

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the Presidential Materials Division.

Collection:	Cheney Vice Presidential records			
Office of Origin:	Staff Secretary			
Series:	Miscellaneous Outbox			
Subseries:				
OA/ID Number:	00465			
Folder Title:	January 24, 2003			
Stack:	Row:	Section:	Shelf:	Position:
20W4	4	1	4	3

FOIAed Under:

Withdrawal/Redaction Sheet

Presidential Materials Division

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. Cover Sheet	Barcode Scanning Sheet for 605144 [redaction of candidate information] (1 page)	7/11/2007	(b)(6)
002. Letter	From Vice President Cheney to Ms. Elise Carlson Lewis re: sponsorship for the Council of Foreign Relations (2 pages)	1/24/2003	(b)(6)
003. Letter	From James A. Baker III to Vice President Cheney (1 page)	1/24/2003	PRM
004. Card	[Birthday card for Vice President Cheney] [double sided] (2 pages)	2/25/2003	PRM

COLLECTION:

Cheney Vice Presidential Records
 Staff Secretary
 Miscellaneous Outbox
 OA/Box Number: 00465

FOLDER TITLE:

January 24, 2003

2021-0081-F

JLO648

RESTRICTION CODES

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

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 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. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

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 concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Presidential Materials Division

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. Cover Sheet	Barcode Scanning Sheet for 605144 [redaction of candidate information] (1 page)	7/11/2007	(b)(6)

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Cheney Vice Presidential Records
Staff Secretary
Miscellaneous Outbox
OA/Box Number: 00465

FOLDER TITLE:

January 24, 2003

2021-0081-F
JLO648

RESTRICTION CODES

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

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 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. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

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 concerning wells [(b)(9) of the FOIA]

NICHOLS_C

605144

FG038

Barcode Scanning Sheet



Collection Code: **VTRACK**

Staff Name:

Document Date: **1/24/2003**

Correspondent:

Subject/Description: **2003 MISCELLANEOUS OUT BOX MATERIALS
(UNCLASSIFIED) -- LETTERS SENT TO ELSIE CARLSON
LEWIS (COUNCIL ON FOREIGN RELATIONS)
SPONSORING (b) (6) AND DINA POWELL --
BIRTHDAY WISHES FROM JAMES BAKER -
HANDWRITTEN NOTE -- E-MAIL FROM JONATHAN BURKS
WITH ARTICLE, " BUSH MAY ALTER DRUG BENEFITS F ...**

Withdrawal/Redaction Marker

Presidential Materials Division

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. Letter	From Vice President Cheney to Ms. Elise Carlson Lewis re: sponsorship for the Council of Foreign Relations (2 pages)	1/24/2003	(b)(6)

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Cheney Vice Presidential Records
Staff Secretary
Miscellaneous Outbox
OA/Box Number: 00465

FOLDER TITLE:

January 24, 2003

2021-0081-F
JLO648

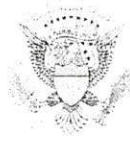
RESTRICTION CODES**Presidential Records Act - [44 U.S.C. 2204(a)]**

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 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. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

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 concerning wells [(b)(9) of the FOIA]



THE VICE PRESIDENT
WASHINGTON

January 29, 2003

Ms. Elise Carlson Lewis
Vice President, Membership
and Fellowship Affairs
Council on Foreign Relations
58 East 68th Street
New York, NY 10021

Dear Ms. Lewis:

It is my pleasure to recommend Dina Habib Powell for term membership on the Council of Foreign Relations. Dina's background and interest in Middle East issues, as well as her strong policy, communications, and management skills, will make her an asset to the Council.

Dina joined the Bush-Cheney transition team in November 2000 as part of the staff responsible for organizing and selecting, from tens of thousands of resumes, the political appointees who would eventually make up the Bush Administration. Very shortly thereafter, she was appointed by President Bush as Special Assistant to the President and Associate Director of Presidential Personnel. In that capacity, Dina was responsible for appointing hundreds of senior level positions within her defined portfolio of government agencies, including the U.S. Department of the Treasury, the U.S. Department of Justice, the U.S. Department of Transportation, the U.S. Department of Commerce, the Securities and Exchange Commission (SEC), the Federal Communications Commission (FCC), the Office of Management and Budget (OMB), the Office of the U.S. Trade Representative (USTR) and many others.

I have met with President Bush and the personnel team on a weekly or bi-weekly basis since early 2001 and can attest to Dina's incredible professionalism and talent in the face of one of the Executive Branch's most difficult jobs. As a testament to her hard work and exceptional skills, the President recently announced his intention to appoint Dina as Assistant to the President for Presidential Personnel. She will soon manage the entire Presidential Personnel operation, including a staff of 30 people, and serve as a member of the White House senior staff.

Dina's ascent to a senior staff position at the White House at the age of 29 is only the latest of her impressive professional accomplishments. Dina graduated from the University of Texas at Austin with a Bachelor of Arts in Honors Humanities. She began her career in Washington in the office of then-Majority Leader Richard Armey of Texas, where she managed School Choice legislation from its initial draft through House passage. Dina also created Rep. Armey's Tools for Tomorrow inner city scholarship program and is a founding board member of the

Cornerstone Community School, a private inner city elementary school. After serving Leader Arney for several years, Dina became Director of Congressional Affairs for the Republican National Committee and was responsible for the Republican Party's outreach and coordination efforts among all Republican members of Congress. Her success at managing the presidential personnel process is in no small part due to her years of experience on Capitol Hill and at the RNC. She truly has seen the political process from all sides.

I recommend Dina to the Council on Foreign Relations not only because of her role as a member of the White House Senior Staff, but also because of her active interest in foreign affairs. She was born in Cairo, Egypt, and immigrated to the United States with her family as a young child. Dina has had a life-long interest in Middle East affairs, speaks fluent Arabic and conversational French, and contributes much of her free time to outreach in the Egyptian-American community. In addition, she has worked closely with many of the members on the Council to find candidates to serve the President in the international trade and finance arenas. Dina will be a terrific addition to your organization. I give her my highest recommendation.

Sincerely,

Dick Cheney

*Dina is a very talented young woman
as her recent appointment indicates. I
believe she would contribute a lot and
benefit from membership on the Council!*

D.

COUNCIL ON FOREIGN RELATIONS

58 EAST 68TH STREET • NEW YORK • NEW YORK 10021
Tel 212 434 9400 Fax 212 434 9880 www.cfr.org

cc: Carol Bagli
Pg 1 of 2

Leslie H. Gelb
President

October 3, 2002

Board of Directors
Peter G. Peterson
Chairman

Carla A. Hills
Vice Chairman

William J. McDonough
Vice Chairman

David Rockefeller
Honorary Chairman

Maurice R. Greenberg
Honorary Vice Chairman

Dear Council Member:

It's time for you to make sure that the Council's future term members are as good as the ones you have helped identify in the past. We need your best nominations and we need them by January 31, 2003.

Just ask any of the term members and they'll tell you how terrific the Program is – we pay attention to them, and in return, the term members are some of our most active participants. You know the quality of the people we have taken in over the years: Condoleeza Rice, Wesley Clark, Walter Isaacson, Francis Fukuyama. If you know someone who is ready to join these ranks, now is the time to send us your nomination.

Specifically, candidates must be between the ages of 28 and 34 (inclusive) when they apply. I have enclosed a procedural memo outlining the application process, a list of the 527 current term members, and the Nominee Information Form, which the nominator is asked to provide to the candidate for completion. The deadline for receipt of all candidate materials is January 31, 2003. Submissions should be sent to Elise Carlson Lewis, Vice President of Membership and Fellowship Affairs, at membership@cfr.org. Please call the Membership office at (212) 434-9488 should you have any questions.

Take this opportunity to help the Council support the future thinkers and leaders in U.S. foreign policy.

All best,

Leslie H. Gelb

Enclosures

Fouad Ajami
Roone Arledge
Henry S. Bienen
Lee Cullum
John Deutch
Kenneth M. Duberstein
Peggy Dulany
Jessica P. Einhorn
Martin S. Feldstein
Leslie H. Gelb, *ex officio*
Louis V. Gerstner, Jr.
Richard C. Holbrooke
Robert D. Hormats
Bette Bao Lord
Vincent A. Mai
George J. Mitchell
Michael H. Moskow
Ronald L. Olson
Thomas R. Pickering
Robert E. Rubin
Warren B. Rudman
Theodore C. Sorensen
George Soros
Joan E. Spero
Laura D'Andrea Tyson
Garrick Utley
Vin Weber
Andrew Young

COUNCIL ON FOREIGN RELATIONS

58 EAST 68TH STREET • NEW YORK • NEW YORK 10021

Tel 212 434 9400 Fax 212 434 9801

Term Membership Selection

To the Applicant:

Thank you for your interest in the Term Member program! Quality, diversity and balance are the key objectives sought by the Council in the composition of its membership. New term members are named annually by the Board of Directors, which invites selected men and women to join based on recommendations by the Membership Committee. The Council's Membership Committee acts on the recommendations of a special Term Membership Committee which is charged with identifying promising candidates at early stages of their careers.

The selection of individuals for five-year term membership will take place in late spring. Up to 110 young men and women, **between ages 28 and 34**, may be admitted annually for five-year, non-renewable terms, not more than 35 of whom may be age 30 or under. Nominees for regular membership who fall within this age group will also be considered for term rather than for permanent membership until they reach age 35. Individuals who are **still between ages 28 and 34 on January 1, 2003**, are eligible for consideration at the spring meeting. Given the extremely high caliber of the many candidates considered each year, attention has focused primarily on individuals age 28 and older who have completed their formal education and have embarked on their careers.

To be considered by the Term Membership Committee you must be a U.S. citizen or, if foreign-born, submit a statement that you have been naturalized or are a permanent resident who has made formal application for citizenship. In addition, you will need the following: (1) A **letter of nomination** from a **current member of the Council** with the nominator's personal appraisal of your background and current involvement in international affairs, potential in your field, and likely interest in Council work. (2) **At least one seconding letter** from a Council member. Under special circumstances, a seconding letter from a non-member is acceptable. A roster of members is listed in the annual report. (3) Your **curriculum vitae**. (4) Once a Council member has agreed to nominate you, they will be responsible for providing a **Nominee Information Form** to you to be completed and returned to the address below.

Close relatives and in-laws, as well as members of the Council's Board and Membership Committee, are precluded from writing on behalf of candidates. Please ask only those who know you well to write on your behalf. In addition, your application is strengthened if support is derived from a variety of sources (e.g. members representing different disciplines, institutions, etc.). It is recommended that you obtain a letter of recommendation from a current or recent former professional colleague.

If you are proposed for term membership and are not elected, you remain eligible for reconsideration if you still fall within the age limit. However, updated biographical information should be supplied by you or your nominator, and you may wish to have your nominator write to reaffirm his or her support or to provide new information or insights that would be helpful in the selection process. If you are over the age limit you will be considered for permanent membership upon receipt of additional submissions.

The deadline for receipt of all materials is **January 31, 2003**.

Letters and material for the annual selection meeting held in the spring should be sent to:

Elise Carlson Lewis
Vice President, Membership & Fellowship Affairs
Council on Foreign Relations
58 East 68th Street
New York, NY 10021

June 2002

Withdrawal/Redaction Marker

Presidential Materials Division

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
003. Letter	From James A. Baker III to Vice President Cheney (1 page)	1/24/2003	PRM

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Cheney Vice Presidential Records
Staff Secretary
Miscellaneous Outbox
OA/Box Number: 00465

FOLDER TITLE:

January 24, 2003

2021-0081-F
JLO648

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

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or
financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advise between the President
and his advisors, or between such advisors [(a)(5) of the PRA]
P6 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. Personal record misfile defined in accordance with 44 U.S.C.
2201(3).

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
concerning wells [(b)(9) of the FOIA]

605144

THE VICE PRESIDENT
HAS SEEN

From: Jonathan W. Burks/OVP/EOP@Exchange on 01/24/2003 09:59:36 AM

Record Type: Record

To: OVPWW@EOP

cc:

Subject: Cesar would like the VP to be aware of this article.

**Bush May Alter Drug Benefits
For Future Medicare Recipients**

By **SARAH LUECK** and **JOHN D. MCKINNON**
Staff Reporters of **THE WALL STREET JOURNAL**

WASHINGTON -- The White House is strongly considering proposing that future Medicare beneficiaries would have to be enrolled in a privately run health plan in order to be eligible for a comprehensive prescription-drug benefit.

Final decisions haven't been made, and the situation remains fluid. It isn't clear what drug benefits might be offered to current beneficiaries. In any case, President Bush will begin outlining his position soon, beginning with his State of the Union address on Tuesday.

Additional details are expected in his fiscal 2004 budget proposal, to be released on Feb. 3, and in a separate White House event on health care.

President Bush has long criticized Medicare as out of date and in need of a revamping to rely more on privately run health plans. At the same time, though, administration officials have said they won't force beneficiaries to move from the traditional program if they don't want to. The drug benefit, then, becomes an important tool to lure seniors voluntarily into the private plans.

If added reliance on market forces in Medicare works as advocates intend, it could shore up the program's long-term solvency.

Such a plan, however, carries substantial political risks. Democrats are likely to attack any proposal that doesn't offer a full benefit to those who stay in traditional Medicare. Not giving a comprehensive drug benefit to everyone in Medicare "opens them up to a significant amount of criticism from Democrats that would continue through the 2004 elections," said Jim Manley, a spokesman for Sen. Edward Kennedy (D., Mass.).

In addition, moderate Republicans such as Sen. Olympia Snowe of Maine have urged the White House to drop the idea of restructuring Medicare until after a drug benefit is enacted.

But limiting the drug benefit's scope also has political and budgetary advantages. For one thing, it could help in cementing support from some conservative Republicans who worry about the huge costs of adding a drug benefit. They would likely welcome a proposal that would encourage a migration to the private plans.

Indications are the administration plans to propose spending as much as \$400 billion over 10 years to revise Medicare and add prescription-drug benefits. But it is unclear how much of that will reflect savings from Medicare changes, which typically take a long time to show up. In fact, any changes actually could make the program more expensive, at least at first. One reason: insurers are likely to demand hefty

OVP Staff Secretary Received
1/24/03

subsidies to participate in a revamped Medicare program.

White House spokesman Scott McClellan declined to discuss specifics on Medicare, saying, "The president has been looking at a variety of options." He emphasized that "the president is committed to modernizing and strengthening Medicare."

It is possible the administration will propose some help with drug costs for all Medicare beneficiaries, even if they remain in traditional fee-for-service, which could lessen criticism from the Democrats. For example, drug coverage could be provided for low-income seniors, or a cap on catastrophically high drug costs could be made available to all Medicare beneficiaries. Currently, the federal health plan for the elderly and disabled covers 40 million people and doesn't include such aid.

Seniors who enroll in the new plans would pay a premium, and presumably have other costs, such as copayments. Whether the costs would be higher or lower than those of traditional Medicare would depend on the specific plan.

It is unclear whether enough Republican lawmakers have an appetite for broad Medicare changes, though some wouldn't vote for a drug benefit without cost-saving changes. The public also is skeptical. In a Wall Street Journal poll, 59% of respondents said a drug benefit could be added to Medicare without many changes in the program, while 32% said Medicare must be changed to work more like the private insurance market in order to control costs.

Joseph Antos, a Medicare expert at the American Enterprise Institute, described the "very gutsy" approach as "giving people a choice -- with a prescription bottle aimed at their heads."

--Greg Hitt contributed to this article.

605144

U.S. Relationship With Key Allies Gets Frosty (LAT, A12)

By: Sebastian Rotella and Paul Richter

The Los Angeles Times

January 24, 2003

THE VICE PRESIDENT
HAS SEEN

PARIS -- French and German leaders rejected U.S. criticism of their approach to Iraq on Thursday, worsening a dispute that is generating potentially significant rifts within Europe and between the United States and key European allies.

A day after top U.S. officials expressed exasperation with French resistance to Washington's Iraq policy, French President Jacques Chirac called for "serenity." But he and German Chancellor Gerhard Schroeder said they are united in their refusal to "legitimize war," a stance causing tensions with the Bush administration days before U.N. weapons inspectors report to the Security Council on Monday.

The developments were part of the posturing and sparring that can be expected before a diplomatic showdown like the Security Council proceedings. In a Europe agitated by the specter of war, however, emerging fault lines could pit a Franco-German alliance against Britain and other European Union powers such as Spain and Italy, analysts say. And the tone became nasty Thursday as other French officials reacted indignantly to Defense Secretary Donald H. Rumsfeld's comment that France and Germany, the economic and political powers of the 15-member European Union, represent an "old Europe" whose dovish views are out of touch with their neighbors'.

France's ecology minister said Thursday that she was tempted to respond to Rumsfeld with an expletive. The economy minister said he was "profoundly vexed." Lawmaker Martine Aubry, a leader of the Socialist opposition, assailed the "arrogance of the United States that wants to continue to rule the world alone and increasingly without rules."

Rumsfeld's words will not improve the Bush administration's image problem in Europe, analysts say. Widespread antiwar sentiment and growing anti-Americanism are obstacles for U.S. allies such as British Prime Minister Tony Blair and the leaders of Spain and Italy, who appear inclined to side with Washington in the Iraq dispute.

"The reality is that people here don't like Bush -- they certainly don't like Rumsfeld and [Vice President Dick] Cheney -- and though they are certain that there are weapons of mass destruction in Iraq, they are saying: 'Go into that haystack and find that smoking gun,' " said Robert Worcester, chairman of the MORI polling firm in London. "People don't want to go to war."

That's the mood in Britain, the staunchest U.S. ally in Europe. It's worse in France, whose government worries that a war will heighten the risk of Islamic terrorism here and of unrest in North Africa and the Middle East, where France has strong allies.

Moreover, the Chirac government doesn't want to damage its positive image in the polls to justify a war to voters who are more concerned with domestic issues.

"Chirac feels more and more support for his policy on Iraq," said Alfred Grosser, a Paris political analyst. Grosser said anti-Americanism "among reasonable people is directed against" President Bush.

"But there is also a visceral, unreasonable wave of anti-Americanism made worse by the U.S. attitude."

France, a central player in the Security Council accord last year that led to the inspections in Iraq, has appeared in recent days to sharpen its differences with Washington, a development that could jeopardize the Bush administration's chances to win U.N. backing for military action against Iraqi President Saddam Hussein, according to analysts.

"There is a sense of a shift: Whether it's just a rhetorical shift or a change in policy and approach remains to be seen," a U.S. official said. Ironically, French resistance could push the U.S. to bypass the U.N. and pursue military action with a coalition that leaves France and Germany on the sidelines, according to the official, who requested anonymity.

"This could have negative repercussions for France as a major player and for the U.N.," the U.S. official said. A breakdown in the U.N. process could also hurt U.S. influence on security matters in Europe and weaken an already anemic North Atlantic Treaty Organization, analysts say.

"It would be the first time in history NATO allies have opted out of an operation of such importance," said former White House national security aide John Tedstrom, now vice president of policy studies at the East-West Institute in New York. "And it creates a very dangerous precedent for long-term relationships."

France is the most independent-minded of U.S. allies in Europe, pursuing a policy that uses institutions such as the European Union and United Nations to enhance its power. Now, skepticism about Iraq has pushed Germany closer to France at the expense of the traditionally strong German bond to the United States. During the last two years, France and Germany have often teamed up to dominate EU meetings, forming a duo that clashes with a bloc led by Britain, Spain and Italy.

The German relationship with both Europe and the United States has reached a "hinge point," said Stephen F. Szabo, a European specialist at Johns Hopkins School of Advanced International Studies.

Some predict that there is still a good chance the French will eventually stand with the Americans. At the outbreak of the 1991 Persian Gulf War, public opinion here swung rapidly from strong disapproval to majority support for use of force after the French government decided to join Operation Desert Storm. Chirac has promised that France would play its part in a military operation that is justified by international law and approved by the U.N.

The Gulf War, however, resulted from Iraqi aggression against Kuwait. The problem this time is that many Europeans reject the very idea of a preemptive war intended to topple Hussein's regime. There is a widespread belief that the United States has used disarmament as a cynical cover story for an attack whose main goal is to take over Iraq's oil fields.

The anger and suspicion directed at the Bush administration were on display Thursday in the Spanish parliament when Foreign Minister Ana Palacio announced that U.S. forces would be allowed to use military bases in Spain "if war is inevitable."

Although she was careful to add that Spain will not decide its position on Iraq until after hearing the inspection report, legislators unleashed a broadside at the minister and at Prime Minister Jose Maria Aznar, one of the European leaders with whom Bush is friendliest.

"Aznar prefers to ... put himself at the orders of Bush against a majority of this country, a majority that is against war," said legislator Jose Luis Centella of the United Left party. "You have no arguments to defend Spain's involvement in a war at the service of the interests of domination of the United States over Iraqi oil."

Tougher Audience Awaits State Of The Union Address (WSJ)

By JACKIE CALMES

The Wall Street Journal

January 24, 2003

Last year he had record post-9/11 popularity, but a new Wall Street Journal/NBC News poll shows a more skeptical public on the economy, domestic policy and Iraq. Tuesday's speech, aides say, has three parts: defense of his tax cuts as a boon to all, a "care and compassion" section, and one on national security.

