

Originally Processed With FOIA(s):
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FOIA Number:
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Series: Winklejohn, Katie, Files
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OA/ID Number: 00834
Folder ID Number: 00834-016

Folder Title:
Chief of Staff-Designate Transition Files 11/88-1/89: Correspondence - December [3][2]

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OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

Dear Roy:

Ed Rogers and I have discussed your kind invitation to speak at your Gala Victory Celebration in February.

As you can imagine, the early days in the new administration will be very hectic precluding me from committing to anything so soon after the inaugural.

Thank you for your gracious offer. I am sorry I will not be able to attend.

Best wishes to you this holiday season.

Sincerely,



Governor John H. Sununu

Mr. Roy M. Goodman
New York Republican County Committee
45 East 45th Street
New York, New York 10017

*New York Republican County Committee
45 East 45th Street
New York, N.Y. 10017*

SENATOR ROY M. GOODMAN
PRESIDENT AND CHAIRMAN

TELEPHONE: (212) 599-1200

December 7, 1988

Mr. Edward Rogers
Transition Office
1825 Connecticut Ave. N.W.
Washington, D.C. 20270

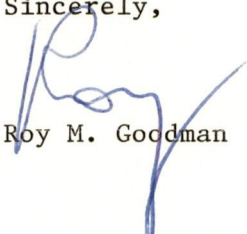
Dear Ed:

Enclosed herewith is a letter I would appreciate your delivering to Governor Sununu. It is self-explanatory and I would be most grateful if you could explain to the Governor that attendance would provide him with an excellent opportunity to address a large and prestigious group of New York heavy hitters.

I am grateful for your assistance.

Warm personal regards.

Sincerely,


Roy M. Goodman

Thanks, Ed!

New York Republican County Committee
45 East 45th Street
New York, N.Y. 10017

356-0060

SENATOR ROY M. GOODMAN
PRESIDENT AND CHAIRMAN

TELEPHONE: (212) 599-1200

*Ed & I talked
Proposed request
to say in admin*

December 7, 1988

Governor John H. Sununu
Transition Office
1825 Connecticut Ave. N.W.
Washington, D.C. 20270

Dear Governor Sununu:

On Wednesday, February 15, 1989, the New York Republican County Committee will hold a Gala Victory Celebration in conjunction with its annual Lincoln Day Dinner in the Grand Ballroom of the Waldorf Astoria Hotel.

This dinner attracts an exceptional group of leaders from the banking, business, legal, cultural, and civic communities. Our attendance will be approximately 1,500.

It would be a special pleasure for us to have you as an honored guest speaker. Since this is the largest dinner of its kind held annually in the state, you would be assured of excellent press coverage for any statement you might wish to make.

In the last several years our guest speakers have included Vice-President Bush, Governor Tom Kean, Secretary of Commerce Malcolm Baldrige, Senator Al Simpson, and Senator Dick Lugar.

I do hope you will join us but would ask you to let me know just as soon as possible so we can plan accordingly.

Warm personal wishes.

Sincerely,

Roy M. Goodman

Roy M. Goodman

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

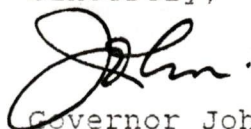
December 20, 1988

Dear Mr. Ortiz-Daliot:

Saludos y muchas gracias por su carta del 12 de Diciembre de 1988. It was good to hear from you. I do remember our encounters at the meeting of the National Governor's Association as well as at Duke University. I appreciate your warm words of congratulations, and hope to prove worthy of the trust that the President-elect has conferred upon me. Thanks, also, for your generous offer of help.

Once again, thanks for writing. Best wishes to you and your family as well as the people of Puerto Rico this holiday season.

Sincerely,



Governor John H. Sununu

Jose A. Ortiz-Daliot, Esq.
Director
Puerto Rico Federal
Affairs Administration
1100 Seventeenth Street, NW
Suite 800
Washington, D.C. 20036

356 - 0061



COMMONWEALTH OF PUERTO RICO
PUERTO RICO FEDERAL AFFAIRS ADMINISTRATION

1100 SEVENTEENTH STREET, N.W., SUITE 800, WASHINGTON, D.C. 20036, (202) 778-0710

Rafael Hernández-Colón
Governor

José A. Ortiz-Daliot, Esq.
Director

Address all correspondence
to the Director

12 DEC 1988

12 de diciembre de 1988

Hon. John H. Sununu, Governor
Office of the Governor
State House
Concord, New Hampshire 03301

Estimado Gobernador:

Lo conocí en una de las reuniones de la Asociación Nacional de Gobernadores. Sin embargo, tuvimos una mejor oportunidad de dialogar en la Universidad de Duke donde usted se dirigió a un grupo de servidores públicos incluyendo el "Deputy Chief of Staff" de su estado. Allí, durante la comida, discutimos su rol en la campaña de Presidente-Electo, George Bush y su posible ascenso a "Chief of Staff".

Me alegré mucho cuando conocí de su nombramiento y no quería dejar pasar más tiempo para felicitarlo y desearle muchos éxitos en el desempeño de su nueva posición. La responsabilidad que ha recaído en sus hombros es monumental y puede estar seguro que estaré rogándole a Dios que lo ilumine y le de dirección en la encomienda que tiene ante usted. Confío en que así será.

No quiero terminar sin antes señalarle que estoy incondicionalmente a sus órdenes y no vacile en llamarme si necesita algún consejo sobre Puerto Rico o sobre cualquier otro particular. En Puerto Rico todos confiamos en que el conocimiento personal que tiene el Presidente-Electo Bush de la isla redundará en beneficios para nuestros ciudadanos.

Tenga usted una Feliz Navidad y un Próspero Año Nuevo. God be with you.

Cordialmente,

José A. Ortiz-Daliot
Director

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

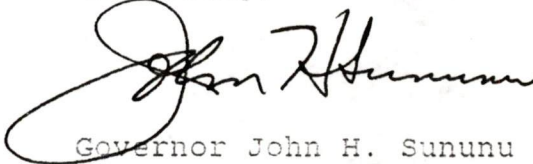
Dear Mr. Kimball,

Thank you very much for your kind words and "Suggestions from a Citizen," which are very interesting and will be forwarded to the appropriate people just as soon as the White House staff and structure have taken on a more permanent shape.

We can always use innovative suggestions for ways to cut the budget, which will be a high priority in the Bush Administration, and we appreciate that you have taken the time to pass along your ideas.

Thank you once again for your warm sentiments and thought-provoking suggestions, and please accept my best wishes to you and your family during the holiday season.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Sununu", written in a cursive style. The signature is positioned above the printed name of the Governor.

Governor John H. Sununu

Mr. Frank C. Kimball
34300 Lantern Bay Drive
Villa 102
Dana Point, CA 92629

356-0064

1 DEC 1988

Frank C. Kimball
34300 lantern Bay Drive
Villa #102
Dana Point, Ca. 92629

December 7, 1988

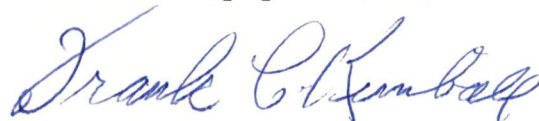
THE HONORABLE GOVERNOR
JOHN SUNUNU
STATE HOUSE
Concord, New Hampshire 032033

Dear Governor Sununu:

I, among many others, am glad to know that you will be the Chief of Staff for President-elect Bush.

Since you will have a lot to do with budgets and trimming deficits I have prepared some budget-cutting suggestions on the attached paper that I think deserve your attention.

Sincerely yours,



Frank C. Kimball

fck/lk
Enclosure

SUGGESTIONS FROM A CITIZEN
FOR REMOVAL OF "BARNACLES" FROM THE SHIP OF STATE

General Comment: We, i.e., the United States as a great world power, have been permitting an accumulation of what the beneficiaries thereof, consider "entitlements." Yes, they have received them for so long and without conditions, that they seem to think they are entitled thereto. Without being questioned, they assume these freebies will continue indefinitely so they become firmly affixed to the ship of state like barnacles. Now is the time to run the ship up into the cold, clear water of reason and scrape off these impediments to our progress.

We seem to think we have to purchase peace, purchase good will, purchase friendship, and purchase alliances. This dollar diplomacy creates more hate, more jealousy, and more envy than anything else. People greedily take our money and other benefits, but quietly hate us and themselves for taking it.

America is becoming weak within. We need to concentrate on strengthening and building it up here at home. Our people need to be inspired to do better, to wipe out crime, to reward properly those to whom we entrust the education of our children, and to inspire on the part of all citizens loyalty, patriotism and devotion to country and its good causes. Americans seem to a large degree to have fallen into the habit of trying to shoulder the Federal Government and its resources with every cause that occurs to them. More should be done at the local level and not just easily shoved on to Uncle Sam.

Following are a few suggestions for trimming the Federal Budget Deficit:

1. Eliminate financial aid to Israel, saving at least \$3 billion for each year. Israel now receives more U. S. aid than all other countries put together. Why should we have to support a non-viable economy? If the Jews of the world are interested in Israel's survival, let them, by private subscription, take over the task. The propaganda that Israel is our best ally in the Middle East is pure nonsense. With friends like that who needs enemies? This situation is largely caused by an effective Israeli lobby here in the United States that seems always to get what it wants. Even Senator Inoye of Hawaii put through a bill for them to have the United States pay for the cost of bringing Jewish high school age children from Africa to France for education. Why would the Senator from Hawaii do something like that? Naturally, so that he can be in favor with the Israeli lobby which seems to have the power to influence elections almost anywhere in the country.

2. Eliminate financial aid to other countries of the Middle East which in effect have been paid to be friendly with Israel, such as Jordan, Egypt, Lebanon, possible Syria and Greece.

3. Carefully review and trim financial aid programs to all other countries and send a clear message that such acts of this country in the nature of humanitarian and/or military aid are not to be deemed entitlements that can be expected to continue indefinitely.

4. Stop trying to be the world's free-lance policeman. The United States seems to think it has a duty at its own cost, to assume the role of a world cop. This is making other countries think it is because it saves them tremendous outlays. Think of our exorbitant cost of patrolling the Persian Gulf to make sure that Japan and other friendly countries are assured of oil deliveries. As I understand it, Japan did not contribute toward the cost of this effort. It just was able to have more U. S. dollars from its sale of goods to the U. S. to purchase more interests in the U. S.

Why don't we get the U. N. to do something worthwhile for a change?

5. Stop being a patsy for other countries whom we help by putting military bases there. These military bases such as in the Philippines, Greece, Spain, Germany, etc., contribute not only to the security of the countries involved but bring lots of money there to aid the economy. But these countries ask for high rentals or other payments for having our bases there.

6. Institute a Fair-Share Policy with all international organizations of which we are a part, so that it is clearly understood and expected that each participant or beneficiary will pay its fair share of the cost.

7. Tighten up on immigration so that all applicants are carefully examined and checked out regarding health, character, potential contribution to U. S., etc., so that we do not become the human garbage dump of the world. Too many persons of undesirable character or lower potential value are coming into this country illegally and staying here to become welfare recipients. Mexico, our neighbor, floods our country with thousands of undesirables who cannot read or write even in their own language and who have no skills except in manual labor. As they get older they cannot find employment and go onto the welfare rolls. Their children who have little help at home in learning English, and who have had little if any education in Mexico, drop out of high school and create a massive unemployment problem which often ends up with gangs, drugs, etc. Unless something is done soon, we won't be able to handle the welfare load it causes.

Why don't we help out the INS by lending it a selected corps of military personnel to help control the borders and to stop this almost free crossing of our borders by unauthorized aliens?

8. We are being attacked by drug traffickers who have no regard for the damage it does. Why don't we fight back as if we are at war with the countries that encourage it by their inactivity, or as if at war with the persons involved. We don't have to set up a new recruitment program for additional INS and DEA agents. Why not use the military services? After all it is a war and we are being attacked.

9. Medicare is being raped. The government is being ripped off by doctors all over the country. Doctors are pushing constantly to get the government to allow more and more of their charges. Some give to their patients a 10% discount if paid in full at time of visit. Then they send in a medicare form for the full pre-discounted

amount. They also send their patients to get other tests, etc., from offices they own or which they have some ownership. Doctors have never had it so good before medicare and this needs to be carefully examined and scaled back. There are too many local hospitals that are not utilized to capacity and they try desperately to find ways of getting the government to pay for their expensive equipment and other facilities. My hospital, for example, which is only about half occupied, charges \$1,000 per day just for the use of a bed. Medicare pays it.

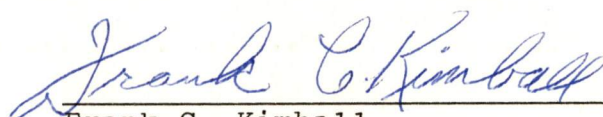
10. Clean up defense contractors, most of whom seem to have no compunction about overcharging, misrepresenting, etc. Most of them have already been warned by the Defense Department, but they know that there are only a few companies that can do what they do and they brazenly repeat their "mistakes."

11. Grants and loans to students should be carefully reviewed to make sure they are only given to qualified persons, i.e., students who are not just going to college because they are being pushed by their parents or themselves so they can prove they have a higher education. Experts in education tell us that the U. S. kids rank pretty low in the more difficult subjects and high only in the easy ones. Students should not be aided in getting schooling in subjects which have little potential value to the country or in which they have only a low grade average.

12. Welfare grants should be limited. People who can work should be given opportunity to work. Non-violent prisoners of jails, penitentiaries, etc., should be given work assignments, preferably in a factory or other appropriate facility where they can be housed nearby and where they can have useful work that will allow them to pay for their own upkeep, pay off their victims' damages and save some for themselves for time of release.

13. User charges could be levied on such items as tobacco products, liquor, travel, candies, gasoline, etc., to raise funds for reduction of the deficit.

This is not complete, but may suggest a few items that many citizens feel ought to be considered.



Frank C. Kimball
34300 Lantern Bay Drive
Villa #102
Dana Point, Ca. 92629
Telephone: (714) 240-9381

January 27, 1988

Mr. President:

Please don't get fooled
by the kind of nonsense reported
in this newspaper.

Many people who pay
taxes and can't get enough
to educate their own children
are incensed that their tax
money is going for such schools
out of the country.

Frank C. Kornball
34300 Lantern Bay Drive,
Villa 102
Dana Point CA. 92629

US pouring millions of dollars into religious schools overseas

The New York Times

WASHINGTON — The United States has funneled tens of millions of dollars to religious-affiliated schools and hospitals around the world under a little-known program administered by the Agency for International Development.

The program, American Schools and Hospitals Abroad, since 1971 quietly has financed Jewish, Catholic and Protestant schools and hospitals in Africa, Latin America, Asia and the Middle East. The most sensitive part of the program has involved grants to Orthodox Jewish institutions in Israel whose primary purpose is to teach religious studies.

Many of these institutions would be ineligible for government money if they were in the United States because of the constitutional principle of separation of church and state, administration officials and legal experts said.

AID, which administers foreign aid overseas, says the program's purpose is to educate and train students, primarily in developing countries, and to adapt US educational methods to local needs in fields such as agriculture, economics, business and public health.

The disclosure of the program's financing patterns in a recent article in Washington Jewish Week, a leading American Jewish newspaper, followed a widely criticized \$8 million federal grant for the construction of schools in France for North African Sephardic Jews.

Despite objections from the State Department and the Office of Management and Budget, the grant successfully was maneuvered through Congress by Sen. Daniel K. Inouye, D-Hawaii, as part of the \$604 billion appropri-

tion bill signed into law last month by President Reagan.

The appropriation was not made as part of the AID program, but it raised larger questions about government financing of religious institutions.

Inouye has argued that the school-construction grant will not be spent for religious education or teacher salaries.

On Friday, the American Civil Liberties Union announced that it was planning to take legal action to prevent the money from being spent for the French schools.

"It's clearly unconstitutional," said John A. Powell, the ACLU's national legal director. "Its purpose is to establish a religious institution to educate a particular sect of children, and it does injury to different religious organizations in this country."

The ACLU also intends to investigate whether any US funds should be spent on religious-affiliated schools and hospitals abroad that would not be eligible for government assistance if they were on US soil, an issue whose constitutionality never has been tested.

A number of Jewish organizations that actively promote the separation of church and state in the United States would not comment on the issue.

"Such funding in the United States would be unconstitutional, but we've never taken a position on the application of the Constitution overseas," said Marc Stern, co-director of the American Jewish Congress legal department. "We're going to take a pass on this one."

A congressional specialist with the American Israel Public Affairs Committee, the leading American

pro-Israel lobby, said the organization takes no position on whether Jewish religious or religious-run schools abroad should be financed by the US government.

According to documents of the schools and hospitals program, the program has given \$2 million since 1985 to such religious schools as Ohr Somayach, a girls' affiliate of a yeshiva in Jerusalem; \$400,000 in 1986 to Shaalvim Teachers College, which trains teachers for Hebrew and day schools and yeshivas; and \$500,000 in 1985 to the American College of Belz, a Hasidic college in Jerusalem.

Under the program's regulations, grants are awarded on a competitive basis to schools and teaching hospitals abroad that are sponsored by American organizations. The recipients must "reflect American educational ideas and practice" and be open to all applicants, regardless of religion.

The grants are not to be given "to train persons for religious pursuits" or to construct facilities "for worship or religious instruction."

State Department officials and AID administrators acknowledge that some schools that apply for and receive grants do not appear to qualify under these rules, but that intense congressional pressure has helped push them through.

"Obviously, if the overwhelming goal of the institution is to educate in a religious way, then the institution seems outside the spirit and intent of the program," said one AID official familiar with the program. "But there has been intense pressure on key people in Congress, constant bargaining and even threats, and for the greater good of the agency we have funded some of their projects."

WHY?

December 20, 1988

Dear Brad:

Many thanks for your kind note. I appreciate your warm words of congratulations and good wishes. I am fortunate and thankful to have the support of friends like you.

Best wishes to you and your family this holiday season.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Sununu". The signature is fluid and cursive, with a large initial "J" and a trailing flourish.

John H. Sununu

Mr. Bradford J. Race, Jr.
Seward & Kissel
Wall Street Plaza
New York, New York 10005

Personal note

EUGENE P. SOUTHER
RICHARD H. VALENTINE
ROGER M. ZAITZEFF
WENDOLIN JOHN NAUSS, JR.
BLAISE G. A. PASZTORY
ALBERT A. WALSH
ARRIAL S. COGAN
EDWARD W. BEUCHERT
BRUCE D. SENZEL
JAMES H. HANCOCK
ANTHONY R. MANSFIELD
ANTHONY C. J. NULAND
M. WILLIAM MUNNO
BRADFORD J. RACE, JR.
PETER E. PRONT
WILLIAM GOODWIN
DALE C. CHRISTENSEN, JR.
RUSSELL C. PRINCE
CRAIG T. HICKERNELL
JANET R. ZIMMER
ROBERT A. WALDER
JOHN E. TAVSS

SEWARD & KISSEL
WALL STREET PLAZA
NEW YORK, N.Y. 10005

212 412-4100

GEORGE C. SEWARD
SENIOR COUNSEL

LESTER KISSEL
COUNSEL

PAUL T. CLARK*
LEGISLATIVE COUNSEL

818 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20006
202 466-3960

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December 13, 1988

WRITER'S DIRECT DIAL NUMBER

The Honorable John H. Sununu
Chief of Staff Designate
Presidential Transition Office
1825 Connecticut Avenue, N.W.
Washington, D.C. 20270

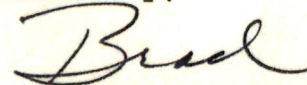
Dear John:

I am delighted at your appointment as Chief of Staff to President-Elect Bush. The President-Elect has shown great insight and judgment in selecting you for this position of awesome responsibility and you and your family are to be commended for being willing to make the immense personal sacrifice that this assignment entails. I am sure there will be days (hopefully not too many) when you will wish that you were back in Concord.

You have my warmest congratulations and best wishes.

With best wishes for a Happy Holiday season, I am,

Sincerely,



Bradford J. Race, Jr.

jp
0685P/AF7

Bush Library Photocopy Preservation

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

Dear George:

Many thanks for your kind note. I appreciate your warm words of congratulations and good wishes. I am fortunate and thankful to have the support of friends like you.

Best wishes to you and your family this holiday season. I hope to see you soon after the new year.

Sincerely,



John H. Sununu

The Honorable George Deukmejian
Governor of California
Sacramento, California 95814



GEORGE DEUKMEJIAN
GOVERNOR

State of California
GOVERNOR'S OFFICE
SACRAMENTO 95814

350-0013

14 DEC RECD

*Thanks
Call me next time
you are coming to town*

December 8, 1988

The Honorable John Sununu
Governor of New Hampshire
State House
Concord, NH 03301-4990

Dear John:

Gloria joins me in extending to you our warmest personal congratulations on your selection by President-elect Bush to serve as his Chief of Staff.

Your appointment is well-deserved and underscores your exceptional capabilities and expertise. All citizens can feel confident knowing that you will be playing a vital role in implementing the President's agenda and making America an even greater place in which to live.

Again, please accept our very best wishes.

Most cordially,

George Deukmejian

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

Dear Selwa,

I very much appreciate your thoughtful gift - which I promise to dive into just as soon as my schedule permits - and your warm holiday greetings.

I hope that we will be able to get together soon after the new year, once the White House staff and structure have taken on a permanant shape. And I hope that you will accept my warmest holiday wishes to you and yours during the holiday season and throughout the new year.

