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1999-0277-F

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Series: Skinner, Sam, Files
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OA/ID Number: 40919
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Folder Title:
Memos [5]

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

forwarded to Sec.
Sullivan - 7/30
12 pm

July 29, 1992

Gile

MEMORANDUM FOR SAMUEL K. SKINNER
RICHARD G. DARMAN
HENSON MOORE

FROM: ROBERT E. GRADY *RG*

RE: Letter from the Director of NIH criticizing Space Station

The attached letter, sent yesterday by NIH Director Bernadine Healy to NASA Administrator Goldin, was quoted widely on the House floor by Congressmen Wolpe, Congressmen Green, and other opponents of Space Station during today's debate.

The letter would appear to have been deliberately designed to help defeat the Station -- which is quite remarkable given that the President was simultaneously personally writing each Member of Congress to ask for their support.



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

National Institutes of Health
Bethesda, Maryland 20892

JUL 28 1992

Mr. Daniel S. Goldin
Administrator
National Aeronautics and
Space Administration
Washington, D.C. 20546

Dear Mr. Goldin:

I am concerned that recent newspaper articles have presented a distorted view of the essential nature of the recent Memorandum of Understanding (MOU) that was signed by the National Institutes of Health (NIH) and the National Aeronautics and Space Administration (NASA). I am particularly disturbed by the implication that NIH views future space experiments as critical to the overall success of the biomedical research enterprise. Moreover, your draft letter of July 22 intended to go to members of Congress might be further misconstrued to reinforce this notion.

The NIH position on this question remains as stated in my October 1991 testimony before the Subcommittee on Space of the Committee on Science, Space, and Technology, U.S. House of Representatives. At that time I remarked, "If we can understand and treat diseases like osteoporosis, people, especially women, will be able to age healthfully rather than age with illness. This would present an opportunity for us to empty our nursing homes which would have a profound effect on health care in this country. I think that when we say, is that going to be done on earth or in space, in all fairness, it must be said that it will be done on earth."

In my response to questions from the Subcommittee following the hearing, I summarized the NIH view on the potential contribution of biomedical research conducted in space by stating, "It is not as clear precisely how the unique space environment might be used as an experimental tool to advance research on conventional health problems." We are, in fact, continuing our attempts to determine ways in which the space environment might be exploited to best advantage in biomedical research.

This has been the NIH position since the signing of the initial MOU with NASA in 1988. Indeed, we view the recent MOU as essentially a renewal of that original agreement. And we

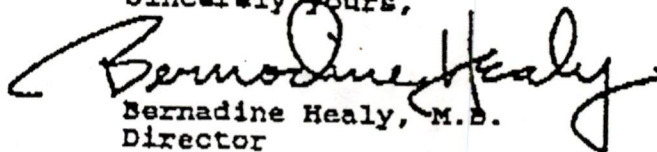
Page 2 - Mr. Daniel S. Goldin

continue to believe that it is too early to determine the true value of space research in contributing to the solution of conventional health problems encountered on Earth.

I would urge NASA to make every effort to convey a balanced assessment of the future role of space research in the national biomedical research system in order to avoid a serious disservice that will result through the creation of unrealistic expectations and overpromise.

I look forward to working with you to strengthen the research enterprise in this country.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Bernadine Healy", is written over the typed name and title.

Bernadine Healy, M.D.
Director



National Aeronautics and
Space Administration

Washington, D.C.
20546

Office of the Administrator

NOT SENT YET

DRAFT

July 27, 1992

July 27, 1992

The Honorable George E. Brown, Jr.
Chairman
Committee on Science,
Space and Technology
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

Last Tuesday was an historic day for NASA as we signed an agreement with the National Institutes of Health (NIH) which is intended to stimulate new opportunities in the biomedical and behavioral research community. ()

Senators Barbara Mikulski and Jake Garn spearheaded this initiative and hosted the signing ceremony. I had the honor of signing for NASA, and Dr. Bernadine Healy signed for the NIH.

Based on the terms of this agreement, NIH and NASA will jointly manage and fund programs that cover:

- Focused, university-based biomedical and behavioral research;
- Opportunities for space flight experiments to enable more biomedical and behavioral scientists to use the space environment for research (up to five shuttle flight opportunities per year, flight opportunities on future spacelab missions, Space Station Freedom and potentially non-U.S. space platforms such as Mir and Biocosmos);
- Grant supplements that allow NASA to fund awards to existing NIH research centers;
- Program announcements, requests for applications and requests for proposals to increase research tasks in selected areas of biomedical and behavioral research; and,
- Mutually sponsored workshops and symposia on specific biomedical research topics.

Initial research topics likely to be addressed under the agreement include the neurovestibular system (vestibular and balance disorders and sensory motor function) and the musculoskeletal system (bone, muscle, and related connective tissue).

Research performed by both agencies, under the agreement, will help us learn how the neurovestibular and musculoskeletal systems function in space crews. It also will increase our understanding of these systems and hopefully lead to new treatments for disease or dysfunction in patients on Earth.

Because of the importance of this agreement, I wanted to provide you with a copy of the Memorandum of Understanding and to share my excitement with you over this significant development that will ensure the maximum return on our investment in space-based biomedical research to the American people.

Sincerely,

Daniel S. Goldin
Administrator

Enclosure

cc:

The Honorable Robert Walker

THE WHITE HOUSE
WASHINGTON

5/1

Sow,

A copy of the
attached was included
in the President's
materials. Presumably
you received your
copy from the Situation
Room as well but...

Trout, Phil.

DATE/TIME TRANSMITTED

DATE/TIME RECEIVED



JUSTICE

 JUSTICE COMMAND CENTER
 (202) 514-5000

 WHITE HOUSE
 SITUATION ROOM
 1992 MAY -1 AM 10:36

WASHFAX TRANSMITTAL

FROM: JCC

CLASSIFICATION

DOJ LOG	SENT TO	DELIVER TO	TELEPHONE	ROOM
026	WH SITING	CHIEF OF STAFF SKINNER		
		PRESIDENT BUSH		
		SCOWCROFT		
		HOWE		
		BRADY		
		GRAY		
		HOLIDAY		
		FITZWATER		
		OVP		

NUMBER OF PAGES EXCLUDING COVER

REMARKS:

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01a. Memo	From George J. Terwilliger, III, DOJ to Samuel Skinner Re: Friday, May 1, 1992 10:30am Update on Civil Unrest Situation [SENT FOR AGENCY REFERRAL] (2 pp.)	05/01/92	(b)(1)	C

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff to the President, Office of the
Series: Skinner, Samuel
Subseries:
WHORM Cat.:
File Location: Memos [5 of 14]

Date Closed:	10/17/2002	OA/ID Number:	05826-006
FOIA/SYS Case #:	1999-0277-F	Appeal Case #:	
Re-review Case #:		Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

(b)(1) National security classified information [(b)(1) of the FOIA]
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(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



Office of the Deputy Attorney General
Washington, D.C. 20530

May 1, 1992

CONFIDENTIAL

MEMORANDUM

FOR: Samuel K. Skinner
Chief of Staff
The White House

FROM: George J. Terwilliger, III *MARK*
Deputy Attorney General

SUBJECT: Friday, May 1, 1992, 10:30 a.m.
Update on Civil Unrest Situation

The following summarizes the state of civil unrest in affected locale around the nation; items preceded by ** are not suitable for public dissemination:

Atlanta

- o Situation quiet. Possible rally at Atlanta University scheduled for noon today.

Los Angeles

- ** No change in situation. Federal law enforcement deployments underway as follows:
 - ** 235 FBI agents enroute. ETA is 7:00 p.m. PDT.
 - ** 114 Deputy U.S. Marshals enroute. ETA is 11:00 a.m. PDT.
 - ** 100 Bureau of Alcohol, Tobacco and Firearms agents enroute. ETA is 4:00 p.m. PDT.
 - ** 100 INS BORTAC (Civil Disturbance trained Border Patrol Agents) are enroute to Orange County Airport. ETA is 7:00 p.m. PDT.
 - ** 300 Border Patrol agents enroute to Orange County Airport from San Diego sector. 500 agents remain on the southwest border. ETA is 7:00 p.m. PDT.
 - ** 100 Detention and Deportation agents are on standby.

DECLASSIFIED
PER E.O. 12958,
AS AMENDED

1999-0277-F
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** INS A STAR helicopter enroute to Los Angeles to support BORTAC.

- o Community Relations Service has eleven people deployed. Command Center established at City Hall. No initiatives undertaken last night, as they were requested to obey the curfew. Attached is a schedule of known and planned demonstrations prepared by CRS.

Attachment



U.S. Department of Justice

Community Relations Service

Director

Washington, D.C. 20530

URGENT

MEMORANDUM TO THE ATTORNEY GENERAL

1. Special Development Report -- Update
2. Civil
3. Unclassified
4. Grace Flores Hughes - (301)492-5929
5. CRS Headquarters, Chevy Chase, Maryland
6. Los Angeles, California

30 APR 1992

A. Los Angeles Area Activity

The Community Relations Service (CRS) has continued the deployment of its conciliation specialists to Los Angeles. By 7 p.m. PST Thursday, all members of the team will be on site. The team will consist of 8 Conciliation Specialists and 3 Regional Directors. A 24 hour command center has been established at the City Hall (213)485-3821. This command center will be staffed around the clock with someone who is constantly updated on CRS activities.

For CRS deployment purposes, CRS has divided Los Angeles into the following 5 geographic regions:

- | | |
|--------------|--|
| Area One - | West Bureau; California Highway Patrol |
| Area Two - | Sheriff's Office in affected areas; Long Beach; East L.A.; Compton |
| Area Three - | Valley Bureau; Pasadena |
| Area Four - | Central Bureau; Emergency Operations Center; Governor's Office-State Emergency contact; County Emergency contact |
| Area Five - | South Bureau; Inglewood |

Within these five areas, CRS conciliation specialists is meeting with:

- key law enforcement officials;
- relevant community/civic/religious leadership;
- relevant elected officials;
- representatives of business communities;

- university and public school district officials; and
- L.A. County Youth Gang Services officials, and through them, relevant gang leaders.

