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2009-0275-S

FOIA Number:
2009-0275-S

FOIA MARKER

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Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Scowcroft, Brent, Collection
Series: USSR Chronological Files
Subseries: Soviet Power Collapse in Eastern Europe Files

OA/ID Number: 91125
Folder ID Number: 91125-005

Folder Title:
Soviet Power Collapse in Eastern Europe (February - May 1990)

Stack:	Row:	Section:	Shelf:	Position:
G	34	3	3	4

Withdrawal/Redaction Sheet

(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01a. Summary	Re: Heads of State Correspondence Summary (1 pp.)	n.d.	(b)(1)	✓
01b. Cable	Re: Letter to President Bush from Prime Minister Mazowiecki on Paris Club Negotiations (5 pp.)	2/9/90	(b)(1)	✓
02a. Memo	Brent Scowcroft to POTUS Re: Granting a Waiver of the Jackson-Vanik Amendment for Czechoslovakia (1 pp.)	2/16/90	(b)(1)	✓
02b. Memo	Adrian A. Basora to Brent Scowcroft Re: Granting a Waiver of the Jackson-Vanik Amendment for Czechoslovakia (1 pp.)	2/14/89	(b)(1)	✓
03a. Outline	Re: Meeting with President Vaclav Havel of Czechoslovakia (3 pp.)	2/17/90	(b)(1)	✓
04. Memo	Ambassador Robert L. Barry to Members of the Coordinating Council for U.S. Assistance to Eastern Europe Re: Coordination of U.S. Assistance to Eastern Europe [FOIA exemptions redacted; only last page redacted] (12 pp.)	n.d.	(b)(1), (b)(3)	✓
05a. Letter	President Bush to Chairman Tadeusz Mazowiecki (1 pp.)	4/27/90	(b)(1)	
05b. Memo	Brent Scowcroft to POTUS Re: Letter to Prime Minister Mazowiecki (1 pp.)	4/26/90	(b)(1)	✓

Page 1 of 3

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Files
Series: USSR Chronological Files
Subseries: Soviet Power Collapse in Eastern Europe Files
WHORM Cat.:
File Location: Soviet Power Collapse in Eastern Europe (February - May 1990)

Pinksheet Number: cap1058
OA/ID Number: 91125-005
Date Closed: 3/31/2009
FOIA/Sys Case #: 2009-0275-S
Re-review Case #:
P-2/P-5 Review Case #:

Withdrawal/Redaction Sheet

(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
05c. Memo	Adrian Basora to Brent Scowcroft Re: Presidential Letter for OPIC Mission for Poland (1 pp.)	4/26/90	(b)(1)	C
06a. Memo	Peter W. Rodman to Robert M. Gates Re: Sichan Siv's Proposed Democracy Initiative (1 pp.)	5/1/90	(b)(1)	C
06b. Memo	Robert M. Gates to Sichan Siv Re: White House Initiatives on Freedom and Democracy (1 pp.)	5/4/90	(b)(1)	C
06c. Memo	Robert L. Hutchings to Brent Scowcroft Re: Secretary Baker's Draft on a "Democracy Corps" for Eastern Europe (1 pp.)	4/12/90	(b)(1)	C
07a. Memo	Re: Presidential Missions to Observe the Romanian and Bulgarian Elections (1 pp.)	5/5/90	(b)(1)	C
07b. Memo	J. Stapleton Roy to Brent Scowcroft Re: Presidential Missions to Romanian and Bulgarian Elections (2 pp.)	5/4/90	(b)(1)	C
08a. Memo	Brent Scowcroft to POTUS Re: "Citizen's Democracy Corps" for Eastern Europe (1 pp.)	5/10/90	(b)(1)	C
08b. Memo	Brent Scowcroft to POTUS Re: "Citizen's Democracy Corps" for Eastern Europe (1 pp.)	n.d.	(b)(1)	C

Page 2 of 3

Collection:

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Withdrawal/Redaction Sheet

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Doc. No. / Type	Subject/Title	Date	Restriction	Classification
08c. Memo	Lawrence S. Eagleburger to POTUS Re: Organizing Volunteer Assistance Activities in Central and Eastern Europe (2 pp.)	5/4/90	(b)(1)	C
08d. Memo	Robert L. Hutchings to Brent Scowcroft Re: "Citizens Democracy Corps" for Eastern Europe (1 pp.)	5/9/90	(b)(1)	C
09a. Memo	Robert L. Hutchings to Brent Scowcroft Re: U.S. Policy Toward the New Eastern Europe (1 pp.)	5/11/90	(b)(1)	S
09b. Memo	Brent Scowcroft to POTUS Re: U.S. Policy Toward the New Eastern Europe (5 pp.)	n.d.	(b)(1)	S

Page 3 of 3

Collection:

Record Group: Bush Presidential Records
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WHORM Cat.:
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Pinksheet Number: cap1058
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P-2/P-5 Review Case #:

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NSC/S PROFILE

RECORD ID: 9001153
RECEIVED: 13 FEB 90 09

TO: SCOWCROFT

CHRON FILE

FROM: HUGHES

DOC DATE: 14 FEB 90
SOURCE REF:

KEYWORDS: HS
POLAND
THAILAND

ITALY
JAPAN
COLOMBIA

PERSONS: ANDREOTTI, GIULIO
BHUMIBOL ADULYADEJ

MAZOWIECKI, TADEUSZ
KAIFU, TOSHIKI

SUBJECT: HEADS OF STATE CORRESPONDENCE SUMMARY

ACTION: NOTED BY PRES

DUE DATE: 16 FEB 90

STATUS: C

STAFF OFFICER: VAN ERON

LOGREF: 9000298 9000839

FILES: WH

NSCP:

CODES:

DOCUMENT DISTRIBUTION

FOR ACTION

FOR CONCURRENCE

FOR INFO

CLARK
HUGHES
VAN ERON

*Mazowiecki
cable only*

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White House Guidelines

E.O. 12958, SEC 3.4 (B) September 11, 2006

By Cop NARA, Date 3/31/09

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSMDC

CLOSED BY: NSJRP

DOC 1 OF 1

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~~CONFIDENTIAL~~

1153

4

Heads of State Correspondence Summary

**President Andreotti of Italy - February 12, 1990 PRES NOTED SUMMARY
(Received February 14)**

President Andreotti accepts your offer to come to Washington for an official visit on March 5-7, to discuss the reduction of conventional arms in Europe and the increasing role of the EC.

**Prime Minister Mazowiecki of Poland - February 9, 1990
(Received February 12)**

PM Mazowiecki explains that it is vital for Poland to remain politically stable, to successfully changeover from a centralized economy to a market economy and to serve as an example for the rest of Eastern Europe, including the Soviet Union.

He states that present economic adjustment plans are extremely difficult and that he hopes to reach an agreement with the Paris Club which will allow changes in Poland's foreign debt repayment plans. Specifically, he hopes to decrease the debt by rescheduling the principal and interest due for repayment at the end of 1989 and in 1990.

Mazowiecki requests that you establish a working team at the Paris Club to work with the IMF in order to find ways to reduce Poland's inherited and future debts. In closing, he appreciates your support and asks for your understanding on these issues.

**Prime Minister Kaifu of Japan - February 8, 1990
(Received February 12)**

PM Kaifu asks that you inform him of the conclusions of the Cartagena Drug Summit meetings. He believes that increased trade will help the Andean region. Thus, he is sending representatives to the forthcoming senior officials meeting and will make due contributions. Japan has offered drug-free "nation-building" assistance to Colombia and will soon offer the same assistance to Thailand and its neighbors.

He assures you that Japan will continue close cooperation during the upcoming U.N. Special Session of the General Assembly on Drugs. Japan is preparing a Financial Action Task Force on money laundering report to present at the Houston Summit. Kaifu looks forward to enhancing U.S.- Japanese efforts against drug trafficking.

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PER E.O. 13526

2009-1013-MR
SCS 6/6/13

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Declassify on: OADR

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1126

WHITE HOUSE SITUATION ROOM

PAGE 01 OF 05

PRES NOTED SUMMARY

PRT VANERON

SIT BENKO BLACKWILL HUTCHINGS PRES-MSGS VAX

PREC IMMEDIATE <CLAS> ~~CONFIDENTIAL~~ <DTG> 091715Z FEB 90

FM AMEMBASSY WARSAW

TO SECSTATE WASHDC IMMEDIATE 4899

~~CONFIDENTIAL~~ SECTION 01 OF 02 WARSAW 02179

E.O. 12356: DECL: OADR

TAGS: EAID, ECIN, EINV, PREL, PL

SUBJECT: LETTER TO PRESIDENT BUSH FROM PRIME

- MINISTER MAZOWIECKI ON PARIS CLUB NEGOTIATIONS

1. *2* - ENTIRE TEXT.

2. I WAS CALLED TO THE FOREIGN OFFICE THIS MORNING TOGETHER WITH THE AMBASSADORS OF THE OTHER PARIS CLUB MEMBER COUNTRIES AND HANDED A LETTER TO PRESIDENT BUSH FROM PRIME MINISTER MAZOWIECKI WHICH READS AS FOLLOWS:

3. BEGIN TEXT:

DEAR MR. PRESIDENT,

- I TAKE THE LIBERTY OF ADDRESSING YOU PERSONALLY ON MATTERS OF VERY HIGH IMPORTANCE TO POLAND. INDEED, THEY CAN BE DECISIVE FOR WHETHER WE SUCCEED IN OUR EFFORTS TO SORT OUT THE ECONOMY AND FREE IT FROM THE SYSTEM UNDER WHICH IT OPERATED FOR 45 YEARS.

- SINCE THE BEGINNING OF THIS YEAR WE HAVE BEEN ENGAGED IN AN EXTREMELY DIFFICULT ECONOMIC PROGRAMME AGREED WITH THE INTERNATIONAL MONETARY FUND AND APPROVED OF BY COMPETENT QUARTERS IN THE WEST. THE AIM OF THE PROGRAMME IS TO ELIMINATE THE HYPER-INFLATION AND PROVIDE THE FOUNDATIONS FOR A MARKET

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2009-1013-MR
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WHITE HOUSE SITUATION ROOM

PAGE 02 OF 05

ECONOMY BASED ON THE PATTERNS OF THE DEVELOPED NATIONS. TO TRANSFORM A FULLY NATIONALIZED AND CENTRALIZED ECONOMY INTO A MARKET ONE IS AN UNPRECEDENTED TASK IN WHICH MUCH IS UNKNOWN. THAT IS COMPOUNDED BY THE BURDEN OF A CLASSICAL STABILIZATION OPERATION. IT BECOMES NECESSARY, THEREFORE, TO CONCENTRATE ALL OUR RESOURCES ON BRINGING THE OPERATION, WHICH HAS PUT THE SOCIETY TO ENORMOUS AUSTERITY AND A VERY HARD TEST OF PATIENCE, TO A SUCCESSFUL CONCLUSION.

- IT IS OF GRAVE WEIGHT FOR US TO MAKE SURE THAT POLAND REMAINS POLITICALLY STABLE AND THE SUCCESS OF OUR CHANGES OFFER EXPERIENCE FOR THE OTHER COUNTRIES OF THE REGION, PERHAPS INCLUDING EVEN THE SOVIET UNION.

- THE CAPABILITY WE HAVE IS INSUFFICIENT TO MEET THESE OBJECTIVES AND THE ABOVE REASONS.

- HENCE MY APPRECIATION FOR THE WELL-WISHING ATTITUDE OF YOURSELF AND OF YOUR GOVERNMENT AND COUNTRY AS WELL AS THE OTHER WESTERN COUNTRIES AND GOVERNMENTS, MANIFESTED IN DECLARATIONS AND DECISIONS ON A VARIETY OF ASSISTANCE FORMS,

INCLUDING IN MANY CASES CREDIT ASSISTANCE. I SEE IN IT THE SOLIDARITY WITH AND THE DESIRE OF HELPING POLAND TO BECOME A GOOD PARTNER IN INTERNATIONAL ECONOMIC RELATIONS.

- ONE OF THE MOST DIFFICULT PROBLEMS AND AT THE SAME TIME A HUGE BURDEN IS POLAND'S FOREIGN DEBT. I AM ADDRESSING YOU ON THE EVE OF A PARIS CLUB MEETING TO BE ATTENDED BY REPRESENTATIVES OF MY GOVERNMENT, IN THE HOPE FOR YOUR UNDERSTANDING AND SUPPORT FOR THE FOLLOWING URGENT DECISIONS:

- THE RESCHEDULING OF PRINCIPAL AND INTEREST

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WHITE HOUSE SITUATION ROOM

PAGE 03 OF 05

- ARREARS DUE FOR REPAYMENT AT THE END OF 1989
- AND IN THE COURSE OF THE CURRENT YEAR:
- - PREVENTING THE INCREASE OF POLAND'S DEBT
- AS A RESULT OF LATE INTEREST BUILD-UP.
-
- TO REACH AN AGREEMENT WITH THE PARIS CLUB,
IN WHICH ALL OF THESE DECISIONS WOULD BE INCLUDED,
IS IN MY OPINION INDISPENSABLE FOR THIS YEAR'S
ECONOMIC PROGRAMME TO BE MET. WE ARE GOING TO
REQUEST SIMILAR MEASURES FROM THE OTHER GROUPS
OF POLAND'S CREDITORS.
- AT THE SAME TIME, I WISH TO RAISE ANOTHER MATTER
OF EXTREME IMPORTANCE TO US AND ONE NOT EASY TO
SOLVE, OF WHICH I AM AWARE. NAMELY: A LONG-TERM
SETTLEMENT OF THE POLISH INDEBTNESS, AGREED UPON
WITH OUR CREDITORS, LEADING TO MAJOR REDUCTION OF
THE DEBT. WHAT I HAVE IN MIND IS A SOLUTION WHICH
WOULD OPEN THE WAY FOR POLAND TO ECONOMIC GROWTH,
DEVELOPMENT OF THE DOMESTIC MARKET AND THE LATTER'S
OPENING UP TO THE INFLUX OF FOREIGN CAPITAL AND
PRODUCTS AS WELL AS ALLOW THE COUNTRY TO BECOME
BT

#2179

BT

~~CONFIDENTIAL~~ SECTION 02 OF 02 WARSAW 02179

E.O. 12356: DECL: OADR

TAGS: EAID, ECIN, EINV, PREL, PL

SUBJECT: LETTER TO PRESIDENT BUSH FROM PRIME
SOLVENT.