Bush advisers say they aren't concerned by his slide in the poll, noting that Clinton and Reagan were lower in midterm polls and were re-elected easily. Bush's 54% job approval in the Journal/NBC poll is "not a bad place to be," says Matthew Dowd, his polling expert.

"What would be bothersome is if there was a continued trend over the next six to eight months."

WOMEN SUIT UP to oppose changes to Title IX sports-equity law.

As a Bush commission holds final meetings next week, women's groups mobilize support for the law, fearing the administration seeks to steer more funds to men's sports. Under the 1972 law, money is divvied up based on school enrollment, which benefits women. The National Women's Law Center targets "hundreds" of congressmen with daughters.

In the Jan. 19-21 Journal/NBC poll of 1,025 adults, Americans by 66% to 27% favor cutting men's programs for equity with women's. Support comes from 75% of women, 55% of men.

RESISTANCE GROWS among swing-vote senators to Bush tax cuts.

Moderates of both parties air concerns with Senate Finance Chairman Grassley. Fed Chief Greenspan met with Sen. Breaux's centrist group. For Republican Grassley, a bigger priority is a crackdown on tax shelters. New wild card is Democrat Miller, often Bush's ally, who now demands more emphasis on spending cuts.

Cheney promotes tax cuts Thursday at the Conservative Political Action Committee's annual meeting. Bush's new budget, by making five-year projections instead of 10, will mask tax cuts' huge longer-term costs. Budget chief Daniels warns of bigger deficits, due to weak revenues.

He will decide in a few months if he will run for Indiana governor.

THE "FEELINGS THERMOMETER" poll question on attitudes toward public figures shows Bush and Cheney back to pre-Sept. 11, 2001, readings. Bush is viewed positively by 56% -- down six points since a Journal poll last month -- and negatively by 32%, up eight points. His high was 80% positive a year ago. Cheney registers 47% positive to 25% negative, down from a high of 63% positive/9% negative. While 73% said Bush has "strong leadership qualities" a year ago, now 56% do.

NO CHANGE OF TONE: A 47% plurality says Bush hasn't kept a 2000 promise to improve Washington's tone; 36% say he has. The president, seen in a far more partisan light in Congress than last year, is "going to have a harder time getting bipartisan applause" for his televised Tuesday speech, says Democrat Peter Hart, who conducts Journal/NBC polls with Republican Robert Teeter.

DESPITE THE DROP in the public's view of Bush's handling of foreign policy -- pollsters Teeter and Hart say that slip drives his overall poll decline -- Americans still prefer that he and Republicans set policy on Iraq and terrorism. They split over who should lead economic and tax policy, but favor Democrats on a range of domestic issues.

AIDS ACTIVISTS expect Bush to announce a surprise contribution -- \$600 million maybe -- to a Global Fund to Fight AIDS, Tuberculosis and Malaria. "I think we'll see...a substantial increase," says Rep. Kolbe, House chairman for foreign-operations outlays. The White House tells agencies it will seek \$200 million.

DEMOCRATIC HOPEFULS seek to benefit from Bush slippage.

Lieberman, with blacks' backing after 2000 election furor, is top pick for 2004 among Democratic respondents -- drawing 25% support to Gephardt's 17%, Kerry's 14% and Edwards's 7%. Sharpton gets 2%. Lieberman's number is halved if Hillary Clinton runs; Clintonites insist she won't. She gets 39%.

Gephardt shows solid backing from seniors, who turn out for primaries. Dean is an also-ran, but most impressed activists at this week's abortion-rights rally.

Kerry trails Bush among independents by just 43%-28%, better than Lieberman or Gephardt showings.

MINOR MEMOS: Miami Views? Asked who is the biggest threat, 1% of respondents pick Castro over Saddam Hussein, Osama bin Laden and Kim Jong Il. ...New task: Sen. Lott's press secretary, Ron Bonjean, moves to Commerce to handle media for Secretary Evans.

Graham's Political Future Riding On Heart Procedure (AP)

The Associated Press

January 24, 2003

TALLAHASSEE (AP) -- Sen. Bob Graham's disclosure that he will have surgery to replace a damaged valve in his heart will delay, if not derail, his ambition to run for the Democratic nomination for president, analysts said Thursday.

Graham, 66, said Thursday that doctors have recommended that he undergo a procedure called an aortic valve replacement. The senator underwent tests Tuesday at the National Naval Medical Center in Bethesda, Md., and consulted with cardiologists at the Miami Heart Institute.

Graham said he sought medical screening around Christmas while pondering a bid to challenge President Bush next year.

"I consider myself fortunate that it was exactly this process of careful analysis that discovered this situation," Graham said in a statement, noting that former Sen. Claude Pepper of Florida underwent a similar procedure and lived another twenty years.

Former Graham chief of staff Buddy Shorstein said: "Until today, truthfully, we did not think it was a serious issue. I think he is somewhat disappointed but also he has full confidence that he will come out of this procedure healthy as ever."

Analysts said the delay, however, could prove hard to overcome with a half dozen other Democratic hopefuls already scrambling for money and support across the country.

"In the age of Dick Cheney, this is certainly not disqualifying, but it doesn't help him because he's missing a critical month," said Larry Sabato, a University of Virginia political scientist who specializes in Southern politics. **"He is already the oldest candidate and this reemphasizes that."**

Cheney, the vice president with a long history of heart problems, had a pacemaker implanted since taking office.

Dennis Goldford, a Drake University political scientist, said Graham is helped by the timing of his disclosure about a year before the leadoff Iowa caucuses.

"I think it's early and the question is how well he comes out of this and what the doctors say," Goldford said.

"It's Opening Day and even the Cubs are a contender on Opening Day," Goldford said.

Ross Baker, a Rutgers University political scientist, said "even elective surgery has an impact" on a presidential candidate.

Heart conditions have proved problematical for presidential aspirants.

Former New Jersey U.S. Sen. Bill Bradley, a former professional basketball star, was knocked out of contention in his unsuccessful 2000 bid for the Democratic nomination after it was revealed he was being treated for an irregular heartbeat.

Bradley lost to former Vice President Al Gore in New Hampshire by 6,200 votes -- 50 percent to 46 percent. Exit polls showed that one in five New Hampshire voters said they were concerned Bradley's health would interfere with his ability to serve effectively as president.

Some Democratic activists said the field of candidates would be more likely now to wade into Florida for support from fund-raisers. Graham had asked leading party financiers and activists in Florida to withhold their support for other candidates until he had reached a decision.

"We had all figured on him running," Miami-Dade party chairman Ray Zeller said. "This is a blow."

Charles Reed, chancellor of the California State University System and a former aide, said Graham would likely make a series of phone calls to Florida activists in the coming days to ask for their continued support.

"He's going to ask them to hold off another three to four weeks," Reed said.

Florida State Democratic Party Chairman Scott Maddox said Thursday he was confident a Graham presidential run would still be viable after surgery early next month to replace a faulty heart valve.

"He may need some tinkering on his physical heart, but his political heart is the biggest and the best in the business," Maddox said. "After a two- to six-week recovery period, he'll re-evaluate whether or not he wants to run."

Dr. John Eisold, the Attending Physician to the Congress, said in a letter released Thursday that he recommended the tests and they showed "that the valve had reached a point where replacement is indicated. While not an emergency I recommend undergoing surgery as soon as your scheduled permits.

"You feel well and your heart remains very healthy," Eisold continued. "Timely valve replacement will ensure that this continues and that you will remain very energetic."

Graham said he requested the surgery at the National Naval Medical Center during the first week of February.

Gwen Logan, the senator's oldest daughter, said she was going to get her father on a regular workout program after he recovers from the surgery to replace a faulty heart valve.

"My main thing is I love my father and I want for him to be around and be healthy and have a quality of life as long as he can," she said. "This can give him many, many years of good health and strength."

605144



THE VICE PRESIDENT HAS SEEN

1/25/03

DATE: 24 January 2003

TO:	Secretary Card
PHONE:	
FAX:	202-456-1907
FROM:	John Brennan, EXDIR CIA Winston Wiley, ADCI/HS CIA
PHONE:	703-482-6768
FAX:	703-482-0680

Number of Pages (including cover): 5

Comments:

OVP Staff Secretary Received

1/27/03

DRAFT

**Integration of Counterterrorism Efforts
Among Intelligence Community, Law Enforcement, and
Homeland Security Entities**

Proposal:

1. Colocate the FBI's Counterterrorism Division (CTD) and the DCI's Counterterrorist Center (CTC) in common office space in the northern Virginia area;
2. Within the common office space, create a Threat Integration Center (TIC) consisting of elements of CTD, CTC, and the Department of Homeland Security (DHS).

Framework:

The Secretary of Homeland Security, the Director of the FBI, and the Director of Central Intelligence are committed to sharing intelligence information to detect, disrupt, and deter terrorism. This requires that intelligence information from all sources be shared, analyzed, and acted upon quickly and seamlessly. By collocating counterterrorism functions, the Department of Homeland Security, the FBI, and the Intelligence Community will improve collaboration and enhance the USG's ability to thwart terrorist attacks and to bring terrorists to justice.

- In recognition of the critical role played by the Department of Defense in the war against terrorism, the DCI, in consultation with the Director of the FBI and the Secretary of Homeland Security, will work with the Secretary of Defense to determine the extent and scope of involvement of Department of Defense intelligence agencies and components in this collaborative effort.

As part of the colocation, elements of the FBI's Counterterrorism Division, the DCI's Counterterrorist Center, and the Information Analysis and Infrastructure Protection Directorate of the Department of Homeland Security will form a Threat Integration Center (TIC) to fuse and analyze all-source information related to terrorism. The TIC will fuse all-source terrorism information into finished intelligence products that will

DRAFT

be made available to US federal, state, and local organizations and officials as appropriate.

- In order to carry out its responsibilities effectively, the TIC will have access to intelligence information--from raw reports to finished analytic assessments--available to the US Government.
- The TIC also will maintain an up-to-date database of known and suspected terrorists that will be accessible to intelligence, law enforcement, homeland security, and other federal, state, and local officials as appropriate.

The TIC will be headed by a senior US Government official, who will be appointed by mutual agreement of the DCI, the Director of the FBI, and the Secretary of Homeland Security. Principals will need to decide to whom the head of the TIC will report. The CIA, FBI, and DHS will each have a representative on the TIC's executive management team.

Analytical elements of the Department of Homeland Security and a senior DHS official will collocate with like elements from the CIA and FBI at the TIC in the northern Virginia location, where they will jointly fuse all-source terrorism information into intelligence products. DHS personnel assigned to the TIC will have full connectivity and access to threat information and intelligence products and will participate in the intelligence fusion and analytical process.

Operational elements of the FBI's Counterterrorism Division and the DCI's Counterterrorist Center will relocate to the northern Virginia facility, where they will retain their distinctive operational responsibilities and authorities through their respective chains of command. At the same time, collocation will afford greater opportunity for the FBI and the Intelligence Community to enhance the coordination of operational activities, to include joint operations against terrorist targets inside and outside the United States.

The details, design, resource requirements, and implementation strategy for the acquisition of a shared office complex and the stand up of the TIC will be the

responsibility of a multiagency team appointed by the DCI, Director of the FBI, and Secretary of Homeland Security. This team will be responsible for making recommendations to Principals about the size, composition, functions, and responsibilities of the TIC.

- A key recommendation will focus on the TIC's role in the production of the wide variety of daily intelligence reports related to terrorism that are disseminated widely and at all levels throughout the US Government.
- Another should address the TIC's role in the national counterterrorism tasking and requirements system.

Colocation of the FBI's Counterterrorism Division and the DCI's Counterterrorist Center will take time because of the myriad logistical, IT, management, and administrative issues involved. The fusion of threat-related intelligence and analysis, however, cannot wait. Thus, the multiagency team will submit a interim report to the Principals no later than 1 March 2003 on how enhanced fusion will be achieved in the interim; specific proposals will be provided to Principals no later than 15 April 2003.

Objectives of Colocation:

- Enhance interaction, information sharing, and synergy among US officials involved in the war against terrorism.
- Build a compatible IT infrastructure to provide enhanced capabilities, expanded and more accessible databases, and greater network sharing on terrorism issues.
- Maximize resources dedicated to CT mission by reducing infrastructure, support requirements, and redundant analytical capabilities through consolidation.

Objectives of Threat Integration Center

- Maintenance of daily threat matrix.

DRAFT

- Fusion of domestic and foreign intelligence related to the terrorism threat.
- "One-stop shopping" for customers of threat information and terrorism analysis.
- Provision of threat information and integrated intelligence support to DHS.
- Active participation of DHS in the intelligence fusion and analytic process.

DRAFT

Withdrawal/Redaction Marker

Presidential Materials Division

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004. Card	[Birthday card for Vice President Cheney] [double sided] (2 pages)	2/25/2003	PRM

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Cheney Vice Presidential Records
Staff Secretary
Miscellaneous Outbox
OA/Box Number: 00465

FOLDER TITLE:

January 24, 2003

2021-0081-F
JLO648

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

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 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. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

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 concerning wells [(b)(9) of the FOIA]

These are in our budget.

THE VICE PRESIDENT
HAS SEEN

605144

ENERGY TAX PROPOSALS FOR THE FISCAL YEAR 2004 BUDGET

	2003	2004	2005	2006	2007	2008	Fiscal Years					2003-2008	2003-2013
							2009	2010	2011	2012	2013		
	(\$'s in millions)												
Tax credit for producing electricity from renewable resources	-124	-264	-355	-209	-90	-92	-94	-95	-97	-99	-97	-1134	-1616
Tax credit for rooftop solar equipment	-4	-7	-10	-18	-25	-11	0	0	0	0	0	-75	-75
Nuclear decommissioning costs - one-time transfer of non-qualified funds, with amortization over remaining useful life	-14	-251	-180	-191	-201	-212	-222	-233	-245	-256	-269	-1049	-2274
Tax credit for purchase of certain hybrid and fuel cell vehicles	-44	-154	-316	-524	-793	-631	-87	-97	-133	-193	-274	-2462	-3246
Production tax credit for energy produced from landfill gas	-5	-28	-65	-88	-99	-112	-125	-135	-55	0	0	-397	-712
Tax credit for investment in combined heat and power property	-45	-71	-66	-64	-77	-14	20	9	5	5	3	-337	-295
TOTAL:	====	====	====	====	====	====	====	====	====	====	====	====	====
	-236	-775	-992	-1094	-1285	-1072	-508	-551	-525	-543	-637	-5454	-8218

OVP Staff Secretary Received

1/24/03

- Push hard on nuclear

- Tax breaks -

605144

THE WHITE HOUSE
WASHINGTON

January 24, 2003

INFORMATION

THE VICE PRESIDENT
HAS SEEN

MEMORANDUM FOR THE PRESIDENT

THROUGH: Stephen Friedman

FROM: Doug Badger
Special Assistant to the President for Economic Policy

SUBJECT: Proposal to strengthen and improve Medicare

Purpose

To provide details of prescription drug coverage and subsidies for low-income Medicare beneficiaries.

Background

On January 17, your senior advisors outlined a proposal to strengthen and improve Medicare. You directed your advisors to consult with key Members of Congress about the plan. You also instructed us to assure that low-income Medicare beneficiaries would have access to subsidized drug coverage without paying higher premiums than they do for traditional Medicare coverage. This memorandum describes the low-income benefit contained in the proposal.

Discussion

Prescription Drug Subsidies During Transitional Period

Low-income participants will receive significant assistance under the proposal. During the transition period after enactment, but prior to the implementation of a universal drug benefit in January 2006, beneficiaries whose incomes are less than 150 percent of poverty (currently \$13,290 for an individual and \$17,910 for a couple), and whose drugs are not covered by Medicaid, would receive discounts and federal subsidies by selecting a drug discount card. These discount cards would be available to all Medicare beneficiaries. The federal government would contribute up to \$600 to subsidize the cost for low-income enrollees. Seniors with incomes of up to 135 percent of the federal poverty level (currently \$11,961 for an individual, \$16,119 for a couple) would receive the full \$600 subsidy. That amount would phase down to 300 for those at 150 percent of the federal poverty level.

OVP Staff Secretary Received
1/27/03

A second option for some beneficiaries during this transition period would be to enroll in a private Medicare+Choice plan that offered a drug benefit valued at \$600 or more. The federal government would make additional payments to these plans to cover the cost of providing \$600 worth of drug coverage to eligible seniors.

Prescription Drug Coverage Beginning in 2006

Premium subsidies. Beginning January 2006, beneficiaries with incomes less than 150 percent of the federal poverty level would receive premium subsidies to enroll in privately insured plans that include prescription drug coverage. These subsidies will give low-income seniors the option to choose enhanced fee for service coverage that includes a drug benefit for the same premium or less than they pay for traditional Medicare coverage, which does not include a drug benefit. Beneficiaries with incomes of less than 120 percent of the federal poverty level (currently \$10,362 for an individual, \$14,328 for a couple) would pay no premium at all for this enhanced coverage.

Additional subsidies. In addition to premium assistance, low-income seniors would receive subsidies that sharply reduce their drug insurance copayments. Seniors with incomes under 135 percent of poverty would pay only a nominal amount (\$5 or less) for their prescription medications. Federal subsidies also would enrich the drug coverage by limiting copayments for people with incomes between 135 percent and 150 percent of poverty.

States will determine who qualifies for these subsidies. The federal government will pay half the administrative costs associated with these eligibility determinations.

605144

MATRIX

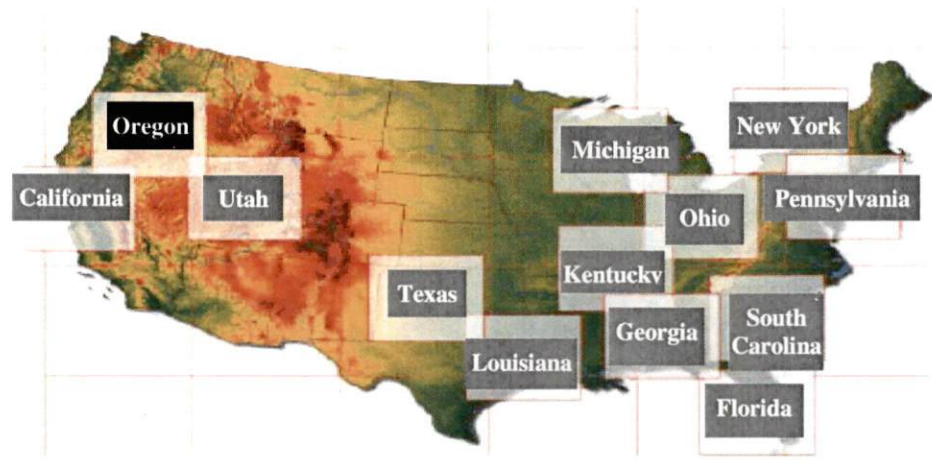
THE VICE PRESIDENT
HAS SEEN
1/24/03

(MULTISTATE ANTI-TERRORISM INFORMATION EXCHANGE)

January 2003

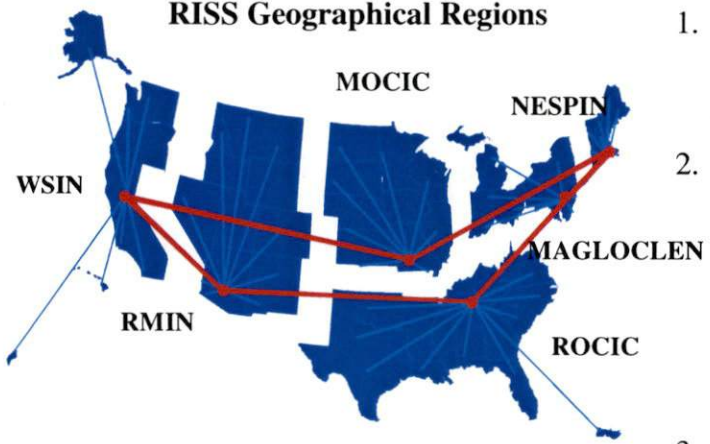
- Designed to increase and enhance the exchange of sensitive terrorism and other criminal activity information between local, state, and federal law enforcement agencies.
- Pilot project underway involving 13 participating states:

1. California
2. Florida
3. Georgia
4. Kentucky
5. Louisiana
6. Michigan
7. New York
8. Ohio
9. Utah
10. Oregon
11. Pennsylvania
12. South Carolina
13. Texas



PRIMARY OBJECTIVES:

RISS Geographical Regions



1. Establish **CONNECTIVITY** utilizing the existing Regional Information Sharing System (RISS) Network.
2. Use **FACTUAL DATA ANALYSIS** and integration technology to improve the usefulness of the data contained in multiple types of document storage systems.
(Note: Florida has a partnership with Seisint to provide the data mining tools using both public and private data.)
3. Secure **WEB-BASED ACCESS TO DATA AND INTELLIGENCE** contained in the participating states' intelligence systems with the objective to connect to federal systems where permitted.

- \$4 million awarded in January 2003 by U.S. D.O.J. for hardware and network support to provide connectivity. Additional funds are necessary for prevention-oriented data-mining services.
- Expansion of this system will be explored once the initial pilot testing is completed and the success of MATRIX is determined.

