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WITHDRAWAL SHEET

Ronald Reagan Library Baker, James A-TII¹ Collection: HODSOLL, FRANCIS (FRANK) S.M.: FILES

File Folder: CEQ [II] [4] Box 1

OA 9108

DOCUMENT SUBJECT/TITLE DATE RESTRICTION NO. AND TYPE 1. memo W. Ernst Minor to Edwin Meese and Frank Hodsoll n.d. P5 1/13 11/20/00 re: CEQ Activities Under Revised Budget (p.2, whole), 1p.

RESTRICTION CODES

- Presidential Records Act [44 U.S.C. 2204[a)] P-1 National security classified information [(a)(1) of the PRA]. P-2 Relating to appointment to Federal office [(a)(2) of the PRA]. P-3 Release would violate a Federal statute [(a)(3) of the PRA]. P-4 Release would disclose trade secrets or confidential commercial or financial information (a)(4) of the PRA). Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]. P-5
- P-8 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA].
- C. Closed in accordance with restrictions contained in donor's deed of gift.

- Freedom of Information Act [5 U.S.C. 552(b)] F-1 National security classified information [(b)(1) of the FOIA]. F-2 Release could disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA].

Archivist: kdb/bcb

F99-016

Date 7/9/99

- F-3 Release would violate a Federal statue [(b)(3) of the FOIA].
- F-4 Release would disclose trade secrets or confidential commercial or financial information [(b)(4) of the FOIA]. F-8 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the
- FOIA]. F-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of
- the FOIA].
- F-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]. F-9
- Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA].

WITHDRAWAL SHEET **Ronald Reagan Library**

Collection: HODSOLL, FRANCIS (FRANK) S.M.: FILES

Archivist: kdb/bcb F99-016 Date 7/9/99

File Folder: CEQ [II] [4]

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THE WHITE HOUSE WASHINGTON

Al Hill

Monday, March 16

9:15	Frank Hodsoll w/Ernie Minor	West Wing					
9:30	Malcolm Baldwin						
10:00	Fred Khedouri	#260 OEOB					
10:30	Danny Boggs	#234 OEBO					
3:00	Jackie Schaefe CEG - Chairm	ens ofe					
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Tuesday, March 17

1:00 Secretary Watt, Interior 6th floor

March 12, 1981

MEMORANDUM FOR FRANK HODSOLL

FROM:

Malcolm Forbes Baldwin Acting Chairman

SUBJECT:

The Council's FY 1981 Reduced Personnel Ceiling and Rescission

The Council that the Administration chose to retain, rightfully I believe, is about to become a shadow of its former self due to the revised FY 1981 and FY 1982 budgets. I learned of the FY 1981 rescission and its precise figures for the first time on Tuesday. I have since determined that it will require us:

- o to reduce our staff by more than 60 percent, or about 31 people, over the next 45 days (leaving perhaps 18 people on board until October 1, 1981),
- o to halt all proposed contract studies and new reports for FY 1981 in order to eliminate the need to RIF 8 to 10 additional people,
- o to preclude employment of part-time editorial experts, fact-checkers, and proof readers needed to produce the Annual report, and to eliminate our summer intern program for 7 graduate school and law students, who have major responsibilities for producing our Annual Report.

These actions will be required because as OMB developed the Administration's revised FY 1981 and FY 1982 budgets it established an FY 1981 personnel ceiling for the Council, averaged over the entire year, of 42 full-time equivalent people. OMB also submitted to the Congress a request for a rescission of \$708,000 of the Council's FY 1981 appropriations. <u>As a result, even if Congress does not approve the rescission, the Council will be forced to act to implement the rescission in order to meet the OMB staff reduction requirement. In doing so, however, it is not clear whether in making these massive personnel cuts the Council can fulfill its legal obligations under NEPA and our authorization and appropriation acts for FY 1981.</u>

Ironically, if the Council implements the RIF required by OMB's actions, the Council would need a supplemental appropriation to fund the severance and lump sum leave pay due those who are RIF'd. The RIF will have an immediate and severe impact on the Council's Annual Report. The Council draft is produced during the March-May period. Every staff member is involved in this process. The Annual Report planned for 1981 could not be produced under the personnel and budget constraints imposed by OMB.

One of OMB's stated reasons for reducing the Council in FY 1982 by more than 70 percent was to reduce the size and scope of the President's Annual Environmental Quality Report, which Council staff prepare. (OMB incorrectly states in the budget passback that EPA "already [has a] major role" in the preparation of this Report.) OMB did not discuss this proposal with the Council. Whether it is wise to reduce the Annual Report by about 75 percent and radically change its content and quality is an issue which we believe warrants careful analysis and thought. I believe that the prudent course of action is to allow the Council to produce the 1981 Annual Report as planned.

An immediate RIF would have a drastic impact on the Council's staff and the Council as an institution. Reducing the staff by more than sixty percent over the next few weeks requires that we ask virtually all of the professional staff immediately to seek employment elsewhere. This approach would most likely eliminate from the staff the most able and experienced people whose professional background is unsurpassed in government and whose expertise is of great potential value to this Administration. Once such a staff is gone it would be difficult, if not impossible, to attract a staff with similar ability in the

To reach the Council's FY 1982 personnel ceiling of 16 by October 1, 1981, I believe that we should:

- o meet the Council's existing obligations as competently
 as possible;
- establish an organizational structure and method of operation which can most effectively accomplish the Council's new goals and priorities under the Reagan Administration;
- o develop the best staff possible to achieve these purposes for FY 1982.

The Council should be allowed to develop an orderly plan for reaching the October 1, 1981, personnel ceiling and conducting the necessary RIF. Developing this plan should involve the active participation and decisionmaking of the new Chairman and extensive consultation with White House staff over the next two months. This approach is impossible if the Council has to comply with the new FY 1981 personnel ceiling imposed by OMB or to comply with the \$708,000 rescission. Even without employment ceiling constraints, the Council will still reduce its staff and FY 1981 expenditures significantly. But such reductions would be motivated not by arbitrary constraints but by a plan which is designed to make the Council, under its new structure, an effective organization useful to the Administration. There can be no question that the relative amounts of money involved in the proposed rescission will not affect the Administration's macroeconomic objectives.

I should like to meet to discuss this issue in the next several days.

cc: Ernie Minor Danny Boggs

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

THE ADMINISTRATOR.

MEMORANDUM

SUBJECT: CEQ Activities Under Revised Budget

FROM:

TO:

Edwin Meese III Counselor to the President

W. Ernst Minor

Frank Hodsoll Deputy Assistant to the President

CEQ will be able to produce an annual report that is scaled down in scope and size, and rely on the agencies (especially EPA) for factual information such as environmental status and trends. This will result in a document that is eminently more readable, is a clearer statement of the Government's environmental position, and will cost considerably less. CEQ will get out of the data collection and analysis business (due to OMB directive and budget constraints). Both of these actions will be viewed favorably by EPA and other agencies, since it will take CEQ out of the role of secondguessing the agencies on issues involving scientific judgment and analysis. Further, the respective roles of the agencies and CEQ will be much clearer and the division of responsibilities much cleaner.

