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Series: Card, Andrew, Files
Subseries:

OA/ID Number: 02718
Folder ID Number: 02718-016

Folder Title:
Peace Corps Budget

Stack:	Row:	Section:	Shelf:	Position:
G	15	21	6	

Jz.

THE WHITE HOUSE
WASHINGTON

Date: 5-7-90

FOR: Gov. Summers

FROM: ANDY CARD *Andy*

- Action
- Your Comment
- Let's Talk
- FYI

re Peace Corp.

AC HAS SEEN

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

3037

May 4, 1990

THE CHIEF of STAFF
has seen

MEMORANDUM FOR ANDREW H. CARD, JR.

FROM: BRENT SCOWCROFT *BJS*

SUBJECT: Peace Corps Program Funding

This is in reference to your memorandum of April 17 regarding Peace Corps' search for additional FY 1990 funding for Czechoslovakia, Panama, Nicaragua, and Namibia.

I agree that only Czechoslovakia remains as a funding problem for FY 1990. The Peace Corps can solve the problem for Panama and Namibia, and possibly Nicaragua by planning to begin the programs with volunteers from Botswana and Costa Rica, or they can be delayed until 1991.

I oppose new money for Czechoslovakia, but I support the approach OMB is taking now of checking on the availability of AID Eastern Europe funds for this purpose (\$650,000). I believe that OMB should continue to seek funding from Eastern Europe monies or other parts of the AID account. If this proves infeasible, I agree that the Peace Corps should fund the Czech program from within its FY 1990 budget.

Call for meeting

done file

THE WHITE HOUSE
March 13, 1990

Dear Paul,

Thanks for your note on potential Congressional mischief on the volunteer programs. I know you will be able to handle it well!! **Andy Card will be in touch soon.**

Thanks also for the information.

Regards,



John H. Sununu
Chief of Staff

254-7970

THE WHITE HOUSE
WASHINGTON

Honorable Paul Coverdell
Director
United States Peace Corps
Washington, D.C. 20526

bcc: Andy Card ✓

3/20

Pending

I called and left word with Paul Coverdell's office to set up meeting. Have not heard back. Schedule if they call back.

Linda

Thurs. March 22
9:00 am

118838

THE DIRECTOR OF THE UNITED STATES PEACE CORPS
WASHINGTON

March 1, 1990

MEMORANDUM OF RECORD

TO: The Honorable John Sununu
Chief of Staff
The White House

FROM: Paul D. Coverdell *Paul D Coverdell*

RE: Recent Inquiries about Peace Corps' Activity

Over the last several weeks, we have been receiving various inquiries from the Hill regarding Peace Corps, including some from the Democratic Policy Committee.

Yesterday, staff of the Senate Foreign Relations Committee summoned my Eastern European coordinator to a meeting and asked:

- 1) What would maximum Peace Corps strength for Eastern Europe equate to?
- 2) What is Peace Corps' view of the thirty odd bills creating volunteer activity in Eastern Europe?

This may indicate legislative mischief on volunteer programs.

It is my view that volunteer programs should be highly coordinated. New programs are expensive, drawn out and a burden to the host countries.

Would like to discuss. — *Andy*

PDC/kh

**UNITED STATES PEACE CORPS
CENTRAL EUROPE MAXIMUM STRENGTH**

Fiscal Year 1990			
Country	Trainee Input	Volunteers On-Board End Year	Cost (millions \$)
Poland (funded)	60	55	1.0
Hungary (funded)	60	56	1.0
Czechoslovakia	0	0	0.4
Bulgaria	0	0	0
Romania	0	0	0
Yugoslavia	0	0	0
East Germany	0	0	0
TOTAL	120	111	2.4
Fiscal Year 1991			
Country	Trainee Input	Volunteers On-Board End Year	Cost
Poland	120	160	2.8
Hungary	120	160	2.2
Czechoslovakia	90	84	1.2
Bulgaria	100	94	1.2
Romania	30	28	1.0
Yugoslavia	0	0	0
East Germany	30	28	1.0
TOTAL	490	554	9.4
Fiscal Year 1992			
Country	Trainee Input	Volunteers On-Board End Year	Cost
Poland	160	240	4.5
Hungary	140	206	3.0
Czechoslovakia	120	200	2.5
Bulgaria	100	175	3.1
Romania	75	95	1.2
Yugoslavia	50	50	1.0
East Germany	50	72	1.1
TOTAL	695	1038	16.4
Fiscal Year 1993			
Country	Trainee Input	Volunteers On-Board End Year	Cost
Poland	200	300	5.5
Hungary	150	225	4.4
Czechoslovakia	175	250	4.2
Bulgaria	125	200	3.4
Romania	125	200	3.2
Yugoslavia	75	125	1.4
East Germany	100	125	1.7
TOTAL	950	1425	23.8
Fiscal Year 1994			
Country	Trainee Input	Volunteers On-Board End Year	Cost
Poland	160	300	5.6
Hungary	100	225	4.9
Czechoslovakia	100	250	5.5
Bulgaria	100	200	2.7
Romania	100	200	2.9
Yugoslavia	100	125	2.6
East Germany	50	125	2.7
TOTAL	710	1425	26.9

THE DIRECTOR OF THE UNITED STATES PEACE CORPS
WASHINGTON

March 16, 1990

MEMORANDUM OF RECORD

TO: The Honorable John Sununu
Chief of Staff
The White House

FROM: Paul D. Coverdell *PDC*

RE: Eastern Europe's New Democracies

This past Saturday I met with Deputy Secretary Eagleburger regarding Peace Corps and assistance to Eastern Europe in general. The attached memorandum is an outgrowth of the meeting.

PDC/kh

Enclosure

if possible I'd like to discuss.

/ger

1c

Andy as well?
touch with him. Shall we now pass this along to
subject and indicating that Andy would be in
week acknowledging his earlier letter on this
You recall that we wrote to Mr. Coverdell last

Governor,


W. P. H. S.

THE DIRECTOR OF THE UNITED STATES PEACE CORPS
WASHINGTON

March 14, 1990

MEMORANDUM OF RECORD

TO: The Honorable Lawrence S. Eagleburger
Deputy Secretary of State
The State Department

FROM: Paul D. Coverdell 

RE: Thoughts on Eastern Europe Pursuant to our
Conversation of March 10, 1990

Issue: It is assumed that events in Eastern Europe are of historic proportions equal in weight to the conclusion of World War II and will be the catalyst for world reconstruction that could dominate world events for another half century. This is an opportunity not unlike President Jefferson's consolidation of democracy or Secretary Marshall's reconstruction of Western Europe.

Question: Can our nation marshal the capacity to be orderly, focused, and disciplined in its response to assist these new democracies?

Problem: Democracy will have more difficulty competing for limited resources than defense of democracy. Unorganized assistance is potentially less effective, more costly, and a burden to fledgling democracies.

Suggestion: Have the President immediately form a U.S. Center for Democracy chaired by Deputy Secretary Eagleburger with membership including U.S. agencies instrumental in delivering assistance. For the next six months, the Center would be staffed by contributors of assisting agencies and would be operative virtually around the clock to catch up, to inventory resources, to facilitate their delivery, and to institute coordinating activities for public and private assistance to Eastern Europe.

