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N.Y. Previously he was a partner with the firm Lasker, Stone and Stern in 1967-78 and a partner with LaMorte Maloney & Co. in 1950-67. He served in the United States Navy and Naval Reserve as assistant navigator and aide to ex-

ecutive officer, U.S.S. *Midway*. He graduated from the United States Naval Academy (B.S., E.E., 1946). He is married, has 11 children, and resides in New York, N.Y. He was born December 20, 1924, in New York City.

Appointment of Two Members of the Board of Visitors of the United States Air Force Academy

December 4, 1981

The President today announced his intention to appoint the following individuals to be members of the Board of Visitors, United States Air Force Academy:

Terrence O'Donnell is an attorney with the firm of Williams & Connolly, Washington, D.C. He was staff assistant and later Special Assistant to the President in 1972-77 and was a commissioned officer in the United States Air Force in 1966-72. He was a legal officer, Office of the Judge Advocate General, in 1971-72. He was a counterintelligence officer in South Vietnam in 1969-70 and assigned to Headquarters, USAF, Washington, D.C., in 1966-69. He attained the rank of captain. Mr. O'Donnell graduated from the United States Air Force Academy

(B.S., 1966) and Georgetown University Law Center (J.D., 1971). He is married, has three children, and resides in Bethesda, Md. He was born March 3, 1944, in New York, N.Y.

Henry B. Sayler is chairman of the Republican Party of Florida. He was a member of the Florida State Senate in 1966-78 and is director of the Community Bank of Pinellas. He served in the United States Air Force in 1943-55 as a fighter pilot in the 8th Air Force. He was awarded the Distinguished Flying Cross and the Air Medal with 7 Clusters. He graduated from the United States Military Academy (B.S., 1943). He is married, has four children, and resides in St. Petersburg, Fla. He was born January 16, 1921, in Savannah, Ga.

Statement on United States Intelligence Activities

December 4, 1981

Today I am issuing two Executive orders, one to govern the activities of our intelligence agencies and one to reestablish the Intelligence Oversight Board, which works to ensure that our intelligence activities are lawful. These orders are designed to provide America's intelligence community with clearer, more positive guidance and to remove the aura of suspicion and mistrust that can hobble our nation's intelligence efforts.

This action is consistent with my promise in the campaign to revitalize America's intelligence system. The American people are well aware that the security of their country—and in an age of terrorism, their personal safety as well—is tied to the strength

and efficiency of our intelligence-gathering organizations.

These orders have been carefully drafted—in consultation with the intelligence committees of both Houses of the Congress—to maintain the legal protection of all American citizens. They also give our intelligence professionals clear guidelines within which to do their difficult and essential job. Contrary to a distorted image that emerged during the last decade, there is no inherent conflict between the intelligence community and the rights of our citizens. Indeed, the purpose of the intelligence community is the protection of our people.

This is not to say mistakes were never made and that vigilance against abuse is unnecessary. But an approach that empha-

sizes suspicion and mistrust of our own intelligence efforts can undermine this Nation's ability to confront the increasing challenge of espionage and terrorism. This is particularly true in a world in which our adversaries pay no heed to the concerns for individual rights and freedoms that are so important to Americans and their government. As we move into the 1980's, we need to free ourselves from the negative attitudes of the past and look to meeting the needs of the country.

To those who view this change of direction with suspicion, let me assure you that while I occupy this office, no intelligence agency of the United States, or any other agency for that matter, will be given the authority to violate the rights and liberties guaranteed to all Americans by our Constitution and laws. The provisions of these Executive orders make this abundantly clear.

Most Americans realize that intelligence is a good and necessary profession to which high caliber men and women dedicate their lives. We respect them for their honorable and often perilous service to our nation and the cause of freedom. For all our technological advances, the gathering of information and its analysis depend finally on human judgment; and good judgment depends on the experience, integrity, and professionalism of those who serve us in the intelligence community.

Let us never forget that good intelligence saves American lives and protects our freedom. The loyalty and selflessness of our intelligence community during hard times are testimony to its commitment to the principles on which our country is based. I have faith in our intelligence professionals and expect each and every one of them to live up to the ideals and standards set by these Executive orders.

These orders charge our intelligence agencies to be vigorous, innovative, and responsible in the collection of accurate and timely information—information essential for the conduct of our foreign policy and crucial to our national safety. The country needs this service and is willing to allocate the resources necessary to do the job right.

It is not enough, of course, simply to collect information. Thoughtful analysis is vital to sound decisionmaking. The goal of our intelligence analysts can be nothing short of the truth, even when that truth is unpleasant or unpopular. I have asked for honest, objective analysis, and I shall expect nothing less. When there is disagreement, as there often is, on the difficult questions of our time, I expect those honest differences of view to be fully expressed.

These orders stipulate that special attention be given to detecting and countering the espionage and other threats that are directed by hostile intelligence services against us at home and abroad. These hostile services respect none of the liberties and rights of privacy that these orders protect. Certainly the same can be said of international terrorists, who present another important area of concern and responsibility for our intelligence professionals.

I want to stress that the primary job of the CIA is to conduct intelligence activities overseas and to deal with certain foreign persons who come into this country. The FBI takes primary responsibility for security activities within the United States, directed against hostile foreigners and those Americans who seek to do damage to our national security.

These orders do not alter this basic division of labor; they reaffirm it. They also encourage the fullest possible cooperation among the CIA, the FBI, and other agencies of the intelligence community as they seek to deal with fundamental challenges to our national security—challenges that respect neither national boundaries nor citizenship.

As these Executive orders are issued, I again want to express my respect and admiration for the men and women of our intelligence community: They run the risks; they bear the tensions; they serve in silence. They cannot fully be thanked in public, but I want them to know that their job is vital and that the American people, and their President, are profoundly grateful for what they do.

Executive Order 12333—United States Intelligence Activities December 4, 1981

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Timely and accurate information about the activities, capabilities, plans, and intentions of foreign powers, organizations, and persons, and their agents, is essential to the national security of the United States. All reasonable and lawful means must be used to ensure that the United States will receive the best intelligence available. For that purpose, by virtue of the authority vested in me by the Constitution and statutes of the United States of America, including the National Security Act of 1947, as amended, and as President of the United States of America, in order to provide for the effective conduct of United States intelligence activities and the protection of constitutional rights, it is hereby ordered as follows:

Part 1 *Goals, Direction, Duties and Responsibilities With Respect to the National Intelligence Effort*

1.1 *Goals.* The United States intelligence effort shall provide the President and the National Security Council with the necessary information on which to base decisions concerning the conduct and development of foreign, defense and economic policy, and the protection of United States national interests from foreign security threats. All departments and agencies shall cooperate fully to fulfill this goal.

(a) Maximum emphasis should be given to fostering analytical competition among appropriate elements of the Intelligence Community.

(b) All means, consistent with applicable United States law and this Order, and with full consideration of the rights of United

¹ *Editorial note: The page numbers in the original text have been changed to those of this book.*

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States persons, shall be used to develop intelligence information for the President and the National Security Council. A balanced approach between technical collection efforts and other means should be maintained and encouraged.

(c) Special emphasis should be given to detecting and countering espionage and other threats and activities directed by foreign intelligence services against the United States Government, or United States corporations, establishments, or persons.

(d) To the greatest extent possible consistent with applicable United States law and this Order, and with full consideration of the rights of United States persons, all agencies and departments should seek to ensure full and free exchange of information in order to derive maximum benefit from the United States intelligence effort.

1.2 The National Security Council.

(a) *Purpose.* The National Security Council (NSC) was established by the National Security Act of 1947 to advise the President with respect to the integration of domestic, foreign and military policies relating to the national security. The NSC shall act as the highest Executive Branch entity that provides review of, guidance for and direction to the conduct of all national foreign intelligence, counterintelligence, and special activities, and attendant policies and programs.

(b) *Committees.* The NSC shall establish such committees as may be necessary to carry out its functions and responsibilities under this Order. The NSC, or a committee established by it, shall consider and submit to the President a policy recommendation, including all dissents, on each special activity and shall review proposals for other sensitive intelligence operations.

1.3 National Foreign Intelligence Advisory Groups.

(a) *Establishment and Duties.* The Director of Central Intelligence shall establish such boards, councils, or groups as required for the purpose of obtaining advice from within the Intelligence Community concerning:

(1) Production, review and coordination of national foreign intelligence;

(2) Priorities for the National Foreign Intelligence Program budget;

(3) Interagency exchanges of foreign intelligence information;

(4) Arrangements with foreign governments on intelligence matters;

(5) Protection of intelligence sources and methods;

(6) Activities of common concern; and

(7) Such other matters as may be referred by the Director of Central Intelligence.

(b) *Membership.* Advisory groups established pursuant to this section shall be chaired by the Director of Central Intelligence or his designated representative and shall consist of senior representatives from organizations within the Intelligence Community and from departments or agencies containing such organizations, as designated by the Director of Central Intelligence. Groups for consideration of substantive intelligence matters will include representatives of organizations involved in the collection, processing and analysis of intelligence. A senior representative of the Secretary of Commerce, the Attorney General, the Assistant to the President for National Security Affairs, and the Office of the Secretary of Defense shall be invited to participate in any group which deals with other than substantive intelligence matters.

1.4 *The Intelligence Community.* The agencies within the Intelligence Community shall, in accordance with applicable United States law and with the other provisions of this Order, conduct intelligence activities necessary for the conduct of foreign relations and the protection of the national security of the United States, including:

(a) Collection of information needed by the President, the National Security Council, the Secretaries of State and Defense, and other Executive Branch officials for the performance of their duties and responsibilities;

(b) Production and dissemination of intelligence;

(c) Collection of information concerning, and the conduct of activities to protect against, intelligence activities directed against the United States, international terrorist and international narcotics activities, and other hostile activities directed against the United States by foreign powers, organizations, persons, and their agents;

(d) Special activities;

(e) Administrative and support activities within the United States and abroad necessary for the performance of authorized activities; and

(f) Such other intelligence activities as the President may direct from time to time.