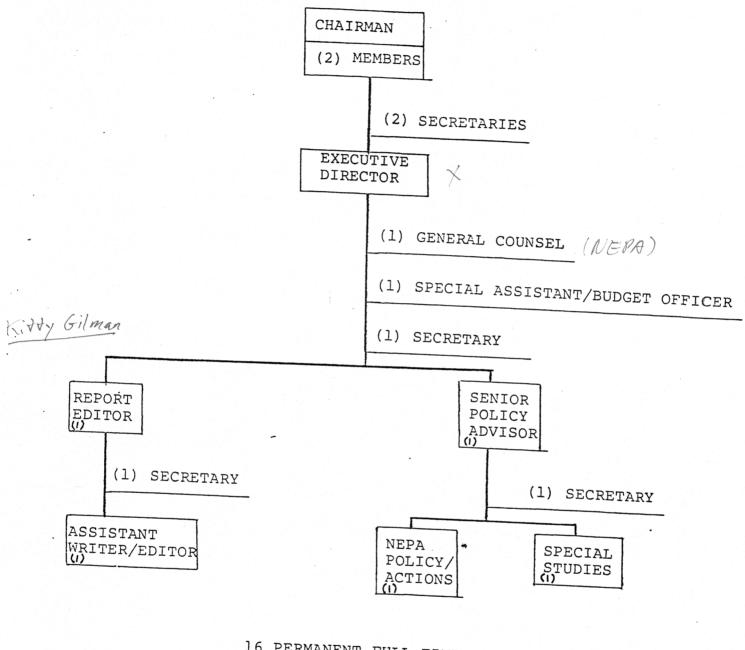
CEQ has the statutory mandate to deal with environmental policy, but will have limited personnel remaining (three Council members, the Executive Director and about three professionals to deal with policy issues -- see organization chart attached). Consequently CEQ should focus on a very limited number of high priority issues where the principal concerns are political or policy matters. A lot of these issues will be generated by the agencies, OMB, or the White House and will require quick and immediate action. Therefore, CEQ will expend a considerable portion of its policy resources in a reactive fashion (such as requirements for CEQ intervention under NEPA). Despite the foregoing, CEQ can and should engage in at least one (possibly more) major environmental policy initiative. An excellent first candidate for CEQ attention is development of a rational policy position on the long range transport of pollutants for the following reasons:

- The policy determined will affect a number of air pollution problems (ozone, total suspended particulate, acid deposition, and others), and will likely affect other environmental areas (such as water pollution) and possibly establish precedent for non-environmental areas as well.
- The acid deposition problem poses an immediate need for a policy (states are suing each other over state-to-state transport, are suing EPA, and Canada is threatening to sue EPA while it is attempting to negotiate a treaty).
- Additionally, we know that the association of state air pollution control directors, the National Governors Association and the National Commission on Air Quality have all called for federal involvement in the long range transport problem.
- The scientific research issues and the regulatory analysis (such as economic impacts) which are required for such a policy are being adequately addressed by the agencies.
- However, the agencies are not effectively analyzing either:
 - -- the political implications of dealing with the long range transport issue or not dealing with it, or
 - -- the structural or regulatory changes at the state, federal and international level that would be best suited to dealing with the pol-lutant transport issue.

I recommend you request CEQ undertake such an analysis and develop appropriate policies so that it is implemented in a timely fashion.

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COUNCIL ON ENVIRONMENTAL QUALITY POSSIBLE ORGANIZATION CHART



16 PERMANENT FULL TIME EMPLOYEES

0 OTHER THAN PERMANENT FULL TIME EMPLOYEES

16

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Executive Office of the President Full-time permanent employment

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EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY 722 JACKSON PLACE, N. W. WASHINGTON, D. C. 20006

February 28, 1981

MEMORANDUM FOR THE VICE PRESIDENT AND JAMES A. BAKER. III

FROM:

Malcolm Forbes Baldwin

SUBJECT: Role of the Council

Acting Chairman

We have heard recent reports that serious consideration is being given to eliminating the Council. Because I have not had the opportunity to discuss this with you, I would like to explain why I believe it would be a serious mistake to eliminate the Council or weaken it substantially.

I have served the Council under Presidents Nixon, Ford, and Carter, and understand well how the Council has done effective, competent work for Presidents with different priorities. There are several important ways in which the Council can serve the President. Let me underscore the staff's sincere desire to help President Reagan achieve his goals, meet his responsibilities, and implement his programs.

The Council's Statutory Basis

The Council is required by statute to perform several Executive Office type functions which require the absence of a vested agency interest and a responsibility only to the President. In a July 1977 letter to President Carter, Senator Jackson, Congressman Dingell, and other Members of Congress explained the Council's statutory basis:

"Those of us who were involved with the drafting of the National Environmental Policy Act spent a considerable amount of time -- in hearings, mark-up, and the other legislative processes -- determining what would be the single best method for assuring meaningful consideration of environmental issues in the Executive Branch. We were unanimous in concluding that, since virtually every policy decision taken by the American government affects the environment in one way or another, the best device would be a small staff of generalists with environmental expertise, located within the Executive Office of the President. A very important consideration is that an agency within one department, however much it may be cloaked with the semblance of independence, is not going to have adequate influence over the actions of other departments and agencies."

Implementing the National Environmental Policy Act

A principal Council responsibility is to oversee the implementation of the National Environmental Policy Act (NEPA). A major Council activity is helping agencies meet their NEPA obligations more efficiently and expeditiously.

-1-

One of the Council's outstanding achievements is in the area of regulatory reform. In 1977-1978, the Council revised the process for preparing environmental impact statements under NEPA in order to reduce paperwork and delay and to make the environmental impact statement a better tool for decisionmakers. In developing the final regulations, the Council adopted virtually every recommendation of the Federal Paperwork Commission. The Council's revision process and its regulations earned the praise of the Chamber of Commerce, the National Governors Association, and the Edison Electric Institute, among others. The NEPA regulations were noted with approval in the Heritage Foundation study, Mandate for Leadership. Tn response to a 1980 inquiry from Senator Proxmire, the Council provided him with an estimate of the savings achieved by the NEPA regulations. Just one part of the program -- the provisions designed to reduce the time required to complete the NEPA process and to improve its management -- should save at least \$100 million in the first year.

Mediating and Resolving Agency Disputes

The Council has a statutory mandate to receive from the heads of agencies referrals of environmental disputes over proposed federal actions in order to mediate or otherwise seek to resolve the dispute. The important role that the Council serves here is to prevent agency concerns from becoming Presidential issues. The Council has been successful in helping agencies work out differences and develop compromises. Since 1970 over a dozen formal referrals have been made from agency heads to the Council concerning major federal transportation, water resource, and energy projects. The Council reviews conflicting agency views for the EOP and makes recommendations to the agencies. In no case has one of these referrals been taken to the President.

