went in under Pres. Bush's leadership, he was in the forefront of those who welcomed the United Nations to come in to guarantee the delivery of relief supplies, but made it plain then, that he did not look upon the United Nations as playing a role of colonial governor of Somalia. He felt the people should have a right to determine the kind of government they would have and democratic elections. The tribal leaders met in Addis Ababa and unanimously evolved a framework for a government of Somalia. This agreement was rejected by the United Nations and U.S.. Aideed, or his people, orchestrated the killing of 2 dozen Pakistanis. Adm. Howe took upon himself the responsibility or commitment to kill or capture Aideed. This has been the driving force ever since June 5.

Aideed has agreed to accept an international commission to look into the allegations against him, and agreed to abide by the findings and decisions of this commission whose members would be appointed by the U.N.. The United Nations, however, has not been willing to let the commission look at anything that has happened since June 5, because we have been guilty/culpable/responsible for the killing of literally hundreds of Somalis on the streets of Mogadishu. This past Sunday when 17 Americans lost their lives, the International Red Cross reported that more than 200 Mogadishu citizens lost their lives and more than 700 were wounded. We look at only one side and don't understand how they feel about it.

What can be done about it now is drop the attempt to capture or kill Aideed as a driving purpose of the Somali expeditions; send enough forces in to protect our people if they are pinned down; let the Somali people decide what kind of government they should have; and offer international supervision to hold an honest election, if and when it takes place. And to call on the leaders in Ethiopia and Eritrea to take a leadership role in trying to mediate between the Somali leaders and the United Nations.

Within the last week the State Dept. and the White House have been imploring the Secretary General Boutros-Ghali and Adm. Jonathan Howe to drop the military emphasis and to move toward a political solution. The Secretary General and Jonathan Howe refuse to do this. And since we have turned over the decision to the United Nations our own government's inclinations were frustrated for a week. The Secretary General agreed to comply with a reduction of the military effort and an escalation of the political solution to the problem. I would like to see us completely out by March, have some framework for government to be negotiated in Addis Ababa and the Carter Center would be glad to be called upon to help guarantee that the election process is honest, open, free and safe.

SATURDAY, OCTOBER 9

"The New Diplomacy"

PANELISTS: Harold Brown, Counselor, Center for Strategic International Studies; Michael H. Armacost, Senior Fellow, Asia/Pacific Research Center, Stanford University; Clyde V. Prestowitz, President, The Economic Strategy Institute

CLYDE PRESTOWITZ: The theme of the meetings yesterday and today is the change in U.S. priorities as we go from a period of cold war into a new era, and the implications that has for U.S.

trade, foreign, domestic, international and economic policies.

Harold Brown will talk about geopolitics in an era we are describing as geoeconomics. We are in a new era and need at least modifications of our policies in dealing with it. Economic issues have much more weight than they appeared to 20 years ago, and the U.S. is no longer economically predominant. We do, however, remain the predominant military power, and have to decide what to do with that. We shouldn't act in a way to encourage others to become military super powers. We need to look at what are our key areas of security, discouraging proliferation of nuclear weapons of mass destruction and encouraging democracy.

What we ought not to do is withdraw and let others take care of themselves, I think this is a serious mistake. A new way of looking at it is we want to encourage stability in key areas. We want to prevent wars and a reversion to the situation that prevailed in the 1920-1930s that led to World War II. If we were to withdraw, and say to the Europeans and Japanese that you're on your own, a stabilizing influence would be gone from both of those areas. They might take steps to protect themselves, and rearm and acquire their own nuclear defenses, and assert a military capability. The thought of Germany and Japan each with a million troops and nuclear weapons is a somewhat disconcerting one. It comes only at the end of a long series of events which may be unlikely, but it does suggest there are reasons for the U.S. not to withdraw militarily and diplomatically from the rest of the world.

The U.N. confers a blanket of legitimacy to not only humanitarian and peace keeping actions, but also conceivably peace making - which is a euphemism for combat. The U.N. is not organized to manage or carry out military operations, logistically, organizationally or politically. The Security Council can serve such purpose in critical situations - a Gulf War - but national interests of the the permanent 5 members are likely to diverge in lesser cases, and that will will make the U.N. a difficult but occasionally useful vehicle.

I think there may be more promise to ad hoc or regional coalitions, in some of which the U.S. should play a leading role, and in others only a supportive role.

MICHAEL ARMACOST: My only real involvement in the economic side of our foreign policy was during my time in Japan, so this is sort of a practitioner's view. I noticed in my four years out there, a number of developments that converged to force a reconsideration of the content, the priorities and methods of our economic diplomacy, at least as how it related to our principle trading partner in the Pacific. First, the end of the Cold War, second, the growing awareness of the relative decline of our economic position and third, growing sensitivity to the way in which some of our competitors (principally Japan) used government to alter the terms of competitive advantage. This nurtured a sense of grievance and the feeling that they operated under different rules, and we got the short end of the stick in most of the negotiations. I sensed this really articulated an anxiety that this had security implications over the long and not so long-term. This required special attention to our role in the high technology sectors of the the market and a recognition that Japan's pursuit of high volume manufacturing in that sector had increasing relevance to the military sector. During the Gulf War you will recall the degree of concern about our dependency upon the supply of many key components of our weapons systems by other nations than our own. Finally, a general appreciation that interdependence was growing and conferred many benefits, but a sense that somehow or another the balance of that interdependence was shifting a bit, not necessarily in our favor.

These seem to produce some adjustments in our priorities and concerns: a greater centrality of economic considerations in all foreign policy, a growing recognition that the key to assertive economic diplomacy was a better mastery of the fundamentals at home, and a recognition that the asymmetries of access to the Japanese market simply required urgent attention. The biggest source of this is the imbalance in the U.S. between consumption and savings and the imbalance in Japan between domestic savings and domestic investment. Therefore the most urgent item on the economic agenda with the Japanese, is better coordination of macroeconomic policy. Even more urgent now as we are attempting to do something about our deficit, because restraining consumption means some deflationary effects on our economy and it's necessary to compensate for that by stimulating the foreign markets and relying more heavily on the exports sector to stimulate growth at home.

Another implication is the duty to look at the relation between trade and defense. The alliance serves our interest very well, it is an efficient way to maintain a balance of forces that contributes to our security and protects trade in the area where our trade is growing most rapidly, but that's no reason not to look at the operational arrangements that support it. We have ceased soft-pedaling trade issues in order to preserve the cohesion of the alliance, and reminded the Japanese that failure to address economic issues will undermine political support for defense cooperation in our country. Secondly, we have tried to get them to pick up a bigger share of the cost of the alliance. Thirdly, we've tried to look at our requirements for supply with greater sensitivity to what the critical components of our weapons systems are. Finally, we've tried to see that the exchanges of defense technology are more balanced.

It is clearly necessary for us to have some protection against excessive use of government to alter the terms of competitive advantage. We shouldn't focus exclusively on the competitive aspects of our relationship with countries like Japan, therefore one of the principle objects of our diplomacy with them must be directed to harnessing the tremendous strength they have for the purposes we are pursuing in the world.

QUESTIONS FROM THE FLOOR:

HAROLD BROWN: Can our military predominance be used in gaining economic advantage in shifting the balance? Unfortunately, my answer is no. I think the situation is, we are not going to be able to say to our allies that they have to go beyond what the Japanese do, you have to open your markets and change your culture. Because the threats that remain after the demise of the former Soviet Union, although they are real, are sufficiently remote that you cannot co-opt much that way. You can get them to pay most of the costs of what we do there. You can get them to buy our products over theirs, you can shift the balance until its neutral, but not much beyond that, because in the end we are carrying out these security roles in our own interest.

PRESTOWITZ: Mike, the Japanese benefit more than just the local costs that they pay for the alliance, they pick up local costs, but do not pick up costs we bear in keeping up the fleet in the Western Pacific. Because of the emphasis that we ourselves place on maintaining a military presence, the Japanese have gotten away with only bearing a piece of the local cost and are getting most of the benefit of the trade relationship.

ARMACOST: I think it is in our interest to have a stable balance of forces in Asia and that balance is not going to exist without our contribution. I believe that a 70% share of local costs is a significant contribution. If you increase it too much, you endanger the flexibility in operating those units, in fact, you become a kind of mercenary. If the Japanese pick up all of the tab, they are going to expect to control the terms under which we operate. We always wanted that flexibility, because although we are deploying units in Japan, we use them in other areas.

We are not looking so much for relief in the cost of our forces, we are looking for relief in handling big international challenges. It is far more in our interest to get the Japanese to take the political initiative, to help us with the big job of helping with the reform efforts in Russia or with the problems of the Middle East. More mileage is to be gained in the burden sharing field by concentrating on these international issues outside of Japan, and there is not any doubt our ability to work those issues is enhanced by retaining the base of an effective alliance. They recognize having the connection with us facilitates their relationship with other Asian countries. The alliance gives us leverage on these broader international issues, and we will get more out of the relationship if we concentrate on those where the returns are probably higher than getting some cost relief.

PRESTOWITZ: Are you both suggesting that we are indefinitely going to make a commitment to maintain major military deployments in the Pacific and be in a situation where our Asian trading partners are spending substantially less than we are on defense. Is there a mechanism by which we could, on a non-emergency kind of basis, extract money from them to support efforts such as development in Russia?

BROWN: We spend a larger fraction on our GDP on defense and foreign aid than our allies in Europe and Japan, however, if you put that in context, that different percentage of GDP is less than the difference in GDP that we now spend on health care and that we will be spending in 5 or 6 years on health care, even if the administration's figures are right on what they will be able to do to contain costs. That's more than our defense expenditure. So when you think about why we are less competitive, and worry about defense and foreign aid as the reason, you have to put in context the other ways in which we spend our GDP. In regard to the justification of indefinite presence in Asia, if we did not deploy those forces in the Pacific or the 100,000 troops in Europe that are planned for deployment through the decade and brought them back, we'd still be paying the operating costs.

PRESTOWITZ: Unless we disband them.

BROWN: There of course is the question: Are you worried about the remaining threats in the world? That's a very fundamental question. We've been through it many times in the past and made the wrong decision.

China has clearly undergone a revolution, it is no longer a Communist political or economic system any more, it is more the familiar oligarchic political system, and as a result their growth has been unbelievable and probably unsustainable at the present rate. It is all very well to say that in purchasing power parity China is as big as Japan, but purchasing power parity is not the right measure for international influence or trade, it is the right measure for what the standard of living is.

China is of increasing economic weight and accordingly can gain increased military capability and political weight. By the end of the century they are going to be able, if they wish, to become a major

regional power, and may start throwing their weight around. That is one of the reasons, I believe the U.S. needs to keep up their security arrangements and military presence in East Asia - to act as the balancing force.

I don't know what the Chinese are actually going to do, but at the moment they are already causing some troubles. Our relations are not nearly so good as they were in the late 70s. And because they see themselves, I think, as a leader of the Third World, of the newly industrializing parts of the Third World, they are somewhat less likely to go along with us in some of the policies we think necessary. We need to find a way to deal with that and I don't think we have. I think that China is going to be a regional power. It could be expansionist, but it's not, in my opinion, going to pose the kind of world super power threat we saw from the Soviet Union - at least not in the next couple of decades.

ARMACOST: China is driving the growth of the region and the region is growing more rapidly than any other. Our principle job is trying to participate fully in the growing prosperity of that area. That's also the Japanese purpose. The major requirement is that we have a bigger pool of savings with which to invest in that region so we do participate fully. Japan is driving hard for a dominant position in the region. Unless you are inside the market with the real product you can't assure your position for the long term.

NEW QUESTION: Will Japan take a larger international role, especially in GATT?

ARMACOST: Our judgment was that because of the domestic political factors involved, the only way to move Japan was to present a choice between being an obstructionist of the GATT agreement or making an accommodation on rice. By putting market access issues up front and putting agricultural issues for last, it may be possible to generate enough momentum to bring us to a point by the end of the year, where agriculture is the last remaining issue and I don't think the Japanese government is going to stand in the way of a GATT agreement, and will ultimately pay that price.

"Combining Foreign Policy and Economic Concerns in the New World Order"

MODERATOR: James M. Fallows, Washington Editor, *The Atlantic Monthly*

PANELISTS: W. Bowman Cutter, Deputy Assistant to the President for Economic Policy; Brent Scowcroft, President, The Forum for International Policy

JIM FALLOWS: The issue we are considering is how we should combine both in our thoughts and our policies the economic and strategic changes going on in the world. One way to summarize the discussions we have heard is with a kind of paradox; on one hand we hear that for the first time in world history the U.S. is a monopoly superpower, there is no other rival to the military strength we have; and at the same time the U.S. is under unprecedented economic challenge.

BRENT SCOWCROFT: I'll begin with a few words about the security world, how it's changed and how we can adapt to it. It has changed very dramatically in the sense of the way we prepare to deal with it. For 40 years we had a massive threat that was very visible. We knew what we had to do, we had trouble doing it - but it was pretty simple. We needed this because they had this, it was a neat and tidy package. But now it couldn't be more different. You cannot point to a massive threat out there, so it's very hard to figure out what it is we need and how to get it. Now you have people who

argue there is no security threat so you can raid the security budget for all of the domestic needs that have suffered for so long due to the priority we have put on security issues.

If you look around the world, you find very few places, where there is not an eagerness to have the U.S. remain as a presence, and in most cases, a military presence. The important thing to remember now is the value of perception, the perception of American military capability and the willingness to use it in this world is at least or maybe more important than our actual capability. People don't really know what the capability is, it is what they think it is.

At the present time the U.S. ought to project the perception that we can anywhere, anytime with whatever strength is needed, do whatever job our national interests demand. If we can project that, and if people believe that around the world, we'll have a lot less trouble. That is an extremely important facet, and that goes - in this day and age - directly to the budget.

We can do a lot now economically to help in areas where before we provided military assistance or a military presence to deal with the problems of the world. A lot of the security problems of the world are now economically based. And we need to do a lot of work restructuring trade issues, restructuring our own assistance programs, to make the way we manage economically more efficient.

BOWMAN CUTTER: Everything that I'm going to say reverberates from two basic themes. First - the end of the Cold War. Which has the effect of seeming to take away the glue for the industrial democracies that often enabled problems to be solved at the expense of the economic side of the issue. Second - an enormous degree of change that has occurred in the global economy in the course of the last ten years. I want to stress four points about what these two mean.

1. A rising importance and urgency for a more integrated focus on international economics for the country and government than we have seen in the past.
2. We must have a coherent international economic strategy. We will have to rethink the multilateral economic and commercial world. In the short run the highest multilateral priority we have is to complete the GATT, the Uruguay Round. In the longer run, the world has changed sufficiently that the institutions themselves will have to change. We must build a clear set of bilateral strategies, because there are new markets and new kinds of markets. We must keep the playing field level, with the absence of the glue there are far more quarrels and temptations among the industrial countries to alter the balance just a little bit.
3. How will change occur? None of it will occur through a gentle evolution, it will be a series of struggles e.g. NAFTA. The real point of that fight is coming to terms with change. Security concerns have changed dramatically, at the same time economic concerns are changing, how these two fuse and integrate so that our combined security/economic policy creates a different kind of integration.

FALLOWS: General Scowcroft, at the end of your statement you said it is crucial to maintain the perception the U.S. would do anything, anywhere, where its vital interests were at stake. Is this still a plausible perception for us to present?

SCOWCROFT: It is clear that there is only one superpower, and if anything is going to happen in the way of security intervention the U.S. has to lead, nobody else can. That doesn't mean that we want to be, or can be, the world's policeman. That we can't be, but we need to take the leadership in the U.N. and elsewhere. The U.N. is able to do some things very well, such as mobilize world

opinion and sanctions in favor of a particular course of action. One of the things it is not good at, as of yet, is undertaking things on its own. The U.N. is not a state, it doesn't have the attributes of a state. It has no responsibility.

There are two kinds of peacekeeping. The one that the U.N. has always done before is putting the blue helmets in places where there has been a peace or a truce, and all the parties agree that the U.N. should be there. A very different kind of peacekeeping is that U.N. forces are engaged in combat operations (such as in Somalia). What we're finding is, that is pretty much beyond their capability. It requires a highly skilled, highly trained force, that can operate closely together, with tactics and doctrine clearly understood. The U.N. security force in Somalia has not worked well.

FALLOWS to CUTTER: In the cold war era there was a trade off between military and economic goals, how much of that still exists, where does it occur, and how do you see it being resolved?

CUTTER: The problem is change, not conflict. I really don't think the budget issues are the main hurdles. I think we are at the point where there is a fairly broad consensus that we can afford what we spend militarily, and that we should not spend dramatically less, so I don't think that trade off is a significant issue.

There has been, over the last few years, a systemic change in some of our systems. For example, the ways we invest in technology or science. We created a system that essentially depended on the research university, with a constant infusion from government - essentially from the Department of Defense and depended on the major laboratory efforts in the private sector to innovate, raise entrepreneurs and raise capital and so forth. What we have found is that we have lost some of the reasons to infuse funds as regularly to the research universities, we've lost money that flows into those areas from the defense community, and with declining margins, due largely to global competition the nature of the major industrial labs seems to be changing. It isn't clear to any of us whether those are good or bad changes or what they really mean, but they are clearly systemic changes.

I don't personally believe that the budget issues represent much of a hurdle. I do think we are seeing a very substantial change in the way that the country works, and I don't think we know the effect of that yet.

SCOWCROFT: On the defense industry side, those companies that fundamentally sell to the government, are a unique problem for the U.S.. As we downsize the military significantly, how do we deal with it. Defense industries are private enterprise, but they also have a unique relationship to the government, and they are a national security resource. The degree to which we let the free market determine who the survivors are and in what form, or the degree to which we try to manage that process in the interest of assuring that we have the capability we might need is a problem on which we still have a lot of work to do.

FALLOWS: Given the perception among America's allies, that it is valuable to have an American military presence, can the U.S. do anything more to extract greater economic advantage from this presence?

SCOWCROFT: I suspect the answer is yes, using Asia as an example. Southeast Asians want a

military presence, and I think they would be willing to pay for it, if you put it that way, by economic concessions. But they also want the economic presence as much as they want the military presence. The kinds of relationships we can develop by being a benign or helpful presence will have economic advantages.

CUTTER: The answer is yes, but the implementation is subtle and extremely difficult. The effort to gain economic advantage from our national security position focuses on the point of presence or engagement. The quality of the security relationship is contingent in the long run on the quality of the economic equation, though its probably counterproductive to try and make that point with regard to any specific event. We need to try make that point conceptually, and often enough so that both our adversaries and colleagues see the long term.

In a general way, the fusion of the two is immensely valuable to us, to play it at a specific time, on a specific issue, is very hard.

"Update on the Latest Developments in Russia"

Richard Kauzlarich, Principal Deputy to the Ambassador-at-Large on the New Independent States

About mid-September it was obvious that the Russia body politic was in a state of near paralysis. You had executive and legislative branches unable to resolve the crises of legitimacy. You had a parliament that was engaged in dueling laws and regulations aimed at thwarting Yeltsin's ability to govern. There was little chance under that situation, of Yeltsin and the parliament agreeing on a new constitutional framework or legislature, therefore, he acted the way he did and dissolved parliament. At the same time he put into place the means for developing a new constitutional framework and a new parliament through elections he wanted to have in December. President Clinton came out very quickly in support of Yeltsin, and there were very special circumstances that contributed to that support. The origins and the nature of the constitution and parliament in Russia were pre-August 1991, that is, they were Soviet in origin. For us the real question was, was Yeltsin going to resort to democratic means to accomplish his objectives. Would Yeltsin resort to force and would the elections he said he would hold be free and fair? Yeltsin provided those assurances directly to the President, and therefore we were able to move as quickly as we did. He made quite clear he was not going to rely on force, but legal sanctions to deal with people and the parliament. The problem was that he was only one side of the equation, people on the other side were quite prepared to resort to force and violence. On October 3, when Yeltsin moved to restore order, it was quite clear that he was going to go about it in a way that would minimize the use of force.

What this whole tragic episode underscores for us, is that there is a great and historical struggle taking place there. On the one side you have the forces of the past, those who reflect the Soviet period, where a reliance on terror and threat and the use of force was the way one did business. On the other side, we believe, you have the forces for a new Russia, personified by Yeltsin and committed to democratic reform and civic peace. Right now he has a major problem, he has to restore order. Once this is done we hope that the election period will be part of the process of healing and reconciliation.

U.S. policy in this setting has been and remains a very consistent one. Our premise was the way to support Russia, Ukraine and other new independent states in making this transition from

totalitarianism to democracy was via a coalition, a coalition that the U.S. had to lead. This Administration has come with a positive vision of what we want to see. We want to see a national rebirth in Russia and other newly independent states that will allow them to join the political and economic culture of industrialized democracies. Despite the tragic events of the last days, there still is a sense of a positive pattern of evolution, that Russians and the other citizens of the newly independent states do want peace with themselves and each other.

There is still a commitment on the part of Yeltsin and his government to become a partner with the U.S. in a diplomatic sense. But if we're going to achieve this somewhat dreamy vision, its going to require a long term view and a good deal of steadfastness on the part of the U.S. This is not going to change overnight, and the problems are not going to disappear.

For Russian politics, the next weeks are going to be a critical period. Even if Yeltsin gives them free elections for the first post-communist parliament, he is still going to face some problems. Not all of the forces of reaction were in the Russian White House this weekend. They're still out there, and he has to deal with them. He has a very assertive set of 90 odd regions in the country who are starting to feel their oats. If you look at the way we evolved from 13 colonies to these United States and understand the stresses and strains that went into making our country, you can begin to understand the problems they face.

That set of problems, that the opposition is still there and the regions being sources of increased political tension, means that the U.S. will have to have a wide range of contacts with the full spectrum of Russian politics. That doesn't diminish in any respect at all our support for Yeltsin. Yes our support for him is conditional. Its conditioned on Yeltsin continuing to champion those values and objectives that square with our own interests and our values. We will just have to have some faith in him, and how he will manage the development of this new democratic society.

A few words on the Russian economy. It's neither clean nor pretty. In a sense the economic problem reflects the political stalemate between Yeltsin and the old parliament. There is a lot we can do to encourage positive economic growth, through our own bilateral assistance programs and perhaps through a package of multilateral measures that we have developed with our G-7 partners that aim to help the next stage of privatization.

In all of this we cannot forget about non-proliferation issues. Nuclear weapons continue to be a major issue for ourselves and our relationship with Russia and also with the Ukraine and Kazakhstan, the other two new independent states with Soviet nuclear weapons still present.

One last set of issues is the question of regional stability and peace in Russia. Russia is going through a number of fundamental societal changes and adaptations, and the most important adaptation is that there is no longer the Soviet Union. That is very hard for Russians to accept, whatever their politics. We are trying support the reform process throughout the newly independent states. There is nothing that is going to derail that process more quickly than conflict on the periphery of Russia. If the tendency toward ethnic conflict and regional disorder is not checked there is the possibility of this spreading across the borders of the former Soviet Union, drawing in neighboring countries, whether in Eastern Europe, in Turkey or South Asia.

Our approach to the non-Russian states is governed by a firm and unwavering commitment to their

independence, sovereignty and territorial independence; we are not in the business of supporting secession in any form. We will only go along with change in borders if achieved by peaceful means and through the mutual consent of the parties involved. It is important, and we've made this clear to the Russians, that they neither assert nor exercise any special role or prerogatives in this area that are inconsistent with that independence, sovereignty and territorial integrity of the newly independent states.

My conclusion in all this is despite the tragic events of the last few days, Yeltsin continues to be on the right path. We've made an investment in our own future by supporting him and the reform process he's begun. It's going to be a difficult period and one that is going to require sustained American leadership and attention and indeed a commitment on the part of the Administration to go to the American people and convince them that this is important, not only for the peace of the world, but for their well being as well.

BOB ALLEN: The next meeting for Active and Graduate members only will be at Park Hyatt Washington hotel in DC on February 23 and 24. The October 1993 meeting of the Council is herewith adjourned.

REPORT TO THE BUSINESS COUNCIL ON THE ECONOMIC OUTLOOK

Presented by

**Dennis Weatherstone
Vice Chairman of the Business Council**

**Williamsburg, Va.
October 7-8, 1993**

Highlights:

- **The technical consultants believe that the slowdown in U.S. economic growth earlier in the year was a lull, and they expect the economy to return to a 3% growth path during the second half of this year and through the end of 1994. This growth forecast is little changed from the previous one presented in May.**
- **Most consultants report that current conditions in their industries support the view that growth is improving. However, several noted downside risks to the 1994 growth forecast stemming from higher taxes, uncertainty about health care costs, and possible slowing in capital spending from extremely rapid rates over the past year.**
- **Despite favorable price readings in recent months, the consultants have not lowered their inflation forecast since May. They continue to believe that inflation, as measured by the consumer price index, will average 3% to 3 1/2% through year-end 1994. However, the consultants see very little risk of significantly higher inflation. Product markets remain very competitive; firms continue to emphasize cost controls and productivity improvement; and shoppers remain very price-conscious.**
- **Interest rates and exchange rates are likely to show little change in an environment of moderate growth and stable inflation. Both short-term and long-term interest rates are expected to edge up very gradually over the next year. The dollar is expected to appreciate about 5% against the yen and the DM by mid-1994 and then hold its value.**

Note: The Technical Consultants to the Business Council met on September 28. Prior to the meeting, each consultant submitted detailed quantitative economic projections which provided a framework for discussion of overall economic conditions and the outlook.

The technical consultants expect the U.S. economy to expand at a moderate 3.1% rate in the second half of this year and through 1994, following the 2.9% pace of the past year. This growth forecast is nearly identical to the one presented at the May meeting, although the consultants now believe that levels of long-term interest rates about 60 basis points lower than had been expected in May are required to sustain this rate of expansion.

The consultants are in unanimous agreement that the slowdown in growth to only 1.3% at an annual rate in the first half of this year was a temporary lull and that the economy is already improving. The weakest forecast of the 16 submitted calls for 2.4% real GDP growth in the second half of this year and the average forecast calls for 3.1% growth. The consultants show a striking uniformity in their outlook for moderate growth through the end of next year. None of the consultants expects either recession or boom, and all of the growth forecasts are wedged between 2 1/4% and 4% for both the second half of this year and for 1994.

The consultants expect those sectors that have grown relatively rapidly over the past year to continue to pace the expansion through 1993 and in 1994. Spending on business equipment is expected to lead growth, although projected volume gains are expected to ease from 15% over the past year to a 10% pace in both the second half of this year and in 1994. Orders and shipments for "high-tech" equipment including desktop and laptop computers and mobile communications equipment continue to grow rapidly, although some gradual slowing from the unusually rapid pace of the past year is anticipated. Housing activity, which expanded 5% over the past year appears to be responding to lower interest rates and is projected to rise 12% at an annual rate in the second half of this year and 8% during 1994. Household spending on new cars and trucks and other consumer durables is expected to grow at about a 5% pace in the second half of this year and through 1994. The government sector should continue to be a drag on the economy.

Reports by the consultants on conditions in their specific industries generally support the consensus forecast showing that conditions have been firming since mid-year. Consumer spending is holding up much better than might have been expected on the basis of consumer confidence surveys. A consultant from the retail industry noted that real consumer spending on GAF merchandise (general merchandise, apparel, and furniture) has advanced 8% over the past year and the most recent readings for September continue extremely strong. Similarly, a representative of the auto industry

projected new car and truck sales to continue to trend higher over the coming year. He noted that annual sales comparisons may be understating the improvement in car and truck sales to consumers, since lower spending by rental fleets this year has tended to depress total sales. A representative of the steel industry reported that demand remains strong and noted that he is even seeing some improvement in orders for nonresidential construction. Representatives of the financial services industries noted an increased willingness to make loans and modest increases in loan demand.

A consultant from the computer industry noted that sales growth of office machines, which had been extremely strong coming out of the recession, appears to be slowing from about 20% to 10%, broadly in line with the gradual slowing projected by the consultants for capital spending overall. A representative of the semiconductor industry cautioned against exaggerating the extent of this slowdown. Despite some moderate slowing in orders for computers and telecommunications equipment, the semiconductor industry continues to boom. Shipments are running nearly 40% above year-ago levels, and incoming orders continue to exceed shipments. The only industry reporting noticeable weakening is rail freight, but it is unclear whether this might have been related to the drag from inventories in the second quarter.

The outlook for export markets is mixed. The consultants are projecting modest improvement in growth in most foreign markets and look for real export growth to rise from about 3 1/2% this year to 5 1/2% next year. Several consultants reported that their firms had seen a bottoming out of the recession in Europe, but no clear signs of recovery as yet. Although sales of computers and communications equipment to the Pacific Rim remain strong, economic weakness in Japan (and more recently China) is restraining overall export growth to Asia.

The technical consultants believe that 3% real GDP growth is consistent with a gradual decline in the unemployment rate from 7.0% currently to an average rate of 6.8% in the fourth quarter of this year and 6.4% in the fourth quarter of 1994. Most consultants reported, however, that their firms are hesitant to add to payrolls to meet growing sales volumes.

The technical consultants' forecasts of the growth rate and its composition is nearly identical to the forecast made in April. However, in April the consultants had expected that the 3% growth path could be reached with higher long-term interest rates and a stronger dollar than are now seen as required.

Although current conditions seem to be improving, the consultants shared concerns that government policy might dampen growth in 1994. Several consultants were concerned that a combination of higher personal and corporate taxes might have a significant restraining effect on growth. Others were concerned that uncertainty about the financing of medical care might reduce job growth. One consultant thought that the defense industry had been lagging in its efforts to adjust to cutbacks in military spending, and that layoffs among military contractors was due to accelerate. Several consultants thought that capital spending will weaken more than projected in the consensus forecast. Although consultants perceived downside risks to the 3% growth forecast, these risks were not viewed as so severe that they might send the U.S. economy back into recession.

The consultants also discussed the probable effect of the movement of household funds from bank accounts and money market funds to potentially higher-yielding and relatively risky bond and stock mutual funds. The consultants noted that the inflow of funds into higher-yielding investments (including foreign money market and bond funds) has been very sizable, but there was no agreement as to the effect of these transfers on the volatility of financial markets or on the probable response of consumer spending to a substantial correction in these markets.

The consultants are also in broad agreement that inflation, as measured by the consumer price index, will remain in the 3% to 3 1/2% range this year and next. The average forecast projects inflation, as measured by the consumer price index, to average 3.3% in the fourth quarter of this year and in 1994. The consultants do not view the past few months of more favorable inflation news as a downside break in the inflation trend, and they look for the rate of price increase to remain near the pace of the past year at slightly above 3%. The consultants also view the possibility of an upside break in inflation as unlikely, and only 3 of 16 respondents expect inflation to reach 4% by the end of 1994.

Consultants' discussions of corporate business plans and of industry attitudes mirrored this stable-inflation outlook. The consultants reported that corporations will continue to keep tight control on payrolls and inventories in the coming year and that corporate strategies continue to emphasize cost reductions, rather than price increases, as a means of boosting profits. Even in industries enjoying unexpectedly rapid demand growth, consultants report that price pressures remain intense, in some cases because of the capacity overhang abroad related to recession in Europe and Japan and in some cases due to domestic competition.

In response to a question about the likely trend in labor cost over the next year, the consultants indicated that they expected a stable rate of increase both for the economy as a whole and for the consultants' own firms. This view supports expectations that inflation will hold at about 3%.