1.5 *Director of Central Intelligence.* In order to discharge the duties and responsibilities prescribed by law, the Director of Central Intelligence shall be responsible directly to the President and the NSC and shall:

(a) Act as the primary adviser to the President and the NSC on national foreign intelligence and provide the President and other officials in the Executive Branch with national foreign intelligence;

(b) Develop such objectives and guidance for the Intelligence Community as will enhance capabilities for responding to expected future needs for national foreign intelligence;

(c) Promote the development and maintenance of services of common concern by designated intelligence organizations on behalf of the Intelligence Community;

(d) Ensure implementation of special activities;

(e) Formulate policies concerning foreign intelligence and counterintelligence arrangements with foreign governments, coordinate foreign intelligence and counterintelligence relationships between agencies of the Intelligence Community and the intelligence or internal security services of foreign governments, and establish procedures governing the conduct of liaison by any department or agency with such services on narcotics activities;

(f) Participate in the development of procedures approved by the Attorney General governing criminal narcotics intelligence activities abroad to ensure that these activities are consistent with foreign intelligence programs;

(g) Ensure the establishment by the Intelligence Community of common security and access standards for managing and handling foreign intelligence systems, information, and products;

(h) Ensure that programs are developed which protect intelligence sources, methods, and analytical procedures;

(i) Establish uniform criteria for the determination of relative priorities for the transmission of critical national foreign intelligence, and advise the Secretary of Defense concerning the communications requirements of the Intelligence Community for the transmission of such intelligence;

(j) Establish appropriate staffs, committees, or other advisory groups to assist in the execution of the Director's responsibilities;

(k) Have full responsibility for production and dissemination of national foreign intelligence, and authority to levy analytic tasks on departmental intelligence production organizations, in consultation with those organizations, ensuring that appropriate mechanisms for competitive analysis are developed so that diverse points of view are considered fully and differences of judgment within the Intelligence Community are brought to the attention of national policy-makers;

(l) Ensure the timely exploitation and dissemination of data gathered by national foreign intelligence collection means, and ensure that the resulting intelligence is disseminated immediately to appropriate government entities and military commands;

(m) Establish mechanisms which translate national foreign intelligence objectives and priorities approved by the NSC into specific guidance for the Intelligence Community, resolve conflicts in tasking priority, provide to departments and agencies having information collection capabilities that are not part of the National Foreign Intelligence Program advisory tasking concerning collection of national foreign intelligence, and provide for the development of plans and arrangements for transfer of required collection tasking authority to the Secretary of Defense when directed by the President;

(n) Develop, with the advice of the program managers and departments and agencies concerned, the consolidated National Foreign Intelligence Program budget, and present it to the President and the Congress;

(o) Review and approve all requests for reprogramming National Foreign Intelligence Program funds, in accordance with

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all requests for
foreign Intelli-
gence in accordance with

guidelines established by the Office of Man-
agement and Budget;

(p) Monitor National Foreign Intelligence
Program implementation, and, as necessary,
conduct program and performance audits
and evaluations;

(q) Together with the Secretary of De-
fense, ensure that there is no unnecessary
overlap between national foreign intelli-
gence programs and Department of De-
fense intelligence programs consistent with
the requirement to develop competitive
analysis, and provide to and obtain from the
Secretary of Defense all information neces-
sary for this purpose;

(r) In accordance with law and relevant
procedures approved by the Attorney Gen-
eral under this Order, give the heads of the
departments and agencies access to all in-
telligence, developed by the CIA or the
staff elements of the Director of Central
Intelligence, relevant to the national intelli-
gence needs of the departments and agen-
cies; and

(s) Facilitate the use of national foreign
intelligence products by Congress in a
secure manner.

1.6 Duties and Responsibilities of the Heads of Executive Branch Departments and Agencies.

(a) The heads of all Executive Branch de-
partments and agencies shall, in accordance
with law and relevant procedures approved
by the Attorney General under this Order,
give the Director of Central Intelligence
access to all information relevant to the na-
tional intelligence needs of the United
States, and shall give due consideration to
requests from the Director of Central Intel-
ligence for appropriate support for Intelli-
gence Community activities.

(b) The heads of departments and agen-
cies involved in the National Foreign Intel-
ligence Program shall ensure timely devel-
opment and submission to the Director of
Central Intelligence by the program man-
agers and heads of component activities of
proposed national programs and budgets in
the format designated by the Director of
Central Intelligence, and shall also ensure
that the Director of Central Intelligence is
provided, in a timely and responsive
manner, all information necessary to per-

form the Director's program and budget re-
sponsibilities.

(c) The heads of departments and agen-
cies involved in the National Foreign Intel-
ligence Program may appeal to the Presi-
dent decisions by the Director of Central
Intelligence on budget or reprogramming
matters of the National Foreign Intelligence
Program.

1.7 *Senior Officials of the Intelligence
Community.* The heads of departments and
agencies with organizations in the Intelli-
gence Community or the heads of such or-
ganizations, as appropriate, shall:

(a) Report to the Attorney General possi-
ble violations of federal criminal laws by
employees and of specified federal criminal
laws by any other person as provided in
procedures agreed upon by the Attorney
General and the head of the department or
agency concerned, in a manner consistent
with the protection of intelligence sources
and methods, as specified in those proce-
dures;

(b) In any case involving serious or con-
tinuing breaches of security, recommend to
the Attorney General that the case be re-
ferred to the FBI for further investigation;

(c) Furnish the Director of Central Intelli-
gence and the NSC, in accordance with ap-
plicable law and procedures approved by
the Attorney General under this Order, the
information required for the performance
of their respective duties;

(d) Report to the Intelligence Oversight
Board, and keep the Director of Central
Intelligence appropriately informed, con-
cerning any intelligence activities of their
organizations that they have reason to be-
lieve may be unlawful or contrary to Execu-
tive order or Presidential directive;

(e) Protect intelligence and intelligence
sources and methods from unauthorized dis-
closure consistent with guidance from the
Director of Central Intelligence;

(f) Disseminate intelligence to cooperat-
ing foreign governments under arrange-
ments established or agreed to by the Di-
rector of Central Intelligence;

(g) Participate in the development of pro-
cedures approved by the Attorney General
governing production and dissemination of
intelligence resulting from criminal narcot-

ics intelligence activities abroad if their departments, agencies, or organizations have intelligence responsibilities for foreign or domestic narcotics production and trafficking;

(h) Instruct their employees to cooperate fully with the Intelligence Oversight Board; and

(i) Ensure that the Inspectors General and General Counsels for their organizations have access to any information necessary to perform their duties assigned by this Order.

1.8 *The Central Intelligence Agency.* All duties and responsibilities of the CIA shall be related to the intelligence functions set out below. As authorized by this Order; the National Security Act of 1947, as amended; the CIA Act of 1949, as amended; appropriate directives or other applicable law, the CIA shall:

(a) Collect, produce and disseminate foreign intelligence and counterintelligence, including information not otherwise obtainable. The collection of foreign intelligence or counterintelligence within the United States shall be coordinated with the FBI as required by procedures agreed upon by the Director of Central Intelligence and the Attorney General;

(b) Collect, produce and disseminate intelligence on foreign aspects of narcotics production and trafficking;

(c) Conduct counterintelligence activities outside the United States and, without assuming or performing any internal security functions, conduct counterintelligence activities within the United States in coordination with the FBI as required by procedures agreed upon by the Director of Central Intelligence and the Attorney General;

(d) Coordinate counterintelligence activities and the collection of information not otherwise obtainable when conducted outside the United States by other departments and agencies;

(e) Conduct special activities approved by the President. No agency except the CIA (or the Armed Forces of the United States in time of war declared by Congress or during any period covered by a report from the President to the Congress under the War Powers Resolution (87 Stat. 855)) may conduct any special activity unless the President determines that another agency is

more likely to achieve a particular objective;

(f) Conduct services of common concern for the Intelligence Community as directed by the NSC;

(g) Carry out or contract for research, development and procurement of technical systems and devices relating to authorized functions;

(h) Protect the security of its installations, activities, information, property, and employees by appropriate means, including such investigations of applicants, employees, contractors, and other persons with similar associations with the CIA as are necessary; and

(i) Conduct such administrative and technical support activities within and outside the United States as are necessary to perform the functions described in sections (a) through (h) above, including procurement and essential cover and proprietary arrangements.

1.9 *The Department of State.* The Secretary of State shall:

(a) Overtly collect information relevant to United States foreign policy concerns;

(b) Produce and disseminate foreign intelligence relating to United States foreign policy as required for the execution of the Secretary's responsibilities;

(c) Disseminate, as appropriate, reports received from United States diplomatic and consular posts;

(d) Transmit reporting requirements of the Intelligence Community to the Chiefs of United States Missions abroad; and

(e) Support Chiefs of Missions in discharging their statutory responsibilities for direction and coordination of mission activities.

1.10 *The Department of the Treasury.* The Secretary of the Treasury shall:

(a) Overtly collect foreign financial and monetary information;

(b) Participate with the Department of State in the overt collection of general foreign economic information;

(c) Produce and disseminate foreign intelligence relating to United States economic policy as required for the execution of the Secretary's responsibilities; and

(d) Conduct, through the United States Secret Service, activities to determine the

existence and capability of surveillance equipment being used against the President of the United States, the Executive Office of the President, and, as authorized by the Secretary of the Treasury or the President, other Secret Service protectees and United States officials. No information shall be acquired intentionally through such activities except to protect against such surveillance, and those activities shall be conducted pursuant to procedures agreed upon by the Secretary of the Treasury and the Attorney General.

1.11 *The Department of Defense.* The Secretary of Defense shall:

(a) Collect national foreign intelligence and be responsive to collection tasking by the Director of Central Intelligence;

(b) Collect, produce and disseminate military and military-related foreign intelligence and counterintelligence as required for execution of the Secretary's responsibilities;

(c) Conduct programs and missions necessary to fulfill national, departmental and tactical foreign intelligence requirements;

(d) Conduct counterintelligence activities in support of Department of Defense components outside the United States in coordination with the CIA, and within the United States in coordination with the FBI pursuant to procedures agreed upon by the Secretary of Defense and the Attorney General;

(e) Conduct, as the executive agent of the United States Government, signals intelligence and communications security activities, except as otherwise directed by the NSC;

(f) Provide for the timely transmission of critical intelligence, as defined by the Director of Central Intelligence, within the United States Government;

(g) Carry out or contract for research, development and procurement of technical systems and devices relating to authorized intelligence functions;

(h) Protect the security of Department of Defense installations, activities, property, information, and employees by appropriate means including such investigations of applicants, employees, contractors, and other persons with similar associations with the Department of Defense as are necessary;

(i) Establish and maintain military intelligence relationships and military intelligence exchange programs with selected cooperative foreign defense establishments and international organizations, and ensure that such relationships and programs are in accordance with policies formulated by the Director of Central Intelligence;

(j) Direct, operate, control and provide fiscal management for the National Security Agency and for defense and military intelligence and national reconnaissance entities; and

(k) Conduct such administrative and technical support activities within and outside the United States as are necessary to perform the functions described in sections (a) through (j) above.

1.12 *Intelligence Components Utilized by the Secretary of Defense.* In carrying out the responsibilities assigned in section 1.11, the Secretary of Defense is authorized to utilize the following:

(a) *Defense Intelligence Agency*, whose responsibilities shall include:

(1) Collection, production, or, through tasking and coordination, provision of military and military-related intelligence for the Secretary of Defense, the Joint Chiefs of Staff, other Defense components, and, as appropriate, non-Defense agencies;

(2) Collection and provision of military intelligence for national foreign intelligence and counterintelligence products;

(3) Coordination of all Department of Defense intelligence collection requirements;

(4) Management of the Defense Attaché system; and

(5) Provision of foreign intelligence and counterintelligence staff support as directed by the Joint Chiefs of Staff.

