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WITHDRAWAL SHEET

Ronald Reagan Library

Collection: WHORM: Subject File

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File Folder: FG378 121530 (2) (8)

Date: 7/16/97

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. memo (121530)	R.T. McNamar to Bennett Lewis re national policy statement, 2p	5/26/82	P5
2. memo	Mark Stalnecker to Assistant Secretary Brady re Industrial Mobilization W.G. draft policy statement, 1p	5/25/82	P5 MJD 12/12/00
3. paper	re unresolved issues, 2p	n.d.	P5
4. memo	Richard Lying to Lewis re fourth draft of EMPB policy statement, 1p	n.d.	P5
5. memo	Elem Hertzler to Lewis re fourth draft of policy statement, 1p	5/21/82	P5
6. memo	G.A. Keyworth to Lewis re fourth draft of national policy statement, 2p	5/25/82	P5
7. memo	James Dalton to Executive Secretary, EMPB re fourth draft of national policy statement, 3p	5/27/82	P5
8. letter	William Vaughan to Lewis re fourth draft of statement, 2p	5/26/82	P5
9. memo	William Hilsman to Lewis re fourth draft of statement, 2p	5/24/82	P5
10. memo	Fred Ikle to Lewis re draft national policy statement (attachments), 5p	5/26/82	P5
11. memo	Richard Kennedy to Lewis re fourth draft, 1p	5/19/82	P5
12. minutes	EMPB, fourth board meeting, 5p	4/28/82	P5

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P-1 National security classified information [(a)(1) of the PRA].
- P-2 Relating to appointment to Federal office [(a)(2) of the PRA].
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C. Closed in accordance with restrictions contained in donor's deed of gift.

Freedom of Information Act - [5 U.S.C. 552(b)]

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13. status report	re Economic Stabilization and Public Finance Working Group, page 2 (partial), 2p <i>R 2/24/99 NLSF96-115 #7</i>	n.d.	P1

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THE DEPUTY SECRETARY OF THE TREASURY
WASHINGTON, D.C. 20220

May 26, 1982

MEMORANDUM FOR BENNETT L. LEWIS
EXECUTIVE SECRETARY, EMPB

FROM : R. T. McNamar

R.T.M.

SUBJECT : National Policy Statement on Emergency
Mobilization Preparedness

As you requested, we have reviewed the fourth draft of the policy statement, and I have the following comments:

-- The language on the "free market" in the principles section is now acceptable.

-- The standards to be met in funding the Emergency Preparedness Program remain ambiguous. The last paragraph of the policy statement appears to require departments and agencies to fund activities which are essential for the Program, while the next sentence appears to give flexibility to reduce funding in favor of activities considered higher priority.

It also remains unclear who has this flexibility. The draft policy statement is silent, while the issues paper on this subject contains text which supposedly is a direct quotation from the policy statement, but which includes a phrase giving this flexibility to each agency.

-- Subsidization of industries is so contrary to Administration policy that exceptions to the policy, if any, would have to be very limited. They should be made only after a very strong case had been made for each specific exception, and to date, no such cases have been made. Therefore, the text of the present draft is too permissive. It should be much more tightly drawn, or an absolute prohibition of subsidies included as part of the statement.

I attach a memorandum from Treasury's representative to the Industrial Mobilization Working Group, which contains more appropriate language. It also contains a rationale for the policy which might be included in the statement.

-- Mobilization planning must take account of communications other than telecommunications. If the existing Communications Working Group limits itself to telecommunications, the issue will have to be considered elsewhere. However, it would be more efficient for the existing Working Group to address all forms of communication.

-- I support shortening the policy statement by eliminating implementation measures. Indeed, the statement is still too long. Consideration should also be given to deleting the specific working group policy statements, particularly since some of them, such as the Industrial Mobilization Working Group's, raise issues which have not been adequately considered by the Board.

I am also attaching a draft of the statement, with editorial suggestions indicated.

Attachments



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

DEPUTY ASSISTANT SECRETARY

May 25, 1982

MEMORANDUM FOR ASSISTANT SECRETARY BRADY

From: Mark Stalnecker *MS*
Treasury Department

Subject: Industrial Mobilization W.G. Draft Policy Statement

I was unable to attend the May 10 meeting of the Working Group. However, I would like to suggest that the Working Group's policy statement affirm that any use of the Defense Production Act (DPA) to provide special incentives or subsidies be contemplated only in emergency situations in which the allocative efficiencies of the marketplace break down. It is not apparent that non-emergency use of DPA is appropriate.

As I stated at the Working Group's March 12 meeting, any Governmental action undertaken to provide for the Nation's industrial preparedness should fully disclose the true cost of Government's actions, and not be hidden through the use of subsidies or special non-emergency assistance.

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National Security Decision Directive

4th DRAFTPREAMBLE

A fundamental obligation of government is to provide for the security of the Nation and to protect its people, values, and its social, economic, and political structures. Inherent in that obligation is the development of an emergency mobilization preparedness program which will provide an effective capability to meet defense and essential civilian needs during national security emergencies and major domestic emergencies. This directive aims not to commit the Federal government to a particular course of action, but rather to assure that a range of options are available in time of grave national emergency.

UNITED STATES EMERGENCY MOBILIZATION PREPAREDNESS POLICY

It is the policy of the United States to have an emergency mobilization preparedness capability that will ensure that government at all levels, in partnership with the private sector and the American people, can respond decisively and effectively to any major national emergency.

PRINCIPLES FOR EMERGENCY MOBILIZATION PREPAREDNESS PROGRAMS

Programs developed to ensure or improve the Nation's ability to mobilize will be based on the principles that follow. They have been divided into those that apply to national security emergencies and those that apply to domestic emergencies to emphasize that the respective and appropriate response for each may be quite different. The objective in both cases, however, is to define a common ground upon which mobilization programs can be developed and used at the discretion of the President to prevent avoidable emergencies and to mitigate the effects of those that are unavoidable. Authorities for direct economic controls in emergency situations need to be provided to give responsible policymakers flexibility to deal with circumstances that can only be judged as they arise. However, in most, if not all foreseeable emergency situations, the allocative efficiency of the market should be relied upon. Controls should be used only when they are clearly superior as a means to achieve essential objectives, and not as an automatic response to all emergencies.

National Security Emergencies

Emergency mobilization preparedness programs for national security emergencies will be based on the following principles:

- Preparedness measures should address the full spectrum of national security emergencies.

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- The development of the structure of policies, plans, authorities, and requirements for full mobilization should receive priority attention. Planning for total mobilization should be accomplished concurrently.
- Where applicable, preparedness measures should emphasize the partnership and interdependence between Federal, State, and local governments.
- To the maximum degree possible, consistent with security requirements, the private sector should be brought into a planning partnership with responsible government agencies prior to the outset of an emergency.
- Resource management and economic stabilization programs should include standby plans and procedures for governmental intervention, as necessary, into the market place to ensure the enhancement of supply and the allocation of resources to military and essential civilian needs. These mechanisms should provide for both gradual and abrupt replacement of market forces by governmental regulations.
 DUPLICATES
 TO
 NEWCIPLES
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- Plans and procedures should be designed to retain maximum flexibility for the President and other senior officials in the implementation of emergency actions both above and below the threshold of declared national emergencies and wars. Plans should avoid rigid "either-or" choices that limit Presidential options.
- Mobilization ^{MAY} ~~will~~ require new public policies, many of which may differ substantially from those pursued in peacetime. The implementation of these policies will be greatly facilitated by planning that identifies and evaluates alternatives.
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- Preparedness measures should reflect functional interdependencies among agency activities and across preparedness programs. There must be close and continuous coordination between military and civilian agencies to ensure consistent approaches to common problems.
- Preparedness measures should emphasize a rapid and effective transition from routine to emergency operations and should be designed to make effective use of any periods of time that may be available following the receipt of strategic and tactical warnings. The Government must develop capabilities to minimize the start-up time required for emergency responses.
- All Federal agencies should give high priority to improved capabilities to identify and prioritize their requirements for national resources in a mobilization.

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- All Federal agencies should improve their capabilities to identify and manage the resources under their cognizance to meet military and essential civilian requirements in a mobilization.
- Preparedness measures should recognize the importance of short term improvements in the Government's ability to make effective use of the existing mobilization base.
- Preparedness measures to expand the size or improve the quality of the mobilization base should be developed in the longer term. These measures should be designed to meet those specific requirements for national emergencies that ~~will~~ not be met by the dynamics of the market-based economy.
- Preparedness measures that involve the waiving or modification of socioeconomic regulations that delay emergency responses should receive priority attention.
- ~~THE IDENTIFICATION OF~~ Preparedness measures that are, or may be, impeded by legal constraints should be ~~identified as a priority task.~~
- Preparedness measures should include all appropriate coordination with our allies.

Domestic Emergencies

Emergency mobilization preparedness programs for domestic emergencies will be based on the following principles:

- Primary emphasis should be placed on natural or technological disasters that (a) have a major national impact; (b) produce multi-State consequences that cannot be managed effectively without substantial Federal presence; or, (c) arise within spheres of activity in which there is an established Federal preeminence.
- Preparedness programs should also be designed to increase capabilities to cope with (a) resource shortages arising from politically or economically motivated disruptions of essential supplies from foreign sources, and (b) serious disruptions of services (e.g., transportation or communications) that could cripple economic activity and threaten national security.

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- Domestic preparedness programs should recognize the primary responsibilities of State and local governments, emphasizing their partnership with the Federal government.
- Domestic preparedness programs should be developed in close coordination with the private sector.
- Preparedness measures for allocation of resources during domestic emergencies should emphasize procedures that rely ~~primarily~~ on market-based mechanisms. *Foreman by
Fredrickson
with
emphasis*
- Economic stabilization preparedness measures should provide mechanisms that avoid the imposition of direct economic controls except on a temporary basis in affected areas.
- Preparedness measures for domestic emergencies should facilitate responses which may be necessary for only temporary and selective departures from established public policies. Equally, such measures should aim for the prompt restoration of routine policies and programs.

SPECIFIC POLICIES, PROGRAMS AND IMPLEMENTATION MEASURES

Based on the national emergency mobilization preparedness policy and principles stated above, preparedness programs will be directed initially at correcting the most serious emergency mobilization deficiencies in our present capabilities to respond to emergencies that threaten national security. These programs, making use of existing programs where possible, will contribute to:

- deterrence of nuclear attack and other forms of aggression against our Nation and its allies;
- effective response to attempts at coercion, nuclear blackmail and economic warfare;
- successful prosecution and favorable termination of armed conflict;
- preservation of constitutional government;

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- prompt recovery of affected areas and to the restoration of national systems, including the armed forces; ~~and~~
- maintenance of alliances and the continuation of mutually beneficial relationships with our allies before, during, and after armed conflict or disruptive activities: *and*
- effective allocation and management of essential resources.

In the case of major domestic emergencies, emergency mobilization preparedness programs will contribute to:

- ~~improvement of~~ ^{*inc*} the survivability of the national security capability;
- effective natural disaster predictions, risk assessment and warning systems;
- ~~mitigating the~~ ^{*limiting*} vulnerability ^{*to*} adverse impact on production, services and the infrastructure;
- prompt and coordinated Federal assistance to affected state and local governments and communities;
- effective management and allocation of Federal resources to facilitate both emergency response operations and long-term rehabilitation and recovery.

Military Mobilization

It is the policy of the United States to develop systems and plans that will ensure that sufficient manpower and materiel ^{*are*} available to guarantee the Nation's ability to mobilize, deploy, and sustain military operations; and that, consistent with ~~defense~~ ^{*national*} priorities, these military forces and materiel be available to assist civilian authorities.