Preparing the President's Environmental Quality Report

The Council has the important statutory responsibility of preparing the President's Annual Environmental Quality Report to the Congress. The report details the nation's progress in achieving its environmental quality goals and in describing the Administration's accomplishments in helping to improve the environment. This widely read report -- each year about 35,000 copies are distributed world wide -- is relied on by federal, state, local, and international agencies and is used as a text throughout the Nation for college and university courses. It is generally considered the best such report by any nation in the world.

Working with Executive Office Staff

The Council has worked closely and confidentially with OMB, the President's domestic policy advisors, and other agencies and staff in the Executive Office in helping to develop and improve Presidential programs and legislative proposals. The Council alerts the Executive Office staff and the President to environmental issues and provides advice on the environmental implications and tradeoffs involved in proposed actions.

Identifying Issues and Producing Special Reports

Over the past 11 years, the Council has been unique in identifying national environmental problems and in initiating processes for dealing with them. The July 1980 <u>Global 2000 Report to the President</u> was issued pursuant to a Presidential directive in an Environmental Message prepared by the Council. This report, produced by the Council and the Department of State, was described by James Kilpatrick in the <u>Nation's Business</u> as "an immensely important study, staggering in its implications." In a similar manner, the Council and the Department of Agriculture co-chaired the National Agricultural Lands Study which was published in January 1981. The study's basic findings and conclusions were endorsed by Secretary Block at a national conference in Chicago in February.

Communicating with the Conservation Constituency

The President has no obvious connections with the large, bipartisan constituency that cares about conservation and environmental issues, which involve all major agencies, especially DOT, HUD, DOE, DOD, HHS, USDA, DOI, NRC, and EPA. A 1980 national poll by Roper and Cantril found that a substantial majority of Americans strongly support the nation's programs to produce a more healthful environment. Throughout its history the Council has been an important link between the conservation constituency and the Administration. The Council can play an important role for the President in keeping communications with this constituency open, and can explain to this constituency what the Administration's programs and activities are and how they help achieve the President's goals.

Maintaining Relationships with the Congress

Members of Congress have traditionally strongly supported the Council. At our oversight hearings last Wednesday before Congressman Breaux, Chairman of our oversight committee, no Member favored eliminating the Council and most, such as ranking minority member Rep. Forsythe (R-N.J.), expressed strong support for the Council's work and its role as a policy advisory agency in the Executive Office over the past 11 years. Maintaining an effective Council in the Executive Office would likely be well received by the Congress. In addition, the Council can help explain to the Congress the Administration's environmental actions and activities and help to implement the President's programs.

Conclusion

As a lifelong Republican and a supporter of the President in the last election, I have a very strong personal interest in helping this Administration implement its conservation and environmental programs and achieve its goals of maintaining the quality of our environment. I firmly believe that the Council can be especially useful and effective in this effort.

I would like to meet with you to discuss in greater detail the Council's role in the Executive Office and how we can most effectively help to implement the President's programs. Should serious consideration be given to eliminating the Council or weakening it substantially, I would like to discuss the matter with you personally before such a decision is made.

French

February 20, 1981

MEMORANDUM FOR JAMES A. BAKER III

FROM:

Malcolm Forbes Baldwin Acting Chairman

I consider it important that I meet with you to discuss the Council's role in the Executive Office of the President. Next Wednesday, the Council will testify before the House Merchant Marine and Fisheries Committee at its authorization hearings, where questions about the administration's authorization request for CEQ and CEQ's future will be asked.

I have served the Council under Presidents Nixon, Ford and Carter, and I am familiar with the Council's activities since its creation by the Congress in 1970, when Russell Train was its first Chairman. The Council's basic responsibilities are:

- -- to provide policy advice to the President, the EOP, and the Congress
- -- to oversee agency implementation of the National Environmental Policy Act, which created the Council
- -- to aid in resolving interagency environmental issues and to coordinate interagency activities
- -- to prepare the President's Annual Environmental Quality Report to the Congress
- -- to develop and improve environmental data and monitoring capabilities government wide

Over the years, CEQ has worked daily with OMB and the President's domestic policy advisers to review and assess proposed Presidential decisions, to develop Presidential initiatives, and to produce administration programs such as the President's budget and legislative program. In essence, the Council provides EOP decisionmakers independent policy analysis of administration proposals to aid in striking the proper balance among competing priorities which involve significant environmental issues.

I have advised you and Mr. Meese of CEQ activities over the past month in short weekly status reports and hope these have been helpful. However, because of the coming reauthorization hearings and the uncertainty regarding CEQ's 1982 budget, I would like to meet with you before next Wednesday to discuss the ways in which I believe CEQ can best serve the Reagan administration. MEMORANDUM

₿^Ŷ RBF

THE WHITE HOUSE WASHINGTON

March 6, 1981

TO: FRANK HODSALL

FROM: DANNY BOGGS

For consideration for Council on Environmental Quality. Was on Reagan Task Force. Strong support from Jim Miller.

ROBERT D. TOLLISON

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Biographical Data

Born 1942, Spartanburg, South Carolina Married, one child

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Education

Wofford College University of Alabama University of Virginia	B.A. M.A. Ph.D.	1964 1965 1969
Career Data	n de la construcción de la constru La construcción de la construcción d La construcción de la construcción d	
Assistant Professor Cornell University		1969-73
Senior Staff Economist Council of Economic Advi	sers	1972-73
Associate Professor Professor Texas A&M University		1973-74 1974-76
Department Head, Departme Texas A&M University		1974-76
Research Professor of Law Center for Law and Econor	w and Economics (v	isiting)
University of Miami Law S	nics School	1976-77
Professor of Economics Virginia Polytechnic Inst and State University	titute	1977-
Executive Director and Se Associate Center for Study of Publi	c Choico	
Virginia Polytechnic Inst and State University	itute	1979-
Consulting Affiliations		
United States Treasury De	partment	1973-77

onited States Treasury Department	1973-77
United States Commerce Department	1974-76
Office of Technology Assessment	1974-77
Council on Wage and Price Stability	1975-77

Professional Affiliations

Member: American Economic Association; Southern Economic Association; Western Economic Association; Public Choice Society

Executive Committee, Southern Economic Association 1979-Research Advisory Committee, Center for the Study of Government Regulation, American Enterprise Institute 1980-

Associate Economics Editor of Public Policy 1971-72

1978-

Board of Editors, Public Finance Quarterly 1975-

Book Review Editor, Public Choice

Reviewer for Journal of Political Economy; American Economic Review; Review of Economics and Statistics; American Journal of Agricultural Economics; Economic Inquiry; Journal of Law and Economics; Journal of Economics and Business; Public Finance Quarterly; Social Science Quarterly; Policy Analysis; Public Finance; Journal of Public Economics; Journal of Legal Studies; Southern Economic Journal; and the National Science Foundation.

