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Record Group/Collection: George H. W. Bush Presidential Records
Collection/Office of Origin: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files

OA/ID Number: 29189
Folder ID Number: 29189-003

Folder Title:
Madigan (Agriculture) [1991]

Stack:	Row:	Section:	Shelf:	Position:
G	15	25	6	6

Withdrawal/Redaction Sheet

(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01. Letter	From Edward Madigan to POTUS Re: Recent Trip to Soviet Union (4 pp.)	10/10/91	(b)(1)	
02a. Letter	From Edward Madigan to POTUS Re: Food Assistance to Soviet Union (1 pp.)	9/19/04	(b)(1)	
02b. Letter	From Edward Madigan to POTUS Re: Food Assistance to Soviet Union (2 pp.)	n.d.	(b)(1)	
02c. Paper	From Edward Madigan to POTUS Executive Summary on Assessment of Soviet Food Needs (2 pp.)	n.d.	(b)(1)	
03a. Memo	From Brent Scowcroft to POTUS Re: USSR - Agricultural Export Credit Guarantees (2 pp.)	9/13/91	(b)(1)	C
03b. Report	Re: Soviet food problems (2 pp.)	n.d.	(b)(1)	
04a. Paper	Financing the Second Tranche for the Soviet Union: Loan Guarantee vs. Direct Loan (1 pp.)	9/16/91	(b)(1)	
04b. Paper	Financing the Second Tranche for the Soviet Union: Loan Guarantee vs. Direct Loan (1 pp.)	9/16/91	(b)(1)	
05. Memo	From Brent Scowcroft to POTUS Re: USSR - Agricultural Export Credits (2 pp.)	9/16/91	(b)(1)	C

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Collection:

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Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Pinksheet Number: KO0844
OA/ID Number: 29189-003
Date Closed: 12/30/2004
FOIA/Sys Case #: 1998-0004-F[2]
Re-review Case #: 2005-0426-S
P-2/P-5 Review Case #:

Withdrawal/Redaction Sheet

(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
06a. Letter	From Ed Madigan to POTUS Re: Soviet Food Situation (2 pp.)	9/11/91	(b)(1)	
06b. chart	USSR Total Grain Production (1 pp.)	n.d.	P-5	
06c. chart	USSR Total Grain Area (1 pp.)	n.d.	P-5	
06d. Paper	Soviet Grain Situation - Executive Summary (2 pp.)	9/5/91	(b)(1)	
07. Memo	From Ed Madigan to John Sununu Re: Forest Service Activities (1 pp.)	9/16/91	(b)(6)	
08. Letter	From G. Jerry Shaw to Larry Slagle Re: Client Legal Matters (2 pp.)	9/12/91	(b)(6)	
09a. Letter	From John Sununu to Ed Madigan Re: Packet for Secretary of Agriculture (1 pp.)	1/9/91	P-5	
09b. Letter	From Ed Madigan to John Sununu Re: Packet for Secretary of Agriculture (2 pp.)	1/7/91	P-2, P-5	
09c. Letter	From Clayton Yeutter to Ed Madigan Re: Commendation for Efforts (1 pp.)	10/31/90	P-5	
09d. Letter	From Clayton Yeutter to Ed Madigan Re: Talking Points on Ed Madigan [FOIA RESTRICTIONS REDACTED] (1 pp.)	n.d.	P-2, P-5, (b)(6)	

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Doc. No. / Type	Subject/Title	Date	Restriction	Classification
09e. Letter	From Republican Members of Congress to POTUS Re: Endorsement of Ed Madigan for Secretary of Agriculture (7 pp.)	1/11/91	P-2, P-5	
10a. Memo	From Clayton Yeutter to John Sununu Re: Recommendations for Secretary of Agriculture (1 pp.)	1/8/91	(b)(6)	
10b. Resume	Of Candidate for Secretary of Agriculture (1 pp.)	1/87	(b)(6)	
10c. Resume	Of Candidate for Secretary of Agriculture (4 pp.)	n.d.	(b)(6)	
10d. Resume	Of Candidate for Secretary of Agriculture (6 pp.)	n.d.	(b)(6)	
10e. Resume	Of Candidate for Secretary of Agriculture (5 pp.)	n.d.	(b)(6)	

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THE SECRETARY OF AGRICULTURE
WASHINGTON
20250-0100

October 10, 1991

The President
The White House
Washington, D.C. 20500

THE CHIEF of STAFF
has seen

Dear Mr. President:

This is a very preliminary report. We are working on a complete report which you will have early next week. I wanted you to have my impressions of the principal individuals with whom I met, as well as my overall feelings about circumstances within the Union. Dick Crowder and Nick Burns are stopping in London for coordination discussions with their G-7 counterparts. When we are all back in Washington, we will request a meeting with you during which we would be able to respond to your questions.

GORBACHEV

We had a two-hour conversation which would have gone on longer, except that we were running up against the time for the Ambassador Strauss reception for Soviet officials.

President Gorbachev is requesting a \$3.5 billion package of assistance: \$2.5 billion in agricultural export credits and \$1 billion in humanitarian assistance. He was serious, although he occasionally joked. He stressed technology needs. I reported that our private sector people felt that the plants they visited and the equipment they viewed could be much better utilized with better management techniques. They are offering to send U.S. managers to Soviet plants for extended stays to train Soviet managers. President Gorbachev accepted this offer. I told him we would work out the details, and you would communicate with him.

I also offered to establish a model American farm on fallow land in the St. Petersburg area that would operate with their current level of technology, utilizing our farming procedures. The farm would be operated jointly by Americans and future Soviet farmers. He questioned me closely on what it would cost to establish 1,000 of these farms. It would be expensive. He accepted the offer of one.

We will prepare details on both of these proposals that you can discuss with him. He asked that I convey the \$3.5 billion as a personal request from him to you and to

stress that the need is urgent. Our longer report will deal with options available to you for addressing this request. The options are not numerous.

I closed our meeting by telling the President about the five-year budget agreement that has forced you to say no to \$6 billion in unemployment benefits and \$3 billion in disaster assistance for American farmers. I also mentioned that reports in the American press were saying that \$2 billion total would be sufficient and that Congress did not appear too enthusiastic about additional credits. I urged him not to be discouraged by these things, that you were going to be helpful, but that it was important that he understand the political situation in Washington. I also stressed that you would need assurances on fair and effective distribution.

SILAYEV

Although cordial and businesslike, Silayev did not have a good command of details. He was surely preoccupied with other issues but was not agitated by the need to defer to others for answers to our questions. He relied much more on Russian Agricultural Minister Kulik than on Luzhkov, who was seated beside him. He seemed very sincere in his request for help. His dual, maybe triple, responsibilities must be wearing on him. He appeared more tired than when I saw him in Washington this summer.

KRAVCHUK

Ours was not a substantive conversation. He had the Ukrainian press present for nearly our entire meeting. I felt his comments were all for domestic political consumption, such as talk of independence and direct ties to the United States. I repeated to him what you had said about the Ex-Im bank and Peace Corps, and expressed my view that agricultural credits would need to be addressed through the Inter-Republic Committee of which Ukraine is a member. There were demonstrations outside against the Ukraine participation in the Union Treaty discussions.

Prime Minister Fokin seemed more forthright. He admitted to me that it would be a mistake for them to give up their market relationships with the other Republics. He also mentioned that he is telling Yeltsin what Ukraine must have in the treaty. Fokin says he trusts Silayev but does not trust Luzhkov.

CHERNOVIL

The opposition candidate spent 15 years in prison. He admires Havel and

Walensa. Chernovil believes in free markets, the work ethic and wants nothing to do with the Union Treaty. He was more focused than Kravchuk. Both my Intourist guide and a Deputy Minister of Agriculture are voting for Chernovil, but they are not expecting him to win.

SCHERBAKOV

Deputy Mayor of St. Petersburg - appointed Military Commander of the Northern District by Yeltsin. He is in charge of food distribution and wants it directed to his city. Scherbakov expressed distrust of the center. He wants economic assistance, but I am not sure he would have any idea how to use it. His background as a former submarine commander and arms negotiator has not trained him for this role. He did not smile once during our meeting.

To summarize some observations, it is necessary for me to note that I have no point of reference, having never been to the Soviet Union. My impression is that everything is disorganized from the ministerial level down to the food stores. One state-run store will be empty and another will have a respectable inventory. Food is being sold on the street by private vendors.