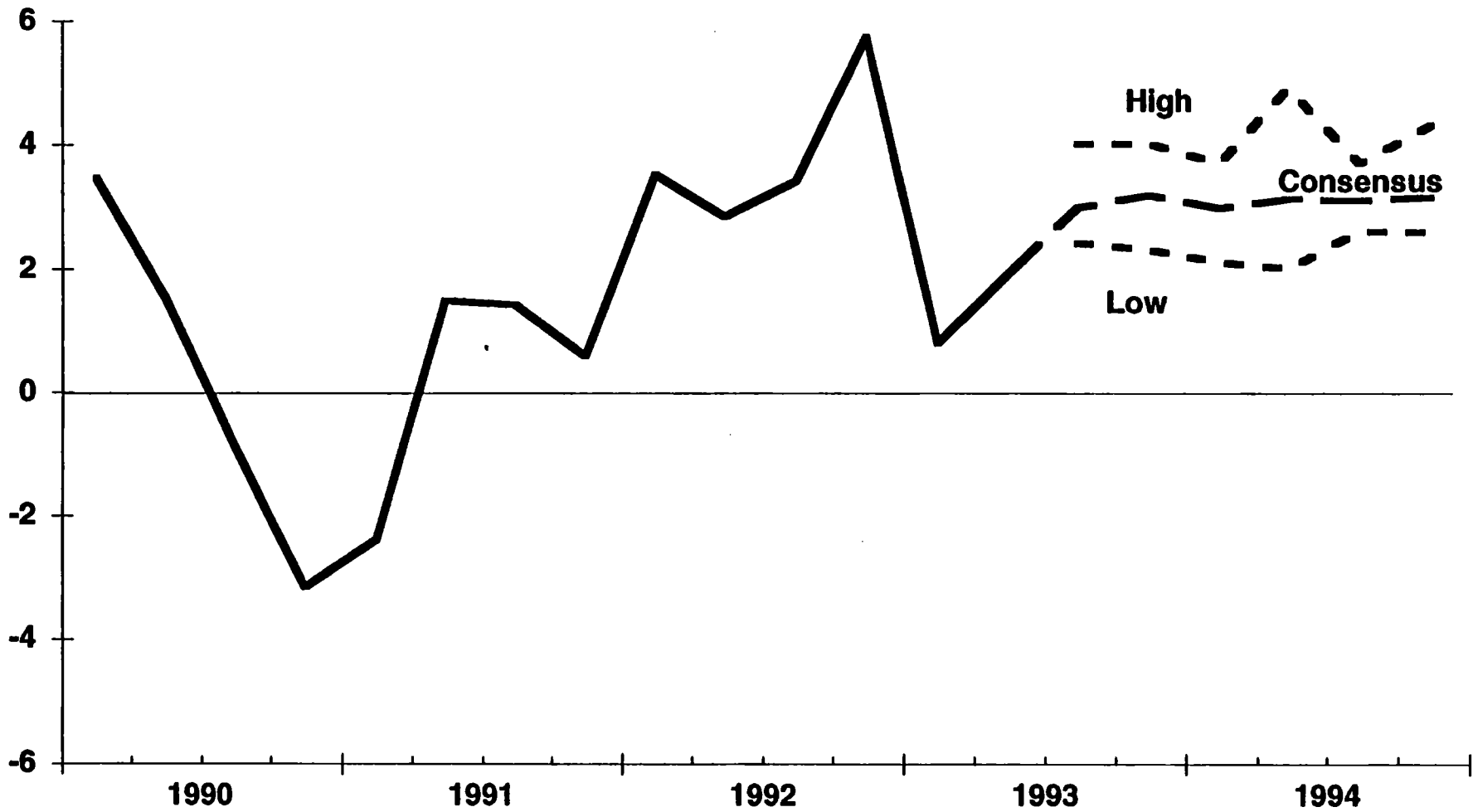
The consultants are in broad agreement that the forecast of 3% to 3 1/2% growth and 3% to 3 1/2% inflation is consistent with relatively stable interest rates and exchange rates. The Federal Funds rate, a benchmark short-term interest rate, is projected to edge up from an average 3.03% in the third quarter of this year to 3.77% in the fourth quarter of next year. Eleven of the sixteen respondents forecast Federal Funds to be between 3.50% and 4.00% in the fourth quarter of 1994. Only one of the consultants expects a quarter average Federal Funds rate below 2.90% at any time over the forecast horizon, and only two see the Fed Funds rate topping 4% by the end of 1994.

Most of the consultants also expect long-term rates to trend higher. The yield on the 30-year Treasury bond, now near 6%, is expected to rise gradually to 6.38% in the fourth quarter of 1994 (vs. a forecast of 7.05% made in April). Ten of 15 responses forecast a yield in the 6.00% to 6.75% range.

The consultants expect a modest strengthening of the dollar on foreign exchange markets, to 108 yen to the dollar in the fourth quarter of this year and 110 yen to the dollar in the fourth quarter of next year and to 1.67 DM to the dollar in the fourth quarter of this year and 1.71 DM to the dollar in the fourth quarter of next year.

Real GDP - September '93 Forecast High, Low and Consensus Views

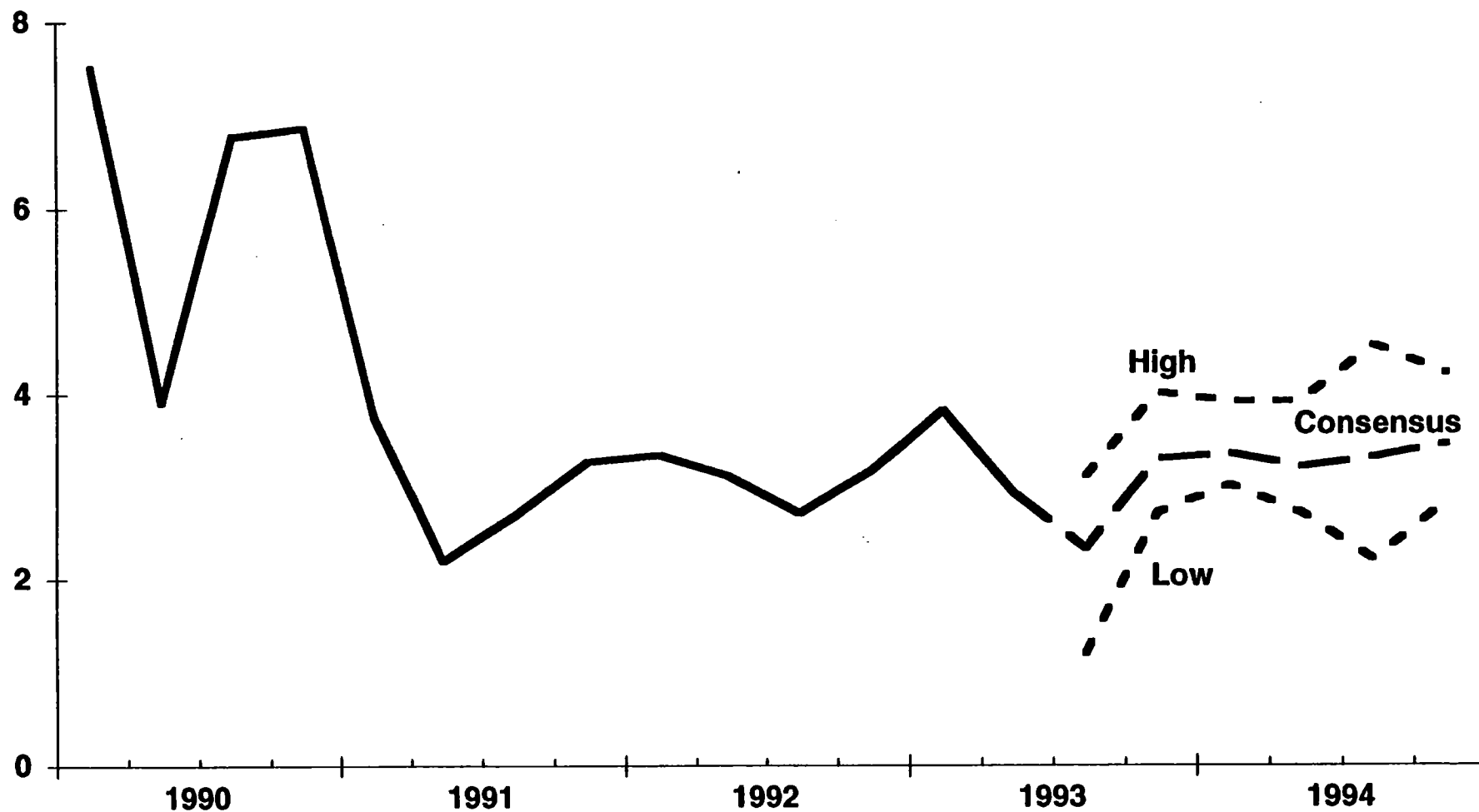
percent change at annual rate



Consumer Price Inflation - September '93 Forecast

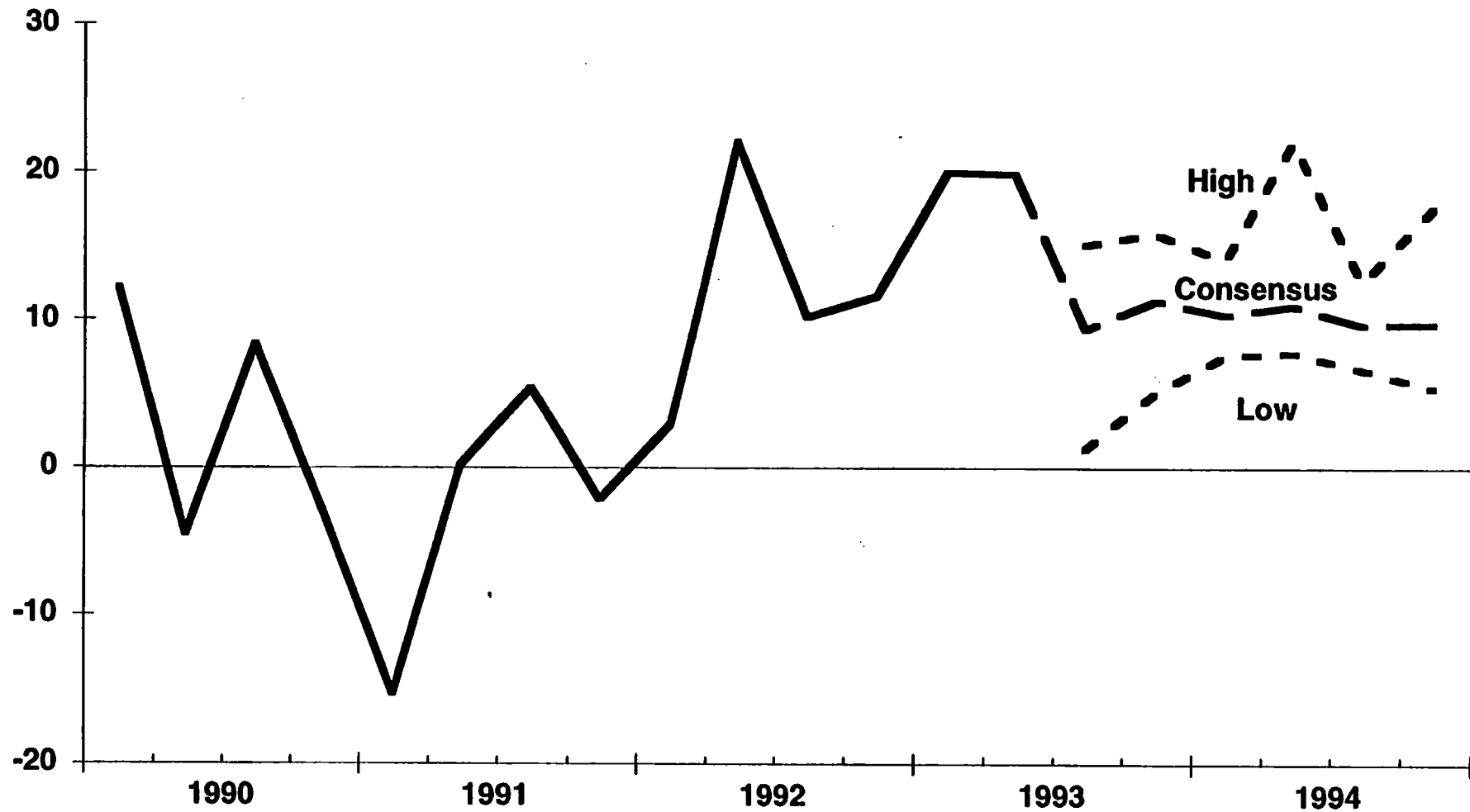
High, Low and Consensus Views

percent change at annual rate



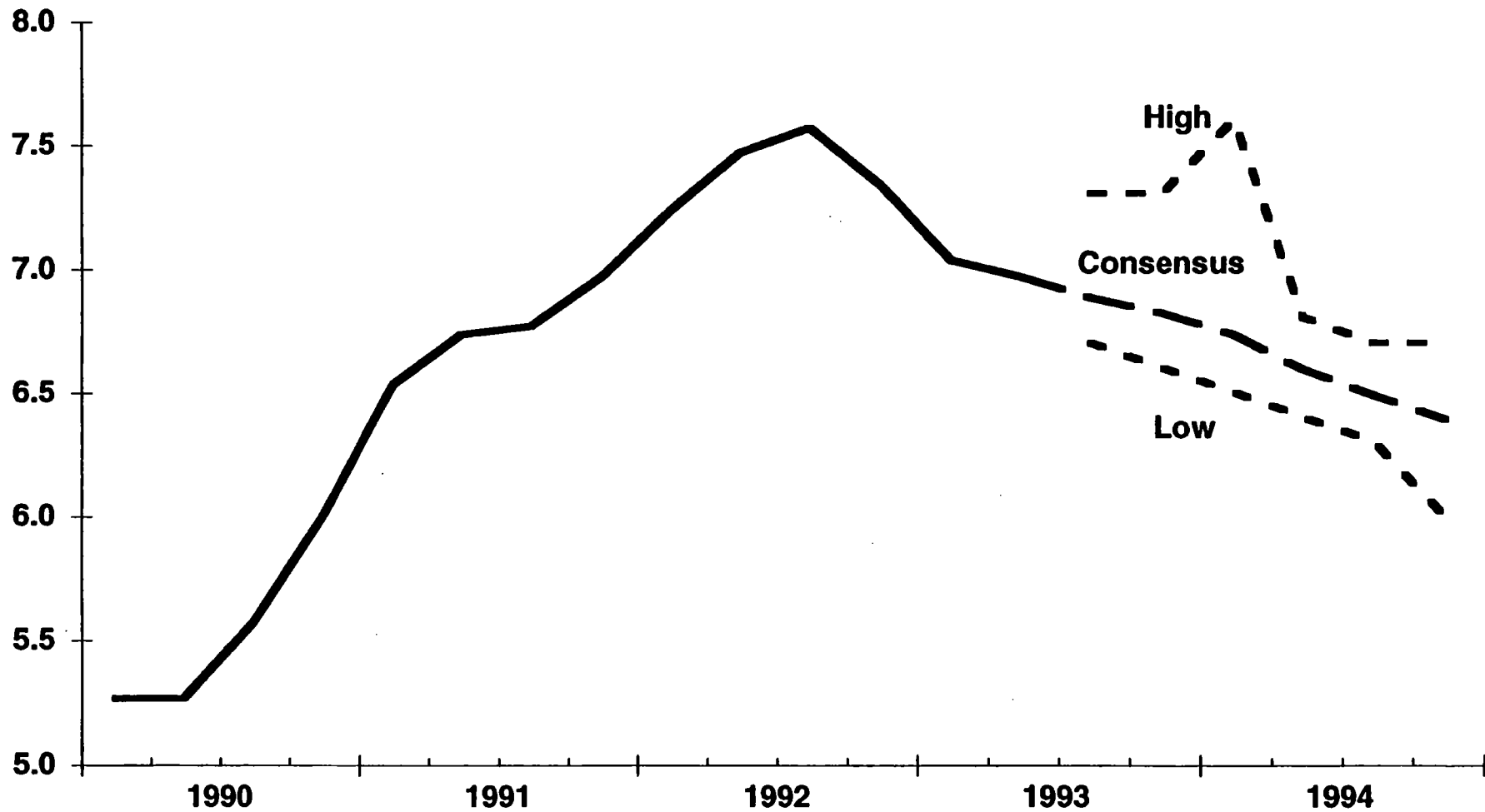
Real Capital Spending: Equipment - September '93 Forecast High, Low and Consensus Views

percent change at annual rate



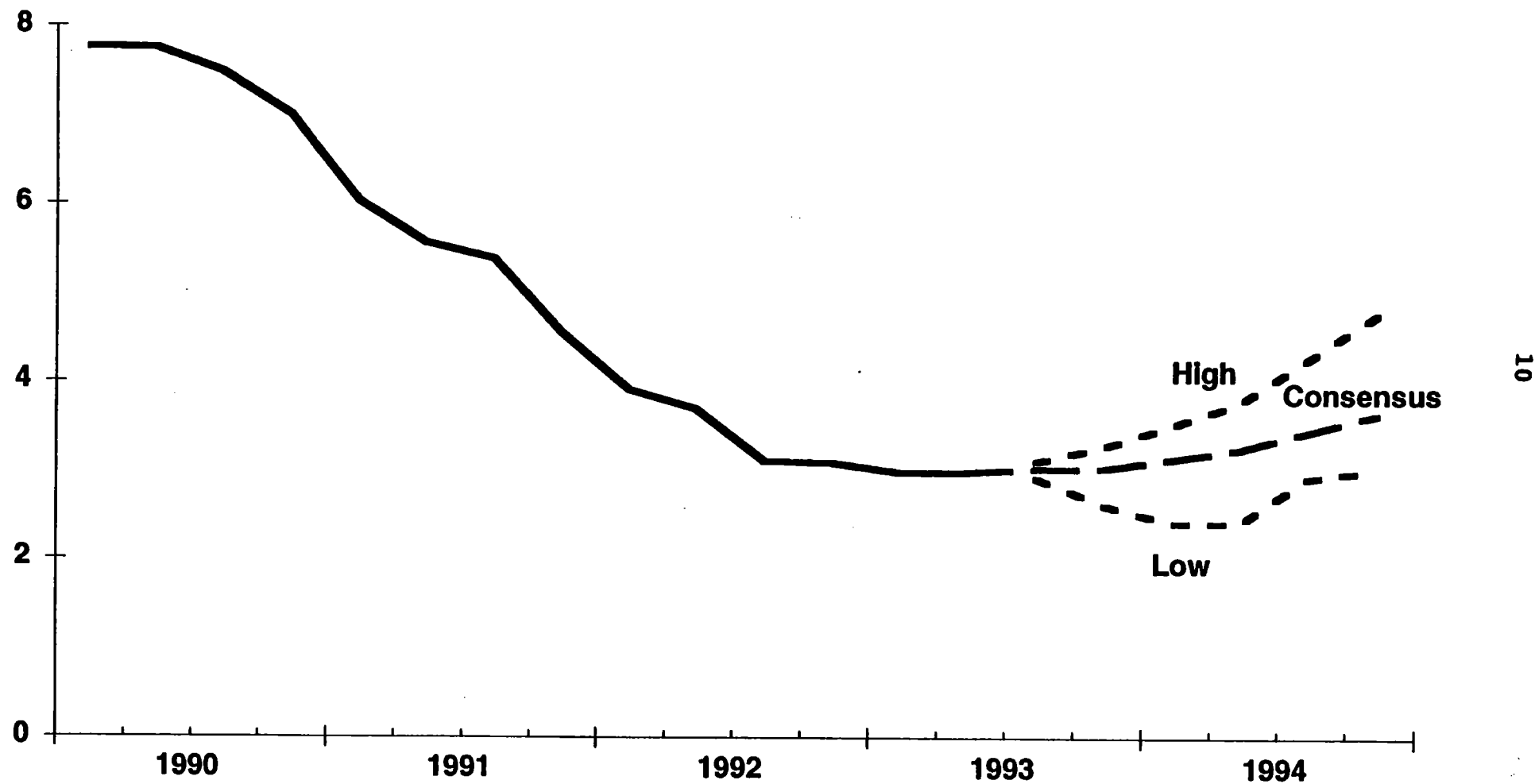
Unemployment rate - September '93 Forecast High, Low and Consensus Views

percent



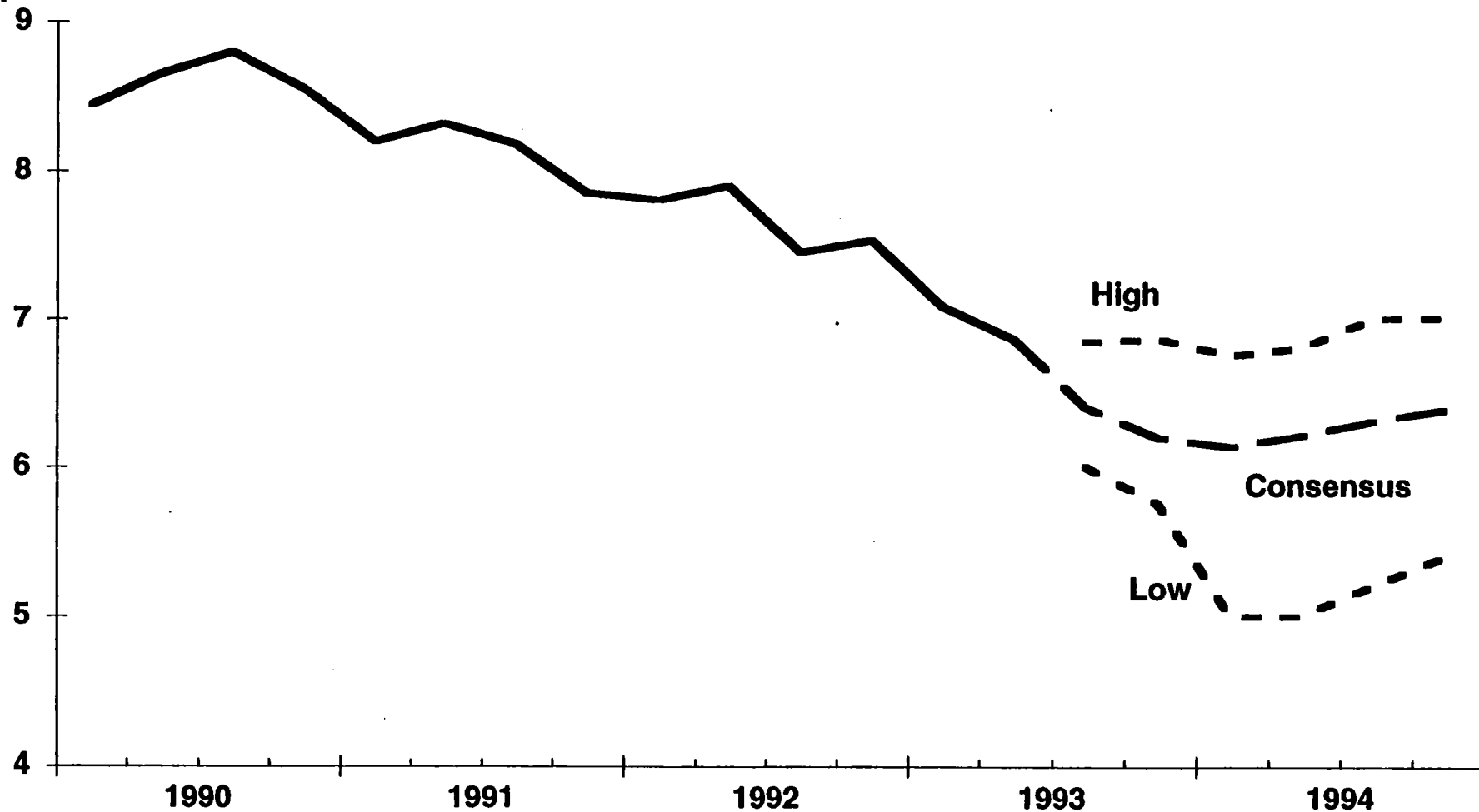
Interest Rates: 3-month Treasury Bills - September '93 Forecast High, Low and Consensus Views

percent



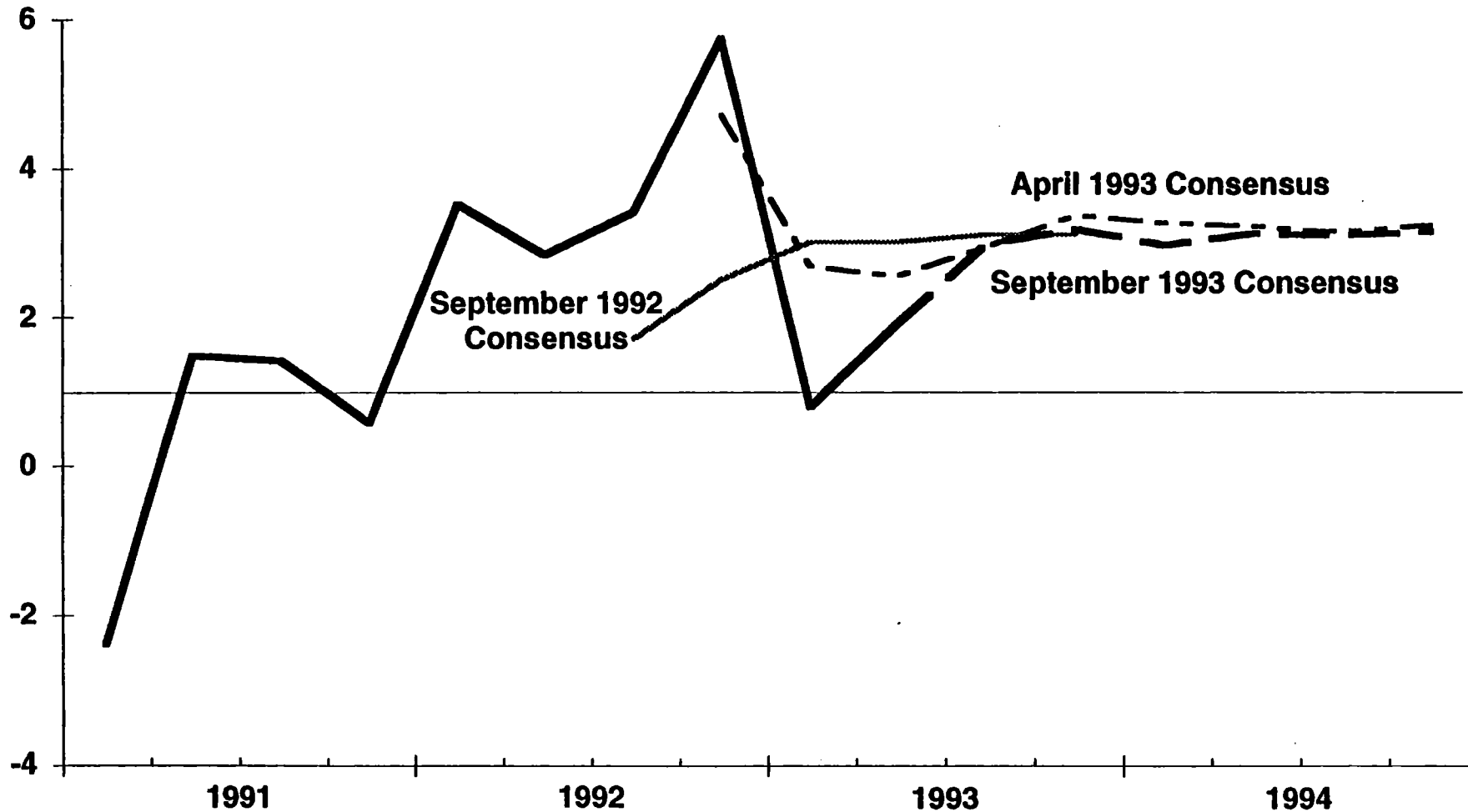
Interest Rates: 30-yr Treasury Bonds - September '93 Forecast High, Low and Consensus Views

