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Monday 1/20/75

5:25 Jay said he has finished a basic analysis of CIEP and the Economic Policy Board. Has not yet written it, but expects to get something to you tomorrow morning.



CIEP

Tuesday 1/21/75

Meeting
1/21/75
2:30 p.m.

2:05 Mr. Buchen will meet with Jay French, Mike Dunn,
and Skip Hartquist on a CIEP matter at 2:30 p.m.
today.



THE WHITE HOUSE
WASHINGTON

Mike Dunn - ²⁴¹~~77~~
(Skip Hardqvist)

~~2/15~~

For now file:
"CIEP & EPB"



THE WHITE HOUSE

WASHINGTON

January 21, 1975

MEMORANDUM FOR:

PHILIP W. BUCHEN

FROM:

JAY T. FRENCH

SUBJECT:

MERGER OF CIEP AND THE
ECONOMIC POLICY BOARD

A. Background of CIEP and the Economic Policy Board

1. Council on International Economic Policy

(a) Authority -- Public Law 92-412, August 29, 1972 (Tab A).

(b) Functions -- To provide for the coordination of international economic policy among departments and agencies and insure consistency between domestic and foreign economic policy. These functions are amplified, in the statute, by a list of specific duties which include assisting in the preparation of an International Economic Report which is required by this law.

(c) Composition -- Secretaries of State, Treasury (Chairman), Defense, Agriculture, Commerce, Labor, and Transportation

-- Director, Office of Management and Budget

-- Chairman, Council of Economic Advisers

-- Special Trade Representative

-- Additional members as the President shall designate: Executive Director of CIEP and Assistant to the President for Economic Policy have been so appointed.

(d) Expiration -- The Council is abolished on June 30, 1977, unless extended by law.

2. President's Economic Policy Board

(a) Authority -- Executive Order 11808, September 30, 1974 (Tab B).

(b) Functions -- To advise the President with regard to national and international economic policy and oversee the formulation,



coordination and implementation of all U.S. economic policy. The Board has an Executive Committee which shall meet daily to consider matters pertinent to the Board's functions.

- (c) Composition -- Secretaries of State, Treasury* (Chairman), Agriculture, Commerce, Labor, Transportation, Interior, Health, Education and Welfare, Housing and Urban Development
- Director, Office of Management and Budget*
 - Chairman, Council of Economic Advisers*
 - Executive Director, CIEP*
 - Assistant to the President for Economic Affairs*
 - Chairman of the Federal Reserve, is invited to attend Board and Executive Committee meetings.

The Executive Committee members have an asterisk (*) after their titles.

B. Considerations for a Merger of CIEP and the Economic Policy Board

1. Organization

(a) Membership

- (1) Present members common to CIEP and the Board
- Secretary of Treasury
 - Secretary of State
 - Secretary of Commerce
 - Secretary of Agriculture
 - Secretary of Labor
 - Secretary of Transportation
 - Director, Office of Management and Budget
 - Chairman, Council of Economic Advisers
 - Assistant to the President for Economic Affairs
 - Executive Director of CIEP
- (2) Present members of CIEP only:
- Secretary of Defense
 - Special Representative for Trade Negotiations
- (3) Present members of the Board only:
- Secretary of Health, Education and Welfare
 - Secretary of Housing and Urban Development
 - Secretary of Interior
 - Chairman, Federal Reserve (invited to attend)



(4) In addition to certain statutory members, the President should have authority to designate additional members. (This authority was given in the CIEP law.)

(b) Titled Positions

CIEP has a Chairman, Deputy Chairman and an Executive Director of an appointed staff. The Board has a Chairman and an Executive Director. The Secretary of Treasury is presently the only official holding the same position (Chairman) at CIEP and the Board. The following combined structure is suggested for the new board:

<u>Position</u>	<u>Official</u>	<u>Designation</u>
Chairman	Secretary of the Treasury	By the President
Deputy Chairman	Assistant to the President	By the President
Executive Director	For Economic Affairs Executive Director of CIEP	By the President

(c) Executive Committee

The Economic Policy Board has an Executive Committee of five (5) members who may consider matters relating to responsibilities of the Board and shall meet daily. (CIEP has no such committee.) All of the present members are common members of both CIEP and the Board. They are listed below:

Secretary of Treasury
Assistant to the President for Economic Affairs
Director, Office of Management and Budget
Chairman, Council of Economic Advisers
Executive Director, CIEP
(Chairman, Federal Reserve, is invited to attend)



It is suggested that the titled positions of Chairman, Deputy Chairman and Executive Director be applied to the Executive Committee and that the same officials fill these posts by presidential appointment as designated in subparagraph (b) above.

(d) Professional Staff

Presently, CIEP has a professional staff to assist the Council in performing its duties. One of these duties is preparation of an annual international economic report. It is desirable to establish a staff for the new board and to do so in the same manner as set forth in 22 U.S.C.A. § 2847. (See Tab A).

2. Functions and Duties

A new Economic Policy Board would have the broad purpose of advising the President on economic policy and formulating, coordinating and overseeing the implementation of all U. S. economic policy. In addition to this purpose, there are a number of functions and specific duties which the Congress originally gave to CIEP which might be added to the new board's mandate. These are set forth below:

(a) Functions

- (1) To have the opportunity to investigate problems with respect to coordination implementation, and long range development of international economic policy.
- (2) To make findings and recommendations with regard to the development of policy.

(b) Duties

- (1) Assist the President in the preparation of the International Economic Report (which the President is required to submit annually to the Congress by the CIEP law).
- (2) Review economic activities and policies of the Government, several States and private industry.
- (3) Collect, analyze and evaluate economic information including the impact international trade on domestic labor and the impact of transnational corporations on trade flows.
- (4) Coordinate economic activities of all departments and agencies.
- (5) Make recommendations to the President for economic programs including those relating to monetary mechanisms, foreign investment, trade, balance of payments and international treaties.

C. Merger of Additional Existing Policy Boards

1. National Advisory Council on International Monetary and Financial Policies (See Tab C)

- (a) The primary purpose of the Council is coordination of policy among U. S. representatives to the International Monetary Fund, International Bank for Reconstruction and Development, and the Export-Import Bank, and all other government agencies to the extent they make foreign loans or engage in foreign financial and monetary transactions. This purpose could easily be included in the new board's charter.



A secondary function provides that the Secretary of Treasury shall instruct U.S. representatives to international financial organizations and that he shall decide whether to approve or not, certain actions of the IMF and the banks, in behalf of the U.S. when such approval is required. This secondary function would have to be specifically written into the legislation for a new board.

- (b) The composition of the Council is not significantly different from that of the Economic Policy Board except that the President of the Export-Import Bank would have to be added to a new board.

2. President's Committee on East-West Trade Policy (See Tab D)

- (a) The primary purpose of the Committee is to advise the President with regard to such policy. Major trade initiatives are handled by chairman who are designated for that purpose. This purpose could be added to the functions of a new board.

- (b) Composition does not appear to be a problem if merger occurs.

3. Council on Economic Policy (See Tab E)

- (a) The primary purpose of the Council is coordination in the formation and execution of economic policy. It appears to be a duplication of the existing Economic Policy Board and could be terminated with any difficulty.





§ 2843. Creation of Council on International Economic Policy

There is created in the Executive Office of the President a Council on International Economic Policy (hereinafter referred to in this chapter as the "Council").

Pub.L. 92-412, Title II, § 204, Aug. 29, 1972, 86 Stat. 647.

Legislative History. For legislative history and purpose of Pub.L. 92-412, see 1972 U.S. Code Cong. and Adm. News, p. 3055.

§ 2844. Membership of Council; Chairman; presiding officer

The Council shall be composed of the following members and such additional members as the President may designate:

- (1) The Secretary of State.
- (2) The Secretary of the Treasury.
- (3) The Secretary of Defense.
- (4) The Secretary of Agriculture.
- (5) The Secretary of Commerce.
- (6) The Secretary of Labor.
- (7) The Secretary of Transportation.
- (8) The Director of the Office of Management and Budget.
- (9) The Chairman of the Council of Economic Advisers.
- (10) The Special Representative for Trade Negotiations.