Sincerely,

A handwritten signature in cursive script, appearing to read "John H. Sununu".

John H. Sununu

Mrs. Selwa Roosevelt
United States Department of State
Rm. 1232
Washington, D.C. 20520

Archie Roosevelt
For Lust of Knowing

CHIEF OF PROTOCOL OF THE UNITED STATES

Dear Governor Sumner —

I am sending you
my husband's book —
in the fond hope that
you will be able to
read it —

We look forward
to seeing you in the
New Year and wish
you and your family
a joyous Christmas.

Sincerely —

Selwa Roosevelt

Selwa 647-4543

U.S. Dept of State
Rm. 1232
WDC 20520

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

USTR

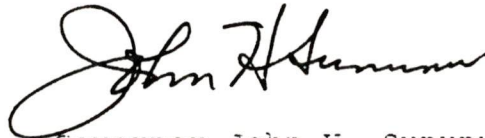
December 20, 1988

Dear Mr. McPherson,

Thank you very much for your proposals concerning trade strategy for the Bush Administration, which I will forward to the appropriate people as soon as the new administration takes a more permanent shape. As you undoubtedly already know, the President-elect has chosen Carla Hills for the position of United States Trade Representative. He is confident that Ms. Hills will do an outstanding job as USTR, and I know that he appreciated all the other outstanding candidates who put their names forward.

Thank you once again for your thoughtful proposals, and for offering your assistance. And please accept my best wishes to you and your family during this holiday season.

Sincerely,



Governor John H. Sununu

Mr. M. Peter McPherson
United States Department of Treasury
15th and Pennsylvania Avenues
Rm. 3326
Washington, D.C. 20200

November 30, 1988

Dear Governor:

I have attached two papers:

- (1) Requirements for the USTR Position.
- (2) A USTR Strategy under Bush.

The policy paper is somewhat sensitive and I would appreciate it if you could hold it closely.

Perhaps we can discuss the policy paper.

Very best,



M. Peter McPherson

Attachments

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

~~Personal~~
Personal

December 20, 1988

Dear President Schmidt,

I thoroughly enjoyed the opportunity to meet with you and some of your colleagues on December 5th. I am delighted that you promptly answered our request for suggestions by putting forward the name of Professor Allan Bromley for the position of Science and Technology Advisor to The President. I will forward Professor Bromley's name, along with your strong recommendation, to the appropriate people, and he will receive the highest consideration.

The President-Elect and I both hope to maintain a strong connection with the academic community in the future, demonstrating that the Bush Administration's commitment to education is more than just campaign rhetoric.

Thank you once again for meeting with the President-Elect and I last week and for your recommendation of Professor Bromley. Please accept my warmest wishes to you and your family during this holiday season and into the new year.

Sincerely,



Governor John H. Sununu

President Benno C. Schmidt
Yale University
New Haven, Connecticut 06520

Yale Press
for new
date again

1-1

Benno C. Schmidt

356-0063

YALE UNIVERSITY
NEW HAVEN CONNECTICUT
203-432-2550

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08 DEC 1963

OFFICE OF THE PRESIDENT

Wednesday

Dear Governor Sumner:

Thank you for meeting with
me and my colleagues from other universities.
We appreciate very much the strength
of the Vice-President's commitment to
education, and we hope to be of help
to him in any way that we can.

You asked for suggestions about
the position of Science Advisor, or Assistant
to the President for Science and Technology
or I gather the position will be titled.

I would like to recommend in the most enthusiastic terms my Yale colleague Allan Bromley, Henry Ford 2d Professor of Physics and Director of Yale's Wright Nuclear Structure Laboratory. Professor Bromley has probably trained more of America's nuclear scientists than anyone in the nation. He is a great figure in nuclear research, respected around the world. He has been one of the country's leading figures in science policy, and co-chaired the White House Science Council, with David Packard, which

YALE UNIVERSITY
NEW HAVEN CONNECTICUT

OFFICE OF THE PRESIDENT

produced an enormously influential
report three years ago. He teaches
a very effective seminar in national
science policy. He is a superb
scientist, a thoughtful policy analyst,
a very effective administrator, and a
person of great vision and practicality.

I recommend him without
qualification.

Thank you again for seeing me.

Sincerely,
Dennis Schmidt

Hector

December 20, 1988

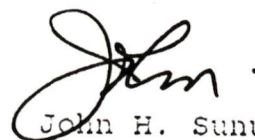
Dear Cardinal Law:

Thank you for your kind invitation to the President-elect. I am sure he would be most interested in speaking at a luncheon following the Red Mass in September if time permits.

I am holding this invitation until after we had a chance to put the system in place to handle the President-elect's scheduling requests. I will make sure they contact you following the inaugural with a more definite response.

Thank you, as always, for your support. I hope you have a joyous holiday season.

Sincerely,


John H. Sununu

Bernard Cardinal Law
Archbishop of Boston
2101 Commonwealth Avenue
Brighton, Massachusetts 02135



*Perpared -
Hester Held*

CARDINAL'S RESIDENCE
2101 COMMONWEALTH AVENUE
BRIGHTON, MASSACHUSETTS 02135

351-0042

December 7, 1988

Governor John Sununu
24 Samoset Drive
Salem, NH 03079

Dear Governor:

Allow me to stand in the line of the many people who are writing to you for favors.

Quite specifically, I would like to sound out the possibility of having Present-elect George Bush speak at the luncheon following the Red Mass, which will be held on Saturday, September 23, 1989. Last year we had Justice Scalia as our speaker. We began again the tradition of the Red Mass last year, and we had approximately 600 lawyers and judges present for it. The Mass is scheduled for 10:00 a.m. at Holy Cross Cathedral, and the lunch is scheduled for 12:00 noon at the Park Plaza Hotel.

I realize that any invitation is an imposition on an impossible schedule. Nonetheless, I thought that this particular forum could provide an opportunity for the president to say some things that he may wish to say. It goes without saying that his presence would be such a distinct honor for all of us.

In the event that you think this is totally out of the question, I will fully understand and will appreciate a quick negative response. If you believe that there is any possibility that this might be a workable invitation, then I would appreciate that word.

With warm personal regards, I am

Sincerely yours in Christ,

Bernard Cardinal Law
Archbishop of Boston

BCL/ac

Pol. Dev.

December 20, 1988

Dear Dr. Rugina,

I have forwarded your congratulatory message to the President-elect. I will also pass your white paper and complimentary copy of Principia Oeconomica to our staff in Policy Development for their review.

Please accept my warmest wishes to you and your family during this holiday season and throughout the new year.

Sincerely,



Governor John H. Sununu

Professor Anghel N. Rugina
145 Moss Hill Road
Jamaica Plain, Mass 02130

356 - 0065

1 3020 REC

Prof. Anghel N. Rugina

145 MOSS HILL ROAD
JAMAICA PLAIN, MASS. 02130
TEL. (617) 524-4580

December 2, 1988

The Honorable George Bush
President-Elect of
The United States of America
The White House
Washington, D.C.

Dear Mr. President:

Mrs. Rugina and I would like first to congratulate you for the resounding victory in winning the 1988 Presidential elections for the good of our country.

There are problems ahead to be solved but I am confident that with adequate help and advice all these problems in the final analysis can be successfully handled, again for the good of this nation.

For the moment there is one thorny issue being hotly debated in Congress, the press and the public, namely the Federal Budget Deficit. Many in Congress and the press as well as other political personalities of the past think that a tax increase or new taxes is the solution; in fact most say it is inevitable. Even the Chairman of the Board of Governors of the Federal Reserve System has joined the same chorus.

The voice of the majority of taxpayers was expressed by secret ballot on November 8, 1988 and that voice of the American people is on your side. I happen to think in the name of a New Economics of Stable Equilibrium that you are right but this is not enough. A workable solution has to be presented to Congress and for public judgment, a project of how to increase Federal Revenue and reduce Expenditures, without increasing regular or imposing new taxes.

I am taking the liberty of presenting for your consideration such a solution through the good offices of Honorable John H. Sununu, Governor of New Hampshire, and your future Chief of Staff at the White House. It is the introduction of a 5% surcharge on the value of pure speculations traded on the organized securities, foreign exchange and commodity markets with the exemption of real investments. In addition it contains also a substantial reduction of military spending for our troops stationed in Europe. I think that this solution corresponds with your position taken during the elections.

Wishing you and Mrs. Bush Happy Christmas Holidays and a complete success during your Administration, I remain

Enclosure: 2

Respectfully yours,

Anghel Rugina
Anghel N. Rugina

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

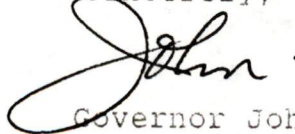
Dear Bill,

I always enjoy receiving the advice of my old friends "in the trenches," and know that I can count on them to inoculate me against Potomac fever should it ever be needed.

As usual, many of your suggestions and observations deserve closer scrutiny. I will pass them on through the appropriate channels just as soon as the new administration has taken a more permanent shape. I feel too that redistricting will present Republicans with a golden opportunity to make some sorely needed gains in The House of Representatives, and I think that Lee Atwater's chairmanship of the GOP will greatly boost our chances of capitalizing on the new demographics.

Again, I want to thank you for taking the time to send me a battle report from beyond the beltway. I wish you and your family all the best during the holiday season and hope that you enjoy a happy and healthy new year.

Sincerely,



Governor John H. Sununu

Mr. Bill Barnstead
Consolidated Stills and Sterilizers
76 Ashford Street
Boston, Massachusetts 02134

(617) 782-6072

**CONSOLIDATED
STILLS & STERILIZERS**

76 Ashford Street, Boston, Massachusetts 02134 8

WILLIAM A. BARNSTEAD

356-0038

Community Comment

Letter to a Cousin

Thinking About City Crime After The Republican Sweep

George Bush was swept into the Presidency last week, in part because many Americans believe that a Republican administration holds the promise of curbing the spreading blight of crime and drugs in the country. Old George had a field day with attack ads claiming Massachusetts has a revolving doorfurlough program for murderers, and he made great hay with an ad featuring a mean criminal, Willie Horton, who was released only to commit another crime. The GOP succeeded in making the label "liberal" a contagious disease, as in "it's the liberal do-gooders" who have allowed the current crime problem to get out of hand. The suspicion here is that Michael Dukakis finds criminals as undesirable as the rest of the country does, yet Bush and his boys struck a nerve with the depiction of liberalism at its worst. The Duke tried to find a responsive chord among the electorate on issues like homelessness, international drug running and the huge federal deficit. But these all pale next to the fear of criminals and crime that exist in most Americans.

Our Governor has been embroiled for months in a plan to build a new jail in a town called New Braintree. It's the site of an abandoned mental institution, and by all accounts would be ideal for a lock-up. The notion has met with passionate resistance by the natives there, and even some local mediatypes have hopped on the Duke over

the plan. Most people in Boston understand that the criminal justice system is very much like our sewer system: the supply of criminals greatly outstrips the system's capacity to handle the daily load, and the result is every week dozens of cases are dumped untreated out of the system. Just as Boston Harbor is strangling from the daily raw sewage, so are some of our neighborhoods choking from the system's inability to capture, try, convict and incarcerate the garbage who pose as human beings, inflicting crime on our neighbors. When the Duke tries to build a new jail to hold a few thousand of our least desirables, New Braintree acts in their own immediate self-interest: Nope, no thank you, not in my back yard.

It is puzzling how the Republicans were able to seize the crime issue as a positive for themselves. Our new President-elect, the drug czar under Ronald Reagan, failed completely to control the unchecked flow of drugs into the country. Yet the Boston Police Patrolman's Union endorsed Uncle George, even while most police officers admit that it's the drugs on the streets that is the source of the most violent, most dangerous crimes.

The country's convulsive aversion to the Democratic message of 1988 seems rooted in the aversion to the excesses of the youth culture of

the 1960's, when marijuana and cocaine were regular drugs of choice for so many college students. Somehow, the Democrats were pinned with a reputation of permissiveness in allowing and fostering that culture.

The Republican victory this month was a decisive one. The Democrats are attempting to put a spin on it, claiming they didn't lose, that it was a victory for four more years of "peace and prosperity". The spin is wrong. Michael Dukakis failed to give people a reason to vote for him; George Bush spent the campaign giving reasons to vote against the Duke. There is no reason to believe that four years of George Bush will do anything to curb the spread of drugs, the rise of violence, the hemorrhaging of our criminal justice system. If the new President would find a way to open more jails, to block the drugs, to ease the perils that face more and more Americans in these days of plenty, his could prove to be a dynamic and important Presidency.

Bush made an issue about a mistake that Massachusetts made with Willie Horton. But George Bush never told us what he would have done differently. By the way: New Braintree voters came to the polls in record numbers on November 8. They voted 3 to 1 for George Bush. Bush received 301 votes, Dukakis 104.

Doukester Reporter 11/19/88

Dear John,

John Doe
Our Conservative Seniors of Massachusetts

1 3 DEC 1990

Congratulations on being named chief of staff! I hail the choice because it is not only well-deserved but a clear sign that conservatives will have a strong White House voice. Good for you, good for us!

Knowing you as I do, I feel strongly you won't come down with a terminal case of Potomac fever and forget the world beyond the Beltway. If there is any way I can ever help you, please don't hesitate to contact me. As you well know, we have our own battles to fight in Massachusetts, but better to have the Duke on Beacon Hill than on Pennsylvania Avenue!

I'm sending a few items of interest. One is a letter from Pete duPont announcing his new organization, and my reply. Additionally, I offer the following thoughts on subjects of concern and importance. Understand, these observations are from a guy still in the trenches -- a friend -- with a passion for our cause and a voice that won't be silenced!

1. We should lay the groundwork for '92. If we do a good job between now and then, we should be in good shape for the Congressional redistricting that follows the 1990 census. Oh, to have a Republican Congress! The Wall Street Journal has written editorials about shameless Democratic gerrymandering that has kept them in control. We should begin beating that drum right away.

2. Since Dan Quayle was a Senate leader in the fight for SDI funds, convince George Bush to have him head up an SDI task force.

3. Steal the Democrats' thunder on such liberal issues as:

A. The homeless -- Manhattan Institute for Policy Research studies conclude the issue is vastly overstated, yet who has read their stuff? Publicize it and challenge states and cities to end rent control - a prime cause.

B. Greenhouse effect -- Amazingly, Massachusetts voters crushed a ballot referendum that would have, in effect, shut down our two nuclear plants, in part because advertisements emphasized the adverse impact coal- and oil-fired generators have on the environment. This is a hot issue and one that we could exploit nationwide.

4. In addition to a "kinder, gentler" America, I advocate a "less selfish" America. For example, we all agree we need nuclear waste sites and more prisons, "but not in my backyard." Some of society's problems cannot be solved unless people yield here and there.

5. Emphasize a few basic Republican principles:

A. Government should give a hand, not a handout. Society should not long be burdened, for instance, by the human wreckage left by fathers who shirk their responsibility by walking out on their families. Government can't be all things to all people; individual citizens also have responsibilities. Your state is a glowing example of these principles.

B. The federal system. Issues like infrastructure repair, the homeless, law enforcement, etc., are all local and should be paid for by state and municipal funds, not federal.

6. A new book by Peter W. Huber called "Liability: The Legal Revolution and its Consequences" explains graphically how our obsession with insurance and exhaustive testing of new products and medicines have removed incentives for enterprise and creativity. America now is way behind other countries in the development of medical technology, and states like Massachusetts are losing physicians and insurance companies because of the liability crisis and commensurate paranoia. This is a far graver issue than I think people realize.

7. See enclosed article from a Boston community newspaper. Bush should set a powerful example for states by a strong anti-crime/drug program. His plan to convert obsolete military facilities to prisons is a good start.

8. Perhaps a bit whimsically I recommend that President Bush recognize the all-American need to let off steam and take vacations. Running this country shouldn't be entirely serious. Example: drop national park entrance fees a few days each summer.

I realize there is nothing here about foreign policy, and even the domestic topics merely scratch the surface. But you know me, John, I enjoy passing along food for thought. I'm delighted that now I can convey tidbits to the guy who could be instrumental in bringing them to fruition!

All the best. And, again, my congratulations. The country will benefit, just as New Hampshire already has.

Cordially,



WAB

P.S.

I'm inclined to differ with
Shultz action on Arafat
Bill

Reed 11/10/52

Dear Pete,

I was delighted to read about Ideas for America's Future. It's great to know you intend to pursue the same tough agenda you so articulately espoused in the primaries.

"Tackling problems with courage" and "going out on a limb" will really solve America's pressing problems. You have my wholehearted support and I am truly excited about Ideas for America's Future. We think alike!

Now that the "starting point" -- getting George Bush elected -- is history, it is time to get down to brass tacks. If he were smart -- and he is -- he will appoint you to a Cabinet position. But with or without that status, you can apply pressure to his Administration before January 20 to incorporate your ideas into the national blueprint. Deficits, drugs, trade wars and other conditions won't disappear into thin air -- or with hot air.

Some thoughts for your new organization to consider:

* Dust off the Grace Commission report and make it the centerpiece of the war on deficit spending. Because Congress is the real problem, real change will come about only with strong leadership at the executive-branch level. I've been appalled at the burgeoning deficit for years. It's time someone spotlighted Congressional profligacy and turned the heat on them. It's time someone urged Congress to adopt the theme about spending that teenagers are urged to adopt about drugs: "Just say no!"

* Recruit former Education Secretary Bill Bennett to Ideas for America's Future. Schoolchildren are most definitely the 'future,' and he is not only a brilliant educator but an iconoclastic ideologue adept at getting good press -- something you know will be crucial to success.

(2)

* Make sure Bush gets a non-nonsense Defense Secretary who will make sure we don't see any more news stories about \$600 toilet seats. Competitive bidding procedures should ^{be} followed to the letter and transgressors fired.

* Convince Bush that he must adopt some of your ideas if he is serious about curbing the deficit and defusing political time bombs. Your positions on Social Security and farm supports spring to mind. Making Social Security more sound to ensure the delivery of benefits to future generations is consistent with his wish for a "kinder, gentler" America.

* In essence, do all we can to hold Congress's feet to the fire. We need to lay a foundation of solid, hardnosed business practices to show we are really serious about watching where taxpayers' money goes. Establish -- and publicize openly -- a method to reward government whistleblowers. Appoint Congressional watchdogs to monitor appropriations bills and hold news conferences to lay on the line how much programs cost. Publicly single out powerful Congressmen -- Democrat or Republican -- who cave in to special interest groups. We must show that they sometimes put parochial concerns and political I.O.U.s above the national interest.

These suggestions just scratch the surface. I list them randomly because, like you, I believe in boldly speaking out. None of us has all the answers, but if we band together under your leadership in Ideas for America's Future, we can get started in the right direction -- and make things happen.

To this end, I have a request. Could you come to Massachusetts to speak before a Republican gathering? I'd love to hear you discuss your new organization, your plans and your ideas. Other Republicans would too.

(3)

We got Bush elected; and we need your strong leadership also.

Help me and others up here join your provocative action committee (now there's a PAC!). At the same time you provide direction, perhaps we can also help with networking and ideas. Please let me know if you would be willing to come as a guest speaker. I have no specific date or place in mind, but can readily work out details. Hope to hear from you soon.

And thanks once again for informing me of your exciting venture. The new du Pont organization should be a vital part of the Bush mandate. As far as I'm concerned, America's "future" is here. Onward!

Cordially,

WAB

PETE DU PONT

Mr. William A. Barnstead
19 Potter Pond
Lexington, MA 02173

Dear Bill,

It was a special pleasure to attend the Republican National Convention in New Orleans. Walking through the mob scene on the floor one evening, a kindly old New Englander tapped me on the shoulder, extended his calloused right hand, and said "You're Pete du Pont, aren't you? The boatrocker who ran for President."

Well, I guess we did make a few waves when I took on the status quo politicians in my bid to be your President.

To me, that's exactly what the framers of the Constitution had in mind when they conceived the idea of Presidential elections. Candidates offering specific solutions to America's problems. Tackling chronic problems with courage. Going out on a limb.

People like yourself cared about the problems the du Pont campaign addressed. I spelled out straightforward remedies and you apparently liked what you heard. Your generous contribution to my Presidential campaign will always be remembered.

You and I agreed that we aren't going to solve the problems of drugs invading our schools by issuing press releases. And we aren't going to assure the future of our Social Security system by concocting catchy slogans or delivering impassioned speeches.

Problems like stagnating schools or \$26 billion dollar farm subsidies aren't going to be miraculously improved through slick Madison Avenue commercials, nor will our endless welfare cycle be solved by cliché answers or far-flung promises.

It is because you and I cared about these issues that we offered thoughtful, tough answers to America's challenges. Maybe we rocked the boat a few times and made some waves. But I meant every word I said and remain true to those same principles today.

That is why I started Ideas for America's Future.

Although my Presidential bid is over, the nation's list of problems persists. Electing George Bush is a starting point for solving those problems. Then together, with the help of this committee, we can identify those problems, publicize, act on and correct them.

At the heart of my efforts as Chairman of Ideas for America's Future is an unshakable faith in the American people. They know clever evasions, vague and artful dodges, and foot-dragging when they see it. Sad to say, the Democrats - who control Congress - have done the sorriest job imaginable of tackling the deficits, dealing with drugs in our schools, and coming to grips with the welfare mess.