Advantages:

1. Give the President the offensive.
2. Bring focus and order to Eastern European assistance.
3. Speed assistance.
4. Demonstrate the United States' central role in the reconstruction of Eastern Europe.
5. Minimize intrusion by the United States Congress in foreign policy.
6. Maximize utilization of limited resources -- focusing on people and technical skills versus cash outlay.

Role of the United States Peace Corps:

1. A sitting member and a staffing participant in the Center.
2. Coordinate people-to-people activities on the part of the United States Government, facilitate people-to-people activities from the private sector and coordinate people-to-people initiatives in the Congress.

The Center for Democracy could also augment and facilitate democratic movements elsewhere in the world.

PEACE CORPS



March 14, 1990

MEMORANDUM OF RECORD

TO: Paul D. Coverdell, Director

FROM: Jon Keeton, Director of International Research and Development

RE: Observations on Poland

Pursuant to your request that I briefly report to you my observations on the status of assistance to Poland, the following highlights my observations after five weeks on site.

Decisions by key Americans to involve themselves in Central Europe's private sector need to be replicated over and over. Unfortunately, more than one government official in both Hungary and Poland expressed to the Peace Corps' team their concern that U.S. agencies were responding too slowly to their needs. In Poland, foreign ministry officials stated that their goal that the Peace Corps agreement be signed during the visit of Deputy Secretary Eagleburger was an effort to demonstrate that at least some progress was being made. The Vice Minister of the Ministry of Education said he had been listening to promises since last October.

The receptivity toward Americans is so positive it is disturbing to observe the opportunities America may miss. The words of another minister come to mind: "We will remember the friends who respond early. Our needs are so great and success cannot be assured." While Peace Corps is well positioned to respond, much broader efforts are also needed.


THE DIRECTOR OF THE UNITED STATES PEACE CORPS
WASHINGTON

AC HAS SEEN 2/24

February 23, 1990

MEMORANDUM OF RECORD

TO: The Honorable Andrew H. Card, Jr.
Deputy Chief of Staff
The White House

FROM: Paul D. Coverdel 

RE: Peace Corps Update

Enclosed please find a communique to Deputy Secretary of State Lawrence Eagleburger. It is prompted by my most recent meeting with him and represents an effort to improve coordination. It highlights the nature of our ability to respond to the unfolding, incredible world events.

PDC/kh

UNITED STATES PEACE CORPS

Background Information

NEW COUNTRY ENTRIES

FY90 (current)	FY91 (anticipated)
1. Poland	1. Czechoslovakia
2. Hungary	2. Panama
3. Vanuatu	3. Chile
4. Malta	4. Uganda
5. Cote d'Ivoire	5. Congo
6. Sao Tome & Principe	6. Guyana
7. Namibia	
8. Bolivia	
9. Haiti	

COUNTRIES AND VOLUNTEERS ON-BOARD BASED ON CURRENT ESTIMATED RESOURCES

Fiscal Year	Trainee Input	Volunteers On-Brd	New Countries	Total PC Countries	Cost (millions)
90 (current)	3211	6700	9	75	165.6
91 (anticipated)	3350	6824	6	81	181.1
92 (anticipated)	3750	7281	6	87	206.1

UNFUNDED NEW COUNTRIES CURRENTLY SEEKING PEACE CORPS COLLABORATION

1. Nigeria	7. Mongolia
2. Mozambique	8. China
3. Turkey	9. Bulgaria
4. Yugoslavia	10. Romania
5. Bangladesh	11. Djibouti
6. Uruguay	

COUNTRIES AND VOLUNTEERS ON-BOARD RESPONDING TO ALL CURRENT REQUESTS

Fiscal Year	Trainee Input	Volunteers On-Brd	New Countries	Total PC Countries	Cost (millions)
90	3211	6700	9	75	165.6
91	3700*	7141	10	85	191.1***
92	4000*	7800	10**	95	218.6***

- * Trainee increases represent volunteer expansion in all new countries.
- ** Anticipates additional new country requests.
- *** Demonstrates additional resources required.

THE DIRECTOR OF THE UNITED STATES PEACE CORPS
WASHINGTON

February 22, 1990

The Honorable
Lawrence S. Eagleburger
Deputy Secretary
Department of State
2201 C Street, NW
Washington, DC 20520

Dear Mr. Secretary:

Pursuant to our last meeting, which I thought was most productive, I am enclosing information I indicated we were in the process of developing.

In the last nine months, nearly thirty nations have indicated an interest in collaborating with the United States through bringing Americans to their countries in a Peace Corps program.

It has been my belief that wherever possible, we should respond in the affirmative to these countries. I have indicated to OMB that we can debate the level of activity, but we ought not to be in the position of outright rejection.

Of the countries seeking Peace Corps collaboration, we will be able to facilitate fifteen of them based on the estimated resources we have through 1991. We are accomplishing this with a combination of new resources, reallocation of internal resources, and efforts to develop a generic new country plan to reduce first year outlays.

These are more new country entries than at any other time in Peace Corps' history since 1963 and this situation is demanding exceptional support from all personnel here and worldwide.

The enclosed information lists those countries requesting Peace Corps' activity for which we have no resources and lists the resources they will require.

The other issue we touched on during our meeting was that in many countries where AID resources are retrenching, we may find an opportunity to mollify that circumstance by modest Peace Corps expansion. I believe we both felt this issue deserved exploration both in terms of identifying these countries as well as alternate resources.

With regard to coordination, I think your suggestion that you and I get on the phone quickly if something pressing occurs is good. For ongoing coordination, I am appointing four individuals who will have the responsibility of guaranteeing the proper flow of information. They are: Dr. Jody Olsen, my Chief of Staff; Mr. Jon Keeton, Director of International Research and Development; and Ms. Mary Killeen, Director of the Office of Training and Programming Support; and Ron Passero, Director of my Office of Planning and Budget.

One last item, I am extremely hopeful that an appropriate portion of the Eastern European and Panama aid can be allocated for Peace Corps' activity. Not only will this energize important programs in these areas, but it also becomes an opportunity to free funds for pressures that are going unfulfilled at in other areas of the world.