(b) *National Security Agency*, whose responsibilities shall include:

(1) Establishment and operation of an effective unified organization for signals intelligence activities, except for the delegation of operational control over certain operations that are conducted through other elements of the Intelligence Community. No other department or agency may engage in signals intelligence activities except pursuant to a delegation by the Secretary of Defense;

(2) Control of signals intelligence collection and processing activities, including assignment of resources to an appropriate agent for such periods and tasks as required for the direct support of military commanders;

(3) Collection of signals intelligence information for national foreign intelligence purposes in accordance with guidance from the Director of Central Intelligence;

(4) Processing of signals intelligence data for national foreign intelligence purposes in accordance with guidance from the Director of Central Intelligence;

(5) Dissemination of signals intelligence information for national foreign intelligence purposes to authorized elements of the Government, including the military services, in accordance with guidance from the Director of Central Intelligence;

(6) Collection, processing and dissemination of signals intelligence information for counterintelligence purposes;

(7) Provision of signals intelligence support for the conduct of military operations in accordance with tasking, priorities, and standards of timeliness assigned by the Secretary of Defense. If provision of such support requires use of national collection systems, these systems will be tasked within existing guidance from the Director of Central Intelligence;

(8) Executing the responsibilities of the Secretary of Defense as executive agent for the communications security of the United States Government;

(9) Conduct of research and development to meet needs of the United States for signals intelligence and communications security;

(10) Protection of the security of its installations, activities, property, information, and employees by appropriate means, including such investigations of applicants, employees, contractors, and other persons with similar associations with the NSA as are necessary;

(11) Prescribing, within its field of authorized operations, security regulations covering operating practices, including the transmission, handling and distribution of signals intelligence and communications security material within and among the elements under control of the Director of the NSA, and exercising the necessary supervisory

control to ensure compliance with the regulations;

(12) Conduct of foreign cryptologic liaison relationships, with liaison for intelligence purposes conducted in accordance with policies formulated by the Director of Central Intelligence; and

(13) Conduct of such administrative and technical support activities within and outside the United States as are necessary to perform the functions described in sections (1) through (12) above, including procurement.

(c) *Offices for the collection of specialized intelligence through reconnaissance programs*, whose responsibilities shall include:

(1) Carrying out consolidated reconnaissance programs for specialized intelligence;

(2) Responding to tasking in accordance with procedures established by the Director of Central Intelligence; and

(3) Delegating authority to the various departments and agencies for research, development, procurement, and operation of designated means of collection.

(d) *The foreign intelligence and counterintelligence elements of the Army, Navy, Air Force, and Marine Corps*, whose responsibilities shall include:

(1) Collection, production and dissemination of military and military-related foreign intelligence and counterintelligence, and information on the foreign aspects of narcotics production and trafficking. When collection is conducted in response to national foreign intelligence requirements, it will be conducted in accordance with guidance from the Director of Central Intelligence. Collection of national foreign intelligence, not otherwise obtainable, outside the United States shall be coordinated with the CIA, and such collection within the United States shall be coordinated with the FBI;

(2) Conduct of counterintelligence activities outside the United States in coordination with the CIA, and within the United States in coordination with the FBI; and

(3) Monitoring of the development, procurement and management of tactical intelligence systems and equipment and conducting related research, development, and test and evaluation activities.

(e) *Other offices within the Department of Defense appropriate for conduct of the intelligence missions and responsibilities assigned to the Secretary of Defense.* If such other offices are used for intelligence purposes, the provisions of Part 2 of this Order shall apply to those offices when used for those purposes.

1.13 *The Department of Energy.* The Secretary of Energy shall:

(a) Participate with the Department of State in overtly collecting information with respect to foreign energy matters;

(b) Produce and disseminate foreign intelligence necessary for the Secretary's responsibilities;

(c) Participate in formulating intelligence collection and analysis requirements where the special expert capability of the Department can contribute; and

(d) Provide expert technical, analytical and research capability to other agencies within the Intelligence Community.

1.14 *The Federal Bureau of Investigation.* Under the supervision of the Attorney General and pursuant to such regulations as the Attorney General may establish, the Director of the FBI shall:

(a) Within the United States conduct counterintelligence and coordinate counterintelligence activities of other agencies within the Intelligence Community. When a counterintelligence activity of the FBI involves military or civilian personnel of the Department of Defense, the FBI shall coordinate with the Department of Defense;

(b) Conduct counterintelligence activities outside the United States in coordination with the CIA as required by procedures agreed upon by the Director of Central Intelligence and the Attorney General;

(c) Conduct within the United States, when requested by officials of the Intelligence Community designated by the President, activities undertaken to collect foreign intelligence or support foreign intelligence collection requirements of other agencies within the Intelligence Community, or, when requested by the Director of the National Security Agency, to support the communications security activities of the United States Government;

(d) Produce and disseminate foreign intelligence and counterintelligence; and

(e) Carry out or contract for research, development and procurement of technical systems and devices relating to the functions authorized above.

Part 2 Conduct of Intelligence Activities

2.1 *Need.* Accurate and timely information about the capabilities, intentions and activities of foreign powers, organizations, or persons and their agents is essential to informed decision-making in the areas of national defense and foreign relations. Collection of such information is a priority objective and will be pursued in a vigorous, innovative and responsible manner that is consistent with the Constitution and applicable law and respectful of the principles upon which the United States was founded.

2.2 *Purpose.* This Order is intended to enhance human and technical collection techniques, especially those undertaken abroad, and the acquisition of significant foreign intelligence, as well as the detection and countering of international terrorist activities and espionage conducted by foreign powers. Set forth below are certain general principles that, in addition to and consistent with applicable laws, are intended to achieve the proper balance between the acquisition of essential information and protection of individual interests. Nothing in this Order shall be construed to apply to or interfere with any authorized civil or criminal law enforcement responsibility of any department or agency.

2.3 *Collection of Information.* Agencies within the Intelligence Community are authorized to collect, retain or disseminate information concerning United States persons only in accordance with procedures established by the head of the agency concerned and approved by the Attorney General, consistent with the authorities provided by Part 1 of this Order. Those procedures shall permit collection, retention and dissemination of the following types of information.

(a) Information that is publicly available or collected with the consent of the person concerned;

(b) Information constituting foreign intelligence or counterintelligence, including such information concerning corporations or other commercial organizations. Collec-

tion within the United States of foreign intelligence not otherwise obtainable shall be undertaken by the FBI or, when significant foreign intelligence is sought, by other authorized agencies of the Intelligence Community, provided that no foreign intelligence collection by such agencies may be undertaken for the purpose of acquiring information concerning the domestic activities of United States persons;

(c) Information obtained in the course of a lawful foreign intelligence, counterintelligence, international narcotics or international terrorism investigation;

(d) Information needed to protect the safety of any persons or organizations, including those who are targets, victims or hostages of international terrorists organizations;

(e) Information needed to protect foreign intelligence or counterintelligence sources or methods from unauthorized disclosure. Collection within the United States shall be undertaken by the FBI except that other agencies of the Intelligence Community may also collect such information concerning present or former employees, present or former intelligence agency contractors or their present or former employees, or applicants for any such employment or contracting;

(f) Information concerning persons who are reasonably believed to be potential sources or contacts for the purpose of determining their suitability or credibility;

(g) Information arising out of a lawful personnel, physical or communications security investigation;

(h) Information acquired by overhead reconnaissance not directed at specific United States persons;

(i) Incidentally obtained information that may indicate involvement in activities that may violate federal, state, local or foreign laws; and

(j) Information necessary for administrative purposes.

In addition, agencies within the Intelligence Community may disseminate information, other than information derived from signals intelligence, to each appropriate agency within the Intelligence Community for purposes of allowing the recipient agency to

determine whether the information is relevant to its responsibilities and can be retained by it.

2.4 Collection Techniques. Agencies within the Intelligence Community shall use the least intrusive collection techniques feasible within the United States or directed against United States persons abroad. Agencies are not authorized to use such techniques as electronic surveillance, unconsented physical search, mail surveillance, physical surveillance, or monitoring devices unless they are in accordance with procedures established by the head of the agency concerned and approved by the Attorney General. Such procedures shall protect constitutional and other legal rights and limit use of such information to lawful governmental purposes. These procedures shall not authorize:

(a) The CIA to engage in electronic surveillance within the United States except for the purpose of training, testing, or conducting countermeasures to hostile electronic surveillance;

(b) Unconsented physical searches in the United States by agencies other than the FBI, except for:

(1) Searches by counterintelligence elements of the military services directed against military personnel within the United States or abroad for intelligence purposes, when authorized by a military commander empowered to approve physical searches for law enforcement purposes, based upon a finding of probable cause to believe that such persons are acting as agents of foreign powers; and

(2) Searches by CIA of personal property of non-United States persons lawfully in its possession.

(c) Physical surveillance of a United States person in the United States by agencies other than the FBI, except for:

(1) Physical surveillance of present or former employees, present or former intelligence agency contractors or their present or former employees, or applicants for any such employment or contracting; and

(2) Physical surveillance of a military person employed by a nonintelligence element of a military service.

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Physical surveillance of a United States person abroad to collect foreign intelligence, except to obtain significant information that cannot reasonably be acquired by other means.

2.3 *Attorney General Approval.* The Attorney General hereby is delegated the power to approve the use for intelligence purposes, within the United States or against a United States person abroad, of any technique for which a warrant would be required if undertaken for law enforcement purposes, provided that such techniques shall not be undertaken unless the Attorney General has determined in each case that there is probable cause to believe that the technique is directed against a foreign power or an agent of a foreign power. Electronic surveillance, as defined in the Foreign Intelligence Surveillance Act of 1978, shall be conducted in accordance with that Act, as well as this Order.

2.4 *Assistance to Law Enforcement Authorities.* Agencies within the Intelligence Community are authorized to:

(a) Cooperate with appropriate law enforcement agencies for the purpose of protecting the employees, information, property and facilities of any agency within the Intelligence Community;

(b) Unless otherwise precluded by law or this Order, participate in law enforcement activities to investigate or prevent clandestine intelligence activities by foreign powers, or international terrorist or narcotics activities;

(c) Provide specialized equipment, technical knowledge, or assistance of expert personnel for use by any department or agency, or, when lives are endangered, to support local law enforcement agencies. Provision of assistance by expert personnel shall be approved in each case by the General Counsel of the providing agency; and

(d) Render any other assistance and cooperation to law enforcement authorities not precluded by applicable law.