percent



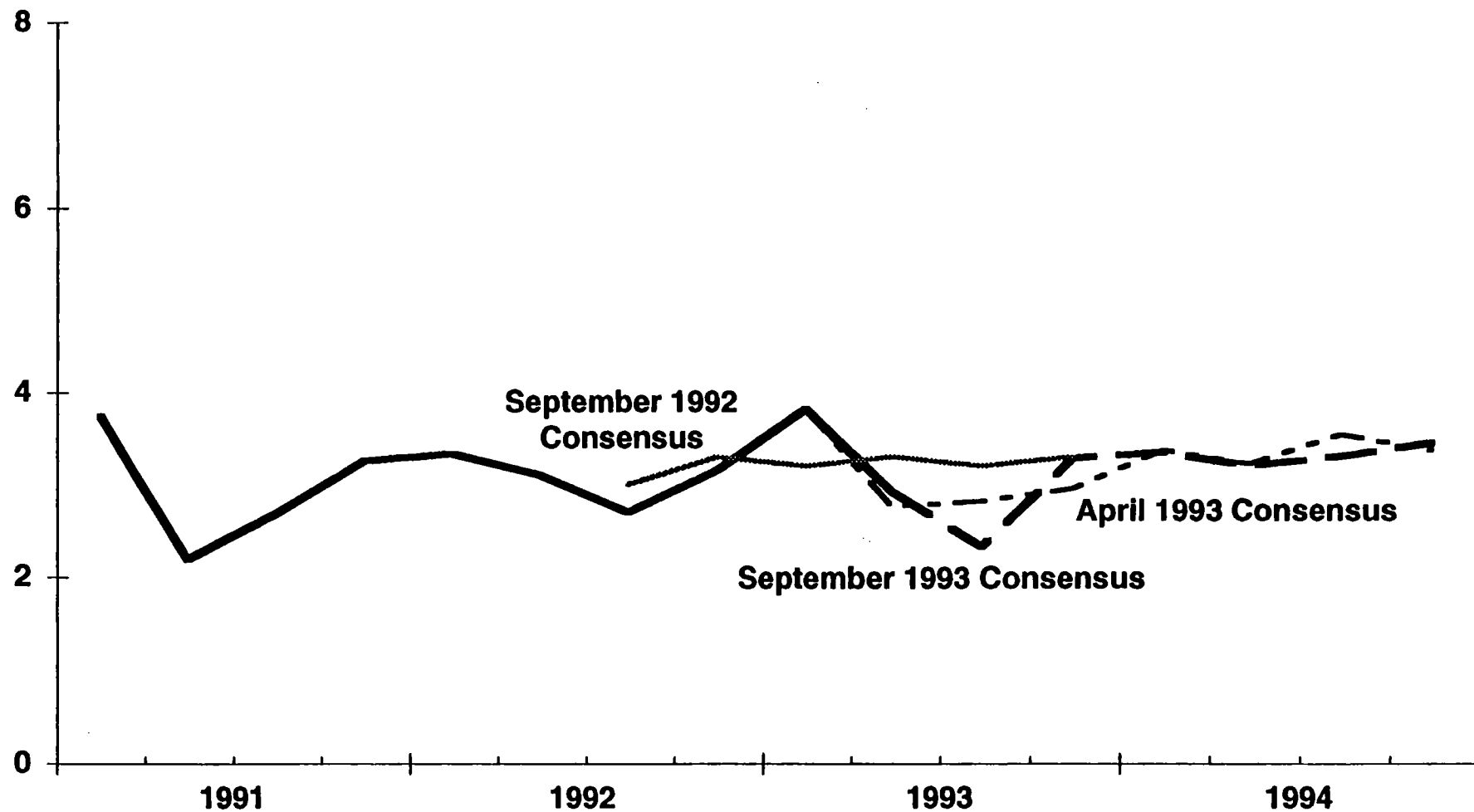
Real GDP Consensus Views

percent change at annual rate



Consumer Price Inflation Consensus Views

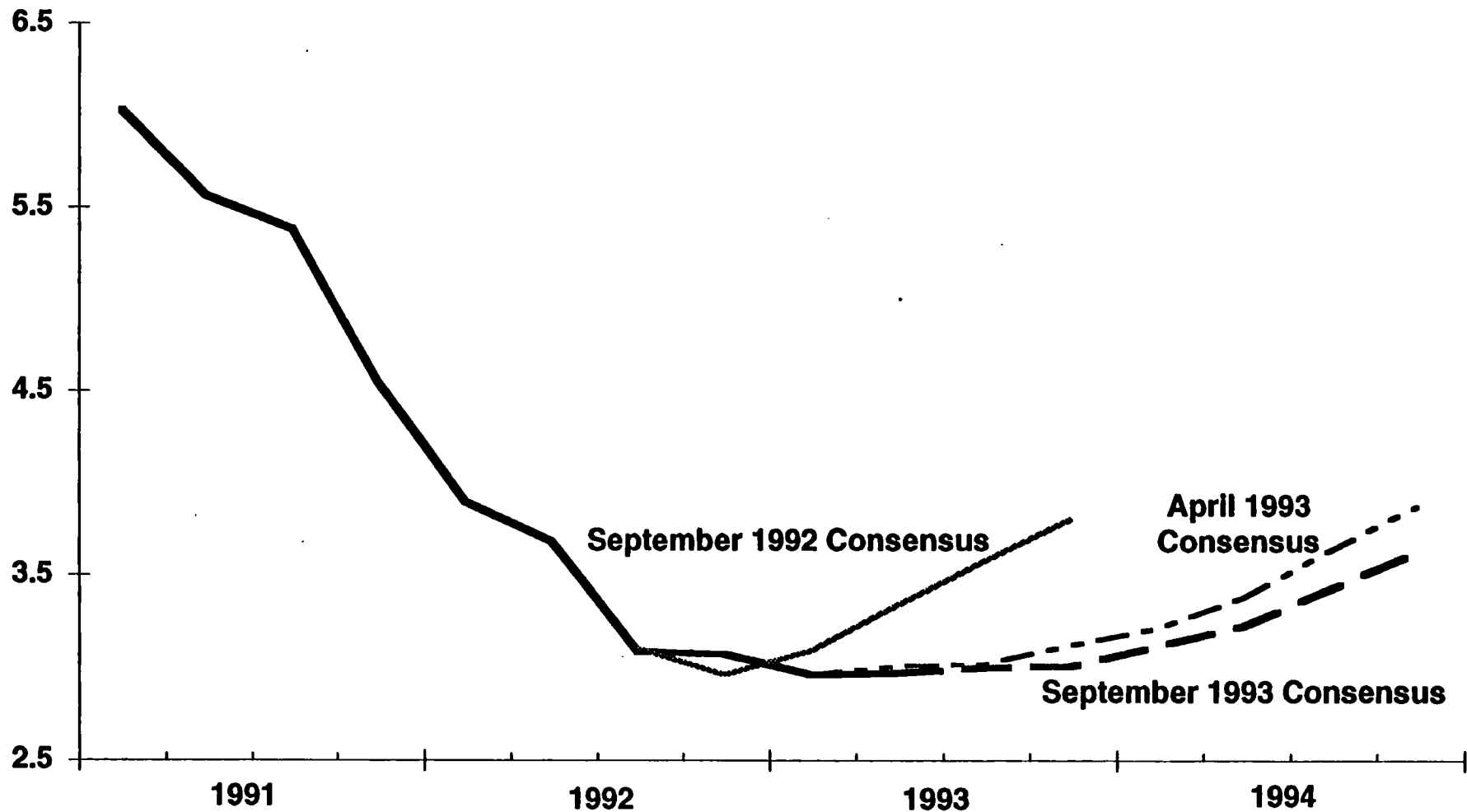
percent change at annual rate



Interest Rates: 3-month Treasury Bills

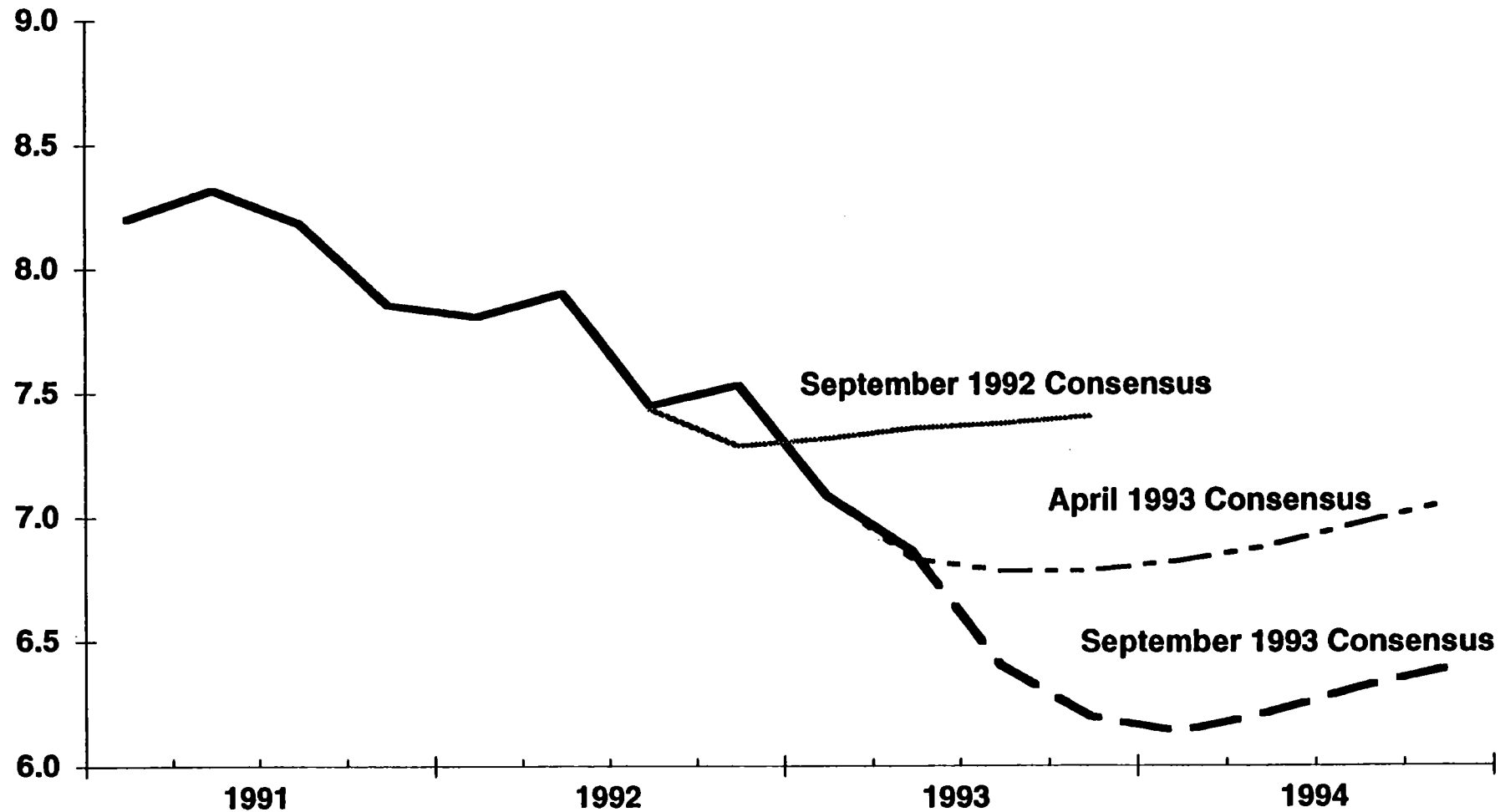
Consensus Views

percent



Interest Rates: 30-year Treasury Bonds Consensus Views

percent



**Results of the Technical Consultants
September 1993 Survey
Summary Table A**

		Avg	High	Low	Std Dev	Avg	High	Low	Std Dev
		% ch from year ago				% ch 4th qtr-4th qtr			
Real GDP	1993	2.8	2.9	2.7	0.1	2.2	2.5	1.8	0.2
	1994	3.0	3.5	2.6	0.3	3.1	3.8	2.4	0.4
Personal Consumption Exp.	1993	3.0	3.2	2.9	0.1	2.5	2.8	2.1	0.2
	1994	2.8	3.4	2.4	0.3	2.7	3.8	2.1	0.5
Consumer Durable Goods	1993	6.3	7.1	5.1	0.5	4.8	6.9	2.2	1.4
	1994	5.1	7.2	3.2	1.3	4.6	8.0	2.7	1.3
Consumer Nondurable Goods	1993	2.2	2.3	2.0	0.1	1.3	1.7	0.8	0.2
	1994	2.1	3.1	1.5	0.4	2.1	3.1	1.1	0.6
Consumer Services	1993	2.7	3.0	2.6	0.1	2.6	3.2	2.3	0.3
	1994	2.6	3.4	2.1	0.4	2.7	3.3	2.1	0.4
Nonresidential Fixed Invest.	1993	10.5	11.3	9.5	0.5	11.2	13.0	8.4	1.2
	1994	9.0	10.9	6.7	1.3	8.9	13.3	6.6	1.8
Nonresidential Structures	1993	-0.1	0.7	-1.6	0.6	2.7	5.4	-1.4	1.1
	1994	4.1	8.3	-1.4	2.7	5.4	10.7	-0.6	3.5
Producers' Durable Equip.	1993	14.8	15.8	13.8	0.6	14.4	16.8	11.6	1.3
	1994	10.7	13.9	8.5	1.4	10.1	15.3	7.5	2.0
Residential Fixed Invest.	1993	7.6	9.8	6.4	0.9	3.7	7.8	0.4	2.0
	1994	8.6	14.4	3.1	3.2	8.2	13.5	1.2	3.4
Exports, Goods & Services	1993	3.6	8.7	2.4	1.4	3.1	13.1	0.2	2.8
	1994	5.4	10.6	2.4	1.9	6.1	8.8	3.8	1.5
Imports, Goods & Services	1993	10.2	15.1	9.2	1.4	10.4	20.2	8.6	2.7
	1994	8.3	11.9	5.2	1.5	7.9	11.9	4.4	1.9
Government Purchases	1993	-0.5	-0.2	-0.9	0.2	-0.3	0.6	-1.3	0.5
	1994	0.5	1.8	-0.6	0.7	0.3	1.8	-1.3	0.9
Final Sales	1993	2.7	2.9	2.6	0.1	2.0	2.5	1.8	0.2
	1994	3.0	4.3	2.6	0.4	3.0	4.6	2.4	0.5
Final Sales to Domest. Purch.	1993	3.5	3.7	2.6	0.2	2.8	3.3	1.2	0.5
	1994	3.2	3.6	1.8	0.4	3.1	3.6	2.1	0.4

**Results of the Technical Consultants
September 1993 Survey
Summary Table B**

		Avg	High	Low	Std Dev	Avg	High	Low	Std Dev
		% ch from year ago				% ch 4th qtr-4th qtr			
Nominal GDP	1993	5.6	5.8	5.5	0.1	5.1	5.4	4.8	0.2
	1994	5.9	6.6	5.6	0.3	6.1	7.4	5.6	0.5
GDP Fixed Weight Index	1993	3.2	3.3	3.0	0.1	3.1	3.4	2.7	0.2
	1994	3.0	3.4	2.4	0.3	3.0	3.5	2.5	0.4
Consumer Price Index	1993	3.1	3.2	3.0	0.1	3.1	3.3	2.8	0.1
	1994	3.2	3.5	2.8	0.2	3.3	4.1	2.7	0.3
Corporate Profits (IVA/CCA)	1993	12.7	15.6	10.7	1.3	7.7	13.5	3.5	2.8
	1994	10.4	14.1	8.1	2.0	8.2	16.3	4.1	3.5
Industrial Production	1993	3.9	4.4	3.4	0.2	3.3	4.7	2.2	0.6
	1994	3.5	4.7	2.8	0.5	3.9	6.0	2.3	0.9
		bil 87\$, yr avg				bil 87\$, 4th qtr			
Change in Business Inventory	1993	18.3	26.8	13.6	3.1	16.5	35.4	6.1	6.4
	1994	22.7	34.6	11.4	7.5	24.8	42.2	10.3	9.0
Net Exports	1993	-75.1	-70.7	-78.1	2.1	-86.4	-76.0	-97.2	5.8
	1994	-98.6	-71.3	-132.2	14.2	-104.0	-70.0	-152.9	20.7
Exports, Goods & Services	1993	598.7	628.5	592.1	8.2	609.7	668.9	592.6	16.5
	1994	631.1	695.3	606.5	19.3	646.7	717.2	619.2	22.2
Imports, Goods & Services	1993	673.8	703.7	668.2	8.3	696.1	757.4	684.5	17.1
	1994	729.7	787.3	704.1	17.5	750.7	809.9	716.2	20.3
		mil units, yr avg				mil units, 4th qtr			
Housing Starts	1993	1.241	1.292	1.195	0.024	1.308	1.420	1.211	0.057
	1994	1.390	1.466	1.294	0.045	1.412	1.460	1.325	0.042
Total Vehicle Sales	1993	14.2	14.5	13.6	0.2	14.5	15.3	13.3	0.5
	1994	15.0	15.7	14.1	0.4	15.2	16.1	14.3	0.4
Auto Sales	1993	8.8	9.0	8.6	0.1	9.0	9.4	8.5	0.3
	1994	9.4	9.8	8.7	0.3	9.5	10.1	9.0	0.3
Truck Sales	1993	5.4	5.6	5.1	0.1	5.5	5.9	4.8	0.3
	1994	5.7	6.1	5.3	0.2	5.7	6.2	5.3	0.3

Results of the Technical Consultants
September 1993 Survey
Summary Table C

		Avg	High percent.	Low yr avg	Std Dev			Avg	High percent.	Low 4th qtr	Std Dev
Unemployment Rate	1993	6.9	7.2	6.8	0.1		6.8	7.3	6.6	0.2	
	1994	6.6	6.7	6.4	0.1		6.4	6.7	6.0	0.2	
Federal Funds Rate	1993	3.03	3.07	2.95	0.03		3.04	3.25	2.75	0.11	
	1994	3.46	4.25	2.88	0.32		3.77	5.00	3.00	0.44	
3-Month Treasury Bill Rate	1993	2.98	3.04	2.86	0.04		3.01	3.25	2.60	0.14	
	1994	3.34	4.06	2.78	0.32		3.62	4.75	3.00	0.44	
30-Year Treasury Bond Yield	1993	6.63	6.91	6.49	0.15		6.19	6.86	5.75	0.37	
	1994	6.26	6.80	5.15	0.43		6.38	7.00	5.40	0.43	
Yen/US\$	1993	111.5	115.2	109.0	1.7		108.0	115.0	102.0	3.7	
	1994	110.2	125.0	99.5	6.5		110.4	130.0	98.0	8.3	
DM/US\$	1993	1.64	1.70	1.49	0.05		1.67	1.85	1.35	0.11	
	1994	1.70	1.87	1.38	0.12		1.71	1.88	1.35	0.14	

**Results of the Technical Consultants
September 1993 Survey
Comparison of Survey Results
Percent change, 1993 over 1992**

	Forecast as of:		<u>Apr-93</u>	<u>Sep-93</u>
	<u>Apr-92</u>	<u>Sep-92</u>		
Real GNP/GDP	3.1	2.7	3.1	2.8
Personal Consumption Exp.	2.8	2.2	3.0	3.0
Consumer Durable Goods	6.1	4.4	6.7	6.3
Consumer Nondurable Goods	1.7	1.7	2.2	2.2
Consumer Services	2.4	2.1	2.6	2.7
Nonresidential Fixed Invest.	6.8	5.3	8.1	10.5
Nonresidential Structures	2.4	-0.3	-1.6	-0.1
Producers' Durable Equip.	8.4	7.6	12.0	14.8
Residential Fixed Invest.	8.0	9.0	12.0	7.6
Exports, Goods & Services	4.6	5.0	4.1	3.6
Imports, Goods & Services	5.8	4.7	7.6	10.2
Government Purchases	-0.6	-0.1	-0.4	-0.5
Final Sales	2.6	2.4	2.8	2.7
Final Sales to Domest. Purch.	2.8	2.4	3.2	3.5
Nominal GDP	6.0	5.6	5.8	5.6
GDP Fixed Weight Index	2.4	2.8	2.8	3.2
Consumer Price Index	3.5	3.2	3.1	3.1
Corporate Profits (IVA/CCA)	15.2	14.3	16.4	12.7
Industrial Production	4.3	3.7	4.1	3.9
Housing Starts (mil units) *	1.304	1.343	1.329	1.241
Total Vehicle Sales (mil units) *	14.4	14.3	13.9	14.2
Auto Sales	9.7	9.3	8.7	8.8
Truck Sales	4.7	4.9	5.3	5.4
Unemployment Rate (%) *	6.6	7.2	6.9	6.9
Federal Funds Rate (%) *	5.01	3.49	3.05	3.03
3-Month Treasury Bill Rate (%) *	4.78	3.45	3.02	2.98
30-Year Treasury Bond Yield (%) *	8.09	7.36	6.87	6.63
Yen/US\$ *	133.92	127.65	117.53	111.55
DM/US\$ *	1.73	1.56	1.63	1.64

* 1993 average level

**Results of the Technical Consultants
September 1993 Survey
Comparison of Survey Results
Percent change, 4th qtr 1993 over 4th qtr 1992**

	Forecast as of:			
	<u>Apr-92</u>	<u>Sep-92</u>	<u>Apr-93</u>	<u>Sep-93</u>
Real GNP/GDP	3.0	3.0	2.9	2.2
Personal Consumption Exp.	2.8	2.6	2.7	2.5
Consumer Durable Goods	5.5	5.9	5.2	4.8
Consumer Nondurable Goods	1.7	1.9	1.5	1.3
Consumer Services	2.6	2.3	2.7	2.6
Nonresidential Fixed Invest.	7.8	6.0	8.4	11.2
Nonresidential Structures	4.2	1.9	1.6	2.7
Producers' Durable Equip.	9.2	7.6	11.0	14.4
Residential Fixed Invest.	6.9	9.4	11.0	3.7
Exports, Goods & Services	5.1	6.6	3.1	3.1
Imports, Goods & Services	5.7	5.1	6.5	10.4
Government Purchases	-0.4	-0.3	-0.2	-0.3
Final Sales	2.8	2.8	2.6	2.0
Final Sales to Domest. Purch.	2.9	2.7	3.0	2.8
Nominal GDP	6.0	6.1	5.6	5.1
GDP Fixed Weight Index	2.5	3.0	2.7	3.1
Consumer Price Index	3.6	3.3	3.1	3.1
Corporate Profits (IVA/CCA)	10.8	13.3	10.0	7.7
Industrial Production	4.1	4.2	4.2	3.3
Housing Starts (mil units) *	1.303	1.382	1.407	1.308
Total Vehicle Sales (mil units) *	14.6	14.7	14.3	14.5
Auto Sales	9.8	9.6	9.0	9.0
Truck Sales	4.7	5.0	5.4	5.5
Unemployment Rate (%) *	6.4	7.0	6.8	6.8
Federal Funds Rate (%) *	5.46	3.85	3.13	3.04
3-Month Treasury Bill Rate (%) *	5.21	3.80	3.12	3.01
30-Year Treasury Bond Yield (%) *	8.23	7.40	6.78	6.19
Yen/US\$ *	133.23	128.19	116.84	108.01
DM/US\$ *	1.74	1.60	1.65	1.67

* 4th qtr, 1993 average level

**Results of the Technical Consultants
September 1993 Survey
Comparison of Survey Results
Percent change, 1994 over 1993**

	Forecast as of:	
	<u>Apr-93</u>	<u>Sep-93</u>
Real GNP/GDP	3.2	3.0
Personal Consumption Exp.	2.8	2.8
Consumer Durable Goods	5.0	5.1
Consumer Nondurable Goods	1.9	2.1
Consumer Services	2.7	2.6
Nonresidential Fixed Invest.	9.4	9.0
Nonresidential Structures	5.6	4.1
Producers' Durable Equip.	10.7	10.7
Residential Fixed Invest.	8.1	8.6
Exports, Goods & Services	5.1	5.4
Imports, Goods & Services	6.8	8.3
Government Purchases	0.6	0.5
Final Sales	3.1	3.0
Final Sales to Domest. Purch.	3.4	3.2
Nominal GDP	6.1	5.9
GDP Fixed Weight Index	2.8	3.0
Consumer Price Index	3.2	3.2
Corporate Profits (IVA/CCA)	8.8	10.4
Industrial Production	4.1	3.5
Housing Starts (mil units) *	1.438	1.390
Total Vehicle Sales (mil units) *	14.7	15.0
Auto Sales	9.3	9.4
Truck Sales	5.6	5.7
Unemployment Rate (%) *	6.5	6.6
Federal Funds Rate (%) *	3.54	3.46
3-Month Treasury Bill Rate (%) *	3.52	3.34
30-Year Treasury Bond Yield (%) *	6.93	6.26
Yen/US\$ *	118.81	110.22
DM/US\$ *	1.68	1.70

* 1994 average level

**Results of the Technical Consultants
September 1993 Survey
Comparison of Survey Results
Percent change, 4th qtr 1994 over 4th qtr 1993**

	Forecast as of:	
	<u>Apr-93</u>	<u>Sep-93</u>
Real GNP/GDP	3.2	3.1
Personal Consumption Exp.	2.8	2.7
Consumer Durable Goods	4.6	4.6
Consumer Nondurable Goods	2.0	2.1
Consumer Services	2.7	2.7
Nonresidential Fixed Invest.	9.4	8.9
Nonresidential Structures	7.3	5.4
Producers' Durable Equip.	10.0	10.1
Residential Fixed Invest.	5.5	8.2
Exports, Goods & Services	6.2	6.1
Imports, Goods & Services	6.8	7.9
Government Purchases	0.8	0.3
Final Sales	3.2	3.0
Final Sales to Domest. Purch.	3.3	3.1
Nominal GDP	6.4	6.1
GDP Fixed Weight Index	3.0	3.0
Consumer Price Index	3.4	3.3
Corporate Profits (IVA/CCA)	8.2	8.2
Industrial Production	4.1	3.9
Housing Starts (mil units) *	1.436	1.412
Total Vehicle Sales (mil units) *	14.9	15.2
Auto Sales	9.4	9.5
Truck Sales	5.7	5.7
Unemployment Rate (%) *	6.4	6.4
Federal Funds Rate (%) *	3.88	3.77
3-Month Treasury Bill Rate (%) *	3.87	3.62
30-Year Treasury Bond Yield (%) *	7.05	6.38
Yen/US\$ *	119.10	110.44
DM/US\$ *	1.68	1.71

* 4th qtr, 1994 average level

Armenian National Committee of America

1901 Pennsylvania Ave. N.W., Suite 206, Washington, D.C., 20006 (202) 775-1918

PRESS RELEASE

**For Immediate Release
April 16, 1993**

**Contact: Aram Hamparian
Tel: (202) 775-1918**

ANCA CALLS FOR SENATORS TO HALT FILIBUSTER AND CONSIDER PRESIDENT CLINTON'S STIMULUS PACKAGE

Washington DC - A Republican led filibuster delaying consideration of President Clinton's stimulus package has threatened to derail the President's economic strategy designed to increase investments, create jobs and reduce the deficit. The filibuster continued for several days last week, until the Senate adjourned for spring recess. The stimulus package will most likely be considered when the Senate returns on April 19.

According to White House sources, the stimulus package will produce over 500,000 full and part time jobs by allocating more than 10 billion dollars to areas such as the building of highways, community development grants for urban renewal and employment opportunities for inner-city youth.

"President Clinton deserves to have his stimulus package heard" stated Vicken Sonentz-Papazian, Executive Director of the Armenian National Committee of America, " It is unfair to delay a vote on the package and, in the process, deprive the American public of badly needed jobs. I urge the Armenian American community to contact those members of the Senate who are participating in the filibuster and ask them to discontinue their action and allow a vote on the package."

#####

ARTBA Facsimile Cover Sheet

To: Karen Wilson
Company: Democratic National Committee
Phone:
Fax: 202/863-8196

From: Pete Ruane *Pete*
Company: American Road & Transportation Builders Assn
Phone: 202/488-2722
Fax: 202/488-3631

Date: 4/14/93

**Pages including this cover
page: 4**

RE: ARTBA Support for the Stimulus Package

This will confirm what I briefly passed on to you this afternoon. In the past week we have made three membership mailings, 4,000 each, regarding follow-up with special note of the targeted senators. Our state executives report that contractors are having meetings with the senators this week. No one has openly indicated they are going to change their vote, but we are confident several will (I will talk to you about this on the telephone).

Last week I was interviewed on CNBC, National Public Radio and C-Span (see attachments). We have also turned on other coalitions to the need for this final push (that is Rebuild America, Better Road groups, ATAC, etc.). These contacts reach over 200 associations.

Our full page advertisement in support of the president's investment initiatives as part of the jobs bill will appear on page 2 in next Monday's *Roll Call* and on page 7 of the paper's Thursday issue.

National Council of the Churches of Christ in the USA



Washington
Office

April 15, 1993

Mr. Mike Lux
Office of Public Liaison
The White House
Washington, D.C. 20500

Post-It® brand fax transmittal memo 7671		# of pages > 1
To Mike Lux	From Mary A. Cooper	
Co White House	Co NCC-DC	
Dept.	Phone #	
Fax # 456-6218	Fax #	

Dear Mike:

This is to let you know that the National Council of Churches Washington Office has taken the following actions in its effort to secure passage of the President's Jobs Bill and the rest of the economic package.

1. Our legislative newsletter for March carried a front page article on the whole economic proposal which went to the NCC's staff and General Board, our network of state and local ecumenical agencies, and a large group of religious social activists.
2. On March 4 we sent an action alert to essentially the same group of people urging them to communicate with their Members of Congress supporting the entire package.
3. This week we sent an action alert urging an end to the filibuster in the Senate and approval of the jobs bill to the religious activists's mail and computer networks and to our state and local ecumenical agency networks in Rhode Island, Maine, New York, Missouri, Kansas, Minnesota, Oregon, Vermont and Pennsylvania.
4. Following the meeting with Vice President Gore on April 14, we telephoned the leaders of state and local ecumenical agencies in the above states to ask them to make personal visits or calls to their Senators while they are at home for the Easter-Passover recess. We were pleased to discover that several of them had already acted on our message sent earlier in the week via computer network.
5. Today the heads of religious offices in Washington are meeting, and will undoubtedly develop further strategies. Many of them were at yesterday's meeting with the Vice-President.

We appreciate having the opportunity to work with the Administration in moving this important legislation toward enactment.

Sincerely yours,

Joan B. Campbell
(The Rev.) Joan B. Campbell
General Secretary

Mary Anderson Cooper
Mary Anderson Cooper
Associate Director
Washington Office

THE AMERICAN INSTITUTE OF ARCHITECTS



Alexis -
Couldn't remember
if you had this out - CLK
Carol - F.Y.I.

MAR 23 1993

Clinton Economic Plan Benefits Architects; Support Needed In Congress

Action Needed: Urge your U.S. Senators and Representatives to support passage of President's Clinton's economic stimulus package. The direct spending portion of the stimulus package is scheduled for action on the House floor within the next week.

Background: On February 17, President Clinton announced a broad initiative to jump-start the economy, invest in long-term economic productivity, and reduce the federal deficit. The President's program includes selected increases in federal funding and tax incentives balanced by tax increases and budget cuts. The funding portion of the program will be acted upon very shortly. It can provide as many as 500,000 jobs, while creating investments in necessary public and private facilities that can improve community livability, the nation's transportation network, and environmental quality. For architects, the President's program can employ architects' skills in such activities as housing rehabilitation, surface transportation, historic preservation, veterans' hospitals, and energy conservation. Congress will likely consider a deficit reduction plan at the same time.

Take Action Now! Write or call your U.S. Senators and Representatives in support of the following initiatives outlined in President Clinton's economic stimulus package:

- **Community Development Block Grants**--an additional \$2.5 billion over its current \$4.0 billion level. Funds will be distributed directly to states and to large communities for use in 1993-95 for infrastructure, housing rehabilitation, public facilities, and economic development. Funds must benefit predominantly low- and moderate-income people.
- **ISTEA**--an additional \$4.16 billion for the surface transportation law, covering major road, bridge, and transit facilities, transportation enhancements, and planning.
- **AMTRAK Capital Projects**--\$188 million, some of which would be available for modernizing stations and maintenance facilities.
- **Airport Grants**--\$250 million for safety and capacity improvement projects that are ready to go.

PHOTOCOPY
PRESERVATION

- **Veterans Facilities**--\$255 million for a variety of repair and improvement projects, mainly in VA medical facilities.
- **Economic Development Administration**--\$94 million for awards to economically distressed areas to rebuild basic infrastructure, industrial parks, water/sewer improvements, access to industrial sites, economic development planning.
- **Homeless Initiative**--\$423 million for ready-to-go projects to serve the homeless.
- **Elderly Home Administration**--\$9 million for repair and rehabilitation of homes for low income people.
- **Historic Preservation**--\$549 million for ready-to-go projects in resource maintenance, rehabilitation, protection, and construction; most of the funding will go to the National Park Service; additionally, \$23 million is proposed for a backlog of bricks and mortar projects at National Trust properties and grants through the state historic preservation offices and Indian tribes.
- **Wastewater Treatment**--\$845 million in capitalization grants for the construction of sewage treatment facilities.
- **Energy Conservation**--\$38 million for energy conservation in federal buildings and in model demonstration commercial projects involving new technologies and products.

Address/salutation:

The Honorable _____
United States Senate
Washington, DC 20510

The Honorable _____
U.S. House of Representatives
Washington, DC 20515

Dear Senator _____:

Dear Representative _____:

Capitol Switchboard, (202) 224-3121

Questions? Call Al Eisenberg, Senior Director, Federal Legislative Affairs, (202) 626-7384. Also, please send us a copy of your letter to Congress

PHOTOCOPY
PRESERVATION

American Airlines

March 18, 1993

EDWARD P. FABERMAN
VICE PRESIDENT
GOVERNMENT AFFAIRS

MAR 19 1993

Ms. Alexis Herman
Assistant to the President
and Public Liaison
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Alexis:

This is a follow-up to last week's meeting concerning actions taken to promote the President's economic plan. As I mentioned, the statement that we issued at the White House in support of the President was sent to American's 100,000 employees. Our Chairman, Bob Crandall, is in the process of meeting with all American Airlines employees. During those meetings he is emphasizing the importance of supporting the program in order that we may restore the nation's economic future. I have enclosed a copy of the latest edition of the company newspaper which contains an article praising the President's program (see page 3). This newspaper is mailed to current employees and retirees. Moreover, we will include similar statements of support for the President in Congressional testimony and in regulatory/legislative filings.

At a meeting with the President and other airline representatives in Seattle, Mr. Crandall told the President that we would look for ways to increase employment and opportunities for economic investment by reducing unnecessary regulatory burdens. We recently submitted the enclosed document which states that if the FAA implements a recent proposal, we would be able to create 1,650 jobs in the City of Chicago and contribute approximately \$280 million to the Chicago area economy. This effort has been supported by many Members of Congress and wholeheartedly endorsed by the City of Chicago. One of the many benefits of this rule change is that it would increase opportunities for graduates of one of the only privately funded schools in the country -- American Airlines Maintenance Academy -- which we run with the City of Chicago's Daley College. The school was set up (see the attached brochure) to create jobs for women and minorities in aviation. These comments make clear that this regulatory change would help achieve the

President's economic objectives. We have sent copies of our comments to our employees, customers, and local/state officials throughout our route system.

I will continue to keep you apprised of actions taken to support the President's program. Please call me if you have any questions.

Very truly yours,

A handwritten signature in black ink, appearing to be a stylized 'E' or 'J' with a loop at the bottom.

Attachments

NAM

National Association of Manufacturers
Suite 1500 - North
1331 Pennsylvania Avenue, NW
Washington, DC 20004-1703

FAX Number: (202) 637-3182

Special

TO: Ms. Alexis Herman

COMPANY: The White House

FROM: Jerry Jasnowski

DATE: 2/18/93

NUMBER OF PAGES SENT (including cover): 4

IF ALL PAGES NOT RECEIVED, PLEASE CALL: Angie Fine - 202-637-3106

COMMENTS:

AMH NAM COMMENTS ON
STATE OF THE UNION Address
Jasnowski says see number
1) spending reductions
are inadequate
w/ respect to ↑
entitlement costs



MANUFACTURING MAKES AMERICA STRONG

JERRY J. JASINOWSKI
President

February 18, 1993

Ms. Alexis Herman
Assistant to the President and
Director for Public Liaison
The White House
West Wing
Washington, DC 20500

Dear Alexis:

Here is our press statement on the President's economic program. I have stressed as many positives as I could, but I am sure you are disappointed. You should know that most of my leadership felt we should be much more critical and oppose the President's program. While I am sure this comes as a surprise to the White House, the bulk of the business community, large and small, does not believe your program will create any significant number of jobs.

I have tried in the release to leave some doors open so that the President could build his support in the business community in the future. Bob Cizik is in town next Wednesday afternoon and we would appreciate the opportunity to discuss our concerns directly with the President, Mr. McLarity or Treasury Secretary Bentsen.

I hope over the long-term that we can have the dialogue necessary to improve the Administration's understanding of what is required to create private sector jobs.

Best regards,



||||| NATIONAL ASSOCIATION OF MANUFACTURERS |||||

NEWS

93-23

FOR IMMEDIATE RELEASE

CONTACTS:

LAURA BROWN (202) 637-3087

PAUL HUARD (202) 637-3075

NAM COMMENTS ON STATE OF THE UNION ADDRESS

WASHINGTON, DC, Feb. 17, 1993 -- "President Clinton has proposed a far reaching package of economic policies that merit careful consideration and support for many of its elements," National Association of Manufacturers President Jerry Jasinowski said today following the State of the Union address.

"Manufacturers want to work closely with the new Administration to improve and enact long-term growth and job creation policies," he added.

"The President is to be applauded for his political courage in facing the reality that we must reduce the budget deficit in order to increase investment and improve long-term growth.

"The President's proposals to restructure government and reduce government spending are an important beginning in making government more effective. Major efforts to reduce government overhead and wage costs and the elimination or reduction of many government programs will receive our strong support. These spending reduction measures should reduce long-term interest rates, encourage investment, exports and job creation," Jasinowski said.

"Regrettably, the spending reductions are inadequate with respect to skyrocketing entitlement costs and relative to the tax increases being proposed. Tax increases of the magnitude being proposed will discourage economic growth and job creation in the private sector. We are not convinced that this program achieves the President's goal of increasing permanent private sector jobs.

"We are particularly disappointed in the investment incentives because they will not increase company cash flow sufficiently to increase factory modernization and job creation. The short-term benefits of a temporary, marginal investment tax credit are more than offset by raising the corporate tax rate. The permanent ITC for small companies makes more sense and we support it.

"The Administration's technology initiatives, ranging from a permanent R&D tax credit to increased incentives for the commercialization of technology, offer the hope of a new public-

--more--

NAM REACTION TO STATE OF UNION/PAGE TWO

private partnership that can increase long-term growth and create new jobs," Jasinowski continued.

(4) "We also are encouraged by President Clinton's approach to job training, forsaking a training tax for a positive national effort to help companies increase their ability to provide worker training.

(5) "The reality is that the energy tax will raise prices, slow growth and reduce employment. We continue to believe that a general consumption tax is preferable to what has been proposed. Unlike an energy tax, a general consumption tax does not impair competitiveness by unilaterally increasing the cost of U.S.-produced goods.

"While we were disappointed that there wasn't more emphasis on regulatory reform, the business community was thrilled to hear the President say: 'I'd like to use that Superfund to clean up pollution for a change and not just to pay lawyers.'

(6) "I am afraid this program suffers from an inherent conflict between short-term stimulus and long-term deficit reduction. Given that the problems facing the nation are long-term, a stimulus package should be focused more on improving long-term growth and job creation," Jasinowski concluded.

NAM is the nation's largest broad-based industrial trade group. Its membership accounts for 85 percent of U.S. manufacturing employment and production.

--NAM--

R/cc

Special



National Urban League, Inc.

