
THE WHITE HOUSE
WASHINGTON

January 20, 1999

To: Bruce Reed
Gene Sperling

For your information.

This memo will be in the
President's briefing book
tonight.

Sean Maloney 

THE WHITE HOUSE
WASHINGTON

January 20, 1999

*Race
Report*

RACE REPORT MEETING

DATE: January 21, 1999
LOCATION: Oval Office
TIME: 12:50 pm - 1:50 pm
FROM: Maria Echaveste

I. PURPOSE

This meeting has three purposes: (1) to update you on the status of your race book; (2) to discuss policy ideas in the book that extend beyond those you have articulated in your State of the Union address and the FY2000 budget; and (3) to decide on next steps. Your guidance on these matters will direct us as we move to complete the book.

II. PARTICIPANTS

Maria Echaveste
Christopher Edley (book team)
Terry Edmonds (book team)
Scott Palmer (book team)
Clara Shin

III. ATTACHMENTS

(1) A meeting agenda; (2) a summary of the current book outline, reflecting minor changes from what you approved on December 11th; and (3) a copy of Edley's December 22nd memorandum summarizing the differences between the book's longer term workplan and your near-term budget and State of the Union initiatives.

THE WHITE HOUSE
WASHINGTON

**RACE REPORT MEETING
AGENDA
January 21, 1999**

1. Status Update and Timeline
2. Workplan Overview
 - Education
 - Jobs and Community Economic Development
 - Community Security and Criminal Justice
 - Segregation/Integration in Neighborhoods and Public Schools
3. Leadership Chapter
 - One America Community Partnerships
 - Sectoral Leadership
 - Federal Leadership
4. Next Steps
 - Clearance Process and Rollout Strategy
 - Publication Plans
 - Approval of "Personal" Reviewers (e.g., Taylor Branch and Rodney Slater)

BOOK SUMMARY OUTLINE

Introduction

Part I: The America We See

- Getting the facts straight: Demographic trends. What the best social science evidence is about disparities, discrimination, intergroup relations and attitudes. The overt and subtle influence of race on lives, and on our political and policy struggles.
- Is the glass half full, or half empty?

Part II: The America We Want

- A vision of what racial and ethnic justice mean for the 21st Century, including: *Opportunity* so broadly and deeply shared that there is no visible evidence of a legacy of slavery, colonialism or conquest; *community* so deeply felt that we celebrate our diversity and draw social and economic strength from our interactions and relationships; *hearts* healed of hatred and fears and prejudices, so that we are connected with one another across lines of class and color, caring about our neighbors, and living by the great commandment.
- Some of the vexing questions — the seeming clashes in values and perceptions that make progress on race so difficult. Modeling how to respectfully engage each other, searching for a way to pursue a common vision of a just community. (Examples: English-only; racial profiling; self-segregation by college students; etc.)

Part III: The Community We Must Build

- Promising practices from communities and organizations around the nation. (A few examples drawn from the hundreds collected by the Advisory Board and PIR staff.)
- How these projects can help us advance the *community* and *heart* elements of our vision for One America.

Part IV: The Opportunity We Deserve — A Workplan for the Nation

- Education
- Jobs and Economic Development
- Community Security and Crime
- Civil Rights Law Enforcement
- Strengthening Democracy and Civic Engagement

Part V: The Leadership We Need for the Road Forward

- Creating Partnerships in Communities and Organizations
- Leadership and Action in Key Sectors (faith community, higher education, etc.)
- Leadership and Action in the Federal Government (reinvigorating the Civil Rights Commission, etc.)

Conclusion

I EDUCATION:

Accountability for Closing the Racial Gap in K-12 Achievement

In the draft book, the President proposes a **Compact for Equal Opportunity in Education** to focus the nation on closing the measurable disparities in educational achievement, both white/minority and rich/poor. (*Cf.*, his major announcement last spring concerning racial disparities in health.) Specifically:

- The federal government will offer new grant-in-aid support, plus greatly expanded waiver flexibility in a broad range of other education and related federal funding.
- In return, the state or school district would agree to establish a strong system of accountability for results in closing the measurable achievement gaps between minority and non-minority and between poor and non-poor students in public schools.
- The federal government would not dictate the means used; the state or district would have some discretion in setting goals and timetables, with all the public scrutiny that entails. But the decision to award the federal funds and enter into a *Compact* would be based on a public review of the applicant's comprehensive strategy by an independent, diverse, peer review panel, including experts in successful school reform-and-reinvention strategies.

For those states and/or districts willing to commit to a sharply more aggressive agenda of accountability and reform, the *Compact* would complement Title I: (1) Competitive funding and "reinvention waivers" would provide a powerful boost to the incentives in Title I for results-based accountability and systemic reform. For example, *Compact* funding and waivers would be linked to performance, avoiding unfair and politically unrealistic threats of withholding Title I's base funding. (2) The focus on closing achievement gaps rather than allowing states to define success more broadly would help target assistance on the President's vision of closing the racial and class disparities to build One America. (3) A preference for funding states or multiple districts would help break down structural inequities in educational governance and funding formulas.

Flexibility should spur innovation, emulation and tailoring to fit local needs. We would expect *but would not require* that each *Compact* include: (a) reinvention strategies for breaking through the red tape of various federal, state and local programs in education and related fields, and ways to build partnerships across jurisdictional lines of school districts and local government agencies; (b) ways to engage businesses and other local institutions; (c) strategies to strengthen teaching and focus high-quality teaching in high-need schools; (d) effective English acquisition; (e) ways to promote higher expectations for achievement and to take aggressive action when there is failure -- whether by the district, school, teacher, or student; (f) ending social promotion, in combination with sound strategies for assessment, early intervention and support; (g) reducing disparities in resources; and (h) plans for accountability at all levels, so that performance is measured fairly and has consequences.

The *Compact* bears some similarities to the tiny Comprehensive School Reform Demonstration Program (also known as Obey-Porter: \$145 million in FY 1999), and is very similar to our unsuccessful *Education Empowerment Zones* proposal. By comparison, the *Compact* is far more substantial in scale, less prescriptive, focused on systems (and preferably metro areas) rather than individual school sites, and with accountability for results. It is not a demonstration program, but neither is it a formula program like Title I: this substantial "honey pot" would not attract participation from all jurisdictions initially, which is fine.

Budget: In FY 2000, a substantial round of planning and startup grants could be funded for \$250 million. More ambitiously, a \$1 billion initiative in place of a basket of categorical initiatives would be a bold signal of new direction, and commitment to offer a reform strategy that competes with vouchers. Ideally, the *Compact* would grow to \$5 billion, roughly two-thirds the size of Title I, in the outyears.

Choice of Principles: The *Compact* represents a different strategy for school reform from those commonly pursued by Republicans or Democrats. It is not a block grant, because there is a focused purpose and strong accountability measures. But neither is it another collection of categorical programs, thinly funded to fit within the caps, with each program addressing a valuable purpose and appealing to some slice of our constituency. Instead, the *Compact* would concentrate the few available investment dollars. Instead of the President or Secretary acting as "the nation's school superintendent," worried about leaking roofs, personnel practices, and the latest policy research findings, the *Compact* targets structural changes in the dynamics of state and local decisions by placing our leverage on a measurable goal, accountability, and consequences – with competitive incentives to devise sound (expert-reviewed) strategies that produce results.

Finally, can we save money by reforming all of Title I, or a carve out, to incorporate this focus on accountability for achievement disparities? This *Compact* proposal assumes that such a strategy would either blur the vision beyond recognition, or draw fatal objections from almost every quarter. After 35 years, Title I is effectively an entitlement to fiscal relief for districts serving poor kids, so that exhortation about accountability and focus will inevitably be muffled in the Congress or during implementation. A bold design, with new competitive money on top of Title I, is more plausible, and represents a fresher strategy than offering a set of mostly minor categorical ideas, reminiscent of "old" Democratic thinking.

II JOBS:

Regional Alliances to Break the Back of Endemic Joblessness for 18-30 Year Olds

The book draft proposes a focus on endemic hyper-unemployment of young adults in our most distressed communities, to eventually eliminate the within-region racial disparities in joblessness.

Recommendation: Propose a **Jobs Gap Challenge Program** for states and metro area jurisdictions to raise the employment rate of young adults in distressed neighborhoods through regional strategies:

- Provide incremental new resources and greatly enhanced *reinvention* flexibility with categorical federal and state programs, for interested regional alliances willing to accept *accountability*, and undertake program reinvention; the *regionalism* is important because that's the way labor markets work, and because many of the service and economic development tools stretch across local jurisdictions.
- Flexibly link programs in education, training, job search, transportation, employer networking, day care, housing assistance, drug treatment, etc. But results must matter.
- The strategies must include public-private partnerships, and strong involvement of schools, parents and community groups.

The *Jobs Gap Challenge* builds on the Youth Opportunities Initiative within the Workforce Investment Act of 1998. That \$250 million FY99 appropriation funds comprehensive out-of-school youth employment in a saturation model for roughly 20 sites, each ten blocks square. Serving only 60,000 youth nationwide, this will be a pale shadow of the President's broader vision of 1992 and 1993. While doing good for a few, it is a totally implausible federal response to inner city joblessness because it is a high-spending model that can never achieve scale in an era of fiscal restraint. We need more than pilots and demonstrations. We need resources and administrative incentives sufficient to promote the reinvention of federal, state and local delivery systems. We can't find the resources to be bolder if, again, we are unable to focus on a central goal.

Budget: There is no easy way to advance this agenda in the FY 2000 budget, without wiping out the bite-size list of investments at DOL and HUD in favor of a focused program of the sort sketched above. Absent direction from the President, NEC and OMB staff aren't interested.

III COMMUNITY ECONOMIC DEVELOPMENT:

Harness Markets with a National Community Investment Bank

The draft book argues that we can do more to harness the power of financial institutions and markets to create opportunity in distressed communities here at home, just as we try to do abroad through a variety of U.S. and multilateral programs. NEC had developed a raft of current and proposed ideas, including those in connection with Rev. Jackson's "trillion dollar roundtable." Some will argue, however, that this is a hodge-podge which suffers from three problems: insufficient scale; lack of integration into regionally-tailored development strategies; and absence of a sophisticated and comprehensive channel to and from private sources of capital, including secondary markets. We need to do for distressed communities what we did decades ago for the narrower sectoral issue of home ownership by creating Government Sponsored Enterprises, such as Fannie Mae, as well as what we attempt to do for investment in developing nations through

OPIC, Ex-Im Bank, the IMF and the multilateral development banks.

Recommendation: Launch a major refocusing of the large housing-related GSEs -- FNMA, Freddie Mac and the Federal Home Loan Bank Board System. In particular, the FHLBB should be re-chartered as the **National Community Investment Bank**, with a new mission: working side-by-side with CDFIs to fuel economic revitalization in our most distressed communities through affordable financing of a range of community development and job-creating projects. In general, GSEs commonly assert that they are "private" and cannot be expected to make uneconomic investments. But their profitability is fueled by their access to "cheap" money via a government debt guarantee or a discount Fed window. The FHLBB is the most egregious at playing loose with the public purpose, making much of its profit through arbitrage. Specifically, the President should propose to:

- First, adopt new regulatory and statutory provisions to (a) press the GSEs to focus more of their housing activity on severely distressed communities, and (b) give the GSEs more effective tools to promote targeted lending for community development purposes.
- More important, re-charter the FHLBB system as the *National Community Investment Bank* [NCIB] to stem arbitrage abuses and focus on investments and technical assistance that implement *comprehensive strategies for community economic development*, analogous to IMF and World Bank missions in developing nations.
- Third, some or all of the fiscal impact of these Federal subsidies could be placed on-budget, on the PAYGO side; the *NCIB* could be a source of financing outside the discretionary caps for CDFIs, SBICs, and many related efforts.

Using PAYGO and off-budget resources, a *thoroughly* reinvented *NCIB* could be a tremendous source of financial support and strategic planning assistance for distressed communities. As an intermediary, it could nurture secondary markets, allocate tax or other subsidies to attract private financing for SBICs and CDFIs, create insured equity investment vehicles, and more, subject to government safety and soundness oversight. This need not be done on the NDD side of the ledger, and would be a powerful multiplier for discretionary programs at SBA or elsewhere.

Budget: To be determined, but could be fashioned on the mandatory side for inclusion in a tax bill, whenever there is one. Could be scaled.

IV CRIME: COMMUNITY SECURITY & CRIMINAL JUSTICE ADMINISTRATION: *Flexible "Hot Spot" Funding to Reduce Disparities in Victimization*

The three central elements in the book's workplan are: (1) eliminate racial disparities in victimization -- "The right to live in a safe community"; (2) keep young people out of the criminal justice system, and for those who have contact with that system, make it their last; and

(3) build greater fairness and trust in the criminal system. The third item is non-budgetary, and the second requires more in resources than we can afford this year, and has very complex politics.

On victimization, Jose Cerda and I reached general agreement on DPC's "Hot Spots" idea, with a twist. The notion is to take a wide range of programs, including COPS, firearms enforcement, drug programs, etc., and make those appropriations subject to a "shave" that would put resources into a new central pot for competitive awards to communities that develop strong comprehensive plans to attack the hot-spot disparities in victimization. Eligible communities would be defined by race-neutral victimization criteria, and selected competitively by a review panel. They would get an allocation of *Hot Spots* money, plus substantial flexibility in how they spend their other DOJ funds, with continuing support based on accountability for results.

Budget: This can be done without new money if the President agrees to the "shave and waiver" approach. Ideally, however, it should be proposed as a combination of shaves plus net new dollars. I believe a program of \$300 million (including shaves) in its first year would be a credible first step, and could be financed with a modest shave on a broad enough base of programs.

V CIVIL RIGHTS LAW ENFORCEMENT: *Combating Discrimination and Hate*

The draft book argues that the fight against ordinary discrimination is not finished. The FY'99 budget included increases for some civil rights law enforcement agencies.

Recommendation: Sustain that investment, including reducing EEOC backlogs, and extend it to other enforcers of our basic rights. Specifically:

1. New investments for the DOJ Civil Rights Division and the Offices for Civil Rights at the Departments of Education and HHS; with the investments, re-engineer enforcement activity to emphasize voluntary compliance, technical assistance, education and dispute resolution.
2. Major increase in the DOJ Community Relations Service to meet the demand for crisis dispute resolution, while building its work in prevention and community dialogue.
3. Restructure and rehabilitate the U.S. Civil Rights Commission, especially its capacity for conducting investigatory hearings and issuing reports.
4. Build a federal capacity for authoritative time series data on the extent discrimination in various sectors, starting with housing and entry-level employment.
5. Build a DOJ grant-in-aid program to support state attorneys general in their civil rights work, analogous to the HUD grants to public and nonprofit fair housing enforcers.

Budget: OMB and DPC have agreed on an investment package of \$100 million, but it focuses primarily on items 1 and 2 above, plus an increase for HUD fair housing work (which I consider less important at the margin). There is very partial support for items 3 and 4, and none for item 5.

~~CLOSE HOLD~~ ms

THE WHITE HOUSE
WASHINGTON

April 27, 1999

MEMORANDUM FOR DISTRIBUTION

FROM: Phil Caplan *Phil*

Attached is the final missing section of the race book -- Part II:
Vision.

Edits/comments to Todd Stern by COB Friday, April 30.

g/e
✓
Race Book

~~CLOSE HOLD~~ ms

PART II:

THE AMERICA WE WANT:

WHAT SHOULD ONE AMERICA BE LIKE?

"Where there is no vision, the people perish"

Proverbs 29:18

*Hardly a vision
more an appendix.*

A. INTRODUCTION

Statistics, prognostications and trends give us some idea of what the America of the 21st century will look like, but what will the *One America* we so fervently hope for be like? As wise King Solomon taught us, we must begin with a vision. During the civil rights struggles when I was growing up, and even as a young man, I think most of us concerned about racial harmony thought that defining what was wrong and what the future should be wasn't all that complicated. Thurgood Marshall, arguing before the Supreme Court in *Brown v. Board of Education*, called it "A matter of simple justice."¹ Martin Luther King, Jr. shared his dream when he spoke at Lincoln's memorial, and he told us about the Promised Land when he spoke at Memphis on the eve of his tragic assassination.² Of course while the moral evil of racial subordination was clear to many of us, and

eventually to nearly all of us, we have encountered too many road blocks and detours on our journey to One America.

In recent years, in fact, our vision has become clouded and the discussion, when we have it, is often noisy and inconclusive. For one thing, our growing diversity has made the picture increasingly complex. But also, perhaps some of us have lost confidence that our ideals of racial justice are attainable, because after the burst of idealism and progress there have been painful frustrations.

I don't mind telling you that even within the White House, there has been divided opinion about my determination to tackle this very difficult issue. This is not so surprising, given the range of reasons people give for their reluctance to talk about race. Some of us presume that America has done all it can to bring about racial harmony. Some feel that the problem is so rooted in our national consciousness that it is fruitless to deal with it anymore. Some fear that it is too controversial, and the best way to make racial progress is to focus on creating opportunity, promoting responsibility, and be as silent about race as you can. Then, of course, many good hearted people are puzzled about all this. They see people as people and wonder what the fuss is all about: "Why can't everyone see past race the way I do?" And some of us are just simply fatigued. After all, for more than 300 years race has been America's constant curse.

Not too controversial, but b/c there are best way to solve common problems and move beyond racial divides.

I also sometimes think that the heroism demonstrated in the 1950s and 1960s was so towering that many of us believed racial progress was all but inevitable – that moving America to where it needs to be would be like rolling downhill. Well, that was wrong. Struggle remains necessary, although in different forms and against different obstacles.

NO

I share some of the exasperation with the long-running debate on race. I too believe we must approach this issue in a new way. Because of our growing diversity, I am convinced that facing up to and healing our racial divisions is the single most important unmet challenge we must meet if we are to keep our democracy, our prosperity and our spirit strong in the coming century.

As I stated in the previous chapter, once we have achieved a measure of agreement about the current shape of our racial landscape --the America We See --we must then embrace a shared vision of the America we want, and create a workplan to get us there. If we are to bind ourselves together, finding strength to meet the challenges of the new century, we must be clear about where we are going. What will *One America* look like if we can achieve it? What is the pole star to guide us?

I believe we must be guided by a shared vision of the quality of the *opportunity* shared by all, the depth of *responsibility* we demand from all, the nature of the *community* which includes us all, and – above all – the commitment we make in our *hearts* to overcoming the age-old barriers of prejudice, fear and division.

First, consider opportunity. In the nineteenth century, Alexis de Tocqueville visited America and wrote an insightful and enduring description of our young nation that, while intended primarily for Europeans curious about the ideas and energy stirring in this land, also managed to capture what may have been only dimly perceived by Americans themselves. He said, “The time will come when one hundred and fifty million men [and women] will be living in North America, equal in condition, all belonging to one family, owing their origin to the same cause, and preserving the same

civilization...” While we have surpassed Tocqueville’s population estimate, we have yet to fulfill his prophecy of equality.

And here is part of what Tocqueville wrote about slavery: “No African came in freedom to the shores of the New World; consequently all those found there now are slaves or freedmen. The Negro transmits to his descendants at birth the eternal mark of his ignominy. The law can abolish servitude, but only God can obliterate its traces.” That is our challenge today —to allow the spirit of righteousness in our hearts to obliterate all traces of our ignoble past.

As I look ahead to the America we are building, I imagine that we are visited by another Tocqueville. He looks around at our social conditions, at our economic progress, at the functioning of our corporations, civic organizations and governments. I want that visitor to see that opportunity is so widely and deeply distributed that there is no visible legacy of slavery, and no legacy from the subjugation or oppression of any people because of conquest, colonialism or color. To find any evidence of our troubled past, a visitor will have to study the history books and talk to the eldest among us. He will not find it by comparing the corporate officers with the company janitors, or the posh suburbs with the inner cities, because he will not see the racial stratification so common today. If we are *One America*, opportunity will not be color-coded. What relative disadvantages that do remain will be the humane consequences of economic and social freedom, not the consequence of continuing discrimination nor even the lingering stains of old moral wrongs. Every newborn will have the right to America’s complete dream, and it will take no extraordinary acts of courage or character to fulfill that dream. That is the opportunity we want in One America.

But, along with shared opportunity, we must demand shared *responsibility*. So many of the answers to our social and racial problems require people to reassert control over their own lives by taking responsibility for their own conduct – for their obligations to themselves and others. The Tocqueville of the future will immediately be struck by the fact that America is about more than individuals exercising their rights. One America must be about individuals and families, business and labor, government and community organizations, all shouldering responsibility for themselves, for our children, our elders, for each other and for generations yet to come.

There is more. This great balance of opportunity and responsibility will lead us to a new sense of *community*, with Americans of every color and ethnicity participating fully in all walks of life, interacting with each other in the public, private and personal spheres. We will not live separated from each other in gated communities, tuned-in to ethnically targeted media, to the near exclusion of other cultural life. Instead, from our workplaces to our friendships, we will enjoy our nation's diversity as a source of strength and richness on many dimensions. What I envision is more than integration in the shallow sense of multi-colored snapshots in every aspect of life. It is the connections that matter.

Finally, there is the business of our *hearts*. I believe that most fundamentally, achieving One America will mean that we have healed our hearts of the crippling influences of prejudice and fear, free to appreciate the common humanity we share as the gift of our Creator. But even with this, can we be confident that the evil of race hate can truly be purged from us all, or that it will not reemerge? Mankind's history of conflict and the tragic violence around the world today suggest that our tendency to focus on some kind of difference – racial, ethnic, tribal, religious – is an all but constant

threat that can break out in hatred between individuals and war between nations. I can't help but wonder whether it is deep in our genes, programmed into us, to huddle in enclaves with those in our group, to suspect our neighbors, and to fear the strangers. Against all of this, it may be wrong to think that we can heal our hearts once and for all by simply becoming more rational and civilized. All that has been accomplished since *Brown v. Board of Education* in 1954 has not been enough. In the One America we want, our hearts will be healed but we will recognize the dangerous currents in our natures. So, lest we backslide into racial rivalries and distrust, we will be steeled against prejudice because we will study history, determined to never repeat it.

*

B. VEXING QUESTIONS: CAN OUR VISION OF ONE AMERICA

HELP US RECONCILE OUR DIVISIONS?

In thinking about how to talk about my vision for One America, it became clear that there was

no way to comment on the entire universe of challenges in one book. So, I thought it would be helpful to examine a small number of vexing questions about the America we want for our children and grandchildren. When, for example, is racial or group identity inconsistent with building One America? How can we distinguish benign personal likes and dislikes from more troubling stereotypes, or from subtle discrimination? How do we reconcile the sacred sites of Native Americans with our vision of One America? How much does history still matter --can we get to the America we want without issuing an apology for the horrific injustice of slavery?

(1) The Identity Puzzle

When is racial or ethnic group identity inconsistent with an American identity, with building One America?

The number of immigrants in the United States has climbed sharply over the past 15 years,³ and this raises again the question of what it means to be "American." We expect new permanent residents and naturalized citizens to *join us*, in some sense, and to shed something of their former lives and allegiances. But what, concretely, does this mean?

Imagine walking through Los Angeles International Airport and passing by a coffee shop. The three people behind the counter are speaking with each other in Spanish, and Latin salsa music is on their radio. A white customer approaches, and is immediately served, in heavily accented English. The customer has a little trouble understanding, becomes visibly impatient, and raises her voice as though speaking louder will help her understand the

cashier. The transaction is completed, and she moves on.

Is it wrong for an American "Anglo" – a non-Hispanic white person – to feel impatient or even resentful in the face of the demographic changes to her community, her country? One way to puzzle this through is to try to figure out what each person – customer and clerk – might reasonably expect, and what each might fear – and our judgment about those inclinations.

First the customer. It certainly makes sense to expect that the clerk should be able to speak English when serving the general public, and also to interact with other employees or supervisors who may speak only English. Is it reasonable to expect the clerk to speak without an accent? No. Indeed, I've always been proud of my ability to understand the accents of northerners. And that's not too much to expect of me, provided northerners meet me half way. This is what lawyers call a "reasonableness test," sort of a special instance of the Golden Rule: Do unto others as you would have them do unto you.

Is it reasonable for the customer to be upset about the clerk speaking Spanish to other employees? That's a harder question, but I think that is an unreasonable reaction too. Why? To start with, we value personal liberty and autonomy. We try to limit the reach of government into our everyday lives, and I would oppose a law that attempted to somehow force people to speak only English as a condition of working or participating in any aspect of civic life.⁴ Indeed, I think government should, through antidiscrimination laws, protect otherwise capable employees from being fired for speaking a foreign language to one another.

- if they can deal with the boss and the customer effectively in English, where's the big harm?

Still, put the question of law aside for the sake of discussion. We are asking about what is right and wrong, and why. So, it seems to me unreasonable in the larger social context for the customer to be upset about the clerk speaking in Spanish to his coworkers. But, I believe this is wrong on a personal level as well. At its core, this seems less about communicating well enough to conduct business than it is about the customer's perception that *her community, as she defines it, is threatened by "others."* Depending on where she lives, it may be very reasonable to feel that her community is changing, perhaps dramatically. So, is it reasonable to feel "threatened" by that?

No, not to the point of resentment, or prejudice. Here's the deal: With the notable exception of Native Americans, America is and has always been a nation of immigrants. We welcome legal immigrants and in return we expect them to adopt key elements of American culture while simultaneously enriching our culture and our economic life. Every generation of immigrants takes time to go through the transition, and the high levels of newcomers in recent years --the highest since early in the century --shouldn't cause us to lose sight of the fact that today's immigrants are, for the most part, learning English and moving up as fast or faster than earlier generations.⁵

Focusing on the clerk for a moment, if we want opportunity to be shared by all Americans, then as a practical matter that means speaking English. Anyone who doesn't will inevitably be stuck in a sub-economy, cut off from much of the prosperity and dynamism in

Learning how a customer to be upset - (feeling) about Spanish
and raising her voice, but not angry for moments to sit at separate tables b/c they feel threatened by college environment.
Disappointed the people should not be to judge whether these reactions are OK or wrong, but how to overcome them.

which others share. Moreover, if we want a broader sense of community, tearing down barriers so we can interact across lines color, then we need a common language. Finally, if we are going to use understanding as an antidote to stereotypes and prejudice, racism and fear, then we need to be able to communicate.

So, the clerk should be able to expect that if he takes responsibility for learning English reasonably well, he will be able to move into the mainstream of our economy. In any case, he should be met in the "public square" with civility and respect from all Americans.

