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ID # 358682 CU

0072

WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET



O - OUTGOING

H - INTERNAL

I - INCOMING

Date Correspondence Received (YY/MM/DD) 1/1

Name of Correspondent: Phil Brady

MI Mail Report

User Codes: (A) _____ (B) _____ (C) _____

Subject: House Committee on Banking, Finance and Urban Affairs request for documents on BNL and the CCC program for Iraq.

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>wofc</u>	ORIGINATOR	<u>92,10,23</u>		<u>C</u>	<u>92,10,27</u>
<u>ewat 33</u>	<u>A</u>	<u>92,10,23</u>	<u>LL</u>	<u>A</u>	<u>92,10,27</u>
<u>ewat 02</u>	<u>I</u>	<u>92,10,23</u>	<u>See letter to Terwilliger</u>	<u>C</u>	<u>92,10,23</u>
		<u>1 1</u>			<u>1 1</u>
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ACTION CODES:

- A - Appropriate Action
- C - Comment/Recommendation
- D - Draft Response
- F - Furnish Fact Sheet to be used as Enclosure

- I - Info Copy Only/No Action Necessary
- R - Direct Reply w/Copy
- S - For Signature
- X - Interim Reply

DISPOSITION CODES:

- A - Answered
- B - Non-Special Referral
- C - Completed
- S - Suspended

FOR OUTGOING CORRESPONDENCE:

- Type of Response = Initials of Signer
- Code = "A"
- Completion Date = Date of Outgoing

Comments: 10-27-92 LSH letter to Terwilliger forwarding

Letter of 10-26-92 from Nick Calo to Gonzalez - forwarding requested documents requested Apr 29, 1992 - W60

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Keep this worksheet attached to the original incoming letter.
 Send all routing updates to Central Reference (Room 75, OEOB).
 Always return completed correspondence record to Central Files.
 Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: _____ Individual Codes: _____

Prime Subject Code: _____ Secondary Subject Codes: _____

PRESIDENTIAL REPLY

Code	Date	Comment	Form
C	_____	_____	P. _____
DSP	_____	_____	Media: _____
	Time: _____	Time: _____	

SIGNATURE CODES:

- CpN - Presidential Correspondence
- n - 0 - Unknown
- n - 1 - George Herbert Walker Bush
- n - 2 - George Bush
- n - 3 - George
- CLn - First Lady's Correspondence
- n - 1 - Barbara Bush
- n - 2 - Barbara
- n - 3 - Bar
- n - 4 - Mrs. Barbara Bush
- CbN - Presidential & First Lady's Correspondence
- n - 1 - Barbara & George Bush
- n - 2 - Barbara & George

MEDIA CODES:

- B - Box/package
- C - Copy
- D - Official document
- G - Message
- H - Handcarried
- L - Letter
- M - Mailing
- O - Memo
- P - Photo
- R - Report
- S - Sealed
- T - Telegram
- V - Telephone
- X - Miscellaneous
- Y - Study

THE WHITE HOUSE

WASHINGTON

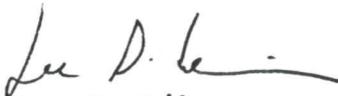
October 27, 1992

Dear Mr. Terwilliger:

Pursuant to your letter of October 26, 1992 relaying Judge Lacey's request, attached please find a copy of a letter from Nick Calio, Assistant to the President for Legislative Affairs, responding to Congressman Gonzalez's letter of October 21, 1992 following up on his April 29 request for documents. Also attached please find a copy of the documents the White House and the NSC have provided in response to that request.

As you will note from Mr. Calio's letter to Congressman Gonzalez, in addition to the documents we are providing to the Congressman, we have located additional responsive documents that are either classified or deliberative in nature. We have offered to make these available under the terms stated in Mr. Calio's letter. We are also happy to make these documents available to Judge Lacey. Please have him contact Bill Otis at (202)456-2607 to make the arrangements.