-
- TO MEET THE PAST AND FUTURE LIABILITIES
INCURRED BY MY GOVERNMENT IS AND WILL CONTINUE TO
BE FOR US THE TOP CRITERION OF POLAND'S FINANCIAL
RELIABILITY. THERE ARE THE OLD OBLIGATIONS WHICH
WE INHERITED. I WOULD REQUEST YOU TO CONSIDER
THE ESTABLISHMENT OF A WORKING TEAM AT THE PARIS

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WHITE HOUSE SITUATION ROOM

PAGE 04 OF 05

CLUB. WITH OUR PARTICIPATION. TO TRY TO FIND. IN A JOINT EFFORT WITH THE INTERNATIONAL MONETARY FUND. A WAY TO BRING DOWN THOSE POLISH OBLIGATIONS.

- IN CONCLUSION. I WOULD LIKE TO THANK YOU FOR YOUR FRIENDLY SUPPORT FOR MY COUNTRY IN ITS DIFFICULT YET PROMISING RETURN TO AN EFFICIENT ECONOMY AND TO DEMOCRACY. AS PART OF THE RAPPROCHEMENT WITHIN THE DIVIDED EUROPE. HOPING FOR YOUR UNDERSTANDING AND SUPPORT FOR THE ABOVE MATTERS. I ASSURE YOU OF MY DEEP CONSIDERATION.

- (S) TADEUSZ MAZOWIECKI

END OF TEXT.

-
4. IN HIS ORAL PRESENTATION. VICE MINISTER OF FOREIGN AFFAIRS MAKARCZYK STRESSED THE IMPORTANCE POLAND PLACES ON THE FORTHCOMING PARIS CLUB NEGOTIATIONS. HE ASSURED THOSE PRESENT OF THE GOVERNMENT'S INTENTION TO NEGOTIATE SIMULTANEOUSLY WITH THE LONDON CLUB OF BANKS AND WITH POLAND'S CREDITORS IN COMECON. VICE MINISTER OF FINANCE SAWICKI ALSO SPOKE EMPHASIZING POLAND'S HOPES FOR A FULL PAYMENT MORATORIUM FOR 1990. HE SAID POLAND WAS AIMING. IN CONSULTATION WITH THE IMF, TO ACHIEVE EXTERNAL EQUILIBRIUM BY 1993. AN OBJECTIVE WHICH WOULD REQUIRE AN IMAGINATIVE APPROACH BY THE PARIS CLUB. THEY WOULD ASK THE PARIS CLUB NOT TO ACCRUE LATE INTEREST DURING 1990 AND, AS NOTED IN THE PRIME MINISTER'S LETTER, HOPED THAT A TASK FORCE COULD BE ESTABLISHED TO DEAL WITH THE POLISH DEBT QUESTION.

-
5. IN THE QUESTION PERIOD WHICH FOLLOWED, THE JAPANESE REPRESENTATIVE COMPLAINED RATHER BITTERLY ABOUT WHAT HE DESCRIBED AS IMPLICATIONS IN THE PRIME MINISTER'S REMARKS IN BRUSSELS THAT POLISH

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WHITE HOUSE SITUATION ROOM

PAGE 05 OF 05

INDEBTEDNESS WAS THE RESULT OF LOANS BEING PUSHED ON THE POLES IN AN IRRESPONSIBLE MANNER BY WESTERN LEADERS IN THE 1970S. MAKARCZYK SAID HE HAD BEEN PRESENT IN BRUSSELS AND THAT WAS NOT A FAIR DESCRIPTION OF THE PRIME MINISTER'S REMARKS. HE HAD MERELY NOTED THAT LOANS WERE ACTIVELY BEING PROMOTED DURING THAT PERIOD AND THAT MUCH OF THE MONEY HAD SUBSEQUENTLY BEEN WASTED BY THE THEN POLISH GOVERNMENT.

6. WHEN I PRESSED SAWICKI FOR DETAILS OF THE POLES' PROPOSED LONGER TERM SOLUTION TO THE DEBT PROBLEM. HE INDICATED THAT THEY MIGHT SUGGEST INTEREST RATE REDUCTION ON THE OLD DEBT. PERHAPS AS LOW AS TWO PERCENT OR. ALTERNATIVELY, SOME FORM OF PRINCIPAL REDUCTION. WITHOUT ONE OR THE OTHER, THE DEBT COULD MOUNT TO \$70 BILLION IN THE NEXT THREE YEARS EVEN WITH TEN TO FIFTEEN PERCENT ANNUAL EXPORT GROWTH. A RESULT WHICH IT WOULD BE HARD TO JUSTIFY TO THE POPULATION AS THE OUTCOME OF THEIR HAVING ACCEPTED A SHARP DROP IN THE STANDARD OF LIVING AND THE INTRODUCTION OF A MARKET ECONOMY.

7. SIGNED ORIGINAL OF THE LETTER BEING POUCHED TO THE DEPARTMENT. DAVIS

BT

#2179

~~CONFIDENTIAL~~
NSC/S PROFILE

RECORD ID: 9000938
RECEIVED: 05 FEB 90 18

CHRON FILE

TO: EXECUTIVE ORDER

FROM: PRESIDENT

DOC DATE: 20 FEB 90
SOURCE REF:

KEYWORDS: CZECHOSLOVAKIA
CONGRESSIONAL

INTL TRADE
CM

PERSONS:

SUBJECT: CZECHOSLOVAKIA & TRADE ACT OF 1974

ACTION: PRES SGD PER WH EXEC CLERK

DUE DATE: 08 FEB 90

STATUS: C

STAFF OFFICER: HUTCHINGS

LOGREF: 8909661

FILES: WH

NSCP:

CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION

FOR CONCURRENCE

FOR INFO

BASORA

BLACKWILL

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White House Guidelines

E.O. 12958, SEC 3.4 (B) September 11, 2006

By cap NARA, Date 3/31/09

COMMENTS: _____

DISPATCHED BY ✓ DATE 2/20/90 BY HAND W/ATTCH

OPENED BY: NSWEA

CLOSED BY: NSJRP

DOC 7 OF 7

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CHRON FILE

0938

THE WHITE HOUSE
WASHINGTON

President sgd per WH
Executive Clerk 20 Feb 1990

February 16, 1990

ACTION

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE EXECUTIVE CLERK

FROM: BRENT SCOWCROFT *BS*

SUBJECT: Granting a Waiver of the Jackson-Vanik
Amendment for Czechoslovakia

Purpose

To waive the emigration provisions of the Jackson-Vanik Amendment for Czechoslovakia.

Background

Secretary Baker has recommended (Tab D) that you waive the application of the freedom of emigration provisions of the Jackson-Vanik Amendment for Czechoslovakia. As his memo points out, the waiver is justified by the Czechoslovak government's new travel regulations, its current emigration practices, and the assurances of Foreign Minister Dienstbier that the Czechoslovak government will satisfactorily resolve any emigration problems that may arise. Given the rapid evolution of the political situation in Czechoslovakia and the imminent visit of interim President Havel, it is an appropriate time to grant the recommended waiver. The waiver is accomplished by your signing a Determination (Tab A), letters reporting your action to Congress (Tab B), and an Executive Order (Tab C), which has been approved as to form and legality by the Justice Department (Tab E).

RECOMMENDATION

That you sign the Determination (Tab A), the letters (Tab B) reporting your action to Congress, and the Executive Order (Tab C).

Attachments

Tab A Presidential Determination
Tab B Letters to the Speaker of the House and
the President of the Senate
Tab C Executive Order
Tab D Secretary Baker's Memorandum
Tab E Justice Department Opinion

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PER E.O. 13526
2009-1013-MR
SCS 8/20/13

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Declassify on: OADR

cc: Vice President
Chief of Staff

~~CONFIDENTIAL~~

THE WHITE HOUSE
WASHINGTON

Presidential Determination
No. _____

MEMORANDUM FOR THE SECRETARY OF STATE

SUBJECT: Determination under Section 402(c)(2)(A) of the
Trade Act of 1974-- Czechoslovakia

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974 (the "Act") (19 U.S.C. 2432 (c)(2)(A)) I determine that a waiver of the application of subsections (a) and (b) of section 402 of the Act with respect to Czechoslovakia will substantially promote the objectives of section 402.

You are authorized and directed to publish this determination in the Federal Register.

THE WHITE HOUSE
WASHINGTON

Dear Mr. Speaker:

Pursuant to subsection 402(c)(2) of the Trade Act of 1974 (the Act) (19 U.S.C. 2432(c)(2)), I have determined that a waiver of the application of subsections (a) and (b) of Section 402 with respect to Czechoslovakia will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received the assurances with respect to the emigration practices of Czechoslovakia required by section 402(c)(2)(B) of the Act.

Pursuant to section 402(c)(2), I shall issue an Executive Order waiving the application of subsections (a) and (b) of section 402 of the Act with respect to Czechoslovakia.

Sincerely,

The Honorable Thomas S. Foley
Speaker of the House of Representatives
Washington, D.C. 20515

THE WHITE HOUSE
WASHINGTON

Dear Mr. President:

Pursuant to subsection 402(c)(2) of the Trade Act of 1974 (the Act) (19 U.S.C. 2432(c)(2)), I have determined that a waiver of the application of subsections (a) and (b) of Section 402 with respect to Czechoslovakia will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received the assurances with respect to the emigration practices of Czechoslovakia required by section 402(c)(2)(B) of the Act.

Pursuant to section 402(c)(2), I shall issue an Executive Order waiving the application of subsections (a) and (b) of section 402 of the Act with respect to Czechoslovakia.

Sincerely,

The Honorable Dan Quayle
President of the Senate
Washington, D.C. 20510

EXECUTIVE ORDER

- - - - -

WAIVER UNDER THE TRADE ACT OF 1974 WITH RESPECT
TO CZECHOSLOVAKIA

By the authority vested in me as President by the Constitution and laws of the United States of America, including section 402(c)(2) of the Trade Act of 1974 (19 U.S.C. 2432(c)), which continues to apply to Czechoslovakia pursuant to section 402(d), and having made the report to the Congress required by section 402(c)(2), I hereby waive the application of subsections (a) and (b) of section 402 of said Act with respect to Czechoslovakia.

THE WHITE HOUSE,

THE SECRETARY OF STATE
WASHINGTON

February 3, 1990

MEMORANDUM FOR: THE PRESIDENT

FROM: James A. Baker, III 

SUBJECT: Granting a Waiver of the Jackson-Vanik
Amendment for Czechoslovakia

To demonstrate support for Czechoslovakia's dramatic political and economic reforms and to initiate the process to grant most-favored-nation (MFN) tariff treatment to Czechoslovakia, I recommend that you waive application of the freedom of emigration provisions contained in the Jackson-Vanik amendment to Title IV of the Trade Act of 1974. The Jackson-Vanik amendment, Section 402 of the Act, prohibits your granting MFN tariff treatment to Czechoslovakia until you first find Czechoslovakia in compliance with or waive application of the amendment and then conclude a bilateral commercial agreement.

The Jackson-Vanik amendment requires that you report to Congress your determination that a waiver will substantially promote the freedom of emigration objectives of the amendment and that you have received assurances that the emigration practices of the country in question will in the future lead to the objectives of the section.

The Czechoslovak government implemented new travel regulations on January 1, 1990 that ensure freedom of emigration for all its citizens. No exit visas are required and passports are issued routinely. All pending bilateral family reunification cases have been resolved.

Further, we held detailed bilateral discussions about Czechoslovakia's emigration policy and practices. During those discussions, we received assurances from Foreign Minister Jiri Dienstbier, who said he was authorized to speak on behalf of his government, that the government of Czechoslovakia will satisfactorily solve any emigration problems that may arise. We consider that this statement, in the context of those discussions, meets the assurances criterion of the amendment.

For the above reasons, I have concluded that Czechoslovakia now meets the requirements for a waiver of the Jackson-Vanik amendment. U.S. interests, including the emigration objectives of Title IV of the Act, are best served by your executing the documents required to grant such a waiver.

RECOMMENDATION

That you execute the attached Determination, approve and transmit the attached Report to the Congress, and subsequently sign the executive order.

Attachments:

- Tab 1 - Presidential Determination
- Tab 2 - Transmittal Message
- Tab 3 - Report to Congress
- Tab 4 - Executive Order

_____, 1990
Presidential Determination
No. _____

MEMORANDUM FOR THE SECRETARY OF STATE

SUBJECT: Determination under Section 402(c)(2)(A) of the
Trade Act of 1974--Czechoslovakia

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974 (Public Law 93-618, January 3, 1975; 88 Stat. 1978) (the "Act") I determine that a waiver by Executive order of the application of subsections (a) and (b) of section 402 of the Act with respect to Czechoslovakia will substantially promote the objectives of section 402.

On my behalf, please transmit this determination to the Speaker of the House and to the President of the Senate.

This determination shall be published in the Federal Register.

The White House

To the Congress of the United States:

I hereby transmit the document referred to in subsection 402(c)(2) of the Trade Act of 1974 with respect to a waiver of the application of subsections 402(a) and (b) of that Act to Czechoslovakia.

I report in that document my determination that such a waiver will substantially promote the objectives of section 402. I have instructed the Secretary of State to provide a copy of that determination to the Speaker of the House and the President of the Senate. The report also indicates that I have received the assurances with respect to the emigration practices of Czechoslovakia required by section 402(c)(2)(B) of the Act.

George Bush

The White House

Report to the Congress Concerning a Waiver of Section 402 (a)
and (b) of the Trade Act of 1974 -- Czechoslovakia

To the Congress of the United States:

Pursuant to section 402(c)(2) of the Trade Act of 1974,
(hereinafter the "Act") I shall issue today an Executive Order
waiving the application of subsections (a) and (b) of section
402 of the Act with respect ^{to} of Czechoslovakia.

I wish to report to the Congress that I have determined
that the requirements of section 402(c)(2)(A) and (B) of the
Act have been satisfied.