On the other hand, this is a land of freedoms. Suppose some people don't want to shed the language or other parts of their culture, even if it means losing opportunity and undermining a broader kind of community? Are the rest of us obligated to accept that? Let's be clear: with respect to learning English, the *facts* are that the vast majority of immigrants want to learn English, and are adamant about having their kids learn English. For these people the problem is most likely to be easy access to the educational assistance they need, and we must do more. But for those who wish to cling to their ways, despite the consequences to opportunity and community, the question is why?

In a way, the question can be generalized. This is not only about Latinos in a barrio. Similar issues of language or distinctive culture apply to groups as varied as the Amish in Pennsylvania, African Americans speaking non-standard English in a ghetto, Hasidic Jews in Brooklyn and Cambodian immigrants in Lowell, Massachusetts. At core, it is about reconciling group identity with American identity.

Here is one important distinction: we can tolerate a group that wants a measure of separateness, provided their separateness doesn't seriously interfere with the rest of us in building the prosperous community we envision for ourselves. This is mostly a matter of scale, I suppose, in the sense that the Amish or Hasidim can fiercely stand apart without threatening the cohesion the rest of us seek. If we feel threatened by their separateness, it's our problem, not theirs. And we should just accept that and get beyond it.

To become One America, we need not demand a surrender of our distinctive group identities, because there is room for distinctiveness within the community as a whole. Indeed, it would be pretty boring otherwise. Moreover, we *must not* surrender our identities, because they ultimately enrich and strengthen us all.

On the other hand, cultural secession by large groups among us is not healthy and imposes a serious obstacle to the opportunity and community we want. We do not want the creation of dozens of foreign "homelands" within our American community, walled off by language, culture and residential patterns from the broader community. Our vision of One America is not homogenization, with everyone the same, but neither can it be enclaves of culture stubbornly maintained through hostility to what America has been. Joining America means joining a process of change. We can't expect to succeed economically, and we can't expect social tranquility (much less rich interactions), if we give in to separateness.

I believe many people in poor minority communities accept or choose separateness because they don't believe that the possibilities of greater opportunity and community are

real. They don't see good jobs with a future, safe streets, and a better life for their children. They don't sense respect or expect acceptance from those with power and control over key institutions, from the police department to schools to major retail stores. There is an absolute responsibility to work for opportunity and take advantage of it. But if people reject the dream because everything around them proves it is an illusion, then we must work with them to make the dream real, so they, too, will choose One America.

This is an
fault -
what, custom
is her own
fault.

Deciding who is "us" and who is "them" has an intensely personal dimension, too. Again, this is far from the realm of law, but perhaps quite close to the question of what kind of America we want.

Imagine a mother, father and daughter, all of the same race. The daughter is in a serious relationship with a young man of a different race, and the parents are concerned: "We can accept your dating him because he is a fine person. But it is very important to us that you marry someone who is a member of our race. In fact, we insist on it. Aren't you proud of who you are?"

Is it wrong for the parents to want their daughter to marry within their group? Is this distinguishable from prejudice or bigotry? Don't they have a right, doesn't any of us, to try to preserve our identity or heritage? In one sense, this is the age-old story of star-crossed lovers, from *West Side Story* to *Romeo & Juliet*.⁶

Essentially this is about how willing we are to accept "outsiders." The biological urge

parents feel to produce the next generation seems to include a drive to make part of *ourselves* live on; literally to reproduce ourselves. The tension over intermarriage of whatever sort – religious, ethnic, class – is partly about including others in an extended family, and partly about creating the future through progeny. In both senses, intermarriage challenges notions of identity if it is seen to involve outsiders.

Increasingly, class status doesn't strike Americans as a terribly important kind of outsider status in these decisions. Obviously, social patterns make marriage across large class divisions less likely, but certainly in comparison with two or four generations ago, most of us would consider parental objections on grounds of class very anachronistic. We would deride it as un-American, Old World snobbery. I suspect that one factor in this evolution in norms is the growth of the middle class and of middle class values or culture, so that over a much wider range we view ourselves as classless. Another factor is that class prejudice is just plain anti-democratic, an affront to ideals.

In contrast, race is still a powerful marker of outsider status, complicating family decisions about who is being included and what is being created. But, like class or even religion, it need not be so powerful forever. Indeed, as I described in Part I, opinion surveys suggest that attitudes towards interracial dating and marriage are shifting steadily towards tolerance, and I suspect the shift will accelerate. As we learn to live together, we see that strangers are not so very different.

It is right to want to preserve an important element of our distinctiveness, because the

One America we want should be rich in diversity, not homogeneous. But it is also important to be unafraid and open to form ever deeper bonds of community and affection with those we might, today, view as different from ourselves. Humans have an undeniable clannish part to our nature, but an equally undeniable need to explore, learn, grow and form communities.

But distinctions in context matter. Family, and love, are indeed different from employment or housing or criminal justice. I suppose that if a kind of racial clannishness or race consciousness should be tolerable anywhere, it is with respect to close family matters. But I'm left uncomfortable about it. What concerns me is that if I make the race of my daughter's boyfriend more important than their love, if race means *that much* to me, am I really free enough of prejudice and racial pride to, for example, hire or promote someone of that race? Or trust my life to them in the hospital, or on a battlefield?

This seems to be one of those situations in which people will draw the line in different places. I want a world in which families are drawn together primarily by love, ethnicity, culture or race. Race shouldn't stand in the way when it comes to relationships that matter. While the data on intermarriage are encouraging, many of us just aren't there yet. It's not that I begrudge people pride in their ethnicity or religion. Of course not. It's a question of where one draws the line.

Going back to my example of the parents and daughter, I suspect that if the parents could only see that in their daughter's interracial relationship they may have something to gain and not so much to lose, then their concerns would be softer and their hearts more open. In the America we want, our subgroup identity is important to us, but so is that openness of

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heart that makes it possible to form the strongest of connections with others based upon everything that we are as people, not based exclusively or even primarily on ethnic subgroup. An extended family can preserve and transmit values, culture and pride without living in a cave or building walls. They can do so by being strong, not exclusionary, in a society in which differences in ethnic heritage and culture are celebrated rather than repressed.

omehow, we must balance our need to cling to people who are like us, with the need to build a community in which we can all understand, benefit from and celebrate our differences.

Consider:

On a college campus, most of the African American students tend to sit together at a group of tables in the dining hall, and many of them have petitioned the dean to create a "theme dormitory" intended to be attract black student residents. The occasional non-black student who sits at the tables is treated frostily, as an intruder, unless there as the "guest" of a black student.

This appears to be a self-imposed segregation or clannishness. If we strive to be One America, should we continue to congregate in our own racial and ethnic groups, or should such arrangements be discouraged, or even prohibited by, say, school authorities or employers? Or, instead, are such voluntary groupings largely a good thing that we should encourage? Can we build One America if college organizations such as a Black Student Union, Hispanic Student Alliance, Asian American Student Alliance and American Indian Student Association continue to exist?

To begin with, you can't tell much just from the appearance. (After all, Episcopalians and Lutherans are self-segregated on Sunday mornings.) So we have to figure out what is going on in that community. For example, suppose minority students say they sit together or want a social center because they feel the need for a refuge from an environment they experience as unwelcoming or even hostile. In this case, their response seems to me a healthy reaction, and the challenge is to discover what can be done to improve the environment. Suppose, however, that one group of students is self-segregating because they affirmatively want to cut themselves off from interactions with others. That seems unacceptable, because it simply makes it impossible – *for everyone* – to gain the benefits of diversity. If that sentiment were extended to the entire society, clearly it would be inconsistent with achieving One America. Still a third possibility is that the minority students feel welcome enough on campus, but nevertheless want to “hang out” together because they feel an affinity based upon everything that gives us our subgroup identities – experiences, history, culture, values, and so forth.

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It is hard to see the problem with this, if it doesn't slip into a separatism that substantially undermines the possibilities for enjoying the benefits of diversity, and if it is a separateness that has neither the intent nor the effect of hurting anyone else.

Q is not whether it's OK, but how to get beyond it.

To illustrate this last point, think about the legal profession. Any lawyer can belong to the American Bar Association, but there are also a series of minority bar associations (and one for women, too) which play a valuable role by bringing concerted attention to issues particularly important to those groups. So, what about an association of *white* lawyers? I

think there is a crucial difference. Given history, and given the distribution of power within the profession and the legal system, I can think of no benign justifications for a white association. It would be a throwback to the era of Jim Crow. In contrast, the very purpose of minority and women bar associations is to open up the profession to historically excluded and underrepresented groups, which is surely a step *towards* One America.

Back on campus, should we be concerned about a "white" student group? Yes. One problem is that a White Student Group is overly broad. The creation of white ethnic student groups, such as an Italian American Student Union, does not feel morally repugnant and would likely serve important and legitimate purposes. The fact is that, at this point in our history, a white group on a historically white campus, celebrating "white culture" or providing a forum to discuss "white issues" would be immediately and strongly tied to claims of white dominance, superiority and exclusivity, threatening our vision of One America.

I believe that race-based groups can be fully appropriate, and even valuable, if they are formed for the proper purposes. Far from being divisive, racial or ethnic student groups may help express and sustain a cultural identity based on common history. They may encourage the sharing of experiences and challenges (especially those related to race), and create a "comfort zone" so minority students then feel confident actively engaging the broader community. In short, organizations that serve the right purposes are likely contribute to positive cross-racial interactions and thereby to diversity's educational benefits for everyone. However, if the purpose or practical effect of these associations is to isolate people into racial

cliques

or ethnic enclaves, I believe they are inconsistent with our vision of America, no matter how voluntary. While group affiliation is important and appropriate, America is not a federation of racial and ethnic groups with individual members. Instead, we must see ourselves as a nation of *individuals* who are defined *only in part* by our group affiliations.

The fact is, each of us belongs to many groups. Racial or ethnic group identity may be more salient for one person than it is for another, depending on the strength of cultural traditions, the nature of racial or ethnic experiences in society, individual preferences, and more. But this *subgroup* identity does not have to threaten our *American* identity. In important ways, our racial and ethnic diversity should be viewed like our religious diversity. We each belong to and congregate with our different religious communities, but that need not and should not change the way we relate to each other nor threaten our American community. In this sense, we live in a "religion blind" society --while attendance at worship services flourishes and we celebrate freedom of religion as a defining triumph of America. The "color blindness" we seek for One America must be similar. It is not about homogeneity, and it is not about ignoring differences.

Some people may believe this view of our nation, in which American identity and racial or ethnic identity can co-exist, is a radical departure from older notions of assimilation --the old melting pot analogy. I disagree. We all change as our society changes, and we always have. But that does not mean that each of us has to give up our racial or ethnic identity --our heritage, our history, our experiences, our languages. National identity is not a negative concept, but neither is racial or ethnic group identity. The conflicts around the world,

however, teach us that ethnic identity must be sustained within a framework of community in which the values that unite us are made stronger than those which tend to separate us.

(2) Representation and Difference

Shortly before I took office as President, I said that I hoped that my Cabinet would "look like America," and some people criticized me for putting too much emphasis on gender and racial representation. A little of the criticism was based on misunderstanding. I certainly was not interested in a quota or rigid numerical straightjacket, or proportional representation in an arithmetic sense. My fundamental point was that by being inclusive, I could assemble a group of leaders who would do a better job of advising me and serving the American people. Moreover, an inclusive government helps give people confidence that a range of voices and concerns are represented, giving government more of the legitimacy upon which our democracy depends.

But things are a bit more complicated than that. Consider:

With the shifting demographics in many areas of the country, there are continuing questions of whether various ethnic groups "deserve" to have a member of their own group as "their" elected representative, school superintendent, police chief, or other key official. We have spent most of the decade since the 1990 census in litigation and political struggle over congressional redistricting that helped bring unprecedented numbers of Hispanics and African Americans to the House of Representatives. We are poised for a new census, and

another round of battles. An added wrinkle: in several communities the burgeoning Hispanic population is increasingly insistent that their leadership choices are too limited. They restlessly ask when *their* turn will come, just as African Americans started to do a generation ago.

I have had the honor of a career in public service, and I have always worked hard to represent all of the people, not just the people who look like me, or even just the people who voted for me. And yet I understand those who say, "Why can't someone from my race or ethnic group be in power?" They want confidence that power is held by someone who understands them, and they want a sense of ownership in their government. In America, still, color often gets in the way of that sense of connection between the public and their leaders.

It is wrong to ignore this problem of connection. As a public servant, I have always viewed it as a reason to redouble my efforts to understand people whose experiences and perspectives are different from mine. At election time, what I always wanted was a chance to demonstrate that I could grow beyond my own limited experiences, in order to excel at my job. But in a world of differences and suspicions, the chance has to be earned, and trust has to be won, over and over again. It's not really that different when there are no racial lines involved, but race adds another layer of difficulty.

More often than not, minority voters were willing to give me that chance, and then to renew their trust in me. If race had been their overwhelming consideration, I wouldn't have won their votes, and my career would have been very different. Instead, race was just one

thing on their minds, and that makes sense. I understand that race still means something, at least to many voters. But it shouldn't mean everything.

In the America we want, how important will race be to voters? Here's a lesson from recent history. When John F. Kennedy was campaigning, some people were concerned about having a Roman Catholic in the White House. There were some pretty bigoted statements about conspiracies with the Pope, and about the capabilities of the Irish.⁷ A lot of people too, while not bigoted, harbored doubts or distrust of the unfamiliar. Kennedy's religion, certainly his unfamiliar accent, were clearly on the minds of at least some voters. But the ugliness, prejudices and suspicions of difference did not defeat us. And now, the fact that the "religion question" seemed so politically potent back then seems shameful evidence of a particular brand of intolerance we have almost purged from our civic life. *Almost*. I want that kind of progress when it comes to race. Religion matters in a deeply personal way to us as individuals, and we even feel some sense of connection to those who share our particular faith. Nevertheless, increasingly in our civic life and our social relationships, we accept that religious difference must not be a cause for division.

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I think just about every successful politician or business leader or clergyman expects that they have to earn the confidence of their constituents or congregants. It seems reasonable for someone to ask, "How can you represent me if you are so *different* from me?" But it also seems reasonable to give the office-seeker an opportunity to demonstrate - at least through a campaign, if not service - that what they have in common is more important. What I'm suggesting is that we recognize the real differences and distance between us, but

work hard to be open to building connections, building a true community of interests, values and hopes.

We've seen evidence that this can work. For example, there have been several instances where an elected politician of one race has been reelected even though demographic shifts or redrawing of their districts has left them representing a very different racial mix. Many people wrote off Congresswoman Cynthia McKinney, an outstanding Representative from Georgia, because her majority-black district was redrawn after litigation to give her a majority white district. But she won more than enough white votes to hold her seat comfortably.⁸ True, there is still room to argue that she got those votes only because the advantages of incumbency outweighed the suspicions of her new white constituents. But I prefer a more hopeful, glass-half-full analysis: most voters will give a decent candidate a decent chance to prove themselves, and look at the whole person, the whole record, and the whole range of things that matter.

So, I see the growing numbers of elected minority officials as a sign of great success and strength for our democracy. But I feel even better for our future when I see the growing numbers of minority officials with strong blocks of white voter support, and white officials with strong minority support.

outside the electoral context, there are other situations where race and representation spark controversy. For example should a major paper in a diverse community use ethnicity as a factor in assigning metro reporters to cover various communities or issues? Should a PTA

at a diverse school try to have members or officers who reflect the diversity of the school?

As in my effort in assembling a cabinet, or a college's effort in recruiting and admitting students, the first reason to keep an eye on diversity is that it is one way (not the only way) to confirm that you really are looking for excellence in all kinds of people, rather than relying on some closed process that works based on, say, personal connections or cronyism. If the community is diverse and the newsroom isn't, it is at least worth asking why; if the school is diverse, but the PTA again isn't, shouldn't we ask why, because the organization will be better if it is drawing from all the talent and energy of the community.

A second important reason is legitimacy in the eyes of the public. Will minority readers trust a paper if none of the staff seems to come from or feel connected to the minority community? Will minority parents turn to the PTA as a vehicle for involvement and school improvement if the association seems too apart from the minority community?

Another reason is that in our vision of One America, in which we have a shared community and hearts healed by understanding, we need to have workplaces and civic organizations in which people experience and bridge their differences, reshaping their "comfort zones" by working and acting together.

But perhaps the most compelling argument for diversity is that many organizations will simply work better if they are representative. This is fairly obvious in politics, but it matters elsewhere, too. An excellent newspaper ought to be covering the whole community, creatively addressing issues of concern to all the key groups. The PTA should shape its

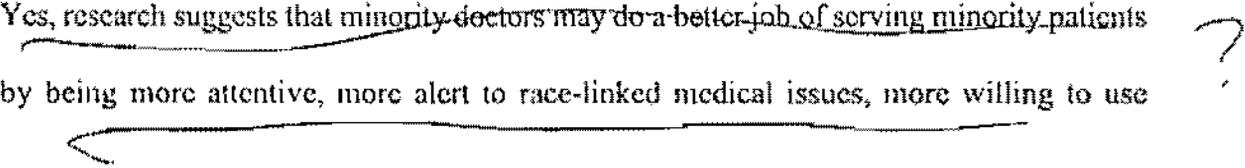
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agenda based upon the range of concerns of all parents, not those of a select few.

This is not a kind of racial determinism – I don't think that all or even most of a person's ideas or values are shaped by race. Still, in America at century's end, race is remains a powerful force in shaping our experiences, and therefore our perceptions and values. If we ignore that reality, and it results in an overwhelming white organization, out of step with the diversity in its community, performance could suffer.

Of course, this can go too far. I think a newspaper is more likely to pay attention to Hispanic issues if the newsroom is diverse, but I do not believe that only a Latino journalist can cover issues of special concern to the Latino community. (Nor do I think that it is fair to isolate minorities by tracking them into minority-only jobs, whatever the workplace and however high the salary.) My reasoning parallels the electoral example. Just as any candidate deserves a chance to make his or her case to a diverse constituency, to dismantle stereotypes and to build bridges, a journalist deserves the same chance. Indeed, it is probably good for everyone concerned to make a bit of an effort to mix things up, and use effective professional management and coaching to make sure a good job gets done.

Imagine a hospital, and the value to a minority community of seeing minority doctors and nurses there. It doesn't follow that minority patients should be served only by minority medical personnel. In fact, it is good to have doctor-patient relationships across racial lines. Yes, research suggests that minority doctors may do a better job of serving minority patients by being more attentive, more alert to race-linked medical issues, more willing to use



aggressive treatment strategies, and so forth. The answer is not to segregate health care delivery, but to repair any discrimination, misunderstanding or discomfort that undermines quality care.

I think one of our most difficult challenges in the years ahead is to think through the subtleties of when race should matter, and when it shouldn't. Simple answers are likely to get us off track. Instead of all or nothing, we need to stay focused on our vision of what kind of community and institutions we want.

(3) Personal Preferences, Stereotypes and Discrimination

One of the remarkable transformations in my lifetime has been the dramatic acceptance of the basic fact that racial discrimination is wrong.⁹ Inevitably, however, there are problems putting our stated beliefs into everyday practice by everyone in every situation. While I know that in some cases this is because hearts remain locked and poisoned, there is a far more common problem of not quite knowing in our daily lives where a simple human tendency to prefer the familiar, including people like ourselves, shades into the troubling use of stereotypes and eventually the clearly wrong kinds of behavior our legal system chooses to label "discrimination."

Here is a classic kind of conflict, played out in countless neighborhoods around the nation. You could pick just about any two ethnic groups for this, but I'll pick an example that has gotten national attention over the years:

A Korean-American family, Mr. and Mrs. Suh, owns and operates a small grocery store in a poor neighborhood where the residents are mostly entirely African-American. A group of residents approach the grocers to protest the fact that only one of the store's ten employees is black, only one Latino, and the others Korean-Americans from outside the neighborhood. The residents accuse Suhs of discrimination, but the Suhs insist that they harbor no bigotry towards their customers. They simply prefer to hire people who are relatives and friends.

If a family starts a business and wants to hire a relative to work the night shift, it makes no sense to confuse that with discrimination. As the business grows, however, at what point do we insist that an employer reach beyond his or her "comfort zone" and open up the job opportunities? As a matter of law, the federal employment antidiscrimination statute exempts firms with fewer than 15 employees.¹⁰ Congress struck a balance between broader concerns about fairness and opportunity on the one hand, versus concerns about autonomy, or freedom from regulation, for the "mom and pop" operation.

But put aside the technical issue of what is or isn't lawful. What is *right*? How would you urge a close friend to act, and to what standard would you hold yourself?

On a common-sense level, when you are trying to decide with whom to have dinner, or go to a movie, or hire, or do business, you try to find some basis for connection or affinity. By and large, we try to connect with other people by finding points of similarity. And most of us would confess to a simple tendency, perhaps innately human, to prefer people who are like ourselves. The problem is that in America today, color is one of the most important

things that seems often to get in the way of forming that connection. So, the danger is clear: If each of us throughout society and the economy just follows our inclination to socialize, hire and do business based on who seems familiar, we end up with a massive denial of opportunity to those still outside the economic mainstream. Fundamentally, it doesn't matter whether the pattern fits the legal definition of discrimination. It just isn't the kind of community we want. It's not One America.

To return to the example of the grocer, we could say that only larger employers have any responsibility to reach out and be more inclusive, less clannish. In fact, however, I think that while we want the law and government regulation to stay out of this for smaller businesses, it still makes sense for the small business to balance the inclination to stick with the familiar, with the desirability of building a community by connecting with everyone.

what remedy - just a hypothetical opinion

What complicates this example even more, however, is the background of rivalry and tension. No ethnic group is immune from the accident of misunderstanding or the disease of bigotry, and that includes members of minority groups that have themselves been traditional victims of discrimination. Asian immigrants and Asian Americans have been thrown into perceived competition with African Americans and Hispanic Americans through a combination of circumstances, including their immigration story and the structure of opportunity and discrimination at work.

Like many immigrant groups, Koreans were pulled to the United States in search of a higher standard of living than what was available in their native land. Though many of these

immigrants had professional degrees, various barriers, among them language and discrimination, relegated Koreans to the margins of the general labor market. Simultaneously, the reluctance of large chain businesses to locate in low-income minority neighborhoods created a window of opportunity for small retail stores in those communities. Thus, Korean immigrants turned to self-employment and have become concentrated in the economic niche of retail merchants who serve predominantly black and Hispanic clientele.

As economic and ethnic niches begin to overlap, ethnic boundaries can become battle lines in competition, real or imagined. As Koreans and Korean Americans are more closely identified as the "haves" and blacks or Hispanics see themselves as the "have-nots," racial hostility has at times seemed inevitable. The more blacks and Hispanics feel disadvantaged by the larger social structure, the greater their sense of racial alienation will be, and the more likely they will be to perceive other ethnic groups as potential competitors. In this sense, frustration with the larger system of inequality leads naturally to blaming other minorities who occupy close socioeconomic roles.

In reality, however, it is a complex pattern of disadvantage, discrimination and ordinary market forces that has forced Koreans (and other immigrant groups, depending on the community and the decade) and blacks into this pattern of interaction. It may be difficult to see the whole picture if you are someone in the middle of it, feeling like you have little economic or political power to shape your community or your own opportunities. How can you focus on the big picture when the evidence of injustice seems plain, right in front of you, in the grocer's workforce, prices, and so forth?

The capital used by Koreans to start their businesses is typically money saved from employment earnings. In New York City, only 5.8 percent of Korean Merchants in black neighborhoods reported using commercial loans as the main source of their capital.¹¹ Korean business opportunities are not created at the expense of black businesses. Discrimination in access to commercial loans and other banking services is a much larger problem, which I will address in a later chapter. The ethnicity of the grocery store owner and its workers would probably not matter so much if the black and Latino residents of the community felt satisfied by their economic opportunities and believed they had the same potential to open a store themselves.

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(4) The Special Matter of Native Americans: Sacred Sites

One of the most challenging questions facing our country today is how to reconcile our vision of One America with the sovereignty status that makes our relationship with Native Americans so unique. A stark example of how this dilemma manifests itself is the conflict over Indian sacred sites. For years now, communities have been wrestling with how to reconcile the use of land for competing goals like economic development, harvesting and mining of natural resources, open space preservation, recreation and cultural activities. In many cases these competing uses can be reconciled through land use planning or, in the case of our national parks, an affirmative decision to preserve the natural state of large land areas. Land exchanges among federal, state and private landholders is another promising tool for reconciling competing uses. Sometimes, however, competing uses cannot be readily

harmonized and conflicts arise that force us to examine fundamental values of land preservation in the context of needed development. For Native Americans, these conflicts can have stark consequences because their access to and use of Indian sacred sites sometimes forces a choice – or seems to – between the exercise of timeless American Indian religious ceremonies and the march of a modern economy.

Throughout our history, countless official and unofficial government decisions forced the destruction of ceremonial mounds, medicine wheels, sweat lodges, prayer altars, and other places sacred to Native Americans. The ceremonial Sun Dance ritual, the Ghost Dance, the religious use of feathers and the tribal sacraments have all been challenged and at one time banned by federal and state officials. Indeed, one of the painful ironies of our country's treatment of Native Americans has been that while early European settlers came to this country to escape religious persecution, the Native Peoples were forced to endure it.

Even in modern times, these conflicts have arisen. For example, in February 1995, the National Park Service issued a rock climbing management plan for the Devil's Tower National Monument in Wyoming. The plan provided that "(I)n respect for the reverence many American Indians hold for Devil's Tower as a sacred site, rock climbers will be asked to voluntarily refrain from climbing on Devil's Tower during the culturally significant month of June." Some American Indians believed the presence of climbers on the sacred butte had seriously affected their traditional activities and the spiritual quality of the site. Even though the climbing ban was voluntary, the Park Service was sued for "promoting" Native American religion. The plaintiffs even objected to an interpretive education program explaining the

religious and cultural significance of the Monument. Although the voluntary ban was upheld by a federal court, the case illustrates the type of cultural conflict that exists when public land is rightfully protected for Native American activities.

To give guidance in resolving these types of conflicts, I signed an Executive Order in 1996 designed to accommodate access to and ceremonial use of Indian sacred sites by Indian religious practitioners on federal lands, as well as to avoid adversely affecting the physical integrity of such sites. To identify and then resolve possible conflicts, there must be a dialogue that will help both Indian religious practitioners and the federal government achieve their goals.