WASHINGTON OPERATIONS
1111 Fourteenth Street, N.W.
6th Floor
Washington, D.C. 20005
Telephone: (202) 898-1604

***** TELECOPY *****

DATE: March 23, 1993

TO: FAX: 202 - 456-2983

Alexis Herman

Assistant to the President,
Director of Public Liaison

FROM: BUDGET CODE: _____

Robert McAlpine, Director, Policy & Government
Relations, National Urban League

P.V.I. The attached letter was faxed to

each of the Senators on the attached list

from selected Urban League affiliate states.

NUMBER OF PAGES INCLUDING THIS SHEET 4
WASHINGTON OPERATIONS FAX#--(202)682-0782



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National Urban League, Inc.

Washington Operations
1111 14th Street, N.W., 6th Floor
Washington, D.C. 20005-5603
Telephone (202) 898-1604

March 23, 1993

Dear Senator:

The National Urban League strongly urges your support for the Senate FY94 Budget Resolution as passed by the Senate Budget Committee (S.Con.Res.18). The Budget Resolution essentially incorporates President Clinton's economic investment and deficit reduction proposals. Any amendment to limit or reduce funding for desperately needed investments in human and physical infrastructure contained in S.Con.Res.18 must be vigorously opposed. The National Urban League believes that the Clinton Economic Plan for the nation provides an unprecedented and welcome departure from the federal budget proposals of the last twelve years. The Clinton plan would provide for needed job creation, investments in our neglected human and physical infrastructure, and a balanced approach to reducing our federal budget deficit.

The National Urban League also urges your support for the President's Economic Stimulus plan providing for \$16.3 billion in urgent supplemental appropriations for this fiscal year. Any attempt to reduce or delay funding for the stimulus package must be opposed. To be effective, the Plan must be passed now, as our families, children, and communities need the proposed investments to address the devastating impact of this last recession. The Stimulus Plan is an important down payment on the President's comprehensive investment plan for the country.

Dear Senator
March 23, 1993
Page 2

In his statement on President Clinton's economic plan for the nation, National Urban League President, John E. Jacob, found that "the Administration's program embodies many of the aspects of the National Urban League's Marshall Plan for America, which is a comprehensive, targeted program of investments in our infrastructure and in our people." Therefore, both the Budget Resolution and the Economic Stimulus must be passed intact if we are to change the course of this nation and invest in its future productivity.

Sincerely,

A handwritten signature in black ink that reads "Robert McAlpine". The signature is fluid and cursive, with the first name "Robert" being more prominent and the last name "McAlpine" written in a more compact, connected style.

Robert McAlpine
Director
Policy and Government Relations

RMC:sb

MEMBERS FROM UL AFFILIATE STATES

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- o Breaux (D-LA)
- o Chafee (R-RI)
- o D'Amato (R-NY)
- o DeConcini (D-AZ)
- o Durenberger (R-MN)
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- o Krueger (D-TX)
- o Graham (D-FL)
- o Kohl (D-WI)
- o Lieberman (D-CT)
- o Danforth (R-MO)

NAM

National Association of Manufacturers
Suite 1500 - North
1331 Pennsylvania Avenue, NW
Washington, DC 20004-1703

Spec

FAX Number: (202) 637-3182

TO: *Alexis Herman*

COMPANY: *White House*

FROM: *Serry Jasnowski*

DATE: *3/22/93*

NUMBER OF PAGES SENT (including cover): *4*

IF ALL PAGES NOT RECEIVED, PLEASE CALL: *Angie Fine - 202-637-3106*

COMMENTS:



March 22, 1993

Dear Senator :

When you vote this week on the budget resolution for the 1994 fiscal year, NAM urges you to support attempts to delete or substantially reduce the so-called "short-term stimulus package."

The Administration's short-term stimulus package is, we believe, unnecessary and will be ineffective. On the basis of our own internal economic analysis, we don't think it will permanently encourage growth, jobs and investment. This conclusion was confirmed by the enclosed survey we conducted last week of our board of directors.

Asked if they thought the short-term stimulus package would be an effective way to encourage growth and job creation, 90 percent of the directors responding said it wouldn't. By an even larger margin--93 percent--these directors favor dropping the \$31 billion in short-term stimulus in exchange for a corresponding \$31 billion reduction in tax increases. Almost as many--92 percent--said the President's proposed temporary, incremental investment tax credit wouldn't cause them to make additional investments in new plant and equipment.

Concern over the crushing burden of net tax increases also was very high. I have enclosed a table showing that, for each dollar of business tax incentive under the Administration's program, there are at least three dollars of business tax increases. This massive reduction in business cash flow--\$113 billion over five years--will mean fewer jobs, less investment and slower growth: 93 percent of the directors responding to our survey said that the increased tax burden on their companies would not be offset by lower interest rates resulting from deficit reduction.

I urge you to vote to drop, or at least greatly reduce, the short-term stimulus component from the pending budget resolution.

Sincerely,

Enclosures

NATIONAL ASSOCIATION OF MANUFACTURERS
BOARD OF DIRECTORS

**Fax Survey on Clinton
Economic Program**

1. Based on what you now know about President Clinton's economic program, do you believe it will be successful in
 - [a] stimulating economic growth? 17% Yes 83% No
 - [b] creating new jobs? 30% Yes 70% No
 - [c] increasing private investment? 7% Yes 93% No
 - [d] reducing the federal deficit? 37% Yes 63% No

2. In your judgment, will the net reduction in business cash flow--resulting from the plan's tax increases far exceeding its tax incentives--be offset by any lowering of interest costs that result from the Administration's deficit reduction program?
 - With regard to your own company? 7% Yes 93% No
 - With regard to U.S. businesses overall? 13% Yes 87% No

3. Do you believe the Administration's proposed short-term stimulus package--consisting of some \$16 billion in new spending and about \$15 billion in tax incentives--is an effective way to encourage growth and job creation? 10% Yes 90% No

4. Would you support dropping the proposed \$31 billion short-term package in return for a corresponding \$31 billion reduction in proposed tax increases? 93% Yes 7% No

5. Will the Administration's proposed temporary [24 months ending December 1994] and incremental investment tax credit cause your company to make significant additional investments in new plant and equipment? 8% Yes 92% No

[Survey conducted March 15-19, 1993; 90 responses;
45% of directors solicited faxed responses]

COMPARISON OF RELATIVE SIZES OF BUSINESS TAX INCREASES AND BUSINESS TAX INCENTIVES UNDER CLINTON ECONOMIC PROGRAM

Business Tax Incentives

[1993-98; in billions]

28.9	Permanent and temporary investment tax credits
9.6	R&D tax credit
4.1	Enterprise zones
4.1	Low income housing credit
2.9	Exclusion of employer-paid education assistance
1.6	Alternative minimum tax [AMT] depreciation relief
1.4	Real estate changes [passive loss rules, etc.]
1.4	Targeted jobs tax credit
0.7	Targeted capital gains tax reduction
0.6	Youth apprenticeship credit
<u>1.2</u>	Miscellaneous
56.5	

Business Tax Increases

[1993-98; in billions]

42.1	Energy taxes falling directly on business operations
37.9	Individual tax increases falling on business income of sole proprietors, partners and Subchapter S shareholders
30.6	Corporate tax rate increase to 36%
16.1	50% limit on business meals/entertainment deduction
14.6	Employer half of Medicare HI payroll tax increase
8.6	Tax increases on international operations
7.1	Limitation on Puerto Rico tax credit
4.7	Speed-up of estimated corporate tax payments
3.6	Pension plan contribution/benefit limitations
2.0	Penalty increases
1.2	Denial of club dues deduction
1.0	Denial of lobbying expense deduction
<u>0.6</u>	Restriction of deduction for executive compensation
170.1	

-C Amy
AsAP
from Rudy
3/22/93

RCC

Special Int.

NATIONAL ASSOCIATION OF MANUFACTURERS
1331 PENNSYLVANIA AVENUE, NW
SUITE 1500
WASHINGTON, DC 20004-1703

FAX TELEPHONE # (202) 637-3182

TO:

ALEXIS HERMAN

COMPANY:

WHITE HOUSE

FROM:

PAUL R. HUARD, VICE PRESIDENT, TAXATION AND FISCAL POLICY DEPT

DATE:

MARCH 20, 1993

FAX NUMBER:

(202) 456-2983

OF PAGES (INCL. COVER):

3

COMMENTS:

JERRY JASINOWSKI ASKED THAT I SEND YOU A
COPY OF THIS LETTER TO PRESIDENT CLINTON.

IF YOU DO NOT RECEIVE ALL OF THE PAGES, PLEASE CALL DIANE COOPER AT (202)
637-3108.



**NATIONAL ASSOCIATION OF MANUFACTURERS
BOARD OF DIRECTORS**

**Fax Survey on Clinton
Economic Program**

1. Based on what you now know about President Clinton's economic program, do you believe it will be successful in

[a] stimulating economic growth?	18% Yes	82% No
[b] creating new jobs?	32% Yes	68% No
[c] increasing private investment?	8% Yes	92% No
[d] reducing the federal deficit?	35% Yes	65% No

2. In your judgment, will the net reduction in business cash flow--resulting from the plan's tax increases far exceeding its tax incentives--be offset by any lowering of interest costs that result from the Administration's deficit reduction program?

With regard to your own company?	7% Yes	93% No
With regard to U.S. businesses overall?	12% Yes	88% No

3. Do you believe the Administration's proposed short-term stimulus package--consisting of some \$16 billion in new spending and about \$15 billion in tax incentives--is an effective way to encourage growth and job creation? 10% Yes 90% No

4. Would you support dropping the proposed \$31 billion short-term package in return for a corresponding \$31 billion reduction in proposed tax increases? 92% Yes 8% No

5. Will the Administration's proposed temporary [24 months ending December 1994] and incremental investment tax credit cause your company to make significant additional investments in new plant and equipment? 8% Yes 92% No

6. Will your company be eligible for the permanent investment tax that is limited to companies with annual gross receipts not exceeding \$5 million? 6% Yes 94% No

7. In terms of providing a balanced program to encourage private sector economic growth and jobs, how would you grade the President's economic plan?

0% Outstanding	1% Good	20% Fair	51% Poor	28% Awful
----------------	---------	----------	----------	-----------

[preliminary - 84 responses]



Jerry J. Jasinowski
President

March 20, 1993

President William J. Clinton
The White House
Washington, D.C. 20500

Dear Mr. President:

As you know, NAM supports your stated goals of reducing the federal deficit and encouraging the expansion of employment, private investment and economic growth. Regrettably, after examining the details of your recently-announced economic program, we have concluded that it simply won't work.

This conclusion has been strongly reinforced by a recent survey of the NAM Board of Directors, a copy of which is enclosed. The bottom line of this survey is that, by large margins, our directors believe your economic program won't stimulate economic growth, won't create new jobs, and won't increase private investment. I myself was surprised at the highly negative rating given to the overall program in the answer to Question 7.

The plan's major defect is the excessive and counterproductive piling on of new business taxes as the principal means of achieving deficit reduction. This massive reduction in business cash flow will mean fewer jobs, less investment and slower growth. By an overwhelming majority, our directors favor dropping your proposed \$31 billion short-term stimulus package in exchange for a corresponding \$31 billion reduction in new taxes.

Your goals for the economy, Mr. President, are the right ones. They set the right priorities for the nation. NAM wants you to succeed in reducing the deficit while increasing jobs, investment and growth. Yet because of the pendency of votes on the budget resolution, I feel compelled to release the enclosed survey next week. I therefore wanted to give advance notice of this to you and your staff, in particular Bob Rubin who is scheduled to speak at an NAM meeting on March 24.

We have several suggestions for modifying your economic plan to enhance its prospects for success, and urgently request the opportunity to meet with you and your senior policy advisers to discuss them. A group of NAM directors will be in Washington April 1st and that day, or late the day before, would be an opportune time for such a meeting.

Sincerely,

A handwritten signature in dark ink, reading 'Jerry J. Jasinowski'. The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

cc: Secretary Bentsen, Deputy Secretary Altman, Mr. McLarty and Mr. Rubin
Enclosure

1331 Pennsylvania Avenue, NW, Suite 1500
Washington, DC 20004-1703
(202) 637-3106; Fax: (202) 637-3182

① AMH
② Amy w/ materials



Elliott S. Hall
Vice President-Washington Staff
Governmental Relations

Ford Motor Company
1350 I Street, N.W.
Washington, D.C. 20005

April 16, 1993

Ms. Alexis Herman
Assistant to the President
and Director of Public Affairs Liaison
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

APR 19 1993

Dear Alexis:

This is in response to the Office of Public Liaison's inquiry about some of the activities that Ford, and particularly, "Red" Poling, have been involved in to explain and support the Clinton Administration's economic proposals.

As you know, "Red" was pleased to be a participant in the Little Rock Economic Conference, the Little Rock automotive meeting, the pre-State of the Union business leaders session and the Business Leaders News Conference with President Clinton and Vice President Gore. In all instances, he conducted news conferences and numerous interviews explaining his position and why he was encouraged by the directions being taken by the President.

I would say that a principal message that "Red" has conveyed is how important it is for government, business and labor to work together to address the nation's challenges and improve its competitiveness. He has said repeatedly, and been quoted often, that this initiative by the Clinton team is a fresh perspective which he believes will bring improvement for the United States.

As you know, we have also spoken out specifically in support of the overall economic plan, although suggesting that further spending cuts would be welcome (we are pleased that this appears to now be in the plan); and in favor of the energy tax, both in concept prior to the State of the Union and specifically in support of the BTU proposal. We have also commented often on the health care dilemma, where there has been increased interest since Mr. Poling was given the opportunity to speak at Little Rock in December, and on the chronic trade deficit with Japan.



"Red" has given several major speeches in the past few months, all of which included specific mention and support of the fundamental changes that he thought President Clinton was leading. Among these were the Detroit Economic Club (December 8); NADA (February 6); National Press Club (February 23) and SAE (March 4). All presentations were accompanied by news conferences. He has also appeared on several radio and television broadcasts. On programs such as CNN "Moneyline," the fact that a major auto executive was basically supportive of the new Administration's plan was viewed as news and worthy of discussion.

Following the session in the Executive Office Building February 25, Richard Strauss of your Media Relations office asked "Red" to do radio with Michigan stations -- two separate interviews were completed. His particularly heavy schedule that week precluded doing a couple of other television interviews which he would have liked to have accepted.

At the same time, our chairman has also had numerous meetings and conversations with Members of Congress and other government figures in which he has not only explained auto industry positions and issues but has also said how impressed he has been by President Clinton and his approach to working with various constituencies.

Finally, Ford internal print and electronic communications have reported extensively on the Clinton proposals and the company's participation. Attached are copies of the Ford World newspaper and video clips from our daily Ford Communications Network (FCN) television program.

Responses from the media, shareholders, customers and the general public has been encouraging although predictably mixed. As you well know, people often hear from critics ahead of supporters. There has, however, been a strong and favorable response to "Red" activities from business leaders, suppliers and dealers and from many of the other people who have contacted him. Other Ford executives and spokesmen are reflecting the same positions in their business and public appearances, as well as in media situations.

Please contact me as further information is needed.

Very truly yours,

A handwritten signature in black ink, appearing to be 'E. S. Hall', written over a horizontal line.

Elliott S. Hall

Memo

To: Craig Smith, Minyon Moore

From: Caren Wilcox *CW*

Re: Infrastructure Business Support for Stimulus Package

Date: April 2, 1993

As you know the American Road and Transportation Builders Association, Associated General Contractors, National Utility Contractors and others have been working very hard to pass the President's stimulus package.

They are very troubled by the rumor that we are paring down the package to the \$6 billion outlined in the newspapers today, which would appear to eliminate the construction money.

The head of government affairs for the Associated General Contractors, Steve Sandherr, told me this morning that he had personally talked to Senators Conrad and Lieberman last night, and that they said that they were in negotiations on a compromise package and that there had been discussions with the President from the road on this.

I told them that, while I had no direct knowledge of these conversations, I had spoken to our Political Director, Craig Smith, about the issue, and had been assured that we were going for broke now and trying to get the 3 Republican votes to break the gridlock now.

If we compromise on this, I know that the contractors and, I assume the mayors, will be very upset. I will need to work with these business people should it come down to that.

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

RICHARD L. LESHER
PRESIDENT

1615 H STREET, N.W.
WASHINGTON, D. C. 20062
202/463-5300

March 31, 1993

TO U.S. CHAMBER MEMBERS

This is to update you on activities that the U.S. Chamber of Commerce has engaged in pursuant to its Board meeting of February 22.

I believe it is important for you to see the enclosed letter dated March 31, 1993, which was sent to certain members of Congress. Also enclosed are other Chamber letters informing the Congress of our position on the Clinton economic plan. The letters comport completely with policy established by the Board on February 22. Our lobbying activities regarding the President's plan have emphasized the lack of adequate spending cuts, have asserted that the short-term stimulus package is no longer needed and, importantly, have been critical of the plan's heavy reliance on increased taxes.

In addition to working with the Congress, the Chamber is having a very positive impact on the Executive Branch on behalf of its members. For almost three years, the Chamber has alerted two administrations about the severe regulatory problems facing our small businesses in obtaining credit. Importantly, the Clinton administration recently announced proposals to relieve the credit crunch for small business. These are meaningful, although the Chamber believes that legislative changes will still be necessary.

We have also met with senior White House staff, alerted them to the fundamental inequity in their economic plan of their proposals on taxes on subchapter S corporations, and proposed a correction. Subsequent contacts with other administration officials provide reason to believe that they are weighing seriously our recommendations. On health care, Chamber staff have met with the senior-most members of this administration, both in the White House and in the Department of Health and Human Services. The Chamber has aggressively propounded the policies established by its Board that seek to maintain a private, competitive health-care system, while at the same time controlling escalating health-care costs.

In numerous ways the Chamber is proffering positive policies while helping to head off those that are antithetical to the best interests of our members and to the American free enterprise system. Perhaps what is most important is that the Chamber's counsel is being sought.

Unfortunately, to a small number of the Republican party in the House of Representatives, the Chamber's efforts have not been enough. The letter recently received (enclosed) is the culmination of a series of letters that have been sent to me over the past month. The letter also is subsequent to four meetings recently held involving Bill Archey, our Senior Vice President for Policy and Congressional Affairs, myself and members of the Conservative Opportunity Society (COS) of the Republican party. Attempts to reason with the COS members and explain the Board's positions on the economic plan and health care were unsuccessful. Each meeting was marked by considerable hostility toward us, driven by two fundamental demands: the Chamber must (1) categorically oppose the Clinton economic plan, and (2) alter its position on health care, "or else."

Sadly, this latest letter and other communications from them can be characterized as nothing less than an attempt to dictate Chamber positions, implying some form of retaliation if we are not responsive. It is an attack on the fundamental values of the Chamber and its right as a private sector-institution for members to determine policies and procedures without interference from government.

There is irony in this situation. Here are some of the most free-market oriented, "keep government out of the private sector" elements of the Congress telling a private business institution what it should believe, what its policies should be, and how those policies should be implemented. As you know, Chamber policies are arrived at through an open, democratic, member-driven process. The real dispute is about who determines Chamber policy--you, our member, or some elected officials. We did try to quietly resolve this matter with them, since many of these Congressmen have been supporters of business. Unfortunately, we were not able to do so. This has been a difficult and painful matter for us. But, in the end, our Board believed we had to take a firm and public stand against government interference; otherwise the independence and integrity of the Chamber and its members would be forever jeopardized. As you can see from our March 31 letter, we have expressed our interest in continuing to work with all members of Congress in an atmosphere of mutual respect to advance the interests of the American business community.

We have provided you with this information to not only apprise you of the facts, but also to enlist your aid in countering the disinformation about your U.S. Chamber. We will continue to keep you abreast of the Chamber's activities. We appreciate your continued support during this challenging time.

Sincerely,



Richard L. Lesh

Enclosures

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

IVAN W. GORR
CHAIRMAN OF THE BOARD

1615 H STREET, N. W.
WASHINGTON, D. C. 20002-2000
202/659-6000

March 31, 1993

The Honorable Robert H. Michel
United States House of Representatives
Washington, D. C. 20515

Dear Mr. Michel:

This letter is in response to your March 25, 1993, letter to Dr. Richard Leshner signed by you and Congressmen Gingrich, Armey, DeLay, McCollum and Hyde regarding the U.S. Chamber's position on President Clinton's proposed economic program.

The Chamber Board considered President Clinton's proposed economic program at its February 22, 1993, meeting. The Board reviewed the then-available details of the plan and received input from our policy committees and surveys of our membership. At that meeting, the Board adopted its position, which remains in effect today. As we have testified, the President's proposal relies far too much on tax increases and not enough on spending cuts. We need to learn from history that spending restraint is the key to long-term deficit reduction. Time and time again increased taxes have been used not for deficit reduction, but to fund ever higher levels of government spending. This must not happen again. If Congress is willing to make the hard spending choices, then the Chamber will assess those choices and look seriously at a complete package, provided such a package will still preserve the economic recovery. Contrary to the assertion in your letter, the Chamber has been both visible and active in promoting this position on the President's plan.

As more details of the plan become available, our policy committees and the Board will continue their review and will adopt positions accordingly. We will work with both the Congress and the Administration to ensure that the final product is as pro-business and pro-economic growth as possible. Our members have instructed us to work with all the involved parties to help fashion the best possible legislation. We are active and outspoken against those features of the plan that are inimical to the business community and similarly supportive of those that are helpful.

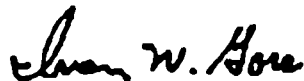
While your misrepresentation of the Chamber's position is troubling, another aspect of your letter and other communications is far more disturbing. We infer from various statements in your letter that if we do not adopt positions acceptable to you, we will suffer the "consequences." This apparent attempt to dictate to us what our policies should be is deeply offensive. Although you imply otherwise, we sincerely hope these tactics are not condoned by either the Republican Party or the many responsible and thoughtful Republican legislators.

The irony of your approach will not be lost on our members -- that a small group of legislators, who espouse the principle of limiting government interference in business, is attempting to interfere in the democratic policy-making process of a business organization. The Board has full confidence that the Chamber staff is properly carrying out Chamber policy.

Your letter also conveys the impression that you believe the Chamber is meant to be an unofficial arm of the Conservative Opportunity Society. Our 215,000 members represent the broad diversity of the American business community. They include Republicans, Democrats, Independents, conservatives, moderates and liberals. Our members are unified by their interest in creating and preserving the best business climate, and we have been -- and will remain -- determined to safeguard that interest whether or not our positions are pleasing to any political party or policy group.

The Chamber's mission is to represent the interests of its members, as determined by them, as effectively as possible. To that end we will work with you and all of your colleagues in Congress in an atmosphere of mutual respect to advance the interests of the American business community.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ivan W. Gorr". The signature is fluid and cursive, with the first name "Ivan" and last name "Gorr" clearly legible.

Ivan W. Gorr

cc: All House Republicans

Congress of the United States

Washington, DC 20515

March 25, 1993

Dr. Richard Leshar
President
Chamber of Commerce of the
United States of America
1615 H Street, N.W.
Washington, D.C. 20062

Dear Dick:

In the interest once again of serving as an alarm bell ringing in the night, we wanted to alert you to a rapidly spreading frustration and anger with the Chamber's failure to take an aggressive posture on the Clinton economic program. We have discussed this matter on several occasions so we felt that we owed it to you to bring it to your attention before we pass the point of no return.

Despite all of the House Republican Leadership's effort, during last week's key votes on the Democratic Leadership's budget resolution and on the so-called "stimulus" supplemental spending package, the Chamber was nowhere to be seen. In fact, the Chamber's absence was conspicuous by its lack of presence and activity. Silence speaks volumes.

The Chamber's current posture is disturbing. We have had several brutally frank discussions about it. We thought we had a clear understanding of the consequences, both short- and long-term, of the Chamber's current activities, or lack thereof, and believed that our discussions were productive.

However, several incidents since then have led us to believe otherwise. Congressman John Boehner, in his capacity as Chairman of the Conservative Opportunity Society, invited Dr. William Archey and other key officials to their weekly meeting to urge them to take an active position. We met with you again yesterday. Members came away from both sessions more exasperated than they were before the meetings.

The Chamber's apparent unwillingness to adopt an aggressive posture is even more disturbing when you contrast it to your position throughout the 1980s, when you were at the vanguard of those business groups that marshalled public support for the Reagan economic program, which triggered an economic boom of historic proportions.

To make matters worse, your refusal to weigh in strongly on the Clinton economic program stands in stark contrast to many other business organizations, such as the National Federation of Independent Business and the National Association of Manufacturers. Even though

the NFIB and NAM faced daunting odds, they still lobbied hard and remained true to their core principles of lower taxes, less government spending and smaller government.

Your current posture is unacceptable. Judging by the comments of many of our colleagues, we have a feeling that this situation is about to hit a critical mass. Tactical decisions made in today's political environment will reverberate for years; once made, the ramifications could be quite severe.

Given the urgency of the situation and potential consequences, we wanted to warn you again of the stakes involved in your current position.

This has become a Republican Leadership issue. We intend to pursue our plans to see what we can do to make the Chamber a more effective advocate for free-market, pro-growth economic policies. Any concrete suggestions that you might have about how to rectify this situation quickly would be more than welcome.

Thank you very much.

Sincerely,

Newt Gingrich

Bob Michel

Dick Armey

Tom DeLay

Henry Hyde

Bill Marshall



1615 H ST., NW
Washington, DC 20062

Media Relations Department (202) 463-5682

NEWS

FOR IMMEDIATE RELEASE

Contact: Thomas Love

**COMMENT ON THE CLINTON ECONOMIC PROPOSAL
BY THE BOARD OF DIRECTORS
U.S. CHAMBER OF COMMERCE**

WASHINGTON, Feb. 23 – The board of directors of the U.S. Chamber of Commerce, at its February 22 meeting here, considered President Clinton's economic program. After careful deliberation, the board issued the following statement:

The U.S. Chamber of Commerce applauds President Clinton's goals of reducing the deficit, cutting spending, creating jobs and stimulating the economy. The spending cuts can and should be expanded. The Chamber will make recommendations for investment incentives and further reductions in spending, and will insist that spending cuts be implemented before any new or increased taxes are enacted. Any tax increases should neither have an additional inflationary effect nor stifle private investment and job creation. We also urge the president to propose expanded tax incentives to further economic growth. We look forward to working with the president in shaping the best possible package for fostering long-term economic growth and sustained deficit reduction.

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93-T-12

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

WILLIAM T. ARCHIEY
SENIOR VICE PRESIDENT, POLICY
AND CONGRESSIONAL AFFAIRS

1815 H STREET, N. W.
WASHINGTON, D. C. 20062-2000
202/463-5417

March 8, 1993

Dear Member of Congress:

As you may be aware, the Chamber Board's recently approved statement regarding President Clinton's economic program has been misrepresented and misinterpreted by some columnists in the press.

Because we thought it important to inform our entire membership about the facts surrounding this matter, we have sent the attached letter to each of them. I thought you would be interested in receiving a copy of it as well.

If you have any questions, please don't hesitate to give me a call.

Sincerely,


William T. Archey

Attachment

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

RICHARD L. LESHER
PRESIDENT

March 5, 1993

1615 H STREET, N.W.
WASHINGTON, D.C. 20062

Dear Member:

We at the U.S. Chamber of Commerce have been greatly disturbed by a very small number of columnists in the press who have misinterpreted and misrepresented our position on President Clinton's economic program. The U.S. Chamber Board of Directors applauded the president's "goals of reducing the deficit, cutting spending, creating jobs and stimulating the economy," goals which the overwhelming majority of businesses and Americans support. The Board did not endorse President Clinton's economic program.

Here is the entire statement issued February 23:

The U.S. Chamber of Commerce applauds President Clinton's goals of reducing the deficit, cutting spending, creating jobs and stimulating the economy. The spending cuts can and should be expanded. The Chamber will make recommendations for investment incentives and further reductions in spending, and will insist that spending cuts be implemented before any new or increased taxes are enacted. Any tax increases should neither have an additional inflationary effect nor stifle private investment and job creation. We also urge the president to propose expanded tax incentives to further economic growth. We look forward to working with the president in shaping the best possible package for fostering long-term economic growth and sustained deficit reduction.

The statement was prepared after considerable deliberation within the Chamber's member-driven policymaking process. In particular, the Chamber's economic policy, tax policy and energy policy committees, as well as the Small Business Council, were polled for their reactions after the president's State of the Union speech. In addition, this process was augmented by a special member phone survey. The results of those surveys were provided to the executive committee of the Board and to the entire Board.

As you may be aware, President Clinton addressed our National Business Action Rally on February 23. This enabled us to present to him your

The U.S. Chamber strongly supports the goal of reducing the deficit while at least maintaining, if not increasing, the current level of national economic growth. Our members, covering the entire spectrum of the U.S. business community, are deeply concerned that tax increases even if intended for deficit reduction, can harm economic growth and raise inflation. They believe spending restraint is the key to long-term deficit reduction.

In that context, the U.S. Chamber is quite concerned that the budget resolution, as presented to you, relies too heavily upon revenue increases and too little upon meaningful spending restraint. In fact, as approved in committee, the budget package will likely *reduce* economic growth over the period covered by the resolution, while doing little to address the federal deficit. It includes \$189 billion in net spending reductions and interest savings and \$313 billion in net tax and user fee increases over the next five years, or almost \$1.65 in net revenue increases for each \$1 in spending cuts.

Federal spending as a proportion of Gross Domestic Product consumes nearly one-quarter of total U.S. output. It may be stated categorically that meaningful deficit reduction cannot be achieved without significant restraint in federal spending. On behalf of our members, we pledge to work with the Administration and Congress to identify additional spending reductions beyond those already found in the committee proposal.

As you well know, increased taxes have too often been used, not for deficit reduction, but for more government spending. Sadly, the implicit bond of trust between taxpayers and their elected representatives has been badly eroded. A budget that honestly confronts the national fiscal dilemma by emphasizing spending restraint above all else will help restore that trust.

Federal spending restraint must be the first and most critical line of attack against the federal deficit. We urge you to oppose the supplemental appropriations package and to seek additional spending restraint to offset the proposed tax increases. With meaningful and enforceable deficit reduction as our shared goal, we look forward to working with you to identify additional areas of spending reduction and to design a package which will not only reduce the deficit but maintain this fragile economic recovery.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dick", written in a cursive, stylized script.

Richard L. Leshner

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

RICHARD L. LESHNER
President

March 17, 1993

1615 H STREET, N.W.
WASHINGTON, D. C. 20062
202/462-3300

The Honorable Neil Abercrombie
U.S. House of Representatives
Washington, D.C. 20515

SENT TO ALL MEMBERS
OF THE HOUSE

Dear Representative Abercrombie:

This week you will be asked to consider adoption of the budget resolution for fiscal years 1994-1998. This vote will provide the first chance for you and your colleagues to demonstrate to the American people that Congress is serious about tackling the federal deficit.

The U.S. Chamber of Commerce strongly supports the goal of reducing the deficit while at least maintaining, if not increasing, the current level of national economic growth. Our members are deeply concerned that any tax increase will harm economic growth and raise inflation, and that true debate over this budget resolution is only beginning, even as Congress rushes toward a vote.

The Chamber membership, covering the entire spectrum of the U.S. business community, believes spending restraint is the key to long-term deficit reduction. These men and women will be looking to you to make certain that spending cuts are real, that they precede any tax increases, and that these cuts are larger than the tax increases. *Equivalent and/or future* spending restraint is not enough.

In that context, the U.S. Chamber is quite concerned that the budget resolution, as presented to you, relies too heavily upon revenue increases and too little upon meaningful spending restraint. In fact, as approved in committee, the budget package will likely *reduce* economic growth over the period covered by the resolution, while doing little to address the budget deficit. It appears to include \$263.8 billion in net spending reductions and \$245.9 billion in net tax increases over the next five years, or almost a \$1 for \$1 ratio of tax increases to spending cuts from the baseline. However, the plan appears to raise federal spending approximately \$270 billion by 1998 as compared with today (even assuming that defense spending falls by about \$40 billion).

Federal spending as a proportion of Gross Domestic Product consumes nearly one-quarter of total U.S. output. It may be stated categorically that meaningful deficit reduction cannot be achieved without significant restraint in federal spending. On behalf of the Chamber's 220,000 members, we pledge to work with the Administration and Congress to identify additional spending reductions.

1993 National Business Agenda, which reflects member views on issues of critical importance to the business community. While we were pleased to hear him declare his support for a number of economic goals that we have supported for many years, such as fostering growth and reducing the deficit, we have serious reservations about a number of his proposals for achieving those goals. In fact, our statement called for more spending cuts and investment incentives than President Clinton recommended. Furthermore, we are insisting that "spending cuts be implemented before any new or increased taxes are enacted." During his address, the president stated he would welcome additional spending cuts, and he will not approve any tax increases until all spending cuts are implemented.

President Clinton's proposed tax increases, which would place an added burden on business, could prove to have an inflationary effect while at the same time depressing our economy's already weak recovery. This concerns us. For that reason, we are urging the president to place more emphasis on spending cuts and less on tax increases. We will soon propose substantial additional cuts and will employ our best efforts to have them implemented.

