

Weekly Compilation of PRESIDENTIAL DOCUMENTS

Week Ending Saturday, January 23, 1971

Small Business Administration

Announcement of Recess Appointment of Thomas S. Kleppe as Administrator.
January 18, 1971

The President today announced the recess appointment of Thomas S. Kleppe to be Administrator of the Small Business Administration. He succeeds Hilary J. Sandoval, Jr., who resigned effective January 1, 1971.

Born July 1, 1919 in Kintyre, N. Dak., Kleppe attended Valley City Teachers College and served as a U.S. Army warrant officer from 1942 to 1946. He joined the Gold Seal Company in 1946 and became president of the firm in 1958. In 1964, he joined J. M. Dain & Company, an investment banking firm headquartered in Minneapolis, as vice president.

A former mayor of Bismarck, N. Dak. (1950-1954), Kleppe was elected to the 90th Congress on November 8, 1966. He was reelected to the 91st Congress and served as a member of the House Committee on Agriculture and the House Republican Policy Committee.

Kleppe is married and has four children. He is a resident of Bismarck, N. Dak.

Ohio River Basin Commission

Announcement of Appointment of Fred E. Morr as Chairman of the Commission. January 18, 1971

The President today announced the appointment of Fred E. Morr to be Chairman of the Ohio River Basin Commission. The Commission was established by Executive order on January 13, 1971.

Morr, a resident of Worthington, Ohio, is director of the Department of Natural Resources for the State of Ohio. He is also chairman of the Ohio delegation to the National Rivers and Harbors Congress and the Ohio delegation to the Great Lakes Commission.

Born April 12, 1923, Morr is a veteran of World War II. He was engaged in farming near Xenia, Ohio, when he twice received the Conservation Farmer of the Year award (1954, 1955). In 1963 he was appointed director of the Ohio Department of Agriculture.

Morr is a member of the board of directors of the National Association of State Outdoor Recreation Liaison Officers and he serves as the Governor's representative in matters pertaining to the Corps of Engineers, the United States Army, and the United States Department of the Interior. He is a former winner of the Conservationist of the Year Award from the League of Ohio Sportsmen (1965) and the Outstanding Individual Conservationist Award from the Ohio Conservation Congress (1965).

He is married and has three children.

Council on International Economic Policy

The President's Remarks Upon Announcing Establishment of the Council and the Appointment of Peter G. Peterson as Executive Director of the Council and Assistant to the President for International Economic Affairs. January 19, 1971

Ladies and gentlemen, we are sorry that we delayed our meeting with you, but we've had a rather long Cabinet meeting this morning for the purpose of going over the various proposals that will be presented to the Congress, and particularly those proposals that will be included in the State of the Union Message.

At the Cabinet meeting I presented one of the men who will be playing a very active role with several members of the Cabinet over the next few months and, we trust, the next few years.

A statement has been distributed to you with regard to the setting up of a Council on International Economic Policy. And as the man who will be the Executive Director of that Council and as the man who also will be Assistant to the President for International Economic Affairs, I am announcing today the appointment of Mr.

Peter Peterson, the Chief Executive Officer and also the Chairman of the Board of Bell and Howell.

All of you who follow business affairs know of Mr. Peterson's rather remarkable record in that field. He is, as you can see, a very young man. He is a man that has been described by his colleagues in the business community as one of the ablest—and some have even used the term brilliant—chief executive officers of this generation.

We feel very fortunate that he would take this assignment. While his primary responsibilities at Bell and Howell have been domestic, he has had a great deal of experience in international affairs and we think that having him on the White House staff as an Assistant to the President for International Economic Affairs will be a great asset to our staff.

If I could just spend one moment to use some examples as to why this kind of Council is needed, let me just tell you about my schedule for the last 4 days.

I was talking to the Secretary of State this morning and we reminisced, as we were talking about Mr. Peterson, about the fact that over the past 4 days either personally or by phone we have been discussing matters in the field of this Council which were of great concern to the Nation.

For example, you read of the oil crisis in the Mideast. You also read of the decision of the Tariff Commission, a split decision which now will have to come to the President with regard to a shoe import [quota] for shoes. And you, of course, have been following the situation with regard to possible British entry into the Common Market and what decisions that may require, what impact that may have on our policies.

In all of these areas we have direct examples of matters that cut across foreign policy and domestic policy which involved, in the one instance, the Department of Commerce and the Department of State, in another instance the Department of State and the Tariff Commission, in another instance the Department of State and the Department of Agriculture.

There has long been needed in the White House a direct adviser and Assistant to the President who can coordinate all of these activities.

Of course, the State Department has the primary responsibility. That's why the Secretary of State will be the Vice Chairman of this Council. I, of course, will serve as the Chairman of the Council, just as I serve as Chairman of the National Security Council and the Domestic Council.

And the Secretary of State will also, incidentally, be just as enthusiastic as I am about Mr. Peterson. Secretary Rogers was one of those who initially recommended that the Council be set up to bring these things together, and Mr. Peterson was not only my first choice but his first choice, and we are fortunate to get our first choice to serve as the man who will be the Executive Director of the Council and the Assistant to the President for International [Economic] Affairs.