Sincerely,



Paul D. Coverdell

PDC/kh

Enclosure

*Thank you for the help in Poland
— much appreciated!*

UNCLASSIFIED

INCOMING TELEGRAM

Department of State

Panama

PAGE 01 PANAMA 01208 161631Z
ACTION AID-00

2343

INFO LOG-00 ADS-00 INR-05 CIAE-00 DODE-00 ARA-00 SSO-00
L-03 TRSE-00 PC-05 INRE-00 OCS-06 AGRE-00 CA-02
USIE-00 C-01 P-02 /024 W

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FM AMEMBASSY PANAMA
TO SECSTATE WASHDC IMMEDIATE 8417

UNCLAS PANAMA 01208

PDC
JO
ES

DEPARTMENT PASS PEACE CORPS (INTERNATIONAL OPERATIONS/EARL MCCLURE), AND USAID

E. O. 12356: N/A
TAGS: EAID, PREL, SOCI, PM
SUBJECT: PEACE CORPS RETURN TO PANAMA

6/5/90
D. G. [Signature]

1. AMBASSADOR'S COMMENT: IT WOULD BE HELPFUL WERE THE PEACE CORPS TO RETURN SOON TO RURAL PANAMA. END COMMENT.

2. THE GOP (AGRICULTURAL DEVELOPMENT MINISTRY) HAS INQUIRED INFORMALLY ABOUT HAVING THE PEACE CORPS RETURN TO PANAMA. WE HAVE BEEN TOLD THAT THE IDEA HAS BEEN PRESENTED TO AGRICULTURAL DEVELOPMENT MINISTER RODRIGUEZ AND SECOND VICE PRESIDENT FORD (IN HIS CAPACITY AS PLANNING AND ECONOMIC POLICY MINISTER). THE EMBASSY UNDERSTANDS THAT A NEW COUNTRY AGREEMENT LIKELY WOULD BE REQUIRED TO RE-ESTABLISH THE PEACE CORPS HERE. THERE ALSO ARE USAID PROGRAMS UNDER CONSIDERATION FOR PANAMA WHICH COULD SUPPORT PEACE CORPS ACTIVITIES.

3. ACTION REQUESTED:

-- WASHINGTON COMMENT ON THE PROSPECTS FOR A RETURN OF THE PEACE CORPS TO PANAMA AND DETAILS ON WHAT IS REQUIRED TO GET THIS DONE, INCLUDING A COUNTRY AGREEMENT, IF NECESSARY.

-- EMBASSY BELIEVES THAT THE GOP WILL LOOK FAVORABLY ON OPENING THE WAY TO A PEACE CORPS PRESENCE. WITH AN EYE TO POSSIBLE QUICK START-UP, IT THEREFORE WOULD BE PRUDENT AT THIS EARLY STAGE IF PROGRAM FUNDS TO SUPPORT PEACE CORPS ACTIVITIES COULD BE IDENTIFIED. EMBASSY REQUESTS THAT THIS FUNDING ASPECT BE LOOKED INTO NOW TO AVOID ANY POTENTIAL DELAY IN GETTING THE PEACE CORPS ON THE GROUND ONCE FORMAL AGREEMENT IS REACHED WITH THE GOP.

-- SEND EXPLORATORY MISSION AT APPROPRIATE TIME.

-- ADVISE RE ABOVE ACTION REQUESTS.
HINTON

UNCLASSIFIED

PEACE CORPS



AC HAS SEEN ✓

FACSIMILE TRANSMISSION COVER SHEET

DATE 10/16/89

TIME 9:30 a.m.

TO The Honorable Andrew H. Card
Deputy to the Chief of Staff

FROM Paul D. Coverdell
Director, U.S. Peace Corps

OFFICE PHONE NO. 254-7970

FAX PHONE NO. 254-4010

Number of pages in transmission: 5
(excluding this page)

INTERNATIONAL
COUNTRY CODE _____

TELEPHONE NO. _____

Urgent message: YES _____ NO x

SUBJECT Peace Corps Budget '91

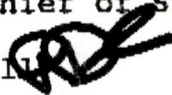
REMARKS _____

THE DIRECTOR OF THE UNITED STATES PEACE CORPS
WASHINGTON

October 13, 1989

MEMORANDUM OF RECORD

TO: The Honorable Andrew H. Card, Jr.
Deputy to the Chief of Staff

FROM: Paul D. Coverdel 

RE: Peace Corps Budget '91

First, let me say that I appreciate your efforts to find the "fix it" money on such short and rushed notice for FY '90. I don't know how FY '90 will come out, but hopefully there will be enough to launch the special initiatives you, John and I talked about extensively over these past three or four weeks.

You will recall I said I was looking for an interim fix in '90 but that in '91 we needed to get in front of the process with these initiatives. I have attached what I made available to Richard and the number I recommended tracks exactly the discussion that you, John and I had. I indicated all the initiatives I outlined on behalf of this administration could be funded, if approximately \$12 million were added in FY '90, \$25 million in FY '91 and \$37.5 million in FY '92. The number I have sent to Richard tracks this plan exactly.

I think getting it done up front will be a lot easier than trying to correct in midstream, as we were endeavoring to do in FY '90.

Thanks again. Any suggestions will be much appreciated.

PEACE CORPS



Honorable Richard G. Darman
Director
Office of Management and Budget
Executive Office of the President
726 Jackson Place N.W.
Washington, D.C. 20503

Dear Mr. Darman:

With a minimum investment over the next three years, the United States Peace Corps can play a major role in promoting key goals of the Bush Administration and the Administration can reap substantial international and domestic goodwill from this investment. It is, therefore, with great pride in the accomplishments of the Peace Corps and confidence in its future that I submit to you the Peace Corps FY 1991 budget request of \$190.8 million.

At a time in history when nations throughout the world are looking to America for friendship and assistance, I feel strongly that their requests for Peace Corps volunteers should not be denied. This includes nations such as Uruguay, Uganda, Ivory Coast, Djibouti, Sao Tome and Principe, and possibly the People's Republic of China.

In a world undergoing major social, political and economic changes, Peace Corps can provide the United States with a rapidly deployed, low cost, highly visible presence in nations where our absence could leave a vacuum to be filled by other nations. (It should be noted that Peace Corps is the largest American presence in 80 percent of the nations in which it serves.)

This proposed budget is based on a careful analysis of current host country and new country requests and on our ability to recruit volunteers to fill those requests. It also provides funding to pursue major initiatives of this Administration including:

- a) responding to the exciting changes in Eastern Europe;
- b) assisting the Administration's efforts to protect and clean up the environment worldwide;
- c) significantly expanding small business development programs to help generate jobs and commerce in poor nations;

- d) promoting support for the objectives of the Peace Corps in the American private sector (business, civic clubs, individuals);
- e) recruiting more minorities to serve and work in the Peace Corps; and
- f) helping Americans understand the increasing interdependence among nations and the value to our nation of promoting friendship and development in foreign countries.

In addition to allowing Peace Corps to respond favorably to most of the requests we have received, funding at the level of \$190.8 million will provide sufficient dollars to deal with severe budgetary pressures caused by such uncontrollable expenses as payments to the Federal Employees Compensation Act (FECA) and other medical expenses; costs associated with administrative support overseas through the Department of State; cost of living and wage increases; rent and utility increases; and currency losses.

Helping those less fortunate is demanded by our humanitarian instincts, and it has improved America's image throughout the world. But there are also many benefits to our nation that result from the work of Peace Corps volunteers.

- a) Peace Corps is the world's largest university for training international experts - people whose talents America so badly needs in order to compete in today's interdependent world.
- b) Peace Corps is one of the largest institutions for teaching English as a foreign language. Through the efforts of these teachers, Peace Corps is helping make our language the international language of commerce.