Our role as your representative in Washington will be to work with the president and the Congress "in shaping the best possible package for fostering long-term economic growth and sustained deficit reduction." The president's entire program has not yet been unveiled. However, we know we will agree with it on some issues and disagree on others. But in all cases, we will do our utmost to represent the interests of you, our members. We ask for your help and support in this process. Together, we will remain a potent force in preserving and improving the economic system on which every aspect of American life ultimately depends.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dick Lasher", written in a cursive style.

Richard L. Lasher



Washington, DC 20062

Media Relations Department (202) 463-5682

NEWS

FOR IMMEDIATE RELEASE

Contact: Thomas Love

BASE DEFICIT REDUCTION ON SPENDING RESTRAINT, U.S. CHAMBER SAYS

WASHINGTON, March 17 -- The U.S. Chamber of Commerce told Congress today, "Federal spending restraint must be the first and most critical line of attack against the federal deficit."

In a letter to all members of the House, Chamber President Richard L. Leshner said the Chamber's membership, representing the entire spectrum of U.S. business, believes that spending restraint is the key to long-term deficit reduction. "These men and women will be looking to you to make certain that spending cuts are real, that they precede any tax increases, and that these cuts are larger than the tax increases," he said.

"Our members and the general public will *not* stand for another round of taxes in exchange for *promises* of future spending reductions," Leshner warned.

"As you well know, increased taxes have too often been used, not for deficit reduction, but for more government spending," he continued. "Sadly, the implicit bond of trust between taxpayers and their elected representatives has been badly eroded. A budget that honestly confronts the national fiscal dilemma by emphasizing spending restraint above all else will help restore that trust."

In the letter, Leshner said, "at this time Congress should forego the fiscal year 1993 short-term stimulus spending programs found in the supplemental appropriations package. As the nation weighs painful measures in the name of reducing the deficit, such efforts are out of place," he said.

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93-T-23

(NOTE: Copies of Leshner's letter are available from Media Relations.)

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

March 24, 1993.

RICHARD L. LESHNER
President

1615 H STREET, N.W.
WASHINGTON, D. C. 20062
202/463-5300

LETTER SENT TO ALL SENATORS

The Honorable Daniel Akaka
United States Senate
Washington, D.C. 20510

Dear Dan:

In the near future, you will be asked to consider adoption of the budget resolution for fiscal years 1994-1998. This vote will provide the first chance for you and your colleagues to demonstrate to the American people that Congress is serious about tackling the federal deficit.

On behalf of the 215,000 members of the U.S. Chamber of Commerce, we urge you to rely less on tax increases and more on spending restraint in the final Senate budget resolution. These men and women look to you to ensure that the budget resolution contains real spending cuts and that such cuts precede, and are larger, than any tax increases. *Equivalents and/or future* spending restraint is not enough.

Although, some cuts which need to be made in the interest of deficit reduction may have a negative impact on Chamber members, they nevertheless stand ready to do their part to solve the nation's deficit problem. As you are aware, the legislative language for the specific tax and spending provisions has not yet been made available; and as we understand it, modifications are being made to certain of these components. Therefore, it is difficult for the Chamber, at this time, to assess the specific effects of individual provisions. The Chamber and its policy committees certainly want the opportunity to look at these proposals in greater depth, when the final details are released. What our members and the public in general will not stand for is another round of taxes in exchange for *promises* of future spending reductions.

As a first step, the U.S. Chamber of Commerce encourages you to forego, at this time, the short-term stimulus spending programs found in the supplemental appropriations package. As the nation weighs painful choices in the name of reducing the deficit, such new spending measures are out of place.

Toward that end, we find much within the Kasich budget resolution worthy of your attention. In particular, the Chamber believes that examination of the Kasich plan will reveal acceptable spending cuts of \$20 to \$30 billion beyond those found in the committee proposal.

Some cuts that may need to be made in the interest of deficit reduction may have a negative impact on Chamber members. Nevertheless, our members stand ready to do their part to solve the nation's deficit problem. What our members and the public in general will *not* stand for is another round of taxes in exchange for *promises* of future spending reductions. As you well know, increased taxes have too often been used, not for deficit reduction, but for more government spending. Sadly, the implicit bond of trust between taxpayers and their elected representatives has been badly eroded. A budget that honestly confronts the national fiscal dilemma by emphasizing spending restraint above all else will help restore that trust.

As a first step, the Chamber believes that at this time Congress should forego the Fiscal Year 1993 short-term stimulus spending programs found in the supplemental appropriations package. As the nation weighs painful measures in the name of reducing the deficit, such efforts are out of place.

Federal spending restraint must be the first and most critical line of attack against the federal deficit. With this as our shared goal, the Chamber looks forward to working with you to design a package which will reduce the deficit and maintain this fragile economic recovery.

Sincerely,

A handwritten signature in dark ink, appearing to read "Rich", written over a large, stylized capital "L".

Richard L. Lesher



U.S. Chamber of Commerce
1615 M St. NW
Washington DC 20062

Media Relations Department (202) 463-5682

NEWS

FOR IMMEDIATE RELEASE

Contact: Thomas Love

U.S. CHAMBER SUPPORTS KOHL EMERGENCY SPENDING AMENDMENT

WASHINGTON, March 24 – The U.S. Chamber of Commerce, representing 215,000 members covering the entire spectrum of the U.S. business community, believes spending restraint is the key to long-term deficit reduction. As a proportion of gross national product, Federal spending consumes nearly one quarter of our nation's total output. It may be stated categorically that meaningful deficit reduction cannot be achieved without significant restraint in federal spending.

The U.S. Chamber strongly supports the amendment to the supplemental appropriations bill sponsored by Sen. Herbert Kohl, D-Wisc. The amendment would alter the emergency declaration in the supplemental appropriations act by limiting "emergency" spending to fiscal year 1993. It would require that outlays in fiscal years 1994 and beyond be subject to regular spending outlay caps for those years.

The U.S. Chamber shares Kohl's concern with the supplemental appropriation. The Chamber believes that if there must be "emergency spending" through a supplemental appropriations bill, that spending should be held to fiscal year 1993 and not over a four-year period. By allowing exemption of the spending caps through 1997, the term "emergency" becomes a pawn in the game of Congressional overspending. Fiscal restraint – and thus, serious deficit reduction – never can be obtained with such actions by Congress.

The U.S. Chamber applauds Kohl's determination to maintain fiscal restraint.

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.93-T-23



U.S. Chamber of Commerce
1615 H St. NW
Washington, DC 20062

Media Relations Department (202) 463-5682

NEWS

FOR IMMEDIATE RELEASE

Contact: Rick Del Vecchio

U.S. Chamber of Commerce Backs Managed Competition as Basis for Health Care Reform

WASHINGTON, March 8 -- In a signal of its determination to move toward resolution of the nation's health care crisis, the U.S. Chamber of Commerce today reiterated its support for universal coverage and unveiled guidelines for health care reform.

These guidelines represent endorsement of a managed competition approach to health care reform, including a restructured delivery system and revamped incentives for physicians and hospitals to provide cost-effective care. The success of a managed competition approach will hinge on commitment by employers, individuals and government.

The Chamber will use these guidelines as a framework for its participation in the national health policy debate. The Chamber's board of directors emphasized that a successful reform package must:

- Provide appropriate government subsidies in cases where low-wage workers and their employers are unable to afford health insurance.
- Include Medicare and Medicaid as well as private plans in a delivery system that rewards cost-conscious behavior on the part of consumers and health care providers.
- Rely on competition, not regulation, to contain health care costs.
- Maintain a self-insurance option for larger employers.
- Avoid excessive levels of new taxes on employers.

"Businesses in the United States want health care reform that includes both universal coverage and cost containment, but they are not prepared to accept a level of government regulation or taxes that destroys the best parts of our current system," said Robert E. Patricelli, chairman of the Chamber's Health and Employee Benefits Committee. "These guidelines provide the framework for preserving the excellence in the health care system even while reforming it."

The Chamber looks forward to working with members of Congress and the Clinton Administration in crafting a health care reform strategy that satisfies our common goals of ensuring access to high-quality, cost-effective health care for all Americans, Patricelli added.

NOTE: The Statement of Guidelines is enclosed. For more information, contact Kristin Bass or Lisa Sprague at 202/463-5514.

###

93-R10

U.S. Chamber of Commerce

Washington, D.C. 20062

The Chamber position on a mandate:

The Chamber supports a health care system that provides universal health coverage at acceptable cost. The Chamber supports building on our existing employer-based system, but the only way that health care reform is really going to work is if everyone is in the system and playing by the same rules. We've looked at a lot of other options, including a government-run system. None of the options is pain-free and none of the choices is easy. Under the current system, business already pays for the uninsured. If health insurance remains voluntary, many people will continue to opt out – but continue to receive treatment when they need it, with costs shifted, through higher hospital and doctor bills, to businesses who insure their employees. Costs for business simply spiral up. We believe that agreeing to provide and help pay for insurance in a reformed and improved system is cheaper for business in the long run than either the current system or an ultimate imposition of government control. What universal coverage entails, then, is employer participation that includes an appropriate subsidy mechanism for low-wage workers and their employers. A health insurance mandate that forces job loss is not acceptable to us. The requirement that an employer provide coverage is backed up by a requirement that individuals must accept coverage for themselves and their dependents.

The Chamber position on subsidies:

Again, the central question for health care is "Who can afford to pay?" Not all businesses and individuals can afford to pay the expense of health insurance and the government's requiring it won't magically enable them to afford it. We will oppose a mandate that does not include adequate subsidies for low-wage workers and their employers who are primarily small businesses. By a subsidy, we envision that an employer's contribution would be capped at some percentage of payroll and the low-wage employee's at some percentage of income.

The Chamber position on taxes:

The Chamber is not recommending any specific tax increases of any kind related to the funding of health care for Americans. In our guidelines, the Chamber supports capping the amount of employer-provided health insurance an employee can get tax-free, primarily as an incentive for employees to choose most cost-effective health plans. The Chamber continues to believe that the health care system can be made to work more efficiently and savings applied to expanded access. The Chamber has not set forth a package of taxes and will consider taxes only as a part of the overall economic program and its impact on the economy and our membership.

March 8, 1993

Action

InterfaithIMPACT

Action Vol. 3 No.1 • InterfaithIMPACT • 110 Marland Avenue, NE, Washington, D.C. 20002 • (202) 543-2800 • Editor: R. Greenwood

Support President Clinton's Economic Plan

Balanced Budget Amendment Poses Renewed Threat

ISSUE

During the 1980's the religious community emphasized the injustice of federal economic policies to low income families. During the past twelve years the tax burden shifted from sectors of the economy which benefit the most from our economic system to the middle class and those already economically disadvantaged. Programs designed to help families break the cycle of poverty were continually targeted for further cuts. The result was millions of more people pushed into poverty, 1 out of 5 U.S. children without adequate food, an increase in preventable childhood diseases. At the same time runaway defense spending and medical cost created an exploding federal budget deficit.

President Bill Clinton's budget plan begins closing the gap between rich and poor households by providing increased funding for programs that support and strengthen low income families. Clinton goes further by acknowledging that low income families were hurt most by the economic policies of the '80s and makes assisting those families a high priority in his budget plan. Even with its commitment to social programs, it remains a deficit-driven budget -- containing two dollars in deficit reduction for every dollar in increased spending.

During his State of the Union Address, President Clinton unveiled an economic plan which will shift the tax burden back to those who can most afford to carry it (70% of the new taxes will be paid by those earning over \$100,000 a year), provide additional funding for programs for low-income families, cut the estimated budget deficit by \$493 billion over the next four years, begin rebuilding the nation's crumbling infrastructure, and provide a short-term stimulus (financed largely from savings in the defense budget) to aid job creation during the recovery.

*Clinton
proposes to
reinvest in
those who
carried a
heavier burden
in the '80s.*

ACTION

Call your Senators and Representative and ask them to support Clinton's total economic plan by passing a Budget Resolution which contains the President's entire proposal and the \$30 billion short-term economic stimulus proposal. The Resolution, which sets spending for each major category of the budget, will be voted on first in the House and Senate Budget Committees. The names of key members for committee and floor votes are listed. Ask your members to oppose a Balanced Budget Amendment to the Constitution which could wipe out gains made under the Clinton proposal. You can reach your member of Congress by calling the Capitol switchboard. The switchboard can transfer you to your member's office. Time is short; a vote in the House is expected March 18.

Capitol Switchboard (202) 224-3121

BACKGROUND

The President's overall budget plan is a bold departure from the policies of the past twelve years. His plan, which has been attacked from both the left and right, seeks to navigate a narrow middle ground, leaving some to suggest his changes are disappointingly small, particularly in Defense (\$126 billion over the next five years).

The other deficits

During the campaign Clinton made the point that this country has three deficits: a social deficit, an investment deficit, and a budget deficit.

The Social Deficit- (\$51 Billion in FY94) According to a Center on Budget and Policy Priorities report, "Selective Prosperity," the gap between the wealthiest households in the U.S. and the poorest increased dramatically during the '80s. According to the report from 1977 to 1988 the average after tax income of the poorest fifth of U.S. households actually fell by 10% while the middle fifth of households gained less than 4%, and the top fifth of households experienced an average gain of 34 percent. The Clinton plan seeks to shift the burden back to the taxpayers

House Budget Committee

Sabo, (D-MN),
Chair
Allard (R-CO)
Andrews (D-TX)
Beilenson (D-CA)
Berman (D-CA)
Blackwell (D-PA)
Bryant (D-TX)
Cooper (D-TN)
Costello (D-IL)
Cox (R-CA)
Coyne (D-PA))
Frank (D-MA)
Franks (R-NJ)
Gordon (D-TN)
Hoke (R-OH)
Inglis (R-SC)
Johnson (D-FL)
Kasich (R-OH)
Kennelly (D-CT)
Kildee (D-MI)
Kolbe (R-AZ)
Lazio (R-NY)
McMillan (R-NC)
Miller (R-FL)
Mink (D-HI)
Mollohan (D-WV)
Orton (UT)
Parker (D-MS)
Price (D-NC)
Pomeroy (D-IN)
Shays (R-CT)
Slaughter (D-NY)
Smith (R-MI)
Smith (R-TX)
Smowe (R-ME)
Spratt (D-SC)
Stenholm (D-TX)
Wise (D-WV)

Senate Budget Committee

Sasser (D-TN),
Chair
Bond (R-MO)
Boxer (D-CA)
Conrad (D-ND)
Dodd (D-CT)
Domencici (R-NM)
Exon (D-NE)
Gorton (R-WA)
Gramm (R-TX)
Grassley (R-IA)
Greg (R-NH)
Hollings (D-SC)
Lautenberg (D-NJ)
Lott (R-MS)
Johnston (D-LA)
Murray (D-WA)
Nickles (R-OK)
Riegle (D-MI)
Sarbanes (D-MD)
Simon (D-IL)

Key Republicans

Boehlert (R-NY)
Clinger (R-PA)
Emerson (R-MO)
Fawell (R-IL)
Fish (R-NY)
Franks (R-CT)
Gilman (R-NY)
Goodling (R-PA)
Grandy (R-IA)
Gunderson (R-WI)
Henry (R-MI)
Houghton (R-NY)
Johnson (R-CT)
Klug (R-WI)
Leach (R-IA)
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McDade (R-PA)
Machitley (R-RI)
Meyers (R-KS)
Molinari (R-NY)
Morella (R-MD)
Petri (R-WI)
Porter (R-IL)
Regula (R-OH)
Ridge (R-PA)
Roukema (R-NJ)
Shays (R-CT)
Snowe (R-ME)
Upton (R-MI)
Weldon (R-PA)

who can afford to pay and who benefited the most from the economic policies of the past twelve years. At the same time Clinton proposes to reinvest in those who carried a heavier burden in the '80s. The major initiatives confronting the social deficit are:

- Phase in full funding for the Women, infant, and Children (WIC) Supplemental Income Program by 1996.
- Phase in full funding for Head Start by 1999.
- Create 50 new Job Corps centers.
- Maintain a higher level of funding for Community Development Block Grants
- Raise levels of funding for the low-income tax credit which helps provide a livable income for families with children.
- Begin new initiatives in National Service, education reform, worker training, and youth apprenticeship programs over the next five years.

Investment Deficit—(\$9 Billion in FY94) The President's long-term investments are targeted to areas which are critical to long-term economic growth and rising standards of living. It invests heavily in programs to educate and train workers throughout their lives for jobs which will help them move out of poverty. Parts of the package are designed to rebuild the nations transportation systems, improve the environment, expand technology, and stimulate private sector investments and productivity through various tax incentives.

The Budget Deficit—Clinton's plan proposes to reduce the deficit by raising the top income tax rate from 32% to 36% and impose a 10% surtax on annual incomes over \$250,000 — resulting in a combined rate still well below the top tax rates before 1980. The corporate rate would be raised from 34% to 36% to equal the highest individual rate. The deficit would also be cut by \$738 Billion in spending cuts over the next five years. The overall effect of Clinton's plan will reduce the annual budget deficit from 5.4% of our overall industrial output (as measured by GDP) this year to 2.7% in FY 1997.

A Broad-Based Energy Tax—Clinton proposes an across the board energy tax. The tax will hit consumers twice: once through higher energy taxes and a second time through higher prices for products. The energy tax will have the effect of spreading the cost of the new taxes widely throughout the economy. The annual cost for a family of four is estimated to be between \$175-200.

The energy tax will be particularly hard on poor people. Families living below the poverty line spend an average of 8% of their income on energy, while the average family spends only 3% of their income on energy. The proposed energy tax will have a positive environmental impact -- promoting the use of clean energy alternatives like solar energy.

The plan offsets the burden of new energy taxes by increasing spending on programs that support poor families. The plan increases funding for the Low Income Home Energy Assistance Program, expands the Earned Income Tax Credit and enlarges the Food Stamp Program

Stimulus Package—Clinton proposes spending \$30 billion to jump start job creation in the economy. January's 7.1% unemployment rate was higher than the unemployment rate recorded during the depth of the recession — a situation unprecedented almost two years after the start of a recovery. Clinton's plan commits unused FY93 defense dollars for a summer youth jobs program of almost 700,000 summer jobs, a Head Start summer program, \$2.5 billion for the Community Development Block Grant Program, increased funding for highways, and an investment tax credit for new equipment purchased by small businesses.

Critics Resurrect the Balanced Budget Amendment

The Balanced Budget Amendment to the Constitution has resurfaced in this Congress. The Amendment enjoys popular support (almost 80% in some surveys taken last year) and support among the large freshman class in Congress who want to be seen as reformers.

Supporters of the Amendment ignore the fact that Congress and the Administration already have the power to pass a balanced budget, that the law would only postpone tough decisions. The Amendment would most likely result in program cuts rather than efforts to increase revenues. The most likely cuts would be in programs that serve the poor.

The Amendment would shift a greater burden to the already overburdened state budgets. Legal experts say the law would be easily circumvented and could serve to immobilize government by preventing efforts to stimulate the economy in times when such action is needed.

Key Democrats

Andrews (D-NJ)
Andrews (D-TX)
Bacchus (D-FL)
Bevill (D-AL)
Brewster (D-OK)
Browder (D-AL)
Carr (D-MI)
Chapman (D-TX)
Clement (D-TN)
Condit (D-CA)
Cooper (D-TN)
Cramer (D-AL)
Darden (D-GA)
Derrick (D-SC)
Edwards (D-TX)
English (D-OK)
Frost (D-TX)
Geren (D-TX)
Gordon (D-TN)
Hall (D-TX)
Hayes (D-LA)
Hefner (D-NC)
Hoagland (D-NE)
Hutto (D-FL)
Lancaster (D-NC)
LaRocco (D-ID)
Laughlin (D-TX)
Lloyd (D-TN)
Long (D-IN)
McCurdy (D-OK)
Montgomery (D-MS)
Moran (D-VA)
Neal (D-NC)
Orton (D-UT)
Pallone (D-NJ)
Parker (D-MS)
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Peterson (D-FL)
Pickett (D-VA)
Poshard (D-IL)
Price (D-NC)
Roemer (D-IN)
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Skelton (D-MO)
Slattery (D-KS)
Slaughter (D-NY)
Spratt (D-SC)
Stenholm (D-TX)
Swett (D-NH)
Tanner (D-TN)
Tauzin (D-LA)
Taylor (D-MS)
Thornton (D-AR)
Unsoeld (D-WA)
Valentine (D-NC)
Volkmer (D-MO)

March 11, 1993

Dear Member of Congress:

The undersigned organizations strongly support President Clinton's economic plan. We urge you to vote for the President's plan and supplemental appropriation legislation that will implement his recommendations for restoring economic health to our nation.

We support the President's plan to get the economy moving again because it creates jobs, provides for immediate and long term investments and reduces the federal budget deficit.

The President's economic plan represents a balanced approach to addressing our nation's three major deficits simultaneously: the federal budget deficit, the nation's social deficit, and the economy's investment deficit. We urge you to support it.

Sincerely,

AIDS Action Council
AIDS National Interfaith Network
American Federation of State, County and Municipal Employees
Americans for Democratic Action
The Arc
Bread for the World
Center for Community Change
Center for Development of International Law
Center for Resource Economics
Center for Science in the Public Interest
Center on Law and Social Policy
Church of the Brethren, Washington Office
Church Women United
Coalition on Human Needs
The Columban Fathers Justice and Peace Office
Council of Jewish Federations
Council of Large Public Housing Authorities
The Enterprise Foundation
Food Policy Working Group
Food Research and Action Center
Friends Committee on National Legislation
Friends of the Earth



THE UNITED STATES CONFERENCE OF MAYORS

LANCE SIMMENS
*Assistant Executive Director
For Legislative Affairs*

1620 Eye Street, Northwest
Washington, D.C. 20006
(202) 293-7330
(Telecopier) (202) 293-2352



AFSCME
in the public service

EDWIN S. JAYNE
*Associate Director
Legislation Department*

1625 L Street, N.W.
Washington, D.C. 20036
Office—(202) 429-1188
Fax—(202) 223-3413

Letter in Support of the President's Economic Plan
March 11, 1993
page two

Interfaith IMPACT for Justice and Peace
Jesuit Social Ministries, National Office
Lutheran Office for Governmental Affairs (ELCA)
Maryknoll Mission Society Peace and Justice Office
Mental Health Law Project
National Alliance of State and Territorial AIDS Directors
National Association of Children's Hospitals and Related Institutions
National Association of Counties
National Association of Community Action Agencies
National Association of Developmental Disabilities Councils
National Association of Private Schools for Exceptional Children
National Association of Social Workers
National Coalition for the Homeless
National Council of Churches
National Council of Community Mental Health Centers
National Council of Jewish Women
National Education Association
National League of Cities
National Legal Aid and Defenders Association
National Mental Health Association
National Neighborhood Coalition
National Urban League
National Women's Law Center
NETWORK: A National Catholic Social Justice Lobby
Nuclear Information and Resource Service
OMB Watch
Parent Action
Public Citizen's Congress Watch
Presbyterian Church, Washington Office (USA)
Rural Coalition
Service Employees International Union
Unitarian Universalist Service Committee
United Auto Workers
United Church of Christ
Union of American Hebrew Congregations
United Methodist Church, General Board of Church and Society
United States Conference of Local Health Officers
United States Conference of Mayors
Welfare Directors Association of California
Women's Legal Defense Fund

NATIONAL COMMUNITY ACTION FOUNDATION

2100 M STREET, N.W.
SUITE 604
WASHINGTON, D.C. 20037

Tel (202) 775-0223
Fax (202) 775-0225

March 11, 1993

Dear Member of Congress:

On behalf of the nearly 1000 Community Action Agencies who deliver services and foster economic opportunity and empowerment among the nation's poor, we are writing to express our enthusiastic support for President Clinton's economic plan for America.

Perhaps no segment of the population stands to gain more from a growing economy and a fiscally sound government than the 30 million citizens struggling in poverty. For too long, the needs of America's poor have been neglected. We support the President's economic plan because it is the first White House budget proposal in many years that treats lower income groups fairly. In our view, the plan presented by the President to Congress and the nation is a wise investment in the future of this country and its people.

The only area in which we feel the package could be improved is in the design of the BTU tax. In a package that is otherwise progressive in its impact, this regressive tax will have a disproportionate impact on low-income households. Our studies show that a BTU tax that raises \$25 billion a year will cost low and moderate income families \$1.3 billion in new home energy and gasoline bills. Further, the burden of the tax will vary by region and heating fuel type, not by need or other family characteristics like employment status or dependent children.

We believe targeted rebates to be used for energy conservation measures can strengthen the proposed package, while ensuring that even the poorest households contribute to the serious national problems that the President has so boldly tried to tackle.

Despite this concern, the nation's Community Action Agencies have offered President Clinton their full support, not just for this budget initiative but for forthcoming proposals in health care, welfare reform, job training, and other key areas affecting the lives of the poor.

The President's economic plan is good news for the vast majority of Americans, particularly those at the lower rungs of the economic ladder. The President has shown genuine leadership, vision, and above all a commitment to fairness. For that, we think he deserves the support of Congress and all Americans.

Sincerely,


David Bradley
Executive Director



1625 K STREET, N.W.
EIGHTH FLOOR
WASH., D.C. 20006
(202) 452-0620

March 11, 1993

Dear Member of Congress,

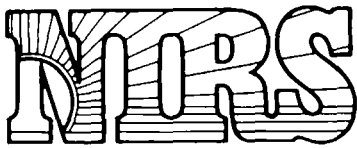
In our endeavor to promote and support high quality legal services for the nation's poor people, we at the National Legal Aid and Defender Association are continuously reminded of the critical impact of economic and budget policies on the lives of low income people. That knowledge leads us to strongly support the Administration's economic plan and to urge you to support the plan and the legislation required to implement it.

We support the President's plan because it will address three critical needs: jobs creation, immediate and long term investments, and federal budget deficit reduction. Most importantly for legal services clients, these investments will afford low income people greater opportunities to contribute to their own and the nation's well-being.

The President's plan is a balanced and promising strategy for simultaneously addressing the nation's federal budget deficit, social deficit and investment deficit. Moreover, this is the first major budget initiative in 15 years which does not impose disproportionate burdens on low income people. We urge you to support it.

Sincerely,

Clinton Lyons
Executive Director



Nuclear Information and Resource Service

1424 16th Street, N.W., Suite 601, Washington, D.C. 20036 (202) 328-0002

March 11, 1993

Dear Member of Congress:

We are writing to express our support for President Clinton's economic plan. We hope you will address and pass this plan in its entirety. While we can all find specific items in the plan less to our liking than others, on the whole we find the plan to be well-reasoned and worthy of enactment.

Specifically, we wish to express our wholehearted support for the President's BTU energy tax. This tax, although having only a modest effect on most American citizens, will encourage use of clean, renewable energy sources and increased energy efficiency and conservation. In addition, it will decrease use of polluting and expensive oil and nuclear power (not to mention helping make up for 40 years of excessive government subsidies for this uneconomic energy source), while leaving coal and natural gas in a competitive mode.

President Clinton's proposed energy budget wisely begins a shift away from over-subsidies for nuclear power and toward greater development of the energy sources of the 21st century: wind, solar and geothermal. We strongly support the proposed budget cuts for nuclear power research and development; and note that we believe further budget cuts in the nuclear fission and fusion areas are readily obtainable for deficit reduction purposes. We would be happy to provide you with specifics if you desire.

We warn, however, those who would seek to reinstate funding for nuclear power programs. American taxpayers have had enough of bloated federal budgets, and the nuclear power program offers precious little bang for the buck.

The spending cut/investment package proposed by President Clinton is coherent, and, in our view, is not unduly harsh for most Americans. The President has proposed a meaningful and potentially quite effective package to address our economic problems. We ask you to enact this package with all due haste.

As always, please feel free to contact me with any questions or comments.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Michael Mariotte', written over a horizontal line.

Michael Mariotte
Executive Director

NATIONAL ASSOCIATION *of* COUNTIES

440 First St. NW, Washington, DC 20001
202/393-6226

March 5, 1993

United States House of Representatives
Washington, DC 20515

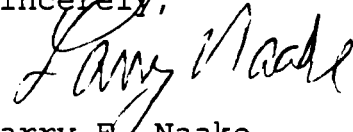
Dear Representative:

The Board of Directors of the National Association of Counties (NACo) adopted a policy on February 28 supporting President Clinton's economic plan.

The enclosed policy statement reiterates NACo's support for spending cuts in defense, foreign and domestic programs as well as increased revenues. NACo is urging Congress to adopt a deficit reduction plan and to proceed as quickly as possible to enact a supplemental appropriations bill containing the President's stimulus proposals. We urge that these measures be approved prior to the Easter recess.

We would appreciate your support in enacting a meaningful deficit reduction and economic investment package.

Sincerely,



Larry E. Naake
Executive Director

Enclosure

NACo STATEMENT ON THE ECONOMIC STIMULUS, DEFICIT REDUCTION AND INVESTMENT PLAN

County governments continue to experience severe fiscal distress in the current recession. Many counties are reducing services, laying off and furloughing employees, and increasing fees, service charges and taxes to keep their budgets in balance. The situation is further aggravated by additional cuts in state aid without any relief from requirements to maintain state mandated programs. Federal assistance to counties, municipalities and states still is declining in real dollar terms while further federal mandates continue to be proposed.

The Administration recognizes the severity of the current economic crisis and has proposed an economic stimulus, deficit reduction and investment plan. The centerpiece of this proposal is additional spending in FY93 of \$16 billion on infrastructure and programs assisting needy individuals. Much of the plan includes programs that NACo supported last year.

The National Association of Counties urges Congress to adopt a deficit reduction plan and to proceed with urgency to enact a supplemental appropriations bill which would include the following programs:

- \$4 billion for transportation for highways, bridges, transit, rail and airports.
- \$2.5 billion for Community Development Block Grants.
- \$1 billion for summer youth jobs.
- \$845 million for sewage treatment revolving loan funds.
- \$200 million for AIDS treatment.
- \$300 million to increase childhood immunizations.
- \$500 million for Head Start.
- \$715 million for rural development, including rural water and wastewater programs.

It is imperative that these funds be distributed to the level of government which can obligate the funds and complete projects within twelve months.

NACo reiterates its support for meaningful deficit reduction measures that include spending reductions in defense, foreign aid, and domestic programs as well as increased revenues. NACo

continues to oppose unfunded mandates and cuts in domestic programs that shift new costs to state and local government. NACo urges Congress and the Administration to work together to develop the final details of the deficit reduction package as expeditiously as possible.

NACo also supports the need for long term investments in infrastructure, education and job training. Additional infrastructure investment, health systems reform and work force development by the federal government is necessary to make our nation more competitive in the global economy.

Adopted by Policy Coordinating Committee
February 27, 1993



**The National Association of
Community Action Agencies (NACAA)**

"Helping People to Help Themselves"

Executive Director

Edward L. Block

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Janis Rhoads, *Secretary*
Pocatello, ID

Bobby Yopp, *Treasurer*
Jonesboro, AR

March 11, 1993

Dear Member of Congress:

The National Association of Community Action Agencies (NACAA) strongly endorses President Clinton's economic plan. NACAA represents a network of 980 Community Action Agencies, non-profit public and private organizations operating a wide range of programs created to fight poverty at the local level.

NACAA's position is that a strong, growing economy is the best way to combat poverty. President Clinton's economic plan does just that. It is a sound program designed to foster the long-term health of the economy. The plan provides for immediate and long-term investments and reduces the federal budget deficit. The short term incentives such as summer youth jobs, Community Development Block Grants and mass transit will put people back to work and help to stimulate the economy. The President's plan invests heavily in people and unmet human needs.

The plan is especially positive for people in the lower end of the economic scale in this country. By adopting the President's plan, poverty can be reduced in several ways: through major education and job training initiatives; increased resources for such vital programs as Head Start, and Women, Infants, and Children (WIC); and, expansion of the Earned Income Tax Credit. Features such as these will enable substantial numbers of low income families to escape from or avoid poverty.

The National Association of Community Action Agencies fully and enthusiastically supports a real and positive change for our country -- the economic plan proposed by President Clinton.

Sincerely,

Edward L. Block
Executive Director



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

OWEN F. BIEBER, *PRESIDENT*

BILL CASSTEVENS, *SECRETARY-TREASURER*

VICE-PRESIDENTS: CAROLYN FORREST • ERNEST LOFTON • STAN MARSHALL • STEPHEN P. YOKICH

March 11, 1993

Dear Member of Congress:

The UAW strongly supports the economic growth and deficit reduction program put forward by President Clinton. We commend the President for providing leadership on these critically important issues.

We believe the economic stimulus component of the program is essential to putting Americans back to work and making sure that the country does not slip back into a "triple-dip" recession. Without a strong, growing economy, we can never hope to make progress towards reducing the federal deficit.

The UAW also welcomes the long term reinvestment program outlined by President Clinton. In our judgment, federal spending in these areas will address many important social needs, while laying the basis for continued economic growth in the future.

To reduce the federal deficit over the next five years, the President has also proposed a package of tax increases and spending cuts. Taken as a whole, the tax increases would improve the progressivity of the tax system by requiring wealthy individuals and corporations to contribute a greater share, and by expanding the earned income tax credit to help low-income working men and women. In our judgment, these changes represent an important step in the right direction. At the same time, we pledge to work with the Administration and Congress to make sure that the spending cuts do not place an unfair burden on any group of workers, including federal employees.

