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JUN 28 1994



Associated Press

President Clinton shook hands with his then-Budget Director Leon Panetta earlier this month after Panetta translated Clinton's speech to the crowd gathered at Rome's Capitolium Square.

'Panetta the right choice'

Glowing reaction to Clinton's choice of former congressman as chief of staff

By THOM AKEMAN
CENTRAL COAST BUREAU

The people who know Leon Panetta best said yesterday the president has made the right choice for his new right hand.

"Leon stands out of all the people in the White House," said former state Sen. Fred Farr. "He's level headed. He knows all the players. And he knows how to get things done."

Farr, who is recovering from cancer surgery, said he had just finished reading "The Agenda: Inside the Clinton White House," the latest book by muckraker Bob Woodward.

The book says Clinton has assembled one of the brightest groups that has ever been in the White House, but hasn't provided the leadership to get everybody working in the same direction, Farr said.

That makes Panetta the perfect choice to be the group's leader, Farr said.

Panetta's experience boosts administration

By ALEX HULANICKI
CENTRAL COAST BUREAU

Leon Panetta, an experienced "insider" on Capitol Hill, is expected to give President Clinton a hand in negotiating with Congress on his troubled health-care overhaul.

And Panetta, named as Clinton's chief of staff yesterday, will have to organize a young White House cadre of Washington "outsiders" to implement

policy, including Clinton himself, according to Stephen Hess, a senior fellow at the Brookings Institution and an expert on Washington politics.

Panetta, 56, a Carmel Valley Democrat, may have to advise Clinton to become focused on his political agenda, according to Rodney Minott, a professor of U.S. diplomatic and military history at the Naval Postgraduate

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"I'm very proud of Leon," said Farr, 84.

Farr's son, Sam, was elected to Congress last year to replace Panetta as the 17th District representative. Panetta had been the Monterey Bay congressman for more than 16 years, resigning at

the beginning of his ninth term to become President Clinton's budget director.

Rep. Farr, D-Carmel, said Congress was feeling good about Panetta's promotion yesterday to become Clinton's chief of staff.

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'Panetta the right choice'

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"The spin here on Capitol Hill is very positive," Farr said in a telephone interview. "Members of Congress have always adored Leon. They think he's tough and they like that. And he follows through."

Panetta proved his political strength last year, Farr said, when he pushed through the budget reduction act, raising taxes and making unpopular budget cuts.

Rep. Farr said yesterday's announcement of changes in the White House staff came as a surprise. There had been rumors of a White House shake up, but there were always rumors of a shakeup, the congressman said.

Panetta reportedly went to Camp David Saturday night with Vice President Al Gore for a secret meeting with the president and a discussion of how to divide power on the president's staff.

Sylvia Panetta said she learned over the weekend that her husband was going to become the president's chief of staff.

Mrs. Panetta, who served as the unpaid district administrator during Panetta's 16 years in Congress, said her husband's only misgivings about taking the new job is that he'll miss his old one.

"Does he have any misgivings? Only from the standpoint that he's enjoying so much being head of the Office of Management and Budget," Mrs. Panetta said. "As hard as it is, he has enjoyed it."

Panetta has long shown his high energy level and a need for little sleep.

During his 16 years in Congress, he flew the 5,400-mile round trip from Washington to Monterey almost every weekend and made the rounds of his five district offices.

"He's a hard worker and he knows his priorities," his wife said.

Panetta, who turns 56 today, has also distinguished himself as a blunt and candid politician whose integrity has never seriously been questioned.

"I know he won't regret this new position," his wife said. "There's no question he's in awe of it, my gosh. But I know he can do it. He's a good leader. He inspires people."

The job of chief of staff entails working on the president's policies, influencing the administration's agenda, working with Capitol Hill, running the ship and being the go-between, she said.

"You have to do all the things that go with being a leader," Mrs. Panetta said. "And you have to know the issues at hand and how they affect the American people, and he does."

She said she wished Panetta's parents were alive to share in the glory of his new appointment.

Carmelo and Carmelina Panetta were Italian immigrants who operated a restaurant in downtown Monterey, planted an orchard in Carmel Valley and encouraged their two children to achieve as much as they could.

Panetta's brother, Joseph, is an attorney in Monterey.

The Panettas have three sons — Christopher, 31, a law school graduate; Carmelo, 30, a cardiologist in training; and Jimmy, 24, a law school student.

Mrs. Panetta said she's planning to maintain the family's Carmel Valley home while her husband runs the White House.