The President shall designate the Chairman of the Council from among the members of the Council.

Pub.L. 92-412, Title II, § 205, Aug. 29, 1972, 86 Stat. 647, amended Pub. L. 93-121, § 1, Oct. 4, 1973, 87 Stat. 447.

1973 Amendment. Pub.L. 93-121 struck out cl. "(1) The President.", redesignated former cls. (2)-(7) as (1)-(6), added cl. "(7) The Secretary of Transportation.", and substituted sentence reading "The President shall designate the Chairman of the Council from among the members of the Council." for "The President shall be the Chairman of the Council and shall preside over the meetings of the Council; in his absence he may designate a member of the Council to preside in his place."

Legislative History. For legislative history and purpose of Pub.L. 92-412, see 1972 U.S. Code Cong. and Adm. News, p. 3055. See also, Pub.L. 93-121, 1973 U.S. Code Cong. and Adm. News, p. —.

§ 2845. Duties of Council

Subject to the direction of the President, and in addition to performing such other functions as he may direct, the Council shall—

(1) Assist and advise the President in the preparation of the International Economic Report required under section 2846 of this title.

(2) Review the activities and the policies of the United States Government which indirectly or directly relate to international economics and, for the purpose of making recommendations to the President in connection therewith, consider with some degree of specificity the substance and scope of the international economic policy of the United States, which consideration shall include examination of the economic activities of (A) the various agencies, departments, and instrumentalities of the Federal Government, (B) the several States, and (C) private industry.

(3) Collect, analyze, and evaluate authoritative information, current and prospective, concerning international economic matters. Such evaluations shall include but not be limited to the impact of international trade on the level, stability, and financial rewards for domestic labor and the impact of the transnational corporation on international trade flows.

(4) Consider policies and programs for coordinating the activities of all the departments and agencies of the United States with one another for the purpose of accomplishing a more consistent in-



Japan, and whenever applicable, the Union of Soviet Socialist Republics—

(A) research and development expenditures, and productivity and technological trends in major industrial and agricultural sectors;

(B) investment patterns in new plant and equipment;

(C) industrial manpower and training practices;

(D) tax incentives and other governmental financial assistance;

(E) export promotion practices;

(F) share of the export market, by area and industrial and agricultural sectors;

(G) environmental practices;

(H) antitrust practices; and

(I) long-range governmental economic planning programs, targets, and objectives;

(5) a review of the relationship between the United States Government and American private business with respect to the categories of subject matter listed in subparagraphs (A) through (I) of paragraph (4) and any other appropriate areas of information, together with recommendations for appropriate policies and programs in order to insure that American business is competitive in international commerce; and

(6) a program for carrying out the policy objectives of this chapter, together with such recommendations for legislation as he may deem necessary or desirable.

Supplementary reports to Congress

(b) The President may transmit from time to time to the Congress reports supplementary to the International Economic Report, each of which may include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the purposes and policy objectives set forth in this chapter.

Pub.L. 92-412, Title II, § 207, Aug. 29, 1972, 86 Stat. 648, amended Pub.L. 93-121, § 4, Oct. 4, 1973, 87 Stat. 448.

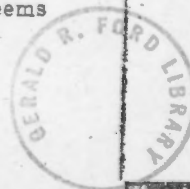
1973 Amendment. Subsec. (a)(4)-(6). see 1972 U.S.Code Cong. and Adm.News, Pub.L. 93-121 added pars. (4) and (5) p. 3085. See, also, Pub.L. 93-121, 1973 U.S. Code Cong. and Adm.News, p. —
Legislative History. For legislative history and purpose of Pub.L. 92-412,

§ 2847. Staff of Council—Executive Director; appointment and compensation; information to Congressional committees

(a) The staff of the Council shall be headed by an Executive Director who shall be appointed by the President, and he shall be compensated at the rate now or hereafter provided for level II of the Executive Schedule (section 5313 of Title 5). He shall keep the Committee on Banking, Housing and Urban Affairs of the Senate, the Committee on Banking and Currency of the House of Representatives, the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and the Joint Economic Committee fully and currently informed regarding the activities of the Council.

Staff personnel; appointment and compensation; executive level IV and V positions

(b) (1) With the approval of the Council, the Executive Director may appoint and fix the compensation of such staff personnel as he deems



necessary. Except as provided in paragraph (2), the staff of the Council shall be appointed subject to the provisions of Title 5 governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such Title relating to classification and General Schedule pay rates.

(2) With the approval of the Council, the Executive Director may appoint and fix the compensation of one officer at a rate of basic compensation not to exceed the rate provided for level IV of the Federal Executive Salary Schedule, and appoint and fix the compensation of two officers at rates of basic compensation not to exceed the rate provided for level V of the Federal Executive Salary Schedule.

Temporary and intermittent services

(c) With the approval of the Council, the Executive Director may procure temporary and intermittent services to the same extent as is authorized by section 3109 of Title 5, at rates not to exceed the daily equivalent of the rate provided for GS-18.

Detail of Federal agency personnel to Council; reimbursable basis

(d) Upon request of the Executive Director, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the Council to assist it in carrying out its duties under this chapter.

Pub.L. 92-412, Title II, § 208, Aug. 29, 1972, 86 Stat. 649.

Legislative History. For legislative history and purpose of Pub.L. 92-412, see 1972 U.S.Code Cong. and Adm.News, p. 3055.

§ 2847a. Same; Executive Director; appointment

Notwithstanding the provisions of section 2847(a) of this title, any future Executive Director of the Council on International Economic Policy appointed after October 4, 1973, shall be appointed by the President by and with the advice and consent of the Senate.

Pub.L. 93-121, § 5, Oct. 4, 1973, 87 Stat. 448.

Codification. Section was not enacted as a part of the International Economic Policy Act of 1972, which is classified to this chapter.

Legislative History. For legislative history and purpose of Pub.L. 93-121, see 1973 U.S.Code Cong. and Adm.News, p. —.

§ 2848. Expiration date

The provisions of this chapter shall expire on June 30, 1977 unless extended by legislation enacted by the Congress.

Pub.L. 92-412, Title II, § 209, Aug. 29, 1972, 86 Stat. 649, as amended
Pub.L. 93-121, § 2, Oct. 4, 1973, 87 Stat. 447.

1973 Amendment. Pub.L. 93-121 extended termination date to June 30, 1977, from June 30, 1973. see 1972 U.S.Code Cong. and Adm.News, p. 3055. See also, Pub.L. 93-121, 1973 U.S. Code Cong. and Adm.News, p. —.

Legislative History. For legislative history and purpose of Pub.L. 92-412,

§ 2849. Authorization of appropriations

For the purpose of carrying out the provisions of this chapter, there are authorized to be appropriated not to exceed \$1,400,000 for fiscal year 1974.

Pub.L. 92-412, Title II, § 210, Aug. 29, 1972, 86 Stat. 649, as amended
Pub.L. 93-121, § 3, Oct. 4, 1973, 87 Stat. 448.

1973 Amendment. Pub.L. 93-121 substituted fiscal year "1974" for "1973".

Legislative History. For legislative history and purpose of Pub.L. 92-412, see 1972 U.S.Code Cong. and Adm.News, p. 3055. See also, Pub.L. 93-121, 1973 U.S. Code Cong. and Adm.News, p. —.



CHAPTER 43.—INTERNATIONAL

- Sec. 2871. Congressional findings and direction of purpose.
- 2872. Board for International Broadcasting.
 - (a) Establishment.
 - (b) (1) Composition.
 - (2) Selection.
 - (3) Term of office of presidentially appointed members.
 - (4) Term of office of ex officio members.
 - (5) Compensation.
- 2873. Same; functions of Board.