For example, unlike a church, temple or mosque, which are readily identified, the ceremonial sites of an Indian tribe might be a mountain top, a cliff formation or a hidden spring. The location of these sites are often among the most deeply held secrets of the tribal community and the ceremonies that take place there among the most essential to their cultural and religious identity. Because some tribes consider it blasphemy to their Creator to sacred places, there are no maps to identify these sites, nor should there be. What I hoped to do in the Executive Order was ensure that there is consultation first, so that re-routing an access road in a federal park or building a ranger station does not result in the unintentional destruction of a tribal sacred site. Even if the tribe cannot reveal the exact location of the site, a confidential process can still protect it.

The problem is broader than the circumstances covered by my Executive Order. Tribes

and various communities must deal with competing perceptions, values and traditions in many contexts. One of the most promising practices that federal, state and local officials could adopt when contemplating taking action that might affect access to or the physical integrity of Indian sacred sites is to initiate formal consultations with affected Indian tribes and practitioners. A focused cultural resources team might find a way to accommodate the Native American interest or otherwise minimize the effects of the activity. Mediation and other methods of alternative dispute resolution are also valuable tools in reaching consensus decisions in these matters. In some cases a conservation easement may be appropriate or some other form of perpetual occupancy of the subject area. In other cases, joint memoranda between government and tribal authorities on how to manage culturally sensitive area might also be appropriate.

As the millennium approaches, our country's respect for preservation continues to grow, whether it is historical battlefields like Gettysburg or the natural geysers at Yellowstone. In the America we want, we must do more to honor and preserve the sites of concern to Native Americans that in many cases predate the arrival of European settlers. One key to protecting Native American sacred places is to respect the liturgy of the First Americans. Elements of their beliefs, like their respect for Mother Earth, are in the broadest sense a part of the American story.

When I met with the tribal leaders at the White House in 1994; I quoted the Great Law of the Six Nations Iroquois Confederacy which contained this advice: "In our every deliberation, we must consider the impact of our decision on the next seven generations." This lesson of stewardship can serve all Americans well.

(5) Apologies for Slavery and Other Wrongs

"To the survivors, to the wives and family members, the children and the grandchildren, I say what you know: No power on Earth can give you back the lives lost, the pain suffered, the years of internal torment and anguish. What was done cannot be undone. But we can end the silence. We can stop turning our heads away. We can look at you in the eye and finally say on behalf of the American people, what the United States government did was shameful, and I am sorry."

May 16, 1997 was one of my proudest moments as President. On that day in the East Room of the White House, I issued the first formal government apology to the eight survivors of the infamous syphilis study at Tuskegee in which hundreds of African American men were enlisted in a government study that did the unthinkable --denied them treatment for syphilis once a cure was found. For forty years our government lied to them, their wives, their children and their community. This travesty was a clear instance when our nation failed to live up to its ideals and broke the solemn trust with our people that is the very foundation of our democracy. Clearly, an apology, in this instance was not only appropriate, it was shamefully long overdue.

So what about slavery? Was it not a travesty...a broken trust...a stain on the fabric of our democracy? Yes. And, in many ways because it was so horrific in degrees far greater and more lasting than any single act of injustice in our nation's history, it requires much more than a Presidential apology.

From the very beginning and throughout the Race Initiative there has been a simmering debate about the merits of my issuing an apology for slavery. After listening to all points of view, reviewing the history of apologies for racial and ethnic oppression and searching my own heart, I decided not to make this a major focus of our work.

My apology to the survivors of the syphilis study at Tuskegee was not the first time America had seen fit to say "I'm sorry." There have been instances when our government has apologized and reimbursed American Indians for broken treaties. And in 1988, our government issued a formal apology and \$1 billion for the imprisonment of Japanese Americans.

While an apology from a sitting President for what is unquestionably the single most shameful, destructive and divisive part of our past would undoubtedly generate headlines, and make some people feel good, we also knew that it could have a confusing, diversionary or even polarizing effect. Some white people might ask, "Exactly what are we apologizing for --I've certainly never owned slaves, nor have any of my ancestors as far as I know." "Who are we apologizing to?" Slavery is over; there are no former slaves still living, and racism for the most part is a thing of the past. So, why should I apologize to Oprah Winfrey or Colin Powell who are paragons of American success?"

While most Americans would not defend, feel proud of or in any way stand up for the years of slavery or the awful legacy which it left in its wake, there are too many who do not, or will not see, that for every Oprah and Colin Powell, there are hundreds of African Americans still rising, against the odds, out of the sinkhole of slavery --still struggling to

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attain simple dignity and a foothold on the ladder of opportunity. As long as there are those among us who refuse to understand what 200 years of stolen history, broken families, beatings, imprisonment, lynchings, discrimination and hatred can do to a people, we dare not declare victory with a mere apology. After all, what good is an apology if you don't even understand what you are apologizing for?

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Duke?
Repub Party?

That sentiment is echoed by many African Americans who tell me that while they, in varying degrees, are still experiencing the negative effects of more than two centuries of slavery and discrimination, an apology would be just empty words. With so much work to do and so many Americans either ignorant of or in denial about the on-going need to heal the festering wound of slavery and racism, they tell me a Presidential apology would amount to a Presidential pardon. They say an apology at this time would in effect relieve too many of our citizens of any responsibility to get on with the unfinished work of building One America.

Age = barely able to make up his mind,
against it bc AAs are against it —
not bc it would be meaningless, hollow words.



At least for now, I decided that we should look more towards the America we want than to the America of our past. While America has not fully come to terms with its past, we have made progress. We've seen the enactment of the 13th, 14th, and 15th amendments. We've seen the passage of major civil rights legislation --the Civil Rights Act, the Voting Rights Act, the Fair Housing Act and others. We must continue that forward motion, and even accelerate it. Today, that means focusing all our energies on closing the opportunity gap and aggressively fighting discrimination that still exists. We must lift up depressed communities and we must widen the circle of reconciliation to reflect our expanding diversity which

includes not only African Americans, but also Hispanics, Native Americans, Asian-Pacific Islanders and new immigrants from Europe.

"Let us not love in word, neither in tongue; but in deed and truth."

1 John, 3:18

Unfortunately, race and ethnicity continue to be salient predictors of well-being in American society. African Americans, Hispanics and American Indians still experience real disadvantages in health, education and economic status relative to non-Hispanic whites and Asians. Clearly, actions, not apologies are what is needed to close these gaps. We must make sure that our federal, state and local governments, our public schools, our health care systems and our courts deal fairly with all people and provide equal opportunities for every American to participate fully in our society. When it comes to making amends for the horror and legacy of slavery, in the America we want our actions will speak louder than our words.

Book ends an old civ rts debate again.

Hispanics get less than in book than Indians

WHITE HOUSE STAFFING MEMORANDUM

Race Book

Date: 5 - 18 - 99 ACTION / CONCURRENCE / COMMENT DUE BY: _____

Subject: Substantive Outline for Race Book

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MOORE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
PODESTA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NASH	<input type="checkbox"/>	<input type="checkbox"/>
ECHAVESTE	<input type="checkbox"/>	<input checked="" type="checkbox"/>	REED _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>
RICCHETTI	<input type="checkbox"/>	<input type="checkbox"/>	RUFF	<input type="checkbox"/>	<input checked="" type="checkbox"/>
LEW	<input type="checkbox"/>	<input type="checkbox"/>	SOSNIK	<input type="checkbox"/>	<input type="checkbox"/>
BERGER	<input type="checkbox"/>	<input type="checkbox"/>	SPERLING	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BLUMENTHAL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STEIN	<input type="checkbox"/>	<input type="checkbox"/>
CAHILL	<input type="checkbox"/>	<input type="checkbox"/>	STERN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
FRAMPTON	<input type="checkbox"/>	<input type="checkbox"/>	STRETT	<input type="checkbox"/>	<input type="checkbox"/>
IBARRA	<input type="checkbox"/>	<input type="checkbox"/>	TRAMONTANO	<input type="checkbox"/>	<input type="checkbox"/>
JOHNSON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	UCELLI	<input type="checkbox"/>	<input type="checkbox"/>
KLAIN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	VERVEER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
LANE	<input type="checkbox"/>	<input type="checkbox"/>	WALDMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
LEWIS	<input type="checkbox"/>	<input type="checkbox"/>	YELLEN	<input type="checkbox"/>	<input type="checkbox"/>
LINDSEY	<input type="checkbox"/>	<input type="checkbox"/>	<u>HRC</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
LOCKHART	<input type="checkbox"/>	<input type="checkbox"/>	<u>KAGAN</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
MARSHALL	<input type="checkbox"/>	<input type="checkbox"/>	<u>SYLVIA MATHEWS</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
JOSH GOTBAUM		<input checked="" type="checkbox"/>	SHIRLEY SAGAWA		<input checked="" type="checkbox"/>
			EDDIE CORREIA		<input checked="" type="checkbox"/>

REMARKS:

This has been forwarded to the President.

RESPONSE:

May 18, 1999

MEMORANDUM

To: The President
From: Christopher Edley, Jr. and Terry Edmonds
Subject: Substantive Outline
Date: May 18, 1999

You requested, through Maria, a detailed outline that would convey the flow of the arguments and policies. This is our attempt.

We continue to work at incorporating your preliminary comments and those of White House staff reviewers, while also trying to negotiate away some of the policy disagreements we have with White House staff. Some of the policies noted in the outline, therefore, are disputed. Perhaps even contentious.

OUT OF MANY, ONE: RACIAL AND ETHNIC JUSTICE IN 21ST CENTURY AMERICA

INTRODUCTION

[Ojibway prayer]

Lofty opening; analytical and personal motivation for the book -- .

- We must embark on the new century recommitted to right the wrongs of our past and to make real the promise of equality and justice that has eluded us throughout our history . . . Today new urgency . . . demographic transformations . . . All of this is happening against a backdrop of unparalleled peace and prosperity. . .
- Racism has been America's constant curse . . . and . . . our constant struggle. We must face these contradictions squarely as a critical step, not only to healing the wounds of our past, but also of unleashing the power and promise of our future. We must become One America in the 21st century.
- I hope this report will help lay the foundation for a renewed national commitment to racial healing in America. As a boy growing up in the 1950s and early 60s . . .
- Why launch the national Initiative on Race? (1) Our work is not yet done . . . (2) Our diversity will either be the great problem or the great promise of 21st century America.

Short roadmap for the book, including summary of the vision; guiding principles, including new covenants to define a new agenda beyond last generation's goals

- Summary plan of the book – Part I, *The America We See*, presents the facts about race in America today . . . etc.
- What will the America we want look like? Summary of the vision *Opportunity* will be shared so deeply and broadly that an observer, a stranger in our land, will see no evidence of a past with slavery or conquest or nativist discrimination; Each person takes *responsibility*, not only for making the most of their own life, but also for ensuring that every other American has an equal chance to do the same; *Community* so powerful that our social and economic interactions will pull us out of ethnic enclaves; *Hearts* healed of the crippling influences of prejudice and fear
- Ethical precepts to guide us on this journey. (1) Out of many, one; stop living under the delusion of separation, dividing ourselves into categories, mistakenly believing these can

capture the whole truth about anyone. (2) We should approach this issue with proper humility. . . (3) Recognize the ways we have allowed our racial differences to get inside our heads . . . (4) We cannot expect government, or "leaders" to make this journey for us; Reaching the promised land requires a journey of the heart, for each of us.

- Must go beyond the agenda defined a generation ago . . . We must embrace new civic covenants for the new century . . . (a) a covenant with our children, that each of them will have access to a world-class education, and an equal opportunity for educational achievement; (b) a covenant with our families, that each can live secure in their home without fear of violent lawlessness; and (c) a covenant with our communities, that each will be part of the nation's economic mainstream, neither ignored nor left behind.
- Thanks to Advisory Board, Judy Winston; closing.

[Langston Hughes poem]

PART I: THE AMERICA WE SEE

A. INTRODUCTION

- Note confusion on glass half full/empty . . . There is a kernel of truth in each point of view, and in this chapter I hope to bring them to light while separating fiction from fact ... demographics, race-based disparities, current discrimination, and intergroup relations.

B. DEMOGRAPHICS

- Myths/Facts . . . Population changes over time; projections. No majority race . . . tremendous Hispanic and Asian growth rates.
- Increase in intermarriage brings with it complex and sometimes controversial issues . . . Will the black-white schism that has so defined racial struggle in America morph into new minority - versus - minority divisions or can we build new coalitions for social change and equal justice across all racial lines?

C. DISPARITIES

- Myths/Facts . . . CEA report, *Changing America: Indicators of Social and Economic Well-being by Race and Hispanic Origin*, documents the fact that while we have reduced or eliminated some very harmful differences between whites and minorities, serious disparities remain. . . .
- Poverty, wages, income, wealth, health indicators . . . Stagnation in growth of black middle class until last few years . . . Model minority stereotype of Asian Pacific Americans, but Hmong poverty rate is 64 percent, and extreme high school drop out rates for Southeast Asian youth.
- Sharply differing majority-minority perceptions about progress; need to study the facts and see them as a call to action.

D. DISCRIMINATION

- Myths/Facts. Despite much progress and the strongest economy in 30 years, sound evidence shows that discrimination against minorities continues today, significantly limiting and reducing opportunities and choices for many of them. . . Again, sharp perception gap on the issue fuels debate while preventing action. . . "the empathy gap" -- indifference caused by a failure to understand the obstacles faced by other groups.

- Hate crimes example. But much other discrimination is subtle. Compelling findings of audit or "tester" studies with matched pairs
- Need for more information to better focus our efforts.
- Reminders, though, of how far we have come. In the early 1950s A number of conservative authors and commentators look at this progress, however, and stop. . . The research evidence, my own observations, and conversations with many Americans have convinced me that discrimination remains real for too many of our citizens. . . The work is not yet done . . .

E. INTERGROUP RELATIONS

- Myths/Facts. . . changes in personal attitudes and behavior, and in our living patterns. Again, the picture is a mixed bag Exhaustive research shows a substantial narrowing of the attitude gap . . . America is simply a more tolerant and integrated nation today than ever before. But there is still a group of hard-core bigots -- about 10-15 percent . . .
- Research shows the existence of attitudes we are not even aware we possess. I have seen the results of experiments showing that juries judge defendants differently based on race; that whites are less likely to respond to an African American in some emergency situations Importance of honest exploration of our deep-seated views.

CONCLUSION

- Summarize three themes: (1) Despite progress, considerable confusion about facts and trends confounds our sense of direction. . . Gaps in perceptions reflecting the distance between our communities and experiences. (2) Because the issue of race underlies so many pressing challenges, racial reconciliation must rise to the top of our agenda for the 21st century . . the unfinished business of our democracy. (3) Every American shares responsibility . . . We all must do our part to eliminate harmful disparities . . . We must find a better Workplan for the future.

PART II:

THE AMERICA WE WANT: WHAT SHOULD ONE AMERICA BE LIKE?

A. INTRODUCTION

- We must begin with a vision. When I was growing up . . . most of us concerned about racial harmony thought that defining what was wrong and what the future should be wasn't all that complicated . . . Our vision has become clouded and the picture increasingly complex. Some fear that it is too controversial, and the best way to make racial progress is to focus on creating opportunity, promoting responsibility, and be as silent about race as you can. . .
- What will *One America* look like if we can achieve it? Four elements: I believe we must be guided by a shared vision of (1) the quality of the *opportunity* shared by all, (2) the depth of *responsibility* we demand from all, (3) the nature of the *community* which includes us all, and – above all – (4) the commitment we make in our *hearts* to overcoming the age-old barriers of prejudice, fear and division.
- [Explanation of these four elements.]

B. VEXING QUESTIONS: CAN OUR VISION OF ONE AMERICA HELP US RECONCILE OUR DIVISIONS?

(1) The Identity Puzzle : *When is racial or ethnic group identity inconsistent with an American identity, with building One America?*

- *Language example*; Anglo customer's anxiety. What does it mean to be "American." We welcome legal immigrants and in return expect them to adopt key elements of American culture while simultaneously enriching it and our economic life. Sharing opportunity, as a practical matter, means speaking English. And tolerance/understanding means we need to be able to communicate.
 - Generalize: Similar issues of language or distinctive culture apply to varied groups . . . reconciling group identity with American identity . . .
 - We can tolerate a measure of separateness, provided it doesn't seriously interfere with the rest of us in building the prosperous community we envision for ourselves. To become One America, we need not demand a surrender of

our distinctive group identities, because there is room for distinctiveness within the community as a whole. But not large scale cultural secession . . .

- *Interracial marriage example:* Personal dimension of the same issue: mother and father troubled by daughter's interracial relationship ... Is it wrong for the parents to want their daughter to marry within their group? Is this distinguishable from prejudice or bigotry? Somehow, we must balance our need to cling to people who are like us, with the need to build a community in which we can all understand, benefit from and celebrate our differences.
- *College campus self-segregation example.* . . African American/Hispanic/Asian American campus clubs. . . It is hard to see the problem with this, if it doesn't slip into a separatism that substantially undermines the possibilities for enjoying the benefits of diversity, and if it is a separateness that has neither the intent nor the effect of hurting anyone else. . . We must see ourselves as a nation of *individuals* who are defined *only in part* by our group affiliations. . . Conflicts around the world teach us that ethnic identity must be sustained within a framework of community in which the values that unite us are made stronger than those which tend to separate us.

(2) Representation and Difference: Will 21st century diversity alter the composition of leadership? Should it?

- ... Assembling a Cabinet that "looks like America" . . . An inclusive government helps give people confidence that a range of voices and concerns are represented, giving government more of the legitimacy upon which our democracy depends.
- "Our turn" ethnic rivalries in for city council, school superintendent, police chief, or other key official. I understand that race still means something, at least to many voters. But it shouldn't mean everything. JFK example . . . growing numbers of minority officials with strong blocks of white voter support . . .
- Other situations: assigning metro reporters; leadership of a PTA.
- Reasons to care about diverse representation: (1) confirms openness of process, not cronyism or the like; (2) legitimacy; (3) we need to have workplaces and civic organizations in which people experience and bridge their differences; (4) many organizations will simply work better if they are *representative*.
- One of our most difficult challenges is to think through when race should matter, and when it shouldn't. Simple answers are likely to get us off track ... need to stay focused on our vision of what kind of community and institutions we want.

(3) Personal Preferences, Stereotypes and Discrimination

- While I know that in some cases this is because hearts remain locked and poisoned, there is a far more common problem of not quite knowing in our daily lives where a simple human tendency to prefer the familiar, including people like ourselves, shades into the troubling use of stereotypes and eventually the clearly wrong kinds of behavior our legal system chooses to label "discrimination."
- *Korean grocer example*, More than a question of lawfulness. What is *right*? If each of us throughout society and the economy just follows our inclination to socialize, hire and do business based on who seems familiar, we end up with a massive denial of opportunity to those still outside the economic mainstream.
- The background of rivalry and tension The ethnicity of the grocery store owner and its workers would probably not matter so much if the black and Latino residents of the community felt satisfied by their economic opportunities and believed they had the same potential to open a store themselves.

(4) The Special Matter of Native Americans: Sacred Sites

- Reconciling One America with tribal sovereignty . . . *Example*: conflict over Indian sacred sites . . . Historical perspective . . . Devil's Tower National Monument in Wyoming. . . To spot/resolve conflicts, my Executive Order requires dialogue . . .
- Tribes and various communities must deal with competing perceptions, values and traditions in many contexts . . . cultural resources teams . . . As the millennium approaches, our respect for preservation grows . . . "In our every deliberation, we must consider the impact of our decision on the next seven generations." This lesson of stewardship can serve all Americans well.

(5) Apologies for Slavery and Other Wrongs

- Tuskegee . . . So what about slavery? Native Americans; Japanese Americans.
- But, "Exactly what are we apologizing for -- I've certainly never owned slaves. . . . Apologize to whom?" As long as there are those among us who refuse to understand the present consequences of 200 years of discrimination and hatred, we dare not declare victory with a mere apology. After all, what good is an apology if you don't even understand what you are apologizing for?

PART III: THE OPPORTUNITY WE DESERVE

SECTION I. HIGH - QUALITY EDUCATION FOR ALL: A NEW COVENANT FOR THE NEW CENTURY

A. INTRODUCTION

- **Set up:** Little Rock Nine . . . We haven't lived up to our nation's ideals . . . Tackling inequality is vitally important for several reasons . . . Education has been among my highest priorities, and we have made important progress . . . 100,000 new teachers, reduce class size, etc. . . But more to do.

Diversity: Opportunities and Challenges

- Increasing diversity in our schools. . . Fairfax County . . . By 2035, there will likely be no majority race in our public school population. This is an enormous national asset, if we fully harness the gifts and talents . . . But too often, the children who need an excellent education the most are least likely to get it. And too often, those are children of color.

Extent and Causes of Achievement Disparities

- *Facts:* Racial disparities throughout the K-12 (and beyond) "pipeline" . . . NAEP scores; high school graduation; college matriculation . . . These disparities mark the distance from the America we see to the America we deserve.
- Residential race/class segregation; property tax reliance . . . Schools in a sea of poverty are too often overwhelmed, or nearly so, by the challenges they face -- hunger, homelessness, security, etc.
- Plus, the disparities in resources -- buildings, teacher skill, computers, etc.
- These conditions are socially and economically destructive. They are also morally unacceptable. What would our lives be like today if we had provided every American regardless of race or class with the educational opportunity to succeed to his or her full potential?

B. MAKING A FOCUSED ATTACK ON CLOSING THE RACIAL GAP IN K-12 ACHIEVEMENT

(1) ESEA and the Administration's Record

- *ESEA*: Description of ESEA proposals . . . turn around failing schools . . . reward progress in raising achievement levels . . . put high-quality teachers in high-poverty schools, end so-called "social promotion" . . . expand after-school . . . building in accountability at all levels to focus not only on improving education for every child in America, but also, especially, on narrowing the gaps between affluent suburbs and comparatively poor inner-cities and isolated rural areas.

(2) Building on ESEA: A Compact to Reduce Racial Disparities

- *Compact*: Looking ahead, building on ESEA, local, state and federal officials and others should join in a *new Compact for Equal Opportunity in Education* . . . a new covenant to eliminate K-12 racial disparities.
- Reform based on high standards and accountability for outcomes works. . . . Goals 2000 and Title I reform . . . Progress . . . but the pace is too slow, and our ambitions must be still higher.
- Education is primarily a state and local responsibility but a child's opportunity can be limited by the resources a local community can raise, or the accident of a state's wealth or poverty, generous or stingy in aid to local schools . . . red tape . . . poor coordination. . . Politics must stop at the schoolhouse door.
- *Transition*: ESEA and this Compact can be important steps, but there are many other actions we can take at all levels of government . . .

C. OTHER MEASURES TO BUILD EDUCATION EQUITY

(1) Support families and promote early learning opportunities

- Parents and caregivers must be every child's first teachers. Racial disparities in parents reading to children . . . Headstart . . . Adult literacy connection .
- *Policies*: All schools should have parent compacts that clearly define parents' role in the school. As a *national goal*, I believe that every parent should be involved

in their child's school, and that employers should provide the flexibility to help parents do so.

(2) Provide Educational Resources and Opportunities Equitably

- I'll be blunt: it's easy to talk tough about standards, duck the politically difficult task of investing the needed resources, and then blame powerless poor kids when they can't make the grade. And it is easy to turn the standards-based reform movement into a testing movement. It's not. It must be about excellence and equity, and that must include fair investments.
- Money isn't everything in education, but we can't expect schools to succeed without adequate resources. . . Let me mention several issues . . . *(for a more detailed discussion, see appendix A).*
- Teaching; Curriculum; Buildings; Technology; Safety

(3) High Expectations and Accountability

- Students. Promoting high expectations and high standards for all students.
- Ending Social Promotion. . . . *But we must do it the right way. . . .*

(4) English Language Acquisition

- Another critical challenge facing American education today is the teaching of students who are not yet fluent in English. . . Exploding need; teacher shortage . . . FY2000 budget
- Our Bilingual reform proposals – three year goal

D. RACIAL ISOLATION AND SCHOOL RESEGREGATION

- The third major challenge is the problem of resegregation. After a burst of progress in the late 1960s and early 1970s, racial isolation in our elementary and secondary schools, particularly in urban districts, is worsening. . . .
- Why it matters The goals of quality and integration in education are complementary. Diversity is not about political correctness. Integration has real, tangible benefits for *all* students, and for our society. . . .

- Charter schools and public school choice . . .

CONCLUSION

- . . . Tearing down the walls of disparity and division in American education is as vital to our future as our vigilant defense of democracy or securing our leadership in the new global economy . . . How we meet the challenge remains a window on our hearts.

PART III: THE OPPORTUNITY WE DESERVE

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SECTION 2. COMMUNITY DEVELOPMENT AND JOBS: HARNESSING CAPITAL AND LABOR MARKETS FOR DISTRESSED COMMUNITIES

A. INTRODUCTION

- In my vision of One America, no community and no family will be isolated from the economic mainstream. Everyone who works hard and plays by the rules should be able to raise their families in dignity. . . . South Bronx success story . . .
- Two basic goals: (1) connecting capital and credit markets to distressed communities; (2) breaking the back of the epidemic levels of unemployment common in so many high poverty, often minority, neighborhoods.

B. A NATIONAL COMMUNITY INVESTMENT SYSTEM

Setup

- Great Depression example: tackling problems in the housing market . . . major Federally financed innovations . . . FHA, etc. . . Home ownership today . . .
- Different housing story in many minority communities . . . And far broader problem: markets also fail to draw needed investment capital to fuel businesses and job creation, and they fail to provide the personal financial services—from checking accounts to insurance to micro-lending for entrepreneurs—that can be the gateways to economic mobility and security.
- *We should do for financial markets in our distressed communities what we did for housing markets decades ago.*

Detailed exposition of National Community Investment System (NCIS) proposal

- Housing analogy – FHA, Fannie Mae, FHLBB . . . antidiscrimination, CRA . . .
- By creating NCIS we can not only help increase home ownership and support the construction of affordable housing, but also to expand community development and bring the economic mainstream flowing to neighborhoods that have been left high and

dry behind long-standing dams of segregation, discrimination and hopelessness. . . .
bring a flood of empowerment, entrepreneurialism and jobs.