They have a heavy commitment to calling self-serving press conferences, but a total unwillingness to step up to the front lines and start tackling real problems.

Ideas for America's Future gets down to the serious business of mobilizing everyday Americans in the fight - by offering serious, intelligent, provocative remedies to our nation's problems.

Specifically, it will do this by:

- * Spelling out in detail, in clear and certain terms, how America's problems can be solved through tough, sensible problem-solving and creative decision making.
- * Getting our research, our case studies, our talking points into the hands of opinion leaders. Sometimes that means the people in Washington, but more likely it means the people in Delaware, Des Moines, New York, Dallas, Columbus, or Phoenix.
- * Letting everyday Americans hear our thoughts about the problems that no one else is talking about. Through press releases, interviews, newspaper columns, and direct mail we'll let Americans know what our ideas are. Then we will move people into action.
- * And I promise you, every step of the way, Ideas for America's Future will show the same fighting spirit, specific problem solving, honest sense of commitment that characterized our Presidential campaign.

During my Presidential campaign, one reporter described me as "a man with a mission." Maybe that is true. I know America's problems are not going away on their own and putting off decisions is just plain bad government.

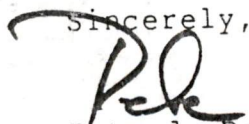
Because of my concern, I have outlined an ambitious program for Ideas for America's Future. I am excited about the opportunities to set America on the right track and I'd be honored to have your continued support in this effort.

The strength of Ideas for America's Future comes from good people like you. Please let me know that I can count on your financial help as we try to get our organization off the launching pad. I would like you to become involved just as soon as you are able. Our ambitious plans rely on your contribution of \$25, \$50, \$100 or even \$250.

It is hard to think we can be successful without your continued involvement. Our ideas are getting acted on. The challenge is to build on our success and tackle the problems in America with courage and clarity of purpose.

With your help, our best work, and our greatest influence lies ahead of us. Perhaps this explains why it is so important that I hear from you about your financial help to meet the demands of building Ideas for America's Future into a formidable force.

Sincerely,



Pete du Pont

P.S. Most people think America's problems are too complex, too ingrained to solve. Nonsense! You and I know that just isn't so. Help me tackle America's core problems with the same tenacity that we waged our Presidential campaign together. Please let me know that I can count on your financial help to make that happen.

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

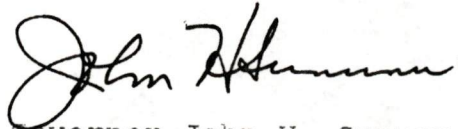
December 20, 1988

Dear Mr. Bloch,

Thank you for very much for your congratulatory message, and also for sending along the thoughtful suggestions of Gary North. His proposals are very interesting, and I will forward them to the appropriate people just as soon as the White House staff and structure have taken a more permanent shape.

Please accept my warmest wishes for you and your family during this holiday season and throughout the new year, and thank you once again for sending along your suggestions.

Sincerely,

A handwritten signature in dark ink, appearing to read "John Sununu", with a stylized flourish at the end.

Governor John H. Sununu

Mr. Thomas M. Bloch
4000 Water Street
Wheeling, W. VA. 26003

347-0012

08 DEC 1988

**FOUR THOUSAND WATER STREET
WHEELING, W. VA.**

26003

THOMAS M. BLOCH

6 December 1988

Dear Governor Sununu,

Congratulations on your appointment as Chief of Staff for President Bush.

The three following paragraphs from Gary North's REMNANT REVIEW, I believe, make a lot of sense:

"Congress will pressure Bush to propose the federal budget for 1990. If he were smart, he would go on national television and announce a return to Constitutional principles. 'From now on, the House of Representatives must initiate all spending measures. This is exactly what the Constitution says.' Then Bush could sit back and play "defender of the oppressed taxpayer" by vetoing the House-proposed budget. All he needs to be willing to do is allow the government to stop writing checks for a month. It would precipitate an economic and political crisis, and Bush would win it. This would vastly elevate his political power but all in the name of transferring legal authority for spending back to the House. It would paralyze the Democrats. The House has been running away from this Constitutional responsibility since 1974."

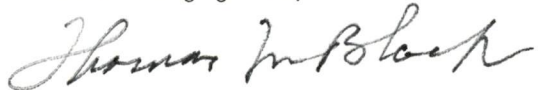
What could the House do? Override his veto? In doing so, it would pick up all the blame for tax increases; you know the House wouldn't cut spending. These increases would produce a recession. House Democrats would go into the 1990 elections as the recession-creators. So, the House would probably not override his veto. The Democrats would have to produce a budget that he is willing to sign.

I don't think Bush has the stomach for this sort of Constitutional confrontation, but if he were to risk it, I think he could stick Congress with much of the legal blame for the deficit."

A few days ago I read in the WALL STREET JOURNAL that "President-elect Bush, bowing to Democrats who insist he has a duty to take the lead on budget matters, signaled that he intends to submit a new budget of his own to Congress". This would give Jim Wright the opportunity to announce it to be dead on arrival as has been done with the budgets submitted by President Reagan.

If you agree with me, I hope you will try to convince President Bush to follow this course.

Sincerely yours,

A handwritten signature in cursive script, reading "Thomas M. Bloch". The signature is fluid and written in dark ink.

Thomas M. Bloch

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

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

Dear Mr. Crane:

Thank you for forwarding an advance copy of An American Vision: Policies for the '90s. I hope I will get a chance to review it over the Christmas holidays. It appears to contain some insightful and imaginative ideas regarding the problems the Bush administration will face as we enter a new decade.

As you can imagine, the transition is keeping my schedule very full. I do not think I will be able to commit to anything before the inaugural.

I will have my office contact you if it becomes possible to arrange a meeting.

Again, thank you for the manuscript. I look forward to looking through it.

Sincerely,



Governor John H. Sununu

Mr. Edward H. Crane
Cato Institute
224 Second Street, S.E.
Washington, D.C. 20003

Ask Pinkerton
for guidance -
Prob not
Gul

350-0001

14 DEC RECD

December 12, 1988

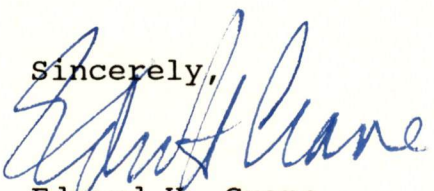
EDWARD H. CRANE
President

Governor John H. Sununu
Presidential Transition Office
1825 Connecticut Avenue, NW
Washington, DC 20009

Dear Governor Sununu:

Congratulations on your appointment as Chief of Staff for the Bush administration. From what I have gathered about your political record, it is one of commitment to principles and a healthy respect for limited government. I wish you the best in your endeavors and want you to know that the Cato Institute stands ready to provide policy suggestions and guidance on the entire spectrum of issues your administration will be confronting.

In that regard, I've enclosed a copy of the bound galleys of our new book, An American Vision: Policies for the '90s, which is published in the hope of providing a classical liberal, Jeffersonian blueprint for the new administration. I'm writing to see if it would be possible to arrange a brief meeting with you to make a formal presentation of the hardbound book any time between January 9 and the inauguration. I look forward to hearing from you.

Sincerely,

Edward H. Crane

Enclosure
cc: Jim Pinkerton
EHC:jma

Innovative policies for the 1990s

As we leave the Reagan era and approach a new decade and a new millennium, Americans seem to be searching for a vision for our nation's future. Despite much commentary in the media on voters' demands for a new vision, our would-be political leaders offered little semblance of one during the 1988 presidential campaign season — Bob Dole seemed to think a vision for America meant "quoting Jack Kennedy," and Michael Dukakis tried to rally the American people with a technocratic vision of competence.

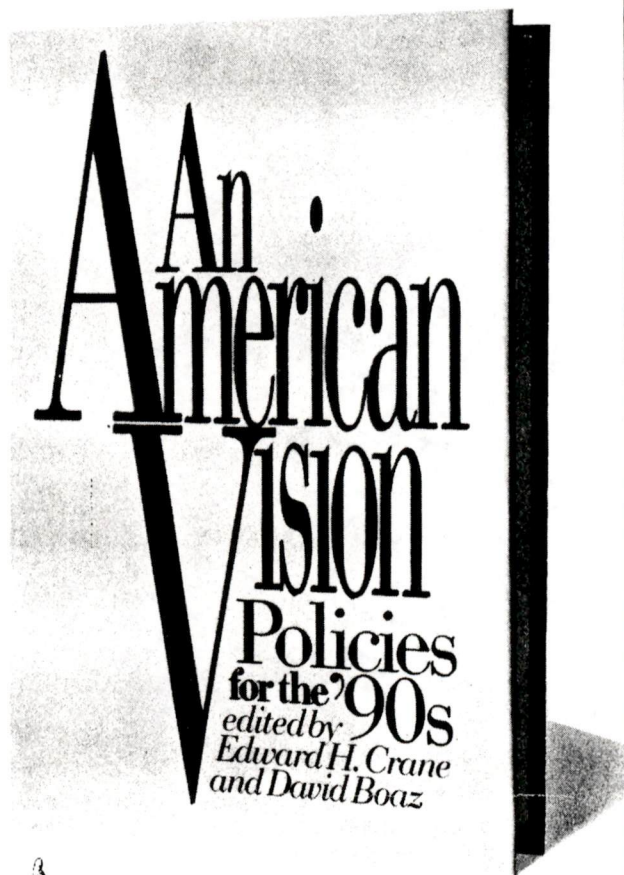
Unlike most other countries, however, the United States was founded on a vision of inalienable rights to life, liberty, and the pursuit of happiness, of liberty and justice for all. Since then Americans have sought to reaffirm and extend that vision.

But today's politicians have forgotten the Founders' vision of individual liberty and limited government, and our stagnating political system offers few opportunities for fundamental change. Too often, even the "new ideas" proposed in Washington involve only marginal reforms. Policymakers and analysts alike concentrate on promoting compromise measures that would fine-tune existing programs but fail to challenge the status quo in any meaningful way. Policy myopia is pervasive.

In *An American Vision* 21 noted policymakers, scholars, and policy analysts outline a series of proposals that, taken as a whole, constitute a sweeping agenda for the United States based on the vision of the Founders and designed to enhance liberty and justice into the 21st century.

The contributors to this volume stand back from the day-to-day tinkering of Washington policy analysts to address the systemic defects that are at the root of many public policy problems. Their proposals emphasize the efficacy of individual rights, market processes, and the private sector in achieving lasting, significant reforms.

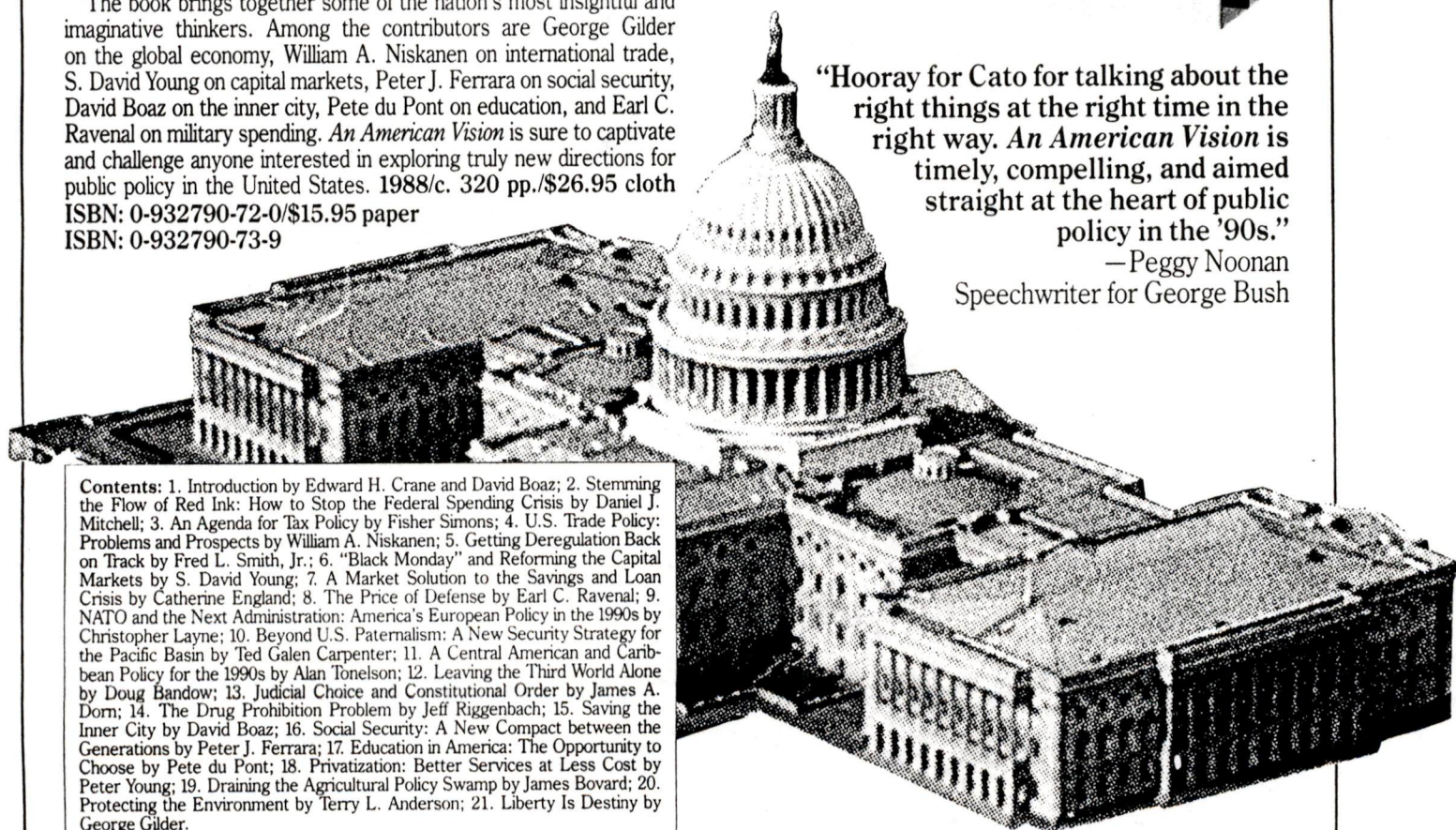
The book brings together some of the nation's most insightful and imaginative thinkers. Among the contributors are George Gilder on the global economy, William A. Niskanen on international trade, S. David Young on capital markets, Peter J. Ferrara on social security, David Boaz on the inner city, Pete du Pont on education, and Earl C. Ravenal on military spending. *An American Vision* is sure to captivate and challenge anyone interested in exploring truly new directions for public policy in the United States. 1988/c. 320 pp./\$26.95 cloth ISBN: 0-932790-72-0/\$15.95 paper ISBN: 0-932790-73-9



"Hooray for Cato for talking about the right things at the right time in the right way. *An American Vision* is timely, compelling, and aimed straight at the heart of public policy in the '90s."

—Peggy Noonan
Speechwriter for George Bush

Contents: 1. Introduction by Edward H. Crane and David Boaz; 2. Stemming the Flow of Red Ink: How to Stop the Federal Spending Crisis by Daniel J. Mitchell; 3. An Agenda for Tax Policy by Fisher Simons; 4. U.S. Trade Policy: Problems and Prospects by William A. Niskanen; 5. Getting Deregulation Back on Track by Fred L. Smith, Jr.; 6. "Black Monday" and Reforming the Capital Markets by S. David Young; 7. A Market Solution to the Savings and Loan Crisis by Catherine England; 8. The Price of Defense by Earl C. Ravenal; 9. NATO and the Next Administration: America's European Policy in the 1990s by Christopher Layne; 10. Beyond U.S. Paternalism: A New Security Strategy for the Pacific Basin by Ted Galen Carpenter; 11. A Central American and Caribbean Policy for the 1990s by Alan Tonelson; 12. Leaving the Third World Alone by Doug Bandow; 13. Judicial Choice and Constitutional Order by James A. Dorn; 14. The Drug Prohibition Problem by Jeff Riggenbach; 15. Saving the Inner City by David Boaz; 16. Social Security: A New Compact between the Generations by Peter J. Ferrara; 17. Education in America: The Opportunity to Choose by Pete du Pont; 18. Privatization: Better Services at Less Cost by Peter Young; 19. Draining the Agricultural Policy Swamp by James Bovard; 20. Protecting the Environment by Terry L. Anderson; 21. Liberty Is Destiny by George Gilder.



OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

Dear Mr. Cook,

Thank you for your letter concerning the Oliver North situation. I will pass your concerns and comments on to the appropriate people when the new administration takes a more permanent shape.

I appreciate the fact that you have taken the time to weigh in on this matter, and I will do what I can to make your opinion known to those more directly involved in this particular matter than am I. I would also like to extend my best wishes to you and your family during this holiday season and throughout the new year.

Sincerely,



Governor John H. Sununu

Mr. Peter C. Cook
618 Kenmoor Ave. S.E.
Grand Rapids, Michigan 49501

PETER C. COOK
618 KENMOOR AVENUE, S.E. (49506) POST OFFICE BOX 2008
GRAND RAPIDS, MICHIGAN 49501 616 949-7570

12 DEC 1988

348-0005

December 9, 1988

Governor Sununu
1825 Connecticut, N.W.
Washington, D. C. 20270

Dear Governor:

I feel compelled to write this letter to someone who is close enough to the Reagan administration and also an important member of the Bush administration. (Because you don't know me and I do know of you and have heard you speak several times, I am enclosing on a separate sheet of paper what I would call my credentials which will indicate my interest in the Republican Party, especially the conservative wing.)

I am concerned about the Oliver North situation, and I will not cover all the pros and cons which you already know perhaps better than I. I feel very strongly that close friends of the President should point out what I feel is the strong necessity to pardon Oliver North prior to the Inauguration.

I think one important factor has not been brought out to either Ronald Reagan or Nancy, and that is that the prosecutor has sufficient high secret documents in his possession which might make it possible for him to subpoena Ronald Reagan at some point in the trial. I don't believe this is something that Ronald or Nancy or George or Barbara would want.

I would appreciate your relaying this message of concern to the four people involved.

Yours sincerely,

Peter C. Cook

PETER C. COOK
618 KENMOOR AVENUE, S.E. (49506) POST OFFICE BOX 2008
GRAND RAPIDS, MICHIGAN 49501 616 949-7570

Team 100

RCLC Executive Board

Senatorial Trust - Inner Circle

GOPAC

Eagles

American Conservation Union

Accuracy in the Media-Academia

Heritage Foundation

National Security Center

Young Americans for Freedom

Council for National Policy - CNP

Conservative Victory Committee

National Conservative PAC

International Policy Forum (Board of Governors)

Washington Legal Foundation

Lincoln Institute (Jay Parker)

National Journalism Center

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

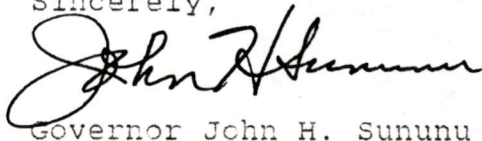
Dear Mrs. Squires:

Many thanks for your kind letter of November 18. I apologize for the delay in responding, but as you can well imagine things have been very hectic here these past few weeks. I appreciate your warm words of congratulations, and hope to prove worthy of the trust that the President-elect has conferred upon me.

Thanks, also, for sharing your views on the Middle East. As you are well aware, the situation in that region is complex and difficult. But, the United States is committed to help bring about real and lasting peace through negotiations.

Best wishes to you and your family this holiday season and throughout the new year.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Sununu", written in a cursive style.

Governor John H. Sununu

Mrs. Bonnie Squires
11 Arthur's Round Table
Wynnewood, PA 19096

11 Arthur's Round Table
Wynnewood, Pennsylvania 19096
(215)649-0998 home
(215)787-6445 office
November 18, 1988

08 DEC REC'D

347-0060

Governor John Sununu
c/o The White House
Washington, D.C.

Dear Governor Sununu:

Congratulations on having been named Chief of Staff for President-Elect Bush. We hope that you will have a fruitful and productive career in Washington.

You were well noted when you participated in the Governors' Conference in Philadelphia during the Bicentennial of the Constitution, the summer of 1987. We were very impressed with your preparation for the debate topic, for your ability to listen to the other governors (including Governor Dukakis), and your ability to synthesize new information and use it instantly.

We hope those gifts come into play, especially in dealing with the problems of the Middle East. Although we find it difficult to understand why you are the sole exception to have denounced the infamous Zionism-is-racism United Nations resolution, yet we have to respect your intellect and assume there is some problem which the other 49 governors somehow overlooked.

We urge you simply to be fair, to consider all human rights in the matter, but to preserve Israel's right to survive, to flourish. Certainly, the observations of the 50th anniversary of Kristallnacht were not lost on you or your staff.

Again, we wish you success with your new post, and we look forward to a signal from you that you have received this letter.

Yours truly,

Mrs. Bonnie Squires and family

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

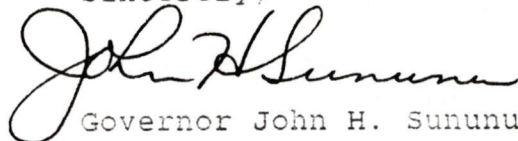
December 20, 1988

Dear Dr. Healy:

Many thanks for your kind letter of December 1. We are very grateful for your service to George Bush during the campaign. We would not have gotten this far without your valuable help as well as that of Drs. Barbara Rockett and Tenley Albright. The issues you discussed on the campaign trail are very important, and I hope that we can continue to tap into your expertise as we go about shaping health care policies for the Bush administration.