OVP Staff Secretary Received
1/24/03

BRIEFING POINTS FOR THE VICE PRESIDENT OF THE UNITED STATES

GOVERNOR:

- Purpose of meeting:
 - Proud of what has been accomplished in Florida in the area of information exchange and want to demonstrate the results.
 - Information is the best source of prevention. Prevention activities should be the focus of our efforts at all levels of government, thus we must do more to access and use information available to us.
 - What we are asking for is support for full implementation of the MATRIX project.
- States have an important role in prevention activities. Data owned by the states are needed by the government for the war on terrorism.
- The multi-state initiative (MATRIX) is an important step in obtaining agreement among the states to share information with each other and the federal government and to integrate this state owned data with the billions of pieces of public and commercial data.
- The federal government has a responsibility to fund multi-state connectivity efforts such as the MATRIX project, while the states are funding the activities within each state.
- Given the sense of urgency facing our country, this application we have pioneered in Florida can and should be **“immediately rolled out nationally”**. And a logical starting point is with full funding and functionality for Phase I of MATRIX.
- Concurrently, we would suggest a Phase II of MATRIX to include the establishment of a National Analysis Center to support the new Department of Homeland Security as it begins it’s new efforts. This Center would include full scale analytical capability and the requisite training and development of Intelligence Analysts and Investigators.
- Given the fact that 14 of the 19 hijackers staged their operations from Florida coupled Florida’s leadership on this front, Governor Bush would then volunteer Florida as the location for this Phase II effort (strong economic development potential and lots of good jobs)

COMMISSIONER

- The MATRIX project is comprised of 13 states, which encompass over 50% of the U.S. population and meets many important needs of law enforcement at all levels.
- Provides for connectivity among the states on an existing secure intelligence network which can be accessed by local, state and federal law enforcement.
- MATRIX complies and utilizes existing policies and guidelines as well as those recommendations in the IACP report on “Criminal Intelligence Sharing” and the Markle Foundation report on “National Security in the Information Age” to control the collection and dissemination of information.
- The factual data analysis portion of the project is the most expensive but holds the most promise of identifying potential terrorist cells and solving other crimes.
- The project does not seek access to any information not already available to law enforcement without a court order; however it makes the data more functional and allows law enforcement to gather the information in seconds as opposed to weeks or months.

- This timeliness is crucial in life and death situations such as terrorist threats and missing/abducted children cases.
- Post 9/11, Mr. Hank Asher of Seisint volunteered his company's services, which included their billions of public records and use of their supercomputers and programmers to the U.S. and Florida.

SEISINT

- Data contained in Seisint's system are publicly available.
- The MATRIX project combines Seisint's data with protected state government data intended for law enforcement use only.
- The system is restricted to law enforcement only with FDLE controlling access.
- Company has been doing specialized law enforcement searches for 10 years. This MATRIX project has been running in Florida for 16 months.
- Paul Cameron to present PowerPoint showing the development of MATRIX.
- Demonstrate social networking.
- Demonstrate HTF with mapping.
- Show a specialized search.

seisint™

MATRIX

*First Responder
Support*



January 24, 2003

On September 14, 2001



Seisint's Artificial Intelligence

+



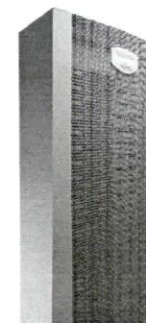
Billions Of Public Records

+



FAA Public Record Information

+



Seisint's Data Supercomputer

Within 16 Hours Seisint Delivered



419 *Names of Interest*



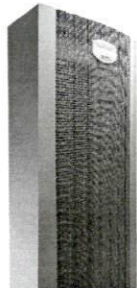
- Five Were Active FBI Terrorist Investigations
- Including Hijacker:
Marwin Youseff Alsherri
- Delivered List to Authorities Prior to Names Being Made Public



Question:

Is it possible to use the power of the supercomputer to analyze massive amounts of data in order to identify potential terrorists in the general population?

Key Seisint Contributions



Data Supercomputer

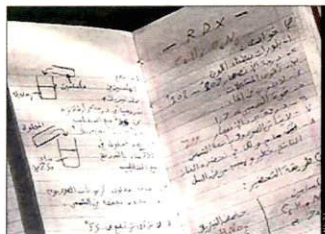


Massive Public Record Data Sets



Leading IT Industry Expertise

Florida-led Law Enforcement Working Group



Terrorist Handbook

This team continually worked to reverse engineer the Terrorist Handbook on how to penetrate and live in our society leading to development of the High Terrorist Factor Score

When enough insignificant data is gathered and analyzed.....

IT BECOMES SIGNIFICANT



Age & Gender



What They Did With Their Drivers License



Either Pilots or Associations to Pilots



Proximity to "Dirty" Addresses/ Phone Numbers



Investigational Data



How They Shipped How They Received



Social Security Number Anomalies



Credit History



Ethnicity

What was missing?

- Telephone Calling Records
- Cell Usage and Location Data
- Domestic & Intl Flight Manifests
- Social Security Admin Data
- Stock Trading Data
- Criminal Histories
- National DL & MV data
- Financial Transaction Data
- Shipping Data
- INS & Customs Data
- etc

High Terrorist Factor (HTF) Results

The INS, FBI, USSS and FDLE were provided a list of 120,000 names with the highest HTF (High Terrorist Factor) scores.

Of the top 80 (Highest HTF Scores)

- 5 were on airplanes September 11th
- 15 were targets of active investigations
- 30 were possible hits where identifying data may have been added to their investigations
- 30 were unknown to FBI, investigations were triggered and arrests made by INS and other agencies



- **Several arrests within one week**
- **Scores of other arrests using the HTF**



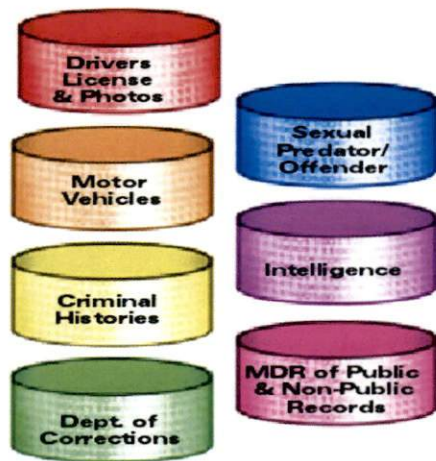
Florida Faced The Following Challenges...

- Multiple datasets had to be cross linked
- Huge amounts of seemingly insignificant data had to be analyzed to identify the next possible attack
- Potential threats had to be prioritized to effectively allocate First Responder resources

Key Seisint Contributions

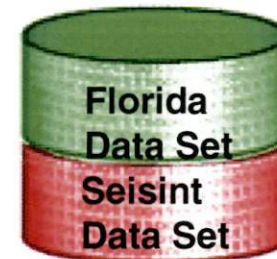


State of Florida Contributions



Loaded Into Seisint's Data Supercomputer

Data Synergy



MATRIX

Phase I 13 State Implementation – Funding Required



MATRIX Has Been Implemented (FCIC+) and Is Successful in Florida



13 States Have Joined the MATRIX Coalition

- | | |
|------------|----------------|
| California | New York |
| Florida | Ohio |
| Georgia | Oregon |
| Kentucky | Pennsylvania |
| Louisiana | South Carolina |
| Michigan | Texas |
| | Utah |



DOJ Has Provided Seed Money



Significant Additional Funding Is Required to Complete Phase I



To Be Effective, Matrix Must Have Access to Each State's Law Enforcement-only Datasets (e.g. Criminal Histories, Motor Vehicles, Depart of Corrections, Etc)

Economic News Summary for January 24, 2003
Prepared by OVP Domestic Policy

Economic Indicators

- **Economic Indicators Improve (AP).** "The Conference Board, reported that its index of leading economic indicators rose by 0.1 percent in December, to 111.3, lending support to the view that the economy would perform better this year than last. While the increase was small, it was the third consecutive gain and followed advances of 0.5 percent in November and 0.2 percent in October. The Conference Board's chief economist, Ken Goldstein, said the series of positive readings suggested 'that the economy might turn in a better performance in the first quarter of 2003 than it did in the second half of last year.'"
- **30-year mortgages under 6% for 5th week (Reuters).** "Thirty-year mortgage rates stayed under 6% for a record fifth straight week, Freddie Mac said Thursday in its latest survey. Rates on 30-year mortgages, the most popular home loans, stood at an average 5.91% in the week ending Jan. 24, an unprecedented fifth straight week under 6%, according to Freddie Mac records going back to 1971. Thirty-year mortgages averaged 5.97% the previous week. Fifteen-year mortgages stood at an average 5.31% in the latest week, compared with 5.36% the previous week, it said. One-year adjustable rate mortgages, or ARMs, slipped to an average 3.93% in the week from 4.03% the previous week."
- **Slowdown Is a Global Out-of-Work in Progress; U.N. Agency Sees 'Disturbing Trend' of Joblessness (Wash Post) by Kirstin Downey.** "The economic slowdown of the past two years is taking a toll on workers around the globe, according to a new report. Worldwide, about 20 million people have lost their jobs in the period, bringing the jobless total to about 180 million worldwide, the International Labor Office [sic], a United Nations agency, said in a report on employment trends to be released today. That's about a 12.5 percent increase at a time world population growth is about 1.2 percent a year. There is no global unemployment-rate figure because most countries don't track jobs, just those who seek help when they are without one. Meanwhile, the number of working poor, which the ILO defines as people earning less than \$1 a day, has risen to 550 million, its highest level since 1998, the report said."

Economic Policy

- **FCC plan could help keep high-speed Net prices low (USA TODAY) by Paul Davidson.** "In a move to keep a lid on high-speed Internet prices, regulators are expected to let small broadband rivals continue to lease the copper phone lines of the regional Bells at deep discounts. But the Federal Communications Commission is likely to lift requirements that Bells rent their newly installed fiber-optic lines to competitors, say people familiar with the matter. The FCC will likely phase out similar rules letting rivals lease the Bells' voice networks at cut-rate prices. That could drive up local phone rates, but state regulators are expected to decide whether and when those rules are eliminated in each market. The proposals are part of an FCC staff recommendation on a sweeping overhaul of a 1996 law designed to spark telecommunications competition. The plan aims to preserve competition while addressing the Bell's claim that they have little incentive to upgrade networks if they must share them with rivals at below-cost rates."

OVP Staff Secretary Received

1/28/03

Business News

- Amazon.com posts profit
- McDonald's Posts First Loss: \$344 Million for Last Quarter
- Sara Lee's Profits Double
- Starbucks Earnings Up 17%

- **New Bidder Tops U.S. Steel Offer for National (NY Times) by Timothy O'Brian.** "the AK Steel Holding Corporation began a bidding war yesterday for the National Steel Corporation, offering \$825 million for the company, topping an earlier bid of \$750 million from U.S. Steel."

- **AT&T's Gloom Shows the Sector Is Still Flagging (NY Times) by Seth Schiesel.** "Shares of AT&T, the nation's biggest long-distance communications carrier, plunged 19.1 percent yesterday after the company said that it did not expect the dismal telecommunications market to improve significantly in 2003. Scalded by flagging demand in corporate communications markets and by consumers' continuing migration to wireless phones and e-mail, AT&T reported weak results for the fourth quarter, matching Wall Street's expectations. Moreover, the company said it expected its financial performance in the current quarter to disappoint investors. AT&T's troubles are perhaps the clearest reflection of the deflationary funk that has settled over the entire United States telecommunications industry. Some investors had hoped that in 2003 the sector would begin to recover from the splitting hangover it has struggled with since the industry's Champagne bubble popped in 2000. Yesterday's gloomy forecast from AT&T confirmed that relief was not yet at hand."

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the Presidential Materials Division.

Collection:	Cheney Vice Presidential records			
Office of Origin:	Staff Secretary			
Series:	Miscellaneous Outbox			
Subseries:				
OA/ID Number:	00465			
Folder Title:	January 27, 2003			
Stack:	Row:	Section:	Shelf:	Position:
20W4	4	1	4	3

FOIAed Under:

Withdrawal/Redaction Sheet

Presidential Materials Division

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001a. Fax cover sheet	From David S. Addington to Deputy Attorney General Thompson [redaction of personal information] (1 page)	1/27/2003	(b)(6)
001b. Letter	From David S. Addington to Deputy Attorney General Thompson [redaction of personal information] (1 page)	1/27/2003	(b)(6)
001c. Letter	From Kyung Ja Lee to David S. Addington [redaction of personal information] (3 pages)	1/27/2003	(b)(6)
001d. Report	[Medical record] (1 page)	12/06/02	(b)(6)
002. Card	[Birthday card for Vice President Cheney] [double sided card 1] (2 pages)	n.d.	PRM
003. Card	[Birthday card for Vice President Cheney] [double sided card 2] (2 pages)	n.d.	PRM
004. Form	[United States Senate Disbursing Office Employee Form] [redaction of social security number] (1 page)	2/19/2003	(b)(6)

COLLECTION:

Cheney Vice Presidential Records
 Staff Secretary
 Miscellaneous Outbox
 OA/Box Number: 00465

FOLDER TITLE:

January 27, 2003

2021-0081-F

JLO649

RESTRICTION CODES

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

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [a)(5) of the PRA]
- P6 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. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

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 concerning wells [(b)(9) of the FOIA]

NICHOLS_C

605145

FG038

Barcode Scanning Sheet



Collection Code: **VTRACK**

Staff Name:

Document Date: **1/27/2003**

Correspondent:

Subject/Description: **2003 MISCELLANEOUS OUT BOX MATERIALS (UNCLASSIFIED) -- LETTER FROM CLINTON BRUSH - PHOTOGRAPHS FROM THE QUINN-KILAND MEETING -- NOTE FROM JEN WITH ATTACHED CASEWORK ITEM FROM DAVID ADDINGTON - KYUNG JA LEE'S PERMANENT US RESIDENCE -- BIRTHDAY CARD FROM NORMA KICKLIGHTER AND FAMILY -- BIRT ...**

600/45

FEB - 7 2003

CLINTON E. BRUSH

January 27, 2003

THE VICE PRESIDENT HAS SEEN

Dear Dick,

I got the photographs from the Quinn-Kiland meeting with you last November. With all you have on your plate, I'm particularly grateful that you took the time to inscribe the photos for us. It's also good to see that you haven't lost your sense of humor.

Be well, and have a Happy Birthday on Thursday.

Sincerely,
Tony

605145

Mr. Vice President,
This letter was
sent to your West
Wing office today,
Tuesday, Dec. 17th.

Jen

Withdrawal/Redaction Marker

Presidential Materials Division

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001a. Fax cover sheet	From David S. Addington to Deputy Attorney General Thompson [redaction of personal information] (1 page)	1/27/2003	(b)(6)

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Cheney Vice Presidential Records
Staff Secretary
Miscellaneous Outbox
OA/Box Number: 00465

FOLDER TITLE:

January 27, 2003

2021-0081-F
JLO649

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

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or
financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advise between the President
and his advisors, or between such advisors [(a)(5) of the PRA]
P6 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. Personal record misfile defined in accordance with 44 U.S.C.
2201(3).

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
concerning wells [(b)(9) of the FOIA]

605145

130894

MODE = MEMORY TRANSMISSION

START=JAN-27 17:30

END=JAN-27 17:32

FILE NO.=026

STN NO.	COMM.	KEY NAME	STATION NAME/EMAIL ADDRESS/TELEPHONE NO.	PAGES	DURATION
001	OK	B	912026140467	005/005	00:01:28

-OVP

***** -OVP - ***** 2024566429- *****



OFFICE OF THE VICE PRESIDENT
WASHINGTON

Via Fax to (202) 514-0467
(5 pages including this page)

January 27, 2003

The Honorable Larry D. Thompson
Deputy Attorney General of the United States
Department of Justice
950 Pennsylvania Avenue NW
Washington, D.C. 20530

Dear General Thompson:

CASEWORK ITEM (INS) - TIME-SENSITIVE

Mr. Kyung Ja Lee (b) (6)) requested by letter dated January 27, 2003 the assistance of this Office with respect to the timing of a Department of Justice interview of him in connection with his application to become an alien admitted to permanent U.S. residence (i.e., "green card" holder). Mr. Lee advised that he needed to complete the interview promptly

(b) (6) A copy of Mr. Lee's letter is attached.

I am forwarding Mr. Lee's letter to the Department of Justice for appropriate action in accordance with applicable law. Mr. Lee's letter asks that the Department of Justice contact the attorney representing him in this matter, Jon J. Chun, Esquire, at telephone 703-352-4696.

Please ask the appropriate official in your Department to inform me (at telephone 202-456-9089 or fax 202-456-6429) of the Department's disposition of this matter at the appropriate time. Mr. Lee's request contains the appropriate Privacy Act consent to disclosure to the Office of the Vice President.

Thank you for your assistance.

Sincerely,
David S. Addington
David S. Addington
Counsel to the Vice President

Attachment as stated

Withdrawal/Redaction Marker

Presidential Materials Division

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001b. Letter	From David S. Addington to Deputy Attorney General Thompson [redaction of personal information] (1 page)	1/27/2003	(b)(6)

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Cheney Vice Presidential Records
Staff Secretary
Miscellaneous Outbox
OA/Box Number: 00465

FOLDER TITLE:

January 27, 2003

2021-0081-F
JLO649

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

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or
financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advise between the President
and his advisors, or between such advisors [(a)(5) of the PRA]
P6 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. Personal record misfile defined in accordance with 44 U.S.C.
2201(3).

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
concerning wells [(b)(9) of the FOIA]



OFFICE OF THE VICE PRESIDENT
WASHINGTON

Via Fax to (202) 514-0467
(5 pages including this page)

January 27, 2003

The Honorable Larry D. Thompson
Deputy Attorney General of the United States
Department of Justice
950 Pennsylvania Avenue NW
Washington, D.C. 20530

Dear General Thompson:

CASEWORK ITEM (INS) -- TIME-SENSITIVE

Mr. Kyung Ja Lee (b) (6)) requested by letter dated January 27, 2003 the assistance of this Office with respect to the timing of a Department of Justice interview of him in connection with his application to become an alien admitted to permanent U.S. residence (i.e., "green card" holder). Mr. Lee advised that he needed to complete the interview promptly

(b) (6)

(b) (6) A copy of Mr. Lee's letter is attached.

I am forwarding Mr. Lee's letter to the Department of Justice for appropriate action in accordance with applicable law. Mr. Lee's letter asks that the Department of Justice contact the attorney representing him in this matter, Jon J. Chun, Esquire, at telephone 703-352-4696.

Please ask the appropriate official in your Department to inform me (at telephone 202-456-9089 or fax 202-456-6429) of the Department's disposition of this matter at the appropriate time. Mr. Lee's request contains the appropriate Privacy Act consent to disclosure to the Office of the Vice President.

Thank you for your assistance.

Sincerely,

David S. Addington
Counsel to the Vice President

Attachment as stated

Withdrawal/Redaction Marker

Presidential Materials Division

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001c. Letter	From Kyung Ja Lee to David S. Addington [redaction of personal information] (3 pages)	1/27/2003	(b)(6)

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Cheney Vice Presidential Records
 Staff Secretary
 Miscellaneous Outbox
 OA/Box Number: 00465

FOLDER TITLE:

January 27, 2003

2021-0081-F
JLO649

RESTRICTION CODES

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

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 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. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

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 concerning wells [(b)(9) of the FOIA]

VIA FAX TO 202-456-6429

January 27, 2003

David S. Addington
Counsel to the Vice President
Washington, D.C. 20501

Dear Mr. Addington:

I request the assistance of your office with respect to the process by which I am seeking from the Department of Justice Immigration and Naturalization Service (INS) admission to permanent U.S. residence (i.e., "green card" status). Swift action is needed for humanitarian reasons.

(b) (6)

Please ask the Department of Justice to help us accomplish this.

The following information about me should assist the Department of Justice:

Full Name:	<u>Kyung Ja LEE</u>
Other Names Used (if any):	<u>Kyung Ja Shin</u>
Home Address:	<u>5805 Chase Commons Court #101, Burke, VA 22015</u>

Home Telephone: (703) 503-0624

Work Telephone: (703) 893- 5458

Social Security Number: (b) (6)

Passport (Country of Issue and Number): Korea US (b) (6)

Date of Birth (Month, Day, Year): (b) (6)

Place of Birth (City, Country): (b) (6)

Alien Registration Number: (b) (6)

INS Application Receipt No.: EAC-02-121- 51783

INS Form Number Of Form Filed: I-485, I-765

INS Office Handling Case (City, State): Vermont Service Center; Saint Albans, VT

INS Contact Person(s) Working on Case (Name, Telephone): Unknown

My Attorney Representing Me In this Matter (Name, Address, Telephone Number): Jon J. Chung, Esq.
3251 Old Lee Hwy., Suite 515
Fairfax, VA 22030
(703) 352-4696

Please ask the Department of Justice to contact my attorney about this matter as quickly as possible so that we can take care of the immigration matter and then get the medical care my wife needs. Our thanks in advance to the Department of Justice for prompt help in this matter.

