Tonya,
Can you meet with Tom + me at 4 pm today for the race initiative.
Mary

THE WHITE HOUSE

WASHINGTON

July 15, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: ERSKINE BOWLES
SYLVIA MATHEWS
JUDITH WINSTON

FROM: BRUCE REED
ELENA KAGAN EK

SUBJECT: RACE INITIATIVE POLICY PROCESS

This memorandum sets out the process we will use to develop policy announcements and proposals for the Race Initiative. Our goals are: (1) to help provide a status report on race relations and racial disparities to inform policy development; (2) to assess and communicate the impact of this Administration's prior initiatives -- involving economic growth, education, crime, and so forth -- on race relations and the status of racial minorities; and (3) to build on this Administration's accomplishments and agenda with new initiatives to announce in the coming year and longer-term policies to incorporate in the final Presidential Report. We have a strong base from which to work, and we will attempt to ensure that the policy measures accompanying the Race Initiative will grow out of everything this Administration has done already. Throughout, we will focus on solutions that reflect the common values of the American people (e.g., equal opportunity and shared responsibility), and respond to their common aspirations (e.g., safe streets, good schools, and affordable housing).

Research and Investigation

In close cooperation with the DPC, NEC, Judy Winston, and Chris Edley, CEA will coordinate research on the current state of race relations and the continuing disparities in critical measures of well-being among individuals of different races. CEA already has developed a draft outline for this research, based on conversations with DPC and Chris Edley. The outline, which is attached to this memo, suggests research on, among other things: (1) disparities in economic success, educational opportunity, health care, political participation, family organization, and criminal victimization; (2) racial segregation in schools, neighborhoods, and workplaces; and (3) the prevalence and consequences of racial discrimination. In addition, research will be done on the differential effects of particular kinds of public policy on racial groups. CEA will do some aspects of this research itself and will assign other aspects to the appropriate offices in Treasury, DOL, Education, HHS, and DOJ. This work will go into the final President's Report and will influence and inform the development of policy discussed below.

Interagency Policy Development Process

The DPC has established four major workgroups to develop policy for the Race Initiative. Bruce Reed, Elena Kagan, and Jose Cerda will coordinate the efforts of these groups. We anticipate developing both administrative actions and legislative proposals, and combining incremental (but important) policy advances with a few truly bold ideas. We will advance some of the policy proposals during the year-long initiative, while saving others for the President's Report at the end. (The right timeframe for policy proposals is not only the FY 1999 budget cycle, but the remaining years of this century and the start of the next.) The workgroups also will have responsibility for assessing the impact of prior Administration initiatives in their policy areas, so that we can build on our own accomplishments.

In coordinating policy development through these workgroups, we of course will work closely with Judy Winston and Chris Edley, and we will incorporate, as appropriate, advice provided to you by the Chair and Members of the Advisory Board. We also will solicit the views of outsiders -- such politically diverse people as William Julius Wilson, Glenn Loury, Henry Cisneros, Will Marshall, Doris Kearns, Richard Daley, and Nathan Glazer come to mind -- to challenge and enhance our own thinking.

1. **Economic and Community Empowerment** (co-chaired by Bruce Reed and Gene Sperling). This group will look at issues and policies relating to (1) job opportunities for unemployed and underemployed minorities, including welfare-to-work efforts and transportation initiatives to move inner city residents to suburban jobs; (2) housing for low-income residents of inner cities, including new or expanded uses of voucher plans and tax incentives to promote mixed-income, multi-racial communities; (3) metropolitan regional strategies to strengthen links between inner cities and suburbs; and (4) minority entrepreneurship, including credit programs building on CRA and CDFI.

   Participating White House offices are: DPC, NEC, OVP/CEB, OPL, Intergovernmental, Legislative, CEA, CEQ, OMB.
   Participating agencies are: Treasury, Labor, Commerce, Transportation, HUD, SBA, and Interior (for Native American population).

2. **Education** (chaired by Mike Cohen). This group will look at issues and policies relating to (1) failing inner city and rural schools, including issues of racial segregation and enhanced efforts to raise standards, improve teaching, provide improved infrastructure and new technology, promote charter schools, and encourage school takeovers and other accountability mechanisms; (2) education of Hispanic students, including bilingualism; and (3) expanded access to higher education and skills training. (Note that responses to Proposition 209 and Hopwood fall within the Administration of Justice Workgroup.)