President Clinton's economic package would chart a new course for the United States. After twelve long years of neglect and inaction, we finally have a President who has leveled with the American people about our economic

problems, and has presented a bold and courageous plan for addressing these problems. The UAW calls upon Congress to support the President's plan. We believe it represents the best hope for setting our economic house in order, and laying the basis for a brighter future for our nation.

Sincerely,

A handwritten signature in cursive script that reads "Owen Bieber".

Owen Bieber
President, UAW

OB:njk
opeiu494

WOMAN'S NATIONAL DEMOCRATIC CLUB
1526 New Hampshire Avenue, N.W.
Washington, D.C. 20036

(202)232-7363 ♦ fax (202)986-2791

March 11, 1993

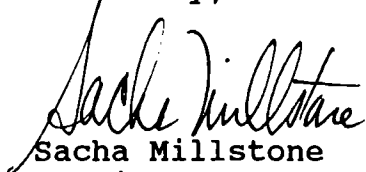
Dear Members of Congress,

President Clinton has proposed to Congress a bold economic plan to reduce the federal budget deficit and rebuild the American economy. We urge the Congress to pass the legislation necessary to implement this plan.

As part of his economic plan, the President proposes a short-term \$30 billion spending package to jump start the economy. This translates immediately into education and job training assistance, infrastructure investments and some much-needed attention to a variety of pressing urban problems. The plan also proposes a long-term growth strategy that will significantly reduce the deficit, and encourage private investment and job creation. The Clinton proposal is a substantive, balanced and responsible approach to spending cuts and tax increases.

The Clinton Administration inherited a government \$310 billion in debt, a deficit much larger than initially reported. Economists have said that the deficit cannot be controlled simply by cutting government costs and raising taxes on the wealthy. As the President has stated on numerous occasions, true deficit reduction will require some sacrifices by each American, and his economic plan spreads the burden equitably. We urge you to support President Clinton's economic plan.

Sincerely,


Sacha Millstone
President


Sandra J. Bieri
Vice President for Political Affairs

SM & SB/slb
congress.econplan.let

PARENT ACTION

B&O Building, 2 N. Charles Street, Baltimore, MD 21201 • 410 (PARENTS) 727-3687 • Fax 410-752-1793

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Gloria Rodriguez, PhD
Ronald J. Sidman
Eleanor S. Szanton, PhD
Stacey Winkler
Faith Wohl
Edward Zigler, PhD

Rosalie Streett
Executive Director

March 11, 1993

Dear Member of Congress,

PARENT ACTION is the national membership organization established to be the voice of parents as they negotiate their multiple roles as parents, workers, citizens, and family members. **PARENT ACTION** was co-founded in 1989 by Dr. T. Berry Brazelton, Bernice Weissbourd, and Susan DeConcini out of a recognition that there was no one group representing the special interests of parents. **PARENT ACTION** helps parents balance their work and family lives by providing them with information, decreases their sense of isolation by recreating a sense of community, and assists parents in understanding their role in shaping public policy.

We urge you to support President Clinton's bold economic plan to create jobs and rebuild the economy. By supporting this plan you will invest in children, education, and job training, both in the short term and for the long term health of this nation. We believe this plan takes a significant step towards tackling the budget deficit, the social deficit, and the economic investment deficit. While there may be pieces of the plan that you or we may not agree with, we believe the plan must be supported in whole, for if it is picked apart piece by piece, its effect will be lost.

Parents across this nation are tired of business as usual. Enactment of this plan takes a significant step towards demonstrating that the government can tackle the difficult problems facing this nation. We urge you to support the budget resolution. In addition, we ask for your support for the supplemental appropriations and reconciliation bills each house will consider over the coming weeks. Thank you for your attention to these matters, so important to the future of this nation

Sincerely,



Rosalie Streett
Executive Director

F·R·A·C



FOOD RESEARCH
& ACTION CENTER

March 11, 1993

Dear Member of Congress:

The Food Research and Action Center strongly supports the President's overall economic plan.

In particular, we applaud the President's leadership in proposing full funding of the Special Supplemental Food Program for Women, Infants and Children (WIC) by Fiscal Year 1996 and the increased funding levels for the Food Stamp Program and The Emergency Food Assistance Program (TEFAP), which are sufficient to fund the Mickey Leland Childhood Hunger Relief Act. We also endorse expansion of the Earned Income Tax Credit (EITC) to assist working poor families. Funding for WIC, food stamps, TEFAP and expansion of the EITC is especially important for low-income persons in light of proposed tax changes, including the new tax on energy.

Food and nutrition programs represent a vital investment in a healthy and productive citizenry and are the hallmark of a caring society. As a nation, we have fallen woefully short of ensuring resources adequate to alleviate hunger. Currently, millions of persons, including millions of children, are hungry. Indeed, many Americans are forced to choose between obtaining shelter and feeding their families.

President Clinton's economic package offers an important opportunity to reduce hunger. We urge that the proposed additions to the Food Stamp Program implement the principles of the Mickey Leland Childhood Hunger Relief Act. The Leland Bill would provide increased food stamp benefits primarily to families on the brink of homelessness and those who are dependent on child support payments. Over 90% of its benefits would aid families with children, almost exclusively those with incomes below the poverty line. Enacting provisions of the Leland Bill would both address the issue of hunger and serve to ameliorate the impact of any tax changes on the poor.

We recognize that the President's economic package is not a panacea and much work will remain to be done. We support the President's economic plan as an important step toward ending hunger in the United States and meeting basic human needs.

We strongly urge you to support the President's economic package and budget.

Sincerely,



Robert J. Fersht
Executive Director

NATIONAL NEIGHBORHOOD COALITION

810 FIRST STREET, N.E., SUITE 300, WASHINGTON, D.C. 20002
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Executive Director

Bud Kanitz

March 10, 1993

Dear Member of Congress:

The National Neighborhood Coalition (NNC) urges you to support President Clinton's balanced economic plan, "A Vision of Change for America," because (1) we believe it will get the U.S. economy moving again by creating jobs, and (2) we believe it will provide both immediate and long-term investments while reducing the federal deficit.

America's social deficit is most apparent in inner-city neighborhoods where one in three children under six years of age lives below the federal poverty line. In a real sense, inner-city neighborhoods were "redlined" by the federal government over the past 12 years.

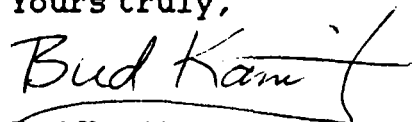
In its 1990 publication, "America's Third Deficit," the Center for Community Change -- an NNC founding member -- stated that the federal government needs to invest in people and infrastructure in order to address the public investment deficit. President Clinton's plan does this. That is why we are pleased about the new direction that it charts for the country as well as the new direction that it charts by calling for investments in America's neighborhoods.

Neighborhoods are both places and people. The President's plan invests in both. For example, the \$2.5 billion increase in Community Development Block Grants (CDBG) and the \$423 million increase in the McKinney program's Supportive and Transitional Housing Program are important to neighborhood nonprofit organizations which constantly face growing needs and limited resources. Other investments in families and individuals are also important, such as full funding of the Head Start and WIC programs, and expansion of the Earned Income Tax Credit.

The National Neighborhood Coalition is a membership organization which serves as a "coalition of coalitions" of 65 national and regional nonprofits that work with inner-city neighborhoods.

We look forward to working together with you to help rebuild America's neighborhoods.

Yours truly,



Bud Kanitz
Executive Director

NCLR

NATIONAL COUNCIL OF LA RAZA

Raúl Yzaguirre, President

National Office

810 First Street, N.E., Suite 300

Washington, DC 20002-4205

Phone: (202) 289-1380

Fax: (202) 289-8173

March 11, 1993

Dear Member of Congress:

On behalf of the National Council of La Raza (NCLR), the nation's principal Hispanic organization, I am writing to urge you to actively support the principal elements of President Clinton's Economic Plan. NCLR supports the goals of stimulating the economy, reducing the budget deficit, and increasing both investment in education and infrastructure, and the progressivity of the tax system. We are obligated to work to ensure, however, that considered as a whole, the Administration's proposals equitably serve the Latino community.

As a package, we believe President Clinton's proposed budget is fair. We are concerned, however, with the inherently regressive nature of energy taxes and with the potential impact such a tax will have on Hispanics and other low-income Americans. In addition, we remain unconvinced of the wisdom of investment tax credit and capital gains approaches to increasing investment.

Nevertheless, as a whole, the plan is a sound and progressive package that will help America's families and strengthen our economy. The President's package deserves your support and should be enacted by Congress.

I urge you to vote in favor of the President's budget and encourage you to call on NCLR if you need additional details on how the plan's provisions will affect the Hispanic community.

Sincerely,



Raúl Yzaguirre
President



Program Offices: Phoenix, Arizona • McAllen, Texas • Los Angeles, California • Chicago, Illinois

LA RAZA: The Hispanic People of the New World



Church Women United

Washington Office, Box 16
110 Maryland Avenue NE, Washington, D.C. 20002
Telephone: (202) 544-8747 Fax #: (202) 543-1297

President
Claire Randall

General Director
Patricia Rumer

March 11, 1993

Dear Member of Congress:

Supporting Organizations of Church Women United

African Methodist Episcopal Church
(Women's Missionary Society)
African Methodist Episcopal Zion
Church
(Women's Home and Overseas
Missionary Society)
American Baptist Churches in the USA
(American Baptist Women's Ministries)
Christian Church (Disciples of Christ)
(International Christian Women's
Fellowship)
Christian Methodist Episcopal Church
(Women's Missionary Council)
Church of God
(Women of the Church of God)
Church of the Brethren
(Program for Women)
Council of Hispanic American
Ministries (Ecumenical)
(Women's Department of COHAM)
Cumberland Presbyterian Church
(Cumberland Presbyterian Women)
The Episcopal Church
(Episcopal Church Women)
The Evangelical Lutheran Church in
America
(Women of the Evangelical Lutheran
Church in America)
General Convention of the New
Jerusalem (Swedenborgian)
(Alliance of New Church Women)
Greek Orthodox Church of North and
South America
(Ladies Philoptochos Society)
International Council of Community
Churches
(Women's Christian Fellowship)
Korean American Church Women
United
(Ecumenical Women's Fellowship)
Moravian Church in America
(Women's Boards--Northern and
Southern Provinces)
National Baptist Convention of America
(Senior Women's Auxiliary)
National Baptist Convention, USA, Inc.
(Women's Convention)
Presbyterian Church/USA
(Presbyterian Women)
Progressive National Baptist
Convention, Inc.
(Women's Department)
Reformed Church in America
(Reformed Church Women)
Religious Society of Friends
(United Society of Friends Women
International)
Reorganized Church of Jesus Christ of
Latter Day Saints
(Women's Ministries Commission)
United Church of Christ
(Coordinating Center for Women in
Church and Society)
The United Methodist Church
(Women's Division)

Church Women United, an organization of over half a million Protestant, Roman Catholic, and Orthodox members, strongly supports the direction of President Clinton's economic plan and **urges you to vote for the Budget Resolution when it come to the floor for a vote this month.**

President Clinton's overall budget plan is a bold departure from the policies of the recent past. His budget plan begins closing the gap between rich and poor households by increasing funding for programs that support and strengthen low incomes families. At the same time, his plan reduces current levels of federal spending and begins to reduce the federal deficit in a fair and responsible way.

Since its formation in 1941, Church Women United has been concerned about the plight of low income individuals and families in this country. During the 80's we were deeply concerned about the many federal economic policies which disproportionately hurt low income people. The average after tax income of the poorest fifth of U.S. households actually fell by 10% while the top fifth experienced an average gain of 34%. The Clinton plan seeks to shift the burden back to the taxpayers who benefitted in the 80's and who can now afford to pay.

No one, including CWU, is completely satisfied with every line in Clinton's plan. For example, CWU would prefer deeper cuts in the military budget and more attention paid to the "social deficit" as opposed to the budget deficit. However, we think many of the themes laid out, including reinvesting in human needs, cutting military spending, reducing the deficit in a fair and responsible way and raising revenue in a progressive manner need to be strongly supported.

Church Women United supports President Clinton's budget proposal and urges Congress to enact it as soon as possible.

Sincerely,

Nancy Chupp
Legislative Director
Church Women United

American
Planning
Association

Please reply to:
1776 Massachusetts Ave., NW
Washington, DC 20036
Fax 202.872.0643
Phone 202.872.0611

1313 E. 60th St.
Chicago, IL 60637
Fax 312.955.8312
Phone 312.955.9100

March 11, 1993

Dear Member of Congress:

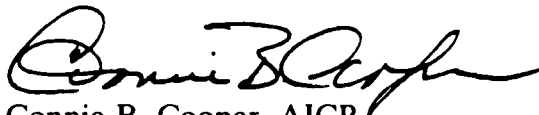
This letter is on behalf of the American Planning Association. We strongly support President Clinton's economic recovery plan as a comprehensive approach to addressing our nation's short and long term social and economic needs. It also makes a serious and long overdue attempt to reduce the Federal budget deficit.

We urge you to vote for the President's plan and supplemental appropriation legislation that will provide jobs which will help the national economy and fund many critical unmet community needs which are addressed in APA's priority project: *Agenda for America's Communities*.

The American Planning Association is a nonprofit, public interest and research organization representing over 27,500 practicing planners, elected and appointed officials, and concerned citizens involved with urban and rural planning issues. Our members share a commitment to the use of sound planning to meet our nation's economic and community development needs, to conserve resources, and to preserve the environment.

If you have any questions on our position, or are in need of further information, please contact Nancy S. Willis, AICP, Director of Government Affairs, at (202) 872-0611.

Sincerely,



Connie B. Cooper, AICP
President

COUNCIL 122 C STREET
OF LARGE NORTHWEST
PUBLIC SUITE 865
HOUSING WASHINGTON DC
AUTHOR 20001 - 2109
ITIES TEL 202 638 1300
FAX 202 638 2364

March 11, 1993

Dear Member of Congress:

The Council of Large Public Housing Authorities (CLPHA) which represents 59 urban public housing agencies, managing over one-third of the units nationally urge your support for President Clinton's economic plan. The plan will strengthen our economy through a series of job producing targeted investments and provides short and long term investments and reduce the deficit. Moreover, it will focus attention on the needs of poor families whom we house through specific steps such as expansion of the earned income credit and increased spending for child care.

Low income housing programs and neighborhood concerns which have endured twelve years of neglect may benefit from the proposed infusion of \$2.5 billion dollars in the Community Development Block Grant Program. It is our hope and expectation that mayors and local officials in allocating these funds, will be sensitive to the rehabilitation needs of the public housing stock and the need for permanent housing for the million persons on public housing waiting lists. If coupled with protections to assure service to the most disadvantaged households now served by public housing, the expanded funding of the HOME program can begin to address these dire shelter needs.

We urge your support for the President's proposal as heralding a new resolve to get our economy moving, revitalize our cities and serve the underserved poor.

Sincerely yours,

COUNCIL OF LARGE PUBLIC
HOUSING AUTHORITIES



WOMEN'S LEGAL DEFENSE FUND

March 11, 1993

Dear Representative:

President Clinton's proposed economic plan will help all Americans by providing sound and balanced answers to our economic problems. In particular, the President's budget proposal offers much-needed relief for American working women and their families--by creating new jobs, improving access to employment opportunities through training and education, and by investing in children's health and education. For these reasons, the Women's Legal Defense Fund urges you to vote for the Budget Resolution and supplemental appropriations legislation.

With its promise of 500,000 new jobs over the next two years, the president's plan will help sustain and quicken the economic recovery. Long-term social, technological and infrastructure investment will ensure that our economy continues to flourish. At the same time, spending cuts coupled with progressive revenue increases will significantly reduce the budget deficit.

All Americans--but most especially women and working families--will greatly benefit from the president's proposal. Especially hard-hit by the recession, women desperately need the new employment opportunities created by the President's stimulus and investment programs. Moreover, the economic plan creates and expands job training and retraining programs that women need to ensure their access to good jobs. Social investments such as full funding for WIC and Head Start and the expanded Earned Income Tax Credit will aid working poor families, especially those headed by single mothers.

The President's economic plan represents a welcome shift in our nation's investment priorities, combined with sound fiscal policies to safeguard our future economic health. We support President Clinton's strategy to create jobs, invest in America, and reduce the deficit. We urge you to do the same.

Sincerely,

Judith L. Lichtman
President



General Board of Church and Society of The United Methodist Church

100 Maryland Avenue, N.E., Washington, D.C. 20002 • (202) 488-5600

March 4, 1993

FOR IMMEDIATE RELEASE

Clinton Economic Plan Supports United Methodist Principles, But Could Go Further **A Statement by Reverend Thom White Wolf Fassett, General Secretary**

After a review by the staff of the General Board of Church and Society of President Clinton's economic plan, I have concluded that it supports many of the statements in the Social Principles and resolutions adopted by the General Conference of The United Methodist Church. However, I am calling on President Clinton to make further cuts in defense programs and to make further efforts to assist poor people and protect the environment.

The Clinton plan intends to provide an economic stimulus to help the United States economy out of recession, to provide long-term investments in economic growth and jobs, and to reduce the deficit. The plan moves toward these goals while accomplishing much that would move the country toward the long stated public policy goals of The United Methodist Church.

The President's proposal is fair to poor and working people.

The Clinton plan pays for needed reductions in the federal deficit while addressing both the long-term and the short-term needs of poorer people through expansion of some of the most cost-effective anti-poverty programs, such as Head Start, the Women, Infants, and Children (WIC) program, the Earned Income Tax Credit, Food Stamps, and the Low-Income Energy Assistance Program. The United Methodist Church has called for systemic changes affecting children and their families.* Expansion of these programs is needed both because of the increasing numbers of poor persons in the United States and to offset the regressive effects of the energy tax in the plan.

The President's proposal focuses on developing new jobs for both the short term and the long term.

In communities across the United States, the decline in the number and kinds of jobs has been and continues to be a key component of an on-going social and economic crisis. Communities thrive when they have a diverse job base, not just a few wealthy individuals. The United Methodist Social Principles states that the government has the responsibility to implement policies that ensure "full employment and adequate incomes."*

The Clinton plan strongly targets its job creation opportunities on young persons in cities and rural areas, community development, veteran retraining, environmental improvement, and the development of infrastructures and technologies for the future. This approach will be of immediate assistance to the many unemployed youth in our country and will help assure that there are real jobs in their, and our, future.

The plan needs to go further. The youth employment program needs to be permanent, not temporary. The lowest paid federal workers should not receive pay freezes as proposed. Reducing corporate tax write-offs still further could easily pay for a modest pay raise for the lowest paid workers and an expansion of job programs. I am also deeply concerned that the plan does not provide funds for construction of public housing for low-income, elderly, and disabled persons.

The President's proposal shifts the emphasis of government funding from war related investments to constructive development.

The Clinton plan makes significant cuts in the weapons program of the United States, while providing funds for the retraining of persons employed by the defense industry. In so doing,

President Clinton goes a long way toward the biblical vision of *shalom* in which "the swords are beaten into plowshares." He could go still further by providing more assistance to displaced defense industry workers.

We have long used our "best and brightest" to run our military-related industry, it's time we used these people's talents in developing a more just peace-time economy. Other program cuts should be made in this area, especially those related to projects such as Star Wars, B-2 bombers and the space station.

A major failing of the President's plan is the lack of provisions for poor people in the rest of the world. This is the major security, defense, and justice issue facing the United States. Concerned about the needs of our sisters and brothers around the globe, the United Methodist General Conference in 1992 called for an "increased commitment to end world hunger."* The Clinton plan needs to include a commitment to help end world poverty, hunger, and ecological destruction. For comparatively little money, we can begin to address reform of foreign aid away from military assistance programs and begin to reform major international financial institutions.

The President's proposal begins to make constructive suggestions in the area of environmental programs.

In several statements, The United Methodist Church has indicated support of a strenuous national effort to conserve energy.* The Clinton economic plan proposes eliminating subsidies for mining, timber, and ranching interests that exploit public lands with little or no return to the federal government. It begins taxing most forms of energy use. Significant efforts would begin in the areas of mass transit, waste water treatment, energy efficiency, and restoration of national parks, forests, and wildlife refuges.

The proposed energy tax is not yet large enough to have significant environmental effects. A larger tax that makes provision for exemptions for low-income populations is needed to conserve energy and reduce pollution while retaining equity.

The cuts in agriculture need to be directed more toward the largest farms. Indeed, parts of the tax incentive package may actually encourage environmentally damaging practices such as feed lots, irrigation of marginal land, and greater use of chemicals as farmers fight to produce enough to stay in business. Lower income farmers need money to stay in farming, investors do not need more tax breaks to get into farming.

The President's proposal begins to cut the deficit.

The huge federal deficit has served to prevent the United States government from meeting many of its basic obligations to poor citizens, while forcing it to pay huge sums in interest to wealthier individuals and other nations. This deficit is a structural injustice. It deprives the nation of its ability to respond in times of need, because all available discretionary spending is tied up in deficit related interest.

The Clinton plan reduces the deficit through a combination of progressive taxes and program cuts. The tax increases are, in the main, targeted fairly. Many United Methodists will be asked to pay more under the Clinton Plan. Still, I hope that our church members will look carefully at the entire plan, support its positive direction, and call on our nation to do still more to benefit the entire human community. As the United Methodist Social Principles encourages revision of tax structures that benefit the wealthy at the expense of others, I believe that most United Methodists will rally to the opportunity to give more so that local communities and the nation will benefit.* We have long expected our members to tithe to the church, and this budget represents a tiny down payment toward the tithe of justice and love (Luke 11:42).

** For a free copy of "The Clinton Economic Program and The United Methodist Church," a 3-page analysis that compares the President's proposals with statements of The United Methodist Church, call 202/488-5630.*

For Immediate Release

CONTACT: Faith V. Williams
Director
Public Relations & Communications
(212) 310-9026
or
Max Stamper
Communications Associate
(212) 310-9026

Statement by
JOHN E. JACOB
President and Chief Executive Officer
NATIONAL URBAN LEAGUE, INC.
on
PRESIDENT CLINTON'S STATE OF THE UNION ADDRESS

The plan for national economic development unveiled last night by President Clinton is a sound one -- a giant step in the direction of creating jobs, developing our people and our communities, and moving America in a new, more promising direction.

The Administration's program embodies many of the aspects of the National Urban League's Marshall Plan for America, which is a comprehensive, targeted program of investments in our infrastructure and in our people. We strongly urge the Administration and the Congress to look closely at our Marshall Plan and ensure that as the President's program moves through the legislative process, it will embody the critical aspects of our proposal, especially those that sharply target investments in job creation and in human resources development to those most in need.

more.....

The Equal Opportunity Building
500 East 62nd Street, New York, N.Y. 10021
Telephone: (212) 310-9000

22222 -- Statement by John E. Jacob

We welcome the proposals to fully fund Head Start, create summer jobs for young people, expand childhood immunization programs, invest in community development, and other forward looking aspects of the President's plan. And we agree that comprehensive health care reform that provides access to quality health care for all Americans must be on the agenda in 1993.

Much of the criticism of the President's plan revolves around the proposed tax increases, but Americans must realize that ours is a sick economy. As the President pointed out, continuing on this path means lower living standards and lessened opportunities for our children. A sick economy must be treated with the best remedies available and the combination of investing in future growth and taxing to lower the deficit is an honest, effective cure. Those who benefited from past tax cuts will now be asked to pay their fair share while those who suffered most will be protected from tax increases through a long-overdue extension of the earned income tax credit.

The President's plan represents a sharp break from the recent past, and while it may fall short of what many, including the National Urban League, would desire, it is a solid step forward that should be supported by all citizens concerned for their nation's future.

: : :

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2/18/93



EVANGELICAL LUTHERAN CHURCH IN AMERICA

LUTHERAN OFFICE FOR GOVERNMENTAL AFFAIRS

122 C Street NW, Suite 300 • Washington, D.C. 20001-2172 • 202-783-7507 • FAX 202-783-7502

Division
for Church
in Society

March 11, 1993

Member of the House of Representatives
United States House of Representatives
Washington, DC 20515

Dear Representative:

You will soon be voting on both the 1994 Budget Resolution and the Stimulus package. We have looked carefully at the President's economic proposal. Although some changes may be appropriate, we find the plan, when taken as a total package, to be consistent with the adopted social statements and resolutions of the Evangelical Lutheran Church in America.

The President's economic package makes an important contribution toward responding to our national concerns. It provides for needed deficit reduction, fairness in the tax code, and investment in human and physical capital.

On behalf of the Evangelical Lutheran Church in America, I **strongly urge your support for the President's economic package.**

Sincerely,

Kay S. Dowhower, Dir.

Lutheran Office for Governmental Affairs



National Association of Social Workers

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GENERAL COUNSEL

Robert H. Cohen, JD, ACSW

March 10, 1993

Dear Member of Congress:

Very soon, you will have the opportunity to cast votes on legislation that sets the course of our country's economic future. On behalf of the 143,000 members of the National Association of Social Workers (NASW), I urge you to use those opportunities to vote for legislation that implements President Clinton's *Vision of Change for America*. More specifically, NASW asks that you:

- * Support the President's long-term economic growth package;
- * Support the President's short-term stimulus package; and
- * Oppose proposals to implement a balanced budget amendment.

Long-Term Economic Growth. NASW believes that the President's long-term economic growth package is a progressive program for reducing the federal budget deficit and revitalizing the nation's economy and its people. *The balance of prudent spending cuts, progressive tax changes, and investments in critical social programs is essential to the program's success.* Severe reductions in spending could dampen a still sluggish economy and reductions in revenue increases could hamper new investments. If the President's proposed investments in programs that assist individuals in becoming more productive members of society are not made, the country's human needs deficit will continue to grow and will continue to undermine the country's economic competitiveness and our quality of life.

Short-Term Stimulus. Even though there are some indications that the economy is beginning to recover from the recession, NASW believes that the investments contained in the President's short-term stimulus package are not only sound, but necessary. The 1980's provided strong evidence that a booming economy is not enough to ensure economic opportunity and a better standard of living for everyone. The rising economic tide did lift some boats (the rich got richer); but others were battered by the wind and waves (the middle class struggled to maintain their standard of living); and still others were lost at sea (the poor got poorer).

Balanced Budget Amendment. NASW believes adoption of legislation instituting a balanced budget amendment would severely jeopardize the ability of the federal government to make the critical investments the nation needs. Balancing the federal budget may sound like a good idea, but adopting a balanced budget amendment to the Constitution is not good policy.

Your support for President Clinton's short- and long-term economic plan is critical. The time to address all three of the country's deficits--the budget deficit, the investment deficit, and the human needs deficit--is now.

Sincerely,

Sheldon R. Goldstein, ACSW, LISW
Executive Director



RELIGIOUS ACTION CENTER
OF REFORM JUDAISM

March 11, 1993

Dear Representative,

On behalf of the Union of American Hebrew Congregations, which represents 1.5 million Reform Jews across the country, I am writing to urge you to support President Clinton's economic package.

*The Religious Action Center
pursues social justice and
religious liberty by
mobilizing the American
Jewish Community and
serving as its advocate
in the nation's capital*

2027 Massachusetts Ave., NW
Washington, DC 20036
(202) 387-2800

Rabbi David Saperstein
Director and Counsel

Rabbi Lynne Landsberg
Associate Director

Evelyn Laser Shlensky,
Chairperson
Commission on Social Action
of Reform Judaism

Rabbi Eric Yoffie
Director
Commission on Social Action
of Reform Judaism

*The Religious Action Center
is under the auspices of
the Commission on Social
Action of Reform Judaism,
a joint instrumentality of
the Central Conference of
American Rabbis and
the Union of American
Hebrew Congregations
with its affiliates;
American Conference
of Cantors,
Association of Reform
Zionists of America,
National Federation of
Temple Brotherhoods,
National Federation of
Temple Sisterhoods,
North American Federation
of Temple Youth.*

The President's package offers a dramatic and desperately needed change from the failed economic policies of the past decade. It invests in human resources, in health care, in infrastructure, in technology, in programs that help those who most need help. For instance, the President's plan would fully fund WIC and Head Start, two successful programs that currently do not reach many of those eligible for them. It would expand the Earned Income Tax Credit, which would help support and strengthen working families. It would invest in job training. It would make the tax system more equitable. The Jewish community, with its traditional concerns for social justice, feels strongly about all these issues.

We urge you to vote for the \$30 billion short-term stimulus as a necessary start on long-delayed investments in the American people and the economy.

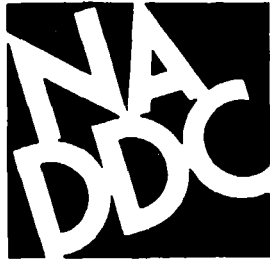
Finally, we urge you to oppose S.J. Res. 41 and H.J. Res. 103 and any other constitutional amendments to balance the federal budget. President Clinton's plan is a much more balanced and prudent approach to deficit reduction, providing, as well, for long term economic growth.

Now is the time to invest in families, in children, in health, in technology; now is the time to invest in the future. The Union of American Hebrew Congregations urges you to support the President's economic plan.

Sincerely,

Lynne F. Landsberg
Rabbi Lynne Landsberg





NATIONAL
ASSOCIATION
OF
DEVELOPMENTAL
DISABILITIES
COUNCILS

1234 Massachusetts Avenue, NW • Suite 103 • Washington, DC 20005 • 202-347-1234

March 11, 1993

Dear Member of Congress:

The National Association of Developmental Disabilities Councils, a membership organization representing the Developmental Disabilities Councils in the 56 states and territories, believes that the current rate of growth of the federal deficit should be reduced for the long-range economic benefit of all citizens. To serve that end, NADDCC supports the attempts under President Clinton's economic plan to reduce the deficit. However, we also support efforts to increase our investment in our nation.

NADDCC believes strongly that the needs of people with developmental disabilities, who if properly invested in can make significant contributions, must be addressed. This means that job programs, educational reform programs for children, technological research and other infrastructure improvement efforts must pay particular attention to people with developmental disabilities.

Therefore we urge that the federal government:

Invest in the independence, productivity and integration into the community of vulnerable populations by avoiding further cuts in human investment programs, and by increasing funding for programs meeting human needs in critical areas, particularly for persons with disabilities;

Rely primarily on increased revenue to finance human investment programs through a tax system that is broad-based and progressive.

Also NADDCC opposes across-the-board federal spending cuts.

We encourage you to support the President's economic plan and to pay attention to the needs of people with developmental disabilities in economic recovery and redirection of resources.

Sincerely,


Sharron Kelsey
President



Bread for the World

A Christian Citizens' Movement in the USA

March 11, 1993

Dear Member of Congress:

We support President Clinton's economic plan, because it will shift resources to low-income people and thus substantially reduce hunger. It will also reduce the federal deficit.

Bread for the World is a bipartisan Christian citizens' movement against hunger. We see the end of the Cold War as a gift from God and a once-in-a-generation opportunity to shift resources to long-neglected human needs. Thus, since 1989 we have been urging reduced military spending, with some of the savings for deficit reduction and some for effective anti-poverty measures. The President's economic plan will make shifts in the direction we have been urging.

Hunger has been growing at alarming rates. In the United States, every fifth child now lives in poverty and faces hunger. Worldwide, over a billion people have too little to eat. There are programs in place that effectively reduce hunger, and they need to be expanded.

We are especially pleased to see that the President's plan would expand **WIC**, **Head Start**, and **Job Corps**, the programs featured in the *Every Fifth Child Act*. It also includes the changes in the **Food Stamp Program** provided for in the *Mickey Leland Childhood Hunger Relief Act*.

We are concerned about the deep cut proposed for **international development assistance**. As cuts are made, it is essential that certain foreign aid programs be protected -- namely, those which effectively relieve poverty and protect the environment. Such programs are important not only to sustainable development, but also to broad-based economic growth and stability. Our foreign aid reform campaign -- *Many Neighbors, One Earth* -- would protect these programs and points to where cuts can be made.

You are making choices in these days that will shape the course of our nation and world for years to come. We pray for you.

Sincerely,

David Beckmann
President

P.S. A vote on the survival of the Select Committee on Hunger is expected next week. The Hunger Committee has a smaller budget than any other committee in Congress. It has an extraordinary record of bipartisan service to hungry people. Please vote for the Select Committee on Hunger.



National Coalition for the Homeless

March 5, 1993

Dear Member of Congress,

The National Coalition for the Homeless strongly encourages you to support President Clinton's budget proposal and economic stimulus plan when it comes to the floor for a vote. The Clinton plan makes substantial progress in addressing the long ignored needs of poor and homeless Americans while at the same time addressing the need for substantial deficit reduction.

Unfortunately, homelessness continues to grow. In a recent survey of federal homelessness assistance program recipients, 90% reported increases in demand for emergency shelter, food, or homelessness prevention assistance since August of 1991. The President's economic stimulus plan begins to address the crisis of homelessness in America by requesting a significant infusion of funds (\$423 million) for the McKinney Supportive Housing program and \$2.5 billion new dollars for CDBG projects in 1993. Additionally, under the plan, funding for the Supportive Housing program will be increased substantially through 1998. These programs go beyond emergency assistance and are aimed at more permanent solutions to homelessness including job training, transitional housing, services and some permanent housing.