There are complaints of corruption, and everywhere we were there was an outspoken distrust of the center. There were signs of consumer hoarding.

Clearly there are grain shortages everywhere and food shortages in some areas. Without western assistance this will be much worse by December. Farmers are withholding domestic production from the center, in some cases to meet their own needs and in other cases to have something with which to barter.

They run some risk of grain spoilage because they do not have good storage. It seems to be worth the risk to them because the center will pay \$10.00 per ton for something that they know is worth \$120.00 on the market. I tried to visit with a cross-section of people. I believe that the young people and Gorbachev sincerely want reform. The bureaucracy wants to protect itself from reform by talking about a new plan which they are unable to define. Some of the middle level managers may not be trying to

protect their positions as much as they are just afraid of the unknown. They admit that the committees organized since the coup do not have clear lines of responsibility and will probably be reorganized. Our longer report will have much more detail as well as a summary of observations by my fellow travelers.

Sincerely,

A handwritten signature in dark ink, appearing to be 'Ed' or 'E. Madigan', written in a cursive style.

Edward Madigan
Secretary

cc: General Brent Scowcroft

THE SECRETARY OF AGRICULTURE
WASHINGTON, D. C. 20250-0100

September 19, 1991

The President
The White House
Washington, D. C. 20500

Dear Mr. President:

I am assuming you want us to continue to exercise a leadership role in the Soviet Union by responding promptly to the need for food. Dick Darman and I discussed this in your presence, presenting conflicting legal views. I am given to understand that Boyden Gray, while not entering the policy discussion, agrees with USDA's legal interpretation.

Dick Crowder believes, as per his attached report, that there are immediate needs. The choice for us is to negotiate with banks and find out how much we must reduce their risk, and then possibly be required to go through the process of clearing and publishing new regulations, or to respond immediately with the use of direct credit.

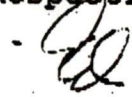
The government exposure ultimately will be very similar in either case.

The point must also be made that going the guaranteed credit route through the banks will not respond fully to the Soviet's request, or the Crowder recommendations, because I cannot find them to be credit worthy without the Congress changing the law.

Because I support Dick Crowder's analysis, I strongly reiterate the need for direct credit.

I am not asking to move away from the guaranteed loan activity, other than for the Soviet Union in this limited circumstance. I do not enjoy having to bring this to your level, but my sense is that the question of Soviet credit is drifting toward the debate over transferring money from Defense. While that debate takes place, USDA would be unable to move forward, and the press will be talking about the "harsh Soviet winter".

Respectfully,


Edward Madigan



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

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

The food assistance team led by Under Secretary Crowder that you sent to the Soviet Union has returned, and the purpose of this letter is to request your concurrence in moving ahead with several of its recommendations.

In brief, the team found that without prompt food assistance from the West hardships will result in several key regions during the upcoming winter. The difficulty will be greatest in the Russian Republic from the Ural Mountains eastward. The need for feed grains, protein feed, and wheat is an issue throughout the Union. Among other areas visited, in most critical need is in Armenia which has a formal food assistance request in to us.

In responding, the team believes that strong U.S. leadership is critical. It believes that assistance should be largely in credits and technical assistance rather than donations, and that credits and technical assistance will be seen as a belief in the future of the Soviet people. It is equally important to balance what is channeled through center organizations with programming directed at specific Republics.

A copy of the Executive Summary of the Delegation's report is enclosed. The full report will be ready for your review within the next few days.

With respect to recommendations, the Delegation strongly believes that several steps should be taken in advance of my own visit to the Soviet Union, now scheduled for October 1 through October 8. These are:

- 1) Advance the date of availability of the remaining \$400 million in credit guarantees that you have approved for the USSR from February 1992 to October 1, 1991. It becomes urgently necessary in this connection to take steps to adjust the terms of the credit in order to make it usable to the Soviets. We believe that the best way to do this is with the use of direct credits.
- 2) Respond favorably to a specific request for an additional \$225 million in credit guarantees for non-grain products which the Delegation received for the remaining months of calendar 1991. In effect, recommendations one and two, taken together with remaining credit from fiscal year 1991, respond to the immediate needs of the Soviet people by making roughly \$1 billion immediately available to the USSR while increasing our net exposure by only \$225 million.

The President

2

3) Respond favorably to Armenia's food assistance request for the donation of butter and dried milk.

Because of the importance of coordinating Western efforts and to make my trip more effective, I recommend that you have Dick Crowder convene a meeting of his counterparts from G-7 countries during the week of September 23, to discuss his Delegation's findings, analyze the requests made of the G-7 countries, and to set up an ongoing coordinating process. Subsequent to Dick Crowder's meeting with his G-7 counterparts and the findings of my trip, I will get back to you with further recommendations on the coordination of food assistance efforts.

With particular reference to the first recommendation of the team, we need to quickly resolve the issue of the form of credit or credit guarantees. As I indicated in our earlier discussion, U.S. banks are unwilling to assume the risk in the Soviet case which is standard under the GSM-102 program, thus making the credits effectively inaccessible to the Soviets. Without prompt resolution of this issue we will be unable to provide the immediate assistance needed.

With announcing the assistance program this week, having Dick Crowder meet with his counterparts next week and my trip, the United States not only provides the needed immediate support, but also exercises a leadership role and provides an ongoing series of visible steps so important to the Soviet people.

Respectfully,


Edward Madigan
Secretary

Enclosure

Executive Summary

The Presidential Delegation on Assessment of Soviet Food Needs traveled to six cities in four Republics of the USSR from September 7-16, 1991. Its itinerary included stops in Moscow, Ekaterinburg (Sverdlovsk), Alma Ata, Tashkent, Samarkand, and Yerevan. In Moscow the Delegation met with Union, Republic, and City officials and visited retail food stores. At other stops it met with Republic, Oblast, and City officials, as well as visiting state and private food markets, welfare institutions, food processing enterprises, and state and private farms. It also consulted in Moscow with leading non-government agricultural specialists and private farm group leaders.

Among the findings of the Delegation are the following:

--The overall food situation in the Soviet Union will be somewhat worse this year than last year due to reduced agricultural output and a breakdown in the traditional vertical distribution structure.

--Without prompt Western assistance there will be hardship in parts of the Soviet Union this winter with respect to food. The areas most seriously affected are large northern cities, and the area of Russia east of the Urals. Among the areas the Delegation visited, Armenia is in a particularly precarious position.

--American presence and leadership are very important to the Soviet people, and will be critical to a unified, successful assistance effort.

--The primary needs in terms of specific commodities are wheat, feed grains, protein meal, dairy products, and baby food. Assistance in meat, vegetable oil, and sugar would also be beneficial.

--A principal contributing factor in the poor food supply situation, is the breakdown of the central procurement apparatus and an unwillingness of Republics to sell products outside their own territory except on a barter basis (commodity for commodity). The food supply problem is closely intertwined with political perceptions, and any assistance which is provided must take into account the changing dynamics of the Soviet political system, notably the balance between Center and Republics.

--Most assistance should be provided in terms of credits and technical assistance as opposed to grant aid. People are proud and confident that they can solve their problems. Any grant food aid should be very specific and targeted.

--Leaders at the Republic level are actively working on the food supply issue. The breakdown in the vertical structure is resulting in a horizontal restructuring for inter-republic and intra-republic trade.

--There will be a need for a coordinating body in the USSR to implement successfully a food assistance program.

-2-

--There should be close coordination among the G-7 and other food suppliers to minimize duplication and ensure the effectiveness of winter food assistance.

--The findings of the May Delegation on Food Availability were confirmed by this Delegation. The food distribution system is a major part of the Soviet food problem. Without privatization, the establishment of wholesale markets, and technical improvements in the distribution system there will be a continuing Soviet food problem. Despite the immediate needs for the upcoming winter months, Soviet officials and people in all our visits place emphasis on resolution of the long-term fundamental issues.

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THE WHITE HOUSE

WASHINGTON

September 13, 1991

INFORMATION

DECLASSIFIED
PER NSC WAIVER, 1500 2021-02
By SS NARA, Date 11/30/23

MEMORANDUM FOR THE PRESIDENT

FROM: BRENT SCOWCROFT 

SUBJECT: USSR: Agricultural Export Credit Guarantees

You asked us to look into Clayton Yeutter's comments (Tab A) about problems encountered with U.S. export credit guarantees for agricultural shipments to the USSR.

