213134

THE WHITE HOUSE

WASHINGTON

April 4, 1997

For backup if you need any of it - B.

4-8-97 sent to clerk

4-8-97

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed BNR

SUBJECT: **Proposed Executive Order making the Chair of the Council on Environmental Quality (CEQ) a Member of the Domestic Policy Council (DPC)**

Attached is a proposed Executive Order making the Chair of the Council on Environmental Quality (CEQ) a Member of the Domestic Policy Council. The Environmental Protection Agency, the Department of the Interior, and the Department of Energy are all current Members of the DPC. Adding CEQ to the DPC will insure that environmental issues have full representation on the DPC. Katie McGinty and I both recommend you sign this order.

______ Agree

______ Discuss Further

Exec Clerk has copy

C
Pls get final "Baker" from Clerk for POTUS to sign. T

ORDER

Pursuant to the provisions of Section 2 of Executive Order 12859, of August 16, 1993, I hereby designate the Chair of the Council on Environmental Quality as a Member of the Domestic Policy Council.

THE WHITE HOUSE
April 5, 1997

THE WHITE HOUSE
WASHINGTON

4/7/97

Todd / Phil /

Order prepared per your request

The enclosed is referred for your information.

Tom

G. Timothy Saunders
Executive Clerk

'97 APR 4 PM7:14

4/7/97: Dave — Please cy. from Counsel

THE WHITE HOUSE

WASHINGTON

April 4, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed BNR

SUBJECT: **Proposed Executive Order making the Chair of the Council on Environmental Quality (CEQ) a Member of the Domestic Policy Council (DPC)**

Attached is a proposed Executive Order making the Chair of the Council on Environmental Quality (CEQ) a Member of the Domestic Policy Council. The Environmental Protection Agency, the Department of the Interior, and the Department of Energy are all current Members of the DPC. Adding CEQ to the DPC will insure that environmental issues have full representation on the DPC. Katie McGinty and I both recommend you sign this order.

______ Agree

______ Discuss Further

ORDER

Pursuant to the provisions of Section 2 of Executive Order 12859, of August 16, 1993, I hereby designate the Chair of the Council on Environmental Quality as a Member of the Domestic Policy Council.

THE WHITE HOUSE
April 5, 1997

4/18/97

Original of Stern memo sent w/ 215116

Copied
Reed
Sperling
McGinty
COS

main part of speech

might want to ease burden a bit by requiring (1) analysis of impact ~~impact~~ on kids (2) explanation of why preferable to reasonable alternative — lightens burden a bit without 2 below

if limited to significant regulations in terms of potential impact on kids, I think okay.

Still in Oval - 4/11/97

THE WHITE HOUSE

WASHINGTON

April 11, 1997

4-11-97

MEMORANDUM FOR THE PRESIDENT

FROM: TODD STERN

SUBJECT: Executive Order to Protect Children from Health/Safety Risks

As a lead-in to the zero-three conference next week, you are tentatively scheduled to sign an Executive Order directing agencies to enhance their efforts to protect kids against environmental health and safety risks. There is broad agreement about most elements of the E.O., but disagreement as to the pivotal section, Section 5. The attached memo seeks your approval of one of three options concerning Section 5.

Background. The proposed E.O. is designed to ensure a more coordinated approach to children's issues by (1) requiring all agencies to make protection of children a high priority in carrying out their statutory responsibilities and overall missions; (2) creating an interagency Task Force to establish a coordinated research agenda and initiatives for the Administration; and (3) requiring agencies to analyze and explain the effects of their regulations on children. It is this last requirement that is the subject of disagreement.

Section 5 -- Federal Regulatory Analysis. As drafted, Section 5 would require agencies to (a) assess the effects of proposed regulations on children if the proposed regs are economically significant and may have a disproportionate impact on kids; (b) assess the effects of reasonable alternatives to the planned reg that provide more or less protection for children than the planned reg; and (3) explain why the planned reg is preferable to the alternatives. Pros and cons are laid out in detail in the memo, but, in essence, the options and arguments are:

4-15-97

Option 1 -- approve proposed Order with Section 5 as drafted. Proponents argue that Section 5 provides the teeth to ensure that agencies will adhere to the policy of the Order and that without it the Order would be regarded as largely hortatory. *Supported by DPC and CEQ.*

Option 2 -- omit Section 5. Opponents argue that this is a novel requirement with unpredictable consequences, that it would impose a significant new regulatory burden, and that the requirement to explain why a more protective alternative wasn't chosen will open agencies to undue criticism. They argue that rather than imposing a new requirement in the E.O., the Task Force should consider appropriateness of regulatory standards. *Supported by Treasury, Commerce and HHS.*

Option 3 -- modify Section 5. The requirement that agencies analyze the effects of a proposed regulation on children would be retained, but the requirement for agencies to analyze more or less protective alternatives and to justify their decisions would be omitted. *Supported by NEC.*

Option 1___ Option 2___ Option 3___ Discuss___

214131

THE WHITE HOUSE

WASHINGTON

April 10, 1997

'97 APR 10 PM6:53

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Gene Sperling
Katie McGinty

SUBJECT: Executive Order to Protect Children From Environmental Health Risks and Safety Risks

You are tentatively scheduled to announce on April 16 an Executive Order, attached to this memo, directing agencies to enhance their efforts to protect children from environmental health and safety risks. Announcement of the Executive Order would immediately precede the White House Conference on Early Childhood Learning and Development.

There is broad consensus among agencies on the broad policy objectives of the proposed Executive Order, but three agencies -- Treasury, Commerce, and HHS -- have objected to the explicit requirement in the order that agencies identify risks to children in the analysis supporting their major regulations. DPC and CEQ strongly support issuing the Executive Order in its current form. In addition, all White House offices working on the Conference on Early Childhood Learning and Development would like you to issue the order in its current form, as part of a set of executive actions showing your commitment to protecting children. OMB's OIRA (Sally Katzen) also endorses the order because it advances the Administration's efforts to protect children, but believes that the decision to go forward must recognize that the order will impose additional burdens on agencies and inevitably lead to more stringent regulatory standards over time. NEC favors a compromise proposal discussed in the last section of this memo.

BACKGROUND

There is a growing body of evidence, highlighted by a 1993 study by the National Academy of Sciences (NAS) on the exposure of children to pesticides, demonstrating that children are at disproportionate risk from environmental health risks and safety risks. The report also concludes that federal regulatory standards often fail to consider these risks fully.

These disproportionate risks stem from several fundamental differences between children and adults, in terms of physiology and activity. Children are still developing, and thus are neurologically and immunologically more susceptible to certain risks. Children eat, drink and breathe more in proportion to their weight, exposing them to greater amounts of contamination and pollution for their weight. Children are less able to protect themselves by use of judgment and skill (*e.g.* navigating traffic, reading and following warnings). Concurrent with their recognition of these factors, scientists have documented an alarming increase in the incidence of conditions in children that may be linked to environmental health risks and safety risks. These include childhood cancer, leukemia, and asthma, as well as childhood deaths and injuries from accidents.

In many areas, your Administration has taken bold action to respond to the challenge posed by this new science. Your initiatives resulted in explicit protection for children in the Food Quality Protection Act and Safe Drinking Water Act; development of new standards for passive restraints in cars that are more protective of children; and administrative action to protect children from tobacco, lead, and other hazards. Each of these initiatives has met with strong popular and congressional support.

Despite these successes, there is no overall, coordinated approach to children's issues that highlights their priority, coordinates federal research, and ensures that federal regulations consistently account for disproportionate risks to children. The proposed Executive Order, which has been the subject of extensive discussion with affected agencies, would fill this gap with provisions to address each of these areas.[1]

Policy: The proposed Executive Order requires all agencies to make the protection of children a high priority in implementing their statutory responsibilities and fulfilling their overall missions.

Research Coordination: The proposed Executive Order would create an interagency Task Force to establish a coordinated research agenda, to identify research and other initiatives the Administration will take to advance the protection of children's environmental health and safety, and to communicate with the public regarding these efforts.

Federal Regulatory Analysis: Most notably, the proposed Executive Order would, for the first time, require agencies to analyze and explain the effects of their rules on children. The primary goal of this provision is to link policy decisions to the emerging science regarding children's environmental health and safety. It is this part of the Order to which Treasury, Commerce, and HHS have objected -- perhaps not surprisingly, given that it imposes additional analytic requirements on agency rulemaking.

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[1] This Executive Order would supersede President Reagan's Executive Order on Families, replacing it with a policy that better reflects the priorities of your Administration.

ISSUE FOR DECISION

Whether the Executive Order should include provisions requiring agencies to explicitly consider risks to children when deciding on major regulations.

Section 5 of the Executive Order would impose three requirements on agencies promulgating regulations, if the regulation is economically significant and the agency has reason to believe that it may have a disproportionate impact on children. Agencies would have to: 1) evaluate the effects of the planned regulation on children; 2) similarly assess the effects of reasonably feasible alternatives to the planned regulation; and 3) explain why the planned regulatory action is preferable to these other options.

Arguments For Inclusion of Section 5

- Section 5 is the key policy component of the proposed Executive Order, and would be an enduring part of your legacy in protecting children's health. It makes concrete and gives effect to the overall policy of the Order to identify and assess risks to children.

- Both the National Academy of Sciences and the Administration's own report, *Investing in our Children,* have highlighted the need to link regulatory decisions to available data and, where there is a lack of data, to a research agenda. Section 5 is the provision of the order that best ensures that agencies will make this link.

- Section 5 provides the structure and enforcement mechanism (through OMB oversight) necessary to ensure that agencies adhere to the general policy of the Executive Order. Without Section 5, the Executive Order's terms are largely hortatory.

- There is substantial bipartisan support for requiring special regulatory analysis with respect to risks to children. The provisions in the proposed Executive Order closely track, and broaden application of, provisions in the unanimously-enacted Food Quality Protection Act and the Safe Drinking Water Act requiring heightened analysis to protect children. This provision will build on the public support for giving special consideration to children's health in developing standards.

- Health experts and outside groups, aware of the prior reports and legislation, may deride the Executive Order as merely symbolic if Section 5 is omitted.

- Your previous Executive Order on regulatory review already requires similar analysis addressing cost, small business impact, and other issues. Failure to include Section 5 may generate criticism that we effectively are subordinating children's health to these other concerns.

Arguments Against Inclusion of Section 5

- Section 5 imposes a novel requirement on major rulemakings, with unpredictable consequences. The task force created by the proposed Executive Order should consider over time and with the benefits of experience the appropriateness of regulatory standards.

- Requiring agencies to acknowledge that a proposed regulation is not the most child-protective is likely to have a distorting effect on regulatory decisions. The result will be greater pressure on agencies to "ratchet up" their regulatory standards, with a corresponding (and potentially unjustified) increase in the costs and burden of regulation. This could undermine the Administration's program of regulatory reform.

- There is only limited experience with analyzing regulations in terms of risks to children, and this approach is not always well-received. Critics may cite costly Superfund cleanups based on the potential exposure of children to toxic waste sites, and analytical flaws in the public health data supporting EPA's recent Clean Air Act proposals on ozone and particulate matter.

- In cases where the Section 5 analysis does not prompt agencies to strengthen the relevant regulatory standards, it will provide a basis on which to criticize the agency's decision. (Some agencies characterize this as a "kick-me" requirement.) Requiring this analysis also may strengthen legal challenges to agency regulations, as requiring any regulatory analysis does.

- The regulatory resources of many agencies are already stretched thin, and blanket application of a new regulatory requirement could divert already tight resources and delay ongoing programs.

- Regulatory agencies have made important strides in this area and should have the opportunity to demonstrate this progress to the interagency task force before any regulatory requirements go into effect.

POSSIBLE ALTERNATIVE

The only compromise available is to retain Section 5, but include only the general requirement that agencies analyze the effects of a proposed regulation on children. This proposal would delete the explicit requirements that agencies undertake a comparative analysis and provide a justification for their decision This option would diminish both the advantages and disadvantages of proceeding with Section 5 as currently drafted.

DECISION

______ Approve the Executive Order as drafted

______ Modify Section 5 of the Executive Order

______ Omit Section 5 of the Executive Order

ATTACHMENT

Proposed Executive Order

DRAFT
3-27-97
10:50 a.m.

Executive Order

- - - - - -

Protection of Children from Environmental
Health Risks and Safety Risks

By the authority vested in me as President by the Constitution and the laws of the United States of America, I hereby order as follows:

<u>Section 1</u>. <u>Policy</u>.

1-101. A growing body of scientific knowledge demonstrates that children may suffer disproportionately from environmental health risks and safety risks. These risks arise because: children's neurological, immunological, digestive and other bodily systems are still developing; children eat more food, drink more fluids, and breathe more air in proportion to their body weight than adults; children's size and weight may diminish their protection from standard safety features, and children's behavior patterns may make them more susceptible to accidents because they are less able to protect themselves. Therefore, to the extent permitted by law and appropriate and consistent with the agency's mission, each federal agency:

(a) shall make it a high priority to identify and assess environmental health risks and safety risks that may disproportionately affect children; and

(b) shall ensure that its policies, programs, activities, and standards address disproportionate risks to children that result from environmental health risks or safety risks.

1-102. Each independent regulatory agency is encouraged to participate in the implementation of this Executive order and comply with its provisions.

<u>Sec</u>. 2. <u>Definitions</u>. The following definitions shall apply to this order.

2-201. <u>Federal agency</u> means any authority of the United States that is an agency under 44 U.S.C. 3502(1) other than those considered to be independent regulatory agencies under 44 U.S.C.

3502(5). For purposes of this order, military departments, as defined in 5 U.S.C. 102, are covered under the auspices of the Department of Defense.

2-202. Covered regulatory action means any substantive action in a rulemaking initiated after the date of this Executive order, or for which a Notice of Proposed Rulemaking is published within one year of the date of this order, that is likely to result in a rule that may:

(a) be "economically significant" under Executive Order 12866 (a rulemaking that has an annual effect on the economy of $100 million or more or would adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities); and

(b) concern an environmental health risk or safety risk that the agency has reason to believe may disproportionately affect children.

2-203. Environmental health risks and safety risks mean risks to health or to safety that are attributable to products or substances which the child is likely to come in contact with or ingest (such as the air we breath, the food we eat, the water we drink or use for recreation, the soil we live on, and the products we use or are exposed to).

Sec. 3. Task Force on Environmental Health Risks and Safety Risks to Children.

3-301. There is hereby established the Task Force on Environmental Health Risks and Safety Risks to Children ("Task Force").

3-302. The Task Force will report to the President in consultation with the Domestic Policy Council, the National Science and Technology Council, the Council on Environmental Quality, and the Office of Management and Budget ("OMB").

3-303. Membership. The Task Force shall be composed of the:

(a) Secretary of Health and Human Services, who shall serve as a Chair of the Council;

(b) Administrator of the Environmental Protection Agency, who shall serve as a Chair of the Council;

(c) Secretary of Education;

(d) Secretary of Labor;

(e) Attorney General;

(f) Secretary of Energy;

(g) Secretary of Housing and Urban Development;

(h) Secretary of Agriculture;

(i) Secretary of Transportation;

(j) Director of the Office of Management and Budget;

(k) Chair of the Council on Environmental Quality;

(l) Chair of the Consumer Product Safety Commission;

(m) Assistant to the President for Economic Policy;

(n) Assistant to the President for Domestic Policy;

(o) Assistant to the President and Director of the Office of Science and Technology Policy;

(p) Chair, Council of Economic Advisers; and

(q) Such other officials of Executive departments and agencies as the President may, from time to time, designate. Members of the Task Force may delegate their responsibilities under this order to subordinates.

3-304. <u>Functions</u>. The Task Force shall recommend to the President Federal strategies for children's environmental health and safety, within the limits of the Administration's budget, to include the following elements:

(a) statements of principles, general policy, and targeted annual priorities to guide the federal approach to achieving the goals of this order;

(b) a coordinated research agenda for the Federal Government, including steps to implement the review of research databases described in section 4 of this order;

(c) recommendations for appropriate partnerships among Federal, State, tribal and local governments and the private, academic, and non-profit sectors;

(d) proposals to enhance public outreach and communication to assist families in evaluating risks to children and in making informed consumer choices;

(e) an identification of high-priority initiatives that the Federal Government has undertaken or will undertake in advancing protection of children's environmental health and safety; and

(f) a statement regarding the desirability of new legislation to fulfill or promote the purposes of this Executive order.

3-305. The Task Force shall prepare a biennial report on research, data, or other information that would enhance our ability to understand, analyze, and respond to environmental health risks and safety risks to children. For purposes of this report, cabinet agencies and other agencies identified by the Task Force shall identify and specifically describe for the Task Force key data needs related to environmental health risks and safety risks to children that have arisen in the course of the agency's programs and activities. The Task Force shall incorporate agency submissions into its report and ensure that this report is publicly available and widely disseminated. The White House Office of Science and Technology Policy and the National Science and Technology Council shall ensure that this report is fully considered in establishing research priorities.

3-306. The Task Force shall exist for a period of four years from the first meeting. At least six months prior to the expiration of that period, the member agencies shall assess the need for continuation of the Task Force or its functions, and make appropriate recommendations to the President.

Sec. 4. Research Coordination and Integration.

4-401. Within six months of the date of this order, the Task Force shall develop or direct to be developed a review of existing and planned data resources and a proposed plan for ensuring that researchers and federal research agencies have access to information on all research conducted or funded by the Federal Government that is related to adverse health risks in children resulting from exposure to environmental health risks or safety risks. The National Science and Technology Council shall review the plan.

4-402. The plan shall promote the sharing of information on academic and private research. It shall include recommendations to encourage that such data, to the extent permitted by law, is available to the public, the scientific and academic communities, and all federal agencies.

Sec. 5. Agency environmental health risk or safety risk regulations.

5-501. For each covered regulatory action submitted to OMB's Office of Information and Regulatory Affairs ("OIRA") for review pursuant to Executive Order 12866, the issuing agency shall provide to OIRA the following information developed as part of the agency's decisionmaking process, unless prohibited by law:

(a) an evaluation of the environmental health or safety effects of the planned regulation on children;
(b) an assessment of potentially effective and reasonably feasible alternatives to the planned regulation, identified by the agency or the public, that provide different degrees of protection to children; and
(c) an explanation of why the planned regulation is preferable to the identified potential alternative(s).

5-502. In emergency situations, or when an agency is obligated by law to act more quickly than normal review procedures allow, the agency shall comply with the provisions of this section to the extent practicable. For those covered regulatory actions that are governed by a court-imposed or statutory deadline, the agency shall, to the extent practicable, schedule rulemaking proceedings so as to permit sufficient time for completing the analysis required by this section.

5-503. The analysis required by this section may be included as part of any other required analysis, and shall be made part of the administrative record for the covered regulatory action or otherwise made available to the public, to the extent permitted by law.

Sec. 6. Interagency Forum on Child and Family Statistics.

6-601. The Director of the OMB ("Director") shall convene an Interagency Forum on Child and Family Statistics ("Forum"), which will include representatives from the appropriate Federal statistics and research agencies. The Forum is to produce an annual compendium ("Report") of the most important indicators of the health and well-being of children.

6-602. The Forum shall determine the indicators to be included in the Report and identify the sources of data to be used for the indicators. The Forum shall provide an ongoing review of Federal activity in the collection of data on children and families, and shall make recommendations to improve the coordination of data collection and to reduce duplication and overlap.

6-603. The Report shall be published by the Forum in consultation with the National Institute for Child Health and Human Development. The Forum shall issue the first annual report to the President, through the Director, by July 31, 1997. The report shall be submitted annually thereafter, using the most recently available data.

Sec. 7. General provisions.

7-701. This order is intended only for internal management of the Executive Branch. This order is not intended, and should not be construed to create, any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or its employees. This order shall not be construed to create any right to judicial review involving the compliance or noncompliance with this order by the United States, its agencies, its officers, or any other person.

7-702. Executive Order 12606 of September 2, 1987 is revoked.

THE WHITE HOUSE,

ID: 214131 SS   S E C R E T A R I E S   L O G   PAGE: A01
SLGX01

FILM: _______ OP ID: BB   RECEIVED: 970410   DOC DATE: 970410

PERSON: ______ BRUCE ______ REED ______
ORGANIZATION: DOMESTIC_POLICY_COUNCIL

SUBJ/DESC: EXECUTIVE_ORDER_TO_PROTECT_CHILDREN_FROM
ENVIRONMENTAL_HEALTH_RISKS_AND_SAFETY_RISKS
(ALSO_FROM_GENE_SPERLING_AND_KATIE_MCGINTY)

ACTION ASSIGNED: AGY/OFF	CODE	DATE	ACTION COMMENTS	DISPOSITION: RSPN	CODE	DATE
PRCLIN	RPA	970410			C	970415
RM			COPIES_SENT_TO_REED,_SPERLING,_MCGINTY		C	970415
			AND_BOWLES_;_INCORPORATED_WITH 215116			

COMMENTS: ______

REC TYPE ___ USER CODE ______   CREATED 970410 UPDATED 970421

1. Should this backup go to Clerk?

2. Is 214131 closed out correctly?

5-6-97
Yes - on this one Phil specifically told me to send to RM - however, I sent clerk a copy -
C.

ID: 215116 SS   S E C R E T A R I E S   L O G   PAGE: A01
SLGX01

FILM: _______ OP ID: CC   RECEIVED: 970418   DOC DATE: 970418

PERSON: ____________ BRUCE ____________ REED ____________ ______
ORGANIZATION: DOMESTIC_POLICY

SUBJ/DESC: EXECUTIVE_ORDER_TO_PROTECT_CHILDREN_FROM
ENVIRONMENTAL_HEALTH_RISKS_AND_SAFETY_RISKS
(ALSO_FROM_SPERLING_AND_MCGINTY)

ACTION ASSIGNED: / DISPOSITION:

AGY/OFF	CODE	DATE	ACTION COMMENTS	RSPN	CODE	DATE
PRCLIN	RPA	970418			C	970418
ECSAUN	RSA	970418			C	970418

COMMENTS:

REC TYPE ___ USER CODE ________ ________   CREATED 970418 UPDATED 970422

21 4752

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

April 16, 1997

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

FROM: Franklin D. Raines
Director

SUBJECT: Proposed Executive Order Entitled "Increasing Seat Belt Use in the United States"

SUMMARY: This memorandum forwards for your consideration a proposed Executive order that was prepared by the Department of Transportation. The proposed order would require Federal employees to use seat belts on official business and require motor vehicle occupants to use seat belts while in national park areas and Department of Defense ("Defense") installations.