§ 2871. Congressional findings

The Congress hereby finds and (1) that it is the policy

right of freedom of opinion "to seek, receive, and impart media and regardless of front the Universal Declaration of

(2) that open communication the peoples of the world c stability, and that the prom interests of the United States;

(3) that Free Europe, Inc. mittee, Incorporated (hereina and Radio Liberty), have de

thering the open communicati Europe and the Union of Sc

(4) that the continuation erty as independent broadcast inconsistent with the broad f States and in accordance with national interest; and

(5) that in order to provid continuation of assistance to and to encourage a constructi

ion of Soviet Socialist Republi to establish a Board for Interna

Pub.L. 93-129, § 2, Oct. 19, 1973, 8 Short Title. Section 1 of Pub.L. 93-129 provided: "That this Act [enacting this chapter] may be cited as the 'Board for International Broadcasting Act of 1973'."

§ 2872. Board for International

(a) There is established a Board hereinafter referred to as the "Board"

(b)(1) The Board shall consist of be ex officio members. The Presi advice and consent of the Senate, he shall designate as chairman. No of the Board appointed by the Pres party. The chief operating executi chief operating executive of Radio I of the Board and shall participate in not vote in the determinations of th

TAB B



Tab B

EXECUTIVE ORDER

- 11808 -

ESTABLISHING THE PRESIDENT'S ECONOMIC POLICY BOARD, AND FOR OTHER PURPOSES

By virtue of the authority vested in me by the Constitution and laws of the United States, it is hereby ordered as follows:

Section 1. There is hereby established the President's Economic Policy Board (hereinafter referred to as the Board).

Sec. 2. The Board shall consist of the Secretary of the Treasury, who shall be its Chairman, the Assistant to the President for Economic Affairs, the Secretary of State, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, and the Executive Director of the Council on International Economic Policy. The Chairman of the Board of Governors of the Federal Reserve System is invited to attend meetings of the Board.

Sec. 3. The Economic Policy Board shall provide advice to the President concerning all aspects of national and international economic policy, will oversee the formulation, coordination, and implementation of all economic policy of the United States, and will serve as the focal point for economic policy decision-making. The Chairman of the Board shall act as the principal spokesman for the Executive Branch on matters of economic policy.



Handwritten initials or signature in the bottom right corner.

Sec. 4. (a) There is hereby established the Executive Committee of the Board. The Executive Committee shall consist of the Secretary of the Treasury, who shall be its Chairman, the Assistant to the President for Economic Affairs, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, and the Executive Director of the Council on International Economic Policy. The Chairman of the Board of Governors of the Federal Reserve System is invited to attend meetings of the Executive Committee.

(b) The Executive Committee shall meet daily to consider matters involving responsibilities of the Board.

Sec. 5. The Assistant to the President for Economic Affairs shall be the Executive Director of the Board and of the Executive Committee, and, as such, shall be responsible for coordinating the implementation of economic policy and providing liaison with the Presidential staff and with other Governmental activities.

Sec. 6. (a) The Secretary of the Treasury shall be a member of the Council on Wage and Price Stability and be its Chairman. The Assistant to the President for Economic Affairs shall be a member of the Council and be its Deputy Chairman.

CIEP (b) The Secretary of the Treasury shall be the Chairman of the Council on International Economic Policy. The Assistant to the President for Economic Affairs shall be a member of that Council and be its Deputy Chairman.

(c) Section 1(b) of Executive Order No. 11269, as amended (prescribing the composition of the National Advisory Council on International Monetary and Financial Policies),

is further amended by inserting after "the Secretary of the Treasury, who shall be Chairman of the Council," the following "the Assistant to the President for Economic Affairs, who shall be Deputy Chairman of the Council,".

(d) (1) Section 1 of Executive Order No. 11789 (prescribing the composition of the President's Committee on East-West Trade Policy) is amended to read as follows:

"(1) The Assistant to the President for Economic Affairs."

(2) Section 2 of that Order is amended to read as follows:

"Sec. 2. The Secretary of the Treasury shall be the Chairman of the Committee, and the Assistant to the President for Economic Affairs shall be its Deputy Chairman."

Sec. 7. All departments and agencies shall cooperate with the Board, including the Executive Committee thereof, and shall, to the extent permitted by law, provide it with such assistance and information as the Chairman or the Executive Director of the Board may request.

Gerard R. Ford

THE WHITE HOUSE,

September 30, 1974.



TAB 2



Tab C

Executive Order 11269

NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL POLICIES

By virtue of the authority vested in me by Reorganization Plan No. 4 of 1965 (30 F.R. 9353), and as President of the United States, it is ordered as follows:

SECTION 1. *Establishment of Council.* (a) There is hereby established the National Advisory Council on International Monetary and Financial Policies, hereinafter referred to as the Council.

(b) The Council shall be composed of the following members: the Secretary of the Treasury, who shall be the chairman of the Council, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, and the President of the Export-Import Bank of Washington.

(c) Whenever matters within the jurisdiction of the Council may be of interest to Federal agencies not represented on the Council under Section 1(b) of this order, the Chairman of the Council may consult with such agencies and may invite them to designate representatives to participate in meetings and deliberations of the Council.

SEC. 2. *Functions of the Council.* (a) Exclusive of the functions delegated by the provisions of Section 3, below, and subject to the limitations contained in subsection (b) of this Section, all of the functions which are now vested in the President in consequence of their transfer to him effected by the provisions of Section 1(b) of Reorganization Plan No. 4 of 1965 are hereby delegated to the Council.

(b) The functions under Sections 4(a) and 4(b)(3) of the Bretton Woods Agreements Act, including those made applicable to the International Finance Corporation, the Inter-American Development Bank, and the International Development Association (22 U.S.C. 286b(a) and (b)(3); 282b; 283b; 284b), to the extent that such functions consist of coordination of policies, are hereby delegated to the Council. The functions so delegated shall be deemed to include the authority to review proposed individual loan, financial, exchange, or monetary transactions to the extent necessary or desirable to effectuate the coordination of policies.

SEC. 3. *Functions of the Secretary of the Treasury.* (a) Functions which are now vested in the President in consequence of their transfer to him effected by the provisions of Section 1(b) of Reorganization Plan No. 4 of 1965 are hereby delegated to the Secretary of the Treasury to the extent of the following:

(1) Authority to instruct representatives of the United States to international financial organizations.

(2) Authority provided for in Section 4(b)(4) of the Bretton Woods Agreements Act (22 U.S.C. 286b(b)(4)).

(b) In carrying out the functions delegated to him by subsection (a) of this Section the Secretary shall consult with the Council.

RETURN TO



(c) Nothing in this order shall be deemed to derogate from the responsibilities of the Secretary of State with respect to the foreign policy of the United States.

SEC. 4. Information. (a) All agencies and officers of the Government, including representatives of the United States to international financial organizations, (1) shall keep the Council or the Secretary of the Treasury, as the case may be, fully informed concerning the foreign loan, financial, exchange, and monetary transactions in which they engage or may engage or with respect to which they have other responsibility, and (2) shall provide the Council and the Secretary with such further information or data in their possession as the Council or the Secretary, as the case may be, may deem necessary to the appropriate discharge of the responsibilities of the Council and Secretary under Sections 2 and 3 of this order, respectively.

(b) The Council shall from time to time transmit to all appropriate agencies and officers of the Government statements of the policies of the Council under this order and such other information relating to the above-mentioned transactions or to the functions of the Council hereunder as the Council shall deem desirable.

SEC. 5. Executive Order No. 10033. Section 2(a) of Executive Order No. 10033 of February 8, 1949, is hereby amended by substituting for the name "National Advisory Council on International Monetary and Financial Problems" the following: "National Advisory Council on International Monetary and Financial Policies."

SEC. 6. Effective date. The provisions of this order shall be effective as of January 1, 1966.

LYNDON B. JOHNSON

THE WHITE HOUSE,
February 14, 1966.

Executive Order 11270

SUSPENSION OF SECTION 5232(b) OF TITLE 10, UNITED STATES CODE, WHICH RELATES TO THE NUMBER OF LIEUTENANT GENERALS IN THE MARINE CORPS

By virtue of the authority vested in me by Section 5234 of Title 10 of the United States Code, it is ordered as follows:

The provisions of section 5232(b) of Title 10 of the United States Code relating to the number of officers serving in the grade of lieutenant general are hereby suspended until June 30 of the fiscal year following that in which the national emergency proclaimed by Proclamation No. 2914 of December 16, 1950, shall end.