PUBLICATIONS

Books

8

Theory of Public Choice: Political Applications of Economics (edited with James M. Buchanan) (Ann Arbor: University of Michigan Press, 1972).

The Economics of the Military Draft (pamphlet with R. Amacher, J. Miller, M. Pauly, and T. Willett) (Morristown, N.J.: General Learning Press, 1973).

The Economic Approach to Public Policy: Selected Readings (with R. Amacher and T. Willett) (Ithaca: Cornell University Press, 1976).

Balanced Budgets, Fiscal Responsibility, and the Constitution (with R. Wagner) (San Francisco: The CATO Institute, 1980).

The Political Economy of Antitrust (edited) (Lexington, Massachusetts: Heath, Lexington, 1980).

- Towards a Theory of the Rent-Seeking Society (edited with James M. Buchanan and Gordon Tullock) (College Station, Texas: Texas A&M University Press, forthcoming).
- Politicians, Legislation, and the Economy: An Inquiry into the Interest-Group Theory of Government (with R. McCormick) (Leiden: Martinus Nijhoff, forthcoming).
- Mercantilism as a Rent-Seeking Society (with R. Ekelund) (College Station, Texas: Texas A&M University Press, forthcoming).

Contributions to Books

- "Racial Balance and the Volunteer Army," "An Army of Mercenaries?," Chapters 10 and 11 in <u>Why the Draft?</u> <u>The Case for the Volunteer Army</u>, (ed. James C. Miller, III) (Baltimore: Penguin Books, 1968), pp. 149-165. Chapter 10 is reprinted in <u>The Selective Service System: Its</u> <u>Operation, Practices, and Procedures</u>, Hearings before the Subcommittee on Administrative Practice and Procedure on the Committee on Judiciary, U.S. Senate, 91st Congress, 1st session, pp. 943-952.
- "Involved Social Analysis," in J.M. Buchanan and R.D. Tollison (eds.), <u>The Theory of Public Choice</u> (Ann Arbor: University of Michigan Press, 1972), pp. 3-7.
- "A Normative Theory of Representative Democracy," (with D. Mueller and T.D. Willett), in L. Papayanopoulos (ed.), <u>Democratic Representation and Apportionment:</u> <u>Quantitative Methods, Measures, and Criteria</u>, Annuals of the New York Academy of Sciences, Vol. 219, November 1973, pp. 5-19.
- "Economic Objections to the Present Approach to Public Policy Toward Surface Freight Transportation," in J.C. Miller (ed.), <u>Perspectives on Federal Trans-</u> <u>portation Policy</u> (Washington: American Enterprise Institute, 1975), pp. 444-473.
- "An Economist Looks at the Patent System," in F. Essers and J. Rabinow (eds.), <u>The Public Need and the Role</u> of the Inventor, Office of Invention and Innovation, National Bureau of Standards, U.S. Department of Commerce, May 1975, pp. 11-15.
- "Solving the Intensity Problem in Representative Democracy," (with D. Mueller and T.D. Willett), in <u>The Economic Approach to Public Policy</u> (Ithaca: Cornell University Press, 1976), pp. 444-473.

- "Risk Avoidance and Political Advertising: A Neglected Issue in the Literature on Budget Size in a Democracy," (with R. Amacher and T. Willett), in <u>The Economic</u> <u>Approach to Public Policy</u> (Ithaca: Cornell University Press, 1976), pp. 405-433.
- "A Menu of Distributional Considerations," (with R. Amacher and T. Willett), in <u>The Economic Approach</u> to <u>Public Policy</u> (Ithaca: Cornell University Press, 1976), pp. 246-275.
- "The Economic Approach to Social Policy Questions: Some Methodological Perspectives," (with R. Amacher and T. Willett), in <u>The Economic Approach to Public</u> <u>Policy</u> (Ithaca: Cornell University Press, 1976), pp. 18-37.
- "Institutional Mechanisms for Dealing with International Externalities: A Public Choice Perspective on the Law of the Sea," (with T. Willett), in R. Sweeney and R. Amacher (eds.), <u>The Law of the Sea: U.S.</u> <u>Interests and Alternatives</u> (Washington: American Enterprise Institute, 1976), pp. 77-101.
- "Comment," in P.B. Clark, D.E. Logue, R.J. Sweeney (eds.), <u>The Effects of Exchange Rate Adjustments</u> (Washington: Department of the Treasury, 1977), pp. 435-436.
- "Do Corporations Set Prices Arbitrarily High?" "Is Industrial Concentration the Cause of Inflation?"
 "Can Corporations Limit New Entry?" "Does Antitrust Activity Increase Economic Welfare?" in M. Bruce Johnson (ed.), <u>Corporate Issues Sourcebook</u> (New York: McGraw-Hill, Inc., 1978), pp. 178-181, 194-197, 211-214, 294-298, respectively.
- "The Prospect for Liberal Democracy: Comment," in J. Buchanan and R. Wagner (eds.), <u>Fiscal Responsibility</u> <u>and Constitutional Democracy</u> (Leiden: Martinus Nijhoff, 1978), pp. 177-180.
- "Analyzing International Externalities: The Case of the Law of the Sea Negotiations," (with R. Amacher), in William Loehr and Todd Sandler (eds.), <u>Public</u> <u>Goods and Public Policy</u> (Beverly Hills: Sage, 1978), pp. 191-205.
- "The Divergence Between International Trade Theory and Practice: A Public Choice Interpretation," (with R. Amacher and T. Willett), <u>Tariffs, Quotas, and Trade</u>: <u>The Politics of Protectionism</u> (San Francisco: Institute for Contemporary Studies, 1979), pp. 55-66.