4-16-97

BACKGROUND: Over the years, seat belt use has increased from 14% to 68% and has saved countless lives. This result has been achieved through the passage of seat belt laws by State legislatures, effective enforcement of the laws, and ongoing public education. To further improve seat belt use, the proposed order would direct Executive departments and agencies to take certain actions.

Specifically, it would direct each executive branch employee occupying any seating position (front or back) of a motor vehicle on official business, whose seat is equipped with a seat belt, to have the seat belt properly fastened at all times. It would also direct the National Park Service and Defense to take actions to require any person, occupying any seating position of a motor vehicle, whose seat is equipped with a seat belt or child restraint system, to have the seat belt or child restraint system properly fastened at all times. It would direct Executive departments and agencies to encourage seat belt use by government contractors, sub-contractors and grantees.

The order would direct the Secretary of Transportation ("Secretary") to provide leadership and guidance to the agencies to assist them with the seat belt programs established pursuant to the order. It would require the Secretary to provide an annual report to the President. The report would include seat belt use rates and statistics of crashes, injuries and related costs involving Federal employees on official business and occupants of motor vehicles driven in national park areas and on Defense installations.

None of the affected agencies objects to the proposed Executive order.

RECOMMENDATION: I recommend that you sign the proposed Executive order.

Attachments

Executive Order

\- - - - - -

INCREASING SEAT BELT USE IN THE UNITED STATES

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Highway Safety Act of 1966, 23 U.S.C. 402 & 403, as amended, section 7902(c) of title 5, United States Code, and section 19 of the Occupational Safety and Health Act of 1970, 29 U.S.C. 668, as amended, and in order to require that Federal employees use seat belts while on official business; to require that motor vehicle occupants use seat belts in national park areas and on Department of Defense ("Defense") installations; to encourage Tribal Governments to adopt and enforce seat belt policies and programs for highways in Indian Country; and to encourage Federal contractors, subcontractors and grantees to adopt and enforce on-the-job seat belt use policies and programs, it is hereby ordered as follows:

Section 1. Policies. (a) Seat Belt Use by Federal Employees. Each Federal employee occupying any seating position of a motor vehicle on official business, whose seat is equipped with a seat belt, shall have the seat belt properly fastened at all times when the vehicle is in motion.

(b) Seat Belt Use in National Parks and on Defense Installations. Each operator and passenger occupying any seating position of a motor vehicle in a national park area or on a Defense installation, whose seat is equipped with a seat belt or child restraint system, shall have the seat belt or child restraint system properly fastened, as required by law, at all times when the vehicle is in motion.

(c) Seat Belt Use by Government Contractors, Sub-contractors and Grantees. Each Federal agency, in contracts, sub-contracts, and grants entered into after the date of this order, shall seek to encourage contractors, sub-contractors, and grantees to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented, or personally-owned vehicles.

(d) Tribal Governments. Tribal Governments are encouraged to adopt and enforce seat belt policies and programs for highways in Indian Country that are subject to their jurisdiction.

Sec. 2. Scope of Order. All agencies of the Executive branch are directed to promulgate rules and take other appropriate measures within their existing programs to further the policies of this order. This includes, but is not limited to, conducting education, awareness, and other appropriate programs for Federal employees about the importance of wearing seat belts and the consequences of not wearing them. It also includes encouraging Federal contractors, subcontractors and grantees to conduct such programs. In addition, the National Park Service and the Department of Defense are directed to initiate rulemaking to consider regulatory changes with respect to enhance seat belt use requirements and standard (primary) enforcement of such requirements in national park areas and on Defense installations, consistent with the policies outlined in this order, and to widely publicize and actively enforce such regulations. The term "agency" as used in this order means an Executive Department, as defined in 5 U.S.C. 101, or any employing unit or authority of the Federal government, other than those of the Legislative and Judicial branches.

Sec. 3. Coordination. The Secretary of Transportation shall provide leadership and guidance to the heads of Executive branch agencies to assist them with the employee seat belt programs established pursuant to this order. The Secretary of Transportation shall also cooperate and consult with the Legislative and Judicial branches of the government to encourage and help them to adopt seat belt use programs.

Sec. 4. Reporting Requirements. The Secretary of Transportation, in cooperation with the heads of Executive branch agencies, and after consultation with the Judicial and Legislative branches of government, shall submit an annual report to the President. The report shall include seat belt use rates and statistics of crashes, injuries, and related costs involving Federal employees on official business and occupants of motor vehicles driven in national park areas, on Defense installations and on highways in Indian Country. The report also shall identify specific agency programs that have made significant progress towards achieving the goals of this order or are notable and deserving of recognition. All agencies of the Executive branch shall provide information to, and otherwise cooperate with, the Secretary of Transportation to assist with the preparation of the annual report.

Sec. 5. Other Powers and Duties. Nothing in this order shall be construed to impair or alter the powers and duties of the heads of the various Federal agencies pursuant to the Highway Safety Act of 1966, 23 U.S.C. 402 & 403, as amended, section 19 of the Occupation Safety and Health Act of 1970, 29 U.S.C. 668, as amended, or sections 7901, 7902, and 7903 of title 5, United States Code, nor shall it be construed to affect any right, duty, or procedure under the National Labor Relations Act, 29 U.S.C. 151 et seq.

Sec. 6. General Provisions. (a) Executive Order 12566 of September 26, 1986, is revoked. To the extent that this order is inconsistent with any provisions of any prior Executive order, this order shall control.

(b) If any provision of this order or application of any such provision is held to be invalid, the remainder of this order and other applications of such provision shall not be affected.

(c) Nothing in this order shall be construed to create a new cause of action against the United States, or to alter in any way the United States' liability under the Federal Tort Claims Act, 28 U.S.C. 2671-2680.

(d) The Secretary of Defense shall implement the provisions of this order insofar as practicable for vehicles of the Department of Defense.

(e) The Secretary of the Treasury and the Attorney General, consistent with their protective and law enforcement responsibilities, shall determine the extent to which the requirements of this order apply to the protective and law enforcement activities of their respective agencies.

THE WHITE HOUSE,

THE WHITE HOUSE
WASHINGTON

April 16, 1997

MR. PRESIDENT:

Attached for your approval is a proposed Executive Order prepared by the Department of Transportation.

The EO has two main parts: **1)** it would require Federal employees to use seatbelts in motor vehicles while traveling on official business; and **2)** it would require any person to use seat belts and/or child safety seats while in a motor vehicle in a national park or on a DoD installation. The EO also encourages Tribal governments to adopt seat policies for those traveling on highways in Indian Country, and urges Federal contractors to adopt and enforce on-the-job seat belt use policies.

If you approve, Secretary Slater will announce this EO today as part of the Administration's larger seat belt safety initiative undertaken in response to your directive from January.

DPC, NEC and NSC concur with the EO.

_____ Approve _____ Disapprove _____ Discuss

Phil Caplan PWC

EXECUTIVE ORDER

\- - - - - - -

INCREASING SEAT BELT USE IN THE UNITED STATES

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Highway Safety Act of 1966, 23 U.S.C. 402 and 403, as amended, section 7902(c) of title 5, United States Code, and section 19 of the Occupational Safety and Health Act of 1970, 29 U.S.C. 668, as amended, and in order to require that Federal employees use seat belts while on official business; to require that motor vehicle occupants use seat belts in national park areas and on Department of Defense ("Defense") installations; to encourage Tribal Governments to adopt and enforce seat belt policies and programs for occupants of motor vehicles traveling on highways in Indian Country; and to encourage Federal contractors, subcontractors, and grantees to adopt and enforce on-the-job seat belt use policies and programs, it is hereby ordered as follows:

Section 1. Policies. (a) Seat Belt Use by Federal Employees. Each Federal employee occupying any seating position of a motor vehicle on official business, whose seat is equipped with a seat belt, shall have the seat belt properly fastened at all times when the vehicle is in motion.

(b) Seat Belt Use in National Parks and on Defense Installations. Each operator and passenger occupying any seating position of a motor vehicle in a national park area or on a Defense installation, whose seat is equipped with a seat belt or child restraint system, shall have the seat belt or child restraint system properly fastened, as required by law, at all times when the vehicle is in motion.

(c) Seat Belt Use by Government Contractors, Subcontractors and Grantees. Each Federal agency, in contracts, sub-contracts, and grants entered into after the date of this order, shall seek to encourage contractors, subcontractors, and grantees to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented, or personally owned vehicles.

(d) Tribal Governments. Tribal Governments are encouraged to adopt and enforce seat belt policies and programs for occupants of motor vehicles traveling on highways in Indian Country that are subject to their jurisdiction.

Sec. 2. Scope of Order. All agencies of the executive branch are directed to promulgate rules and take other appropriate measures within their existing programs to further the policies of this order. This includes, but is not limited to, conducting education, awareness, and other appropriate programs for Federal employees about the importance of wearing seat belts and the consequences of not wearing them. It also includes encouraging Federal contractors, subcontractors, and grantees to conduct such programs. In addition, the National Park Service and the Department of Defense are directed to initiate rulemaking to consider regulatory changes with respect to enhanced seat belt use requirements and standard (primary) enforcement of such requirements in national park areas and on Defense installations, consistent with the policies outlined in this order, and to widely publicize and actively enforce such regulations. The term "agency" as used in this order means an Executive department, as defined in 5 U.S.C. 101, or any employing unit or authority of the Federal Government, other than those of the legislative and judicial branches.

Sec. 3. Coordination. The Secretary of Transportation shall provide leadership and guidance to the heads of executive branch agencies to assist them with the employee seat belt programs established pursuant to this order. The Secretary of Transportation shall also cooperate and consult with the legislative and judicial branches of the Government to encourage and help them to adopt seat belt use programs.

Sec. 4. Reporting Requirements. The Secretary of Transportation, in cooperation with the heads of executive branch agencies, and after consultation with the judicial and legislative branches of Government, shall submit an annual report to the President. The report shall include seat belt use rates and statistics of crashes, injuries, and related costs involving Federal employees on official business and occupants of motor vehicles driven in national park areas, on Defense installations, and on highways in Indian Country. The report also shall identify specific agency programs that have made significant progress towards achieving the goals of this order or are notable and deserving of recognition. All agencies of the executive branch shall provide information to, and otherwise cooperate with, the Secretary of Transportation to assist with the preparation of the annual report.

Sec. 5. Other Powers and Duties. Nothing in this order shall be construed to impair or alter the powers and duties of the heads of the various Federal agencies pursuant to the Highway Safety Act of 1966, 23 U.S.C. 402 and 403, as amended, section 19 of the Occupation Safety and Health Act of 1970, 29 U.S.C. 668, as amended, or sections 7901, 7902, and 7903 of title 5, United States Code, nor shall it be construed to affect any right, duty, or procedure under the National Labor Relations Act, 29 U.S.C. 151 et seq.

Sec. 6. General Provisions. (a) Executive Order 12566 of September 26, 1986, is revoked. To the extent that this order is inconsistent with any provisions of any prior Executive order, this order shall control.

(b) If any provision of this order or application of any such provision is held to be invalid, the remainder of this order and other applications of such provision shall not be affected.

(c) Nothing in this order shall be construed to create a new cause of action against the United States, or to alter in any way the United States liability under the Federal Tort Claims Act, 28 U.S.C. 2671-2680.

(d) The Secretary of Defense shall implement the provisions of this order insofar as practicable for vehicles of the Department of Defense.

(e) The Secretary of the Treasury and the Attorney General, consistent with their protective and law enforcement responsibilities, shall determine the extent to which the requirements of this order apply to the protective and law enforcement activities of their respective agencies.

THE WHITE HOUSE,

- 26016

Document No. ______

'97 APR 16 PM8:34

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/15 ACTION/CONCURRENCE/COMMENT DUE BY: 4/16 12 noon

SUBJECT: Proposed EO - Seatbelt use for federal employees and for persons in federal parks

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	✓		McCURRY		✓
BOWLES	✓		McGINTY		
McLARTY			NASH		
PODESTA	✓		RUFF	✓	
MATHEWS	✓		SMITH		
RAINES			REED	✓	
BAER			SOSNIK	✓	
ECHAVESTE			LEWIS	✓	
EMANUEL	✓		YELLEN		
GIBBONS			STREETT		
HALE			SPERLING	✓	
HERMAN			HAWLEY		
HIGGINS	✓		VERVEER		
HILLEY	✓		RADD	✓	
KLAIN			Kamarck 271	✓	
BERGER	✓		Robyn 226	✓	
LINDSEY					

REMARKS:

Please advise. Secretary Slater is scheduled to announce this Wednesday afternoon

'97 APR 16 AM 2:16

RESPONSE:

April 16, 1997

The NSC staff concurs with the attached proposed Executive Order.

Donald L. Kerrick, Brig Gen, USA

for

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

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

FROM: Franklin D. Raines
Director

SUBJECT: Proposed Executive Order Entitled "Increasing Seat Belt Use in the United States"

SUMMARY: This memorandum forwards for your consideration a proposed Executive order that was prepared by the Department of Transportation. The proposed order would require Federal employees to use seat belts on official business and require motor vehicle occupants to use seat belts while in national park areas and Department of Defense ("Defense") installations.

BACKGROUND: Over the years, seat belt use has increased from 14% to 68% and has saved countless lives. This result has been achieved through the passage of seat belt laws by State legislatures, effective enforcement of the laws, and ongoing public education. To further improve seat belt use, the proposed order would direct Executive departments and agencies to take certain actions.

Specifically, it would direct each executive branch employee occupying any seating position (front or back) of a motor vehicle on official business, whose seat is equipped with a seat belt, to have the seat belt properly fastened at all times. It would also direct the National Park Service and Defense to take actions to require any person, occupying any seating position of a motor vehicle, whose seat is equipped with a seat belt or child restraint system, to have the seat belt or child restraint system properly fastened at all times. It would direct Executive departments and agencies to encourage seat belt use by government contractors, sub-contractors and grantees.

The order would direct the Secretary of Transportation ("Secretary") to provide leadership and guidance to the agencies to assist them with the seat belt programs established pursuant to the order. It would require the Secretary to provide an annual report to the President. The report would include seat belt use rates and statistics of crashes, injuries and related costs involving Federal employees on official business and occupants of motor vehicles driven in national park areas and on Defense installations.

None of the affected agencies objects to the proposed Executive order.

RECOMMENDATION: I recommend that you sign the proposed Executive order.

Attachments

Executive Order

INCREASING SEAT BELT USE IN THE UNITED STATES

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Highway Safety Act of 1966, 23 U.S.C. 402 & 403, as amended, section 7902(c) of title 5, United States Code, and section 19 of the Occupational Safety and Health Act of 1970, 29 U.S.C. 668, as amended, and in order to require that Federal employees use seat belts while on official business; to require that motor vehicle occupants use seat belts in national park areas and on Department of Defense ("Defense") installations; to encourage Tribal Governments to adopt and enforce seat belt policies and programs for highways in Indian Country; and to encourage Federal contractors, subcontractors and grantees to adopt and enforce on-the-job seat belt use policies and programs, it is hereby ordered as follows:

Section 1. Policies. (a) Seat Belt Use by Federal Employees. Each Federal employee occupying any seating position of a motor vehicle on official business, whose seat is equipped with a seat belt, shall have the seat belt properly fastened at all times when the vehicle is in motion.

(b) Seat Belt Use in National Parks and on Defense Installations. Each operator and passenger occupying any seating position of a motor vehicle in a national park area or on a Defense installation, whose seat is equipped with a seat belt or child restraint system, shall have the seat belt or child restraint system properly fastened, as required by law, at all times when the vehicle is in motion.

(c) Seat Belt Use by Government Contractors, Sub-contractors and Grantees. Each Federal agency, in contracts, sub-contracts, and grants entered into after the date of this order, shall seek to encourage contractors, sub-contractors, and grantees to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented, or personally-owned vehicles.

(d) Tribal Governments. Tribal Governments are encouraged to adopt and enforce seat belt policies and programs for highways in Indian Country that are subject to their jurisdiction.

Sec. 2. Scope of Order. All agencies of the Executive branch are directed to promulgate rules and take other appropriate measures within their existing programs to further the policies of this order. This includes, but is not limited to, conducting education, awareness, and other appropriate programs for Federal employees about the importance of wearing seat belts and the consequences of not wearing them. It also includes encouraging Federal contractors, subcontractors and grantees to conduct such programs. In addition, the National Park Service and the Department of Defense are directed to initiate rulemaking to consider regulatory changes with respect to enhance seat belt use requirements and standard (primary) enforcement of such requirements in national park areas and on Defense installations, consistent with the policies outlined in this order, and to widely publicize and actively enforce such regulations. The term "agency" as used in this order means an Executive Department, as defined in 5 U.S.C. 101, or any employing unit or authority of the Federal government, other than those of the Legislative and Judicial branches.

Sec. 3. Coordination. The Secretary of Transportation shall provide leadership and guidance to the heads of Executive branch agencies to assist them with the employee seat belt programs established pursuant to this order. The Secretary of Transportation shall also cooperate and consult with the Legislative and Judicial branches of the government to encourage and help them to adopt seat belt use programs.

Sec. 4. Reporting Requirements. The Secretary of Transportation, in cooperation with the heads of Executive branch agencies, and after consultation with the Judicial and Legislative branches of government, shall submit an annual report to the President. The report shall include seat belt use rates and statistics of crashes, injuries, and related costs involving Federal employees on official business and occupants of motor vehicles driven in national park areas, on Defense installations and on highways in Indian Country. The report also shall identify specific agency programs that have made significant progress towards achieving the goals of this order or are notable and deserving of recognition. All agencies of the Executive branch shall provide information to, and otherwise cooperate with the Secretary of Transportation to assist with the preparation of the annual report.

Sec. 5. Other Powers and Duties. Nothing in this order shall be construed to impair or alter the powers and duties of the heads of the various Federal agencies pursuant to the Highway Safety Act of 1966, 23 U.S.C. 402 & 403, as amended, section 19 of the Occupation Safety and Health Act of 1970, 29 U.S.C. 668, as amended, or sections 7901, 7902, and 7903 of title 5, United States Code, nor shall it be construed to affect any right, duty, or procedure under the National Labor Relations Act, 29 U.S.C. 151 et seq.

Sec. 6. General Provisions. (a) Executive Order 12566 of September 26, 1986, is revoked. To the extent that this order is inconsistent with any provisions of any prior Executive order, this order shall control.

(b) If any provision of this order or application of any such provision is held to be invalid, the remainder of this order and other applications of such provision shall not be affected.

(c) Nothing in this order shall be construed to create a new cause of action against the United States, or to alter in any way the United States' liability under the Federal Tort Claims Act, 28 U.S.C. 2671-2680.

(d) The Secretary of Defense shall implement the provisions of this order insofar as practicable for vehicles of the Department of Defense.

(e) The Secretary of the Treasury and the Attorney General, consistent with their protective and law enforcement responsibilities, shall determine the extent to which the requirements of this order apply to the protective and law enforcement activities of their respective agencies.

THE WHITE HOUSE,

~~scotch tape~~

Frank Raines memo
on child health

4-18-97

THE WHITE HOUSE
WASHINGTON

April 18, 1997

MR. PRESIDENT:

The attached memo from Bruce Reed, Gene Sperling and Katie McGinty responds to your concerns about the Executive Order on children's health, particularly the section on regulatory requirements.

The revised text is flagged for your review.

If you approve the revised section, we will have the Order executed on your behalf. The Vice President is scheduled to announce it on Monday.

____ Approve language ____ Disapprove ____ Discuss

Todd Stern
Phil Caplan

216116

THE WHITE HOUSE

WASHINGTON

'97 APR 18 PM12:25

April 18, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed
Gene Sperling
Katie McGinty

SUBJECT: Executive Order to Protect Children from Environmental Health Risks and Safety Risks

This memorandum responds to comments that you made in approving the proposed Executive Order on protecting children from environmental health and safety risks. The Executive Order currently is scheduled for announcement by the Vice President on Monday, April 21. It will serve as a follow-up to the White House Conference on Early Childhood Development, and a preface to the Earth Day event the following day.

We have attached a copy of the page containing your notes. First, you suggested changes to Section 5 of the order, which addresses regulatory requirements, to make this provision less burdensome. White House offices revised the language according to your suggestion, and the revised text is attached for your review with the changed portion indicated. You should know that your changes have helped assuage remaining concerns about implementation of this provision.

Second, you asked whether the Vice President's office had reviewed and is supporting the order. We are happy to report that the Vice President strongly supports the order.

If the proposed changes are satisfactory to you, we will proceed with issuance of the Executive Order.

ATTACHMENTS

THE PRESIDENT HAS SEEN
4/15/97

group say?

THE WHITE HOUSE

WASHINGTON

April 11, 1997

Might want to ease burden a bit by requiring (1) analysis of impact on kids (2) explanation of why preferable to reasonable alternatives — lighten burden a bit w/out (2) below

MEMORANDUM FOR THE PRESIDENT

FROM: TODD STERN

SUBJECT: Executive Order to Protect Children from Health/Safety Risks

If limited to significant — significant in terms of potential impact on kids, I think

As a lead-in to the zero-three conference next week, you are tentatively scheduled to sign an Executive Order directing agencies to enhance their efforts to protect kids against environmental health and safety risks. There is broad agreement about most elements of the E.O., but disagreement as to the pivotal section, Section 5. The attached memo seeks your approval of one of three options concerning Section 5.

Background. The proposed E.O. is designed to ensure a more coordinated approach to children's issues by (1) requiring all agencies to make protection of children a high priority in carrying out their statutory responsibilities and overall missions; (2) creating an interagency Task Force to establish a coordinated research agenda and initiatives for the Administration; and (3) requiring agencies to analyze and explain the effects of their regulations on children. It is this last requirement that is the subject of disagreement.