- *First, build upon what we've been doing:* (1) preserve relevance of CRA; (2) improve antidiscrimination compliance; (3) expand CDFIs; (4) SBA's targeted efforts; (5) still more effective federal/state tax credits for housing, redevelopment, reclaiming of "brownfields," and expansion of Empowerment Zones.
- *Second, fill out the National Community Investment Structure with new measures:* (1) follow through on the *New Markets Initiative*, including APICs; (2) Create better tools to support mainstream financial institutions, and others, that invest in distressed communities: might include combinations of credit subsidy, insurance, and tax incentives both to attract new sources of capital and to create secondary markets, all analogous to the creativity we have applied in housing markets.
- [More detailed exposition of the above ideas.] Reflect the lessons of our work to promote community empowerment . . . links to regional growth opportunities . . . private sector and non-profit agencies to provide technical assistance and mentoring to small businesses . . . Welfare-to-Work Partnership analogy/connection . . . NCIS can help provide the incentives, strategic insight and "glue" to help knit all these pieces together. . . Now, while the economy is so strong, is the right time to act.

C. BREAKING THE BACK OF HYPER-UNEMPLOYMENT AMONG YOUNG ADULTS

(1) The Problem and the Diagnosis

- Stunning record . . . Our economic expansion must be inclusive . . . *Data:* . . . unemployment is shockingly high among young minorities . . . While the unemployment rate among African American teenagers has reached its lowest peacetime level in four decades, it is still *6.5 times higher* than the national average . . . Overall numbers mask that in some neighborhoods the problems are concentrated at epidemic levels—a disease that erodes hope.
- *Diagnosis:* (1) skills mismatch and schooling; (2) regional labor market disconnect in information, job networks, intermediaries, transportation, limited housing options; (3) discrimination; (4) child care; (5) crime, with its multiple impacts.
- Now that we have diagnosed the problem, what can we do about it?

(2) Strategy to Drive Down Unemployment Rates

- No silver bullet. As with community investment, we must build a “system” of interlocking measures, focused on a simple goal: *To drive down unemployment rates for young minority adults to the average in the regional labor market; for those willing to work, we must build a bridge out of economic isolation.*
- Policy priorities:
 - ready pool of workers, with the education and basic skills . . .
 - mentoring and school-to-work efforts . . . coupled with targeted training that is linked to particular sectors and local employers
 - link schools to regional labor markets; training at community colleges
 - affordable child care
 - targeted enforcement of the antidiscrimination laws in employment and housing, especially where there is evidence of problems.
 - greater focus on metropolitan-wide strategies for job placements, transportation, education, housing. Labor markets are regional

(3) Building on the Record

- Federal contribution to these efforts, although it is obviously a shared responsibility. I believe we have made important strides in this direction during my administration, developing models worthy of replication and expansion at the state and local levels. Youthbuild . . . Work Force Investment Act . . . Job Corps. . .
- In particular, I encourage us all to apply the lessons learned from one of the programs of which I am most proud — the Welfare to Work Initiative, which brings together the mutual interests of businesses and people searching for jobs. . .
- Historically, emphasis on families through AFDC and EA; now we must address the intolerably high unemployment rates for young people—particularly minority youth. I have asked my Cabinet to work with the private sector, state and local governments, and non-profit organizations to develop a [?? Working for Youth ??] initiative that will target the needs of younger adults the same way that we have welfare recipients. . . 10,000 business members to hire more than 410,000 welfare recipients, the time is ripe . . . We can build on the success of the past six years to expand opportunities for the next generation.

CONCLUSION

PART III: THE OPPORTUNITY WE DESERVE

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**SECTION 3. COMMUNITY SECURITY, AND A CRIMINAL JUSTICE SYSTEM
THAT SERVES ALL AMERICANS FULLY AND FAIRLY**

A. INTRODUCTION

- I ask every American who lives in a safe community to imagine what it would be like to live in a neighborhood where you and your family feared violence every day. . . . Our highest-crime communities want, need, and deserve strong law enforcement But we must not substitute prisons for playgrounds, or parole officers for church deacons and college teachers As we redouble efforts to ensure every family's right to a safe community, we must take action in every community across our nation to keep young people out of crime and build trust and confidence in the criminal justice system across racial lines.
- Some of our deepest and most complex challenges of race involve criminal justice. Today, crime rates are at their lowest levels in nearly 25 years Yet as the Advisory Board on Race said in its final report, "Racial disparities persist in both the realities and perceptions of crime and the administration of justice."¹
- *Disparity data* On victimization and offending.
- Explanations While poverty, family disruption absence of opportunity and residential instability are terrible pressures for anyone to bear, they are not and should not be excuses for crime. . . . responsibility But, we cannot deny that they contribute to crime Absent these factors, rates of criminal offending and victimization do not differ significantly by race, but the communities in which these troubling conditions exist together are often communities of color. . . .
- Persons of color often have less trust and confidence in law enforcement than whites, and these perceptions of unfairness limit the effectiveness of law enforcement I believe the justice system is for the most part fair but we can do better.
- Many minority communities want strong law enforcement, but bear an enormous price for high rates of incarceration These rates of imprisonment have substantial social and economic effects
- These conditions are intolerable. . . . We must do three things: (1) reduce crime and restore order in selected communities of color where crime and fear of crime are

greatest; (2) youth prevention/diversion; (3) build trust and confidence in the criminal justice system among persons of color. We have laid the foundation . . . community policing . . .

- [Detail on community policing and COPS, including the new proposed expansion.]

B. TIGHTER TARGETING OF FEDERAL RESOURCES TO CRIME HOT SPOTS

- In order to reduce and prevent crime in our highest-crime communities, I believe that the federal government should work in partnership with state and local government to promote a comprehensive community policing and crime prevention initiative targeting neighborhoods of concentrated disadvantage, social disorder, and high crime rates. Like multiple fire hoses aimed at the center of a blaze, this initiative would target proven community safety efforts into a single stream aimed at crime "hot spots."
- [Description of "Hot Spots" challenge to state and local partners.]

C. OTHER MEASURES TO ENSURE PUBLIC SAFETY IN HIGHEST-CRIME COMMUNITIES

- Today, although crime rates are dropping across the nation and for all racial groups, they remain unacceptably high in a small number of deeply poor, mostly minority communities. These high-crime areas are concentrated in urban centers, but exist in other areas as well, including parts of Indian country . . .

(1) Enhance targeted law enforcement and address the problems of gangs, guns, and drugs

- *Targeting.* The best law enforcement strategies identify high-crime places through computer mapping, and then increase police patrols at those high-crime places at high-crime times. Importantly, research shows that enhancing such targeted law enforcement does not simply displace crime, but actually reduces it.
- *Guns and drugs.* Crack . . . Littleton . . . Brady Bill. . .
- *Gangs.* . . Boston . . .
- Finally, while drug use is down in many places, the percentage of persons who commit crimes under the influence of drugs is increasing, and drug markets

continue to threaten order in our highest-crime communities. . . . cannot ease up our attacks . . . but the war has a terrible, disproportionate toll on persons in communities of color—compounding the destruction from the drug scourge itself. So, with more effective enforcement, we need a reinvigorated focus on prevention, treatment. We cannot “incarcerate” ourselves to victory in these most needy communities.

(2) Engage the community and establish community policing

- We need the right kind of law enforcement done in the right way. . . Research shows that by improving the legitimacy of police in the eyes of the community, we can not only reduce tensions, but also help prevent crime. . . . Chicago’s Alternative Policing Strategy (CAPS) . . . The expansion of community policing has contributed greatly to the decrease in crime across our nation and to better police-community relations.

(3) Build stronger communities

- While law enforcement is important, crime prevention in most communities is a consequence not only of government or law enforcement, but is primarily based on the strength of the community itself, and the families within it. . . . “collective efficacy” We can and must take action to rebuild community infrastructure and strengthen the forces of cohesion [link to education and other opportunity elements of the workplan].

**D. KEEP YOUNG PEOPLE OUT OF CRIME
AND THE CRIMINAL JUSTICE SYSTEM**

- After increasing dramatically for nearly a decade, juvenile crime has been decreasing rapidly for the last few years at rates even greater than adult crime. Too many children are still falling prey to crime, however, as either offenders or victims. . . . children of color are over represented
- To some, these figures raise serious concerns about the fairness of the juvenile justice system. I, too, am very troubled. But we must face facts. The numbers also reflect disparities in the commission of crimes and the need for greater efforts to keep our young people, especially young males of color, out of crime and the criminal justice system. . . . our commitment to prevention and treatment programs But none of this will matter unless young people themselves seize these opportunities and take responsibility

(1) Prevent Crime by Supporting Young People

- Several strategies show evidence of success . . . requires the support and participation of families, schools, and communities. . . We launched a Values-Based Violence Prevention Initiative . . . we must do more at all levels . . . Houston and Boston examples . . .
- (1) Early childhood and support . . . Perry Preschool project in Michigan . . . (2) after-school programs (3) adult and/or community supervision; mentoring programs. Community-based organizations and institutions are often the best sources for this kind of civic investment.

(2) Promote Appropriate Punishments When Children First Get in Trouble

- Rates of criminal recidivism are astounding . . . we can do more to intervene and help youth and their families turn their lives around . . . Several strategies have shown signs of success. . .
 - youth, gun, and drug courts, as well as drug treatment more generally.
 - “restorative justice” programs
- Not enough to just hope that families, and perhaps churches and schools, will keep youngsters on the right path, or “straighten them out” . . . It takes hard work by parents and others close to them and by community programs and leaders.
- Our country has a higher proportion of our people in prisons and jails than any other democracy . . . Yes, we must redouble our efforts to create jobs so that no community is left behind. But meanwhile, we cannot write off children and leave them vulnerable to crime or the seduction of criminal behavior. We cannot build the One America we want if one in six black children born today, and one in eleven Hispanic children, can be expected during their lives to spend time in a prison, while white children face only a one-in-40 lifetime chance of incarceration.

E. BUILD FAIRNESS AND TRUST IN OUR CRIMINAL JUSTICE SYSTEM ACROSS RACIAL LINES

- There is no more fundamental tenet of our governmental system than the entitlement of every person, inscribed in our Constitution, to equal protection under the law . . . Persons of color have less confidence and trust in system than whites. In a recent poll

. . . perceptions based on experiences and incidents leading some law-abiding persons fear enforcement targeting by color. . . "Driving while black" . . .

- Community policing can play an important role here . . .
- The answer to the question of whether there is discrimination in the administration of justice should not be, "We don't *know* there is discrimination." The answer must be, "We know there is *not* discrimination, and we have processes in place to ensure that." Clearly, we're not there yet.

(1) Combat Racial Profiling

- Profiling is a difficult subject in part because many people focus on supposed efficiencies and may not see immediately the great unfairness, the insult to our ideals. In a sense, however, this is the perfect example of why perceptions about the criminal justice system can differ so dramatically . . . Not only is racial profiling fueled by negative stereotypes and inconsistent with our fundamental belief in equal protection under the law, it is also simply bad policy that hinders effective law enforcement. As Attorney General Janet Reno said . . .
- I agree with the Attorney General. . . I believe that to achieve our vision of One America with community security and community faith in law enforcement, all levels of government must take this issue head on. (1) training; (2) improve data collection; (3) civil rights law enforcement to correct situations . . . ; (4) Finally, we should encourage all levels of law enforcement to develop and explain clear policies concerning racial profiling.
- I have instructed the Attorney General to prepare an Executive Order for my signature. . .

(2) Eliminate Police Brutality

- No issue looms larger than the issue of police brutality. . . . Most police officers are, quite simply, heroes . . . (1) we know too little about police use of excessive force. . . (2) but we must acknowledge that excessive use of force against persons of color still occurs . . .
- I pledge whatever advice and assistance the experience and resources of the federal government can offer, because police brutality is destructive of the trust so essential to community law enforcement. We know some of what works

(3) Ensure Fairness in Incarceration and Sentencing

- While persons of color make up less than one-third of our nation's population, they make up more than two-thirds of the state and federal prison populations. . . . However, in terms of fairness in the administration of justice, the key question is to what extent are present disparities caused by discrimination in the administration of justice. Most of us believe that discrimination is a very small factor, but some of our citizens feel otherwise. Still more of us suspect that, even if there is not discrimination, there is some subtle role of racial difference and color that has stacked the deck.
- Having said that, the best available evidence indicates that most of the existing disparities in the administration of justice—from arrest through sentencing—are not due to discrimination, but are primarily due to underlying disparities in the commission of crimes: once the crime is committed, the rates of arrest, conviction and imprisonment do not seem to differ significantly by race. . . .
- But racial disparities in drug arrests and sentencing are dramatic. In part, this is an unintended consequence of the war on drugs. . . Tough enforcement, but we cannot ignore the disproportionate impact. . . The war on drugs is a war *for* our communities and children, not a war against them. That is why I have urged increases in support for prevention and treatment. . . . Crack sentencing reform . . .

(4) Increase Diversity in Law Enforcement

- Police and prosecutors, judges and jurors, are officers of our society empowered on behalf of all of us to enforce the laws and serve us all. Quite simply, they are likely to receive greater trust and confidence when all persons in society see themselves reflected in those officers. . . . We have made some important gains . . . One goal of COPS has been to increase diversity in law enforcement . . . We must continue this progress at all levels of government and throughout the system.

CONCLUSION

PART III: THE OPPORTUNITY WE DESERVE

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SECTION 4. A RENEWED COMMITMENT TO CIVIL RIGHTS ENFORCEMENT

A. INTRODUCTION

- On a hot August day in 1963 . . . In a twenty-year period, we built the indispensable legal foundation for our progress on issues of equality and opportunity . . . We must go beyond the civil rights agenda of the past to fashion new civic covenants for the new century. . . while also addressing continuing civil wrongs rooted in continuing discrimination.
- Great strides . . . yet more covert and subtle impediments persist . . . And issues beyond black-white . . . This is about more than enforcing laws. It is about living up to our values and keeping our promises.

B. COMPLETING THE TRADITIONAL AGENDA:

STRATEGIC INVESTMENTS AND A STRENGTHENED ENFORCEMENT INFRASTRUCTURE

- We *should* have bipartisan agreement on at least this much: *enforce the law, and promote voluntary compliance with it*. . . My proposals for new enforcement investments at the federal, state, and local levels . . . Beyond resources, the federal workplan should include: (1) act more strategically to put the federal investments where they will do the most good; (2) fresh approaches to winning greater compliance; (3) better coordination among agencies; (4) hold ourselves accountable, and do a better job of teaching the wider public about these issues by establishing a permanent program of ongoing data collection measuring discrimination in various sectors.
- [Examples of investing strategically] EEOC backlogs; hate crimes; DoEd OCR; using testers to target; ensuring that caseloads reflect the new demography . . .
- [Examples of new approaches] ADR methods . . . Self-assessment tools . . . Intergovernmental coordination.
- [Examples of Improved coordination] Strengthened interagency process
- Measuring discrimination: efforts must be tied to results . . . we know about soybean production, but not the extent of discrimination . . . Authoritative information ought to be one of the guiding forces in policy debates on race.

C. STRENGTHENING CIVIL RIGHTS LAWS AND ENFORCEMENT STRATEGIES

- *Eliminate hate crimes:* Data . . . record . . . pass the Hate Crimes Prevention Act.
- *Expand the antidiscrimination laws to cover stores and retail transactions, under Title II of the 1964 Civil Rights Act:* Denny's incident . . . Eddie Bauer . . . Despite numerous reports to DOJ of discrimination in the retail provision of everyday goods and services, and despite social science research, the Federal government often lacks authority . . . We need a stronger federal law.
- *Defend affirmative action programs and promote voluntary compliance:* Adarand . . . July of 1995 speech at the National Archives . . . affirmative action as one of the tools we still need . . . I fully recognize how controversial this issue has been and is likely to remain. But . . . William Bowen and Derek Bok, *The Shape of the River*, is a comprehensive review . . . Moskos & Bulter work documenting benefits in our military, particularly the Army.
 - But our review also showed that there was room for improvement. . . . My Administration has taken seriously its charge to mend our use of race in federal programs . . .
 - One other area of affirmative action policy that demands national attention—the growing dangers of resegregation in education . . . deepening racial isolation in elementary and secondary schools . . . the threat from attacks on affirmative action in selective universities.
 - What race-blind admissions policies reap [Latest reports on California, Texas experiences – which are mixed.]
 - Extended discussion of affirmative action in higher education

D. DEFINE A NEW CIVIL RIGHTS AGENDA TO ACHIEVE RACIAL JUSTICE

- *Combat discrimination in K-12 educational opportunity:* Civil rights component to opportunity agenda discussed in Part III, Section 1 of this book. Education Secretary Richard Riley has called education the “new civil right.” I agree.
 - [Strong endorsement of DoEd’s policies:] Title VI prohibits not only *intentional discrimination*, but also policies and practices that have an *unjustified disparate impact* by race. Often misunderstood, but it makes great sense. Mere disparities, however troubling, are not the same as unlawful discrimination. We attack such

- disparities because to do so reflects our values strengthens America. In contrast, *unjustified* racial disparities are unlawful under our civil rights statutes.
- Directive to DoEd and DOJ . . . to develop guidance on federal law . . . and identify situations in which the federal government can participate in negotiations or, if necessary litigation, to help ensure that the promise of equal opportunity embedded in federal civil rights laws is fulfilled in every facet of our school systems.
 - Illegal tracking and assignment to special education classes. . . Tracking can be useful, but there are abuses and dangers . . . I encourage educators and policy makers to embark on a national dialogue to ensure that our educational policies comport with our goal for equal educational opportunity, *in word and in deed*.
 - We must not return to a system of "separate and equal" under a different guise. It did not work in the past, and it will not work now.
- *Combat worker exploitation:* Slavery and slavery-like practices continue to exist in America and we need strong civil rights protections to end them . . . U.S. citizens, legal immigrants, and undocumented workers are being recruited or smuggled into this country expecting good jobs, only to be forced to work against their will under abominable conditions. . . . sweatshops . . . humanitarian concerns . . . And bad for our economy.
 - [Administration record and proposals to date.]
 - *Combat discrimination in health care:* Beyond poverty and more usual explanations, health disparities are to at least some extent related to discrimination . . . [Summarize discrimination data]
 - Recent OCR settlements have uncovered a number of issues, including: Medical redlining; Segregation; Language minority patients; Access.
 - Administration's 2010 Health Disparities initiative.
 - Steps to strengthen enforcement: (1) civil rights protections in any Patient's Bill of Rights; (2) aggressive enforcement of existing anti-discrimination laws, including my proposed HHS/OCR investments; (3) educate citizens about their rights; (4) foster change at the so-called point of service, improving the relationships between patients of color and their health care providers.
 - *Ensure that every American lives in environmentally safe and healthy communities:* Environmental justice. Convent, Louisiana, story . . . Typifies the challenges facing too many communities of color across the country as they confront decades of neglect and systematic exclusion from the government decisions . . . false and dangerous choice of joblessness versus an unfair environmental burden. Challenge ahead is to give communities new tools to erase the legacy of toxic burdens they face. . .
 - My Executive Order . . .

- We can ignore issues of environmental justice only at the risk of racial conflict and racial tension . . . Local people must have a place at the table when decisions are made . . . Environmental justice is inseparable from the cause of economic justice. No community should be forced into having to choose between their health and their jobs.
- *Ensure an accurate Census: Count every American because every American counts:* An accurate census is critical . . . In 1990, the differential undercount, including the undercount of racial and ethnic minority groups, was the highest ever . . . Why? . . . Because we know the obstacles, we can address them.
 - Take advantage of our scientific knowledge . . . Sampling. Accuracy, not politics.

E. PREVENT VIOLATIONS OF LAW BY REDUCING RACIAL TENSIONS AND PROMOTING RECONCILIATION

- What all levels of government can do to help communities and neighborhoods ease racial tensions. History of creation of the Community Relations Service . . . CRS was created to help our nation move from separation to inclusion . . . Importance of CRS mission . . . lends its assistance when asked or when it learns that a community may need its assistance . . . impartial mediation and conflict resolution . . . works on partnerships to build peaceful communities.
- Church arson example . . . [Preview the promising practices chapter, *infra*.]

CONCLUSION

- America's long struggle for racial reconciliation was ennobled by what we now call the civil rights era. . . On that summer afternoon almost 40 years ago, on the steps of the Lincoln Memorial, John Lewis joined with Martin Luther King in calling for our long march to justice to continue "until true freedom comes, until the revolution of 1776 is complete." The American revolution is not yet complete. The civil rights movement goes on.

PART III: THE OPPORTUNITY WE DESERVE

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SECTION 5. CREATING OPPORTUNITIES FOR NATIVE AMERICANS

A. INTRODUCTION

- In 1994, I held an historic meeting at the White House with American Indian and Alaska Native tribal leaders from over 500 federally recognized tribes. And last year I hosted a White House Conference on economic development in Indian Country. There I met a young man named Dominic Ortiz of the Prairie Band Potawatomi Nation. Dominic, who runs his own business, exemplifies the new hope that is dawning for Native Americans.
- In a time of great prosperity and hope, Native Americans are still lagging behind – big gaps in income with 31 percent living below the poverty line. Pine Ridge Reservation in South Dakota is one of the poorest places in America. Indian Country must not be left behind as our economy surges ahead.
- Historical perspective – Before Europeans landed on these shores, Indian nations were self-governing societies with remarkable scientific, artistic and cultural achievements.
- Since our founding, U.S. has recognized many Indian Tribes as “domestic dependent nations” with sovereign powers over their members and territory. We have entered into numerous treaties pledging protection and guaranteeing tribal self-government. In 1831, Chief Justice John Marshall recognized that the U.S. has a special trust responsibility to protect Indian tribes. Regrettably, our nation has not lived up to its legal and moral commitments to Native Americans.
- The time has come to break with the past. As reflected in my Executive Order, we must work with tribes on a government-to-government basis. And we must address three critical concerns in Indian Country: economic development, education, and community safety.
- The Nature of the Problem. **Economic and business development.** While gaming has helped reduce poverty and unemployment in a small number of tribes, the vast majority of Native peoples still live in dire conditions. Securing business loans and mortgages is virtually impossible. We announced a One-Stop Mortgage Center Initiative to help, but more must be done. **Education.** Many, if not most, of the 185 BIA-funded elementary and secondary schools are in need of replacement or repair. Again, I have proposed legislation to permit the leveraging of local resources to repair

and replace these schools, but more must be done. We must close the achievement gap among Indian students and improve preparation and participation in college. I have signed an executive order to improve K-12 academic performance of Native American and Alaska Native students, including a plan to train and recruit 1000 new teachers for these students. **Community Safety.** Finally, while crime is down dramatically all over America, violent crime is on the rise in Indian Country. Youth gangs. Alcohol related violence. High suicide rates. Paucity of police officers in Indian Country. We have taken steps to rectify this (COPS have funded almost 900 police officers in Indian Country since 1995).

B. Workplan for Indian Country: Education

- **Mentoring, Monitoring and Research for Native American Students.** I have directed the top officials in the federal government to develop a comprehensive federal research agenda on Indian education to improve accountability, identify best practices and better understand the barriers to Indian student achievement, such as the frequent transfers between BIA and public schools.
- Challenge to communities to increase mentoring efforts targeted to Native American students as a way to improve academic performance, increase college participation and, with the involvement of tribal elders, preserve culture and language.
- As we work to improve all American education, make sure Indian students have equal access to high quality curricula, teachers, classrooms and materials.
- Enhance early childhood programs for Indian Children (Indian Head Start and the BIA's Family and Child Education projects)

C. Workplan for Indian Country: Economic Development

- Improve access to capital through CDFI, New Markets Initiative, Ezs and Ecs.
- Ensure the dream of homeownership becomes a reality in Indian Country. My executive order directs HUD, Treasury, Interior and tribal partners to streamline the mortgage lending process in Indian Country. HUD's "Shared Visions" program is working to increase affordable housing in Indian Country.
- Encourage greater cooperation between state, local and tribal governments as well as private partners to invest in economic development in Indian Country.
- Invest in computer technology and infrastructure, including transportation in Indian Country.

D. Workplan for Indian Country: Community Safety

- **Tribal Government Based Law Enforcement Initiative.** Comprehensive strategies and coordinated funding are the most effective way federal government can empower tribal governments to address problem of crime. Three objectives: gather insights and information from local leaders; address community problems in a comprehensive way; promote inter-tribal exchanges of ideas and experiences.
- Here's how it would work: With help of federal technical assistance, tribes will develop a comprehensive plan to address law enforcement and public safety concerns. Use plans to apply for law enforcement funds with one application. Communities will set performance goals and evaluate progress. Project can be expanded to address other crime-related problems like alcohol abuse. This will require involvement of other federal agencies besides Justice.
- Efforts like Volunteers for Tribal Youth to help keep Indian youth out of gangs and away from violence.

Conclusion

PART IV:

THE COMMUNITY WE MUST BUILD

A. INTRODUCTION

- Building One America is a journey of the heart. One of the most powerful ways to get there is the way Americans have always met challenges – by stepping out beyond the boundaries of their own lives to join with others for a larger purpose. This calls for a renewed commitment to community building and civic engagement.

B. THE EMPATHY GAP

- Before discussing what we must do, I want to talk about why building One America seems so elusive. Empathy gap – the difficulty we have in seeing others as part of our community and our lives; relegating plight of struggling minorities as the problems of “those people.”
- We can close this gap by working together across racial lines for common goals and by greater introspection and honest dialogue around issues of race.

C. CIVIC ENGAGEMENT

- You don't have to be involved in something called “politics” to make democracy stronger. But you do have to be involved with your neighbors to make your community stronger. Civic engagement is the cornerstone of democratic self-government. Efforts to build One America nurtured by basic organizations of society: schools, jobs, congregations, social and political clubs.
- Ways to become involved include voting, citizen service (Peace Corps, military service, AmeriCorps) and community groups (examples: EMPIRE in Washington State; Bridges in Santa Ana, California; FAITHS Initiative in San Francisco; Boston church coalition)

D. PROMISING PRACTICES

- Review and examples from Advisory Board publication: *Pathways to One America: Promising Practices for Racial Reconciliation*. Best programs feature at least one of these goals: raise consciousness and encourage dialogue, educate on racial issues,

promote racially inclusive collaborations, expand access and opportunity, and promote leadership and systemic change. Examples to illustrate each.

CONCLUSION

PART V:

THE LEADERSHIP WE NEED

A. INTRODUCTION

- Example of Dr. King: "Everybody can be great because everybody can serve." How do we make the work of building One America the shared undertaking of the many rather than the personal mission of the few?
- New leadership has not emerged following death of Dr. King. And our national attention to the issue of racial reconciliation has waned – perhaps because we thought progress was inevitable; perhaps we thought it prudent to pause and digest our gains; perhaps we thought this was work for someone else. All of this was wrong. We must recommit ourselves to this work
- Three areas for concrete action: (1) Community leadership and action; (2) sectoral leadership and action; (3) federal leadership and action. Describe each.