Basically, the assessment is correct. The Soviets are having difficulty in obtaining commercial bank financing for the products we are offering under USDA's GSM-102 program. For example, of the \$315 million in credit guarantees that you authorized that we move from FY 1992 to FY 1991, only \$104 million has been contracted. And foreign banks took up entirely the \$600 million previously authorized because U.S. banks were not interested in providing such guarantees under current regulations.

GSM-102 credit guarantees currently cover: (a) 98% of principal, and (b) 4.5% of eligible interest. These limits largely reflect USDA policies rather than statutory or regulatory requirements. USDA has authority to cover 100% of principal and did so in the case of Mexico in 1983. USDA also has some flexibility to raise the coverage on eligible interest from the current level of 4.5% to the average investment rate of the most recent Treasury 52-week bill auction (currently about 5.6%). So USDA could take two steps to make the credit guarantees more attractive to U.S. banks: (a) raise the coverage of principal to 100%, and (b) go the limit on eligible interest.

These changes may still not offer American commercial banks enough inducement to provide the credits to the USSR given the bankers' concern about Soviet creditworthiness and a regulation prohibiting banks from buying insurance to cover the 2% in uncovered principal. Consequently, USDA and OMB are studying the legal and budgetary implications of providing direct credits to the USSR from the CCC under the GSM-5 program. The 1990 Farm Act authorized such direct credits, but the GSM-5 program has been dormant for years. Ed Madigan would like to move on this quickly.

As Clayton's note makes clear, time is of the essence. We need to move commodities to the USSR in September and October before winter weather sets in and exacerbates the already formidable

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Declassify on: OADR

cc: Vice President
Chief of Staff

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logistical problems of transporting and handling needed food supplies. Earlier, USDA had estimated that the USSR would need to import 37 million tons of grain in 1991/92. The trade now estimates import needs at 42 million tons. Even under the best of conditions, the Soviets can only handle 3-4 million tons of grain monthly, and that amount drops substantially as northern ports become inaccessible. All of which means that if the U.S. is going to help the USSR cope with a possible food shortage this winter, we must do everything we can now to reduce or eliminate existing regulatory obstacles and policy constraints that are impeding agricultural shipments.

Attachment

Tab A Comment from Clayton Yeutter

TAB A

DATE: September 11, 1991

FROM THE PRESIDENT

SM/

TO:

Brent Scowcroft

Please have someone look at the attached
comment from Clayton Yeutter about credits
for the Soviet Union.

11
My other observation on the international scene comes from a conversation yesterday with Carol Brookins, who has just returned from the Soviet Union, and who knows the global agricultural economy as well as anyone. Carol feels that the Soviets could have real food problems this winter because: (1) their crop will likely be down more than 25 percent; (2) it appears that some of the republics may be reluctant to ship food to other republics; and (3) there could be hoarding because of the shaky value of the ruble. The situation reminds me a lot of our Poland mission of two years ago, and many of the recommendations we made then will be applicable to the Soviet Union this winter.

Carol also believes that our government is moving too slowly in getting export credit guarantees in place for U.S. firms so they can get food products sold and shipped to the

Page Two

Soviet Union in a timely manner. If that is accurate, it could adversely affect the amount of food we can get to that country before winter arrives.

9/16/91

FINANCING THE SECOND TRANCHE
FOR THE SOVIET UNION [SIC]:
LOAN GUARANTEE VS. DIRECT LOAN

(1) What this is not about:

- o It is not about whether to get the grain to the USSR [sic]. That will be done either way.
- o It is not about foreign policy. The foreign policy issue has been decided.
- o What is at issue is a matter of U.S. domestic finance and U.S. budgetary policy.

(2) Two options:

Option 1: Increase the federal loan guarantee share (as necessary to close the deal).

- o This is consistent with the President's programmatic decision (loan guarantee) -- and the fact that the USSR [sic] is not as creditworthy as most countries who get guarantees.
- o If done now, this does not directly affect the recorded deficit or Treasury borrowing.

Option 2: Provide direct U.S. loan (instead of proceeding with the loan guarantee program, as previously decided).

- o This would activate a program that has been shut down by the Reagan-Bush administrations since 1985. It would create mounting pressures for expansion to other countries once re-activated. (There is no practical limit on the potential expansion -- other than a general restriction against use for foreign policy or foreign aid.)
- o This particular case is of questionable legality -- given the general restriction against using direct loans for foreign aid or foreign policy. (The very fact that the previously announced loan guarantee approach would have failed would suggest that the USSR [sic] is neither creditworthy nor of current commercial interest -- hence, it would appear to be the intended beneficiary of foreign aid.)
- o If done now, this directly and immediately increases the recorded deficit and Treasury borrowing -- dollar-for-dollar. (If done after October 1, it affects the deficit by the amount of the subsidy and Treasury borrowing dollar-for-dollar in the amount of the loan.)

9/16/91

FINANCING THE SECOND TRANCHE
FOR THE SOVIET UNION [SIC]:
LOAN GUARANTEE VS. DIRECT LOAN

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THE WHITE HOUSE

WASHINGTON

September 16, 1991

INFORMATION

DECLASSIFIED
PER NSC WAIVER, 1500 2021-02
By SS NARA, Date 11/30/23

MEMORANDUM FOR THE PRESIDENT

FROM: BRENT SCOWCROFT *BS*
SUBJECT: USSR: Agricultural Export Credits

Secretary Madigan and Director Darman have asked to meet with you to obtain your guidance on agricultural export credits for the USSR. Although you authorized the transfer of \$315 million in credit guarantees from FY 1992 to FY 1991, to date only \$104 million has been contracted. U.S. commercial banks have declined to provide these guarantees under existing USDA policies and regulations. Meanwhile, commodities needed in the USSR are not moving. Both Secretary Madigan and Director Darman believe that prompt action is necessary to address the problem, but they differ over whether the USG should provide direct credits or only credit guarantees to support such sales.

GSM-5. Ed Madigan wants to activate the GSM-5 program which, although authorized by the 1990 farm bill, has been inactive since the early 1980's. Under GSM-5, the Commodity Credit Corporation (CCC) provides direct credits with repayment terms extending up to 3 years. The interest rate for such credits is at "commercial" levels, that is, not less than CCC's cost of borrowing. Ed believes that the direct credit route would be the fastest way to move commodities to the USSR and would not require changes in the terms of the export credit guarantee program (GSM-102), which other foreign borrowers might demand if the USG gave such terms to the USSR.

Dick Darman strongly opposes direct credits, contending that they are the most costly way to support agricultural sales to the USSR. He believes the USG should not compete with the banks in providing credits to the USSR and that USDA can adjust its policies (see below) to make the export credit guarantee program more attractive to banks. Also, OMB staff are uncertain about the budgetary impact of a direct credit program, uncertainties which arise because of the complexities of budget "scoring" under credit reform.

GSM-102. Dick argues that if we want the Soviets to utilize fully the \$1.5 billion in export credit guarantees that you authorized, USDA could lift some of the disincentives in the current GSM-102 program. Briefly, GSM-102 credit guarantees cover: (a) 98% principal, and (b) 4.5% of eligible interest.

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cc: Vice President
Chief of Staff

~~CONFIDENTIAL~~

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USDA has authority to cover 100% of principal. USDA also could raise the coverage on eligible interest from the current level of 4.5% to the average investment rate of the most recent Treasury 52-week bill auction (currently about 5.6%).

Grain trade experts would assert that with these changes and some modifications in the way USDA administers the program generally, commercial banks would willingly participate in the program. Ed Madigan is worried, however, about the effect on other borrowers. He believes it would be difficult to deny these more attractive terms to other users of the GSM-102 program, e.g., Algeria, the second largest recipient, which already has requested \$1 billion in credit guarantees for FY 1992.

This is a difficult call, and you will want to hear both Ed and Dick state their cases. On balance, I see merit in pursuing the export credit guarantee route (GSM-102) further. USDA could immediately raise coverage of principal to 100% and eligible interest to the legal ceiling. We would know in a few days if the banks really are interested. If the response is inadequate, we could then move to a direct credit program. Also, we should be able to distinguish the Soviet situation from that of other borrowers by pointing to the special needs and special situation arising from the collapse of the communist system. We would have to be tough in rejecting demands from other food-importing countries for the terms offered the USSR.