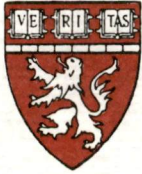
Once again, thanks for writing. Best wishes to you and your family this holiday season.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Sununu", written in a cursive style.

Governor John H. Sununu

Dr. Gerald B. Healy
300 Longwood Avenue
Boston, MA 02115



Professor of Otology and Laryngology
Harvard Medical School

GERALD B. HEALY, M.D.
300 Longwood Avenue
Boston, Massachusetts 02115
(617) 735-6417



Otolaryngologist-in-Chief
The Children's Hospital

December 1, 1988

Gov. John Sununu
Office of the Vice President
The White House
Washington, DC 20500

Dear Gov. Sununu:

As you know, many of the physicians in this country actively supported the candidacy of Vice President Bush during the recent campaign. Several of us, including Drs. Barbara Rockett, Tenley Albright and myself, tried to carry the Vice President's message regarding health care to every corner of this country. We acted as surrogate speakers for him and addressed many forums which included physicians, nurses, health care administrators, and local citizen groups who were deeply concerned over health issues. There is no question that we have the finest health care system in the world, but there is also no doubt that we have some significant problems which must be addressed.

The main theme of our message involved four major areas. First, catastrophic health insurance coverage with particular reference to the elderly was of great interest to our audiences. In addition, the issue of AIDS research and drug control attracted many questions, and are obviously of major importance to every citizen. Lastly, the Vice President's ideas surrounding Tort Reform should go a long way in reducing health care costs.

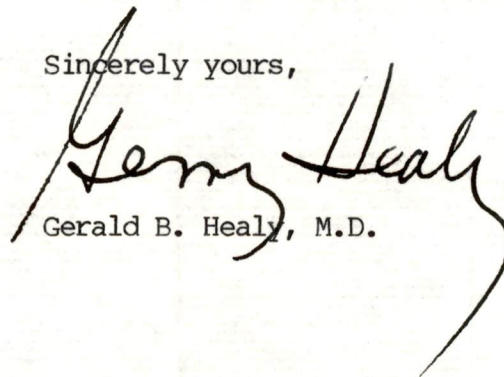
It is vital that we move forward on all of these issues, so that we shall not disappoint those who listened carefully to our message and who worked so hard for the Vice President's candidacy. As an example I have enclosed a note that I received recently from the Henry Ford Health Care Corporation which indicates that many will be watching for leadership in the months to come.

I know that Tenley, Barbara and myself stand ready to assist you in any way that we can. There is much work to be done, and I think those of us who are working on a day-to-day basis in hospitals, both from a clinical care and administrative standpoint, can be of some value in shaping health care policy for the future. Please do not hesitate to call on us should the opportunity arise.

Gov. John Sununu
RE: Medical issues
December 1, 1988
page two

Best wishes and congratulations on your new appointment.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Gerry Healy". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Gerald B. Healy, M.D.

GBH/ljv

Henry Ford Health Care Corporation

2799 West Grand Boulevard
Detroit, Michigan 48202
(313) 876-1451

Vinod K. Sahney, Ph.D.
Vice President
Corporate Planning and Marketing

November 21, 1988

Gerald B. Healey, M.D.
2 Loring Lane
Wayland, MA, 01778

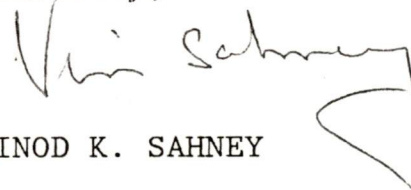
Dear Dr. Healey:

Thank you very much for coming to Detroit and speaking on behalf of the Bush Campaign. The program was a great success. Many of the people who attended the debate stopped me during the following weeks and commented on your presentation.

I know that you worked hard on behalf of the Bush Campaign. Now that he has been elected, you will have a great deal to say on his health agenda. We are all looking forward to seeing some leadership in the health arena. As you start formulating strategies, do not hesitate to call on us for any assistance we may be able to provide.

With best wishes.

Sincerely,

A handwritten signature in dark ink, appearing to read "Vin Sahney", with a large, stylized loop at the end.

VINOD K. SAHNEY

VS:1

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

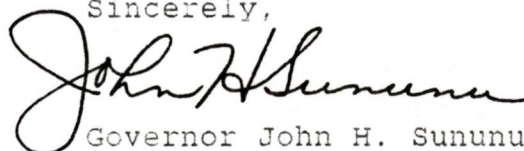
Dear Glen:

Many thanks for your kind letter of December 7. It was good to hear from you. I appreciate your warm words of congratulations, and hope to prove worthy of the trust that the President-elect has conferred upon me.

Thanks, also, for your generous offer of help on congressional relations and the provision of low-cost, high-quality social services. Your achievements in both of these areas are impressive, and I'll contact you should an occasion arise in which we can use your expertise.

Keep up the good work and please do keep in touch. Best wishes to you and your family this holiday season and throughout the coming year.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Sununu". The signature is fluid and cursive, with the first name "John" being the most prominent.

Governor John H. Sununu

Mr. G. Glen Comuntzis
6730 SW Peach Lane
Beaverton, OR 97005

December 7, 1988

12 DEC 1988

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

348-0004

Dear John,

George Bush never ceases to amaze me. Your appointment as Chief of Staff is the best choice he could have made! On New Year's Eve, 1983, we lifted our glasses and toasted the new Governorship of John Sununu of New Hampshire. This year, we'll toast your leadership in our nation's highest office.

Good for you, Governor. America is not only in able hands, but decent ones as well. This American will sleep better at night knowing that you are at the helm.

One of the toughest battles you will have will be with the Congress and the Democratic Leadership. You will not recall this, but upon completion of graduate school at WVU, Senator Byrd of West Virginia brought me to Washington, D.C. to work in the Senate. Six months later, I went to work for the national GOP in the U.S. House for John Rhodes, Bob Michel, and Guy VanderJagt. One of my congressional candidates from Indiana was Danny Quayle! It is indeed a small world. If you are in need of help with the leadership in the Congress, John, please let me know. Max Friedersdorf will attest to my work and efforts on behalf of President Ford when Max was the White House Government/Legislative Affairs Director.

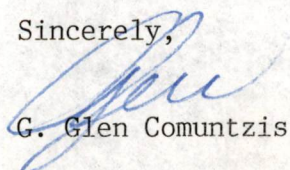
If you are in need of my help and would want more information pertinent to my legislative/congressional education and experience, please let me know as soon as possible. I have spent a lifetime of working in the private sector stopping only long enough to serve the request of my Governor, my President or my Member of Congress. But, I have always returned to the private sector where I think we can make contributions that government cannot. In my current work, I have set up a national endowment for handicapped children for this region's largest childrens' agency where we care for multiply-handicapped and harmed kids! We also provide adoption and foster care. But, I have built the program this year that will be perpetually self-supporting for the kids to come. It's my way of saying thanks to the MD's who saved my life back in 1951, and got me out of the wheelchair!

As you can tell, I do understand public service and the reasons for serving it. As one in the social service agency business in the private side, I can also demonstrate how the federal budget can be reduced by taking a chapter out of our own programs that were recently cited by HUD for our dynamic efforts that work. We are also less costly without the loss of high quality care! You may want to consider this given the need to reduce the federal deficit while providing quality care.

Well sir, this American is very pleased that you have been recognized for your abilities. Perhaps you can reprogram the federal government's computers and drive the Congress to the concession table to reach the debt reductions!

Good luck, John. Let me know how I can help you to make America better.

Sincerely,


G. Glen Comuntzis

6730 SW Peach Ln.
Beaverton, OR 97005

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

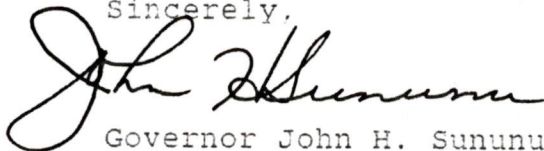
Dear State Senator Geo-Karis:

Many thanks for your kind letter of December 11. It was good to hear from you. I appreciate your warm words of congratulations, and hope to prove worthy of the trust that the President-elect has conferred upon me.

Thanks also for your work during the campaign as chair of the Illinois Greeks for Bush Committee. Without the valuable help of people like you out in the trenches we would never have gotten this far.

I look forward to meeting you during the inauguration. Best wishes to you and your family this holiday season and throughout the coming year.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Sununu", written in a cursive style.

Governor John H. Sununu

The Honorable Adeline Geo-Karis
State Senator & Mayor of Zion
309 F State Capitol
Springfield, IL 62706

348-0075

13 DEC REC'D



STATE OF ILLINOIS
SENATE
ADELINE J. GEO-KARIS
CAUCUS CHAIRMAN, MINORITY PARTY

309F STATE CAPITOL
SPRINGFIELD, ILLINOIS 62706
(217) 782-7353

December 11, 1988

P. O. BOX 33
2610 SHERIDAN ROAD
ZION, ILLINOIS 60099
(312) 872-7500
(312) 623-8811

Governor John Sununu
c/o Old Executive Office Building
17th and Pennsylvania Avenue, Northwest
Room 274
Washington, D. C. 20501

Dear Governor Sununu:

I was happy that you were appointed by President-Elect George Bush to be his Chief of Staff. I thought you did an excellent job for him in the campaign, and I liked your common sense and loyalty to George Bush. I think George Bush will make an outstanding President, and I was happy to chair the Illinois Greeks for Bush Committee.

I hope to be at the Inauguration, and I hope I have the opportunity to meet you. You are my kind of Republican!

Enclosed you will find a copy of a letter I sent to President-Elect Bush, in which I refer to you.

Kindest personal regards and best wishes to you and yours for continued good health, happiness and success

Sincerely,

A handwritten signature in blue ink that reads "Adeline Geo-Karis".

ADELINE J. GEO-KARIS
State Senator and Mayor of Zion

AJG-K/cm
enclosure

(copy also to Governor Sununu, c/o State
Capitol Building, Concord, New Hampshire 03301)



STATE OF ILLINOIS
SENATE
ADELINE J. GEO-KARIS
CAUCUS CHAIRMAN, MINORITY PARTY

309F STATE CAPITOL
SPRINGFIELD, ILLINOIS 62706
(217) 782-7353

December 11, 1988

P. O. BOX 33
2610 SHERIDAN ROAD
ZION, ILLINOIS 60099
(312) 872-7500
(312) 623-8811

President-Elect George Bush
Old Executive Office Building
17th and Pennsylvania Avenue, Northwest
Room 274
Washington, D. C. 20501

Dear President-Elect Bush:

Thank you for your letter of November 4, 1988, which arrived December 2, 1988. It is always great hearing from you.

I was very happy at your victory, and as I told you in my telegram of November 9, 1988, you worked for it, you earned it, and you deserve it. I was proud to be one of your American Greek supporters. As I have told many people about you, you are not only a delegator, but you are a doer, and you will be a most active President.

During the campaign, Sam Badger, who was District Superintendent of Commonwealth Edison's Northern Division Headquarters, had taken some pictures of your arrival at the rally of March 12, 1988, in Libertyville, and he put them together in the enclosed booklet. I promised Sam that I would send the enclosed booklet to you, as you might like to have it for part of your memorabilia. Sam Badger's address is c/o Commonwealth Edison, First National Bank of Chicago, One First National Plaza, Chicago, IL 60606.

On another note, I was very pleased to hear that Governor Sununu was appointed as your Chief of Staff. I think he is a well-balanced, intelligent individual with great common sense, and I remember how he would speak for you so well on television. He impresses me as being a very loyal person to you, and I hope some day that I may have the pleasure of meeting him.

My niece and I are planning to attend your Inauguration with the Illinois Delegation, and we will be at the Westin Hotel in Washington.



STATE OF ILLINOIS
SENATE
ADELINE J. GEO-KARIS
CAUCUS CHAIRMAN, MINORITY PARTY

309F STATE CAPITOL
SPRINGFIELD, ILLINOIS 62706
(217) 782-7353

P. O. BOX 33
2610 SHERIDAN ROAD
ZION, ILLINOIS 60099
(312) 872-7500
(312) 623-8811

President-Elect George Bush
December 11, 1988
Page 2

I might add, that Maureen Reagan was for you all the way, going back to the Women's Conference in San Diego, in November of 1987, which I attended. She, too, is a terrific person.

You did an excellent job at the Stevenson Rally in Libertyville on November 2, 1988, and it was good to see you again. I feel that you and Barbara and family represent the best of our America, and I know that you will do a terrific job for our Country.

May God grant you, Barbara and family continued good health, happiness and success, and may you all have very pleasant Holidays. I hope to see you next month.

Sincerely,

A handwritten signature in cursive script that reads "Adeline Geo-Karis".

ADELINE J. GEO-KARIS
State Senator and Mayor of Zion

attachment
AJG-K/cm

certified mail, return receipt requested
No. P-580 649 880

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

Dear Mr. Rucker:

Many thanks for your kind note of December 15. It was good to hear from you. I appreciate your warm words of congratulations, and hope to prove worthy of the trust that the President-elect has conferred upon me. Thanks also for your generous offer of help.

I am sorry that we couldn't meet when you were up here last week. As you can well imagine, things have been very hectic these past few weeks. Please do keep in touch, though.

Best wishes to you and your family this holiday season.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Sununu", written in a cursive style.

Governor John H. Sununu

Mr. Jerry Rucker
Councilmember
Dallas City Council
City Hall
Dallas, Texas 75201

12/15/88
2:10pm
Gov/WATCS SURVV
Congratulations!

I haven't seen you since the campaign - I was over in TRANSITION with S. Oberwetter and dropped in to renew the friendship. You were predictably busy.

I hope to help out - I will keep you advised - Until we meet again!

Jerry Rucker



Jerry Rucker
Councilmember

CITY OF DALLAS
Office of the Mayor and Council
City Hall
Dallas, Texas 75201

Telephone 214/670-4689

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

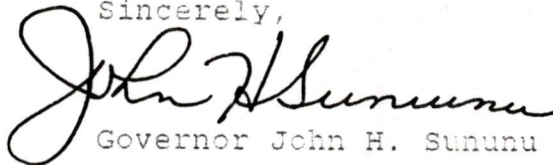
December 20, 1988

Dear Ken:

Many thanks for your recent kind letter. It was good to hear from you. I appreciate your warm words of congratulations, and hope to prove worthy of the trust that the President-elect has conferred upon me. Thanks also for passing along the wise words of advice.

Best wishes to you and your family this holiday season.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Sununu", written in a cursive style. The signature is positioned above the printed name of the Governor.

Governor John H. Sununu

Mr. Ken Mansfield
2501 M Street, NW
Washington, D.C. 20037

350-0002
↓ 4 DEC 1967
JOHN KENNETH MANSFIELD
~~1009~~ THOMAS JEFFERSON STREET, N. W.
WASHINGTON, D. C. ~~20007~~ 20037
2501 M STREET, N. W.

Dear Governor John:

Good for you — good for the President — elect —
and good for the nation. You will do a superb job in the White House.

Probably you are getting lots of unsolicited advice, most of
it dealing with issues of vast import, about what you should do
and not do in your new post.

Please forgive me if I now add to this uninvited counsel
by sharing with you what turned out to be by far the wisest
advice given to me after reporting for duty in my first administrative
job with Uncle Sam. It was proffered by the splendid lady
who was our administrative officer.

She said to me: "I can't guarantee you success in your job
if you follow this rule, but I can guarantee you failure if you don't."

"Never get involved in the assignment of parking stickers."

I continue to see a good deal of our mutual friends
Leo Wright and Frank Cotter.

All good fortune,
Ken M.

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

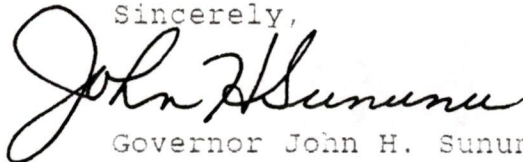
December 20, 1988

Dear Mr. Minister Delegate:

Many thanks for your recent kind note. It was good to hear from you, especially given my strong interest in French culture. I appreciate your warm words of congratulations, and hope to prove worthy of the trust that the President-elect has conferred upon me.

Once again, thanks for writing. Best wishes to you and your family as well as the people of France this holiday season.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Sununu". The signature is fluid and cursive, with the first name "John" being more prominent and the last name "Sununu" written in a continuous script.

Governor John H. Sununu

The Honorable M. Alain Decaux
Minister Delegate to the
Minister of Foreign Affairs
Responsible for Francophony
#7 Rue de Talleyrand
Paris, France 75007

350-0012

14 DEC REC'D

*Ambassade de France
aux Etats-Unis*

L' Ambassadeur

*get translate
+ do a response*

Washington, December 1st, 1988

Dear Governor Sununu:

Please find herewith a text of a message from
M. Alain Decaux, Minister delegate responsible for
Francophony to the Minister of State, Minister of Foreign
Affairs, that I was asked to forward to you.

With my best regards, I am,

Yours sincerely,

Emmanuel de Margerie

Emmanuel de Margerie

The Honorable
John Sununu
Governor of New Hampshire
President Elect Office
733, 15th Street N.W.
Washington D.C. 20005

"Monsieur le Secrétaire Général,

J'apprends avec un réel plaisir que le Président des Etats-Unis d'Amérique a décidé de vous confier la responsabilité du Secrétariat Général de la Maison Blanche.

Je me réjouis d'autant plus que je sais, pour m'être rendu très récemment dans votre état du New Hampshire, l'intérêt que vous prenez personnellement au fait francophone.

Je vous prie de recevoir mes plus vives félicitations et je forme à votre endroit des vœux sincères de réussite et de bonheur.

Veillez agréer, Monsieur le Secrétaire Général, l'assurance de ma haute considération."

(signé): Alain Decaux

I have learned with pleasure that the President-elect of the U.S.A. has decided to name you White House Chief of Staff.

I rejoice in the knowledge that as Governor of New Hampshire you have had a strong interest in French culture.

Please accept my heartiest congratulations. I am sure that your hard work will lead to many good things for the United States.

Rest assured, Mr. Chief of Staff that I hold you in high regard.

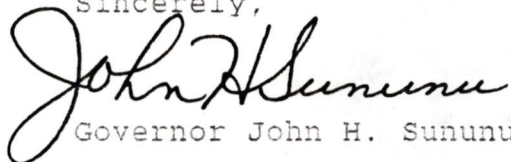
December 20, 1988

Dear Mr. Sullivan:

Many thanks for your kind note of November 15. I apologize for the delay in responding, but as you can well imagine things have been very hectic here these past few weeks. I appreciate your generous remarks, and hope to prove worthy of the trust that the President-elect has conferred upon me.

Best wishes to you and your family this holiday season and throughout the coming year.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Sununu". The signature is fluid and cursive, with the first name "John" being the most prominent.

Governor John H. Sununu

Mr. Edward T. Sullivan
34 Tacoma Street
Springfield, MA 01104



memo
memo
memo

The Commonwealth of Massachusetts

DEPARTMENT OF EDUCATION

from:

Tel. (413) 734-6374

348-0089

Ed Sullivan

15th November, 1988.

Dear Governor Sununu-

By the time you receive this note and letter, you might well be appointed Chief Of Staff to President Elect Bush.

After reading the Boston Herald page one story this morning, I thought I would send a letter to George Bush. A letter coming from me may not carry much weight but my thoughts and feelings about you regarding your public service in New Hampshire are sincere.

I hope you get the Chief Of Staff position, and my future notes and letters will be addressed to the White House. Best wishes and my kindest regards to you and your family.

Ed
24



The Commonwealth of Massachusetts
DEPARTMENT OF EDUCATION

EDWARD T. SULLIVAN
EDUCATION SPECIALIST III

OFFICE (413) 734-6374

RES. (413) 736-0995



The Commonwealth of Massachusetts

Department of Education

MGDA Area #4, Belchertown State School

Belchertown, Mass. 01007

EDWARD T. SULLIVAN

SPRINGFIELD TEL.
(413) 734-6374

*Res. 34 Tacoma Street, Springfield, MA. 01104

BELCHERTOWN TEL.
(413) 323-6306

15th November, 1988.

The Honorable George W. Bush
Vice President Of The United States
Nations Capitol,
Washington, D.C.

13 DEC REC'D

Dear Vice President Bush-

As a reader of several daily newspapers here in the New England area, I have been more than impressed with the managerial and administrative capabilities of one John H. Sununu, Governor of New Hampshire.

There is no question that he has a fine analytical mind has the ability to confront complex problems head on, define them and come up with results oriented solutions. From everything I have been able to find out about him, it is clear that he also possesses that wonderful extra dimension of imagination. When you combine creativity with vast administrative experience you have one hell of a dynamic and resourceful individual.

I have watched Governor Sununu on several national television talk shows including the Pat Buchanan's, Crossfire program, and what impressed me the most about John Sununu's performance, was his ability to answer the question asked in a thoughtful, deliberate and concise manner. He is great under pressure and his proficiency in both oral and written communication are attributes I'm sure you desire in top people who will be representing you in all kinds of situations.

Everyone I have talked with, people even more familiar with the accomplishments of Governor Sununu say that he would be an outstanding chief of staff, and I concur with their perception, observation and recommendation.

Sir, it was indeed a great victory, and I wish you and your beautiful family the best in what I predict will be a great Presidency. I stand ready to help you and your administration in any way I possibly can.