I hereby consent, for purposes of the Privacy Act (5 U.S.C. 552a) and any other law protecting the confidentiality of government records and information, to release by the U.S. Government, including the Department of Justice and its Immigration and

Naturalization Service, of any information about me, or records containing information about me, to the Office of the Vice President, my attorney, my spouse or me.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and that the signature below is my signature signed by my hand.

Sincerely,

Kyung Ja Lee
[Signature]

Withdrawal/Redaction Marker

Presidential Materials Division

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001d. Report	[Medical record] (1 page)	12/06/02	(b)(6)

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Cheney Vice Presidential Records
 Staff Secretary
 Miscellaneous Outbox
 OA/Box Number: 00465

FOLDER TITLE:

January 27, 2003

2021-0081-F
JLO649

RESTRICTION CODES

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

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 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. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

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 concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Presidential Materials Division

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. Card	[Birthday card for Vice President Cheney] [double sided card 1] (2 pages)	n.d.	PRM

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Cheney Vice Presidential Records
Staff Secretary
Miscellaneous Outbox
OA/Box Number: 00465

FOLDER TITLE:

January 27, 2003

2021-0081-F
JLO649

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

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 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. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

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 concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Presidential Materials Division

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
003. Card	[Birthday card for Vice President Cheney] [double sided card 2] (2 pages)	n.d.	PRM

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Cheney Vice Presidential Records
Staff Secretary
Miscellaneous Outbox
OA/Box Number: 00465

FOLDER TITLE:

January 27, 2003

2021-0081-F
JLO649

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

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 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. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

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 concerning wells [(b)(9) of the FOIA]

606/45



Elizabeth W. Kleppe
01/27/2003 10:30:00 AM

**THE VICE PRESIDENT
HAS SEEN**

Record Type: Record

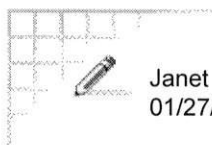
To: OVPWW

cc:

Subject: Maggie Scarlett's swearing-in

Vice President had asked me to find out if Mrs. Cheney could go in his absence. Here is her response. I am not going to schedule it for him based on Mrs.Cheney's recommendation. Thank you.

----- Forwarded by Elizabeth W. Kleppe/OVP/EOP on 01/27/2003 10:31 AM -----



Janet L. Berman
01/27/2003 10:23:09 AM

Record Type: Record

To: Elizabeth W. Kleppe/OVP/EOP@EOP

cc:

Subject: Maggie Scarlett's swearing-in

Mrs. Cheney also has a scheduling issue for this swearing-in, but she does not feel it is a problem for them not to go. She said Mrs. Scarlett is a good enough friend that she will understand, and she asked me to call Mrs. Scarlett and make sure she did not mind, which I will do. Also, since they're taking them to SOTU she thought they were fine about the swearing-in.

OVP Staff Secretary Received
1/27/03

605145



The Secretary of Energy
Washington, DC 20585

THE VICE PRESIDENT
HAS SEEN

June 27, 2002

The Honorable W.J. "Billy" Tauzin
Chairman, House-Senate Conference on H.R. 4
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Tauzin:

The purpose of this letter is to provide the Administration's views to the House and Senate conference committee on H.R. 4, energy legislation as passed by the House and Senate.

The Administration is pleased that a majority of the provisions of the President's National Energy Policy are included in either the House or Senate versions of H.R. 4. Conferees have an opportunity to pass a balanced, comprehensive energy bill that improves the Nation's energy and economic security, creates jobs and benefits consumers by reducing our reliance on foreign sources of energy, protects the environment, increases conservation, improves energy efficiency, and expands the use of new technologies and renewable energy sources.

Modernization of Wholesale Electricity Laws

The Administration believes a comprehensive energy bill must include a sound electricity title that modernizes our Nation's antiquated wholesale electricity laws. Electricity modernization will increase supply, promote efficiency and renewable energy, improve reliability, and protect consumers. We applaud the Senate for including an electricity title that is a step in the right direction and urge conferees to modify this title to better reach these goals and be consistent with the Administration's objectives.

The Administration supports efforts to ensure open access for all generators to the wholesale electricity grid; establish mandatory and enforceable reliability rules that will reduce the chances for power outages; repeal the Public Utility Holding Company Act (PUHCA), an outdated law that restricts utility investment; and reform Public Utility Regulatory Policies Act (PURPA) in an innovative and competition-friendly manner.



Printed on recycled paper

OVP Staff Secretary Received
1/24/03

support for construction of the pipeline and thus set back broader bilateral energy integration.

The Administration urges conferees to develop alternative provisions to bring the gas to market without resorting to similar provisions that would distort markets, could undermine fiscal responsibility, and might jeopardize the expeditious construction of a natural gas pipeline.

Arctic National Wildlife Refuge

A national energy policy cannot rely solely on conservation. A balanced, comprehensive energy plan has to recognize that in order to reduce our rising dependence on imported oil and gas, we must also increase domestic production. The primary provision in the conference that would increase production is the President's proposal to open a small portion of the Arctic National Wildlife Refuge (ANWR) to environmentally responsible oil and gas exploration and development. ANWR is also the primary provision in the conference that would create tens of thousands of new, well-paying jobs for American workers. We applaud the House for providing for the exploration and development of 2,000 acres in a landmass the size of South Carolina using newly available, environmentally friendly technology. ANWR is by far the largest untapped source of domestic petroleum and would equal nearly 40 years of imports from Iraq. The Administration strongly urges the conferees to include the House ANWR provision in the final bill.

Support for ANWR can increase our energy independence. The Administration strongly opposes a unilateral ban on U.S. purchases of Iraqi oil under the United Nations (UN) Oil-for-Food program, as this would only undermine our own interests. Were the United States to cease participation in this humanitarian program, it would work against our efforts to bolster Security Council consensus on Iraq. Such a ban would likely afford Iraq the opportunity to seek more illicit oil sales and revenues outside of UN control. Moreover, a shift of UN Oil-for-Food volumes away from U.S. purchasers would increase, not lessen, the opportunity for Iraq to seek kickbacks outside of the program, which U.S. purchasers are not allowed to pay. The effective way to reduce our energy dependence is to enact the House ANWR provision.

Native American Energy Development

The Administration is interested in working with the conferees on provisions that facilitate Tribal energy development of their renewable and non-renewable natural resources, while enhancing and protecting the environment.

Pipeline Safety

The Administration strongly supports comprehensive pipeline safety legislation and believes it is an important component of our Nation's energy policy. We look forward to working with the House and Senate conferees to resolve outstanding issues related to this legislation so that it may be included in the final conference agreement.

Price-Anderson

The Administration strongly believes that comprehensive energy legislation should include reauthorization of the Price-Anderson Act nuclear liability insurance. The Administration supports language in the Senate bill that reauthorizes Price-Anderson.

Climate

Concerning global climate initiatives, the President recently announced an aggressive plan to reduce the projected growth in U.S. greenhouse gas emissions in the next decade, along with a comprehensive set of domestic and international policy initiatives. He set an aggressive U.S. goal for reducing emissions per unit of GDP by 18 percent by 2012. The President's strategy also includes a United States Climate Change Research Initiative (CCRI), the results of which will help guide and pace future implementing actions, and a National Climate Change Technology Initiative (NCCTI), the R&D elements of which will provide for the foundation, development, and application of future advanced energy and sequestration technology alternatives. The President's plan includes improving the existing Department of Energy registry for reporting and crediting voluntary emissions reductions. Finally, the Administration has a framework for broad collaboration and cooperation, particularly in the areas of climate science research and new technology development, that can be expanded to invite and enable others to join with the U.S. in developing further its strategy relating to policy, voluntary reporting, incentives, science, and technology.

The Administration would support legislation that is consistent with this plan. The climate change titles of the Senate bill are not consistent with the President's climate plan.

Excessive and New Authorizations for Appropriations

The current bills contain authorizations for appropriations that annually total billions of dollars above the President's request, creating unrealistic expectations, particularly in the current fiscal climate. In addition, both bills include numerous unnecessary, duplicative, and costly new program authorizations. The Administration urges the conferees to limit authorizations for appropriations to levels contained in the President's Budget.

The Administration is also pleased with the provisions that would strengthen the Federal Energy Regulatory Commission's (FERC) authority to review mergers and prohibit abuses of market power. Furthermore, the Administration will support provisions that will protect consumers against unauthorized disclosure of personal information or unauthorized switching of electricity service and strengthen the FERC's ability to ensure just and reasonable rates. To protect consumers against unethical individuals and companies in this industry, the President has proposed increasing criminal penalties for violating the Federal Power Act from \$5,000 to \$1 million, from \$500 per day to \$25,000, and prison terms from two years to five. We strongly urge the conferees to include these provisions in the final bill.

We believe the bill needs to facilitate an effective national electric transmission grid to benefit consumers and continue to believe that last-resort Federal siting authority for high-priority transmission lines is needed.

The Administration supports the Senate bill's proposal clarifying the tax implications arising from the sale or transfer of transmission assets to companies that will operate under a Regional Transmission Organization (RTO). The Administration also supports the Senate effort to eliminate provisions that jeopardize the tax-exempt status of electric cooperatives when they offer nondiscriminatory access to their transmission system. The Administration notes that the Treasury Department is finalizing regulations related to the private use of transmission facilities owned by municipal power authorities.

The Administration supports initiatives to increase the use of renewable fuels in electricity generation. However, we think renewable portfolio standards (RPS) are best left to the States. We oppose the Senate bill's RPS mandate, which would likely raise costs to consumers, especially in areas where these resources are less abundant and harder to cultivate or distribute. The Administration supports renewable energy in electricity production by calling for the three-year extension of the renewable energy production tax credit. A two-year extension of the credit was enacted under the Job Creation and Worker Assistance Act of 2002. In addition to our substantive concerns with an RPS, combining it with the renewable energy production tax credit would be costly and inefficient.

Fleet Fuel Economy

The Administration supports improving fuel economy while protecting passenger safety and jobs. The Corporate Average Fuel Economy (CAFE) provisions in both the House and Senate bills are consistent with the Administration's call to let the National Highway Traffic Safety Administration (NHTSA) set standards that will improve fuel economy while protecting safety and jobs. The Administration emphasizes the importance of allowing NHTSA to develop new CAFE standards in light of the findings and recommendations of the congressionally-mandated National Academy of Sciences (NAS) CAFE report.

The Administration supports the increased use of cleaner burning fuels and vehicles in the Federal Government's automotive fleet. However, we are concerned that provisions in the Senate bill contain timetables and mandates for the penetration of alternative fuel vehicles in the Federal automotive fleet that may be unduly burdensome to administer and expensive to implement.

Renewable Fuels Standard

The Administration supports the renewable fuels standard compromise contained in the Senate bill and urges conferees to adopt it. This provision will increase the use of clean, domestically produced renewable fuels, like ethanol, which will improve the Nation's energy security, farm economy, and environment. The compromise includes a market-based national credit trading mechanism that will increase efficiency and reduce costs. The Administration would oppose changes to the Renewable Fuels Standard provisions that would raise costs and reduce efficiency of the credit-trading program, which is vital to making a renewable energy program for motor fuels economically achievable.

Tax Provisions

The President's energy plan included tax incentives totaling \$9.5 billion over 11 years. These were dedicated entirely to alternative and renewable fuels, conservation, energy efficiency and emissions-free energy. The Administration is concerned the House and Senate bills contain tax provisions whose total revenue loss significantly exceeds the Administration's. The House tax provisions total \$36.5 billion and the Senate tax provisions total \$20.6 billion over 10 years, according to estimates from the Joint Committee on Taxation. Maintaining fiscal discipline, while always important, has taken on increased importance since September 11 as we focus on enhancing national, homeland, and economic security, while returning the budget to surplus. The tax provisions in the final bill should reflect the President's priorities of environmental protection and energy conservation and maintain needed fiscal discipline by not significantly exceeding the President's \$9.5 billion total revenue loss.

Alaska Natural Gas Pipeline Subsidy

The Administration supports the construction of a commercially viable Alaska natural gas pipeline and believes market forces should select the route of the pipeline. The natural gas located in Alaska will provide environmentally friendly energy to America for years to come. The Administration recognizes the importance of Alaska natural gas to long-term energy security. However, the Administration strongly opposes the price-floor tax subsidy provision in the Senate bill and any similar provision because it would distort markets, could cost well over \$1 billion in annual lost revenue, and would likely undermine Canada's

support for construction of the pipeline and thus set back broader bilateral energy integration.

The Administration urges conferees to develop alternative provisions to bring the gas to market without resorting to similar provisions that would distort markets, could undermine fiscal responsibility, and might jeopardize the expeditious construction of a natural gas pipeline.

Arctic National Wildlife Refuge

A national energy policy cannot rely solely on conservation. A balanced, comprehensive energy plan has to recognize that in order to reduce our rising dependence on imported oil and gas, we must also increase domestic production. The primary provision in the conference that would increase production is the President's proposal to open a small portion of the Arctic National Wildlife Refuge (ANWR) to environmentally responsible oil and gas exploration and development. ANWR is also the primary provision in the conference that would create tens of thousands of new, well-paying jobs for American workers. We applaud the House for providing for the exploration and development of 2,000 acres in a landmass the size of South Carolina using newly available, environmentally friendly technology. ANWR is by far the largest untapped source of domestic petroleum and would equal nearly 40 years of imports from Iraq. The Administration strongly urges the conferees to include the House ANWR provision in the final bill.

Support for ANWR can increase our energy independence. The Administration strongly opposes a unilateral ban on U.S. purchases of Iraqi oil under the United Nations (UN) Oil-for-Food program, as this would only undermine our own interests. Were the United States to cease participation in this humanitarian program, it would work against our efforts to bolster Security Council consensus on Iraq. Such a ban would likely afford Iraq the opportunity to seek more illicit oil sales and revenues outside of UN control. Moreover, a shift of UN Oil-for-Food volumes away from U.S. purchasers would increase, not lessen, the opportunity for Iraq to seek kickbacks outside of the program, which U.S. purchasers are not allowed to pay. The effective way to reduce our energy dependence is to enact the House ANWR provision.

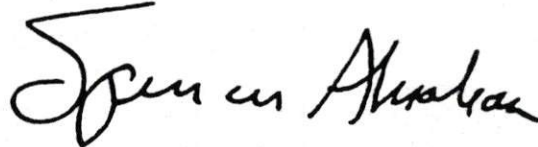
Native American Energy Development

The Administration is interested in working with the conferees on provisions that facilitate Tribal energy development of their renewable and non-renewable natural resources, while enhancing and protecting the environment.

Conclusion

The Administration applauds the House and the Senate for their work on comprehensive energy legislation to date. It urges conferees to give due attention to the Administration's concerns and looks forward to working with them on comprehensive legislation that meets the President's objectives as set forth in the National Energy Policy.

Sincerely,

A handwritten signature in black ink, appearing to read "Spencer Abraham". The signature is written in a cursive, flowing style with a large initial "S".

Spencer Abraham

cc: All House and Senate Members of the Conference

AWHJ



OFFICE OF THE VICE PRESIDENT
WASHINGTON

January 27, 2003

THE VICE PRESIDENT
HAS SEEN

MEMORANDUM FOR THE VICE PRESIDENT

**THROUGH: LEWIS LIBBY
CHIEF OF STAFF**

**FROM: C. DEAN McGRATH JR.
DEPUTY CHIEF OF STAFF**

SUBJECT: ACTION – Senate Employee Payroll Authorization

As President of the Senate, you are required to authorize the employment and salary for each member of your staff who is paid from the Senate appropriation.

The attached authorization is for Elyssa Hijazi, who will be a Staff Assistant in your Scheduling office. Her proposed salary is \$30,000. Elyssa is the replacement for Jennifer Wray who has left to work in Presidential Scheduling.

RECOMMENDATION:

Sign the attached employee authorization.

DECISION: **APPROVE (Sign at marked tab)**

DISAPPROVE

OVP Staff Secretary Received
1/29/03

Withdrawal/Redaction Marker

Presidential Materials Division

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004. Form	[United States Senate Disbursing Office Employee Form] [redaction of social security number] (1 page)	2/19/2003	(b)(6)

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Cheney Vice Presidential Records
Staff Secretary
Miscellaneous Outbox
OA/Box Number: 00465

FOLDER TITLE:

January 27, 2003

2021-0081-F
JLO649

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

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 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. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

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 concerning wells [(b)(9) of the FOIA]

United States Senate

SENATE DISBURSING OFFICE
ROOM SH-127, HART BUILDING

WASHINGTON, DC 20510-7104

(b) (6)

Social Security Number

Mr.
Ms.
Mrs.
Miss

Elyssa

S

Hijazi

(First Name)

(Middle Name or Initial)

(Last Name)

is hereby appointed

Staff Assistant

(Title of Position)

OVP

(Senator, Committee or Office)

279 OEDB

(Office Location—Index Code)

S. Res.

(Committee Authority)

at \$ 30,000

per annum, effective

2/19/03

<p>Senator's Office Only DUTY STATION</p> <hr/> <p>City and State (Washington, D.C. unless otherwise designated)</p> <p>For designations other than Washington, D.C., I have read and agree to the pertinent travel regulation on permissible reimbursements.</p>

Richard B. Cheney
 Senator, Committee Chairman, or
 Elected Official

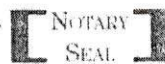
Sec. 3331, Title 5, U.S.C.:

Every person appointed to any office of honor or profit shall, before entering upon the duties of such office, and before being entitled to any part of the salary thereof, take and subscribe to the following oath:

"I,, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

.....
Signature in Ink (Sign as Name Appears Above)

Subscribed and sworn to before me this
day of, 20



INPUT	
CHECKED	
FINALIZED	

.....
Notary Public.

State of

My commission expires

PERSONNEL AFFIDAVIT

COPY

I DO SOLEMNLY SWEAR (OR AFFIRM) THAT:

1. CITIZENSHIP OR ALLEGIANCE

- I am a citizen of the United States of America; *or*
- I am a national of a country allied with the US in the current defense effort (from the country of); *or*
- Other (include provision and authority)

2. PRIOR FEDERAL CIVILIAN SERVICE

- I have been previously
 - I have **NOT** been previously
 - I am currently
- employed in a civilian capacity by the U.S. Government, including the U.S. Senate or the House of Representatives, or by the Government of the District of Columbia. (Complete the remainder of part 2 if previously or currently employed.)

- My **last** Federal Civilian employment was: from to
(first day on payroll) (last day on payroll)
- My **other** Federal Civilian Service was with:
Agency Month-Year to Month-Year
- Bureau/Division
- City/State.....
- Personnel Office Phone #.....

My Benefits Status was:

- | | | | |
|---|---|--------------------------------------|---|
| Life Insurance: | Health Insurance: | Retirement: | Thrift Savings Plan: |
| <input type="checkbox"/> Basic | <input type="checkbox"/> enrolled: code _____ | <input type="checkbox"/> FERS | <input type="checkbox"/> not contributing |
| <input type="checkbox"/> Option A | <input type="checkbox"/> not enrolled | <input type="checkbox"/> CSRS | <input type="checkbox"/> contributing—____% |
| <input type="checkbox"/> Option B: #Multiples _____ | <input type="checkbox"/> ineligible | <input type="checkbox"/> CSRS Offset | Outstanding TSP loan? |
| <input type="checkbox"/> Option C: #Multiples _____ | <i>Waived</i> Pre-tax FEHB | <input type="checkbox"/> FICA | No [] ; Yes [], if Yes: |
| <input type="checkbox"/> waived | deductions? NO [] ; Yes [] | | Your Phone # _____ |
| <input type="checkbox"/> ineligible | | | Your Fax # _____ |

3. FEDERAL PENSIONS AND INCENTIVE PAYMENTS

- I have received a Separation Incentive Payment within the past 5 years.
 - I have NOT
 - I am receiving (or applying for) pension, annuity, or retirement pay from the U.S. Government.
 - I am NOT
- Source of the above income:
- | | |
|---|---|
| <input type="checkbox"/> Civil Service Retirement System | <input type="checkbox"/> District of Columbia government, including Police and Fire Departments and School System |
| <input type="checkbox"/> Federal Employees Retirement System | <input type="checkbox"/> Workers Compensation |
| <input type="checkbox"/> Foreign Service Retirement System | CLAIM NUMBER, if any _____ |
| <input type="checkbox"/> Military Retired Pay | |
| <input type="checkbox"/> Social Security or Veterans benefits | |

4. PRIOR MILITARY SERVICE: No [] ; Yes [], if yes, complete Part 4.

- I served on active duty with the U.S. _____ from _____ to _____
(Branch) (date) (date)
 - I am receiving Retired Military Pay. I will be entitled to such pay, effective _____
 I am NOT } I will NOT } (date)
- _____/_____/_____/_____/_____/_____/_____/_____
(Branch) (Reg. or Res.) (Cbt. or Non-Cbt. Disab.) (Rank) (Service Number) (Years) (Retirement Date)

5. PRIOR LEGAL NAMES:

6. IMPORTANT!—PLEASE READ BEFORE SIGNING

- I am not participating in any strike against the Government of the United States or any agency thereof, and I will not so participate while an employee of the Government of the United States or any agency thereof.
- I am not a relative of my appointing official or a relative of anyone authorized to recommend appointments to my appointing official.
- I am not in a "leave without pay" (LWOP) status from any Federal agency.
- I am not currently on active duty with the Armed Forces of the United States.