This is somewhat limiting

Section 5 — Federal Regulatory Analysis. As drafted, Section 5 would require agencies to (1) assess the effects of proposed regulations on children if the proposed regs are economically significant and may have a disproportionate impact on kids; (2) assess the effects of reasonable alternatives to the planned reg that provide more or less protection for children than the planned reg; and (3) explain why the planned reg is preferable to the alternatives. Pros and cons are laid out in detail in the memo, but, in essence, the options and arguments are:

Option 1 — approve proposed Order with Section 5 as drafted. Proponents argue that Section 5 provides the teeth to ensure that agencies will adhere to the policy of the Order and that without it the Order would be regarded as largely hortatory. *Supported by DPC and CEQ.*

Option 2 — omit Section 5. Opponents argue that this is a novel requirement with unpredictable consequences, that it would impose a significant new regulatory burden, and that the requirement to explain why a more protective alternative wasn't chosen will open agencies to undue criticism. They argue that rather than imposing a new requirement in the E.O., the Task Force should consider appropriateness of regulatory standards. *Supported by Treasury, Commerce and HHS.*

Option 3 — modify Section 5. The requirement that agencies analyze the effects of a proposed regulation on children would be retained, but the requirement for agencies to analyze more or less protective alternatives and to justify their decisions would be omitted. *Supported by NEC.*

Option 1 ✓ Option 2 ___ Option 3 ___ Discuss ✓

Copied
Reed
Sperling
McGinty
CMS

BRAD

DRAFT
4-15-97
5:45 p.m.

Executive Order

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Protection of Children from Environmental
Health Risks and Safety Risks

By the authority vested in me as President by the Constitution and the laws of the United States of America, I hereby order as follows:

Section 1. Policy.

1-101. A growing body of scientific knowledge demonstrates that children may suffer disproportionately from environmental health risks and safety risks. These risks arise because: children's neurological, immunological, digestive, and other bodily systems are still developing; children eat more food, drink more fluids, and breathe more air in proportion to their body weight than adults; children's size and weight may diminish their protection from standard safety features; and children's behavior patterns may make them more susceptible to accidents because they are less able to protect themselves. Therefore, to the extent permitted by law and appropriate, and consistent with the agency's mission, each federal agency:

(a) shall make it a high priority to identify and assess environmental health risks and safety risks that may disproportionately affect children; and

(b) shall ensure that its policies, programs, activities, and standards address disproportionate risks to children that result from environmental health risks or safety risks.

1-102. Each independent regulatory agency is encouraged to participate in the implementation of this Executive order and comply with its provisions.

Sec. 2. Definitions. The following definitions shall apply to this order.

2-201. Federal agency means any authority of the United States that is an agency under 44 U.S.C. 3502(1) other than those considered to be independent regulatory agencies under 44 U.S.C. 3502(5). For purposes of this order, military departments, as defined in 5 U.S.C. 102, are covered under the auspices of the Department of Defense.

2-202. Covered regulatory action means any substantive action in a rulemaking initiated after the date of this Executive order, or for any Notice of Proposed Rulemaking published one year after the date of this order, that is likely to result in a rule that may:

(a) be "economically significant" under Executive Order 12866 (a rulemaking that has an annual effect on the economy of $100 million or more or would adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities); and

(b) concern an environmental health risk or safety risk that an agency has reason to believe may disproportionately affect children.

2-203. Environmental health risks and safety risks mean risks to health or to safety that are attributable to products or substances that the child is likely to come in contact with or ingest (such as the air we breath, the food we eat, the water we drink or use for recreation, the soil we live on, and the products we use or are exposed to).

Sec. 3. Task Force on Environmental Health Risks and Safety Risks to Children.

3-301. There is hereby established the Task Force on Environmental Health Risks and Safety Risks to Children ("Task Force").

3-302. The Task Force will report to the President in consultation with the Domestic Policy Council, the National Science and Technology Council, the Council on Environmental Quality, and the Office of Management and Budget ("OMB").

3-303. Membership. The Task Force shall be composed of the:

(a) Secretary of Health and Human Services, who shall serve as a Chair of the Council;

(b) Administrator of the Environmental Protection Agency, who shall serve as a Chair of the Council;

(c) Secretary of Education;

(d) Secretary of Labor;

(e) Attorney General;

(f) Secretary of Energy;

(g) Secretary of Housing and Urban Development;

(h) Secretary of Agriculture;

(i) Secretary of Transportation;

(j) Director of the Office of Management and Budget;

(k) Chair of the Council on Environmental Quality;

(l) Chair of the Consumer Product Safety Commission;

(m) Assistant to the President for Economic Policy;

(n) Assistant to the President for Domestic Policy;

(o) Assistant to the President and Director of the Office of Science and Technology Policy;

(p) Chair of the Council of Economic Advisers; and

(q) Such other officials of Executive departments and agencies as the President may, from time to time, designate.

Members of the Task Force may delegate their responsibilities under this order to subordinates.

3-304. Functions. The Task Force shall recommend to the President Federal strategies for children's environmental health and safety, within the limits of the Administration's budget, to include the following elements:

(a) statements of principles, general policy, and targeted annual priorities to guide the Federal approach to achieving the goals of this order;

(b) a coordinated research agenda for the Federal Government, including steps to implement the review of research databases described in section 4 of this order;

(c) recommendations for appropriate partnerships among Federal, State, tribal and local governments and the private, academic, and non-profit sectors;

(d) proposals to enhance public outreach and communication to assist families in evaluating risks to children and in making informed consumer choices;

(e) an identification of high-priority initiatives that the Federal Government has undertaken or will undertake in advancing protection of children's environmental health and safety; and

(f) a statement regarding the desirability of new legislation to fulfill or promote the purposes of this Executive order.

3-305. The Task Force shall prepare a biennial report on research, data, or other information that would enhance our ability to understand, analyze, and respond to environmental health risks and safety risks to children. For purposes of this report, cabinet agencies and other agencies identified by the Task Force shall identify and specifically describe for the Task Force key data needs related to environmental health risks and safety risks to children that have arisen in the course of the agency's programs and activities. The Task Force shall incorporate agency submissions into its report and ensure that this report is publicly available and widely disseminated. The White House Office of Science and Technology Policy and the National Science and Technology Council shall ensure that this report is fully considered in establishing research priorities.

3-306. The Task Force shall exist for a period of four years from the first meeting. At least six months prior to the expiration of that period, the member agencies shall assess the need for continuation of the Task Force or its functions, and make appropriate recommendations to the President.

Sec. 4. Research Coordination and Integration.

4-401. Within six months of the date of this order, the Task Force shall develop or direct to be developed a review of existing and planned data resources and a proposed plan for ensuring that researchers and federal research agencies have access to information on all research conducted or funded by the Federal Government that is related to adverse health risks in children resulting from exposure to environmental health risks or safety risks. The National Science and Technology Council shall review the plan.

4-402. The plan shall promote the sharing of information on academic and private research. It shall include recommendations to encourage that such data, to the extent permitted by law, is available to the public, the scientific and academic communities, and all Federal agencies.

<u>Sec. 5. Agency environmental health risk or safety risk regulations</u>.

5-501. For each covered regulatory action submitted to OMB's Office of Information and Regulatory Affairs ("OIRA") for review pursuant to Executive Order 12866, the issuing agency shall provide to OIRA the following information developed as part of the agency's decisionmaking process, unless prohibited by law:

(a) an evaluation of the environmental health or safety effects of the planned regulation on children; and

(b) an explanation of why the planned regulation is preferable to other potentially effective and reasonably feasible alternatives considered by the agency.

5-502. In emergency situations, or when an agency is obligated by law to act more quickly than normal review procedures allow, the agency shall comply with the provisions of this section to the extent practicable. For those covered regulatory actions that are governed by a court-imposed or statutory deadline, the agency shall, to the extent practicable, schedule rulemaking proceedings so as to permit sufficient time for completing the analysis required by this section.

5-503. The analysis required by this section may be included as part of any other required analysis, and shall be made part of the administrative record for the covered regulatory action or otherwise made available to the public, to the extent permitted by law.

Sec. 6. Interagency Forum on Child and Family Statistics.

6-601. The Director of the OMB ("Director") shall convene an Interagency Forum on Child and Family Statistics ("Forum"), which will include representatives from the appropriate Federal statistics and research agencies. The Forum shall produce an annual compendium ("Report") of the most important indicators of the well-being of the Nation's children.

6-602. The Forum shall determine the indicators to be included in each Report and identify the sources of data to be used for each indicator. The Forum shall provide an ongoing review of Federal collection and dissemination of data on children and families, and shall make recommendations to improve the coverage and coordination of data collection and to reduce duplication and overlap.

6-603. The Report shall be published by the Forum in collaboration with the National Institute of Child Health and Human Development. The Forum shall present the first annual Report to the President, through the Director, by July 31, 1997. The Report shall be submitted annually thereafter, using the most recently available data.

Sec. 7. General provisions.

7-701. This order is intended only for internal management of the Executive Branch. This order is not intended, and should not be construed to create, any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or its employees. This order shall not be construed to create any right to judicial review involving the compliance or noncompliance with this order by the United States, its agencies, its officers, or any other person.

7-702. Executive Order 12606 of September 2, 1987 is revoked.

THE WHITE HOUSE,

OLD LANGUAGE:

Sec. 5. Agency environmental health risk or safety risk regulations.

5-501. For each covered regulatory action submitted to OMB's Office of Information and Regulatory Affairs ("OIRA") for review pursuant to Executive Order 12866, the issuing agency shall provide to OIRA the following information developed as part of the agency's decisionmaking process, unless prohibited by law:

(a) an evaluation of the environmental health or safety effects of the planned regulation on children;

(b) an assessment of potentially effective and reasonably feasible alternatives to the planned regulation, identified by the agency or the public, that provide different degrees of protection to children; and

(c) an explanation of why the planned regulation is preferable to the identified potential alternative(s).

5-502. In emergency situations, or when an agency is obligated by law to act more quickly than normal review procedures allow, the agency shall comply with the provisions of this section to the extent practicable. For those covered regulatory actions that are governed by a court-imposed or statutory deadline, the agency shall, to the extent practicable, schedule rulemaking proceedings so as to permit sufficient time for completing the analysis required by this section.

5-503. The analysis required by this section may be included as part of any other required analysis, and shall be made part of the administrative record for the covered regulatory action or otherwise made available to the public, to the extent permitted by law.

To Oval

To Clerk
4-18-97

THE PRESIDENT HAS SEEN

212960

O

THE WHITE HOUSE
WASHINGTON

✓ 4-18-97

April 18, 1997

MR. PRESIDENT:

Attached for your signature is a proposed Executive Order prepared by USDA to update a previous EO allocating responsibilities for carrying out agricultural trade development with foreign countries.

Background. EO 12752 signed by President Bush implemented the Agricultural Trade Development and Assistance Act of 1954 ("1954 Act") as amended. The 1954 Act had directed the President to establish a program to provide for the sale of agricultural commodities to developing countries. The Federal Agricultural Improvement and Reform Act of 1996 ("FAIR Act") amended the 1954 Act to add "private entities" to the agricultural sale program so that agricultural commodities could be sold to developing countries and private entities. The proposed EO would revise EO 12752 to conform with these changes.

The FAIR Act also eliminates the requirement for interagency consultation on the availability of commodities and the requirement that the President submit a "World Food Day" report. The proposed EO would amend EO 12752 accordingly.

None of the affected agencies objects to the proposed Order. OMB recommends approval, and Berger and Tarullo concur.

Helen Howell Helen

Rec'd. from cent. files
5/8/97: add to file

EXECUTIVE ORDER

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AMENDING EXECUTIVE ORDER 12752, IMPLEMENTATION OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954, AS AMENDED, AND THE FOOD FOR PROGRESS ACT OF 1985, AS AMENDED

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to provide for carrying out the provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended by Public Law 101-624 (7 U.S.C. 1691 *et seq.*), it is hereby ordered that:

1) The first sentence of section 1(a) of Executive Order 12752 be amended by deleting the words "developing countries" and inserting the words "developing countries and private entities" in lieu thereof;

2) Sections 4(a) and (c) be deleted; and

3) Sections 4(b), (d), (e), (f), and (g) be renumbered as sections 4(a), (b), (c), (d), and (e), respectively.

SIGN HERE

THE WHITE HOUSE,

EXECUTIVE ORDER

- - - - - - -

AMENDING ~~AMENDMENT TO~~ EXECUTIVE ORDER 12752, IMPLEMENTATION OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954, AS AMENDED, AND THE FOOD FOR PROGRESS ACT OF 1985, AS AMENDED

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to provide for carrying out the provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended by Public Law 101-624 (7 U.S.C. 1691 et seq.), it is hereby ordered that:

1) The first sentence of section 1(a) of Executive Order 12752 be amended by deleting the words "developing countries" and inserting the words "developing countries and private entities" in lieu thereof;

2) Sections 4(a) and (c) be deleted; and

?

3) Sections 4(b), (d), (e), (f), and (g) be refigured ~~renumbered~~ as sections 4(a), (b), (c), (d), and (e), respectively. STET

THE WHITE HOUSE,

Clerk's edits 4-3-97 [illegible]

212960

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

THE DIRECTOR

March 31, 1997

'97 APR 3 PM 8:08

MEMORANDUM FOR THE PRESIDENT

FROM: Franklin D. Raines
Director

SUBJECT: Proposed Executive Order Entitled "Amendment to Executive Order 12752"

SUMMARY: This memorandum forwards for your consideration a proposed Executive order that was prepared by the Department of Agriculture ("Agriculture"). The proposed order would update Executive Order 12752, which allocates responsibilities for carrying out agricultural trade development with foreign countries, to conform the order to recent legislative changes.

BACKGROUND: Executive Order 12752 implements the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480). The proposed order would update Executive Order 12752 to conform the order with recent changes to Public Law 480 made by the Federal Agricultural Improvement and Reform Act ("FAIR Act") of 1996.

Section 101 of Public Law 480 had directed the President to establish a program to provide for the sale of agricultural commodities to developing countries. The FAIR Act amended section 101 of Public Law 480 to add the reference "private entities" to the agricultural commodity sale program so that agricultural commodities could be sold to developing countries and private entities. Consequently, Agriculture is proposing that Executive Order 12752 be updated to include the reference to private entities in its agricultural commodity sale program. Agriculture believes that including private entities in the order would conform the order to the law and provide Agriculture with greater flexibility to promote the market development of agricultural commodities and food security in foreign countries.

The order would also delete sections 4(a) and (c) of Executive Order 12752 since the FAIR Act eliminated the requirement for interagency consultation on Agriculture's determination of the availability of commodities and the requirement that the President submit a "World Food Day" report.

None of the affected agencies objects to the proposed order.

RECOMMENDATION: I recommend that you sign the proposed Executive order.

Attachment

U. S. Department of Justice

Office of Legal Counsel

Office of the
Assistant Attorney General

Washington, D.C. 20530

April 3, 1997

MEMORANDUM

Re: Proposed Executive Order Entitled
"Amendment to Executive Order 12752"

The attached proposed Executive Order was prepared by the Department of Agriculture. The Office of Management and Budget, with the approval of the Director, forwarded it to this Department for review with respect to form and legality.

Executive Order No. 12752 implemented the Agricultural Trade Development and Assistance Act of 1954 ("the 1954 Act"), Pub. L. No. 480. The proposed Order will update that earlier Order to conform with recent changes to the 1954 Act made by the Federal Agricultural Improvement and Reform Act of 1996 ("the FAIR Act"). Section 101 of the 1954 Act directed the President to establish a program to provide for the sale of agricultural commodities to developing countries; the FAIR Act amended section 101 to provide that agricultural commodities under that program could be sold both to developing countries and to private entities. The proposed Order would update Executive Order No. 12752 by including a reference to private entities in the description of the agricultural commodity sale program and by reflecting the FAIR Act's elimination of certain consultation and reporting requirements.

The proposed Executive Order is approved with respect to form and legality.

Dawn E. Johnsen

Dawn E. Johnsen
Acting Assistant Attorney General

U. S. Department of Justice

Office of Legal Counsel

Office of the
Assistant Attorney General

Washington, D.C. 20530

April 3, 1997

The President,

The White House.

My dear Mr. President:

I am herewith transmitting a proposed Executive Order entitled "Amendment to Executive Order 12752." This proposed Executive Order was submitted by the Department of Agriculture. The Office of Management and Budget, with the approval of the Director, has forwarded it to this Department for review with respect to form and legality.

The proposed Executive Order is approved with respect to form and legality.

Respectfully,

Dawn E. Johnsen

Dawn E. Johnsen
Acting Assistant Attorney General

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

April 1, 1997

Honorable Janet Reno
United States Attorney General
Washington, D.C. 20530

Dear Madam Attorney General:

Enclosed in accordance with the provisions of Executive Order 11030, as amended, is a proposed Executive order entitled "Amendment to Executive Order 12752." The proposed order, which was prepared by the Department of Agriculture ("Agriculture"), would update Executive Order 12752, which allocates responsibilities for carrying out agricultural trade development with foreign countries, to conform the order to recent legislative changes.

Executive Order 12752 implements the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480). The proposed order would update Executive Order 12752 to conform the order with recent changes to Public Law 480 made by the Federal Agricultural Improvement and Reform Act ("FAIR Act") of 1996.

Section 101 of Public Law 480 had directed the President to establish a program to provide for the sale of agricultural commodities to developing countries. The FAIR Act amended section 101 of Public Law 480 to add the reference "private entities" to the agricultural commodity sale program so that agricultural commodities could be sold to developing countries and private entities. Consequently, Agriculture is proposing that Executive Order 12752 be updated to include the reference to private entities in its agricultural commodity sale program. Agriculture believes that including private entities in the order would conform the order to the law and provide Agriculture with greater flexibility to promote the market development of agricultural commodities and food security in foreign countries.

The order would also delete sections 4(a) and (c) of Executive Order 12752 since the FAIR Act eliminated the requirement for interagency consultation on Agriculture's determination of the availability of commodities and the requirement that the President submit a "World Food Day" report.

None of the affected agencies objects to the proposed order.

Your staff may direct any questions concerning this proposed Executive order to Mr. Mac Reed of this office (395-3563).

This proposed Executive order has the approval of the Director of the Office of Management and Budget.

Sincerely,

Robert G. Damus
General Counsel

Enclosure

EXECUTIVE ORDER

\- - - - - -

AMENDMENT TO EXECUTIVE ORDER 12752

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to provide for carrying out the provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended by Public Law 101-624 (7 U.S.C. 1691 et seq.), it is hereby ordered that:

1) The first sentence of section 1(a) of Executive Order 12752 be amended by deleting the words "developing countries" and inserting the words "developing countries and private entities" in lieu thereof;
2) Sections 4(a) and (c) be deleted; and
3) Sections 4(b), (d), (e), (f), and (g) be renumbered as sections 4(a), (b), (c), (d), and (e), respectively.

THE WHITE HOUSE,

White House

MAR 23 1997

MEMORANDUM FOR THE FILE

FROM: Mac Reed
Assistant General Counsel

SUBJECT: Proposed Executive Order Entitled "Amendment to Executive Order 12752"

The following Executive departments and agencies do not object to the proposed Executive order:

1.	Department of State	J. Norton	(647-4463)
2.	Department of the Treasury	R. Carro	(622-1146)
3.	Department of Agriculture	G. Broadway	(720-1272)
4.	Department of Justice	R. Hart	(514-2027)
5.	Department of Commerce	M. Levitt	(482-3151)
6.	White House Office of Domestic Policy . .	B. Loed	(456-2216)
7.	United States Trade Representative	C. Barshefsky	(395-7210)
8.	White House Counsel's Office	C. Ruff	(456-2632)
9.	White House Staff Secretary's Office .	T. Stern	(456-2702)
10.	Office of the Vice President	R. Klein	(456-6605)

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

FEB 19 1997

Mr. Gordon Adams
Associate Director
Office of Management and Budget
Old Executive Office Building
17th Street and Pennsylvania, N.W.
Washington, D.C. 20502

Dear Mr. Adams:

We are requesting your assistance in amending Executive Order No. 12752, which implements the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480). The amendments update the Executive Order to conform with recent changes to Public Law 480 made by the Federal Agriculture Improvement and Reform (FAIR) Act of 1996.

Specifically, section 101 of Public Law 480 (7 U.S.C. 1701) now directs the President to establish a program under Title I to provide for the sale of agricultural commodities to developing countries and private trade entities. Section 202(1) of the FAIR Act of 1996 added the reference to "private entities." Consequently, we are proposing that section 1(a) of Executive Order 12752 be amended to include reference to private entities. Including private entities in the Title I program will provide this Department greater ability to promote the market development of agricultural commodities and food security in foreign countries.

Secondly, sections 4(a) and 4(c) of Executive Order 12752 may be deleted since the FAIR Act of 1996 eliminated the requirement for consultation, formerly in section 401(a) of Public Law 480, and the requirement that the President submit a "World Food Day" report, formerly in section 407(h) of Public Law 480.

Section 3 of the proposed Executive Order makes technical corrections to the Executive Order to conform to the above changes.

We recognize the heavy demands continually placed on your staff and do appreciate the efforts necessary to make these amendments to Executive Order No. 12752.

Sincerely,

Dallas R. Smith
Acting Under Secretary for Farm
and Foreign Agricultural Services

Enclosure

The President

Executive Order ___ of ______ 1996.

Amendment to Executive Order No. 12752

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to provide for carrying out the provisions of the Agricultural Trade Development and Assistance Act of 1954, Public law 83-480, as amended, 7 U.S.C. 1691, 1701 et seq., it is hereby ordered that:

(1) the first sentence of section 1(a) of Executive Order 12752 be amended by deleting the words "developing countries" and inserting the words "developing countries and private entities";

(2) deleting sections 4(a) and (c); and

(3) renumbering sections 4(b), (d), (e), (f), and (g), as sections 4(a), (b), (c), (d), and (e), respectively.

THE WHITE HOUSE,
______, 1996

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

January 24, 1997

MEMORANDUM FOR DESIGNATED AGENCY HEADS
(SEE ATTACHED DISTRIBUTION LIST)

FROM: Robert G. Damus RGD
General Counsel

SUBJECT: Proposed Executive Order Entitled "Amendment to Executive Order No. 12752"

Attached is a proposed Executive order entitled "Amendment to Executive Order No. 12752."

It was prepared by the Department of Agriculture, in accordance with the provisions of Executive Order No. 11030, as amended.

On behalf of the Director of the Office of Management and Budget, I would appreciate receiving any comments you may have concerning this proposal. If you have any comments or objections, they should be received no later than close of business Tuesday, January 28, 1997. Please be advised that agencies that do not respond by the January 28, 1997 deadline will be recorded as not objecting to the proposal.

Comments or inquiries may be submitted by telephone to Mr. Mac Reed of this office (Phone: 395-3563; Fax: 395-7294).

Thank you.