Regardless of which credit route is chosen, the important thing is to move quickly. We should not let ourselves become embroiled in an internal debate over the merits of this or that program in the face of pressing food needs in the USSR and when the U.S. farm community and its Congressional supporters are clamoring for action on our part. The Soviets have made clear repeatedly, most recently during Dick Crowder's visit, that they want food credits, not grants. We can -- and should -- accommodate them.

Depending on what Crowder and Madigan learn on their respective missions, you may also wish to consider some additional steps:

- Allowing the Soviets to move up purchases of the remaining \$585 million of the \$1.5 billion previously authorized to the last quarter of 1991.
- Developing a new program for FY 1992 perhaps on the order of \$1.5 billion.
- Exploring the possibility of an intermediate credit program for the USSR under GSM-103, which allows repayment for agricultural purchases over a 3-10 year period.

CONFIDENTIAL

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
06a. Letter	From Ed Madigan to POTUS Re: Soviet Food Situation (2 pp.)	9/11/91	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Date Closed:	12/30/2004	OA/ID Number:	29189-003
FOIA/SYS Case #:	1998-0004-F[2]	Appeal Case #:	
Re-review Case #:	2005-0426-S	Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
06b. chart	USSR Total Grain Production (1 pp.)	n.d.	p-5	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Open on Expiration of PRA
 (Document Follows)
 By JP (NLGB) on 10/28/05

Date Closed:	12/30/2004	OA/ID Number:	29189-003
FOIA/SYS Case #:	1998-0004-F[2]	Appeal Case #:	
Re-review Case #:	2005-0426-S	Appeal Disposition:	
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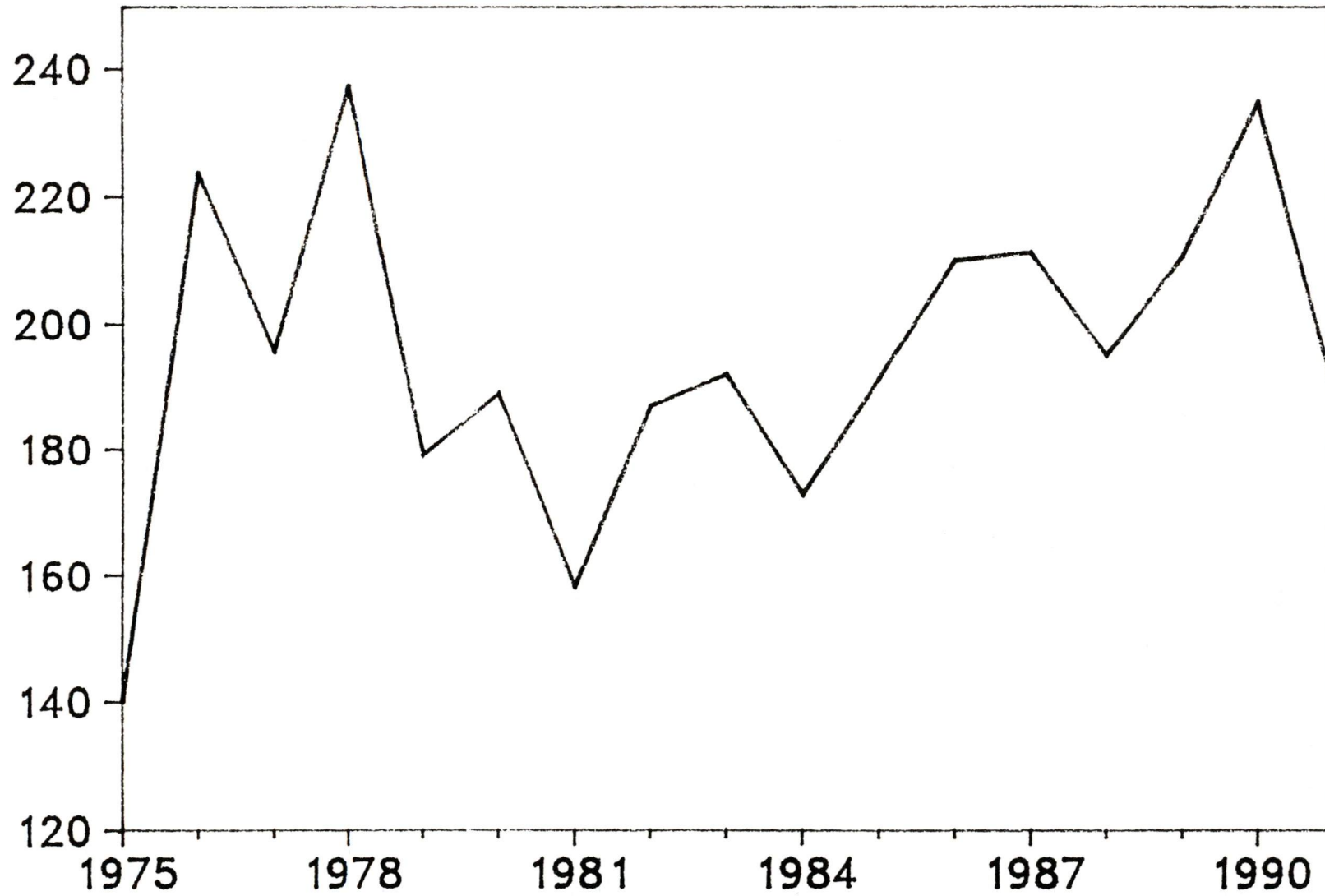
PRM. Removed as a personal record misfile.

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USSR TOTAL GRAIN PRODUCTION

MIL. TONS



Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
06c. chart	USSR Total Grain Area (1 pp.)	n.d.	P5	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Open on Expiration of PRA
 (Document Follows)
 By JP (NLGB) on 10/28/05

Date Closed:	12/30/2004	OA/ID Number:	29189-003
FOIA/SYS Case #:	1998-0004-F[2]	Appeal Case #:	
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P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

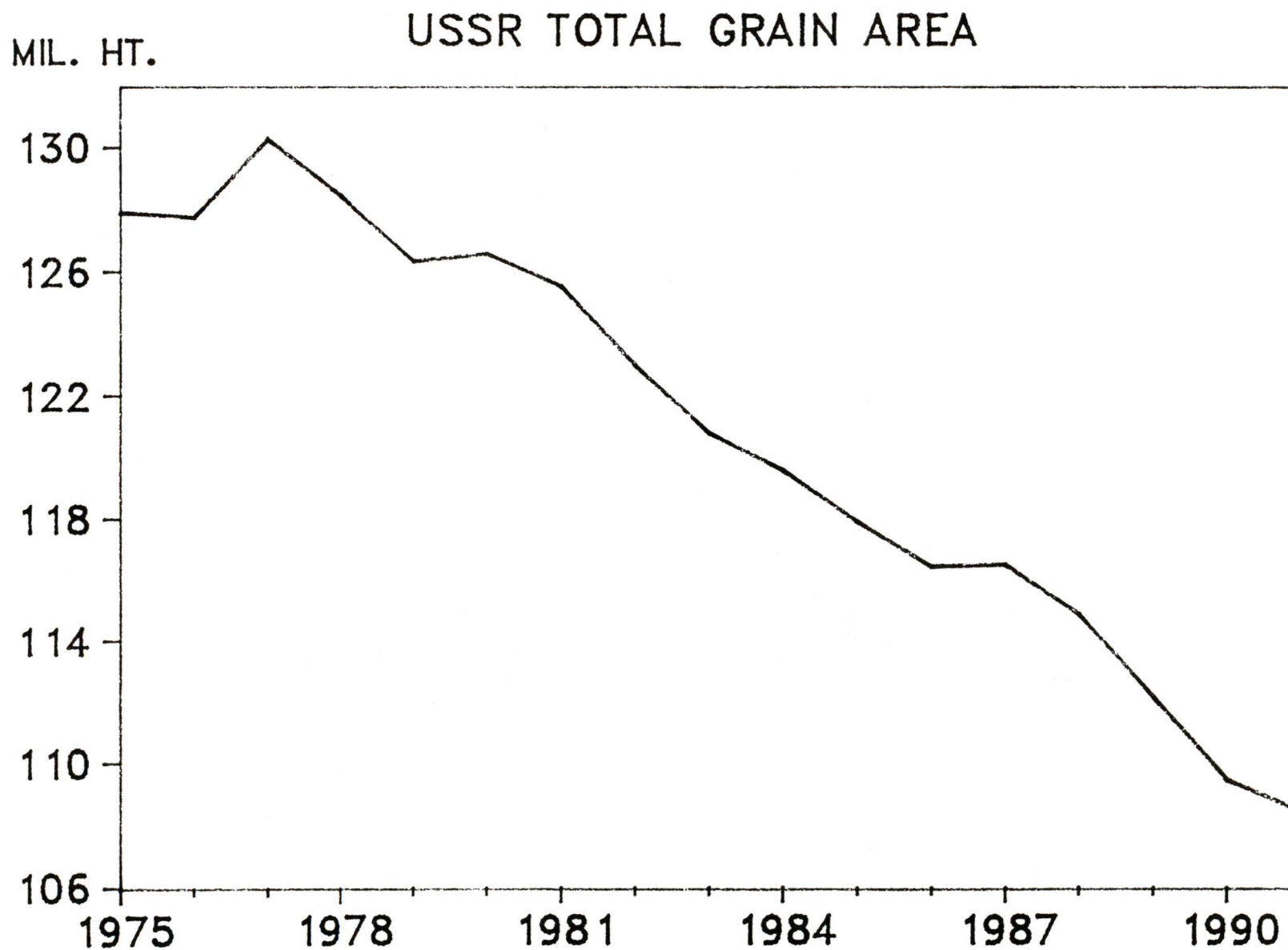
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SOVIET GRAIN SITUATION