CRS Regional Director Klugman is serving as the liaison to the Mayor's Office. CRS is meeting with these officials in attempt to conciliate resolutions to all the conflicts that have led to the violence and attempt to lower the very high tension levels.

B. San Diego Activity

Because of a mass high school student walkout in San Diego and a planned mass rally scheduled for Friday, CRS has deployed a team of 2 Conciliation Specialist. The rally is scheduled at 4 p.m. PST. CRS will provide conciliation services in an attempt to avoid any incidents of violence.

C. CRS National Activity

Through its vast network of community contacts throughout the country, CRS has become aware of numerous rallies and demonstrations that have occurred or are scheduled to occur across the country. (SEE ATTACHED LIST) I will continue to have all of my staff on stand-by alert through Monday to address any increase in tensions around the country.

I will continue to provide special development reports as the situations merit and keep your staff and Associate Attorney General Budd aware of any development that may occur. Please contact me if you have any questions.

Grace Flores Hughes
Grace Flores Hughes

cc. Associate Attorney General Wayne Budd
Director Bill Sessions
Assistant Attorney General John Dunne

Attachment

DEMONSTRATIONS AND RALLIES AS REPORTED BY REGIONAL OFFICES
CURRENT AS OF 5 P.M., 4/30/92

Region I (States in jurisdiction: CT, MA, ME, NH, RI, VT)

No demonstrations or rallies confirmed at this time.

Region II (States in jurisdiction: NJ, NY, PR, VI)

Event/Site: Demonstration, Brooklyn, New York
Date/Time: 4/30/92 - 12 p.m. EST
Who: Sonny Carson

Event/Site: Demonstration, 1 Police Plaza, New York, New York
Date/Time: 5/2/92 - 1 p.m. EST
Who: Al Sharpton

Region III (States in jurisdiction: DC, DE, MD, PA, WV, VA)

Event/Site: Demonstration, Police FOP Headquarters, Washington, DC
Date/Time: 4/30/92 - 5:30 p.m. EST
Who: Unknown

Event/Site: Rally, 100 people assembled across from White House, Washington, DC
Date/Time: 4/30/92 - 3:45 p.m. EST
Who: Unknown

Event/Site: Rally, Philadelphia Police Administration Building, Philadelphia, Pennsylvania
Date/Time: 4/30/92 - 12 p.m. EST
Who: Uhuru - MOVE sympathizers, Alkebli-lan, Native American, media report 75 to 100 participants, Police reports 25 to 50.

Event/Site: Rally, JFK Plaza, Philadelphia, Pennsylvania
Date/Time: 4/30/92 - 5:30 - 6:30 p.m. EST
Who: Group Take Back the Night. Annual demonstration against violence by Women's organization.

Region IV (States in jurisdiction: AL, FL, GA, KY, MS, NC, SC, TN)

Event/Site: Rally at Atlanta University Complex, Atlanta, Georgia
Date/Time: 4/29/92
Who: Students rallying to protest the verdict

Event/Site: Prayer Vigil, Martin Luther King Center, Atlanta, Georgia
Date/Time: 4/30/92 - 12 p.m. EST
Who: SCLC - called for federal civil rights charges to be brought.

Event/Site: CRS Acting Regional Director reports that thousands of people are gathering in the downtown Atlanta area. There have been peaceful demonstrations around the Georgia State Capitol and the Atlanta City Hall. The Georgia State Capitol area is closed.

A mob of young Black teenagers and students swept through Underground Atlanta breaking windows and looting businesses and vending carts. Car windows have been broken out and one car was overturned. Businesses and buildings closed down early and employees were sent home.

The Acting Regional Director reports that hundreds of youth are roaming the streets. There have been sporadic confrontations between youth and older citizens. There have been several arrests.

One person died near the CNN Building in Atlanta. No cause of death has yet been identified.

Region V (States in jurisdiction: IL, IN, MI, MN, OH, WI)

No demonstrations or rallies confirmed at this time.

Region VI (States in jurisdiction: AR, LA, NM, OK, TX)

Event/Site: Dallas City Hall, Dallas, Texas
Date/Time: 4/30/92 - 12 p.m. CST
Who: Unknown

Event/Site: Baton Rouge, Louisiana
Date/Time: 4/30/92 - 12 p.m. CST
Who: Unknown

Region VII (States in jurisdiction: IA, KS, MO, NE)

Event/Site: Demonstration, Downtown Kansas City, Missouri at Courthouse
Date/Time: 4/30/92 - 12 p.m. CST
Who: Grassroots Groups in Kansas City

Event/Site: Prayer vigil, Midtown Kansas City, Missouri
Date/Time: 5/1/92 - 4 p.m. CST
Who: SCLC to convene prayer vigil at Freedom Fountain

Event/Site: March, Columbia, Missouri
Date/Time: 5/1/92 - 6 p.m. CST
Who: NAACP to convene march through downtown Columbia, Missouri

Region VIII (States in jurisdiction: CO, MT, ND, SD, UT, WY)

Event/Site: Rally, State Capitol, Denver, Colorado
Date/Time: 4/30/92 - 12 p.m. MST
Who: Leaders of various minority groups - about 300 people attended

Event/Site: Press Conference, Denver Colorado
Date/Time: 4/30/92
Who: Arthur Fletcher, Chairman of the U.S. Commission on Civil Rights. He announced that he is flying to Washington, DC on 4/30/92 to meet with President Bush at 9 a.m. on 5/1/92 to discuss ramifications of King verdict.

Region IX (States in jurisdiction: AZ, CA, GU, HI, NV)

Event/Site: Massive Student Walkouts, San Diego, California
Date/Time: 4/30/92
Who: High School Students

Event/Site: Rally of High School Students, San Diego, California
Date/Time: 5/1/92 - 4 p.m. PST
Who: Councilman George Stephen wants to organize rally of high school students to channel their energies constructively

Event/Site: Press Conference at Asian Pacific American Legal Center, Los Angeles, California
Date/Time: 4/30/92 - 2 p.m. PST
Who: Asian Pacific Americans to protest the verdict in the Rodney King Trial

Event/Site: Rally for Justice, Glide Memorial Church, San Francisco, California
Date/Time: 4/30/92 - 6 p.m. PST
Who: The Rev Cecil Williams, a prominent African American leader, is calling for non-violence and redirection of rage to organize and empower constructive efforts. Rallies at Glide Memorial well attended, approximately 1,000 expected.

Event/Site: Community Rally, San Jose, California
Date/Time: 4/30/92 - 12 p.m. PST
Who: Long standing African American organization is calling this rally. Intentions of groups believed to be to ask for calm and no further violence.

Event/Site: Community Rally, San Jose, California
Date/Time: 4/30/92 - 2 p.m. PST
Who: This is being called by a more activist group but also long term African American organization. The intentions of this rally are not known at this time, but violence is not anticipated.

Event/Site: Protest Demonstrations, Oakland Police Department, Oakland, California
Date/Time: 4/30/92
Who: Since early this morning, a small group of African Americans have been demonstrating against the Rodney King decision by marching around the Oakland Police Department.

Event/Site: Community Rally, Parker Center, Los Angeles, California
Date/Time: 5/2/92 - 1 p.m. PST
Who: NAACP, SCLC, and several Asian Pacific American Organizations are calling for this rally to voice objections to the outcome of the King decision.

Region X (States in jurisdiction: AK, ID, OR, WA)

Event/Site: Rally, Oregon State University, Corvallis, Oregon
Date/Time: 4/30/92 - p.m. PST
Who: University students

Event/Site: Rally, University of Oregon, Eugene, Oregon
Date/Time: 4/30/92 - p.m. PST
Who: University students

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01b. Memo	From George J. Terwilliger, III, DOJ to Samuel Skinner Re: Friday, May 1, 1992 7:00am Update on Civil Unrest Situation [SENT FOR AGENCY REFERRAL] (3 pp.)	05/01/92	(b)(1)	C

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AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

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Office of the Deputy Attorney General
Washington, D.C. 20530

May 1, 1992

92 MAY 1 A7:15

CONFIDENTIAL

MEMORANDUM

FOR: Samuel K. Skinner
Chief of Staff
The White House

FROM: George J. Terwilliger, III *gjt*
Deputy Attorney General

SUBJECT: Friday, May 1, 1992, 7:00 a.m.
Update on Civil Unrest Situation

The following summarizes the state of civil unrest in affected locals around the nation; items preceded by ** are not suitable for public dissemination:

Atlanta

- o April 30, 1992: 500-700 people demonstrated downtown; smaller groups of 20-50 broke away and committed much vandalism.
- o 200 arrests; one serious injury; situation appears under control.
- o Demonstrators did damage to U.S. Court House, Judges were safely evacuated.

Birmingham

- o A news van was stoned and kicked; chanting of "kill white people". Mostly quiet.

Dallas

- o In two incidents, 50-75 people, and then 100 people threw objects and fired weapons at motorists.
- o Black students attacked white students at Spruce High School.

Las Vegas

- o Commencing at 8:00 p.m., April 30, 1992, rioting, firebombs and sniper fire in black section.

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AS AMENDED

1999-0277-F
11/5/07 14

- o Police substation burned down and two policemen shot. Firemen shot at.

Los Angeles

- o Per CNN 4:30 a.m., May 1, 1992: 27 people killed, 900 injured, 1,086 fires with 30 new fires each hour.
- o 4,000 Sheriff Deputies deployed, 2,000 Guardsmen with 4,000 more requested, 750 Highway Patrol. 200 San Diego police enroute. LAPD working 12-hour shifts.
- o Unconfirmed reports that rival gangs are banding together.
- o Request made for USMS special operations group to deploy to four locations in Los Angeles area having national security communications equipment. Decision on deployment deferred to DOJ.
- o 75 USMS SOG personnel to be operational by 11:00 a.m., PCT, May 1, 1992 in Los Angeles.
- o Attached is an FBI update on Los Angeles.