The program will increase capabilities to:

- expand the size of the force from partial through full to total mobilization;
- deploy forces to theaters of operations, and sustain them in protracted conflict; and
- provide military support to civil authority, consistent with ~~defense~~ ^{*national*} priorities.

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Industrial Mobilization

It is the policy of the United States to have a capability to mobilize industry in order to achieve timely and sufficient production of military and essential civilian material needed to prosecute successfully a major military conflict, to lend credibility to national strategic policy, and to respond appropriately to domestic emergencies.

The program will increase capabilities to:

- ~~improve the capability of U.S. industry~~ to meet current and mobilization requirements by identifying production and supply deficiencies and recommending actions to overcome them;
- increase the availability and efficient use of industrial resources, including transportation and energy necessary to support industrial production and expansion of the industrial base, through full utilization of Defense Production Act authorities and systems, new or modified legislation, improved guidance on resource-claimancy for industrial production, and use of import and export controls;
- provide for assessment of the impact on the industrial base resulting from existing and proposed agreements for co-production of defense material, related offset arrangements with our allies, and other reciprocal trade agreements; and
- increase the availability of domestic metals, minerals, and materials essential for mobilization production through improved implementation of National Defense Stockpile policy and other means.

Human Resources

It is the policy of the United States to develop systems and plans to ensure that the Nation's human resources are available in the requisite numbers and skills to permit an effective response; and to assure that scarce human resources are allocated to required mobilization tasks.

The program will increase capabilities to:

- identify the required skills and potential supply problems for support of the Armed Forces to essential defense industries, and other critical mobilization tasks;
- facilitate the channelling of skilled workers toward the most critical mobilization needs;
- provide for maximum reliance on voluntary mechanisms to allocate human resources to critical industrial and other emergency mobilization tasks;

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- provide for a standby system for allocation of workers to critical mobilization tasks if necessary;
- minimize the impact of labor-management conflicts on expansion of defense production;
- enhance the Nation's base of human resources to assure the availability of the requisite scientific, engineering, technical and other human resources to support both military and industrial mobilization needs; and
- ensure that human resources policies enhance economic stabilization plans and procedures for mobilization.

Health

It is the policy of the United States to develop systems and plans that will ensure that sufficient medical personnel, supplies, equipment, and facilities will be available and deployed to meet essential civilian and military health care needs in a mobilization.

The program will increase capabilities to:

- enhance the Nation's ability to recover from major emergencies and protect the population from the spread of disease;
- supplement medical services provided by state and local governments and the private sector with medical resources during a domestic emergency;
- increase the capability to provide medical care to military casualties in civilian and military facilities; and
- allocate scarce supplies and skilled professionals (specialists) to the highest priority needs.

Economic Stabilization and Public Finance

It is the policy of the United States to provide a variety of authorities and procedures which could be used in maintaining stable economic conditions during any emergency, giving particular emphasis to measures which will minimize inflation and shortages, enhance morale and assure that the burdens of the emergency are being shared fairly; facilitate an orderly return to a normal economy as soon as possible, and allow the allocative efficiencies of the free market to operate where possible, with alternative measures involving direct Government intervention in the economy to be used when necessary and only at the latest appropriate time.

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The program will increase capabilities to:

- minimize economic dislocations and distortions associated with major emergencies by carrying-out appropriate fiscal, monetary, and regulatory policies, including controlling inflation and shortages arising from the transfer of resources from non-essential to priority uses;
- facilitate resource reallocation necessitated by any relocation of the populace;
- assure an equitable distribution of consumer goods;
- provide for the protection of U.S. financial resources including currency production, Federal check disbursement facilities, and precious monetary metals;
- preserve and facilitate operations of public and private financial institutions systems, and provide for any necessary restoration of their functioning after a major emergency;
- provide the government with efficient and equitable financing sources and payments mechanisms for emergencies; and
- provide fiscal authorities with adequate revenue-raising powers to stabilize the economy in the face of any additional resource requirements needed to deal with or recover from an emergency; available fiscal measures should be selected to provide maximum efficiency and equity, preserve incentives, and minimize administrative burdens.

Civil Defense

The United States civil defense policy is contained in National Security Decision Directive 26 (SECRET) dated February 26, 1982. The unclassified version of the directive, issued by the White House on March 16, 1982, is attached. In addition, it is the policy of the United States that all Federal Agencies shall participate in, and support, the civil defense program for population protection, communications and warning, training and education, and industrial protection.

Earthquakes

It is the policy of the United States to develop systems and plans to reduce the loss of life, destruction of property, economic instabilities, and the adverse impact on our national defense capability that would result from a catastrophic earthquake.

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The program can substantially reduce the effects of a catastrophic earthquake ~~which can be done~~ by improving earthquake prediction, hazard and risk assessment, warning systems, public education and awareness, response and recovery; by developing further and applying earthquake resistant design and construction techniques, and land use planning. The initial action will be focused on California, but attention will be focused later on other regions in consideration of their relative risk from an earthquake.

The program will increase capabilities to:

- evaluate current earthquake prediction capabilities, foster the application of advanced scientific and engineering techniques for prediction and mitigation, increase and accelerate basic and applied research efforts;
- develop a coordination and integration mechanism between Federal and state governments;
- identify and allocate financial, medical, transportation, shelter, communications and other resources necessary to assist recovery operations;
- reduce the negative effects on military installations and defense related industries;
- ensure more effective public awareness programs to equip all levels of the populace with specific information to help them survive;
- promote international cooperation to increase scientific and engineering knowledge in applying mitigation measures;
- provide for the preparation, implementation and exercising of preparedness procedures; and
- ensure the adequacy of current Federal legislation and regulations to facilitate an effective response.

Government Operations

It is the policy of the United States to develop systems and plans that will ensure the maintenance of necessary government functions at the Federal, State, and local levels and provide for a timely and effective transition into emergency modes of operation.

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The program will:

- ensure continuous performance of essential government functions;
- provide timely and effective transition to emergency government operations;
- provide a mechanism for the reconstitution of the operations of government following a nuclear attack, as required; and
- ensure that government officials at all levels are capable of responding predictably and effectively to emergency conditions.

Emergency Communications

It is the policy of the United States to ensure that communications resources be available and adequate to respond to the Nation's needs.

The program will increase capabilities to:

- assure viable communications operations concepts;
- make information available on communications needs and resources;
- identify and correct communications deficiencies;
- provide adequate communications planning guidance; and
- arrange for smooth transition from normal to emergency operations.

Law Enforcement and Public Safety

It is the policy of the United States to develop systems and plans that will provide for the public safety and ensure continued enforcement of Federal, state and local laws; and ensure internal security and the control of United States borders, and waters subject to the jurisdiction of the United States.

The program will improve capabilities to:

- maintain law and order in a variety of emergencies, particularly terrorist incidents, civil disturbances, nuclear emergencies, and relocation of large numbers of people;
- ensure the physical security of critical public and private facilities;

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- provide for control of enemy aliens and persons entering or leaving the United States;
- guarantee control of United States seaports, airports, and land and sea borders;
- provide a response capability to sabotage and espionage; and
- ensure an intensified counterintelligence effort.

Food and Agriculture

It is the policy of the United States to develop systems and plans that will provide an adequate flow of agricultural products to the population, the Armed Forces, and to meet our international responsibilities; ensure a responsive production, delivery, and distribution system that will reduce the vulnerability of our food and fiber resources and facilitate the rapid recovery of the agricultural system after emergency conditions have passed.

The program will improve capabilities to:

- plan for adequate research, production capabilities, and reserves of agricultural products, including livestock and poultry, to provide the Nation's farmers with production resources, including emergency financing capabilities, to meet demands;
- provide for the most effective allocation of resources for the production and use of available food and fiber during emergencies; and the assessment of national and international requirements upon supplies of food and fiber, so as to decrease dependence on foreign sources;
- ensure maximum availability of food and fiber supplies to our Armed Forces and those of our allies;
- maintain production capabilities to contribute to our world agricultural trade objectives, and reduce susceptibility to manipulated economic pressures;
- establish emergency marketing, processing, inspection and grading systems for government-owned and privately-held agricultural commodities; establish civil transportation resource priorities to support agricultural needs; and make provisions for secure storage capabilities and priorities;

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- plan to protect the health and well-being of the Nation's livestock and poultry; ensure the protection of crops and croplands, and the nation's forest resources;
- provide for timely information under emergency conditions to assure adequate food and fiber production, and priority distribution to the normal wholesale level; and

Social Services

It is the policy of the United States to develop systems and plans that will ensure that existing social services (including entitlement programs) be maintained to the maximum extent possible during emergencies. Maximum reliance will be placed on voluntarism and on state and local governments.

The program will increase capabilities to:

- prepare families and individuals to care for themselves to the maximum extent possible;
- provide specialized social services;
- maintain existing federal, state, local, and private programs to meet ongoing social services needs;
- provide for the reception, care, and resettlement of personnel evacuated from overseas during an emergency; and
- provide for a management structure through which emergency social services requirements can be assessed accurately and necessary services delivered efficiently to meet highest priority needs.

MANAGEMENT

Consistent with this directive, the Emergency Mobilization Preparedness Board will formulate policy and planning guidance, coordinate planning, resolve issues, and monitor progress. In accomplishing these functions, the Board may assign additional tasks to the Working Groups and require the assistance of individual Federal agencies.

Accordingly, I direct the preparation of a Plan of Action to implement the emergency mobilization preparedness programs detailed in this directive and other programs which might be developed subsequently.

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I further direct that all Federal departments and agencies manage their financial and human resources consistent with the provisions of applicable law, and provisions of this and other directives to assure the development of the required capabilities. Resources for improvements in our preparedness capabilities will be obtained through the normal budget process. Each Department and Agency will program and budget funds and personnel for those preparedness activities which are integral to assigned missions and functions. Emergency mobilization preparedness programs will be considered in the overall context of the President's budget and current regulatory, budgeting, and legislative review processes.

Presidential Directive/NSC-57 is hereby rescinded.

Attachment

by each Agency (?)

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DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

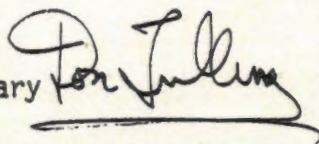
UNITED STATES GOVERNMENT

memorandum

Subject: Comments on Fourth Draft National Policy
Statement on Emergency Mobilization Preparedness

Date:

From: Darrell M. Trent
The Deputy Secretary



Reply to
Attn. of: Collins:DPB-30

To: Bennett L. Lewis
Executive Secretary, EMPB

Comments on the fourth draft of the Policy Statement requested in your memorandum of May 14, 1982 are attached.

Attachments

#



Issue # 1 - PRINCIPLES FOR EMERGENCY MOBILIZATION PREPAREDNESS PROGRAMS

(Page 1)

I agree that the principle of primary reliance on the market mechanism is stated adequately. I believe, however, that the phrase "if not all," which refers to foreseeable emergency circumstances in the lead paragraph of the Principles section on page 1, should be deleted. Its inclusion tends to overly weight the principle in favor of no-use rather than provide for exceptions to the policy which is thought to be its intent.

Issue # 2 - USE OF NORMAL BUDGET PROCESS

(Page 13)

This management principle now appears to be stated adequately.

Issue # 3 - NEW-FEDERALISM PRINCIPLES

I would prefer to defer a position on this issue until a specific proposal is available.

Issue # 4 - USE OF DPA AUTHORITIES AND SYSTEMS

(Page 6)

I support the retention of the concept expressed in the Industrial Mobilization program statement which provides for use of DPA authorities and systems. Primary reliance on the market mechanism for allocation of resources is a clearly established principle in this draft policy statement. It should be recognized, however, that certain defense-unique capabilities which are critical to our national security cannot always be sustained in a peacetime economy. It is not considered prudent to foreclose selective incentive-type options for the President which would be proposed only after careful study and review of the Board and its Working Groups.