Executive Summary

A USDA team just back from visiting drought hit areas of the Soviet Union reports that our grain crop forecast of 190 million tons still looks reasonable. The main danger is from an early frost, since harvesting is running late. Of more immediate concern to the Soviets, and with great implications for world trade, is the reluctance of Soviet farmers to sell grain to the State (Central Government). This means the Soviets could come up shorter than now expected on grain to distribute to the cities and our forecast of Soviet grain imports from the world of 37 million tons would be too low, if the Soviets are able to find financial assistance.

Overview

On August 12, USDA forecast Soviet grain production at 190 million metric tons, 19 percent below last year's near-record 235 million tons. While USDA's estimate is close to the Soviet's most recent forecast of 195 million tons, considerable uncertainty remains about the final outcome. To date, the Soviets have harvested about 60 percent of the crop and yields are running about 25 percent below a year ago. The spring wheat crop is maturing late because planting was delayed by dry weather in April and May, making it more vulnerable to frost damage in the fall.

Even with a relatively good harvest, the Soviets are having difficulty buying grain from farmers for use in the cities. Procurements are running 40 percent below last year, even though incentives have been increased. Farmers favor livestock production and prefer to feed their own grain. This is because off-farm supplies are not reliable or available at attractive prices.

In spite of farmers holding back grain, livestock and poultry industries in the Soviet Union are suffering from inadequate feed supplies, both forages and mixed feeds. Inventories of cattle, hogs, and sheep are falling, in part because breeding stock is being slaughtered to meet current needs. Livestock production will be down this year from a year earlier. The declining inventories will result in further declines in production in 1992, and perhaps beyond. Poultry meat production is also declining this year and is expected to be off again in 1992.

If grain procurements continue to lag, either the Soviet Union will require imports larger than the 37 million tons now forecast by USDA or the livestock industry will suffer further. In the absence of financial constraints, imports would be substantially more than currently forecast.

The current USDA internal forecast for 1991/92 is for the Soviets to import 9 million tons of grain from the United States (about 2.5 million of wheat and 6.5 million of corn). This represents 8 percent of our forecast total wheat exports and 16 percent for corn.

FY 1990/91 U.S. agricultural exports to the Soviets are forecast at \$1.9 billion, about 5 percent of the total, making the USSR the sixth largest market for U.S. agricultural products.

USSR PRODUCTION, AREA, AND YIELD

Production

USSR grain production, at a forecast 190 million tons, is down 45 million from last year's near-record crop and the smallest output since 1984. Most of the reduction is due to lower yields.

Area

Grain area for 1991 is estimated down 1 percent to 108.5 million hectares, as more State and collective farm continue to shift area out of grains into forage crops.

- The 1991 area is well below the 1976-80 average of 128 million hectares, as increased use of summer fallow in crop rotations and expansion of area planted to forage crops have steadily cut grains plantings.
- The larger plantings of forage crops reflects the need for livestock feed.

-- Forage crops are not procured by the State.

Yield

Forecast overall grain yields are down 19 percent from the 1990 record, largely because of poor growing conditions for the spring planted grain crops.

- Although down from last year, the 1991 total grain yield is still expected to be above all but one year prior to 1986.
- The highly publicized "intensive technology" program, which is basically better management and inputs, helped the USSR to achieve record yields in recent years.

-- However, there have been problems this year with the availability and quality of fertilizer, plant protectants, and equipment.

9/5/91

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07. Memo	From Ed Madigan to John Sununu Re: Forest Service Activities (1 pp.)	9/16/91	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Date Closed:	12/30/2004	OA/ID Number:	29189-003
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DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

September 16, 1991

USDA COMMENTS ON SEPTEMBER 16, 1991 NEW YORK TIMES ARTICLE
"Forest Supervisors Say Politicians Are Asking Them To Cut Too Much"

Dated September 11 from Kalispell Montana, the article plays off of the recent directed transfer of Forest Service Regional Forester John Mumma to highlight, in a cursory manner, a number of environmental issues.

Mumma has been in charge of the national forests in Montana and northern Idaho for the past three years. He is one of 60 career SES appointees comprising the top management staff of Forest Service Chief Dale Robertson, himself a career SES appointee. Consistent with his authority, Chief Robertson is realigning his top management staff to increase its effectiveness. As part of the realignment, Mumma was given a directed reassignment to the Washington Office, a decision made solely by Chief Robertson. By regulation, the transfer decision is subject to review by the Secretary. The Secretary did not object. Under rules pertaining to SES appointees, Mumma has 60 days to accept or reject the transfer. If he rejects it, his options are to resign or, if eligible, to retire. According to press accounts, Mumma has indicated to his staff that he will resign, however, he has not responded one way or the other to the Chief. He has until November 1 to do so.

Press accounts charge that Mumma's transfer was politically motivated because timber sale targets in his region have not been achieved. It is true that planned and budgeted timber sale levels have not been achieved in his region, and that there have been Congressional inquiries and concerns. However, timber sales are stalled in every Forest Service region because of appeals and litigation. The problem in Montana and Idaho is somewhat more difficult because the lack of wilderness legislation in those two states makes it difficult to justify timber sales scheduled for roadless areas (potential wilderness). The timber sale problem would exist no matter who was Regional Forester. It is in this context that forest supervisors feel the pressure noted in the article. There have never been, nor are there now, any plans to "overcut." Timber harvest levels are derived from comprehensive forest planning directed by law and regulation, and not by the "desires" of the timber industry as implied by the article. If forest supervisors believe their planned harvests are too high, they should amend their forest plans accordingly.

The article refers to logging in the "Yaak region" of the Kootenai National Forest that was allegedly increased because of political pressure from Senator McClure. Direction to log in this beetle-infested area was contained in Sec. 316 of the FY 1990 Appropriations Bill after previous timber sales had been stalled by court action. This is unrelated to the Mumma situation, and posed no threat to grizzly bears, as implied by the article.

The article refers to comments by Judge Dwyer in his decision on the northern spotted owl. Judge Dwyer's decision and comments pertain to the Pacific Northwest, not Idaho and Montana.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
08. Letter	From G. Jerry Shaw to Larry Slagle Re: Client Legal Matters (2 pp.)	9/12/91	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
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Notes on the Budgetary Treatment
of Export Credit Loan Guarantees and Direct Loans

The Federal Credit Reform Act of 1990 was enacted as part of the Omnibus Budget Reconciliation Act of 1990. It establishes new procedures for funding, scoring and accounting for federal credit programs. These new procedures are effective as of October 1, 1991 and the necessary actions were included in the President's fiscal year 1992 budget when it was submitted to the Congress last February.

Section 504 of the Federal Credit Reform Act of 1990 deals with the budgetary treatment of Federal credit programs. Section 504(b) specifies that new guaranteed or direct loan commitments may only be entered to the extent that there are appropriations in advance for the cost (i.e. subsidy) of those commitments. However, Section 504(c), entitled "Exemption for Mandatory Programs", states the "Subsection (b) shall not apply to...all existing credit programs of the Commodity Credit Corporation on the date of enactment of this title."