The United States today exports more to the developing countries of the world than we do to Western Europe and Japan. Last year 40 percent of all U.S. exports were purchased by the Third World, and the potential is virtually unlimited.

In terms of communications and transportation, the world really is becoming smaller every day. Our own future well-being as a nation depends, in part, on how well we respond to the needs of the rest of the world.

There is no doubt in my mind that dollar for dollar, there is no better international investment that our nation can make than putting a Peace Corps volunteer in the field. Every dollar we invest in sending volunteers overseas today will come back to us manyfold in the years ahead.

In submitting this FY 1991 request for \$190.8 million, let me assure you that this budget has been constructed meticulously and we have made every effort to find savings and efficiencies within the agency.

As required by section 1108(b) of Title 31, United States Code, I am reporting that all statements of obligations furnished to the Office of Management and Budget in connection with the Peace Corps requests for proposed appropriations for the Fiscal Year 1991 consist of valid obligations as defined in section 1501(a) of that title.

I look forward to discussing our budget request with you and your staff and will be pleased to answer any questions regarding this proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul D. Coverdell", written over a horizontal line.

Paul D. Coverdell
Director

AC has seen ✓

THE DIRECTOR OF THE UNITED STATES PEACE CORPS
WASHINGTON

September 12, 1989

MEMORANDUM

TO: Honorable Andrew Card
Deputy to the Chief of Staff

FROM: Paul D. Coverdell

RE: Peace Corps Budget

Glad we had a chance to visit last night.

As I said, the Senate Foreign Operations Subcommittee of Appropriations marks up tomorrow (Wednesday September 13) at 2:00 pm.

Sure would like some positive signal.

My idea for you and Darman: Is there any of the Eastern European money that could be dedicated to Peace Corps?

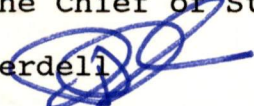
Thanks.

THE DIRECTOR OF THE UNITED STATES PEACE CORPS
WASHINGTON

September 20, 1989

MEMORANDUM

TO: The Honorable Andrew H. Card, Jr.
Deputy to the Chief of Staff

FROM: Paul D. Coverdell 

SUBJECT: Peace Corps Budget Update

The Senate is considering the foreign assistance appropriations today. Peace Corps' mark in the Foreign Operations subcommittee was \$163.6 million - the same level as in the House.

As I have said previously, there is a group in the Senate still pressing to increase the appropriations.


THE DIRECTOR OF THE UNITED STATES PEACE CORPS
WASHINGTON

*Have me call
D. Darman
fudy*

September 6, 1989

MEMORANDUM

TO: Honorable Andy Card
Deputy Chief of Staff for the President

FROM: Paul D. Coverdell 

SUBJECT: United States Peace Corps Funding, FY '90 - Update

It has come to my attention that the Senate Foreign Operations Subcommittee of the Senate Appropriations Committee will consider its recommended funding for the U.S. Peace Corps next Tuesday, September 12, 1989.

I am hopeful that your work with Darman will allow you to signal the committee that the White House would favor a figure near the Senate Foreign Relations resolution of \$172.8 rather than the House Foreign Affairs Committee mark of \$163.6.

I have attached another copy of my last memo for your reference, along with recent comments the staff and/or various Senators have made regarding FY '90 funding levels for the U.S. Peace Corps.

Andy, in that I have not communicated with the Governor since our last meeting, I've delivered a copy of these same materials to him as well.

August 11, 1989

MEMORANDUM

TO: Mr. Andy Card
Deputy to the Chief of Staff

FROM: Paul D. Coverdell
Director, United States Peace Corps

SUBJECT: Peace Corps Budget

Per our earlier discussions, I wanted to advise you of the following:

- At present, we are focusing our attention on the FY '90 budget only.
- Of the \$12.5 million needed, we have identified \$2.5 million in savings within the agency.
- The Senate Foreign Relations Committee has authorized Peace Corps at \$172.8 million.
- The House has passed Peace Corps' budget at \$163.6.
- If your conversation with Director Darmon gets us close to the Senate figure of \$172.8, we will have virtually achieved our goal for FY '90.

MEMBER RESPONSES

House:

Obey - Agrees with all points, but wants the Administration's request for PC to reflect its priority for the program. Report language reiterates his complaint.

Lewis - Will try to support higher level in Conference if Senate mark is higher.

Fascell - Would like to have had a higher Administration request. Early on he asked if we could consider working for a higher level.

Senate:

Leahy - Supports PC but wary that an extra \$10 million can be found. Will support Administration's request at the least. Too bad it wasn't higher.

Kasten - Will support Administration's request. Unless the Administration can find the money, no higher level can be considered.

Dodd - Wants PC to continue growth. Recommended \$172.8 in authorization bill. Would support even greater funding level.

Cranston - Offered bill to provide \$172.8 for Peace Corps. Ardent supporter of growth. \$172.8 came from original growth plan submitted.

Pell - Recommended \$172.8 for PC.

Boren - Current and proposed funding levels inadequate. Supports even greater increases.

9/6/89

SENATE APPROPRIATIONS COMMITTEE
Foreign Operations Subcommittee

Pat Leahy, Chairman

Democrats

Inouye
Johnson
DeConcini
Lautenberg
Harkin
Mikulski

Republicans

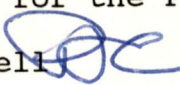
Kasten, Ranking
Hatfield
D'Amato
Rudman
Specter
Nickles

THE DIRECTOR OF THE UNITED STATES PEACE CORPS
WASHINGTON

September 6, 1989

MEMORANDUM

TO: Honorable John Sununu
Chief of Staff for the President

FROM: Paul D. Coverdell 

SUBJECT: United States Peace Corps Funding, FY '90 - Update

The attached materials are FYI regarding my ongoing work with
Andy.

How was Maine?


PDC/ml1

THE DIRECTOR OF THE UNITED STATES PEACE CORPS
WASHINGTON

September 6, 1989

MEMORANDUM

TO: Honorable Andy Card
Deputy Chief of Staff for the President

FROM: Paul D. Coverdell 

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Deputy to the Chief of Staff

FROM: Paul D. Coverdell
Director, United States Peace Corps

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Cranston - Offered bill to provide \$172.8 for Peace Corps. Ardent supporter of growth. \$172.8 came from original growth plan submitted.

Pell - Recommended \$172.8 for PC.

Boren - Current and proposed funding levels inadequate. Supports even greater increases.

9/6/89

SENATE APPROPRIATIONS COMMITTEE
Foreign Operations Subcommittee

Pat Leahy, Chairman

Democrats

Inouye
Johnson
DeConcini
Lautenberg
Harkin
Mikulski

Republicans

Kasten, Ranking
Hatfield
D'Amato
Rudman
Specter
Nickles



Office of the Director

MEMORANDUM

TO: Honorable John Sununu, White House Chief of Staff
FROM: Paul D. Coverdell, Director United States Peace Corps
DATE: July 24, 1989
SUBJECT: The Peace Corps: A new look in light of world events and Bush Administration initiatives.