LYNDON B. JOHNSON

THE WHITE HOUSE,
February 19, 1966.

RETURN TO
 WHITE HOUSE RECORDS OFFICE

TAB D



Tab D

EXECUTIVE ORDER

11781

PRESIDENT'S COMMITTEE ON EAST-WEST TRADE POLICY

By virtue of the authority vested in me as President of the United States of America, it is hereby ordered as follows:

Section 1. The East-West Trade Policy Committee is hereby redesignated as the President's Committee on East-West Trade Policy (hereinafter referred to as the Committee), and is hereby continued. It shall be composed of the following-described members:

- (1) The Counsellor to the President for Economic Policy.
- (2) The Secretary of State.
- (3) The Secretary of the Treasury. *Chairman*
- (4) The Secretary of Commerce.
- (5) The Director of the Office of Management and Budget.
- (6) The Executive Director of the Council on International Economic Policy.
- (7) The Special Representative for Trade Negotiations.

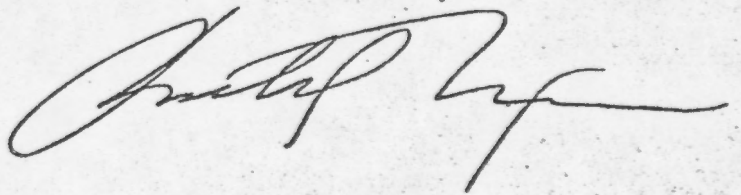
Sec. 2. The Counsellor to the President for Economic Policy is designated Chairman of the Committee. The Secretary of the Treasury and the Secretary of Commerce are designated Co-Vice Chairmen of the Committee and Co-Chairmen of the Office of East-West Trade.

Sec. 3. The Deputy Under Secretary of the Treasury who has been serving as the Executive Secretary of the East-West Trade Policy Committee, or his successor, shall continue to serve in that capacity with the Committee. The working group established by the Executive Secretary



is hereby continued, and shall continue to include representation from the agencies represented on the Committee. The Executive Secretary shall continue to serve as chairman of the working group.

Sec. 4. Negotiation of major trade initiatives shall continue to be handled under the chairmanship of individuals to be designated for the specific negotiations involved.



THE WHITE HOUSE,
June 25, 1974



TAB E

THE WHITE HOUSE
WASHINGTON

Tol-E

February 2, 1973

MEMORANDUM FOR: THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF TRANSPORTATION
DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET
CHAIRMAN, COUNCIL OF ECONOMIC
ADVISERS
DIRECTOR, COST OF LIVING COUNCIL
EXECUTIVE DIRECTOR, COUNCIL ON
INTERNATIONAL ECONOMIC POLICY
SECRETARY OF HUD

SUBJECT: COUNCIL ON ECONOMIC POLICY

To help ensure better coordination in the formation and execution of economic policy, there is hereby created a Council on Economic Policy.

This Council shall consist of the addressees of this Memorandum, an Assistant to the President, and such other members as I may from time to time designate.

The Assistant to the President that I shall designate shall serve as Chairman of the Council and may invite any official of the Government who is not a member thereof to participate in its deliberations.

The Council shall perform such functions relating to economic policy as the President or the Chairman of the Council may from time to time specify.

Richard Nixon
GERALD R. FORD LIBRARY

THE WHITE HOUSE

WASHINGTON

February 2, 1973

MEMORANDUM FOR: THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF TRANSPORTATION
DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET
CHAIRMAN, COUNCIL OF ECONOMIC
ADVISERS
DIRECTOR, COST OF LIVING COUNCIL
EXECUTIVE DIRECTOR, COUNCIL ON
INTERNATIONAL ECONOMIC POLICY
SECRETARY OF HUD

SUBJECT: COUNCIL ON ECONOMIC POLICY

To help ensure better coordination in the formation and execution of economic policy, there is hereby created a Council on Economic Policy.

This Council shall consist of the addressees of this Memorandum, an Assistant to the President, and such other members as I may from time to time designate.

The Assistant to the President that I shall designate shall serve as Chairman of the Council and may invite any official of the Government who is not a member thereof to participate in its deliberations.

The Council shall perform such functions relating to economic policy as the President or the Chairman of the Council may from time to time specify.

Richard Nixon



Activities, and (2) by adding thereto the following-named agencies:

Agency for International Development.
Office of Emergency Planning.
Peace Corps.
President's Foreign Intelligence Advisory Board.
United States Arms Control Disarmament Agency.

Sec. 2. Subsection (b) of section 2 is amended by deleting from the list of departments and agencies thereunder the Government Patents Board, and by adding thereto the following-named agency:

Federal Maritime Commission.

Sec. 3. The agencies which have been added by this order to the lists of departments and agencies under subsections (a) and (b) of section 2 of Executive Order No. 10501, as amended [set out as a note under this section], shall be deemed to have had authority for classification of information or material from the respective dates on which such agencies were established.

JOHN F. KENNEDY

EX. ORD. NO. 11097. AMENDMENT OF EXECUTIVE ORDER NO. 10501, RELATING TO SAFEGUARDING OFFICIAL INFORMATION

Ex. Ord. No. 11097, Feb. 28, 1963, 28 F.R. 2225, provided:

By virtue of the authority vested in me by the Constitution and statutes of the United States, and as President of the United States, and deeming such action necessary in the best interest of the national security, it is hereby ordered as follows:

SECTION 1. Section 2 of Executive Order No. 10501 of November 5, 1953, as amended by Executive Order No. 10901 of January 9, 1961 and by Executive Order No. 10985 of January 12, 1962 [set out as a note under this section], is hereby further amended (A) by adding at the end of Subsection (a) thereof "Export-Import Bank of Washington", "Office of Science and Technology", and "The Special Representative for Trade Negotiations"; and (B) by deleting from Subsection (b) thereof "Subversive Activities Control Board."

SEC. 2. The Export-Import Bank of Washington, the Office of Science and Technology, and The Special Representative for Trade Negotiations shall be deemed to have had authority for the original classification of information and material from the respective dates on which such agencies were established.

JOHN F. KENNEDY

OFFICE OF EMERGENCY PREPAREDNESS

The name of the Office of Emergency Planning was changed to the Office of Emergency Preparedness by Pub. L. 90-608, ch. IV, § 402, Oct. 21, 1968, 82 Stat. 1194, with references in any other law to the Office of Emergency Planning to be deemed, after Oct. 21, 1968, references to the Office of Emergency Preparedness.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 10 sections 125, 133.

§ 402. National Security Council.

(a) Establishment; presiding officer; functions; composition.

There is established a council to be known as the National Security Council (hereinafter in this section referred to as the "Council").

The President of the United States shall preside over meetings of the Council: *Provided*, That in his absence he may designate a member of the Council to preside in his place.

The function of the Council shall be to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security so as to enable the military services and the other departments and agencies of the Government to cooperate more effectively in matters involving the national security.

The Council shall be composed of—

- (1) the President;
- (2) the Vice President;

- (3) the Secretary of State;
- (4) the Secretary of Defense;
- (5) the Director for Mutual Security;
- (6) The Chairman of the National Security Resources Board; and

(7) the Secretaries and Under Secretaries of other executive departments and of the military departments, the Chairman of the Munitions Board, and the Chairman of the Research and Development Board, when appointed by the President by and with the advice and consent of the Senate, to serve at his pleasure.

(b) Additional functions.

In addition to performing such other functions as the President may direct, for the purpose of more effectively coordinating the policies and functions of the departments and agencies of the Government relating to the national security, it shall, subject to the direction of the President, be the duty of the Council—

(1) to assess and appraise the objectives, commitments, and risks of the United States in relation to our actual and potential military power, in the interest of national security, for the purpose of making recommendations to the President in connection therewith; and

(2) to consider policies on matters of common interest to the departments and agencies of the Government concerned with the national security, and to make recommendations to the President in connection therewith.

(c) Executive secretary; appointment and compensation; staff employees.