Madison, Wisconsin

- o 34 police cars damaged, considered random violence.

San Francisco

- o Sporadic shooting, 340 arrests.
- o Bay Bridge and I-280 were blocked.
- o State of emergency declared by Mayor, National Guard not called out.

Washington, D.C.

- o Flyer, signed by "The Underground", being circulated calling for young people to block government buildings (FBI, Justice) and subway entrances on May 4, 1992. States that instructions will be aired on radio stations at 7:00 a.m.

Eugene, Oregon

- o 300 demonstrators at U.S. Court House on April 30, 1992, minor damage.

Oklahoma City

- o 100 demonstrators outside Federal Building, dispersed without incident.

INS

- o 100 civil disturbance trained Border Patrol agents (BORTAC) on standby. Will be in Los Angeles within twelve hours after receiving instructions.
- o 150-300 San Diego Border Patrol agents can be in Los Angeles within five hours.
- o 75-100 Detention and Deportation officers can be in Los Angeles within eight hours.
- o 5-10 helicopters and pilots available to assist if needed.

Attachment as stated.

LOS ANGELES

At approximately 5 p.m., 4/29/92, rioting began in South Central Los Angeles in protest of the verdict in the Rodney King case. CNN reported the following results as of May 1, 1992, at 4:30 p.m.:

27 people killed.

900 people injured.

The Los Angeles Field Office reported that there had been 1086 fires, with approximately 30 new fires each hour, which appears to be continuing.

The Los Angeles County Sheriff's Department has deployed 4,000 deputies. The National Guard has deployed 2,000 guardsmen, and another 4,000 have been requested. The California Highway Patrol has deployed 750 officers. Two hundred officers from the San Diego Police Department are enroute. The Los Angeles Police Department (LAPD), the lead agency in countering the civil disturbance, has about 8,500 sworn officers working 12-hour shifts. In addition, many smaller police departments in unincorporated municipalities have also made similar deployments to assist.

The following Federal property is being protected in Los Angeles: United States Courthouse; Federal Building, 300 North Los Angeles Street; the Rayball Building, and the Federal Building (FBI Location), 11000 Wilshire Boulevard, in Westwood.

Mayor Tom Bradley has ordered a dusk to dawn curfew to begin April 30, 1992, and suspended local bus service during the same period to protect employees and passengers.

There are unconfirmed reports that many citizens, especially Koreans, have armed themselves to protect their lives and property.

Unconfirmed reports indicate that rival gangs are banning together to effect much of the violence and destruction.

A limited number of FBI Agents are deployed in the San Fernando Valley, Van Nuys and Foothill divisions to assist the LAPD and local authorities in assessing gang activity in conjunction with the civil disorder. Four Agents assisted the San Fernando Valley Gang Task Force in arresting four Hispanic adult males for discharging firearms in the Foothill area, on April 30, 1992.

The Los Angeles FBI Office has established liaison with the highest levels of Federal, state and local government in the Los Angeles metropolitan area. An FBI representative is permanently stationed at the LAPD command post.

The Department of Justice (DOJ) has advised that there are four locations within the greater Los Angeles area that

contain National Security communications equipment (telephone switching stations). The Office of Emergency Services (OES) has requested a joint state and Federal security detail at these locations.

OES has indicated that if the equipment is damaged it would definitely have national security ramifications.

DOJ has advised that the U.S. Marshals will have some of their Special Operations Groups present before noon, May 1, 1992, and the decision where to deploy them rests with the Attorney General's Office. OES was also advised to consider requesting a National Guard security detail.

Special Agents assigned to the Los Angeles Division 572.
Special Agents assigned to Los Angeles headquarters 449.

Los Angeles FBI SWAT complement:

District 7		District 6	
<u>Region 14</u>		<u>Region 15</u>	<u>Region 13</u>
Los Angeles	37	Albuquerque	8
San Diego	15	Denver	8
		El Paso	8
		Las Vegas	12
		Phoenix	10
	----	----	---
Total	52	46	34
Region 13 Total	34		
Region 14 Total	52		
Region 15 Total	46		

Total SWAT	132		

Event/Site: Mass meeting, West Minister Presbyterian Church or
Maranatha Baptist church, Portland, Oregon
Date/Time: 4/30/92 - 7 p.m. PST
Who: Ad hoc coalition led by Portland Urban League

Event/Site: Meeting, Clark County Courthouse, Vancouver,
Washington
Date/Time: 5/1/92 - time unknown
Who: Council for Racial Justice

SECRETARY OF LABOR
WASHINGTON

May 1, 1992

OCF
5/1
File

MEMORANDUM FOR SAM SKINNER

FROM: LYNN MARTIN

SUBJECT: Department of Labor Assistance to Los Angeles

Assuming you would want to know what might be available from our Department, attached are lists of ways the Department of Labor (DOL) can help with the situation in Los Angeles.

One list gives options for additional assistance that DOL could provide to Los Angeles immediately. Also attached is a list of current DOL projects operating in the area at this time. Finally, there is a list of discretionary grants to Los Angeles or to the State of California that the President could announce now.

Let me know how you would like to proceed on any of these items. You know that we stand ready to help in any way we can.

Attachments

OPTIONS FOR ADDITIONAL ASSISTANCE FOR LOS ANGELES CITY AND LOS ANGELES COUNTY

Employment Assistance:

- \$2.0 Million - Provide emergency grants to hire and pay wages of workers dislocated as a result of the riots. These grants may be used to create temporary employment such as cleanup and other restoration jobs in the riot areas.

Training Assistance:

- \$500,000 - Additional funds to the YOU program operated in South Central LA to expand programs provided by the Community Youth Gang Services(CYGS) under YOU. CYGS allows youth to participate in community service projects as an alternative to incarceration.
- \$500,000 - Finance pilot youth apprenticeship models for young Black and Hispanic males.
- \$500,000 - Supplement local economic development efforts. DOL funds would finance training efforts.
- HUD and DOL are ready to announce the new "Step-Up" program to train public housing residents in construction skills while upgrading public housing. The apprenticeship approach to training will be used. The final pieces will be put in place in two weeks.

EMPLOYMENT AND TRAINING PROJECTS PRESENTLY OPERATING IN LOS ANGELES CITY AND LOS ANGELES COUNTY

Program: JTPA Youth Opportunities Unlimited (YOU)
Area/Amount: LA City/\$1.0 m
Other Info: Multiyear, neighborhood focussed, intensive project in riot area for at-risk, economically disadvantaged youth.

Program: Job Corps
Area/Amount: LA City/\$12.5 m
Other Info: Center capacity was 735 (380 residential & 355 non-residential).

Satellite building housing education classes for nonresident students was destroyed by fire today.

Program: "Workforce LA Youth Academy:
Area/Amount: LA City/\$700,000
Other Info: School-to-Work demonstration grant with LA Unified School District.

Program: JOBSTART
Area/Amount: LA City/\$150,000
Other Info: Remedial education and skill training program targeted to dropouts.

Program: "LA Works" - NAB
Area/Amount: LA City/\$240,000 DOL & \$240,000 raised locally
Other Info: Operates a number of projects in support of "America 2000" including a school-to-work project and support to local efforts to implement SCANS.

Program: JTPA Title IIB Summer Program
Area/Amount: LA City/\$11.0 m
Balance of LA Cnty/\$10.6 m
Other Info: Will begin at the end of the school year and provide jobs to about 10,000 disadvantaged youth in the city and 10,000 in the outlying areas.

Program: JTPA Title III EDWAA Discretionary Program
Amount: City & County/\$2.4 m

Program: JTPA Title IIA Block Grant Program
Area/Amount: LA City/\$22.7 m
Balance of LA Cnty/\$22.3 m

Program: JTPA Title III EDWAA Formula Program
Area/Amount: LA City/\$2.5 m
Balance of LA Cnty/\$2.8 m

CALIFORNIA TITLE III DISCRETIONARY PROJECTS

Current Grants:

- LA City has a grant of \$375,000 and LA County \$2,000,000 to assist dislocated aerospace workers.

Proposals under Consideration:

- Emergency grant request of \$1.5 million for Petrolia Earthquake can immediately be announced by the President or the Secretary..
- Emergency grant request for Los Angeles Floods.
- Defense Conversion Adjustment request for George AFB.

THE WHITE HOUSE

WASHINGTON

5/13/92

CLAYTON

IDEAS

FROM

JAB III

Evaluate with
others.

Sam

IDEAS FOR URBAN POLICY

Important to emphasize a public-private partnership. It can't be solely left to the private sector: the Federal Government will work to impose, facilitate and support private sector response.

A Domestic OPIC

- Enterprise zones are terrific, but won't work if only tax incentives are provided. No one will invest in inner cities if they think their business will be burned down. Offer some "political" risk insurance.

A new kind of Domestic Peace Corps

- Not just revitalizing VISTA, but a domestic peace corps focusing on: business development and education.
 - Developing cadre of people to go in to repair and rebuild crumbling housing stock and business establishments.

National service in cities in return for funding college education

- If the Army can pay for the college education of those who enlist, why not create a fund for those who will commit to two years of work in the inner cities. Work that involves helping to restore buildings, bring teaching interns in schools, staffing family planning centers, etc.

Incentives for building family structures

- Emphasize incentives, not disincentives for stable family structures. Revise welfare system so there are financial incentives for having fewer children. (Don't stop all payments for having additional children -- that won't stop unwed mothers from having kids, but it will punish the babies that are born.)
 - Financial incentives if there is a male wage-earner in the house. (Now, the welfare stops if there is a male wage-earner in the house. Promote workfare and savings by providing these incentives.)
 - Work with local churches on family planning.

Add a two cents federal tax on gasoline to build a fund for repairing infrastructure in inner cities -- local contractors and seeking to employ unemployed youth in the construction.