Attachments - Distribution List
Proposed Executive Order

cc: Jack Lew
John Koskinen
Gordon Adams
T.J. Glauthier
Joe Minarik
Ken Apfel
Nancy-Ann Min
Sally Katzen
Steve Kelman
Ed DeSeve
Michael Deich
Bill Halter
Rebecca Culberson
Jill Blickstein

DISTRIBUTION LIST

Honorable Madeleine K. Albright
Secretary
Department of State

Honorable Robert E. Rubin
Secretary
Department of the Treasury

Honorable Daniel R. Glickman
Secretary
Department of Agriculture

Honorable Janet Reno
United States Attorney General

Honorable Michael Kantor
Secretary
Department of Commerce

Honorable Carol Rasco
Assistant to the President for
Domestic Policy

Honorable Charlene Barshefsky
Ambassador
United States Trade Representative

Honorable Jack Quinn
Counsel to the President

Honorable Todd Stern
Assistant to the President
and Staff Secretary

Honorable Ron Klain
Chief of Staff to the Vice President

Staff

Document No. 2333

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/4 ACTION/CONCURRENCE/COMMENT DUE BY: 4/8

'97 APR 4 PM 5:14

SUBJECT: Proposed EO Amendment. 1996 Ag Bill

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☐	McCURRY	☐	☐
BOWLES	☐	☐	McGINTY	☐	☐
McLARTY	☐	☐	NASH	☐	☐
PODESTA	☑	☐	RUFF	☑	☐
MATHEWS	☐	☐	SMITH	☐	☐
RAINES	☐	☐	REED	☑	☐
BAER	☐	☐	SOSNIK	☐	☐
ECHAVESTE	☐	☐	LEWIS	☐	☐
EMANUEL	☐	☐	YELLEN	☐	☐
GIBBONS	☐	☐	STREETT	☐	☐
HALE	☐	☐	SPERLING	☐	☐
HERMAN	☐	☐	HAWLEY	☐	☐
HIGGINS	☐	☐	WILLIAMS	☐	☐
HILLEY	☐	☐	RADD	☐	☐
KLAIN	☐	☐	Tarullo	☑	☐
BERGER	☑	☐		☐	☐
LINDSEY	☐	☐		☐	☐

REMARKS:

Any comment?

RESPONSE:

April 9, 1997

This implements legislative changes authorized by the Federal Agricultural Improvements Act of 1996 to PL-480. No agencies object. NSC concurs.

For [signature] DAPNSA
Samuel Berger
Assistant to the President for
National Security Affairs

Staff Secretary
Ext. 6-2702

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

THE DIRECTOR

March 31, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: Franklin D. Raines
Director

SUBJECT: Proposed Executive Order Entitled "Amendment to Executive Order 12752"

SUMMARY: This memorandum forwards for your consideration a proposed Executive order that was prepared by the Department of Agriculture ("Agriculture"). The proposed order would update Executive Order 12752, which allocates responsibilities for carrying out agricultural trade development with foreign countries, to conform the order to recent legislative changes.

BACKGROUND: Executive Order 12752 implements the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480). The proposed order would update Executive Order 12752 to conform the order with recent changes to Public Law 480 made by the Federal Agricultural Improvement and Reform Act ("FAIR Act") of 1996.

Section 101 of Public Law 480 had directed the President to establish a program to provide for the sale of agricultural commodities to developing countries. The FAIR Act amended section 101 of Public Law 480 to add the reference "private entities" to the agricultural commodity sale program so that agricultural commodities could be sold to developing countries and private entities. Consequently, Agriculture is proposing that Executive Order 12752 be updated to include the reference to private entities in its agricultural commodity sale program. Agriculture believes that including private entities in the order would conform the order to the law and provide Agriculture with greater flexibility to promote the market development of agricultural commodities and food security in foreign countries.

The order would also delete sections 4(a) and (c) of Executive Order 12752 since the FAIR Act eliminated the requirement for interagency consultation on Agriculture's determination of the availability of commodities and the requirement that the President submit a "World Food Day" report.

None of the affected agencies objects to the proposed order.

RECOMMENDATION: I recommend that you sign the proposed Executive order.

Attachment

EXECUTIVE ORDER

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AMENDMENT TO EXECUTIVE ORDER 12752

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to provide for carrying out the provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended by Public Law 101-624 (7 U.S.C. 1691 et seq.), it is hereby ordered that:

1) The first sentence of section 1(a) of Executive Order 12752 be amended by deleting the words "developing countries" and inserting the words "developing countries and private entities" in lieu thereof;

2) Sections 4(a) and (c) be deleted; and

3) Sections 4(b), (d), (e), (f), and (g) be renumbered as sections 4(a), (b), (c), (d), and (e), respectively.

THE WHITE HOUSE,

Document No._____________

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/4 ACTION/CONCURRENCE/COMMENT DUE BY: 4/8

SUBJECT: Proposed EO Amendment. 1996 Ag Bill

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☐	McCURRY	☐	☐
BOWLES	☐	☐	McGINTY	☐	☐
McLARTY	☐	☐	NASH	☐	☐
PODESTA	☑	☐	RUFF	☑	☐
MATHEWS	☐	☐	SMITH	☐	☐
RAINES	☐	☐	REED	☑	☐
BAER	☐	☐	SOSNIK	☐	☐
ECHAVESTE	☐	☐	LEWIS	☐	☐
EMANUEL	☐	☐	YELLEN	☐	☐
GIBBONS	☐	☐	STREETT	☐	☐
HALE	☐	☐	SPERLING	☐	☐
HERMAN	☐	☐	HAWLEY	☐	☐
HIGGINS	☐	☐	WILLIAMS	☐	☐
HILLEY	☐	☐	RADD	☐	☐
KLAIN	☐	☐	Tarullo 4/15 Verbal OK	☑	☐
BERGER comments / attached	☑	☐		☐	☐
LINDSEY	☐	☐		☐	☐

REMARKS:

Any comment?

RESPONSE:

Proposed executive order entitled "amendment to executive order 12752"

Staff Secretary
Ext. 6-2702

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

THE DIRECTOR

March 31, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: Franklin D. Raines
Director

SUBJECT: Proposed Executive Order Entitled "Amendment to Executive Order 12752"

SUMMARY: This memorandum forwards for your consideration a proposed Executive order that was prepared by the Department of Agriculture ("Agriculture"). The proposed order would update Executive Order 12752, which allocates responsibilities for carrying out agricultural trade development with foreign countries, to conform the order to recent legislative changes.

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The order would also delete sections 4(a) and (c) of Executive Order 12752 since the FAIR Act eliminated the requirement for interagency consultation on Agriculture's determination of the availability of commodities and the requirement that the President submit a "World Food Day" report.

None of the affected agencies objects to the proposed order.

RECOMMENDATION: I recommend that you sign the proposed Executive order.

Attachment

EXECUTIVE ORDER

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AMENDMENT TO EXECUTIVE ORDER 12752

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to provide for carrying out the provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended by Public Law 101-624 (7 U.S.C. 1691 et seq.), it is hereby ordered that:

1) The first sentence of section 1(a) of Executive Order 12752 be amended by deleting the words "developing countries" and inserting the words "developing countries and private entities" in lieu thereof;

2) Sections 4(a) and (c) be deleted; and

3) Sections 4(b), (d), (e), (f), and (g) be renumbered as sections 4(a), (b), (c), (d), and (e), respectively.

THE WHITE HOUSE,

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

THE DIRECTOR

March 31, 1997

'97 APR 3 PM3:08

MEMORANDUM FOR THE PRESIDENT

FROM: Franklin D. Raines
Director

SUBJECT: Proposed Executive Order Entitled "Amendment to Executive Order 12752"

SUMMARY: This memorandum forwards for your consideration a proposed Executive order that was prepared by the Department of Agriculture ("Agriculture"). The proposed order would update Executive Order 12752, which allocates responsibilities for carrying out agricultural trade development with foreign countries, to conform the order to recent legislative changes.

BACKGROUND: Executive Order 12752 implements the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480). The proposed order would update Executive Order 12752 to conform the order with recent changes to Public Law 480 made by the Federal Agricultural Improvement and Reform Act ("FAIR Act") of 1996.

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The order would also delete sections 4(a) and (c) of Executive Order 12752 since the FAIR Act eliminated the requirement for interagency consultation on Agriculture's determination of the availability of commodities and the requirement that the President submit a "World Food Day" report.

None of the affected agencies objects to the proposed order.

RECOMMENDATION: I recommend that you sign the proposed Executive order.

Attachment

Phil

Todd,
Copy sent to
clerk

U. S. Department of Justice

Office of Legal Counsel

Office of the
Assistant Attorney General

Washington, D.C. 20530

April 3, 1997

MEMORANDUM

Re: Proposed Executive Order Entitled
"Amendment to Executive Order 12752"

The attached proposed Executive Order was prepared by the Department of Agriculture. The Office of Management and Budget, with the approval of the Director, forwarded it to this Department for review with respect to form and legality.

Executive Order No. 12752 implemented the Agricultural Trade Development and Assistance Act of 1954 ("the 1954 Act"), Pub. L. No. 480. The proposed Order will update that earlier Order to conform with recent changes to the 1954 Act made by the Federal Agricultural Improvement and Reform Act of 1996 ("the FAIR Act"). Section 101 of the 1954 Act directed the President to establish a program to provide for the sale of agricultural commodities to developing countries; the FAIR Act amended section 101 to provide that agricultural commodities under that program could be sold both to developing countries and to private entities. The proposed Order would update Executive Order No. 12752 by including a reference to private entities in the description of the agricultural commodity sale program and by reflecting the FAIR Act's elimination of certain consultation and reporting requirements.

The proposed Executive Order is approved with respect to form and legality.

Dawn E. Johnsen

Dawn E. Johnsen
Acting Assistant Attorney General

U. S. Department of Justice

Office of Legal Counsel

Office of the
Assistant Attorney General

Washington, D.C. 20530

April 3, 1997

The President,

The White House.

My dear Mr. President:

I am herewith transmitting a proposed Executive Order entitled "Amendment to Executive Order 12752." This proposed Executive Order was submitted by the Department of Agriculture. The Office of Management and Budget, with the approval of the Director, has forwarded it to this Department for review with respect to form and legality.

The proposed Executive Order is approved with respect to form and legality.

Respectfully,

Dawn E. Johnsen

Dawn E. Johnsen
Acting Assistant Attorney General

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503
April 1, 1997

Honorable Janet Reno
United States Attorney General
Washington, D.C. 20530

Dear Madam Attorney General:

Enclosed in accordance with the provisions of Executive Order 11030, as amended, is a proposed Executive order entitled "Amendment to Executive Order 12752." The proposed order, which was prepared by the Department of Agriculture ("Agriculture"), would update Executive Order 12752, which allocates responsibilities for carrying out agricultural trade development with foreign countries, to conform the order to recent legislative changes.

Executive Order 12752 implements the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480). The proposed order would update Executive Order 12752 to conform the order with recent changes to Public Law 480 made by the Federal Agricultural Improvement and Reform Act ("FAIR Act") of 1996.

Section 101 of Public Law 480 had directed the President to establish a program to provide for the sale of agricultural commodities to developing countries. The FAIR Act amended section 101 of Public Law 480 to add the reference "private entities" to the agricultural commodity sale program so that agricultural commodities could be sold to developing countries and private entities. Consequently, Agriculture is proposing that Executive Order 12752 be updated to include the reference to private entities in its agricultural commodity sale program. Agriculture believes that including private entities in the order would conform the order to the law and provide Agriculture with greater flexibility to promote the market development of agricultural commodities and food security in foreign countries.

The order would also delete sections 4(a) and (c) of Executive Order 12752 since the FAIR Act eliminated the requirement for interagency consultation on Agriculture's determination of the availability of commodities and the requirement that the President submit a "World Food Day" report.

None of the affected agencies objects to the proposed order.

Your staff may direct any questions concerning this proposed Executive order to Mr. Mac Reed of this office (395-3563).

This proposed Executive order has the approval of the Director of the Office of Management and Budget.

Sincerely,

Robert G Damus

Robert G. Damus
General Counsel

Enclosure

EXECUTIVE ORDER

\- - - - - - -

AMENDMENT TO EXECUTIVE ORDER 12752

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to provide for carrying out the provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended by Public Law 101-624 (7 U.S.C. 1691 et seq.), it is hereby ordered that:

1) The first sentence of section 1(a) of Executive Order 12752 be amended by deleting the words "developing countries" and inserting the words "developing countries and private entities" in lieu thereof;

2) Sections 4(a) and (c) be deleted; and

3) Sections 4(b), (d), (e), (f), and (g) be renumbered as sections 4(a), (b), (c), (d), and (e), respectively.

THE WHITE HOUSE,

215923

Ø.

THE WHITE HOUSE

WASHINGTON

✓ 5-1-97

April 25, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: TODD STERN TDS

SUBJECT: Senior Military Nomination

The Secretary of Defense has recommended and the NSC concurs in the following senior military nomination:

o Rear Admiral Henry C. Giffin, III, United States Navy, for appointment to the grade of vice admiral and a recommendation for his assignment as Commander, Naval Surface Force, United States Atlantic Fleet.

Background information is attached.

Approve _____

Reject _____

215923

THE WHITE HOUSE

WASHINGTON

April 21, 1997

'97 APR 24 AM 11:49

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE EXECUTIVE CLERK

FROM: ALAN P. SULLIVAN
DEPUTY ASSISTANT TO THE PRESIDENT AND
DIRECTOR, WHITE HOUSE MILITARY OFFICE

SUBJECT: Flag Officer Nomination

Forwarded for your approval and signature is the nomination of Rear Admiral Henry C. Giffin, III, United States Navy, for appointment to the grade of vice admiral and a recommendation for his assignment as Commander, Naval Surface Force, United States Atlantic Fleet.

The Secretary of Defense has attached an evaluation of Admiral Giffin's performance in one joint duty assignment from the Chairman of the Joint Chiefs of Staff.

This nomination has been staffed by the Secretary of the Navy and was approved by the Secretary of Defense.

Recommendation

That you approve and sign the attached.

Attachment

THE SECRETARY OF DEFENSE

WASHINGTON, DC 20301-1000

18 APR 1997

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Flag Officer Nomination

I recommend the assignment of Rear Admiral Henry C. Giffin, III, United States Navy, whose name appears on the attached nomination scroll, as Commander, Naval Surface Force, US Atlantic Fleet, and his nomination for appointment to the grade of vice admiral. Rear Admiral Giffin, age 51, currently serves as Deputy and Chief of Staff, Commander in Chief, US Atlantic Fleet.

In order to carry out the duties and responsibilities of the proposed assignment, a flag officer must have demonstrated highly effective performance in senior leadership positions. Additionally, he must possess a thorough understanding of the tactics and doctrine associated with surface warfare and mobile logistics, as well as readiness and training requirements, to ensure assigned forces meet prescribed standards. Admiral Giffin meets these requirements.

This action is based upon the recommendation of the Secretary of the Navy and the advice of the Chairman of the Joint Chiefs of Staff. This action will not result in the Navy exceeding the number of vice admirals authorized under law. As required by Title 10, United States Code, Section 601(d)(1), I have attached an evaluation from the Chairman of the Joint Chiefs of Staff of Rear Admiral Giffin's performance in a joint assignment.

William S. Cohen

Attachments:
As stated

CHAIRMAN OF THE JOINT CHIEFS OF STAFF

WASHINGTON, D.C. 20318-9999

CN-21-97
26 March 1997

MEMORANDUM FOR THE SECRETARY OF DEFENSE

Through: Deputy Secretary of Defense

Subject: Flag Officer Nomination

1. In accordance with the provisions of title 10, United States Code, and DOD Instruction 1320.4, the Secretary of the Navy has recommended Rear Admiral Henry C. Giffin III for assignment as Commander, Naval Surface Force, US Atlantic Fleet, and appointment to the grade of vice admiral.

2. I have reviewed Rear Admiral Giffin's performance in one joint assignment. As Assistant Chief of Staff for Logistics, HQ, Armed Forces Southern Europe, he became NATO's recognized expert in out-of-area logistics. He was a principal architect of the NATO Peace Plan in Former Yugoslavia, and coordinated support for NATO's first multinational Fleet Logistics Support Base in Grottaglie, Italy. He continued to refine the multinational logistics command concept that became doctrine for nations, NATO, and the new Command Joint Task Force, including complex joint and combined considerations not previously encountered. I am confident he is well qualified for this assignment and advancement.

3. I concur in the Secretary's nomination of Rear Admiral Giffin for this assignment and appointment to the grade of vice admiral. I recommend you forward the enclosed nomination to the President for approval.

JOHN M. SHALIKASHVILI
Chairman
of the Joint Chiefs of Staff

Enclosures

The White House

Washington

To the Senate of the United States:

I nominate:

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

<u>To be Vice Admiral</u>
Rear Admiral Henry C. Giffin, III, 4832

217493

THE WHITE HOUSE
WASHINGTON

5/16/97
okay for signature per Phil Caplan

Sent to Clerk

May 15, 1997

MR. PRESIDENT:

In October 1995, you created by Executive Order the National Bioethics Advisory Commission (NBAC). NBAC's initial charge was to review the protections available to humans in research projects, and consider the management and use of genetic information. In late February you also asked NBAC to examine the legal and ethical issues surrounding the possible cloning of human tissue.

Because NBAC's members were not appointed until October 1996, the Commission will not be able to complete all of its work by the time its charter expires this year, although the cloning report will be delivered at the end of this month.

The attached EO amendment extends the life of NBAC for two years. Both OSTP and HHS (which funds NBAC jointly with other agencies) urge that you extend NBAC. *John Podesta concurs.*

If you approve, we will have the EO executed and announced tomorrow before your Tuskegee event.

____ Approve 2-year extension ____ Disapprove ____ Discuss

Phil Caplan PWC

5-15-97

Phil sent E.O. only and cover note to Pres.

B

217493

'97 MAY 6 PM 7:57

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

THE DIRECTOR

May 6, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: Franklin D. Raines
Director

SUBJECT: Proposed Executive Order Entitled "Further Amendment to Executive Order 12975, Extension of the National Bioethics Advisory Commission"

SUMMARY: This memorandum forwards for your consideration a proposed Executive order that was prepared by the White House Office of Science and Technology Policy. The proposed order would extend the life of the National Bioethics Advisory Commission from October 3, 1997 to October 3, 1999.

BACKGROUND: The National Bioethics Advisory Commission ("Commission") was established on October 3, 1995 by Executive Order 12975. Due to the length of time required for member selection and background reviews, the Commission did not meet until October 4, 1996, a full year after the Commission's establishment.

The Commission's initial charge was to consider protection of the rights and welfare of human research projects and issues in the management and use of genetic information. On February 24, 1997, however, the President asked the Commission to take on the additional charge of reviewing the legal and ethical issues associated with the possible use of cloning technology to clone human embryos. The Commission's report on cloning is due at the end of this May.

To give the Commission time to complete both its original and subsequent responsibilities, the proposed order would extend the life of the Commission from October 3, 1997 to October 3, 1999. The White House Office of Science and Technology Policy believes that extending the life of the Commission would permit the Commission to respond to the President's immediate request for advice and recommendations on the cloning of human beings, without unduly constraining resources to address the President's original concerns: protection of human research subjects and the proper use and management of genetic information.

None of the affected agencies objects to the proposed Executive order.

RECOMMENDATION: Sign the Memorandum for the President and forward the Memorandum and the proposed Executive order to the President.

Attachments

U. S. Department of Justice

Office of Legal Counsel

Office of the
Assistant Attorney General

Washington, D.C. 20530

May 6, 1997

MEMORANDUM

Re: Proposed Executive Order Entitled "Further Amendment to Executive Order 12975, Extension of the National Bioethics Advisory Commission"

The attached proposed Executive Order was prepared by the White House Office of Science and Technology Policy. The Office of Management and Budget, with the approval of the Director, forwarded it to this Department for review with respect to form and legality.

Executive Order No. 12975 of October 3, 1995, established the National Bioethics Advisory Commission ("Commission"). The Commission did not begin meeting until October 1996 and the President recently expanded the mission of the Commission to include a review of the legal and ethical issues associated with the possible use of cloning technology to clone human embryos. The proposed Order would change the termination date of the Commission from October 3, 1997, to October 3, 1999, to give the Commission an additional two years in which to complete its original mission and its most recent charge.

The proposed Executive Order is approved with respect to form and legality.

Dawn E. Johnsen

Dawn E. Johnsen
Acting Assistant Attorney General

U. S. Department of Justice

Office of Legal Counsel

Office of the
Assistant Attorney General

Washington, D.C. 20530

May 6, 1997

The President,

The White House.

My dear Mr. President:

I am herewith transmitting a proposed Executive Order entitled "Further Amendment to Executive Order 12975." This proposed Executive Order was submitted by the White House Office of Science and Technology Policy. The Office of Management and Budget, with the approval of the Director, has forwarded it to this Department for review with respect to form and legality.

The proposed Executive Order is approved with respect to form and legality.

Respectfully,

Dawn E. Johnsen

Dawn E. Johnsen
Acting Assistant Attorney General

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

May 6, 1997

Honorable Janet Reno
United States Attorney General
Washington, D.C. 20530

Dear Madam Attorney General:

Enclosed in accordance with the provisions of Executive Order No. 11030, as amended, is a proposed Executive order entitled "Further Amendment to Executive Order 12975, Extension of the National Bioethics Advisory Commission." The proposed order, which was prepared by the White House Office of Science and Technology Policy, would extend the life of the National Bioethics Advisory Commission from October 3, 1997 to October 3, 1999.

The National Bioethics Advisory Commission ("Commission") was established on October 3, 1995 by Executive Order 12975. Due to the length of time required for member selection and background reviews, the Commission did not meet until October 4, 1996, a full year after the Commission's establishment.

The Commission's initial charge was to consider protection of the rights and welfare of human research projects and issues in the management and use of genetic information. On February 24, 1997, however the President asked the Commission to take on the additional charge of reviewing the legal and ethical issues associated with the possible use of cloning technology to clone human embryos. The Commission's report on cloning is due at the end of this May.

To give the Commission time to complete both its original and subsequent responsibilities, the proposed order would extend the life of the Commission from October 3, 1997 to October 3, 1999. The White House Office of Science and Technology Policy believes that extending the life of the Commission would permit the Commission to respond to the President's immediate request for advice and recommendations on the cloning of human beings, without unduly constraining resources to address the President's original concerns: protection of human research subjects and the proper use and management of genetic information.

None of the affected agencies objects to the proposed Executive order.

Your staff may direct any questions concerning this proposed Executive order to Mr. Mac Reed of this office (395-3563).

This proposed Executive order has the approval of the Director of the Office of Management and Budget.