2.7 *Contracting.* Agencies within the Intelligence Community are authorized to enter into contracts or arrangements for the provision of goods or services with private companies or institutions in the United States and need not reveal the sponsorship of such contracts or arrangements for au-

thorized intelligence purposes. Contracts or arrangements with academic institutions may be undertaken only with the consent of appropriate officials of the institution.

2.8 *Consistency With Other Laws.* Nothing in this Order shall be construed to authorize any activity in violation of the Constitution or statutes of the United States.

2.9 *Undisclosed Participation in Organizations Within the United States.* No one acting on behalf of agencies within the Intelligence Community may join or otherwise participate in any organization in the United States on behalf of any agency within the Intelligence Community without disclosing his intelligence affiliation to appropriate officials of the organization, except in accordance with procedures established by the head of the agency concerned and approved by the Attorney General. Such participation shall be authorized only if it is essential to achieving lawful purposes as determined by the agency head or designee. No such participation may be undertaken for the purpose of influencing the activity of the organization or its members except in cases where:

(a) The participation is undertaken on behalf of the FBI in the course of a lawful investigation; or

(b) The organization concerned is composed primarily of individuals who are not United States persons and is reasonably believed to be acting on behalf of a foreign power.

2.10 *Human Experimentation.* No agency within the Intelligence Community shall sponsor, contract for or conduct research on human subjects except in accordance with guidelines issued by the Department of Health and Human Services. The subject's informed consent shall be documented as required by those guidelines.

2.11 *Prohibition on Assassination.* No person employed by or acting on behalf of the United States Government shall engage in, or conspire to engage in, assassination.

2.12 *Indirect Participation.* No agency of the Intelligence Community shall participate in or request any person to undertake activities forbidden by this Order.

Part 3 General Provisions

3.1 *Congressional Oversight.* The duties and responsibilities of the Director of Central Intelligence and the heads of other departments, agencies, and entities engaged in intelligence activities to cooperate with the Congress in the conduct of its responsibilities for oversight of intelligence activities shall be as provided in title 50, United States Code, section 413. The requirements of section 662 of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2422), and section 501 of the National Security Act of 1947, as amended (50 U.S.C. 413), shall apply to all special activities as defined in this Order.

3.2 *Implementation.* The NSC, the Secretary of Defense, the Attorney General, and the Director of Central Intelligence shall issue such appropriate directives and procedures as are necessary to implement this Order. Heads of agencies within the Intelligence Community shall issue appropriate supplementary directives and procedures consistent with this Order. The Attorney General shall provide a statement of reasons for not approving any procedures established by the head of an agency in the Intelligence Community other than the FBI. The National Security Council may establish procedures in instances where the agency head and the Attorney General are unable to reach agreement on other than constitutional or other legal grounds.

3.3 *Procedures.* Until the procedures required by this Order have been established, the activities herein authorized which require procedures shall be conducted in accordance with existing procedures or requirements established under Executive Order No. 12036. Procedures required by this Order shall be established as expeditiously as possible. All procedures promulgated pursuant to this Order shall be made available to the congressional intelligence committees.

3.4 *Definitions.* For the purposes of this Order, the following terms shall have these meanings:

(a) *Counterintelligence* means information gathered and activities conducted to protect against espionage, other intelligence activities, sabotage, or assassinations con-

ducted for or on behalf of foreign powers, organizations or persons, or international terrorist activities, but not including personnel, physical, document or communications security programs.

(b) *Electronic surveillance* means acquisition of a nonpublic communication by electronic means without the consent of a person who is a party to an electronic communication or, in the case of a nonelectronic communication, without the consent of a person who is visibly present at the place of communication, but not including the use of radio direction-finding equipment solely to determine the location of a transmitter.

(c) *Employee* means a person employed by, assigned to or acting for an agency within the Intelligence Community.

(d) *Foreign intelligence* means information relating to the capabilities, intentions and activities of foreign powers, organizations or persons, but not including counterintelligence except for information on international terrorist activities.

(e) *Intelligence activities* means all activities that agencies within the Intelligence Community are authorized to conduct pursuant to this Order.

(f) *Intelligence Community and agencies within the Intelligence Community* refer to the following agencies or organizations:

(1) The Central Intelligence Agency (CIA);

(2) The National Security Agency (NSA);

(3) The Defense Intelligence Agency (DIA);

(4) The offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) The Bureau of Intelligence and Research of the Department of State;

(6) The intelligence elements of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation (FBI), the Department of the Treasury, and the Department of Energy; and

(7) The staff elements of the Director of Central Intelligence.

(g) *The National Foreign Intelligence Program* includes the programs listed below, but its composition shall be subject to

review by the National Security Council and modification by the President:

(1) The programs of the CIA;

(2) The Consolidated Cryptologic Program, the General Defense Intelligence Program, and the programs of the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance, except such elements as the Director of Central Intelligence and the Secretary of Defense agree should be excluded;

(3) Other programs of agencies within the Intelligence Community designated jointly by the Director of Central Intelligence and the head of the department or by the President as national foreign intelligence or counterintelligence activities;

(4) Activities of the staff elements of the Director of Central Intelligence;

(5) Activities to acquire the intelligence required for the planning and conduct of tactical operations by the United States military forces are not included in the National Foreign Intelligence Program.

(h) *Special activities* means activities conducted in support of national foreign policy objectives abroad which are planned and executed so that the role of the United States Government is not apparent or acknowledged publicly, and functions in support of such activities, but which are not intended to influence United States political

processes, public opinion, policies, or media and do not include diplomatic activities or the collection and production of intelligence or related support functions.

(i) *United States person* means a United States citizen, an alien known by the intelligence agency concerned to be a permanent resident alien, an unincorporated association substantially composed of United States citizens or permanent resident aliens, or a corporation incorporated in the United States, except for a corporation directed and controlled by a foreign government or governments.

3.5 Purpose and Effect. This Order is intended to control and provide direction and guidance to the Intelligence Community. Nothing contained herein or in any procedures promulgated hereunder is intended to confer any substantive or procedural right or privilege on any person or organization.

3.6 Revocation. Executive Order No. 12036 of January 24, 1978, as amended, entitled "United States Intelligence Activities," is revoked.

RONALD REAGAN

The White House,
December 4, 1981.

[Filed with the Office of the Federal Register, 4:09 p.m., December 4, 1981]

Executive Order 12334—President's Intelligence Oversight Board December 4, 1981

By the authority vested in me as President by the Constitution and statutes of the United States of America, and in order to enhance the security of the United States by assuring the legality of activities of the Intelligence Community, it is hereby ordered as follows:

Section 1. There is hereby established within the White House Office, Executive Office of the President, the President's Intelligence Oversight Board, which shall be composed of three members. One member, appointed from among the membership of

the President's Foreign Intelligence Advisory Board, shall be designated by the President as Chairman. Members of the Board shall serve at the pleasure of the President and shall be appointed by the President from among trustworthy and distinguished citizens outside the Government who are qualified on the basis of achievement, experience and independence. The Board shall utilize such full-time staff and consultants as authorized by the President.

Sec. 2. The Board shall:

(a) Inform the President of intelligence

AIDS panel chief speaks

His emphasis: Education

By Kevin T. McGee
USA TODAY

Tremendous progress in winning the AIDS war can be made now if everyone is educated about the virus, said the presidential AIDS commission chairman as he prepares to submit the report to the White House Friday.

"Education across the board is what it is all about," said retired Adm. James Watkins in an interview Wednesday.

Noting education is called for in the report, Watkins said without it the USA is scared and prone to do inhumane deeds.

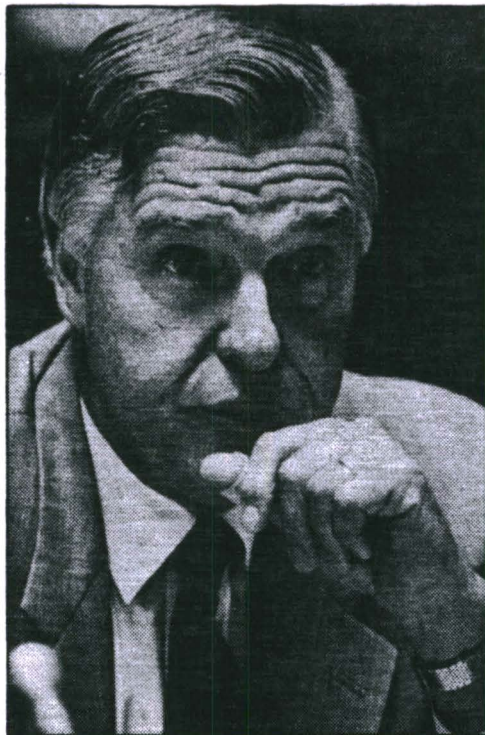
"We've seen a society too ready to reject, deny, condemn. I wouldn't have expected to see the three boys' home from Arcadia, Fla., burned. I wouldn't have expected to see DeWayne Mowery from east Tennessee have his car stoned. I wouldn't have expected the little Ryan White boy from Indiana to have to move to another city in order to have another school embrace him and take him in."

— Adm. James Watkins

those things. But really they're born out of ignorance on this disease, some of which I shared before I started this."

To counter that ignorance, Watkins pushed for what he considers the key recommendation of the report: anti-discrimination laws for those with the virus.

A majority of the "six hundred witnesses said the most important thing to do is relieve this discrimination stigma."



By Tom Stanford, USA TODAY

WATKINS: Presidential commission chairman surprised at what he saw

Watkins dismisses suggestions President Reagan will reject the report because it recommends to grant special protection to people with AIDS — something Reagan opposes.

"No one can say what the president will do because we are giving him something he has never seen before. I am hopeful he'll grasp the larger issue."

Other Watkins thoughts:

► A public health emergency should be declared, "primarily because we have no cure."

► The report's 579 recommendations — including a call for \$3 billion to be spent in the war on AIDS — must be dealt with totally.

► The USA's health care system "is overly burdened, archaic, in bad need of repair."

With his commission work about over, Watkins' focus is turning to developing education programs for the nation's youth.

He said he doesn't want public office and doesn't plan to be a leader on AIDS.

"I can never separate myself from this issue because I've put too much into it. So, I will be where I need to be, but I am not going to be out on the stump as the Mr. Jack of AIDS."

Patients pose AIDS risk to emergency room staff

By Joyce Price
THE WASHINGTON TIMES

Many patients arriving in inner-city hospital emergency rooms — including ones who are bleeding and in need of surgery — are unknowingly infected with the AIDS virus and pose serious risks to unprotected hospital personnel, a new study says.

The study, reported in today's issue of *The New England Journal of Medicine*, found that medical histories and clinical examinations are not identifying all patients infected with AIDS. As a result, researchers said, there is "considerable" potential for health care workers to be exposed to patients and their body fluids who are infected with the virus.