Subscribed and sworn to before me this day of, 20.....

..... (Signature of employee)



..... (Signature of Notary Public)

State of

My commission expires

United States Senate

OFFICE OF THE SECRETARY

DISBURSING OFFICE

COPY

IMPORTANT NOTICE TO EMPLOYEES

The attached Oath of Office and Personnel Affidavit must be properly executed and sworn to before a Notary Public and must be received in the Disbursing Office of the Senate on or before the effective date of the appointment. The "Employee's Tax Withholding Allowance Certificate and Address Change Card" must be completed and submitted with your appointment and personnel affidavit.

U.S. Senate employees are paid twice each month. **Salary payments can either be deposited directly to your bank account (PL 104-208; SF-1199A required—obtained from your bank),** or mailed to your residential address.

EMPLOYMENT OF RELATIVES

The nepotism law prohibits the appointment, employment, promotion, or advancement of a relative of a public official or a relative of an individual who has the authority to recommend individuals for appointment, employment, promotion, or advancement. (For further information, contact the Senate Disbursing Office or see Public Law 90-206, Section 211.)

WORK INJURY BENEFITS FOR FEDERAL EMPLOYEES

If you sustain injury, you may be entitled to benefits of the Federal Employees' Compensation Act (FECA). Notify your supervisor immediately and obtain authorization for medical care. In traumatic injuries, you or someone acting on your behalf must complete the employee's portion of form CA-1, and return it to your employer within 2* working days after the injury. Use form CA-2, instead of form CA-1, if disability results from an occupational disease. For more detailed information, carefully read the "Benefits . . ." and "Instructions . . ." sheets which are attached to the forms CA-1 and CA-2.

DEATH BENEFITS

Compensation may also be payable to certain members of your family for a job-related death. A claim for death benefits must be filed with your employer or the Office of Workers' Compensation Program (OWCP) no later than 3 years following death. Beneficiaries may obtain assistance from your employer or the OWCP.

WHERE TO OBTAIN FORMS

Forms may be obtained from the Office of the Sergeant at Arms of the U.S. Senate.

*Claim may be valid if filed within 3 years following the injury.

U.S. SAVINGS BONDS

Employees of the Senate may purchase U.S. Savings Bonds on a payroll deduction basis. More information and application forms are available at the Disbursing Office.

**SEE REVERSE SIDE FOR INFORMATION CONCERNING
EMPLOYEE BENEFITS**

IMPORTANT BENEFITS INFORMATION FOR APPOINTEES

COPY

A. APPOINTEES WITHOUT PRIOR FEDERAL EMPLOYMENT

Federal Employees Health Benefits (FEHB)

You have **60 DAYS** from your appointment date to elect a health insurance plan. Health insurance is NOT provided unless an election is received in the Disbursing Office during this 60-day period. Coverage will begin on the first of the month following the date of receipt of the election form. FEHB premiums are withheld on a pre-tax basis unless requested otherwise during the 60-day period. See the enclosed envelope for additional information.

Federal Employees Group Life Insurance (FEGLI)

You are automatically covered by Basic life insurance and have **31 DAYS** from your appointment date to elect optional coverage. If you do not wish to have life insurance coverage, you may WAIVE it at any time. A waiver received in the Disbursing Office IN THE SAME MONTH as your appointment will be effective the date of your appointment, otherwise it will be effective the first day of the following month. See the enclosed envelope for additional information.

Federal Employees Retirement System (FERS)

You are mandatorily covered by FERS. Deductions are 1.3% of gross salary. Additional information is available in the Disbursing Office.

Thrift Savings Plan (TSP)

You have **60 DAYS** from your appointment date to elect to contribute a portion of your pay (up to 12%* in 2002), subject to IRS limitations, to the TSP on a tax deferred basis. Additionally, in the future you will be eligible for agency matching contributions and the automatic 1% government contribution. See the enclosed envelope for additional information.

(*This contribution limit will increase incrementally over several years.)

Social Security Coverage (FICA or OASDHI)

You are mandatorily covered by full Social Security taxes (7.65% of annual earnings up to the Maximum Taxable Wage Base (MTWB)). The Medicare portion (HI) of Social Security (1.45% of earnings) is withheld without limit.

B. APPOINTEES WITH PRIOR FEDERAL EMPLOYMENT (Including Senate Employment)

Federal Employees Health Benefits

If your last separation was less than 4 days prior to your appointment date, your health benefits will be automatically continued with the Senate.

If your last separation was more than 3 days prior to this appointment, the FEHB information in Part A, above applies.

Federal Employees Group Life Insurance (FEGLI)

If your last separation was within 6 months of this appointment date, your prior life insurance status will be reinstated. If your last separation was more than 6 months prior to this appointment and you had waived all FEGLI coverage, the FEGLI information in Part A, above applies. If you did have FEGLI coverage, it will be reinstated and you have 31 days from your appointment date to elect additional coverage.

Civil Service Retirement System (CSRS)

If you have not previously elected FERS, you may enroll in the full CSRS program (7.5% of gross earnings) if: (1) you were covered by a federal retirement program (other than FICA or military retirement) on December 31, 1983; and (2) you have not been separated from federal service for more than 365 consecutive days since that date; and (3) you have not applied for a refund since June 14, 1984; and (4) you have never been covered by full FICA during federal service; and (5) you submit your Application for Participation in CSRS *with your appointment*.

If you do not meet all of the above criteria, but have more than five 5 years of creditable federal civilian service, you may elect CSRS Offset coverage if you have not previously been covered by FERS. You will be subject to full FICA and your CSRS Offset deduction will be 1.3% of earnings while full FICA is being withheld. Upon attainment of the Maximum Taxable Wage Base (MTWB), FICA will stop and the CSRS Offset withholding will increase to the full CSRS rate of 7.5% of earnings for the remainder of the year.

You may make an *irrevocable* election to switch to FERS within 6 months of your appointment. (Contact the Disbursing Office for more information.)

Federal Employees Retirement System (FERS)

If you do not meet the criteria for CSRS or CSRS Offset, above, or have previously been covered by FERS, you will automatically be covered by FERS. The FERS information in Part A, above applies.

Thrift Savings Plan (TSP)

All future contributions to your TSP account will be made according to your last Investment Allocation request, until you make a new Investment Allocation request with the TSP Record Keeper.

If your last separation was less than 31 days prior to this appointment, your same TSP status will be reinstated. If your last separation was more than 30 days prior to this appointment, you have 60 days to elect to contribute to TSP.

If you have an outstanding TSP loan, contact the Disbursing Office immediately upon hire.

Social Security Coverage (FICA)

If you are enrolled in full CSRS (7.5% deduction), you will be covered by only the Medicare portion of the FICA tax (1.45% of earnings). If you are enrolled in CSRS Offset, the FICA information in Part A, above applies. All other Senate employees are subject to full FICA taxes, the FICA information in Part A, above applies.

605145

THE VICE PRESIDENT HAS SEEN



OFFICE OF THE VICE PRESIDENT
WASHINGTON

January 27, 2003

*for meet the Press
Booth*

MEMORANDUM FOR THE VICE PRESIDENT

THROUGH: Lewis Libby
Chief of Staff

by [signature]

FROM: Cesar Conda, Assistant to the Vice President for Domestic Policy

[signature]

SUBJECT: INFORMATION: Summary and Analysis of Daschle Plan

On January 23rd, Senate Minority Leader Tom Daschle introduced an Economic Stimulus Plan providing \$141 billion in "stimulus" in calendar year 2003 and \$112 billion over 10 years. Specifically, the plan includes the following temporary tax provisions:

- Provides a \$300 rebate for each adult in a family and \$300 for the first two children, including workers who do not pay income taxes.
- Increases the current 30 percent bonus depreciation to 50 percent.
- Increases the amount of investments small businesses can write off from \$25,000 to \$75,000.
- Creates a 50 percent tax credit to help small businesses pay their share of health insurance premiums.
- Creates a 20 percent tax credit for businesses investing in broadband internet connections in rural and under-served areas.

The Daschle plan proposes \$40 billion in Federal spending, primarily focused on aid to state and local governments in 2003:

- Provides \$15 billion in fiscal relief for the states and localities.
- Provides \$5 billion for homeland security, including funding for the smallpox vaccine program, synchronizing police and fire communications systems, transit security, and first responders.
- Provides \$6 billion to fund major programs under the No Child Left Behind Act.
- Provides \$10 billion to offset the increased costs of state Medicaid programs.
- Provides \$4 billion for transportation infrastructure spending programs.

The Daschle plan is focused on increasing government spending instead of providing pro-growth tax relief. In addition to \$40 billion in financial aid to the states and localities, the proposed \$300 tax rebate to non-taxpayers results in a \$20 billion increase in government outlays, according to preliminary estimates by Treasury. All told, 43% of the Daschle plan consists of increased government outlays.

Attached is an economic analysis of the Daschle Plan by the Council of Economic Advisers.

Attachment

OVP Staff Secretary Received
1/28/03

Analysis of Daschle Stimulus Plan

January 24, 2003

Like the House Democrats, Senator Daschle has proposed plan to stimulate the economy. Some important considerations in evaluating both plans are:

- The plans are temporary, they provide little stimulus in the present, and do nothing to promote higher growth over the long-term.
- The plans do not provide incentives for higher job creation—the key problem facing our economy today.

In contrast, the President's plan has permanent measures to promote growth and job creation.

The Daschle plan point-by-point:

Proposal 1: Gives working families receive a one-time tax rebate of up to \$300 per adult and \$300 for each of the first two children. (A family of four would receive \$1,200.) The rebate would be refundable, so that families with no income tax liability would still be eligible.

Response: This rebate is not likely to work as well as the \$300/\$600 tax rebates in 2001, because workers will realize they are temporary, and therefore do not raise their spending resources very much. In contrast, the rebates in 2001 were the result of a long-lasting tax cut.

- Temporary tax changes in 1968 and 1975 did not provide much of a boost to the economy, because taxpayers did not change their spending.
- Former Federal Reserve Board member and Clinton economic adviser Alan S. Blinder has estimated that in the year after enactment, temporary tax changes change consumption only about half as much as permanent tax change.
- Unlike the President's proposal, the Democrats make no attempt to lower marginal tax rates. As a result, their plan does nothing to improve the economy's long-run growth rate or to raise long-run living standards.

Proposal 2: Extends unemployment benefits to those who have exhausted benefits but who have still not found work. The plan would also extend UI to part-time and some low-wage workers.

Response: The President's proposal is designed to provide get people to work much more quickly. The flexible help in the proposal is in addition to UI benefits.

- The President's plan includes innovative Personal Re-Employment Accounts that provide \$3,000 for job search, training, or other expenses in addition to UI payments.
- If a worker finds work within 13 weeks, he or she gets to keep the unspent balance in the re-employment account. This provides an additional incentive to find a job quickly.

Proposal 3: Revises the multi-year 30 percent expensing bonus written into the March 2002 stimulus bill by increasing it to 50 percent in 2003 and ending it thereafter.

Response:

- Temporary investment incentives are less effective than permanent ones.
- Ending the expensing bonus in 2004 – after the Government has promised 30 percent for three years after September 11, 2001 – breaks a promise to American firms. This reduces confidence in future policies and the effectiveness of future investment incentives.
- The President’s plan to permanently end the double taxation of dividends will support investment now and in the future. In addition, the President’s plan:
 - Makes it easier for firms to raise capital in equity markets, which will boost investment and make the economy less susceptible to “credit crunches.”
 - Ends the distortion of firms’ decisions to retain earnings or pay dividends to shareholders, which will improve corporate governance.

Proposal 4: Triples the small business expensing limit from \$25,000 to \$75,000 for one year.

Response: The President’s plan is more aggressive.

- The President’s proposal permanently raises the expensing limit to \$75,000 and indexes it for inflation.
- The Democrat’s plan eliminates the additional expensing after one year. This is effectively a built-in future tax increase on small business investment.

Proposal 5: Allows a 50 percent tax credit in 2003 to help small businesses pay health insurance premiums.

Response:

- By improving the overall investment climate for small businesses, the President’s plan allows them to create jobs permanently.
- One year fixes such as a temporary tax credit for health insurance is not likely to encourage small firms to increase their number of permanent employees.

Proposal 6: Provide a 20 percent tax credit for businesses investing in broadband high-speed Internet infrastructure, focused in rural areas.

- The investment incentives in the President's proposals do not seek to target investment toward specific uses.
- If firms want to use the higher expensing limits or easier equity finance made possible by the President's plan to invest in Internet infrastructure, they can.
- The President's proposal is based on the view that business people can choose the best investments for their firms without help from government bureaucrats.

Proposal 7: Allocates \$40 billion to state and local governments.

- The President's targeted policies address the economy's problem – shoring up private investment – at the same time as they raise long-term growth prospects by reducing the tax burden on American workers.
 - Spending more money – for one year only – on various state and local projects does not help the economy today, because this spending does nothing to help private investment.
 - Private investment is the economy's weakest component. Without improvement in private investment, job growth will not improve.
 - Moreover, more state spending does not help improve the economy in the long-run, because this spending is temporary and because it does not increase incentives to work, save and invest.
- a.) *Provide \$15 billion to states with “no strings attached,” with 20 percent passed through immediately to local governments.*

Response: Handing out money to states with fiscal problems does nothing to insure that states adopt prudent long-run fiscal policies.

- b.) *Provide \$5 billion for ‘hometown security (funding for smallpox vaccine program, emergency planning, more police and EMTs, etc.).*

Response: The federal government has already spent billions to improve homeland security. The President has taken concrete steps to make the country safer, and it would be very difficult to monitor this new spending by states to make sure that it was allocated for homeland security, rather than to pet projects of state legislators eager to shift costs onto the federal government.

- c.) *Provide \$6 billion for educational funding.*

Response: The President remains committed to improving education, as evidenced by his strong support of the No Child Left Behind Act. But one year of emergency funding does nothing to address long-standing problems in the educational system, and would be of dubious value in stimulating the economy because it does nothing for investment or private job creation.

- d.) *Provide \$10 billion to offset the increased costs of state Medicaid programs.*

Response: The President's policies address health care problems of the poor, including a plan for a refundable \$1,000 tax credit that poor persons could use to purchase health insurance. This is a long-run solution to the problem, not a one-year "quick fix."

- e.) Provide \$4 billion in highway spending, and allow states to postpone their matching share of project costs for up to 2 years.

Response: The main problem the Nation faces is not a lack of highways. It is that the current recovery has not produced enough jobs, because business investment has slowed. Japan has tried to spend its way out of recession with more highway spending. The results have been a soaring debt/GDP ratio and a still-stagnant economy.

WDK

THE VICE PRESIDENT HAS SEEN



Cecelia Boyer
01/27/2003 12:26:42 PM

Record Type: Record

To: Debra Heiden/OVP/EOP@EOP

cc:

Subject: Wyoming National Guard

Spoke to Jim Bush of Casper this morning about a photo he wants for his grandson. He wanted the VP to know that the Wyoming National Guard has been activated and shipped out this morning for Ford Hood, TX.

OK

OVP Staff Secretary Received
1/28/03



60045
THE VICE PRESIDENT HAS SEEN

OFFICE OF THE VICE PRESIDENT
WASHINGTON

January 27, 2003

MEMORANDUM FOR THE VICE PRESIDENT

THROUGH: Lewis Libby
Chief of Staff

FROM: Stephanie Lundberg SJL
Special Assistant to the Vice President for Domestic Policy

SUBJECT: INFORMATION: Head Start Initiative

Purpose: To provide you with a summary of the President's upcoming Head Start Initiative.

Background: The Head Start program was initiated in 1965 as part of Lyndon Johnson's War on Poverty. Head Start's goal is to provide quality preschool programs to disadvantaged children to enable them to start elementary school with the ability to compete with their more economically advantaged peers. Head Start currently serves over 900,000 students with an annual budget of \$6.5 billion, and is up for reauthorization this year.

Recent research casts doubt on the ability of current Head Start programs to produce long-term effects on school performance. In addition, unlike other federal programs that provide states with funds to provide services, Head Start funding is given directly from the federal level to local programs. This creates substantial difficulty for states seeking to coordinate state-wide preschool programs, and often creates overlap between state preschool programs and Head Start programs.

In April 2002 President Bush announced his *Good Start, Grow Smart* preschool education initiative, which included the goal of strengthening Head Start's ability to promote school readiness, particularly academic readiness. To accomplish this goal, HHS has implemented an accountability system to ensure that every Head Start Program assesses standards of learning in early literacy, language, and numeracy skills.

Administration Proposal: To further strengthen Head Start, the President will propose a demonstration program in which states would assume direct control over Head Start funds and programs. In exchange, states that opted to participate would submit a plan to HHS and the Department of Education (DoEd) outlining how they would coordinate preschool programs; create standards for the skills children must possess to perform well in kindergarten; and develop a strong accountability system to publicly assess performance.

OVP Staff Secretary Received

1/28/03

The president's proposal will be controversial, and opponents on the Hill (led by Senator Kennedy) will claim that the Administration is attempting to ruin the greatest of the War on Poverty programs by block-granting it to states. Members of the Head Start community, led by the National Head Start Association, will also strongly oppose allowing states to assume control of Head Start funding. Many governors will, of course, support the proposal as it will allow them to better coordinate and monitor state-wide preschool programs.

In addition, to fulfill a promise made by the President during the 2000 presidential campaign, the FY '04 budget will propose moving the Head Start program from HHS to DoEd. Under the plan, 2004 would be a transition year during which HHS would continue to manage the program, with DoEd assuming control of the program in 2005. It is unlikely that this proposal will enjoy any support from members of Congress. Both of the above proposals are budget-neutral, requiring no additional funding above the \$6.6 billion currently proposed in the FY '04 budget.

Both proposals will be briefly mentioned in the FY '04 budget, and the President will fully outline the demonstration program proposal (the *Starting Even* initiative) at an event in Maryland on February 6, 2003. At this time the budget proposal to move Head Start to DoEd will not be included as part of the *Starting Even* initiative.

605145

Jessica L. Emond 01/27/2003 12:38:56 PM

Record Type: Record

THE VICE PRESIDENT
HAS SEEN

To: See the distribution list at the bottom of this message
cc: Jennifer Millerwise/OVP/EOP@EOP, Catherine J. Martin/OVP/EOP@EOP, A. Merrill
Hughes/OVP/EOP@EOP, Bradley A. Meadow/OVP/EOP@EOP
Subject: Elbaradei Remarks to the UN Council

Elbaradei Remarks to the UN Council
January 27, 2003

ELBARADEI: Mr. President, members of the council, for the past 60 days, the inspectors of the International Atomic Energy Agency have been engaged in the process of verifying the existence or absence of a nuclear weapon program in Iraq.

Today, pursuant to Paragraph Five of Resolution 1441, I have submitted to the president of the Security Council and update, report on our progress since we resumed our nuclear verification activities in Iraq, in terms of the approach we have adopted, the tools we have used, the specific results achieved, the degree of cooperation we have received and finally, our view on how we should proceed. Copies of the report are available in this room. Let me, in this statement, outline the key aspects of this report.

To understand the approach of the IAEA inspection over the past two months, it is important first to recall what was accomplished during our inspections from 1991 to 1998 in fulfillment of our Security Council mandate to eliminate Iraq's nuclear weapon program.

ELBARADEI: In September 1991, IAEA seized documents in Iraq that demonstrated the extent of its nuclear weapons program. By the end of 1992, we had largely destroyed, removed or rendered harmless all Iraqi facilities and equipment relevant to nuclear weapons production. We confiscated Iraq's nuclear weapon-usable material, highly enriched uranium and plutonium. And by early 1994, we had removed it from the country.

By December 1998, when the inspections were brought to a halt, with a military strike imminent, we were confident that we had not missed any significant components of Iraq's nuclear program. While we did not claim absolute certainty, our conclusion at that time was that we had neutralized Iraq's nuclear weapon program and that there were no indications that Iraq retained any physical capability to produce weapon-usable nuclear material. During the intervening four years of our absence from Iraq, we continued our analytical work to the best of our ability using satellite imagery and other information, but no remote analysis can replace on-site inspections. And we were, therefore, not able

OVP Staff Secretary Received
1/28/03

to reach any conclusion about Iraq's compliance with its Security Council obligations in the nuclear field after December 1998. Again, at this backdrop, when Iraq agreed last September to reopen its door to inspection and following the subsequent adoption of the Security Council of Resolution 1441, which strengthened IAEA's authority and the inspection process, the first goal of our inspection activities was reconnaissance. In this phase, we sought to reestablish (inaudible) our knowledge based of Iraq nuclear capability to ensure that key facilities has not been reopened, to verify the location of nuclear material and relevant non-nuclear material and to identify and begin interviewing key Iraqi personnel.

Over these first two months of inspection, we have made good progress in our knowledge of Iraq's nuclear capability with a total of 139 inspections at some 106 locations to date. The bulk of these inspections have taken place at state-run or private industrial facilities, visitor centers and universities, either at locations with Iraq significant technical capabilities were know to have existed in the past or at new locations suggested by the monitoring analysis.