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- "Foreign Investment and the Multinational Corporation: Should the Government Keep American Capital at Home?," (with T. Willett), Tariffs, Quotas, and Trade: The Politics of Protectionism (San Francisco: Institute for Contemporary Studies, 1979), pp. 109-121.
- "Toward a Theory of Government Advertising," (with K. Clarkson), in Richard Zerbe (ed.), <u>Research in Law</u> and Economics (Greenwich, Connecticut: JAI Press, 1979), pp. 131-143.
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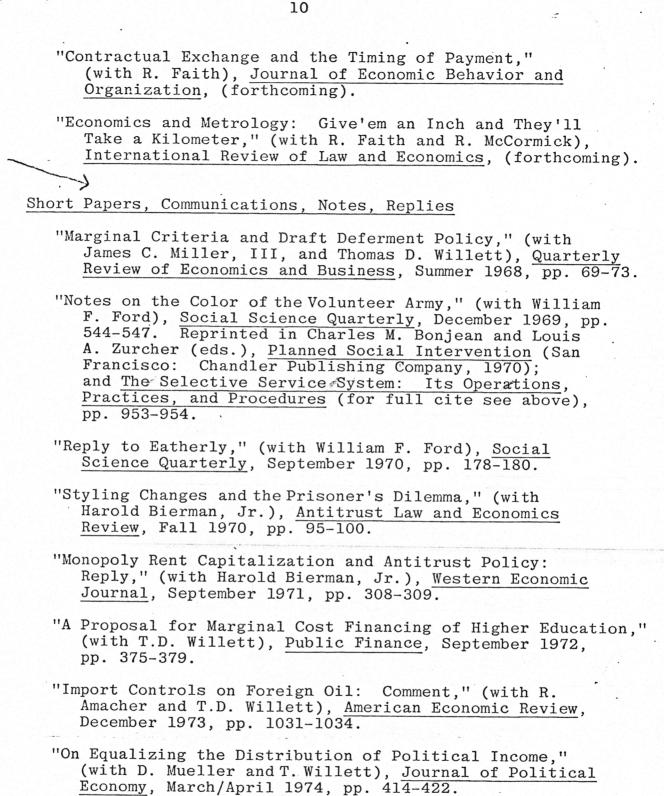
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Professor Herbert Stein Department of Economics University of Virginia Charlottesville, Virginia 22903 -

February 25, 1981

MEMORANDUM FOR JAMES A. BAKER III

FROM: Malcolm F. Baldwin Acting Chairman

SUBJECT: CEQ Oversight Hearings

Today I testified before the Subcommittee, chaired by Rep. John Breaux (D-La.), of the House Merchant Marine and Fisheries Committee which has oversight responsibility for the Council. The Committee is considering H.R. 1953, which would authorize funds for the Council for fiscal years 1982 through 1984.

Twelve members attended: all asked questions. I thought you would like a brief report about the proceedings.

Congressman Breaux asked me if I was aware of and concerned about stories that the Administration was considering the elimination of CEQ, and whether I had been able to learn from the White House what the Administration's intent is regarding CEQ. All Members were concerned about this issue. I noted that I was aware of the stories, that I had tried to determine their veracity, that yesterday I received what seemed a credible report from the Hill to the effect that the Administration was intending to eliminate CEQ, and that I was seriously concerned about the situation.

A remark of Rep. Schneider's (R-R.I.) best characterizes the general reaction of the Committee. She noted that I should be keeping track of "yeses" and "noes" on the issue of the Council's continued existence. No Member suggested terminating the Council and most, such as ranking minority member Rep. Forsythe (R-N.J.), expressed strong support for the Council's work and its role as a policy advisory agency in the EOP over the past 11 years. Recognizing the new priorities and policies of the Reagan Administration, Rep. Schneider, asked if CEQ could serve the current Administration effectively. I noted that the staff wanted to play a constructive and helpful role in the new Administration and that the effective service the Council gave the Nixon and Ford Administrations demonstrated that the Council could serve such a role. Rep. Breaux urged me, on behalf of the Committee, to make every possible effort to meet with White House leadership to help resolve the Council's role in the EOP.

I would like to meet with you to discuss the ways in which I believe the Council could help develop and implement President Reagan's programs. At the meeting I could give you a more detailed discussion of the Members' questions and concerns and my responses.

COUNCIL ON ENVIRONMENTAL QUALITY WASHINGTON, D. C.

2/23/81

Ms. Tutwiler,

If it is not convenient to meet at this time, perhaps we could meet next week.

Malcolm F. Baldwin

February 20, 1981

MEMORANDUM FOR JAMES A. BAKER III

FROM:

Malcolm Forbes Baldwin Acting Chairman

I consider it important that I meet with you to discuss the Council's role in the Executive Office of the President. Next Wednesday, the Council will testify before the House Merchant Marine and Fisheries Committee at its authorization hearings, where questions about the administration's authorization request for CEQ and CEQ's future will be asked.

I have served the Council under Presidents Nixon, Ford and Carter, and I am familiar with the Council's activities since its creation by the Congress in 1970, when Russell Train was its first Chairman. The Council's basic responsibilities are:

- -- to provide policy advice to the President, the EOP, and the Congress
- -- to oversee agency implementation of the National Environmental Policy Act, which created the Council
- -- to aid in resolving interagency environmental issues and to coordinate interagency activities
- -- to prepare the President's Annual Environmental Quality Report to the Congress
- -- to develop and improve environmental data and monitoring capabilities government wide

Over the years, CEQ has worked daily with OMB and the President's domestic policy advisers to review and assess proposed Presidential decisions, to develop Presidential initiatives, and to produce administration programs such as the President's budget and legislative program. In essence, the Council provides EOP decisionmakers independent policy analysis of administration proposals to aid in striking the proper balance among competing priorities which involve significant environmental issues.

I have advised you and Mr. Meese of CEQ activities over the past month in short weekly status reports and hope these have been helpful. However, because of the coming reauthorization hearings and the uncertainty regarding CEQ's 1982 budget, I would like to meet with you before next Wednesday to discuss the ways in which I believe CEQ can best serve the Reagan administration.

February 17, 1981

MEMORANDUM FOR EDWIN MEESE, III JAMES A. BAKER, III

FROM: Malcolm Forbes Baldwin Acting Chairman

SUBJECT: Status Report

1. <u>Wildlife Policy</u>. The Council convened an informal meeting of individuals and organizations concerned about federal wildlife policy and the Endangered Species Act in particular. The meeting included representatives from commercial trade groups, hunting and sporting clubs, conservation and environmental organizations, and federal agencies. Its basic purpose was to improve communications among the various interests in order to help the federal government implement effective wildlife policies. We and others attending found it useful and constructive. We plan a similar meeting in March and others periodically thereafter.

2. <u>National Agricultural Lands Study</u>. I met with Agriculture Secretary Block to discuss the results of this completed CEQ/USDA study of the causes and effects of conversion of U.S. agricultural lands to other uses. The study's Final Report was the subject of a National Agricultural Lands Conference in Chicago last week at which Secretary Block emphasized the Report's projections that increasing foreign and domestic demand for U.S. agricultural products could bring virtually all of the nation's cropland reserves into cultivation over the next 20 years. The Secretary also supported the Study's recommendation that state and local governments (not the Federal government) must play the principal role in adopting programs to protect our nation's best agricultural land.

3. Environmental Industry Awards Ceremony. On February 26, I will help present awards to several industries for their unique cost-effective and profitable achievements in the past year in controlling pollution. The Awards will be presented by the Environmental Industry Council, an organization which the Council played the key role in establishing five years ago.