Sincerely,

Robert G. Damus

Robert G. Damus
General Counsel

Enclosure

Executive Order

Further Amendment to Executive Order 12975,
Extension of the National Bioethics Advisory Commission

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to extend the term of the National Bioethics Advisory Commission, it is hereby ordered that section 7(b) of Executive Order 12975 further is amended to read, "NBAC shall terminate on October 3, 1999, unless extended by the President prior to that date."

THE WHITE HOUSE,

Executive Order

Further Amendment to Executive Order 12975,
Extension of the National Bioethics Advisory Commission

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to extend the term of the National Bioethics Advisory Commission, it is hereby ordered that section 7(b) of Executive Order 12975 further is amended to read, "NBAC shall terminate on October 3, 1999, unless extended by the President prior to that date."

THE WHITE HOUSE,

Executive Order

Further Amendment to Executive Order 12975,
Extension of the National Bioethics Advisory Commission

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to extend the term of the National Bioethics Advisory Commission, it is hereby ordered that section 7(b) of Executive Order 12975 further is amended to read, "NBAC shall terminate on October 3, 1999, unless extended by the President prior to that date."

THE WHITE HOUSE,

Maureen Lewis

Lost 223205
cc: Sched

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6-18-97

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THE UNIVERSITY OF CHICAGO

THE LAW SCHOOL

1111 EAST 60TH STREET

CHICAGO • ILLINOIS 60637-2786

JUDGE ABNER J. MIKVA (RET.)
Visiting Professor of Law And Walter V. Schaefer Scholar

TELEPHONE: 773.702.9590
FAX: 773.702.0730
Abner_Mikva@law.uchicago.edu

THE PRESIDENT HAS SEEN
6/13/97

May 10, 1997

The Honorable William Clinton
The White House
Washington, D.C.

Dear Mr. President,

Now that I am happily ensconced in academia, I even have time to read something other than legal opinions and the ranting of the Washington Times! I understand that Dean John Boyer and Provost Geoff Stone of the University of Chicago have sent you a copy of The Aims of Education, a series of lectures about the goals and aspirations of higher education in America. I hope you have time to look at the essays--they articulate some of the very ideas that you have been projecting as you have pushed our country to put higher priorities on our educational system.

Dean Boyer and Provost Stone told me that they have also invited you to use the campus as a forum to discuss some of your educational programs and ideas. I know you would find it a great pulpit, and as you know, Chicago has many charms.

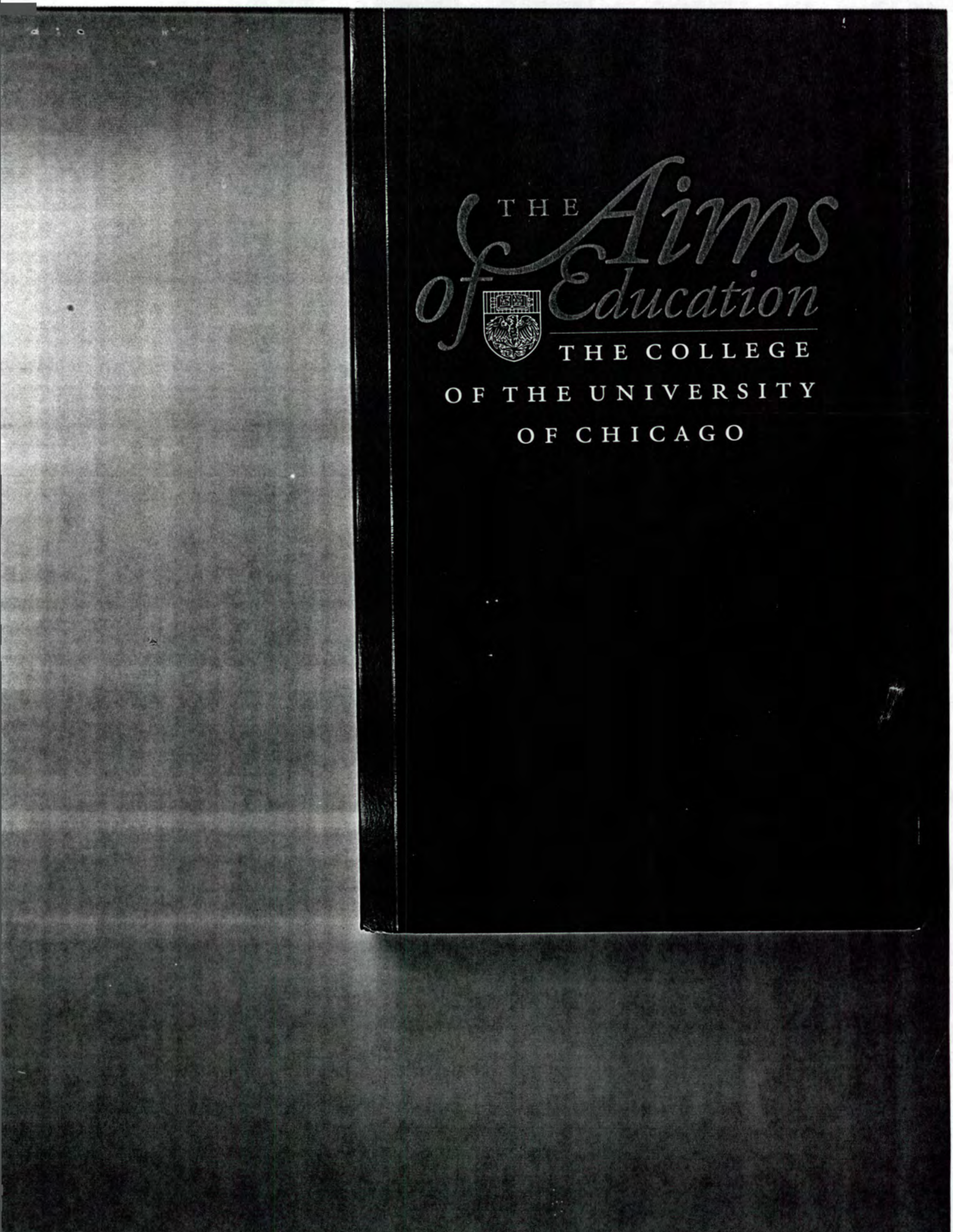
With affection and respect,

Ab Mikva

P.S. I hope it will not be too long before you are again giving Erskine lessons in long ball hitting.

Ltr in Sig

MAY 28


THE Aims of Education
THE COLLEGE
OF THE UNIVERSITY
OF CHICAGO

2012 218794

5-19-97 Ok for signature per Helen Howell B.

'97 MAY 16 AM11:25

Sent to Clerk for signature

THE WHITE HOUSE

WASHINGTON

ACTION

May 16, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: EXECUTIVE CLERK

FROM: SAMUEL BERGER
JOHN HILLEY

SUBJECT: Semi-Annual Report on North Korean Compliance with U.S.- DPRK Agreed Framework

5-19-97

Purpose

To transmit the semi-annual report to Congress on North Korean compliance with the Agreed Framework.

Background

The Foreign Operations Appropriations Act, 1996 (PL 104-107), enacted February 12, 1996, requires you to report to Congress every six months on North Korean compliance with the Agreed Framework, including progress of the light water reactor project, North Korean observance of the nuclear freeze and U.S. efforts to encourage North-South dialogue. The attached letters from you (Tab A) forward the report (Tab B) to the relevant Congressional Committees.

As explained by the report, which covers the period from October 1, 1996, to March 31, 1997, North Korea's nuclear program remains frozen under IAEA supervision, and the light water reactor project is moving ahead, including the designation of a South Korean company as prime contractor for the project. If funding is approved by the ROK, we expect groundbreaking for the light water reactor project to take place this summer. The report also describes our efforts to encourage North-South dialogue, although North Korea has not yet agreed to participate in our proposed four-party talks.

RECOMMENDATION

That you sign the letters at Tab A.

Attachments
Tab A Letters to Congress
Tab B Report on North Korean Compliance

cc: Vice President
Chief of Staff

THE WHITE HOUSE

WASHINGTON

Dear Mr. Chairman:

I transmit herewith the six-month report required under the heading "International Organization and Programs" in Title IV of the Foreign Operations Appropriations Act, 1996 (Public Law 104-107), relating to the Korean Peninsula Energy Development Organization (KEDO).

Sincerely,

The Honorable Bob Livingston
Chairman
Committee on Appropriations
House of Representatives
Washington, D.C. 20515-6015

THE WHITE HOUSE

WASHINGTON

Dear Dave:

I transmit herewith the six-month report required under the heading "International Organization and Programs" in Title IV of the Foreign Operations Appropriations Act, 1996 (Public Law 104-107), relating to the Korean Peninsula Energy Development Organization (KEDO).

Sincerely,

The Honorable David R. Obey
Ranking Member
Committee on Appropriations
House of Representatives
Washington, D.C. 20515-6015

THE WHITE HOUSE

WASHINGTON

Dear Senator Byrd:

I transmit herewith the six-month report required under the heading "International Organization and Programs" in Title IV of the Foreign Operations Appropriations Act, 1996 (Public Law 104-107), relating to the Korean Peninsula Energy Development Organization (KEDO).

Sincerely,

The Honorable Robert C. Byrd
Ranking Member
Committee on Appropriations
United States Senate
Washington, D.C. 20510-6025

THE WHITE HOUSE

WASHINGTON

Dear Mr. Chairman:

I transmit herewith the six-month report required under the heading "International Organization and Programs" in Title IV of the Foreign Operations Appropriations Act, 1996 (Public Law 104-107), relating to the Korean Peninsula Energy Development Organization (KEDO).

Sincerely,

The Honorable Ted Stevens
Chairman
Committee on Appropriations
United States Senate
Washington, D.C. 20510-6025

REPORT REQUIRED UNDER THE HEADING "INTERNATIONAL ORGANIZATIONS AND PROGRAMS" IN TITLE IV OF THE FOREIGN OPERATIONS APPROPRIATIONS ACT FOR FY 1996

The final proviso set forth under the heading "International Organizations and Programs" in Title IV of the Foreign Operations Appropriations Act, 1996 (P.L. 104-107), requires the President to submit to the Committees on Appropriations a semi-annual report on specific efforts with regard to:

(a) KEDO designation of a Republic of Korea company, corporation or entity for the purpose of negotiating a prime contract to carry out construction of the light water reactors provided for in the Agreed Framework;

(b) The Democratic People's Republic of Korea's (DPRK) maintenance of the freeze on its nuclear facilities as required in the Agreed Framework; and

(c) United States steps to assure that progress is made on (1) the North-South dialogue, including efforts to reduce barriers to trade and investment; and (2) implementation of the January 1, 1992, Joint Declaration on the Denuclearization of the Korean Peninsula.

(a) - Designation of ROK Company

In section I of the Agreed Framework between the United States of America and the Democratic People's Republic of Korea (DPRK), signed in Geneva on October 21, 1994, the two parties stated that they would cooperate in replacing the DPRK's graphite-moderated reactors and related facilities with light-water reactor (LWR) power plants. The U.S. further stated that it would undertake to make arrangements for the provision of the LWR project to the DPRK, including organizing under its leadership an international consortium to finance and supply the project. This organization, the Korean Peninsula Energy Development Organization (KEDO), was created on March 9, 1995, by agreement of the U.S., Japan, and the Republic of Korea (ROK). These parties have agreed that the ROK will assume the central role in financing and constructing the LWR project.

On June 13, 1995, in Kuala Lumpur, the United States and the DPRK issued a joint statement providing that KEDO will select both the LWR reactor model and the prime contractor to carry out the project. (These points were confirmed in the LWR Supply Agreement between KEDO and the DPRK, signed December 15, 1995 in New York.) On the same date as the Kuala Lumpur statement (June 13, 1995), the KEDO Executive Board decided by Board resolution that an ROK reactor model (Ulchin 3/4) would be built in the DPRK by an ROK firm. KEDO subsequently agreed that the Korea Electric Power Company (KEPCO) will be the prime contractor in building the light water reactors called for in the Agreed Framework. On March 19, 1996, KEDO passed Executive Board Resolution 1996-3, officially designating KEPCO as prime contractor. KEDO and KEPCO are in the process of formal negotiations on the prime contract. KEPCO employees have already participated in seven site surveys of the proposed reactor site in the DPRK as well as in KEDO negotiations with the DPRK regarding protocols to the Light Water Reactor Supply Agreement.

(b) - DPRK Maintenance of the Freeze

Section I (3) of the U.S.-DPRK Agreed Framework provides for the immediate freeze and eventual dismantlement of all graphite-moderated reactors and related facilities in the DPRK. Within this context, the DPRK agreed to implement the freeze on its nuclear facilities within one month after the signing of the Agreed Framework and to allow the International Atomic Energy Agency (IAEA) to monitor the freeze on its facilities, with the full cooperation of the DPRK. In addition, the U.S. and DPRK agreed to cooperate in finding a method to store safely the spent fuel from the DPRK's 5 MW(e) experimental reactor during the construction of the LWR project, and to dispose of the fuel in a safe manner that does not involve reprocessing in the DPRK.

Since November 1994, all of the DPRK's graphite-moderated nuclear reactors and related facilities have remained frozen. Specifically, this means no refueling or operation of the 5 MW(e) experimental research reactor; freezing construction on the 50 and 200 MW(e) reactors; foregoing reprocessing; sealing and ceasing activities at the Radiochemical Laboratory; and ceasing operation of the fuel fabrication plant. The IAEA has maintained a continuous presence at the Nyongbyon nuclear facility and has continued with inspection activities related to verifying and monitoring the freeze in the DPRK according to the terms of the Agreed Framework. These activities have allowed it to determine that North Korea is complying with the freeze provisions of the Agreed Framework. In addition to IAEA monitoring activities, the United States has its own National Technical Means which give us further confidence that the DPRK is complying with these provisions of the agreement.

With the successful conclusion of the December 15, 1995, Agreement on the Supply of Light-Water Reactors to the DPRK, signed between the DPRK and KEDO in New York, the IAEA has resumed ad hoc and routine inspections under the DPRK's safeguards agreement with the IAEA with respect to the facilities not subject to the freeze. In addition, the IAEA has conducted bilateral discussions with the DPRK to resolve a number of issues, some related to technical aspects of freeze monitoring. DPRK and IAEA officials met in January, June, and September of 1996 and again in January 1997 to discuss a number of issues related to spent fuel canning and safeguarding the nuclear materials which are being safely stored.

Other issues discussed relate to the preservation of historical data that the IAEA will find useful in determining the amount of plutonium the DPRK produced in the past. Under the terms of the Agreed Framework, "when a significant portion of the LWR project is completed, but before delivery of key nuclear components," the DPRK will come into full compliance with its safeguards agreement with the IAEA, including taking all steps that may be deemed necessary by the IAEA, following consultations with the Agency with regard to verifying the accuracy and completeness of the DPRK's initial report on all nuclear material in the DPRK. Current IAEA-DPRK discussions are at the beginning of that process. In the June 1996 meeting, the DPRK presented a paper concerning the preservation of historical data at Nyongbyon. Differences between the two sides still remain, as reflected in recent statements by IAEA Director General Hans Blix. This issue was discussed in January and will be the topic for further negotiation between the DPRK and IAEA.

In January 1995, the U.S. and DPRK agreed on the method for safely storing the DPRK's spent nuclear fuel as an interim step before it is shipped out of the DPRK, as defined in the Agreed Framework. U.S. and North Korean experts are continuing to cooperate in safely storing the DPRK spent nuclear fuel despite periodic delays as a result of technical and other reasons. Actual canning of the fuel began on April 27, 1996 and is planned to be completed by the end of fiscal year 1997. As of March 31, 1997, 5,525 of the 8,000 spent fuel rods (69%) have been placed in canisters and will be stored under IAEA safeguards.

(c) (1) - <u>North-South Dialogue</u>

The U.S.-DPRK Agreed Framework provides that "the DPRK will engage in North-South dialogue." In pursuit of this objective, the U.S. has taken diplomatic steps with both North and South Korea to encourage DPRK compliance with its commitments to engage in dialogue and to support South Korean initiatives toward the North. The U.S. has also encouraged China, over the course of implementing the Agreed Framework, to use its influence to encourage the DPRK, among other things, to participate more fully in dialogue with the South. While the North Korean response to our efforts has not been as forthcoming as we would like, the U.S. continues to firmly pursue the objective of increased North-South dialogue.

It is the firm position of the United States that North-South contacts are the key to resolving the most important issues on the peninsula. We have used every available opportunity to press the DPRK to resume North-South dialogue, as it is committed to do under the terms of the Agreed Framework. The U.S. has consistently made clear in bilateral contacts with the DPRK, that improvement in North-South relations is key to peace and security on the Korean Peninsula and a requirement of improved U.S.-DPRK bilateral relations. Prior to the signing of the Agreed Framework, Ambassador Robert L. Gallucci, during his tenure as Chairman of the Senior Steering Committee on Korea, frequently raised the issue of North-South dialogue in his correspondence with his North Korean counterpart, First Vice Minister of Foreign Affairs Kang Sok Ju. North Korean acceptance of direct dialogue with the ROK was an essential element of the U.S. negotiating strategy with the DPRK and was successfully obtained in concluding the Agreed Framework. From October 1995 to January 1996, contact and correspondence with DPRK Vice Minister Kang was maintained by former Assistant Secretary Winston Lord, who continued to raise the same issues.

During the first year of implementation of the Agreed Framework, former Deputy Assistant Secretary of State Thomas Hubbard raised North-South issues repeatedly with the DPRK in Kuala Lumpur over the course of negotiating the Light Water Reactor (LWR) Supply Agreement. Mr. Hubbard continued to address this issue with North Korean Ambassador-at-Large Ho Jong in December 1995. In addition, these points were made at all three rounds of U.S.-DPRK negotiations on the opening of liaison offices. More recently, U.S. officials at the Director-level continue to stress to their North Korean counterparts, both in New York and in Washington, the importance of improving DPRK relations with the ROK.

Implementation of the Agreed Framework has created and continues to create many occasions for direct North-South contact. The Korean Peninsula Energy Development Organization (KEDO), established by the U.S., ROK, and Japan to oversee implementation of various components of the Agreed Framework, has proven to be an effective vehicle for this purpose. KEDO has engaged in extensive negotiations with the DPRK on the LWR supply agreement and related protocols. ROK Government officials and technical experts have participated in the formulation of KEDO's negotiating strategy; have directly engaged in negotiations with the DPRK; and have held numerous consultations with DPRK experts on technical-related issues. South Koreans also comprise the majority of technical experts on KEDO site survey teams dispatched to the DPRK to survey the proposed reactor site.

In support of ROK initiatives, we have conveyed South Korean positions -- and U.S. support for those positions -- to the DPRK and others, sometimes with positive results. In 1995, North and South Korea held a series of bilateral meetings in Beijing that produced an agreement whereby the South provided 150,000 tons of rice to the North as a grant. In December of that same year, the DPRK, at U.S. urging, released the crew of a South Korean fishing vessel which had strayed into North Korean waters, a step which the ROK had been urging the DPRK to take for some time. In 1996, the U.S., ROK, and Japan consulted on a consolidated appeal from various United Nations' agencies including World Food Program (WFP) for use in flood-related relief in North Korea. It was agreed that to address this humanitarian crisis and to support stability on the Peninsula, the U.S., ROK and Japan would each donate humanitarian assistance to North Korea.

It is against this backdrop that President Clinton and President Kim Young Sam of the Republic of Korea on April 16, 1996 issued a joint proposal for Four Party Talks (U.S., ROK, DPRK, China) to discuss peace on the Korean Peninsula. In announcing this initiative, the two Presidents confirmed the fundamental principle that the establishment of a stable, permanent peace on the Korean peninsula was an important goal of the Korean people and that South and North Korea should take the lead in a renewed search for peace. In addition, the Four Party proposal can begin a process that will lead to tension reduction, greater economic cooperation and eventually the creation of a new, permanent peace mechanism. In support of this important initiative, the U.S. has agreed to play an active role and has raised the importance of encouraging North-South dialogue and North Korean participation in the four-party talks with other countries, notably China, Japan, and Russia. Assistant Secretary Lord, briefing the press following President Clinton's meeting with Chinese President Jiang Zemin at the Asian Pacific Economic Conference (APEC) meetings in Manila in November 1996, noted that the Chinese not only supported the idea of North-South dialogue as a basic principle but had confirmed PRC participation in the four party process.

In U.S.-DPRK talks in December 1996, the DPRK committed itself to attend a joint U.S.-ROK briefing on the Four Party peace proposal. On March 5, delegations from the U.S. and ROK met in New York with a DPRK delegation, to give an in-depth explanation of the Four Party proposal. For the first time since the death of Kim Il-sung, officials of the DPRK and ROK met to discuss issues of peace and security. The atmosphere of the discussions was sincere and cordial, and set the tone for what we hope will be fruitful substantive discussions in the future. The DPRK is studying the proposal laid out at the joint briefing and we await its formal response. Although the DPRK has reserved a decision on participating in the Four Party talks *per se*, we believe that the success of the joint briefing will convince it that these talks represent the best means for securing lasting peace on the Korean Peninsula.

(c) (1) - Barriers to Trade

On January 20, 1995 the U.S. took initial steps to ease economic sanctions against North Korea in accordance with the Agreed Framework. These steps were taken in response to North Korea's decision to freeze its nuclear program and related facilities and cooperate with the U.S. and International Atomic Energy Agency (IAEA) to verify the freeze and ensure safe storage of the DPRK spent nuclear fuel.

1. Telecommunications and Information: Authorize transactions related to telephone and telecommunications connections between North Korea and the United States, credit card use in connection with personal travel and other travel-related transactions, and the opening of offices by journalists.

2. Financial Transactions: Authorize the DPRK to use the U.S. banking system to clear transactions not originating or terminating in the United States. Unblock frozen assets where there is no DPRK government interest.

3. Other Trade: Authorize imports from the DPRK of magnesite, a refractory material used in the U.S. steel industry. North Korea and the People's Republic of China are the primary sources of natural magnesia and magnesite in the world market.

4. Other Steps to Implement the Agreed Framework: Authorize transactions related to the future establishment and operation of liaison offices in Washington and Pyongyang. Consider, on a case-by-case basis, participation by U.S. firms in the North Korean Light Water Reactor project, the supply of alternative energy, and disposition of spent nuclear fuel, as provided by the Agreed Framework, in a manner consistent with applicable laws.

Further relaxation of economic sanctions against the DPRK will depend on further verified progress on the nuclear issue as well as progress in other areas of concern.