All inspections activities have been carried out without prior notification to Iraq, except when notification was needed to ensure the availability of required support. The IAEA inspections have taken and will continue to take full advantage of the inspection authority granted by Resolution 1441. In doing so, the inspectors have been instructed to make every effort to conduct their activities with appropriate professionalism and sensitivity.

While we are continuing to some extent with this reconnaissance work, our inspections are now well into the investigative phase with particular emphasis on determining what, if anything, has occurred in Iraq over the past four years relevant to the reestablishment of Iraq nuclear capabilities. These investigative inspections focus on areas of concerns identified by other states, facilities identified through satellite images as having been modified or constructed since 1998 and other inspection leads identified independently by the IAEA.

In parallel with these inspection activities, the IAEA has been conducting exhaustive analysis of supporting information obtained from various sources. In this context, we have integrated the new information submitted by Iraq, including the declaration submitted on 7 December in response to Resolution 1441, with the records we have accumulated between 1991 and 1998, and the additional information we had compiled through remote monitoring since 1998.

The Iraqi declaration was consistent with our existing understanding of Iraq's pre-1991 nuclear program. However, it did not provide any new information relevant to certain questions that have been outstanding since 1998, in particular, regarding Iraq progress prior to 1991 related to weapons design and

centrifuge development.

ELBARADEI: While these questions do not constitute unresolved disarmament issues, they nevertheless need further clarification.

In addition to on-site inspection and off-site analysis, the IAEA inspectors have employed a variety of tools to accomplish their mission. Taking advantage of the signature of radioactive materials, we have resumed the monitoring of Iraq's rivers, canals and lakes to detect the presence of certain radioisotope, a broad variety of environmental samples and (inaudible) swipe (ph) samples have been collected from locations across Iraq and taken to IAEA laboratories for analysis, and we have reinstated routine (inaudible) and hand-held gamma surveys for the detection of undeclared nuclear material.

The inspectors have also conducted a great number of interviews of Iraqi scientists, managers and technicians, primarily in the workplace in the course of unaccounted inspections, as a valuable source of information about past and present programs and activities. The information gained has been helpful in assessing the completeness and accuracy of Iraq's declaration.

Resolution 1441 also clearly gave to the IAEA and UNMOVIC the authority to determine the modalities and venues for conducting interviews with Iraqi officials and other persons. The first two individuals whom the IAEA requested to see privately declined to be interviewed without the presence of an Iraqi government representative. This has been a restricting factor. Although the Iraqi government recently committed itself to encouraging Iraqi officials and other personnel to be interviewed in private when requested, regrettably the third request, two days ago, for a private interview was again turned down by the interviewee. The IAEA will continue to determine the modalities and locations of the interviews, including the possibility of interviewing Iraqi personnel abroad. We will continue to report to the Security Council on our efforts to conduct interviews according to our preferred modalities and venues and our degree of success in that regard.

Mr. President, let me summarize briefly a number of the findings that have resulted from our inspection activities thus far. First, we have inspected all of those building and facilities that were identified through satellite imagery as having been modified or constructed over the past four years. The IAEA inspectors have been able to gain ready access and to clarify the nature of the activities currently being conducted in these facilities. No prohibited nuclear activities have been identified during these inspections.

A particular issue of focus has been the attempted procurement by Iraq of high strengths aluminum tubes and the question of whether these tubes, if acquired, could be used for the manufacture of nuclear centrifuge. Iraqi authorities have indicated that their unsuccessful attempts to procure the aluminum related to a

program to reverse engineer conventional rockets.

To verify this information, the IAEA inspectors have inspected the relevant rocket production and storage sites, taken tube samples, interviewed relevant Iraqi personnel and reviewed procurement contracts and related documents.

From our analysis to date, it appears that the aluminum tubes would be consistent with the purpose stated by Iraq, and unless modified would not be suitable for manufacture centrifuges.

However, we are still investigating this issue.

It is clear, however, that the attempt to acquire such tubes is prohibited under Security Council Resolution 687.

Another area of focus has been to determine how certain other dual-use materials have been relocated or used. That is, material that could be used in nuclear weapon production, but also have other legitimate uses.

ELBARADEI: The good example is Iraqi declaration concerning the highly explosive HMX, which state that out of the HMX under (inaudible) in Iraq at the end of 1998, some had been supplied to cement plants as an industrial explosive for mining. The whereabouts and final use of the removed material are matters that will require further investigation. Although, it will be difficult to verify the disposition of the HMX that is declared to have been used.

The first focal point has been the investigation of reports of Iraqi efforts to import uranium after 1991. The Iraqi authorities have denied any such attempts. The IAEA will continue to pursue this issue. At this stage, however, we do not have enough information and we would appreciate receiving more. We are also making progress on a number of other issues related, for example, to the attempts at the importation of a magnet production facility.

So presently, in addition to the new authorities granted by Resolution 1441, I believe that the unified resolve of the council to support an inspection process has been a vital ingredient and must remain so if we are to achieve a peaceful resolution of the situation in Iraq. I trust that the council will continue its unified and unequivocal support for the inspection process in Iraq.

Over the next several months, the inspections will focus ever more closely on follow-up specific concerns as we continue to conduct visits to sites and interviews with key Iraqi personnel. We have begun helicopter operations, which increase the inspector's mobility and their ability to respond rapidly to new information and allow wide-scale radiation detection surveying. Laboratory analysis of environmental samples is continuing, and we will be installing air samples for wide-area environmental monitoring. We also will re-introduce surveillance systems with video cameras in key locations to allow near, real-time remote monitoring of dual-use equipment.

By its very nature, the inspection process both in Iraq and

elsewhere is not based on trust, but on thorough process of fact-finding supported by access to all available information. Where applicable, this should include information available to states that may be relevant to the purpose of the inspection. We have begun, in the last few weeks, to receive more actionable information from states; that is information of direct and current value for inspection follow-up. I will continue to call on states that have access to such information to provided to the inspection organizations so that an inspection process can be accelerated and additional assurances can be generated. Finally, we have urged Iraq, once again, to increase the degree of its cooperation with the inspection process. In support of the IAEA inspections to date, the Iraqi authorities have provided access to all facilities visited, including presidential compounds and private residences without condition and without delay. The Iraqi authorities also have been cooperative in making available additional original documentation in response to requests by IAEA inspectors.

In our discussion with Iraqi officials last week in Baghdad, we emphasized the need to shift from passive support, that is responding as needed to an inspector's request, to proactive support, that is voluntarily assisting an inspector by providing documentation, people and other evidence that will assist in filling the remaining gaps in our information.

One example of how Iraq could be more proactive was illustrated by the inspection of a private residence just two weeks ago, which resulted in the retrieval of a sizable number of documents, some of which were classified and related in part to Iraq's pre-1991 effort to use laser technology for enriching uranium. While these documents do not appear to reflect new or current activities related to nuclear weapons in Iraq, they may enhance our detailed understanding of certain aspects of Iraq's pre-1991 nuclear program. It is urgent and essential that Iraq on its own initiative identify and provide any additional evidence that would assist inspectors in carrying out their mandate.

This proactive engagement on the part of Iraq would be, as we have told them, in its own best interest and is a window of opportunity that may not remain open for very much longer. Iraq should make every effort to be fully transparent with a demonstrated willingness to resolve issues rather than requiring pressure to do so.

ELBARADEI: The international community will not be satisfied when questions remain open with regard to Iraq weapons of mass destruction. The world is asking for a high level of assurance that Iraq is completely free from all such weapons and is already impatient to receive it.

The sooner such assurance can be provided by the inspecting organizations, the sooner the prospects of a peaceful resolution will translate into a plausible reality.

Inspections are time consuming. I should mention that even in the

case of South Africa, with full and active cooperation was forthcoming, it took the IAEA about two years to complete the process in that country.

If inspection, however, is successful, it can ensure disarmament through peaceful means. It is worth recalling that in our past experience in Iraq the elimination of its nuclear weapon program was mostly accomplished through intrusive inspection. It is also worth recalling that the presence of international inspectors in Iraq today continues to serve as an effective deterrence to an insurance against resumption of programs to develop weapons of mass destruction, even as we continue to look for possible past activities.

Mr. President, to conclude, we have to date found no evidence that Iraq has revived its nuclear weapon program since the elimination of the program in the 1990s. However, our work is steadily progressing and should be allowed to run its natural course. With our verification system now in place, barring exceptional circumstances and provided there is sustained, proactive cooperation by Iraq, we should be able within the next few months to provide credible assurance that Iraq has no nuclear weapon program.

These few months, in my view, would be a valuable investment in peace because they could help us avoid a war. We trust that we will continue to have your support as we make every effort to verify Iraq's nuclear disarmament through peaceful means and to demonstrate that the inspection process can and does work as a central feature of the international nuclear arms control regime.

Message Sent To:

Jennifer H. Mayfield/OVP/EOP@EOP
Jennifer D. Field/OVP/EOP@EOP
Brian V. McCormack/OVP/EOP@EOP
Karen Starr/OVP/EOP@EOP
Debra Heiden/OVP/EOP@EOP

600145

Jessica L. Emond 01/27/2003 12:11:34 PM

Record Type: Record

THE VICE PRESIDENT HAS SEEN

To: See the distribution list at the bottom of this message
cc: Catherine J. Martin/OVP/EOP@EOP, Jennifer Millerwise/OVP/EOP@EOP, A. Merrill Hughes/OVP/EOP@EOP, Bradley A. Meadow/OVP/EOP@EOP
Subject: Hans Blix Remarks to the UN Council

Hans Blix Remarks to the UN Council
January 27, 2003

BLIX: Mr. President, Mr. Secretary General, the resolution adopted by the Security Council on Iraq in November of last year asks UNMOVIC and the IAEA to, quote-unquote, ``update the council 60 days after the resumption of inspections.'' This is today. The updating, it seems, forms part of an assessment by the council and its members of the results so far of the inspections and of their role as a means to achieve verifiable disarmament in Iraq.

As this is an open meeting of the council, it may be appropriate briefly to provide some background for a better understanding of where we stand today.

With your permission, I should do so.

I begin by recalling that inspections as a part of a disarmament process in Iraq started in 1991, immediately after the Gulf War. They went on for eight years, until 1998 when inspectors were withdrawn.

BLIX: Therefore, for nearly four years, there were no inspectors. They were resumed only at end of November last year. While the fundamental aim of inspections in Iraq has always been to verify disarmament, the successive resolutions adopted by the council over the years had varied somewhat in emphasis and approach.

In 1991, Resolution 687 adopted unanimously as a part of the cease-fire after the Gulf War had five major elements; the three first related to disarmament. They called for declarations by Iraq of its programs of weapons of mass destruction and long-range missiles; verification of the declarations through UNSCOM and the IAEA; supervision by these organizations of the destruction or the elimination of proscribed programs and items.

BLIX: After the completion of the disarmament, the council would have the authority to proceed to a lifting of the sanctions and the inspecting organizations would move to long-term, ongoing monitoring and verification.

Resolution 687 in 1991, like the subsequent resolutions I shall refer to, required cooperation by Iraq, but such was often withheld or given grudgingly.

Unlike South Africa, which decided on its own to eliminate its

OVP Staff Secretary Received
1/28/03

nuclear weapons and welcomed the inspection as a means of creating confidence in its disarmament, Iraq appears not to have come to a genuine acceptance, not even today, of the disarmament which was demanded of it and which it needs to carry out to win the confidence of the world and to live in peace.

As we know, the twin operation declare and verify, which was prescribed in Resolution 687, too often turned into a game of hide and seek. Rather than just verify in declarations and supporting evidence, the two inspecting organizations found themselves engaged in efforts to map the weapons programs and to search for evidence through inspections, interviews, seminars, inquiries with suppliers and intelligence organizations.

BLIX: As a result, the disarmament phase was not completed in the short time expected. Sanctions remained and took a severe toll until Iraq accepted the oil-for-food program, and the gradual development of that program mitigated the affects of the sanctions.

The Implementation Resolution 687, nevertheless brought about considerable disarmament results. It has been recognized that more weapons of mass destruction were destroyed under this resolution than were destroyed during the Gulf War. Large quantities of chemical weapons were destroyed under UNSCOM supervision before 1994. While Iraq claims, with little evidence, that it destroyed all biological weapons unilaterally in 1991, it is certain that UNSCOM destroyed large biological weapons production facilities in 1996. The large nuclear infrastructure was destroyed and the fissionable (ph) material was removed from Iraq by the IAEA.

One of three important questions before us today is, how much might remain undeclared and intact from before 1991 and possibly thereafter? The second question is, what, if anything, was illegally produced or procured after 1998 when the inspectors left. And the third question is, how it can be prevented that any weapons of mass destruction be produced or procured in the future?

BLIX: In December 1999, after one year without inspections in Iraq, Resolution 1284 was adopted by the council, with four abstentions. Supplementing the basic resolutions of 1991 and the following years, it provided Iraq with a somewhat less ambitious approach.

In return for cooperation in all respects for a specified period of time, including progress in the resolution of key remaining disarmament tasks, it opened the possibility not for the lifting, but the suspension of sanctions.

For nearly three years, Iraq refused to accept any inspections by UNMOVIC. It was only after appeals by the secretary general and Arab states and pressure by the United States and other member states that Iraq declared on 16 September last year that it would again accept inspections without conditions.

Resolution 1441 was adopted on 8 November last year and

emphatically reaffirmed the demand on Iraq to cooperate. It required this cooperation to be immediate, unconditional and active. The resolution contained many provisions which we welcome as enhancing and strengthening the inspection regime. The unanimity by which it was adopted sent a powerful signal that the council was of one mind in creating a last opportunity for peaceful disarmament in Iraq through inspection.

UNMOVIC shares the sense of urgency felt by the council to use inspection as a path to attain, within a reasonable time, verifiable disarmament of Iraq. Under the resolutions I have cited, it would be followed by monitoring for such time as the council feels would be required.

The resolutions also point to a zone free of weapons of mass destruction as the ultimate goal.

As a subsidiary body of the council, UNMOVIC is fully aware of and appreciates the close attention which this council devotes to the inspections in Iraq. While today's updating is foreseen in Resolution 1441, the council can and does call for additional briefings whenever it wishes. One was held on the 19th of January, and a further such briefing is tentatively set for the 14th of February.

I turn now, Mr. President, to the key requirement of cooperation and Iraq's response to it. Cooperation might be said to relate to both substance and process. It would appear from our experience so far that Iraq has decided in principle to provide cooperation on process, notably access.

A similar decision is indispensable to provide cooperation on substance in order to bring the disarmament task to completion through the peaceful process of inspection and to bring the monitoring task on a firm course.

BLIX: An initial minor step would be to adopt the long overdue legislation required by the resolutions.

I shall deal first with cooperation on process. In this regard, it has regard to the procedures, mechanisms, infrastructure and practical arrangements to pursue inspections and seek verifiable disarmament. While the inspection is not built on the premise of confidence, but may lead to confidence if it is successful, there must nevertheless be a measure of mutual confidence from the very beginning in running the operation of inspection. Iraq has, on the whole, cooperated rather well so far with UNMOVIC in this field.

The most important point to make is that access has been provided to all sites we have wanted to inspect. And with one exception, it has been problems. We have further had a great help in building up the infrastructure of our office in Baghdad and the field office in Mosul. Arrangements and services for our plane and our helicopters have been good.

The environment has been workable. Our inspections have included universities, military bases, presidential sites and private residences. Inspections have also taken place on Fridays, the

Muslim day of rest, on Christmas Day and New Year's Day. These inspections have been conducted in the same manner as all other inspections. We seek to be both effective and correct.

In this updating, I'm bound, however, to register some problems. The first are related to two kinds of air operations. While we now have the technical capability to send a U-2 plane placed at our disposal for aerial imagery and for surveillance during inspections and have informed Iraq that we plan to do so, Iraq has refused to guarantee its safety unless a number of conditions are fulfilled.

As these conditions went beyond what is stipulated in Resolution 1441 and what was practiced by UNSCOM and Iraq in the past, we note that Iraq is not so far complying with our requests. I hope this attitude will change.

Another air operation problem, which was so during our recent talks in Baghdad, concerned the use of helicopters flying into the no-fly zones. Iraq had insisted on sending helicopters of their own to accompany ours.

BLIX: This would have raised a safety problem.

The matter was solved by an offer on our part to take the accompanying Iraqi minders in our helicopters to the sites, an arrangement that had been practiced by UNSCOM in the past.

I'm obliged to note some recent disturbing incidents and harassment. For instance, for some time farfetched allegations have been made publicly that questions posed by inspectors were of an intelligence character. While I might not defend every question that inspectors might have asked, Iraq knows that they do not serve intelligence purposes and Iraq should not say so. On a number of occasions, demonstrations have taken place in front of our offices and at inspection sites. The other day, a site-seeing excursion by five inspectors to a mosque was followed by an unwarranted public outburst. Inspectors went without U.N. insignia and were welcomed in the kind manner that is characteristic of the normal Iraqi attitude to foreigners. They took off their shoes and were taken around. They asked perfectly innocent questions and parted with the invitation to come again. Shortly thereafter, we received protests from the Iraqi authorities about an unannounced inspection and about questions not relevant to weapons of mass destruction. Indeed, they were not.

Demonstrations and outbursts of this kind are unlikely to occur in Iraq with initiative or encouragement from the authorities. We must ask ourselves what the motives may be for these events. They do not facilitate an already difficult job, in which we try to be effective, professional, and at the same time correct. Where our Iraqi counterparties have some complaint, they can take it up in a calmer and less unpleasant manner.

The substantive cooperation required relates above all to the obligation of Iraq to declare all programs of weapons of mass destruction and either to present items and activities for

elimination or else to provide evidence supporting the conclusions that nothing proscribed remains.

Paragraph 9 of Resolution 1441 states that this cooperation shall be, quote/unquote, ``active.'' It is not enough to open doors. Inspection is not a game of catch as catch can. Rather, as I noted, it is a process of verification for the purpose of creating confidence. It is not built upon the premise of trust. Rather, it is designed to lead to trust, if there is both openness to the inspectors and action to present them with items to destroy or credible evidence about the absence of any such items.

On 7th of December, 2002, Iraq submitted a declaration of some 12,000 pages in response to paragraph 3 of Resolution 1441, and within the time stipulated by the Security Council. In the fields of missiles and biotechnology, the declaration contains a good deal of new material and information covering the period from 1998 and onward. This is welcome.

One might have expected that in preparing the declaration Iraq would have tried to respond to, clarify and submit supporting evidence regarding the many open disarmament issues which the Iraqi side should be familiar with from the UNSCOM documents 9994 and the so-called Almarim (ph) report of March 1999. These are questions which UNMOVIC, governments and independent commentators have often cited.

While UNMOVIC has been preparing its own list of current unresolved disarmament issues and key remaining disarmament tasks in response to requirements in the Resolution 1284, we find the issues listed in the two reports I mentioned as unresolved professionally justified.

These reports do not contend that weapons of mass destruction remain in Iraq, but nor do they exclude that possibility. They point to a lack of evidence and inconsistencies which raise question marks which must be straightened out if weapons dossiers are to be closed and confidence is to arise. They deserve to be taken seriously by Iraq, rather than being brushed aside as evil machinations of UNSCOM.

Regrettably, the 12,000-page declaration, most of which is a reprint of earlier documents, does not seem to contain any new evidence that will eliminate the questions or reduce their number. Even Iraq's letter sent in response to our recent discussions in Baghdad to the president of the Security Council on 24th of January does not lead us to the resolution of these issues.

I shall only give some examples of issues and questions that need to be answered, and I turn first to the sector of chemical weapons.

The nerve agent VX is one of the most toxic ever developed. Iraq has declared that it only produced VX on a pilot scale, just a few tons, and that the quality was poor and the product unstable. Consequently, it was said that the agent was never weaponized.

BLIX: Iraq said that the small quantity of agent remaining after the Gulf War was unilaterally destroyed in the summer of 1991. UNMOVIC, however, has information that conflicts with this account. There are indications that Iraq had worked on the problem of purity and stabilization and that more had been achieved than has been declared. Indeed, even one of the documents provided by Iraq indicates that the purity of the agent, at least in laboratory production, was higher than declared.

There are also indications that the agent was weaponized. In addition, there are questions to be answered concerning the fate of the VX precursor chemicals, which Iraq states were lost during bombing in the Gulf War or were unilaterally destroyed by Iraq. I would now like to turn to the so-called air force document that I have discussed with the council before. This document was originally found by an UNSCOM inspector in a safe in Iraqi air force headquarters in 1998, and taken from her (ph) by Iraqi minders. It gives an account of the expenditure of bombs, including chemical bombs by Iraq in the Iraq-Iran War. I'm encouraged by the fact that Iraq has now provided this document to UNMOVIC.

The document indicates that 13,000 chemical bombs were dropped by the Iraqi air force between 1983 and 1998; while Iraq has declared that 19,500 bombs were consumed during this period. Thus, there is a discrepancy of 6,500 bombs. The amount of chemical agent in these bombs would be in the order of about 1,000 tons. In the absence of evidence to the contrary, we must assume that these quantities are now unaccounted for.

The discovery of a number of 122-millimeter chemical rocket warheads in a bunker at the storage depot, 170 kilometers southwest of Baghdad, was much publicized. This was a relatively new bunker, and therefore the rockets must have been moved here in the past few years at a time when Iraq should not have had such munitions. The investigation of these rockets is still proceeding.