George Bush

The White House

EXECUTIVE ORDER

WAIVER UNDER THE TRADE ACT OF 1974 WITH RESPECT TO
CZECHOSLOVAKIA

By virtue of the authority vested in me as President of the United States of America by section 402(c)(2) of the Trade Act of 1974 (Public Law 93-618, January 3, 1975; 88 Stat. 1978), which continues to apply to Czechoslovakia pursuant to section 402(d), and having made the report to the Congress required by section 402(c)(2), I hereby waive the application of subsections (a) and (b) of section 402 of said Act with respect to Czechoslovakia.

George Bush

The White House

_____, 1990



U.S. Department of Justice

Office of Legal Counsel

Office of the
Assistant Attorney General

Washington, D.C. 20530

February 15, 1990

MEMORANDUM

Re: Proposed Executive Order Entitled
"Waiver Under the Trade Act of 1974
with Respect to Czechoslovakia"

The attached proposed Executive Order has been submitted by the Department of State. The Office of Management and Budget, with the approval of the Director, has forwarded it to this Department for review of its form and legality.

The Jackson-Vanik Amendment to the Trade Act of 1974, 19 U.S.C. § 2432, requires the President to report to Congress that the emigration policies of a country with a nonmarket economy satisfy certain statutory criteria before the country is eligible for specified trade-related benefits, including most-favored-nation treatment. The proposed Order will waive the requirements of the Jackson-Vanik Amendment with respect to Czechoslovakia.

The proposed Order is acceptable with respect to its form and legality.

William P. Barr
Assistant Attorney General
Office of Legal Counsel

~~CONFIDENTIAL~~

0938

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

February 14, 1990

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

THROUGH: ROBERT D. BLACKWILL *RB*
FROM: ADRIAN A. BASORA *RBH for*
SUBJECT: Granting a Waiver of the Jackson-Vanik
Amendment for Czechoslovakia

Secretary Baker has recommended that the President waive the Jackson-Vanik emigration provisions for Czechoslovakia. We concur, and recommend that the President sign the documents on February 20, so that we can announce these steps in conjunction with the Havel visit.

Concurrences by: Ginny Lampley, *DL* Nicholas Rostow and Eric Melby *SM*

RECOMMENDATION

That you sign the attached memo to the President.

Attachments

Tab I Memo to the President
Tab A Presidential Determination
Tab B Letters to the Speaker of the House and
the President of the Senate
Tab C Executive Order
Tab D Secretary Baker's Memorandum
Tab E Justice Department Opinion

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PER E.O. 13526

2009-1013-MR
SCS 8/20/13

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Declassify on: OADR

NATIONAL SECURITY COUNCIL

20-Feb-1990 13:35 EDT

UNCLASSIFIED

MEMORANDUM FOR: SEE BELOW

FROM: Barbara Browne
(BROWNE)

SUBJECT: #0938

Executive Clerk's office has notified us that package #0938 Granting a Waiver of Jackson Vanik Amendment for Czechoslovakia has been signed by the President.

Distribution:

FOR: Daniel Levin	(LEVIN)
FOR: Nicholas Rostow	(ROSTOW)
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NSC/S PROFILE

RECORD ID: 9001220
RECEIVED: 14 FEB 90 17

CHRON FILE

TO: SCOWCROFT

FROM: HUTCHINGS
BLACKWILL

DOC DATE: 15 FEB 90
SOURCE REF:

KEYWORDS: CZECHOSLOVAKIA

VISIT



PERSONS:

SUBJECT: BRIEFING PAPERS FOR PRES HAVEL VISIT / FEB 20

ACTION: NOTED BY PRES

DUE DATE: 17 FEB 90

STATUS: C

STAFF OFFICER: HUTCHINGS

LOGREF: 8910147 9000221

FILES: WH

NSCP:

CODES:

DOCUMENT DISTRIBUTION

FOR ACTION

FOR CONCURRENCE

FOR INFO
BLACKWILL
HUTCHINGS

*Memo to
President
only*

DECLASSIFIED

White House Guidelines

E.O. 12958, SEC 3.4 (B) September 11, 2006

By Cox NARA, Date 3/31/09

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSW

CLOSED BY: NSJRP

DOC 2 OF 2

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CHRON FILE

THE WHITE HOUSE THE PRESIDENT HAS SEEN 20
WASHINGTON

February 17, 1990

MEETING WITH PRESIDENT VACLAV HAVEL OF CZECHOSLOVAKIA

DATE: February 20, 1990

LOCATION: Oval Office/Cabinet Room/
Old Family Dining Room

TIME: 11:00 a.m. - 1:00 p.m.

FROM: BRENT SCOWCROFT *RJ for*

I. PURPOSE

To reaffirm your strong personal commitment to democratic change in Eastern Europe and stress our vision of a strong NATO and a strong U.S. role in the new Europe.

II. BACKGROUND

In a year of astonishing events in Eastern Europe, none is more astonishing than the "velvet revolution" that propelled former political prisoner Vaclav Havel to the Presidency of Czechoslovakia. Although his visit will not have as great an impact as Lech Walesa's, Havel is in many ways more the symbol of the democratic revolution in the region as a whole. It affords you an opportunity to reaffirm your personal involvement in a region now vastly different from the time of your visits to Poland and Hungary.

✓ Havel presents problems. He is a man with a mission and a man in a hurry. In his zeal to break with the immorality of one of the nastiest Communist regimes, he is staking out what he considers the moral high ground in foreign as well as domestic policy. In his short time in office, he has offered to mediate ~~Arab-Israeli~~ disputes, volunteered Prague as the site of a U.S.-Soviet summit, called for further cuts in NATO and Warsaw Pact forces (outside the CFE process), ✓ and generally projected a vision of a bloc-free, demilitarized "Europe for the Europeans." He is likely to spring some further surprise ideas during his visit here.

Over time, this leftist/neutralist approach will be attenuated -- by the dawning realities of political responsibility, the widely differing views of other key Czech and especially Slovak leaders, and the strongly pro-American sentiments that he shares with his countrymen. In ✓ the meantime, he can do considerable mischief because of his moral authority, Prague's position in the heart of Europe, and the sympathetic hearing he will get in Social Democratic circles in Western Europe.

~~SECRET~~

Declassify on:OADR

cc: Vice President
Chief of Staff

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2009-1013-MR
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2

Jim Baker did an effective job in Prague of arguing the case for a strong NATO, with a united Germany fully within it, and a continuing strong U.S. military and political presence in Europe. You will need to follow up, stressing that NATO is the mechanism that keeps the U.S. in Europe and that a Europe without us and without NATO is not the architecture of a stable and secure future. More to the point, perhaps, you can impress on Havel the damage that he can do by offering careless proposals or symbolic gestures at this time of extraordinary delicacy in Europe. He will respect your views, and he genuinely wants to put U.S.-Czechoslovak relations on the right track. He also sees American engagement in Central Europe as a necessary counterweight to German economic and political power.

On the bilateral side, the task will be much easier. Havel seeks no financial aid, at least not yet, and the assistance Czechoslovakia wants is of the kind we can provide: MFN treatment, access to credits, support in the international financial institutions, expanded cultural cooperation, and various forms of technical help. Your talking points lay out many of the economic measures we are already taking; of these you should highlight your signing of a Jackson-Vanik waiver, our support for Prague's bid to be the site of the new European Bank for Reconstruction and Development, and our endorsement of Czechoslovakia's reentry into the IMF.

Czechoslovakia has achieved a stunning political transformation in just two months: the new government and the reconstituted parliament are almost wholly non-Communist, and independent political activity has swept every facet of society. But there is an enormous amount of work to be done in dismantling the old structures, moving from a command to a market-based economy, and preparing new political parties for the challenges of an election campaign. It would be useful to hear Havel out on what he sees as the most urgent problems and how he feels the U.S. might be helpful.

The planned reopening of our consulate in Bratislava offers a good opportunity for building a Slovak dimension into the visit. Under conditions of political pluralism, long suppressed Czech-Slovak rivalries are sure to resurface in ways that complicate the new democracy.

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Finally, the tone Havel will expect from the meetings differs from that of our relations with the Poles and Hungarians. Czechs are proud of their democratic heritage and will want this visit to be on a more or less equal footing. The atmospherics of the visit will be important to our narrowing the differences between our views of Europe.

III. PARTICIPANTS

The lists of participants are at Tab B.

IV. PRESS PLAN

- Oval Office Meeting: Open photo, writing pool.
- Cabinet Room Meeting: White House photographer
- Luncheon: White House photographer
- Departure: Open press

V. SEQUENCE

Oval Office meeting followed by expanded meeting in the Cabinet Room, a working lunch in the Old Family Dining Room, and departure statements at the White House Diplomatic Entrance.

Attachments

Tab A	Points to be Made
Tab B	Participants Lists for Oval Office Meeting, Expanded Meeting, and Working Luncheon
Tab C	Biographies
Tab D	Secretary Baker's Memorandum

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NSC/S PROFILE

RECORD ID: 9002819
RECEIVED: 11 APR 90 13

CHRON FILE

TO: AGENCIES

FROM: SCOWCROFT

DOC DATE: 18 APR 90
SOURCE REF:

KEYWORDS: ECONOMIC ASSISTANCE

EUROPE EAST



PERSONS:

SUBJECT: US ASSISTANCE TO EASTERN EUROPE

ACTION: SCOWCROFT SGD MEMO TO AGENCIES DUE DATE: 14 APR 90 STATUS: C

STAFF OFFICER: BASORA

LOGREF: 9000209

FILES: WH

NSCP:

CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION

FOR CONCURRENCE

FOR INFO

BASORA

BLACKWILL

COMMENTS: _____

DISPATCHED BY LMS DATE 4/19 BY HAND W/ATTCH

OPENED BY: NSEF

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DOC 3 OF 3

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THE WHITE HOUSE

WASHINGTON

April 18, 1990

MEMORANDUM FOR THE VICE PRESIDENT
THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH AND HUMAN SERVICES
THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY OF TRANSPORTATION
THE SECRETARY OF ENERGY
THE SECRETARY OF EDUCATION
THE SECRETARY OF VETERANS AFFAIRS
DIRECTOR OF THE OFFICE OF MANAGEMENT & BUDGET
UNITED STATES TRADE REPRESENTATIVE
DIRECTOR OF CENTRAL INTELLIGENCE
CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS
ASSISTANT TO THE PRESIDENT FOR POLICY DEVELOPMENT
DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY
POLICY
ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL
DEVELOPMENT
ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION
AGENCY
DIRECTOR OF THE UNITED STATES INFORMATION AGENCY
DIRECTOR OF THE PEACE CORPS
DIRECTOR OF THE TRADE AND DEVELOPMENT PROGRAM
CHAIRMAN OF THE EXPORT-IMPORT BANK OF THE UNITED
STATES
ADMINISTRATOR OF THE SMALL BUSINESS ADMINISTRATION
CHAIRMAN OF THE OVERSEAS PRIVATE INVESTMENT
CORPORATION
ASSISTANT TO THE PRESIDENT AND SECRETARY
TO THE CABINET
ADMINISTRATOR OF GENERAL SERVICES
CHAIRMAN OF THE FEDERAL COMMUNICATIONS COMMISSION
CHAIRMAN OF THE FEDERAL DEPOSIT INSURANCE
CORPORATION
CHAIRMAN OF THE FEDERAL TRADE COMMISSION
CHAIRMAN OF THE INTERSTATE COMMERCE COMMISSION
CHAIRMAN OF THE FEDERAL RESERVE SYSTEM
CHAIRMAN OF THE NATIONAL CREDIT UNION
ADMINISTRATION
DIRECTOR OF THE OFFICE OF PERSONNEL MANAGEMENT
CHAIRMAN OF THE SECURITIES AND EXCHANGE COMMISSION

SUBJECT: U.S. Assistance to Eastern Europe

Evidently some agencies continue to seek earmarks for their programs in Eastern Europe in their formal or informal contact

with the Congress. The purpose of this memorandum is to remind all agencies that it is Administration policy actively to oppose proposals assigning responsibility to any individual agency or group of agencies for Eastern European assistance programs funded under FY 1991 authorization or appropriations legislation. Agency heads are asked to bring this policy to the attention of all personnel and to ensure compliance.

As Administration witnesses have made clear in Congressional testimony this year, the President requires the flexibility to respond to changing needs in Eastern Europe and to tailor U.S. assistance to the pace of political and economic reform in each of the countries of the region. We also need to be able to coordinate U.S. government programs with those carried out by other G-24 governments and by the private sector in the U.S. and abroad. Earmarks for individual countries or programs make such flexibility impossible.

Funding from 1991 appropriations for Eastern European assistance will be available for certain programs carried out by U.S. government agencies. Decisions about such funding will be made under the policy direction of the Coordinator of U.S. Assistance to Eastern Europe and the Deputy Coordinators. Agencies now carrying out such programs and those best suited to meet new priority needs will be called upon to participate in the policy process and submit proposals for funding. In the case of foreign affairs agencies, Eastern European programs must be funded from their FY 1991 operating budgets, unless new requirements have been identified by the Coordinator and Deputy Coordinators since the submission of the President's budget. Agencies are not to seek funding from the Eastern European Assistance budget for programs provided for in the President's budget.

Agencies now involved in Eastern European Assistance must follow the procedures outlined in the Coordinator's memorandum of January 24, 1990, and the NSC memorandum of January 11, 1990.


Brent Scowcroft

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

April 12, 1990

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

THROUGH: ROBERT BLACKWILL *M*

FROM: ADRIAN BASORA *AHB*

SUBJECT: Reminder Notice on Executive Branch Coordination
Regarding Assistance to Eastern Europe

Larry Eagleburger and his staff have seen considerable evidence that a number of agencies are working directly with Congressional committees or staff in order to arrange for earmarking of funds to finance their particular pet projects for Eastern Europe. This is happening even though the Administration has submitted, and lobbied strongly for, legislation designed to give the President maximum flexibility (with no earmarking) in view of the rapidly evolving political situation in Eastern Europe.

Despite Larry's efforts to dissuade agencies not to undercut the President's program, the lobbying for earmarks continues. The attached memo is designed to underscore the message that this must cease.

The NSC memo setting up the Coordinator for Assistance to Eastern Europe is at Tab II, and the January 24 memo referred to in the reminder notice is at Tab III.

Ginny Lampley and Tim Deal concur. (*in draft*) *AHB*

RECOMMENDATION:

That you sign the attached memo.