   Participating White House offices are: DPC, NEC, OVP, OPL, Intergovernmental, Legislative, OMB.

Participating agencies are: Education, Interior.

3. **Administration of Justice** (chaired by Elena Kagan). This group will look at issues and policies relating to (1) criminal law enforcement and prevention, including the underprotection of minority communities (including Indian reservations), police force composition and practices (including diversity issues and community policing), and after-school and other youth programs; and (2) enforcement of civil rights laws, including responses to Proposition 209 and Hopwood, reduction of the EEOC complaint backlog and other EEOC reforms, enhanced efforts on housing and lending discrimination, affirmative action issues generally, and hate crimes initiatives (for November conference).

   Participating White House offices are: DPC, OVP, Counsel, OPL, Intergovernmental, Legislative, OMB, ONDCP.
   Participating agencies are: Justice, Treasury, Education, DOL, HHS, HUD, USDA, Interior, EEOC. (Many)

4. **Health and Family** (chaired by Chris Jennings). This group will look at issues and policies relating to (1) special health care needs of minority populations, including the high incidence of certain health conditions and diseases and the underutilization of certain health care services, such as immunizations and mammograms; and (2) family composition, including efforts to strengthen two-parent families, ensure adoption of minority children, and provide supports to families led by grandparents.

   Participating White House offices are: DPC, OVP, OPL, Intergovernmental, Legislative, OMB.
   Participating agencies are: HHS, Interior.

This Week's Policy Announcement

As you know, you will be attending the NAACP convention in Chicago on Thursday. We believe this speech offers an excellent opportunity to discuss the intersection of race and education issues. First, your speech can address the value of integration in educational settings. Thurgood Marshall once wrote that "unless our children begin to learn together, there is little hope that our people will ever learn to live together"; your speech can make exactly this link between educational integration and race relations generally to members of the organization most closely identified with progress in this area. This message would echo the strong argument you made for diversity in education in your San Diego speech; it also would lead naturally into your commemoration of the integration of Little Rock Central High School in September. Minyon Moore and others are reaching out to Kweisi Mfume and others to ensure that we address this issue in a way that avoids exacerbating internal NAACP divisions on the subject.

Second and no less important, you can stress the need to improve right now

predominantly poor and minority schools in inner city and rural areas. This part of your speech can protest the neglect (financial and otherwise) of predominantly minority schools and the consignment of their students to a second-class education. Here, you should make a strong statement about the importance of national standards and tests to boost expectations and improve the quality of education. But you should make an equally strong statement about providing students with the tools and opportunities to help them meet those standards -- better teaching, improved infrastructure and new technologies, and mechanisms to take over failing schools, including by turning them into charters (Rosa Parks is now trying to establish a charter school in Detroit).

As a down payment on a broader effort to improve inner city and rural schools, you can announce a new proposal to improve teaching in these institutions. The quality of teaching in inner city and rural schools is much lower than in the rest of the nation; in particular, the teachers in these schools are far less well trained than in others. To address this situation, Title V of the Department of Education's proposed reauthorization of the Higher Education Act, which will be submitted to Congress later this summer, proposes a new initiative to recruit, prepare, and retain teachers in urban and poor rural communities. This program would provide at least $325 million over five years (we are still working out the exact funding with OMB) for two purposes: (1) to strengthen teacher training programs that operate in partnership with -- and place large numbers of graduates in -- urban or poor rural schools; and (2) to provide scholarships to talented and diverse individuals, chosen jointly by institutions of higher education and eligible school districts, who will commit to teach in urban and poor rural areas for at least three years after graduation.