The Council shall have a staff to be headed by a civilian executive secretary who shall be appointed by the President. The executive secretary, subject to the direction of the Council, is authorized, subject to the civil-service laws and chapter 51 and subchapter III of chapter 53 of Title 5, to appoint and fix the compensation of such personnel as may be necessary to perform such duties as may be prescribed by the Council in connection with the performance of its functions.

(d) Recommendations and reports.

The Council shall, from time to time, make such recommendations, and such other reports to the President as it deems appropriate or as the President may require. (July 26, 1947, ch. 343, title I, § 101, 61 Stat. 497; Aug. 10, 1949, ch. 412, § 3, 63 Stat. 579; Oct. 28, 1949, ch. 782, title XI, § 1106 (a), 63 Stat. 972; Oct. 10, 1951, ch. 479, title V, § 501 (e) (1), 65 Stat. 378.)

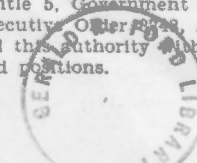
REFERENCES IN TEXT

The civil-service laws, referred to in subsec. (c), are classified generally to Title 5, Government Organization and Employees.

CODIFICATION

Provisions in subsec. (c) which limited the compensation of the executive secretary to \$10,000 a year were omitted since the position referred to is now in the classified civil service and subject to the applicable compensation schedules.

The authority for covering excepted positions into the classified civil service was given the President by section 2101 et seq. of Title 5, Government Organization and Employees. By Executive Order 9834, Apr. 25, 1941, the President exercised this authority with respect to many previously excepted positions.



CIEP

THE WHITE HOUSE
WASHINGTON

Dudley —

1/23/75

I agree.

Why don't we ask

Scalia for his view on
the more general TAB A
request.

Phil A.



THE WHITE HOUSE

WASHINGTON

January 22, 1975

MEMORANDUM FOR: PHILLIP AREEDA

FROM: DUDLEY CHAPMAN *DC*

SUBJECT: GAO Requests for CIEP Documents

Attached at Tabs A and B are two separate requests for documents from GAO that have been held up pending the formulation of our policy on Executive Privilege. The request at Tab B could probably be broken out before a definitive policy is established; but if this is done it should be in the knowledge of the issues raised by Tab A.

The request at Tab A is a far-reaching request by GAO for access to the files of CIEP and NSC. Their stated purpose in informal discussions with me is to test the limits of what they can get. The summary on page 2 of the Victor Lowe letter is an accurate statement of the policy guidelines of the previous administration.

The request at Tab B is specified in the November 11, 1974, memorandum from Hartquist to me, which is clipped to the inside cover of the file folder; the documents requested are in the folder. Of these, the most sensitive appears to be the clipped decision memorandum of September 25, 1974, from Ken Rush to numerous cabinet level and senior White House officials. My gauge of sensitivity is not the content, but the level of the communication.

Hartquist indicates no objection to furnishing the documents at Tab B, and I agree that they pose no evident harm in themselves and appear to raise no serious issue of precedent. My greatest reservation is that in judging the issue this way we are giving up high-level documents on the ground that there is nothing harmful in them rather than on the basis of reasoned guidelines for access. While it is the practical thing to do here, I think we need a better guidepost.

I agree
P.A.

My recommendation would be to provide the documents in Tab B as an ad hoc decision, reserving judgment on the broader request in Tab A.





UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

GENERAL GOVERNMENT
DIVISION

October 10, 1974

Mr. Philip W. Buchen
Counsel to the President
The White House

Attention: Mr. Jay French

Dear Mr. Buchen:

In discussions with Mr. Michael Oppenheimer on September 30, 1974, Mr. Jay French asked that we write to you detailing the chronology of events concerning our requests for certain Council on International Economic Policy (CIEP) and National Security Council records.

In view of the emerging congressional and public interest in the increased United States-Soviet Union trade, we undertook in March 1974 a survey of the Government's role in East-West trade. Letters explaining the assignment and requesting their cooperation were sent to the Departments of Commerce, State, Treasury, Defense, Agriculture, and three White House agencies--the Council on International Economic Policy, the Office of the Special Trade Representative and the National Security Council. Copies are enclosed.

We met with the various agency officials to discuss our survey objectives and to establish some mutually agreeable ground-rules for examination of the records. With respect to the White House agencies, discussions with Mr. David Evans, CIEP, on June 4, 1974, indicated that we would be able to examine inter-agency CIEP-sponsored studies, and decision papers emanating from CIEP to the other agencies. We understood that we would be permitted to examine the records at CIEP, to take notes, but not be permitted to make copies. Our understanding excluded random access to the files, data going to or from the President, and internal data going to or from the Director.

On June 5, 1974, Mr. Richard Price, the supervisor of this assignment met with staff members of the East-West Trade Policy Committee Working Group and spelled out in greater



detail specific areas of interest, our reporting objectives, and the scope of our survey. The members of that Group apparently considered our request and set specific groundrules for our access to executive branch agency records on East-West trade matters.

Mr. Evans advised us on June 7, 1974, that the previous arrangements had been changed. On June 10, 1974, Mr. Evans advised that as a result of agreements reached at the June 5, 1974, Trade Policy Committee Working Group we would no longer be permitted to examine CIEP records. This exclusion covered documents prepared by CIEP or jointly with other agencies, and data on pending matters. The question of access to CIEP internal studies was referred to the White House Counsel's Office.

We were informed by a representative on July 30, 1974 that the White House Counsel's Office had set forth the following guidelines:

- a. direct access to CIEP files, as such, would not be permitted,
- b. CIEP representatives would answer questions and furnish information in written or oral form, except in connection with (1) Presidential advisory statements and documents relating to the Presidential decision making process; (2) national security sensitive material; and (3) negotiating positions, and
- c. CIEP would make available factual material that is easily separable from confidential materials in the CIEP files.

With respect to the National Security Council, it was advised of our review by letter dated June 14, 1974. Initial discussion held with staff members of the Council resulted in our being asked to provide a listing of Council documents needed for the survey. We provided a tentative listing on June 26, 1974, and Mrs. Jeanne Davis, the Staff Secretary advised us our request would be reviewed by the White House Counsel. We were advised by letter dated August 5, 1974, that upon advice of the White House Counsel, the National Security Council was unable to furnish us the requested documents or permit our access to other National Security Council



records. The Council was prepared to provide oral briefings to us on the substance of the material, but not with respect to (a) Presidential advisory statements, comments or recommendations, or (b) negotiating positions or other security sensitive foreign relations matters.

In another matter dealing with a review we are making of U.S. trade policy towards developing nations, we requested certain Council documents. We again were advised, this time by letter dated September 25, 1974, that the Council would not furnish us with copies of the requested documents.

Conversations with Mr. John Showe, CIEP and Mrs. Jeanne Davis, NSC, were held to explain the effect these decisions would have on our ability to report to the Congress on a complete and factual basis. These representatives told us that the groundrules for access were established by the White House Counsel and that any change would have to come from that Office. In following up on these matters with the White House Counsel's Office, we were informed by Mr. Chapman that our request was one of several left over from the previous administration and that he was preparing a memorandum for you on all these outstanding requests. Mr. Chapman said that you would reassess the previously established groundrules. Mr. Chapman said his memorandum has now gone forward and that we should discuss the issue with you.

It is our intention to report to the Congress on the Executive Branch's policies, practices, and procedures, for carrying out East-West trade. In order to provide an accurate assessment, it is essential that we have access to the data which explains the background and basis for the policies being followed. Since the policies apparently originated in large measure at the White House level, this data is basic to an understanding of the issues involved and to our evaluation.

Access to CIEP and National Security Council records is necessary to fulfill our congressional reporting responsibilities. We believe a report on East-West trade will provide the Congress with valuable insights into this important matter and will assist it in fulfilling its responsibilities. We would appreciate your early consideration of our access to the requested data on East-West trade as well as on U.S. trade policy towards developing nations. We would be pleased to meet with you to discuss any matters which may concern you.



If you have any questions, please contact Mr. John E. Milgate,
Associate Director, International Division, phone 386-5507.

Sincerely yours,

Victor L. Lowe

Victor L. Lowe
Director

Enclosures - 6



Make desk file for meeting today on Jan 27.