The study noted this potential can only increase, given the fact there are an estimated 1 million to 1.7 million AIDS-infected persons in the U.S. who do not yet exhibit symptoms of the disease.

Researchers at the Johns Hopkins Medical Institutions and the National Institute of Allergy and Infectious Diseases found that 5.2 percent of 2,302 adult patients who arrived consecutively at Hopkins' emergency room during a six-week period and had blood drawn were infected with the AIDS virus.

Nearly 80 percent of those in the infected group did not know they tested positive for the illness.

The researchers said the high rate of infection found in the study may reflect the "rapid spread" of AIDS into the local inner-city, predominantly black population. They cautioned their findings may not

necessarily apply to hospital emergency rooms generally.

The investigators, led by Dr. Gabor D. Kelen of Hopkins' Division of Emergency Medicine, found that 6 percent of patients who were bleeding when they arrived in the emergency room had unrecognized infection to the virus. So did nearly 4.6 percent of the patients who were taken to surgery, a situation the report described as "alarming."

The report also noted that emergency room clinicians analyzed the risks of the disease being present in only 29 percent of the patients whose vulnerability to the disease was unknown.

However, only patients known to be infected with the AIDS virus at the outset were treated with special precautions by hospital personnel, the researchers said.

The researchers concluded the study lends further support to previous recommendations that hospital personnel protect themselves from contact with blood and body fluid to guard against AIDS infection.

To date, there have been 11 reported cases of Americans being exposed to the AIDS virus while providing health care. Four of those transmissions occurred during emergencies or in outpatient settings and three involved patients not known to be infected. Although U.S. public health officials have described the risk of infection to health care workers as low, the Hopkins study suggests risks may be higher for personnel in inner-city hospitals.

Authors of this study participated in a study published in 1987 which

examined 203 critically ill or severely injured emergency patients treated at Hopkins and found six who were infected with the AIDS virus. The earlier study found trauma patients aged 25 to 34 were seven times more likely than the general population to carry antibodies to the virus.

The new study also showed that penetrating trauma — such as a stab or gunshot wound — predicted an increased likelihood of infection. But it found that being black or a member of another racial or ethnic group, and having a history of homosexuality, bisexuality, intravenous drug use and sexually transmitted disease were other risk factors for the illness as well.

In fact, the highest HIV infection rate — 11.4 percent — was found among black males between the ages of 30 and 34, the researchers said.

The researchers found a 14 percent infection rate among white female patients under the age of 20, but discounted that data because of the small population involved.

Among 27 patients known to be infected at the time of their arrival at Hopkins, 25 were male. But the infection rates of men and women were much closer among patients whose status was unknown.

Researchers said this could be due to recently increased rates of infection among women — either through heterosexual exposure or use of intravenous drugs — and may also be due to the long period of time it takes between infection and the appearance of symptoms of the illness.

Draft Statement of the Report of the Presidential Commission on the Human Immunodeficiency Virus Epidemic

I have ~~just~~⁵ been briefed on the unanimous Report of the Commission on Human Immunodeficiency Virus Epidemic by Admiral James D. Watkins, the Commission's Chairman. The Report represents an impressive effort and ~~provides a~~ significantly increases our understanding of what remains to be done. To lay out next steps, I am today directing Dr. Ian Macdonald, a distinguished physician and Special Assistant for Drug Policy to present to me within the next 30 days a course of action.

At Admiral Watkins' suggestion I have also directed that Dr. Macdonald include among his top priorityⁱⁿ the possible issuance of an Executive Order based on the policy guidance on "AIDS in the Workplace" recently issued by the Office of Personnel Management.

As Admiral Watkins points out in his letter transmitting the report, the Commission had "an unusual opportunity to view contemporary American society through the lens of the HIV" epidemic, seeing both the challenges that face us and the goodness and compassion that so many people are daily demonstrating.

The report embraces the major concepts I laid out over a year ago: we must be compassionate towards victims of the disease; we must care for them with dignity and kindness and, at the same time, we must inform and educate our citizens so that we can prevent the further spread of the disease.

There is a very real relationship between drug abuse and the spread of the HIV virus that becomes AIDS. It is critical that we focus particular attention on this relationship now, while we also try to develop a national consensus on additional anti-drug abuse measures.

I want to express my sincere appreciation to Admiral Watkins and all of the Commission participants for their perseverance and diligence in completing their work. It is my hope that we can continue to approach this problem which Admiral Watkins points out is more than a medical crisis or a public health threat in this same thoughtful and bipartisan manner.

EXECUTIVE SUMMARY

The Human Immunodeficiency Virus (HIV) epidemic will be a challenging factor in American life for years to come and should be a concern to all Americans. Recent estimates suggest that almost 500,000 Americans will have died or progressed to later stages of the disease by 1992.

Even this incredible number, however, does not reflect the current gravity of the problem. One to 1.5 million Americans are believed to be infected with the human immunodeficiency virus but are not yet ill enough to realize it.

The recommendations of the Commission seek to strike a proper balance between our obligation as a society toward those members of society who have HIV and those members of society who do not have the virus. To slow or stop the spread of the HIV virus, to provide proper medical care for those who have contracted the virus, and to protect the rights of both infected and non-infected persons require, a careful balancing of interests in a highly complex society.

Knowledge is a critical weapon against HIV. A knowledge about the virus and how it is transmitted, knowledge of how to maintain one's health, knowledge of one's own infection status. It is critical too that knowledge lead to responsibility toward oneself and others. It is the responsibility of all Americans to become educated about HIV. It is the responsibility of those infected not to infect others. It is the responsibility of all citizens to treat those infected with HIV with respect and compassion. All individuals should be responsible for their actions and the consequences of those actions.

Developed in the full Commission report are nearly 600 recommendations to prevent further spread of the virus, manage care of those in-

fectured with HIV, and enhance our efforts to discover a cure.

The urgency and breadth of the nation's HIV research effort is without precedent in the history of the federal government's response to an infectious disease crisis. However, we are a long way from all the answers. The directing of more resources toward managing this epidemic is critical; equally urgent is the judicious use of those resources.

For the reader who does not have the time to review all the material which follows, the Commission has prepared a list of its 20 most important findings and recommendations, no one of which can stand alone or be ignored. These will be detailed in the body of the report, and together comprise a comprehensive national strategy for effectively managing the HIV epidemic.

- The term "AIDS" is obsolete. "HIV infection" more correctly defines the problem. The medical, public health, political, and community leadership must focus on the full course of HIV infection rather than concentrating on later stages of the disease (ARC and AIDS). Continual focus on AIDS rather than the entire spectrum of HIV disease has left our nation unable to deal adequately with the epidemic. Federal and state data collection efforts must now be focused on early HIV reports, while still collecting data on symptomatic disease.
- Early diagnosis of HIV infection is essential, not only for proper medical treatment and counseling of the infected person but also for proper follow-up by the public health authorities. HIV infection, like other chronic conditions -- heart disease, high blood pressure, diabetes, cancer -- can be treated more effectively when detected early. Therefore, HIV tests should be offered regularly by health care providers in order to increase the currently small percentage of those infected who are aware of the fact and under appropriate care. Since many manifestations of HIV

are treatable, those infected should have ready access to treatment for the opportunistic infections which often prove fatal for those with HIV.

- Better understanding of the true incidence and prevalence of HIV infection is critical and can be developed only through careful accumulation of data from greatly increased testing. Quality assured testing should be easily accessible, confidential, voluntary, and associated with appropriate counseling and care services. At the present time, a relatively small percentage of those infected with HIV are aware of their infected status. For their own protection and for the protection of those not infected, strong efforts should be made to provide easily accessible voluntary testing. Many of the detailed suggestions in the report with respect to testing are directed toward increasing this percentage.
- HIV is a disability and should be treated as such under federal and state law in the public and private sectors. Fear has led to discrimination against persons known to be infected. This reaction is inappropriate. Infected persons should be encouraged to continue normal activities, such as work or school, and live in their own homes as long as they are able. The average time between infection and clinical symptoms is now thought to be seven to eight years -- years which should be productive.
- Stronger protection is needed in federal and state law to protect the privacy of those with HIV, with significant penalties for violation of confidentiality standards, yet with a list of necessary exceptions clearly defined in the statutes. These exceptions are listed in detail in Chapter Nine of our report, in the section on Confidentiality.
- Preventive measures that must be undertaken immediately include:
 - Public health authorities across the United States must begin immediately to institute confidential partner notification, the system by which intimate contacts of persons carrying sexually transmitted disease are warned of their exposure.
 - Agencies which license and certify health care facilities must move immediately to require every facility to notify all persons who received blood transfusions since 1977 that they may have been exposed to HIV and may need testing and counseling.
- Intravenous drug abuse, an important facilitator of the HIV epidemic, must become a top national priority. Increased law enforcement efforts to interrupt the supply of drugs must be coupled with greatly expanded treatment capacity, with the goal of treatment on demand, to restore addicted individuals to healthful living.
- Use of other illegal drugs, as well as abuse of alcohol, are facilitators in the spread of HIV by impairing judgment and depressing the immune system. Federal and state efforts to limit HIV spread must contain major components in these areas. Drug and alcohol abuse education is essential for all school children, adolescents, and minorities as well as for all other Americans.
- New federal and state nursing scholarship and loan programs need to be enacted immediately to encourage nurses to serve in areas of high HIV impact, as well as to address the nursing shortage which impedes efficient health care delivery in all other areas. Nurses will provide the major portion of care, both inside and outside the hospital setting, to those with HIV. There is currently a severe nursing shortage, which is only projected to grow worse over the next decade.
- The National Health Service Corps, which places health care professionals in medically underserved areas, is slated for termination, but should be extended and greatly expanded. The health care industry should give special consideration to recruiting minority health professionals.
- Aggressive biomedical research is the key to unlocking the mysteries that surround finding a vaccine and cure for HIV. Greater administrative flexibility must be given to the National Institutes of Health to pursue its research goals. Liability obstacles must be removed, and clinical trials greatly expanded to include a broader spectrum of the infected population.
- More equitable and cost-effective financing of care for persons with HIV needs to be examined through a series of new or expanded demonstration programs involving federal and state government subsidy of private insurance premiums for needy patients and greater contribution to risk pools. It is important to move toward an organized system of care, with case management as a principal tool to control costs and provide quality care.
- Concerns of health care workers need to be better addressed by all levels of government as well as the private sector. All of those in the health care delivery system, ranging from the ambulance driver and other emergency "first responders," to physicians, nurses, dentists, lab technicians, social workers, chaplains, and allied health care workers, to obstetricians and surgeons performing invasive procedures, should be provided with complete information about HIV, adequate protective materials, and a safe working environment in which to provide comprehensive and compassionate care.
- Safety of the blood supply needs to be continually assured by the federal government. High priority should be placed on the Food and Drug Administration (FDA) test approval for new, less time-consuming HIV detection tests. Additionally, a restructured advisory committee needs to work with the FDA to continuously examine mechanisms that will protect our blood supply.
- In health care facilities, all reasonable strategies to avoid a transfusion of someone else's blood (homologous transfusion) should be implemented by substituting, whenever possible, transfu-

sion with one's own blood (autologous transfusion). Currently available techniques of autologous transfusion include predonation of one's own blood, recirculation of one's own blood during surgery, blood dilution techniques, and post-operative collection for retransfusion. Health care facilities should offer aggressive in-service training to their staff on these procedures, and informed consent for the transfusion of blood or its components should include an explanation of the risk involved with transfusion as well as the alternatives.