I will not further detain you. Mr. Peterson will be glad to answer any questions you may have with regard to his

personal plans or his future activities on the Council. And George Shultz is here for the purpose of answering any questions you might want to ask for background on the Council and what particular areas that it will cover, because its scope is very broad, very broad in covering the whole area of international economic affairs. And Mr. Shultz, who has been consulted throughout on this matter, will be able to answer any questions in that respect.

I'll just say finally I think all of you who cover the White House will find that Mr. Peterson is a very great asset to our staff, one who will be accessible to you when it is proper for him to be so to discuss some of the matters in which you have interest and one who will bring some new ideas and, more important than that, some form, some central direction to a number of areas that have simply been handled on an ad hoc basis due to the fact that they cut across so many departments.

NOTE: The President spoke at 12:43 p.m. in the Briefing Room at the White House.

For an announcement and a memorandum concerning the Council, see the following two items.

Council on International Economic Policy

Announcement of Establishment of the Council and the Appointment of Peter G. Peterson as Executive Director of the Council and Assistant to the President for International Economic Affairs. January 19, 1971

The President today established the Council on International Economic Policy, and announced the appointment of Peter G. Peterson as Executive Director of the Council and Assistant to the President for International Economic Affairs. The Council includes as members the Secretaries of State, Treasury, Agriculture, Commerce, Labor; the Director of OMB; Chairman of the Council of Economic Advisers; the Assistant to the President for National Security Affairs; the Executive Director of the Domestic Council; and the Special Representative for Trade Negotiations. The President will be Chairman of the Council.

The Council is being formed to provide a clear, top-level focus on international economic issues and to achieve consistency between international and domestic economic policy. Peterson will be responsible for developing the agenda for the Council, and for assuring timely consideration of international economic policies.

Peterson, 46, is currently chairman of the board and chief executive officer of Bell and Howell Company. He joined the company in 1958 as executive vice president, became president in 1961, and chairman in 1968. He is a graduate of Northwestern University (1947, B.S., summa cum laude) and the University of Chicago (1951, M.B.A. with honors). Peterson is a director of the First

National Bank of Chicago and the Illinois Bell Telephone Company, a trustee of the Brookings Institution, the University of Chicago, and National Educational Television.

In the Executive Office of the President, the Council of Economic Advisers, the National Security Council, and the Office of Management and Budget are involved in various aspects of foreign economic affairs. More than 60 other units and coordinating bodies throughout the executive branch have responsibility for certain limited portions of foreign economic affairs. Presently, no single high-level body holds the responsibility for the development of international economic policy and its relations to domestic economic policy. The Council will have this responsibility.

The Executive Director of the Council will report directly to the President, and will be responsible, in collaboration with the members of the Council, for development of the overall direction of the Council's work. Where the Council's responsibility overlaps with that of the National Security Council, as in the case of foreign aid, which has implications for both national security policy and economic policy, the Council on International Economic Policy will operate within the general framework of national security policy developed by the NSC.

Peterson presently resides with his wife, four sons, and a daughter in Winnetka, Ill. He was born in Kearney, Nebr.

NOTE: For the President's remarks announcing establishment of the Council, see the preceding item. For the President's memorandum establishing the Council, see the following item.

Council on International Economic Policy

The President's Memorandum Establishing the Council. January 19, 1971

MEMORANDUM FOR

THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
THE CHAIRMAN, COUNCIL OF ECONOMIC ADVISERS
THE ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS
THE EXECUTIVE DIRECTOR OF THE DOMESTIC COUNCIL
THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

This memorandum establishes a Council on International Economic Policy. I will serve as Chairman with

the addresses as Members. In my absence, the Secretary of State will chair meetings of the Council.

The purposes of the Council are these:

1. Achieve consistency between domestic and foreign economic policy.
2. Provide a clear top level focus for the full range of international economic policy issues; deal with international economic policies—including trade, investment, balance of payments, finance—as a coherent whole; and consider the international economic aspects of essentially foreign policy issues, such as foreign aid and defense, under the general policy guidance of the National Security Council.
3. Maintain close coordination with basic foreign policy objectives.

An Executive Director will be designated to help the Council in its operations. He will organize the general secretariat of the Council and be responsible for the staff work. He will have ready access to the President and will initiate projects and call upon staff resources from throughout the Government to augment his own small staff. In collaboration with the members of the Council or designated individuals at the senior political appointee level and pursuant to the directions of the President, his responsibilities will include:

- Develop the agenda and supporting materials for Council meetings and review all papers going to the Council.
- Help develop a sense of direction, strategy and relationship of the parts to the whole of this problem area.
- Establish a work program, including topics, timing and identification of individual assignments and set up task groups on special topics.

An Operations Group will be established, similar to the present Under Secretaries Group but replacing the work of that Group insofar as international economic policy is concerned. Its responsibilities will include:

- Follow up on decisions reached.
- Coordination of actions of the Government where that is necessary.
- Review of operating problems arising out of actions of other Governments or outstanding international economic developments.

The State Department will chair the Operations Group. Standing or special subcommittees may be added from time to time. To the extent practical the Council shall bring within its structure those existing committees or groups presently dealing within the scope of the Council's work as set forth above.

RICHARD NIXON

NOTE: For the President's remarks and an announcement concerning the Council, see the two preceding items.