B. COMMUNITY LEADERSHIP

- In wake of crises like Rodney King and Jasper, Texas, communities have rallied to work together for healing and change. We need same action in absence of crisis. Urge Community Partnerships for Racial Reconciliation. Suggest structure and goals.

C. SECTORAL LEADERSHIP.

- Call on leaders in Faith, Higher Ed, Legal, Corporate, News and Entertainment Media, and Social Science Research communities to develop and implement own workplans. Discuss progress to date for each, and suggested areas of focus.

D. FEDERAL LEADERSHIP

- Commit federal action in three areas: (1) reviving Civil Rights Commission; (2) making the federal government a model enterprise; (3) White House structure to help drive the work of agencies and communities -- [the new race office] --, including possible White House Conference on One America.

CONCLUSION

Race
Book



"Christopher Edley, Jr." <edley@law.harvard.edu>
05/19/99 09:15:37 AM

Record Type: Record

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

cc:

Subject: Native American Chapter challenges

Attached memo is an effort, triggered by comments, to beef up the Native Americans chapter of the race book. Developed in consultation with Mary Smith and Lynn Cutler.

Basic strategy is to get feedback from POTUS before making wholesale changes in the draft.

 - NA-IDEAS2.WPD

Message Sent To:

María Echaveste/WHO/EOP
Leslie Bernstein/WHO/EOP
Todd Stern/WHO/EOP
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Elizabeth K. Belenis/WHO/EOP

May 19, 1999

To: Maria Echaveste
Bruce Reed
Lynn Cutler

From: Christopher Edley, Jr.

Cc: Todd Stern, Elena Kagan, Ben Johnson, Mary Smith

Re: Native American Chapter of the Race Book

As we ride down the home stretch, the question is whether we've done what we should in the Native American chapter, which was drafted principally by Mary Smith of DPC. Mary consulted widely and vetted things quite well. (Terry Edmonds, of course, edited and added some things.) I'm concerned, however, that the vetting – and especially the review by OMB – have resulted in something that is simply too tame.

Don't get me wrong: I'm quite proud of the draft chapter as it stands. The reader will learn a lot, and the proposed policy steps are creditable. In particular, they try to avoid the "over-promising" syndrome so toxic in Indian Country. But as welcome as the analysis and ideas will be, the proposals don't exactly rock.

So, I was thinking about giving POTUS something like the attached memorandum along with the chapter. Please let me know your thoughts, at edley@law.harvard.edu.

Thanks.

DRAFT

To: POTUS

From: Edley

Re: Native American Opportunity Section of Your Race Book

Are the policy ideas in this section bold enough? Recall that the draft chapter is organized around Education, Economic Development and Community Security.

The central rationale for moving along the lines below would be that, while budget constraints and lack of Hill support make any near term victory unimaginable, if you don't put some bold ideas on the table there will never be the kind of conversation which might, over time, change the political and fiscal constraints that now keep us from making giant strides.

If you are interested in any or all of these, we will move them forward with the policy councils. As with most other book ideas, however, if we proceed with these ideas they should be presented in a long-term framework, so as not to raise expectations of more than a down payment in the FY 2001 budget.

1. Sovereignty: Build on your government-to-government framework by directing agencies to:

- (1) systematically inventory all the major grant-in-aid programs serving state or local governments and assess whether Tribal governments are included as direct recipients of federal funding (as need and capacity warrant);
- (2) submit recommendations to the White House (OMB) concerning places where regulations or statutes should be modified to remove impediments to creating the appropriate government-to-government relationship.

2. Education: Build on the One America vision of closing racial disparities by *either*:

- (1) state a goal of improving the quality of BIA schools to at least equal the quality of DOD schools, as measured by resource equity and student achievement; *or*
- (2) state a goal of improving the quality of BIA schools to at least equal that of state/local public schools in the surrounding region.

Please note that the costs of eliminating the capital maintenance backlog of BIA schools is an estimated \$1 billion. And that is only one item of the equity agenda.

3. Child Health Disparities: Although Indian country health needs are extraordinarily compelling, these were a late, post-announcement addition to your disparities initiative last year, and the IHS remains deeply troubled. You could set a national goal of eliminating the disparities in these five key areas of Native American health care:

1. Reduce the rate of diabetes among the Native American population to the national average (currently three times the national rate);
2. Reducing by 50% the Sudden Infant Death Syndrome (currently twice the national average);
3. Detection, prevention, and screening for breast and cervical cancer in American Indian women in order to improve survival rates;
4. Reduce the rate of teen suicide in Indian country; and
5. Reduce smoking and alcohol abuse.

5. Economic Development: You could also work to improve economic development in Indian Country by working with the Federal Communication Commission (FCC) to have the FCC help ensure that geographically isolated tribes receive access to telecommunications advances to the same extent that other areas of the country do. Chairman Kennard is very interested in this.

Copy for Bruce

November 23, 1998

Race Book

To: Maria Echaveste
Assistant to the President and Deputy Chief of Staff

Josh Gotbaum
OMB Pooh-Bah

From: Christopher Edley, Jr. 
Professor of Law

Subject: Proposed Major Policy Initiatives Related to the Race Book

Below and in the attachment, I offer some elaboration of the four ideas included in my November 11th memorandum to the President, in an effort to assist you and your staff colleagues in framing choices for him. As you know, I hope the President's report/book on race will avoid the laundry-list approach so characteristic of past race-related commissions.

(1) Educational achievement: The President's vision of One America with racial and ethnic justice requires that the nation undertake a more focused, dramatic and sustained effort to tackle the intolerable education achievement disparities between poor and rich, between minority and non-minority. The era of excuses is over -- for everyone.

Recommendation: The President should propose a **Compact for Equal Opportunity in Education** -- quite simply, a new covenant to benefit America's children. In those states and school districts willing to enter into this covenant:

- The federal government will offer new grant-in-aid support and greatly expanded flexibility in the use of current federal funding.
- In return, the state or school district would agree to establish a strong system of accountability for results in closing the measurable achievement gaps between minority and non-minority and between poor and non-poor students in public schools.
- The federal government would not dictate the means used; the state or district could even propose its own goals and timetables, with all the public scrutiny that entails. But the decision to award the federal funds and enter into a Compact would be based on a public review of the applicant's comprehensive strategy by an independent, diverse, peer review panel, including experts in successful school reform strategies.

The Compact bears some similarities to the tiny Comprehensive School Reform Demonstration Program (FY 1999), but is far more substantial in scale, less prescriptive, focused on

systems (and preferably metro areas) rather than individual school sites, and with accountability for results. The undertaking parallels the President's announced goal of narrowing health disparities. Instead of a formula program like Title I, this substantial "honey pot" would not attract participation from all jurisdictions initially, which is fine.

Flexibility should spur innovation, replication, and tailoring of approaches to fit local needs. We would expect *but would not require* that each Compact for Equal Opportunity in Education include such things as: (a) strategies for breaking through the red tape of various federal, state and local programs in education as well as related fields, and ways to build partnerships across jurisdictional lines of school districts and local government agencies; (b) ways to engage businesses and other local institutions; (c) a strategies focused on quality teachers; (d) creative responses to the needs of immigrant children with limited English skills; (e) ways to promote higher expectations for achievement and to take aggressive action when there is failure; (f) reduce disparities in resources; and (g) plans for accountability at all levels, so that performance is measured fairly and has consequences.

Budget: In FY 2000, a substantial round of planning and startup grants could be funded for \$250 million, with a five-year total of \$15 billion reaching approximately the size of Title I (\$7 billion) in the final year. This is the only expensive discretionary proposal I plan to present to the President.

(2) Jobs: We must break the back of the endemic hyper-unemployment of young adults (18-30) in our most distressed poor communities, eventually eliminating the racial and regional disparities in joblessness.

Recommendation: Propose a **Jobs Gap Challenge Program** for states and metro area jurisdictions to raise the employment rate of young adults in distressed neighborhoods through regional strategies:

- Provide incremental new resources and greatly enhanced flexibility with categorical federal and state programs, for interested regional alliances willing to accept *accountability* for creatively tackling the especially difficult problems of young adult unemployment.
- Flexibly link programs in education, training, job search, transportation, employer networking, day care, housing assistance, drug treatment, and many more. But results must matter.
- Must include public-private partnerships, and strong involvement of schools, parents and community groups.

This builds on the Youth Opportunities Initiative within the Workforce Investment Act of 1998, and the \$250 million FY99 appropriation for target grants for comprehensive out-of-school youth employment. But, returning to the President's broader vision of 1992 and 1993, this must be more than pilots and demonstrations, with resources and administrative incentives sufficient to promote the reinvention of federal, state and local delivery systems.

Budget: In FY 2000, expand the Labor Department's program by \$250 million, add a complementary HUD program stressing regional approaches at \$250 million, a \$250 million "Transit-to-opportunity" program to permit coordinated, saturation attack on the problem of spacial mismatch between inner city workers and suburban jobs. This integrated package would grow to approximately the size of the CDBG program in the out years, for a five-year total of \$10 billion.

(3) Economic Development: We can do more to harness the power of financial institutions and markets to create opportunity in distressed communities here at home, just as we try to do abroad through a variety of US and multilateral programs.

Recommendation: Launch a major refocusing of the large housing-related GSEs -- FNMA, Freddie Mac and the Federal Home Loan Bank Board System. In particular, the FHLBB should have a new mission: working side-by-side with CDFIs to fuel economic revitalization in our most distressed communities through affordable financing of a range of community development and job-creating projects. In general, these entities commonly assert that they are "private" and must therefore not be expected to make uneconomic, tightly targeted investments. On the other hand, their profitability flows from their access to a government guarantee or a discount Fed window. The FHLBB is the most egregious at playing loose with the public purpose, making much of its profit through arbitrage. Specifically, the President could propose to:

- Adopt new regulatory and statutory provisions: to press the GSEs to focus their housing activity on severely distressed communities; to give the GSEs more effective tools to promote targeted lending for community development purposes.
- Re-charter the FHLBB system to stem abuses (especially arbitrage) and focus on investments and technical assistance that implement *comprehensive strategies for community economic development*, analogous to IMF and World Bank missions in developing nations.
- Make the fiscal impact of implicit Federal subsidies on-budget, on the PAYGO side; for example, FHLBB capital reserves for community development activities could be raised from private investors by offering deep tax incentives.

Budget: To be determined, but could be fashioned on the mandatory side for inclusion in a tax bill, whenever there is one.

(4) Combating Discrimination and Hate : The fight against ordinary discrimination is not finished. Last year's budget included an increase for some civil rights law enforcement agencies, to help those standing in line waiting for justice.

Recommendation: Sustain that investment and extend it to other enforcers of our basic rights. Specifically:

- New investments for the DOJ Civil Rights Division and the Offices for Civil Rights at the

Departments of Education and HHS.

- With the investments, re-engineer enforcement activity to emphasize voluntary compliance, technical assistance, education and dispute resolution.
- Build a DOJ grant-in-aid program to support state attorneys general in their civil rights work, analogous to the HUD grants to public and nonprofit fair housing enforcers.
- Major increase in the DOJ Community Relations Service to meet the demand for crisis dispute resolution, while building its work in prevention and community dialogue.
- Restructure and rehabilitate the US Civil Rights Commission, especially its capacity for conducting investigatory hearings and issuing reports.
- Build a federal capacity for authoritative time series data on the extent discrimination in various sectors, starting with housing and entry-level employment.

Budget: Total \$100 million in FY 2000.

Budget Summary (\$ M)

	FY 2000 NDD	5-yr NDD	5-yr PAYGO
Compact for Equal Opportunity in Education	250	15,000	--
Jobs Gap Challenge	750	10,000	???
Econ. Dev./GSE reform	-	-	5,000
Civil Rights Enforcement & Research	100	750	--

PROPOSED OUTLINE:

Ran Boole

**TITLE: THE OPPORTUNITY WE DESERVE—COMMUNITY
EMPOWERMENT AND JOBS: HARNESSING MARKETS FOR
DISTRESSED COMMUNITIES**

1. Introduction – The Bronx Story

2. A THIRD WAY

- a. Five key principles of community empowerment.

2. AN AGGRESSIVE AGENDA FROM DAY ONE

- a. The Clinton-Gore Record of six years of accomplishments.
- b. Meeting the promises of Putting People First.

3. BUILDING OPPORTUNITY FOR MORE AMERICANS

- a. Ezs – 3rd round
- b. CDFI expansion
- c. LIHTC expansion
- d. Brownfields

4. NEW POLICIES

- a. New Markets
- b. Livability Agenda
- c. Asking GSEs to do mor.

PART III: THE OPPORTUNITY WE DESERVE

2. COMMUNITY EMPOWERMENT AND JOBS: HARNESSING MARKETS FOR DISTRESSED COMMUNITIES

A. INTRODUCTION

In December of 1997, I paid a visit to an area of the South Bronx that had once been close to the economic equivalent of a third world country: the people living there were under-employed and under-housed and the financial community had traditionally under-invested in them. When President Reagan visited the area in the 1980s, he compared it to London in the Blitz. For many it seemed like a community beyond hope or repair.

The transformation I saw two years ago was remarkable. The South Bronx had gone from decay and chaos to development and pride; from a fragmented collection of individuals struggling to survive to a cohesive community of citizens, working to build a better life for everyone. It was the kind of meeting that made me proud to be President and even prouder to be an American.

How did this transformation happen? In addition to the hard work and commitment of the people of the South Bronx – who simply shattered the conventional wisdom about the poor – we worked to develop a new approach to the issues of community empowerment that did not rely on older, preconceived notions.

B. A THIRD WAY

When I took office in 1993, our cities – including the South Bronx -- were reeling from twin policy failures. On the one hand, there was a sense that government had failed over the years through well-intentioned but misguided programs that focused on the amount of government dollars spent rather than on incentives and results. On the other hand, there was a sense that government had failed the inner cities by relying on a laissez-faire approach that only brought further neglect and economic decline.

Recognizing that the solution to our pressing urban social and economic problems was not “more of the same,” I proposed a third way to tackle the problems of our distressed communities – an approach that was rooted in the lessons of what works and what does not.

What do I mean by a third way? Simply that government can't solve all of our problems, but it can't leave people to sink or swim on their own, either. That we have an obligation, all of us, to give every single person the tools to make the most of his or her life. That we have a duty, together, to create opportunity for those who have been forgotten; to take responsibility for the welfare of not only ourselves and our families, but of our whole community; and to build that community out of every single American, excluding no one because of their background, their race, their religion or any other trait that has nothing to do with undermining our common humanity.

My Administration's community empowerment agenda was based on five key principles:

1. A radical expansion of individual opportunity and responsibility -- empowering every American with a chance to improve their own lives. This included policies to reward work, such as expanding the Earned Income Tax Credit (EITC) and the enactment of welfare reform and welfare-to-work initiatives.
2. Spurring private investment in our distressed communities with monetary incentives including new tax provisions, reinventing government by providing more flexibility in federal rules and regulations, and using the bully-pulpit of the presidency to challenge the private sector to seek out untapped markets.
3. Securing safer communities by signing the Omnibus Crime Bill and Brady Law, and putting 100,000 police officers on the beat.
4. Expanding access to capital and credit and expanding opportunity for all Americans.
5. Focusing on bottom-up, community-based solutions to the problems in distressed neighborhoods and towns instead of federal mandates.

C. AN AGGRESSIVE AGENDA FROM DAY ONE

In *Putting People First*, Vice President Gore and I outlined a comprehensive empowerment agenda to tackle the problems of distressed communities -- and to do so in a way that rewarded work, ensured greater access to capital, and created safer neighborhoods. This included: the creation of the first-ever federal Empowerment Zones and Enterprise Communities; establishment of a network of Community Development Financial Institutions (CDFIs) and reform of the Community Reinvestment Act (CRA) to provide greater access to capital, credit, and basic banking services to more Americans; expanding the nation's affordable housing stock by making the Low-Income Housing Tax Credit (LIHTC) permanent and the Mortgage Revenue Bond (MRB) program, reinventing the Department of Housing and Urban Development, and increasing the number of housing vouchers; encouraging entrepreneurship by expanding the number of microenterprises, and making available Individual Development Accounts (IDAs) to low-income persons who want to save for their education, a first home, or their retirement.

From day one, Vice President Gore and I pursued this agenda aggressively and, remarkably, we achieved all these policy goals. As a result, for the first time in 30 years, the structural changes are placing distressed communities on the winning side of new development trends. While there is obviously more work to do, our efforts have set us on the proper course. In our cities, jobs, incomes, and homeownership are going up, while crime and welfare rolls are going down. The poverty rate is at its lowest level in nine years, wages are rising faster than in the nation as a whole, employment has risen 11 percent since 1992, and for the first time in history more than half of central city households are homeowners.

Several factors have contributed to these positive developments: the longest peacetime expansion in American history; public-private partnerships spearheaded by a new generation of innovative mayors, local leaders, private entrepreneurs, and community-based organizations; and our empowerment agenda.

On the other hand, even though we have the lowest peacetime unemployment rate since 1957, there are still 37 cities -- 37 -- where unemployment is double the national average. There are lots of smaller communities where children still have to go past abandoned storefronts to get to a grocery store to buy a carton of milk. There are rural areas and very small towns which have had almost no new investment in the last six years. And, of course, in many, many of our Native American areas and communities there is still a great deal of economic distress and uncertainty.

While we have taken important steps together and made real progress, we need to do more. Many minorities are still being left behind. And it isn't because they don't want to or don't try. In addition, the markets still fail to draw needed investment capital to fuel businesses and job creation, and they fail to provide the personal financial services—from checking accounts to insurance to micro-lending for entrepreneurs—that can be the gateways to economic mobility and security.

I believe as we go into the 21st century that no one should be left behind. We should genuinely create opportunity for every responsible citizen. And because we've got the strongest economy in at least a generation, we have been given an opportunity to prove that we can bring the benefits of free enterprise to every neighborhood in America. We can prove that you can have low unemployment and increasing opportunity.

We need to help all Americans share in America's prosperity. Most fundamentally, since so many of these distressed communities are communities of color, we must overcome the fears and stereotypes about race and poverty which have kept lenders and investors from giving these communities a hand up. We must face the challenge of harnessing the full power of markets to bring development and opportunity to our neediest communities, just as our nation invented the institutions, incentives and market structures to transform housing and home ownership into a central part of America's dream.

D. BRINGING OPPORTUNITY TO MORE AMERICANS

I have always believed that if we give people the opportunity to improve their lives, they will meet the challenge. Ensuring access to capital, credit, and basic financial services has been the cornerstone of my empowerment strategy, and we have seen the results. The private sector has become re-engaged in our cities and distressed communities. Our six year campaign to highlight the untapped potential of America's underserved communities and helping them to find their competitive niche in the marketplace has brought hope and opportunity back to places long-forgotten or cast aside. Looking ahead, we need to build upon what we have achieved and promote new ideas and policies that expand community empowerment and bring the economic mainstream flowing to neighborhoods that have been left high and dry behind long-standing dams of segregation, discrimination and even hopelessness. The dams have been crumbling, but the years ahead must bring them completely down. The markets of the economic mainstream, if harnessed effectively, can bring a flood of empowerment, entrepreneurialism, and jobs. I think this is a crucial component of our workplan to build One America.

As Robert Kennedy once said, "To ignore the potential contribution of private enterprise is to fight the war on poverty with a single platoon while great armies are left to stand aside." We need to

unleash the power of mainstream financial markets, linked to effective non-profit partners, so that people in distressed communities have a chance to get loans that will allow them to start good businesses, build and buy decent homes, and raise their families in dignity. As I have said many times, there needs to be a new partnership between Washington and communities and individuals of this country—there needs to be a way of doing business at *all* levels of government that creates the conditions for people to seize opportunities for themselves. We have embarked on an empowerment strategy to help restore the American Dream in distressed areas by focusing on helping people help themselves and by combining existing ideas and resources with new initiatives to spur growth and investment.

In the years ahead, we first need to build upon what we've been doing:

- Community Reinvestment Act. Preserve the relevance of the Community Reinvestment Act and improve anti-discrimination compliance.
- Community Development Financial Institutions. Further expand support for Community Development Financial Institutions (CDFIs) and related non-profit technical assistance providers that work alongside mainstream institutions to bring loans and investment to distressed communities. This should come particularly through incentives to draw private capital into CDFIs. My new markets initiative will provide a tax incentive for those who want to invest in certain types of CDFIs and help to insure that the goal of a network of these institutions is met.
- EZ/ECs. Expand upon my Administration's Empowerment Zone and Enterprise Community Initiative. Its purpose is to create jobs and business opportunities in the most economically distressed areas of inner cities and the rural heartland through a combination of tax incentives and performance grants. In the future we should consider creating a Third Round of Empowerment Zones.
- Targeted Tax Credits. Develop still more effective federal and state tax credits to spur low-income housing, redevelopment, reclaiming of "brownfields," and expansion of Empowerment Zones.
- SBA's Efforts. Sustain and strengthen the Small Business Administration's targeted efforts in distressed communities, and with entrepreneurs most likely to be underserved by traditional financial institutions.

Second, we need to promote new measures, including my New Markets Initiative:

- New Markets Initiative. Follow through on the *New Markets Initiative* we have proposed for equity capital to spur business growth, including tax incentives and creation of a domestic analogue to the Overseas Private Investment Corporation, which helps U.S. businesses take advantage of uncertain new markets abroad.
- Livable Communities. Enact legislation to promote more livable and economically sustainable communities. The Clinton-Gore Livability Agenda aims to help citizens and communities: *Preserve green spaces* that promote clean air and clean water, sustain wildlife, and provide families with places to

walk, play and relax; *Ease traffic congestion* by improving road planning, strengthening existing transportation systems, and expanding use of alternative transportation; *Restore a sense of community* by fostering citizen and private sector involvement in local planning, including the placement of schools and other public facilities; *Promote collaboration* among neighboring communities -- cities, suburbs or rural areas -- to develop regional growth strategies and address common issues like crime; *Enhance economic competitiveness* by nurturing a high quality of life that attracts well-trained workers and cutting-edge industries.

- **Tools to Support Investment in Distressed Communities.** Develop better tools to support mainstream financial institutions, and others, which invest in distressed communities. This might include combinations of credit subsidy, insurance, and tax incentives to attract new sources of capital and to create secondary markets, all analogous to the creativity we have applied in housing markets. We should also take a look at the role of Government Sponsored Enterprises (GSEs).

Let me explain some of these a bit more.

Building Upon a Solid Foundation

Community Reinvestment Act. The Community Reinvestment Act (CRA) encourages mainstream financial institutions to help meet the needs of their communities, consistent with safe and sound banking practices. CRA is helping to restore healthy markets in distressed communities, helping to build homes, create jobs, and restore hope all across the country. In 1993, large commercial banks alone made \$18.6 billion in community development investments. And lending to minority and low-income borrowers is on the rise. Since 1993, home mortgage lending to African Americans has increased by 58 percent, to Hispanics by 52 percent, and to low- to moderate- income borrowers by 38 percent, well above increases in the overall market.

Since 1992, nonprofit community groups estimate that the private sector has pledged over \$1 trillion in loans going forward for affordable home ownership and community development. While it is very difficult to say how much of this activity would never have occurred without the CRA, the structure of accountability is a modest regulatory imposition in comparison with the dividends. The CRA is an invaluable tool.

Community Development Financial Institutions. Beyond CRA, however, we have already recognized the need for new institutions and missions. During my 1992 campaign for President, I pledged to help create a network of Community Development Financial Institutions, or CDFIs, to work alongside mainstream institutions in expanding access to capital to low-income communities. Today, that vision is turning into a reality, with the Treasury Department's CDFI Fund.

The Fund has invested \$125 million thus far in community development banks, thrifts, credit unions, loan funds, micro-funds, and venture capital firms whose primary mission is serving

ACCOMPLISHMENTS OF THE CDFI FUND

Four programs are administered through a competitive process:

The Community Development Financial Institutions

(CDFI) Program

- The CDFI Fund began making awards to CDFIs in 1996.
- \$77.6 million awarded to 81 recipients in 1996 and 1997 rounds including microenterprise funds, serving urban, rural and Native American communities.
- \$44 million awarded to 42 community development organizations in 1998

The Bank Enterprise Award Program

- CDFI Fund made 92 awards totaling \$30 million under the BEA Program in 1996 and 1997.
- 79 Bank Enterprise Awards made totaling \$28 million in 1998.

Technical Assistance Program

- From 1996 to 1997 close to \$2 million in funding was provided to approximately 25 organizations for technical assistance.
- 70 groups were selected in 1998 for a total of nearly \$3 million in technical assistance grants.

Presidential Awards for Excellence in Microenterprise

- Non-monetary program that recognizes and seeks to bring attention to organizations that have demonstrated excellence in promoting microentrepreneurship.
- The first Presidential Awards for Excellence in Microenterprise Development were made in January of 1997. A second round of awards, made in February 1998, recognized six microenterprise organizations.

low and moderate income communities. These locally-based financial institutions, in turn, use their superior local knowledge and community development expertise to make profitable loans in inner-city and rural small businesses, affordable home ownership strategies, and community infrastructure

– bringing mainstream financial institutions into these communities along the way. The Fund has also made \$58 million in awards to mainstream banks, leveraging ten times that amount in private sector investment. We are going to expand funding for CDFI, and give it new tools to grow micro-businesses in these communities.

Small Business Administration. These new tools will complement the work that the Small Business Administration is doing through its Hispanic and African American small business technical assistance training efforts. Their potential for targeted lending to inner city and rural distressed areas is an important building block in our foundation of economic development efforts.

ACCOMPLISHMENTS OF THE EMPOWERMENT ZONE AND ENTERPRISE COMMUNITY STRATEGY

The EZ/EC Initiative

- 135 Empowerment Zones and Enterprise Communities have been designated
- Federal seed money has leveraging over \$14 billion in additional public and private sector investment in community revitalization efforts.

Steady Job Creation

- More than 550 job training programs with 42,000 Zone residents having received job training.
- Nearly 30,000 Zone residents have been placed in jobs.

Access to Capital

- Access to cheap sources of capital -- the lifeblood of commerce --has greatly improved.
- "One Stop Capital Shops" created to help coordinate and expedite the delivery of financial services to small businesses.
- More than 4,300 businesses served by the EZ/EC capital access/credit access programs
- 4,500 businesses have received technical assistance from the EZ/EC programs.

