

# THE WHITE HOUSE

WASHINGTON

## MEMORANDUM

To: Tom O'Donnell  
From: Tom Kalil  
Re: NEC accomplishments, areas for improvement  
Date: October 13, 1996

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This memo discusses the NEC's accomplishments in the area of technology policy and the National Information Infrastructure. In these areas, the NEC staff was part of a small White House "team" that included the Office of the Vice President and the Office of Science and Technology Policy.

The NEC plays a variety of roles, including:

1. Serving as "honest broker" in the development of common Administration-wide position;
2. Generating "new ideas" and helping to set the Administration's agenda in a particular policy area;
3. Serving as an advocate for Presidential priorities both internally (within the government) and externally (broader public);
4. Interacting with specific "policy networks" (Congressional committees, agencies, companies, public interest groups, industry associations, specialty press, the "attentive" public, etc.).

I spent more of my time on 2-4 than 1. The reason for this is clear. Although some policy areas were controversial (e.g. encryption) and required inter-agency deliberation, many did not. No agency was against using the Internet to disseminate more information, but few members of the Cabinet and sub-Cabinet were aware of its potential. No agency was against connecting all schools to the Internet by the year 2000, but actually making it happen will require the cooperation of teachers, CEOs, governors, local communities, etc.

Specific NEC accomplishments are outlined below:

**A. Technology policy**

1. Wrote (with OSTP) *Technology for America's Economic Growth*. This was the February 1993 document that set the Administration's technology policy.
2. Helped develop the S&T budget included in the President's economic program. This budget included:
  - An expansion of the Commerce Department's Advanced Technology Program, from \$68 million in FY93 to \$750 million in FY97.
  - Sufficient funding of the Manufacturing Extension Partnership to meet the President's campaign promise of creating 100 manufacturing extension centers.
  - An increase in "dual-use" R&D through the Technology Reinvestment Program and other ARPA programs.
  - Strong support for basic research at NSF and NIH.
  - An increase in the national lab budgets devoted to technology transfer.
  - Increased funding for specific technologies such as environmental technology, renewable energy, high-performance computing and communications, the "Clean Car", etc.

The 104th Congress targeted some (although not all) of these programs for elimination, but the White House was able to secure some level of funding for them.

3. Helped manage Administration's relationship with important industry sectors. An example of this was the annual meetings with the CEOs of the computer industry held with Rubin, Tyson, and other Administration officials. This process eventually led to major reforms in export controls on computers and encryption.
4. Led the inter-agency process that led to the President signing anti-trust reform legislation.
5. Fought for extension of the R&E tax credit.

**B. National Information Infrastructure**

1. Helped draft the Administration's September 1993 *NII Agenda for Action* and February 1995 *GII Agenda for Cooperation*. These documents set the Administration's agenda in a variety of areas, including:

- Telecommunications reform;
  - Spectrum allocation;
  - Information policy (privacy, security, intellectual property, dissemination of government information);
  - Promotion of applications in areas such as education, health care, delivery of government services, digital libraries, improving the lives of Americans with disabilities, etc.; and,
  - International cooperation/market access.
2. With OSTP and the Commerce Department, established the Information Infrastructure Task Force. This was the organization that was responsible for implementing the *NII Agenda for Action*.
    - The NEC tasked the IITF with developing a series of 14 white papers on NII applications.
  3. Drafted the Executive Order that established the NII Advisory Council. This led to broad private sector support for the Administration's goal of connecting every school and library to the "information superhighway" by the year 2000.
  4. Worked with OVP to negotiate a telecommunications bill that the President could sign. The Telecommunications Act of 1996 was the first major legislative reform in 62 years.
  5. Served as the national coordinator for the 11 G-7 Global Information Society pilot projects.
  6. Helped develop (with Paul Dimond and others) and implement the President's Educational Technology Initiative.
    - Responsible for President's support for NetDay, which has become a grassroots movement active in 49 states plus the District of Columbia.
  7. Launched (with OVP) the Leland Initiative, a program to expand Internet access in 20 African countries.
  8. Developed the "Next Generation Internet" initiative announced by the President on October 10, 1996.
  9. Developed an Administration policy on siting of wireless facilities that is designed to allow roll-out of new wireless services while protecting environmental concerns.

10. Served as an advocate for expanded government use of the Internet for:
  - Dissemination of government information;
  - Delivery of government services; and,
  - Two-way interaction with the public.
  
11. Helped develop Administration's policy on health care applications of the NII, including:
  - HCFA reimbursement for telemedicine on a pilot basis;
  - Increased availability of consumer health information;
  - Government-wide database of telemedicine projects;
  - Privacy of medical records.

**What could the NEC have done better?**

1. Better articulation of an overall "NEC agenda." It would have been helpful at the beginning of each year to identify the "top 10" list of things the NEC Chair and staff want to accomplish.
  
2. More teamwork between NEC staff. The atmosphere was very collegial, and there was cooperation on an ad hoc basis, but there is definitely room for improvement. Examples:
  - Exploration by several NEC staff of the "new economy."
  
  - More sharing of lessons learned on "tactics" and "process."
    - \* Putting together a Presidential event
    - \* Chairing an inter-agency working group
    - \* Getting an Executive Order signed
    - \* Setting up a Federal Advisory Committee
    - \* Effective working relations with other White House offices
    - \* Effective participation in the budget process
  
3. Greater leverage of talent, ideas, and expertise both within and outside the federal government.
  
4. Closer working relationship with OSTP. Although OSTP has significant resources (staff, expertise) -- they tend to be less familiar with the overtly political process of moving an agenda through the White House. A closer NEC/OSTP working relationship might have leveraged the comparative strengths of the two organizations.
  
5. More active efforts to recruit people to specific positions within the government. I was repeatedly struck by the importance of having good people at the sub-Cabinet level to develop and implement the President's agenda.

6. More attention to identifying “cuts.” A “cut and invest” strategy won’t work without identifying areas that are of lower priority. I know that I certainly spend too much time learning about the programs I liked and not enough time identifying low priority or poorly executed programs.