4. <u>Meetings with Industry Trade Associations</u>. Next week I will begin a series of meetings with representatives from a wide range of industry trade associations concerned about environmental policies and regulations. These meetings will help the Council maintain an effective dialogue with these organizations when the Council considers issues of interest to them.

bcc: Daniel Boggs Martin Anderson Michael Deaver Strohbehn Yost

February 9, 1980

MEMORANDUM FOR EDWIN MEESE, III JAMES A. BAKER, ILL

FROM:

Malcolm Baldwin Acting Chairman

SUBJECT: Status Report

1. Reductions in FY 1981 Budget

Today we accomplished the FY 1981 Budget cuts directed by the President, reducing our FY 1981 travel expenses by 15 percent and our FY 1981 special studies expenses by 5 percent. In addition, CEQ responded on November 17, 1980, to OMB's directive that, in requesting FY 1981 supplemental appropriations, agencies absorb 30 percent of the FY 1981 increased personnel expenses. CEQ determined that it could help fight inflation by absorbing 50 percent of these increased expenses. As a result of this voluntary decision, CEQ's FY 1981 budget is more than 600 percent lower than it would have been if we had cut our budget only by the amount required by the President's directives.

2. Assessment of Executive Orders

 No. 12264 Re: Export of Banned or Significantly Restricted Substances
 No. 12247 Re: Coordination of Federal Activities in Lake Tahoe Basin

We sent David Stockman the attached memoranda to provide him with facts and other information which are relevant to determining whether these two Executive Orders should be modified or repealed by the President.

3. Regulatory Reform

W/Enc: Bogg

We sent the Vice President a memorandum which outlines our expertise in environmental regulatory matters, describes briefly three activities we have under way which could contribute to the Administration's regulatory reform effort, and offers our assistance.

4. Cost Effective Land Protection Proposals

For the past few years, the Council has been developing methods for protecting nationally significant land and natural resources without federal acquisition or management. We sent Secretary Watt a letter describing our ideas for new cost-effective program directions and our ability to be of assistance so that he would be aware of them as he develops his priorities and programs for the Department of the Interior.

January 30, 1981

MEMORANDUM FOR EDWIN MEESE, III JAMES A. BAKER, III

Malcolm F. Baldwir Acting Chairman

SUBJECT: Status Report

FROM:

Over the past week we have been following up on several activities.

1. FY 1982 Budget Revisions

On Wednesday we sent Dave Stockman a memorandum containing our recommendation for cutting FY 1982 outlays for federal public works programs by \$7 billion. The memorandum noted that the federal public works grants program exceeds \$20 billion and that these grants to state and local governments are 50 percent of all federal controllable outlays. Members of our staff have been consulting with OMB staff about other budget reduction recommendations.

2. Designation of Globally Important Resources Pursuant to Executive Order 12114

At the request of National Security Council staff, we are assessing with affected and interested agencies a proposal that had been submitted to President Carter to implement provisions of Executive Order 12114. Under the proposal, the President would designate certain major ecosystems and biomes (moist tropical forests, prime croplands, and coastal estuaries and reefs) as resources of global importance within the meaning of Section 2-3(d) of E.O. 12114. We will examine carefully the concerns expressed by several agencies commenting on the proposed Order, acquire additional data and information, and provide NSC with a report.

3. Statutory Report to the Congress

Pursuant to the Surface Mining and Reclamation Act, the Council was required to commission a study by the National Academy of Sciences to investigate reclamation techniques for mining of non-coal minerals and to submit a report to the Congress. The two-year NAS study was completed late in 1979. Afterwards, CEQ solicited public comment on the study and conducted public hearings in five locations around the country. Based on this information, CEQ prepared a report for the Congress. The report is being reviewed in draft by the interested federal agencies and OMB and some representatives of the affected industries. The American Mining Congress and the Sand and Gravel Association have reviewed the draft report and suggested changes, most of which we accepted. After we receive comment from OMB and other federal agencies and make appropriate changes, the report will be submitted to the appropriate committees of the Congress, which we expect will occur next week. The report will not contain any legislative recommendations.

4. Executive Order on Lake Tahoe

We understand that the Administration is considering whether to revoke the executive order signed by President Carter for enhancing the protection of Lake Tahoe. Council staff have considerable expertise regarding the facts upon which this executive order was based. We are submitting to Dave Stockman a memorandum which provides facts and an analysis of the revocation proposal.

2/23

MDT:

This is the Malcolm Baldwin memo that Leslie Sorg called me on last week and that I asked you about. When JAB (or someone else) approves his draft, I would just forward it to Leslie Sorg.

Thanks.

KC

(Leslie sent us this xerox)

EXECUTIVE OFFICE OF THE PRESIDENT COUNCIL ON ENVIRONMENTAL QUALITY 722 JACKSON PLACE, N. W. WASHINGTON, D. C. 20006

February 10, 1981

MEMORANDUM FOR JAMES A. BAKER, III

FROM:

MALCOLM BALDWIN Acting Chairman /

SUBJECT:

Response to Letter to the President from Russell Peterson, President, National Audubon Society

The Director of Agency Liaison, Presidential Correspondence, referred to the Council for direct reply the December 15, 1980, letter of Russell Peterson, President, National Audubon Society, (and former Governor of Delaware) to then President-Elect Reagan. Mr. Peterson recommended that the President promptly take a series of actions to deal with global population, resource, and environmental problems. We recommend for the reasons below that a senior White House official reply or that you approve the Council's reply (see attached draft).

The National Audubon Society is the second largest U.S. conservation organization. Mr. Peterson's global environmental concerns are shared by a number of prominent Republicans, such as Russell Train, President, World Wildlife Fund, prominent public citizens such as James Kilpatrick (see enclosed column), and by the conservation community. Mr. Peterson's letter highlighted problems identified in the three-year interagency study entitled The Global 2000 Report to the President, which was chaired by CEQ and the State Department and involved eleven other agencies.

Mr. Peterson recommended Presidential recognition of global environmental issues through a special national address, a White House Conference, a call for a UN conference, or by establishing a Citizen's Advisory Committee to the President, and the creation of a U.S. long-range global analysis capability by creating *e* new entity within the EOP or by expanding CEQ's responsibilities and by strengthening Congress' capabilities through changes in OTA, CRS, GAO, and CBO.

Mr. Peterson's recommendations correspond, in part, to recommendations in the National Academy of Public Administration report entitled <u>A Presidency for the 1980's</u> and in the CEQ-State Department January 1981 report entitled <u>Global Future:</u> <u>Time to Act</u>.

We believe it is important to respond receptively to the issues raised of Mr. Peterson and recommend that the Administration review these and other suggestions in a deliberate, coordinated manner. Because of the extensive expertise and involvement of CEQ and State Department staff in coordinating and developing interagency responses to these issues over the past several years, we recommend that they continue in their roles, working closely with the White House.