As you can imagine, in any proposal of this magnitude, there are individual items we would like to have seen funded at different levels. Undoubtedly, the most troublesome piece of the budget proposal, from our perspective, is the housing component. Under the President's plan, funding for housing programs will increase only slightly over the next few years despite evidence of massive need and huge cutbacks to low-income housing programs during the 1980's. NCH will continue to work with members of Congress to ensure that the housing needs of poor Americans are met. However, overall we feel the Clinton budget proposal is both responsible and fair in the economic choices made.

We urge you to vote for the President's budget and stimulus packages when they are considered on the floor.

Sincerely,

Fred Karnas, Jr.
Executive Director



Dear Representative:

I am writing to urge your support of President Clinton's budget resolution proposals.

These proposals represent a major step toward addressing serious dilemmas of our nation. They meet human and economic needs; they cut the deficit; and they pay for the program through modest defense cuts, appropriate reductions in other programs and a fair sharing of the increased tax burden.

These are all concerns addressed by the Presbyterian Church General Assembly in recent years. The General Assembly is the largest and most representative body of Presbyterians elected from across the country to give guidance on both public and ecclesiastical issues.

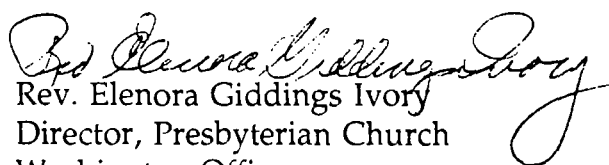
In a 1990 statement on "Social/Economic Needs and the Federal Deficit," the General Assembly stated the grounds of our concern:

...(O)ur federal budget deficit is endangering the future well-being of Americans by (1) resulting in inadequate government spending for children's health and education, drug treatment and rehabilitation, housing, environmental protection, highways and bridges, and other high-priority social and economic needs; (2) absorbing savings that could and should be building up the nation's productive capital; and (3) contributing to a trade deficit that burdens us with a growing foreign debt and weakens us in world economics and politics;...

...(I)t is clear that critical social and economic needs cannot be met and the deficit reduced to desirable levels in the foreseeable future without an increase in taxes...

Because President Clinton's budget proposals clearly move us toward these goals, I urge your support for those proposals.

Sincerely,


Rev. Elenora Giddings Ivory
Director, Presbyterian Church
Washington Office



March 11, 1993

Dear Member of Congress:

President Clinton has pledged himself to rebuilding America's economy by proposing a bold program to create jobs, reduce the deficit and invest in human needs. We believe the President's proposal takes the first steps toward insuring reinvestment in our country's long-term growth.

The plan initiates a shift from defense spending to investment in human needs. It recommends tax policies that place more responsibility on those with a greater capacity to pay. It encourages investment in the physical infrastructure of the nation. The President's package provides for incremental progress in adequately feeding and educating our children. It also begins to address the need for investing in the education, job training and placement of America's workers to ensure that they can compete in the world job market.

We are encouraged by President Clinton's proposed reductions in military spending and consider this the blueprint for further efforts to reduce the military budget and redirect money to economic conversion efforts. We believe additional substantial cuts could be made without endangering national security.

The United Church of Christ is a 1.6 million member Christian denomination. Our policy is developed at biennial General Synods which are the representative body of the church. Our advocacy statement interprets this policy.

Thank you for taking our views into consideration as you make the difficult decisions about budget priorities and our nation's needs.

Sincerely,

Patrick Conover
Policy Advocate

UNITED CHURCH OF CHRIST
OFFICE FOR CHURCH IN SOCIETY

700 PROSPECT AVENUE • CLEVELAND, OH 44115 (216) 736-2174 / 110 MARYLAND AVENUE N.E., SUITE 207 • WASHINGTON, D.C. 20002 (202) 543-1517

VALERIE E. RUSSELL
Executive Director

REBA WALKER
Chairperson



ADA

Americans for Democratic Action, Inc.

1625 K Street, N.W. • Suite 1150 • Washington, DC 20006 • (202) 785-5980 • FAX (202) 785-5969

March 10, 1993

Dear Member of Congress:

Americans for Democratic Action (ADA) supports President Clinton's economic plan. The President's plan is creative, will result in job creation, and promises to put an end to years of declining real wages and growing budget deficits. President Clinton has offered a constructive plan to deal with the nation's economic problems.

This economic plan will start the nation on the path to ending the three major deficits that threaten the American economy: the investment deficit, the human needs deficit, and the budget deficit. We must not throw away this first opportunity in twelve years to deal with the nation's economic problems.

We urge you to support the budget resolution and the supplementary appropriation bill when they come before your Congress.

Please recognize that the economic plan should be accepted in all its parts, if it is to succeed. These include the spending cuts, the investment package and the tax increases. All of these components of the plan are essential to the success of President Clinton's plan. Your support is especially critical.

Sincerely yours,



Amy Isaacs
National Director

National Council of the Churches of Christ in the USA



Washington
Office

March 11, 1993

Dear Member of Congress:

I am writing on behalf of the National Council of Churches to urge you to support President Clinton's economic plan and the supplemental appropriations bill that would put into effect his plan to revive the economy.

We believe the President's program would move the nation in the right direction by improving access to nutrition, health care, education, housing, and employment opportunity for the people in our society who are most in need. We acknowledge that the tax increases in the President's program will require some sacrifice of most people but believe that the cost is small compared with the potential benefit for the entire nation.

We particularly urge you to support the economic stimulus program, with its emphasis on both physical and human infrastructure. Although the size of the stimulus package is modest, the individuals who are employed by the jobs it creates would benefit greatly by becoming self-supporting and being able to care for their families. That improvement will help immeasurably to stabilize our society.

Thank you for your consideration of our views.

Sincerely yours,

Mary Anderson Cooper
Associate Director

Consortium for Citizens with Disabilities

March 11, 1993

Dear Member of Congress,

On behalf of the Consortium for Citizens with Disabilities (CCD), a coalition of over 100 national organizations representing consumers, advocates, providers, and professionals who work on behalf of people of all ages with physical and mental disabilities and their families, I urge you to support President Clinton's economic plan.

The President's "Vision of Change for America" will create jobs, improve social programs, and help to rebuild our communities. This plan sets the course for a stronger America by providing for both deficit reduction and economic growth.

CCD asks that you work with President Clinton to restore America's faith in the future by supporting the recommendations outlined in his economic plan.

Sincerely,



Paul Marchand
Chairman

**The National Association of Children's Hospitals
and Related Institutions, Inc.**

LAWRENCE A. McANDREWS, FACHE
President & CEO

March 11, 1993

Dear Member of Congress:

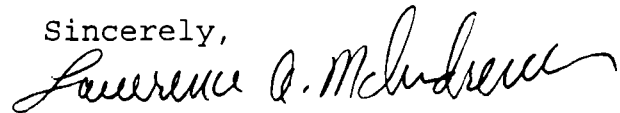
NACHRI -- the National Association of Children's Hospitals and Related Institutions -- strongly supports the emphasis on investing in children articulated in President Clinton's February 17th economic message to Congress, which included major funding increases for immunizations and other children's programs with proven cost-effectiveness.

With many of the details still to be defined over the next month, the President's economic plan builds on key principles, which NACHRI endorses: holding children harmless from budget cuts, expanding programs that have been proven to work for children, and investing in both preventive health and economic security for children.

Clearly, the President's economic plan reflects the reality of children's lives that the nation's children's hospitals experience every day. One out of five children lives in a family with income below the federal poverty level, and one out of every three children either is uninsured or depends on Medicaid for access to health care. Any strategy to achieve sound, long term economic growth for the nation must begin with efforts to assure the basic health of children -- the country's future work force.

Please feel free to call upon NACHRI and each of our member hospitals to assist you in the development of child-friendly budget and health care reform initiatives.

Sincerely,


Lawrence A. McAndrews

LAM/LSF/kw



*Natural Resources
Defense Council*

1350 New York Ave., N.W.
Washington, DC 20005
202 783-7800
Fax 202 783-5917

March 11, 1993

Dear Member of Congress:

On behalf of our 170,000 members, the Natural Resources Defense Council (NRDC) urges your strong support for the Clinton-Gore economic package.

As an organization dedicated to the protection of the environment, NRDC endorses the President's plan because it represents a major shift in the way our government approaches the nation's economic and environmental problems. Many elements of the Clinton package will benefit the environment and restore our natural resources for future generations, even as they address the twin needs of deficit reduction and economic revitalization. The BTU energy tax, for instance, will promote energy efficiency and reduced pollution, even as it generates needed revenues. Investments in environmentally sound infrastructure and emerging "clean" technologies will lay the foundation for a competitive and sustainable economy, even as they put Americans back to work. Finally, we support proposed reductions in taxpayer subsidies to special interests that have too long damaged the environment and impoverished our public resources.

As Congress prepares to consider tough choices, we urge you to preserve the integrity of the President's package and to be guided by the principles it embodies: putting the public interest before the special interests, discriminating between sound public investment and government pork, and recognizing that a healthy environment is the foundation for long-term economic prosperity.

Sincerely,

John Adams
Executive Director



RURAL COALITION

P.O. Box 53202
Washington, D.C. 20009-3202
phone/fax 202/483-1500

March 10, 1993

Dear Member of Congress.

The Rural Coalition is an alliance of grassroots, community-based organizations united in our commitment to just and sustainable rural development. Our 50 member organization are culturally, racially and regionally diverse, and together represent a majority of the poorest rural counties and people in this nation.

On behalf of the membership of the Rural Coalition we write to express our support for the content and direction of the President's economic plan. Over the coming months, we intend to work with you to assure these proposals are enacted and given the full opportunity to bring about economic recovery in all areas of the nation.

Nutrition and Economic Security

We strongly endorse the many provisions made in the Clinton plan to provide immediate assistance and new opportunities for low-income families especially devastated by previous economic policies. Our members believe the expansion of the Earned Income Tax Credit, Food Stamps and WIC, Child Care Food, Unemployment Compensation and Headstart are of particular benefit to poor rural communities.

We urge you to add outreach funds to bring these programs to poor and isolated rural areas. The USDA Food and Nutrition Service is now implementing a demonstration program on food stamp outreach which we believe may generate effective models for outreach. Our members are also working to promote participation in the current earned income tax credit and other federal programs, and will continue these efforts.

We remain concerned that the participation rate in Food Stamps by one of the poorest groups in the United States--farmworkers--remains at less than 25%, and that current programs do not meet special nutritional and economic needs of American Indians living on reservations. We urge you to ensure new childhood immunization programs reach all rural populations, especially the above.

Minority Farm Agriculture

The Rural Coalition has worked for nearly a decade to seek government assistance for the African-American and Indian farmers who are leaving agriculture at alarming rates. The staff of the Department of Agriculture is nearly six times as large as the number of African American farmers remaining in this nation. Foreclosures account for a large percentage of reservation land lost by Indian

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FEDERATION OF SOUTHERN
COOPERATIVES/LAF

of Executive Committee

tribes. We strongly urge you to provide a full \$10 million for the Minority Farm Outreach and Education Program in Section 2501 (a) of the 1990 Farm Bill, to be administered through the Farmers Home Administration.

The funding could immediately assist the African-American and Indian farmer organizations already working with producers. This long overdue funding is a wise investment which could help many farmers be more productive, with a positive positive economic impact for some of the poorest counties in this nation.

Rural Development

We strongly favor increased resources for rural development. While infrastructure improvements are certainly needed, we feel the current Rural Development program has only a limited ability to reach poor communities. We urge you to specifically target new funds to persistently poor communities of under 20,000 residents, and to consider administering these funds through the FmHA.

In order to more effectively the Rural Development and Community Development Bank resources you have proposed, we urge you to consider a grant program to build the capacity of the "Third Sector"-- community-based non-profits--to involve their low-income constituents in economic development programs. Our proposal, "We Haven't got a Community to Waste," is attached. We also urge you to expand the role of Community Development Credit Unions in poor communities.

Agriculture

While the Rural Coalition believes expenditures for agriculture programs can be reduced by the levels the President has proposed, we urge you to reconsider the overall composition of the reduction package.

Farm Income

The cuts proposed hit small and moderately sized producers hardest, do not promote sustainable agriculture, and provide competitive advantages to larger farms. Some cuts, such as the \$100,000 eligibility limit on off-farm income, are likely to be evaded by the large farming corporations to which they are targeted, with negligible budgetary impact. We favor the following alternatives to restore basic fairness in the program and to promote sustainability:

- * Use discretionary authority to raise loan rates to maximum levels, to support farm income while reducing expenditures.
- * Reform and strictly enforce the \$50,000 farm payment limitation
- * Improve supply control mechanisms before eliminating 0/92 and 50/92

Farm Loans

We strongly oppose reductions in the FmHA direct loan program and the initiation of subsidized guaranteed loans. Commercial banks serving rural areas have reduced their agricultural lending, and have never served minority farmers. We do not believe subsidies to banks will encourage better lending to limited resource farmers, nor are we convinced this program will save any money. We urge instead that the FmHA be returned to its mission of the lender of last resort, providing loans and technical assistance to beginning and limited resource farmers unable to find credit elsewhere, and direct lending be increased.

At a time when the Administration proposes new credit resources for communities, and moving the student lending program from the private to the public sector, we cannot support movement in the opposite direction for a program with demonstrated effectiveness for those we want to enter farming. While FmHA needs substantial reform to eradicate discrimination and improve technical assistance, it can far better serve limited resource farmers than can commercial banks.

We urge you to reverse the cuts in FmHA direct lending, which hurt minority farmers most and to increase direct lending resources for two key programs: the beginning farmers program passed in the 1992 farm credit program, and minority farm credit programs enacted in the 1987 Credit Act and the 1990 Farm Bill.

Tax Expenditures

Tax expenditures have generally provided big advantages to commercial agriculture at the expense of family farmers. Investment tax credits favored dairy production in large dairies in the south and west and movement away from family farm production in every region. They also contributed greatly to the extreme concentration of production and processing in the livestock industry, a trend which is economically and environmentally damaging. The tax benefits provided in the proposed rural enterprise zones will have a similar effect.

We also urge you to exclude production agriculture when crafting tax incentives for enterprise zones, or to limit benefits strictly to working family farms. We also urge you to carefully construct investment tax credits to limit them to small business people and producers who are willing to invest in a rural community for the long term. We strongly agree with President Clinton's analysis that small business will provide the large majority of new jobs, and feel this is particularly true in rural communities. Our communities have already been severely damaged by the bidding wars to bring in large businesses which demand substantial tax concessions and provide low-paying jobs, poor working conditions, and environmental damage at the expense of small businesses on the Main Streets of America.

Sustainable Agriculture Programs and Agriculture Research

In the economic stimulus package, the President proposes substantially increased funding to clean up and repair environmental damage and restore water quality. His research proposals, however, fall far short of making important investments in sustainable agriculture programs which could go a long way towards preventing such damage. Full funding of \$60 million in the Sustainable Agriculture and Research program is in our view a much better use of scarce resources than the proposed increase in the National Research Initiative, which has yet to fulfill the sustainable agriculture directives enacted by the Congress. Implementation of much stronger incentives for sustainable agriculture are especially crucial given proposed increases in energy taxes.

BTU Tax

While the proposed BTU tax may have a disproportionate impact in rural areas, we understand the need to begin pricing energy more appropriately, and to devise new ways to promote conservation. The proposed tax is balanced in regional impact, and conservative in scale. Its impact on low-income people is offset by other program increases. It will have a disproportionate impact on moderate and small-scale family farmers; we propose this be offset with funding for less energy intensive sustainable agriculture and by raising loan rates.

Market Promotion, Export Enhancement and Export Promotion Programs and Targeted Export Assistance

We favor the elimination of all of these programs, instead of only the limited MPP freeze. Eliminating these programs could save more than \$4 billion dollars in the next five years in subsidies which primarily benefit large corporate interests and provide very little to moderate sized producers. We see no justice in budget priorities which have so long discriminated against or neglected minority and Indian producers and small farmers while so heavily subsidizing corporate agriculture.

Consumers in the United States remain the primary market for US producers, yet the amount of funding to assist family farmers with direct and regional marketing and market development is negligible. The development of fresher and more nutritious value-added products for specialty markets, including the restaurant industry and inner cities, would benefit consumers and small farmers and would cost far less.

In general, we believe export promotion can be accomplished by the large industries who benefit from it. Moderate sized farmers derive little benefit from any product exported below their cost of production, including a fair return

on land and labor. Any expenditures retained for foreign market promotion should be exclusively reserved for the development of new markets for value-added products and niche markets that family farmers can supply. The majority of the savings could be earmarked for nutrition program increases and to fund the minority farm program in section 2501 of the 1990 Farm Bill.

We favor devoting a small portion (\$200 million) of the savings from reduction in market promotion to the establishment of a marketing and business development program for limited resource farmers and small businesses within USDA, with special emphasis on the economic needs of minority and Indian farmers, and the nutritional and access needs of low-income consumers. We believe it is long past time to devote some real effort to answering questions like "What products of comparable return could be produced on tobacco lands in Kentucky?" In many rural areas around the nation, small-scale agriculture remains a key basis for economic development where few alternatives exist. The resources of the federal government should be far better targeted to new economic opportunities for this sector.

VISTA program

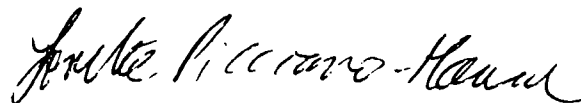
VISTA volunteers have long been a key resource for rural community-based development organizations. Hundreds of volunteers have received training within our member agencies, not only in community development, but in community service and contributing to a better future for our children. We feel the proposed national service program is an admirable concept. However, we strongly urge you to include the VISTA program in your national service plan. A Vista volunteer can be funded at the cost of only \$2000 for the summer, about one-third the cost of the programs you propose. Some programs work. Let's use them.

We understand the many political and economic issues you must address in creating an economic plan that will gain sufficient support and bring about recovery. We have provided you our best analysis of how to use very limited federal resources to the best advantage of our communities, and hope it will be useful as you consider budget alternatives. On behalf of our grassroots members in the hundreds of rural communities we represent across the nation, we urge you to support and vote for the President's plan.

Sincerely,



Carlos Marentes
Chair Person
El Paso, Texas



Lorette Picciano-Hanson
Executive Director

JESUIT CONFERENCE

the Society of Jesus in the United States

March 11, 1993

Office of Social Ministries

Dear Senator/Representative:

I am writing to you on behalf of the many Jesuits throughout the United States. **I urge you to vote in favor of the President's economic package, including the \$30 billion short-term stimulus proposal.** I am writing to you on their behalf, because we find ourselves particularly concerned about the increasing number of children who experience hunger in this land and families who find themselves slipping into poverty and pain. I am writing to you to underscore the fact that serious steps must now be taken, if this worsening situation is to end. It is time for true leadership.

Admittedly not perfect in all of its specifics, the President's proposal displays fiscal responsibility and proposes substantive initiatives that set a new economic course for us as a nation. The starkest realities are that we cannot continue to ignore the deficit nor fail to recognize the need for investment in long-term growth. We also must see to it that our efforts at fiscal responsibility are not borne by the least able to sustain them.

I would further urge you to avoid some of the temptations to seek quick but shortsighted remedies for the current situation. **A constitutional Balanced Budget Amendment cannot replace honest fiscal leadership** and will create a situation that not only binds congressional leadership but holds little promise for promoting a sound economy in the future. **I also caution you about the temptation to think that spending cuts without revenue increases will be sufficient to the task before us.** Without additional revenue -- something that the American people recognize to be fair and necessary -- the well-being of the American people and particularly of families in need will suffer irreparable harm. We must care for the human dimension of our future.

I therefore strongly urge you for all of these reasons to support the comprehensive and balanced proposal put forward by the President and to vote in favor of the Budget Resolution. This is not the time for the partisan politics that has served us so poorly of late but for bold leadership. What is at stake is the future well-being of this country and of its people.

Sincerely,



Peter J. Klink, S.J.
Secretary for Social Ministry



Governmental Affairs Office
1522 K Street, N.W., Suite 516
Washington, D.C. 20005
(202) 785-3388 / FAX (202) 467-4179
TDD (202) 785-3411

March 11, 1993

Dear Member of Congress,

The Arc is the nation's largest organization dedicated to improving the lives of citizens with mental retardation and their families. Our 150,000 members from throughout the country urge you to support President Clinton's economic plan.

The economic stimulus package in the form of the FY 1993 supplemental appropriations bill and the FY 1994 budget resolution hold promise for spurring economic growth while allowing for necessary deficit reduction.

We urge you to work with and support President Clinton in this effort.

Sincerely,

Ralph Moore, Jr.
Chairman, Governmental Affairs Committee



THE UNITED STATES CONFERENCE OF MAYORS

1620 EYE STREET, NORTHWEST
WASHINGTON, D.C. 20006
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FAX (202) 293-2352

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Mayor of Cleveland

Executive Director:

J. THOMAS COCHRAN

March 11, 1993

Dear Representative:

As the House and Senate take up the President's budget plan this week, we are concerned that reports of improving economic indicators are being used to weaken support for the jobs stimulus component of the plan, and we are anxious to set the record straight on the need for jobs in our cities.

According to the most recent monthly reports available from the Bureau of Labor Statistics, unemployment in the nation's 30 largest cities increased for three consecutive months -- October, November and December 1992 -- ending the year at an average of 8.5 percent. These are increases in the "official" BLS rates. If you compute the "real" unemployment rates in these cities, as The U.S. Conference of Mayors has been doing for the past several months, the increase in unemployment in the 30 cities has been more dramatic, standing at 15.6 in December.

In each of the past six months, our calculation of "real" unemployment, which takes into consideration such factors as the number of "discouraged" workers who have given up looking for jobs and the number of part time workers seeking full time jobs, has produced a rate more than double the official national average.

Behind the real rates are the real people: There are 17.6 million workers in America's 30 largest cities; 2.7 million of them are unemployed or underemployed.

We appeal to you not to buy into the notion that our economy is getting so much better so quickly that a stimulus to create jobs -- and, incidentally, to do a lot of work that needs to be done in cities -- is not needed. And please don't buy into the notion that stimulus funding cannot get to the cities fast enough to make a difference: The Conference has carefully documented 4,400 community development and transportation projects in 470 cities that can be started very quickly and completed by the end of this year. These projects would generate about 200,000 jobs this year.

page two

We believe the President's plan -- the jobs stimulus, the long term investment, the deficit reduction -- should be supported in its entirety. We stand ready to work with you to reach that goal.

Sincerely,

A handwritten signature in dark ink, appearing to read "W. Althaus", written in a cursive style.

William J. Althaus
Mayor of York, PA
President

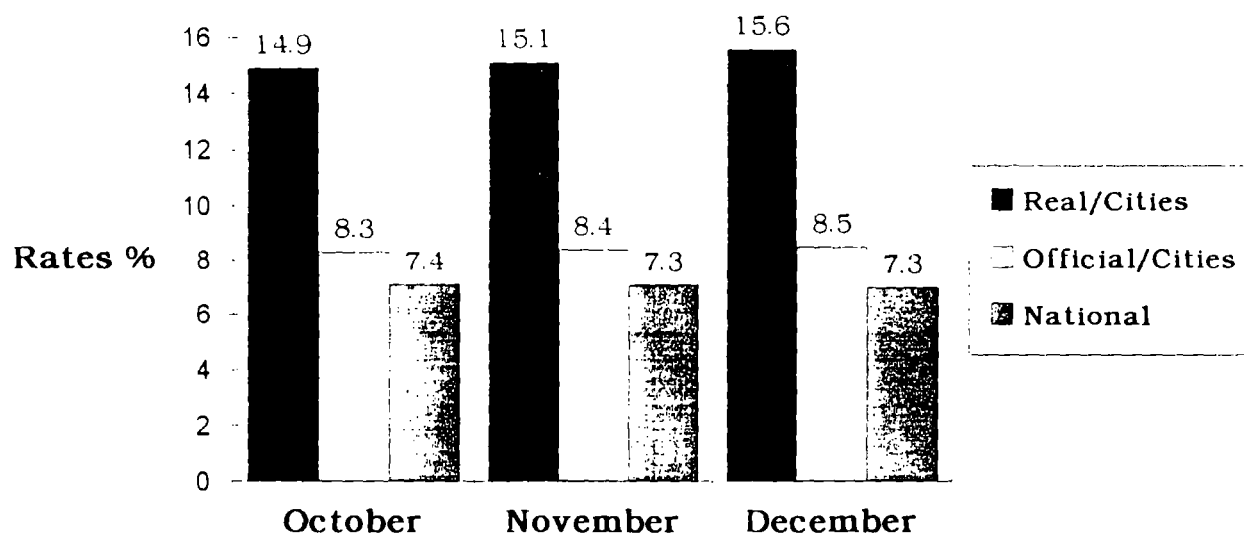
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Conference of Mayors

Comparison of "Real" and "Official" Unemployment Rates (%) in 30 Largest U.S.
Fourth Quarter, 1992

	October Real	Official	November Real	Official	December Real	Official
New York	19.8	11	18.9	10.5	20.1	11
Los Angeles	19.1	10.6	18.9	10.5	20.1	11
Chicago	11.9	6.6	13.7	7.6	15.4	8.4
Houston	13.1	7.3	14.8	8.2	14.3	7.8
Philadelphia	15.8	8.8	14	7.8	13.3	7.3
San Diego	14	7.8	15.1	8.4	13.5	7.4
Detroit	23.4	13	21.2	11.8	19.9	10.9
Phoenix	10.8	6	10.8	6	11.5	6.3
San Antonio	11.9	6.6	13	7.2	12.4	6.8
San Jose	14.4	8	15.3	8.5	13.7	7.5
Baltimore	18	10	18	10	17.6	9.6
Indianapolis	9.4	5.2	10.4	5.8	10.8	5.9
San Francisco	12.6	7	13.3	7.4	11.7	6.4
Jacksonville	10.4	5.8	10.8	6	9.7	5.3
Columbus	10.6	5.9	10.4	5.8	10.6	5.8
Milwaukee	9.5	5.3	7.4	4.1	7.9	4.3
Memphis	9.2	5.1	9.4	5.2	10.1	5.5
Washington	14.8	8.2	16.2	9	15.5	8.5
Boston	13	7.2	13.7	7.6	13	7.1
Seattle	11.7	6.5	12.2	6.8	12.2	6.7
El Paso	17.5	9.7	19.4	10.8	19.4	10.6
Cleveland	18.7	10.4	18.4	10.2	19	10.4
New Orleans	12.4	6.9	11.2	6.2	11.3	6.2
Nashville	6.7	3.7	7	3.9	7.7	4.2
Denver	9.4	5.2	10.1	5.6	11.3	6.2
Austin	8.8	4.9	10.1	5.6	10.1	5.5
Fort Worth	14	7.8	15.8	8.8	15.2	8.3
Oklahoma City	7.4	4.1	7.2	4	8.4	4.6
San Juan	18.2	10.1	18.2	10.1	21.8	11.9
30 City Average	14.9	8.3	15.1	8.4	15.6	8.5

Average Unemployment Rate (%) in 30 Largest Cities and Nation



All information is derived from Bureau of Labor Statistics data

THE FOOD POLICY WORKING GROUP

Working together to achieve food security for everyone.

March 11, 1993

Dear Member of Congress:

As members of a Food Policy Working Group that represents organizations and church agencies concerned particularly about ending hunger, we recognize the serious economic challenges facing us as a nation. We must find a way to reduce the deficit while, at the same time, invest for a strong economy in the future. We must find further ways to cut military spending and to invest in human needs. We must also create opportunities for people to move from unemployment and poverty to productivity, assisting them to realize their human dignity. It is our assessment that this package provides a bold and credible economic blueprint for the future of this country. **We urge you to support the entire economic package, including the \$30 billion short-term stimulus proposal.**

Of course, we are particularly concerned about the impact of this proposal on the increasing number of children and families experiencing poverty and hunger. We welcome the fact that the President's proposal builds upon programs proven to be effective in creating a strong human infrastructure. The budget package envisions full-funding of the Special Supplemental Food Program for Women, Infants and Children (known as WIC) by 1996 and of the Headstart program by 1999. It includes needed changes to the food stamp program, the basic hunger safety-net of this country. It is our recommendation that the Mickey Leland Childhood Hunger Relief Act be funded for this purpose. Additionally, the budget adopts the recommendation of the National Commission on Children that the Job Corps program be expanded 50 percent by 2001 and that 50 new Job Corps centers be established.

We consider it significant that the President's economic package recognizes that the future well-being of this country must be built upon the well-being of its children. Investment in the physical infrastructure of our economy without attention to the human dimension of this infrastructure will be in vain. The President's package seeks to more adequately feed, educate, and employ the people of this country.

We, the members of the Food Policy Working Group, urge you to support the President's economic package and not to reduce its overall effectiveness by eliminating or weakening one of its dimensions. Much of its strength is in its comprehensiveness and balance. Please let us know how we can work with you to end the tragic hunger of families and children.

Sincerely,

Food Policy Working Group

A Joint Strategy and Action by:

Bread for the World

Catholic Charities USA

Church of the Brethren, Washington Office

Evangelical Lutheran Church in America

Lutheran Office for Governmental Affairs

Food Research and Action Center

Interfaith IMPACT for Justice and Peace

Jesuit Social Ministries

Unitarian Universalist Service Committee

United Church of Christ, Office for Church in Society

Hunger Action Office



March 11, 1993

Jennifer A. Vasiloff
Executive Director

Dear Member of Congress:

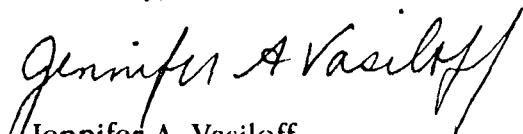
The Coalition on Human Needs strongly endorses President Clinton's economic plan and urges you to support it. We believe the President's plan will create jobs, provide investments to revitalize the economy, and reduce the federal deficit in a deliberate and responsible manner. We urge you to vote for the Budget Resolution and for the Supplemental Appropriation legislation that will implement the President's recommendations.

The President's plan departs dramatically from the past twelve years of skyrocketing deficits and plunging government investments in the nation's economy and its people. The legacy of this failed economic policy is the highest poverty rate in 25 years, increased income inequality, and a decline in wages and the standard of living for millions of Americans. The Coalition on Human Needs is especially gratified with the investments in low-income families and communities the President's plan includes, as well as its progressive tax provisions.

The three components of the President's plan -- the immediate stimulus, the long-term investments, and the deficit reduction package -- are carefully balanced and inextricably linked. Each component of the plan addresses a specific objective. While we are concerned about the additional cuts in domestic spending the Budget Committees made, the Budget Resolution is still worthy of support. In addition we urge that the short term stimulus package be enacted with all possible speed. Any additional harmful cuts in domestic spending in either the Budget Resolution or the Supplemental Appropriation bill should be rejected.

The Coalition on Human Needs is an alliance of over 100 national religious, civil rights, labor, human services and professional organizations, as well as those concerned with children, women, the elderly and people with disabilities. We believe the President's economic plan charts a new direction for America, and we urge you to support it.

Sincerely,


Jennifer A. Vasiloff
Executive Director



AFSCME®

American Federation of State, County and Municipal Employees, AFL-CIO

1625 L Street, N.W., Washington, D.C. 20036-5687

Telephone (202) 429-1000

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March 11, 1993

Gerald W. McEntee
President

William Lucy
Secretary-Treasurer

Vice Presidents

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Columbus, Ohio

Dominic J. Badolato
New Britain, Conn.

Henry L. Bayer
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Joseph M. Bonavita
Boston, Mass.

George Boncoraglio
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Stephen M. Cullen
Chicago, Ill.

Albert A. Diop
New York, N.Y.

Danny Donohue
Albany, N.Y.

William T. Endsley
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New York, N.Y.

Carolyn J. Holmes
Williamstown, N.J.

William S. Hudson, Jr.
Sykesville, Md.

Blondie P. Jordan
Orlando, Fla.

Edward J. Keller
Harrisburg, Pa.

Joseph E. McDermott
Albany, N.Y.

Donald G. McKee
Des Moines, Iowa

Gary Moore
Olympia, Wash.

Michael D. Murphy
Madison, Wis.

Henry Nicholas
Philadelphia, Pa.

Russell K. Okata
Honolulu, Hawaii

George E. Popyack
Belmont, Calif.

Joseph P. Puma
Albany, N.Y.

Michael E. Rhynes, Sr.
Indianapolis, Ind.

Joseph P. Rugola
Columbus, Ohio

Kathy J. Sackman
Pomona, Calif.

Burhman D. Smith
Philadelphia, Pa.

Larry R. Smith
East Lansing, Mich.

Linda Chavez-Thompson
San Antonio, Tex.

Garland W. Webb
Baton Rouge, La.

Dear Representative:

On behalf of the 1.3 million members of the American Federation of State, County and Municipal Employees (AFSCME), I urge you to support the President's Economic Plan, and especially the Fiscal Year 1993 stimulus.

President Clinton's economic plan is based on four critically important economic objectives: deficit reduction, fairness of sacrifice, near-term job creation and long-term economic growth. All four goals are necessary for the nation to prosper.

The President's plan, simultaneously bold and cautious, achieves a delicate balance between the need for a stimulus and long-term investment, with the need to reduce the federal deficit. Upsetting that balance by reducing the deficit too swiftly will put the economic recovery at risk and slow critically needed job creation. Similarly, if President Clinton's plan for long-term investment is weakened, the nation's future competitiveness will be compromised.