Sincerely,

Edward T. Sullivan
Education Specialist III

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

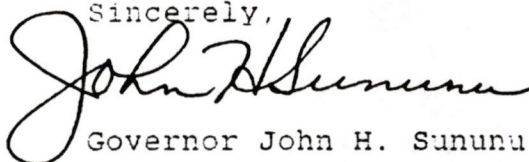
Dear Mr. Von der Goltz:

Many thanks for your letter of November 28. I appreciate your generous words about my service to the people of New Hampshire and George Bush.

Thanks, also, for bringing to our attention the important problems of the debt crisis, and deforestation. Your proposals on rainforest conservation and Third World debt are thoughtful and provocative. I will pass your ideas along to our staff at the Office of Policy Development for their review.

Best wishes to you and your family this holiday season.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Sununu", written in a cursive style.

Governor John H. Sununu

Mr. H.J. von der Goltz
Boston Capital Ventures
Old City Hall
45 School Street
Boston, Massachusetts 02108

350-0011

14 DEC REC'D

BOSTON CAPITAL VENTURES
OLD CITY HALL
45 SCHOOL STREET
BOSTON, MA 02108
(617) 227-6550
FAX 227-3847

November 28, 1988

Mr. John Sununu
c/o George Bush for President
733 15th Street, N.W.
Suite 800
Washington, D.C. 20005

Dear Mr. Sununu:

As an M.I.T. graduate and almost class mate of yours, I have always admired your leadership of New Hampshire, and the results you achieved. Your efforts and dedication to the election of George Bush as President have now been rewarded in a deserved way.

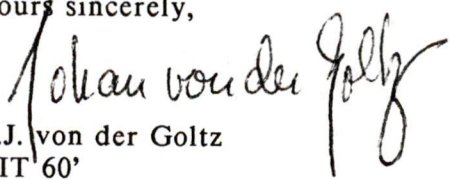
You face a daunting task and I wish you well. Enclosed you will find a letter that I wrote to the President-elect, and I would be curious to hear your thoughts.

It is an innovative approach to solving some of the pressing debt problems, while saving the rapidly disappearing rainforests which we simply must preserve. I am sure that you, as an M.I.T. Course II graduate, will understand the implications of the destruction of rainforests that serve as a filter for much of the pollution emitted by the industrialized world.

As much as I am a staunch conservative like yourself, I believe that if between 1875 and 1975, 18,000 square kilometers of rainforests were destroyed in Brazil, an accelerated rate of 180,000 square kilometers destroyed between 1975 and 1986 becomes unacceptable to anyone who realizes the implications. It simply will be more devastating than an atomic war when those tropical rainforests are gone forever, especially since the rich foliage produces 40% of the world's oxygen.

Your help and support in this issue is absolutely vital.

Yours sincerely,


H.J. von der Goltz
MIT '60'

HJvdG/soc

Enclosures

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

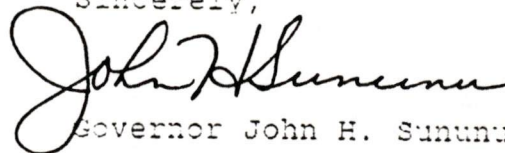
December 20, 1988

Dear Ms. Sneff:

Many thanks for your recent letter and resume. We appreciate your desire to serve the President-elect. I will pass your resume along to our staff at the Office of Presidential Personnel for their review and action. They will contact you when they need more information.

Once again, thanks for writing. Best wishes to you and your family this holiday season.

Sincerely,



Governor John H. Sununu

Ms. Wendy Sneff
5726 Heritage Hill Dr.
Alexandria, VA 22310

5762 Heritage Hill Drive
Alexandria, VA 22310
December 9, 1988

John H. Sununu
Chief of Staff
White House
Washington, DC

Dear Mr. Sununu:

I am interested in working on your staff as a liaison with international organizations and governments and the U.S. government agencies concerned with defense, intelligence, international law, or banking. I am an experienced financial attorney with ten years government service.

Presently, I am a lawyer for the Federal Home Loan Bank Board in Washington, DC. I advise the Federal Savings and Loan Insurance Corporation on actions taken with regards to failing savings and loan associations. I negotiate and document transactions for the acquisition of failing associations by healthier banks and prepare the legal documents for the appointment of a receiver or conservator for the failing associations.

Prior to coming to the Federal Home Loan Bank Board, I worked for the Maritime Administration, U.S. Department of Transportation as a financial attorney. I negotiated and documented transactions involving the issuance of government-guaranteed debt to finance the construction of ships. I also handled transactions involving debt restructuring (changes in payment terms, interest rate, maturities, substitute collateral, etc) and work-outs of troubled companies.

I have a MBA degree in finance from George Washington University and a Masters degree in International Studies from the University of Denver Graduate School of International Studies in addition to my law degree. My curriculum included courses in international banking, international finance, international economics and economics of underdeveloped nations. During law school, I clerked for the U.S. International Trade Commission.

I have enclosed a resume for your perusal. Please contact me at (202) 377-6796 during work hours if you have any questions. I am interested in hearing from you.

Sincerely,
Wendy Sneff
Wendy Sneff

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

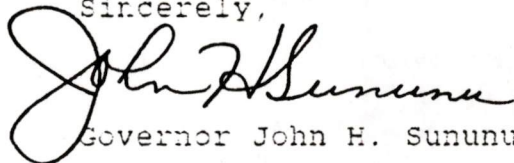
Dear Mr. Stubenrauch:

Many thanks for your letter of December 10. We appreciate your sharing with us your modular home proposal. It is thoughtful and provocative. I'll pass your ideas along to our staff at the Office of Policy Development for their review. They will contact you if they need more information.

Rest assured that George Bush is strongly committed to help young families and low-income families acquire their own homes. He believes that owning a home is an essential part of the American Dream, and means to work hard in order to make that dream a reality for all Americans.

Once again, thanks for writing and sending along your thought-provoking proposal. Best wishes to you and your family this holiday season.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Sununu", with a stylized, flowing script.

Governor John H. Sununu

Mr. Bob Stubenrauch
5314 Highpoint Circle, NW
Canton, Ohio 44718

Bob Stubenrauch

Business: (216) 796-3173
Residence: (216) 494-6192

5314 Highpoint Circle, N.W.
Canton, Ohio 44718

December 10, 1988

12 DEC REC'D

Mr. John Sununu
c/o The Office of the Vice President
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. Sununu:

Because you are the first White House Chief of Staff to have the technical credentials to evaluate it, I enclose a proposal addressed to one of our nation's major problems, low cost housing.

I first put this forward as a diversification idea for the company I work for a few years ago. Since the heavy cutbacks in Federal spending on low cost housing subsidies, the need for modern, low cost, state-of-the-art modular housing is now acute.

I hope the Bush administration will advance a creative program of incentives to spur private industry to address the urgent domestic need we have for low cost housing.

Please call on me at any time if there is any interest in this concept.

Sincerely,

Bob Stubenrauch

Bob Stubenrauch

lrs
encs.

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

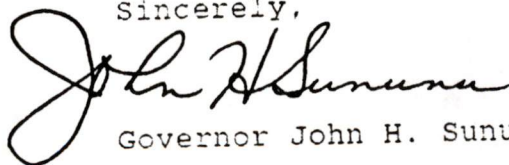
Dear Mr. Olmstead:

Many thanks for your letter of December 9. We appreciate your sharing with us your national energy program proposal. It was thoughtful and provocative. I will pass your ideas along to our staff at the Office of Policy Development for their review. They will contact you if they need more information.

Rest assured that George Bush is strongly committed to maintain and enhance America's energy security. He means to stimulate greater domestic production of energy through continued deregulation and tax incentives. Moreover, he is determined to expand research and development for alternative fuels, including renewable energy resources. The President-elect also plans to encourage conservation, environmental protection and nuclear plant safety.

Once again, thanks for writing and sending along your thought-provoking proposal. Best wishes to you and your family this holiday season.

Sincerely,



Governor John H. Sununu

Mr. John H. Olmstead
7424 East Speedway Ave.
#E-80
Tucson, AZ 85710

JOHN H. OLMSTED
7424 East Speedway Avenue, #E-80
Tucson, AZ 85710
(602) 886-2024

348-0023

12 DEC RECD

December 9, 1988

The Honorable John H. Sununu, Chief of Staff
c/o The Bush-Quayle Transition Team
Executive Office Building
Washington, DC 20501

Dear Governor Sununu:

Please accept my congratulations on your selection as Chief of Staff and my gratitude for your acceptance of the responsibilities. I enclose a report on an omnibus energy program concept for your consideration. I believe it will prove to be one of the most interesting and useful that you receive. I know that you will find it to be one of the most unique.

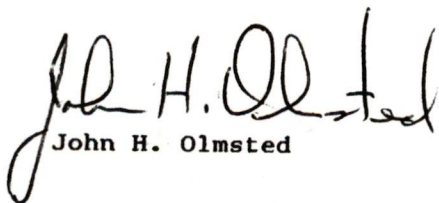
There are two intentional omissions in the report. The most obvious is the myriad of technical and economic detail that are beyond the resources of the author. The other omission is the key to evaluating the report and the proposed concept. It explains the style and content of both. This "key" is the true purpose and value of the program.

The purpose and value (read "hidden agenda") of the National Energy Program is to turn the psychological posture of the general population, and particularly that of the news media and the educational and investment communities, away from its present negativism. The thesis is that the accelerating tendencies toward amorality, instant self-gratification, and guaranteed social/economic welfare are rooted in individual and collective hopelessness about the future. [America became great because it had an overwhelming, inexplicable, unjustifiable, all pervasive sense of hope.] Since this problem is NOT one that can be directly resolved, although it can be directly pandered to (Marxism), a mechanism needs to be devised that can enable its solution.

The National Energy Program is designed to be that mechanism. It is my belief that (if the program is adopted, developed, and promoted with unbounded vigor and commitment), it will start delivering this most important benefit by 1990.

Please honor me by reading my offering. Any comments that you may care to provide will be greatly appreciated. Thank you for your consideration.

Sincerely yours,


John H. Olmsted

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988

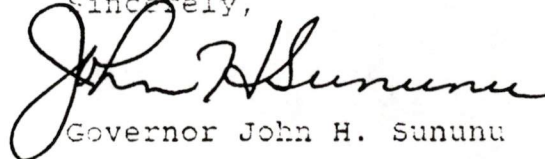
Dear Mr. Shotwell:

Many thanks for your letter of December 12 and the enclosed copy of Mr. Cullen's letter to the President-elect. We appreciate your generous offer of help.

Thanks also for the paper outlining the wood products industry's recommendations to the Bush administration. It gave me a helpful overview of the industry and the most pressing issues confronting it. I will pass your recommendations along to our staff at the Office of Policy Development for their review. They will contact you if they need more information.

Best wishes to you and your family as well as the members of the National Forest Products Association this holiday season.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Sununu", written in a cursive style.

Governor John H. Sununu

Mr. Scott Shotwell
Vice President for
Congressional Relations
National Forest
Products Association
1250 Connecticut Ave., NW
Suite 200
Washington, D.C. 20036

NFPA

348-0029



12 DEC 1988

SCOTT SHOTWELL
VICE PRESIDENT
CONGRESSIONAL RELATIONS

202 463-2740

December 12, 1988

The Honorable John Sununu
Chief of Staff Designate
To the President-Elect
1825 Connecticut Avenue, NW
Washington, DC 20270

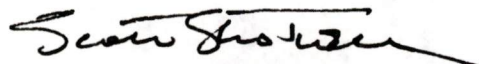
Dear Mr. Sununu:

Enclosed is a letter from our President Barry Cullen, on behalf of our membership to the President-Elect wishing the very best for the new Administration.

If we can be of any assistance to you or to your staff at any time please let us know.

Thank you for your consideration and I hope that we may have a chance to work with you in the years to come.

Sincerely,


Scott Shotwell

SS:db
Enclosure

OFFICE OF THE PRESIDENT-ELECT
WASHINGTON, D.C. 20270

December 20, 1988


Dear President Gray,

Thank you for forwarding me a copy of "Science & Technology and The President," which I will read just as soon as an opportunity arises. Thank you also for taking the time to send your recommendations for the position of Science and Technology Advisor to the President. Your support of these candidates will assure each of them the most serious consideration.

The President-Elect and I thoroughly enjoyed the opportunity to meet with you and your colleagues on December 5th, and we intend to maintain a strong connection with the academic community in the future. Restoring and nurturing excellence in education will be a priority in the Bush Administration, demonstrating that the President-Elect's commitment to be "the education President" is more than just campaign rhetoric.

Thank you once again for taking the time to send me a copy of the Carnegie Commission report, and for your suggestions concerning the President's Advisor on Science and Technology. Please also accept my warmest wishes for you and your family during the holiday season and throughout the new year.

Sincerely,



Governor John H. Sununu

President Paul E. Gray
Massachusetts Institute of Technology
Cambridge, Massachusetts 02139



343-0006

07 DEC 1988

CAMBRIDGE, MASSACHUSETTS 02139

December 6, 1988

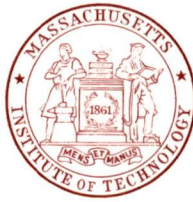
Dear John,

You might think also about my
closest colleague here - John Deutch - the
proudest.

He is both chemical engineer and
chemist, and he has been very active in
a variety of national matters (OSB, DoE, etc.).

While his professional experience has
been entirely in academia, he is an advisor
or director to several technology-based
corporations.

Sincerely,
Paul



OFFICE OF THE PRESIDENT

CAMBRIDGE, MASSACHUSETTS 02139

December 6, 1988

The Honorable John H. Sununu
Suite 1025
1825 Connecticut Avenue, N.W.
Washington, D.C. 20270

Dear John,

During our conversation yesterday, you asked me for suggestions of individuals with engineering backgrounds who might be considered as candidates for the position of Advisor to the President for Science and Technology. I have thought a bit about this question and attach a short list of individuals who, I think, possess both the experience and the qualities of mind one would seek in that position. You will note that each of these individuals has had significant industrial experience, which seems to me to be a useful consideration for this position.

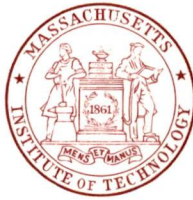
While I suspect that most of these names may have already emerged in your process, it seems useful to make these suggestions in response to your specific request.

With warmest regards and best wishes,

Sincerely yours,

Paul E. Gray

PEG/mmd
Enclosure



OFFICE OF THE PRESIDENT

CAMBRIDGE, MASSACHUSETTS 02139

December 6, 1988

The Honorable John H. Sununu
Suite 1025
1825 Connecticut Avenue, N.W.
Washington, D.C. 20270

Dear John,

It was very nice to see you on Monday, and I appreciate your taking time to meet with that group of university presidents.

During our brief conversation after the meeting, I referred to a report entitled *Science and Technology and the President*, which was released about a month ago by the Carnegie Commission on Science, Technology, and Government. I enclose a copy of that report for your information.

In addition, I would be pleased to assist in arranging a meeting between the cochairs of this commission — Joshua Letterberg and William Golden — and you, and I would be pleased to participate in that discussion if it seems desirable to you.

The report provides an analysis of the needs and opportunities of presidential involvement in issues where science and technology play a role, and it makes suggestions on the organization for science and technology within the Executive Office of the President. In these organizational suggestions, the reports seems to me to be wholly consistent with the intentions expressed by the President-elect in his Ohio speech last October.

I'm very mindful of your observations about educational costs, and I do hope there will be an opportunity sometime in the months ahead to sit with you and talk about these issues. There was probably no single issue during the Reagan Administration that reflected a greater divergence of opinion about education (and a stronger disagreement over facts) than did this one. For the moment, I enclose both an analysis of changes in educational costs, prepared a

The Honorable John H. Sununu
December 6, 1988
Page two

couple of years ago for the American Council on Education, and a brief op-ed piece I prepared in response to some remarks by Secretary Bennett. I hope they will be of some interest to you.

It seems to me that the cost of education (as distinguished from the price) will inevitably rise faster than will broad measures of inflation and will, in fact, reflect increases in professional wages; we are, after all, a labor-intensive activity. Educational costs have risen more rapidly in recent years for a variety of specific and identifiable reasons. In my judgment, the most important of these are:

- The necessity for colleges and universities to assume a growing share of the costs of student aid.
- The impact of essential repairs, renovations, and modest expansions associated with research and educational facilities.
- The necessity of maintaining competitive faculty salaries in an environment where salary stagnation in the 1970s and growing competition in salaries for the ablest people are major forces. This problem will persist and will, in my judgment, worsen in the next decade as the mismatch between demand and supply for faculty, particularly in the research universities, becomes more severe.

I wish you well in the important, new responsibilities you have undertaken, and I stand ready to be of assistance to you in any way that seems appropriate.

With warmest regards and best wishes,

Sincerely yours,



Paul E. Gray

PEG/mmd
Enclosures

TUITION INCREASES SINCE 1970: A PERSPECTIVE

(Arthur Hauptman is a higher education consultant and Terry Hartle is a resident fellow at the American Enterprise Institute. The views expressed in this report are those of the authors and do not necessarily represent the position of the American Council on Education, which commissioned the report.)

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The rapidly increasing cost of attending college has been the subject of much debate and concern in recent years. But the enormous range of prices charged by higher education institutions makes it difficult to generalize about how fast tuitions have increased for all colleges and universities taken together.

Without a straightforward and current indicator of college prices, media accounts and public attention have focused primarily on increases at the most expensive institutions or at schools with the most rapidly rising prices. The attention devoted to tuition increases at a relatively few campuses also highlights year-to-year changes while downplaying or ignoring longer term trends.

This focus on the most expensive institutions does a disservice to families planning for college. Only about 80 institutions now charge more than \$10,000 a year for tuition. The average tuition for all independent institutions in 1986-87 is \$6,150, and over two-fifths of all independent colleges and universities charge less than \$5,000. At public institutions, which enroll about four-fifths of all college students, the average tuition in 1986-87 is \$1,110 (1).

This report examines increases in college tuitions and required fees since 1970--for various types of institutions and for higher education as a whole--as well as some of the most popular explanations for these increases. In addition, we compare the changes in higher education prices with other indices of price and income.

Three trends identified in this report seem the most relevant to concerns about rising college prices:

- o Since 1970, the price of college has increased about one percentage point per year faster than the Consumer Price Index (CPI), and more slowly than disposable personal income per capita (2). In the 1970s, tuitions lagged behind the CPI, but in the 1980s average college tuitions have risen twice as fast as inflation and several percentage points faster than income.
- o Since 1970, college tuitions have increased more slowly than the cost of new houses, medical care, and energy but faster than the price of food and new cars. In addition, tuitions have grown slightly faster than all services taken together. In the 1970s, only the price

of new cars rose more slowly than college tuitions; in the 1980s, college tuitions are rising more quickly than the price of any other good or service examined in this report.

- o In the 1970s, tuitions at independent institutions increased about one percentage point per year faster than at public institutions. Since 1980, however, tuitions at both independent and public campuses have been rising at virtually the same rate.

TRENDS IN COLLEGE TUITIONS SINCE 1970

During the 1970s, college tuitions for all institutions grew at an average annual rate of 6.6 percent, a rate lower than the increase in consumer prices (7.8 percent) and disposable personal income per capita (9.2 percent) (see table 1). In the 1980s, however, college tuitions have grown by 9.8 percent per year, twice the rate of inflation (4.9 percent) and considerably faster than income (6.5 percent). Over the entire 16-year period, tuitions for all types of institutions grew by 7.8 percent per year, about 1 percent faster than the increase in consumer prices (6.7 percent) and slightly slower than the growth in income (8.2 percent).

In the 1970s, tuitions at independent institutions grew faster (7.6 percent per year) than did prices at public institutions (6.1 percent). In the 1980s, however, tuitions have grown at virtually the same rate: 9.8 percent in the public sector and 9.9 percent in the independent sector. Nonetheless, the gap between public and independent-sector prices has continued to widen, since tuitions in the public sector are much lower. Between 1970-71 and 1986-87, independent tuitions increased faster than public tuitions--8.4 percent compared to 7.5 percent.

Increases in college prices are not evenly distributed by type of institution. In the public sector, for example, tuitions have grown faster at four-year colleges than at universities or two-year colleges. In contrast, tuitions at independent universities have grown faster than tuitions at independent four-year or two-year campuses. Tuitions at independent universities grew faster than at public universities in both the 1970s and the 1980s, but at the same time, tuitions at other public four-year institutions grew slightly faster than those at independent four-year institutions.

CUMULATIVE CHANGE IN COLLEGE TUITIONS SINCE 1970

Between 1970-71 and 1986-87, college tuitions for all institutions increased by 232 percent. At independent campuses, tuition rose 265 percent, compared with 216 percent in the public sector (see chart 1). (Hereafter, the cumulative percentage increase appears in parentheses).

Between 1970 and 1986, tuitions for all institutions (232 percent) grew considerably faster than the CPI (182 percent) but more slowly than disposable personal income per capita (253 percent) (2). Tuition at public institutions (216 percent) grew more slowly than income, while tuition at independent institutions (265 percent) grew slightly faster than income. In the 1970s, tuitions at both public and independent institutions (80 percent and 108 percent, respectively) grew more slowly than inflation (112 percent) and income (141 percent).