Issue # 5 - EMERGENCY COMMUNICATIONS

(Page 10)

No comment.

OTHER COMMENT - CIVIL DEFENSE - PROGRAM STATEMENT

(Page 2)

The general tasking of "all federal agencies" for participation and support is overly broad and somewhat open-ended as expressed in this draft. Tasking for the development of civil defense capabilities should conform to the guidance set forth in the Management section of the Policy Statement, particularly as it relates to programming and budgeting of activities which are integral to assigned missions and functions (of departments and agencies) and adherence to the normal budget process. These qualifications should be explicit if this special civil defense tasking is to be added to the Policy Statement.

MEMORANDUM FOR: BENNETT L. LEWIS
EXECUTIVE SECRETARY

FROM: Richard Lyng *S. Halcombe*
Deputy Secretary of Agriculture

SUBJECT: Fourth Draft of EMPB Policy Statement

We have reviewed the fourth draft of the policy statement and offer the following comments:

Issue 1. We concur that the language on primary reliance on the free market is adequate.

Issue 2. We believe that the principals for financing the various agency's activities regarding EMPB activities are adequately addressed.

Issue 3. As "new federalism" is not fully supported by all states, we feel that any references to the term "new federalism" should not be made a part of the document. However, some of the concept might be made a part of the various programs.

Issue 4. USDA has several research projects under way in the area of energy alternatives and rubber substitutes. At some future time it might be proposed to use D.P.A. authorities to enhance national security objectives. We support using language in the policy statement that will endorse that concept.

Issue 5. USDA is represented on the emergency communications working group by Acting Assistant Secretary Gifford. After discussing his views as well as others in the department, we feel we need to support the use of the broader term "communication" rather than telecommunications.

We have also provided minor changes to the food and agriculture working group statement directly to the coordinator Kay Kaiser.



UNITED STATES DEPARTMENT OF EDUCATION

WASHINGTON, D.C. 20202

May 21, 1982

MEMORANDUM

TO: Bennett L. Lewis
Executive Secretary
Emergency Mobilization Preparedness Board

FROM: Elem K. Hertzler
Executive Ass't/Chief of Staff

SUBJ: Fourth Draft National Policy Statement on
Emergency Mobilization Preparedness

The subject draft policy statement is acceptable as written. No comments are offered on the four issues cited in your May 14 memo. However, we would like to note that the budget process issue may have to be reexamined if Emergency Preparedness Program requirements increase significantly above the present level, at least to the extent that the OMB is willing to support budget increases to support the program.

Control No.			
A = ACTION		X = INFO	
DIR		GC	SL
EX DEP		IG	SL-RO
EA		AE	NF
PA		TE-NC	FA
CR		EMPB	IA
IF			RM
EO			
SP			FILE

THE WHITE HOUSE

WASHINGTON

May 25, 1982

MEMORANDUM FOR MG Bennett L. Lewis
Executive Secretary
Emergency Mobilization Preparedness Board

SUBJECT: Fourth Draft of National Policy Statement
on Emergency Mobilization Preparedness

The fourth draft of the national policy statement has been carefully reviewed. With the exception of appending the unclassified version of NSDD 26 to this NSDD, and the following minor points, I concur with this latest draft.

With reference to NSDD 26, it would appear to be sufficient to refer to it under the civil defense input on page 8 and delete its being attached to this Directive.

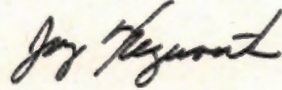
On page 5, the sentence starting with the words "mitigating the vulnerabilities," should read mitigating the vulnerability, and adverse impact on production, services, and the infrastructure.

On page 9, change the first sentence after the words "The program will increase capabilities to: evaluate current earthquake prediction activities, foster the application of"

With reference to the five issues you enumerated in your cover letter:

- Issues Nos. 1&2: concur with your view that they are resolved.
- Issue No. 3: remains an open item pending Mr. Harper's response.
- Issue No. 4: defer to Board discussion and decision.
- Issue No. 5: support the use of the term communications.

I strongly urge that we make the next draft the final one for submission to the President for signature.

A handwritten signature in dark ink, appearing to read "G. A. Keyworth". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

G. A. Keyworth
Science Advisor to the President and
EMPB Principal



THE JOINT CHIEFS OF STAFF
WASHINGTON, D.C. 20301

27 May 1982

THE JOINT STAFF

MEMORANDUM FOR THE EXECUTIVE SECRETARY, EMERGENCY MOBILIZATION
PREPAREDNESS BOARD

Subject: Fourth Draft National Policy Statement on
Emergency Mobilization Preparedness

1. As requested in your memorandum to Board members of 14 May 1982, the fourth draft has been reviewed. Comments are provided on both the remaining issues identified in your memorandum and the draft.
2. With regard to the five issues that remain:
 - Issue 1, the principle of primary reliance on the free-market, is overstated in the draft. It is appropriate for a national policy statement to emphasize that the free-market should be relied on to the degree possible, but it should not contain a speculative conclusion that "in most, if not all foreseeable emergency situations, the allocative efficiency of the market should be relied upon". Such a conclusion is not supported by historical precedent. A recommended change to the statement is provided.
 - Issue 2 is satisfactorily resolved.
 - Issue 3, the principle on new-Federalism, is adequately included in the statement on page 2, second tic. Pending any amplifying or contradicting information from Edwin Harper, this issue appears to be satisfactorily resolved.
 - Issue 4, referencing the full utilization of the Defense Production Act in the policy statement, is supported as incorporated in the draft.
 - Issue 5, specifying communications vice telecommunications is recommended.
3. Recommended changes to the policy statement:

Page 1, Preamble (last sentence): Change to read as a positive statement that includes the defense of the United States as the first priority. "The intent of this directive is to assure that the programs developed provide the Federal government

with a range of options to respond to any major national emergency, with defense of the United States as the first priority".

Page 1, Principles For Emergency Mobilization Preparedness Programs (last three sentences): In order to remove the subjective conclusion, change to read: "Authorities for ... as they arise. These controls should be used only when they ... to all emergencies. The allocative efficiency of the market should be relied upon to the degree possible".

Page 2, first tic (last sentence): As written, concurrent accomplishment of total mobilization planning gives it the same priority as full mobilization planning. Staff resources preclude this from being a realistic objective. Change to read: "Within this effort, foundations for follow-on planning for total mobilization should be introduced".

Page 2, fifth tic (first sentence): Delete the phrase "both above and below the threshold of declared national emergencies and wars". It is difficult to envision a national emergency above the threshold of war.

Page 2, fifth tic (second sentence): Change to read as a complete, positive thought. "These plans should be specific enough to ensure attention to the pertinent issues, avoiding rigid "either/or" choices that limit Presidential options".

Page 2, eighth tic: Because of the logical connection with the sixth tic, this principle should become the seventh tic. As the third sentence is the statement of principle, it should become the first sentence, and the present first and second sentences should be changed to read: "To accomplish this, preparedness measures should emphasize using the same procedures as are used during non-emergency operations to the maximum extent possible, while providing for both a rapid and effective transition to emergency operations and effective use of available warning time".

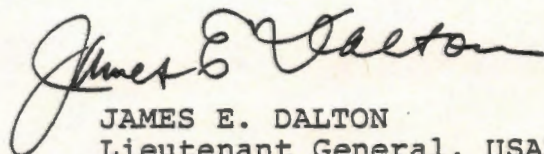
Page 3, second tic: "Short term improvements" is too subjective. Some clarification is required if this statement is to be meaningful.

Page 5, Military Mobilization (last sentence): Change to read: "... defense priorities, military manpower and material assist civilian authorities when civil resources are inadequate".

Page 5, Military Mobilization (last tic): Change to read: "provide military assistance to civil authority, consistent with defense priorities and applicable legal guidelines."

Page 12, Management (second paragraph): Change first sentence to read: "Accordingly, I direct the Emergency Mobilization Preparedness Board to submit within 45 days, a plan of action to implement the ... this directive. Plans of action for programs developed subsequent to this directive will be submitted within 45 days of program approval".

4. I believe that the differing positions on the issues remaining to be resolved have received ample airing through the iterative process of the four drafts. I look forward to completing this important Presidential task at the 16 June meeting of the Board. If I can be of any further assistance prior to that meeting, please call on me.



JAMES E. DALTON
Lieutenant General, USAF
Director, Joint Staff



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Department of Energy
Washington, D.C. 20585

May 26, 1982

Major General Bennett L. Lewis
Executive Secretary
Emergency Mobilization Preparedness
Board
Washington, D.C. 20472

Dear General Lewis:

The Department of Energy (DOE) has reviewed the fourth draft of the National Policy Statement on Emergency Mobilization Preparedness, transmitted by your memorandum of May 14, 1982, and offer the following comments. We find that this draft much more adequately addresses the major concerns that surfaced at the last two Board meetings. The Secretariat is to be commended for its work on the Policy Statement and, in particular, your efforts to reflect the views and comments from all participants.

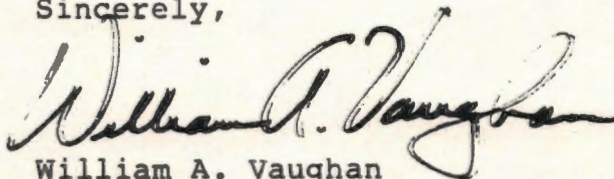
The Department continues to believe, however, that the draft is too long and contains excessive implementation detail for a Presidential policy statement. Specifically, we recommend that the individual Working Group statements contained in the section entitled "Specific Policies, Programs and Implementation Measures" be eliminated. Alternatively, we would recommend that the bullets under these individual Working Group statements be eliminated or significantly abbreviated. Our enclosed mark-up of the fourth draft contains suggested abbreviations of these bullets, as well as other substantive and editorial changes that the Department believes will significantly improve the document.

As we will discuss more fully at the next Board meeting, DOE believes that the Industrial Mobilization program statement does imply subsidization of industry and intrusion into the marketplace during other than national security emergency times. We recommend that this portion of the Industrial Mobilization program statement be removed because it is inconsistent with Administration policies.

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We hope these comments will assist you in the preparation of a revised draft.

Sincerely,

A handwritten signature in dark ink, appearing to read "William A. Vaughan". The signature is fluid and cursive, with a large initial "W" and a long, sweeping underline.

William A. Vaughan
Assistant Secretary
Environmental Protection, Safety,
and Emergency Preparedness
Alternate DOE/EMPB Member

Enclosure



NATIONAL COMMUNICATIONS SYSTEM
OFFICE OF THE MANAGER
WASHINGTON, D. C. 20305

IN REPLY REFER TO:

NCS-JS

24 MAY 1982

MEMORANDUM FOR THE EMPB EXECUTIVE SECRETARY

SUBJECT: Fourth Draft of the National Policy statement on
Emergency Mobilization Preparedness

1. ECWG Representatives met on May 20 to review the Board Secretariat's fourth draft policy statement dated May 14. Recommended changes are annotated in enclosure 1 and explained in the following paragraphs:

a. Under Emergency Communications on page 10, delete the phrase ". . . increase capabilities to . . ."

Rationale: The deletion results in a more positive statement of program objectives.

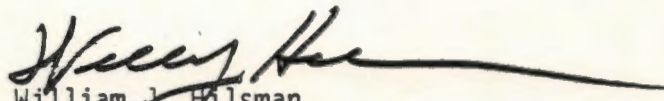
b. The fourth bullet on Page 10 should be replaced with the following: "provide adequate communications planning guidance and a basis for funding; and" (new material underlined).

Rationale: To include in the specific Policy Statement on Emergency Communications a reference to the need for new funding mechanisms.

c. The ECWG concurs with the Emergency Communications Implementation Measures as written in the attachment to the fourth draft, recognizing that minor changes were made in the preamble and the first bullet as submitted to the Board on April 19 by Mr. Wunder. We recommend that the Implementation section be used in its entirety in its current form with no further changes by the Board.

