

Jerrel Smith, vice president—Environmental, Safety, and Health for the Union Electric Co. of St. Louis, MO, retired on January 31. He will assume a new role as environmental policy consultant to the senior management of the Union Electric Co.

In his 37 years of service to Union Electric Co., Mr. Smith has played an active role in assisting Federal, State, and local legislative and regulatory entities in establishing environmental protection. During his career, he has participated in the formation and implementation of many environmental laws. Of particular note was his work with us on the Clean Air Act, which will help us achieve reductions in air pollution in a way that achieves tough new standards in a cost-effective manner. This work will save ratepayers in eastern Missouri many millions of dollars.

The 104th Congress acknowledges the many achievements of Jerrel Smith. We thank him for his continuing contributions to the development of effective national policies—and wish him best of luck in his new endeavors.

GAO REPORT—FORMER SOVIET UNION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 15, 1995

Mr. HAMILTON. Mr. Speaker, on February 7 the GAO issued Report GAO/NSIAD-95-10, entitled "Former Soviet Union: U.S. Bilateral Program Lacks Effective Coordination." As the report puts it:

[w]hile the Freedom Support Act gives the State Department Coordinator broad responsibility for U.S. bilateral programs with the Former Soviet Union . . . We found that, in practice, the Coordinator's role is much more limited. Other groups within the executive branch have equal or greater influence and authority over assistance to the FSU or function autonomously outside the Coordinator's purview.

A new Coordinator has now been named to replace Ambassador Simons. While his charter will be signed by the President instead of the National Security Advisor, and he will report directly to the Secretary of State instead of the Deputy Secretary, it is not clear that his legal authority has been broadened.

I believe the GAO report is evidence that the coordinator of aid to the former Soviet Union should be in the White House and should have authority over all agencies involved in assistance to the FSU. The text of the report's Results in Brief follows:

RESULTS IN BRIEF

This report points out that the coordination process has not always worked smoothly—as could be expected for an undertaking of this magnitude. Disputes have arisen between the Coordinator, USAID, and other federal agencies over the appropriateness of various projects. We have not judged the appropriateness of positions taken by various agencies in these disputes. Although the various parties agree that problems exist in the coordination process, there is no consensus as to how the coordination process should change. We are not making any recommendations in this report.

For fiscal years 1990 through 1993, 19 U.S. government agencies committed a total of \$10.1 billion for bilateral grants, donations, and credit programs to the FSU. During the

period, federal agencies obligated \$1 billion and spent \$434 million of the \$1.8 billion authorized by Congress for grant programs, obligated \$1.6 billion, and spent \$1.22 billion for the donation program, and made \$6.7 billion available for direct loans, guarantees, and insurance agreements.

The structure for coordinating and managing U.S. bilateral programs for the FSU starts with the National Security Council's Policy Steering Group chaired by the Deputy Secretary of State. This is the only place where all U.S. government policies and programs involving the FSU come together and where all agencies report. The National Security Council Directorate for Russian, Ukrainian, and Eurasian Affairs, which provides staff support to the Policy Steering Group, has itself played a coordinating role and was key in developing the U.S. package of assistance first presented at the 1993 Tokyo Economic Summit. The Policy Steering Group approved the package but has very limited involvement in grant and credit program implementation.

Pursuant to the Freedom Support Act, in May 1993, the President designated a Coordinator within the Department of State and charged him with (1) designing an overall assistance and economic cooperation strategy for the FSU; (2) ensuring program and policy coordination among agencies implementing the act; (3) pursuing coordination with other countries and international organizations with respect to assistance to the FSU; (4) ensuring proper management, implementation, and oversight by agencies responsible for assistance programs for the FSU; and (5) resolving policy and assistance program disputes among U.S. agencies participating in the assistance program. The Coordinator reports to the Deputy Secretary of State.

While the Freedom Support Act gives the State Department Coordinator broad responsibility for U.S. bilateral programs with the FSU—and calls on him to coordinate with other countries and international organizations on aid programs to the FSU—we found that, in practice, the Coordinator's role is much more limited. Other groups within the executive branch have equal or greater influence and authority over assistance to the FSU or function autonomously outside the Coordinator's purview. In addition, the Coordinator has limited or no authority to direct activities of the Cooperative Threat Reduction program or worldwide programs with the FSU components, such as those of the Export-Import Bank, the Overseas Private Investment Corporation, and Department of Agriculture, and thus has no way of ensuring that all programs for the FSU complement one another.

The only bilateral program wholly within the Coordinator's purview is the program funded by the Freedom Support Act. All agencies, even those with programs that are not under the purview of the Coordinator, generally report on their activities in the FSU to the Assistance Coordination Group, which the Coordinator chairs. However, the Group is not a decision-making body but is essentially a forum for sharing information and giving greater transparency to the program.

Although the Coordinator has issued strategy papers on assistance to and economic cooperation with the FSU and Russia, these documents focus primarily on technical assistance. They do not develop a clearly articulated strategy for achieving the overarching goals of the Freedom Support Act or for helping the countries of the FSU achieve their reform objectives. For example, the strategy papers do not discuss what role programs of the Export-Import Bank, the Overseas Private Investment Corporation, or the Department of Defense will play in achieving U.S. objectives in the FSU.

Other participants involved with U.S. assistance to the FSU have at times resisted, hindered, or overruled the Coordinator's efforts to develop a coherent and comprehensive assistance program for the FSU. These include Cabinet and other agencies, the Gore-Chernomyrdin Commission and Congress through congressional earmarks. Regardless of the merits of individual cases, the numerous efforts to work outside the coordination process dilutes the Coordinator's ability to coordinate the broad range of the bilateral program and to develop a strategy that covers the full scope of U.S. economic cooperation activities. (See apps. I and II for further information on the coordination structure and process.)

The Coordinator's role has been further complicated by the existence of serious disagreement between agencies over various aspects of the program. USAID, a primary implementing agency for Freedom Support Act programs, has been involved in numerous disputes with other government agencies over money and policy.

Agencies complained that USAID often attempted to hinder their participation in the program despite the Coordinator's instructions, would not cooperate with them, and often ignored or overlooked experience other government agencies had with the issues at hand.

USAID officials disagreed with this characterization. They said that other agencies often want to use Freedom Support Act assistance funds for purposes that are not consistent with priorities USAID believes are appropriate. USAID believes it is responsible for maintaining accountability over the program; however, USAID officials said that sometimes other agencies do not understand USAID's accountability requirements.

According to an official at the Coordinator's Office, disputes between USAID and other agencies have required the Coordinator's Office to spend an excessive amount of time dealing with high-level political battles over small amounts of money instead of spending time developing program goals and objectives. (See app. III for information on implementation problems and app. IV for the status of program obligations and expenditures.)

LOCAL GOVERNMENT LAW ENFORCEMENT BLOCK GRANTS ACT OF 1995

SPEECH OF

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 13, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 728) to control crime by providing law enforcement block grants.

Mr. YOUNG of Florida. Mr. Chairman, I rise today in support of H.R. 728, the Local Government Law Enforcement Block Grants Act. This legislation represents the final piece of the Taking Back Our Streets Act, 1 of the 10 points of the Republican Contract With America. Passage of today's bill marks the completion of this important legislation, and continues our efforts to radically rejuvenate our Nation's fight against crime.

Today's legislation replaces major portions of the Violent Crime Control and Law Enforcement Act of 1994, which set up a variety of