Obviously, education and job training must be a central feature of the urban policy program. Some new impetus for Head Start will be important and bringing more volunteers into the school (both for educational help and security) will also be key: Might draw on national service and new domestic peace corps to produce people in these areas. Get foundations like Ford, Rockefeller, MacArthur, Olin to contribute more. Organize local sports stars, other celebrities, to speak to schools and actively help in neighborhood clean-up.

May 5, 1992

MEMORANDUM FOR SAMUEL K. SKINNER
RICHARD G. DARMAN
CLAYTON K. YEUTTER
EDE HOLIDAY

FROM: ROBERT E. GRADY *RG*
FOR: DAVID T. KEARNS
ALFRED DELLIBOVI
JAY LEFKOWITZ
RE: LOS ANGELES UPDATE #2

Activities summary:

Today's agenda included:

- a briefing from the Justice Department;
- a meeting between the Governor and the full Task Force;
- a meeting between the Mayor and Kearns, Arthur Hill (HUD), Grady, and Lefkowitz;
- detailed consultations between SBA, FEMA, Grady and the Mayor's office concerning potential problems facing applicants for assistance;
- a meeting between the Mayor's staff, the state emergency services director, the county administrative officer, and the full Task Force;
- a pair of meetings with Ueberroth and his team (Harry Usher of Russell Reynolds and Barry Sanders of Latham and Watkins);
- a tour of South Central and Koreatown for a subset of the Task Force (Schnabel, Grady, Kondratas, Commerce Dept. staff); and
- consultations with Henson Moore regarding the work of the Task Force and the President's trip.

The Situation on the Ground:

Monday night was a night of calm, without a curfew in place. Mayor Bradley declared life in Los Angeles "back to normal."

Meeting with Mayor Bradley:

Like the Governor, the Mayor was very complimentary of Federal government responsiveness and cooperation to date -- he praised the "superb response and cooperation from the President

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and the White House." He noted that the President said "yes" to his request for troops immediately, and that the President was quick to act on the FEMA/SBA disaster declaration.

The Mayor cited his top priorities as (in order): 1.) creating jobs for "the thousands of people out of work"; 2.) restoring housing (the Mayor requested that HUD use its section 8 authority to provide housing assistance to the displaced) (NOTE - HUD estimates that only about 200 families have been displaced); 3.) education.

The Mayor stated that "I've supported Enterprize Zones for a long time."

The Mayor noted that his purpose in asking Ueberroth to chair Rebuild LA was to "stimulate the private sector to commit itself to get involved"; and noted that he had 150 calls from companies offering assistance on Monday alone.

The Mayor noted the "strong hostile feelings toward Korean-Americans", and stated that: "they suffered unduly because the police failed to respond quickly enough."

SBA and FEMA Issues:

SBA and FEMA announced at a press conference that they will open 7 Disaster Assistance Centers (DACs) in the area. These DACs will serve as the single point of contact for any Federal, state, or local assistance.

- Looting Victims:

The problem identified in last night's memo concerning the eligibility of uninsured victims of looting (but not arson) appears to have been solved. Both SBA and FEMA have clarified that they will define "fire-related" so as to include looting damage. In addition, SBA stated tonight its intention to issue as separate declaration which would make it clear that victims of looting were eligible for assistance. The Governor's and Mayor's offices, both of whom raised this issue, are being informed.

- Lack of Record Keeping:

Deputy Mayor Linda Griego identified several potential recordkeeping problems that could make it difficult for businesses in the affected areas to qualify for SBA disaster loans. Many of the businesses in the area are family owned, cash businesses, and not in possession of tax returns and/or inventory records either because they were not kept or because they were destroyed.

We have reviewed with SBA the requirements for disaster loan recipients. They include: IRS returns for the last 3 years, an itemized list of losses, a copy of the deed, lease, or mortgage that proves an entity was in business, a brief history of the business, and financial statements for the past three years.

Of these, the main constraint that may be problematic is the requirement for tax returns, upon which SBA insists. If businesses do not have them, however, they can be furnished by the IRS. TO BE RESPONSIVE TO THE CONCERN OF THE MAYOR AND THE COMMUNITY, SBA HAS ASKED THAT WE INTERVENE WITH THE IRS TO ASK THAT RETURNS REQUESTED BY SBA DISASTER LOAN APPLICANTS IN THIS CASE BE EXPEDITED. SBA HAS ALSO ASKED THAT WE ENSURE THAT AN IRS REPRESENTATIVE IS PRESENT IN EACH OF THE DISASTER ASSISTANCE CENTERS.

SBA ALSO INDICATED THAT A KEY STEP WHICH COULD SPEED THE PROVISION OF ASSISTANCE IS FOR SBA TO BE GRANTED CHECK WRITING AUTHORITY BY TREASURY. (They are reportedly close to receiving such authority.) SBA ASKED THAT WE URGE TREASURY TO GRANT THIS AUTHORITY AS SOON AS POSSIBLE.

- Language Difficulties:

Both the Governor and the Mayor's office expressed strong concern about the lack of English speaking ability of the affected small merchants. Merchants who speak the following languages other than English may need translation assistance: Korean, Spanish, Armenian, Vietnamese, Persian, Thai, and Mandarin Chinese.

SBA has an informal system in place that allows it to draw on employees from commercial banks and other large employers in the area for linguistic services in these languages. SBA believes that this system will be adequate to service speakers of Korean and Spanish. They lack speakers who are fluent in the other languages. SBA DOES NOT BELIEVE THAT ADDITIONAL ASSISTANCE IS NEEDED AT THIS TIME; BUT WE NEED TO BE IN A POSITION TO RESPOND QUICKLY IF DEMAND FOR SERVICES WARRANTS IT WHEN THE CENTERS OPEN ON FRIDAY.

- FEMA Allocation

The FEMA disaster coordinator reports that he has been granted for this disaster an allocation of \$54 million from FEMA headquarters. FEMA field personnel indicate that this will be enough to pay individual claims but not enough to pay public assistance claims.

FEMA field personnel are worried that if funds are not available to pay public assistance claims when applications are

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received, the good will which has been established with local governments will rapidly evaporate.

Janet Hale is aware of this issue. From the numbers presented by OMB staff earlier in the week, I believe that sufficient resources are on hand -- even in the absence of a supplemental appropriation -- for the allocation for this disaster to be increased above the \$54 million level.

Ueberroth Meeting:

Ueberroth's efforts to get underway can best be described as embryonic, and he appears to be focusing his efforts on longer term issues related to investment in and rebuilding of the community. When asked for specifics on what the game plan for "Rebuild LA" was, Ueberroth responded that: "We have to clean it. We have to fix it up. We have to make private sector jobs."

Ueberroth's people cautioned our Task Force (at some length) that the Federal response to needs of the community could not be "business as usual", and in particular that SBA and FEMA needed to avoid the prototypical bureaucratic behavior.

Ueberroth floated the idea of getting the Forest Service involved in a substantial tree-planting effort in South Central this summer. Ueberroth believes that, in addition to the beautification benefits, it is critical to provide young people with employment this summer in order to avoid a recurrence of trouble.

Ueberroth also generally discussed two ideas which may prove to be problematic. First, he asked the Task Force to explore means through which Rebuild LA could receive and thereby direct funds from the Federal government, even though they would be destined ultimately for state and local entities.

Second, he asked us to explore an authority that the State director of emergency response has also been talking up. That is P.L. 93-288, section 8, which apparently provides the President with the authority to designate, at the request of the Governor, an Economic Recovery Planning Council. Ueberroth stated that the Governor's office told him that Rebuild LA would be an appropriate designee as such as council. Apparently, Wendell Wilkie, General Counsel of the Commerce Department, has provided an opinion stating that this authority is not useable. If so, that would be helpful -- and this idea should be knocked down hard.

hospitalized at Cedars-Sinai when he sustained while fighting a fire during the riot. Chief McMaster felt that this was "the most important signal we could send to America's 3 million firefighters."

FEMA is currently planning a major briefing for public officials on Thursday morning. Several hundred mayors, councilmen, and other local officials are expected to attend.

Parenthetical Note Concerning Korea:

Representatives of the Ministry of Foreign Affairs of the Government of Korea were touring riot affected areas of Koreatown today. This follows a wire story yesterday indicating that the Korean government was considering seeking reparations as a result of the riot.

Observations from Touring the Riot Areas:

There are any number of anecdotal examples of hope evident in the riot torn areas. At one intersection, with a completely burned out shopping mall in the background, a merchant had set up a beautiful flower stand, where he was doing a brisk business. Private citizens from all over the city are donating substantial amounts of food directly to neighborhood churches, who are providing it to citizens. Some looted grocery stores and gas stations are already re-opened.

There are also striking signs of hate and racial division quite evident. Graffiti that says "Police killa" and "F---LAPD" adorns the edifices near many burned out buildings. Dozens of franchises and businesses spraypainted with "Black Owner" are intact. It is recognized by both the Mayor and the Governor that Korean owned businesses were explicitly targeted -- the Mayor of Compton has pointed out that one Korean-owned business remains standing in that city.

Chief McMaster (who served as a 27 year old firefighter for the LAPD during the Watts riots) offered several comparative observations. The most important was that this is a "much quicker recovery than Watts" because of "the total commitment to cleanup on the part of the local people."

The chief concern of virtually everyone we have talked to, from the Governor and the Mayor to the Chief to citizens, is to

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encourage people to re-invest in the riot-torn areas. Incentives for doing that might form one basis for further policy discussion.

Tomorrow's Agenda:

8:00 am Meeting of Agency Task Force

8:30 am Conference Call With Deputy Mayor, State Director of Emergency Services, County Sheriff's Office, and Task Force

9:00 am Kearns and Dellibovi tour riot-torn areas

11:00am Kearns meets with Bill Anton, Superintendent of LA Schools

1:00 pm Kearns and Dellibovi meet with John Mack, LA Urban League

2:30 pm Moore, Kearns, Dellibovi, and Grady meet with LA County Supervisors, Mayors, and other elected officials

4:00 pm Kearns and delegation meet with representative of Los Angeles NAACP

6:00 pm Meeting of Agency Task Force

9:15 pm Task Force to brief POTUS

PRIVATE SECTOR SUPPORT

As a result of the civil disobedience occurring in the City of Los Angeles between April 29, 1992 and May 3, 1992, three (3) public housing developments located in Watts; Hacienda Village, Jordan Downs and Nickerson Gardens, were left with no electricity. These developments are comprised of 2,480 apartments which house approximately 7,000 residents. Because of the power outage and the destruction of the commercial districts in the area there was a great need for food and other essential life sustaining items.