Attachments

Tab I Memo to Agencies
Tab II NSC memo
Tab III January 24 memo from Coordinator

THE WHITE HOUSE

WASHINGTON

January 11, 1990

MEMORANDUM FOR THE VICE PRESIDENT
THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH AND HUMAN SERVICES
THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY OF TRANSPORTATION
THE SECRETARY OF ENERGY
THE SECRETARY OF EDUCATION
THE SECRETARY OF VETERANS AFFAIRS
DIRECTOR OF THE OFFICE OF MANAGEMENT & BUDGET
UNITED STATES TRADE REPRESENTATIVE
CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS
ASSISTANT TO THE PRESIDENT FOR POLICY DEVELOPMENT
DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY
POLICY
ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL
DEVELOPMENT
ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION
AGENCY
DIRECTOR OF THE UNITED STATES INFORMATION AGENCY
DIRECTOR OF THE PEACE CORPS
DIRECTOR OF THE TRADE AND DEVELOPMENT PROGRAM
CHAIRMAN OF THE EXPORT-IMPORT BANK OF THE UNITED
STATES
ADMINISTRATOR OF THE SMALL BUSINESS ADMINISTRATION
CHAIRMAN OF THE OVERSEAS PRIVATE INVESTMENT
CORPORATION
ASSISTANT TO THE PRESIDENT AND SECRETARY
TO THE CABINET

SUBJECT: Clearances with Coordinator for Eastern Europe

As announced December 6, Deputy Secretary of State Lawrence S. Eagleburger has been designated as the President's Coordinator for U.S. assistance to Eastern Europe. In that capacity, he will oversee and coordinate the programs and activities authorized by the Support for East European Democracy (SEED) Act of 1989, assure effective follow-up to the Presidential Mission to Poland in cooperation with the Mission's leaders, and coordinate any additional U.S. assistance or initiatives in support of democratic reform in Eastern Europe.

In order for this coordination to be carried out effectively, all agencies should clear in advance with Deputy Secretary Eagleburger's office any relevant speeches, Congressional testimony, travel, program initiatives and press statements consistent with procedures to be disseminated by the Coordinator's office.


Brent Scowcroft

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
04. Memo	Ambassador Robert L. Barry to Members of the Coordinating Council for U.S. Assistance to Eastern Europe Re: Coordination of U.S. Assistance to Eastern Europe [FOIA exemptions redacted; only last page redacted] (12 pp.)	n.d.	(b)(1); (b)(3)	e

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Files
Series: USSR Chronological Files
Subseries: Soviet Power Collapse in Eastern Europe Files
WHORM Cat.:
File Location: Soviet Power Collapse in Eastern Europe (February - May 1990)

Document Declassified
(Document Follows)
 By SCS on 11/26/13

Date Closed:	3/31/2009	OA/ID Number:	91125-005
FOIA/SYS Case #:	2009-0275-S	Appeal Case #:	
Re-review Case #:		Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

P-1 National Security Classified Information [(a)(1) of the PRA]
 P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
 P-3 Release would violate a Federal statute [(a)(3) of the PRA]
 P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
 P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
 P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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

PRM. Removed as a personal record misfile.

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

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

~~CONFIDENTIAL~~
MEMORANDUM

TO: Members of the Coordinating Council for U.S.
Assistance to Eastern Europe

FROM: D/EEA - Ambassador Robert L. Barry

SUBJECT: Coordination of U.S. Assistance to Eastern Europe

The President has designated Deputy Secretary of State Lawrence S. Eagleburger as Coordinator of U.S. Assistance to Eastern Europe. Chairman Michael Boskin of the Council of Economic Advisers and Deputy Treasury Secretary John Robson have been designated Deputy Coordinators. This memorandum establishes interagency coordination procedures among members of the Coordinating Council to ensure that U.S. policy in providing assistance to Eastern Europe is coherent, consistent and creative.

The Coordinating Council will use existing interagency procedures to the maximum extent possible. Communications between member agencies should be routed through agency executive secretaries (or equivalents). Each member agency has designated an official as the point of contact for Coordinating Council matters (contact list attached). Executive Secretaries (or equivalents) should ensure that these communications are promptly distributed to the agency point of contact.

Ambassador Robert L. Barry, Special Adviser to the Deputy Secretary of State for Eastern European Assistance, will support the Coordinator and the Deputy Coordinators. Mr. Barry is located in room 1210A at the Department of State, telephone 647-0695.

Calling Meetings

Member agencies will be notified of formal meetings of the Coordinating Council by memorandum from State. Informal meetings may be arranged by telephone.

Conclusions/Decisions

Statements of conclusions or decisions reached by the Coordinator of the Council will be distributed by State at Mr. Eagleburger's direction after coordination where appropriate with the NSC staff. Such conclusions may relate, for example, to the need for an agency or a group of agencies to draft and circulate a study paper or for agencies to undertake certain tasks. Decisions may relate to the timing of trips or agreements reached on policy matters.

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2009-1013-MR
SCS 6/6/13

Relation to Other Interagency Coordination Mechanisms

The Coordinating Council will not supplant or duplicate existing coordinating mechanisms such as are provided by OMB, EPC, the NSC system and trade policy groups (e.g., TPRG). However, it is essential that when issues relating to Eastern European assistance are being discussed elsewhere, the Coordinator and Deputy Coordinators are kept informed and have the opportunity to state their views or those of the Council. To this end, the OMB and State representatives on interagency groups will keep the Coordinator's office informed of issues relating to Eastern European assistance.

Area of Application

Procedures described in this memorandum apply to those countries now included in the SEED program - i.e., Poland and Hungary. Five other countries may be included in the area of application in the near future - Czechoslovakia, the GDR, Bulgaria, Romania and Yugoslavia. Agencies planning programs in any of these five countries should keep the Coordinator informed.

Policy Initiatives

When an agency or agencies plan a new program or policy initiative that is not a matter which is being decided in the EPC, NSC system or the TPRG, a joint memorandum should be submitted to the Coordinator from the agencies involved describing the purpose of the program and a description of it, the rationale behind it (i.e., how it fits into the overall assistance effort), the amount of money involved and the source of that funding, and a description of the U.S. government agencies which would have an interest in the program. Copies of these proposals should be distributed to all agencies represented on the Coordinating Council by the originators. As we have discussed, such programs or initiatives are subject to the approval of the Coordinator and the Deputy Coordinators.

Trips to the Area

Agencies planning trips to any of the countries of the area at the Assistant Secretary level or above should submit a memorandum to the Coordinator proposing such a trip, including the purpose, the number of participants, the proposed dates, the host country officials to be contacted, and the source of funding for the trip and follow on activities. Other trips by USG officials to the area should be cleared with our Embassies in advance through the appropriate State Department country desk.

Because the number of trips to Eastern Europe has created a burden for host governments as well as US embassies, travel must be held to a minimum. Agencies must notify the Coordinator's office of all trips which may, or will, involve negotiations to conclude agreements with host governments sufficiently in advance to allow for review of such negotiations pursuant to the State Department's Circular 175 procedures.

Public Statements

It is important that public statements and Congressional testimony on SEED issues be consistent. OMB will assist in this effort by providing the Coordinator's office with copies of testimony cleared through OMB. Other testimony should be provided directly in advance by the agency involved. Public statements which break new policy ground should also be provided to the Coordinator's office well in advance for approval. It is not necessary for an agency to clear in advance meetings with Members of Congress or their staff that simply describe that agency's programs, but substantive discussions of these programs should be reported to the Coordinator and Deputy Coordinators.

Inventory of Programs and Updates

Participating agencies have provided the Coordinator with a list of programs currently under way in Poland and Hungary. Several departments and agencies, such as USIA and Agriculture, have had longstanding programs in the region, supported by their personnel in the field. It will be important to ensure that new initiatives are undertaken with an awareness of existing programs. Programs of participating agencies have been summarized briefly in the attached inventory and divided into those which have been completed, those which are under way and deserve active monitoring, and those which are in progress but do not appear to warrant progress reports. (Please contact Ambassador Barry to make corrections.) Each month, or whenever major new developments take place (whichever comes sooner), agencies should provide updates to the Coordinator, on the basis of which updated inventories will be circulated. Copies of these monthly updates should be provided to all Coordinating Council agencies by the originator.

Agency Contacts

A single individual in each agency has been identified as the point of contact for SEED matters. A list of these individuals is attached. Periodic meetings of these contacts will be called by Ambassador Barry to exchange information and identify issues for decision by the Coordinator and the Deputy Coordinators, or the Coordinating Council.

Bilateral and Multilateral Coordination

An essential element of the SEED program is coordination among donor nations through multilateral channels such as the G-7, G-24, OECD, Paris Club, etc. Bilateral channels between U.S. agencies and other donor state agencies also exist. These bilateral contacts should be encouraged, but the Coordinator and the Deputy Coordinators need to be informed of issues that arise in these channels. Agency SEED contact officials are responsible for seeing that this happens.

Policy Planning/Macroeconomic Analysis/Financial Assistance

Under the leadership of the Coordinator and Deputy Coordinators an analytical group has been meeting to assess the requirements of recipient countries and generate over time a broad series of policy prescriptions to guide our assistance effort. This group will also continue to coordinate implementation of policies and programs in the macroeconomic and financial areas. These tasks will continue to be important as additional countries are considered for SEED assistance. Various agencies will be called upon to participate in this work as the leaders of the group see appropriate.

Private Sector Outreach

The active participation of the U.S. private sector is essential to the success of the SEED program. The U.S. business and financial community needs to know what programs the U.S. government has in place to assist it. U.S. foundations and private voluntary organizations should know what the needs of the recipient countries are and what programs are being planned by the private and public sectors to meet these needs. Early meetings of the business/financial community and the foundation/PVO community are being planned under the direction of the Coordinator/Deputy Coordinators. The purpose is to launch a process which will result in greater exchange of information and coordination within the private sector and between government agencies and the private sector entities they serve. Existing Industry Advisory Groups also will be used to facilitate this exchange of information.

J. Stapleton Roy
Executive Secretary

~~CONFIDENTIAL~~

-7-

Subject: Priority Programs Under the SEED Program

Based on the inventories of programs which have been completed or are now under way as part of the Support for East European Democracies Program, we have established three categories for periodic update and review.

- A. Major projects completed.
- B. Major projects under way warranting continued monitoring by the Coordinating Council.
- C. Projects which are under way but do not require interagency monitoring at this time.

This inventory will be updated as new reports come in and will be distributed to all agency contact personnel periodically.

We will also include in this periodic report trips to Poland and Hungary involving executive branch officials at the Assistant Secretary or above level, major trips by state and local government officials and Congressional delegations to the area.

A. Major projects completed as of January 1, 1990

GENERAL

Poland and Hungary became eligible for EXIM programs. (EXIM)

USIA launched major exchange initiatives for Poland and Hungary (September 1989)

POLAND

OPIC Investment Guarantee Agreements signed, October 1989.

Presidential Economic Delegation to Poland led by Agriculture Secretary Yeutter, Labor Secretary Dole, Commerce Secretary Mosbacher and CEA Chairman Boskin, November-December 1989.

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DECL: OADR

OPIC Investment Mission to Poland, November 1989.

Conferral of GSP treatment, effective January 1990. (USTR)

Private business agreement signed in September. (Commerce)

Tourism Agreement signed in September. (Commerce)

Stabilization Fund established. (Treasury, AID, CEA)

Memorandum of Understanding signed on labor assistance, November 1989. (Labor)

Embargo lifted on exchange of scientific and technical information in December 1989. (Commerce)

HUNGARY

Conferral of GSP treatment, effective November 1989. (USTR)

Tourism agreement signed, July 1989. (Commerce)

American Chamber of Commerce established in Budapest, November 1989. (Commerce)

OPIC Investment Guarantee Agreements signed, October 1989.

OPIC issued \$150 million political risk insurance for General Electric-Tungsram joint venture.

B. Major Projects requiring interagency monitoring

GENERAL

U.S. participation in European Bank for Reconstruction and Development. (Treasury)

COCOM review. (State, Commerce, Defense)

Establishment of Business Information Centers in U.S., Poland, Hungary. (Lead Agency - Commerce; Collaborating Agencies - Treasury, AID, OPIC, SBA, EXIM, TDP, EPA etc.)

Review GATT status of Poland and Hungary. (USTR)

Assistance to democratic institutions (support for unions, political institutions, civic organizations and other groups that promote democracy). (AID, USIA)

Exchanges and internships to support political, social and legislative processes, free market initiatives, young leaders and environmental enhancement. (USIA, AID)

Negotiations initiated for establishment of Peace Corps programs in Poland and Hungary. (Peace Corps)

General economic training. (USIA, CEA)

POLAND

Stabilization and Structural Adjustment

IMF stabilization agreement. (Treasury, CEA)

Management of G-24 stabilization fund. (Lead Agency - Treasury; Collaborating Agencies - CEA, AID)

World Bank structural adjustment loan. (Treasury)

Generous rescheduling of Polish debt including debt-equity swaps. (Treasury, State)

Agriculture

Report on inputs for 1990 crop year (required by April 1990). (Agriculture)

Agricultural assistance to alleviate food shortages in Poland. (Lead Agency - Agriculture; Collaborating Agency - AID)

Trade and Investment

Trade Credit Insurance Program which provides secondary guarantees for trade credit insurance in Poland. (Lead Agency - AID; Collaborating Agency - EXIM)

Joint Trade Commission meeting, Spring 1990, in Washington. (Commerce)

Negotiation of Business and Economic Agreement. (State, Commerce, USTR)

OPIC financing and insurance, including missions to Poland.

Establishment of Enterprise Fund. (AID)

Environment

Retrofit Coal-fired Power Plant in Krakow. (AID, DOE)

Project to develop equipment to permit clean burning of fossil fuels. (DOE, AID, EPA)

Training

Labor assistance. (DOL, AID, USIA, Commerce)

Technical training. (AID, DOL, USIA, Commerce)

Management training and internship programs. (AID, Commerce, USIA)

HUNGARY

Trade and Investment

Joint Economic and Commercial Committee meeting in Spring 1990 in Washington. (Commerce)

OPIC financing and insurance, including missions to Hungary.