Sincerely,



Lee S. Liberman

Associate Counsel to the President

George J. Terwilliger, III
Deputy Attorney General
United States Department of Justice
Tenth and Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Attachments

THE WHITE HOUSE
WASHINGTON

October 26, 1992

Dear Congressman Gonzalez:

I am responding to your letter of October 21, 1992 following up on your April 29 request for certain White House and National Security Council (NSC) documents concerning the Banca Nazionale del Lavoro (BNL) and the FY 1990 Commodity Credit Corporation (CCC) program for Iraq. You may recall that we and the Departments and Agencies have previously responded to your numerous narrower requests for documents, and have provided thousands of pages in addition to many hours of testimony by high-ranking and other Administration officials. Moreover, as you know, we have not denied Congress access to a single responsive document we have located. Of course we gave the highest priority to those requests that specified a time frame for a response.

I note that the adjournment sine die of the 102d Congress on October 9, 1992 raises questions about the existence of a present legislative interest supporting your inquiry. We are nonetheless prepared to make responsive documents available as described below.

There are two concerns that prevent us from granting you custody of certain responsive documents that we have located. First, there is the matter of classified information. As you have been advised previously, because of your past disclosures of classified information on the floor of the House of Representatives and in the Congressional Record, Executive Order 12356 prevents us from giving you access to additional classified information absent specific assurances from you that you will protect such information from unauthorized disclosure. To date, you have not been willing to provide such assurances.

Our second concern involves Executive branch deliberations. Your request extends to documents that reflect deliberations within the NSC structure (including at the Deputies Committee, or Deputy Secretary, level) and White House deliberations, including those involving senior members of the President's staff. Such deliberations are at the core of the Executive branch's deliberative process because the President must be able to rely on those who participate to express their views candidly. Disclosure of such deliberations could be expected to chill the candid exchange of views in the future.

Notwithstanding these concerns, it is Administration policy to seek to accommodate Congress' legitimate interest in Executive branch information. In this spirit, we are prepared to make available documents responsive to your request, as follows.

First, responsive documents we have located that are neither classified nor deliberative in nature are enclosed, as are documents that either already have been released to Congress on an unrestricted basis or can be released without jeopardizing the Executive branch's deliberative process. You should note that in the case of previously classified documents that have been declassified, we are providing you only the declassified version.

Second, responsive documents we have located that reflect sensitive Executive branch deliberations but are unclassified ordinarily would not be disclosed. In this case, however, we are prepared to permit you and the Ranking Minority Member to review such documents.

Third, responsive documents we have located that are classified but not deliberative in nature can be made available under the conditions outlined in Assistant Attorney General Lee Rawls' letter to you of September 4, 1992, responding to a number of Committee subpoenas for classified documents. Specifically, such documents will be provided to you when you provide the Administration with specific assurances that the documents will receive the same security protection provided by the Executive branch, that is, protection from unauthorized disclosure, with access provided only to persons with appropriate security clearances. Until you furnish such assurances, other individual Members and their appropriate staff with requisite security clearances will be permitted to review such documents.

Finally, responsive documents that are both classified and deliberative in nature ordinarily would not be disclosed. In this case, however, we are prepared to permit one senior Member from each side of the aisle to review such documents. When you provide specific assurances regarding the protection of classified information, you will be permitted to review them. Until we receive such assurances, we will permit the second most senior majority Member on the Committee, Congressman Annunzio, and the Ranking Minority Member to review them.

So that there is no misunderstanding, I want you to be aware of what we have interpreted your request to include and the scope of the search conducted. We do not understand the request to include newspaper, magazine and journal articles and reprints, copies, lists or extracts thereof; press releases; items included in the Weekly Compilation of Presidential Documents; transcripts of news programs or media interviews; or any material publicly released by the White House Press Office. Nor do we understand it to include Congressional testimony or transcripts, public statements by Members, subpoenas, document requests or letters from Members, materials created in connection with such requests or letters, materials created in connection with this or related Congressional inquiries, or documents that did not exist or did not come into the possession of the White House or the NSC until after April 29, 1992. Finally, we do not interpret your request to include in-house profile sheets, tracking sheets, State Department drafting pages, and written or electronic indices used generally to record and track the internal flow of other documents.