(c) (2) - Implementation of Joint Denuclearization Declaration

On January 1, 1992, the Republic of Korea (ROK) and the Democratic People's Republic of Korea (DPRK) issued the Joint Declaration on the Denuclearization of the Korean Peninsula. The provisions of the Joint Declaration state that the North and South:

-- shall not test, manufacture, produce, receive, possess, store, deploy or use nuclear weapons;

-- shall use nuclear energy solely for peaceful purposes;

-- shall not possess nuclear reprocessing and uranium enrichment facilities, and;

-- in order to verify the denuclearization of the Korean Peninsula, shall conduct inspections of the objects selected by the other side and agreed upon between the two sides, in accordance with procedures and methods to be determined by the North-South Nuclear Control Commission which shall be established within one month of the effectuation of this joint declaration.

The DPRK and the ROK held a series of North-South Joint Nuclear Control Commission meetings in early 1992 as specified in the Joint Declaration, but these were discontinued as relations between the two Korean states worsened and the DPRK threatened to withdraw from the Nuclear Non-Proliferation Treaty (NPT) and refused to cooperate with the IAEA. As a result, the absence of sustained governmental talks between the ROK and DPRK has delayed further implementation of the Denuclearization Declaration.

The United States has, however, taken steps to encourage DPRK compliance with the Joint Declaration by encouraging North-South dialogue and ensuring DPRK implementation of the Agreed Framework. The Agreed Framework itself explicitly provides that the DPRK will take steps to implement the Joint Declaration on the Denuclearization of the Korean Peninsula. In addition, the Agreed Framework, as a step towards full implementation of the Denuclearization Declaration, has succeeded in eliciting positive DPRK movement on key provisions of the Declaration. Specifically, North Korea's willingness to immediately freeze and eventually dismantle its graphite-moderated nuclear reactors and related facilities has halted activities that, had they not been stopped, would have given the DPRK a nuclear weapons capability. Such a capability would have been a threat to peace and security on the Korean Peninsula as well as to Northeast Asia. The DPRK agreement to forego reprocessing under the Agreed Framework and to replace its existing nuclear reactors with proliferation-resistant LWRs represents a major step toward assuring the DPRK will not test, manufacture, produce, store, deploy or possess nuclear weapons. All these steps, aside from advancing the goals of the Joint Declaration, go beyond the NPT's requirements.

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still not back —

B.

5-6-97

File

THE WHITE HOUSE

WASHINGTON

April 26, 1997

5-1-97

MEMORANDUM FOR THE PRESIDENT

FROM: HELEN HOWELL Helen

SUBJECT: Recent Information Items

We are forwarding the following recent information items:

(A) **Echaveste/Hilley follow-up on FDR memorial controversy.** They've been working to communicate your call upon the FDR Memorial Commission to incorporate an additional sculpture of FDR in his wheelchair, and to minimize disability protests. ***Sen. Inouye.*** Erskine called Sen. Inouye to inform him of your decision and of the need for legislation to modify the memorial, and Leg Affairs met with Sen. Inouye's staff and the Executive Director of the FDR Memorial Commission. As a result, Sen. Inouye preferred to have the Commission end, but agreed to introduce legislation authorizing Interior to modify the memorial. Sens. Cleland and Harkin agreed to co-sponsor the legislation. ***Disability community.*** Maria and John met with disability community leaders about your intention to send legislation to Congress and the response was favorable. Most leaders suggested that the addition be a free standing statue of FDR, and some suggested that the legislation should be enacted before May 2. *The Roosevelt grandchildren were also consulted, and the majority praised your action.*

(B) **Sally Katzen follow-up on PCB contaminated vessels.** She notes that contrary to the impression given by a recent Cabinet Weekly Report, the Navy, Maritime Administration and the EPA are all sensitive to the fact that Federal facilities should meet or exceed environmental standards applicable to the private sector unless there is a compelling reason for special treatment. OMB has pulled together an interagency process to facilitate prompt resolution of these issues.

(C) **Janet Yellen follow-up on OECD cryptography guidelines.** You asked about Silicon Valley's concerns. CEA consulted with OMB and concluded that Silicon Valley's concern is that our export controls are affecting their market share. In response to that concern, we have relaxed controls in exchange for commitments from companies to build key recovery encryption products. To date, 18 firms have requested licenses under this policy, and 10 have been approved. While OECD did not endorse key recovery per se, it did recognize government's need for lawful access to encrypted information. This action is the first fruit of our international effort to promote a market-driven, global key recovery system.

(D) **Recommendation by S. M. Miller of the Commonwealth Institute on how to frame the race relations issue.** Via Rahm. Miller suggests drawing on the theme of respect and forwards an article by him on that topic.

(E) **"Lesson from a Small Country," Thomas Lovejoy, The Washington Post, 4/22/97.** Via Mack, the article focuses on Costa Rica's "unparalleled" effort to move toward sustainable development.

(F) **Analysis of Elizabeth Drew's book, Whatever It Takes, on coordination between the NRCC and outside groups, and an April 21 AP story, "Senate Democrat Wants Probe of Big GOP Contributor."** Via Rahm.

(G) **Sherwood Boehlert letter.** He and Marianne are concerned that during your recovery you are not able to participate in meaningful recreational activity. So, they challenge you and Hillary to a Hearts competition when you have a few free hours.

We also received the following items:

- **Thank you note from Ron Scheman of the Inter-American Development Bank.** "You were terrific today with my parents on their 67th anniversary. They were ecstatic and said it was the high point of their long lives. Many, many thanks."

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216135

THE WHITE HOUSE

WASHINGTON

April 25, 1997

✓5-1-97

'97 APR 25 PM3:51

MEMORANDUM FOR THE PRESIDENT

FROM: MARIA ECHAVESTE
JOHN HILLEY

SUBJECT: PROGRESS ON FDR MEMORIAL CONTROVERSY

On May 2, you will speak at the FDR Memorial dedication ceremony. In a March 24 decision memorandum, you decided to call upon the FDR Memorial Commission to incorporate into the Memorial an additional sculpture of FDR in his wheelchair. Given the disability community's intention to stage a protest at the dedication ceremony, we have taken several steps to communicate your decision in an effort to minimize the disability protest.

Erskine Bowles called Senator Inouye to inform him of your decision to support an addition to the Memorial. In a subsequent conversation, Erskine informed the Senator that legislation would be needed to modify the Memorial. On Tuesday, April 22, White House Legislative Affairs met first with Inouye's staff and the Executive Director of the FDR Memorial Commission and later with Inouye. As a result of these conversations, Senator Inouye preferred to have the FDR Memorial Commission end, but agreed to introduce legislation on behalf of the White House. This legislation would authorize the Department of the Interior to modify the FDR Memorial. Senators Cleland and Harkin have expressed their intention to co-sponsor the legislation. Senator Inouye plans to "drop the bill" today.

Yesterday, we met with leaders in the disability community to communicate our intention to send legislation to Congress that would instruct the Secretary of the Interior to formulate plans for the design and construction of an additional statue, bas relief, or similar sculpture of President Roosevelt in his wheelchair at the Memorial. Those leaders attending the meeting welcomed the announcement, and their statements to the press have been generally favorable. A few of the leaders commented that the legislation should be enacted before May 2. Additionally, most of the leaders, including Justin Dart, urged that the specific addition to the Memorial be a free standing statue of FDR in his wheelchair. We are working to address these and other concerns of the disability community. We also consulted with the Roosevelt grandchildren, the majority of whom praised our action.

We will continue to work with the disability community so that the May 2 ceremony is remembered as an historic celebration of our 32nd President.

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Divider Title: **B**

215758

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

'97 APR 23 PM6:53

ADMINISTRATOR
OFFICE OF
INFORMATION AND
REGULATORY AFFAIRS

A

APR 2 3 1997

5-1-97

FOR THE PRESIDENT

FROM: Sally Katzen

SUBJECT: PCB Contaminated Vessels

This is in response to your comment on the attached Cabinet Weekly Report. Discussions among the Navy, DOT's Maritime Administration, and EPA are progressing. Contrary to the impression given by the weekly report, everyone is approaching these discussions with sensitivity to the fact that Federal facilities should meet or exceed environmental standards applicable to the private sector *unless* there is a compelling reason for special treatment. These issues can be handled legislatively, administratively, or through a combination of the two. OMB has pulled together an interagency process to facilitate prompt resolution of these issues. Hopefully, we will be able to report an amicable solution soon.

cc: Gordon Adams
Michael Deich
T.J. Glauthier
Kitty Higgins

THE PRESIDENT HAS SEEN
4-7-97

- **Employers for Learning:** On April 7, Secretary Riley will discuss your education initiatives with the Steering Committee of this group, which includes representatives from IBM, GTE, Marriott, and other major corporations.

- **Secretary's Schedule:**
  - April 4 - Address the University of South Carolina Law School and a SC Democratic Party event in Columbia, SC.
  - April 7 - Address the Religious Action Center of Reform Judaism and the United States Student Association in D.C.

- **Charter Schools:** On April 15, Secretary Riley is scheduled to announce the results of a DOEd-funded study of charter schools identifying start-up funding as the top obstacle to the establishment of charter schools and reporting various facts and figures about the charter school movement. The event may also include an announcement regarding D.C. charter schools.

ENVIRONMENTAL PROTECTION AGENCY

- **Correction to Particulates Study:** While reviewing the public comment on the revisions to the public health standards on ozone and particulate matter, EPA learned of a technical error in the characterization of data in the studies of health effects of particulates used in EPA's regulatory impact analysis. As corrected, it may call for the revision of the estimate of the annual number of premature deaths avoided by implementation of the EPA proposal from approximately 20,000 to approximately 15,000.

- **Superfund Court Decision:** On March 25, the U.S. Court of Appeals for the Eleventh Circuit issued an opinion in *U.S. v. Olin Corp*, upholding the "polluter pays" principle in the Superfund law. The opinion reverses a district court decision which held that the Superfund liability scheme in this case exceeded Congress' authority to regulate interstate commerce, and that the law did not impose liability for activities occurring before the statute's enactment in 1980 (the so-called retroactive liability principle).

- **PCB-Contaminated Ships:** On April 7, OMB will chair a meeting to discuss issues surrounding the attempt by the Navy to exempt itself from provisions of the Toxic Substances Control Act (TSCA) through the DoD FY98 Authorization Bill. TSCA bans the export of toxic polychlorinated biphenyls (PCBs) and PCB-containing articles. The Navy and DOT are interested in exporting ships that have been "retired" that may contain large quantities of PCBs and PCB-containing articles without providing notice to the receiving countries or giving them the opportunity to reject the shipment. The Administration's policy is that federal entities must meet the same environmental standards as private industry.

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Divider Title: **C**

213674

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL OF ECONOMIC ADVISERS

WASHINGTON, D.C. 20500

THE CHAIRMAN

April 7, 1997

✓ 5-1-97

MEMORANDUM FOR THE PRESIDENT

FROM: JANET L. YELLEN Janet L. Yellen

SUBJECT: Question from WEB of 3/28/97

An international roundup item in the March 28, 1997, *Weekly Economic Briefing*, discussed OECD cryptography guidelines. You asked about Silicon Valley's concerns. After consulting with OMB, CEA concludes that Silicon Valley's concern is that our export controls are affecting their market share. In response to that concern, we have relaxed controls in exchange for commitments from companies to build key recovery encryption products. To date, 18 firms have requested licenses under this policy, and 10 have already been approved. While the OECD did not endorse key recovery per se, it did recognize government's need for lawful access to encrypted information. This action is the first fruit of our international effort to promote a market-driven, global key recovery system.

J Yellen

cc: CS
AM
JAF

THE PRESIDENT HAS SEEN
3-31-97

Sec Summers
Comments
JB

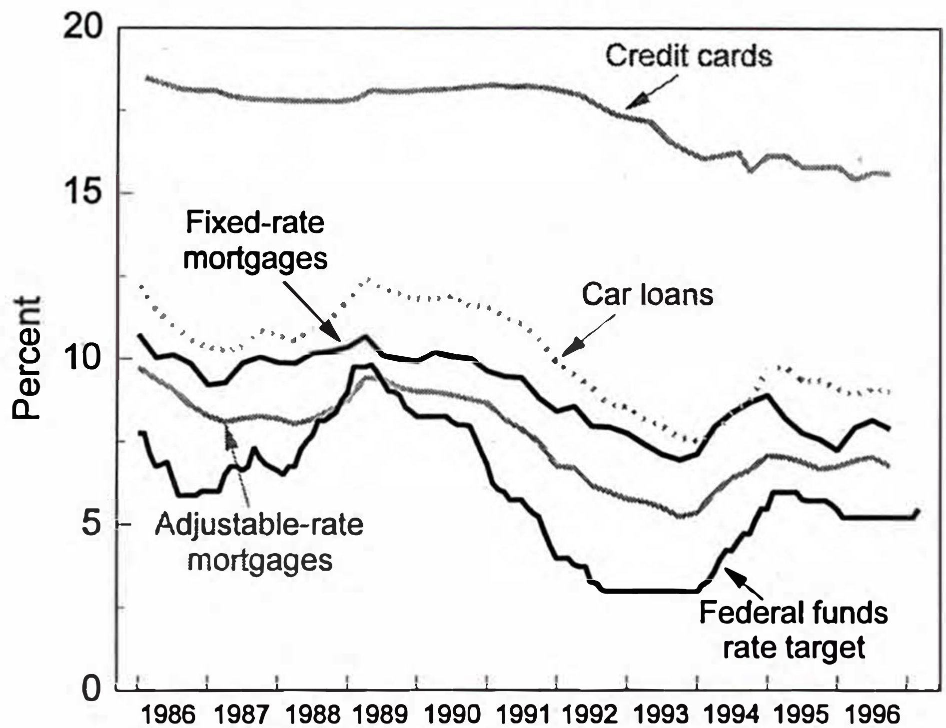
WEEKLY ECONOMIC BRIEFING OF THE PRESIDENT OF THE UNITED STATES

Prepared by the Council of Economic Advisers
with the assistance of the Office of the Vice President

March 28, 1997

CHART OF THE WEEK

Household and Consumer Loan Rates



Consumers pay different rates for different kinds of mortgages and loans. These rates tend to move roughly in line with the Federal funds rate and with each other, although not in lockstep. The rates shown are for new loans (except for credit cards). An article in this Briefing discusses the likely impact of the recent monetary policy tightening by the Federal Reserve on mortgage and consumer loans.

CONTENTS

CURRENT DEVELOPMENTS

SPECIAL ANALYSIS

ARTICLE

DEPARTMENTS

"Daddy's not mad at you dear— Daddy's mad at the Fed."

THE PRESIDENT HAS SEEN
3-31-97

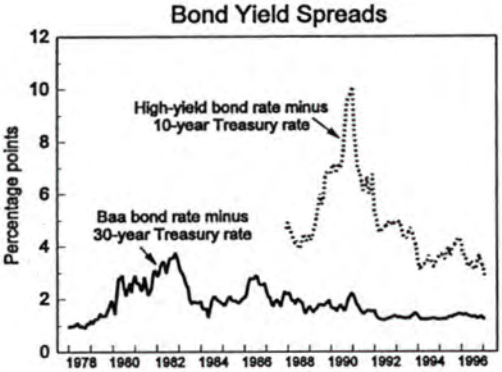
CURRENT DEVELOPMENT

Can Interest Rate Spreads Be Too Low?

The Federal Reserve raised interest rates last week as a pre-emptive strike against inflation. But an ancillary concern may have been that current lending rates are based on too sanguine an assessment of risk.

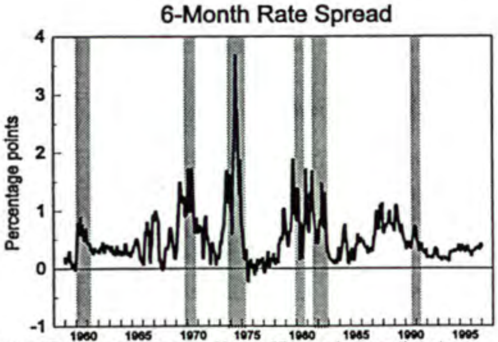
Concerns of Chairman Greenspan. In the same congressional testimony in which he worried that the stock market might be too high, the Fed chairman worried that some interest rates might be too low. In particular, he pointed to rates on high-yield (junk) bonds (see upper chart). These are normally well above the yield on comparable Treasury securities, but spreads have been smaller recently. Greenspan's concern is that too narrow a spread between rates on safe assets (Treasury securities) and risky assets (junk bonds) encourages unsustainable borrowing and spending. One might worry that this borrowing and spending could collapse when lenders return to a more realistic assessment of risk.

Bond Yield Spreads



Analysis. It is hard to know if risk spreads are too small, or if they rationally reflect prospects for the economy. Economists have found that low spreads typically signal good times and a rising spread often heralds a recession (see bottom chart). Spreads widen because borrowers are more likely to default in a recession. In this view, the current modest spreads are good news, suggesting that lenders do not expect an economic slowdown. (A cautionary note: spreads remained narrow as the economy went into recession in 1990.)

6-Month Rate Spread



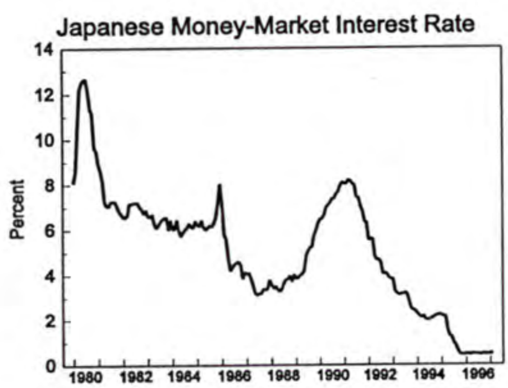
Note: The 6-month rate spread is the difference between the rate on 6-month commercial paper issued by firms and comparable Treasury bills.

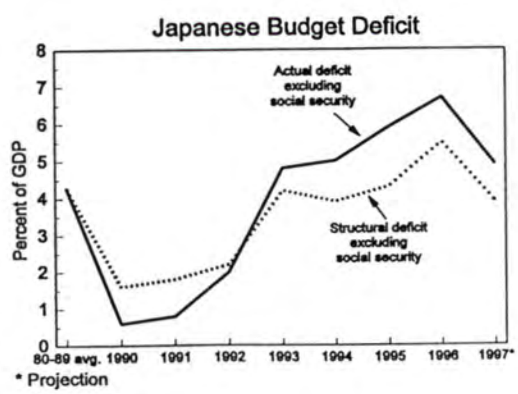
Conclusion. Narrow interest rate risk spreads suggest that financial markets are confident about the economy. But some worry that those narrow spreads reflect an unrealistically favorable assessment of risk.

CURRENT DEVELOPMENT

Japan's Fiscal Retrenchment: Will It Slow the Recovery?

In the last 2 years, monetary and fiscal stimulus has helped Japan start to recover from the stagnating growth that began in 1992. Now, however, the government is implementing several contractionary fiscal measures that could slow growth.





* Projection

Background. A recession struck Japan in 1992, with output falling 0.2 percent (see upper chart). Growth remained slow through mid-1995. The government responded by relaxing both fiscal and monetary policy, and growth has picked up. The Bank of Japan has lowered short-term interest rates about as far as possible—to ½ percent (see middle chart). Fiscal stimulus has come through additional spending, mostly on public works, and temporary tax cuts.

Serious bad loan problems continue to afflict the banking system, and the market is drawing sharper distinctions among banks. Some restructurings of large banks are likely in order to address some of these problems. With the upcoming end of the accounting year (on March 31), rumors have surfaced of an imminent restructuring of one of the long-term credit banks.

Deficit reduction. For the last 4 years, budget deficits (excluding a surplus in the social security system of 2.5 to 3 percent of GDP) have been about 5 to 7 percent of GDP (see lower chart). With a rapidly aging population, deficit reduction to increase national saving has now become a priority. The government plans to reduce special public works spending in fiscal 1997 (which begins April 1). Furthermore, the budget raises the national consumption tax from

3 percent to 5 percent. This comes on top of the withdrawal in December of a special rebate of individual income taxes.

Sources of growth. These measures are likely to exert a drag on individual consumption expenditures. Business investment, however, looks like it could be strong. With a large depreciation of the yen over the last 2 years, the trade surplus is likely to expand and exports are likely to be an important source of growth. Over the longer term, deregulation could also be helpful.

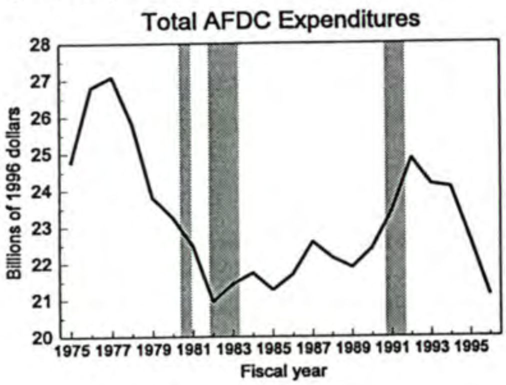
THE PRESIDENT HAS SEEN
3-31-97

SPECIAL ANALYSIS

Is the Welfare Contingency Fund Big Enough?

Last year's welfare reform legislation established a contingency fund of $2 billion to help states pay for additional welfare expenditures in the event of a recession. But new estimates suggest that even a moderate recession could exhaust this fund.

Cyclical variability and the contingency fund. Combined Federal and state spending for Aid to Families with Dependent Children (AFDC) exhibited a strong cyclical pattern (see chart). Expenditures typically rose during recessions and fell during expansions. The Omnibus Budget Reconciliation Act of 1981, however, curtailed AFDC and greatly muted the effects of the 1981-82 recession.



Under AFDC, the additional welfare costs incurred during a recession were shared between the Federal Government and the states according to a matching rate formula. Now, as a supplement to Temporary Assistance for Needy Family (TANF) block grants, a state is eligible for federally matched payments if a recession causes total welfare spending in the state to rise above its fiscal year 1994 level. The formula is such that the $2 billion authorized for this contingency fund would be exhausted by additional combined Federal and state spending of about $3.5 billion ($1.5 billion from the states and $2 billion from the contingency fund). The fund is authorized only through 2001.

Welfare costs in a recession. Is the fund large enough to weather a moderate recession? Not quite. A statistical estimate of the impact of unemployment on welfare caseloads suggests that, in a moderate recession like that of 1990-91, welfare expenditures would be expected to rise by roughly $4.5 billion—or about $1 billion more than could be accommodated by additional state spending and the contingency fund. In a severe recession more like 1981-82, in which the unemployment rate peaks at 9.5 percent, welfare expenditures would be expected to rise by roughly $7.5 billion. For the Federal Government to provide full matching funds in such a recession, the contingency fund would have be about $4 billion.