2. We look forward to reviewing the final draft of the National Policy Statement. If there are any questions regarding our recommendations on the current version, please contact Colonel Joe Wheeler, ECWG Secretariat, at 692-9274.

1 Enclosure a/s


William J. Hilsman
Lieutenant General, USA
ECWG Chairman

Copy to:
Mr. Wunder, NTIA
Mr. Lilley, EMPB

Proposed Revision to the Emergency Communications Paragraph

Emergency Communications

It is the policy of the United States to ensure that communications resources be available and adequate to respond to the Nation's needs.

The program will ~~increase capabilities to:~~

- assure viable communications operations concepts;
- make information available on communications needs and resources;
- identify and correct communications deficiencies;
- provide adequate communications planning guidance and a basis for funding; and
- arrange for smooth transition from normal to emergency operations.

NOTE: New material is underscored.

DEPARTMENT OF ENERGY

Attachment 1

MARKED COPY

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National Security Decision Directive

4th DRAFT

PREAMBLE

A fundamental obligation of government is to provide for the security of the Nation and to protect its people, values, and its social, economic, and political structures. Inherent in that obligation is the development of an emergency mobilization preparedness program which will provide an effective capability to meet defense and essential civilian needs during national security emergencies and major domestic emergencies. This directive aims not to commit the Federal government to a particular course of action, but rather to assure that a range of ~~options~~ ^{measures} are available in time of ~~grave~~ national emergency.

UNITED STATES EMERGENCY MOBILIZATION PREPAREDNESS POLICY

It is the policy of the United States to have an emergency mobilization preparedness capability that will ensure that government at all levels, in partnership with ~~the private sector~~ and the American people, can respond decisively and effectively to any major national emergency.

PRINCIPLES FOR EMERGENCY MOBILIZATION PREPAREDNESS PROGRAMS

Programs developed to ensure or improve the Nation's ability to mobilize will be based on the principles that follow. They have been divided into those that apply to national security emergencies and those that apply to domestic emergencies to emphasize that the respective and appropriate response for each may be quite different. The objective in both cases, however, is to define a common ground upon which mobilization programs can be developed and used at the discretion of the President to prevent avoidable emergencies and to mitigate the effects of those that are unavoidable. Authorities for direct economic controls in ^{National Security} emergency situations need to be provided to give responsible policymakers flexibility to deal with circumstances that can only be judged as they arise. However, in most, if not all foreseeable emergency situations, the allocative efficiency of the market ^{shall} be relied upon. Controls should be ^{considered} used only when ^{it occurs} they are ~~clearly superior as a means to achieve~~ essential objectives, and not as an automatic response to all emergencies.

National Security Emergencies

Emergency mobilization preparedness programs for national security emergencies will be based on the following principles:

- Preparedness measures should address the full spectrum of national security emergencies.

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- The development of the structure of policies, plans, authorities, and requirements for full mobilization ~~should~~ ^{will} receive priority attention. Planning for total mobilization should be accomplished concurrently.
- ~~These policies~~ preparedness measures should emphasize the partnership and interdependence between Federal, State, and local governments.
- To the maximum degree possible, consistent with security requirements, the private sector ~~will~~ be brought into a planning partnership with responsible government agencies prior to the outset of an emergency.
- Resource management and economic stabilization programs should include standby plans and procedures for governmental intervention, as necessary, ~~to provide for adequate supplies~~ ^{to provide} ~~market place to ensure the enhancement of supply and the allocation of resources to military and essential civilian needs~~ ^{if there is no functioning market mechanism}. These mechanisms should provide for both gradual and abrupt replacement of market forces by governmental regulations. eff
- Plans and procedures should be designed to retain maximum flexibility for the President and other senior officials in the implementation of emergency actions both above and below the threshold of declared national ^{security} emergencies. ~~Plans should avoid rigid "either-or" choices that limit Presidential options.~~
- Mobilization ~~will~~ require new public policies, many of which may differ substantially from those pursued in peacetime. The implementation of these policies will be greatly facilitated by planning that identifies and evaluates alternatives.
- Preparedness measures ~~should~~ ^{will} reflect functional interdependencies among agency activities and across preparedness programs. ~~There must be~~ ^{is required} close and continuous coordination between military and civilian agencies to ensure consistent approaches to common problems.
- Preparedness measures ~~will~~ ^{will} emphasize a rapid and effective transition from routine to emergency operations and should be designed to make effective use of any periods of time that may be available following the receipt of strategic and tactical warnings. The Government must develop capabilities to minimize the start-up time required for emergency responses.
- ~~All Federal agencies should give~~ ^{must be given} high priority to improved capabilities to identify and prioritize their requirements for national resources in a mobilization.

Improvement in the

- ~~All Federal agencies should improve their capabilities to identify and manage the resources under their cognizance to meet military and essential civilian requirements in a mobilization.~~ **will be achieved**
- ~~Preparedness measures should recognize the importance of short term improvements in the Government's ability to make effective use of the existing mobilization base.~~
- ~~Preparedness measures to expand the size or improve the quality of the mobilization base should be developed in the longer term. These measures should be designed to meet those specific requirements for national emergencies that will not be met by the dynamics of the market-based economy.~~
- ~~Preparedness measures that involve the waiving or modification of socioeconomic regulations that delay emergency responses should receive priority attention.~~
- ~~Preparedness measures that are, or may be, impeded by legal constraints should be identified as a priority task.~~
- Preparedness measures ~~should~~ **will** include all appropriate coordination with our allies.

Emergency mobilization preparedness programs for domestic emergencies will be based on the following principles:

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- Domestic preparedness programs ~~should~~ ^{will} recognize the primary responsibilities of State and local governments, emphasizing their partnership with the Federal government ~~and~~.
- ~~Domestic preparedness programs should be developed in close coordination with the private sector.~~
- Preparedness measures for allocation of resources during domestic emergencies ~~should~~ ^{will} emphasize procedures that rely primarily on market-based mechanisms.
- Economic stabilization preparedness measures ~~should~~ ^{will} provide mechanisms that avoid the imposition of direct economic controls except on a temporary basis in affected areas.
- Preparedness measures for domestic emergencies ~~should~~ ^{will} facilitate responses which may be necessary for only temporary and selective departures from established public policies. Equally, such measures should aim for the ~~prompt~~ ^{Expedient} restoration of routine ~~policies and programs~~ ^{operations}.

SPECIFIC POLICIES, PROGRAMS AND ~~OPERATIONS~~

Ann

Based on the national emergency mobilization preparedness policy and principles stated above, preparedness programs will be directed initially at correcting the most serious emergency mobilization deficiencies in our present capabilities to respond to emergencies that threaten national security. These programs, making use of existing programs where possible will contribute to:

- deterrence of ~~nuclear attack and other forms~~ ^{any form} of aggression against our Nation and its allies;
- effective response to attempts at coercion, ~~nuclear blackmail~~ ^{terrorism} and economic warfare;
- successful prosecution and favorable termination of armed conflict;
- preservation of constitutional government;

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- prompt recovery of affected areas and to the restoration of national systems, including the armed forces; and
- maintenance of alliances and the continuation of mutually beneficial relationships with our allies before, during, and after armed conflict or disruptive activities:
- effective allocation and management of essential resources.

In the case of major domestic emergencies, emergency mobilization preparedness programs will contribute to:

- ~~improvement of~~ the survivability of the national security capability;
- effective natural disaster predictions, risk assessment and warning systems;
- mitigating the ~~vulnerability of adverse impact~~ on production, services and the infrastructure;
- prompt and coordinated Federal assistance to affected state and local governments and communities;
- effective management and allocation of Federal resources to facilitate both emergency response operations and long-term rehabilitation and recovery.

Military Mobilization

It is the policy of the United States to develop systems and plans that will ensure that sufficient manpower and materiel be available to guarantee the Nation's ability to mobilize, deploy, and sustain military operations; and that, consistent with defense priorities, these military forces and material **must** be available to assist civilian authorities.

The program will increase capabilities to:

- expand the size of the force from partial through full to total mobilization;
- deploy forces to theaters of operations, and sustain them in protracted conflict; and
- provide military support to civil authority, consistent with defense priorities.

DRAFTIndustrial Mobilization

It is the policy of the United States to have a capability to mobilize industry in order to achieve timely and sufficient production of military and essential civilian material needed to prosecute successfully a major military conflict, to lend credibility to national strategic policy, and to respond appropriately to domestic emergencies.

The program ^{must} ~~will~~ increase capabilities to:

- improve the capability of U.S. industry to meet ~~defense and~~ mobilization requirements by identifying production and supply deficiencies and recommending actions to overcome them;
- increase the availability and efficient use of industrial resources, including transportation and energy necessary to support industrial production and expansion of the industrial base, ~~through full utilization of Defense Production Act authorities and systems, new or modified legislation, improved guidance on resource claimancy for industrial production, and use of import and export controls;~~
- provide for assessment of the impact on the industrial base resulting from existing and proposed agreements for co-production of defense materiel, related offset arrangements with our allies, and other reciprocal trade agreements; and
- increase the availability of domestic metals, minerals, and materials essential for mobilization production ~~through improved implementation of National Defense Stockpile policy and other means.~~

Human Resources

It is the policy of the United States to develop systems and plans to ensure that the Nation's human resources are available in the requisite numbers and skills to permit an effective response; and to assure that scarce human resources are ^{properly} ~~allocated~~ to required mobilization tasks.

The program will increase capabilities to:

- identify the required skills and potential supply problems for support of ~~the most critical~~ ^{the} essential defense industries, and other critical mobilization tasks;
- facilitate the channelling of skilled workers toward the most critical mobilization needs;
- provide for maximum reliance on voluntary mechanisms to allocate human resources to critical industrial and other emergency mobilization tasks;

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- provide for a standby system for allocation of workers to critical mobilization tasks if necessary;
- minimize the impact of labor-management conflicts on ~~expansion of defense production~~ ^{mobilization.}
- enhance the ~~Nation's base of human resources to assure~~ the availability of the requisite scientific, engineering, technical and other human resources to support both military and industrial mobilization needs; and
- ensure that human resources policies enhance economic stabilization plans and procedures for mobilization.

Health

It is the policy of the United States to develop systems and plans that will ensure that sufficient medical personnel, supplies, equipment, and facilities will be available and deployed to meet essential civilian and military health care needs in a mobilization.

The program ~~will~~ ^{must} increase capabilities to:

- enhance the Nation's ability to recover from major emergencies and protect the population from the spread of disease;
- supplement medical services provided by state and local governments and the private sector, ~~with medical resources during a domestic emergency;~~
- increase the capability to provide medical care to military casualties in civilian and military facilities; and
- allocate scarce supplies and skilled professionals (specialists) to the highest priority needs.

Economic Stabilization and Public Finance

It is the policy of the United States to provide a variety of authorities and procedures which could be used in maintaining stable economic conditions during any emergency, giving particular emphasis to measures which will minimize inflation and shortages, enhance morale and assure that the burdens of the emergency are being shared fairly; facilitate an orderly return to a normal economy as soon as possible, and allow the allocative efficiencies of the free market to operate where possible, with alternative measures involving direct Government intervention in the economy ~~to be used when necessary and~~ ^{only in National Security Emergencies} ~~at the latest appropriate time.~~

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The program ~~will~~^{must} increase capabilities to:

- minimize economic dislocations and distortions associated with major emergencies by carrying-out appropriate fiscal, monetary, and regulatory policies, including controlling inflation and shortages arising from the transfer of resources from non-essential to priority uses;
- facilitate resource reallocation necessitated by any relocation of the populace;
- assure an equitable distribution of consumer goods;
- provide for the protection of U.S. financial resources including currency production, Federal check disbursement facilities, and precious monetary metals;
- preserve and facilitate operations of public and private financial institutions systems, and provide for any necessary restoration of their functioning after a major emergency;
- provide the government with efficient and equitable financing sources and payments mechanisms for emergencies; and
- provide fiscal authorities with adequate revenue-raising powers to stabilize the economy in the face of any additional resource requirements needed to deal with or recover from an emergency; available fiscal measures should be selected to provide maximum efficiency and equity, preserve incentives, and minimize administrative burdens.