Iraq states that they were overlooked from 1991 from a batch of some 2,000 that were stored there during the Gulf War. This could be the case. They could also be the tip of a submerged iceberg. The discovery of a few rockets does not resolve, but rather points to the issue of several thousand of chemical rockets that are unaccounted for. The finding of the rockets shows that Iraq needs to make more effort to ensure that its declaration is currently accurate.

During my recent discussions in Baghdad, Iraq declared that it would make new efforts in this regard and has set up a committee of investigation. Since then, it has reported that it has found four chemical rockets at a storage depot in al-Haji (ph). I might further mention that inspectors have found at another site a laboratory quantity of thiodylykol (ph), a mustard precursor. While addressing chemical issues, I should mention a matter which

I reported on 19th of December last year concerning equipment at a civilian chemical plant at al-Fallujah. Iraq has declared that it had repaired chemical processing equipment previously destroyed under UNSCOM supervision and had installed it at Fallujah for the production of chlorine and phenols. We have inspected this equipment and are conducting a detailed technical evaluation of it. On completion, we will decide whether this and other equipment that has been recovered by Iraq should be destroyed.

I turn to biological weapons. I mention the issue of anthrax to the council on previous occasions, and I come back to it as it is an important one. Iraq has declared that it produced about 8,500 liters of this biological warfare agent, which it states it unilaterally destroyed in the summer of 1991.

BLIX: Iraq has provided little evidence for this production and no convincing evidence for its destruction.

There are strong indications that Iraq produced more anthrax than it declared and that at least some of this was retained over the declared destruction date. It might still exist.

Either it should be found and be destroyed under UNMOVIC supervision or else convincing evidence should be produced to show that it was indeed destroyed in 1991.

As I reported to the council on the 19th of December last year, Iraq did not declare a significant quantity, some 650 kilos or bacterial growth media, which was acknowledged as reported in Iraq's submission to the Almarim (ph) panel in February 1999. As a part of its 7 December, 2002, declaration Iraq resubmitted the Almarim (ph) panel document but they table showing this particular import of media was not included. The absence of this table would appear to be deliberate, as the pages of the resubmitted document were renumbered.

In the letter of 24th of January this year to the president of the Security Council, Iraq's foreign minister stated that, I quote, ``All imported quantities of growth media were declared,' unquote. This is not evidence. I note that the quantity of media involved would suffice to produce, for example, about 5,000 liters of concentrated anthrax.

I turn, Mr. President, now to the missile sector. There remain significant questions as to whether Iraq retained Scud-type missiles after the Gulf War. Iraq declared the consumption of a number of Scud missiles as targets in the development of an anti-ballistic missile defense system during the 1980s, yet no technical information has been produced about that program or data on the consumption of the missiles.

There has been a range of developments in the missile field during the past four years, presented by Iraq in the declaration as non-proscribed activities. We are trying to gather a clear understanding of them through inspections and on-site discussions.

Two projects in particular stand out. They are the development of

a liquid-fueled missile named Al-Samud II (ph) and a solid propellant missile called Al-Fatam (ph). Both missiles have been tested to arrange in excess of the permitted range of 150 kilometers, with the Al-Samud II (ph) being tested to a maximum of 183 kilometers and the Al-Fatam (ph) to 161 kilometers. Some of both types of missiles have already been provided to the Iraqi armed forces, even though it is stated that they're still undergoing development.

The Al-Samud's (ph) diameter was increased from an earlier version to the present 760 millimeters. This modification was made despite a 1994 letter from the executive chairman of UNSCOM directing Iraq to limit its missile diameters to less than 600 millimeter. Furthermore, a November 1997 letter from the executive chairman of UNSCOM to Iraq prohibited the use of engines from certain surface-to-air missiles for the use in ballistic missiles.

During my recent meeting in Baghdad, we were briefed on these two programs. We were told that the final range for both systems would be less than the permitted maximum of 150 kilometers. These missiles might well represent prima facie cases of proscribed systems. The test ranges in excess of 150 kilometers are significant, but some further technical considerations need to be made before we reach a conclusion on this issue. In the meantime, we have asked Iraq to cease flight tests of both missiles.

In addition, Iraq has refurbished its missile production infrastructure. In particular, Iraq reconstituted a number of casting chambers which had previously been destroyed under UNSCOM's supervision. They had been used in the production of solid fuel missiles.

Whatever missile system these chambers are intended for, they could produce motors for missiles capable of ranges significantly greater than 150 kilometers.

Also associated with these missiles and related developments is the import which has been taking place during the last two years of a number of items despite the sanctions, including as late as December 2002. Foremost among these is import of 300 rockets engines which may be used for the Al-Samud II (ph).

Iraq has also declared the recent import of chemicals used in propellants, test instrumentation and guidance and control system. These items may well be for proscribed purposes; that is yet to be determined.

What is clear is that they were illegally brought into Iraq; that is, Iraq or some company in Iraq circumvented the restrictions imposed by various resolutions.

Mr. President, I have touched upon some of the disarmament issues that remain open and that need to be answered if dossiers are to be closed and confidence is to arise.

Which are the means at the disposal of Iraq to answer these questions?

BLIX: I have pointed to some during my presentation of the issues, let me be a little more systematic. Our Iraqi counterparts are fond of saying that there are no proscribed items and if no evidence is presented to the contrary, they should have the benefit of the doubt; be presumed innocent. UNMOVIC, for its part, is not presuming that there are proscribed items and activities in Iraq. But nor is it, or I think anyone else, after the inspections between 1991 and '98 presuming the opposite, that no such items and activities exist in Iraq. Presumptions do not solve the problem; evidence and full transparency may help.

Let me be specific. Information provided by member-states tells us about the movement and concealment of missiles and chemical weapons and mobile units for biological weapons production. We shall certainly follow-up any credible leads given to us and report what we might find, as well as any denial of access. So far, we have reported on the recent find of a small number of empty 122-millimeter warheads for chemical weapons. Iraq declared that it appointed a commission of inquiry to look for more. Fine. Why not extend the search to other items? Declare what may be found and destroy it under our supervision.

When we have urged our Iraqi counterparts to present more evidence, we have all too often met the response that there are no more documents. All existing relevant documents have presented, we are told. All documents relating to the biological weapons program were destroyed together with the weapons. However, Iraq has all the archives of the government and its various departments, institutions and mechanisms. It should have budgetary documents, requests for funds and reports and how they have been used. They should also have letters of credit and bills of lading, reports and production and losses of material.

In response to a recent UNMOVIC request for a number of specific documents, the only new documents Iraq provided was a ledger of 1,093 pages which Iraq stated included all imports from 1983 to 1990 by the Technical and Scientific Importation Division, the importing authority for the biological weapons programs.

Potentially, it might help to clear some open issues.

The recent inspection find in the private home of a scientist of a box of some 3,000 pages of documents, much of it relating to the lacing (ph) enrichment of uranium, support a concern that has long existed that documents might be distributed to the homes of private individuals. This interpretation is refuted by the Iraqi side which claims that research staff sometimes may bring papers from their work places.

On our side, we cannot help but think that the case might not be isolated and that such placements of documents is deliberate to make discovery difficult and to seek to shield documents by placing them in private homes.

Any further sign of the concealment of documents will be serious. The Iraqi side committed itself at our recent talks to encourage

persons to accept access also to private sites. There can be no sanctuaries for proscribed items, activities or documents. A denial of prompt access to any site will be very serious matter. When Iraq claims that tangible evidence in the form of documents is not available, it ought, at least, to find individuals, engineers, scientists and managers (ph) to testify about their experience. Large weapons programs are moved and managed by people. Interviews with individuals who may have worked in programs in the past may fill blank spots in our knowledge and understanding. It could also be useful to learn that they are now employed in peaceful sectors. These are the reasons why UNMOVIC ask for a list of such persons in accordance with Resolution 1441.

Some 400 names for all biological and chemical weapons programs, as well as their missile programs, were provided by the Iraqi side. This can be compared to over 3,500 names of people associated with those past weapons programs that UNSCOM either interviewed in the 1990s or knew from documents and other sources.

BLIX: At my recent meeting in Baghdad, the Iraqis have committed themselves to supplementing the list, and some 80 additional names have been provided.

In the past, much valuable information came from interviews. There are also cases in which the interviewee was clearly intimidated by the presence of an interruption (ph) by Iraq officials.

This was the background to Resolution 1441's provision for a right for UNMOVIC and the IAEA to hold private interviews, I quote, ``in the mode or the location,' ' unquote of our choice in Baghdad or even abroad.

Today, 11 individuals were asked for interviews in Baghdad by us. The replies have been that the individual would only speak at Iraq's Monitoring Directorate or at any rate in the presence of an Iraq official.

This could be due to a wish on the part of the invited to have evidence that they have not said anything that the authorities did not wish them to say. At our recent talks in Baghdad, the Iraqi side committed itself to encourage persons to accept interviews in private, that is to say alone with us. Despite this, the pattern has not changed.

However, we hope that with further encouragement from the authorities, knowledgeable individuals will accept private interviews in Baghdad or abroad.

Mr. President, I must not conclude this update without some notes on the growing capability of UNMOVIC. In the past two months, UNMOVIC has built up its capabilities in Iraq from nothing to 260 staff members from 60 countries. This includes approximately 100 UNMOVIC inspectors, 60 air operations staff, as well as security personnel, communication, translation and interpretation staff, medical support and other services at our Baghdad office and also

(ph) Mosul field office.

All serve the United Nations and report to no one else. Furthermore, I'll roster of inspectors will continue to grow as our training program continues. Even at this moment, we have a training course in session in Vienna. At the end of that course, we should have a roster of about 350 qualified experts from which to draw inspectors.

The team supplied by the Swiss government is refurbishing our office in Baghdad which had been empty for four years. The government in New Zealand has contributed both a medical team and a communications team. The German government will contribute unmanned aerial vehicles for surveillance and a group of specialists to operate them for us within Iraq. And the government of Cyprus has kindly allowed us to set up a field office in Larnaca.

All of these contributions have an assistance in quickly starting up our inspections and enhancing our capabilities, so has help from the U.N. in New York and from sister organizations in Baghdad.

In the past two months, during which we have built up our presence in Iraq, we have conducted about 300 inspections to more than 230 different sites. Of these, more than 20 were sites that had not been inspected before.

By the end of December, UNMOVIC began using helicopters, both for the transport of inspectors and for actual inspection work. We now have eight helicopters. They have already proved invaluable in helping to freeze large sites by observing the movement of traffic in and around the area.

Setting up the field office in Mosul has facilitated rapid inspections of sites in northern Iraq. We plan to establish soon a second field office in the Basra area where we have already inspected a number of sites.

Mr. President, we now have an inspection apparatus that permits us to send multiple inspections teams every day all over Iraq by road or by air. Let me end by simply noting that that capability, which has been built up in a short time and which is now operating, is at the disposal of the Security Council.

Message Sent To:

Jennifer H. Mayfield/OVP/EOP@EOP
Jennifer D. Field/OVP/EOP@EOP
Brian V. McCormack/OVP/EOP@EOP
Debra Heiden/OVP/EOP@EOP
Karen Starr/OVP/EOP@EOP

605/45

Serving Notice Of A New US, Poised To Hit First And Alone (NYT, A1)

By MICHAEL R. GORDON

The New York Times

January 27, 2003

THE VICE PRESIDENT HAS SEEN

WASHINGTON, Jan. 26 - One year after President Bush declared Iraq to be part of an "axis of evil," the United States appears ready to carry out its new doctrine authorizing pre-emptive attacks on hostile states and terrorists who represent potential threats to the United States.

While the Bush administration would prefer to have the broad support of United Nations Security Council members before it invades Iraq, it put the world community on notice today that it is fully prepared to act on its own.

"Multilateralism cannot become an excuse for inaction," Secretary of State Colin L. Powell said today, referring to the uphill battle to achieve a consensus at the Security Council.

He later added, "We continue to reserve our sovereign right to take military action against Iraq alone or in a coalition of the willing."

The United States has long reserved the right to strike first to defend American troops and territory against imminent threats. But experts say the pre-emption policy is remarkable for several reasons.

Since the terrorist attacks of Sept. 11, the Bush administration has turned pre-emption from an option into a cardinal principle of its foreign policy. It has also made the case for pre-empting threats that are not immediate, but merely prospective, as in the case of Iraq.

Importantly, the administration has talked about pre-emption in a very public way. Pre-emption is no longer a contingency to be discussed behind closed doors, but is advertised in strategy documents, proclaimed in presidential speeches and noted on the White House Web site.

Senior Bush administration officials emphasize that pre-emption is just one of several ways to cope with terrorist threats and the dangers posed by the spread of nuclear, biological and chemical arms. They say the doctrine is needed to deter potential adversaries from developing weapons of mass destruction and to reassure the American public, shaken by the terrorist attacks on the World Trade Center and the Pentagon, that the government will protect them.

"The 9/11 attacks gave Americans a sense for the first time that they are vulnerable, and they have an expectation that their government will take action to reduce and eliminate threats," said a senior administration official.

"There is also a deterrent element for the bad guys," the official added. "And quite frankly we have to tell the rest of the world community that the world is different, that this is going to require some new measures and that they are probably going to have to act pre-emptively, too."

But the doctrine has many critics, Republicans as well as Democrats. However the Iraq issue is resolved, they say the administration's very public declarations that it has the right to initiate military action has exacerbated the strains between the United States and its allies, particularly because it comes amid unease over the unilateralist streak in administration policy and the United States role as the world's sole military superpower.

"It is not clear to me what advantage there is in declaring it publicly," said Brent Scowcroft, the national security adviser who served the first President Bush, said of the pre-emption policy. "It has been common knowledge that under some circumstances the U.S. would pre-empt. As a declaratory policy it tends to leave the door open to others who want to claim the same right. By making it public we also tend to add to the world's perception that we are arrogant and unilateral."

OVP Staff Secretary Received

1/28/03

Zbigniew Brzezinski, President Jimmy Carter's national security adviser, said the doctrine might "stimulate excessive anxieties" about American policy.

"The image you get of America in the polls abroad is an America that is admired for what it is domestically but increasingly viewed with apprehension for how it conducts itself internationally," Mr. Brzezinski added. "I don't think that is good. I am a great supporter of American power. We are the essential element of global stability. But our power is not so enormous that we can afford progressively to lose the element of legitimacy of that power."

The Precedent

Echoing Ideas of Another Time

The principal themes in the Bush administration's national security strategy echo arguments made by staunch conservatives a decade ago.

When Vice President Dick Cheney was defense secretary during the administration of the first President Bush, his aides drafted a document, known as the Defense Planning Guidance, which included many of the provocative themes that the current administration has embraced. The Cheney aides involved in the effort included Paul D. Wolfowitz, now the deputy defense secretary; I. Lewis Libby, now Mr. Cheney's chief of staff, and Zalmay Khalilzad, now the White House envoy to the Iraqi resistance.

The draft document argued that the United States should be prepared to use force if necessary to prevent the spread of nuclear weapons. It argued that the goal of American policy should be to maintain United States military primacy and discourage the emergence of a rival superpower. It argued that military coalitions should not necessarily be based on formal alliances but rather on ad hoc assemblies of nations, a practice that meant Washington would not necessarily be bound by the view of its allies.

The draft document stimulated an intense debate when its existence became known, and Mr. Cheney's aides rushed to tone it down.

"The ideas were seen as controversial because they were coming from the Defense Department," one United States official recalled. "And Bush senior was not too comfortable in thinking in those kind of terms."

It was far from clear during the 2000 election campaign that the administration of George W. Bush would revive that agenda. Condoleezza Rice, the president's national security adviser, even argued during the campaign that if Iraq and North Korea developed weapons of mass destruction they could be deterred.

"If they do acquire WMD [weapons of mass destruction] their weapons will be unusable, because any attempt to use them will bring national obliteration," she wrote in an article in Foreign Affairs in 2000.

Several factors seem to have accounted for the change. As president, George W. Bush and his top aides have turned out to be more conservative than his father and his advisers.

The attacks of Sept. 11 have also transformed American policy. Mr. Bush developed a more aggressive strategy for contending with threats to the United States and gave hard-liners in his administration a fresh opportunity to press their old agenda of ousting Saddam Hussein.

The Changes

Efforts to Pinpoint and Prevent Threats

Mr. Bush's first State of the Union address was an early sign of the impending changes, casting Iraq, Iran and North Korea as part of an "axis of evil," nations whose pursuit of weapons of mass destruction made them a "grave and growing danger."

Mr. Bush followed with a speech at West Point in June in which he argued that deterrence and containment were no longer adequate and vowed to "take the battle to the enemy."

The more elaborate expression of the doctrine is in the administration's National Security Strategy, issued in September. The initial draft was prepared by the staff of the National Security Council but rejected by Mr. Bush, who insisted on a document that would more directly reflect his own principles and which would be in his own voice.

"Sept. 11 has had a transforming effect on people's thinking," a Bush administration official said. "There is a recognition that in this new era you need to do more beforehand, that it is much better to be proactive to prevent threats from emerging. What the strategy document does is provide a framework for planners and foreign policy."

The document made clear that pre-emption was just one way of dealing with potential threats, but it gave more weight to it than before. It emphasized the need for taking "anticipatory action" even if there was some uncertainty about the timing of the enemy's plans.

Experts say Mr. Bush was not talking just about pre-emption in the narrow sense, when an attack seemed imminent, but of the possibility of preventive war to stop threats before they materialize.

In the case of Iraq, Bush administration officials have justified the threat to invade on the grounds that it is implementing United Nations Security Council resolutions. Some have argued that Iraq is, therefore, not a case of pre-emption but an effort to enforce the will of the international community.

But experts say the spirit of the pre-emption policy is driving the Bush administration's Iraq policy. A full-scale invasion and occupation of Iraq is not the only way to enforce the United Nations resolutions and, as Mr. Powell made clear today, the administration is prepared to act in the face of allied objections and without the explicit authorization of the Security Council.

The Debate

Differing Views of Deterrence

As the United States has begun military preparations for an attack on Iraq, the pre-emption policy has fueled a wide-ranging debate. One major argument for the policy, administration officials say, is the possibility that a state like Iraq might give weapons to terrorists, who would use them to attack the United States.

A devastating attack might be carried out, but United States authorities would not know who sponsored it. So, the only way to ensure that the United States is defended to is go to the source: the weapon-producing state itself.

"Containment and deterrence goes back to an era when the only use of force we worried about was one in which the use of force could be directly associated with a country, and that country had an address," Mr. Wolfowitz said. "The whole thing that terrorists introduce is that you not only do not see the threat coming but you do not know where it came from."

Critics, like James B. Steinberg, the deputy national security adviser to President Bill Clinton, say Iraq and other countries would be taking a huge risk by giving such weapons to terrorists because the plot might be uncovered. As a result, they say, there is no reason to think they would not continue to be deterred.

In an October letter to Congress, the Central Intelligence Agency said Iraq was unlikely to sponsor a terrorist attack in the United States with weapons of mass destruction as long as the United States did not attack it.

Another argument for the policy is that by using the threat of force to compel Iraq to disarm voluntarily or taking military action against Baghdad if it refuses, Washington will deter hostile states from pursuing weapons programs or supporting terrorists.

"Whichever way it comes out, disarming Saddam of his weapons of mass destruction, demonstrating to people who are trying to follow in his tracks that the world will ultimately cause you to fail, is a very good demonstration," Mr. Wolfowitz said.

Critics say the administration has undercut that message by declaring a policy that is too sweeping.

The administration, they say, has targeted Iraq because it is weak militarily but has all but ruled out force in the case of North Korea, which the C.I.A. says probably has one or two nuclear weapons. Nor is the administration threatening Iran, which is trying to develop nuclear weapons but is caught up in an internal debate over its policy toward the West. The doctrine of pre-emption, they say, applies to only one of the three "axis of evil" states.

"I think one of the mistakes associated with the articulation of the policy is the very fact that it was made a policy," said Joseph P. Hoar, a retired four-star Marine general and the former head of the United States Central Command. "Pre-emptive strikes have always been a possibility for the U.S. government. It is just that it was never made a declaratory statement of policy."

"I am sometimes concerned that the neo-conservatives in Washington are very quick to play the military card," General Hoar added.

Responding to criticism that it has put too much emphasis on pre-emption, Ms. Rice emphasized in an October speech that Washington had understood from the start that pre-emption could only be undertaken with great caution. The speech came at a time when the United States was striving to mobilize support in the Security Council for its Iraq policy.

"The number of cases in which it might be justified will always be small," Ms. Rice said of pre-emption during the speech. "It does not give a green light to the United States or any other nation to act first without exhausting other means, including diplomacy. Pre-emptive action does not come at the beginning of a long chain of effort. The threat must be very grave."

As Mr. Bush prepares for his second State of the Union address, however, officials have signaled that the administration believes it is at the end of that chain in the case of Iraq and is prepared to shed the mantle of multilateral action if it must and act alone.

As Mr. Powell said today, "We will not shrink from war if that is the only way to rid Iraq of its weapons of mass destruction."

