



OCCIDENTAL COLLEGE
LOS ANGELES, CALIFORNIA 90041-3392

INTERNATIONAL AND
PUBLIC AFFAIRS CENTER
DIRECTOR, DEREK SHEARER
(213)259-2539
FAX (213)259-2734

Campaign Activity

I believe in political debts as well as in friendship. Below is as objective a listing as I can give of the ways in which I contributed to your winning Presidential effort. I firmly believe that I did everything that I possibly could, given my resources, to help you win, and that at certain points in the campaign, it did make a difference whether or not I was there for you.

(1) You know that I've promoted you as a Presidential candidate for the past decade. I introduced you to my friends and political allies in California--people like Stan Sheinbaum, Mike and Pat Medavoy, Norman Lear, Geoff Cowan and Aileen Adams, the Hollywood Womens Political group, etc.--and many of them became friends and supporters of yours. For example, I was the one who got you invited to be the Show Coalition's first speaker at their inaugural meeting at the Medavoy's five years ago.

Over the years, I regularly drafted pieces about you for Parade that my Dad would edit and run in his columns.

I sent you articles, speeches, and books on domestic and international economics to read while you were Governor, as well as mysteries.

Ruth arranged for you to give a major address at her university Cal. State-LA when she worked there.

I've known you ten years longer than Mickey, and along with him, I've always been your stalwart supporter in California, as well as a friend to both of you.

(2) I encouraged you to run in 1992. Ruth and I had dinner with you and Hillary in May of 1991 before we went to Japan, and offered our support and encouragement. Remember: we had been there for you in 1988 after your speech at the Democratic Convention. We attended your appearance on Johnny Carson, and then you came back to our house for a late supper (along with the Arkansas actor who played Buck Rogers). I defended you then with the liberal media--writers like Bob Kuttner--and friends at the LA Times, and told them that you'd make a comeback.

(3) When we returned from Japan in August, you came out to LA for the Democratic Party meeting. As you might remember, I had called Geoff Cowan and asked him to host an event for you at his house, and together with Mickey, Ruth and I and Geoff and Aileen gave you your first Clinton for President event. Many of the Hollywood and liberal activists who attended became supporters and donors to your campaign.

The next night you came to dinner at our house after the Party meetings, and I had invited Harold Ickes over for dinner too to be certain that you ~~two~~ could talk about your campaign, which you did in our living room. I knew that Harold could help you win, as he proved in managing the convention in NYC.

(4) Ruth and I immediately donated the maximum to you, and I raised early money for you from my parents, my friends, and my colleagues.

(5) I joined the official steering committee and attended the pre-planning meeting in Washington, D.C. in September. I worked behind the scenes with Mickey about how to handle the personal issues. I flew to Little Rock for the official kick-off, staying at Bruce and Bev's house.

(6) During the fall, I also became part of your informal economics advisory and participated in the conference call briefings with you.



campaign activity - 2

(7) Working with George, I reviewed drafts of your economics and and foreign policy speeches for Georgetown, contributing a few ideas and phrases, some of which were included in the final versions. I also began working behind-the-scenes with Cody and with Sid Blumenthal to promote your candidacy, to defend you and to attack your enemies.

(8) I came to New Hampshire for the final week, working with Mickey and George and others on message, and with Susan and Harold on organization. I read Tsongas' economic plan and analyzed it as warmed over Bush economic. I briefed Carville on how to attack Tsongas before James took off for Georgia--and I worked with Sid on his attack piece on Tsongas.

Most important--because Cody had been in touch with Betsy W, who was then at Harvard, I knew how upset she was, and what she had in her basement, and I knew that she wanted to get into the campaign, I persuaded Mickey that it was important for him to meet with Betsy --he had not met her before--and I arranged for him to stop in Cambridge on his way to the Boston airport after the primary to meet with her. Because of this meeting, Mickey became convinced that Betsy should join the campaign in the role of defense, as she did do--and I believe, that having her inside the operation made a substantial difference.

(9) As you know, Cody was with you in Boston when the Flowers story broke. I spoke almost everyday of the campaign with Cody, and with Sid, as well as with Susan T., to work on defense tactics on this issue.

(10) At George's request, I flew to Illinois for that primary, and for meetings on campaign strategy.