Civil Defense

~~The United States civil defense policy is contained in National Security Decision Directive 26 (SECRET) dated February 26, 1982. The unclassified version of the directive, issued by the White House on March 16, 1982, is attached. In addition,~~

It is the policy of the United States that all Federal Agencies shall participate in, and support, the civil defense program for population protection, communications and warning, training and education, and industrial protection, as outlined in National Security Decision Directive 26 (Secret) issued February 26, 1982.

Earthquakes

It is the policy of the United States to develop systems and plans to reduce the loss of life, destruction of property, economic instabilities, and the adverse impact on our national defense capability that would result from a catastrophic earthquake.

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The program can substantially reduce the effects of a catastrophic earthquake which can be done by improving earthquake prediction, hazard and risk assessment, warning systems, public education and awareness, response and recovery; by developing further and applying earthquake resistant design and construction techniques, and land use planning. The initial action will be focused on California, but attention will be focused later on other regions in consideration of their relative risk from an earthquake.

The program ~~will~~^{may} increase capabilities to:

- evaluate current earthquake prediction capabilities, foster the application of advanced scientific and engineering techniques for prediction and mitigation, increase and accelerate basic and applied research efforts;
- develop ~~coordination~~^{measures} and integration ~~between~~ between Federal and state governments;
- identify and allocate financial, medical, transportation, shelter, communications and other resources necessary to assist recovery operations;
- reduce the negative effects on military installations and defense related industries;
- ensure more effective public awareness programs to equip all levels of the populace with specific information to help them survive;
- promote international cooperation to increase scientific and engineering knowledge in applying mitigation measures;
- provide for the preparation, implementation and exercising of preparedness procedures; and
- ensure the adequacy of current Federal legislation and regulations to facilitate an effective response.

Government Operations

It is the policy of the United States to develop systems and plans that will ensure the maintenance of necessary government functions at the Federal, State, and local levels and provide for a timely and effective transition into emergency modes of operation.

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The program ^{must:} ~~will:~~

- ensure continuous performance of essential government functions;
 - provide timely and effective transition to emergency government operations;
 - provide a mechanism for the reconstitution of the operations of government following a nuclear attack, ~~and~~ ^{and private sector organizations}
 - ensure that government officials ^{at all levels} are capable of responding predictably and effectively to emergency conditions, ^{and}
 - ^{provide for maximum utilization of the National Defense Executive Reserves.}
- Emergency Communications

It is the policy of the United States to ensure that communications resources be available and adequate to respond to the Nation's needs ^{during emergencies};

The program ^{must:} ~~will increase capabilities to:~~

- assure ^{the existence of a} viable communications operations ^{protocol} ~~concepts~~;
- make information available on ^{emergency} communications needs and resources;
- identify and correct ^{emergency} communications deficiencies;
- provide adequate ^{emergency} communications planning guidance ^{and a basis for funding} ~~and~~
- ^{assure the} ~~arrange for~~ smooth transition from normal to emergency operations.

Law Enforcement and Public Safety

It is the policy of the United States to develop systems and plans that will provide for the public safety and ensure continued enforcement of Federal, state and local laws; and ensure internal security and the control of United States borders, and ^{those} ~~waters~~ subject to the jurisdiction of the United States.

The program ^{must} ~~will~~ improve capabilities to:

- maintain law and order in a variety of emergencies, particularly terrorist incidents, civil disturbances, nuclear emergencies, and relocation of large numbers of people;
- ensure the physical security of critical public and private facilities;

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- provide for control of enemy aliens and persons entering or leaving the United States;
- guarantee control of United States seaports, airports, and land and sea borders;
- provide a response capability to sabotage and espionage; and
- ensure an intensified counterintelligence effort.

Food and Agriculture

It is the policy of the United States to develop systems and plans that will provide an adequate flow of agricultural products to the population, the Armed Forces, and to meet our international responsibilities; ensure a responsive production, delivery, and distribution system that will reduce the vulnerability of our food and fiber resources and facilitate the rapid recovery of the agricultural system after emergency conditions have passed.

The program ^{must} ~~will~~ improve capabilities to:

- plan for adequate research, production capabilities, and ^{emergency} reserves of agricultural products, including livestock and poultry, to provide the Nation's farmers with production resources, including emergency financing capabilities, to meet demands;
- provide for the most effective allocation of ^{food and agriculture} resources for the production and use of available food and fiber during emergencies; ~~and the assessment of national and international requirements upon supplies of food and fiber, so as to decrease dependence on foreign sources;~~
- ensure maximum availability of food and fiber supplies to our Armed Forces and those of our allies;
- maintain production capabilities to contribute to our world agricultural trade objectives, and reduce susceptibility to manipulated economic pressures;
- establish emergency marketing, processing, inspection ~~and~~ grading, ^{storage and transportation} systems for government-owned and privately-held agricultural commodities; ~~establish civil transportation resource priorities to support agricultural needs, and make provisions for secure storage capabilities and priorities;~~

DRAFT

- plan to protect the health and well-being of the Nation's livestock and poultry; ensure the protection of crops and croplands, and the nation's forest resources;
- provide for timely information under emergency conditions to assure adequate food and fiber production, and priority distribution to the normal wholesale level; and

Social Services

It is the policy of the United States to develop systems and plans that will ensure that existing social services (including entitlement programs) be maintained to the maximum extent possible during emergencies. Maximum reliance will be placed on voluntarism and on state and local governments.

The program ~~must~~ ^{must} increase capabilities to:

- prepare families and individuals to care for themselves to the maximum extent possible;
- provide specialized social services;
- maintain existing federal, state, local, and private programs to meet ongoing social services needs;
- provide for the reception, care, ^{as needed} and resettlement of personnel evacuated from overseas during an emergency; and
- provide for a management structure through which emergency social services requirements can be assessed accurately and necessary services delivered efficiently to meet highest priority needs.

MANAGEMENT

Consistent with this directive, the Emergency Mobilization Preparedness Board will formulate policy and planning guidance, coordinate planning, resolve issues, and monitor progress. In accomplishing these functions, the Board may assign additional tasks to the Working Groups and require the assistance of individual Federal agencies.

Accordingly, I direct the preparation of a Plan of Action to implement the emergency mobilization preparedness programs detailed in this directive, ~~and other programs which might be developed subsequently.~~

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DRAFT

I further direct that all Federal departments and agencies manage their financial and human resources consistent with the provisions of applicable law, and provisions of this and other directives to assure the development of the ~~acquired capabilities~~ ^{Emergency Preparedness}. Resources for improvements in our preparedness capabilities will be obtained through the normal budget process. Each Department and Agency will program and budget funds and personnel for those ~~preparedness~~ ^{emergency} activities which are integral to assigned missions and functions. Emergency mobilization preparedness programs will be considered in the overall context of the President's budget ~~and current~~ ^{the} regulatory, budgeting, and legislative review processes. With cognizance

Presidential Directive/NSC-57 is hereby rescinded.

Attachment

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POLICY

THE UNDER SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

26 MAY 1982

In Reply Refer To:
I-10685/82

MEMORANDUM FOR BENNETT L. LEWIS, EXECUTIVE SECRETARY, EMERGENCY
MOBILIZATION PREPAREDNESS BOARD

SUBJECT: Draft National Policy Statement on Emergency Mobilization
Preparedness

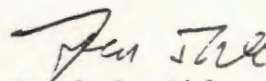
This correspondence responds to your memorandum of May 14, 1982, and provides general comments on the fourth draft of the national emergency mobilization policy statement, our views on the five issues listed in your memorandum, and recommended specific changes to the draft policy statement.

The structure of the fourth draft policy statement is a marked improvement over the third draft, and I endorse the proposal to move the implementation measures from the policy statement to the plans of action. The fourth draft, however, contains a number of concepts and expressions not found in any portion of the third draft, and I take substantive issue with a few of these. My concerns and recommended remedies are addressed in Enclosure 1.

Our views on the five issues highlighted in your memorandum are discussed in Enclosure 2.

Finally, more is not necessarily better, especially in a statement of national policy. I note that the fourth draft is now considerably longer than the Constitution. This draft could be improved significantly by a thorough review to tighten up the wording, concentrate on the essentials, and eliminate redundancy. For example, the third draft's "bullet and tick" presentation of individual preparedness programs required two pages; the fourth draft accomplishes this in seven.

I look forward to a full discussion and resolution of the few remaining issues at the next meeting of the Board, and moving rapidly on to the next phase.


Fred C. Ikle

Attachments
a/s

NATIONAL EMERGENCY MOBILIZATION POLICY STATEMENT

COMMENTS, SUGGESTIONS, AND RECOMMENDATIONS

ON THE FOURTH DRAFT

Page 1, Statement of US Emergency Mobilization Preparedness Policy. The chapeau statement of national policy should show clearly that national security has overriding priority. Recommend, therefore, that the ending of this statement be modified to say, "....to any major national emergency, with defense of the United States as the first priority."

Page 1, Principles for Emergency Mobilization Preparedness Programs. In addition to avoiding emergencies and mitigating the effects of those that do occur, our mobilization programs also must support efforts to combat the emergency itself. Recommend, therefore, that lines 7 and 8 of this paragraph be changed to read, "...the President to prevent avoidable emergencies, to combat and reduce those that are unavoidable, and to mitigate the effects of those that do occur. Authorities for..."

Page 1, Principles for Emergency Mobilization Preparedness Programs. It is the policy of this Administration to rely on market mechanisms as opposed to governmental controls to achieve objectives. However, an emergency involving a real or potential armed conflict is an extraordinary event. It is highly unlikely that we can adequately prepare for or wage a sustained conflict without establishing some degree of control of the economy. Recommend, therefore, that the penultimate sentence in this paragraph be changed to read, "However, the allocative efficiency of the market should be relied upon whenever practicable."

Page 2, first tick. It is not practicable to plan concurrently for full and total mobilization. Recommend, therefore, a return to the wording of the third draft for the second sentence of this paragraph, i.e., "Within this effort, foundations for total mobilization planning should be introduced concurrently."

Page 3, ultimate tick on the page. Resource shortages arising from politically or economically motivated disruptions of essential supplies is more a characteristic of a national security emergency than a domestic emergency -- as stated in the final words of the paragraph itself. Recommend, therefore, that this paragraph be shifted to fall under the principles applying to national security emergency preparedness.

Page 4, Specific Policies, Programs, and Implementation Measures; first and third ticks. The thoughts expressed in these two paragraphs can be better articulated and prioritized drawing from the words in the current Defense Guidance. Recommend therefore,

- The first tick be changed to read, "Deterrence of attack, especially nuclear attack, on the United States, our allies and friends; and defeat of attacks should deterrence fail."
- The third tick be deleted.

Page 5, Military Mobilization. For a clearer definition of military support to civilian authorities, recommend the fourth and fifth lines of the stem paragraph be changed to read, "...that, consistent with defense priorities, military manpower and material be available to assist civilian authorities when civil resources are inadequate."

Page 5, middle paragraph, third tick. For a clearer statement of this objective, recommend the sentence be changed to read, "Minimize the impact on production, services, and the infrastructure."