THE WHITE HOUSE

WASHINGTON

January 27, 1975

MEMORANDUM FOR: PHILIP W. BUCHEN

FROM: JAY T. FRENCH

SUBJECT: ATTACHED MEMORANDUM CONCERNING
THE ECONOMIC POLICY BOARD

Skip Hartquist and I have reviewed and discussed this paper. Tabs A and B demonstrate how the current CIEP law could be amended to create a new EPB. Tab C is the alternative approach of an entirely new EPB statute.

Mr. Seidman would like to give this memorandum to the President by February 3 (Monday).

In order not to delay your review of this proposal I have not examined it in detail. I would note that based upon a discussion at our first meeting the Executive Committee should be deleted from the draft of the amended CIEP law. See Tab B "Sec. ___", following "Sec. 205". Additionally, Skip upon review noted that the President should not designate a Board Chairman if he (The President) sits on the Board. Therefore, the last sentence in Section 205 of Tab B could be deleted. I concur.

You indicated earlier that Max Friedersdorf might be consulted with regard to selection of the best legislative course. I will prepare a cover memorandum for him, defining the issue if you prefer.



COUNCIL ON INTERNATIONAL ECONOMIC POLICY
WASHINGTON, D.C. 20500

MEMORANDUM FOR

PHILIP W. BUCHEN

SUBJECT: Legislation Regarding Economic Policy Board

Attached are three items for your review. Items (1) and (2) represent optional approaches in drafting the EPB bill:

(1) Draft legislation to establish the Economic Policy Board by amending the International Policy Act of 1972 (TAB A).

(a) A version of (1) showing changes in existing law (TAB B).

(2) Draft legislation establishing the Economic Policy Board and repealing the International Economic Policy Act of 1972 (TAB C).

I recommend we submit to Congress the draft legislation establishing the EPB and repealing the International Economic Policy Act of 1972 (Tab C above). It seems to me that this legislation should be presented to the Congress as an additional effort by the President to solve the difficult economic problems facing the nation, rather than as an "upgrading" of CIEP. Legislation amending the CIEP statute (Tab A) would tend to understate the importance of the EPB itself while emphasizing the broadening of CIEP's responsibilities.

The basic arguments for establishing the EPB by legislation are as follows:

(1) The President is reinforcing his determination to cooperate with the Congress in solving our economic problems by establishing the EPB by statute, making it accountable to Congress.

(2) In order to support the decision-making process within the EPB, and assure coordination among Federal departments and agencies on economic matters, the President has decided to provide the EPB with a small, highly qualified staff.

While I agree with your assessment that it is important to retain the support of CIEP's constituency on the Hill, I believe our supporters will favor giving the EPB a legislative mandate, particularly if they are assured that CIEP's functions regarding international economic policy will be continued under the umbrella of the EPB setup. With respect to Congressional leaders, key Committee chairmen and the membership at large who may not be intimately familiar with CIEP, however, I think it is important to submit the proposal as a new law rather than as an amendment to an existing statute which deals with international economic matters. This is even more important with respect to the presentation of the proposal to the press and the general public.

OMB also recommends following the approach taken in Tab C, for the following reasons:

(1) If the legislation is drafted in the form of a reorganization of the Executive Office, it is more likely to be referred to the Government Operations Committees than the Banking Committees. This is desirable, because the testimony of the Administration witness would then be focused on organizational matters rather than a detailed examination of economic policy. This is particularly important because Senator Proxmire and Congressman Reuss, vocal critics of the Administration's economic program, chair the Banking Committees.

(2) If the legislation is referred to the Government Operations Committees, we have more flexibility in deciding who the Administration witness will be. It may be desirable to have the Director of the Office of Management and Budget testify, rather than Mr. Seidman. This would avoid the complication of having an Assistant to the President testify (though the Assistant to the President would be testifying in his capacity as the President's nominee for Executive Director of the Board).



(3) As a reorganization proposal, the draft legislation is less likely to be encumbered with detailed amendments requiring an annual report, reports to various congressional committees and so forth.

(4) This method of establishing the EPB is in accord with the President's desire to set up an "NSC-type" organization for economic policy.

A handwritten signature in black ink that reads "Mike Dunn". The signature is fluid and cursive, with a long horizontal stroke at the end.

J. M. Dunn
Acting
Executive Director

Attachments





A BILL

To establish the President's Economic Policy Board, to amend the International Economic Policy Act of 1972, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Policy Act of 1975."

Sec. 2. Section 202 of the International Economic Policy Act of 1972 (22 U. S. C. 2841) is amended by striking out "a more rational and orderly international economic policy for", and inserting in lieu thereof "the domestic and international economic policy of".

Sec. 3. Section 203 of the International Economic Policy Act of 1972 (22 U. S. C. 2842) is amended -

- (1) by inserting immediately after "purposeful" in the second sentence thereof "domestic and";
- (2) by striking out "(1)" in the second sentence thereof;
- (3) by striking out everything following "activity" in the second sentence thereof and placing a period after "activity";



- (4) by striking out "a Council on International Economic Policy" in the third sentence and inserting in lieu thereof "an Economic Policy Board";
- (5) by amending the first clause of subparagraph (A) by inserting immediately after "of" the following:
"domestic and"; and by amending the second clause thereof by striking out "international" and by striking out "including trade, investment, balance of payments, and finance";
- (6) by amending subparagraph (C) by inserting immediately after "coordination" the following: "of international economic policy"; and
- (7) by amending the last sentence by striking out "Council" and inserting in lieu thereof "Board", by inserting immediately after "long-range development of" the following: "domestic and", and by striking out "a rational and orderly international economic policy for" and inserting in lieu thereof "the domestic and international economic policy of".



Sec. 4. Section 204 of the International Economic Policy Act of 1972 (22 U.S.C. 2843) is amended by striking out "a Council on International Economic Policy (hereinafter referred to in this title as the "Council")" and inserting in lieu thereof "an Economic Policy Board (hereinafter referred to as the "Board")".

Sec. 5. Section 205 of the International Economic Policy Act of 1972 (22 U.S.C. 2844) is amended -

(1) by striking out "Council" in the first sentence and inserting in lieu thereof "Board";

(2) by adding the following new subparagraphs -

"(1) The President. "

"(2) The Vice President. "

"(6) The Secretary of the Interior. "

"(10) The Secretary of Health, Education, and Welfare. "

"(11) The Secretary of Housing and Urban Development. "

"(13) The Assistant to the President for Economic Affairs. ";

(3) by redesignating subparagraphs (1), (2), (3), (4), (5), (6), (7), (8), (9) and (10) as subparagraphs (3), (4), (5), (7), (8), (9), (12), (14), (15), and (16), respectively; and

(4) by striking out "Council" both times it appears in the last sentence and inserting in lieu thereof "Board".



Sec. 6. There shall be an Executive Committee of the Board which shall be composed of such members as the President may designate. The President shall designate the Chairman of the Executive Committee from among its members. The Executive Committee shall meet from time to time to consider matters involving responsibilities of the Board.

Sec. 7. Section 206 of the International Economic Policy Act of 1972 (U. S. C. 2845) is hereby repealed.

Sec. 8. Subject to the direction of the President, and in addition to performing such other functions as he may direct, the Board shall -

- (1) Advise the President concerning all aspects of national and international economic policy.
- (2) Oversee the formulation, coordination, and implementation of all economic policy of the United States.
- (3) Serve as the focal point for economic policy decision-making.
- (4) Coordinate the activities of all the departments and agencies of the United States with one another for the purpose of accomplishing a more consistent domestic and international economic policy.
- (5) Make such recommendations and reports to the President as it deems appropriate or as the President may require.



(6) Assist and advise the President in the preparation of the Economic Policy Report required under Section 10 of this title.

Sec. 9. Section 207 of the International Economic Policy Act of 1972 (22 U. S. C. 2846) is hereby repealed.

Sec. 10. The President shall transmit to the Congress an annual Economic Policy Report on the activities of the Board, setting forth a program for carrying out the policy objectives of this title, together with such recommendations for legislation as he may deem necessary or advisable.

