



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

MAR 30 1995

FILE

The Administrator

March 28, 1995

E.R. Zumwalt, Jr.
Admiral, USN (Ret.)

Dear Admiral Zumwalt,

I appreciate greatly your concern with regard to funding for research on the health and environmental aspects of Agent Orange and dioxin in Vietnam that you expressed in your letter to me of February 22. Let me elaborate a little further on the statutory limitations that we face at USAID.

The starting point for USAID is that we are authorized by the Foreign Assistance Act of 1961 to provide assistance for foreign countries in support of their development efforts. Fundamentally, the research program as described in the Senate report accompanying the Departments of Labor, Health and Human Services, and Education Appropriations Bill for fiscal year 1994, is not a foreign assistance program but is one almost exclusively to convey domestic benefits. For that reason, the program was properly included in the Labor, HHS appropriations bill. Funding under Foreign Assistance Act authorities, I believe, would be outside the scope of that act even though I recognize that there may be some marginal benefit conferred on Vietnam.

Even if the program as described in the Senate report was somehow considered to be a foreign assistance program, provisions carried in annual foreign assistance appropriations acts prohibit USAID from providing any assistance to any country that is in arrears for more than one year on loans made by the United States to that country. Vietnam falls in that category of country.

I regret that I cannot be more helpful to you in this matter, but I wish you the best in obtaining funding for this research.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Brian Atwood". The signature is written in a cursive style with a large, prominent initial "J".

J. Brian Atwood