605/45

Jessica L. Emond 01/27/2003 12:42:06 PM

Record Type: Record

THE VICE PRESIDENT
HAS SEEN

To: See the distribution list at the bottom of this message
cc: Jennifer Millerwise/OVP/EOP@EOP, A. Merrill Hughes/OVP/EOP@EOP, Catherine J. Martin/OVP/EOP@EOP
Subject: Ambassador Negroonte Remarks

This was joined "in progress" if I can get the remarks in their entirety I will send them around. Thanks

Ambassador Negroonte Remarks

January 27, 2003

In Progress...

NEGROPONTE: ... pass Resolution 1441 and gave Iraq a final opportunity to voluntarily disarm. Unfortunately, nothing we have heard today gives us hope that Iraq intends to fully comply with Resolution 1441 or any of the 16 resolutions that preceded it over the last 12 years.

The purpose of 1441 was disarmament. It was never the task of the inspectors to look under every rock to find Iraq's hidden weapons. Inspections are a means to verifying and achieving disarmament when a country has determined that it will voluntarily disarm.

Inspections are a means to an end, and they cannot be expected to achieve disarmament when a country has an active program of denial and deception as is the case with Iraq.

The international community knows what voluntary disarmament looks like. We have seen it with South Africa, the Ukraine and other nations. And what we have seen from Iraq over the past 12 years and over the past 80 days is not it.

Resolution 1441 presented Iraq with at least two important tests: First, would Iraq submit a currently accurate, full and complete declaration of all aspects of its WMD program and delivery systems?

And Second, would Iraq cooperate immediately, unconditionally and actively with UNMOVIC and IAEA?

What we have seen over the past 80 days is that, in spite of the urgency introduced in Resolution 1441, Iraq is back to business as usual. The danger is that the council may return to business as usual as well.

We received a revealingly inadequate declaration that the inspectors themselves have called rich in volume and poor on information. It was a declaration that did not even address the most basic questions of concern, dating back to 1999 as contained in the compendium of outstanding disarmament issues prepared by

OVP Staff Secretary Received
1/27/03

UNSCOM. And we have seen nothing since the December 7 declaration to indicate that they plan to remedy this situation and come into compliance with Resolution 1441.

NEGROPONTE: In the past few weeks alone, inspectors found 12 chemical warheads that should have been in the declaration but were not. They also found 3,000 pages of secret Iraqi government documents, documents, I would note that should've been included in the declaration, but were not--hidden in the home of an Iraqi scientist.

This is physical evidence that Iraq's declaration is inaccurate and incomplete.

In terms of cooperation, there is an entire state apparatus in Iraq whose sole purpose is to obstruct the inspections.

Inspectors are outnumbered by minders, sometimes by as many as five-to-one, each time they head out on a mission.

Iraq has canceled interviews and has refused Dr. Blix's request to employ the U-2 reconnaissance aircraft, a clear violation of Resolution 1441.

They are not cooperating unconditionally. Iraq is failing both of these tests. And in the days ahead, we believe the council and its member governments must face its responsibilities and consider what message--council and resolution--sends to Iraq and other proliferators. It benefits no one to let Saddam think he can wear us down into business as usual as he has practiced it over the past 12 years.

Thank you very much...

(CROSSTALK)

QUESTION: Which way America will go? Will go unilaterally, or it still wants to work with the Security Council?

NEGROPONTE: We're going to go into these consultations now and again on Wednesday, and I'm sure there'll be more on all of this as the situation unfolds, but I must excuse myself.

Message Sent To:

Jennifer H. Mayfield/OVP/EOP@EOP
Jennifer D. Field/OVP/EOP@EOP
Brian V. McCormack/OVP/EOP@EOP
Debra Heiden/OVP/EOP@EOP
Karen Starr/OVP/EOP@EOP

60545



THE VICE PRESIDENT HAS SEEN

OFFICE OF THE VICE PRESIDENT
WASHINGTON

January 27, 2003

MEMORANDUM FOR THE VICE PRESIDENT

THROUGH: LEWIS LIBBY, CHIEF OF STAFF *ML*

FROM: ERIC EDELMAN, PRINCIPAL DEPUTY ASSISTANT *ML*
(Prepared by Joe Wood, Special Advisor) *JW*

SUBJECT: INFORMATION: Letter from Turkish AK Leader Erdogan

The attached letter from Turkish AK Party Leader Erdogan thanks you for meeting him and invites you to Turkey at a suitable time.

No reply is necessary at this time.

ATTACHMENT

January 21 Letter from Erdogan

OVP Staff Secretary Received
1/28/03

Wood, Joseph R. (OVP)

Subject: FW: LETTER FOR VICE PRESIDENT CHENEY FROM AKP CHAIRMAN ERDOGAN

Embassy received diplomatic note dated January 21 from MFA requesting us to forward a letter to Vice President Cheney [UNCLASSIFIED, Record]

Categories: CABLE

P 241548Z JAN 03
FM AMEMBASSY ANKARA
TO RUEHC/SECSTATE WASHDC PRIORITY 7501
[Cable Text]
UNCLAS ANKARA 000613

E.O. 12958: N/A
TAGS: PREL, OPDC, TU
SUBJECT: LETTER FOR VICE PRESIDENT CHENEY FROM AKP CHAIRMAN ERDOGAN

Embassy received diplomatic note dated January 21 from MFA requesting us to forward a letter to Vice President Cheney from AK Party Chairman Recep Tayyip Erdogan. Original will follow. Below is the translation of the text:

His Excellency
Dick Cheney
Vice President
United States of America

I would like to thank you for the warm attention you paid to me and my delegation during my visit to your country. I believe that the sincere and constructive talks we conducted should contribute to further improving our bilateral relations and cooperation in every field. I would like to invite you to Turkey at a suitable time for you and continue our talks.

Taking advantage of this opportunity, I would like to reiterate my best wishes for your personal health and happiness and for the prosperity and happiness of the friendly American people.

Sincerely,

/S/

Recep Tayyip Erdogan
Chairman
Justice and Development Party

PEARSON

60545

THE VICE PRESIDENT HAS SEEN

Economic News Summary for January 27, 2003
Prepared by OVP Domestic Policy

Bush Economic Plan

- **Dividend-Tax Cut Plan Draws More Fire From Friends, Foes; Daschle Calls Plan 'Dead On Arrival'; Greenspan Plays Down Economic Effect (WSJ) by Shailagh Murray.** "Opposition to President Bush's dividend-tax cut intensified on Capitol Hill, as Senate Democratic Leader Tom Daschle declared it 'dead on arrival' and Federal Reserve Chairman Alan Greenspan played down its short-term stimulative effect on the economy. ... Speaking privately to a group of senators Thursday, Mr. Greenspan said the U.S. economy is recovering without additional fiscal stimulus. In any case, he said Mr. Bush's proposed \$670 billion of tax cuts would provide the economy with little near-term effect, according to people familiar with the meeting, which was set up by Sen. John Breaux (D., La.) to hear Mr. Greenspan's views on the economy and government fiscal policy. Members of the bipartisan group said they concluded from the session that the central-bank chairman wants Congress to pass a much smaller stimulus package, or none at all."
- **The Really Unfair Tax (Time) by Donald Barlett and James Steele.** "[When President Bush unveiled his economic-stimulus plan earlier this month, he] was silent about the biggest double tax of all, one that hits every working American, not just the one-fourth of tax-return filers who report stock dividends. It's the income tax layered upon the portion of a worker's paycheck that is withheld to pay Social Security and Medicare taxes. Say a family has \$60,000 in wage income. Of that, \$3,720 is deducted from its paychecks for Social Security taxes, and an additional \$870 is taken out for the Medicare tax. That's \$4,590 that the family never sees. Nevertheless that money is taxed as personal income, as if the family received it. ... Some 10 million Americans are triple taxed, and that group's ranks swell by 1 million a year. When retirees begin to collect Social Security benefits, the income tax is again imposed on up to 85% of their benefits for those whose overall income exceeds a fixed level. For a husband and wife, it's \$32,000 a year. For a single person, it's \$25,000. ... [An estimated] 100 million wage earners would profit from elimination of the double tax on Social Security and Medicare. And some 90% of those people take home less than \$100,000 a year. ... Six years ago, several members of Congress took note of the inequity. That April, a Missouri lawmaker introduced legislation, called the Working Americans Wage Restoration Act, to make Social Security taxes deductible from income. ... The legislator? None other than John Ashcroft, then a Senator and now President Bush's Attorney General."

Energy News

- **Oil Firm Earnings to Rise From Venezuela Strike (WSJ) by Bhushan Bahree and Thaddeus Herrick.** "The top 10 oil companies operating in Venezuela are losing nearly \$7 million a day because of a sharp decline in Venezuelan oil production. For most of them, that's a small price for what is proving to be a financial bonanza. Venezuela's prolonged strike has helped push oil prices to more than \$30 a barrel and resulted in production increases for several member nations of the Organization of Petroleum Exporting Countries, where many of the same companies operate. Since the amount of oil major companies produce in Venezuela is a tiny fraction of their overall production, they are benefiting along with virtually every other oil producer in the world. One exception: Petroleos de Venezuela SA, Venezuela's national oil company. ... Earnings among major oil companies for the

OVP Staff Secretary Received

1/28/03

fourth quarter of 2002, to be released this week, are expected to be 51% higher than a year earlier, in part because of Venezuela's turmoil, according to Bruce Lanni, an analyst at A.G. Edwards Inc. Exploration and production profit at ChevronTexaco Corp., whose 120,000-barrel-a-day production in Venezuela has been roughly halved, are expected to triple, Mr. Lanni said."

Miscellaneous

- **[Microsoft Chairman Bill] Gates Pledges \$200 Million for Overlooked Medical Research**

MATRIX—Multistate Anti-Terrorism Information Exchange

The Office of Justice Programs, U.S. Department of Justice, initiated funding for a pilot, proof-of-concept project titled the Multistate Anti-Terrorism Information Exchange (MATRIX). The MATRIX pilot project was initiated in response to the increased need for timely information sharing and exchange of terrorism-related information among members of the law enforcement community.

- ◆ The MATRIX pilot project is an effort to increase and enhance the exchange of sensitive terrorism and other criminal activity information between local, state, and federal agencies.
- ◆ The project leverages and integrates existing and proven technology to provide a new capability to assist law enforcement in identifying and analyzing terrorist and other criminal activity, and appropriately disseminating it to law enforcement agencies nationwide in a secure, efficient, and timely manner.

Organizational Structure

The organizational structure for implementation and operation of the MATRIX pilot project ensures each participant a voice in the project administration. The MATRIX pilot project has been awarded a \$4 million budget by the Office of Justice Programs, Bureau of Justice Assistance, U.S. Department of Justice, for:

1. Database integration
2. Hardware
3. Software
4. Network support to a multistate coalition of law enforcement agencies

Thirteen states have been selected for inclusion in the pilot project, with the desire to expand the system nationwide once the pilot testing is completed and the success of the concept documented.

The project has three primary objectives:



1 Use data mining and data integration technology to improve the usefulness of information contained in multiple types of document storage systems

The MATRIX project is implementing data mining capabilities to integrate disparate data from many types of Web-enabled storage systems to identify, develop, and analyze terrorist activity and other crimes for investigative leads. This capability will facilitate integration and exchange of information within the participating states to include criminal history, driver license data, vehicle registration records, and incarceration/corrections records including digitized photographs to be integrated with millions of public data record entries. It will facilitate integration and exchange of information with other states, as well as within the participating states. The use of data mining technology will save countless investigative hours and significantly improve the opportunity for successful conclusion of investigations.

Data Security

Information submitted by a state may only be disseminated in accordance with restrictions and conditions placed on it by the submitting state, pursuant to the submitting state's laws and regulations. **Information will be made available only to law enforcement agencies, and on a need-to-know and right-to-know basis.** Data access permissions will be conditioned on the privileges of the user making the inquiry.



2 Provide a mechanism for states to become nodes on the RISS secure intranet (riss.net) for electronic information exchange among participating agencies

The communications backbone for the MATRIX project is the Regional Information Sharing Systems (RISS) network called riss.net, which is an existing secure network with a proven track record of transmitting sensitive information among law enforcement agencies. In addition to linking the six regional RISS center resources, this network currently provides connectivity for the High Intensity Drug Trafficking Areas, United States Attorneys' Offices, other federal agencies, and several state law enforcement systems. This network is based on standards that will allow other state and federal systems to interoperate. The riss.net system represents a cost-effective solution and a way to rapidly implement the project.

Each of the 13 participating MATRIX state agencies is establishing electronic connection as a node on riss.net. End-user accounts will be enabled for authorized participating state and local law enforcement agency users in each state. This connectivity will allow secure communications with other participating agencies, as well as the RISS centers, and allow secure access to the Web-enabled document storage systems.



3 Encourage the exchange of information via secure state Web sites

For networking and information sharing to be effective, data must be made available over the network to authorized users. **Utilizing the access controls employed by the RISS system, secure Web sites are being created and deployed for each state** to enable information to be disseminated to the appropriate audience. These Web sites provide a familiar vehicle for MATRIX participants to post and review anti-terrorism and alert information.

This system will ensure that state and local law enforcement officers—the individuals most likely to come into direct contact with terrorists or other criminals—have the best information (accurate and complete) available to them in a timely manner. It will also provide a mechanism for local officers to report important information they collect "on the street" back to state and federal authorities. **Implementation of this pilot capability represents an important component of an overall prevention strategy, critical to United States homeland security.**

606145

The MATRIX pilot project integrates existing and proven technology to provide a new capability to assist law enforcement

For more information:

Commissioner James T. Moore
Florida Department of Law Enforcement
Chairman of the MATRIX Executive Committee
Phone: (850) 410-7001
E-mail: timmoore@fdle.state.fl.us

Mr. R. Clay Jester
Institute for Intergovernmental Research
MATRIX Project Coordinator
Phone: (850) 385-0600, extension 279
E-mail: cjester@iir.com

MATRIX pilot project participating states and the contacts in each state

California

Mr. Patrick N. Lunney
Director
California Department of Justice
Mr. George Vinson
Special Advisor on State Security
California Governor's Office

Florida

Commissioner James T. Moore
Florida Department of Law Enforcement

Georgia

Mr. Vernon Keenan
Acting Director
Georgia Bureau of Investigation

Kentucky

Lieutenant Colonel Rodney Brewer
Kentucky State Police

Louisiana

Lieutenant Colonel Mark Oxley
Louisiana State Police

Michigan

Lieutenant Colonel Robert Bertee
Michigan State Police

New York

Lieutenant Colonel Steven Cumoletti
New York State Police

Ohio

Mr. Ted A. Almay
Superintendent
Bureau of Criminal Identification and Investigation
Ohio Office of the Attorney General

Oregon

Mr. Ronald C. Ruecker
Superintendent
Oregon State Police

Pennsylvania

Major Ralph Periandi
Pennsylvania State Police

South Carolina

Chief Robert M. Stewart
South Carolina Law Enforcement Division

Texas

Chief Marshall Caskey
Texas Department of Public Safety

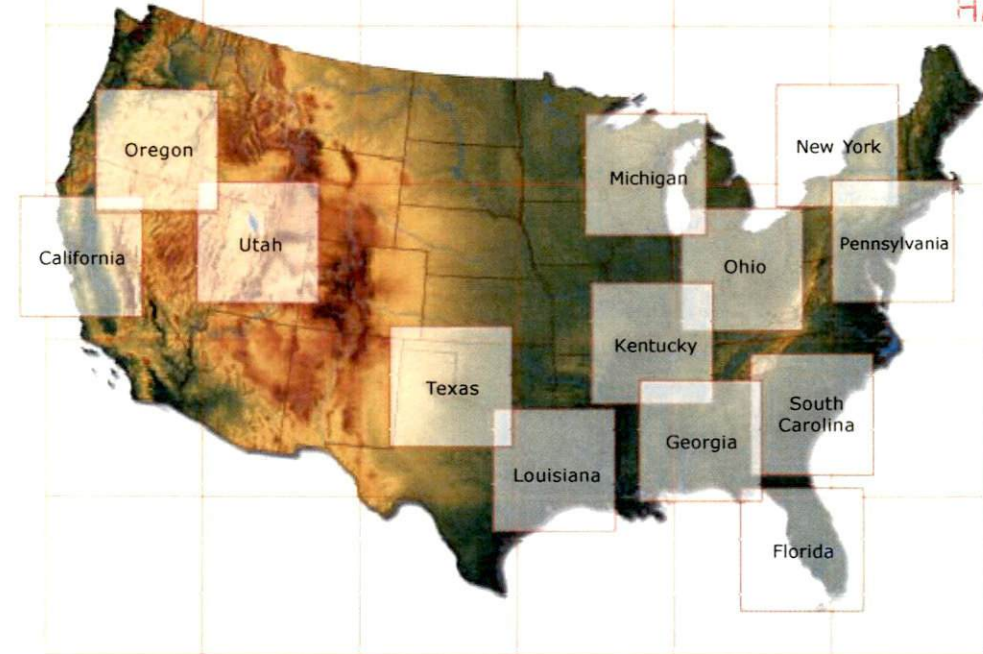
Utah

Mr. Verdi White
Deputy Assistant
Utah Governor's Office

MATRIX

Multistate Anti-Terrorism Information EXchange

THE VICE PRESIDENT HAS SEEN



MATRIX Project—a pilot effort to increase and enhance the exchange of sensitive terrorism and other criminal activity information between local, state, and federal law enforcement agencies

OVP Staff Secretary Received 1/27/03

MATRIX—Multistate Anti-TerR

The Office of Justice Programs, U.S. Department of Justice, initiated funding for a pilot, proof-of-concept project titled the Multistate Anti-Terrorism Information Exchange (MATRIX). The MATRIX pilot project was initiated in response to the increased need for timely information sharing and exchange of terrorism-related information among members of the law enforcement community.

- ◆ The MATRIX pilot project is an effort to increase and enhance the exchange of sensitive terrorism and other criminal activity information between local, state, and federal agencies.
- ◆ The project leverages and integrates existing and proven technology to provide a new capability to assist law enforcement in identifying and analyzing terrorist and other criminal activity, and appropriately disseminating it to law enforcement agencies nationwide in a secure, efficient, and timely manner.

Organizational Structure

The organizational structure for implementation and operation of the MATRIX pilot project ensures each participant a voice in the project administration. The MATRIX pilot project has been awarded a \$4 million budget by the Office of Justice Programs, Bureau of Justice Assistance, U.S. Department of Justice, for:

1. Database integration
2. Hardware
3. Software
4. Network support to a multistate coalition of law enforcement agencies

Thirteen states have been selected for inclusion in the pilot project, with the desire to expand the system nationwide once the pilot testing is completed and the success of the concept documented.

The project has three primary objectives:



Use data mining and data integration technology to improve the usefulness of information contained in multiple types of document storage systems

The MATRIX project is implementing data mining capabilities to integrate disparate data from many types of Web-enabled storage systems to identify, develop, and analyze terrorist activity and other crimes for investigative leads. This capability will facilitate integration and exchange of information within the participating states to include criminal history, driver license data, vehicle registration records, and incarceration/corrections records including digitized photographs to be integrated with millions of public data record entries. It will facilitate integration and exchange of information with other states, as well as within the participating states. The use of data mining technology will save countless investigative hours and significantly improve the opportunity for successful conclusion of investigations.

Data Security

Information submitted by a state may only be disseminated in accordance with restrictions and conditions placed on it by the submitting state, pursuant to the submitting state's laws and regulations. **Information will be made available only to law enforcement agencies, and on a need-to-know and right-to-know basis.** Data access permissions will be conditioned on the privileges of the user making the inquiry.

rorism Information EXchange

tives:



Provide a mechanism for states to become nodes on the RISS secure intranet (riss.net) for electronic information exchange among participating agencies

The communications backbone for the MATRIX project is the Regional Information Sharing Systems (RISS) network called riss.net, which is an existing secure network with a proven track record of transmitting sensitive information among law enforcement agencies. In addition to linking the six regional RISS center resources, this network currently provides connectivity for the High Intensity Drug Trafficking Areas, United States Attorneys' Offices, other federal agencies, and several state law enforcement systems. This network is based on standards that will allow other state and federal systems to interoperate. The riss.net system represents a cost-effective solution and a way to rapidly implement the project.

Each of the 13 participating MATRIX state agencies is establishing electronic connection as a node on riss.net. End-user accounts will be enabled for authorized participating state and local law enforcement agency users in each state. This connectivity will allow secure communications with other participating agencies, as well as the RISS centers, and allow secure access to the Web-enabled document storage systems.



Encourage the exchange of information via secure state Web sites

For networking and information sharing to be effective, data must be made available over the network to authorized users. **Utilizing the access controls employed by the RISS system, secure Web sites are being created and deployed for each state** to enable information to be disseminated to the appropriate audience. These Web sites provide a familiar vehicle for MATRIX participants to post and review anti-terrorism and alert information.

This system will ensure that state and local law enforcement officers—the individuals most likely to come into direct contact with terrorists or other criminals—have the best information (accurate and complete) available to them in a timely manner. It will also provide a mechanism for local officers to report important information they collect "on the street" back to state and federal authorities. **Implementation of this pilot capability represents an important component of an overall prevention strategy, critical to United States homeland security.**