Conclusion. Based on past experience, the current contingency fund would be exhausted in even a modest recession. States would be on their own for any additional costs. But the welfare regime has changed. It is possible that workers who, in the past, relied on welfare to support them through a recession may have new incentives to search for work more diligently.

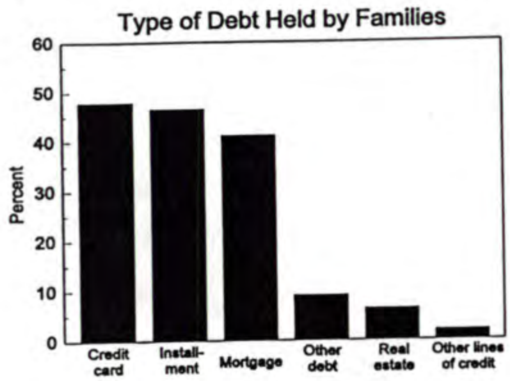
THE PRESIDENT HAS SEEN
3-31-97

ARTICLE

Effects of Fed Policy on Household Loan Rates

When the Federal Reserve tightened monetary policy this week, it did so by raising the Federal funds rate, the rate banks charge each other for overnight loans. But how does this decision affect the rates on loans to ordinary households?

Types of household borrowing. Households borrow for a variety of purposes. Residential mortgages (including those not for primary residences), account for about 70 percent of household sector debt, with credit card loans accounting for 9 percent, and auto loans 8 percent. Nearly half of all households have credit card debt outstanding (see chart). Nearly as large a fraction have installment debt (which includes loans for the purchase of durable goods, including cars). About 40 percent have a residential mortgage on their primary residence, the third most common form of debt.



The impact of Fed policy. Changes in Federal Reserve policy affect not only rates charged on new loans, but also those on existing variable-rate loans. The impact of Fed policy depends on how much of the change in the Federal funds rate is passed through to the interest rate on each type of loan. The table provides an estimate of how a 25-basis-point change in the funds rate would be expected to change mortgage and consumer loan rates, and what effect it would have on annual debt payments.

Estimated Impact of a 25-Basis-Point Change in the Federal Funds Rate

Type of loan	Typical size of loan	Change in loan rate	Change in annual payment
New Loans			
Conventional mortgage	$110,400	0.20%	$184
New car loan	17,090	0.10	10
Existing Loans			
Adjustable-rate mortgage[1]	51,000	0.22	75
Credit card loan	1,500	0.17	3

[1] The assumed remaining maturity of the adjustable-rate mortgage is 15 years.

Analysis. The changes shown in the table reflect the long-run effects from an unanticipated, one-time rise in the Federal funds rate. In fact, changes in Treasury yields since Fed Chairman Greenspan's Humphrey-Hawkins testimony to the Congress in February have been considerably larger than those one would expect based on a 25-basis-point rise in the Federal funds rate. The relatively large runup in rates likely reflects, in part, market participants' expectation of additional policy moves by the Fed. (Historically, the Fed has generally changed rates in a series of steps rather than all at once.) Thus, the interest rates paid by households are likely to rise by more than is shown in the table.

Implications. Interest payments of U.S. households increase when the Fed raises interest rates. The impact of higher rates is spread over time; some interest rates will adjust relatively slowly, while others had already increased in anticipation of the Fed's action. It is important to remember, however, that many households have assets, such as bank deposits, money market mutual fund shares, and securities, that earn market-related interest rates. Indeed, since the household sector is a net creditor, the sector as a whole gains when real interest rates rise.

THE PRESIDENT HAS SEEN
3-31-97

BUSINESS, CONSUMER, AND REGIONAL ROUNDUP

An Auction to Knock Your SOx Off. The price of pollution credits auctioned through the Chicago Board of Trade this week rose 62 percent over last year's auction price. This year sulfur-dioxide emissions sold at an average of $110 per ton, up from $68 last year. This price is about in line with what has been observed recently in the much smaller secondary market for SO_2 credits (see *Weekly Economic Briefing*, March 14, 1997). The auction market allows companies that can successfully reduce their SO_2 pollution to sell credits to those that want to hedge their risks of not being able to meet mandated reductions. The number of bids for the 150,000 tons of credits rose sharply as well, and participation might well continue to increase with the coming deregulation of the electric power industry and the increase in the number of companies looking for cost-effective ways to satisfy clean-air regulations.

Better Information Could Boost Saving. New research implies that a serious National campaign of financial education and information might boost saving. A trend toward such education is already apparent: By 1994, 88 percent of large employers offered some sort of financial education. More than two-thirds of these had been added since 1990, often because of the increasing popularity of 401(k) and 403(b) plans. Employer-based education takes many forms, including brochures, counseling, seminars, and interactive software, and it is a critical source of information and advice for employees. Over 25 percent of survey respondents report that they rely primarily on employer-based education when it is available—more than the share relying primarily on financial professionals, family and friends, or the print media. The study shows that the availability of financial education increases median retirement wealth by nearly $2,500. The effects of financial education are most pronounced among those least inclined to save, although education stimulates saving among high-savers as well.

Should Treasury Commerce do it?

Fed Forecasts Most Accurate. Economists at the Federal Reserve Board are better at predicting inflation than those in the private sector, according to a new study (by non-Fed economists). Looking at two decades' worth of 12-to-18-month inflation forecasts, the study found that the Fed's internal predictions were consistently better than the consensus of private forecasters. In fact, someone with access to both forecasts would have done better by totally ignoring the commercial one. The study argues that the Fed's superior record is not due to its getting economic data early or knowing about pending monetary policy moves. And their forecast record is even better over time horizons too short for Fed policy to affect inflation. The study concludes that the Fed's forecasting staff simply does a better job of processing information than does the private sector.

THE PRESIDENT HAS SEEN
3-31-97

INTERNATIONAL ROUNDUP

cc: NSC/Larry Summers
Big potential item for briefing

Russian Steel Industry Faces Dumping Actions Abroad. A wave of anti-dumping actions has been brought against the Russian steel industry by Canada, the United States, Mexico, Thailand, and other Asian countries. From a political economy standpoint, anti-dumping procedures are often a response to surges of imports that increase competition for a particular domestic industry, rather than a response to predatory practices that are harmful to the economy as a whole. In the case of Russia, steel exports have grown rapidly in recent years as the de-militarization of the Russian economy has necessitated a search for new markets. If the petitioning countries find the Russian firms to be dumping, the resulting duties could decimate the industry and lower Russian GDP by 1.2 percent, according to the U.S. law firm defending the Russian steel companies. Thailand's case against Russia will most likely be decided first. Because Thai law is nearly identical to U.S. law, the case has generated considerable interest. A core issue in both the Thai and the U.S. cases is whether or not Russia will be treated as a "nonmarket economy." If Russia is designated as a nonmarket economy and if the Russian steel industry fails to qualify as a "market oriented industry," then an alternative procedure for computing the dumping duties will be used. This procedure generally results in dumping duties that are substantially higher than the procedure used for market economies. This raises the question of whether or when countries like Russia should be classified as market economies.

Does this mean Silicon Valley is right that we'd regulatory market solutions?

OECD Adopts Cryptography Guidelines. After a year of intensive talks and negotiations, the OECD has adopted "Guidelines for Cryptography Policy." These guidelines are non-binding, but they establish basic principles that the OECD believes should be incorporated into national cryptography policies. The guidelines recognize the role of market forces in developing standards, the need for clearly defined liability rules, and a user's right to choose any cryptographic method. Another important feature in the guidelines is the recognition of the principle of lawful access. This principle strikes an important balance between a data user's right to privacy and the needs of law enforcement. The Guidelines state that cryptographic key management systems may help achieve this important balance. Because of the international nature of communication networks and the resulting difficulty in defining jurisdictional boundaries, international cooperation in cryptography policy is important if the policy is to be effective. Although the guidelines are a step forward, discussions are continuing on a U.S. proposal for an international key management infrastructure.

Report Finds Wide Investment Gulf between "Haves" and "Have Nots." A recent World Bank report finds that while private capital flows to developing countries reached record levels last year, many poor countries have been largely unsuccessful in attracting foreign capital. According to the report, this lack of success on the part of some countries reflects a failure to pursue sound macroeconomic policies, investment in financial infrastructure, and privatization. However, some low-income countries, particularly in Africa, have been overlooked by investors even when they have pursued good policies.

RELEASES THIS WEEK

Gross Domestic Product

****Embargoed until 8:30 a.m., Friday, March 28, 1997****

According to revised estimates, real gross domestic product grew at an annual rate of 3.8 percent in the fourth quarter of 1996.

Advance Durable Orders

Advance estimates show that new orders for durable goods rose 1.5 percent in February following an increase of 4.1 percent in January.

Consumer Confidence

Consumer confidence, as measured by the Conference Board, edged down 0.4 index point in March, to 118.5 (1985=100).

MAJOR RELEASES NEXT WEEK

NAPM Report on Business (Tuesday)
Leading Indicators (Tuesday)
Employment (Friday)

U.S. ECONOMIC STATISTICS

	1970–1993	1996	1996:2	1996:3	1996:4
Percent growth (annual rate)					
Real GDP (chain-type)	2.7	**3.1**	4.7	2.1	**3.8**
GDP chain-type price index	5.3	2.1	2.2	2.0	**1.9**
Nonfarm business (NFB) sector:					
Productivity (chain-type)	1.5	0.9	0.6	0.0	1.1
Real compensation per hour:					
Using CPI	0.6	0.4	0.5	0.7	0.2
Using NFB deflator	1.3	2.2	2.0	2.0	2.7
Shares of Nominal GDP (percent)					
Business fixed investment	10.9	10.4	10.3	10.6	**10.6**
Residential investment	4.5	4.1	4.2	4.1	4.1
Exports	8.2	11.3	11.3	11.1	11.5
Imports	9.2	12.6	12.6	12.7	**12.6**
Personal saving	5.1	3.6	3.2	3.9	3.8
Federal surplus	-2.7	N.A.	–1.7	–1.6	N.A.

	1970–1993	1996	Dec. 1996	Jan. 1997	Feb. 1997
Unemployment Rate	6.7**	5.4**	5.3	5.4	5.3
Payroll employment (thousands)					
increase per month			231	247	339
increase since Jan. 1993					11785
Inflation (percent per period)					
CPI	5.8	3.3	0.3	0.1	0.3
PPI-Finished goods	5.0	2.8	0.6	–0.3	–0.4

**Figures beginning 1994 are not comparable with earlier data.

New or revised data in **boldface**.
GDP and related data **embargoed until 8:30 a.m., Friday, March 28, 1997**.

FINANCIAL STATISTICS

	1995	1996	Jan. 1997	Feb. 1997	March 27, 1997
Dow-Jones Industrial Average	4494	5743	6707	6917	6741
Interest Rates					
3-month T-bill	5.49	5.01	5.03	5.01	5.23
10-year T-bond	6.57	6.44	6.58	6.42	6.90
Mortgage rate, 30-year fixed	7.95	7.80	7.82	7.65	7.97
Prime rate	8.83	8.27	8.25	8.25	8.50

INTERNATIONAL STATISTICS

Exchange Rates	**Current level March 27, 1997**	**Percent Change from**	
		Week ago	**Year ago**
Deutschemark-Dollar	1.675	−0.8	12.7
Yen-Dollar	123.7	0.0	16.0
Multilateral $ (Mar. 1973=100)	94.88	−0.8	9.1

International Comparisons	**Real GDP growth (last 4 quarters)**	**Unemployment rate**	**CPI inflation (last 12 months)**
United States	**3.1** (Q4)	5.3 (Feb)	3.0 (Feb)
Canada	2.3 (Q4)	9.7 (Jan)	2.1 (Jan)
Japan	3.1 (Q4)	3.3 (Jan)	0.6 (Jan)
France	2.1 (Q4)	12.8 (Dec)	1.7 (Jan)
Germany	2.2 (Q4)	7.6 (Dec)	1.8 (Jan)
Italy	0.7 (Q3)	11.9 (Jul)	2.6 (Jan)
United Kingdom	2.7 (Q4)	7.5 (Jan)	2.8 (Jan)

U.S. GDP data **embargoed until 8:30 a.m., Friday, March 28, 1997.**

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Divider Title: **D**

215877

5-1-97

'97 APR 24 AM11:11

April 24, 1997

MEMORANDUM TO	THE PRESIDENT SYLVIA MATHEWS
FROM	RAHM EMANUEL
SUBJECT	RACE RELATIONS

Attached is a memo from S.M. Miller on how to frame the issue of race relations that I think you will find interesting.

The Commonwealth Institute
186 Hampshire Street, Cambridge, MA 02139-1307. (617) 547-4474

April 15, 1997

Mr. Rahm Emanuel
The White House
1600 Pennsylvania Ave., NW
Washington, DC 20500

Dear Mr. Emanuel,

In President Clinton's quest for a productive way of framing race relations, he might draw on the theme of <u>respect</u>.

I enclose a brief note on respect that draws on other writings of mine. The issue of respect extends to issues of gender and class as well and could cast race relations as a broader question of the quality of American life.

Sincerely,

Mike

S.M. Miller
Senior Fellow

Research Professor of Sociology
Boston College

Encl.

PRRAC

Poverty & Race

POVERTY & RACE RESEARCH ACTION COUNCIL

January/February 1996 *Volume 5: Number 1*

RESPECT!

by S.M. Miller and Karen Marie Ferroggiaro

The ultimate test of a society is not only how well its citizens live but how they feel about themselves and others. The basic (though not exclusive) standard of a society is that people feel good about themselves, that they are respected, respect others and have self-respect. Respect and self-respect shape what happens to people, politically and economically as well as socially.

Respect and self-respect are now burning questions of inequality, policy and politics. They share the public spotlight with the distribution of income and wealth as our society's central stratification worries.

At a time of widespread unemployment, declining real wages, welfare state tightening and profound fears about the economic future, it may appear strange to point to these terms of social appraisal and personal feelings as the cutting edge of policy and understanding inequality. But economic difficulties have fed rather than undermined the significance of respect. Emphasizing respect and self-respect as questions of inequality does not downgrade the importance of poverty and economic inequalities or concerns with the level and distribution of income and wealth, for the adverse consequences of these pressing issues are most manifest among those who are disrespected. Low respect leads to low income, as

(Please turn to page 2)

A few weeks ago we received an end-of-the-year contribution of $1,000 from an old friend of progressive causes. An accompanying note said: "I am somewhat confused by your notice on page 14 [of the November/December *P&R*] asking for contributions. . . . We had the impression that you had sufficient funding from somewhere. . . . "

It's perhaps understandable that we give that impression, since we ourselves give out small grants for social science research that supports advocacy work and distribute *P&R* without charge.

But the reality is quite different. We have a staff of four persons and are stretched pretty thin financially. One of our two major funders, after four years of support, has decided to turn its attention elsewhere. Unless we can come up with some significant additional funds, we will have to cut back on our activities in 1996.

The most promising source of additional funds is you folks who read *Poverty & Race* and from all the comments we get, we know you value it. Less than 10% of you have responded to our several pleas for voluntary contributions ("subscriptions"). If even half the readers sent in an average of $25, we'd have 1/3 of our budget covered. If you all did, and even made some larger contributions (a bunch of $50, $100 and larger contributions have come in, we're delighted to say), we'd be able to fund and commission many more research projects and the effective advocacy work that follows.

PLEASE USE THE CONTRIBUTION FORM ON PAGE 22 AND BE AS GENEROUS AS POSSIBLE. CONTRIBUTIONS ARE TAX DEDUCTIBLE. THANK YOU.

Chester Hartman
Executive Director

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evidenced in many employers' reluctance to hire African-Americans, and low incomes reinforce the lack of respect for particular groups, for then they can be, and often are, characterized as reluctant to work. Today, respect and self-respect are central components of an enlarged concept of citizenship. Furthermore, as we continuously re-learn, economics is not all if we seek to redress the manifold injustices of society. Today, therefore, respect and self-respect are central components of an enlarged understanding of inequality in society.

Respect is not a minor question of politeness and niceties. While individuals may be told that they are "different" from the appraisals of their identity group or class, that does not change how the group is perceived and treated. Nor is it restricted to the personal irritations that afflict those who are disrespected because of their identity group or class standing. As a component of social capitals—the nonmonetary assets of cultural background, network connections, trust and know-how—it influences these economic and political assets. Respect affects how we are treated, what help from others is likely, what economic arrangements others are willing to engage in with us, when reciprocity can be expected.

The desire for respect, then, is not a silly, empty game for prestige or status.

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It opens doors, invites communication, wins cooperation, breeds money and power. It is part of the competitive game, providing access, information and responsiveness. In short, *respect is a resource.*

Disrespect has many benefits for those who seize for themselves the right to be judges: it gives them a feeling of superiority; it enhances their chances of capturing rewards in economic and political markets. Those who can authoritatively give or withhold respect have economic, political and social power. As economic gaps widen, disrespect and revulsion toward the losers grow.

Respect and self-respect are central components of an enlarged concept of citizenship.

A sense of shame inhibits individual or group action. The consequence is to strengthen the position of those who already have power. Inflicting shame is a weapon. That is one of the reasons identity groups that are testing the economic, political and/or social limits on them develop a history that corrects distorted or neglectful mainstream accounts and gives members of the group a more positive view of itself.

Public/Collective Respect

At issue here is not individual respect, but what might be called public or collective respect the respect that is generally allocated to a group as a whole, whether on the basis of social identity or economic position.

The problem of public respect is not new; struggles about it have been occurring for a long time. What is new is understanding respect and disrespect as issues producing and maintaining inequalities and social stratification. Public respect and group self-respect affect not only the command over economic and political resources of marginalized groups, but the character of their daily lives as well. That is why the objective of greater economic and social equality has to be joined to the promotion of respect and self-respect. It is not better incomes and a better distribution versus lessened disrespect, but the pursuit of both that is important.

While we often talk about rights, respect is less often the explicit topic of discussions about social justice. Rights are important. But it is also important to realize that rights and respect go hand in hand. Legally sanctioned and enforced rights are basic, but respect plays a crucial role in the development and implementation of rights. Whether and how rights are enforced (e.g., the behavior of the police) is affected by the respect accorded to a given group. Respect and rights are reciprocal: the emergence of rights contributes to or enforces respect; respect encourages the development and implementation of rights.

The United States is undergoing a not-so-silent revolution about respect. Many groups—such as women, gays and lesbians, African Americans and Latinos—demand it. The growing significance of public respect and identity group self-respect is evident in the heightened public and personal sensitivity about harassment, racism, sexism, ageism, homophobia and multiculturalism. The situation discomforts the many who do not understand ("why are they making such a fuss?") or oppose ("they're going too far") the new demands for respect. The quest for respect is often met by irritation and counteraction.

Collective respect is unevenly distributed: Asians, Latinos, and African-Americans know that in general whites gain an automatic measure of respect because of the color of their skin; women are regularly accorded less respect than men; a construction worker applying to a bank for a housing loan is treated with less respect than a doctor or lawyer. Disrespected segments encounter distorting opportunities and obstacles. Their life-chances are shaped by degrees and types of disrespect. It has deep effects on their daily life as well as on long-term prospects.

Survey Research Data

Survey data by the University of Chicago's National Opinion Research Center (NORC) confirm that white evaluations of blacks and Latinos are strongly negative, especially when compared with white self-ratings. Almost one-third of whites surveyed thought blacks and Latinos were unintelligent, while only one-fifth thought they were intelligent. (The rest rated them in a middle category.) By contrast, nearly three-fifths of whites rated their own racial group as intelligent, and only 6% rated them as unintelligent. On another question inquiring whether various identity groups were hard-working or lazy, whites again had a high opinion of their own work habits (57% hard-working, only 5% lazy), while denigrating Latinos and blacks: for Latinos, whites' ratings were 26% hard-working, 37% lazy; for blacks, whites' ratings were 18% hard-working, 47% lazy. While the NORC survey does not convey a completely negative assessment by whites, it does confirm the widespread feeling among African Americans and Latinos that the white community does not think of them with respect, and that this judgement carries over into behavior.

Class Disrespect

Disrespect has a class bias. As economic gaps widen, disrespect and revulsion toward the losers grow. In the contemporary United States, attitudes about poverty, especially that of African-Americans, often condemn the sufferers rather than criticize the conditions that produce low incomes and marginalization. The pejorative term "underclass" indicts the inner-city poor, largely but not exclusively defined as African-Americans, who are considered the authors of their poverty because of their presumed cultural practices.

Those whom we would exploit or dominate we first disrespect and then attribute the subordination to the presumed disreputable condition or attributes of the dominated. Viewing a group as a deficient in some human qualities or desirable social practice makes it easier to mistreat them. Slavery seemed acceptable when those enslaved were not regarded as fully human. Holocausts do not appear reprehensible when the victims are seen as threatening or lacking the positive qualities that the perpetrators believe they themselves possess. This is the social construction of the "other." Guilt is banished.

Constructing the "other" in a negative fashion simplifies the ability to oppress. It eases one's conscience to believe that exploited workers are dumb, depraved and undeserving of respect. Those who are deemed "different" or "less worthy," be it because they are believed incompetent, improvident, work-shy or engaged in disapproved cultural styles, are regarded as undeserving and available for social and economic denigration.

Respect Is a resource.

The Golden Rule is reversed: treat "the others" as you would *not* have your group treated. Those who treat others with disrespect are according themselves the right to think and act as superior. Such outlooks and behaviors distort the self-assigned superiors as well as damage those who are disrespected.

Negative feelings about the "others" develop or intensify during difficult, strained times. For example, economic difficulties have fueled the fear of immigrants. Concern about "those Mexicans" has resulted not only in barriers to immigration but in physical and political attacks in many countries, including the United States.

Forms of Disrespect

Societal pressures and strains promote scapegoating and disrespect. One group can be played off against another, as in the long-time setting of poor whites against poor blacks in the U.S. South. Right-wing hate groups such as the Aryan Nation and the KKK are current threats. Calls for "English only" and anti-immigration policies such as California's Proposition 187 reflect fears about demographic and social changes occurring in the United States.

Disrespect takes many forms: discrimination, physical action, prejudice, mocking, segregation, marginalizing, automatic relegation to subordinate positions, harassing, demonizing, stereotyping, over-generalizing and much more. Both stereotypes and institutional practices are essential processes of disrespect. Culturally, disrespect is produced by the media, in our schools and in our everyday practice, such as language. Economically, disrespect is produced in institutional practices such as housing and school segregation and employment discrimination.