TUITION INCREASES COMPARED WITH OTHER PRICE INCREASES

It is often argued that tuitions are increasing so rapidly that a college education will soon be unaffordable for the average family. But the average price of college has not necessarily increased more than the price of other goods and services, such as new cars, new houses, food, energy, and medical care (see chart 2) (3).

Between 1970 and 1986, college tuitions (232 percent) have grown more slowly than medical care (259 percent), energy (247 percent) and the price of a new house (293 percent). However, tuitions have increased more rapidly than the price of a new car (109 percent), food (178 percent), and all services (229 percent).

Different patterns emerge when this period is broken into two: the 1970s and the first six years of the 1980s (see charts 3 and 4). In the 1970s, college tuitions rose more slowly than did prices for other goods and services except new cars; tuitions rose more slowly than the CPI by more than a percentage point per year. However, in the 1980s, college tuitions increased faster (about 10 percent a year) than the price of any other good or service examined in this report.

WHY ARE COLLEGE TUITIONS RISING?

Why have college tuitions increased faster than the price of other goods and services in the 1980s, when tuitions rose much more slowly during the 1970s? The simple answer is that nobody knows. The analytic work necessary to answer the question has not been done. There are, however, several general hypotheses that seem reasonable and for which some data are available.

One theory is that higher education prices have increased to help pay higher faculty salaries, especially after the 1970s when salaries lagged behind inflation. In the 1970s, faculty salaries grew by 73 percent, far more slowly than the 112 percent increase in the CPI. In the 1980s, on the other hand, faculty salaries have increased about 40 percent, more than the 33 percent increase in the CPI. The recent growth in faculty salaries, however, has still been lower than that for all professional and technical workers. According to the Bureau of Labor Statistics, the earnings of all professional and technical personnel increased by 88 percent in the 1970s and by about 45 percent between 1980 and 1986.

Faculty salaries are, of course, only one of the many goods and services that higher education institutions must purchase. The Higher Education Price Index (HEPI) attempts to measure changes in what colleges and universities pay for salaries and fringe benefits, books and periodicals, equipment, and supplies. The largest element in HEPI--about 55 percent of the total index--is salaries paid to faculty and other professional staff. In the 1980s, this index increased by over 50 percent, substantially faster than the CPI (33 percent). These costs eventually are reflected in the tuitions that institutions charge. In the late 1970s, however, HEPI grew much more slowly than the CPI.

Many colleges have also increased tuitions to help cover the cost of institutionally-funded student aid. As the growth in federal student aid has slowed, many colleges have assumed a greater role in helping students pay for their education. In 1984-85, institutions reported that they spent more than \$5.2 billion for all types of financial aid, an 80 percent increase over the \$2.9 billion they reported spending in 1979-80. This increase is most obvious at independent institutions; at many campuses, more than half of the undergraduates receive institutionally-funded student aid. In 1984-85, independent colleges and universities supplied about half the total of institutionally-funded aid (\$2.5 billion), despite enrolling only 20 percent of the nation's college students. Independent campuses spent twice as much on student aid in 1984-85 as they did in 1979-80.

Still another theory about tuition inflation, promoted by Secretary of Education William Bennett among others, is that college tuitions have increased primarily because federal student aid cushions the blow of higher costs to students. While this theory is plausible, the facts do not appear to support it. First, student aid pays for one-third or less of the total price of college attendance, so federal student aid could only be counted on to relieve a small part of tuition increases. Second, tuitions have not fluctuated in the pattern that this theory would predict. Federal student aid more than tripled in the 1970s, when tuitions were rising more slowly than inflation. In the 1980s, when student aid has increased more slowly than inflation (20 percent as opposed to 33 percent), prices at both public and independent institutions have been increasing roughly twice as fast as inflation.

Colleges may consider the availability of student aid when setting tuitions, but the pattern since 1970 suggests that several other factors also are operating. Most schools have become increasingly market-sensitive as the number of 18-year-olds peaked and then began to decline in the early 1980s, a trend that will continue until the mid-1990s. A period of intense competition for students does not seem to be a good time for institutions to indulge in price gouging.

The law of supply and demand also is a factor in steep tuition increases at some institutions. Selective colleges, by definition, have a greater number of qualified applicants than they can accommodate. Some elite schools have discovered that they can increase tuition with no appreciable effect on the number or quality of their applicants. As a result, they have less incentive to hold down their prices.

To test this hypothesis, we compared tuitions at a group of highly selective institutions between 1976-77 and 1986-87 with tuitions at a group of less selective institutions. Tuitions rose at the highly selective campuses at a rate of 11.6 percent a year, compared with 10 percent at the less selective campuses (4). This result should not be surprising. What is happening to college tuitions at highly selective independent institutions is no different from what happened to the price of Japanese cars in the early 1980s, when the supply of that desirable product was restricted by import quotas. Colleges, of course, do not have to contend with import quotas, but they do have a limited number of available openings.

The evidence compiled here suggests that despite the similar level of tuition increases at public and independent institutions during the 1980s, the factors underlying the increases are not necessarily the same. Obviously both sectors are confronted by higher faculty salaries. However, salaries in the public sector seem to be rising at a slightly faster rate (42 percent) than they are at independent institutions (38 percent).

On the other hand, institutional student aid has increased most dramatically at independent institutions. The source of this student aid is usually tuition revenue; in effect, students who do not receive aid subsidize those who do. At public institutions, the decision to hike tuition is more likely to be influenced by the level of state appropriations; some state legislatures may appropriate less money for public institutions and let students make up the difference through higher tuitions.

Tuition hikes do not occur in a vacuum. A central question is whether students and their families are more or less able to afford a college education. Thus it is important to relate college prices to the growth in income. The income measure used makes a big difference. As noted earlier, disposable personal income increased by 253 percent between 1970 and 1986. Thus the ability to pay for a college education, when measured by disposable personal income, is about what it was in 1970. Over the same period, median family income grew by about 187 percent. When compared with that measure, a family's ability to pay for an education has declined considerably.

CONCLUSIONS

The evidence in this report offers both good and bad news about college prices. The bad news is that college tuitions are rising much more rapidly in the 1980s than the prices for other goods and services. Tuitions at both public and independent institutions are rising at twice the rate of inflation and several percentage points faster than income. This has created widespread concern among policymakers, parents, and students that college will soon be too expensive for many students and their families.

The good news is that, over the long term, the growth in college prices appears to be only slightly higher than the increase in consumer prices. In addition, the ability to pay for college, as measured by disposable personal income per capita, has kept pace with increases in tuitions at most colleges. Finally, at public institutions, which enroll 80 percent of all students, tuitions have grown at about the same rate as inflation and more slowly than income and the price of most other goods and services.

Ultimately, the issue is whether tuition increases in the 1980s are an aberration in the historical record or the start of a new pattern. If what we are seeing is a new pattern, it would seem to be a consequence of market forces and institutions' reluctance or inability to cut costs more than they already have. If, on the other hand, tuition hikes in the 1980s are an aberration, we can expect to see them beginning to level off in the near future. In any case, the higher education community needs to intensify its efforts to identify the causes of tuition inflation and to seek solutions.

(NOTE: For more information on college tuitions, see the spring-summer 1986 issue of Educational Record, available from the American Council on Education's Publications Division, 202/939-9380.)

FOOTNOTES

1. Data in this analysis were taken from the Higher Education General Information Survey (HEGIS), an annual survey conducted by the U.S. Department of Education. Actual tuition data in this survey are available through the 1984-85 school year; estimated or preliminary data are available after that. While it would be preferable to have actual data for all years, HEGIS is the only source that contains data for all higher education institutions.

Based on HEGIS data, the U.S. Department of Education reports average tuition and required fees for public and independent institutions and for three groups of institutions within the public and independent sectors: universities and four-year and two-year institutions. No figure is reported for all institutions of higher education. To derive a single measure of college tuitions, we took the average annual tuitions and fees reported for public and independent institutions and weighted these figures by full-time equivalent enrollments.

2. Disposable personal income per capita is used as the measure of income in this analysis rather than the more traditional measure of median family income for several reasons. Median family income does not

include the income of single individuals nor does it reflect the effects of the decrease in average family size, two factors that are important when examining the ability of students and their families to pay college prices. For more discussion of why disposable personal income per capita seems to reflect more accurately changes in the standard of living that have occurred since 1970, see Ryscavage, Paul, "Reconciling Divergent Trends in Real Income," Monthly Labor Review, July 1986, pages 24-29.

3. Medical care, food, and new cars are separate components of the CPI. Energy costs and all services are measured with a separate index derived from the CPI. New house prices for this analysis are taken from U.S. Bureau of Census, "Construction Reports," series C-25, Characteristics of New Housing.
4. Tuitions for this analysis were drawn from the 1976-77 and 1986-87 issues of the The College Cost Book, published by The College Board.

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**Chart 2. Percentage Change in Prices
of Selected Goods and Services, 1970 to 1986**

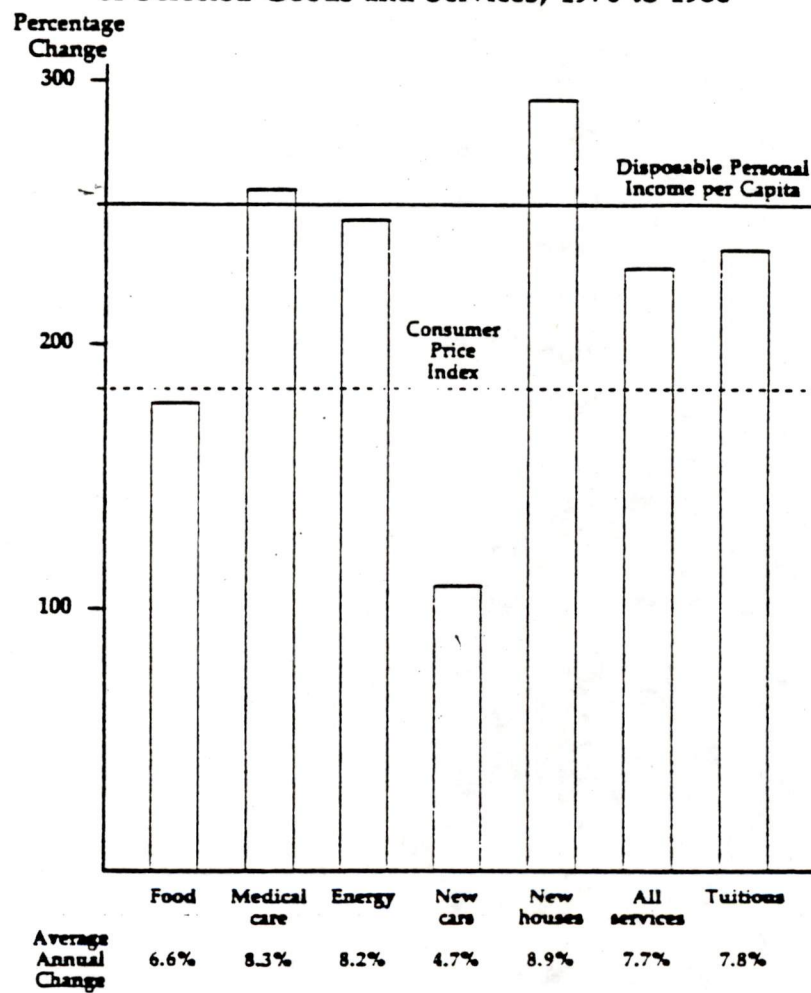


Table 1
Average Annual Change in Tuition and Fees,
1970-71 to 1986-87

	1970-71 to <u>1980-81</u>	1980-81 to <u>1986-87</u>	1970-71 to <u>1986-87</u>
All higher education	6.6%	9.8%	7.8%
All public institutions	6.1	9.8	7.5
Universities	6.7	9.9	7.9
Four-year	8.1	10.0	8.8
Two-year	7.5	9.5	8.2
All independent institutions	7.6	9.9	8.4
Universities	8.0	11.0	9.1
Four-year	7.8	9.8	8.5
Two-year	8.1	8.3	8.2
Consumer Price Index	7.8	4.9	6.7
Disposable personal income	9.2	6.5	8.2

Chart 1. Percentage Change in College Tuitions

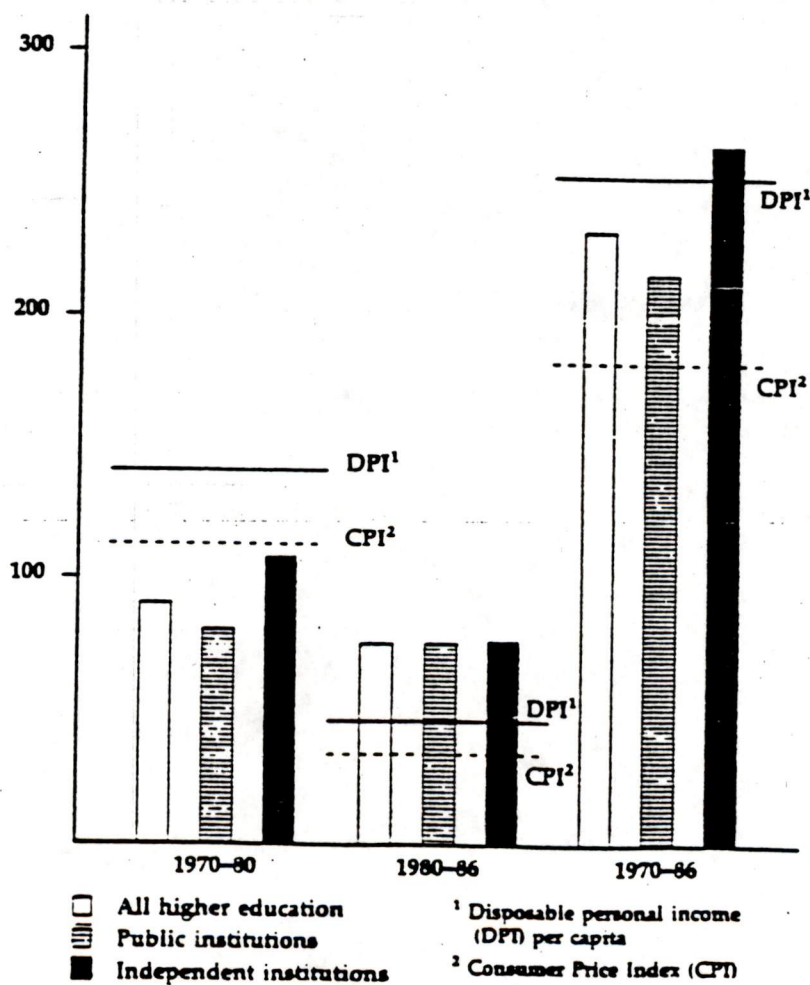


Chart 3. Average Annual Change in Prices of Selected Goods and Services, 1970-80

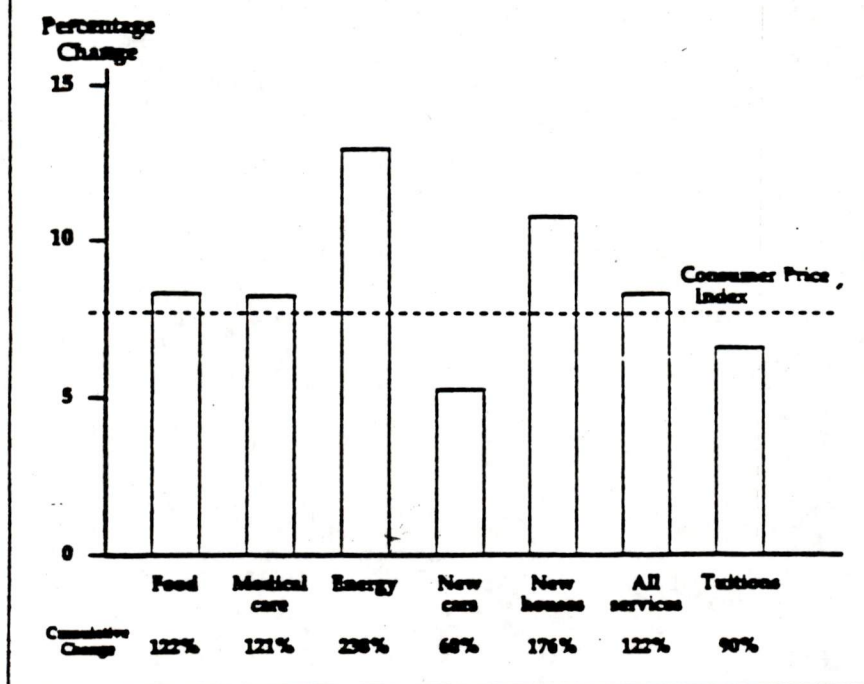
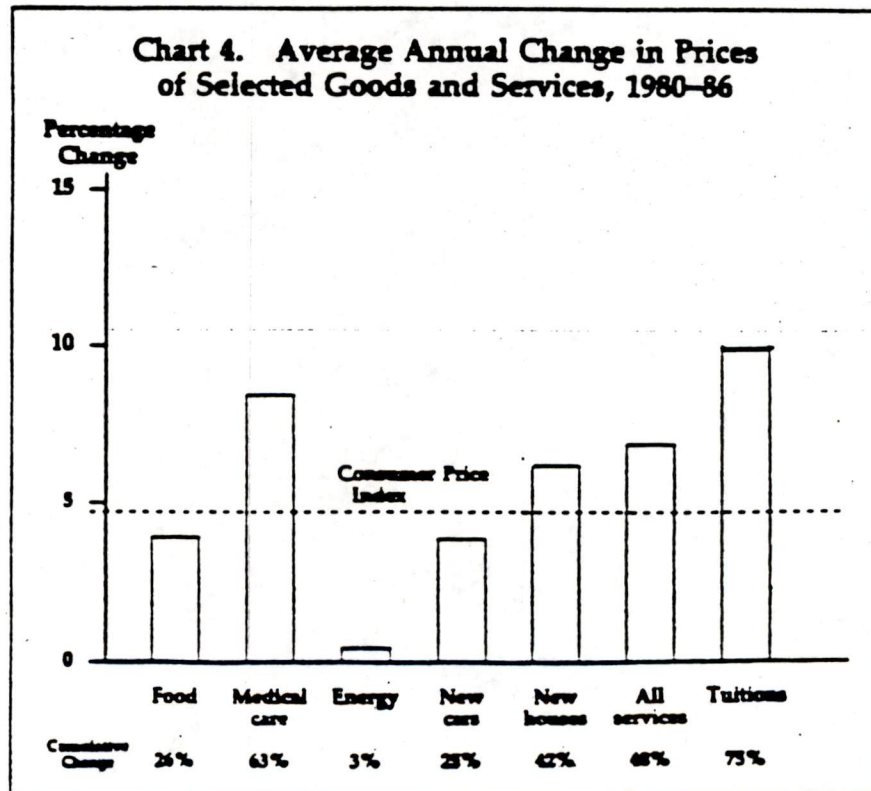


Chart 4. Average Annual Change in Prices of Selected Goods and Services, 1980-86





OFFICE OF THE PRESIDENT

CAMBRIDGE, MASSACHUSETTS 02139

February 27, 1987

Mr. Robert A. Barzilay
Letters to the Editor Office
New York Times
229 West 43rd Street
New York, New York 10036

To the Editor:

Secretary of Education Bennett is at it again. In an article in the New York Times of February 18, 1987, he takes colleges to task for "blithely" continuing to increase tuition at rates that outstrip inflation, motivated by greed and "increases in [Federal] financial aid in recent years."

In his article, he is more crafty than convincing, more fiddling than forthright. To begin, Mr. Bennett's argument that availability of student aid encourages colleges to push up tuition at excessive rates is incredible. During the 1970s, Federal funding of student aid increased significantly—at least by a factor of three—and tuitions fell behind inflation. During the present decade, Federal funding of student aid has stalled, while tuitions have increased faster than inflation. This pattern is just the reverse of that predicted by Mr. Bennett's "theory."

Let me go into his arguments in a bit more detail.

Mr. Bennett's assertion that Federal expenditures for student aid have increased greatly in real terms since 1980 is simply wrong. Programs generally available to college students under Title IV (Pell Grants, College Work Study, Guaranteed Student Loans, etc.) are, in the aggregate, up less than 10 percent in real terms over the period from 1980-81 to 1985-86. And if one includes specially directed aid programs—which include Social Security benefits that have been eliminated by the Administration and Vietnam veterans' programs that are winding down—total Federal student aid is down nearly 14 percent in real terms over this same period.

Federal aid to students would, of course, be down much more if the Reagan Administration had achieved its budget objectives. Repeated efforts to gut aid programs have been resisted year after year by the Congress, which is where all credit for present levels of Federal student aid properly belongs.

Mr. Robert A. Barzilay
February 27, 1987
Page two

As for tuition, Mr. Bennett compares presumed tuition increases of 6 to 8 percent with "inflation during 1986 of about 1.8 percent." The latter number is apparently a reference to the Consumer Price Index (CPI). This is a measure of inflation as seen by the average middle-income consumer and is defined in terms of a representative market basket of consumer goods and services. It weighs energy costs heavily and rose little in 1986 because energy costs dropped sharply last year.

But the CPI and its cost of bacon and gasoline have little relevance to the costs borne by colleges and universities, which are dominated by compensation of faculty and staff. A better measure of changes in these costs is the Higher Education Price Index, which increased in 1986 by 4.4 percent. This measure of inflation, which has risen by more than the CPI in every year since 1982, is a more appropriate and sensible measure of cost changes for comparison with tuition changes.