Housing

- 2,400 housing units constructed and another 11,000 rehabilitated.
 - Nearly 14,000 homeless people have been served under the "homeless to housing" program.
- Within the Zones and Communities, there are 146 homeownership programs that have served 8,600 residents.

Empowerment Zones and Enterprise Communities. The Empowerment Zone and Enterprise Community Initiative is a key element of this Administration's job creation strategy for America. Its purpose is to create jobs and business opportunities in the most economically distressed areas of inner cities and the rural heartland through a combination of tax incentives and performance grants. It also

focuses on activities to support people looking for work, such as job training, child-care, and transportation.

What sets this Initiative apart from previous urban revitalization efforts is that the community drives the decision-making. Residents decide what happens in their neighborhoods, not federal officials in Washington. Each community has written quantifiable goals that determine how the money will be spent and what the results of the activity will be. Since its inception in 1994, the EZ/EC Initiative has produced outstanding results by empowering people to create business opportunities and jobs, leverage public and private partnerships, provide affordable housing and make communities safer and better places to live. There are tangible signs that the Empowerment Zone strategy is working in communities around the country.

Tax Incentives. We have also harnessed the power of the private sector through targeted tax incentives. We made permanent the low income housing tax credit, which creates nearly 90,000 units of affordable housing each year. And we have proposed expanding it by 40 percent, to help create another 180,000 units of affordable housing over the next five years. Such tax credit investments typically qualify as CRA loans and can constitute a major basis for linking resources and incentives into a comprehensive system which acknowledges the enormous help which financial institutions have, and can, play in rebuilding distressed communities. Also, with Vice President Gore's leadership, we have enacted two rounds of Empowerment Zones, which are helping to bring growth and opportunity to some of the most economically distressed communities in our nation. We have also passed a Brownfields Tax Incentive to help clean up nearly 11,000 environmentally contaminated sites in our inner cities and rural areas, and bring them back to life—and I have proposed to Congress that this incentive be a permanent part of our tax code.

E. NEW DIRECTION

We now must take more direct action to harness the power of the private market to provide equity capital to businesses often left out of the mainstream.

For years our government has worked to give Americans incentives to invest in emerging markets around the world. But we now know, as we look forward to how we can continue to create jobs and have economic growth without inflation, that our greatest untapped markets are here at home -- at the least \$85 billion in untapped markets.

So how are we going to do this? First, the business leaders of our country have to help us. We have to mobilize the private sector to bring new jobs and opportunities. We know that, since the government, the federal government is the smallest it has been since 1962, what we can do is to do what we have been doing. We can find a new way to create the conditions and give the private sector the tools to bring investment to these areas to put people to work.

Now, how can we do that? More empowerment zones, more community development banks, but also our New Markets Initiative. If we want more investments in the inner-cities, more investment in the medium-sized cities and small towns, more investments in rural

areas, you've got to have more equity investment. So in the State of the Union I proposed this New Markets Initiative, to leverage billions of dollars in that kind of investment by providing tax credits of up to 25 percent of the equity placed in untapped markets.

I also proposed to create American private investment companies and new market venture capital firms to bring more equity capital to investors who develop or expand in these areas with loan guarantees that would cover up to two-thirds of the investment. If you have 25 percent tax credit for what's at risk, and a loan guarantee of two-thirds of the rest, and a plain market there, and we can actually get this out in simple terms that people can understand, I think we have a chance to spark an enormous amount of economic development in America before this administration's work is done.

We should not be thinking of our success without an equal determination to give every one of our fellow citizens a chance to be a part of it as we go into a new century. We don't have to leave anyone behind. And if we can't do this now, when in the wide world will we ever get around to it?

NEW MARKETS INITIATIVE.

In my budget for next year, I have proposed a New Markets Initiative. The key pieces of this initiative are:

- A New Markets Tax Credit to help spur \$6 billion in private sector investment for business growth in low- and moderate-income rural and urban communities. Businesses in our nation's inner cities and isolated rural communities often lack access to equity capital to grow and succeed. To help attract new capital to these businesses, we would provide a 25 percent tax credit in present value terms on the amount invested in a wide range of specialized investment funds focused on bringing growth to our nation's distressed communities.
- A program to support private-sector-run "America's Private Investment Companies." Modeled on the successful investment program overseas, the Overseas Private Investment Corporation (OPIC), this effort involves government guarantees of private sector loans to leverage equity capital for investment in larger businesses.
- "New Market Venture Capital Firms" to provide needed capital and technical assistance to smaller firms in these communities.
- Under Vice President Gore's leadership, we are also expanding a new initiative, BusinessLINC, to help link larger businesses to smaller firms to provide technical assistance, joint venturing and contracting opportunities, especially to those firms that are isolated from mainstream business networks.

Communities that are more livable are more likely to be places of hope and economic opportunity. Under the leadership of the Vice President, our Livability Agenda integrates the commitments of more than a dozen Federal agencies. As part of this Agenda, the Administration will continue to work with and learn from states, communities, and other stakeholders, and to develop new strategies to provide them with additional tools and resources. The Livability Agenda also supplements the various programs that make up the Administration's Community Empowerment Agenda, which is designed to encourage reinvestment in existing communities and provide greater opportunity for their residents.

LIVABILITY INITIATIVES

The President's FY 2000 budget request to Congress will propose significant new investments to support major Livability programs:

Better America Bonds - To help communities reconnect with their land and water, preserve green space for future generations, and provide attractive settings for economic development, the Administration is proposing a new financing tool generating \$9.5 billion for investments by state, local and tribal governments. The President's budget will propose tax credits totaling more than \$700 million over five years -- to support Better America Bonds, which can be used to preserve green space, create or restore urban parks, protect water quality, and clean up brownfields (abandoned industrial sites). The program will be administered jointly by the Department of the Treasury and the Environmental Protection Agency, in consultation with other agencies.

Community Transportation Choices - To help ease traffic congestion, the proposed Department of Transportation budget for FY 2000 will include a record \$6.1 billion for public transit plus \$2.2 billion -- a 16 percent increase over FY 1999 -- to aggressively implement innovative community-based programs in the Transportation Equity Act for the 21st Century. Such programs provide flexible support to help communities create regional transportation strategies, improve existing roads and transit, and encourage broader use of alternative transportation. This includes \$1.6 billion for the Congestion Mitigation and Air Quality Improvement Program, which supports state and local projects that reduce congestion and improve air quality.

Regional Connections Initiative - To promote regional "smart growth" strategies and to complement the Administration's other regional efforts, the Department of Housing and Urban Development will provide \$50 million as matching funds for local partnerships to design and pursue smarter growth strategies across jurisdictional lines. Strategies will include compact development incentives, (b) coordinated reinvestment in existing infrastructure, and (c) ways to manage reinforce the region's overall development strategy.

Regional Crime-Data Sharing - \$50 million will be provided for programs to help communities share information to improve public safety. These programs will: (1) improve and continue to computerize national, state, and local criminal history records; and (2) develop or upgrade local communications technologies and criminal justice identification systems to help local law enforcement share information in a timely manner.

Look To GSEs to do more. We also need to examine other new ideas. For example, banks that make business and other job-creating loans in distressed areas may need help akin to that we have long given to mortgage lenders—the kind of assistance that helped build the middle-class, the suburbs and our modern American dream of home ownership.

That means various tools to provide credit enhancement or subsidies for such lending. For example, to increase dramatically the levels of community development lending, lenders must be able to take the borrower's commitment to pay off the loan and turn around and sell that commitment to investors on a secondary market in the same way that banks can sell home mortgages on a secondary market. It is that secondary market that allows the lending bank to replenish its resources and make still more loans. The lending risk can be divided up – shared between the lender, the investors from the government, and various levels of government. Another thing to explore is using state and federal tax incentives to draw more debt and equity capital into community development. Our proposal for a *New Markets Tax Credit* is a step in that direction, and additional flexible incentives will be needed. All of this should be considered in relation to the current set of housing-related institutions and incentives, including FHA, Ginnie Mae, Fannie Mae, Freddie Mac, and the Federal Home Loan Bank System. We must ask ourselves, what reforms are necessary to better focus these institutions on meeting the continuing need for housing capital in underserved communities? Should the role of these institutions be expanded to meet the community development challenge or our distressed urban and rural communities? Or, should we create or help the private sector create parallel institutions to focus exclusively on the unique challenges presented in building a finance system for community development?

First and foremost, we must recognize that public, democratically defined incentives, leadership and vision can be important, but only private resources and energy, tied to personal initiative and drive, can give us the widespread and enduring success every community deserves.

Complementing that private engagement, local community growth strategies have to be linked to regional growth opportunities, since it is regional economies that are the major engines of our prosperity. Local communities—both the public and private actors—need information and technical expertise to analyze and harness economic growth throughout their regions. Regional transportation planning is one of the building blocks for this cooperation but even more can be done to include housing, jobs, and community reinvestment as well.

Regional leadership must work with the private sector and with non-profit agencies to provide technical assistance and mentoring to small businesses to overcome barriers to entering the mainstream economy. And we need national and regional institutions that can help local community-based organizations provide low-income families with the necessary skills and to connect them to available jobs throughout their local economy, as we are trying to do, for example, in the Welfare-to-Work Partnership.

I believe that to continue and improve our prosperity in the 21st century, we need to bring all American communities into the economic mainstream. The workplan I have outlined here will help bring growth and opportunity to America's economically distressed communities. Now, while the economy is so strong, is the right time to act. We cannot afford to miss this chance to invest in the opportunity we deserve.

April 5, 1999

MEMORANDUM TO TODD STERN

FROM: Bruce Reed

SUBJECT: Comments on Draft Chapters of Race Book

The second half of this memo outlines my concerns about and changes to the policy chapters of the draft race book. With a little good faith, I believe these changes can easily be incorporated, although this is not the first time I have suggested them.

For the most part, however, the real shortcomings of the current draft have little to do with policy. Despite a lot of hard work by all concerned, the current draft falls far short of what I thought the President was looking for -- a bold, honest, Clintonesque vision of race and America for the 21st Century.

I see three fundamental problems:

1. *This draft does nothing to advance the President's goal of launching a new debate on race.* The President has made clear that the whole point of the race initiative was to move beyond the old debates of the '60s and '70s toward a new debate about race. This draft could have been written 20 years ago:

- It lays out new rights, but deliberately goes out of its way not to mention responsibilities -- even replacing the President's trademark "opportunity, responsibility, community" with "opportunity, community, heart." Responsibility isn't just missing from the litany, it's missing from every chapter.
- Instead of advancing the President's long-held philosophy that the best way to close the opportunity gap is through universal programs that expand opportunity for all but disproportionately help minorities, the draft focuses almost entirely on narrow, targeted programs to help particular populations. Big, pressing problems that affect most Americans and hit minorities hardest -- like the need for child care and health care -- are lucky to get a paragraph, while the section on the need for more social science research goes on for four pages.

- The draft does nothing to reframe the race debate, focusing more on black-white concerns than on the complex new challenges we face as a nation that is almost majority-minority. There is a chapter on Native Americans -- why is there no chapter on the New Immigrants or the New Citizens?

2. *No one reading this draft would think it was written by Bill Clinton.* Going back to his 1992 speeches in Detroit and Macomb County, the President has never had one philosophy for minorities and another for whites -- he has always tried to deliver the same message to both. But this draft is written in a different voice, oddly disconnected from the tone, the policies, and the force of the man who has been working on these issues for two decades.

- The draft leaves the impression that we're only now getting around to doing something about race. But this subject has formed part of the underlying mission of the Clinton Presidency from the outset.
- The President is famous for wrestling with the many hard issues that surround race, and for that reason, when he talks about race in a speech or town meeting, he comes across as honest, revealing, interesting. Throughout, this draft flattens and oversimplifies complex problems. For example, as I outline below, the crime chapter skips over the hard truths that made the Memphis speech so profound.
- Throughout the draft, the words just don't sound like Bill Clinton. For example, I have heard the President talk about education a thousand times; the education chapter doesn't sound anything like him. His analysis of the problems is richer, his priorities clearer, his empathy deeper, his impatience for progress and weariness of easy answers more evident. The real Clinton is missing from these pages.

3. *It isn't bold and it isn't interesting.* This draft does a serviceable job of conveying basic information about race. But as I have suggested, if the point of the race book is to put forth a bold vision, provoke a good debate, or even just change a few minds, this draft falls short. Neither the rhetoric nor the vision rise to the occasion.

EDUCATION CHAPTER

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As I said to the authors two months ago, "Every time he speaks on this subject, the President makes a powerful argument for why his plan is fundamental to closing the education opportunity gap, by ensuring a qualified teacher in every classroom, consequences for schools that fail, and high expectations coupled with the help it takes to meet those expectations. Obviously, the book need not be limited to proposals the President has already made. But since the ESEA debate is the most important shot he'll have at these problems in his Presidency, it deserves more than a paragraph."

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to offer (and then threaten to take away) broader flexibility in federal grant programs -- which we have already proposed to do through ESEA, and may already have signed into law through Ed-Flex by the time the book comes out. Most troubling, it undercuts the President's ESEA proposal by suggesting that "our ambitions must be higher" (p. 25) and that "the special challenge of racial disparities requires special measures" like the Compact (p. 26). The whole point of our ESEA proposal -- as well as our class size, school construction, and after-school proposals -- is to close the gap. We should make arguments for it, not against it.

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p. (Intro)-8: As noted above, the new litany of "opportunity, community, heart" is ludicrous. The President can't and shouldn't walk away from "responsibility" in his race book. It was the central theme of the most important speech he has given on the subject.

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Filer
Race Book

March 26, 1999

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Elena Kagan

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maybe too much
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We see three fundamental problems:

It's missing from every chapter

1. *This draft does nothing to advance the President's goal of launching a new debate on race.* The President has made clear that the whole point of the race initiative was to move beyond the old debates of the '60s and '70s toward a new debate about race. This draft could have been written 20 years ago. It lays out new rights, but deliberately goes out of its way not to mention responsibilities -- even replacing the President's trademark "opportunity, responsibility, community" with "opportunity, community, heart." Instead of advancing the President's long-held philosophy that the best way to close the opportunity gap is through universal programs that expand opportunity for all but disproportionately help minorities, the draft focuses almost entirely on narrow, targeted programs to help particular populations. And it does very little to reframe the race debate, focusing more on black-white concerns than on the complex new challenges we face as a nation that is almost majority-minority. There is a chapter on Native Americans -- why is there no chapter on the New Immigrants or the New Citizens?

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-4 yrs
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catches w/ the point above

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DRAFT

File:
Race Book

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policies, and the force of the man who has been working on these issues for two decades. The draft leaves the impression that we just stumbled onto this issue of race, and scrambled to pull some policies together to deal with it -- rather than that the underlying mission of the Clinton Presidency has been to expand opportunity for everybody. The real Clinton is missing from these pages: If the President were talking about social promotion -- to any audience, white or black -- he would extol what Chicago is doing; this draft not only never mentions it, but talks at length about the downsides of testing and ending social promotion. When the President talks about race, he always wrestles with the many hard issues that surround race -- what drives racial tensions and what can we do to ease it; how much government can do and how much must change come from the inside out. This draft attributes almost every problem to latent racism and discrimination, either by the citizenry or the government. The result is little more than a disparate impact analysis of America.

3. *It isn't bold and it isn't interesting.* This draft does a serviceable job of conveying basic information about race. It is replete with (selective) facts and figures, but devoid of depth, complexity, or emotion. But if the point of the race book was to put forth a bold vision, provoke a good debate, or even just change a few minds, this draft falls short. When the President talks about race in a speech or town meeting, he comes across as honest, revealing, interesting. This draft meets none of those tests, either. Neither the rhetoric nor the vision rise to the occasion. We were hoping for something bolder.

EDUCATION CHAPTER

The centerpiece of this chapter, about the "Compact for Equal Opportunity in Education," just doesn't work. Despite repeated meetings on this topic, and direct guidance from the President on down that this chapter needs to advance his existing education agenda, it still does not. This section (pp III.1-19 to III.1-27) needs a fundamental rewrite or it will undermine the real centerpiece of the President's education agenda, which he laid out in the State of the Union.

As we have made clear throughout this process, the authors seem intent on minimizing our sweeping ESEA proposals -- which the President has called a "sea change" in education policy -- in one throwaway paragraph, so they can devote most of the discussion to a new effort (the "Compact") that is inconsistent with what we've already proposed. This is particularly troubling because our existing proposal is bolder, more coherent, and more likely to reduce racial disparities in achievement than the vague idea sketched out in the draft.

As we said to the authors two months ago, "Every time he speaks on this subject, the President makes a powerful argument for why his plan is fundamental to closing the education opportunity gap, by ensuring a qualified teacher in every classroom, consequences for schools that fail, and high expectations coupled with the help it takes to meet those expectations. Obviously, the book need not be limited to proposals the President has already made. But

since ESEA debate is the most important shot he'll have at these problems in his Presidency, it deserves more than a paragraph."

This section needs to change in two fundamental ways: First, it needs to make a strong, compelling case for the President's ESEA proposal (and related investments) as the centerpiece of his vision for increasing educational opportunity. The President has given dozens of off-the-cuff speeches that make his argument for equal opportunity in education better than this draft does. The book needs to explain why poor schools aren't working and the sea change we've proposed to fix them -- that low-income students have suffered the most from decades of federal indifference to results, and now for the first time, we're demanding accountability; that every child has a right to functioning schools, qualified teachers, and high expectations; and that failing schools, lousy teachers, and social promotion will no longer be a local option.

Second, the Compact section needs to be reworked to mesh with ESEA or junked altogether. The most sensible change would be to make the ESEA reforms the heart of this Compact, rather than a prelude to it. The description of the Compact on p. 21 and in the text box on p. 23 doesn't work, for a variety of reasons. The whole proposal is too vague to make much sense, but its few specifics conflict with what we're already doing. It combines some measures we've already proposed to require nationwide (like report cards and takeovers of failing schools) with others we've rejected (like expert panels). [As an example of what might happen under the Compact, the draft cites Dade County's efforts to turn around failing schools -- which is already required under our ESEA proposal.] The essence of the Compact is offering (and then taking away) broader flexibility in federal grant programs -- which we have already proposed to do through ESEA, and may already have signed into law through Ed-Flex by the time the book comes out. Most troubling, it undercuts the President's ESEA proposal by suggesting that "our ambitions must be higher" (p. 25) and that "the special challenge of racial disparities requires special measures" like the Compact (p. 26). The whole point of our ESEA proposal -- as well as our class size, school construction, and after-school proposals -- is to close the gap. We should make arguments for it, not against it.

We would be happy to rewrite this section, but Paul Glastris -- who writes all the President's education speeches -- might be the best candidate to do so.

CRIME CHAPTER

Again, the centerpiece of this chapter is vague and not well thought through. The proposal to require community action plans for targeted crime funds (p. 16) is a warmed-over version of Bush's weed-and-seed program. It is supposed to help "Hot Spots" -- but it sets up a process of plans, reviews, and accountability that will make it harder for those communities to get money than if they applied through the regular COPS program. It's too modest a proposal to raise a fuss over, but it bears little relation to what we're actually doing in our budget or our crime bill.

40-41 -- We cannot say that the lack of trust in law enforcement "may even promote crime" or imply that criminals are more likely to commit repeat acts of domestic violence because of the way they were treated by law enforcement. That kind of moral equivalence is unacceptable. We have never made excuses for criminal behavior, and we should not start now. We can make a persuasive argument about the need for greater trust without accusing law enforcement of causing crime.

47 -- We can't commit to supporting legislation that Conyers "is preparing". We supported Conyers bill last year to promote data collection, but we will not support data collection as a condition of COPS money.

48 -- The section on racial profiling needs to be rewritten to reflect what we'll actually do.

50 -- I can't imagine that if only 1% of police-citizen encounters involve use of force, we have statistically significant data to support the notion that "a disproportionate number of these incidents involve persons of color." On the next page, the sentence "There are just too many examples, some horrific, to ignore the problem" sounds like rhetoric without citing an example.

56 -- We should not claim that some "unfortunate cycle" in which lack of minority trust in law enforcement is making it difficult to attract minorities to policing, unless we have studies to support it.

58 -- The concluding paragraph is hopelessly trite and naive -- suggesting that children's world views will be shaped only by "the investments we make or don't make" in them and not, for example, by whether or not they grow up in neighborhoods that are safe. It suggests that if we just spent money on schools instead of prisons, everything would be fine. But the real world is more complicated than that. If we don't keep children safe, they won't grow up. If we don't make neighborhoods safe, there won't be enough jobs, or taxes to pay for decent schools. If we don't continue to reduce crime, we will see more racial and class isolation, not less. So if our goal is to promote an honest dialogue about America's problems, let's not fall back on truisms like schools are better than jails.

OTHER CHANGES

p. (Intro)-8: As noted above, the new litany of "opportunity, community, heart" is ridiculous. The President can't and shouldn't walk away from "responsibility" in his race book. It was the central theme of the most important speech he has given on the subject, in Memphis.

P. (Intro)-10: As noted above, it would be inconsistent with the President's whole career to lay out three new rights without talking about responsibilities.

p. (I)-22: This page refers to "hidden bigots" like "the teacher in your child's school, a policeman who might detain you, or your supervisor at work". "Hidden bigot" is not a phrase to throw around lightly. It's certainly not fair to single out teachers and police, who are no more likely to hold racist views than people in other professions, and should not be stereotyped.

EDUCATION

5 -- The paragraphs on vouchers don't fit, and don't make sense. For one thing, the President is opposed to the federal use of funds for vouchers, not vouchers themselves. Moreover, we're just asking for trouble if we imply that vouchers will "reinforce race and class segregation." This section should be dropped.

17 -- These three principles don't exactly sing. The first principle ought to be along the lines of "First, we must eliminate racial disparities in education by raising expectations for everyone and doing more to help everyone meet those expectations -- because every child can learn."

28-29 -- The draft suggests we have given "lip service" and made "compromises" in our ideals, but doesn't say how.

32 -- Testing and standards should be discussed later, under expectations and accountability (p. 41), not as the introduction to a section on school equity. And we're for the standards movement. We're for high standards now and everywhere -- not down the road after every aspect of unequal funding has been addressed.

34 -- We have a host of proposals in our ESEA package to improve the quality of teaching for poor and minority children. They're not mentioned.

44 -- [ask EK re civil rights laws]

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP, Leanne A. Shimabukuro/OPD/EOP
cc: Cathy R. Mays/OPD/EOP, Laura Emmett/WHO/EOP
Subject: late...and lightweight

BR:

Here are some comments on the new Edley draft. I'm afraid I didn't spend too much time on them, so they may not offer much more than my initial comments. But here goes...

Some comments on race book draft:

1. Additional facts/stats on victimization rates and criminal offending. I would add some additional points here to help make the facts clear. First, I would add (page 3, paragraph 2, after line 2) that blacks represent nearly 50 percent of all violent crime victims. This is pretty startling and should be mentioned. (Actually, the number is 49 percent according to the 1997 National Crime Victimization Survey, which -- by the way -- was released at the end of last year and is not "forthcoming." as the footnotes say.) Second, to reinforce the connection between higher rates of victimization and offending, I would add (on page 5, paragraph 2; after line 3) that blacks are 7 times more likely than whites to be murdered -- and 8 times more likely than whites to commit homicide (BJS, Homicide Trends in the U.S., 12/98). Also, we could mention that over the past 20 years, black on black murders have accounted for about half of all murders in our 10 largest cities. Finally, I would change the final sentence in that same paragraph to read: "Overall, however, whites commit a majority of all crime." I think this is a bit more accurate.

2. Some thought on the community section (Page 6, paragraph 2). I would drop the first 3 lines here -- what do they mean? -- and change the focus of this paragraph. Instead of asking rhetorically why this conditions exist, why don't we simply open by saying that -- despite what some may think -- the past several years have shown us that we don't have too tolerate these conditions; that we can substantially reduce crime -- even the worst kinds (i.e., crack, guns, etc.) and in the neighborhoods with the worst crime problems; and that the skeptics are wrong. We could even give an example or two of inner city communities that are winning the fight against crime.

Also, I would try and shift the emphasis of the next paragraph -- make it principally about strong communities, not poverty demographics, etc. For instance, we should

open that paragraph by saying that studies show that strong communities -- those with a strong sense of shared values...where people act to reinforce those values...and where this sense of responsibility is coupled with opportunity for all, especially young people -- have lower rates of violence (In fact, according to the ongoing Sampson/Earls Chicago Study, this shared sense of community is the biggest predictor of violence...by 40 percent). Then I would get into the fact that pervasive poverty (lack of opportunity), broken families, etc., all serve to undermine the strength of a community.

3. Chief Greenberg (page 13, last paragraph). The point on mentioning Chief Greenberg was two-fold: first, that Clinton visited with him and became sold on community policing; and second, that Greenberg as a no-nonsense police chief, in the deep south, who was cracking down on criminals, reducing crime, and simultaneously strengthening ties to the community. In short: he was overcoming many of the difficult issues surrounding race and crime. It is probably worth walking through this example some.

4. Community Justice "hot spots" (page 15, last paragraph). I continue to believe that the term "community justice" does not clearly communicate what we're trying to do here. We are trying to bring the lessons learned from community policing to the rest of the criminal justice system. That means that prosecutors, courts, and other components of the criminal justice system need to re-orient their emphasis from the bureaucratic processing of cases to pro-actively solving people's problems. They need to engage the community, understand local problems, embrace solutions and strategies that address those problems, and be held accountable for results. We should probably walk through examples of how neighborhood district attorneys, community courts, etc., are responding to community needs, reducing crime and increasing confidence in the criminal justice system. This is considerably different than the "multiple hoses to the fire" approach described.

Moreover, the "multiple hoses" approach, as described in the draft, sounds too much like the Bush Administration's response to the LA riots -- Weed and Seed -- and our own under-achieving empowerment zones program. It's not new policy that builds on the success of community policing, but the same old community development rhetoric/policy that has largely failed. No federally-mandated, comprehensive plan is going to help overcome the most difficult crime and race problems in our communities. However, federal resources that allow local leadership to work with their community to solve specific problems -- one-by-one -- might help.

4. Hot button issues. I would resubmit the same concerns I had before I had about race profiling, police brutality, and incarceration. I am especially concerned about the initial characterization of how law enforcement officers use race profiling, which will be strongly disputed by law enforcement at all levels -- and do little to increase understanding of this difficult issue.