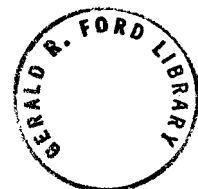
The President may transmit from time to time reports supplementary to the Economic Policy Report, each of which may include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the purposes and policy objectives set forth in this title.

Sec. 11. Section 208 of the International Economic Policy Act of 1972 (22 U. S. C. 2847) is amended -

- (1) by striking out "Council" in both places it appears in paragraph (a) and inserting in lieu thereof "Board", and by inserting immediately after "President" in the first sentence thereof "by and with the advice and consent of the Senate,";



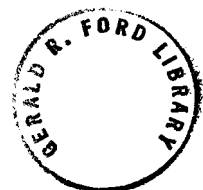
- (2) by striking out "Council," in the first sentence of subparagraph (b)(1) and inserting in lieu thereof "Board,";
- (3) by striking out the second sentence of subparagraph (b)(1) and inserting in lieu thereof "The staff of the Board shall be appointed and compensated without regard to the provisions of law regulating the employment and compensation of persons in the Government service: Provided, That, except for the officers provided for in paragraph (2) and for not to exceed _____ persons who may receive compensation not in excess of the rate now or hereafter provided for GS-18, no staff personnel shall receive compensation in excess of the rate now or hereafter provided for GS-15. ";
- (4) by striking out "Council" in subparagraph (b)(2) and inserting in lieu thereof "Board", and by striking out "one", "IV", "two", and "V" and inserting in lieu thereof "____", "____", "____", and "____", respectively; and
- (5) by striking out "Council" in paragraph (d) and inserting in lieu thereof "Board".



Sec. 12. Section 5 of (Public Law 93-121) (22 U.S.C. 2847a) is hereby repealed.

Sec. 13. Section 209 of the International Economic Policy Act of 1972 (22 U.S.C. 2848) is hereby repealed.

Sec. 14. Section 210 of the International Economic Policy Act of 1972, as amended (22 U.S.C. 2849) is amended by striking out "not to exceed \$1,800,000 for fiscal year 1975.", and inserting in lieu thereof "such sums as may be necessary."



TAB B



A BILL

To establish the President's Economic Policy Board, and for other purposes.

(SHOWING CHANGES IN EXISTING LAW MADE BY THE BILL. EXISTING LAW PROPOSED TO BE OMITTED IS LINED THROUGH, NEW MATTER IS UNDERLINED, AND EXISTING LAW IN WHICH NO CHANGE IS PROPOSED IS SHOWN IN REGULAR TYPE.)

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Policy Act of 1975".

Sec. 202. It is the purpose of this title to provide for closer Federal interagency coordination in the development of ~~a more rational and orderly~~ the domestic and international economic policy ~~for~~ of the United States.

Sec. 203. The Congress finds that there are many activities undertaken by various departments, agencies, and instrumentalities of the Federal Government which, in the aggregate, constitute the domestic and international economic policy of the United States. The Congress



further finds that the objectives of the United States with respect to a sound and purposeful domestic and international economic policy can be better accomplished through the closer coordination of (1) domestic and foreign economic activity, and (2) in particular, that economic behavior which, taken together, constitutes United States international economic policy. Therefore this Act establishes a Council on International Economic Policy an Economic Policy Board which will provide for -

(A) a clear top level focus for the full range of domestic and international economic issues ^{of to} deal with international economic policies including trade, investment, balance of payments, and finance - as a coherent whole;

(B) consistency between domestic and foreign economic policy;
and

(C) close coordination of international economic policy with basic foreign policy objectives.

The Congress intends that the Council Board shall be provided with the opportunity to (i) investigate problems with respect to the coordination, implementation, and long-range development of domestic and international economic policy, and (ii) make appropriate findings



and recommendations for the purpose of assisting in the development of ~~a-rational-and-orderly-international~~ the domestic and international economic policy for of the United States.

Sec. 204. There is created in the Executive Office of the President ~~a-Council-on-International-Economic-Policy-(hereinafter-referred-to-~~
~~in-this-title-as-the-"Council")~~, an Economic Policy Board (hereinafter
referred to as the "Board").

Sec. 205. The Council Board shall be composed of the following members and such additional members as the President may designate:

- (1) The President.
- (2) The Vice President.
- ~~(1)~~ (3) The Secretary of State.
- ~~(2)~~ (4) The Secretary of the Treasury.
- ~~(3)~~ (5) The Secretary of Defense.
- (6) The Secretary of the Interior.
- ~~(4)~~ (7) The Secretary of Agriculture.
- ~~(5)~~ (8) The Secretary of Commerce.
- ~~(6)~~ (9) The Secretary of Labor.
- (10) The Secretary of Health, Education, and Welfare.



(11) The Secretary of Housing and Urban Development.

~~(7)~~ (12) The Secretary of Transportation.

(13) The Assistant to the President for Economic Affairs.

~~(8)~~ (14) The Director of the Office of Management and Budget.

~~(9)~~ (15) The Chairman of the Council of Economic Advisers.

~~(10)~~ (16) The Special Representative for Trade Negotiations.

The President shall designate the Chairman of the ~~Council~~ Board from among the members of the ~~Council~~ Board.

Sec. There shall be an Executive Committee of the Board which shall be composed of such members as the President may designate.

(optional)
The President shall designate the Chairman of the Executive Committee from among its members. The Executive Committee shall meet from time to time to consider matters involving responsibilities of the Board.

~~Sec. 206. - Subject to the direction of the President, and in addition to performing such other functions as he may direct, the Council shall -~~

~~(1) - Assist and advise the President in the preparation of the International Economic Report required under section 207.~~



~~(2) Review the activities and the policies of the United States Government which indirectly or directly relate to international economies and, for the purpose of making recommendations to the President in connection therewith, consider with some degree of specificity the substance and scope of the international economic policy of the United States, which consideration all include examination of the economic activities of (A) the various agencies, departments, and instrumentalities of the Federal Government, (B) the several States, and (C) private industry.~~

~~(3) Collect, analyze, and evaluate authoritative information, current and prospective, concerning international economic matters. Such evaluations shall include but not be limited to the impact of international trade on the level, stability, and financial rewards for domestic labor and the impact of the transnational corporation on international trade flows.~~

~~(4) Consider policies and programs for coordinating the activities of all the departments and agencies of the United States with one another for the purpose of accomplishing a more consistent international economic policy, and make recommendations to the President in connection therewith.~~



~~(5) - Continually assess the progress and effectiveness of Federal -- efforts to carry out a consistent international economic policy.~~

~~(6) - Make recommendations to the President for domestic and foreign programs which will promote a more consistent international economic policy on the part of the United States and private industry. - Recommendations under this paragraph shall include, - but shall not be limited to, - policy proposals relating to monetary mechanisms, - foreign - investment, - trade, - the balance of payments, - foreign aid, - taxes, - international tourism and aviation, - and international treaties and - agreements relating to all such matters. - In addition to other appropriate objectives, - such policy proposals should be developed with a view toward ---~~

~~(A) - strengthening the United States competitive position in world - trade;~~

~~(B) - achieving equilibrium in international payment accounts of the United States;~~

~~(C) - increasing exports of goods and services;~~

~~(D) - protecting and improving the earnings of foreign investments - consonant with the concepts of tax equity and the need for domestic - investment;~~

~~(E) - achieving freedom of movement of people, - goods, - capital, - information, - and technology on a reciprocal and worldwide basis;~~



~~(F) - increasing the real employment and income of workers and consumers on the basis of international economic activity; and~~

~~(G) - preserving the diversified industrial base of the United States.~~

Sec. _____ Subject to the direction of the President, and in addition to performing such other functions as he may direct, the Board shall -

- (1) Advise the President concerning all aspects of national and international economic policy.
- (2) Oversee the formulation, coordination, and implementation of all economic policy of the United States.
- (3) Serve as the focal point for economic policy decision-making.
- (4) Coordinate the activities of all the departments and agencies of the United States with one another for the purpose of accomplishing a more consistent domestic and international economic policy.
- (5) Make such recommendations and reports to the President as it deems appropriate or as the President may require.
- (6) Assist and advise the President in the preparation of the Economic Policy Report required under Section 8 of this title.