For the New York Primary, I coordinated with Mickey and George the attacks on Jerry Brown. I provided documentary material on Brown's record--as you know, I'd worked for him and knew his liabilities well--to the press, and to Stan for your commercials. I also leaked uncomplimentary material on him to the national press. My step-daughter Julie worked in the research op in Mickey's office, heading up the search for critical background on Brown. At one point, Jerry personally denounced me to Wall Street Journal reporters as having "sold out my principles" by working for you.

(11) As you know, I was the one who insisted that you give a major foreign policy speech during the New York primary. I called Susan and convinced her to put it on the schedule, then I called Sandy and told him that his foreign policy team had to come up with a speech (Tony L. even complained that I'd ruined a planned vacation trip). The speech was a great success, resulting in favorable columns from Gelb and Rosenthal--you even autographed one ~~of these~~ columns to me, saying that I was responsible for the speech--and forcing Bush to respond to you on Russian aid. Nixon even praised the speech and criticized Bush.

(12) At the end of the New York primary, I convinced Susan and Mickey that you should fly to Illinois and walk the picket line at the Caterpillar strike, which you did--and this single act probably won you more undecided labor votes than anything else. Throughout the campaign, ~~the~~ I defended you with my labor friends, and made the case for you with officials in the UAW, Machinists and other unions where I had long standing relationships.



campaign activity - 3

(13) For the Michigan primary, I was the one who wrote the memos on industrial policy, and on the auto industry--and I solicited key memos on NAFTA from labor consultant Richard Rothstein, a longtime friend of mine. Richie and I worked out the compromise position on NAFTA--qualified support, but only with side agreements on labor and environment--that became your official position. It was a successful political position, and has become the policy of your administration. I have copies of all of these memos--and I remember quite well that Bruce Reed nor anyone else on staff in Little Rock did not have material for you on this issue, nor a coherent policy.

You might also remember that I solicited a memo for you from Notre Dame economist Candace Howe after you made some incorrect comments about the UAW and work rules in the Arlington, Texas plant. You liked Candace's frankness, and because of her memo, you told the Detroit papers that you'd made a mistake about the matter, which helped you with the UAW. I also went with you to the UAW's annual convention in San Diego, and worked with Begala on the that speech in which you explained your NAFTA position to union members and got applause.

(14) After the New York primary, it was my idea to schedule an economics speech at the Wharton School at Penn. to open the Penn. primary. Susan put it on the schedule. I worked on the speech, and I came with you to the event. As you might remember, I rode in the car with you and I handed you my copy of America-What Went Wrong? by Barlett and Steele, and suggested that you hold it up during the speech. You did, and the day's wire photo showed up holding up the book. As a result, the book became a best seller!

I also argued for a major environmental speech, and I worked with Jeremy Rosner on the speech that you gave at Drexel. The line, "Adam Smith's invisible hand can have a green thumb," was mine--and it got a chuckle. Earlier in the campaign, I had recruited some environmentalists into our policy network, including those who had developed market-based solutions to environmental problems. For example, I accompanied you to the gathering in the Pacific Palisades of rich environmentalists at which an actor drove up in his eclectic car. I wrote the briefing notes for your talk, and reminded you to tell the anecdote about how you had invited David Rowe of EDF down to Arkansas when you were AG. I also was the one who called Rowe and other California environmentalists and enlisted them in the campaign.

(15) I helped organize and staff the campaign in California. Mickey and Wardlaw's choice to run California in the primary turned out to be a disaster--a black lawyer with no campaign experience and only an interest in self promotion. Recognizing this, I personally recruited Ruth Hunter to come on as Deputy Campaign manager. Without Ruth's organizational competence, we would've had a hard time even running the delegate selection process during the primary. I also introduced Ruth to Bev Lindsey, and they later worked together in Little Rock on advance. (You can ask Ruth what would've happened in California, if I hadn't have intervened.)

I also recruited economists to work for the campaign in California, in the primary and in the general. I got many of them to write op-ed pieces supporting you in all of the state's major newspapers. I even arranged for one of them to ghost write Roger Johnson's op ed piece for the LA Times as a Republican businessman endorsing you. I was also the one who convinced Clyde Prestowitz to write his op-ed piece for the



campaign activity - 4

LA Times praising you--and you cited the piece in one of the Presidential debates. So, while I was taking hits from the WSJ for being too liberal or whatever other sins, I was actually getting pieces supporting you by Republicans into the LA Times.