Draft CEA Research Agenda

Part I: Demography

1. Racial composition of the US population: 1990s and historical trends
2. Geographic distribution
3. Components of change: birth, death and immigration
4. Projections

Part II: Disparities in the 1990s and trends in disparities

1. Economic status
    - a. Income and Poverty
    - b. Labor markets
        - employment, unemployment, non-employment
        - hours
        - wages and non-wage compensation
        - occupation/industry
        - non-wage characteristics of jobs (e.g., working conditions, healths risks)
        - disability
    - c. Wealth/credit
        - financial
        - business ownership
        - home ownership
        - retirement wealth
        - credit and credit institutions

2. Educational status
    - a. Enrollment
        - Drop out rates; college enrollment and completion rates
    - b. Quality of schooling
    - c. Achievement
    - d. Training

3. Health status and health care
    - a. Health status
        - Pregnancy and infancy
        - Child hood and young adulthood
        - Adulthood
        - Older ages
        - {Specific diseases or conditions}
    - b. Health care
        - Insurance
        - Availability of health services
        - Health behaviors

4. Political status
    a. Voting
    b. Holding public office
    c. Other political participation

5. Criminal justice
    a. Offenders and victims
    b. Criminal justice process (sentencing etc.)

6. Family organization
    a. Family structure
    b. Other family patterns (fostering, adoption, extension etc.)
    c. Living arrangements and family support of the older population

7. Impact of immigration
    a. Labor markets
    b. Education
    c. Other

Part III: Race relations
    1. Racial attitudes and behaviors
        (ACD is very good on history of black white attitudes/opinions. Needs to be expanded to other groups and updated.)
    2. Racial segregation
        Residences
        Schools
        Workplaces
        Other
    3. Bias crimes, etc.
    4. Developments in the 1990s
        Rodney King beating trials and riots
        OJ Simpson trials
        The Bell Curve controversy
        Challenge to Affirmative Action in California

Part IV: Discrimination
    1. Measurement/methods: econometric vs. audit studies
    2. Links between discrimination and outcomes.
    (Issue: Audit studies prove discrimination exists, but how much of the disparities documented in Part II can be attributed, directly or indirectly, to discrimination?)
    3. Causes of discriminatory behavior
    4. Consequences of discrimination for society
    Has the nature of discrimination changed?

MEMORANDUM

TO: TANYA MARTIN

FROM: JULIE MIKUTA

RE: PROP 209

DATE: JULY 24, 1997

SUMMARY

For your information, here is information about Prop 209 -- what it says, and the attempt by the ACLU to have it struck down in court.

I. WHAT PROP 209 IS, AND WHO VOTED FOR IT

On November 5, the voters of California passed the California Civil Rights Initiative by a margin of 54 to 46 percent. Listed on the ballot as Proposition 209, CCRI's operative clause reads,

The state shall not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.

Both men (58%) and women (52%) voted in favor of CCRI. Half of Asian Americans supported the proposition. Better than one in three Hispanics and one in four blacks voted for CCRI. [USA Today, November 6, 1996.] In a Field Poll taken after the vote, half of those who voted against Prop 209 thought that racial preferences should either be eliminated or scaled back.[Washington Post, December 3, 1996].

II. THE COURT CASE

When defeated at the ballot box, liberal activists reflexively head for the court house. On November 25, 1996, a coalition of liberal activist groups represented by the American Civil Liberties Union of Northern California filed a complaint in federal district court. The groups argued that Prop 209 violates the United States Constitution - both the equal protection clause of the 14th Amendment and the supremacy clause contained in Article VI - and therefore cannot be implemented.

Judge Thelton Henderson, of the U.S. District Court for the Northern District of California, himself a former board member of the some of the ACLU seeking to maintain the preferences, took the case. On December 23, 1996, Judge Henderson, after declining to recuse himself, issued a preliminary injunction. He held that a constitutional amendment to end affirmative action violates the rights of women and minorities by removing an issue of particular importance to them to a new and remote level of government.

Californians Against Discrimination and Preferences ("CADAP"), the official proponents and co-authors of Prop 209, intervened in the case on behalf of the defendants. On April 8, 1997, the Ninth Circuit issued an opinion striking down the preliminary injunction. The Court of Appeals held that special impediments to affirmative action -- like Prop 209's statewide ban on such programs -- do not violate the Fourteenth Amendment . In the words of Justice O'Scannlain, "the Fourteenth Amendment, lest we lose sight of the forest for the trees, does not require what it barely permits."

Source: http://www.wdn.com/cir/ccri.htm [Center for Individual Rights]