- Education programs must continue to be developed and implemented for the near term, and for the greatest possible positive impact on the next generation. Age appropriate, comprehensive health education programs in our nation's schools, in kindergarten through grade twelve, should be a national priority.
- The problem of HIV-infected "boarder babies" is one of the most heart rending the Commission has encountered; these children live their entire brief and tragic lives in hospital wards, with only doctors and nurses as family. The expected 10-20,000 HIV-infected births by 1991, also call attention to the critical need for foster homes. Unless the problems of the disadvantaged are addressed, the HIV epidemic will continue to make inroads into these populations and we will see large increases in both pediatric and drug related HIV disease.

- The problems of teenagers, and especially run-away youth, that place them at increased risk for HIV exposure must be aggressively addressed. The spread of HIV within the heterosexual population should be better defined and accurate information communicated to the general public.
 - The HIV epidemic has highlighted several ethical considerations and responsibilities, including:
 - the responsibility of those who are HIV-infected not to infect others;
 - the responsibility of the health care community to offer comprehensive and compassionate care to all HIV-infected persons;
 - the responsibility of all citizens to treat HIV-infected persons with respect and compassion;
- International efforts to combat the spread of HIV infection should be encouraged and assisted by the United States, through its research community and our national contribution to the World Health Organization and the Global Programme on AIDS.

The Commission believes that if the recommendations in this report are fully implemented, we will have achieved the delicate balance between the complex needs and responsibilities encountered throughout our society when responding to the HIV epidemic.

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review by the National Security Council and modification by the President:

(1) The programs of the CIA;

(2) The Consolidated Cryptologic Program, the General Defense Intelligence Program, and the programs of the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance, except such elements as the Director of Central Intelligence and the Secretary of Defense agree should be excluded;

(3) Other programs of agencies within the Intelligence Community designated jointly by the Director of Central Intelligence and the head of the department or by the President as national foreign intelligence or counterintelligence activities;

(4) Activities of the staff elements of the Director of Central Intelligence;

(5) Activities to acquire the intelligence required for the planning and conduct of tactical operations by the United States military forces are not included in the National Foreign Intelligence Program.

(h) *Special activities* means activities conducted in support of national foreign policy objectives abroad which are planned and executed so that the role of the United States Government is not apparent or acknowledged publicly, and functions in support of such activities, but which are not intended to influence United States political

processes, public opinion, policies, or media and do not include diplomatic activities or the collection and production of intelligence or related support functions.

(i) *United States person* means a United States citizen, an alien known by the intelligence agency concerned to be a permanent resident alien, an unincorporated association substantially composed of United States citizens or permanent resident aliens, or a corporation incorporated in the United States, except for a corporation directed and controlled by a foreign government or governments.

3.5 Purpose and Effect. This Order is intended to control and provide direction and guidance to the Intelligence Community. Nothing contained herein or in any procedures promulgated hereunder is intended to confer any substantive or procedural right or privilege on any person or organization.

3.6 Revocation. Executive Order No. 12036 of January 24, 1978, as amended, entitled "United States Intelligence Activities," is revoked.

RONALD REAGAN

The White House,
December 4, 1981.

[Filed with the Office of the Federal Register, 4:09 p.m., December 4, 1981]

Executive Order 12334—President's Intelligence Oversight Board December 4, 1981

By the authority vested in me as President by the Constitution and statutes of the United States of America, and in order to enhance the security of the United States by assuring the legality of activities of the Intelligence Community, it is hereby ordered as follows:

Section 1. There is hereby established within the White House Office, Executive Office of the President, the President's Intelligence Oversight Board, which shall be composed of three members. One member, appointed from among the membership of

the President's Foreign Intelligence Advisory Board, shall be designated by the President as Chairman. Members of the Board shall serve at the pleasure of the President and shall be appointed by the President from among trustworthy and distinguished citizens outside the Government who are qualified on the basis of achievement, experience and independence. The Board shall utilize such full-time staff and consultants as authorized by the President.

Sec. 2. The Board shall:

(a) Inform the President of intelligence

activities that any member of the Board believes are in violation of the Constitution or laws of the United States, Executive orders, or Presidential directives;

(b) Forward to the Attorney General reports received concerning intelligence activities that the Board believes may be unlawful;

(c) Review the internal guidelines of each agency within the Intelligence Community concerning the lawfulness of intelligence activities;

(d) Review the practices and procedures of the Inspectors General and General Counsel of the Intelligence Community for discovering and reporting intelligence activities that may be unlawful or contrary to Executive order or Presidential directive; and

(e) Conduct such investigations as the Board deems necessary to carry out its functions under this Order.

Sec. 3. The Board shall, when required by this Order, report directly to the President. The Board shall consider and take appropriate action with respect to matters identified by the Director of Central Intelligence, the Central Intelligence Agency or other agencies of the Intelligence Community. With respect to matters deemed appropriate by the President, the Board shall advise and make appropriate recommendations to the Director of Central Intelligence, the Central Intelligence Agency, and other agencies of the Intelligence Community.

Sec. 4. The heads of departments and agencies of the Intelligence Community shall, to the extent permitted by law, provide the Board with all information necessary to carry out its responsibilities. Inspectors General and General Counsel of the Intelligence Community shall, to the extent permitted by law, report to the Board concerning intelligence activities that they have reason to believe may be unlawful or contrary to Executive order or Presidential directive.

Sec. 5. Information made available to the Board shall be given all necessary security protection in accordance with applicable laws and regulations. Each member of the Board, each member of the Board's staff, and each of the Board's consultants shall execute an agreement never to reveal any classified information obtained by virtue of his or her service with the Board except to the President or to such persons as the President may designate.

Sec. 6. Members of the Board shall serve without compensation, but may receive transportation, expense, and per diem allowances as authorized by law. Staff and consultants to the Board shall receive pay and allowances as authorized by the President.

RONALD REAGAN

The White House,
December 4, 1981.

[Filed with the Office of the Federal Register, 4:10 p.m., December 4, 1981]

Statement on Signing the Intelligence Authorization Act for Fiscal Year 1982

December 4, 1981

I am pleased today to sign into Law H.R. 3454, the Intelligence Authorization Act for Fiscal Year 1982. This act represents a significant first step toward achieving revitalization of our nation's intelligence community. The President of the United States must have timely, accurate, and insightful foreign intelligence in order to make sound national defense and foreign policy deci-

sions. This act helps to assure that we will have the necessary intelligence information to make these difficult decisions.

The Congress has with this act authorized appropriations sufficient to assure that we continue to have the world's best and most professional intelligence service. The Congress has also provided new administrative authorities to the heads of the nation's

DRAFT

6/27/88

AIDS COMMISSION REPORT NOTES--PLANNING POSSIBILITIES

Determine if Health Working Group of DPC will have a role in developing the decision paper?

Based on draft press release, will Dr. Macdonald report through the DPC or through CofS?

How will papers go through clearance? What process?

Will Dr. Macdonald set up working group?

Probable necessary actions:

1. Do a rack-up of recommendations.

Possible categories:

Consistent with Administration policy.
Not consistent with Administration policy.
No existing policy.

Get OMB started on rack-up/costing as separate activity??
How many/much is already funded, how should initiatives be included in the FY 1990 President's budget to Congress?

2. Decide on specific 30 day goal:

Probable Presidential Decision Memorandum?

3. Purposes of documents/options:

Executive Order--Weight of law, gives or adds authority.
Can be used as interim authority while requesting legislation.

Presidential Order--To direct agencies, if already have sufficient authority.

Presidential Message--To transmit proposed legislation.

4. Courses of Action Available (for accepted recommendations)

Do legislatively

Do administratively

Provide leadership/encouragement-non-government

Deserves further study, divide into short term & long term.

Possibly Recommendations to Incoming President.

Incorporate in legislative package

DRAFT

DRAFT

5. Begin drafting Presidential Decision Paper immediately.
Provides insight into what must be done in 30 days
Recommendations: endorse general goals of Commission,
reemphasize basics: AIDS as major public health issue, not a
social issue; must not legislate bias/discrimination; Federal
Government as a model for handling AIDS in Workplace (E.O.)
President to speak out on these issues.

Possible Presidential Options:

- #1. Department and Agencies vigorously pursue those
recommendations which are consistent with Administration
policy.
- #2. Federal Government will be model for AID's employer
program. Issue E.O.

DRAFT

7/14/88

AIDS and 1962

As the President's AIDS Commission prepared for its final meeting recently, we wrote that it should recommend suspending the 1962 Kefauver amendments to the FDA Act. Kefauver mandates clinical trials to prove a drug is effective before it's made publicly available. This rule is separate from the noncontroversial drug-safety requirement, which was mandated in 1938. We said this single step would help AIDS patients more than any other measure currently being discussed.

So when the Commission released its final report we were gratified to find the following recommendation on page 53: "The Food and Drug Administration should fund an independent scientific organization to conduct an independent review of safety [sic] regulations dictated by the 1962 Kefauver amendments to determine whether they should be relaxed for drugs used under Treatment IND regulations that are intended for terminally ill patients who have given informed consent."

This is a beginning. It is a first step toward correcting the deficiencies of the current regulatory framework. An attorney for the Lambda Legal Defense and Education Fund recently called that framework "virtually useless in helping people with AIDS." People with AIDS, however, should understand that the forces arrayed to kill any proposal to suspend Kefauver are formidable. In the letters column nearby, FDA Commissioner Frank Young makes the argument against this idea. He believes that double-blind, placebo-controlled trials are the "fastest" way to develop effective AIDS therapies.

A wide-open debate over Kefauver would be useful, because it would lay on the table the primary—and in our opinion, often competing—interests at play in the battle against AIDS. People with AIDS primarily want the alleviation of their agony; scientific researchers primarily want statistical confirmation of their strenuous intellection; the FDA wants to avoid AIDS precedents that diminish its control of other U.S. drug research; and the drug companies want to bring a product to market with a federal seal of approval on the box.

AIDS-relief advocates are acutely familiar with the delays these issues have caused. They've heard promises so many times about "speeding up the

system" that they have reason to regard anyone's proposals with skepticism. So let us make the central focus of our own idea clear.