Establishment of Enterprise Fund. (AID)

Negotiation of Business and Economic Agreement. (State, Commerce, USTR)

Training

Labor assistance. (DOL, AID, USIA)

Technical training. (AID, DOL, USIA)

Management training and internship programs. (AID, Commerce, USIA)

C. Projects not requiring interagency monitoring

GENERAL

Trade and Development Program: \$2 million investment feasibility studies in Poland and Hungary. (TDP)

Business information seminars designed to inform Poles and Hungarians about range of programs available from SBA, OPIC, EXIM, TDP and AID. (Commerce)

Science and technology exchanges with Poland and Hungary. (State: \$8m earmarked over three years; \$5.5 for Poland and \$2.5 for Hungary)

Development of special export companies with focus on Eastern Europe. (Commerce)

POLAND

Agriculture

Agricultural grant to Catholic Relief Services to continue agricultural activities. (AID)

Scientific and technical assistance involving ongoing joint research projects. (Agriculture)

Export Enhancement Program available to Poland for sales of wheat and feedgrains. (Agriculture)

USDA Cooperator Programs involving ongoing market promotion with some technical assistance. (Agriculture)

Trade and Investment

U.S. participation in Poznan Trade Fair, June 1990. (Commerce)

Establishment of American Chamber of Commerce in Warsaw, 1990. (Commerce)

Negotiation of MOU with NTIA identifying areas of exchange of information in telecommunications. (Commerce)

Legal and accounting seminars. (Commerce)

Conferral of GSP treatment, effective January 1990. (USTR)

GSP experts' mission to explain GSP program. (Commerce)

Enhanced trade promotion program. (Commerce)

Medical

Medical supplies and training - \$2 million in ESF assistance to provide supplies and medical equipment. (AID)

Environment

Establish air quality monitoring network in Krakow. (Lead Agency - EPA, Collaborating Agency - AID)

Initiate program to improve water quality in Krakow. (Lead Agency - EPA; Collaborating Agency - AID)

Negotiation of agreement with Commerce/Technology Administration to exchange scientific and technical information. (Commerce)

HUNGARY

Agriculture

Export Guarantees of \$25 million for a variety of commodities. (Agriculture)

Scientific and technical assistance involving ongoing joint research projects. (Agriculture)

Export Enhancement Program available to Hungary for sales of barley. (Agriculture)

USDA Cooperator Programs involving ongoing market promotion with some technical assistance. (Agriculture)

Trade and Investment

Enhanced trade promotion program. (Commerce)

Training and scholarship programs. (AID, USIA)

U.S. participation in Budapest International Trade Fair, May 1990. (Commerce)

Legal and accounting seminars. (Commerce)

GSP experts' mission in first half of 1990. (Commerce)

Negotiation of protocol or MOU on exchange of information on telecommunications. (Commerce)

Environment

Establishment of a regional environmental center. (EPA, AID)

State	Robert L. Barry	Adviser to Deputy Secretary	647-0695 (fax) 647-5372
Treasury	Jerry Newman	Director, East/West Economic Policy	566-2611
CEA	Steve Landefeld	Special Assistant to the Chairman	395-5084
USDA	Ann Veneman	Deputy Under Secretary	447-2593
OMB	Phil DuSault	Assistant Director for International Affairs	395-4770
Commerce	Frank Vargo	Deputy Assistant Secretary	377-5638
USIA	Walt Raymond	Assistant Director	485-9591
EPA	Tim Atkeson	Assistant Administrator	382-4870
Energy	John Easton	Assistant Secretary for International Affairs	586-5800
CIA	John Ferch	NIO for Economics	(b)(3)
AID	Margaret Bonner	Deputy Director, Egypt and European Affairs	647-9114
USTR	Gordana Earp	Director for Eastern Europe	395-3074
OPIC	Howard Hills	Vice President and General Counsel	457-7020
EXIM	Thomas Moran	Vice President for Europe and Canada	566-8988
Labor	Shellyn McCaffrey	Deputy Undersecretary for International Affairs	523-6043 (fax) 523-9880
SBA	Edward Murnane	Chief of Staff	653-8589
NSC	Adrian Basora	Director	395-5076
Federal Reserve	Charles Siegman	Senior Associate Director	452-3308
TDP	Priscilla Rabb Ayres	Director	875-4357
Peace Corps	Jon Keeton	Director, International Research and Development and New Country Entries	254-3337

~~CONFIDENTIAL~~
NSC/S PROFILE

RECORD ID: 9003146
RECEIVED: 23 APR 90 11

TO: MAZOWIECKI, TADEUSZ

CHRON FILE

FROM: PRESIDENT

DOC DATE: 27 APR 90
SOURCE REF:

KEYWORDS: POLAND

OPIC

PERSONS: RIORDAN, DANIEL

MAZOWIECKI, TADEUSZ

SUBJECT: LTR FM PRES TO PM MAZOWIECKI OF POLAND RE OPIC

ACTION: PRES SGD LTR

DUE DATE: 26 APR 90

STATUS: C

STAFF OFFICER: BASORA

LOGREF:

FILES: WH

NSCP:

CODES:

DOCUMENT DISTRIBUTION

FOR ACTION

FOR CONCURRENCE

FOR INFO

BASORA

BLACKWILL

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White House Guidelines

E.O. 12958, SEC 3.4 (B) September 11, 2006

By Cop NARA, Date 3/31/09

COMMENTS: _____

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OPENED BY: NSMDC

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DOC 4 OF 4

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~~CONFIDENTIAL~~
ACTION DATA SUMMARY REPORT

RECORD ID: 9003146

DOC ACTION OFFICER

001 BASORA
001 STATE
002 SCOWCROFT
003 PRESIDENT
004

CAO ASSIGNED ACTION REQUIRED

Z 90042311 PREPARE MEMO FOR SCOWCROFT
Z 90042413 COMMENTS/CONCURRENCE
Z 90042617 FWD TO PRES FOR SIG
Z 90042708 FOR SIGNATURE
X 90042711 PRES SGD LTR

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White House Guidelines
E.O. 12958, SEC 3.4 (B) September 11, 2006
By Coe NARA, Date 3/31/09

~~CONFIDENTIAL~~

THE WHITE HOUSE

WASHINGTON

April 27, 1990

Dear Mr. Prime Minister:

I am pleased to introduce to you Ambassador Fred M. Zeder, President and Chief Executive Officer of the Overseas Private Investment Corporation (OPIC). I have asked Ambassador Zeder to bring you my warmest greetings on the occasion of OPIC's second investment mission to Poland.

Ambassador Zeder is a strong supporter of American investment in Poland and has been extremely active in encouraging American firms to look for business opportunities in the light of your economic reforms. In that spirit, he is leading this mission of American executives to explore joint venture and direct investment opportunities in your country.

As you know, OPIC is a U.S. Government agency designed to encourage private American investment in emerging democracies. By organizing these missions and providing financing and investment insurance, OPIC gives U.S. corporations added confidence in doing business in countries with sound economic programs, such as Poland.

Like you, I believe that private investment is essential to strengthening the Polish economy. Investment creates jobs, generates capital and provides access to new technologies and skills.

This mission is a testament of America's faith in the reforms which you and the Polish people have undertaken to build a strong, democratic and prosperous Poland.

Sincerely,



His Excellency
Tadeusz Mazowiecki
Chairman of the Council of Ministers
of the Republic of Poland
Warsaw

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

3146

THE WHITE HOUSE
WASHINGTON

April 26, 1990

1990 APR 26 PM 10:07

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: BRENT SCOWCROFT *Rg for*
SUBJECT: Letter to Prime Minister Mazowiecki

SIGNED

Purpose

To introduce Fred Zeder to Mazowiecki and to underline the value of his OPIC investment mission to Poland.

Background

This is OPIC's second investment mission to Poland. Zeder and his staff have worked hard to encourage U.S. firms to explore investment opportunities in Poland.

RECOMMENDATION

That you sign the attached letter to Mazowiecki.

Attachment

Tab A Letter to Prime Minister Mazowiecki

cc: Vice President
Chief of Staff

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Declassify on: OADR

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PER E.O. 13526

2009-1013-MR

SCS 6/6/13

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

3146

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

April 26, 1990

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

THROUGH: ROBERT BLACKWILL *RB*

FROM: ADRIAN BASORA *AAB*

SUBJECT: Presidential Letter for OPIC Mission to Poland

OPIC Chairman Fred Zeder, who departs on April 27 to head an investment mission to Poland, is very anxious to have a Presidential letter to Prime Minister Mazowiecki underlining the importance of OPIC's efforts to stimulate U.S. private investment in Poland. Since this is one of the more tangible things we are doing in the current period to support the Polish economic program, Zeder's request for a letter is reasonable.

AAB for TD
Tim Deal and Robert Hutchings concur. *RDH*

RECOMMENDATION:

That you sign the attached memo to the President.

Attachments

Tab I Memo to the President
Tab A Presidential letter
Tab II Incoming from OPIC

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PER E.O. 13526

2009-1013-MR
SCS 6/6/13

~~CONFIDENTIAL~~



1615 M Street, N.W.
Washington, D.C. 20527
(202) 457-7200
FAX (202) 331-4234

April 20, 1990

MEMORANDUM

TO: William F. Sidman
Acting Executive Secretariat
National Security Council

THRU: Daniel Riordan *DR*
Acting Vice President
Corporation Communications

FROM: William P. Bush *WPB*
Manager, Investment Missions

SUBJECT: Draft Presidential Letter - Poland

I have attached a draft of a proposed letter that OPIC's president, Fred M. Zeder, would like present to Prime Minister Tadeuski Mazowiecki when they meet in Warsaw during our investment mission to Poland, April 29 - May 4, 1990.

As background, the White House NSC has approved similar letters for past OPIC investment missions (e.g., Morocco, Bolivia, & Panama).

If you have any questions or need additional information, please do not hesitate to contact me at 457-7121. Thank you for expediting this letter for us. Please contact Lisa Chidel, my assistant at 457-7113, when the letter is ready.

Attachment

UNCLASSIFIED
NSC/S PROFILE

RECORD ID: 9003123
RECEIVED: 23 APR 90 07

CHRON FILE

TO: SIV, S

FROM: GATES

DOC DATE: 04 MAY 90
SOURCE REF:

KEYWORDS: EUROPE EAST

PERSONS: BAKER, J

SUBJECT: WH INITIATIVES ON FREEDOM & DEMOCRACY

ACTION: GATES SGD MEMO

DUE DATE: 26 APR 90

STATUS: C

STAFF OFFICER: RODMAN

LOGREF: 9002879

FILES: WH

NSCP:

CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION

FOR CONCURRENCE

FOR INFO
RODMAN

COMMENTS: _____

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OPENED BY: NSGVE

CLOSED BY: NSMDC

DOC 3 OF 3

UNCLASSIFIED

UNCLASSIFIED
ACTION DATA SUMMARY REPORT

RECORD ID: 9003123

DOC ACTION OFFICER

CAO ASSIGNED ACTION REQUIRED

001 RODMAN
002 GATES
003

Z 90040307 PREPARE MEMO GATES TO SIV
Z 90050218 FOR SIGNATURE
X 90050410 GATES SGD MEMO

UNCLASSIFIED

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NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

3123

~~CONFIDENTIAL~~

May 1, 1990

ACTION

SIGNED

MEMORANDUM FOR ROBERT M. GATES

FROM: PETER W. RODMAN *dmr*

SUBJECT: Sichan Siv's Proposed Democracy Initiative

Sichan Siv has written you proposing a Presidential initiative on freedom and democracy (Tab III). Its content is not fleshed out very well, but it seems to aim at helping and coordinating NGO'S and private sector institutions of all kinds in their efforts to assist emerging democracies.

Secretary Baker, coincidentally, has proposed a "Democracy Corps" for Eastern Europe -- a USG clearing house to encourage private sector initiatives including by allocating SEED money. This initiative (the details of which are not yet public) tracks well with Sichan's thinking, though it is limited to Eastern Europe. A memo to Brent from Bob Hutchings (Tab II) describes the Baker idea and its rationale.

A response to Sichan, at Tab I for your signature, informs him of the Baker initiative and seeks to engage his cooperation. As the Baker idea matures, we of course want it to be a Presidential initiative and we will want OPL's help. We can hold out for him the possibility that the experience we gain by doing this in Eastern Europe (for which we have SEED money) may eventually be transferrable to other regions of the world.

Concurrence by: Bob Blackwill *RZ/8*, Bob Hutchings, Nancy Bearg Dyke, Bill Pryce *MBD*

RECOMMENDATION

That you sign the response to Sichan Siv at Tab I.

Attachments

Tab I Memorandum to Sichan Siv
Tab A Draft Memorandum from Secretary Baker to the President on a "Democracy Corps" for Eastern Europe
Tab II Hutchings Memorandum to Scowcroft dated April 12, 1990
Tab III Incoming Memorandum from Sichan Siv dated April 19, 1990

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PER E.O. 12958,
AS AMENDED

1999.0285.11R

CAP 12/29/04

~~CONFIDENTIAL~~
THE WHITE HOUSE

WASHINGTON

3123

May 4, 1990

MEMORANDUM FOR SICHAN SIV

FROM: ROBERT M. GATES *J.*
SUBJECT: White House Initiatives on Freedom and Democracy

Great minds think along the same lines.

Your memo to me of April 19 proposing new initiatives in support of democracy coincides with a State Department effort, strongly promoted by Secretary Baker, to do similar things in Eastern Europe. As the attached State draft indicates, Secretary Baker has in mind a "Democracy Corps" that would serve as a clearing house for private initiatives -- promoting, coordinating, allocating SEED money, etc. We think it's a good idea and have been working with Larry Eagleburger's office.

As this idea matures, we of course will want it to be a Presidential initiative. Please get in touch with Bob Hutchings of our staff (X5732), who will be happy to work with you as this develops.

The State idea is limited to Eastern Europe, for which the concept (as well as the money) already exists, but as we gain experience it would seem to be an idea with wider relevance in the future.

Thank you again for a thoughtful and creative memo.

Attachment

Tab A Draft Memorandum from Secretary Baker to
the President on a "Democracy Corps"
for Eastern Europe

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Declassify on: OADR

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PER E.O. 12958,
AS AMENDED

1999.0285.F

CAP 12/29/04

~~CONFIDENTIAL~~

MEMORANDUM FOR: The President

FROM: James A. Baker, III

SUBJECT: Organizing Volunteer Assistance Activities
in Central and Eastern Europe

Since your historic trips to Poland and Hungary last summer, there has been an outpouring of public and private sector initiatives to provide assistance to Central and Eastern Europe. As you know, we have developed within the U.S. Government a mechanism for coordinating our assistance effort. However, there has not yet emerged a comparable coordination process for private sector initiatives, particularly volunteer efforts.