Page 6, Industrial Mobilization. The stem and the four ticks combined have too many operative verbs, with the result that the programs do not do anything. Recommend, therefore, the stem be changed to read, "The program will:".

Page 6, Human Resources. In expanding this section from the third draft, the brief, succinct statements of purpose have been dropped. It is suggested that lines two and three of the stem be changed to read "...and skills to support and sustain the armed forces, and to provide for essential civilian needs."

Page 7, Economic Stabilization and Public Finance. Recommend that the final two lines of this paragraph be modified to read, "...direct Government intervention in the economy to be used only when necessary."

Pages 8 and 9, Earthquake. It is suggested that this section be revised and summarized to be of the same approximate size and level of aggregation as the other programs included in the policy statement.

Page 12, Social Services. The Department of Defense questions whether it is truly the US policy to ensure existing social services, including entitlement programs, be maintained to the maximum extent possible during emergencies. In a reductio ad absurdum, maintenance of social services would take precedence

over national survival programs. Recommend, therefore, that the policy statement return to the wording of the third draft, i.e., "social service preparedness programs which will increase capabilities to provide emergency social services to meet survival needs of recipients."

NATIONAL EMERGENCY MOBILIZATION POLICY STATEMENT

ISSUES

The following are the Department of Defense's views and recommendations on the five issues listed in the Executive Secretary's memorandum of May 14, 1982:

a. Issue 1. Is the principle of primary reliance on the free market adequately stated? The paragraph on this issue on the first page of the draft policy statement is generally good, except that it overstates the case. Remembering that the President's memorandum of December 17th clearly points our mobilization preparedness efforts toward support of the national defense, we cannot agree that reliance on the market will suffice "in most, if not all foreseeable emergency situations." It is recommended, therefore, that the sentence containing that phrase be changed to read, "However, the allocative efficiency of the market should be relied upon whenever practicable."

b. Issue 2. Does the policy statement make it clear that improvements in our capabilities will be accomplished through the normal budget process? The draft policy statement is very clear in this regard.

c. Issue 3. Should a principle on new-Federalism be included or not? The principle of new-Federalism, as it applies to national emergency mobilization preparedness, is appropriately stated in the second principle enumerated on page 2 of the draft policy statement.

d. Issue 4. Does the Industrial Mobilization program statement which calls for full utilization of DPA authorities and systems call for subsidization of industry during non-emergency times? And should it be removed from the policy statement? The issue paper discussing this question is a balanced presentation of the several views of the issues. The Department of Defense position remains that the DPA should be used where necessary to support our national security objectives. It follows, therefore, that such a statement should be made in a national emergency mobilization preparedness policy.

e. Issue 5. Should the policy statement, as it concerns Emergency Communications, specify communications or telecommunications? Although telecommunications remain the mainstay of our national emergency communications systems, there are other communications systems, and our emergency mobilization planning should embrace them as well.

UNDER SECRETARY OF STATE
FOR MANAGEMENT
WASHINGTON

May 19, 1982

TO: Bennett R. Lewis
Executive Secretary, EMPB

FROM: Richard T. Kennedy *RTK*

SUBJECT: Fourth Draft -- National Policy Statement

Having in mind possible international reactions to the policy statement, I would like to suggest the following changes:

1. Page 5, second tic. Change "mutually beneficial" to "cooperative" reflecting the alliance attitude more accurately.
2. Page 11, third tic under Food and Agriculture. Omit "those of" restoring the sense of the previous draft which implied concern for populations as well as armed forces.

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EMERGENCY MOBILIZATION PREPAREDNESS BOARD
Washington, D.C. 20472

MAY 18 1982

MEMORANDUM FOR: Board Members
Working Group Chairmen
Liaison Officers
Points of Contact

FROM: Bennett L. Lewis
Executive Secretary *JR Kelly, for*

SUBJECT: Approved Minutes of Fourth Board Meeting

Attached are the minutes of the Fourth Board Meeting approved by the
Chairman on May 17, 1982.

Attachment

This marking is CANCELLED when
separated from the material
bearing a protective marking

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Fourth Board Meeting
April 28, 1982
MINUTES

Any reference to classified material has been eliminated.

The meeting was opened by Admiral Poindexter in the absence of Chairman Clark, who was ill. The attendance list is attached. The Acting Chairman indicated that the purpose of this meeting was to resolve outstanding issues, but first he had two announcements to make: (1) there would be a new sub-Working Group on Strategic Stockpile under the Industrial Mobilization Working Group, and (2) the NSC staff would have increased participation in the Working Groups. He indicated he would act as the honest broker as Chairman Clark normally does. He then asked General Lewis to lead the discussion.

General Lewis remarked that most of the Board member's objections or comments on the second draft had been accommodated in this third draft of the National policy statement which had been delivered to the Board members on April 23, 1982, prior to this meeting. He then asked the Board members to comment on various outstanding elements or issues.

Reference to the role of the States was raised by Mr. Devine, who believed that it was not mentioned in strong enough terms on page 6 of the second draft. He suggested rearrangement of the paragraph and some additions to the wording so that the principle would emphasize the primary responsibility of the States and localities in responding to emergencies as this reflected the general philosophical direction of the Administration.

General Lewis pointed out the concerns expressed by Mr. Keyworth in his written remarks that if the paragraph referred to the potential transfer of some responsibilities from the Federal to the State and local level under the President's new-Federalism concept, he would urge caution, in consideration of the difficulties the States have expressed. Mr. Keyworth reinforced that expression. The Acting Chairman asked OPD for comment, but in their absence, he proposed that they be requested to comment before decision is made. Mr. Giuffrida indicated that State and local governments would be expected to do all they could in response to emergency situations in accordance with P.L. 93-288, (Disaster Relief Act) before the Federal government becomes involved, but that the law was limited in scope and not really applicable to an emergency of the magnitude being addressed. Mr. Giuffrida emphasized that he thought it best to leave the language the way it is now in the third draft without reference to P.L. 93-288. The Chairman said that we should still check with OPD.

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General Stilwell stated that Defense had a problem with the specific Military Mobilization Preparedness statement, but that rather than discuss it in detail he provided an alternative to General Lewis for Secretariat consideration. General Lewis said that he would discuss it with Mr. Korb, the Chairman of the Military Mobilization Working Group and that he was sure any issue could be worked out.

Mr. Giuffrida questioned the Civil Defense preparedness program which now, in the third draft, contained a statement that the program would provide for protection of essential population supporting and war sustaining industries and services. He indicated that the President, in NSDD-26 (US Civil Defense Policy), had reserved a decision on this very matter until FY 84, after further study; and that to include the statement at this time would preempt the President's decision. He recommended that this element of the Civil Defense program be deleted. General Stilwell and Mr. Giuffrida agreed to deletion of the statement.

The Acting Chairman raised the issue that there had been disagreement at previous Board meetings with reference to nuclear war. A general discussion followed in which varying viewpoints were heard. Ultimately, it was stated that the wording in the third draft was vastly improved. The Acting Chairman summarized the discussion and said that he believed that the wording in the third draft concerning nuclear war was now satisfactory.

The preceding remarks prompted general discussion concerning use of the full unclassified version of NSDD-26 rather than the one in the policy statement which was paraphrased to make it consistent with the other statements. When discussion ended the issue was still unresolved.

Mr. Lyng stated that he had some proposed minor word changes and said he would give these comments to the Executive Secretary for consideration.

General Stilwell handed General Lewis a copy of comments from the Chairman of the Emergency Communications Working Group which he stated were endorsed by Defense. General Lewis said the Secretariat would review the comments.

Mr. Mehle then asked if it were expected that the National Policy Statement would be made public. The Acting Chairman and Mr. Giuffrida supported the view that it would be public information.

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Mr. Mehle then said that if the policy statement were to be in the public domain, it would be necessary to recraft the language as it concerns primary reliance on the use of market mechanisms in order to better reinforce the Administration's policy.

He said he was representing Mr. McNamar and that Mr. McNamar's point on primary reliance on the allocative efficiencies of the free-market had been deleted and a substitution made. A discussion followed between several of the members which ended in agreement that the correct use of words could balance reference to governmental intervention in time of crisis, against the necessity to maintain a free-market until all other measures were exhausted. During the discussion it was also agreed that the last point under policies concerned with major domestic emergencies should read: "effective management and allocation of Federal resources" instead of "effective Federal management and allocation of resources".

Mr. Hodel stated that in the Human Resources preparedness area (page 4 of the attachment), the word ensure was used several times. He did not believe ensure was appropriate. Mr. Lovell suggested that the word facilitate might be more accurate.

Mr. Wright questioned the fourth point in the Industrial Mobilization preparedness area (page 2 of the attachment): "increase the ability of existing Defense Production Act (DPA) systems to expand their scope of operations and to accelerate the processes required to support expanded production." He wanted to know if it referred to Title III of the DPA and if so, was the intent that the Federal government would be willing to subsidize domestic production in order to increase the size of the production base. If that were the intent, he was opposed, because it could be construed by private industry that the government might be willing to bail them out of financial difficulties. Mr. Devine said that he believed that was incompatible with our free market philosophy. Another point was made that we do now subsidize some private industry under Title III and mining was mentioned as an example. A general discussion followed which was summarized by Mr. Hodel saying: "Do we put money into the industrial base now to affect production or do we say to industry be prepared to do it?" Mr. Wright requested that this subject be brought up as a major policy issue, because OMB is on record as being opposed to such practice.

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General Lewis remarked that the President's statement in the National Materials and Minerals Program Plan should be looked at to assure consistency. Mr. Olmer stated that the Industrial Mobilization Working Group chairman had developed a new policy statement in that preparedness area. A question was raised as to its inclusion in the third draft which was being discussed at this meeting. General Lewis indicated it was not included because it was dated the day before this meeting on April 27th and the third draft had gone to printing on April 23rd. He then stated that the new statement would be reviewed. The Acting Chairman made the point that the issue could not be resolved at this meeting but that it had to be resolved soon.

General Stilwell stated it would be important to see if the implementation measures come to fruition. That is really the end objective. Mr. Mehle questioned if the \$4 billion program, discussed during the recent budget process, was the total amount to be spent on the emergency mobilization preparedness effort because in his Working Group (Economic Stabilization and Public Finance) there was considerable discussion as to hardening of sites (e.g. currency storage facilities, etc.) which would cost a lot of money. He believes that many of the Working Groups are planning to spend a large amount of money. General Lewis responded that the \$4 billion program was for Civil Defense alone and that it was the Board's responsibility to see that a comprehensive program was developed. Mr. Mehle rejoined by asking if we were just going to add everything up at the end, and tell each Agency to provide the funds--in other words a blank check for capital expenditures associated with emergency mobilization preparedness. General Lewis replied that the Working Groups would provide a plan of action to implement emergency mobilization preparedness programs, including funding requirements; the Board would approve and establish priorities; and then the plan would be turned back to the Agencies for implementation through the normal budget process. Colonel Russell reinforced that position, stating that the individual Agencies would resolve the allocation of resources through the normal budget process. Each of the preparedness measures will compete in the appropriate agency or agencies for funding.

Mr. Fiske stated he thought the policy statement should be concerned with the broader area of communications rather than the more specific telecommunications. General Lewis said that this was one of the issues in the Emergency Communications paper and would be considered when that paper was reviewed.

Mr. Fiske suggested that the document, as it now stands, was rather lengthy for a broad policy statement and that a shorter version might be more useful. The Acting Chairman said that was a fair question and we would take a look at it.

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The Acting Chairman asked if scenarios had been provided to the Working Groups. Colonel Russell replied that the Military Mobilization Working Group was in the process of developing revised scenarios at this time. Mr. Mehle commented that if they were the 5 scenarios with which he was familiar, they were not useful. He added that the scenarios must be much more specific, identifying expected targeted cities and specific targets so that specifications for hardening to withstand the expected force would have to be known before costs could be estimated.