A private sector company, the Camino Real Food, Inc., of Vernon, California, through their Manager of Corporate Planning and Control, Mr. Thomas Gaulden, delivered to the residents of those developments 18,000 sandwiches.

Here's an anecdote about decent
people doing good work. Perhaps a
speech insert?

Dan - I had to do this on a real *expedient*, so it's messy. Call me early if you want to talk it over.
May 6, 1992

MEETING WITH MEMBERS OF EXECUTIVE BRANCH
TASK FORCE.

DATE: May 6, 1992
Time: 9:15 PM?
PLACE: Hotel -- Room to be determined

PURPOSE: *receive a briefing from*
To ~~meet with~~ members of the task force that you sent to Los Angeles earlier this week to coordinate the delivery of Federal services and assist the state and local authorities respond to the crisis. *do*

BACKGROUND: On Monday, you designated Deputy Secretary of Education David Kearns and Deputy Secretary of HUD Al Dellibovi to act as co-chairmen of the Federal effort to deliver services and respond to the crisis in Los Angeles. *They, and a team of 20 White House and agency officials*

PARTICIPANTS: David Kearns
Al Dellibovi
Bob Grady
Dan -- we plan to include about 20 members of our team. We went over this, and the tentative agenda with Henson. If you want, I can give you all the names by 9:00 AM LA time.

SEQUENCE OF EVENTS:

- The President enters the room.
- The President greets the task force (I will prepare brief talking points...thanking the group for their effort, mentioning David and Al, etc.)
- David Kearns begins briefing.
- Dan -- our plan currently is to have Kearns, Dellibovi, and Grady brief the POTUS for a total of 20 minutes. This would be followed by "open" discussion for the remaining 10 minutes.
- The President thanks the group and departs.

PRESS PLAN: I suggest either still photographers only for the President's entrance, with the entire briefing closed to the Press; or, the press could stay for the President opening remarks and then leave before the briefing.

Talking points: I can fax them in the late morning, D.C. time.

NOTE: Dan -- The room we plan on using for this event (I went over it with advance last night) can only seat 26-28. This means that no more than 7 staff members should accompany the POTUS to the briefing. If this is not acceptable, we can make some adjustments on this end.

have been in Los Angeles all week meeting with the Governor, the Mayor, and other local officials

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
02. Memo	From Tony Snow to Samuel Skinner Re: LA Trip (8 pp.)	05/05/92	P-5 Open on Expiration of PRA (Document Follows) By <u>GA</u> (NLGB) on <u>4/5/06</u>	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff to the President, Office of the
Series: Skinner, Samuel
Subseries:
WHORM Cat.:
File Location: Memos [5 of 14]

Date Closed:	10/17/2002	OA/ID Number:	05826-006
FOIA/SYS Case #:	1999-0277-F	Appeal Case #:	
Re-review Case #:		Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

THE WHITE HOUSE

WASHINGTON

APRIL 5, 1992

May

Revised

Gill

MEMORANDUM FOR SAMUEL K. SKINNER
CLAYTON YEUTTER
MARLIN FITZWATER
DAVID DEMAREST
DORRANCE SMITH
BOB TEETER

FROM TONY SNOW *TS*
SUBJECT L.A. TRIP

The President's trip to California this week provides an unprecedented opportunity to show George Bush at his best and to let the President seize the initiative on some of our most important and troubling social issues. This memo will suggest an overall framework for dealing with the trip; then will discuss some of the major issues.

I) FRAMEWORK

This trip should be as dramatic and panoramic as any in this Presidency. George Bush should stake his claim to the future, by demonstrating his grasp of the large problems we face, and the actions we can adopt to address those problems.

We can dramatize the sweep of the L.A. tragedy by visiting people who played different roles in the drama (or trauma). He should visit shelled out neighborhoods, such as Compton or Watts. He should meet with church groups. He should meet with volunteers, like Sweet Alice Harris in Watts, one of our Points of Light. He should meet with cops and firefighters. And he should meet with the families of victims. The more we control events, the shallower and less satisfying the trip will seem. If the President faces angry questioners, or has someone reduce him to tears, he shows real understanding and empathy. He crushes the bad guys, and places himself in a position to lead more knowledgeably. We must engage his passions, and we can't do that in carefully controlled events.

We must show that we remain firm in our commitment to fighting crime and preserving the integrity of the judicial system; that we understand the problems of race; that we intend to revive American cities and sweep away the debris of the Great Society; and that we will mount a revolution designed to implement programs that actually produce results -- a revolution to give government back to the people, to give people real power to shape their own

futures. This is quite a juggling act, involving everything from deeply personal talk about race relations and prejudice to harder, more concrete discussions of crime, job creation, education and so on. Nevertheless, we can do it.

Here's the key: We must get the President to talk from the heart. We must draw links between the policies and the things George Bush loves most: family, friends and country. So far, we have put him before audiences and asked him to read lists: Five Fundamentals; Six National Educational Goals; Seven Basic Reforms in the State of the Union; Four Tracks of America 2000 -- and so on. We sound like a bunch of Gringo Maoists. Worse, we have precious little to show for these things. Most of our State of the Union initiatives remain moribund. We haven't followed up on our March 20 rescissions. We look like people searching for phrases, and not for solutions -- and that won't do.

If we don't put the President's heart and soul into these things, he will look like a bemused marionette. And if we fail to seize the initiative on key domestic matters, we run the risk of having this campaign degenerate into an examination of character -- Bill Clinton versus the Bush children -- Neal, then Jeb, then anyone else the media chooses to hound. It doesn't matter that the Bush children will escape in the end: A grinding, personal campaign could demoralize the President and his family. Unless we begin putting together a real series of themes, with real meat and real connections to the heart and soul of the candidate, we run the risk of turning the leader of the Free World into a moving target for Democrat marksmen.

In crass political terms, we must understand that we will squander a great opportunity if we confine our comments to law and order or to safe, traditional Republican issues. The American people don't trust Bill Clinton and they want George Bush to lead. He should do so by relying on his incredible personal decency and his fierce commitment to doing what is right. His personal virtues should serve as the springboard for what should amount to a revolution in domestic politics.

II) Issues

The events in Los Angeles helped illustrate the interplay between several social trends: 1) the increasing cynicism among minorities about the criminal justice system; 2) race relations; 3) public rage about gangs, wanton crime, and lawlessness; 4) the role of the media.

The events also place us right between the cross-hairs on the issue of leadership. We have hidden from race issues for three years, fearing that the other side would call us bad names if we decided to take the lead. Now, they're calling us bad names, anyway. We've got to seize the initiative.

We must put the Los Angeles events into a larger context. Marlin began the task yesterday by talking about the failures of the Great Society. We should not shrink from pushing that argument. Indeed, we should flesh it out.

Some remnants of the Great Society have created a generation of what I call urban sharecroppers -- people frozen in dependency by a system that denies them the means to escape, and that encourages them to engage in behavior that will keep them down.

Consider this scenario: If you're poor and you want to get out, the government reduces your benefits if you make too much, but not enough to escape. The government reduces your benefits if you scrimp and save and try to put together enough money to purchase a modest place to live. The government punishes you if you stay married. It does reward those who have illegitimate children, and it rewards with lower effective tax rates some of those who don't work or attend school.

Some neighborhoods in the Los Angeles area house second-and-third generation poor. In these places, a permanent underclass has begun to form. These places offer horrifying testimony to the shortcomings of the Great Society.

As we talk about the Great Society, we should take care not to blame anybody for the programs. Treat them as a fact of life, and obstruction to remove. If Democrats want to take reform as a personal insult, let them do so. We should argue that we don't want to revive old arguments. We want to produce results.

When we propose social programs, we should use common sense, and ask this question: What basics ensure human dignity? Answer: a fair chance at a decent education, a home you can own, a safe neighborhood, and assurances that if you work hard, you will be rewarded fairly for your labors. You also want assurances that the government will not treat you like a child. It will not patronize you or prevent you from doing the important things all people want to do: make important decisions about child care, schools, health care; where you want to work, etc.

We can show we care in one way only: by giving people the power to control their own lives. The keys to power: education, property and protection from discrimination. When people own homes and have faith in the future, they have a real stake in America and they behave differently. They keep the neighborhood clean. They participate in school events. They encourage good behavior. You know how it works: Just consider your own neighborhoods and social circles.

We can package all our domestic initiatives around the themes of independence and dignity. It's a common-sense way to get at the

heart of things and to appeal personally to our people.

Now, to the analysis:

A) Social trends revealed by Los Angeles:

1) Cynicism about the justice system

This week's snap polls on the Simi Valley verdict showed that four of five black Americans believes that the criminal justice system discriminates against blacks. Roughly half of white respondents feel that blacks can't get justice.

We should begin by noting this cynicism. That would score brownie points immediately. Our national debate about race too often is couched in euphemism. People love candor, and they always seem shocked when someone commits it. They expect politicians to deny reality and to propose programs that help cronies and friends. Why not show some refreshing honesty?

Indeed, we must. The cynicism about the courts hurts our justice system. Judge Reggie Walton notes that juries in the District often acquit obviously guilty black defendants, often as a way of protesting the system's seeming injustice. Conversely, some other communities have incredibly high conviction rates for blacks, perhaps because people consider blacks highly likely to commit crimes. In short, we've got a mess on our hands.

We should provide some sort of initiatives to deal with the problem, such as beefing up Justice Department efforts to study police brutality, as well as federal efforts to help out cops in big cities, since those cops put their lives on the line all the time, without the support they deserve and need.