"I know my priorities," she said. "I know what life's about."

Panetta is believed to be the first Monterey Peninsula resident

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School in Monterey who was U.S. Ambassador to Sweden from 1977-81.

Thomas F. "Mack" McLarty, the former chief of staff, was too nice a guy to advise Clinton and implement policy with the staff, Minott said.

"McLarty is such a good friend of Clinton's, he couldn't tell the emperor he doesn't have any clothes on," Minott said yesterday.

Panetta, former director of the Office of Management and Budget, is a "first-rate national figure who has handled the budget beautifully," but it is up to Clinton on just how much power Panetta will have in setting the White House agenda, Hess said.

"It's whether the president understands he needs a chief of staff," Hess said. "His problem has been he's been his own chief of staff. I don't think anybody can take the heat off Clinton. What Leon can do is make the process orderly and help him in reaching decisions."

Historically, the position of chief of staff has been structured at the whim of each president, according to Richard Kezirian, a history instructor at Monterey Peninsula College.

President Dwight D. Eisenhower used his chief of staff, Sherman Adams, as a "lightning rod," to take the brunt of criticism for failed political moves, Kezirian said. "Eisenhower was always above all that."

Eisenhower was viewed as a "do-nothing" president who frequently was "off to the golf course" on his calendar. But few people knew that Eisenhower actually was meeting secretly with Adams and Secretary of State John Foster Dulles, Kezirian said, noting that a full assessment of an administration really cannot be made until all of the documents are released years afterward.

Minott described President Jimmy Carter's first staff chief, Hamilton Jordan, "as a well-

meaning Georgian" who was too young to advise Carter effectively. Then Carter appointed Jack Watson, a lawyer from Atlanta, who was "much more forthright in telling Carter he was doing badly."

Carter and his staff "need the candor, and they need Panetta's sense of discipline," Minott said.

"Clinton conducts these meetings that go on forever," Minott said. "They are formless. Anybody who has run a staff... knows that you must have an agenda with a beginning, middle and an end."

Currently, Clinton's foreign policy and domestic moves have led observers to feel the president's reputation is slipping, said David Yamada, a political science instructor at Monterey Peninsula College.

Panetta will be the "top dog" in the White House, someone whose "personality, credibility, bargaining skills and sense of humor" will go far in "a big repair job," Yamada said.

"His job will be to control damage before it gets to the president," Yamada said.

Under President John F. Kennedy, the staff chief's position was unremarkable because Kennedy was a "hands-on kind of guy," Kezirian said.

But Panetta's reputation has gained the respect of the administration, Hess said, adding that Panetta appears to have taken on the obligation to help the President succeed.

Such a move "in a way represents a kind of sacrifice" for Panetta, Minott said in speculating on Panetta's political future.

"It's very hard to say," Minott said. "Leon has one tremendous virtue — that he is not going to let power go to his head like Don Regan in the Reagan White House or John Sununu in the Bush administration."

"It's very hard to say if this will be it (for Panetta)," Minott said. "This is an exhausting job. It depends on the fortunes of the Clinton administration. If they eke out a victory in '96, Panetta could be a player for some time."

who had risen to the level of a presidential cabinet, let alone a president's chief of staff.

Fred Farr searched his long memory of politics yesterday and could recall only two Peninsula residents who had frequent access to the White House — photographer Ansel Adams and architect Nathaniel Owings, both deceased, who were close to several presidents.

Panetta's position in the White House may not have any direct benefits for his old congressional area, but it can't hurt it either.

"Leon's very loyal to the country, then to California, then to the Monterey Bay area," said Sen. Henry Mello, D-Watsonville.

"Whatever he can do for us, he will. And you never know when he takes a walk in the Rose Garden with the president, what they might say."

Mello, the state Senate majority leader who replaced Panetta as head of the Fort Ord Task Force when Panetta joined the Clinton administration, said he was proud of Panetta.

"I think he's going to help the president out a lot because he's a very direct and independent per-

son," Mello said.

"He's very bright," Mello said. "You've seen it. Leon's never been on the wrong side of an issue because he thinks things through."

Fifth District County Supervisor Sam Karas said Panetta's promotion could prove to be a benefit for the Central Coast.

"I think it's one of the greatest things that ever happened to this area," Karas said. "We've got a direct link to the White House now and knowing how Leon feels about this area, it will always be uppermost in his mind."

Karas noted that Panetta has never played favorites. On the contrary, he has achieved national prominence because of his honesty and integrity.