The Acting Chairman said the meeting had gone past its scheduled adjournment and that the Secretariat would come back by May 12, 1982 with any still unresolved issues. He requested that all members provide written comments to the Secretariat by May 6th and announced that the next meeting would be on May 26th.

Meeting adjourned.

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'82 MAY 20 P12:26

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meeting scheduled.

After the meeting, the participants discussed the meeting and the fact that the meeting was held on May 15, 1982. The participants discussed the meeting and the fact that the meeting was held on May 15, 1982. The participants discussed the meeting and the fact that the meeting was held on May 15, 1982.

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EMERGENCY MOBILIZATION PREPAREDNESS BOARD
Washington, D.C. 20472

February 8, 1982

MEMORANDUM FOR: BOARD MEMBERS

FROM: Bennett L. Lewis
Executive Secretary

Bennett L. Lewis

SUBJECT: Discussion Items

5-530
Rm 248

The Chairman asked that I distribute this booklet to you prior to the Second Board meeting on Wednesday, February 10, 1982. It contains items for discussion at the meeting.

Please be familiar with the content and prepared to provide comment or recommendations during the meeting.

Also attached is the agenda for the meeting.

Attachments 2

.85 FEB -8 10:50

EMPB 2/8/82

EMERGENCY MOBILIZATION PREPAREDNESS BOARD

Second Meeting
February 10, 1982
5:00 - 5:30 p.m.

Conference Room - 248
Old Executive Office Building

AGENDA

Introduction	Honorable William P. Clark
Presentation on Mobilization	Dr. John W. Eley
Discussion Items	Honorable William P. Clark
Summation	Honorable William P. Clark

EMERGENCY MOBILIZATION PREPAREDNESS BOARD

Discussion Items



SECOND BOARD MEETING

Conference Room 248, Old Executive Office Building
February 10, 1982

EMERGENCY MOBILIZATION PREPAREDNESS BOARD

Discussion Items

Index

Commitment of Board Members	Tab 1
Operation of the Board	Tab 2
Preparation of a National Policy Statement	Tab 3

TAB 1

EMERGENCY MOBILIZATION PREPAREDNESS BOARD

Discussion Item

Commitment of Board MemberBackground

The success or failure of this Board rests with the active commitment of each Board Member. It will require full support of yourself and your department or agency. The President expects this and my job is to oversee the effort for him. I called this meeting soon after the first one to reinforce the need to move quickly. Since the Board has no budget and the Secretariat has very limited support staff, the work load falls squarely upon each agency. In order to meet deadlines you should ensure that Board work is assigned sufficient priority and resources.

Discussion

In order to effectively carry out your responsibilities, the following suggestions are offered:

Role at Board Meetings

- Your personal regular attendance at all Board meetings.
- Active participation in Board deliberations by contributing individual and agency positions on issues under consideration.
- Evaluation of potential political, economic, social or international implications of alternatives under consideration by the Board.
- Commitment of your agency's resources (people, time, and money) to support Board decisions.
- Recommendations to Chairman of new approaches, priorities, issues, etc.

Role within Department/Agency

- Ensuring that Board decisions are known and understood within your agency.
- Following up on Board decisions to ensure implementation. Implementation will only take place at the agency level. The Board and Working Groups have no budget.

- Ensuring that agency Working Group participants accurately reflect the agency's position during the deliberations of the various Working Groups.
- Ensuring that sufficient priority and resources are provided to enable the Working Groups to perform their functions with dispatch.
- Overseeing performance of Working Groups chaired by your agency to ensure that Working Group products are developed on schedule and are properly coordinated and representative of the positions of the participating agencies.
- Your Liaison Officer, Working Group members and staff must know that you are personally interested and involved in their efforts.

Use of Agency Liaison Officer

- Each Board member has a designated agency Liaison Officer.
- Liaison Officers will be used by the staff of the Executive Secretary to make contact with Board members.
- Board members should use Liaison Officers as a link to the agency Working Group members to ensure a coordinated agency effort and to keep informed of the activities of the Working Group in which the agency participates.

Conclusion

Active participation, attendance, and continued interest of each Board member is vital to the success of the effort.

TAB 2

EMERGENCY MOBILIZATION PREPAREDNESS BOARD

Discussion Item

Operation of the BoardBackground

The President directed that the Board has the authority to resolve mobilization preparedness issues within the framework of current Administration policy. Also that any issue which cannot be resolved through this process will be referred to the National Security Council for resolution and Presidential decision. The Working Groups also have a stated function to provide a mechanism for inter-departmental coordination of emergency mobilization policies and plans.

To further clarify the method of operation of the Board and Working Groups, I believe that the following discussion is necessary.

Discussion

The prescribed level of membership for the Working Groups is at the Deputy Assistant Secretary level or higher. This requirement was included for a particular purpose. Members of a Working Group must be able to speak with authority for a participating agency. In order to develop a Working Group recommendation, consensus of all member agencies is required. That is not to say that divergent views will not surface, but the Working Group must make every effort to resolve issues at that level and arrive at a consensus.

Recommendations from a Working Group should result from decisions of the membership. The agency member of the group will have thoroughly staffed and coordinated his position within his own agency, requiring the effort of many program areas.

Each agency has an Emergency Coordination Office which should be used as a valuable source of information. Caution should be taken however to assure that agency input to a Working Group be more than a reflection of that particular office, and include the fresher views of all interested program areas. The opposite could be true also, in that the knowledge contained in the Emergency Coordination Office will be ignored. In at least one case, the response to my first call for input from the Working Groups in preparing for the first Board meeting was prepared by a point of contact for the Chairman, signed by the Chairman and forwarded directly to the Executive Secretary for inclusion in the booklet. The material was not coordinated with the other member agencies, nor even with the other program areas within the contributing agency. This response completely negates the specified functioning of a Working Group to provide a mechanism for interdepartmental coordination and must be avoided.

When a Working Group cannot reach a consensus, then the issue must be elevated to the Board for resolution. This will be accomplished by the Working Group Chairman including a fair statement of the dissenting opinion in his output. The Executive Secretary will then analyze the material, prepare a decision document and distribute it to the Board members for study, prior to my calling a meeting of the Board to resolve the issue.

TAB 3

EMERGENCY MOBILIZATION PREPAREDNESS BOARD

Discussion Item

Preparation of a National Policy StatementBackground

The first task of the Board, as directed by the President, is the development of a National policy statement concerning emergency mobilization preparedness. As the first step in the process, on February 2, 1982, I sent a memorandum to the 12 Working Group Chairmen tasking them to provide input to the Board. Attached is a copy of the memorandum.

Discussion

Working Group Chairmen will submit, within six weeks, an overall policy statement concerning their area of consideration. This will be used in preparing an overall statement on emergency mobilization preparedness. They are also to submit a more specific policy statement addressing the functional or resource areas within the purview of their group.

This input will be used to develop a draft National Security Decision Directive (NSDD) which will be processed in the following sequence:

- o Input from Working Groups
- o Secretariat consolidates into master policy statement
- o Working Groups review master statement
- o Secretariat prepares draft NSDD
- o Agencies review draft NSDD
- o Secretariat prepares final draft
- o Board reviews final draft

The submission must represent the combined views of the Working Group member Agencies.

Note: Board members must be knowledgeable of Working Group deliberations to be certain that Group input reflects Agency views.

Conclusion

It is my intent that a completed draft NSDD be forwarded to the President for approval and signature no later than mid-June 1982.

Attachment



EMERGENCY MOBILIZATION PREPAREDNESS BOARD
Washington, D.C. 20472

February 2, 1982

MEMORANDUM FOR: WORKING GROUP CHAIRMEN

FROM: William P. Clark *WPC*
Chairman

SUBJECT: National Emergency Mobilization Preparedness Policy

As I mentioned at the first meeting, the Board is to develop, for the President's approval, a statement of National Emergency Mobilization Preparedness Policy and a plan of action consistent with that policy. I am issuing this memorandum to assist you in developing the required input.

For your information, the National Policy Statement will consist of two elements. The first will be an overall principal policy statement. The second will be specific emergency mobilization preparedness policy statements addressing the functional or resource areas which are the purview of the Working Groups.

It is requested that you provide to the Executive Secretary material which will be incorporated into the overall principal policy statement and prepare a specific Working Group policy statement which will be made a part of the document. The specific policy statement must necessarily be developed in the context of a broad plan of action. Attachment 1 to this memorandum contains an outline of the desired policy statement input.

Your submissions will be consolidated into a single document and be returned to you for review prior to being forwarded to the agencies for concurrence.

Preparation of this policy statement will be in accordance with the schedule at Attachment 2. The guidance document should be reviewed immediately. If you feel you are unable to complete the tasks, notify me through the Executive Secretary no later than February 4, 1982. Questions may be addressed to your Working Group Coordinator or to Jack Lilley at 287-0880.

Attachments 2

Outline of Working Group Policy Statement Input

I. Policy

The principal policy statement will include a general statement of what the emergency mobilization preparedness programs are designed to achieve, e.g., "to enhance the deterrence of nuclear war", "to ensure economic stability under emergency conditions", "to preserve constitutional representative government". The specific emergency mobilization preparedness policy statement for each Working Group will address its functional or resource area. This should include a statement of the general capability that will achieve the objective. For example, "an economic stabilization program that will control inflation and preserve the economy", etc.

II. The Program

This section will include a statement of the criteria that emergency mobilization preparedness programs within the Working Group's purview must meet. For example: "The economic stabilization program must:

- provide for maximum reliance on the market forces
- reduce the inflationary consequences of a rapid defense expansion
- enhance/protect the long term health of the economy."

Another example is: "The civil defense program must:

- enhance deterrence in conjunction with other strategic programs
- reduce United States vulnerability to nuclear blackmail
- provide for survival of a given percentage of the population."

III. Implementation

This section will contain statements of the major elements of the Working Group's programs and associated target dates for their completion. For example: Economic Stabilization

- (1) Wage and Price Control Measures - Have plans and systems in place by end of FY 84.
- (2) Emergency Banking - Have plans and systems in place by end of FY 85.

Another example is: Civil Defense

Population Protection - Have plans and systems in place by end of FY 85.

IV. Management

This section will contain specific statements of:

- (1) responsibilities of agencies for management of the program elements
- (2) role of the Working Group in providing overall direction
- (3) miscellaneous information concerning management of the program

Note: Examples are for illustrative purposes only.

SCHEDULE FOR DEVELOPMENT OF NATIONAL POLICY STATEMENT

EMPB/1-29-82

	February	March	April	May	June
Board Issues Call for Input	1 5 o---+				
WG's Develop Input	8 o-----+	19			
Secretariat Prepares Master Statement		22 2 o-----+			
WG's Review Master Statement			5 16 o-----+		
Secretariat Prepares Draft NSDD			19 30 o-----+		
Agencies Review Draft NSDD				3 21 o-----+	
Secretariat Prepares Final Draft NSDD					23 4 o-----+
Secretariat Forwards Draft NSDD to Pres.					7 11 o---+



EMERGENCY MOBILIZATION PREPAREDNESS BOARD

Washington, D.C. 20472

February 2, 1982

MEMORANDUM FOR: WORKING GROUP CHAIRMEN

FROM: William P. Clark *WPC*
Chairman

SUBJECT: National Emergency Mobilization Preparedness Policy

As I mentioned at the first meeting, the Board is to develop, for the President's approval, a statement of National Emergency Mobilization Preparedness Policy and a plan of action consistent with that policy. I am issuing this memorandum to assist you in developing the required input.

For your information, the National Policy Statement will consist of two elements. The first will be an overall principal policy statement. The second will be specific emergency mobilization preparedness policy statements addressing the functional or resource areas which are the purview of the Working Groups.