SUMMARY STATEMENT: With a minimum investment over the next three years, the United States Peace Corps can play a major role in promoting several of the goals of the Bush Administration. The Administration can reap substantial international and domestic goodwill from this investment (\$12.5 million in FY '90; \$25 million in FY '91; \$37.5 million in FY '92).

* In a world undergoing major social, political and economic changes, Peace Corps can provide the Administration with a rapidly deployed, low cost, high visibility presence in nations where we might otherwise leave a leadership vacuum to be filled by nations such as the USSR or Japan. (Peace Corps is the largest American presence in 80% of the countries in which it serves.)

* Peace Corps is immensely popular in the United States and in foreign countries, as was demonstrated with the applause at Karl Marx University when the President made the Peace Corps announcement.

* Peace Corps is an inexpensive way to make a significant contribution to many of the Bush Administration's initiatives.

* Peace Corps can give the United States a presence in a foreign country very quickly (volunteers can be on the ground within six months).

* Peace Corps embodies the President's call to service; to many Americans, Peace Corps symbolizes volunteerism.

* Peace Corps can play an important role in support of the President's efforts to encourage political, social and economic changes in Eastern Europe, Central America, Africa and Asia.

* Peace Corps is now turning down significant requests for new country programs and the expansion of current programs due to a lack of funds, thus creating undesirable vacuums.

SUGGESTED PEACE CORPS INITIATIVES FOR THE BUSH ADMINISTRATION

* Eastern Europe - As demonstrated by the Hungary announcement, the United States Peace Corps can play a significant role in support of the President's initiatives to encourage the exciting political, social and economic changes currently taking place throughout Eastern Europe. It is likely that other countries will follow Hungary's lead in requesting Peace Corps.

* Environment - To assist the Administration's efforts to protect and clean-up the environment world-wide, the Peace Corps, in conjunction with AID, the World Bank, and CARE, can expand its work in reforestation and other environmental programs.

* Expanding Assistance to Developing Nations - The Administration's efforts to promote friendly relations with developing nations in Latin America, Africa, Asia, and the Pacific can be supported in a significant way with minimal additional resources for Peace Corps.

Countries requesting sizable Peace Corps expansion:

Botswana; Pakistan; Zaire

Countries requesting new Peace Corps programs:

Algeria; Bangladesh; Bolivia; Indonesia; Ivory Coast; Laos; Malta; Sao Tome; Uganda; Uruguay; Vanuatu

With the world changing as rapidly as it is, there are numerous other potentially dramatic opportunities (such as Hungary) for new Peace Corps programs.

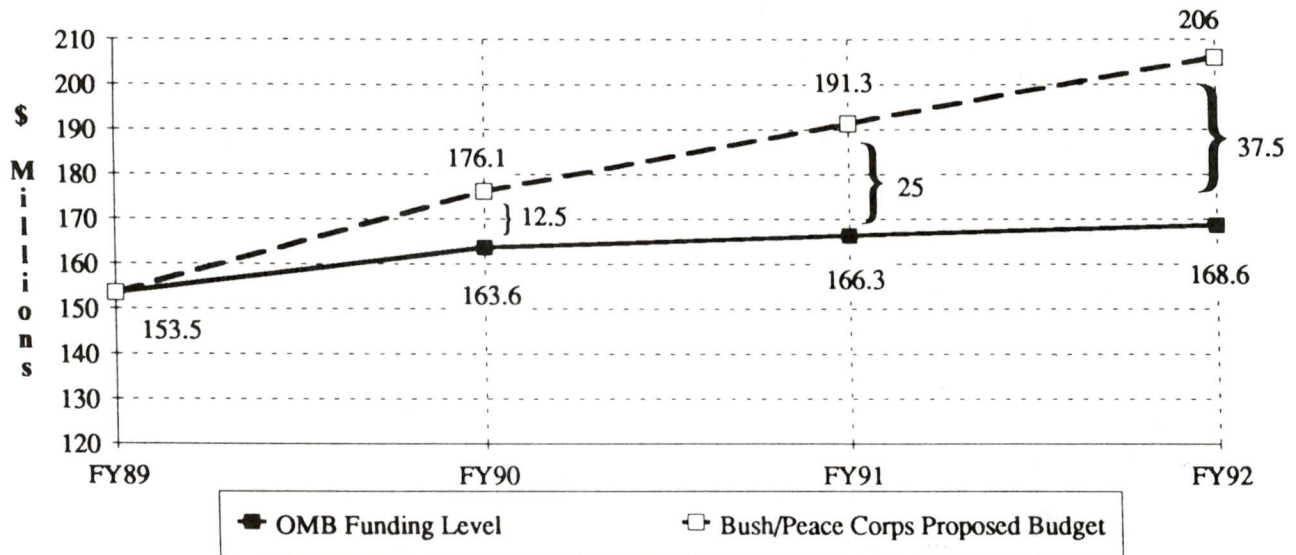
* Small Business Development - One of the fastest growing Peace Corps programs is small business development. This program can make a major contribution to generating jobs and commerce in poor nations. (It should be noted that developing nations are major purchasers of U.S. products.)

* Promoting Service in the Private Sector - To support the President's call for Americans to serve others, Peace Corps wants to involve the American private sector (business, civic clubs, individuals) in supporting the volunteers in the field.

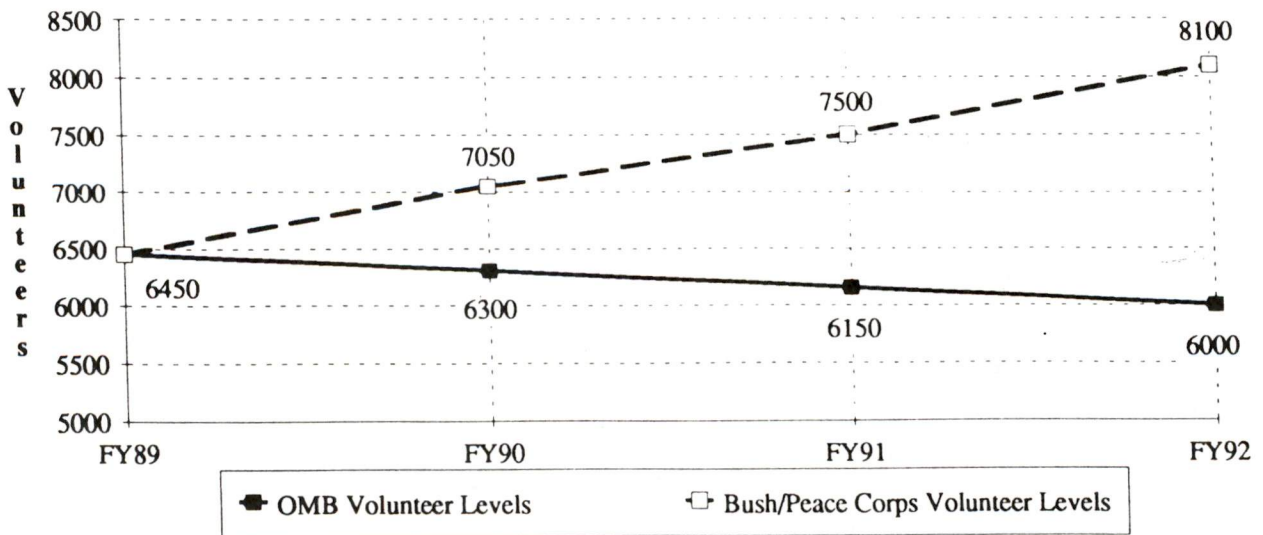
* Minority Outreach - Peace Corps is strongly committed to helping the President achieve his goal of involving more American minorities in every American experience, including service.