It appears that this exemption (a) applies to both guaranteed and direct export credits, (b) exempts these programs from the requirement for advance appropriations, but (c) does not exempt these programs from the scoring and accounting procedures which are established by other sections of the law not referenced in the exemption.

This conclusion was reflected in the President's fiscal year 1992 budget (see attached) which asked the Congress for a "such sums as necessary" appropriation for guaranteed export credits and reflected credit reform scoring of the program. In fact, the President's budget was probably too restrictive since it appears that no appropriations action is required under the exemption--not even an open ended appropriation.

In summary, it appears that both direct and guaranteed export credit loans made subsequent to October 1, 1991 should be scored under credit reform procedures. This means that the scoring for both direct and guaranteed loans is limited to the subsidy inherent in these loans. There is no difference in cost between guaranteed and direct loans except to the extent that there is a difference in the subsidy. Under credit reform, outlays for the principal amount of direct loans are off budget and not counted in the deficit.

Public enterprise funds—Continued

FEDERAL CROP INSURANCE CORPORATION—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-4085-2-3-351	1990 actual	1991 est	1992 est
68 00	Permanent Spending authority from offsetting collections			-8,595
	Relation of obligations to outlays			-140,331
71 00	Total obligations			72,910
74 10	Receivables in excess of obligations, end of year			-67,321
87 00	Outlays (gross)			
	Adjustments to budget authority and outlays			
	Deductions for offsetting collections			-8,595
88 40	Non-Federal sources			-8,595
88 90	Total offsetting collections			-106,000
99 00	Budget authority (net)			-58,726
90 00	Outlays (net)			

The budget proposes to decrease the amount of premium subsidy from the current maximum of 30 percent of each producer's premium to 15 percent effective with the 1992 crop year.

Object Classification (in thousands of dollars)

Identification code	12-4085-2-3-351	1990 actual	1991 est	1992 est
25 0	Other services			-1,740
25 0	Master marketing expenses			-50
25 0	Loss adjustment cost			-5,200
25 0	Reinsurance loss adjustment			
42 0	Insurance claims and indemnities			-13,784
42 0	Government operations			119,006
42 0	Reinsurance			-4,49
92 0	Undistributed			
99 9	Total obligations			-140,331

COMMODITY CREDIT CORPORATION

Federal Funds

General and special funds:

COMMODITY CREDIT CORPORATION LOANS PROGRAM ACCOUNT

For the cost, as defined in section 10201 of the Budget Enforcement Act of 1990, including the cost of modifying loans, of guaranteed loans authorized by the Agricultural Trade Act of 1978, as amended, such sums as may be necessary: Provided, That these funds are available to subsidize gross commitments for the total loan principal any part of which is to be guaranteed not to exceed \$5,700,000,000.

In addition, for administrative expenses to carry out CCC's Export Guarantee Programs, GSM 102 and GSM 103, \$3,320,000, of which not to exceed \$2,731,000 may be transferred to and merged with the appropriations for the Salaries and Expenses of the General Sales Manager, and of which not to exceed \$589,000 may be transferred to and merged with the appropriation for the Salaries and Expenses of the Agricultural Stabilization and Conservation Service, to cover the common overhead expenses associated with implementing the Credit Reform Act of 1990.

Program and Financing (in thousands of dollars)

Identification code	12-1336-0-1-351	1990 actual	1991 est	1992 est
00 00	Program by activity:			
00 00	Guaranteed loan subsidy			155,524
00 05	Administrative expenses			3,320
10 00	Total obligations			158,844
39 00	Financing:			
39 00	Budget authority			158,844

Budget authority			
Current			3,320
40 00	Appropriation		
Permanent			155,524
60 05	Appropriation (indefinite)		
	Relation of obligations to outlays		158,844
71 00	Total obligations		
74 40	Obligated balance, end of year		
90 00	Outlays		158,844

Summary of Loan Levels, Subsidy BA and Outlays by Program (in thousands of dollars)

Identification code	12-1336-0-1-351	1990 actual	1991 est	1992 est
	Guaranteed loan levels supportable by subsidy budget authority:			
01 50	Loan guarantee levels		5,700,000	5,700,000
01 59	Total loan guarantee levels		5,700,000	5,700,000
	Guaranteed loan subsidy:			
03 20	Guaranteed loan subsidy rates (in percent)		2.7	2.7
03 29	Weighted average subsidy rate		2.7	2.7
	Guaranteed loan subsidy budget authority:			
03 30	Guaranteed loan subsidy budget authority		155,524	155,524
03 39	Total subsidy budget authority		155,524	155,524
	Guaranteed loan subsidy outlays:			
03 40	Guaranteed loan subsidy outlays		155,524	155,524
03 49	Total subsidy outlays		155,524	155,524

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 1992 and beyond, as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis. An explanation of credit reform, including a discussion of how subsidies are calculated, is included in Part Two, Chapter VIII.A of the Budget.

Object Classification (in thousands of dollars)

Identification code	12-1336-0-1-351	1990 actual	1991 est	1992 est
41 0	Grants, subsidies, and contributions			155,524
92 0	Undistributed			3,320
99 9	Total obligations			158,844

CCC GUARANTEED LOANS

Program and Financing (in thousands of dollars)

Identification code	12-4338-0-3-351	1990 actual	1991 est	1992 est
00 01	Program by activity:			
00 01	Guarantee claims	251,670	271,320	353,352
00 91	Total operating expenses	251,670	271,320	353,352
	Capital investment:			
	Direct loans			
01 01	Guarantee claims	16,896	1,212,356	843,034
01 91	Total capital investment	16,896	1,212,356	843,034
01 92	Total support and related programs	268,566	1,483,676	1,196,384
10 00	Total obligations (object class 41 0)	268,566	1,483,676	1,196,384
	Financing:			
39 00	Budget authority (gross)	268,566	1,483,676	1,196,384
	Budget authority			
57 10	Authority to borrow	122,554	1,298,972	970,350

THE WHITE HOUSE

WASHINGTON

February 1, 1991

MEMORANDUM TO JOHN GARDNER

FROM: Brian Waidmann BW

SUBJECT: White House Clearance for Talking Points on Agriculture Secretary-Designate Edward Madigan

Attached are talking points explaining why the President chose Rep. Ed Madigan to be the next Agriculture Secretary. These are similar to the ones prepared for Governor Martinez.

Would you please submit them through the White House clearance process? Once cleared, media relations and public liaison will send them to selected agriculture, political and media leaders.

Comments should be submitted to Rob Portman (2230). Deadline should be Tuesday at noon.

Thank you!

cc: Deb Amend
Leigh Ann Metzger

CONGRESSMAN ED MADIGAN THE PRESIDENT'S CHOICE FOR SECRETARY OF AGRICULTURE

"Food and agriculture is the largest industry in the United States, employing nearly twenty percent of our work force. Agricultural exports amount to nearly \$40 billion each year, so this is a job that touches everyone in the country. My goal is to carry out the President's desire that rural Americans have a strong voice in the councils of government. Many issues have a major effect on the future of America's farmers, and we are going to work to insure that their concerns are heard."

--- Ed Madigan

On January 25, ¹⁹⁹¹~~1990~~, President George Bush announced his intention to nominate Illinois Congressman Ed Madigan as Secretary of Agriculture. The President said that he knew Madigan *"as a man who cares deeply about the farm policies of our government and the people from agricultural America."* The President called Madigan a man who *"stands tall, and he'll cast a big shadow in the Oval office as we consider America's agricultural future."*

Congressman Madigan is in his nineteenth year representing a predominantly agricultural district in central Illinois. He has served throughout his career on the House Committee on Agriculture and has been the Ranking Republican on the Committee since 1983. Congressman Madigan has also had the unique experience of serving as the senior Republican on the Health and Environment Subcommittee of the House Energy and Commerce Committee, where he was heavily involved in the environmental, food safety and energy policies that are so important to farmers and ranchers.

During his nearly two decades of service to farmers and ranchers, Congressman Madigan has traveled across rural America from California to New York, familiarizing himself with the particular problems found in the varied agricultural regions of the country. He has met with farm, commodity and food industry leaders from every segment of America's largest industry, and he is a familiar figure to them. Similarly, he has met with agriculture and trade officials all over the world, while pressing the case for a more open international agricultural trading system.