Alternative draft responses are attached and we recommend that draft # 1 be sent.

cc: Edwin Meese, III Martin Anderson Danny Boggs

D F. A F T # 1

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Senior White House Official Response

Mr. Russell W. Peterson President National Audubon Society 950 Third Avenue New York, New York 10222

Dear Mr. Peterson:

Thank you for your thoughtful letter to President-Elect Reagan cf December 15, 1980. The concern which you express for the quality of life of this and future generations is one which the President shares.

As you can imagine, your letter suggests actions which we have not yet had the opportunity to review carefully. I have [the President has], however, asked the Council on Environmental Quality, in consultation with the State Department, [and OMB and the White House staff], to essess your recommendations and to provide me [the President] with proposals for responding to them.

Sincerely,

D R A F T # 2

CEQ Response

Dear Mr. Peterson:

Thank you for your thoughtful letter to President-Elect Reagan of December 15, 1980. The concern which you express for the quality of life of this and future generations is one which the President shares.

Your letter suggests actions which the Administration has not yet had the opportunity to review carefully. To ensure their consideration, the President [the White House] has asked the Council, in consultation with the State Department, to assess your suggestions and to provide proposals for responding to them.

I will promptly inform you of the Administration's decisions after they are made.

Sincerely,

MALCOLM BALDWIN Acting Chairman

AIMES J. KILPATRICK

The Coming Catastrophe

TVE YEARS ago, Scribner's published an English translation of " Jean Raspail's The Camp of the Saints. The novel had been well received abroad, but here in the States the liberal reviewers killed it with ridicule or with silence. The plot was intolerable to them. Raspail was predicting that somewhere around 1995 or 2000 a horde of wretched, starving have-nots would swarm like locusts upon Southern France and ravage the food, the property and the lives of the haves. This was a nightmare novel, chillingly told.



Raspail's prophetic work came to mind the other day, when I finally got around to reading *Global* 2000. This was a report submitted to President Carter last summer by the Council on Environmental Quality and the Department of State. It is an immensely important study, staggering in its implications, and if you wonder why it has received so little attention, I can only surmise that in Washington we are inundated by reports, and at the time of publication this must have looked like merely one more report.

It is much more than that. The authors have pulled together the best projections of experts in a dozen fields—population, food production, natural resources and the like—and have compressed them into a single word: catastrophe. If we fail to heed the clear warnings of this study—if we fail to take sensible actions now—we will invite terrible consequences just two decades hence.

The population projections alone are enough to cause serious concern. By 2000, the world's population will have increased to about 6.35 billion, a gain of 55 percent over 1975. The more developed countries will increase slowly: The United States may have 248 million inhabitants, up 16 percent; Western Europe can anticipate a population of 378 million, up 10 percent. But the less developed countries will soar. By 2000, Mexico can expect a population of 131 million, up 119 percent. Mexico City will be the largest city in the world, with a population of perhaps 31.6 million—three times as large as New York is today. Africa's population will double; China will go to 1.3 billion and India to 1 billion.

How are these billions of human beings to be fed? In most of Asia, and in poor areas of North Africa and the Middle East, a calamitous drop in food per capita is projected. In these areas, "the quantity of food available to the poorest groups of people will simply be insufficient to permit children to reach normal body weight and intelligence and to permit normal activity and good health in adults." The number of seriously malnourished people will roughly double, from about 600 million today to 1.3 billion two decades hence.

What these projections suggest is that the great grain and rice producing nations must redouble their efforts. An answer cannot be found in putting more land in production, because most good land already is under cultivation. Increased reliance upon fisheries could help, but

"unfortunately, the world harvest of fish is expected to rise little, if at all, by the year 2000."

Other concerns cry out for thoughtful attention. The world's forest resources are in deep trouble. By 2000, growing stock per capita is expected to decline 47 percent worldwide and 63 percent in less developed countries. Water supplies, already short in many areas, will get worse.

One thing leads to another: As urban sprawl continues, valuable cropland goes out of cultivation. As forested hills are denuded, erosion takes over. For want of fuel wood, millions will be forced to burn animal dung, thus robbing the soil of organic nutrients.

They acknowledge the increased risk that goes with increased production of electrical energy in atomic plants, and grimly but matter-of-factly they point to the mounting problem of disposing of atomic wastes.

Yes, this is a gloom and doom report, made all the more disturbing by the constrained and dispassionate style in which the authors lay out the evidence. But it is not a report without hope. Their message, finally, is that the impending catastrophe can indeed be averted—or at least minimized—if sensible public policies are put in motion now. New methods of safe and reliable birth control must be developed. The world will need new varieties of fast-growing trees. New techniques of aquaculture and desalinization will have to be found.

Above all, a sense of urgency has to be aroused. Otherwise, our children and grandchildren may soon discover that Jean Raspail wrote not fiction, but fact.

THE WHITE HOUSE OFFICE

REFERRAL

JANUARY 30, 1981

TO: COUNCIL ON EVIRONMENTAL QUALITY

ACTION REQUESTED:

DIRECT REPLY, FURNISH INFO COPY

DESCRIPTION OF INCOMING:

ID: 000215

MEDIA: LETTER, DATED DECEMBER 15, 1980

TO: PRESIDENT REAGAN

FROM: MR. RUSSELL W. PETERSON PRESIDENT NATIONAL AUDUBON SOCIETY 950 THIRD AVENUE NEW YORK NY 10022

SUBJECT: SUBMITS SUGGESTIONS FOR MAJOR ACTIONS THAT MIGHT BE TAKEN TO HELP SOLVE THE PROBLEMS HIGHLIGHTED BY THE GLOBAL 2000 REPORT.

PROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE UNDERSIGNED AT 456-2717.

RETURN BASIC CORRESPONDENCE, CONTROL SHEET AND COPY OF RESPONSE (OR DRAFT) TO: AGENCY LIAISON, ROOM 94, THE WHITE HOUSE

> BY DIRECTION OF THE PRESIDENT: DIRECTOR OF AGENCY LIAISON PRESIDENTIAL CORRESPONDENCE

000215 l Audubon Socie 950 THIRD AVENUE, NEW YORK, N.Y. 10022 (212) 832-3200 CABLE: NATAUDUBON ulation December 15, 1980

Office of the President-Elect Washington, D.C. 20270

Dear President-Elect Reagan:

Just as the most successful and enduring business enterprises are those which engage in long-term planning, so will the success of your administration be judged by later historians on how this government has planned for the well-being of future as well as present generations.

The quality of future life in this country and elsewhere was the subject of a recent study carried out over the last three years by the Council on Environmental Quality and the Department of State--the Global 2000 Report.

This report is not the typical gloom-and-doom prognosis of recent years in that it depicts dire conditions that are likely to develop only if there are no changes in public policies, institutions or rates of technological advance. The report projects--rather than predicts--that the world in the year 2000 will be more crowded and polluted, less stable ecologically and more vulnerable to disruption (including war), than the world we now live in, based on trends of the past.