Proposed edits to race book:

Page III.4-3

First paragraph after third sentence, insert: "In some instances, minorities are benefitting most from decreasing crime rates. For instance, since the early 1990's, homicide victimization of young black males declined the most as compared to all groups. Hispanic households experienced the greatest decreases in property crime rates between 1993-96, and the greatest declines in violent crime victimization rates between 1995-96." This helps make the point that overall crime going down is not only helping everyone, but frequently minority communities the most.

Pge III.4-14

First full paragraph, replace third sentence with: "Today, we have nearly reached our goal of funding 100,000 more police, and we have helped expand community policing to over 11,000 police departments across the country." This clarifies that we are close to reaching the 100,000 funded mark, not 100,000 on the street.

Same paragraph, final sentence: "And I have asked Congress to extend the program by adding up to an additional 50,000 officers."

Page 111.4-15

First full sentence on page: "To fully achieve these goals, we should build on that foundation by applying the lessons learned from community policing in other areas of the criminal justice system, such as prosecutors' offices, our courts, **probation and parole offices**, and local jails."

Page III.4-16

Second bullet, first sentence: "To be eligible for this pool of targeted funds, communities will be asked to bring all the actors to the table..." This deletes reference to "requiring" this coordination, which is a much higher burden than required under current grants, and could significantly delay the application process in communities that need funding the most urgently.

Delete third bullet, or at least the last sentence. Again, this creates an enormous burden to apply for grants, and could have the effect of cutting off federal funds to those communities with the most serious crime problems if progress isn't met by goals.

Page III.4-17

First full parpagraph, last sentence: Delete reference to "positive results needed to receive

continued federal support” for same reasons listed above.

Page III.4-21

First full sentence, replace with, “**Many policing agencies are beginning to identify high-crime places through computer mapping...**” We shouldn’t imply that the “best” law enforcement strategies necessarily require complex and costly computer crime mapping.

Page III.4-23

First paragraph, last sentence replace with the following: “Brady Act background checks have helped to prevent gun sales to over a quarter of a million convicted felons, fugitives from justice, and others prohibited by law from buying guns. Promising approaches to build on this effort include increased seizures of illegally carried guns at crime and gun hot spots, law enforcement “tracing” of guns used in crime to the original purchaser to crack down on illegal gun traffickers, and prosecution initiatives to target gun-carrying felons and armed criminals.” This takes the Brady Act --which we believe has been successful --out of the “promising” category and adds additional detail to the promising approaches sentence, including new reference to prosecution initiatives as recently highlighted by the President.

Page III.4-24

First paragraph, first full sentence: “The result was an immediate decline in the number of juvenile homicides with guns in Boston for two consecutive years.” This statistic refers to gun homicides, not overall juvenile homicides.

Page III.4-24-25

It seems that as we discuss the use of drugs and persons who commit crimes under the influence of drugs, we should promote efforts to increase drug testing and treatment for offenders under criminal justice supervision and the expansion of drug courts. Possibly add to the last paragraph on Page III.4-24, after the first sentence, or as a separate bullet:

“Studies tell us that the vast majority of all prisoners report drug use, and many prisoners commit their crimes to get money to feed their drug habit. We must do more to ensure increased drug testing and treatment for offenders throughout the criminal justice system -- prisoners, parolees, jailees and probationers --- to help end the destructive cycle of drugs and crime.

Moreover, we should look to expand alternatives to jail for nonviolent drug offenders, such as drug courts, that both promote accountability and responsibility, and provide essential drug treatment. Drug courts give drug offenders an opportunity to stay out of jail if they submit to drug testing, enroll in court-supervised treatment, and stay clean. Not only do drug courts provide closer supervision and more treatment than most other alternatives, they have also been

found to be successful in substantially reducing future drug use and criminal behavior. We should continue to expand the number of drug courts, which have grown from a handful to more than 400 today.”

Page III.4-26

Second paragraph, third sentence: “ Since 1993, the number of law **enforcement agencies** implementing community policing has increased from hundreds to more than **11,000.**”

getting rid of watered-down curriculum and lower expectations. Need to push this along, class size will help. Minority students especially benefit from one-on-one interaction and results last.

Chapter B -- Centerpiece: How is the accountability here the same and/or different from ESEA? We need to have thought this out - especially since the race book and ESEA will hit the public around the same time frame. Is the compact flexibility more, the same or less than that in Ed-Flex?

p.22 Mentions "shock therapy". Will districts will willingly sign up for this?

p.22 Miami FI example. A great example of turning around failing schools, but not necessarily of closing the gap in racial achievement. Data probably shows that minority students still underperforming peers at those schools. Florida has recognized this problem by establishing special reward for schools that improve while also improving across racial categories. (Should get more info from Florida Dept of ED)

P 25-27 - repeats arguments in introduction. Needs editing to use best of the arguments about the conditions of schooling for children in poor schools, mention of earlier administration reforms seem to be too far at the end of the chapter.

National Work plan

p.31 - Head Start discussion should mention the progress that we've made in increasing funding for this program. Discussion simply mentions the funding level.

p.32 -- We should check results from E.O. on service (POTUS asked agencies to review flex plans to provide opportunities for service) to be sure that federal employees have flexibility to volunteer at their schools every month before we suggest it as a national goal.

p.33 -- do we want to take on the local school finance system -- is that suggested by "I hope much more change of this sort is on the way."

p.34 -- Footnote 44 states that after controlling for poverty, teacher quality has the largest impact on disparities in achievement between black and white students. Should the "compact" focus on community-wide efforts to improve teacher quality? Especially since we are trying to reduce class size and phase out unqualified teachers in ESEA.

p.35 -- Need to mention our efforts to recruit teachers to high-poverty schools, Troops to Teachers, Native American teachers and other recruitment efforts.

p.35 - Footnote 46 -- need to add information on how 1994 Title I reforms moved states to align curriculums with challenging academic standards.

p.39 - Administration has secured increased funding for training teachers to work with LEP students, should reference this.

p.40 -- safety discussion should talk reiterate the principles of our Safe and Drug free reauthorization i.e. using proven practices, a comprehensive school-wide approach, report cards that include safety and drug-use data.

p.41 -- It seems that a discussion on high standards and accountability would come first in the nation's work plan. This discussion doesn't really address solutions -- be they federal (high standards in Title I) state (state standards and assessments) or other actors (teachers).

p.45 Charter schools -- New York should not be used as example of "charter" school -- they just passed their law. The schools that are profiled in NY are part of a specially-designated group of schools -- good example of choice, but not charter.



Mary L. Smith
03/24/99 12:06:43 AM

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP

cc: Cathy R. Mays/OPD/EOP, Laura Emmett/WHO/EOP, Thomas L. Freedman/OPD/EOP

Subject: changes to Native American part of race book



NATRACE.C Here are my changes to the Native American part of the race book. Let me know if you need anything else. Thanks, Mary

Part I: The America We See

1. Page 3, 2nd Myth. American Indians are a ~~dying vanishing~~ race. Under the fact part: add at the end: than the U.S. median age of 33 years. **It is estimated that the current population of over 2 million Native Americans will more than double by the year 2050.**

Part III: THE OPPORTUNITY WE DESERVE

5. CREATING OPPORTUNITIES FOR NATIVE AMERICANS

1. Page 3 -2nd full paragraph, last sentence -- It is because of this unique ~~status~~ **government-to-government relationship** between the federally recognized tribal governments and the United States that Indian status under federal law is characterized as a political rather than a racial or minority classification.
2. Page 4 --1st paragraph -- That trust ~~responsibilities~~ **responsibility** is manifested in treaties, agreements . . .
3. Page 6 -- 1st line -- add a comma after the word "significant"
4. Page 6 --Footnote 7 should be: National Indian Gaming Commission, 1997.
5. Page 6 -- 1st full paragraph, 2nd sentence -- While over 200 tribes have gaming operations, only a small-~~portions~~ **portion** of tribes accounts
6. Page 6 -- -Footnote 8 should be: National Indian Gaming Commission, 1997.
7. Page 6 -- After "Revenues from the development of natural resources such as timber, minerals, and oil and gas remain a major source of income for tribal governments," add Footnote: **See Annual Report: Departmental Report on Accountability Fiscal Year 1997. U.S. Department of the Interior; Annual Report of Indian Lands, U.S. Department of the Interior, Bureau of Indian Affairs, Office of Trust Responsibility, Division of Real Estate Services, 1997; Statistical Abstract of the United States, U.S. Census Bureau, 1998.**
8. Page 6, 1st full paragraph, last sentence: Nonetheless, the mere fact that ~~numerous a~~ **number** of tribes have achieved significant
9. Page 7: This trust status and legal protection is extremely important from the perspective of **Indian tribes and individual Indian landowners**, but there are ~~trade-offs~~ **difficulties** associated with obtaining mortgages. **Because banks are unaccustomed to**

transacting business on Indian trust lands, they often Banks are extremely reluctant to make loans without collateral or the ability to foreclose on a property in the event of a default.

10. Page 8, 2nd paragraph: Elementary and secondary education is normally thought of as the domain primary responsibility of state governments, but, ~~out of its trust responsibility;~~ the United States ~~is responsible~~ has primary responsibility for two school systems -- one serving the children of military personnel and the other serving the children of tribal communities.
11. Page 8, Footnote 10. ~~Bureau of Indian Affairs, U.S. Department of the Interior.~~ See Prepared Statement by Lorraine P. Edmo, Executive Director, National Indian Education Association, Senate Committee on Indian Affairs, June 9, 1998; General Accounting Office Report, School Facilities: Reported Condition and Costs to Repair Schools Funded by Bureau of Indian Affairs, December 1997.
12. Page 9, Footnote 11 should be. American Indians and Alaska Natives in Postsecondary Education, National Center for Education Statistics, October 1998.
13. Page 10, Footnote 12: ~~1994 National Assessment of Education Progress (NAEP).~~ National Assessment of Education Programs (NAEP) 1996 Mathematics Report Card for the Nation and States (February 1997); NAEP 1998 Reading Report Card for the Nation and States (March 1999, Prepublication Version).
14. Page 11, Footnote 14. ~~USA Today, April 13, 1998.~~ ~~need better cite~~ American Indians and Alaska Natives in Postsecondary Education, National Center for Education Statistics, October 1998.
15. Page 11, add at the end of the 1st paragraph: We must support tribal colleges as centers of learning and archives for tribal cultures and languages.
16. Page 11 -- Delete footnote 16.
17. Page 11, last sentence. American Indians victims reported a drinking offender in 46 percent of all violent victimizations, such as rape, sexual assaults, robberies, and other assaults, and about 70 percent of jailed American Indians convicted for of
18. Page 12, Footnote 19. 1997 Uniform Crime Report; Bureau of Indian Affairs, Department of the Interior.
19. Page 12, Footnote 20. ~~Washington Post, February 15, 1999.~~ Bureau of Justice Statistics Census of State and Local Law Enforcement Agencies, 1996, published June 1998.
20. Page 13, 1st full paragraph: It is ~~incomprehensible~~ unacceptable that a police officer . . .

21. Page 14-15, first line: . . .view economic development, education, and crime prevention as the three areas in need of immediate attention
22. Page 15, footnote 21, 1990 Census, **The American Indian, Eskimo, and Aleut Population.**
23. Page 17, 1st full paragraph: Mentoring can also serve to help preserve Native American culture and language. We should work with tribes to come up with ways to increase the participation of tribal elders in mentoring.
24. Page 24, 2nd bullet -- Enhance learning for Native American children . . . (small "C")
25. Page 27 - (3)-~~Promoting~~ **Promote** cooperation between the federal government, . . .
26. Page 28, first line: ~~Along with this lack of ability to directly tax tribes~~ **That does not mean that states do not derive revenue from Indian reservations or Indian commerce.** There is a misperception
27. Page 28: Locally, reservation residents, tribal governments, and reservation-based businesses create \$246 million in annual state tax revenue ~~for state and local governments:~~
28. Page 28: Reservation residents spend some \$3.1 billion ~~of their \$7.4 billion annual household income~~ off the reservation for consumer goods and services.
29. Page 30, Conclusion: Despite this nation's (add apostrophe)



Mary L. Smith
03/10/99 03:25:13 PM

Record Type: Record

To: Elena Kagan/OPD/EOP, Bruce N. Reed/OPD/EOP
cc: Laura Emmett/WHO/EOP, Thomas L. Freedman/OPD/EOP
Subject: Draft of Native American chapter for the race book



NATRACE.2 NATRACEC.3 Chris Edley asked if I could put together a section of the President's race book on Native Americans. Attached is: (1) a short section for the beginning of the book that sets forth a little background on tribal sovereignty and (2) a longer piece that sets forth three policy proposals.

The policy proposals are: (1) an educational mentoring program and record-keeping system for Native American children; (2) a community-based law enforcement initiative; and (3) a broad-based economic development initiative that focuses on creating an entrepreneurial culture, providing access to capital, encouraging homeownership, and investing in technology infrastructure.

I given the draft to Tanya, Jose, and NEC to review their various sections. I expect to fill in a few statistics and do some minor editing in the next day or so, but no major revisions. I was going to give a final to Edley on Friday unless you had a problem with it. Thanks, Mary

Part I - The America We See (American Indian insert)

Before Europeans arrived on this Nation's shores, American Indians built great civilizations with remarkable scientific, artistic, and cultural achievements. From aspirin, cocoa, and quinine to architecture and government planning, the Indian nations and tribes have made important contributions to our nation. Our Founding Fathers visited the Iroquois confederacy to examine its system of separation of powers in developing our own system of checks and balances.

Although I was aware that my home State of Arkansas was home to a significant but very small population of American Indians, I did not know much about tribal governments before my first Presidential campaign in 1992. The opportunity to visit some of the reservations and discuss issues with tribal leaders prompted me to learn more about the government-to-government relationship that exists between the U.S. government and Indian tribal governments, to seek a better understanding about social and economic conditions in Indian communities, and to explore opportunities to enhance the standard of living for America's tribal peoples. It is this government-to-government relationship and the sovereignty of tribes which distinguishes Native Americans tribes as political groups and not simply racial or ethnic classifications.

I began to understand the importance of tribal self-determination to positive social and economic growth and to formulate the policies that I believed would provide the greatest support for tribal objectives. I believed that federal agencies should consult with tribes prior to taking actions that affect tribal interests. I also felt strongly that the right of Native Americans to the free exercise of religion must be secured. On April 29, 1994, I became the first President since James Monroe, the fifth U.S. President, to invite the leaders of every tribe to a meeting at the White House. That afternoon, I signed two Executive memoranda: one to facilitate the process through which tribal members may gain access to eagle feathers for religious purposes and the other directing federal agencies to consult with tribes prior to taking actions that affect tribal rights and interests. In May 1998, I signed an executive order which strengthens the federal government's commitment to consulting with tribes.

The special political relationship between tribal governments and the United States arises from Article I, Section 8 of the Constitution where the Framers of the Constitution crafted a legal and political niche within which the internal autonomy and political authority of tribes would continue to be recognized. In interpreting Article I, Section 8 of the Constitution, Chief Justice Marshall noted that "the relationship of tribes to the United States is unlike that of any other two people in existence marked by cardinal and peculiar distinctions." Marshall characterized tribes as domestic dependent nations, at once possessing attributes of sovereignty and yet dependent upon the protection of the United States. Justice Marshall also recognized that there is a federal Indian trust responsibility under which the United States has assumed certain legal and moral obligations in relation to American Indian and Alaska Native tribes.

Treaties were used extensively by the European states as a means fostering peace, formalizing diplomatic relations, and conducting transactions with the Tribes from first contact. The Tribal Nations of the New World were a formidable political and military force, and treaties of peace and friendship were powerful tools for fostering trade and commerce. The newly formed U.S. continued to negotiate treaties with the Indian nations until 1871 when Congress ended treaty making with Indian tribes. Sadly, we know that our nation has not always honored our commitments to Native Americans. From 1887 to 1934, Indian tribes lost almost 100 million acres of reservation lands.

Though deeply rooted in the Constitution, the right of tribal self-government has frequently been challenged throughout our nation's history. From the earliest days of the republic, there have been two competing views about Indian policy. At one extreme is the view that tribal existence is inconsistent with fundamental American values. Proponents of this view believe that Indian people should be assimilated into the larger society as quickly and thoroughly as possible. At the other extreme is the view that tribal existence can be maintained only in isolation from the larger society. What proponents of either view fail to recognize is that tribal government is wholly compatible with, and is indeed a part of, our Constitutional framework.

The existence of tribal governments is particularly suitable to the political structure and underlying principles and values of our nation, balancing the distribution of governmental power among separate sovereigns forming a single union. Such structure readily accommodates inclusion of tribal governments both philosophically and practically. While distinctly different from states in many respects, tribal governments possess the kinds of powers typically associated with state governments. Such powers include the authority to make and enforce civil and criminal laws; to levy taxes; to establish membership criteria; and to license and regulate activities. Although tribes possess both the right and the power to regulate activities in their territories independently from surrounding state governments, they frequently collaborate and cooperate with states, on a government-to-government basis, through compacts or other agreements.

Although tribal governmental authorities have been recognized within federal jurisprudence since the establishment of our nation, it has only been in recent years that tribal governments have been provided mechanisms through which to exercise greater autonomy and authority over the delivery of federal Indian programs and resources. In 1994, I signed into law the Tribal Self-Governance Act. Under Self-Governance, tribal governments have unprecedented authority over the design, allocation, and expenditure of resources as well as the management of natural resources. Through this law, my Administration has continued the process of transferring tribal government service delivery from the Bureau of Indian Affairs to tribal governments

Tribal government has come of age in the last quarter of the twentieth century. Nearly wiped out first by the assimilation policies in the 1880's, then by the policy of terminating the political status of tribes in the 1950's through 1973, tribal government has made a spectacular come back, continuously growing in capacity, sophistication, and strength. As a new millennium

dawns, we must resolve to break decisively with old attitudes and ideas that divide Americans and hinder our ability to achieve social justice and equality of opportunity for every American. America must rid itself of the notion that Indian tribes are tragically, but inevitably, destined to vanish from the face of the Earth in the wake of the manifest destiny of our nation. When the framers of our Constitution incorporated Indian nations into the political and legal framework of this country, they forever joined the destiny of the tribal nations with that of this great nation. The time now has come for our nation to embrace the principle that American Indian and Alaska Native tribal governments are a permanent and integral part of the social, political, and economic fabric of the United States.

Part IV: The Opportunity We Deserve

6. Creating Opportunities for Native Americans

INTRODUCTION

In 1994, I held a historic meeting at the White House with American Indian and Alaska Native tribal leaders from the over 500 federally recognized tribes. I was the first sitting President to do so. I hope I will not be the last. Native Americans occupy a special place spiritually, culturally, and historically in America. These people harvested the earth, swam in the rivers, and enjoyed the bounty across this beautiful land we now call America. Our ancestors oppressed and brutalized these people, deprived them of their lands, and denied them opportunities. But they could not break their spirit. In 1998, I had the pleasure of hosting a White House conference on economic development in Indian country. There I met a young man named Dominic Ortiz from the Prairie Band Potawatomi Nation who attended one of the tribal colleges and has his own business selling American Indian jewelry. Dominic embodies the entrepreneurial spirit upon which this country was built. Just as Dominic created his own future, we must embark on a new era where Native Americans determine their own future through their own acts and decisions.

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Before Europeans landed on America's shores, Indian nations were self-governing societies with remarkable scientific, artistic, and cultural achievements. American Indians and Alaska Natives are much more than colorful characters in our Nation's distant past, however. The 554 federally-recognized tribal governments are a permanent part of the political structure of our Nation. Since the founding of our nation, the United States has recognized many Indian tribes as "domestic dependent nations" with sovereign powers over their members and territory and has entered into numerous treaties with various tribes pledging protection and guaranteeing tribal self-government. This is why American Indians are not simply another minority or racial grouping.

In 1831, Chief Justice John Marshall stated that the "Federal Indian relationship is characterized by peculiar and cardinal distinctions that exist no where else."¹ Marshall was referring to the special trust relationship that has existed between the United States and Indian tribes since the birth of our nation. It is manifested in treaties, agreements, court decisions, statutes, executive orders, and in the overall course of dealings between the federal and tribal governments. These Executive, Legislative, and Judicial actions charge the United States Government with legal and moral obligations of the highest responsibility and trust toward Indian Tribes. Under federal law, the United States has a legally enforceable fiduciary

responsibility to protect tribal lands, assets, resources, treaty rights as well as a general obligation to fulfill the mandates of federal laws with respect to American Indians and Alaska Natives.

Regrettably, our nation has not always lived up to these legal and moral ideals. Between 1778 and 1871, when the last treaty was signed, Indian tribes ceded almost one billion acres of land to the United States. In return, Indians generally retained inalienable and tax-exempt lands for themselves, and the Federal government pledged to provide such public services as law enforcement, education, medical care, and technical and agricultural training. All too frequently, these solemn promises made to the tribes have been broken. Our failure to invest sufficient resources to meet these obligations has hindered the social and economic advancement of Native Americans and has produced economic conditions on many reservations more analogous to those of third-world nations than of communities in America's heartland.

We are living in a time of great prosperity and hope. Our economy is the strongest in a generation. For the first time in three decades, the budget is balanced. There are nearly 18 million new jobs, wages are rising at more than twice the rate of inflation, home ownership is at its highest rate in history, and unemployment is at its lowest in almost thirty years.²

For many Native Americans, the picture is quite different. The stark beauty of the vast plains of the Pine Ridge Reservation in South Dakota contrasts with the harsh existence of the people who live there. There is no poorer place in America. Housing is scarce, overcrowded, and often lacking indoor plumbing, electricity, or telephones. There is no industry, no factories, and no technology. Two of every three adults living on the reservation are out of work.³ The average life expectancy for the Oglala Sioux men who live there is 56.5 years, and for women, it is 66 years.⁴ Similar conditions exist on reservations across our nation where the lack of paved roads, access to electrical power, telephone lines, and other physical infrastructure serve as major barriers to economic development.

We must bear in mind, however, that our nation often has pursued policies that have undermined the capacity of tribal governments to advance the social, economic, and institutional development of tribal communities. As well-intended as these policies may have been in the minds of those promoting them, efforts to coerce the assimilation of Native Americans served largely to weaken and destabilize the very institutions best-suited to serve the community -- tribal governments. The time has come to break decisively with the past and stop trying to impose conditions on tribes. As reflected in my executive order on tribal consultation, we must work with tribes on a government-to-government basis, recognizing their ability to steer their own course and set their own priorities.

Economic and business development is clearly a top priority in virtually every tribal community. Even though economic conditions in Indian country have improved in recent years, American Indian and Alaska Native communities continue to lag behind the rest of the United States with respect to social, economic, and educational attainment levels. Income levels of American Indians and Alaska Natives are substantially below those of all other Americans, and

about 34 percent continue to live below the poverty level. In comparison, the national poverty level is about 14 percent.⁵ Complicating factors such as geographical isolation, under developed infrastructures, and demographics, add to the challenges confronting tribes as they work toward a better standard of living and quality of life for tribal peoples.

As the new millennium dawns, there is reason to be hopeful, however. A small, but significant number of tribes have succeeded in reducing poverty and unemployment through the aggressive pursuit of new economic activities. Tribal gaming operations have produced the most dramatic success stories. What began with a handful of tribal bingo halls in the early 1980s has grown into an estimated \$6 billion a year for the one-third of the Nation's 554 tribes that operate some form of gaming.⁶ The revenues from gaming have allowed some tribes to pursue aggressive economic development strategies such as starting new business enterprises, investing in infrastructure, and building concert halls, sports arenas, and golf courses. Gaming tribes are viewing the revenues from gaming as the key to improving the lives of each of its members as well as enriching the entire community.

As lucrative as it has been for some tribes, gaming is not a panacea for every tribe. Only ___ tribes have established gaming, and of those, only ___ tribes earn significant profits. Revenues from the development of natural resources such as timber, minerals, and oil and gas remain by far the largest source of income for tribal governments, and farming and ranching continues as a way of life for many reservations residents. On the other hand, the mere fact that numerous tribes have achieved a significant, sometimes dramatic, measure of success appears to have stimulated a growing sense of optimism throughout Indian Country.

Finally, while it is difficult for those in poor, minority communities to secure business loans or mortgages, in Indian Country, it is virtually impossible. Conventional approaches to resolving this situation are problematic on reservations and other Indian trust lands because of the peculiar legal status of such lands, particularly in the case of mortgages. Reservation land is owned by the federal government and held in trust on behalf of tribes. This trust status and legal protection is extremely important from the perspective of Indian landowners, but there are trade-offs. Banks are extremely reluctant to make loans without collateral or the ability to foreclose on a property in the event of a default. To extend the availability of loans for homes on Indian trust lands without breaching the trust doctrine, the Departments of Housing and Urban Development, Agriculture, and Veteran's Affairs have authority to issue government-insured loans. The process, however, is complex and time-consuming requiring coordination between at least two separate federal agencies.

I believe that every American should have the opportunity to own their own home. That is why as part of the first-ever White House Conference, Building Economic Self-Determination in Indian Communities," I announced that a One-Stop Mortgage Center Initiative to streamline lending procedures and coordinate federal agencies involved in providing mortgages on reservations.

One of the keys to economic development is education. Education provides a solid foundation for succeeding later in life. It is critically important that American Indian and Alaska Native students receive the same educational opportunities that are available to other students as these children are the future for their tribes and their communities. The Native American population is young -- thirty-nine percent of the American Indian population was under 20 years old in 1990, compared with 29 percent of the Nation's total population.⁷ We must ensure that these future generations, descendants of the great warriors such as Sitting Bull and Crazy Horse, are able to forge successful lives, whether on or off the reservation.

Elementary and secondary education is normally thought of as the domain of state governments, but, out of this trust responsibility, the United States is responsible for two school systems, one serving the children of military personnel and the other serving the children of tribal communities. Of the 185 BIA-funded elementary and secondary schools on reservations today, two-thirds of the buildings are over 30 years old, and more than a quarter are over 50 years old.⁸ I have made education one of the top priorities of my Administration. I have challenged the public schools of this country to hire better teachers, to become more accountable, to fund school construction to fix crumbling buildings, and to wire every classroom to the Internet. These same challenges are even more apparent for the BIA-funded schools. With buildings crumbling and decaying, it is nearly impossible to wire these classrooms to 21st century technology. It would be a grave injustice to fail these children to whom we have a special obligation to prepare for the future. For this reason, I have proposed substantial increases in funding for school construction and repair for these schools.