I also played a major role in convincing key liberals in northern California to support you and not Jerry Brown. For example, I talked Loni Hancock, Mayor of Berkeley, and her husband, Oakland state assemblyman Tom Bates, into becoming early supporters. I also was the one who invited David Mixner to the initial party at the Cowans'--and I personally recruited Roberta Acktenberg into the campaign. Now, Robert's ~~as~~ Assistant Secretary at HUD.

I also arranged for Elizabeth Glaser to come over to my backyard for a bar-b-q on the last weekend of the California primary. She was desperate to meet with campaign people--and I sat her down on the grass with Mickey, and we arranged for her to address the Convention, which I think was a good thing to do politically.

(16) As you know, I went with you to many events in California during the primary and the general including our walk on the Venice Ocean Front Walk to the Mystery Bookstore and later in the evening Geoff Cowan's 50th Birthday Party.

I put the August foreign policy speech in Los Angeles on your schedule, inspite of reluctance from Carville and a few others. I worked on the speech, and I rode with you to the hotel to deliver the speech. Afterwards, I went with you to the meeting at the Los Angeles Times editorial board.

Later in the campaign, I arranged to take Warren Christopher with me to the LA Times for an editorial luncheon and a dicussion of the campaign.

I wrote a long op-ed piece for the Los Angeles Times criticizing **Bush** and praising your policies. I also regularly provided comments for California radio stations on the campaign's policies, and I appeared in two debates in California during the general--one at the UCLA Business School and one before a business group in Orange County--at which I debated Bush administration officials.

I also spoke in LA, along with Ira, Rubin, and Chris, at forum for major DNC donors. Mary Leslie can attest to how much help I gave her in California fundraising and with such events.

(17) It was my idea for the campaign to publish a program book. George knows this, although I have no idea who's taken credit, because I constantly bugged him about it. At the big Hollywood fundraiser with Streisand in LA in June, I pressured you (on the tennis court) to let us schedule economics meetings in Little Rock to work on the program--and you said, go ahead. Out of these meetings, I got Reich and Ira organized to work together with me to come up with a first draft of the program which we did. (You can ask Ira. I've heard him say that if it hadn't have been for my prodding and my organizational skills, Putting People First would never have been finished). I made certain that the draft got to George, and then I pressured George for follow-up meetings. Finally, a weekend long affair was held at which Ira and I worked with Reed and Shapiro to produce what became Putting People First. (Gene S. had just been hired, and he joined in the effort too. Bob Reich was recovering from surgery and didn't come to Little Rock for the final drafting session). I contributed some of the substance--for example, the proposal for the Economic Security



OCCIDENTAL COLLEGE
LOS ANGELES, CALIFORNIA 90041-3392

INTERNATIONAL AND
PUBLIC AFFAIRS CENTER
DIRECTOR, DEREK SHEARER
(213)259-2539
FAX (213)259-2734

campaign activity - 5

Council which turned out to be a winner--but most important, I worked on the organization of the program and the language. I was the one who gave the title Putting People First. I clearly remember writing the title down on the draft and handing it to Bruce Reed. The reason that I chose the title is because I had also been part of the message meetings that we had in LR with Stan, Mandy and Carville--and I was the only economics advisor who'd read Stan's memo on the polling that he'd done on language and what resonated with voters. I knew from his memos that some combination of People First would work well.

Once the program was completed, I knew that it was crucial to promote it a variety of ways. It was my idea to get mainstream economists to support it--and because I had worked with Roger Hickey at the Economic Policy Institute on mailings to economists and public statements, I knew that EPI was the place to help us. I called Roger and Jeff Faux and got them to agree to do the mailing to their list of economists. After much wrangling with the Nobel prize winners over language, I ultimately drafted the letter that went out over Jeff's signature. As a result of EPI's mailing, we got over 500 economists to endorse the program--and then the media folks used this endorsement in all sorts of ads.

Roger and Jeff remember this well, because they had such a hard time dealing with Gene and George to get this done--both were skeptical--and they have told me on numerous occasions that it wouldn't have happened if I hadn't been there to push it forward.

I also appeared on the Today Show and other media to promote the plan, and during the general I called numerous "name" economists to get them to sign on and to write op-ed pieces supporting PPF--folks like Lester Thurow, Robert Eisner, Rudi Dornbush and others. I also worked with key economics columnists like Hobart Rowen and Bob Kuttner to get good coverage of the plan. Both Kuttner and Rowen wrote praiseworthy articles about your program.