The State Department currently receives numerous inquiries from groups in the private sector who are ready to make available a wide range of human and physical resources to the countries of Central and Eastern Europe on a not-for-profit basis. Although private sector activity, by its very nature, is decentralized, we could take advantage of the opportunity presented by these volunteer efforts to launch a major new Administration program as part of your Thousand Points of Light.

The objective of this new program would be to facilitate the transfer of technical skills and expertise, as well as donated commodities, to the people of Central and Eastern Europe, in order to assist them in developing market-oriented economies and democratic institutions. You could ask a select group of prominent private citizens to form a Commission to spearhead and stimulate the efforts of volunteer groups. The Commission, and the volunteers mobilized to provide assistance, would be called the "Democracy Corps." In conjunction with the formation of this Commission, the Administration could also provide a grant to a private organization to assist the Commission in establishing the initial institutional support services necessary to coordinate volunteer activities.

The Democracy Corps would serve several functions. First, the Democracy Corps would act as an information clearinghouse for U.S. private assistance programs for Central and Eastern Europe. The Democracy Corps would establish an information base of technical services and equipment available to Central and Eastern Europe. A second -- and related -- function of the Democracy Corps would be to serve as the recipient of requests for technical assistance from Central and Eastern Europe. In

other words, the public and private sectors of that region would utilize the Democracy Corps as a central point of contact in the United States in seeking technical assistance, and certain donated commodities, from the U.S. private sector. Finally, the Democracy Corps could actively seek to recruit a wide range of volunteers in those areas where there is a need for assistance and there does not already exist a broad volunteer effort.

The exact structure of the Democracy Corps, as well as its relationship to U.S. Government agencies involved in providing assistance to Central and Eastern Europe, will depend on discussions with legal counsel at the White House, the Justice Department, and the Office of Management and Budget. If you agree with the concept, however, we will promptly begin such discussions. We will also develop a list of prominent individuals from a wide range of private sector activities who might serve on the Commission that would manage the Democracy Corps. Once we have completed these tasks, you could launch the initiative by announcing the formation of the Democracy Corps at a White House ceremony.

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

~~CONFIDENTIAL~~

2879

April 12, 1990

INFORMATION

MEMORANDUM FOR BRENT SCOWCROFT

THROUGH: ROBERT D. BLACKWILL

FROM: ROBERT L. HUTCHINGS

SUBJECT: Secretary Baker's Draft on a "Democracy Corps" for Eastern Europe

We think this a good idea and have been working with Larry Eagleburger's office to develop it. The title is not ideal, but Secretary Baker has already used it in several public remarks and seems wedded to it.

The need is urgent. All of us are bombarded with inquiries from private groups and individuals, some with very promising ideas. Neither Eagleburger's office, AID, USIA, nor Commerce's "Business Information Center" is equipped to channel these inquiries or make good use of what the private sector has to offer.

We recommend that the political side be given at least equal weight as the economic. The Enterprise Funds, the Coordinator, and other means will help channel economic assistance and encourage U.S. business involvement, but we lack a focal point for the many other volunteer activities that Eastern Europe needs. One word of forewarning: Secretary Baker has not attached a dollar figure to the proposal, but we can estimate \$500,000 a year in AID grants for the first few years, with the hope that the Corps will be privately funded thereafter.

The real merit of this exercise is to develop private sector initiatives that can be sustained long after Eastern Europe has dropped off the front pages. We face the strategic challenge of being actively engaged in ways that the U.S. has never been in this part of the world. And the task becomes more important with German unification on the near horizon. Our ability to meet the challenge will depend on how effectively we can get engaged -- politically, culturally, commercially -- through programs and institutions that are self-sustaining. If we make it work right, the "Democracy Corps" will help.

Concurrences by: Condi Rice, Adrian Basora, Tim Deal

Attachment

Tab I ' Secretary Baker's Draft Memorandum

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Declassify on: OADR

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PER E.O. 12958,
AS AMENDED

1999.0285.F

CAP 12/29/04

3123

Yours truly,
Haskell
Palmer
Price

SICHAN SIV

-2-

May 1

World Freedom Day Proclamation signing ceremony: The President would announce his intention to set up of the President's Commission.

Timing: May Day celebrated in the communist world as a major holiday would be from now on World Freedom and Democracy Day.

Early July

White House Conference on Democratic Changes;
Participants: key policy and opinion leaders, State, Commerce, USTR, Defense, Labor, NED, AID, USIA, Peace Corps, etc... key Congressional members, a broad section of NGOs and selected leaders and experts from the emerging democracies.

The President would announce the composition of the President's Commission. Membership could include representatives from the Executive and Legislative Branches plus NGOs.

Timing: America's Independence Day and Economic Summit in Houston.

I think that if we believe these winds of change will continue to blow, they will soon blow not only in Central Europe and Latin America, but also in Africa and Asia. The President's Initiatives would help the basic American ideals of freedom, independence, democracy, market economy and human rights spread permanently over the globe.

Please let me know your thoughts.

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NSC/S PROFILE

RECORD ID: 9003568
RECEIVED: 04 MAY 90 17

TO: SCOWCROFT

CONFIDENTIAL

FROM: HUTCHINGS

DOC DATE: 05 MAY 90
SOURCE REF:

KEYWORDS: ROMANIA

BULGARIA



PERSONS:

SUBJECT: PRES MISSIONS TO OBSERVE THE BULGARIAN & ROMANIAN ELECTIONS

ACTION: NOTED BY GATES

DUE DATE: 08 MAY 90

STATUS: C

STAFF OFFICER: HUTCHINGS

LOGREF:

FILES: WH

NSCP:

CODES:

DOCUMENT DISTRIBUTION

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FOR INFO

HUTCHINGS

BLACKWILL

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E.O. 12958, SEC 3.4 (B) September 11, 2006

By Cop NARA, Date 3/31/09

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DOC 2 OF 2

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~~CONFIDENTIAL~~

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

May 5, 1990

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Nat'l Sec Advisor
has seen



INFORMATION

MEMORANDUM FOR BRENT SCOWCROFT

FROM: ROBERT L. HUTCHINGS *RZH*

SUBJECT: Presidential Missions to Observe the Romanian and Bulgarian Elections

We strongly concur in State's recommendation that Presidential Missions be sent to observe the May 20 Romanian elections and the June 10 and 17 elections in Bulgaria. We also support providing Special Air Missions aircraft to transport the delegations.

Bob Gates has asked Chase Undermeyer to propose delegations of sufficient stature to demonstrate strong U.S. commitment to free and fair elections. We will review the lists when they are ready and give you our comments.

In the GDR and Hungarian elections last month, the U.S. was represented only by Congressional delegations sponsored by the CSCE Commission. In those cases, we had no reason to doubt that the elections would be free and fair; and with the GDR we also wanted to avoid intruding into FRG monitoring efforts.

With Bulgaria and especially Romania, however, there is reason to question whether the Communist leaderships will permit free elections or abide by the results. The U.S., along with other Allies, can make a difference, if only by raising the costs to the current regimes of election fraud. The French, Swiss, and others are already committed to sending strong delegations.

Both Governments have invited us, along with the other CSCE member states, to send official observers to monitor the elections. NED, the two party institutes, Helsinki Watch, and other non-governmental organizations already have monitoring teams in Bulgaria and Romania. Presidential Missions would provide the official imprimatur needed to ensure that our observers are taken seriously. The delegation to Romania should be assembled and dispatched as soon as possible, remaining through the vote count and the first steps toward forming a new Government.

Concurrence by: Adrian Basora *AAB*

Attachment
Tab I State Recommendation

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Declassify on: OADR

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PER E.O. 13526
2009-1013-MR
SCS 6/6/13



United States Department of State

Washington, D.C. 20520

9010066

May 4, 1990

~~CONFIDENTIAL~~

MEMORANDUM FOR BRENT SCOWCROFT
THE WHITE HOUSE

Subject: Presidential Missions to Romanian and Bulgarian
Elections

The U.S. has a high stake in ensuring that the national elections in Romania (May 20) and Bulgaria (June 10, and runoff on June 17) are free and fair. Both publicly and privately, we have indicated that the freedom and fairness of upcoming elections will go far in determining our policies and assistance to each of the countries in Eastern Europe and the Soviet Union. Speaking for the Administration, Secretary Baker has called for observers from the U.S. and other CSCE states at the elections. Romania and Bulgaria have expressed willingness to facilitate activities by election observers.

High visibility Presidential Missions to Romania and Bulgaria would make a difference in the electoral campaigns there. The designation of Presidential observers would be an additional element of encouragement for fair campaigning and free elections; be a strong model of election engagement for other CSCE governments; put clout behind our free elections efforts at the June Copenhagen CSCE Conference; and act as an added deterrent to any efforts to undermine the integrity of the election results.

The Presidential Missions would be complementary to the independent efforts of the National Democratic Institute and National Republican Institute, other non-governmental groups and congressional groups which are planning to be present. We understand that election observers from some European nations will also be present.

To support the Administration's foreign policy objectives of obtaining free and fair elections in Eastern Europe, we therefore recommend that the United States send Presidential Missions to Romania and Bulgaria. Due to our concerns about prospects for free and fair elections there, we believe that the delegations should be composed of individuals with stature; stature, not numbers, will make the difference in these two

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(DECL: OADR)

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2009-1013-MR
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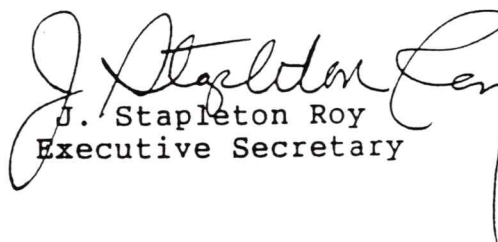
~~CONFIDENTIAL~~

-2-

countries. We recommend Missions of six-eight members led by a prominent American with bipartisan representation from the Congress, as well as representatives from academia, the media, human rights and voluntary organizations concerned with Eastern Europe, and other groups.

We recommend that the Presidential Mission to Romania arrive there by May 10 and remain for about 12 days through the vote counting after May 20. We would hope to have announcement of the Mission made public quickly so that the appointment can have the earliest possible impact on the electoral process. A timely arrival will also be crucial if the Mission is to be an effective deterrent to electoral fraud and media manipulation during the final stages of the campaign. The Mission to Bulgaria should arrive in Sofia May 14 and spend ten days observing the campaign. It need not remain to monitor the voting June 10 and 17; this function can be performed by NDI and NRI observers.

Because of scheduling concerns and the stature of the Presidential Missions, we request that a Special Air Missions Aircraft be made available on a non-reimbursable basis to transport the members of the Missions from Washington to Romania and Bulgaria and back.


J. Stapleton Roy
Executive Secretary

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~
NSC/S PROFILE

RECORD ID: 9003584
RECEIVED: 07 MAY 90 07

TO: PRESIDENT

CHRON FILE

FROM: SCOWCROFT

DOC DATE: 10 MAY 90
SOURCE REF:

KEYWORDS: DEMOCRACY PROGRAM
EUROPE EAST

CENTRAL EUROPE
PUBLIC DIPLOMACY

PERSONS:

SUBJECT: AID FOR CITIZENS DEMOCRACY CORPS FOR EASTERN EUROPE

ACTION: PRES APPROVED RECOM

DUE DATE: 10 MAY 90

STATUS: C

STAFF OFFICER: HUTCHINGS

LOGREF: 9002879 9003123

FILES: WH

NSCP:

CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION

FOR CONCURRENCE

FOR INFO
BLACKWILL
HUTCHINGS

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White House Guidelines

E.O. 12958, SEC 3.4 (B) September 11, 2006

By Cep NARA, Date 3/31/09

COMMENTS: _____

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DOC 3 OF 4

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~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

THE PRESIDENT HAS SEEN
5-10-90

THE WHITE HOUSE
WASHINGTON

May 10, 1990
1600 MAY 10 11:56

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: BRENT SCOWCROFT 

SUBJECT: "Citizen's Democracy Corps" for Eastern Europe

Purpose

To decide whether to approve Secretary Baker's proposal for a "Citizen's Democracy Corps" for Eastern Europe.

Background

At Tab A is a proposal for launching a private sector program to facilitate private sector initiatives in support of East European democracy. The memo refers to a Democracy Corps, but State's preferred title is now "Citizen's Democracy Corps."

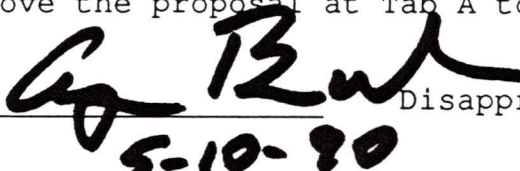
We think this is a good idea. Your trips to Poland and Hungary and the "revolutions of '89" sparked tremendous interest among private Americans for assisting Eastern Europe. Existing Government machinery is ill-equipped to channel these initiatives or make best use of what the private sector has to offer.

The greatest merit of the program would be to develop private sector initiatives that can become self-sustaining, even after Eastern Europe drops off the front pages. It would not be a grant-making body but more of a clearinghouse and facilitator, directed by a distinguished private Commission. (The exact modalities would need to be worked out after consultations with Justice, OMB, and White House legal counsel.) State did not attach a dollar figure to the program, but we estimate a price tag of around \$300,000 per year in AID grants for the first few years, with the hope that it would be privately funded thereafter.

If you approve the program, we recommend that you announce the creation of the Citizen's Democracy Corps in your May 12 commencement address at the University of South Carolina.

RECOMMENDATION

That you approve the proposal at Tab A to establish a Democracy Corps.

Approve  Disapprove _____
5-10-90

Attachment

Tab A Acting Secretary Eagleburger's Memorandum

~~CONFIDENTIAL~~

Declassify on: OADR

cc: Vice President
Chief of Staff

~~CONFIDENTIAL~~

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PER E.O. 13526
2009-1013-MR
SCS 8/20/13

THE WHITE HOUSE
WASHINGTON

May 10, 1990

MR. PRESIDENT:

OMB has concurred with this on the understanding that the \$300,000 for the first year cost comes from current AID funding.