While the continued decline in the unemployment rate is encouraging, nine million Americans still remain jobless -- first time claims for unemployment insurance rose by 25,000 last week. Furthermore, worrisome signs of weakness still plague the economy. Three recent headlines on the front page of the New York Times Business section -- "For Consumers, a Wobbly Faith", "Key Indicators Show Economy Losing Momentum", and "Optimism is Being Tempered a Bit" -- should remind us that an economy recovery cannot be taken for granted.

Therefore, we urge you to support the stimulus package and a fiscal 1994 budget resolution which embrace the Clinton economic package without weakening any of its carefully balanced components. We also urge you to oppose greater spending cuts in those programs which make short- and long-term investments and which enable state and local governments to deliver important services. Taking more spending out of the economy in the short-term runs the risk of undermining the four longer term goals which we all share.

Thank you.

Sincerely,

Gerald W. McEntee
International President

William Lucy
International Secretary-Treasurer

GWMcE/WL:dmb

in the public service

1731 CONNECTICUT AVENUE, NORTHWEST
WASHINGTON, D.C. 20009-1146
TELEPHONE: (202) 234-8494
FAX: (202) 234-8584

OMB WATCH

March 11, 1993

Dear Member of Congress:

We write in strong support of President Clinton's economic plan, *A Vision of Change for America*. We ask that you support that plan through your vote on the Budget Resolution and the supplemental appropriations bill that will enact the President's stimulus proposals. We urge you not to dilute the plan with harmful spending cuts that would make the overall plan unsupportable.

OMB Watch is a nonprofit research and advocacy organization that monitors federal budget and other governance issues. We provide technical assistance and advice to thousands of nonprofit organizations throughout the country. In the past, we have supported plans that shift military savings to meet domestic needs and that progressively realign our federal tax policies in order to help reduce our federal deficit while addressing unmet human needs.

We support President Clinton's plan because it begins to move in the policy direction we have long advocated. In specific, we support:

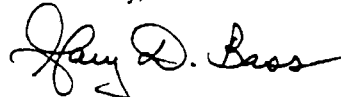
- The stimulus package as proposed, which includes immediate spending increases and tax incentives to help stimulate jobs and ensure the economy continues to grow;
- The five-year \$221 billion investment package, which begins to fill the social deficit created over the last twelve years, helps move toward long-term economic growth by investing in the people of this country, and establishes a new, vibrant role for the federal government. Although we support the President's proposals, we would like to see additional money targeted to low-income housing needs;
- The five-year \$375 billion spending reduction proposals. In light of the end of the Cold War, we believe that additional military savings should be targeted to deficit reduction and conversion. Nonetheless, the President's overall package moves in the right direction and should be supported. For many constituencies, the spending reductions will be significant. But the President has tried to target them in a way that makes them equitable and shared by no single group;
- The five-year \$328 billion revenue increases. The President's plan moves in the right direction of making tax policy more progressive and consistent with the spending needs of the country.

Combined, these proposals move in the proper direction of reducing the deficit while simultaneously meeting individual and economic needs, promoting the common good for the country. It must be remembered that it took 12 years to reach a deficit that is now more than 5% of our Gross Domestic Product. It will take a long-term plan, such as the President's, to undo the problems.

Again, we strongly urge you to support the President's economic plan and not to add harmful spending cuts to the Budget Resolution.

Thank you for your consideration.

Sincerely,



Gary D. Bass
Executive Director



March 11, 1993

Dear Member of Congress:

On behalf of AIDS Action Council, the representative of over 900 community based AIDS service providers, I write to ask you to vote for President Clinton's economic stimulus package and for the Budget Resolution.

As you know, our communities are reeling from the AIDS crisis. The President's stimulus package includes \$200 million for the Ryan White Care Act, which provides needed health services for those suffering from AIDS.

We believe the President's economic plan represents a balanced approach to addressing our nation's deficit, as well as investing in long-needed health care that will allow our citizens to continue to work and remain productive.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel T. Bross".

Daniel T. Bross
Executive Director

1875
Connecticut Ave NW
Suite 700
Washington DC
20009
Fax 202 986 1345
Tel 202 986 1300



THE UNITED STATES CONFERENCE OF MAYORS

1620 EYE STREET, NORTHWEST
WASHINGTON, D.C. 20006
TELEPHONE (202) 293-7330
FAX (202) 293-2352

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Mayor of York

Vice President:

JERRY ABRAMSON
Mayor of Louisville

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Mayor of Reno
DAVID SMITH
Mayor of Newark, CA
JUL SOGLIN
Mayor of Madison
MICHAEL R. WHITE
Mayor of Cleveland

Executive Director:

J. THOMAS COCHRAN

March 11, 1993

Dear Senator:

On behalf of The United States Conference of Mayors representing Democratic and Republican mayors throughout the nation, please accept this letter indicating our total support for the President's economic plan in its entirety. In conformance with the President's plan, we support the Chairman's mark to the FY94 Senate budget resolution without modifications and ask that you resist all amendments to it.

We urge that you act immediately. Our members continue to express that the high rate of unemployment in our cities is totally unacceptable. Jobs are needed now and we believe that the President's stimulus initiatives will produce immediate relief for America and put Americans back to work.

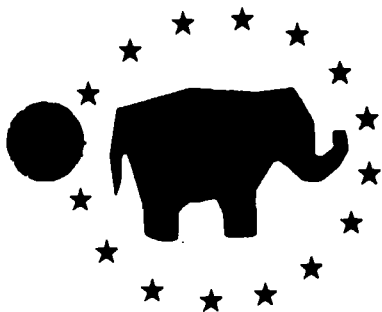
Sincerely,

William J. Althaus

Mayor of York

President

The United States Conference of Mayors



NATIONAL CONFERENCE OF REPUBLICAN MAYORS AND MUNICIPAL ELECTED OFFICIALS

March 11, 1993

Dear Member of Congress:

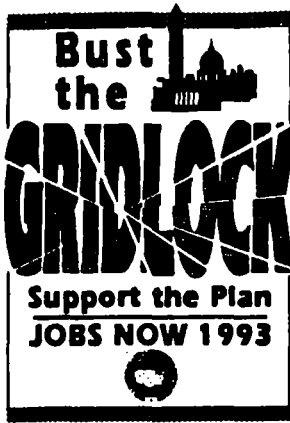
The U.S. Conference of Mayors, a bi-partisan organization representing mayors of cities with population 30,000 and above, has endorsed the President's economic plan in its entirety. Republican and Democratic mayors alike share the view that the three principal components of the President's plan: namely, short-term investment, long-term investment, and deficit reduction are captured in the budget resolution as modified and the supplemental appropriations measure.

Accordingly, I encourage you to vote in support of the urgent supplemental appropriations bill containing President Clinton's short-term investment proposals, as well as the Senate budget resolution which contains the long-term investment proposals outlined in President Clinton's economic plan. Decisive action, even if not perfect, is needed now.

Cities have been neglected for far too long. Unemployment in many of our cities is more than double the national rate. We need to cut the deficit and reduce spending where possible, but we also need to invest in our cities and put people back to work.

Sincerely,

Paul Helmke, Mayor of Fort Wayne, IN
Member, USCM Advisory Board
President, National Conference of Republican Mayors and Municipal
Elected Officials



NEWS

The United States Conference of Mayors

1620 Eye Street, NW • Washington D.C. • 20006 • (202) 293-7330 • FAX (202) 293-2352

For Immediate Release

Contact: Doug Baj
(202) 293-7330

MAYORS WARN CONGRESS OF RISING UNEMPLOYMENT IN CITIES Continue to Back the President's Economic Plan

The U.S. Conference of Mayors has told members of Congress that recent Federal statistics on unemployment show increasing jobless rates in cities.

In a March 11 letter, York, PA Mayor and Conference President William J. Althaus said that recent job statistics run contrary to some economic indicators being used by Congressional opponents of President Clinton's short term economic job stimulus component of his overall plan.

Althaus said the real facts are that the most recent data available from the U.S. Bureau of Labor Statistics shows that unemployment in the nation's 30 largest cities increased each month during the last quarter of 1992. At the end of the year, the "real" average of 8.5 percent was well above the national average.

"These are increases in the 'official' BLS rates," said Althaus. "If you compute the 'real' unemployment rates in these cities, as The U.S. Conference of Mayors has been doing for the past several months, the increase in unemployment in the 30 cities has been more dramatic, standing at 15.6 in December." Calculation of the "real" rates, explained Althaus, "takes into consideration such factors as the number of 'discouraged' workers who have given up looking for jobs and the number of part time workers seeking full time jobs."

"We appeal to you not to buy into the notion that our economy is getting so much better so quickly that a stimulus to create jobs -- and, incidentally, to do a lot of work that needs to be done in cities -- is not needed," Althaus wrote the members. "And please

< More >

don't buy into the notion that stimulus funding cannot get to the cities fast enough to make a difference," he added. "The Conference has carefully documented 4,400 community development and transportation projects in 470 cities that can be started very quickly and completed by the end of this year. These projects would generate about 200,000 jobs this year."

The United States Conference of Mayors, under the direction Althaus, launched "Operation Bust Gridlock," a grass-roots operation that asks mayors to support the President's economic plan in line with official Conference policy. Operation Bust Gridlock encourages mayors to reach out on the local level, engage in debate, and mobilize all segments of their communities to contact their Members of Congress and register support for the President's full economic program.

National organizations representing a variety of locally elected officials and major public interest groups have been speaking out in support of the President's plan over the past month. The Conference of Mayors, which endorsed the plan "in its entirety" the morning after the State of the Union address, was joined last week by The National League of Cities and two weeks ago by The National Association of Counties in supporting the economic plan.

During The National League of Cities' 1993 Congressional-City Conference in Washington last week, President Clinton thanked its members for endorsing his plan and urged them to blitz Capitol Hill and visit their Senators and Representative.

"I want every member of the United States House and Senate to know that you not only endorsed it, but you believe in it," Clinton said in his speech to more than 3,000 mayors, city council members, and city managers attending the League's meeting this week in Washington.

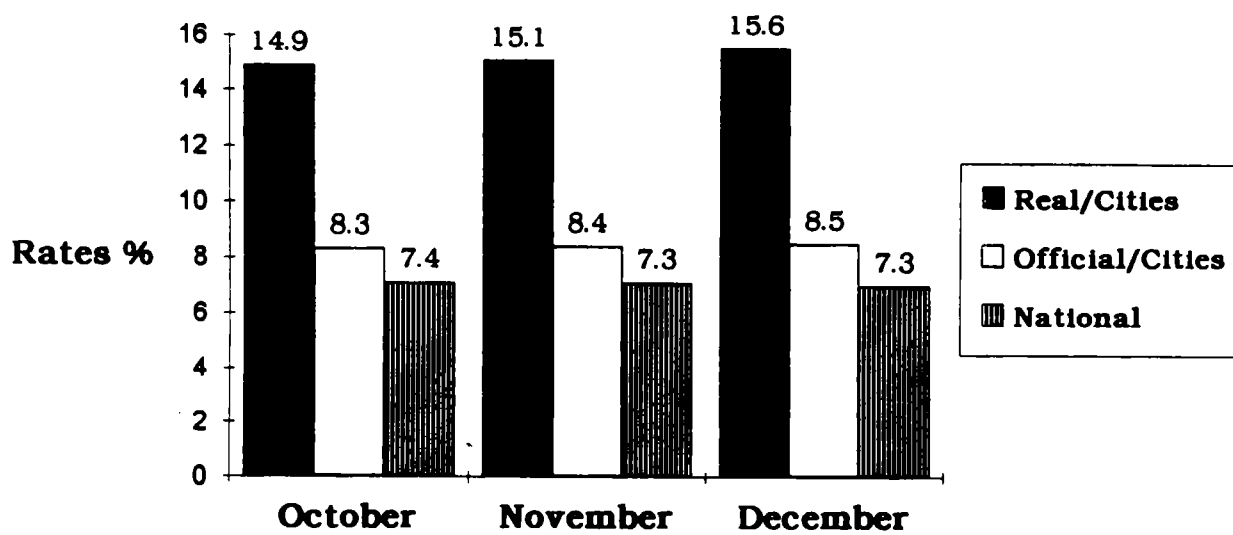
On March 5, a separate group of mayors demonstrated a bipartisan support for the President's economic package during an endorsement ceremony at the White House. The group of mayors stated their frustrations with the impasse in Washington and called on all local officials to rally their local communities in support of the plan.

The Conference effort has been joined by the American Public Transit Association (NAPTA), the National Homebuilders Association, the American Federation of State, Municipal Employees (AFSCME), and the National Education Association (NEA), American Federation of Teachers (AFT) as well as a wide-ranging coalition of public interest groups.

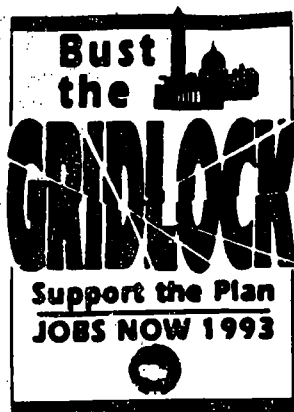
The U.S. Conference of Mayors is the official nonpartisan organization of cities with populations of 30,000 or more. There are about 1,050 such cities in the country today. Each city is represented in the Conference by its chief elected official, the Mayor.

#

**Average Unemployment Rates in 30 Largest Cities and Nation ·
Fourth Quarter 1992**

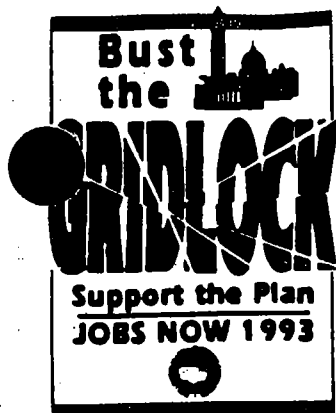


Analysis of "real" unemployment based on U.S. Bureau of Labor Statistical Data.



**Comparison of "Real" and "Official" Unemployment Rates (%) in 30
Largest Cities, Fourth Quarter, 1992**

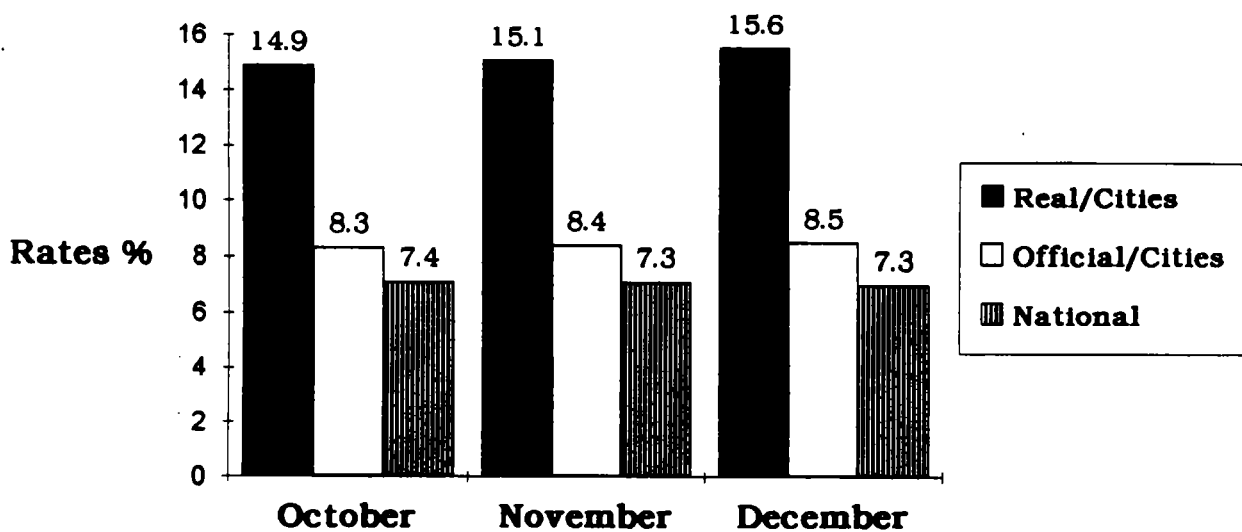
	October		November		December	
	Real	Official	Real	Official	Real	Official
New York	19.8	11	18.9	10.5	20.1	11
Los Angeles	19.1	10.6	18.9	10.5	20.1	11
Chicago	11.9	6.6	13.7	7.6	15.4	8.4
Houston	13.1	7.3	14.8	8.2	14.3	7.8
Philadelphia	15.8	8.8	14	7.8	13.3	7.3
San Diego	14	7.8	15.1	8.4	13.5	7.4
Dallas	13.3	7.4	15.1	8.4	14.6	8
Detroit	23.4	13	21.2	11.8	19.9	10.9
Phoenix	10.8	6	10.8	6	11.5	6.3
San Antonio	11.9	6.6	13	7.2	12.4	6.8
San Jose	14.4	8	15.3	8.5	13.7	7.5
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Indianapolis	9.4	5.2	10.4	5.8	10.8	5.9
San Francisco	12.6	7	13.3	7.4	11.7	6.4
Jacksonville	10.4	5.8	10.8	6	9.7	5.3
Columbus	10.6	5.9	10.4	5.8	10.6	5.8
Milwaukee	9.5	5.3	7.4	4.1	7.9	4.3
Memphis	9.2	5.1	9.4	5.2	10.1	5.5
Washington	14.8	8.2	16.2	9	15.5	8.5
Boston	13	7.2	13.7	7.6	13	7.1
Seattle	11.7	6.5	12.2	6.8	12.2	6.7
El Paso	17.5	9.7	19.4	10.8	19.4	10.6
Cleveland	18.7	10.4	18.4	10.2	19	10.4
New Orleans	12.4	6.9	11.2	6.2	11.3	6.2
Nashville	6.7	3.7	7	3.9	7.7	4.2
Denver	9.4	5.2	10.1	5.6	11.3	6.2
Austin	8.8	4.9	10.1	5.6	10.1	5.5
Fort Worth	14	7.8	15.8	8.8	15.2	8.3
Oklahoma City	7.4	4.1	7.2	4	8.4	4.6
San Juan	18.2	10.1	18.2	10.1	21.8	11.9
30 City Average	14.9	8.3	15.1	8.4	15.6	8.5



**Comparison of "Real" and "Official" Unemployment Rates (%) in 30
Largest Cities, Fourth Quarter, 1992**

	October		November		December	
	Real	Official	Real	Official	Real	Official
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Houston	13.1	7.3	14.8	8.2	14.3	7.8
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Jacksonville	10.4	5.8	10.8	6	9.7	5.3
Columbus	10.6	5.9	10.4	5.8	10.6	5.8
Milwaukee	9.5	5.3	7.4	4.1	7.9	4.3
Memphis	9.2	5.1	9.4	5.2	10.1	5.5
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Boston	13	7.2	13.7	7.6	13	7.1
Seattle	11.7	6.5	12.2	6.8	12.2	6.7
El Paso	17.5	9.7	19.4	10.8	19.4	10.6
Cleveland	18.7	10.4	18.4	10.2	19	10.4
New Orleans	12.4	6.9	11.2	6.2	11.3	6.2
Nashville	6.7	3.7	7	3.9	7.7	4.2
Denver	9.4	5.2	10.1	5.6	11.3	6.2
Austin	8.8	4.9	10.1	5.6	10.1	5.5
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Oklahoma City	7.4	4.1	7.2	4	8.4	4.6
San Juan	18.2	10.1	18.2	10.1	21.8	11.9
30 City Average	14.9	8.3	15.1	8.4	15.6	8.5

**Average Unemployment Rates in 30 Largest Cities and Nation .
Fourth Quarter 1992**



Analysis of "real" unemployment based on U.S. Bureau of Labor Statistical Data.

Mike

Rita Lewis - Political

Jeff Watson - Intergov, March 11, 1993

Lance Simmons - Conf of Mayors
Coalition on Human Needs

Dear Member of Congress:

The undersigned organizations strongly support President Clinton's economic plan. We urge you to vote for the President's plan and supplemental appropriation legislation that will implement his recommendations for restoring economic health to our nation.

We support the President's plan to get the economy moving again because it creates jobs, provides for immediate and long term investments and reduces the federal budget deficit.

The President's economic plan represents a balanced approach to addressing our nation's three major deficits simultaneously: the federal budget deficit, the nation's social deficit, and the economy's investment deficit. We urge you to support it.

Sincerely,

- AIDS Action Council
- AIDS National Interfaith Network
- American Federation of State, County and Municipal Employees
- Americans for Democratic Action
- The Arc
- Bread for the World
- Center for Community Change
- Center for Development of International Law
- Center for Resource Economics
- Center for Science in the Public Interest
- Center on Law and Social Policy
- Church of the Brethren, Washington Office
- Church Women United
- Coalition on Human Needs
- The Columban Fathers Justice and Peace Office
- Council of Jewish Federations
- Council of Large Public Housing Authorities
- The Enterprise Foundation
- Food Policy Working Group
- Food Research and Action Center
- Friends Committee on National Legislation
- Friends of the Earth

Letter in Support of the President's Economic Plan
March 11, 1993
page two

Interfaith IMPACT for Justice and Peace
Jesuit Social Ministries, National Office
Lutheran Office for Governmental Affairs (ELCA)
Maryknoll Mission Society Peace and Justice Office
Mental Health Law Project
National Alliance of State and Territorial AIDS Directors
National Association of Children's Hospitals and Related Institutions
National Association of Counties
National Association of Community Action Agencies
National Association of Developmental Disabilities Councils
National Association of Private Schools for Exceptional Children
National Association of Social Workers
National Coalition for the Homeless
National Council of Churches
National Council of Community Mental Health Centers
National Council of Jewish Women
National Education Association
National League of Cities
National Legal Aid and Defenders Association
National Mental Health Association
National Neighborhood Coalition
National Urban League
National Women's Law Center
NETWORK: A National Catholic Social Justice Lobby
Nuclear Information and Resource Service
OMB Watch
Parent Action
Public Citizen's Congress Watch
Presbyterian Church, Washington Office (USA)
Rural Coalition
Service Employees International Union
Unitarian Universalist Service Committee
United Auto Workers
United Church of Christ
Union of American Hebrew Congregations
United Methodist Church, General Board of Church and Society
United States Conference of Local Health Officers
United States Conference of Mayors
Welfare Directors Association of California
Women's Legal Defense Fund

Withdrawal/Redaction Marker

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P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
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P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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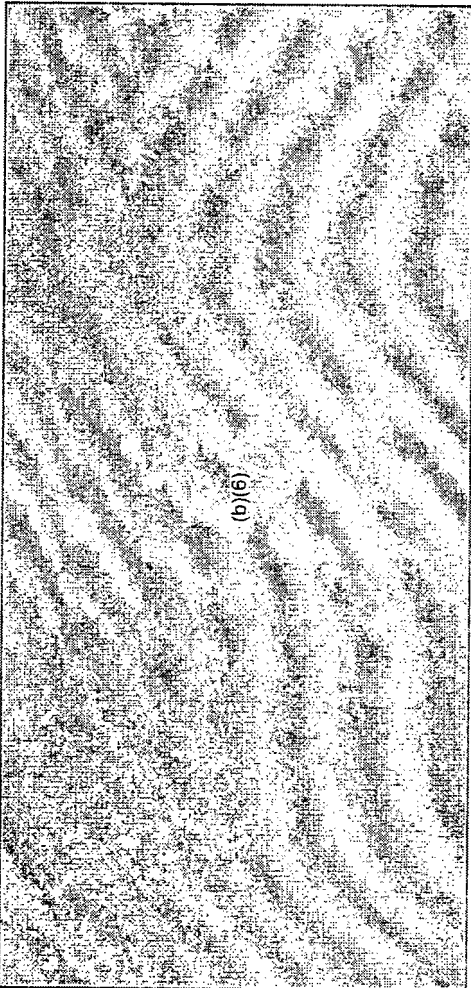
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b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled 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]

**LIST OF PERSONS ATTENDING
COALITION MEETINGS, MARCH 16
OLD EXECUTIVE OFFICE BUILDING**

NAME	ORGANIZATION	BIRTHDATE	SOCIAL SECURITY #
Joan Adler	National Coalition for the Homeless		
Gary Bass	OMB Watch		
Kay Bengston	Lutheran Office of Government Affairs		
Suzanne Bergeron	National Urban League		
Nancy Bernastine	Council of Large Public Housing		
Marilyn Berry Thompson	Jorden Burt Berenson		
Ed Block			
Joe Boghossian	Jorden Burt Berenson		
Kathy Bond	Bread for the World		
Gilbert Brown	Wash. Office, Presbyterian Church (USA)		
Elise Caplan	Center for Resource Economics		
Tara Coles	Friends Committee on National Legislation		
Justine Connistra	NY Assembly		
Ed Cooney	Food Research and Action Center		
Carol Crane	Alliance For Our Common Future		
Nancy Donaldson	SEIU		
Darryl Fagin	ADA		
Ken Fealing	SEIU		
Ruth Flower	Friends Comm.		
Suellen Galbraith	Nat. Association of Private Residential Resources		
Al Guida	Child Welfare League of America		
Lela Harris	National Association of Counties		
Mark Harrison	United Methodist Church		
Alma Henderson	Womens League Defence Fund		
Barbara Howell	Bread for the World		
Jean Hutter	United Food and Commercial Workers Union		
John Isaacs	Council for a Livable World		
Amy Isaacs	ADA		
Ed Jayne	AFSCME		
Gerald Jones	Acorn		
A.P. (Bud) Kanitz	National Neighborhood Coalition		
Sherry Kolbe	WAPSEC		
Roger Kosson	AJ Congress		
Paul Leonard	Center on Budget & Policy Priorities		
John Leyden	SEIU		
Karen Lightfoot	Center on Budget and Policy Priorities		
Rabbi Lyne Landsberg	Union of American Hebrew Congregation		
Robert McAlpine	National Urban League		

Paul Harchand
Deirdre Martinez
Nanine Meiklejohn
Sacha Millstone
Robert Musil
Ellen Nissenbaum
Helen Norton
Walter Owensby
Sonia Perez
Steve Pruitt
Kristina Raatlama
Karen Ringen
Jennifer Ryan
Todd Schaffer
Lance Simmons
Irene Skricki
Eileen Sweeney
Ralph Tabor
Barry Tindall
Jennifer Vasiloff
Ellen Vollinger
Patricia Vrabel
Barbara Warden
Joy West
Jenni Mierwille
Bob Willis
Nancy Willis
Cynthia Woodside
Sandi Murtz

The Arc

Coalition on Human Needs
Woman's National Democratic Club
Physicians for Social Responsibility
Center for Budget and Policy Priorities
Womens Legal Defence Fund
Wash. Office, Presbyterian Church (USA)
National Council of La Raza
Washington and Christian
City of Newark Washington Office
Aids Action Council
National Association of Counties
Economic Policy Institute
The U.S. Conference of Mayors
Coalition on Human Needs
Children's Defense Fund
National Association of Counties
National Recreation & Parks Association
Coalition on Human Needs
Food Research and Action Center
American Planning Association
UAM
Joy West, P.C.
United Church of Christ
American Planning Association
American Planning Association
National Association of Social Workers
National Council of Community Mental Health

3

Frank Shafroth
Ralph DeGennaro

National League of Cities
Friends of the Earth

(b)(6)

(140:34) 3

1

2

4

5

Becerra (CA-30)
Brown (FL-3)
Byrne (VA)
Clayton (NC-1)
DeLauro (CT-3)
Derrick (SC-3)
English (AZ-6)
Eshoo (CA-14)
Filner (CA-50)
Fingerhut (OH-19)
Furse (OR-1)
Gordon (TN-6)
Gutierrez (IL-4)
Hamburg (CA-1)
Hinchey (NY-26)
Hinchey (NY-26)
Johnson (TX-30)
Klink (PA-4)
Kriedler (WA-9)
Lambert (AR-1)
Maloney (NY-14)
Maloney (NY-14)
Meek (FL-17)
Nadler (NY-8)
Nadler (NY-8)
Peterson (FL-2)
Pomeroy (ND-AL)
Richardson (NM-3)
Roybal-Allard (CA-33)
Skaggs (CO-2)
Slaughter (NY-28)
Velasquez (NY-12)
Woolsey (CA-6)

Barrett (WI-5)
Brewster (OK-3)
Chapman (TX-1)
Gordon (TN-6)
Harmon (CA-36)
Johnson (TX-30)
Klink (PA-4)
Lambert (AR-1)
Meehan (MA-5)
Moran (VA-8)
Oberstar (MN-8)
Payne (VA-5)
Roybal-Allard (CA-33)
Schenk (CA-49)
Skaggs (CO-2)
Slattery (KS-2)
Tucker (CA-37)
Watt (NC-12)
Wynn (MD-4)

Andrews (NJ-1)
Andrews (TX-25)
Bacchus (FL-15)
Baesler (KY-6)
Barcia (MI-5)
Barlow (KY-1)
Bentley (MD-2)
Bevill (AL-4)
Bilbray (NV-1)
Bishop (GA-2)
Blute (MA-2)
Boehlert (NY-23)
Bonilla (TX-23)
Browder (AL-3)
Brown (OH-13)
Cantwell (WA-1)
Carr (MI-8)
Clement (TN-5)
Clinger (PA-5)
Cooper (TN-4)
Coopersmith (AZ-1)
Cramer (AL-5)
Darden (GA-7)
Deal (GA-9)
Deutsch (FL-20)
Diaz-Balart (FL-21)
Dooley (CA-20)
Edwards (TX-11)
Emerson (MO-8)
English (OK-6)
Everett (AL-2)
Fauell (IL-13)
Fields (LA-4)
Fish (NY-19)
Franks (CT-5)
Frost (TX-24)
Gallo (NJ-11)
Geren (TX-12)
Gilchrest (MD-1)
Gillmor (OH-5)
Gilman (NY-20)
Glickman (KS-4)
Goodling (PA-19)
Grandy (LA-5)
Green (TX-29)
Gunderson (WI-3)
Hall (TX-4)
Hamilton (IN-9)
Hastings (FL-23)
Hayes (LA-7)

Condit (CA-18)

Petri (WI-6)

Hefner (NC-8)
Henry (MI-3)
Hoagland (NE-2)
Hoekstra (MI-2)
Holden (PA-6)
Horn (CA-38)
Houghton (NY-31)
Hughes (NJ-2)
Hutto (FL-1)
Inslee (WA-4)
Jacobs (IN-10)
Johnson (SD-AL)
Johnson (GA-10)
Johnson (CT-6)
Klein (NJ-8)
Klug (WI-2)
Lancaster (NC-3)
LaRocco (ID-1)
Laughlin (TX-14)
Leach (LA-1)
Lehman (CA-19)
Lightfoot (LA-3)
Lloyd (TN-3)
Long (IN-4)
Machtley (RI-1)
Mann (OH-1)
Margolis-Mezvinsky (PA-13)
Mazzoli (KY-3)
McCurdy (OK-4)
McDade (PA-10)
Meyers (KS-3)
Minge (MN-2)
Molinar (NY-13)
Montgomery (MS-3)
Morella (MD-8)
Murphy (PA-20)
Murtha (PA-12)
Neal (NC-5)
Oliver (MA-1)
Ortiz (TX-27)
Orton (UT-3)
Pallone (NJ-6)
Parker (MS-4)
Penny (MN-1)
Peterson (MN-7)
Pickett (VA-2)
Porter (IL-10)
Poshard (IL-19)
Price (NC-4)
Quinn (NY-30)

Ramstad (MN-3)
Ravenel (SC-1)
Regula (OH-16)
Ridge (PA-21)
Roemer (IN-3)
Rogers (KY-5)
Ros-Lehtinen (FL-18)
Roukema (NJ-5)
Rowland (GA-8)
Sarpalius (TX-13)
Saxton (NJ-3)
Scott (VA-3)
Sharp (IN-2)
Shays (CT-4)
Sisisky (VA-4)
Skelton (MO-4)
Smith, C (NJ-4)
Snowe (ME-2)
Solomon (NY-22)
Spratt (SC-5)
Stenholm (TX-17)
Strickland (OH-6)
Swett (NH-2)
Tanner (TN-8)
Tauzin (LA-3)
Taylor (MS-5)
Tejeda (TX-28)
Thornton (AR-2)
Torkildsen (MA-6)
Unsoeld (WA-3)
Upton (MI-6)
Valentine (NC-2)
Visclosky (IN-1)
Volkmer (MO-9)
Walsb (NY-25)
Weldon (PA-7)
Wilson (TX-2)
Wynn (MD-4)
Young (AK-AL)
Zimmer (NJ-12)

Campbell (CO)
Feingold (WI)
Hollings (SC)
Krueger (TX)
Lieberman (CT)

Boren (OK)
Breaux (LA)
Bryan (NV)
Chafee (RI)
Conrad (ND)
D'Amato (NY)
DeConcini (AZ)
Durenberger (MN)
Exon (NE)
Hatfield (OR)
Heflin (AL)
Jeffords (VT)
Johnston (LA)
Kerry (NE)
Nunn (GA)
Packwood (OR)
Reid (NV)
Robb (VA)
Shelby (AL)
Specter (PA)

Durenberger (MN)

Kohl (WI)