* Global Awareness - Peace Corps can help Americans understand the increasing interdependence among nations and the value to our own nation of promoting friendship and development in foreign countries.

**Proposed Bush/Peace Corps Budget
Versus Current OMB Funding Level
(Constant Dollars)**



**Proposed Bush/Peace Corps Volunteer Levels
Versus
Current OMB Volunteer Level**





EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

24 JUL 1989

MEMORANDUM FOR ANDY CARD

FROM: Philip A. DuSault *Philip A. DuSault*

SUBJECT: Comments on Peace Corps Budget Amendment

We appreciate Paul Coverdell's desire to have more Federal funding for programs such as the Peace Corps that promote volunteerism. Nevertheless, we question whether we should seek an increase for the Peace Corps in 1990. Increases for 1991 and 1992 will, of course, be considered as part of the 1991 budget formulation process this Fall.

For 1990, the Bipartisan Budget Agreement cut \$400 million from international affairs programs, and \$400 - 600 million more will be cut to accommodate increases in Export-Import Bank lending. None of this cut will come from the Peace Corps. Instead the cut will fall primarily on the State Department. Moreover, State recently agreed to absorb \$15 million for the President's Eastern Europe initiatives. Regardless of any shifts in the Peace Corps subfunction code from 150 to any other number, Congress would fund Peace Corps at the expense of State. Any such reallocation appears particularly unwarranted in light of the fact that the President's budget allows for 3 percent greater growth in the Peace Corps than in international affairs agencies as a whole. We are checking with Jim Baker to see what his views are; we expect he would be very reluctant to see State's programs cut further.

Furthermore, although the demand for Peace Corps volunteers may be up, developing country interest in volunteers with technical skills (vs. liberal arts degrees) has created some difficulty in filling positions with qualified applicants. For example, last year, of the original request for 3,900 volunteers, Peace Corps was able to match only 3,300 with qualified applicants. Of course, through negotiations with host countries and additional training, Peace Corps can increase the placement of volunteers, but in the process may sacrifice the value of the service to the host country. We believe Peace Corps resources and effort should be focused on improving the quality and effectiveness of the Peace Corps volunteers, rather than emphasizing the absolute number of recruits.

Of course, we have no problem with Coverdell's proposed collaborations between Peace Corps and other agencies, provided that their agency heads agree.



Office of the Director

June 23, 1989

follow-up
per JHS 7/20/89

BUDGET

MEMORANDUM

TO: Honorable John Sununu
Chief of Staff for the President

FROM: Paul D. Coverdell
Director, United States Peace Corps

SUBJECT: Follow-up to our conversation regarding increased funding for Peace Corps.

At our meeting with the President, I indicated that the current OMB funding proposals for the U.S. Peace Corps would necessitate a reduction in our Volunteer force at a time when the demand for our Volunteers is growing rapidly.

I indicated that an increase of \$25 million for FY'90 would fund all of the major initiatives we are proposing for this Administration, (see attached descriptions).

After a careful budget analysis, we now believe we can minimize the impact on the tight FY'90 budget by phasing-in the new funds as follows; \$12.5 million in FY'90; \$25 million in FY'91 and \$37.5 million in FY'92.

Here are suggested sources for the increased funding:

1. A budget amendment increasing Peace Corps funding from \$163.6 million to \$176.1 million. Such an amendment should be received well by Congress, as they have passed legislation calling for an increase in the number of Volunteers.

2. An agreement with the Department of Commerce, the Agency for International Development and/or other agencies and departments to join with Peace Corps in interagency collaborative efforts to promote small business development.

Any combination of new funding in the FY'90 budget or new interagency collaborative efforts with Peace Corps totalling \$12.5 million will give us a strong start on meeting our goals for Peace Corps during this Administration.

For FY'91, FY'92 and future years, we would suggest that the United States Peace Corps be removed from the 150 account and be assigned its own budget account.

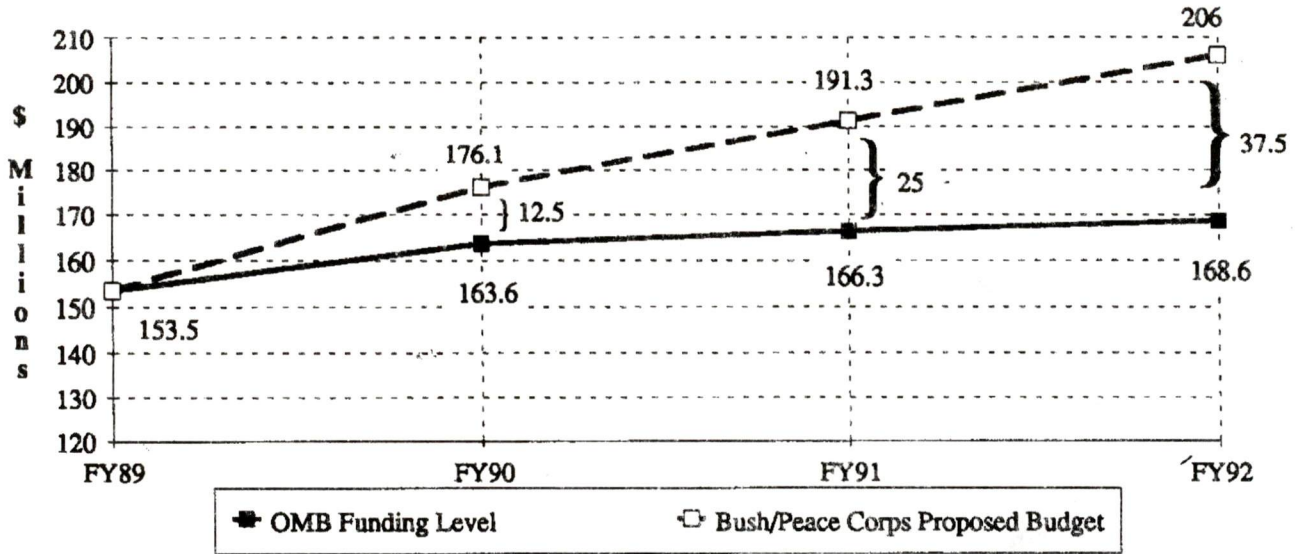
Thank you for your support and assistance.