We also should propose tough penalties for punks who commit the sort of crimes we saw in L.A. I doubt we could federalize it, but we certainly should make the point that this sort of "protest" has no place in American life, and we intend to punish it as severely as we punish other forms of terrorism.

I'm sure the AG has other suggestions: We ought to break out as many as we can.

2) Race relations:

Race relations in America stink, even though we've made incredible progress in knocking down barriers to opportunity and success. Democrats have fomented a good deal of this by blaming their failures on "racism" (shades of the Kerner Commission!), and preaching this gospel in every urban area in the country. We've kept quiet, letting this slander harden into an accepted fact.

Democrats place incredible weight on their black support. They know their programs don't work, that they got it all wrong during the Cold War, and that their Congress has grown complacent and corrupt. They cling to the sense of moral superiority that the black vote conveys for them. If we make inroads into the black vote by capturing the hearts and idealism of black voters -- especially the black middle class -- we drive a stake through their hearts.

That shouldn't be difficult. Many blacks have become sick of liberals who try to buy votes with programs that lure the poor into dependency. They want programs that treat them with the dignity they're due, and that offer some real hope of producing good results.

And there's more! A properly conciliatory/realistic approach would appeal to the vast majority of middle-class whites, most of whom now at least have black colleagues, if not neighbors, and who want very much to put all the talk of racism behind them. A quarter century's worth of race baiting has left people in a state of exhaustion and anger. We should note that and understand it. We also should demand that we move ahead.

To do so, we must confront the constant Democrat claim that conservatism equals racism. Remember when the President proposed welfare waivers for Wisconsin? Moynihan quickly accused the President of resorting to "code words." That was typical: Democrats use the charge of racism as a censorship tool. They want to prevent our talking about much needed reforms, so that they may cling to their own programs.

We have an easy response. We care about what works, and not about bureaucrats. We want poor Americans to join the American mainstream, and we want everybody to have a fair chance to live an independent and dignified life.

If we talk about groups and classes, we're dead. We must talk about individuals, and we must appeal to people's own common sense notions of what counts: education, family, home, community, job, etc.

Finally, on this topic: If we wish to establish real credibility on race issues, the President sooner or later must address two issues: Willie Horton and quotas. He should argue that Democrats turned Willie Horton into a racial issue in order to frighten black voters. We just wanted to talk about the viciousness of releasing sadistic rapists. As to quotas, the President opposes them because they're divisive. The quota is father to the glass ceiling. Today, many minorities have corner offices and high salaries, but many of them live almost like zoo animals: there for display, not for real work. This is disgusting and unfair, and we say so. The President wants to get rid of

quotas because they heighten racial tensions, but he also wants to increase efforts to enforce civil rights laws. Hence, the civil rights act of last year.

3) Public rage

We should not for a moment pretend to "understand" the animals who roamed around, beating and killing innocents last week. We should show special sympathy for the victims -- and appreciation for the brave people who waded through the mobs to drag innocent people to safety. We should demand real justice for the mobs. I wouldn't suggest federalizing the crimes they committed, but we should use the bully pulpit to demand harsh and fair punishment for these creeps.

I don't know that any of us have seen anything more frightening than the mob beatings last week, as gangs pulled people from their cars -- or in one instance, a couple of guys from a motorcycle -- intent merely on murder. There is nothing noble or understandable about this anger. We must stick with our values.

4) The role of the Press

Although members of the press talk piously about "objectivity," the press virtually lit the fires that consumed property and lives. The Los Angeles television stations all carried nightly updates of the police trial, and the Fox station carried the trial live. The media turned the entire thing into a spectacle, which would lead to a predictable result -- a cathartic conviction. When expectations went awry, the place went nuts.

Meanwhile, the national press left huge holes in its coverage, thereby inspiring the entire world to misinterpret the events in L.A. Even today, most people don't know that King led the cops through residential areas on a high-speed chase, and that he had two companions, both of whom surrendered with minimal struggle. Nor has the public ever seen the entire video tape.

Instant analyses further muddle things. The stock wisdom now is that L.A. burned because George Bush and Ronald Reagan didn't spend enough on social programs. That's factually wrong -- OMB should be able to supply the budget figures -- and it's morally craven. We should take on directly the charge that conservatism translates into racism (as I noted above), and we should argue that we care about what works. We want to wipe away a lot of failed programs because they cheat needy Americans of the chance to make it in life. We should show that we don't care about bureaucrats who earn their keep by running failed federal programs. We care about people. The President ought to be mad as hell about the way we short-change our poor, and he should challenge the media on insinuations that he's a racist. In this case, righteous anger is good.

There's a subtler point: In the age of instant communication, the public gets vivid views of isolated incidents, and broadcasters imply that these small events constitute the whole of reality. In fact, instant communication almost always means instant distortion -- and journalists must find some way of bringing these things into balance. Television cameras helped capture the King beating, but they also helped encourage people to draw facile conclusions, and to go out on the streets and raise gleeful hell.

III) The Big Picture

We should propose two R's: reconciliation and reform.

For starters, we should hammer at our proposals and our record, and explain each one in terms of what they do for all Americans. So: choice in education, child care, health care; America 2000; HOPE and other housing initiatives; welfare reform; job creation -- capital gains tax cuts, enterprize zones, job training 2000, etc. We should push these as key elements in a very subtle American revolution designed to give government back to the American people.

The President should argue that we accomplish nothing by pointing fingers and assessing blame. Those who raged through the streets of Los Angeles deserve the blame for their deeds. The President ought to ask all Americans, regardless of race, creed, national origin or any other damned thing to join in a great common purpose, for building a greater America.

We also must understand that racial tensions involve more than blacks and whites. When liberals divided America into an amalgam of groups with separate rights and claims, they made inevitable the war of each against all. Hence, we see tensions between all "groups" -- whites, blacks, hispanics, asians, etc. We can overcome only by repudiating the notion of group rights and focus on individual people.

The President has delivered many fine speeches during his presidency. Now we must produce results. We can't do that all by ourselves. We must encourage all Americans to join a movement toward a better future, and think of ways in which we can ensure greater self-reliance and greater levels of participation in such things as school groups, community organizations, etc.

We must instill in every American a sense of answering to a higher calling, and a sense that we all must create a new movement that relies on little platoons, and not on megabureaucracies. Greatness lies in that cause, and in that cause lies our own chance to push American politics into a new era of progress, optimism and hope.

We must speak in crisp, vivid and clear language. If we resort to fuzzy euphemism or cliché, people will say to themselves: "There they go again, trying to con us." If we wish to communicate, the President must speak with conviction and passion.

A) A final note: The importance of symbolism.

Symbolism is immensely important in racial politics. I will explain why by means of analogy.

If you ever have had something stolen, you know that it fills you with a sense of wild rage: You have been victimized, by some invisible foe, for no good reason, and you want to know why.

Now, imagine being a black American who has worked hard to get a good job. You dress well, obey the law, and raise your kids to honor traditional American values. Still, clerks look at you funny when you enter stores. Cabs whiz past you at night. Colleagues assess you regularly, asking: Did he (or she) get the job because of race or qualification? These and thousands of other humiliations follow black Americans every day. But prejudice works like an invisible thief. No one knows where it lurks, or how it might show itself, only that it's there -- always.

In such circumstances, nothing is more powerful than having the leader of the free world say: I understand this. I think it's outrageous and wrong. Together, we will fight to eliminate it. That shows a depth of understanding and empathy that no politician can match, and it cuts through all the patronizing BS that Democrats might want foisted upon us. If we can combine powerful measures of symbolism, tough action, personal involvement, and imaginative policy suggestions, the President will ascend to heights none of us would have dreamed possible. This is the greatest opportunity in this administration to seize control of the domestic agenda and to lead. Let's make the most of it.



Office of the Deputy Attorney General

Washington, D.C. 20530

DCF HAS SEEN

May 6, 1992

*File***MEMORANDUM**

FOR: Samuel K. Skinner
Chief of Staff
The White House

FROM: George J. Terwilliger, III *[Signature]*
Deputy Attorney General

SUBJECT: Background on Extent and Effect of Illegal
Immigration in Los Angeles

This memorandum provides further background for the President's upcoming trip to Los Angeles.

Los Angeles County has one of the highest concentrations of illegal aliens in the country. The county has a population of 8.9 million residents. County officials estimate that there are 770,000 illegal aliens residing in the county and that an additional 750,000 former illegal aliens became legalized under the Immigration Reform and Control Act of 1986.

Direct local costs. The County estimates that its costs for services provided to illegal aliens exceeded revenues received from them by \$276 million in FY 1991. The majority of that cost stems from the reliance of illegal aliens on public hospitals. Illegal aliens account for one-fifth of all admissions to County of Los Angeles hospitals, and births from illegal alien parents account for an estimated 65.5% of all births in the county's public hospitals.

L.A. County officials report that the number of citizen children of illegal alien parents who receive Aid to Families with Dependent Children (AFDC) increased from 40,682 in January 1989 to 116,725 in August 1991. The children of illegal alien parents now account for over 23% of those receiving AFDC benefits in L.A. County.

Crimes committed by aliens. Aliens commit serious crimes in large numbers. The County estimates that over 23,000 deportable aliens pass through the County's justice system annually. A study determined that at least 11% of the county's total inmate

- 2 -

population was deportable. Most of the aliens were arrested for drug crimes, although other crimes against persons and property crimes were also common. The Federal Bureau of Prisons determined that 25% of inmates incarcerated in its facilities are aliens. The high percentage is due to the number of aliens involved in drug related crimes.

The INS L.A. District arrested 5,800 criminal aliens in 1989. Arrests more than doubled to 12,812 in FY '90, and increased again to 13,900 in FY '91.

Issue of Border Security. There are approximately 6,000 miles of U.S. land border, and the INS will make approximately 1.4 million apprehensions this year. Of that total, nearly 45% will be made on the 14 miles of border near San Diego. Most aliens entering the U.S. do so to reach Los Angeles or the agricultural Central Valley of California. Efforts to interdict aliens at San Diego directly affect the number of illegal aliens reaching Los Angeles.