~~Sec. 207. (a) The President shall transmit to the Congress an annual report on the international economic position of the United States. --- Such report (hereinafter referred to as the "International Economic Report") shall be submitted not later than sixty days after the beginning of each regular session of the Congress, and shall include -~~

~~(1) information and statistics describing characteristics of international economic activity and identifying significant current and foreseeable trends and developments;~~

~~(2) a review of the international economic program of the Federal Government and a review of domestic and foreign economic conditions and other significant matters affecting the balance of international payments of the United States and of their effect on the international trade, investment, financial, and monetary position of the United States; -~~

~~(3) a review of the impact of international voluntary standards, the foreign investments of United States based transnational firms, and the level of foreign wage rates on the level, stability, and financial reward for domestic employment;~~

~~(4) ² a comparative description and analysis of the following subject matter, with respect to the United States, the European Community and principal countries within the European Community, Japan, and whenever applicable, the Union of Soviet Socialist Republics --~~



~~(A) - research and development expenditures, - and productivity and technological trends in major industrial and agricultural sectors;~~

~~(B) - investment patterns in new plant and equipment;~~

~~(C) - industrial manpower and training practices;~~

~~(D) - tax incentives and other governmental financial assistance;~~

~~(E) - export promotion practices;~~

~~(F) - share of the export market, - by area and industrial and agricultural sectors;~~

~~(G) - environmental practices;~~

~~(H) - antitrust practices; and~~

~~(I) - long-range governmental economic planning programs, targets, - and objectives;~~

~~(5) - a review of the relationship between the United States Government and American private business with respect to the categories of subject matter listed in subparagraphs (A) through (I) of paragraph (4) and any other appropriate areas of information, - together with recommendations for appropriate policies and programs in order to insure that American business is competitive in international commerce; and~~



~~(6) - a program for carrying out the policy objectives of this title, together with such recommendations for legislation as he may deem necessary or desirable. -~~

~~-(b) - The President may transmit from time to time to the Congress reports supplementary to the International Economic Report, each of which may include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the purposes and policy objectives set forth in this title. -~~

Sec. ____ The President shall transmit to the Congress an annual Economic Policy Report on the activities of the Board, setting forth a program for carrying out the policy objectives of this title, together with such recommendations for legislation as he may deem necessary or advisable.

The President may transmit from time to time reports supplementary to the Economic Policy Report, each of which may include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the purposes and policy objectives set forth in this title.



~~Section 5 of Public Law 93-121 (87 Stat. 448), stated:~~

~~"Sec. 5. Notwithstanding the provisions of section 208(a) of the International Economic Policy Act of 1972, any future Executive Director of the Council on International Economic Policy appointed after the date of the enactment of this bill shall be appointed by the President, by and with the advice and consent of the Senate."~~

Sec. 208. (a) The staff of the Council Board shall be headed by an Executive Director who shall be appointed by the President, by and with the consent of the Senate, and he shall be compensated at the rate now or hereafter provided for level II of the Executive Schedule (5 U. S. C. 5313). He shall keep the Committee on Banking, Housing and Urban Affairs of the Senate, the Committee on Banking and Currency of the House of Representatives, the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and the Joint Economic Committee fully and currently informed regarding the activities of the Council Board.

(b)(1) With the approval of the Council Board, the Executive Director may appoint and fix the compensation of such staff personnel as he deems necessary. ~~Except as provided in paragraph (2), the staff of the Council shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.~~



The staff of the Board shall be appointed and compensated without regard to the provisions of law regulating the employment and compensation of persons in the Government service: Provided, That, except for the officers provided for in paragraph (2) and for not to exceed _____ persons who may receive compensation not in excess of the rate now or hereafter provided for GS-18, no staff personnel shall receive compensation in excess of the rate now or hereafter provided for GS-15.

(2) With the approval of the ~~Council~~ Board, the Executive Director may appoint and fix the compensation of ~~one~~ _____ officer(s) at a rate of basic compensation not to exceed the rate provided for level ~~IV~~-_____ of the Federal Executive Salary Schedule, and appoint and fix the compensation of ~~two~~ _____ officers at rates of basic compensation not to exceed the rate provided for level ~~V~~-_____ of the Federal Executive Salary Schedule.

(c) With the approval of the Council, the Executive Director may procure temporary and intermittent service to the same extent as is authorized by section 3100 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate provided for GS-18.

(d) Upon request of the Executive Director, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the ~~Council~~ Board to assist it in carrying out its duties under this title.



~~Sec. 209.--The provisions of this title shall expire on June 30, 1977, unless extended by legislation enacted by the Congress.~~

Sec. 210. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated ~~not to exceed \$1,800,000 for fiscal year 1975.~~ such sums as may be necessary.

Sec. The International Economic Policy Act of 1972, as amended, (22 U.S.C. 2841-2849), is hereby repealed.

TAB C



A BILL

To establish the President's Economic Policy Board, and for other purposes.

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Policy Board Act of 1975."

Sec. 2. There is hereby established the President's Economic Policy Board (hereinafter in this chapter referred to as the "Board").

Sec. 3. Subject to the direction of the President, and in addition to performing such other functions as he may direct, the Board shall -

- (1) Advise the President concerning all aspects of national and international economic policy.
- (2) Oversee the formulation, coordination, and implementation of all economic policy of the United States.
- (3) Serve as the focal point for economic policy decision-making.
- (4) Make such recommendations and reports to the President as it deems appropriate or as the President may require.



Sec. 4. The Board shall be composed of the following members and such additional members as the President may designate:

- (1) The President.
- (2) The Vice President.
- (3) The Secretary of State.
- (4) The Secretary of the Treasury.
- (5) The Secretary of Defense.
- (6) The Secretary of the Interior.
- (7) The Secretary of Agriculture.
- (8) The Secretary of Commerce.
- (9) The Secretary of Labor.
- (10) The Secretary of Health, Education, and Welfare.
- (11) The Secretary of Housing and Urban Development.
- (12) The Secretary of Transportation.
- (13) The Assistant to the President for Economic Affairs.
- (14) The Director of the Office of Management and Budget.
- (15) The Chairman of the Council of Economic Advisers.
- (16) The Special Representative for Trade Negotiations.

The President shall preside over meetings of the Board: Provided, That in his absence he may designate a member of the Board to preside in his place.



Sec. 5. (a) The staff of the Board shall be headed by an Executive Director who shall be appointed by the President. The Executive Director shall be compensated at the rate now or hereafter provided for level II of the Executive Schedule (5 U. S. C. 5313).

(b)(1) With the approval of the Board, the Executive Director may appoint and fix the compensation of such staff personnel as he deems necessary. The staff of the Board shall be appointed and compensated without regard to the provisions of law regulating the employment and compensation of persons in the Government service: Provided, That, except for the officers provided for in paragraph (2) and for not to exceed ____ persons who may receive compensation not in excess of the rate now or hereafter provided for GS-18, no staff personnel shall receive compensation in excess of the rate now or hereafter provided for GS-15.

(2) With the approval of the Board, the Executive Director may appoint and fix the compensation of ____ officer(s) at a rate of basic compensation not to exceed the rate provided for level ____ of the Federal Executive Salary Schedule, and appoint and fix the compensation of ____ officer(s) at rates of basic compensation not to exceed the rate provided for level ____ of the Federal Executive Salary Schedule.



(c) With the approval of the Council, the Executive Director may procure temporary and intermittent service to the same extent as is authorized by section 3100 of title 5, United States Code, at rates not to exceed the daily equivalent of the rate provided for GS-18.

(d) Upon request of the Executive Director, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the Board to assist it in carrying out its duties under this title.

Sec. 6. The Council on International Economic Policy is hereby abolished. The International Economic Policy Act of 1972, as amended (22 U. S. C. 2841-2849), is hereby repealed.

Sec. 7. The records, property, personnel, and unexpended balances of appropriations, authorizations, allocations and other funds held, used, arising from, available to, or to be made available to the Council on International Economic Policy, are hereby transferred to the Economic Policy Board.

Sec. 8. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated such sums as may be necessary.