Attachments

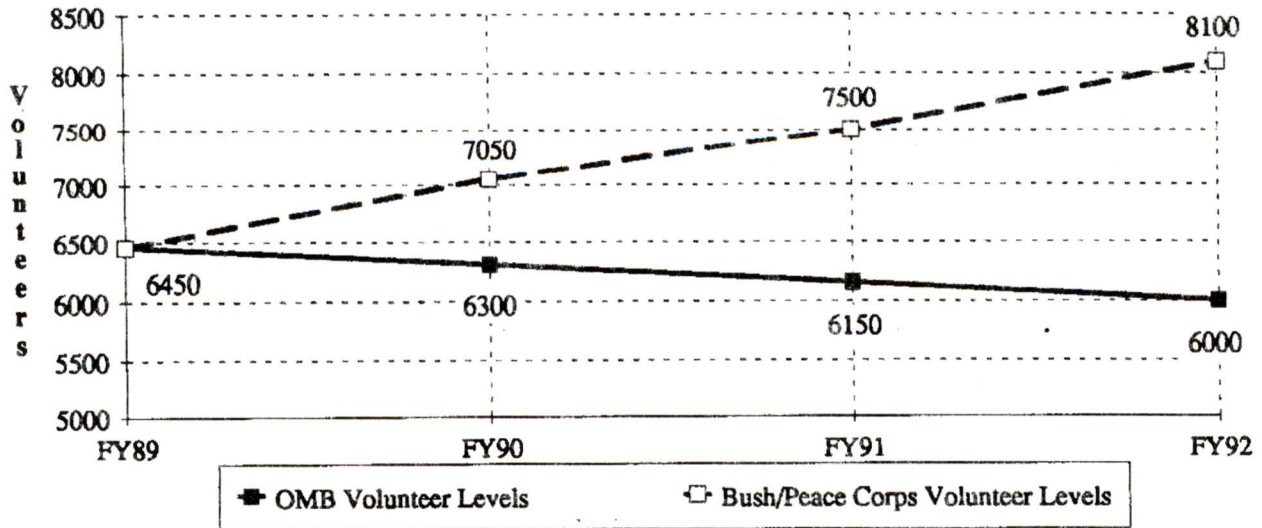
- I. Growth Chart
- II. Peace Corps Agenda

ATTACHMENT I

**Proposed Bush/Peace Corps Budget
Versus Current OMB Funding Level
(Constant Dollars)**



**Proposed Bush/Peace Corps Volunteer Levels
Versus
Current OMB Volunteer Level**





Office of the Director

ATTACHMENT II

UNITED STATES PEACE CORPS AGENDA UNDER THE ADMINISTRATION OF PRESIDENT GEORGE BUSH

The United States Peace Corps is a natural extension of the themes of President George Bush. It can be made a magnificent expression of the President's interest in national service, a hand of friendship, and a safer world.

Peace Corps under the Bush Administration should be noted as an organization whose Volunteers do practical nuts and bolts development work - in education, the environment, agriculture and small business development. Peace Corps is, in fact, training more foreign specialists than any institution in the world. Its graduates outpace Fulbright scholars in career advancement, and they play a vital role in the international development, financial and business community. (Fully ten percent of the Agency for International Development staff are Peace Corps "graduates", as are significant numbers of the staff at State Department, the World Bank, and other international organizations.)

Peace Corps under this administration should remain rooted in idealism and service. It should continue to be an inspiration to all who come into contact with it, but it should have the elements of practicality which are essential to involve more Americans - businessmen, educators and average citizens - in its important international development work.

PROPOSED INITIATIVES UNDER THE BUSH PRESIDENCY

I. Entry into Eastern Europe - The United States Peace Corps can play a significant role in encouraging the exciting political, social and economic changes currently taking place throughout Eastern Europe. Beginning with the Hungarian People's Republic, it is our intention to help train a cadre of English teachers throughout the Eastern European nations.

II. Improving the Environment - To assist the Bush Administration's efforts to develop and protect the environment, the Peace Corps, in conjunction with the World Bank, AID and CARE, will expand its work in environmentally related projects.

III. Small Business Development - One of the fastest growing Peace Corps programs, small business development can make a major contribution to generating jobs and commerce so vitally needed for the future of these countries as well as the United States. These important programs will be expanded.

IV. Private Sector Initiatives - In this age of increasing interdependence among nations, it is imperative that the American private sector develop a greater global awareness. The business community needs to understand the value to our nation of training thousands of foreign experts each year.

V. Expansion - As the problems of the developing nations become more critical, and the world becomes more interdependent, the United States Peace Corps should expand to fulfill the many requests for Volunteers. Already this year we have received requests from Pakistan and Botswana for additional Volunteers - and discussions are underway to start new programs in Uganda, Bolivia, Chile, the Ivory Coast, the Sudan, Congo and other nations.

VI. Minority Outreach - Another goal of this Presidency is to provide greater opportunities for minorities to participate more fully in all aspects of American life. Ideally, the United States Peace Corps should mirror America, and a much greater effort must be made to address this problem.

THE WHITE HOUSE
WASHINGTON

July 20, 1989

9:40 am
Nancy Frey

X 4770 / 6190

MEMORANDUM FOR PHILIP DUSAULT
DEPUTY ASSOCIATE DIRECTOR, OMB

FROM: ANDY CARD *Andy*
SUBJECT: Peace Corps Budget

Attached is a copy of memorandum from Paul Coverdell, Director of the Peace Corps, requesting increased funding for FY '90.

Please review and provide your suggestions to me.

Thanks.