Recent interdiction initiatives include strengthening and extending existing fencing, installing lights, shifting resources to the Southwest and the recent initiative to hire 300 Border Patrol officers. The National Guard helps enhance Border Patrol effectiveness by building roads, installing lights, repairing fences, maintaining equipment and performing many other support functions.

Legal Immigration. The U.S. admitted over 1.5 million immigrants in FY 1990. We remain the most generous country in the world in terms of permitting legal immigration. The Immigration Act of 1990 expanded the number of immigrants welcomed to the U.S. and reaffirmed the two primary bases for immigration to this country: family reunification and skill based immigration. The U.S. also remains committed to protecting those fleeing persecution through our refugee and asylum programs.



U.S. Department of Justice

Office of the Deputy Attorney General

DCF HAS SEEN

Washington, D.C. 20530

May 6, 1992

Bill

MEMORANDUM FOR EDE HOLIDAY
ASSISTANT TO THE PRESIDENT
AND SECRETARY OF THE CABINET

FROM: GEORGE J. TERWILLIGER, III
DEPUTY ATTORNEY GENERAL

SUBJECT: Presidential Response to Federal Law Enforcement
Requirements in Los Angeles -- OPERATION (Beacon,
Landmark, Uplift)

Urban social programs succeed only when joined with vigorous law enforcement. This principle underlies the Administration's new Weed and Seed program, for which the Administration had proposed FY 1993 funding of \$500 million before the LA riots: Weed and Seed is a large-scale, pre-riot Administration urban renewal plan. Mayor Bradley has sought a Weed and Seed program for his city less than a month ago [Federal, State and Local officials targeted a Santa Ana neighborhood rather than one in Los Angeles].

1. WEED AND SEED STRATEGY

"Weed and Seed works this way: First we join federal, state and local forces to "weed out" the gang leaders, the violent criminals, and the drug dealers who plague our neighborhoods. When we break their deadly grip, we follow up with part two: we "seed" those neighborhoods with expanded educational opportunities and social services. But key to the seed concept will be jobs generating initiatives such as Enterprise Zones - to give people who call these neighborhoods home something to hope for."

President George Bush
January 27, 1992

2. OBJECTIVE

Establish a Special Weed & Seed Operation in Los Angeles to restore and maintain order, and to coordinate various agency programs to foster neighborhood restoration and revitalization.

3. OPERATION WEED AND SEED GOALS

(1) Disarm and Neutralize Street Gangs

Intelligence sources, as well as press reports, indicate that gangs obtained thousands of additional weapons during the riots. Violent criminal gangs are the greatest threat to order and peace in Los Angeles. The first "Weed" goal is to disarm the criminal gangs to eliminate the threat to law enforcement and the community.

(2) Establish Community-Policing to Maintain Order

Numerous cities have found community policing effective in maintaining neighborhood order. Although it is an essential component of the Weed and Seed Strategy, we think it best that we not publicly discuss this element for the near term in light of sensitivities surrounding law enforcement in Los Angeles. It should be noted that police chief designate Willie Williams has embraced the Weed and Seed program in Philadelphia and is a strong proponent of community policing.

(3) Coordinate Federal-State-Local Recovery Efforts

Neither law enforcement efforts nor economic relief efforts by themselves will be successful. Coordination of both elements of recovery is essential to success. Pouring new social service dollars into areas rife with crime would be a formula for failure.

4. IMPLEMENTATION

Overall coordination will be facilitated by the establishment of a local LA Weed and Seed Steering Committee comprised of Federal, state and local law enforcement and social service agencies together with the private sector and local community groups.

A. WEED EFFORTS:

Attorney General Barr has established a Federal, state and local task force that includes 20 FBI Special Agents, 20 ATF Special Agents, and 5 prosecutors to investigate and prosecute riot related violent criminal activity to include murder, arson, assault and organized gang activity. Ten DEA special agents will also coordinate with the task force.

These new initiatives will be coordinated with recently established federal, state and local law enforcement task forces set up to combat criminal gang activity, drug related homicides and violent criminal fugitives. These task forces are made up variously of agents from the FBI, BATF, DEA, USMS, INS and several state, county and local law enforcement agencies.

B. SEED EFFORTS:

- 1) Legislation: W&S Implementation Bill (transmitted to Congress today) includes a provision that allows for waivers of statutory and regulatory restrictions on the flow of Federal funds to targeted neighborhoods and authorizes \$500 million in additional funds in FY93 for W&S cities (\$400 M conditioned upon enactment of Enterprise Zones).
- 2) The Los Angeles effort will draw upon the already established Washington-based Weed and Seed Interagency Working Group to identify and facilitate the flow of existing federal resources to the effected area.
- (3) Enactment of Enterprise Zone is an essential element to the Weed and Seed Strategy.

5. FUNDING

Weed Efforts:

o DOJ Office of Justice Programs	
1. Emergency law enforcement assistance	\$5.30m
2. National Weed and Seed Reserve	\$.50m
3. BJA Reprogramming	\$.25m
4. Office of Juvenile Justice Programs	\$.25m
5. DEA Task Force Funds	<u>\$.25m</u>
Total Weed Funding	\$6.55m

Weed and Seed funds can be used for suppression activities, community policing, program coordination and security. In addition, a percentage of FEMA Funds is available for law enforcement.

Seed Efforts:

o FEMA	\$255m
o SBA	<u>\$300m</u>
Total Seed Funding	\$555m

Seed side funding will come from the program in amounts as announced by the President. This proposal adds the law enforcement and community based coordination components.

(REVISED)

JUSTICE DEPARTMENT INSERT FOR PRESIDENT'S SPEECH

(For page 3, to precede last paragraph)

Our effort to help restore Los Angeles will not end with these immediate responses to the current crises. We will establish in Los Angeles a special operation in our Weed and Seed program called Operation ____.

Weed and Seed operates on the common sense premise that social programs can only work in an environment that is freed from the clutches of crime. In Los Angeles, we will work in partnership with state and local government, the private sector, and the law abiding citizens of the community to target neighborhoods where crime would strangle the relief and restoration effort. As we root out the drug gangs and others responsible for the debilitating violence, we will follow with investment in infrastructure that gives the law abiding citizens the kind of economic opportunity that breathes life into neighborhoods. This approach insures that crime and criminals will not drain the value from the dollars we spend in social programs.

We have sent to Congress today a bill that will enable us to cut through red tape to get funding to Los Angeles as quickly as humanly possible. Already today Weed and Seed is at work in cities across the nation. This program will be the centerpiece of our effort to work with the governments and people of Los Angeles, and to coordinate tough law enforcement with social improvement programs.

Passage of our Enterprize Zone legislation also will go a long way toward achieving Weed and Seed goals of restoration. I call upon Congress to pass that legislation.



Office of the Deputy Attorney General

Washington, D.C. 20530

DATE: May 6, 1992

TO: Samuel K. Skinner, Chief of Staff, The White House

Fax No.: (202) 456 - 1121 Telephone No.: (202) 456 - 6797

FROM: George J. Terwilliger, III, Deputy Attorney General

Fax No.: () - Telephone No.: (202) 514 - 2101

TRANSMISSION CONTAINS SHEETS INCLUDING THIS COVER SHEET

SPECIAL NOTE(S):

Two page memo to Mr. Skinner

If any page(s) are missing from this transmission, please
telephone sender at the above telephone number for re-
transmission.



Office of the Deputy Attorney General

Washington, D.C. 20530

May 6, 1992

MEMORANDUM

FOR: Samuel K. Skinner
Chief of Staff
The White House

FROM: George J. Terwilliger III
Deputy Attorney General

SUBJECT: Department's Response to Illegal Aliens in L.A.

This memorandum is provided for background information in connection with the President's upcoming trip to Los Angeles.

The Department of Justice, primarily through the Immigration and Naturalization Service, follows a three pronged approach to reducing illegal immigration in Southern California. The three enforcement prongs are: 1) emphasize apprehending and deporting criminal aliens; 2) interdict illegal aliens seeking to cross the border; and 3) pursue greater compliance with employer sanctions laws which preclude employment of illegal aliens. These efforts all serve to discourage illegal migration. In addition, the Attorney General has directed an emphasis on encouraging legal migration by providing better service to those who obey the law.

Attorney General Barr announced a major initiative in February to bolster enforcement of the immigration laws, with a special emphasis on Southern California. That initiative provided for the following, plus the noted follow-on activities.

o Deporting Criminal Aliens

Currently, 125 INS investigators are screening all persons arrested in L.A. to determine alienage and begin the deportation process.

The Department has initiated a program to provide deportation hearings in L.A. county jail, the first time this has been done in a county facility.

A legislative proposal is in the clearance process that would reduce delays in deporting alien felons.

INS is hiring 150 additional investigative agents to work in anti-violence and street gang task forces throughout the country; 15 of these agents have gone to Los Angeles.

- 2 -

INS is creating a National Criminal Alien Tracking Center to locate and track criminal aliens upon their first contact with a law enforcement official.

o Increased Interdiction

INS is hiring an additional 300 Border Patrol officers to interdict illegal aliens and drugs "on the line." Over 150 of these officers will go to San Diego to interdict those on the pipeline to Los Angeles. There are an additional 200 officers in the President's FY 93 budget.

Aggressively continue to improve fencing, sensors, brush removal, road building and other physical deterrents to entry along the San Diego border.

o Employer Sanctions Enforcement

Combat document fraud by recalling 1.5 million obsolete documents ("green cards") and issuing new counterfeit proof documents.

Create joint task forces to focus on counterfeit documents. These task forces include INS, Secret Service and state and local officers.

Hire an additional 50 investigative officers to bolster employer sanctions enforcement efforts.

o Encourage Legal Migration

Hire additional adjudicators, improve computer capability and reduce unnecessary paperwork.