REACTION TO THE MADIGAN NOMINATION

"As the Ranking Republican on the House Agriculture Committee, Ed's made a real difference for the American farmer. The President has made an excellent pick"

Senator Bob Dole (R-KS)

"Rep. Edward Madigan will be an outstanding Secretary of Agriculture. ...Ed Madigan's record of achievement is a strong indicator of his promise as the new Secretary of Agriculture."

Senator Richard G. Lugar (R-IN)

"I have absolute confidence in his ability to discharge the responsibilities of the job."

Speaker of the House Thomas S. Foley

I am extremely pleased that the President has chosen Rep. Edward Madigan to be the next Secretary of Agriculture. ...In this difficult period in which we have to deal with budget cuts in the programs which support our farmers, having someone of the experience and understanding of Ed Madigan as Secretary will be of immense importance."

E. (Kika) de la Garza (D-TX), Chairman, House Agriculture Committee

"It's a superb appointment. ...few in Congress have the detailed knowledge he has about farm policy."

Senator Paul Simon (D-IL)

"Mr. Madigan is an acknowledged expert on agriculture and is a savvy political player. ...Mr. Madigan is a fine appointment."

The Wichita Eagle editorial, January 28, 1991

"A good choice for agriculture.... In his 18 years in Congress, Rep. Edward Madigan of Illinois built a reputation as quiet, hard-working and judicious--a competent insider who mastered the intricacies of federal farm policy."

The Chicago Tribune editorial, January 29, 1991

ED MADIGAN'S RECORD ON AGRICULTURE

* Madigan was a principle architect of the 1985 Farm Bill that redirected federal agriculture policy toward an aggressive trade policy and a more market oriented farm sector. The 1985 Farm Bill is credited with restoring economic health to a badly depressed farm economy.

* Madigan once again was a key player in the 1990 Farm Bill, championing greater flexibility for farmers and preserving a basic economic safety net for producers in a period of declining federal funds for farm programs.

* In the massive 1990 reauthorization of the Clean Air Act, Madigan was instrumental in providing a significant role for ethanol in national fuels policy, contributing to both a cleaner environment and expanded markets for farmers. Provisions in the Clean Air Act will create an expanded market of at least 750 million gallons of ethanol annually by 1995, the equivalent of an increase of 300 million bushels of corn in annual sales.

* Madigan was the author of provisions in the 1990 Farm Bill to create a research and development program aimed at putting industrial products made from agricultural products on the market, highlighting his interest in expanding markets as the best means to secure farm prosperity.

* In two Farm Bills and the 1987 Trade Act, Madigan pressed for adoption of legislation that led to an aggressive export stance for American agriculture. This led to the creation of the Export Enhancement Program (EEP) and the Targeted Export Assistance program, both designed to counter foreign export subsidies.

* Madigan is recognized as one of the foremost champions of farmers and the food industry in the effort to balance the competing demands of food production and food safety. His extensive experience in dealing with this thorny issue in both the Food and Drug Act and the pesticide registration statute will be important as agriculture continues to address this tough question.

* Similarly, Madigan has been a key player in reaching acceptable resolutions to the conflicting demands of environmental groups and farmers on the conservation and environmental aspects of farming practices.

* Madigan was heavily involved in developing and enacting the legislative rescue plan for the Farm Credit System in 1987, insuring that farmers would have a continuing source of credit and that failure of the FCS would not recur.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
09a. Letter	From John Sununu to Ed Madigan Re: Packet for Secretary of Agriculture (1 pp.)	1/9/91	P5	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Open on Expiration of PRA
 (Document Follows)
 By JP (NLGB) on 10/28/05

Date Closed:	12/30/2004	OA/ID Number:	29189-003
FOIA/SYS Case #:	1998-0004-F[2]	Appeal Case #:	
Re-review Case #:	2005-0426-S	Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

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 the appointment to Federal office [(a)(2) of the PRA]
 P-3 Release would violate a Federal statute [(a)(3) of the PRA]
 P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
 P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
 P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

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

(b)(1) National security classified information [(b)(1) of the FOIA]
 (b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
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 (b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
 (b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
 (b)(9) Release would disclose geological or geophysical information

JHS' jji

THE WHITE HOUSE
WASHINGTON

January 9, 1991

Dear Ed,

I have received your letter and am making sure your materials are being put together for the President as he reviews his list for Ag.

Give me a call if there is anything in particular you want to be sure is included in the package.

I hope you had a great Christmas. Obviously 1991 will be an important year for all of us.

Sincerely,



John H. Sununu
Chief of Staff

The Honorable Ed Madigan
U.S. House of Representatives
Washington, D.C. 20515

C O P Y
from ORM

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
09b. Letter	From Ed Madigan to John Sununu Re: Packet for Secretary of Agriculture (2 pp.)	1/7/91	P2 , P 3	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Open on Expiration of PRA
(Document Follows)
By JP (NLGB) on 10/28/05

Date Closed:	12/30/2004	OA/ID Number:	29189-003
FOIA/SYS Case #:	1998-0004-F[2]	Appeal Case #:	
Re-review Case #:	2005-0426-S	Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

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 the appointment to Federal office [(a)(2) of the PRA]
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PRM. Removed as a personal record misfile.

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

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Congress of the United States
House of Representatives
Washington, DC 20515

January 7, 1991

THE CHIEF of STAFF
has seen

The Honorable John Sununu
The White House
Washington, D.C. 20500

Dear Governor:

At the outset, I want to thank you and the President for any consideration given me.

By way of background, I have served on the House Agriculture Committee for 18 years and have been the Ranking Member the last 8 of those years. In that capacity, I was the Administration point man in the House on both the 1985 and 1990 farm bills. A review of the record will show that I successfully advanced and defended the Administration's goals on both occasions.

The farm related issues that will come before the Congress in 1991 and 1992 are familiar to me, as are the members who will have key roles in these issues. I believe that I know their pre-dispositions and how to talk to them.

The Secretary's job for the next two years is to do everything possible to help re-elect the President, while at the same time keeping the Congress from writing bad farm legislation on topics such as crop insurance, rural development, farm credit and REA loans. My 18 years on the Commerce Committee would also be helpful in the event that food safety legislation becomes an issue..

For eight years, I have been speaking to farm audiences and commodity groups across the country and have been well received. In the 100th Congress, the American Farm Bureau chose me for their top award.

Whoever the Secretary is, he can be most helpful to the President by traveling to these groups and instilling in them a sense of hope for the future. I can do that. I can also deal with the Aggies in the Congress.

Realizing that I am a long shot because of the number of Illinoisans in the Cabinet, I do not think that publicity of my application helps me if I am not selected. Thus, I am not asking anyone to contact you in my behalf.

The Honorable John Sununu
Page 2
January 7, 1991

You have the record and know that I am a team player. You would not have occasion to worry about what I might be saying or doing. Again, my sincere thanks for any consideration given me. You have my cooperation in any result.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ed".

Edward Madigan

EM: dl

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
09c. Letter	From Clayton Yeutter to Ed Madigan Re: Commendation for Efforts (1 pp.)	10/31/90	P-5	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Open on Expiration of PRA
 (Document Follows)
 By JP (NLGB) on 10/28/05

Date Closed:	12/30/2004	OA/ID Number:	29189-003
FOIA/SYS Case #:	1998-0004-F[2]	Appeal Case #:	
Re-review Case #:	2005-0426-S	Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

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 P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
 P-3 Release would violate a Federal statute [(a)(3) of the PRA]
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 P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

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

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THE SECRETARY OF AGRICULTURE
WASHINGTON
20250-0100

October 31, 1990

The Honorable Ed Madigan
U.S. House of Representatives
Washington, D.C. 20515

Dear Ed:

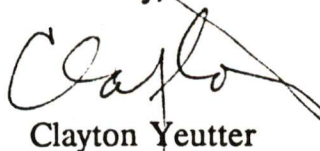
How can we ever thank you enough for all you did on the 1990 farm bill? You were unquestionably the star performer among both Agriculture Committees, and the most rational policy maker in that entire group. Had it not been for your personal involvement on a whole host of critical issues -- loan rates being a vivid example -- we would never have ended up with a respectable piece of legislation.

But it is respectable, though assuredly not perfect. Under the circumstances, I'd say that everyone did a remarkable job. The farm bill assuredly came through the legislative process in far better shape than the budget exercise, and one is about as difficult and challenging as the other in an election year.