I'm very certain about my role in producing PPF, because I had done such a project before in another campaign, and I knew what I wanted to accomplish. In the Hayden for Senate race in 1976, I produced a similar program book titled "Make the Future Ours" which helped make Hayden a serious candidate. I even gave Bruce Reed a copy of this program to show him what I had in mind, although I suspect that fact that I'd once had anything to do with Tom Hayden made him nervous and made me suspect in spite of the fact that I hadn't spoken to Hayden in a decade.

(18) During the general, I had a leave from Oxy and I worked fulltime on the campaign. I worked at the convention and on the various speeches already mentioned, I was somewhat visible as one of your economics advisors but I also played a less visible role behind the scenes. I was very successful in working with Cody and Sid on the Perot problem. I coordinated their investigative work on Perot, and I know that our work played a crucial role in getting Perot to drop out of the race in July. It's a long story, but the bottom line is that we unearthed the info. about his investigation of his daughter's boyfriend, the assistant prof. at Vanderbilt, and Sid and Cody got the story out. We were on the offensive against Perot when most of the campaign hierarchy was defensive!. It made a big difference that Perot dropped out when he did, and that he never traced the press stories to us. You or Hillary can ask Sid or Cody sometime about it, if you want the full story.

I also worked closely with Cody on dealing with other matters. Cody was very effective in scaring off some of the Bush campaign's



campaign activity - 6

potential attacks on you because of the material that he had on Bush. It was a kind of Mexican stand-off.

(19) Once I took my leave from Oxy in June, I offered to travel fulltime with you, or move to Little Rock, or do whatever was asked. You didn't need me for the bus tours or plane travel, but I did recruit Brooke a month earlier to travel with Hillary. I introduced her to Susan, and Susan worked her into the campaign, I think that Brooke was an asset to Hillary, whatever post-election falling out they might have had.

I wasn't wanted fulltime in Little Rock either, so I continued to play my utility infielder role from California until Mickey asked me work with him on the pre-transition planning project. At his request, I agreed to organize the budget and policy planning part of the pre-Transition. Because Ira had resources available at his firm and because Providence was a relatively "press secure" location (and because of Ira's willingness to work hard--a trait you two know well--I asked him to devote fulltime to this effort). Bill, I discussed this decision with you in the car when you were in LA in August for the foreign policy speech, and you agreed that it was a good idea.

I had an office in the pre-planning foundation building in Little Rock, and I came there frequently for meetings with Mickey, John Hart, and Jerry Stern, and also with campaign staff.

In addition to asking Ira to take on the budget project with me, I recruited DC lawyer Harrison Welford, who'd been in the Carter budget office. We also brought Phil Lader into the project, and we organized your key advisors--Reich, Rubin, and Altman--to meet with us every Friday in the fall in Providence or Boston to work on the project. Ira also got staffers from his consulting firm to work on the project. This work proceeded without a single leak to the press during the general! I kept close watch on drafts and repeatedly reminded people not to talk about it. I reported to Mickey on our progress because you had asked him to head up the pre-transition process, but I certainly was not part of any effort on Mickey's part to "control the victory" or to seize influence after you won. In fact, I kept Hillary, via Susan, up-to-date on pre-transition work, and I offered to brief her or you at any time on what we were doing.

The budget options books that we produced during our work in Providence were, unfortunately, ignored by those whom you appointed to head the official Transition--but I still think that the work was honest and valuable, and that you would've been better off if it had been more fully utilized.

I also asked Harrison to do a separate report on the organization of the White House, which resulted in an excellent options report which I know that at least Bruce Lindsey looked at. And, I got a number of young lawyers to prepare memos on legal actions that you could take once you became President. I also helped organize the issues books, and I called Jan Piercy, at Adele Simmon's suggestion, and asked Jan to come work on personnel systems planning (I checked with Hillary before calling).

(20) Bill, you know that I came to see you in the immediate aftermath of the election when the staff was up in arms over Mickey's behavior and tried to assure you that things were in good shape program and processwise. I even wrote some organizational memos on the Transition that



campaign activity - 7

Bruce gave you. Once you appointed Christopher head of the Transition along with Vernon, I was cast aside and frozen out with no explanation, as was Ira.