We are not against a statutory requirement to ensure safety, with the caveat that the question of safety must be related to the severity of the disease. Nor are we against the basic idea of clinical trials of effectiveness, though we believe these can continue after the drug's release to the public. The key issue is: How do the clinicians get their control groups to take blinded placebos? Usually in a blinded placebo-controlled experiment, one group gets the experimental drug, and the other basically gets nothing. The resulting deaths in the group that got nothing "controls" the evaluation of the genuine. In the midst of a medical crisis such as this, where does it say in the Hippocratic oath that patients have to accept a 1962 FDA efficacy rule (based on a sedative given to pregnant women) that forces half of them in these trials to accept a placebo?

One of the things people with AIDS would discover if they looked into the Kefauver issue is that in fact there was a functioning process of drug discovery before Kefauver. In "New Drug Development: A Regulatory Overview" (Omec International, Washington, D.C.) one finds the following: "The 1950s marked a golden era for pharmaceutical manufacturers. . . . According to one authority, the apex of new drug innovation was reached in 1949, when 559 new products were reported. By contrast the comparable figure in 1969 [seven years after Kefauver] was only 83. . . . The costs of regulatory compliance were relatively minor and the average regulatory review time was seven months."

In his letter this morning, Commissioner Young says that suspending Kefauver "would not be supported by American science or most AIDS patients." We know where "American science" stands. But let's find out if Frank Young is right about the AIDS patients. We propose that a referendum, limited to people who have tested HIV-positive, be conducted to determine whether they would support or oppose lifting the Kefauver requirements for the AIDS crisis. Let them read this editorial, Frank Young's letter and whatever else—and then vote.

7/14/88

Letters to the Editor

FDA's Role in AIDS Drug Therapy

Your June 15 editorial "An AIDS Crisis Proposal" attempts to convince readers that a good way to speed the access of promising AIDS therapies is to approve drugs that are safe—even if they don't work. I think this viewpoint is very short-sighted, and would not be supported by American science or most AIDS patients. In the guise of giving the dying "hope," your editorial would undercut the science that can lead to a true and useful therapy.

Decades of experience with the development of drugs and vaccines has led us to the well-accepted concept that systematic, phased clinical trials are the best and indeed the fastest and surest way of developing effective treatments for diseases such as AIDS. I think this point is underscored by the recent success with Retrovir (formerly AZT). In double-blind, placebo-controlled trials lasting only six months, this drug was shown to prolong the lives of AIDS patients, and in 107 days, it was approved for commercial use.

There is not a single bit of evidence that AZT would have been available one day sooner if "only" safety data had been reviewed. In fact, the opposite was true. It was the overwhelming evidence of the efficacy of AZT that outweighed its severely

toxic side-effects and allowed it to be commercially available in record time.

In addition, with the Food and Drug Administration's Treatment IND (investigational new drug) program, drugs can be made available to AIDS patients even before they're approved for commercial distribution. In September 1986—about six months before commercial approval—the FDA granted a Treatment IND for AZT, making it available to more than 4,000 AIDS patients before its final approval in March 1987.

In the absence of good scientific evidence that a drug is safe and effective, it is impossible to know if it "works" or that it gives the AIDS patient the "consolation that he or she fought back with something of promise." The Gordian knot is not the Kefauver amendments to the Food and Drug Act. It's finding AIDS drugs that work! When we find such a drug—such as AZT—the FDA will see that the drug is available as fast as is humanly possible.

FRANK E. YOUNG M.D.
Commissioner of Food and Drugs
Food and Drug Administration
Department of Health and
Human Services

Rockville, Md.

Whether It's Writ Large or Small . . .

The history books will likely identify Kenneth M. Duberstein as the last of President Reagan's four White House chiefs of staff and the one who served for the least amount of time. Four months of Duberstein's stint will be eclipsed in the news by election coverage and the remaining two and a half will be overshadowed by the next Administration's transition activities.

But Duberstein's abbreviated stewardship of the White House staff will be far from relaxed. This, after all, is legacy time for the 40th President, and the verdict is not yet in on how he measured up to some of the major challenges of his time. So, it does not follow that the last chief of staff will be the least in terms of impact on the Reagan record.

Before Reagan retires into the California sunset, he will have to take final stands on such mega-problems as the AIDS epidemic and the highly politicized drug abuse issue. To devote new resources to either could mean running up the white flag on the deficit-restraint front. In the foreign affairs arena, uncertainties remain about America's high-stakes involvement in the Persian Gulf war zone—where tensions escalated sharply after a U.S. guided-missile cruiser mistakenly shot down an Iranian civilian jetliner on July 3—and about the fate of the contra insurgents in Nicaragua.

When scholars look back on the Reagan era, however, few domestic challenges will stand out as more unique and frightening than the national health crisis that manifested itself on his watch. To date, there has been considerable dismay within the public health community and among advocacy groups associated with victims of the AIDS epidemic over the White House's failure to acknowledge the urgency of the situation.

Now, in the closing moments of his presidency, Reagan is being urged to adopt an aggressive national strategy for fighting the killer disease, even though little sympathy for many of its victims has been shown by his chosen domestic policy advisers.

A year ago, Reagan finally referred the matter to an outside commission. He now has been asked by that commission to personally take a stand against discrimination directed toward persons infected with the AIDS-causing agent—the human immunodeficiency virus (HIV). AIDS has been most prevalent among among male homosexuals and bisexuals, intravenous drug users and prostitutes, but also is taking a toll among other segments of society, including recipients of blood transfusions, health care workers and infants born of infected mothers.

Reagan's commission, in its final report submitted on June

24, pleaded that there be "a powerful message from the leadership of the nation" condemning discriminatory treatment of HIV-infected persons. It asked the President to issue an executive order on the subject covering federal employees and program beneficiaries, and it urged legislation to extend similar protection within the private sector.

"Fear of potential discrimination . . . will undermine our efforts to contain the HIV epidemic," the commission's report argued. It noted that only a "relatively small proportion of the potentially infected population" has come forward for

*White House
Notebook*

BY DICK KIRSCHTEN

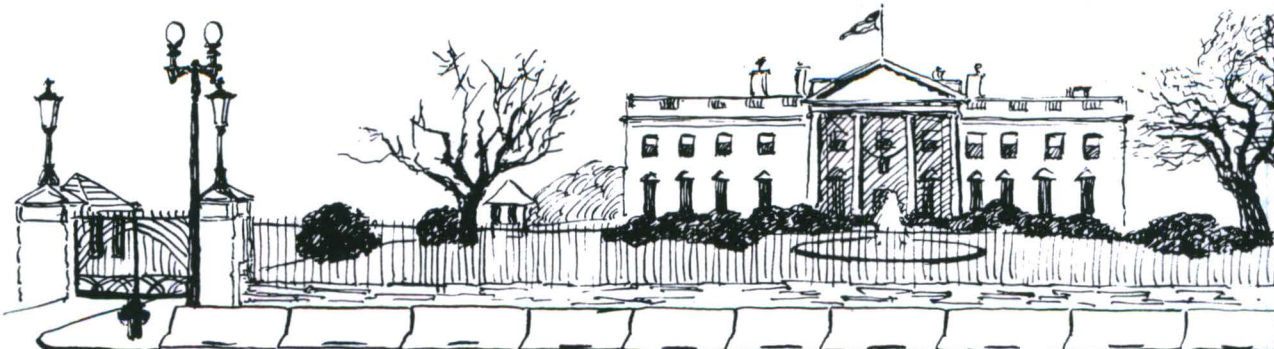
testing and that, therefore, current knowledge of the disease's prevalence is limited.

But what is known is staggering. As Reagan came into office in 1981, the report noted that "an unusual pattern of disease symptoms" already had attracted notice within the medical community. By the time the President had served two full years, public health officials had defined the symptoms of the incurable infection as AIDS (acquired immune deficiency syndrome) and were urging doctors to report cases to the Centers for Disease Control so that federal epidemiologists could study and track the "emerging crisis."

By 1986, the second year of Reagan's second term, it was widely recognized that the reported AIDS cases were only the tip of the iceberg; that large numbers of persons—officially estimated in the 1 million-1.5 million range—had been infected by the HIV that leads, usually within seven or eight years, to the outbreak of the fatal AIDS disease.

In June 1987, Reagan issued an executive order calling for an advisory commission to conduct a yearlong study. It took a month to appoint members. And the initial leadership of the study panel, in the words of a senior presidential assistant, was "a disaster."

There was plenty of blame to be shared for the commission's chaotic start, but a major underlying element was the fact that domestic policy making in Reagan's Cabinet Council system had been turned over to self-described "social issue conservatives" and their allies who made little secret of their aversion to channeling federal assistance to persons of whose life-styles they disapproved.



... Reagan Has More History to Make

Gary L. Bauer, the outspoken director of the White House policy development office, disagrees with the commission's conclusion that fear of discrimination is an impediment to wide-scale AIDS testing. "Young single people that I know are being tested," Bauer said in a recent interview.

Bauer said he feared that including HIV patients under the antidiscrimination bans in federal laws is bad public policy because "there are too many cases where discrimination is proper" to prevent the spread of HIV.

By Bauer's definition, it also is bad politics. A few months back, during Reagan's embarrassingly unsuccessful attempt to sustain a civil rights bill veto, Bauer protested against "affording federal protection to groups that most Americans would not like to see protected." He voiced objection to court rulings affording handicapped status to persons suffering from drug addiction or alcoholism. "I think most Americans see that as being related to a character flaw or a moral fault," he said.

Not surprisingly, Reagan's top aides were able to make progress on the AIDS issue only after they essentially cut Bauer and his office out of the loop. The turning point came last fall, after the study commission's initial staff director had been fired and its original chairman, vice chairman and a top medical adviser had resigned.

At that juncture, there was more than a little egg on the face of then-White House chief of staff Howard H. Baker Jr., who had advocated the appointment of W. Eugene Mayberry, a physician and executive of the Mayo Clinic in Rochester, Minn. However, John C. Tuck, then Baker's executive assistant, pressed for the elevation of retired Adm. James D. Watkins to take charge of the commission. Tuck, a former Navy officer, had worked under Watkins when he was Chief of Naval Operations and had been instrumental in getting him named to the commission.

Under Watkins's guidance, the presidential study commission completed an ambitious schedule of more than 40 public hearings and produced its report on time. The panel's findings and its nearly 600 recommendations for action have been warmly praised by experts conversant with the AIDS crisis.

Reagan, after being briefed by Watkins on June 27, referred the report for a 30-day review by the chief of his drug policy office, Donald Ian Macdonald, who is regarded as ideologically neutral by current White House standards. Duberstein, who was then Baker's deputy, was a party to the referral decision. Macdonald is to report back directly to Reagan without going through the Domestic Policy Council.