Special thanks for defending the President and me during the final floor debate. You did that magnificently, and your defense earned sky high grades from everyone here at USDA. It was really kind of you to weigh in so fervently.

You have my deep personal gratitude for a splendid performance all year long!

Cordially,



Clayton Yeutter

CY:lfl

cc: Under Secretary Dick Crowder

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
09d. Letter	From Clayton Yeutter to Ed Madigan Re: Talking Points on Ed Madigan [FOIA RESTRICTIONS REDACTED] (1 pp.)	n.d.	P-2, P-5 , (b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Open on Expiration of PRA
(Document Follows)
By JP (NLGB) on 10/28/05

Date Closed:	12/30/2004	OA/ID Number:	29189-003
FOIA/SYS Case #:	1998-0004-F[2]	Appeal Case #:	
Re-review Case #:	2005-0426-S	Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

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

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TALKING POINTS ON ED MADIGAN

b)(6)



* Madigan is articulate and will excel at explaining and defining Administration policy on agriculture. He is an extremely able communicator who speaks the same language farmers, ranchers, and their representatives in Washington speak. He would make an excellent point man for the Administration.

* Agriculture industry groups representing diverse interests express confidence in Madigan, and clearly favor him over other candidates for the position.

* He is highly respected by his Congressional peers and by the agriculture industry alike. Sixteen Republican members of the House Agriculture Committee support his appointment as Secretary, as do over 120 House Republicans. Democrats respect and praise Madigan as an effective, nuts-and-bolts legislator with whom they can do business.

* Ed Madigan has eighteen years of legislative experience in the House of Representatives, including the last eight years as Ranking Minority Member of the House Committee on Agriculture. He has written and conferenced on two farm bills in that position, and worked with virtually every Member who has anything to do with Agriculture.

b)(6)



Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
09e. Letter	From Republican Members of Congress to POTUS Re: Endorsement of Ed Madigan for Secretary of Agriculture (7 pp.)	1/11/91	P2 , P5	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Open on Expiration of PRA
 (Document Follows)
 By JP (NLGB) on 10/28/05

Date Closed:	12/30/2004	OA/ID Number:	29189-003
FOIA/SYS Case #:	1998-0004-F[2]	Appeal Case #:	
Re-review Case #:	2005-0426-S	Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

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 personal privacy [(a)(6) of the PRA]

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PRM. Removed as a personal record misfile.

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

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 financial institutions [(b)(8) of the FOIA]
 (b)(9) Release would disclose geological or geophysical information

Congress of the United States

House of Representatives

Washington, D.C. 20515

January 11, 1991

The President
The White House
Washington, D. C. 20500

Dear Mr. President:

We Republican members of the 102nd Congress are writing to express our support for the appointment of Ed Madigan to the position of Secretary of Agriculture.

American farmers and ranchers need to feel that they have a strong advocate and champion for agriculture in the councils of government. Ed -- Madigan is known and trusted by food producers and processors alike. Ed's reputation as an effective and rational policymaker and legislator and a good friend of agriculture with deep roots in the farm belt have been unchallenged throughout his more than two decades of public service. As Secretary, Ed can provide the vital link that will assure our rural citizens of your interest and concern for them.

As ranking minority member of the Agriculture Committee, he is respected and trusted by environmental, consumer and other groups with an interest in the agricultural agenda formulated and addressed in the Congress and the Executive Branch.

We are confident that you are aware of his record of leadership and effectiveness as a member of Congress, and we believe that he can well serve you in negotiations with the Congress on pending agriculture issues.

We would all like to meet with you personally to advocate support for Ed but realize the tremendous press of business facing you and do not want to impose on your time.

The next two years are a period of great opportunity for Republicans. With this appointment you can create a bond with farmers that will be of great significance in 1992. We respectfully submit that Ed Madigan is the man to help us achieve our goals in the rural precincts of America.

Sincerely,

Bob Michel

Neel D. Singh

Frank Horton

Dave Canny

Jim Meyers

Buttke

Ben Gilman

Floyd Spencer

Don S. G.

Susan Macinari

L. Schry

Bill Dammeyer

Buttke

Mr. Sanchez

Bill Goodling

Jim Wmle

Braig Thomas

E. C. G. Shand

James H. Quilley

Buttke

John Keverly

Clyde C. Holloway

Leahy

Paul M. M. M.

John Miller

Paul B. Herz

John Paul Hammenschmidt

Leif Edwards

Peter Kade

^{scultz} ~~Robert~~

Steve Gaudin

Bill Emerson

Bob Davis

Dave Martin

John Kaul

Charles H. Jaylor

New York

~~John Kaul~~

Bob Smith

Larry Conner

Bob M. Love

Emmanuel Kunder

Norman F. Lewis

Hal Rogers

John Boehm

Howard Able

Arch Nichols

Wayne K. Gilbreath

Carl Currell

Don Duff

Mike Biliakis

Helen P. Parley

Thyphandorf

Robert L. Hobbs

Rufus J. Sartorius

Lid. Norman

Paul Chandler

John J. Myers

Bill Bonfield

Bill Barrett

Ray Coughlin

Doug Bruster

Phil Hensch

Tom Lewis

Olympic Snowy

Chris Shultz

W. 1/10

Cheryl

Estelle Myrle

Robert H. Bates

J. McCarty

Johnston
Hunt

F. Deane

Joe McDole

W. J. Phelan

Walter Gills

Tommy Galt

Dan Burton

Beefy

Maxie Ruckema

Guy P. King

Bonny Callahan

Jack Z

Barbara V. Vennart

John Hostet
Bill Thera

Ed R. W. G

Joe King

Bob Livingston*

Charles Miller

Tom DeLay

Tom Coleman

Jim Ch. Lof

Jan T. Walsh

Tom Peth

Cliff Spears

Ann L. Linder

Richard Baker

Ann H. Zang
J. A. Osborn
Roly Roth
L. A. H. H.

Hamir Frip
Anna H. H. H.
Christopher Shago
J. A. H. H.
Lass Ballenger
Hul Crane
Tom Ridge
Tom Little
J. A. H. H.
Jim H. H.

Paul Treman
Tom Bleby
Bill H. H.
Bill Dickinson
Bill Clinger
Dick H. H.
J. A. H. H.
John H. H.
Wayne H. H.
A. A. H. H.
Nancy H. H.
Jim H. H.
Pat H. H.

~~Bob Sperry~~

Ray Mc Math

Ray J. Hall
Sheryl Buchheit

Laura W. Moore
M. J. Mosenbauer
Gary A. Frank

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
10a. Memo	From Clayton Yeutter to John Sununu Re: Recommendations for Secretary of Agriculture (1 pp.)	1/8/91	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Date Closed:	12/30/2004	OA/ID Number:	29189-003
FOIA/SYS Case #:	1998-0004-F[2]	Appeal Case #:	
Re-review Case #:	2005-0426-S	Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

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P-2 Relating to the 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.

PRM. Removed as a personal record misfile.

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

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
10b. Resume	Of Candidate for Secretary of Agriculture (1 pp.)	1/87	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Date Closed:	12/30/2004	OA/ID Number:	29189-003
FOIA/SYS Case #:	1998-0004-F[2]	Appeal Case #:	
Re-review Case #:	2005-0426-S	Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
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RESTRICTION CODES

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

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
10c. Resume	Of Candidate for Secretary of Agriculture (4 pp.)	n.d.	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Date Closed:	12/30/2004	OA/ID Number:	29189-003
FOIA/SYS Case #:	1998-0004-F[2]	Appeal Case #:	
Re-review Case #:	2005-0426-S	Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

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 the appointment to Federal office [(a)(2) of the PRA]
P-3 Release would violate a Federal statute [(a)(3) of the PRA]
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

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

(b)(1) National security classified information [(b)(1) of the FOIA]
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
(b)(9) Release would disclose geological or geophysical information

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
10d. Resume	Of Candidate for Secretary of Agriculture (6 pp.)	n.d.	(b)(6)	

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RESTRICTION CODES

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
10e. Resume	Of Candidate for Secretary of Agriculture (5 pp.)	n.d.	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff, White House Office of
Series: Sununu, John, Files
Subseries: Cabinet Agencies Files
WHORM Cat.:
File Location: Madigan (Agriculture) [1991]

Date Closed:	12/30/2004	OA/ID Number:	29189-003
FOIA/SYS Case #:	1998-0004-F[2]	Appeal Case #:	
Re-review Case #:	2005-0426-S	Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

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