Jim
Jim Cicconi

Sir -

This initiative is in the
speech for Univ. of S. Carolina.

↑

jc

THE WHITE HOUSE
WASHINGTONACTION

MEMORANDUM FOR THE PRESIDENT

FROM: BRENT SCOWCROFT

SUBJECT: "Citizen's Democracy Corps" for Eastern Europe

Purpose

To decide whether to approve Secretary Baker's proposal for a "Citizen's Democracy Corps" for Eastern Europe.

Background

In Jim Baker's absence, Larry Eagleburger forwarded the Tab A proposal for launching a private sector program to facilitate private sector initiatives in support of East European democracy. The memo refers to a Democracy Corps, but State's preferred title is now "Citizen's Democracy Corps." Neither title is ideal, but Jim Baker seems wedded to the "Corps."

We think this is good idea, which NSC Staff has been developing with Larry Eagleburger's office. Your trips to Poland and Hungary and the "revolutions of '89" sparked tremendous interest among private Americans for assisting Eastern Europe. Existing Government machinery is ill-equipped to channel these initiatives or make best use of what the private sector has to offer.

The greatest merit of the program would be to develop private sector initiatives that can become self-sustaining, even after Eastern Europe drops off the front pages. It would not be a grant-making body but more of a clearinghouse and facilitator, directed by a distinguished private Commission. (The exact modalities would need to be worked out after consultations with Justice, OMB, and White House legal counsel.) State did not attach a dollar figure to the program, but we estimate a price tag of around \$300,000 per year in AID grants for the first few years, with the hope that it would be privately funded thereafter.

If you approve the program, we recommend that you announce the creation of the Citizen's Democracy Corps in your May 12 commencement address at the University of South Carolina.

RECOMMENDATION

That you initial your approval to the Tab A proposal.

Attachment

Tab A Acting Secretary Eagleburger's Memorandum

~~CONFIDENTIAL~~

Declassify on: OADR

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PER E.O. 135262009-1013-MR
SCS 8/20/13

S/S 9010223
DEPARTMENT OF STATE
WASHINGTON

May 4, 1990

~~CONFIDENTIAL~~

MEMORANDUM FOR: THE PRESIDENT

FROM: Lawrence S. Eagleburger, Acting 

SUBJECT: Organizing Volunteer Assistance Activities
in Central and Eastern Europe

Issue For Decision

Whether to approve the concept of, and preparations for, a new initiative, to be known as the Democracy Corps, to coordinate volunteer assistance activities in Central and Eastern Europe.

Note

I am sending you this memorandum in Secretary Baker's absence. I know that he strongly supports the initiative described below. A detailed Concept Paper on the Democracy Corps is attached hereto at Tab 1.

Background

Since your trips to Poland and Hungary last summer, there has been an outpouring of public and private sector initiatives to provide assistance to Central and Eastern Europe. As you know, we have developed within the U.S. Government a mechanism for coordinating our assistance effort. However, there has not yet emerged a comparable coordination process for private sector initiatives, particularly volunteer efforts.

The State Department currently receives numerous inquiries from groups in the private sector who are ready to make available a wide range of human and physical resources to the countries of Central and Eastern Europe on a not-for-profit basis. Although private sector activity, by its very nature, is decentralized, we could take advantage of the opportunity presented by these volunteer efforts to launch a major new Administration program as part of your Thousand Points of Light.

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PER E.O. 13526
2009-1013-MR
SCS 6/6/13

~~CONFIDENTIAL~~

- 2 -

The objective of this new program would be to facilitate the transfer of technical skills and expertise, as well as donated commodities, to the people of Central and Eastern Europe, in order to assist them in developing market-oriented economies and democratic institutions. You could ask a select group of prominent private citizens to form a Commission to spearhead and stimulate the efforts of volunteer groups. The Commission, and the volunteers mobilized to provide assistance, would be called the "Democracy Corps." In conjunction with the formation of this Commission, the Administration could also provide a grant to a private organization to assist the Commission in establishing the initial institutional support services necessary to coordinate volunteer activities.

The Democracy Corps would serve several functions. First, the Democracy Corps would act as an information clearinghouse for U.S. private assistance programs for Central and Eastern Europe. The Democracy Corps would establish an information base of technical services and equipment available to Central and Eastern Europe. A second -- and related -- function of the Democracy Corps would be to serve as the recipient of requests for technical assistance from Central and Eastern Europe. In other words, the public and private sectors of that region would utilize the Democracy Corps as a central point of contact in the United States in seeking technical assistance, and certain donated commodities, from the U.S. private sector. Finally, the Democracy Corps could actively seek to recruit a wide range of volunteers in those areas where there is a need for assistance and there does not already exist a broad volunteer effort.

The exact structure of the Democracy Corps, as well as its relationship to U.S. Government agencies involved in providing assistance to Central and Eastern Europe, will depend on discussions with legal counsel at the White House, the Justice Department, and the Office of Management and Budget. If you agree with the concept, however, we will promptly begin such discussions. We will also develop a list of prominent individuals from a wide range of private sector activities who might serve on the Commission that would manage the Democracy Corps. Once we have completed these tasks, you could launch the initiative by announcing the formation of the Democracy Corps at a White House ceremony.

Recommendation

That you approve the concept of the Democracy Corps and authorize the State Department to take the steps necessary on an inter-agency basis to launch this initiative.

Approve _____

Disapprove _____

~~CONFIDENTIAL~~

May 4, 1990

CONCEPT PAPER

Organizing Volunteer Assistance Activities for Central and Eastern Europe: The Democracy Corps

I. Introduction

The needs and requirements of Central and Eastern European countries today are substantially different from those of Western Europe in 1947. Then, we had to help rebuild a region which was physically devastated by war, but which nevertheless generally possessed the entrepreneurial know-how, economic infrastructure, and democratic institutions and traditions necessary for a quick recovery. In Central and Eastern Europe today, those skills and institutions are to one degree or another lacking. The countries of this region therefore need -- and want -- advice and technical assistance, so that they can restructure their economies and political institutions, and be able to absorb Western investment and aid. The provision of such technical assistance should be a top priority of the United States.

It is the private sector, rather than the government, that is in the best position to share with others its technical skills and expertise. Moreover, the U.S. private sector is ready to make available a wide range of human and physical resources to the countries of Central and Eastern Europe on a not-for-profit basis. Private voluntary organizations, professional groups, business organizations, universities, foundations, and others have all generated a plethora of programs, projects, and proposals.

To date, however, there has not been much coordination of private sector volunteer activities. Private sector activity is, by its very nature, decentralized, and the U.S. government has focused most of its energy on coordinating its own assistance programs in Eastern Europe, as well as on working with other countries of the Group of 24. While the Commerce Department has established an Eastern Europe Business Information Center, this effort is directed at providing information on trade and investment opportunities. And although the White House held a symposium for private voluntary organizations in January, that conference served primarily as a means for sharing information. Accordingly, there is still no mechanism for coordinating volunteer activities, so as to respond quickly and effectively to the needs of East European countries, and to avoid duplication of effort where possible.

The President could address this problem by launching an Administration initiative to promote coordination of volunteer assistance activities for Central and Eastern Europe. As part

of his Thousand Points of Light program, the President could ask a select group of prominent private citizens to form a Commission to spearhead and stimulate the efforts of volunteer groups. The Commission could include, inter alia, leaders involved in each of the following areas of activity: (i) constitutional law, parliamentary practices, and political counseling; (ii) market economics; (iii) education and language training; (iv) public health and medical support; (v) banking and financial services; (vi) journalism, broadcasting, and publishing; (vii) transportation; (viii) telecommunications; (ix) business law and commercial practices; (x) environmental protection; and (xi) agriculture. The Commission, and the volunteers mobilized to provide assistance, would be called the "Democracy Corps."

II. Organization of the Democracy Corps

A. Purpose

The objective of the Democracy Corps would be to facilitate the transfer of technical skills and expertise, as well as donated commodities, to the people of Central and Eastern Europe, in order to assist them in developing market-oriented economies and democratic institutions. The Democracy Corps would seek to achieve this objective in several ways.

First, the Democracy Corps would serve as an information clearinghouse for U.S. private assistance programs for Central and Eastern Europe. Currently, many American volunteer groups are providing assistance to Central and Eastern Europe through ad hoc arrangements. The lack of coordination has made it difficult, on occasion, for organizations with particular technical expertise to identify appropriate target groups or institutions overseas. Similarly, groups donating commodities have sometimes had difficulty locating effective distribution networks in Eastern Europe. The Democracy Corps would begin to address some of these problems by collecting information from volunteer groups on their capabilities, resources, and programs. It would also seek to identify and establish a working relationship with a select number of sector-specific assistance groups that have already been established. In this way, the information and resource sharing process could be expanded to encompass the range of professional associations, corporations, small businesses, and foundations that have the interest and ability to contribute. With this information base, the Democracy Corps would be able to provide an inventory of technical services and equipment available to Central and Eastern Europe.

A second -- and related -- function of the Democracy Corps would be to serve as the recipient of requests for technical assistance from Central and Eastern Europe. In other words, the public and private sectors of that region would utilize the Democracy Corps as a central point of contact in the United States in seeking technical assistance and certain donated

commodities from the U.S. private sector. Over time, the Democracy Corps might actually engage in assessing the needs for technical assistance in each of the Central and Eastern European countries. This would further enable the Democracy Corps to match requests for assistance with available resources.

Finally, the Democracy Corps could actively seek to recruit a wide range of volunteers in those areas where there is a need for assistance and there does not already exist a broad volunteer effort. Indeed, the presence of a group of prominent individuals as the leaders of the Democracy Corps should help stimulate and energize the private sector to contribute to assistance programs in Central and Eastern Europe.

B. Management and Structure

As noted above, the President would seek to organize the management of the Democracy Corps as a Commission consisting of a cross-section of prominent individuals from the private sector. Moreover, the U.S. government would want to maintain a liaison with the Democracy Corps, perhaps by having a representative attend meetings of the Commission and by exchanging information.

The formation of a Presidential Commission, however, may implicate the Federal Advisory Committee Act (FACA). Under FACA, members of a volunteer commission who provide advice and recommendations to the U.S. government are deemed to be special government employees and are therefore subject to the conflict of interest laws. On the other hand, FACA does not apply if the members of such a commission provide advice and recommendations only to the government officials or private sector in Central and Eastern Europe, and not to the U.S. government. In other words, it must be clear that Commission members are not carrying out U.S. governmental functions.

It would, of course, be desirable to avoid the legal entanglements of FACA, so as neither to complicate the process of selecting Commission members nor to encumber the Commission's operations. Accordingly, the exact structure of the Commission, as well as its relationship to U.S. government activities in related areas of assistance (e.g., activities of State, AID, Peace Corps, USIA, NED), will depend on further discussions with legal counsel at the White House, the Justice Department, and the Office of Management and Budget.

In conjunction with the formation of the Commission, the Administration could also provide a grant to a private organization to assist the Commission in establishing the initial institutional support services necessary to coordinate volunteer activities. This grant could be structured in the form of a cooperative agreement, whereby some or all of the actions taken by the organization would have to be coordinated

with the U.S. government. This type of grant is frequently utilized by AID to ensure control over the use of its funds, and AID is, in fact, currently entertaining proposals from private sector organizations to perform such a coordination function.

In addition to an initial grant from AID for institutional support, members of the Commission would be encouraged to raise funds from private foundations and businesses to assist the efforts of the Democracy Corps. These funds could be used to develop further staff resources, to recruit volunteers in particular areas of need, and, where appropriate, to cover per diem expenses for volunteer assistance. In other words, while the U.S. government should continue to maintain a liaison with the Democracy Corps, the Democracy Corps should attempt, over time, to create its own financial base rather than have to rely on U.S. government resources.

Finally, the charter of the Democracy Corps would be written so as to exclude the USSR as a beneficiary. This would be necessary in order to permit the use of SEED Act funds to support some of its activities, as well as to preclude dilution of resources and effort.

C. Implementation

The President would announce the Democracy Corps as a major new Administration effort to provide technical assistance and commodities to Central and Eastern Europe. It would therefore be desirable to have the Democracy Corps up and operating as soon as possible. While it may be difficult to launch the entire program at once, the Administration should be able to initiate certain aspects of the program relatively quickly.

Assuming that it is possible to avoid implication of FACA, as well as other legal constraints, the Administration could promptly select its candidates to serve on the Commission. Moreover, AID would be in a position shortly to provide a grant to a private organization to support the work of the Commission. Finally, there are already several ongoing volunteer activities that are being coordinated with the U.S. government and could be incorporated into the Democracy Corps. For example, AID funds a program known as the Wall Street Service Corps, which will send missions of legal and financial experts to Poland in late April and in May to give seminars on securities law and commercial banking. In addition, members of the Business Roundtable have offered the services of several of their member companies to provide management training and equipment to Central and Eastern Europe countries. The Democracy Corps could take advantage of these activities by bringing them under its aegis. In this way, certain aspects of the Democracy Corps would get off to a fast start (and hopefully bring favorable publicity), while other aspects of the project were still in the start-up phase.

and we
We want the CSCE to take on a still more ambitious agenda
to bring Eastern Europe's ^{new} democracies fully within the
Commonwealth of free nations and assure them a voice in the
Third, America will work to broaden the mandate of the CSCE *EW01*

-- the Conference on Security and Cooperation in Europe, ^{-- to support East European} Less *democr*
than a month from now, as one of the 35 nations of the CSCE, the
United States will take part in a conference on free elections,
political pluralism, and the rule of law. I have instructed
Ambassador Max Kampelman -- head of our delegation -- to seek a
new consensus ^{on} ~~within the CSCE recognizing~~ these ~~(key)~~ cornerstones
of freedom, rights and democracy. //

[[Fourth and finally, we will work to strengthen the
citizen's democracy. *I am therefore pleased to announce today*
foundations of free society -- through the creation of a
Citizen's Democracy Corps for Eastern Europe. Its mission: to
establish a center and clearing-house for American private sector
assistance and volunteer activities in Eastern Europe. We know
the real source and strength of our democracy is our private
sector -- and the collective strength of individual Americans.
Through this new Democracy Corps, we're going to focus that
energy where it can do the most good.]] ///

America has much to contribute to these nations with whom we
share a common desire to live in freedom. America can help them
move forward on the path to democracy. We can help them build
political systems based on:

Respect for individual freedoms. For the right to speak our
mind, to live as we wish, and to worship as our conscience tells
us we must. // Systems based on respect for property -- and the
sanctity of contract. Laws that are necessary not to amass
fortunes -- not to build towers of gold and greed. But to

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

May 9, 1990

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

THROUGH: ROBERT D. BLACKWILL *RB*
FROM: ROBERT L. HUTCHINGS *RH*
SUBJECT: "Citizen's Democracy Corps" for Eastern Europe

At Tab I is a memorandum for the President recommending that he approve Secretary Baker's proposal (Tab A) for creation of a "Citizen's Democracy Corps" to coordinate volunteer assistance activities for Eastern Europe. The proposal is along the lines of the earlier draft to which we provided comments.