Driven largely by colleges' needs to restore real salary levels ravaged by a dozen years of uncontrolled inflation, tuitions have increased faster than inflation, however defined, in recent years. But obviously there is much more to this story than Mr. Bennett would have us believe.

Sincerely yours,



Paul E. Gray
President
Massachusetts Institute of Technology

PEG/mmd

SCIENCE
&
TECHNOLOGY
AND
THE PRESIDENT

A REPORT BY

THE CARNEGIE COMMISSION ON SCIENCE, TECHNOLOGY, AND GOVERNMENT

OCTOBER 24, 1988

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SCIENCE
&
TECHNOLOGY
AND
THE PRESIDENT

A REPORT BY

THE CARNEGIE COMMISSION ON SCIENCE, TECHNOLOGY, AND GOVERNMENT

437 MADISON AVENUE, NEW YORK, NY 10022 (212) 371-3200 FAX (212) 754-4073

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Members of the Commission and Advisory Council

Inside Cover

EXECUTIVE SUMMARY

1. The Carnegie Commission on Science, Technology, and Government was established in April, 1988 to assess the process by which the government incorporates scientific and technical knowledge into policy and decisionmaking. The Commission is made up of individuals with broad experience in government and in science and technology.

2. Science and technology, effectively mobilized, can help the President achieve his Administration's goals. That mobilization can best be accomplished by bringing science and technology (S&T) into the highest levels of government. The Commission has therefore focused its attention first on how S&T knowledge and advice can help the President deal with S&T related matters in the transition period and beyond.

3. Some of the issues involving S&T that will come up include: national security (new weapons, arms control, SDI), health (health costs, AIDS, drugs), large S&T projects (the superconducting supercollider, the High Speed Civil Transport), the environment (acid rain, ozone depletion and greenhouse effect), economic competitiveness, energy and nuclear materials, and the S&T enterprise (science education, academic research and the defense technology base). Other issues are certain to emerge.

4. The President will need the help of a senior staff assistant to respond to his needs by providing independent counsel in matters involving S&T -- for advice, for assistance in policy formulation, budget preparations, policy and program implementation, responding to emergencies, and for early warning of major S&T developments.

5. The Commission recommends that the President upgrade the existing position of Science Adviser to an Assistant to the President for Science and Technology. The appointment should be made early in the post-election period so that the Assistant can participate on the transition team and handle S&T questions relating to policy directions, budgetary choices, the organization of the Executive Office staff, and the identification and review of candidates for major Presidential appointments to S&T posts in the Executive Branch. The Assistant should propose S&T qualified individuals to serve on Presidential task forces dealing with policies and programs and should organize *ad hoc* expert groups on selected S&T issues when requested.

6. The Assistant should have a strong and formal relationship with the National Security Council, the Domestic Policy Council, the Economic Policy Council, and the Office of Management and Budget.

7. The Assistant would also be Director of the statutory Office of Science and Technology Policy (OSTP) within the Executive Office of the President. The

OSTP should be strengthened. The four Presidential appointments to the positions of Associate Director of the OSTP should be made, and the OSTP staff will need to be increased. The Associate Directors should have policy functions as well as diversified expertise. They should be closely coupled with other parts of the Executive Office, including the NSC, through joint arrangements. The OSTP should have the resources to commission outside analytical studies.

8. The President and his Assistant must have the ability to call on the national S&T community for help and to have the collective judgments of broad-gauged experts drawn from different facets of S&T. The Commission recommends that the President appoint an outside group of highly qualified and respected science and technology advisors to report to him through its chairman, the Assistant for Science and Technology. The members should be willing to devote a substantial portion of their time to its work.

9. The Commission stands ready to help the President and his Assistant for Science and Technology during and following the transition period.

I. INTRODUCTION

This paper by the Carnegie Commission on Science, Technology and Government was prepared to assist the incoming President and his staff as they deal with matters involving science and technology (S&T) during the transition period and thereafter [1]. The paper:

- discusses the President's needs during the post-election period;
- highlights key S&T related issues that will require Presidential attention early in the new Administration;
- describes the major functions for the President's S&T staff; and
- outlines organizational requirements for obtaining S&T advice.

The Commission was established by Carnegie Corporation of New York in April 1988 to assess, over a three to five year period, the process by which the government brings S&T knowledge into policy and decisionmaking. Rapid and pervasive transformations resulting from developments in S&T have imposed critical burdens on this process [2].

While the Commission's mandate covers all parts and levels of government, it has given priority attention to how the President gets S&T advice and assistance. The organization of this function can influence the entire Federal decisionmaking system and the ability of the nation to use S&T to further military security and domestic well-being.

II. THE PRESIDENT'S NEEDS DURING THE TRANSITION

Even before his inauguration, the new President will have to

- set initial policy priorities for the new Administration;
- resolve critical budgetary questions concerning S&T investments in defense, space, health and other major programs that will affect his first Budget Message to the Congress;
- make several dozen key technical appointments to the Federal departments and agencies; and
- organize the White House and the Executive Office staffs.

Scientific and technical expertise and advice are relevant -- even necessary -- to all of these undertakings. A senior staff assistant who is compatible with the President and his other key staff advisers can be an important contributor to Presidential decisions during the transition period. The incoming President will want to be as knowledgeable as possible about the issues and have a staff capable of providing a confidential, independent, dependable and continuing source of S&T expertise.

The Commission believes that the President should upgrade the existing position of Science Adviser and appoint a senior staff member, with the title of Assistant to the President for Science and Technology, early in the transition period. The person appointed must be capable of obtaining and providing advice on these immediate tasks, have the full confidence of the President, have the respect of the S&T community, and have the breadth to assist the President as he addresses a substantial agenda of issues. The Assistant would also serve as the Director of the statutory Office of Science and Technology Policy (OSTP).

Many significant budget decisions will have to be made by the President during the transition and in the early days of his Administration. A number of them will require judgments on the S&T aspects of programs. Research and development expenditures are approximately 25% of the discretionary budget. The Assistant should work with the new director of the Office of Management and Budget on major budget issues involving S&T.

The Assistant should be a member of the group that recruits for key Presidential appointments calling for technical competence. Appendix B lists some sixty important positions requiring Presidential appointments that also require S&T qualifications. The people involved in personnel searches are typically not knowledgeable or experienced in identifying such persons. An Assistant for Science and Technology who is highly regarded by the President and the technical community can play a critical role in proposing and reviewing prospective candidates, and persuading distinguished individuals to accept high-level positions. In carrying out this task, the Assistant could enlist the help of organizations such

as the National Academies of Sciences and Engineering, the Institute of Medicine and the American Association for the Advancement of Science.

The President may wish to convene special task forces during the transition period to address immediate and longer-range policy issues. Where appropriate, the Assistant should be asked to recommend persons competent in S&T to serve as members of these task forces. When requested by the President or the transition team, the Assistant should also organize *ad hoc* expert working groups to probe S&T matters in depth.

The Commission recommends that the President appoint an Assistant for Science and Technology very early in the transition and that the Assistant be a member of internal staff groups addressing policy and budgetary issues and advising on Presidential appointments to positions that require a scientific or technical background.

The Commission further recommends that the Assistant be asked to propose technically qualified persons to serve on Presidential task forces dealing with particular areas of concern and to convene *ad hoc* groups of experts to examine selected S&T issues.

III. PRESIDENTIAL LEVEL ISSUES INVOLVING SCIENCE AND TECHNOLOGY

In recent years, there has been a substantial increase in the number and scope of issues coming before the President whose resolution require S&T knowledge and informed professional judgment. They stem from the acceleration of scientific knowledge and technological development, from the opportunities these developments offer, and from an increased understanding and awareness of their economic and societal consequences.

Beginning immediately and throughout his administration, the President will have four main areas in which he will need S&T advice. The first embraces the scientific and technical aspects of space and national security, including arms control issues. The second concerns civilian technology and economic competitiveness. The third involves biomedical questions, including health and drug abuse, and the environment. The fourth is the S&T technical base -- the entire research and development apparatus, basic science and generic technology, and science and engineering education. Many individual decisions affect more than one of these areas.

Among the critical S&T-related issues facing the next President are the following:

National Security

Many national security-related policies have interwoven technical, political and military dimensions:

New Weapons Systems Requirements. There is general agreement that the recent build-up in the Defense department has been designed for an annual operation level that is substantially higher than the level of \$300 billion agreed for future expenditures by the Congress and the present Administration. As new weapons systems now come on-line, the President will face major decisions on the balance between strategic and conventional forces and between weapons procurement, operations and maintenance, force structure, and sustainment capabilities.

Strategic Forces. It will be necessary to restructure and modernize the strategic forces to incorporate new weapons technologies. How can the changes be made to ensure that these forces are adequately survivable? Do they enhance our security and do so in the most economical way? How can capabilities and objectives be better matched?

Strategic Interaction with Conventional Forces. If strategic forces were to be reduced by 50% under a START agreement, what changes would be needed in the level and mix of our remaining strategic as well as conventional forces? For example, to what extent and in what way should technological opportunities, such as high precision weapons, be exploited?

Arms Control. There are technical possibilities for unilateral verification of arms control agreements in addition to cooperative and more intrusive means of verification. How should these possibilities affect U.S. positions and goals in negotiating arms control treaties? The Strategic Defense Initiative program is a critical part of the arms control debate. Its goal requires changing the balance between defensive and offensive strategic forces. Is this goal technically and strategically viable?

Intelligence. In the past, White House leadership has been important to the development and continued improvement of new technologies for surveillance. Are there new possibilities for collecting and analyzing information? What is the value of additional technical intelligence capabilities in relation to their cost? How could new intelligence technologies open up opportunities for viable phasedowns of strategic and conventional weapons systems?

Space policy

U.S. dominance in space peaked with the Apollo manned lunar landings and the Viking unmanned exploration of Mars. It has since declined. The President will have to make critical decisions about the space program.

Space goals and initiatives. Priorities have to be set among the various expensive programs. Which major new initiatives -- planetary exploration, earth science, or manned missions to the Moon or Mars -- should the President support? Should any of these be cooperative programs with other countries? Will the space shuttle be able to justify its costs over time?

The Space Station. Funding the Space Station -- the logical next step to prepare for manned exploration -- may crowd out NASA's smaller scientific and operational programs. The President will need to decide whether to fully fund, stretch out, or modify the program.

Launch Capability. Launch capability for unmanned missions has deteriorated. How do the military and civilian programs obtain a balanced, mixed fleet of launchers?

Civilian Space Programs. While the U.S. did the pioneering work in civilian space applications, we are losing that lead. U.S. leadership in satellite communications is threatened by the Europeans and the Japanese. The French earth observation satellite is outperforming the American unclassified version, and French and Chinese launchers are gaining in the commercial satellite launching market. Should the government take a more active role in the development and promotion of civilian space applications?

Civilian Technology and Economic Competitiveness

The international competitiveness of American industry has suffered serious erosion. One of the underlying causes -- though only one of several -- is a loss of American leadership in important product and process technologies. The critical deficiency is not in research but in failure to achieve fast and effective commercialization of scientific and engineering advances. The hard task facing the government is to find ways to induce industry to abandon short-sighted management practices, without interfering in the details of business decision-making. Policy will have to go beyond the support of R&D to such complex goals as achieving a lower cost of capital for investment, stimulating long-range improvements in manufacturing technology, and creating a labor force with skills and motivations adequate for the modern competitive world. S&T machinery must interact with economic and fiscal policy.

Health

Health care accounts for over 11% of the U.S. GNP, but there is ever increasing dissatisfaction with the balance of costs and benefits. These conflicts will surely be aggravated for a variety of reasons including the aging of the U.S. population, the rapid evolution of new but more costly technologies (like the new artificial kidney and the magnetic resonance scanner), a host of new ethical dilemmas, and increasing expectations that technology can offer and society will pay for alleviation of all disease.

Meanwhile, substance abuse is a festering wound that threatens the fundamental tenets of civility, compounded by its further consequences in crime and in the spread of AIDS and other infections.

Scientific research related to health care is a legitimate source of pride in the U.S., but it constitutes barely 3% of the investment in care alone. Are expenditures in health care, disease prevention and research in proper balance and coherence?

Environment

Air Quality. Acid rain pollution has been a contentious issue between different geographic areas of the country. Ozone depletion in the upper atmosphere has focussed attention on the impact of apparently benign gases, such as chlorofluorocarbons, on the atmosphere. The increase in infrared-absorbing gases such as carbon dioxide and methane seems to be reinforcing concerns about a "greenhouse effect" that is causing global warming. These problems go beyond our borders, and require international agreements and Presidential attention.

Waste Disposal. Toxic chemicals and medical waste attract public attention, but the waste disposal problem is much broader. What more should be done to anticipate and reduce environmental threats?

Large-Scale S&T Programs

Large science and technology programs have become costly discretionary items in the budget. Many of them start out as relatively small items in a given agency's budget and do not appear to raise significant questions. Because these projects are generally sponsored by different agencies, their relative priorities are often not weighed systematically. The opportunities for international cooperation tend to be neglected. Some examples include:

New Aerospace Transports. The Air Force is developing technology for a National Aerospace Plane (NASP). This program -- currently budgeted to receive approximately \$100 million per year -- is aimed at developing a Mach 25 aircraft that can go into space. At the same time NASA is pursuing the Mach 2.5-5.0 High Speed Civil Transport (HSCT), also scheduled to cost \$100 million per year. The project competes with Japanese and European efforts.

The Superconducting Supercollider. Site selection is proceeding on this high energy accelerator that is expected to advance the field of fundamental particle physics. The project is sponsored by the Department of Energy. Congress has funded the program at a relatively low level, thereby deferring the decision to build to the next President. The program will eventually cost \$5-6 billion.

The human genome program. The Department of Energy and the National Institutes of Health are co-sponsoring an ambitious, long-range effort to map the structure of the human genome. The long-term cost could reach \$2-3 billion.

Scientific and Technical Education and Research

Scientific and technical education. The current quality and extent of science education are seriously inadequate in meeting the nation's need for an informed citizenry and for technological growth in the decades to come. While the states are mainly responsible for elementary and secondary education, Federal leadership is needed for upgrading curricula, development of tests, improvement of teaching, and meeting the special needs of women and minorities. At the college and graduate level, more American students are needed, particularly in engineering. In addition, the Federal government should find ways to encourage technical upgrading of those already in the work force.

Scientific and Technical Research. There needs to be stronger support from Federal research grants and contracts for basic research at universities. University research facilities are well behind the industry norm, reducing the opportunity for cutting-edge research. In considering the cost and value of "big science and technology" projects, the President will need to take into account the appropriate balance between them and investigator initiated "small science" -- the backbone of basic science and of S&T graduate education. To what extent should some of these large-scale projects be carried out cooperatively with other countries?

Government Technical Personnel.

The success of the next Administration will depend heavily on the quality of people it can recruit for technical positions. It is generally agreed that the quality has eroded. Low government salaries, conflict of interest laws, and lessened respect for civil servants may all contribute to the problem. Can recruitment policies and hiring procedures be modified to attract excellent technical people to managerial positions?

IV. SCIENCE AND TECHNOLOGY FUNCTIONS SUPPORTING THE PRESIDENT

The Assistant for Science and Technology wears two hats: that of a senior member of the White House staff, and that of Director of the statutory Office of Science and Technology Policy. In both capacities, the Assistant should perform the following principal functions drawing on the resources of the OSTP staff and outside consultants:

Advice: advising and assisting the President and his staff

Policy: participating in the formulation of policy involving S&T

Funding: advising on the priorities and funding of S&T

Implementation: tracking of S&T related policy implementation

Early Warning: alerting the President to developments in S&T and their policy significance

Emergencies: responding to emergencies such as electricity blackouts, technoterrorism, computer breakdown, natural disasters.

Matters coming to Presidential attention that involve S&T usually have one or more of the following characteristics:

- they reach across or beyond the interests and responsibilities of several departments and agencies;
- they have major budgetary or policy implications;
- they have significant national security or foreign policy dimensions;
- they have particularly high public visibility.

Advising the President

It is not possible to differentiate sharply between the roles of the Assistant and the Director of OSTP. The Assistant acts in an individual capacity as a member of the President's inner staff to respond to his day-to-day requests for advice and assistance and to integrate all S&T inputs and relevant considerations in making suggestions and recommendations to the President.

Science and technology advice and assistance to the President can take the form of weighing conflicting technical arguments, presenting policy alternatives and options, recommending choices and priorities, and evaluating scientific or technical solutions to problems.

An important function of the Assistant is to foresee opportunities and problems. As President Ford has noted in this context, Presidents don't like surprises. At the same time, the Assistant must balance his attention to longer range issues with current and ongoing problems and opportunities.

The Assistant can help the President in his meetings with the heads of foreign governments. Presidential meetings with the leaders of the Soviet Union, India, Japan, Korea and Taiwan have featured S&T initiatives and agreements. Such agreements often symbolize U.S. technical leadership, while serving broader foreign policy objectives.

Although the Assistant is selected from the S&T community, it is should be stressed that he is not a lobbyist for that community. Thus, the President can rely on the Assistant to monitor the health of science and engineering and to identify measures needed to strengthen the national S&T base, working closely with the National Science Board. In the past, some members of the S&T community have erroneously expected the Assistant to be their spokesperson. There have also been occasions when the Science Adviser has been viewed within government as a special pleader for science. The performance and effectiveness of the Assistant must challenge and transcend that misperception.

The departments and agencies will provide much of the help the President needs on S&T matters. While some may view the Assistant and the OSTP as a substitute for S&T competence in the agencies, they function most effectively when the agencies have good technical leadership and staff. In both roles, the Assistant works with departments and agencies to negotiate compromises or agreements among conflicting interests and to point them in new directions, linking them to Presidential concerns.

Working with Cabinet-level Councils.

The Assistant should work closely with other senior members of the President's staff and with Cabinet members as they come together in the National Security Council, the Domestic Policy Council, the Economic Policy Council, the Council of Economic Advisers, the Council on Environmental Quality, and other Executive Office mechanisms that may be established.

The National Security Council (NSC). In carrying out its integrative role, the NSC must involve specialized and sensitive understanding of modern military technologies and their future evolutionary prospects.

The NSC has added a number of staff members with technical training, many directly from the military services. However, for further depth, the NSC needs outside experts at the forefront of science and technology. These experts must, of course, be versed in the strategic and tactical, as well as the technological aspects of weapons systems.

Since 1951, the Presidential Science Advisers have been engaged in the national security area, and have attended NSC meetings when technical considerations were involved.

The Domestic Policy Council (DPC). In monitoring the Administration's domestic goals, the DPC reviews programs in areas such as health, natural resources, transportation, energy or education -- all of which are heavily influenced by S&T. Scientific and technological considerations may set limits on what can be accomplished, or may offer opportunities to reduce costs or increase benefits. In the DPC, these considerations interact with economic, social, legal, and political factors.

The Economic Policy Council (EPC). The EPC coordinates activities concerning domestic and international economic policy. The Assistant would help in defining the economic policy environment needed to strengthen the contribution of S&T to economic growth, and in framing economic and fiscal policies aimed at restoring American industrial leadership.

Other Executive Office Organizations. The President may wish to establish new Executive Office organizations or change existing ones. For example, new organizational and institutional arrangements may be needed to deal with U.S. industrial competitiveness, a major domestic policy issue facing the new Administration. The assistant must play a key role in this area.

The Commission recommends that the Assistant for Science and Technology have a strong and formal relationship with the National Security Council, the Domestic Council, the Economic Policy Council and the Office of Management and Budget.

Supporting Executive Office Oversight.

Many of the activities of the Assistant, in his capacity as Director of the OSTP, involve review and oversight of S&T-related programs. The Assistant, through the OSTP, will need to cooperate with many parts of the Executive Office and with the departments and agencies to oversee programs and policies from an Executive Office perspective.

Office of Management and Budget (OMB). The Assistant's involvement in the budgetary process is particularly sensitive. As Director of OSTP, the Assistant is directed by the Congress to advise the President on S&T budgets and assist the OMB with an annual review and analysis of R&D funding proposals. OMB strongly influences the content, scope and direction of Federal research and development programs, and the organization of the government's S&T activities. The relationship between the Assistant and the OMB leadership must be robust if the Assistant is to be effective.

Program oversight and review. Because of the pervasiveness of S&T in departmental and agency programs, Executive oversight is critical. For example, research and development in atmospheric sciences are of interest to the Department of Commerce, the Department of Interior, the Department of Agriculture, the Department of Defense, the Department of Energy, the Environmental Protection Agency, and the National Science Foundation. At a minimum, information should flow readily among the departments and agencies and the Assistant. Ideally, fully informed oversight can identify undesirable duplication as well as locate gaps and assure that, overall, the research and development policies and programs are being effectively carried out.

One existing mechanism for these purposes is the statutory Federal Coordinating Council for Science, Engineering and Technology (FCCSET), chaired by the Director of OSTP. The members of FCCSET are the top-ranking scientists and engineers in the department and agencies. It operates through specialized panels. Informed observers believe that neither FCCSET nor its predecessor, the Federal Council for Science and Technology, performed the oversight functions adequately. The Assistant will need to explore other approaches to coordination.

The Science and Technology Report.

The OSTP Director is required to submit a "Science and Technology Report and Outlook" to the Congress no later than January 15 of each odd-numbered year. This report, which was intended to provide the Congress with a current statement of the President's policy for maintaining the nation's leadership in S&T, has not been provided regularly by the OSTP.