It is requested that you provide to the Executive Secretary material which will be incorporated into the overall principal policy statement and prepare a specific Working Group policy statement which will be made a part of the document. The specific policy statement must necessarily be developed in the context of a broad plan of action. Attachment 1 to this memorandum contains an outline of the desired policy statement input.

Your submissions will be consolidated into a single document and be returned to you for review prior to being forwarded to the agencies for concurrence.

Preparation of this policy statement will be in accordance with the schedule at Attachment 2. The guidance document should be reviewed immediately. If you feel you are unable to complete the tasks, notify me through the Executive Secretary no later than February 4, 1982. Questions may be addressed to your Working Group Coordinator or to Jack Lilley at 287-0880.

Attachments 2

Copy for Liaison Officer

Outline of Working Group Policy Statement Input

I. Policy

The principal policy statement will include a general statement of what the emergency mobilization preparedness programs are designed to achieve, e.g., "to enhance the deterrence of nuclear war", "to ensure economic stability under emergency conditions", "to preserve constitutional representative government". The specific emergency mobilization preparedness policy statement for each Working Group will address its functional or resource area. This should include a statement of the general capability that will achieve the objective. For example, "an economic stabilization program that will control inflation and preserve the economy", etc.

II. The Program

This section will include a statement of the criteria that emergency mobilization preparedness programs within the Working Group's purview must meet. For example: "The economic stabilization program must:

- provide for maximum reliance on the market forces
- reduce the inflationary consequences of a rapid defense expansion
- enhance/protect the long term health of the economy."

Another example is: "The civil defense program must:

- enhance deterrence in conjunction with other strategic programs
- reduce United States vulnerability to nuclear blackmail
- provide for survival of a given percentage of the population."

III. Implementation

This section will contain statements of the major elements of the Working Group's programs and associated target dates for their completion. For example: Economic Stabilization

- (1) Wage and Price Control Measures - Have plans and systems in place by end of FY 84.
- (2) Emergency Banking - Have plans and systems in place by end of FY 85.

Another example is: Civil Defense

Population Protection - Have plans and systems in place by end of FY 85.

IV. Management

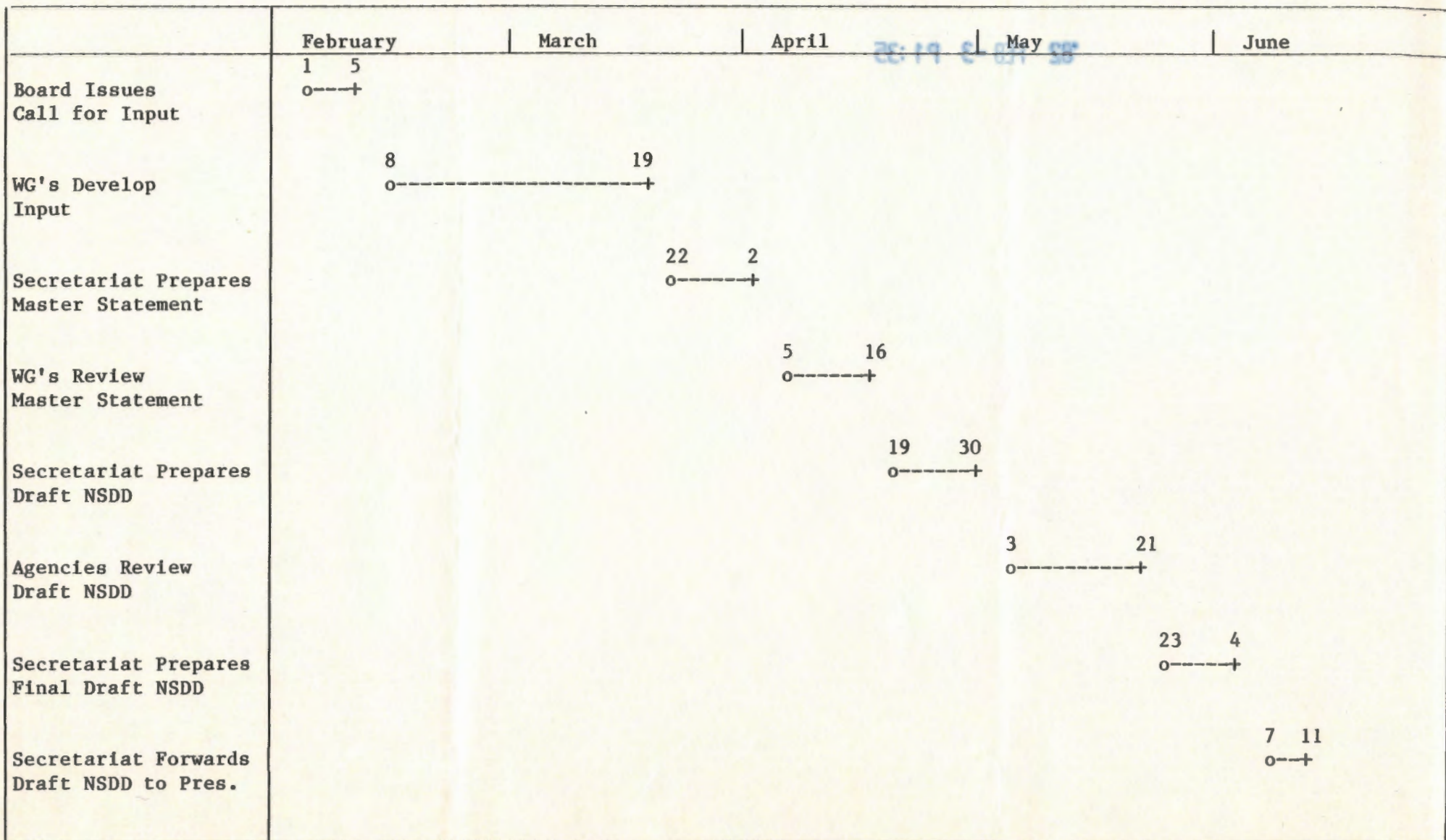
This section will contain specific statements of:

- (1) responsibilities of agencies for management of the program elements
- (2) role of the Working Group in providing overall direction
- (3) miscellaneous information concerning management of the program

Note: Examples are for illustrative purposes only.

SCHEDULE FOR DEVELOPMENT OF NATIONAL POLICY STATEMENT

EMPB/1-29-82



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EMERGENCY MOBILIZATION PREPAREDNESS BOARD

Washington, D.C. 20472

JAN 28 1982

MEMORANDUM FOR: Liaison Officers
Points of Contact

FROM: Dennis B. Green
Deputy Director for Administration
and Program Support

Dennis Green

SUBJECT: Classified Report from the Economic Stabilization and
Public Finance Working Group

Forwarded herewith is the classified report from the Economic Stabilization and Public Finance Working Group (ES&PF WG), which is referenced in the "Information Packet" for the first Board meeting.

Copies of this report have not been sent to Board members or Working Group Chairmen. Please make your copy available to your principal.

Attachment

Treasury transmittal memo dated 1/18/82 with the
Confidential Status Report - ES&PF WG.

WHEN THE ATTACHMENT IS REMOVED
THIS TRANSMITTAL MEMORANDUM IS
UNCLASSIFIED.

UNCLASSIFIED UPON REMOVAL
OF CLASSIFIED ENCLOSURE(S)

M7D 7610197

~~CONFIDENTIAL~~



DEPARTMENT OF THE TREASURY

WASHINGTON, D.C. 20220

ASSISTANT SECRETARY

~~CONFIDENTIAL~~

January 18, 1982

MEMORANDUM FOR: MG Bennett L. Lewis, Executive Secretary,
Emergency Mobilization Preparedness Board

From: Roger W. *Mane*
Chairman Economic Stabilization and
Public Finance Working Group

Subject: Meeting of the Emergency Mobilization
Preparedness Board

In response to the request of William P. Clark, Chairman
EMPB, the attached paper giving the status of action by the Economic
Stabilization and Public Finance Working Group is provided for
distribution to the Board members.

Attachment

Regraded Unclassified When
Separated From Classified
Attachments

~~CONFIDENTIAL~~

UNCLASSIFIED UPON REMOVAL
OF CLASSIFIED ENCLOSURE(S)

MJD
7/10/97

EMPB
1/25/82
for EDD

~~CONFIDENTIAL~~

Status Report
Economic Stabilization and Public Finance
Working Group (U)

At the initial meeting (December 11, 1981), the Group was briefed on the EMPB organization and the status of action by other working groups. The mission, functions and membership of the Group were discussed and two papers: (1) "Historical Summary of Wartime Economic Stabilization Measures in the United States", prepared by FEMA; and (2) "Steps to Put the Nation on a War Footing", prepared by Treasury, were distributed and recommended as background information for the Group's general orientation. (U)

Based upon a Treasury document entitled, "Suggested Topics for Consideration by the Economic Stabilization and Public Finance Working Group", background papers on the following three issues are being prepared for discussion at the next meeting, scheduled for February 1. (U)

1. "Survey of Selected Legal Authorities For Economic Stabilization and Public Finance Measures in the Event of National Mobilization". A comprehensive review of extant authorities (statutes, executive orders, directives, etc.) for taking emergency action relative to public finance and economic stabilization. Will provide a legal analysis of what actions could be taken under present authority. Will be expanded to consider what actions and associated legislation might become necessary and the apparatus for implementation. (U)

2. "Direct and Indirect Emergency Economic Stabilization Measures/Controls". A review of the stabilization measures and controls which have been used in the past; an analysis of the efficacy of their usage; and suggestions for future application. This paper builds upon the "Historical Summary" mentioned above. (U)

3. "Strategy for Emergency Public Finance and Redirecting the Federal Budget Process". A review of the fiscal, monetary and debt policies for economic stabilization. Included are aspects of taxation, control of money and credit supply, government borrowing/debt management, operation of financial institutions, and redirection

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DECLASSIFIED

NLS F96-115 #7

BY smf NARA, DATE 2/24/97

DERIVATIVE CLASS BY Asst. Secy. (Dom. Fin)
☒ DECLASS ☒ REVIEW ON March 19, 1985
DERIVED FROM Dir. FEMA MOEMAP
1 May 1979.

~~CONFIDENTIAL~~

- 2 -

of the Federal budget process during mobilization. (U)

These papers are important because they will provide the Group members with fundamental knowledge essential for serious consideration of the major issues to be addressed during subsequent meetings. (U)

The following are major issues for future consideration:

1. "Clarification of National Emergency Authority". This is of major significance to all of the EMPB Principal Working Groups. At issue is how the National Emergencies Act, 50 U.S.C. 1601 et seq. and the International Emergency Economic Powers Act, 12 U.S.C. 95; 50 U.S.C. 1701 et seq. have actually changed the authority and procedures for the Executive Branch's responses to major crises/national emergencies confronting the United States. For the Economic Stabilization and Public Finance Working Group, the principal issue concerns the authority for emergency operation of financial institutions during national emergencies short of war. (U)

2. "Analysis/Revision of Five Crisis Scenarios for Economic Content and Domestic Policy Implications" (Federal Master Mobilization Plan). As now written, the scenarios provide insufficient analysis of the macroeconomic ramifications of the postulated crises. The absence of the economic consequences impairs the ability of Federal financial agencies to develop the economic elements of their implementing/supporting plans. (U)

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DERIVATIVE CLASS BY Asst. Secy. (Dom. Fin.)
☐ DECLASS ☒ REVIEW ON March 19, 1985
DERIVED FROM Dir. FEMA MOEMAP
1 May 1979.

MEMORANDUM OF INFORMATION FOR THE FILE

12153055

EXECUTIVE

F5378

DATE

LETTER, MEMO, ETC.

TO:

FROM:

SUBJECT:

CORRESPONDENCE FILED CENTRAL FILES - CONFIDENTIAL FILE