As you know, we have inserted language for the President to announce creation of the Citizen's Democracy Corps in his May 12 commencement address at the University of South Carolina. As that language (Tab II) is still in brackets in the draft Presidential remarks, we will need a decision by May 10 at the latest as to whether the President approves the initiative for inclusion in his speech.

We still have reservations about the title and believe "Center for East European Democracy" has a better ring, but Secretary Baker seems wedded to the "Democracy Corps."

Tim Deal *TD* and Nancy Dyke *MBD* concur.

RECOMMENDATION

That you sign the memorandum for the President at Tab I.

Attachments

Tab I Memorandum for the President
Tab A Acting Secretary Eagleburger's Memorandum
Tab II Draft Announcement for Inclusion in the President's
May 12 Commencement Address at South Carolina

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2009-1013-MR

SCS 8/20/13

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RECORD ID: 9003562
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TO: SCOWCROFT

CHRON FILE

FROM: HUTCHINGS
BLACKWILL

DOC DATE: 11 MAY 90
SOURCE REF:



KEYWORDS: EUROPE EAST

PERSONS:

SUBJECT: US POLICY TWD EASTERN EUROPE

ACTION: NOTED BY SCOWCROFT W/ COMMENT DUE DATE: 08 MAY 90 STATUS: C

STAFF OFFICER: HUTCHINGS

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White House Guidelines

E.O. 12958, SEC 3.4 (B) September 11, 2006

By Cop NARA, Date 3/31/09

COMMENTS: _____

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DOC 1 OF 1

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**National Security Council
The White House**

PROOFED BY: _____ LOG # 3562
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Bill Sittmann	_____	_____	_____
Bob Gates	_____	_____	_____
Brent Scowcroft	_____	_____	_____
Bill Sittmann	_____	_____	_____
Situation Room	_____	_____	_____
West Wing Desk	_____	<u>EA-9/26</u>	_____
NSC Secretariat	<u>1</u>	<u>ARM 9/26</u>	<u>DBE/DNR</u>
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A = Action	I = Information	D = Dispatch	R = Retain	N = No further Action
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cc: VP Sununu Other _____

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 (Date/Time)

COMMENTS

DISPATCH INSTRUCTIONS:

U.S. Policy Toward
New Eastern Eur

National Security Council
The White House

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Bill Sittmann
Bill Sittmann
Bob Gates
Brent Scowcroft
Bill Sittmann
Situation Room
West Wing Desk
NSC Secretariat
Hutchings

90 MAY 11 P 5: 58

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5/22/82

5

FFA

A = Action

I = Information

D = Dispatch

R = Retain

N = No further Action

cc: VP

Sununu

Other _____

Should be seen by: _____

(Date/Time)

COMMENTS

P Memo
US Policy Toward the
New Eastern Europe

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3562

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

May 11, 1990

ACTION

MEMORANDUM FOR BRENT SCOWCROFT

THROUGH: ROBERT D. BLACKWILL

FROM: ROBERT L. HUTCHINGS

SUBJECT: U.S. Policy Toward the New Eastern Europe

At Tab I is a memorandum for the President laying out some considerations for U.S. policy toward Eastern Europe. The memo addresses the strategic challenges we see for U.S. policy, along with specific recommendations for the President's consideration.

There is another issue, not mentioned in the memo, that needs addressing. It is the bureaucratic problem that the assistance tail is wagging the policy dog. The mechanisms we have set up to coordinate economic assistance to Eastern Europe -- the Coordinator's Office in particular, but also the Treasury-chaired economic assistance group -- have begun to absorb all the elements of U.S. policy toward Eastern Europe but are acting only on the assistance side, with the result that we now have a vacuum of strategic thinking on Eastern Europe.

The answer to the problem is not to undermine the coordination of economic assistance but to place it within a more sharply defined policy framework. We have begun doing this by reenergizing the Europe PCC and working informally with State to do the kind of creative thinking for which PCC's are not known. We also believe the Deputies Committee should reengage, both to review specific issues like Yugoslav contingency planning and to address region-wide policy issues.

Tim Deal concurs.

RECOMMENDATION

That you sign the memorandum for the President at Tab I.

Attachment
Tab I Memorandum for the President

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2009-1013-MR

SCS 6/6/13

This needs updating. In that addition, the message doesn't come thru clearly to me, at least.

OK

DE

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~~SECRET~~

3562

THE WHITE HOUSE

WASHINGTON

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: BRENT SCOWCROFT

SUBJECT: U.S. Policy Toward the New Eastern Europe

Midway through the East European electoral season, the new Eastern Europe is beginning to take shape. These emerging new realities call for new strategic thinking on our part.

Beginning with Hamtramck and through the fall of last year, our policy was to make Eastern Europe the focal point of Western efforts to build a Europe "whole and free." When the Berlin Wall began to part on November 9 and the rest of Eastern Europe was caught up in the revolutionary tide, those early objectives were brought much closer to realization, and much faster than anyone could have anticipated. But until Eastern Europe's transformation is complete, until the rising democracies build stable and secure new systems on the ruins of the old, the goal of a Europe whole and free will remain only partly fulfilled.

We face an entirely new strategic situation in Eastern Europe. It is not just that four more countries (or five, if we add Yugoslavia) are now lining up behind Poland and Hungary for assistance, but that the collapse of Communist rule throughout the region has opened up a vacuum of power and influence. This will be a more complicated period for U.S. policy, in which we will need to provide sustained support for the long process of democratic consolidation, cope with rising national conflicts, and help Eastern Europe find a place in the new Europe.

"Historically Irreversible" Changes? In 1848, the nations of Eastern Europe thought they had won sweeping victories. Nearly every demand in the "springtime of nations" was granted as soon as it was issued. The old order seemed exhausted, incapable of reasserting its power. Yet by 1850, most of the gains had been rolled back. The reasons were several: economic and political backwardness, the crippling effects of extreme nationalism, the resiliency of the old order, and the designs of the Great Powers.

Not all of these conditions apply today, but the economic and political vulnerability of Eastern Europe and the resurgence of national animosities (none having been resolved during the Communist period) are already threatening the "revolutions of 1989." Whether Soviet power will remain in free fall, and whether the new Europe can accommodate Eastern Europe's hopes in ways that preserve stability, remains to be seen. But Havel is wrong in thinking these gains are "historically irreversible."

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The economic situation is precarious, and the momentous political achievements of the past year could be undone unless the Eastern European countries make successful transitions to free market economies. The economic reforms needed are revolutionary and unprecedented. These countries will need to establish functioning price systems, ensure free domestic and international trade, implement tough fiscal and monetary policies, and transform the attitudes and institutions built up over decades of central planning.

The challenges of political transformation are just as great. Free elections are just the beginning of a much deeper process of developing party systems and viable parliaments, creating independent judiciaries, and establishing all the institutions and habits that build democracy from the bottom up. The East European revolutions have just begun.

Eastern Europe in the 1990s. In an otherwise unclear future, a few things can be said with some assurance. Eastern Europe is fast returning to its historic diversity, with new political leaders like Havel, Mazowiecki, and Antall (soon to be named Hungarian Prime Minister) reflecting widely different political perspectives and backgrounds.

Prospects for successful democratic transitions vary widely. At this point, Poland's prospects look best, because national unity and good leadership are so far prevailing over the disastrous economic situation. Czechoslovakia will probably make it in the end, but Havel and company have only begun to address the enormous economic and political problems that the Poles have been grappling with for years. Hungary will probably make it, too, though Hungarian democracy may be skewed by a revival of narrow-minded nationalism.

The outlook in the Balkans is more doubtful: Bulgaria's Communist leadership has taken encouraging steps toward free elections in June, but Romania may be sliding toward severe instability, raising the twin dangers of authoritarianism and anarchy. In both countries, much will depend on the outcome of their forthcoming national elections. Yugoslavia is the most worrying of all: although the Federal Government has taken important steps toward economic and political reform, rising nationalism may lead to violent conflict or (in Slovenia particularly) efforts to break the country apart. *update*

By the end of the century, it seems likely that Poland, Czechoslovakia, and Hungary will have rejoined the European mainstream, albeit as poor relations. The Balkans will remain on the margins and, with so many unresolved ethnic conflicts, could revert to chronic instability. Certainly, "Eastern Europe" will have become an obsolete geopolitical abstraction, and U.S. policy will need to deal with these countries individually or at least sub-regionally. The most likely divide will be between Central Europe (mainly Czechoslovakia and Poland but also Hungary), where

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our strategic interests and opportunities for engagement are the highest; and the Balkans, where our policy is more likely to be driven by local ethnic conflicts. 7

The Challenge for U.S. Policy. Even allowing for these regional disparities, we have the opportunity and the need to be engaged in Eastern Europe in ways we have never been before. Eastern Europe will remain economically and politically vulnerable for years to come, and we need to put in place policies and programs that will be sustainable over the long haul of Eastern Europe's transformation. Strong U.S. and joint Western engagement will be essential, lest Eastern Europe become the object once again of the ambitions of powerful neighbors -- caught this time between German economic power and a Soviet Union that will not remain indefinitely in free fall.

Polish Prime Minister Mazowiecki made an interesting point when he was here in March. Asked about the implications of German unity, he said that when one country becomes stronger and thus upsets the balance of power, the answer is for other countries (meaning Poland) also to become stronger. For us, it invites engagement with the new Eastern Europe, rather than against its neighbors (the USSR or Germany), to help Europe create a new internal equilibrium. This kind of friendly involvement in European affairs is more attractive and sustainable for the United States, which has never been comfortable with pure balance of power politics.

Ultimately, we would hope to see in Eastern Europe a set of stable, free-standing, democratic states enjoying constructive relations among themselves, with the EC and the rest of Europe, with Moscow and of course with us. That is the ideal, for which no precedent exists in this part of the world, but we could hope to see it approximated -- at least in Poland, Czechoslovakia, and Hungary.

Some of the mechanisms and programs we worked so hard to create are now in place, or soon will be: SEED (Support for East European Democracy) legislation, the G-24, Larry Eagleburger as the Coordinator for U.S. Assistance, the Enterprise Funds, etc. But we face a major challenge as a nation to acquire the language skills, area expertise, and commercial experience to engage in a region that has been thought of since the war largely in relationship to the Soviet Union. The U.S. and other Western governments must offer better access to our markets for products from Eastern Europe. We also need to open up membership in the IMF and World Bank to those countries not yet members to reinforce the reform process and help integrate them into the world economy.

We are also past the point where economic assistance is the sum and substance of our relations with the new Eastern Europe. As you saw in your meetings with Havel and Mazowiecki particularly, there is a great deal on our agendas that is unrelated to economic aid. We need to develop our relations, and alter our bureaucratic habits, so that we are engaged in an across-the-

what does this mean?

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board partnership with these new democracies.

An Agenda for 1990. With change coming so fast, your continuing direct involvement will be needed to re-energize U.S. policy and reaffirm your personal direction and leadership.

Election Observers to Romania and Bulgaria. The immediate key to a successful evolution toward democracy in Romania and Bulgaria is the conduct of free and fair elections on May 20 and mid-June respectively. In response to invitations from both Governments to send election observers, we propose that you send Presidential Missions of sufficient stature to demonstrate strong U.S. commitment to the election process. These delegations, combined with private American groups and official observers from other countries, would raise the costs of election fraud and help ensure that non-Communist opposition parties have a reasonable chance to compete.

Security Dialogue with Eastern Europe. Both Havel and Mazowiecki made it clear that their countries want relations not as members of a dying bloc but as full participants in the mainstream of European security. We are of course addressing the security concerns that they raised, but mainly through NATO, at Two Plus Four, and in our dialogue with Moscow. We need to integrate those discussions with a more intense security dialogue, as well as military-to-military exchanges, with our new friends in Eastern Europe. Your call at Oklahoma State for an examination of NATO's political role and the future role of the CSCE addresses just this need. After the NATO Summit, we will look for new ways of developing this agenda, not only within the Alliance but also with the East Europeans, in ways that do not alarm the Soviets.

Launching the "Citizens Democracy Corps". Following the announcement in your commencement address at the University of South Carolina, we will look for opportunities for your personal involvement in the Citizens Democracy Corps. If we make it work as it should, the Democracy Corps will serve the urgent practical purpose of engaging the American private sector, both profit and non-profit, and channeling its energies into productive and sustainable support for Eastern Europe. It will also symbolize America's commitment to the region over the long haul of democracy-building.

Meetings with Leaders of the New Eastern Europe. Official visits by Polish President Jaruzelski and new Hungarian Prime Minister Jozsef Antall are on your schedule for the early fall. If the Romanian and Bulgarian elections yield new, democratic governments, as we hope, we will look to scheduling early visits by new leaders there. Additionally, you will soon be meeting with the just-elected Acting President of Hungary, Arpad Goncez, during his private visit to the U.S. (Among his other accomplishments, Goncez translated into Hungarian Looking Forward.) We also recommend that you meet with new East German Prime Minister Lothar de Maiziere in connection with a private visit to the U.S. this summer. This, of course, would be

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important primarily in the context of German unification, but it will also be useful as part of our East European policy.

Finally, Vaclav Havel may be returning to the U.S. on a private visit in late July. Coming after the summer Summits and Czechoslovakia's June elections, this would be a particularly good time for you and Havel to meet again. We will by that time be well into the European security agenda you set for the NATO Summit, and we will want to bring Eastern Europe -- in the person of Havel -- into the mainstream of our thinking on the new Europe and America's role in it.

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