With regard to the scope of the search, separate searches were conducted by the NSC and the White House. The NSC searched the computerized index to its central filing system using search terms derived from your April 29 request. Because NSC's central filing system is not organized by subject matter, there is no other practicable way to search it. NSC also conducted a computer search of its electronic mail, group directory drive (word processing), and cable library, to the extent available on-line to users on the date of the search. Finally, NSC searched the convenience files of the NSC staff directorates with subject matter responsibilities relevant to your inquiry. NSC did not attempt to systematically search library materials (including off-line computer materials). White House files are not centrally computerized in the same fashion as NSC's. Accordingly, each component of the White House Office was furnished a copy of your request and asked to conduct a thorough search. In addition, White House central files were searched.

Documents that pertain to Edith E. Holiday's tenure as General Counsel of the Department of the Treasury are being forwarded separately by the Department of the Treasury. Several classified CIA intelligence reports responsive to your request that we located have been referred to CIA. We understand that classified summaries of those reports previously have been made available to your Committee, and full texts have been made available to the House and Senate Intelligence Committees. You may contact CIA directly with regard to those reports.

Despite the breadth of your request, we have made every effort to collect responsive documents. To the extent we locate additional responsive documents, we will so advise you.

Sincerely,



Nicholas E. Calio
Assistant to the President for
Legislative Affairs

The Honorable Henry B. Gonzalez
2129 Rayburn House Office Building
Washington, DC 20515-6050

cc: The Honorable Chalmers P. Wylie
The Honorable Frank Annunzio

Attachments

THE WHITE HOUSE
WASHINGTON

October 23, 1992

FOR: BOYDEN GRAY

FROM: PHILLIP BRADY
Assistant to the President
and Staff Secretary

Information

Action

Let's Discuss

cc: Scowcroft, Calio, Ross

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U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS

ONE HUNDRED SECOND CONGRESS P4: 22
32 OCT 22
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BERNARD SANDERS, VERMONT

(202) 225-4247

October 21, 1992

Honorable George Bush
President of the United States
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

On April 29, 1992, the Committee on Banking, Finance and Urban Affairs requested that you provide all documents that were responsive to the Committee's investigation of the Banca Nazionale del Lavoro (BNL) and the \$1 billion FY 1990 Commodity Credit Corporation (CCC) program for Iraq. To date, the Committee has not received one document, classified or otherwise, responsive to this request.

In recent days you have said repeatedly that Congress has received every document. In as much as the Committee has received nothing responsive to its request to you, I respectfully repeat my April 29, 1992 request that you provide the Committee with all documents in the possession of the White House on the BNL scandal and the \$1 billion FY 1990 CCC program for Iraq.

It has recently come to my attention that numerous administration officials may have met with Italian officials and representatives of BNL to discuss the BNL case. In light of this revelation, please be sure to include the following:

1. All documents or records relevant to meetings and/or telephone conversations that took place between White House officials and/or staff and Attorney General Thornburgh and/or Department of Justice staff. Please provide a list of all such meetings and/or telephone conversations relevant to this request.
2. All documents or records relevant to meetings and/or telephone conversations that took place between White House officials and/or staff and the U.S. Attorney's office for the Northern District of Georgia. Please provide a list of all such meetings and/or telephone conversations relevant to this request.

President George Bush
October 21, 1992
Page Two

3. All documents or records relevant to meetings and/or telephone conversations that took place between White House officials and/or staff and State Department officials and/or staff and any other U.S. Federal agency officials and/or staff. Please provide a list of all such meetings and/or telephone conversations relevant to this request.

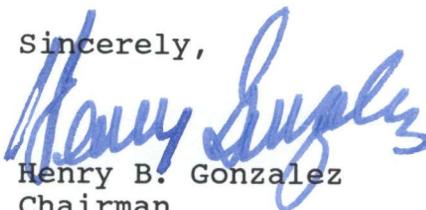
4. All documents or records relevant to meetings and/or telephone conversations that took place between White House officials and/or staff and representatives of the government of Italy, including the Italian Embassy in Washington. Please provide a list of all such meetings and/or telephone conversations relevant to this request.