The biennial Science and Technology Report could serve a useful purpose and be a valuable mechanism for Presidential outreach not only to the Congress, but to the general public. Its preparation, however, is a substantial task requiring significant staff resources.

Testifying Before the Congress.

The Director of OSTP is called on to testify before the Congress, primarily on the OSTP appropriation, but also on substantive matters. There has been a lingering concern that requiring the OSTP Director to testify may conflict with the confidentiality of his advice to the President as a Presidential Assistant. Experience has shown that the Congressional Committees have been sensitive to this issue, and it has not been a significant problem.

V. S&T ORGANIZATION WITHIN THE EXECUTIVE OFFICE

The President must decide how to organize the S&T expertise and advice he needs within the White House staff and Executive Office of the President [3]. There are four organizational considerations:

- the status of the S&T staff Assistant,
- the S&T capabilities within the Executive Office,
- the capacity for in-depth S&T policy analysis, and
- drawing on outside S&T advice.

Although these considerations are treated separately in this report, they are interactive parts of an S&T management system that must involve the non-governmental as well as the governmental sector.

Status of the S&T Staff Assistant

We have recommended the appointment of an Assistant to the President for Science and Technology. The significance and pervasiveness of S&T in Presidential decisionmaking and the increased complexity of technological issues justify this status and the need for direct access to the President. The status of Assistant to the President is also a basic ingredient in the recruitment and effectiveness of an outstanding person to perform this function.

Clearly, the personal attributes of the Assistant are even more important than status and title: the ability to relate S&T to short-term needs as well as broad policy concerns, and personality and adaptability to the style of the President and his senior staff. Most important is the ability to establish and maintain the trust, confidence, and interest of the President.

It is essential that officials inside the government perceive that the Assistant has direct access to the President, is effective and has a close relationship with the White House senior staff. The perception may be as important as the reality. If government officials believe that the President understands the importance of S&T to his policy and decisionmaking and that he relies on his Assistant, their cooperation will be forthcoming. The Assistant's relationship with the President will also be the key factor in recruiting a strong technical staff and a cadre of high caliber consultants.

The Assistant could be accorded Cabinet rank (without portfolio). As a Cabinet member, he would participate in Cabinet meetings on his own initiative and could more appropriately chair meetings involving Cabinet members.

Some have suggested that the Adviser be appointed the Secretary of a new Department of Science and Technology that would incorporate a number of S&T

related agencies [4]. Even if there were ultimately to be a new Department of Science and Technology, there will remain a need for a separate S&T Assistant on the President's staff. The Assistant must be viewed as impartial and solely concerned with the interests of the President. If the Secretary of an operational Department of Science and Technology were also the Assistant to the President for Science and Technology, this could be rightly regarded as a conflict of interest when advising on the programs and priorities of other departments and agencies.

The Commission recommends that the science and technology advisory function not be fragmented and that there be a single senior staff assistant reporting to the President on S&T matters with the title of Assistant to the President for Science and Technology. The merits of Cabinet rank should also be considered.

Strengthening Executive Office S&T Capacity

The National Science and Technology Policy, Organization, and Priorities Act of 1976 (P.L. 94-282), which created the OSTP, charged that office with helping to define and implement national science and technology policy, to

- advise the President of S&T considerations involved in areas of national concern,
- evaluate the scale, quality and effectiveness of the Federal effort in S&T,
- advise the President on S&T considerations with regard to the Federal budgets, and
- assist the President in providing general leadership and coordination of R&D programs of the Federal Government.

Even after 12 years, the Office is a long way from fulfilling that mandate.

Of considerable importance in strengthening OSTP are the four Presidentially appointed Associate Director positions provided for in the OSTP legislation. These posts, mostly vacant through the years, should be filled by highly qualified individuals drawn from different scientific and technical fields. The posts should be used to reinforce the policy functions of the Office and to improve the coupling between OSTP and the various offices and councils in the Executive Office of the President. Serious consideration should be given to joint arrangements whereby one Associate Director would work part-time with the NSC staff. A similar arrangement in the early years of OSTP and its predecessor, the Office of Science and Technology, proved highly constructive in promoting cooperation between the two offices and introduced outside S&T expertise in the work of the NSC staff. Similar joint arrangements with the Office of Management and Budget and other Executive Office agencies should be considered for other Associate Directors.

The coupling problem extends outside of government as well. There are many perplexities about how to relate Federal S&T policies and programs to the private sector. It will be a task of the Assistant to find ways to strengthen and effectuate this coupling.

The performance of the OSTP depends on the size and quality of its full-time professional staff. Over the years, successive Administrations have tended to limit the number of the staff and outside consultants to levels that are unrealistic in relation to OSTP's policy and program responsibilities. The presently authorized staff is fifteen positions. Eleven of these are filled and there are about fifteen others on detail from other agencies. The budget for Fiscal Year 1989 is about \$1.7 million.

The Commission recommends that the President strengthen the Office of Science and Technology Policy by appointing outstanding professionals to the four posts of Associate Director. Part-time assignments of Associate Directors to other bodies in the Executive Office, such as the NSC staff, should be explored, as well as arrangements to achieve close coupling with the budgetary and legislative staffs.

The Commission further recommends a substantial strengthening of the professional staff support of the OSTP as an essential step in the invigoration of the S&T advisory function.

S&T Policy Analysis.

For the President to have the best assessments of major policy options involving S&T, the Assistant and OSTP need clear-cut authority and suitable resources for eliciting independent policy-oriented analytical work outside of the Executive Branch. The National Research Council (the operating arm of the National Academies of Science and Engineering and the Institute of Medicine) can provide in-depth analysis of high quality. Additional analytical capabilities are found in scientific societies, universities, other not-for-profit organizations, and established technical consulting firms. In addition, the Congressional support agencies (the Office of Technology Assessment, the Congressional Research Service, the Congressional Budget Office, and the Government Accounting Office) are respected for the quality of their bipartisan reports dealing with matters of S&T.

The Commission recommends that the OSTP be funded for commissioning outside analytical studies in depth.

Drawing on the Outside S&T Community

The range and quality of S&T advice needed by the President cannot be obtained by depending solely on in-house competence. The President can often rely on the departmental and agency staffs, but their expertise is usually narrowly focussed and their advice is often colored by mission commitments and bureaucratic self-interest. Furthermore, developments at the frontiers of science and technology are diverse and their pace is accelerating. Not only does the President need the advice of individual experts from the scientific and technical community outside the Federal Government, but he also needs a responsive mechanism for securing their collective judgments.

The Commission considered the organizational arrangement of the White House Science Council (WHSC), which was established in 1982 by President Reagan's first Science Adviser. Members of WHSC are appointed by and report to the Adviser, and it is chaired by a council member.

The Commission also considered reliance on *ad hoc* panels. This approach, which was employed during the Ford and Carter Administrations, can deal usefully with specific questions. Without an overview committee, however, the early warning and agenda setting function is lost and the findings of the panels cannot readily be judged or their broader applicability determined.

Having considered the organizational alternatives, the Commission fully supports the establishment of a Presidentially appointed S&T advisory group that reports to the President through the Assistant for Science and Technology, who serves as its chairman. Many informed participants in the contemporary S&T scene strongly support this approach.

The advisory group would both respond to the President's requests and initiate studies in areas of national significance, consistent with the wishes of the President. It would critically review S&T proposals, act as a sounding board for the Assistant, and add authority to the Assistant's judgments on S&T issues. The Advisory group's deliberations could also help resolve differences of views among the Executive Departments and Agencies. Presidential appointment will be important to recruit outstanding members of the group and, particularly, to elicit the time commitment necessary if the group is to be effective and useful.

The Commission recommends that the President establish an outside group of dedicated senior science and technology advisors appointed by the President, headed by and reporting to the President through the Assistant for Science and Technology. Members of the group should agree to devote a substantial portion of their time to its work. *Ad hoc* panels should be convened for in-depth examinations of particular subjects.

ENDNOTES

[1] The members of the Commission and Advisory Council are listed on the inside front cover.

[2] See statement establishing the Commission by Dr. David A. Hamburg, President, Carnegie Corporation of New York, in Appendix A.

[3] The current apparatus has evolved gradually over the past three decades; some highlights of its organizational history are summarized in Appendix C.

[4] Suggestions for a Department of Science and Technology have arisen from time to time over many decades. A Departmental reorganization of this magnitude would likely entail very extensive analysis, discussion, and legislative attention. This question has not been studied by the Commission.

APPENDICES

STATEMENT ESTABLISHING COMMISSION

Statement by Dr. David A. Hamburg, President,
Carnegie Corporation of New York

Issues Underlying Formation of the Commission

Since 1940 the pace of advance in basic scientific knowledge -- of the structure of matter and life, of the nature of the universe, of the human environment and even self-knowledge -- has accelerated dramatically. These scientific advances have provided an unprecedented basis for technological innovation, especially in the context of political and economic freedom. Such technological innovations have pervasive, worldwide effects beyond prior experience.

Science and technology bear upon war and peace, health and disease, the economy and society, resources and the environment -- indeed the entire human future. The international economy, for example, is increasingly driven by developments in science and technology: witness telecommunications, biotechnology, computers, and the technical upgrading of established industries. No reminder is needed of the immense impact on societies of weapons development and distribution. The issues involve not only the existence of the new hardware but the uses of hardware.

These trends are intrinsically worldwide in scope. Many problems historically considered as internal might better be viewed as domestic aspects of international problems. Moreover, the opportunities and problems arising out of modern science and technology cut across traditional disciplines and sectors of society. Thus, institutional innovations are needed that can transcend traditional barriers -- disciplinary, sectoral, and geopolitical.

Clearly, wise policy and administrative decision making in each sphere of life depend on access to the best available knowledge and advice in the various fields of science and technology. Sound advice requires analysis, and analysis requires a broad base of research and development on which informed decisions can be made. Decision makers, moreover, need an understanding of major facets of the scientific enterprise itself.

The rapid and pervasive transformations resulting from science and technology call for strengthening the institutional capability for objective analysis of critical issues based on a broad foundation of knowledge and experience. The government of the United States is in an extraordinary position to stimulate and support such inquiries at a level far beyond what it has done up to now. In

addition, the states, the "laboratories of democracy," need better means for dealing with the ongoing and potential applications of research and development.

The Federal Government and the states have an obligation to see that the country exploits the opportunities and avoids the dangers inherent in modern science and technology. This involves, among other desiderata, an understanding of the impact of science and technology on both governmental and nongovernmental tasks. It requires the establishment of a continuing, dependable capability for analyzing policy questions in ways that take adequate account of their scientific and technological aspects.

Science and technology policy itself should strive to meet the following goals: 1) maintaining excellence, technical competence, and efficiency in the conduct of research and development; 2) broadening participation in scientific activity as well as in the benefits of applied science; 3) shaping the uses of science toward widely shared ends -- for example, the relief of human suffering, economic well-being, equitable distribution of resources, and the peaceful resolution of disputes; and 4) encouraging scientists to participate analytically in the uses of science -- at the interfaces of fact and value -- neither avoiding nor dominating the processes by which the social uses of science are decided.

The nation needs several mechanisms, both governmental and nongovernmental, for analyzing thoroughly and objectively the various options relating to two broad questions: What can science do for society, and how can society keep the scientific enterprise healthy? The capacity for providing the best possible analysis and advice on long-term issues of great national importance must not only be built into government operations themselves; the nation must institute ways of capitalizing on the capability of its diverse nongovernmental institutions to gain and provide such analysis and advice. This orientation emphasizes ways in which science and technology can help to identify the early warning signals of emerging problems and spot neglected or new opportunities for improving national and international well-being.

The Challenge

Thoughtful policymakers have increasingly felt the need for intelligible and credible syntheses of research related to important public policy questions. What is the factual basis drawn from many sources that can provide the underpinning for constructive options in the future? Pertinent information is widely scattered among government agencies and quasi-governmental or nongovernmental institutions. Moreover, it is very difficult for the nonexpert and sometimes even for the expert to assess the credibility of assertions on emotionally charged issues. In the current process of world transformation, studies are needed to tackle vital and complex issues analytically rather than polemically. This means having access to a wide range of high-quality information, analyses, and options. Jumping to conclusions, or using a heavy ideological filter, can easily lead to major mistakes, missed opportunities, or even disasters.

The central question for thoughtful consideration is how the various branches of government can take careful account of science and technology in policy formulation and implementation affecting all aspects of modern society. What are the mechanisms government now has that are useful for analysis in each major area of responsibility? Which mechanisms should be strengthened or created? How can the various branches of government be organized to improve their operations through the use of modern scientific advances?

Further, how can the government stimulate and utilize the full range of science and technology in the scholarly community both in and out of government, taking into account ethical considerations pertinent to each problem area? Questions about government's role in specific facets of the scientific enterprise include:

- 1) Science policy: What are the conditions under which science flourishes in the United States?
- 2) Technology policy: What are the conditions under which the science base can fruitfully be drawn upon for useful technological innovation?
- 3) Technology assessment policy: What institutional mechanisms and analytical methods are needed for ongoing assessment of major technologies with respect to the humane, constructive uses of technology?
- 4) Science education policy: How can the nation achieve a technically literate citizenry and a skilled work force at all levels of human endeavor as well as prepare first-rate scientists and science-based professionals?

Carnegie Commission On Science, Technology, And Government

In November 1987, the Corporation convened a consultative group of experienced scientists and administrators to examine the issues concerning the central role of government in using and stimulating scientific and technological advances for humane purposes. There was general consensus that problems in this regard exist in the executive, legislative, judicial, and regulatory branches and that in-depth analysis of these problems is needed if enduring improvements are to be made. There was additional agreement that an effective approach to the problem would be a commission that would work for about three years with a small high-quality staff. The commission would be intersectoral in nature and include distinguished former government officials, eminent scientists, and private sector leaders.

It was further recommended that the commission should consider the entire range of the sciences -- physical, biological, behavioral, and social -- as well as the technologies based on them. The main emphasis should be on mechanisms by which the government can systematically assess the ways in which science can contribute to the general well-being of the nation, with special emphasis on the most serious social problems. Mechanisms for sustaining the health of the scientific enterprise should also be considered.

The recommendations of the consultative group were adopted at the Corporation's February 17 meeting of the board of trustees, and the new Carnegie Commission on Science, Technology, and Government was duly created with an initial \$500,000 grant.

In addition to eminent scientists, the Commission includes former government officials who have served at high levels in all branches of the government. Leaders from nongovernmental sectors of American society are also included.

Co-chairs of the Commission are Joshua Lederberg, president of The Rockefeller University, and William T. Golden, president of the New York Academy of Sciences and editor of *Science and Technology Advice to the President, Congress, and Judiciary* (Pergamon Press, 1988).

Executive director and member of the Carnegie Commission is David Z. Robinson, most recently executive vice president and treasurer of the Corporation. Dr. Robinson, who received a Ph.D. in physics from Harvard University, is a former research physicist and was a staff member of the President's Science Advisory Committee. He will continue to serve Carnegie Corporation as senior counselor to the president.

The Commission will organize studies, issue interim reports, and make its final recommendations in about three years, with a two-year follow-up period. It will be assisted by an advisory council.

LIST OF PRESIDENTIAL S&T APPOINTMENTS

EXECUTIVE OFFICE OF THE PRESIDENT

President's Foreign Intelligence Advisory Board

Office of Management and Budget

- Associate Director for Human Resources
- Associate Director for National Security and International Affairs
- Deputy Associate Director, National Security Division
- Associate Director for Natural Resources, Energy and Science

National Security Council

- Special Assistant for Arms Control
- Special Assistant for Defense Policy
- Special Assistant for Intelligence Programs
- Special Assistant for International Programs/Technology Affairs

Central Intelligence Agency

- Deputy Director for Intelligence
- Deputy Director for Science and Technology

Council on Environmental Quality

- 3 Members

Office of Science and Technology Policy

- 4 Associate Directors

CABINET DEPARTMENTS

Department of Agriculture

- Assistant Secretary for Science and Education

Department of Commerce

- Undersecretary for Oceans and Atmosphere (NOAA)
- Assistant Secretary for Telecommunications (NTIA)
- Assistant Secretary and Commissioner of Patents and Trademarks
- Director, National Institute of Standards and Technology (NIST)
- Assistant Secretary for Productivity, Technology and Innovation

Department of Defense

Assistant Secretary, Production and Logistics
Assistant Secretary, Command and Control (C3I)
Director, Defense Research and Engineering
Assistant Secretary, Health Affairs

Department of Education

Assistant Secretary, Educational Research and Improvement

Department of Energy

Deputy Secretary
Undersecretary
Assistant Secretary, Conservation and Renewable Energy
Assistant Secretary, Defense Programs
Assistant Secretary, Environment, Safety and Health
Assistant Secretary, Fossil Energy
Assistant Secretary, International Affairs and Energy Emergencies
Assistant Secretary, Nuclear Energy

Department of Health and Human Services

Assistant Secretary for Health
Surgeon General, Public Health Service
Director, National Institutes of Health

Department of Housing and Urban Development

Assistant Secretary for Policy Development and Research

Department of the Interior

Science Advisor
Assistant Secretary, Land and Minerals Management
Assistant Secretary, Water and Science

Department of Labor

Assistant Secretary, Mine Safety and Health

Department of State

Undersecretary for Security Assistance, Science and Technology
Special Advisor, Arms Control Matters
Ambassador-at-Large, Non-Proliferation and Nuclear Energy Affairs
Office of Negotiations on Nuclear and Space Arms with USSR
Assistant Secretary, Bureau of Oceans and Environmental/Scientific Affairs

Department of Transportation

Assistant Secretary, Policy and International Affairs
Administrator, Federal Aviation Administration

AGENCIES

Arms Control and Disarmament Agency
Director

Consumer Product Safety Commission
5 Commissioners

Environmental Protection Agency
Administrator
Deputy Administrator
Assistant Administrator for Research and Development

National Aeronautics and Space Administration
Administrator
Deputy Administrator

National Science Foundation
Director
Deputy Director
National Science Board

Nuclear Regulatory Commission
5 Commissioners

HISTORY OF THE PRESIDENT'S S&T ORGANIZATION

All Presidents since Truman have recognized the value of tapping a broad range of S&T knowledge from outside the government. President Truman appointed a science adviser who served in the Office of Defense Mobilization and also had direct access to him, though this access was seldom used. The systematic use by the President of S&T advice began in 1957 with Sputnik. President Eisenhower brought James Killian into the White House as his Adviser, with the title of Special Assistant to the President, and elevated the Science Advisory Committee from the Office of Defense Mobilization so that it reported directly to him.

President Eisenhower sought advice in responding to Sputnik and to the competing proposals of the military services. The Adviser also was involved in the organization of NASA and the establishment of the Office of the Director of Defense Research and Engineering and the Advanced Research Projects Agency in the Department of Defense. There were important questions regarding technical intelligence, and the possibilities for a nuclear test ban. Members of the President's Science Advisory Committee were mobilized for these tasks, and many of them spent substantial time in Washington. The Adviser also helped establish high-level S&T posts in the departments and agencies. Toward the end of the Eisenhower Administration, the Adviser and PSAC added to their work the concern for the advancement of science.

President Kennedy kept the same bipartisan PSAC mechanism with some systematic rotation of its members. In order to institutionalize the advisory function, he established the Office of Science and Technology (OST) in the Executive Office of the President. The title of Director of OST (confirmed by the Senate) was added to that of Special Assistant to the President and Chairman of the President's Science Advisory Committee. The Adviser's staff was transferred from the White House to OST. The Adviser's portfolio broadened to include health, civilian science and the environment.

The Adviser's role continued under President Johnson and through President Nixon's first term. During this period, the Adviser and PSAC were deeply involved in national security issues particularly as related to the Vietnam war, arms control and the treaty to eliminate biological weapons.

After the election in 1972, President Nixon abolished both OST and PSAC. These actions appeared to derive from two principal concerns. One was that former PSAC members had opposed the President's position in testifying before the Congress on anti-ballistic missile defense. The other was the disclosure of the existence of a PSAC panel report questioning the development of a supersonic

transport, a project that had been strongly supported by the President. Perhaps the most important underlying factor was the cumulative effect of years of strain between the White House and the academic community over the Vietnam war, and the perception by the White House staff that PSAC was part of that community.

President Nixon added the duties of Science Adviser to those of the Director of the National Science Foundation. His advisory work concentrated on energy R&D, problems in industrial R&D, agricultural research, and academic-industrial cooperation.

President Ford asked Vice-President Rockefeller to recommend appropriate organization for S&T advice to the President. The OST function was resurrected in the Executive Office by an Act of Congress in 1976 in the form of the Office of Science and Technology Policy. President Ford reestablished the Adviser's position in the White House and created the President's Committee on Science and Technology, authorized by the legislation, which worked particularly on energy and individual research issues.

Presidents Carter and Reagan named their science advisers after their inauguration. Although the President's Committee was not continued, President Carter's Adviser appointed *ad hoc* panels of non-government scientists and engineers to advise him on certain issues. He dealt with questions such as the MX missile, the test ban, space policy and air quality standards.

In 1982, President Reagan's Adviser established a White House Science Council of outside consultants that reported to the Adviser, rather than to the President. During this Administration, the Adviser has dealt with matters such as strengthening basic research, the National Aerospace Plane, Stealth technology, the Strategic Defense Initiative, and international S&T agreements.