Later, you put Bob in charge of the economic policy team for the Transition, along with Gene, and you and I spoke on the phone and you assured me that Ira and I were not being dropped, and that you wanted us involved (I frankly doubt that Bob did. He has always been jealous of Ira, and I know that he was badmouthing both us with a number of people, perhaps even with you.)

I was a good soldier and moved to Washington, D.C. to work on labor economics issues for the Transition. I spent more than a month going to meetings with AFL-CIO officials and union presidents and staff, and I organized the writing of a comprehensive issues briefing book, utilizing key Senate and House staffers from the Labor committees and economists at EPI. I also wrote you a political briefing memo that proposed the creation of the Labor Law Study Commission and the Conference on the Future of the American Workplace. Both of these ideas were taken up by Reich as Secretary of Labor, and both have happened.

I had no prior notice that Bob would be named Secretary of Labor; I heard from the press, even though I was the Transition point man on labor. And once Bob was appointed, he took over my assistants and my briefing books. I was never asked by him or the Transition staff whether or not I might be interested in a position in the Labor Dept.

(21) I came home for Christmas after participating in the Economic Conference in Little Rock. I helped to get people invited, and I particularly helped Hillary to recruit women, including Ann Markusen and Karen Nussbaum. (At my urging, Karen applied for a post in Labor, and was appointed head of the womens bureau.)

In Little Rock, I had spoken briefly to Mac about my willingness to join the White House staff if asked. I never heard another word from him.

Bill, I met with you for about 10 minutes after the conference, and told you that my first choice for a job--outside of the White House staff--was to be Undersecretary of State for Economics. During the campaign, I had coordinated most of our advisors on Japan policy, and I organized the briefing for you in New Haven on Japan by professor Mike Mochizuki. I had arranged for Glen Fukushima of AT&T to give the Asia presentation at the Economic Conference, and I had represented the campaign at a debate on Asia policy in Washington, D.C. against Bush's Deputy USTR. During the Transition, I was also part of working group on Trade policy and along with Barry Carter, I organized the meetings and options papers on trade policy towards Japan. I advocated a "results oriented policy."

Given my expertise on Japan, as well as my recent visits to Russia and consultation there with Moscow and Leningrad city governments on privatization, as well as my general economics background, it seemed to me not unreasonable to seek the economics post at State. As a backup, I mentioned an interest in the Undersecretary for International Trade at Commerce, or one of the Deputy USTR slots. You said that one of these sounded right.

But after I returned home for the holidays, I didn't hear anything from you or your staff, I ended up having to engage in constant lobbying of Bruce and Harold. I was told that none of the three above positions were viable--i.e. that you wouldn't support me for any of them.



OCCIDENTAL COLLEGE
LOS ANGELES, CALIFORNIA 90041-3392

INTERNATIONAL AND
PUBLIC AFFAIRS CENTER
DIRECTOR, DEREK SHEARER
(213)259-2539
FAX (213)259-2734

campaign activity - 8

(22) I ended up being sent to see Ron Brown, who would never see me, and I had to deal with his chief of staff Rob Stein, who was hostile to me from the beginning. It seemed clear that he was only talking to me because I was an FOB. Once again, as a good team player, I took what was offered--a deputy spot under a person who is younger than I am and who hadn't worked on the campaign. I thought that I might be able to work directly with Ron and with John Rollwagen, the deputy secretary--but as you know, it didn't work out. Ron's staff viewed me as an FOB who they had to give a job, but who they didn't want to have any policy influence. They basically blew me off, just as they did to Sheila Anthony. You know from Sheila that I'm not concocting this story. I tried to convince Rob and Ron to let me build a trade team for them with folks like Glen Fukushima, Thurow, and others--but they weren't interested in letting me do it. I accomplished a few projects like putting your economic plan on IBM PC disk and marketing it with an 800 number (and publicizing the product in USA Day, the Washington Post, etc.), but I was frustrated--and when Ruth got ill and had to have her operation, it was not a hard decision to leave.

(23) John Emerson suggested that I might be a good ambassador to a small country, once Ruth had her operation and felt better. I told Bruce that I would like to be considered for ambassador and to please put me on the list.

(24) Since returning to California, I have not said a critical word in public about my experience in Commerce--and I have spoken at meetings in Germany and Australia about the administration's programs and policies. I have defended them, and explained the obstacles to success in the Congress. I also attended the Future of the American Workplace conference in Chicago, and promoted the ideas behind it in the press.