Although we must work to improve the BIA-funded schools, we must also work to ensure that the public school system serves American Indian children. Just as in the rest of the population, almost 90 percent of American Indian children attend state public schools, while only about 10 percent attend the BIA-funded schools.⁹ These children face unique challenges. Over 50 percent of American Indian fourth-graders scored below the basic level in reading and mathematics.¹⁰

We cannot concentrate only on improving elementary and secondary education for Native American students. We must make a college education a reality for each and every American Indian child. Less than two-thirds of Native Americans are high school graduates compared with 75 percent of the rest of the population, and less than 10 percent of Native Americans have bachelor's degrees compared with 20 percent of the total population.¹¹ I have fully supported this country's 31 check tribal colleges. These institutions, located directly in Indian communities, provide the chance for a college education to students who do not have the funds to attend more expensive private schools or the means to leave their families behind to attend schools that are hours away. The American Indian Higher Education Consortium reports that of the 42 percent of tribal college graduates who transfer to a mainstream institution, 90 percent obtain bachelor's degrees. Other studies show that only 30 percent of Native Americans who

enter mainstream institutions as freshman graduate.¹²

Finally, the cultures of American Indian tribes is a rich part of the heritage of this country. The maintaining of Native languages and cultures is critical. Yet, there is an alarming decline in the use of Native languages indigenous to the United States. In 1969, there were 300 separate languages still being spoken. In 1996, that number had dropped to 206.¹³

Competing images of reservations usually come to mind: either the dusty roads and ramshackle buildings which are home to the poverty- and disease-stricken people who live there or the vast beauty of blue-sky country juxtaposed with snow-capped mountains, grassy plains, or orange-hued canyons. Between these two extremes lies a more complicated reality. Just as the blight is being tempered with signs of a burgeoning economic renaissance, the natural beauty of many reservations camouflages an ever-worsening crime problem. Inner-city, minority communities have gotten most of the media attention for their gun violence and murder rates. While the population density fuels incidents of violence in inner cities, the very vastness and remoteness of many reservations also facilitates crimes.

Although violent crime has been declining nationally for several years, it has been on the rise in Indian country. Recently, the Department of Justice, in its first comprehensive analysis of Indians and crime, reported that American Indians are victims of violent crimes at more than twice the rate of the rest of the country.¹⁴ In contrast to the rest of the country, where nine out of every ten murders involve victims and offenders of the same race,¹⁵ about seven in ten violent victimizations of American Indians involved an offender who was of a different race. Use of alcohol was a major factor in violent crimes involving American Indians. American Indian victims reported a drinking offender in 46 percent of all violent victimizations, such as rape, sexual assaults, robberies, and other assaults, about 70 percent of jailed American Indians convicted for violence reported that they had been drinking at the time of the offense.¹⁶

Gangs are no longer only the province of inner cities. Youth gangs are becoming more prevalent in Indian country. While some of the conditions which lead to gangs elsewhere such as extreme and pervasive poverty, lack of role models, and limited opportunities probably overlap, we should explore why this disturbing condition is becoming more and more prevalent.

Indian communities often have other unique law enforcement problems. While soaring homicide rates have shortened life expectancy for black men in urban areas, the death toll on reservations often results from motor vehicle accidents and suicides. Suicide is the ninth leading cause of death of American Indians nationwide.¹⁷ Car crashes are the third leading cause of death on Indian reservations, and alcohol is often involved.¹⁸

Part of the problem is clearly a lack of police officers and other law enforcement

resources. While there are 2.9 police officers per 1,000 citizens in non-Indian communities with populations of less than 10,000, there are only 1.3 officers per 1,000 citizens on Indian reservations.¹⁹ There are only 1,600 BIA police and uniformed tribal officers patrolling 56 million acres of Indian lands in the lower 48 states, protecting more than 1.4 million residents. By contrast, 3,600 police officers protect the 540,000 residents of our Nation's capital on _____ acres.²⁰ In addition, departments often are so woefully under funded that patrol cars are most likely to be 10 years old, with the odometer showing more than the 60,000 miles that federal regulations say should be the maximum. Most Indian police are armed with old six-shot revolvers instead of the semiautomatic weapons that most other police departments have, and most officers do not have bullet-proof vests.

However, a large part of the problem is the geographic isolation and the vastness of the area to be covered. Many officers must drive hundreds and hundreds of miles to assist other officers. The Navajo Nation alone is 26,500 square miles. It is incomprehensible that a police officer must venture alone, out manned and outgunned, into an immense wilderness, not knowing whether this day of duty will be his last. Like many others in poor, minority communities, many American Indians have lost faith in the criminal justice system. There is a perception that the federal government has turned its back on helping to protect these communities.

In order to make Indian people feel safe in their homes and in their communities and to restore some trust and confidence in law enforcement, I have made law enforcement in Indian country a priority. Since 1995, the Justice Department's Office of Community Oriented Policing Services has awarded \$67,787,443 through 395 grants to 187 Indian tribes and Alaska Native villages. These grants have funded the salary and benefits for 906 police officers in Indian Country. In 1997, I directed the Attorney General and the Secretary of the Interior to collaborate on a plan for a new organizational structure for Indian law enforcement that streamlines budgeting and identifies manpower needs. In addition, I asked Congress for a significant increase in funding for law enforcement and public safety in Indian Country, including funds for new tribal police, detention facilities, juvenile justice programs, and tribal courts, as well as additional FBI agents and Bureau of Indian Affairs officers, so that we might dramatically improve public safety in Indian Country.

In this first year of the Interior and Justice Departments' joint law enforcement initiative, we will significantly increase federal law enforcement resources in Indian Country, through deployment of 30 additional FBI agents, 32 new BIA criminal investigators, and over 200 new BIA police officers, detention officers, and radio dispatchers. In addition, through the COPS program, we will give tribal government a flexible menu of options so that they can meet their areas of greatest need by hiring new, fully trained and equipped community police officers or by equipping and training the officers that they currently have. While significantly increasing the number of law enforcement officials in Indian Country, we will also make certain that our focus remains on saving tribal youth from becoming involved in the criminal justice system through prevention programs, especially those that focus on alcohol and drugs.

In the balance of this chapter, I offer a work plan which focuses on three important issues for American Indians: education, economic development, and crime. I will first propose how the federal government can provide leadership on each of these issues and then will outline how the entire nation working together can make progress in each of these areas.

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**Centerpieces of the Federal Work plan:
(1) Comprehensive Educational Mentoring and Record Tracking
for Native American Students**

For many years, the federal government has focused its efforts on Indian education primarily in the areas of funding and operating the 1857 BIA schools and providing Impact Aid to school districts where a large portion of their tax based is comprised of trust land which is tax-exempt. We have made some progress. In keeping with the stated policy of tribal self-determination and self-governance, more than ___ of the BIA-funded schools are now owned or operated by Tribes. Check However, there is much work left to do.

Education has been one of the touchstones of my Administration. I have fought to improve the education of this Nation's children by improving their reading and math, lowering class size, recruiting outstanding new teachers, ending social promotion, and providing accountability for failing schools. In setting forth initiatives to accomplish each of these goals, I have sought to ensure that Native American students benefit from these reforms. I fought to help local school districts hire 100,000 well-prepared teachers in order to reduce class size in grades 1-3 to a national average of 18, and make sure that every child gets a solid foundation in the basics. Studies show that smaller classes help teachers provide more personal attention to students helping students learn more and build a stronger foundation in basic skills. In these studies, minority and disadvantaged students showed the largest achievement gains. To ensure that American Indian children in the BIA-funded schools were able to reap the benefit of smaller class sizes, there is a set-aside to target funds in order recruit, hire and train teachers in these schools.

Students cannot learn in buildings where there are crumbling walls, chipping paint, leaky roofs, and inadequate heating systems. School buildings represent the nation's most pressing infrastructure need.²¹ To address this critical need, I proposed federal tax credits as incentives to help states and school districts to build and renovate public schools, with one-half of the bonding authority allocated to the 100 school districts with the largest number of low-income children. This bonding authority is a powerful tool which permits the leveraging of local resources to build new schools and make much needed repairs to older schools. Traditionally, tribes have been denied this tool in order to repair and replace schools on the reservations. For the first time, I have proposed bonding authority for tribes with a mechanism to ensure principal repayment. This authority will empower the Tribes to make significant changes in their communities.

I also signed an executive order that is designed to improve the academic performance of American Indian and Alaska Native students in grades K-12. This executive order institutionalizes a process to ensure that there is strategic planning with respect to Native American students. As one of the first activities that grew out of the strategic planning process, I proposed to begin training and recruiting of 1000 new teachers for areas with high concentrations of American Indian and Alaska Native students. This initiative provides financial assistance to individual student, increases capacity building to create programs to train teachers, and allows for continuing education to ensure that the quality of teachers remains high.

While these proposals are a good start, we need to make sure that obtaining a college education becomes a reality for every American Indian student. Only two-thirds of Native American students successfully complete high school --far fewer than other students.²² My Comprehensive Educational Mentoring and Record Tracking for Native American Students seeks to make the dream of a college education a reality for these students:

- There is a unique problem for many Native American students in that they shuttle between the BIA-funded schools and public schools near the reservation. This transferring of schools interrupts the educational process and causes students to keep from advancing at the rate at which they should. Teachers also are not able to adequately assess a particular child's skill levels because part of his or her record is in one school and the rest of it is in one or, in some cases, several other schools. Currently, we do not keep statistics on this phenomenon. I propose that we keep statistics on the number of American Indians students who interrupt their education by transferring between BIA-funded and public school systems. We should also conduct research on the consequences of this activity. Finally, we should seek to construct a system where a complete record of a student's progress is kept in a single location.
- We need to ensure community involvement in the education of American Indian students. An important part of achieving the goal of a college education is ensuring that these students and receive mentoring or tutoring on a regular basis. These tutors could be either older students, senior citizens, or other adults in the community. These students should have mentors that help them as they advance from grade to grade and ensure that they are on track of entering college. This new mentoring program should cooperate with Americorps and the National Senior Service Corps.
- We should seek to preserve Native American culture and language. Just as the tribal colleges construct themselves to reflect tribal culture, a part of this proposal is to create groups of students who are assigned to a tribal elder to help support their educational activities. Without recognizing and preserving their culture, these students often are disenfranchised because they do not have any role models. These elders will serve this function by providing guidance and a positive influence to students, as well as teach them about tribal history, language, arts, and culture, on their road to a college education.

By keeping tracking of these American Indian students and by providing a two-tier mentoring system, we can vastly improve the chances that these students will be better equipped to obtain a college degree.

(2) Model Community Initiative for Encouraging Economic Development

There is simply no excuse that many communities in Indian country face conditions often worse than many third-world countries. I propose a Model Community Initiative to Encourage Economic Development in Indian Country. The Federal Government's efforts should support and encourage efforts which help American Indians develop their economic infrastructure. This proposal should focus on the following:

- **Creating an Entrepreneurial Culture.** On the dawn of the 21st century, entrepreneurship and small businesses are playing a major role in the restructuring of the U.S. economy and in creating jobs. We must work with Indian country to find ways to capitalize on the strengths of small and medium-sized businesses in order to diversify their economies. We should provide the tools and work with Tribes to nurture home-grown firms, encourage innovation and risk-taking, and enhance investment in new businesses.
- **Providing Access to Capital.** Finding the start-up money for new businesses and new building is a daunting task. I am proud that the Community Development Financial Institutions (CDFI) Fund, which works alongside mainstream institutions in expanding access to capital in low-income communities, has begun several successful activities in Indian Country. For instance, the Fund has invested in First American Credit Union, which provides basic financial services to 15,000 Native Americans throughout Arizona and parts of New Mexico and Utah, helping leverage capital to support small agricultural and Native American craft businesses. The CDFI Fund is also in the process of conducting a study on lending and investment practices on Indian reservations and other land held in trust by the United States. This study will identify barriers to private financing on such lands and identify the impact of such barriers on access to capital and credit for Native American populations. As the result of this study, the Fund will develop an Action Plan to create new incentives for financing in Indian Country. In the meantime, I have made providing equity capital to new markets a priority with my "New Markets Initiative." This initiative will help Indian Country with initiatives such as tax credits, Small Business Investment Companies (SBICs), and BusinessLINC, which helps link larger businesses to smaller firms. Finally, with the Round II of the Empowerment Zones (EZs) and Enterprise Communities (ECs), Indian lands became eligible with the result that one reservation, Pine Ridge, was designated as an EZ and four were designated as Ecs. Under these programs, the federal government provides tax benefits for businesses, flexible grants to carry out comprehensive revitalization strategies, and the ability to apply for waivers from federal programs enabling local communities to better

address their particular needs.

- **Encourage Homeownership.** We must all work together to ensure that the dream of owning of home becomes a reality in Indian Country. HUD, in close cooperation with tribal leaders across the country, is working to create a national housing model called "Shared Visions" to build and renovate affordable housing on tribal lands and to help more Native Americans become homeowners. This model strives to increase the number of affordable, quality homes and to make it easier for Native Americans to obtain mortgages by encouraging private sector partnerships, streamlining federal regulations, and improving coordination among federal agencies and tribes. As part of the project, a nonprofit will be established to provide financial help, low-cost financing, down payment assistance, and homeownership counseling.
- **Invest in Technology Infrastructure.** Many places on reservations do not have telephones, computers, or Internet access. The Department of Commerce is working on a study that will identify the infrastructure technology needs in Indian country and will set forth proposals to address these needs. The federal government, along with Tribes, states, and the private sector, must work together to ensure that reservations are hooked up to information technology and that the infrastructure to support this technology are put in place.

By focusing federal resources on improving economic development in Indian Country through creating an entrepreneurial culture, providing access to capital, encouraging homeownership, and investing in technology infrastructure, we will help tribal governments bring growth and opportunities to Indian Country.

(3) Tribal-Based Law Enforcement Initiative

I have worked very hard to find new ways for the federal government to assist local communities in addressing their needs in a comprehensive and effective way. The importance of this effort is nowhere greater than in Indian Country, where the federal government plays a special role due to its trust responsibility to tribal governments. We need to develop federal-tribal-private partnerships that respect tribal sovereignty and preserve traditional Native American culture, while at the same time ensuring that much needed resources are used to improve the quality of life in Indian Country. Nowhere is this need greater than in the area of law enforcement and public safety. A safe community provides the base on which economic development can flourish for all Native Americans.

Community policing has been the cornerstone of my Administration's law enforcement initiatives. This model provides a community-based approach to law enforcement, by providing flexibility in identifying problems, and creating a partnership between citizens and law enforcement. This model fits well with Indian country with each community having unique but overlapping problems with other Indian communities.

A broader vision, however, is necessary to address the needs of tribal communities more comprehensively. I propose the Tribal-Based Law Enforcement Initiative that seeks to implement the idea that comprehensive strategies and coordinated funding are the most effective way for the federal government to assist communities in addressing local problems. There are three primary objectives: (1) to obtain intensive experience in diverse communities about the most effective ways to address their law enforcement problems; (2) to address community problems in a comprehensive way through effective planning and appropriate funding; and (3) to promote inter-tribal exchanges of ideas and experiences, as well to promote coordination among tribes for more efficient use of resources. This initiative should have the following components:

- Through the use of technical assistance, the federal government will work with tribes, on a government-to-government basis, to help them identify the unique law enforcement and public safety problems in their community. Tribes will assess their communities' need and priorities and develop appropriate strategies to address them. Through this process, the communities will develop a comprehensive plan to address law enforcement and public safety concerns.
- The communities will use these plans to apply for law enforcement funds in a new, coordinated process with one application rather than on a piecemeal basis. This will ensure that the communities can maximize the use of federal funding in a coordinated, problem-solving manner. The goal of this project will be to help Indian communities develop comprehensive strategies for improving public safety.
- The project will have an evaluation component and tribes will be encouraged to set performance goals for reducing crime.
- This project should be expanded at successive phases to tie into other agencies besides the Department of Justice. Particularly in Indian communities, a large portion of the crime problems are tied to alcohol and substance abuse. In order to address these problems in a comprehensive way, law enforcement should work in tandem with other federal programs to solve the underlying cause of many of the incidents of crime.

This initiative will empower communities to solve their law enforcement problems at a local level and in a comprehensive manner, and rebuild a sense of confidence in law enforcement in Indian country.

A WORKPLAN FOR THE NATION

There are many opportunities to improve the lives of Native Americans in the areas of education, economic development, and law enforcement if we all work together to build One America. The Nation's efforts should focus on the following goals:

- Eliminate disparities for American Indians in the public school system;
- Seek to preserve the culture of American Indians and Alaska Natives;
- Promote cooperation between the federal government, States, local governments, and the private sector to invest in economic development in Indian country;
- Invest in infrastructure in Indian country, both in technology and through transportation systems; and
- Build cooperation to ensure public safety in Indian communities and provide positive influences for Indian youth to stay out of crime.

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Eliminate disparities for American Indians in the public school system

American Indian students attend schools operated by state, federal, and tribal governments. As stated earlier, about 90 percent of American Indian students attend state public schools. Because of this, there is a great opportunity for the states, localities, and tribal governments to work together to ensure that Native American students have equal access to high quality curricula, teachers, classrooms, and materials.

In overcoming the gaps in educational opportunities, several unique factors affecting American Indian students, such as high student mobility rates, high drop out rates, and high teacher turnover rates should be taken into account. Studies have shown that changing schools even once during a school year can have a negative impact on student achievement.²³ Furthermore, schools are often ill-prepared to meet the needs of transfer students because of slow or inadequate student record transfer. These separate educational systems must improve the transfer of records and the sharing of information by developing common databases and utilizing technology. There are also opportunities for intergovernmental regulation of student transfers and the development of memoranda of understanding about common educational issues and concerns.

As noted earlier, most schools are funded largely on local property taxes. Because of a shrinking tax base, many minority communities are able to generate fewer and fewer resources to fund their schools. This problem becomes exacerbated for local public school districts where a large portion of the district is comprised of Indian reservation land that is held in trust by the federal government and cannot be taxed by state or local governments. The Impact Aid program seeks to remedy this problem by providing federal funding to redress the negative impact of the loss of a taxable base. My Administration has fully supported the Impact Aid program, and we should continue to do so in order to ensure that public schools serving Native American students stand on an equal footing with other public schools.

While there are unique issues affecting American Indian and Alaska Native students, the goals I laid out earlier apply equally to these students. Let me be clear: we must support Native American families and early learning opportunities; overcome gaps in K-12 educational opportunity; provide for high-quality teachers; ensure access to challenging courses; repair and replace old and dilapidated schools; provide technology and training; end social promotion; and hold all of our students to high expectations. If we do all this, we will have made tremendous strides in ending the disparities that plague too many of this Nation's Native American students.

Seek to preserve the culture of American Indians and Alaska Natives

American Indian children often do not come to school ready to learn. They have often had to face serious health and safety issues. Often they do not have access to early childhood education programs, which are linguistically, culturally, and developmentally appropriate. The Bureau of Indian Affairs funds over 20 check Family and Child Education (FACE) projects, which serves over 1,500 families. The FACE program provides early childhood opportunities for Indian children by targeting preschool children ages 0-5 and their parents. All schools systems must focus on early childhood and pre-school programs so that Indian children are given greater assistance that meets their unique educational needs. These programs should promote school readiness, enhance native language development, and increase the potential for learning among young American Indian and Alaska Native children.

Promoting cooperation between the federal government, States, local governments, and the private sector to invest in economic development in Indian country

We must encourage more cooperation between state, local, and tribal governments. Because of the sovereign status of tribes, states cannot directly tax tribal governments. Along with this lack of ability to directly tax tribes, there is a misperception that Tribes do not contribute to the local economy and that revenues flow from states to tribes, but not in the other direction. One study shows that residents of Indian reservations (approximately 1.24 million persons in over 330,000 households) make approximately \$3.1 billion in annual personal consumption expenditures off the reservation in the local, state, and national economies of which reservations are a part. State governments in proximity to reservations expend approximately \$226 million annually on behalf of reservation residents, while the residents, tribal governments, and businesses on reservations generate \$246 million in annual state tax revenue.²⁹ From these statistics, it is clear that state and local governments should work in partnerships in tribes to develop economic strategies for entire regions.

Invest in infrastructure in Indian country, both in technology and through transportation systems

Because of their often remote locations, American Indian and Alaska Native communities stand to benefit greatly from the Information Age, yet are in grave danger of being left behind. A recent Department of Commerce study on Internet and computer usage in American shows that,

although many more Americans now own computers, minority and low-income households are still far less likely than white and more affluent households to have personal computers or access to the Internet. Even more disturbing, this study reveals that this "digital divide" between households of different races and income levels is growing.²⁵ States, local governments, tribes, the federal government, and the private sector must all work together to ensure that Indian youth have the access to the Information Age in their classrooms and that Indian communities have access for economic development. [talk about transportation]

Build cooperation to ensure public safety in Indian communities and provide positive influences for Indian youth to stay out of crime

Tribal communities are among the youngest population groups in America, and many tribal youth are at risk. The development of youth gangs has been a disturbing trend in Indian Country, and many tribal youth lack for role models and opportunities. It is thus critically important that we develop strategies for creating a more stable environment for tribal youth in both the short and long term.

Through the Department of Justice's "Volunteers for Tribal Youth (VTY)" Program, we will build a federal-tribal partnership project designed to help American Indian tribes enhance or create sustainable community-based volunteer programs aimed at creating positive opportunities for youth and reducing youth and/or gang violence. The Department, working in partnership with 18 federal and national non-profit organizations, will work with tribal communities to identify opportunities for volunteers, including elders, to serve as mentors, tutors, and positive adult role-models for American Indian youth. To that end, this program intends to provide tribal communities with the financial resources, training, technical assistance, organizational guidance, networking assistance, and other resources necessary to create and sustain community-based volunteer programs.

* * *

Conclusion

Tribal communities stand at the threshold of a new era, one filled with the promise of greater prosperity and a higher quality of life. These are crucial years for the future of American Indians and Alaska Natives. This nation must commit itself to supporting tribal and individual efforts to build the foundation for the success of American Indians and Alaska Natives in the coming millenium.

- 1.
2. From 1999 State of the Union, stock language he always uses

3. Washington Post, December 16, 1997.
4. Jon Jeter, Washington Post, December 16, 1997. Statistics from Harvard School of Public Health, epidemiological study.
5. Census data or CPS data.
6. William Claiborne, Washington Post, August 14, 1998.
7. Census 1990
8. BIA
9. Where get this?
10. 1994 National Assessment of Education Progress (NAEP).
11. 1990 Census.
12. USA Today, April 13, 1998.
13. 1969 Senate Committee
14. "American Indians and Crime," Department of Justice (February 1999).
15. CEA report
16. "American Indians and Crime," Department of Justice (February 1999).
17. Washington Post, December 16, 1997.
18. Washington Post, December 16, 1997.
19. FBI's Uniform Crime Report.
20. Washington Post, February 15, 1999.
21. American Society of Civil Engineers (1998).
22. 1990 Census.
23. Any cite for this?
24. Prepared statement of Robert F. Robinson, President of the Center for Applied Research, Inc., submitted to the U.S. Senate Committee on Indian Affairs, Economic Development Hearing, April, 1998.



25. Department of Commerce, 1998.



Irene Bueno
03/23/99 10:19:29 PM

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Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP
cc: Laura Emmett/WHO/EOP, Jose Cerda III/OPD/EOP, Cathy R. Mays/OPD/EOP
Subject: Race Book Comments

I am reviewing the race book sections and have concerns about the race-profiling section.

The draft book indicates that the President will issue an executive order and that there will be exceptions made for agencies like the INS to use race profiling provided they demonstrate necessity for using race.

At the race profiling meeting two weeks ago, I recalled that we decided that we would recommend that the President issue either a directive or EO that indicates his concern about the use of race in law enforcement and will direct the agencies to collect data to determine the extent of the problem and to develop some proposed solutions. I also recalled that we discussed but rejected the idea of a carve out or exceptions for certain agencies at this time and decided to go with the data collection strategy.

My concern is that providing a carve out for the border patrol and using particular example of the Southwest border in the book sends the message that it's okay to use race along the Southwest Border. While I understand that courts have supported the use of race by the border patrol and that the Administration's ultimate conclusion after gathering data and discussing various options may be that the border patrol should use race, I don't think we should come out now and say it's okay and use the Southwest border as an example. Using this example would likely outrage the Hispanic and civil rights communities and invite other questions that are not addressed in the book - what is INS doing at the Canadian border, airports, etc.

I recommend that the directive or EO not include a carve out/exemption for certain federal law enforcement at this time; that we do not put the example of the Southwest border in the book; and we stick to our original recommendation.

The editorial note at the end of the section indicates that there is an understanding that we need to clarify our policy with regard to the border patrol but I wanted to make that this issue is addressed and to know the status of the race profiling issue. I recall there was some other conversations about this issue after our meeting. Has anything changed since we last discussed this issue? Please let me know or if you have any further questions or comments. I will submit all my comments in one comprehensive note but I wanted to run this one by you.

Thanks.



Irene Bueno

03/25/99 10:12:02 PM

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Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP
cc: Laura Emmett/WHO/EOP, Cathy R. Mays/OPD/EOP
Subject: Comments on Race Book

The following are my comments to the sections of the race book that I was asked to review:

PART I: THE AMERICA WE SEE

1. Page (I)-17 the third sentence in second paragraph is misleading. It seems to indicate that there are 19 Asian Pacific American Members of Congress. While it may be true there are 19 members of the Congressional Asian Pacific Caucus - sadly only 7 members of Congress are Asian Pacific Americans and the other members are non- Asian Pacific Americans who represent large Asian Pacific American constituencies. Therefore this sentence should be deleted and the new sentence should read:

"There are now 7 members of Congress who are Asian Pacific Americans."

2. Page (I)-25 - footnote 10 & 11 references- The reference for footnotes 10 & 11 does not exist.

PART III: THE OPPORTUNITY WE DESERVE

1. Page (III.4)-46 - The section in the box about the Executive Order should be changed to reflect the decision whether an Executive Order or a guidance will be issued and should be limited to the first bullet and a revised third bullet - to reflect the decision that is made with regard to our policy on race profiling that is still under review.

2. Pages (III.4)-48 -49- Delete the entire paragraph that starts at the bottom of page 48 that begins with "I believe..." and continues on page 49 ending with the words "of these concerns." This is the offensive paragraph that seeks to justify the use of race profiling by the border patrol.

Please let me know if you have any questions. Thanks.