Sources close to Duberstein indicate that the President will be urged to act swiftly to implement most, but not all, of the commission's recommendations. For the new chief of staff, it may be the first chance to distinguish himself as a deft operator. For Reagan, it will be the last chance to correct an undistinguished record on a major issue.

* * *

The new leadership triumvirate in the West Wing suggests that the path to power on the presidential staff begins on the hard marble corridors of Capitol Hill. Both chief of staff Duberstein and his newly appointed deputy, M. B. Oglesby, started out in 1981 as legislative lobbyists for Reagan.

Both worked in the Democratic-controlled House, where Reagan won his dramatic first-year tax and budget victories. Duberstein subsequently headed the White House office of legislative affairs; and when he departed in late 1984, Oglesby succeeded him.

The third member of the team is Tuck, who has been named director of the office of the chief of staff. Tuck worked in the White House legislative affairs office from 1986-87 before serving as executive assistant to Baker. From 1981-86, Tuck was a floor assistant to Baker, who was then the Senate Majority Leader.

Although their current duties will not directly involve them in day-to-day legislative lobbying, the trio nonetheless is well wired with the congressional leadership structures of both parties.

Just as Duberstein sat in on the daily briefings of the President when he was Baker's deputy, Oglesby will take part in the morning sessions in the Oval Office with Duberstein. The new deputy staff chief will also take on the long-term planning function formerly assigned to Baker's communication assistant, Thomas C. Griscom. Evidencing the new team's interest in keeping the White House in Republican hands this fall, Oglesby also has been designated as liaison to Vice President George Bush's campaign and official staffs.

Tuck's role will be primarily managerial, riding herd on the flow of paper and people through the staff chief's office. He also will be tasked to "honcho" special projects.

Griscom's replacement, Mari Maseng, will be responsible for overseeing the speechwriting, media relations and public affairs staffs. Maseng started out in 1981 as a Reagan speechwriter and subsequently headed the White House office of public liaison. She left that post last fall to become press secretary for Robert Dole's presidential campaign. □



2/14/85

'Liberate' AIDS Research From OMB, Hill Urged

Watkins Says 'Functionaries' Delay Work

By Michael Specter
Washington Post Staff Writer

The chairman of the presidential AIDS commission yesterday urged Congress to "liberate" federal AIDS research from the "bureaucrats" of the Office of Management and Budget.

"You've got the best research facility in the world held up by some functionaries who have no idea what is needed," retired admiral James D. Watkins testified at a Senate Labor and Human Resources Committee oversight hearing on AIDS treatment and research. "It's time to give the National Institutes of Health a break," he added.

Watkins said the suggestion, contained in last month's AIDS commission report, would give federal researchers the flexibility they need to move faster in developing treatments for the fatal disease. But committee members and some witnesses charged that NIH and the Food and Drug Administration have been bogged down in red tape of their own making.

Critics of federal AIDS efforts have said repeatedly that government officials have moved far too slowly in making experimental drugs available to people with AIDS and to the other 1.5 million Americans believed to be infected with the AIDS virus.

"Shouldn't we be looking at this some other way rather than following business as usual?" Chairman Edward M. Kennedy (D-Mass.) asked FDA Commissioner Frank E. Young.

"I can assure you, senator," Young replied, "this is not business as usual."

The constant complaints arise because little is now available to treat those with AIDS. Only one drug, AZT, has been approved by the FDA to treat the disease, and most other drugs that appear promising have a long way to go before they can be proved safe and effective. It can take scientists years to prove a drug's worth, too long for people with AIDS. Increasingly, AIDS researchers are being pushed by tens of thousands of people with no other hope to release drugs ear-

ly. But the researchers say that would only add to the confusion and disappointment.

"We are already testing one substance because we know many people in the community are using it," said Anthony S. Fauci, NIH's director of AIDS research. The drug, AL-721, was not on any priority list at NIH for testing. But because so many people are using it, NIH officials decided to study its effectiveness.

Virtually none of them believes it will prove of value, and privately many compare it to laetrile, the cancer drug that proved worthless.

But critics say that NIH has put too much emphasis on AZT and a few other drugs that will take years to develop.

"There are easily 10 agents selected for study by NIH's own selection committee which have yet to enter human study in the federal AIDS program," said Dr. Barry Gingell, director of medical information for New York's Gay Men's Health Crisis, the nation's largest AIDS service organization. "We're not talking about quack remedies or snake oil.

"If there is even a chance that [a potential] AIDS therapy could be useful, we cannot afford to ignore it," he said.

Federal officials and physicians treating AIDS patients concede that a vast underground network of "guerrilla clinics" has developed in the past several years where people with AIDS purchase drugs that have not yet been proven effective.

The self-medication movement threatens to endanger federal efforts to determine different drugs' usefulness against AIDS by confusing the results. NIH officials have decided to double the size of one key trial of AZT among infected people because they fear many participants are also using other drugs.

Young said yesterday that, based on a mathematical model the FDA developed, few new approvals can be expected in coming years. He said that of more than 300 chemicals being tested, only one or two will probably become useful drugs, if experience with other diseases is a guide.

F.D.A. Is Pessimistic on Drugs to Fight AIDS

By PHILIP M. BOFFEY

Special to The New York Times

WASHINGTON, July 13 — The Food and Drug Administration said today that, based on experience in drug development, current experiments with dozens of possible AIDS treatments were not likely to yield more than one or two new drugs by 1991 that would be useful in fighting the disease.

That pessimistic projection was presented by Dr. Frank E. Young, the Commissioner of Food and Drugs, at a Senate hearing at which critics charged that the F.D.A. and other Federal agencies had moved too slowly to bring promising new AIDS drugs to patients.

Although no other witnesses directly challenged Dr. Young's projection, several senators and advocates of AIDS patients expressed anger or skepticism at what they considered a sluggish approach by either the National Institutes of Health, which sponsors clinical trials of AIDS drugs, or the Food and Drug Administration, which decides which drugs can be tested or used for medical treatment in humans.

F.D.A. Said to Ignore Rules

Dr. Barry D. Gingell, director of medical information for the Gay Men's Health Crisis in New York, charged that the drug agency had ignored its own rules that were intended to rush promising drugs to patients more quickly. Dr. Gingell said that the national institutes had spent most of its time getting organized and scrutinizing ideas instead of getting clinical trials "up and rolling rapidly."

But the real problem, Dr. Young told the Senate Committee on Labor and Human Resources, is that "the vast majority" of all AIDS drugs in clinical trials now or in the future will ultimately prove ineffective or too dangerous.

Thus far, only a single drug, AZT, or azidothymidine, has been licensed for treating the AIDS virus itself, although some other drugs are available to treat the infections that strike AIDS patients. AZT prolongs life in some patients but is highly toxic. Another 18 AIDS-related drugs are now in federally sponsored experiments, said Dr. Anthony Fauci, director of the National Institute of Allergy and Infectious Disease. Other drugs are being studied by industry.

Dr. Gingell said that because AIDS presents an emergency, officials should be willing to take more risks in testing and using experimental drugs. In general, he said, such drugs are surely less dangerous to the patients than is the virus that causes acquired immune deficiency syndrome.

"If there is even a chance that a candidate AIDS therapy could be useful, that it might buy a few months of extra life for certain people with AIDS, we cannot afford to ignore it," he said. He suggested that at least 10 potentially promising drugs should be further along in clinical testing than they are.

Senator Edward M. Kennedy, Democrat of Massachusetts, chairman of the committee, showed visible impatience as he accused Dr. Fauci, of "doubletalk" in his explanation of the

Projections are for no more than one or two new drugs by 1991.

bureaucratic hurdles that had to be cleared before new drug trials could be set up at the community level.

Senator Alan Cranston, Democrat of California, complained that "explanations and excuses" do not help the dying. "More than two years of delays and footdragging is too long," he said.

Senator Barbara Mikulski, Democrat of Maryland, said that people infected with the AIDS virus do not want to be "victims of the sluggishness of their own government."

'Smoke and Mirrors'

Much of the testimony focused on the F.D.A.'s new program to allow promising new drugs to be used against life-threatening diseases even before all tests of safety and effectiveness are completed. In its first year, the program released only a single AIDS-related drug, zalcitabine, to treat a severe pneumonia under re-

strictions that made it available to only 89 AIDS patients.

Today, Dr. Gingell called that program "smoke and mirrors." He said the regulations allow the agency to release drugs that "may be effective," but that the F.D.A. in practice is demanding almost the same proof of effectiveness as needed for full-scale marketing approval. "Nothing has changed at all," he said.

Dr. Young said the rules require "some indication" that a drug "is going to be effective" or "may be effective." But they do "not in any way" require the same level of evidence as is needed for full marketing approval.

Projections of Drugs

In an effort to temper the belief that there are many promising drugs being developed, Dr. Young presented a statistical projection that suggested, based on past experience with other experimental drugs, that "very few" of the current or future crop of AIDS drugs entering clinical trials would prove safe and effective. He cautioned that the projection "cannot predict the exact number of therapies that will be approved" but is nevertheless "useful in calibrating our expectations."

By 1991, the statistical model predicts 1 or two additional successful therapies to treat either the AIDS virus, the weakened immune system of the patient, or AIDS-related infections and cancers. By 1995, the number would rise to 5 or 6 and by the year 2000 it would be 9 to 11.

Most scientists believe that any new drugs on the horizon will at best hamper or contain the AIDS virus.

Adm. James D. Watkins, chairman of the President's AIDS Commission, and Dr. Burton J. Lee, a member of the commission, blamed the Office of Management and Budget for impeding progress at the national institutes by management techniques that interfered with the agency's ability to shift personnel and resources to meet the AIDS crisis.

"No research arm of any institution can prosper under such bureaucratic control and red tape," Dr. Lee said. "Please do not let one of the truly great educational and research institutions in the world gradually collapse by strangling its ability to change and react, which is what is happening today."

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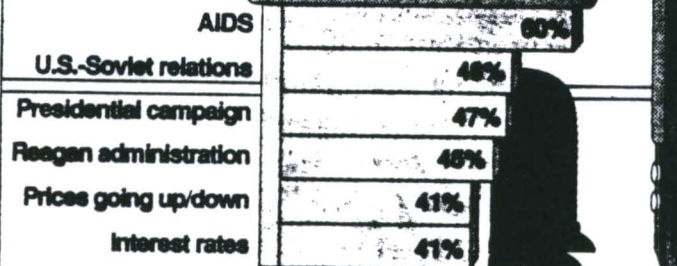
7/7/88

USA SNAPSHOTS

A look at statistics that shape the nation

Following the news

The news stories most people surveyed say they follow closely:¹



¹ - Those responding could select more than one

Source: Roper Reports

By Marcy Eckroth Mullins, USA TODAY

SP1

* Checks & balances (controlled trials)
↳ unsafe possibility
↳ hard to determine what works

↓ Confidentiality
↓ \$