Attachment



Office of the Director

June 23, 1989

follow-up
per JHS 7/20/89

BUDGET

MEMORANDUM

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FROM: Paul D. Coverdell
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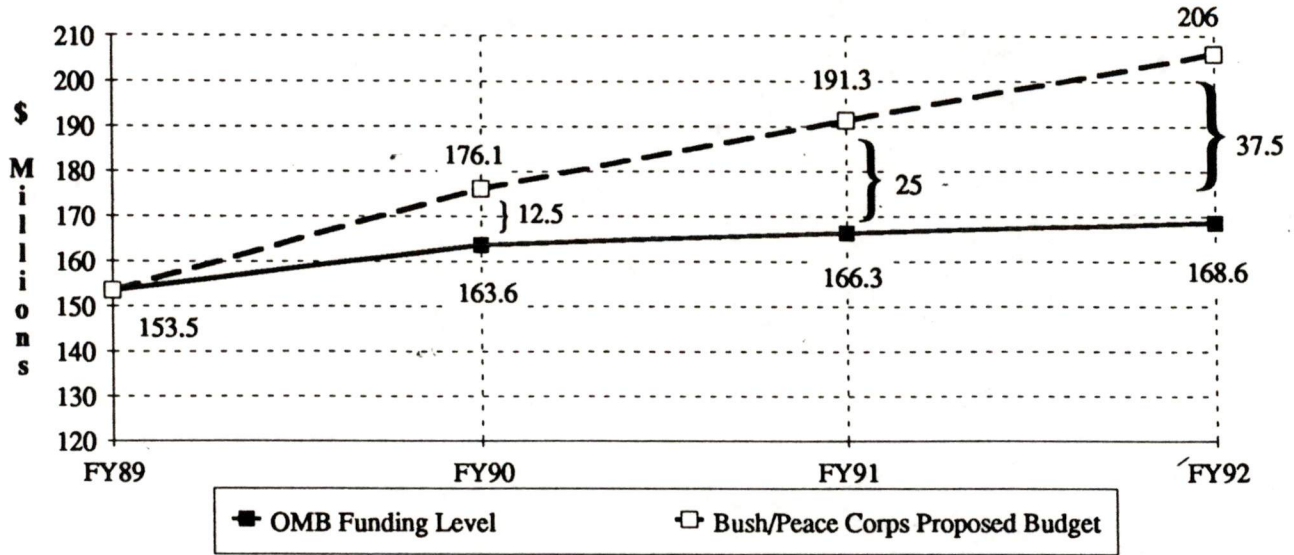
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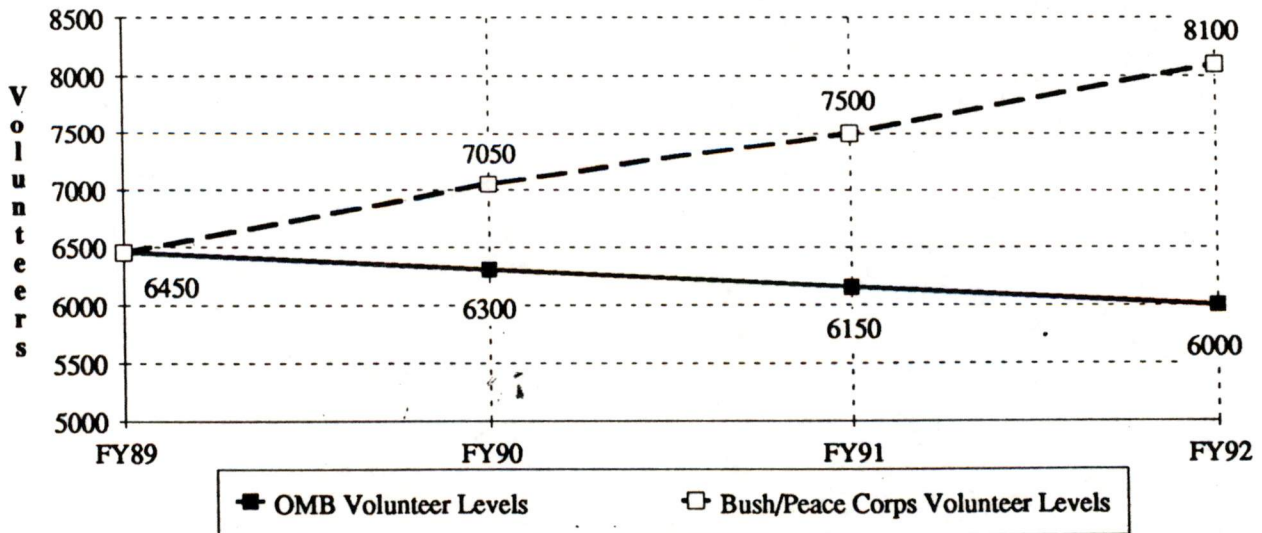
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(Constant Dollars)**



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Versus
Current OMB Volunteer Level**





Office of the Director

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PEACE CORPS

Office of the Director

July 5, 1989

MEMORANDUM

TO: The Honorable John Sununu
Chief of Staff for the President

FROM: Paul D. Coverdel *PCD*
Director, United States Peace Corps

SUBJECT: China Update

People's Republic of China Vice Premier Wu Xueqian has told visiting Americans that the Peace Corps/China Program was postponed not cancelled.

We understand we are to receive tomorrow (July 6, 1989) clarification from the Chinese.

We are told that the Chinese Embassy in Washington, DC has sent a message to Beijing in support of the Peace Corps/China Program.

We have asked Ambassador Lilley to lend any support he can (cable attached).

The United States Peace Corps still urges efforts to keep the program in tact as scheduled.

1990 K Street, N.W., Washington, D.C. 20526

LIMITED OFFICIAL USE

PC/NANEAP/RD:KEETON
7/5/89 43040
PCD:COVERDELL

PC/AD/IO:FRAGO

STATE/EAP/CM:EUSER (INFO)

IMMEDIATE BEIJING

TOPEC

N/A

N/A

REF: STATE 207500

TO: AMBASSADOR LILLEY

FROM: PAUL COVERDELL, PEACE CORPS DIRECTOR

INFO: DEIRDRE CHETHAM

I WAS PLEASED TO LEARN THIS MORNING THAT PEACE CORPS CAN EXPECT CLARIFICATION FROM CEAIE TOMORROW REGARDING THE STATUS OF OUR PROGRAM. THE QUALITY OF THE TRAINING GROUP CLEARLY DEMONSTRATES THE CONTRIBUTIONS THAT PEACE CORPS CAN MAKE TO CHINA. I WILL CONTINUE TO SEEK YOUR GUIDANCE AND SUPPORT AND WILL CABLE AGAIN TOMORROW UPON RECEIPT OF THE CEAIE LETTER FOR CONFIRMATION OF THE STEPS WE SHOULD TAKE.

FOR YOUR INFORMATION, RD KEETON TODAY SPOKE WITH CHINESE EMBASSY POLITICAL OFFICIAL WHO STATED THAT MESSAGES HAVE BEEN SENT FROM THE EMBASSY IN SUPPORT OF THE PROGRAM.

ANYTHING YOU MIGHT DO TO POSITIVELY EFFECT RESULTS APPRECIATED. YY

LIMITED OFFICIAL USE

PEACE CORPS



FACSIMILE TRANSMISSION COVER SHEET

DATE July 5, 1989

TIME 3:15

TO Hon. John Sununu
Chief of Staff for the
President

FROM Paul D. Coverdale
Director

OFFICE PHONE NO. 254-7970

FAX PHONE NO. 254-4010

INTERNATIONAL
COUNTRY CODE _____

TELEPHONE NO. _____

Number of pages in transmission: 2
(excluding this page)

Urgent message: YES _____ NO X

SUBJECT China Update

REMARKS _____

PC-304 (12/87)

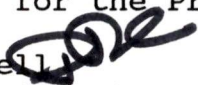


Office of the Director

June 30, 1989

MEMORANDUM

TO: The Honorable John Sununu
Chief of Staff for the President

FROM: Paul D. Coverdell 
Director, United States Peace Corps

RE: Peace Corps China Update

As we discussed on the phone, I am suggesting the Peace Corps China Program going forward might serve as a symbolic reversal of the deteriorating relations between our two countries.

- 1). The training program at American University continues but the cost of the training (approximately \$30,000 weekly), makes it imperative that I determine very soon the intentions of the Chinese regarding this program.
- 2). In an attempt to clarify the position of the Chinese sponsoring organization (Chinese Education Association for International Exchange), we have faxed the attached letter and I have cabled Ambassador Lilley to seek his assistance.
- 3). If you concur that trying to keep the Peace Corps China program moving would help matters, I would need your assistance and advice. Scowcroft requests I report to him on July 6th.

PDC/ml1