On behalf of a future worth living, I hope that you will consider the following suggestions from the National Audubon Society for major tions that might be taken to help solve the problems highlighted by the Global 2000 Report. These recommendations deal with what we consider to be the two major needs: leadership by the President, and action by the President and by Congress, to institutionalize on a permanent basis the long-range global planning and foresight capability required to deal with population growth, natural resources availability and avoidance of environmental degradation.

I. Leadership by the President

1. The President should make a special address to the Nation on the Global 2000 Report. He should embrace the findings from a positive standpoint: that we have the potential to prevent the kind of problems described in the report if we will take advantage of the early warning signals it provides and develop the long-range planning and alternative policies

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necessary. He should take the lead in educating the American people by forthrightly facing the issue that adequate long-range planning is as necessary in government as it is in business.

2. The President should call a White House Conference to address the problems identified in the Global 2000 Report, emphasizing the need to develop a national population policy, considering natural resource availability for the rest of the century, and taking actions to avoid degradation of environmental quality. Such a conference has a precedent in the Mid-Century Conference on Resources for the Future which followed the release of the President's Materials Policy Commission (The Paley Commission) established by President Truman and submitted to the President in June 1952. President Eisenhower, a month after his election, was keynote speaker for the three-day conference in December 1952, in which 1,600 citizens participated.

3. The President should urge the United Nations to sponsor an international conference similar to the 1972 Stockholm environmental conference to develop the international cooperation and coordination needed to deal with Global 2000 issues. Another precedent here is the call in February 1909, by outgoing President Theodore Roosevelt, for all the world powers to meet for the purpose of considering the conservation of the world's natural resources.

4. The President should appoint a Citizen's Advisory Committee for Global 2000 which would be charged with generating citizen activity as well as insuring that government agencies coordinate with the private sector and make the analytical review and airing of alternative courses of action on public process.

II. Institutionalization of the long-range global planning to deal with the interactions of population growth, natural resources availability and the environment, and the projections developed from alternative policy considerations.

1. A new separate and permanent long-range planning entity should be established for this purpose within the Executive Office of the President. Alternatively, this could be achieved without new legislation by expanding the Council on Environmental Quality to carry out parts of its original mission that it has never been able to execute. Several sections of the National Environmental Policy Act of 1969 as amended provide for this activity, i.e.:

Section 202 requires the Council "...to appraise programs and activities of the Federal Government in light of the policy set forth in title I of this act;" and Section 204 (2) requires CEQ "to gather timely and authoritative information concerning the conditions and trends in the

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Quality of the environment both current and prospective, to analyze and interpret such information for the purpose of determining whether such conditions and trends are interfering, or are likely to interfere, with the achievement of the policy set forth in title I of this Act, and to compile and submit to the President studies relating to such conditions and trends."

The "policy" referred to above in Title I of the National Environmental Policy Act includes that "it is the continuing responsibility of the Federal Government to use all practicable means, consistent with other essential considerations of national policy, to improve and coordinate Federal plans, functions, programs, and resources to the end that the Nation may (1) fulfill the responsibilities of each generation as trustee of the environment for succeeding generations;" and...(5) "achieve a balance between population and resource use which will permit high standards of living and a wide sharing of life's amenities;"

Section 102 (2) requires that all agencies of the Federal Government shall "...(e) Study, develop, and describe appropriate alternatives to recommended courses of action in any proposal which involves unresolved conflicts concerning alternative uses of available resources; (f) Recognize the worldwide and long-range character of environmental problems and, where consistent with the foreign policy of the United States, lend appropriate support to initiatives, resolutions, and programs designed to maximize international cooperation in anticipating and preventing a decline in the quality of mankind's world environment; and (i) Assist the Council on Environmental Quality..."

The above Section 102 also provides under part (a) that all agencies of the Federal Government shall..."utilize a systematic, interdisciplinary proach which will insure the integrated use of the natural and social liences and the environmental design arts in planning and in decisionmaking which may have an impact on man's environment;"

The restoration to the Council on Environmental Quality of the budget and personnel that were cut in 1977 should enable it to carry out this aspect of its original mission, the need for which has been outlined in the Global 2000 Report. The first action of a CEQ Global 2000 Office should be to supervise the immediate revision of the Global 2000 Report, with a clear mandate from the President to all agencies to give the project high priority. The revised report should eliminate the internal contradictions and inadequacies uncovered during the current Global 2000 Report, which concluded that "...the executive agencies of the U.S. Government are not now capable of presenting the President with internally consistent projections of world trends in population, resources, and the environment for the next two decades."

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The President should direct the Office of Management and Budget to support the CEQ effort by requiring that all agencies establish a capability to do the modeling and analysis required for on-going global models which would consider the best available data on worldwide population growth, natural resources availability and adequacy, and environmental impacts; and the interactions of all three areas.

To assist the Council on Environmental Quality and provide a link to the private sector in this work, the 1970 proposal for an "Environmental Policy Institute" could be revived and broadened to include studies of population growth and natural resources on a global basis as well as environmental concerns. The original proposal, which was agreed to by the President and the Office of Management and Budget--but was never implemented--called for bringing together 100 to 200 physical and social scientists and economists from varied disciplines to do long-range studies and planning, and not be diverted by day-to-day crisis-oriented government decision-making. The Institute was to have been affiliated with the Council on Environmental Quality so that its advice and planning could be used by the Government, but was to have been sufficiently independent of government to be untouched by political influence. The Ford Foundation had agreed to put up half of the private sector funding for the first five years and lead a drive to get the remaining funds, and the Federal Government was to match the private contributions through National Science Foundation research contracts. The Institute would have been responsive to Federal and regional requests for information and analysis to be used in making decisions or determining long-range lines of policy. Some of the staff would have been permanent, others would come for up to two years. The only connection with the White House would be that the President would name the director of the Institute (which turned out to be the cause for cancelling the Institute project in 1970, after President Nixon vetoed the individual designated to be its first director).

2. The Congress of the United States should coordinate and direct the functions of the Congressional Budget Office, Congressional Research Service, Office of Technology Assessment and the General Accounting Office to provide a comparable capacity for integrated analysis and long-term planning in regard to national and global population growth, resources availability and environmental quality. Congress should also organize to exercise oversight by appropriate committees (or possibly a new joint committee) to require that all major new legislation submitted to the Congress be subject to comprehensive analytical review under authority of the National Environmental Policy Act of 1969. As amended, NEPA Section 102 (2) (e) (as stated earlier) provides for all agencies to study, develop and describe appropriate alternatives to recommended courses of action in any proposal which involves unresolved conflicts concerning alternative uses of available resources.

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The NAS looks forward to a constructive relationship with you and your new administration, in working to protect and enhance environmental quality for present and future generations.

Sincerely,

Russell W. Peterson President

cc: Dan Lufkin

Russell Train Nathaniel Reed

Environmental Protection Agency Transition Team Council on Environmental Quality Transition Team