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

MAY 1 1992

To: The Honorable George Bush
President

Through: Samuel Skinner
Chief of Staff

From: Jack Kemp
Secretary
U. S. Department of Housing & Urban Development

In my view, the President should also propose a longer-term solution. He should address head-on the devastating sense of hopelessness and despair in America's inner cities and propose a specific and audacious agenda to bring inner city residents back into the economic mainstream. Americans know that the status quo is not working, and they will look to the President for leadership in articulating a fundamentally new approach to urban problems.

Long-Term Actions

The long-term prospects for Los Angeles will remain unaffected unless long-term issues of generational poverty, unemployment, and low-income concentration are addressed. To this end, the President's Enterprise Zone proposal would green line inner cities, help turn around these communities, and bring in growth, jobs, prosperity, and entrepreneurship. In addition, the President's resident management and HOPE homeownership programs expand ownership among low income residents and help them regain self-dignity and respect while attaining self-sufficiency.

The President's recently introduced Opportunity and Empowerment Act (OEA), as well as his Weed and Seed and other initiatives, would address the significant problem in Los Angeles of high concentrations of poverty. The area affected in Los Angeles has a population concentration of low income blacks, hispanics and whites. The President's Moving to Opportunity for Fair Housing proposal would provide housing vouchers and counseling for residents to move out of areas of low income concentration to areas of non-low income concentrations.

In FY 1992, Congress appropriated \$20 million for a five-city demonstration of the Moving to Opportunity initiative. While the Notice of Funding Availability for this program has not been published, HUD needs Congressional authority to mandate the selection of Los Angeles for this demonstration program.

The President has proposed a bold agenda which would completely redirect the war on poverty by shattering barriers to jobs, asset-accumulation and entrepreneurship for low-income families of every color. The agenda includes:

1. HOPE

- * Last year Congress appropriated \$361 million for FY 1992 HOPE Grants, just 40% of the President's request. This year the Administration is seeking \$1 billion to expand homeownership and resident management in low-income communities.
- * HOPE Grants provide low-income residents with a stake in the community to help break the cycle of generational poverty which is gripping so many inner city neighborhoods, including south-central Los Angeles.

2. Enterprise Zones

- * African-Americans represent more than 12% of the population, yet they control just one-half of 1% of the Nation's capital stock.
- * To dramatically expand the number of inner-city entrepreneurs, the President has asked Congress to establish Federal Enterprise Zones in the poorest urban and rural neighborhoods like south-central L.A..
- * Federal incentives would include:
 - * A zero capital gains tax rate on Enterprise Zone investments;
 - * A refundable wage credit for low-income Enterprise Zone employees; and
 - * Expensing of investor purchases of Enterprise Zone stocks.

3. Weed and Seed

- * The President's 1993 Budget includes this \$500 million multi-agency funding initiative to help reclaim and rejuvenate embattled neighborhoods. This effort will use a two-part strategy to:
 - * control violent crime; and
 - * provide social and economic support to areas where high crime rates and social ills are prevalent.
- * To participate in Weed and Seed, a State and locality would submit a single, consolidated plan to the Department of Justice. The Attorney General would approve the plan based on

a joint review and consultation with the Secretary of HUD and other Cabinet officials.

4. Welfare Reform

- * Today, welfare recipients are prohibited from saving more than \$1,000, on penalty of criminal prosecution. We must eliminate the perverse incentives in our welfare system which make it difficult for low-income families to get a job, save for the future, or keep their families intact.
- * Raise the AFDC Assets Limit: The President has proposed that the savings limit be raised to \$10,000 for AFDC recipients.
- * Establish Escrow Savings Accounts: Today, when someone on welfare takes a job, he or she loses their benefits and often ends up making less than before because of increased taxes and lost benefits. The President's plan would recapture some of the lost benefits in a special escrow account which would be returned to welfare recipients who work their way off the welfare rolls.

For decades, Great Society programs have only deepened the poverty and dependency in the poorest urban neighborhoods. Consumption-based policies have provided only enough cash for the poor to keep their heads barely above water. But people don't spend their way out of poverty; they escape poverty by working, saving, acquiring private property, owning a home, starting a business.

The President's bold agenda represents a radical break from the status-quo and addresses the urgent needs in Los Angeles and other inner city urban communities.



EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
WASHINGTON, D.C. 20500

Michael R. Deland
Chairman

February 21, 1992

MEMORANDUM TO: SAMUEL K. SKINNER
CHIEF OF STAFF

FROM: MICHAEL R. DELAND

SUBJECT: ELECTRIC INDUSTRY'S ROLE IN SUPPORTING U.S.
POSITION IN CLIMATE NEGOTIATIONS

As you may have noted, Dick Clarke, a member of the President's Commission on Environmental Quality (PCEQ) was featured on ABC's two part series on energy efficiency (February 18-19). Dick is Chairman and CEO of the largest energy utility in the world, Pacific Gas and Electric, which produces five percent of the United States' electricity supply.

Dick has been extremely helpful in our analysis of climate change negotiations and the upcoming UN conference in Brazil.

PG&E

In 1991, PG&E had profits of approximately one billion dollars of which \$45 million came from its energy efficiency program. Dick expects their efficiency program to remain profitable by saving 2,500 MW over the 1990's. It will also have ancillary economic and environmental benefits. (This forecast is based on PG&E's operating experience in the 1980's during which its energy efficiency program saved 1,300 MW of power and, in so doing, saved its customers \$3.5 billion.)

Economics: PG&E's program will, in the 1990s, cut customer's utility bills by \$2.4 billion. Using standard economic multipliers, this will result in \$4.9 billion of "new" income for consumers to spend in the California economy.

Jobs: PG&E's efficiency investments result in net job creation.

Environment: PG&E's program will result in an estimated 21 million ton reduction in CO2 emissions (the equivalent CO2 reduction of taking 2.5 million of today's cars off the road). Their program is an example of what the National Energy Strategy forecasts to be a large source of energy saving in the near term.

WHAT THIS MEANS NATIONALLY

Working with the Electric Power Research Institute, the results realized by programs such as the one at PGE have been extrapolated nationally. The estimates are impressive:

Consumer savings between now and the year 2000 would be in the range of \$40-\$50 billion.

Carbon dioxide emissions would be reduced by 350 million tons. That translates into a 15 to 20 percent reduction during the 1990s.

Dick thinks the CO2 reduction estimate is conservative since PG&E relies primarily on relatively "clean" natural gas for electric generation. Other utilities which rely on coal would achieve even greater emission reductions through improved efficiency.

These figures underscore the President's view of the relationship between the environment and the economy and that energy efficiency does result in consumer savings and new jobs.

8 I strongly recommend that on a future trip to California we seriously consider having the President stop at either PG&E's Energy Efficiency Center in San Francisco or at a comparable center operated by Southern California Edison in Los Angeles.

Finally, you should know that Dick Clarke, through his position as Chairman of the Energy Efficiency Committee of the President's Commission, is working with Ken Lay of Enron and Fred Krupp of the Environmental Defense Fund and others to replicate this kind of success story. Specific initiatives are ready to be unveiled at the next Commission meeting on April 29, 1992.

In the meantime, if you are interested, I can arrange a briefing by Dick Clarke and other utility executives.

cc: Henson Moore
Deputy Chief of Staff

Clayton Yeutter
Counselor to the President

THE WHITE HOUSE
WASHINGTON

DATE: February 25, 1992

TO: Kathy Super

FROM: SAM SKINNER

See page 2.

THE WHITE HOUSE

WASHINGTON

June 17, 1992

MEMORANDUM FOR CHIEF OF STAFF

FROM: LEIGH ANN METZGER

SUBJECT: SUMMARY OF MEETINGS WITH VETERANS SERVICE ORGANIZATIONS

During the past three weeks the Office of Public Liaison and OMB have meet with the four largest veterans service organizations, the American Legion, Veterans of Foreign Wars, Disabled American Veterans and AMVETS. The following were their key concerns:

ELIGIBILITY REFORM: The problem with the low occupancy rate in VA hospitals is not due to the veteran not wanting to use the system, but rather the veteran being ineligible for care. This ineligibility creates artificial excess capacity, which is the result of care being rationed due to budgetary constraints. Additionally, the VSO's recognize the changing demographics of the veteran population and would like to see a greater range of health care provided to service connected disabled veterans.

VSO RECOMMENDATION: That the eligibility rules be revised to allow more veterans access to the VA health care system.

MEDICARE REIMBURSEMENT TO VA: The veteran who is ineligible to use the VA health care system, but is MEDICARE eligible, can not use the VA facilities as a MEDICARE patient. The concern from OMB is that there will be "double dipping" in the available federal funds. A current bill, HR 5263, would authorize on a limited demonstration program MEDICARE reimbursement for ceratin veterans who receive care at VA medical centers.

VSO RECOMMENDATION: That the MEDICARE eligible veteran be allowed to use the VA health care system.⁴ The VSO's were not opposed to some sort of offset to satisfy OMB concerns, that difference however could be great.

DEPENDENCY INDEMNITY COMPENSATION (DIC) REFORM: DIC is a benefit paid to survivors of servicemembers who die on active duty, or veterans who die of a service connected disability. The VSO's concern is that the amount paid is tied to the rank of the soldier at time of death, and therefore survivors are paid are disproportionate amounts. There are two proposals on the Hill to reform DIC benefits.

VSO RECOMMENDATION: That DIC be reformed, but they do not advocate a specific piece of legislation. Basic premise is that all surviving members should receive a standard base DIC, with perhaps some adjustment made based on length of service.

OTHER:

- GI Bill: A major issue for the American Legion, they would like to see more than a retroactive buy in as we announced in the Defense Adjustment plan. Specifically, they want benefits raised from \$350 to \$777 per month, and not require soldier contribution, which is \$1,200. Cost for the program they estimate at \$800/year.

- OBRA 1990: Although not discussed in these meetings, the issue of veteran benefits having been reduced by OBRA have been discussed several times. Issues such as

- Homeless Veterans: Another concern of the American Legion.