5. All documents or records relevant to meetings and/or telephone conversations that took place between White House officials and/or staff and representatives of BNL. Please provide a list of all such meetings and/or telephone conversations relevant to this request.

The Committee seeks a full understanding of how BNL operated, how prosecution of the BNL case was managed, and whether policy considerations outweighed prudent financial management concerns in (a) granting the CCC guaranties and (b) permitting BNL to finance immense quantities of other loans to Iraq; and later, whether policy considerations affected the investigation and prosecution of the case. Your timely cooperation is essential, and I request that responsive documents be delivered by October 26, 1992.

Your assistance in these matters will be deeply appreciated.

Sincerely,



Henry B. Gonzalez
Chairman

HBG:dc/dk

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Gonzalez "macro"
 request to WH

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 EDWARD SANDERS, VERMONT
 02 228-4347

April 29, 1992

Honorable George Bush
 President of the United States
 1600 Pennsylvania Avenue, N.W.
 Washington, D.C. 20500

Dear Mr. President:

The Committee on Banking, Finance and Urban Affairs is conducting an investigation of over \$4 billion in unauthorized loans to Iraq granted by the Atlanta office of the Banca Nazionale del Lavoro (BNL). The Committee respectfully asks for your assistance with this investigation.

Boyd
 John
 Clayton
 Danzansky
 Ele
 Tim Deal

During its BNL investigation, the Committee has obtained documents indicating that various White House and National Security Counsel staff including National Security Advisor, General Brent Scowcroft; Mr. C. **Boyd** Gray, Counsel to the President; Mr. **John P. Schmitz**, Deputy Counsel to the President; Mr. Richard N. Haass, Senior Director, North East and South Asian Affairs, NSC; Mr. **Clayton Yeutter**, Special Assistant to the President; Mr. **Stephen I. Danzansky**, Director, Office of Cabinet Affairs; Mr. C. Nicholas Rostow, Legal Advisor, NSC; Ms. Sandra Charles, Director, North East and South Asian Affairs, NSC; Ms. **Edith E. Holiday**, Secretary of the Cabinet; and Mr. **Timothy E. Deal**, Senior Director, International Economic Affairs were involved in the decision to grant \$1 billion in Commodity Credit Corporation (CCC) credits to Iraq for FY 1990 and/or the handling of the U.S. Department of Agriculture's (USDA's) administrative review of the CCC program and BNL loans to Iraq.

The Committee would like to better understand the role the White House and NSC played in the USDA administrative review of the BNL scandal and the decision to approve CCC credits for Iraq. Accordingly, the Committee respectfully requests the following:

1. all documents in the possession of the White House and NSC, including memorandums, letters, cable traffic, telexes, facsimiles, computer print-outs, executive agency documents, classified documents, etc., related to the **USDA's administrative review of BNL loans to Iraq;**

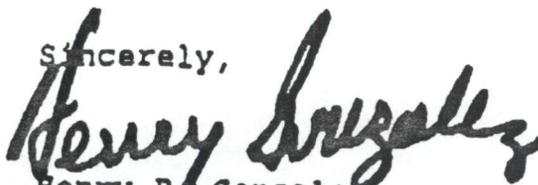
2. all documents in the possession of the White House and NSC, including memorandums, letters, cable traffic, telexes, facsimiles, executive agency documents, computer print-outs, classified documents, etc., related to the \$1 billion FY 1990 CCC program for Iraq;
3. all documents in the possession of the White House and NSC, including memorandums, letters, cable traffic, telexes, facsimiles, computer print-outs, executive agency documents, classified documents, etc., related to BNL.

In addition, the Banking Committee would appreciate your assistance in making certain of the above named individuals, currently with the White House and NSC staffs, available for interview by Committee investigators.

Thank you for your time and consideration of this request. The Committee looks forward to your cooperation.

With best wishes.

Sincerely,



Henry B. Gonzalez
Chairman

HBG:dk

cc: Honorable Brent Scowcroft, Assistant to the President for National Security Affairs