All too frequently, schools are prominent agencies for disrespect. They have labeled some classes and identity groups as having low educability and made them feel that they are stupid in one way or another. They have, for example, convinced girls that they were not good in science and mathematics, though with increased awareness this disabling is now less frequent. African-American students, especially those who come from one-parent families, are sometimes characterized as having "educational deficits" when they enter school and therefore unable to learn. Many African-American school and college students have teachers and peers who display open disdain for their competence and potential. For some, schools educate; "the educational others" often are made to feel and act dumb. Disrespect and low self-respect feed each other.

Yet schools contribute to the perpetuation of disrespect in other ways as well. Many examinations, especially the SAT, which is required for college entrance, are cited for racial bias against

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PRRAC Has E-mail!!

Yes, PRRAC has finally caught up with the late 90s and has an E-mail address: prrac@aol.com.

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non-whites. Further, elementary school books portray a United States which is homogeneous, which has only one history, and disrespected groups are often portrayed stereotypically and or negatively, or omitted altogether.

Perhaps nowhere do we learn more about who we are and how we view ourselves than in the mass media. Television, by providing us with a mediated version of reality, has the potential to influence us into believing in that reality and modifying our attitudes and behavior accordingly. A wealth of research conducted over more than three decades demonstrates that indeed television has become an important aspect of our social life, capable of influencing our attitudes, values and behavior. When media portrayals of disrespected groups reinforce negative stereotypes, disrespect is perpetuated and ingrained.

Television news is no less complicit. Media accounts mainly report on African-Americans when welfare, crime or violence are involved. Latinos gain attention mainly when illegal immigration is the focus. The activities of those who are not poor or who are attempting to improve communities get much less attention (unless they are celebrities). The public's false impression is that most African-Americans are poor and on welfare and that underclass conditions are their usual way-of-life. Hollywood has contributed to the stereotyping of African-Americans, especially the young, as mainly poor, hostile and violent.

The Consequences

Disrespect and fear join to create a disturbing situation for young black males. They are bitter about the disrespect shown by those white people and police who assume their presence means crime or violence will occur. For example, in a February 1993 Gallup Poll, 80% of blacks surveyed said that the police treat suspects from low-income neighborhoods differently. Furthermore, when asked whether they felt the U.S. justice system is biased against black people, 68% of blacks responded yes, compared to 33% among white respondents. Consequently, getting "respect" becomes an important goal. That concern may lead to a tough demeanor, which in turn may cause some whites and police to feel more threatened and respond with more disrespect and force. Thus, a vicious circle is created where the disrespected demand respect and are in turn disrespected even more.

The respect accorded to particular identity groups significantly affects their participation in the economy and the way that politics responds to their needs and interests. Respect determines, to a major extent, economic interactions and national attention and help. Two examples: the loss of tax revenues through the deductibility of mortgage interest and property tax payments is much greater than government spending on housing subsidies for low-income families, but the latter expenditure is frequently battered in Congress, while merely placing a cap on the deductibility of very high mortgage interest payments is difficult to pass; and crimes such as rape and murder in African-American neighborhoods receive much less police attention than rape and murder in white areas.

Rights and respect go hand in hand.

Respect is part of the competitive game. Well-respected identity groups have an easier time than those low in respect in gaining information, access and responsiveness. In short, respect pays off. When a figure like Richard Whitney, the head of both the New York Stock Exchange and a prominent brokerage firm, was jailed for misappropriating customers' funds, the event was treated as an aberration, not as an indictment of his identity group. That is not the fate for the member of a less respected identity group accused of criminal activity. Then, the response is more likely to be: "What can you expect from those people."

Respect has political payoffs which may also contribute to economic gain. Useful networks and connections are constructed by and for respected identity groups. Their members are in positions to help one another and do so --although they may think of the reciprocity as simply the way business is done: you do business with people you know. They have access to political leaders and the media, are consulted on issues important to them, are treated seriously, and are often considered disinterested voices for "the national interest." By contrast, those identity groups marked by low respect are derided as "self-seeking" or "special interests." They are often unflatteringly described as "strident," "unruly" or "loud," making it easy to discount their views.

At the policy level, contrast the way that farmers, students and AFDC recipients are treated. Farmers receive enormous subsidies that maintain high prices, which burdens us all. They are not described as "on welfare" or attacked as "chiselers," suffering from "the culture of dependency." Reduced tuition fees and below-market-rate loans for some less advantaged college students are not criticized as encouraging irresponsibility or regarded as a welfare handout. Former college students who do not repay their loans are often treated lightly. Welfare recipients, however, are not accorded similar latitude.

A Vicious Cycle

The result is a vicious cycle: members of disrespected groups and classes stand a substantial chance of needing public assistance because of the obstacles they encounter in trying to achieve a decent outcome; a negative view of welfare recipients reinforces the lack of respect for them, which results in low benefits; inadequate income leads to a difficult existence that reinforces not only low collective respect, but often low self-respect as well.

Where we live is largely determined by how much money we have. Those who are relegated to low-status, low-paying jobs usually live in low-income

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(RESPECT!: Continued from page 4)

neighborhoods or ghettos that are neglected by the municipality, dirty and unsafe. Thus, disrespect has consequences of immediate personal safety as well. This can be seen in the fact that there has been a rise in TB cases among low-income persons, as well as high infant mortality rate among disrespected groups.

Thus, what is needed is not limited to quantitative and qualitative economic improvements. Changes in the social fabric, in people's daily experiences and in their relationships are imperative. If powerlessness, disconnection, disrespect and hierarchy at home, at work and in the community are obstacles to a healthy functioning society, then genuine participation and the promotion of respect and collective respect would contribute to a healthy society.

Cartoon by Matt Wuerker. Used with permission.

Solidarity

Solidarity, a word much more widely used in Europe than here, is a broader term than community. Solidarity implies mutual concern and responsibility on the part of people who may be socially or geographically distant. More specifically, solidarity—at least in European discourse—signifies concern among those who are doing well for those who are faring poorly. For example, the Swedish solidarity wage policy followed by unions, with membership and government support, improved the wages of low-level workers more than those of higher-paid employees, thus reducing the income gap. The animating spirit was that of "one nation."

The keys to building a sense of solidarity, then, are the narrowing of social distance and the involvement of diverse people in common pursuits. Widening the scope of local decision-making is likely to encourage more people to participate in community affairs. Federal- and state-funded programs could require broader-based local participation and self-determination. Community service programs to which individuals could voluntarily contribute for the good of the locality or nation could make a difference. Simply put, inducements to community solidarity can call forth latent desires for mutual aid.

Ending discrimination and disrespect is central, but how to design policies to accomplish this is a difficult task. How can public policy bolster group respect and self-respect, while reducing disrespect? There is a need for programs that go beyond promoting individual self-esteem to influencing how social identity groups are viewed and treated.

Solidarity, a word much more widely used in Europe than here, is a broader term than community.

Lessening economic inequalities is crucial, but their decline does not assure that disrespected identity and class groups will automatically experience less disturbing daily experiences. Contrary to the childhood taunt that only sticks and stones hurt, words and deeds do damage, resulting in anger or repression and in blocked access to important economic, social and political resources. Dollars count, but so do group respect and collective self-respect.

S.M. Miller, a PRRAC Board Member, is Director of the Joint Project on Equality at the Commonwealth Institute (186 Hampshire St., Cambridge, MA 02139, 617/547-4474). He is also research professor of sociology at Boston College; a board member of Share the Wealth; and Member of the Society and Health Program, New England Medical Center, Harvard School of Public Health. Karen Marie Ferroggiaro is a graduate student at Boston College and research associate at the Joint Project on Equality. □

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Thomas E. Lovejoy

Lesson From a Small Country

Potus—
In case you missed
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Little Costa Rica is leading the way on some big environmental issues.

Plainly it's a good thing when a developing nation embarks on raising its living standard. But the development often comes at a price. There may be some short-term benefits to be gained from depleting natural resources, but in the longer term it can leave the country worse off than before. Meanwhile, serious environmental damage may have occurred—with effects not only on the country where it was done but on a global scale—as in the case of deforestation and accompanying increases in "greenhouse" gases.

This is essentially a worldwide problem—sometimes seen even in the poorer areas of developed nations—and a complex one. But it is not a problem without solutions. One place where truly exciting progress has been made is in the small, progressive Central American country of Costa Rica.

Costa Rica has had an enviable history of democratic government ever since the legendary Don Pepe Figueres abolished the army shortly after taking office in 1948. It has a history of environmental concern and leadership, yet has had, and continues to have, its own share of environmental problems including a high deforestation rate. Since 1994, however, under the leadership of Don Pepe's son, Jose Maria Figueres, Costa Rica has launched an unparalleled effort to move toward sustainable development.

One area of major innovation is in energy consumption, the production of greenhouse gases and the problem of climate change. Costa Rica is attempting to phase out fossil fuels for power generation by 2010. This is easier there than it might be in other countries, because Costa Rica has an abundance of other means of producing power: good hydroelectric sites, wind sources and the geothermal potential that goes with living atop a string of volcanoes.

The country has already reduced power demand through an aggressive campaign that depended in part on the classic approach of raising the price, through a 15 percent national fuel tax. (Contrast that with the reluctance of the U.S. Congress even to contemplate a more modest BTU tax not many years ago.) Some of the revenues are being recycled into reforestation, thus preserving or restoring the resource base while avoiding or reducing carbon emissions as only forests can.

The carbon tax is linked to a 1996 forest law that pioneers the concept of "payment" for environmental benefits such as watershed protection and absorption of greenhouse gases. Of the water for hydroelectric generation, 87 percent comes from protected forests, and it would cost $104 million to replace it with fossil fuel generation. Thus the savings of environmental protection offset its costs.

Costa Rica's latest—and perhaps most exciting—endeavor is to set itself up as a kind of world carbon bank, which works as follows: An entity in another nation, say, a private power company (or maybe a public agency operating power plants) is required by law or pressed by international convention to cut its carbon emissions or at least keep them from increasing. If it is inconvenient or costly for the power company to do so in its own country, it may "purchase" reductions in some other country.

The power company (or public agency) might do this by building a non-emitting plant in Costa Rica, as the United States' Northeast Utilities has done with a 20-megawatt wind farm there. Or it might buy the equivalent of a conservation easement on a tract of Costa Rican forest, so that rather than being converted to pastureland or some other non-forested state, the land is maintained in its natural state as a capturer ("sequesterer") of carbon. Or it might simply pay for reforestation.

This system, known as "joint implementation" creates a "market in virtue" and, in theory at least, brings about pollution reductions at the lowest possible cost. Once the law requires countries and companies to reduce or limit emissions, they look around for ways to minimize costs, and this is where Costa Rica comes into the picture by offering itself as a means of achieving the pollution cuts.

Recently it has created a financial instrument that allows one to invest in pollution reduction through a type of bond that will eventually be tradable on commodity markets. For now, it provides funds to small landholders for reforestation or forest protection. This approach also permits generation of multiple income streams from the same tract of forest by activities that don't affect carbon storage such as ecotourism or extraction of minor forest products. The combined revenues constitute a powerful alternative to deforestation.

In the other area of innovation, Costa Rica's "alliance with nature" has already produced nature-oriented tourism on the scale of $700 million a year and more than 100 private conservation areas, including a rain forest canopy tram and several butterfly farms. The most sophisticated aspect, however is the National Institute for Biodiversity (INBio). Founded and led by Rodrigo Gamez, INBio is a hub of activity engaged in systematic inventory of the flora and fauna in the 24 percent of the nation designated for permanent protection. This is all fed into an enormous databank and used by such pharmaceutical firms as Merck & Co. in the search for new medicines.

The generation of wealth from molecules in nature, thanks to organized data and the ability to return to the same individual tree that previously yielded a promising compound, already makes Costa Rica a country of choice at the dawn of the age of biotechnology.

This is not to say that all these initiatives have been without their problems or their critics. The carbon tax in particular has been unpopular, although polls indicate Costa Ricans are willing to pay more for water if guaranteed quality and quantity for their children and grandchildren. Figueres has, nevertheless, paid a price in abysmal popularity ratings for pursuing his visionary initiatives. He perseveres, however, convinced he should do the right thing for his country's economic growth and quality of life, and confident that this will in time be recognized.

The big issue is whether there will be continuity after the end of his constitutionally mandated single term in May 1998. It is unlikely that foreign supporters will walk away, because, as U.S. Interior Secretary Bruce Babbitt observes, "The world needs a Costa Rica to show the way."

Critics often say Costa Rica is a special case, an anomaly among Third World nations. It probably is—and so is its brilliant, energetic and impulsive young president. But the entire world would do well to pay attention to the exciting experiments going on there, and take what it can from them.

The writer is counselor for biodiversity and environmental affairs to the secretary of the Smithsonian Institution.

WASH. POST, 4/22/97

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THE WHITE HOUSE

WASHINGTON

(R)

April 22, 1997

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MEMORANDUM TO THE PRESIDENT

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FROM RAHM EMANUEL

SUBJECT ELIZABETH DREW'S BOOK

I have attached an analysis on Elizabeth Drew's book "Whatever It Takes", and an AP story that came out on April 21 that I think you will find interesting.

ELIZABETH DREW'S "WHATEVER IT TAKES"

New Book Paints Picture Of Coordination Between NRCC & Outside Groups

NRCC Chairman Paxon Said The Christian Coalition & NRA Were GOP's "Most Important Allies." In Drew's book, NRCC Chairman, Congressman Bill Paxon (R-NY) said, "The NRA and the Christian Coalition are our two most important allies, bar none." ["Whatever It Takes", p. 41]

NRCC Shared Information With NRA's Tanya Metaksa. Drew writes of the NRA's Tanya Metaksa, "Metaksa or her colleagues also kept in close touch with Bill Paxon or Maria Cino, of the National Republican Congressional Committee. Smiling, fully aware of the import of what she was transmitting, Metaksa said to me, 'People in the political process want you to support certain candidates. They're willing to share polling and other information.'" ["Whatever It Takes", p. 40]

NRA's Metaksa Said NRA "Worked Very Closely" With NRCC & NRSC In 1994. The NRA's Tanya Metaksa said "We worked very closely" with the Republican Senatorial and House Committees in 1994. Metaksa said that the NRCC's executive director Maria Cino, "will talk to anyone who will listen about her top priority campaigns." Cino was in close contact with the campaigns. This allowed the NRA to make "independent expenditure" ad campaigns without actually coordinating with the campaigns. ["Whatever It Takes", p. 42]

Christian Coalition's Reed Said His Organization Cooperated With NRA, NFIB. In her book, Elizabeth Drew writes, 'Ralph Reed acknowledged that cooperation goes on between his groups and its allies -- but said most of it takes place at a lower level. 'There is no formal, structured cooperation... The big question is, Are the NRA, the NFIB, and the Christian Coalition in the same districts? If they are, there's a synergy there that's very powerful.'" ["Whatever It Takes", p. 28]

NRCC's Paxon & Cino Often Discussed House Races With NFIB's Nuttle. In her book, Drew writes that Marc Nuttle of the NFIB "said that he and other NFIB officials talk to Bill Paxon and Maria Cino, the executive director of the National Republican Congressional Campaign Committee about the status of House races, 'but quite frankly, we know as much about it as they do.'" ["Whatever It Takes", p. 34]

Beer Wholesalers Rehr Had "Regular Contact" With NRCC's Paxon, NRA, Christian Coalition. Drew writes that David Rehr, the president for public affairs of the National Beer Wholesalers Association, "kept in regular contact with Bill Paxon and his staff, in particular the NRCC's very smart executive director, Maria Cino." Rehr also kept in close touch with representatives of the NRA and Christian Coalition. Rehr said, "The Federal Election Commission says you can't coordinate, but everybody talks to each other. We make a practice of not talking specific amounts with each other. We talk about who's targeted, how somebody's doing, but not in terms of 'Why don't you throw in three thousand and we'll throw in five thousand.'" ["Whatever It Takes", p. 18]

Norquist Held October 1996 Emergency Election Meeting With NRA, Christian Coalition, NRCC. During 1996, Grover Norquist, the leader of Americans for Tax Reform -- a supposedly non-partisan 501(c)4 organization -- held Wednesday morning meetings of conservative activists. These meetings were sometimes attended by GOP candidates. After one of Norquist's meetings in early October, there was an "emergency meeting" to "assess" the Congressional races. The meeting was attended by Norquist, Heidi Stirrup of the Christian Coalition, Joe Phillips of the NRA, an NRCC representative, and a few other activists. ["Whatever It Takes", p. 184]

Norquist Held One Of His Weekly Meetings In The Capitol Building. Gingrich Addressed Meeting. On Wednesday September 18, 1996, Grover Norquist held his weekly meeting in a room in the basement of the Capitol -- on federal property. Gingrich addressed this meeting of conservative activists. ["Whatever It Takes", p. 168]

Norquist Attended Gingrich's Strategy Meetings On The House Of Representatives.
Grover Norquist attended a meeting in October 1996 in Gingrich's office in which the state of the House campaigns was reviewed and it was decided that the GOP would soon break free of Dole in favor of keeping the House. ["Whatever It Takes", p. 182-183]

From TJ

------------------------------------ TOP ------------------------------------

Date: 04/21/97 Time: 16:42

CSenate Democrat wants probe of big GOP contributor

WASHINGTON (AP) The Senate's investigation into campaign finance abuse should look into Republican assistance to a Japanese-American businessman who contributed $500,000 to the party, a key Democrat said Monday.

Sen. Carl Levin, D-Mich., said Michael Kojima should be a focus of the investigation because a Republican campaign official in 1992 wrote Japan's prime minister on his behalf after he pledged $500,000 to the party.

The donation embarrassed Republicans when it was learned Kojima had large unpaid debts and failed to make child-support payments.

Kojima, president of a Los Angeles company, got a seat near then-President Bush at a Republican dinner for his large contribution.

Levin handed out a March 9, 1992, letter from a Republican Party official to then-Japanese Prime Minister Kiichi Miyazawa on Kojima's behalf. The letter's author, Lisa DeGrandi, was head of the Presidential Roundtable a GOP senatorial campaign group for major party contributors.

Several weeks earlier, Kojima received a thank you letter from former Sen. Howard Baker, who was chairman of the dinner. He thanked the businessman ``for agreeing to serve as a co-chairman by pledging $300,000 to The 1992 President's Dinner." Dinner officials later said the contribution was $500,000.

The Senate has approved an investigation into political fund-raising problems in both parties, and Levin is trying to ensure that the bipartisan scope turns into reality when hearings begin.

``We need a bipartisan investigation and a bipartisan remedy" to campaign finance abuse, said Levin, a member of Sen. Fred Thompson's Governmental Affairs Committee. Levin discussed the investigation with a group of reporters, even questioning whether the donated money could have originated with a loan from the Lippobank.

The bank is part of an Indonesian conglomerate controlled by the Riady family that is a focus of investigations into White House fund-raising.

DeGrandi wrote the Japanese prime minister on March 9, 1992, to thank him for meeting with Kojima while he was in Japan. She said his firm ``does significant business throughout the international arena" and described him as ``one of our executive members of the Presidential Roundtable, a business advisory group that advises members of the U.S. Senate, President Bush and the administration on business issues."

The letter also mentioned that Kojima ``met with President Bush at the White House" and would soon meet with Chinese leader Deng Xiaoping.

Levin asked, ``Were appointments made for Kojima in Japan by the U.S. embassy?"

Levin said the committee has been unable to locate Kojima. Attempts to find a telephone listing were unsuccessful.

The Associated Press reported from Tokyo in May 1992 that Kojima used his GOP connections to receive unusual assistance for a business consortium from U.S. diplomats.

Government officials and businessmen in Tokyo in 1992 said Kojima had carried with him a photo of himself with Bush at the White House and a sheaf of testimonial letters from Republican politicians.

The Republican Party placed Kojima's $500,000 contribution in escrow following a report by the AP that Kojima was indebted for hundreds of thousands of dollars in child support and unpaid loans. In fact, after his donation, he was arrested for failing to make child-support payments.

The money became the subject of litigation, with creditors seeking the funds from the dinner committee.

The case was settled out of court, with Republican campaign organizations keeping $215,000. The remainder went to three creditors a former wife of Kojima, a limited partnership and Lippobank, which had a two-year judgment against him for nearly $600,000. A bank attorney had stated the loan and the contribution were several years apart and not related.

Levin said a committee subpoena asked Republican Party officials to turn over any information on Lippo and Kojima to determine whether the bank's loan was related to the contribution.

APNP-04-21-97 1654EDT

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THE WHITE HOUSE

WASHINGTON

April 23, 1997

'97 APR 23 PM3:34

MEMORANDUM FOR THE PRESIDENT

FROM: **SUSAN BROPHY** SM

SUBJECT: **CONGRESSIONAL CORRESPONDENCE**

Attached is a note from Rep. Sherwood Boehlert (R-NY) that I thought you would like to see.

Original not returned

File copy sent to ~~Dorskind~~ Walker for reply

HOUSE OF REPRESENTATIVES
WASHINGTON, D. C. 20515

SHERWOOD L. BOEHLERT
23RD DISTRICT, NEW YORK

April 17, '97

APR 23 AM 11:40

Dear Mr. President,

Marianne and I are concerned that during your period of recovery you are not getting the chance to participate adequately in meaningful recreational activity, so —

-- we're challenging you and Hillary to some cut throat "Hearts competition."

We find we're able to forget all the problems of the world and put aside our occasional disagreements with each other when we can nail someone with the Queen of spades or stop a moon on the last trick.

Marianne is an occasional

Washington visitor, but she would hurry down if she were inspired by the prospect of proving that Republicans do have a heart, sometimes all of them.

Unfortunately, you two have too little time to do what you want to do as opposed to what you have to do.

If ever there are a couple of unencumbered hours when you are looking for a challenge -- at the card table -- give us a call.

Best,

Barry Bickert

215707

INTER-AMERICAN DEVELOPMENT BANK

WASHINGTON '97 APR 23 PM 1:58

EXECUTIVE DIRECTOR

April 19, 1997

Dear Mr. President

You were terrific today with my parents on their 67th anniversary. They were ecstatic and said it was the high point of their long lives.

Many many thanks

Ron

INTER-AMERICAN DEVELOPMENT BANK
WASHINGTON, D.C. 20577

President Bill Clinton

To: Staff
Secretary's
Office

From: Ron
Scheman