

## Chapter 1: Joining the Administration; Relationship with the President

*“And his advice to me was, well, given the history that you have had in your career, it’s very difficult for me to imagine you declining an invitation by the President to run EPA.”*

When President Bush invited me to be Administrator or the word came to me that he was likely to, I hesitated because he had been the Vice President in the Reagan Administration and been associated with some of the deregulatory emphases there that I wasn't confident about. I wasn't at all clear at that point he would make good on his commitment to be the environmental President which had characterized his campaign. Russell Train was my mentor and the chairman of World Wildlife Fund which I was then running and his advice to me was: “Well, given the history that you have had in your career, it's very difficult for me to imagine you declining an invitation by the President to run EPA.” That wrapped it up and of course I did.

I did sit down with him and asked that he assure me on three issues: that I have access to him whenever I needed. I won't abuse that privilege but will need it from time to time. I said “I really would like you to be very clear about the three elements of the Clean Air Act that you promised to support: ground level ozone, acid rain, and toxic substances.” He said, “I'm going to keep my word on those.” and I said “I'd like to appoint my own people including some Democrats” and he said “Well that's a little harder.” He said, “You can have some Democrats. Don't have so many that you embarrass me, but I'll tell you what I will do,” (and I understood that very few Cabinet officers had this, if any) “nobody you don't want.”

That proved to be very very valuable to me because there were people who were pushed on me that I was able to... within four weeks of taking office, I was told I had to take a Regional Administrator in New York, and EPA staff knew him and thought he had not qualified for that very sensitive position, and I recall saying “I'll hire Him, but I won't give him RA, and I remember the political director in the White House saying, “You'll lose this one if it goes to the President and I said “If I lose this one then you've got a bigger job than you thought; you've got to find a new Administrator.” He said, “You'd quit over the RA in New York? And I said, I just made an understanding with the President that you're talking about abrogating.” So he then called me back and we had an interesting encounter where he said, “You know this was D'amato's [New York Senator] man and there is a condition now to this: “You're going to get your choice of the Regional Administrator in New York but you have to tell me when you're going to inform the Senator.” I said “Why, what are you going to do?” He said, “I'm going to get out of town.” So telling the Senator was not pleasant and when he realized I was not consulting him, I was telling my completed decision had been made, he exploded and he said, he was shouting to his secretary, “Get me... get me...” and I said

“Kaufman”, helpfully and he said “Yeah get me Kaufman and he's the political director.” Kaufman was playing golf, I think, on a golf course in Miami at that moment by planning.

But the relationship started very well in a sense that Bush liked who I was and that he wanted to lead on the environment and he understood that that's what I would do both by my background and by the people who had endorsed me, particularly Ruckelshaus, EPA's first Administrator and Train, the second. It was Exxon Valdez I think that solidified my relationship with him. I can recall my taking a very different line on clean-up than the Secretary of Transportation and the Coast Guard who were very reassuring to the public that things were under control. It was clear to me when I visited that area that they were not under control and I remember declining to participate in a press conference that said they were, upsetting the Transportation Secretary. But I said “you know it's only a matter of 48 or 72 hours before this stuff is going to be washing up on the beaches and then everybody's going to know that it's not under control and it's not your fault. This is a huge spill.” And I remember people were criticizing in the Oval Office later environmentalists who were, needless to say, not happy with what had happened and thought our cleanup efforts were falling short, and I pointed out that environmentalists during the consideration of the Trans-Alaska pipeline environmental impact statement-- environmentalists had predicted there was a one in a thousand chance of a major spill coming down Prince William Sound and this was the 876th or so trip. And I remember I learned from Richard Breeden later that when I left the room the President turned to the Chief of Staff John Sununu, never one who was entirely happy with my positions and said “That's one of the best things we've done. We're lucky we got him over there.” And that explained how I was able to later have the differences that I had with his Chief of Staff and to survive. The President took the environment seriously. I remember briefing the Cabinet several times on the Exxon Valdez and some other aspects of environmental policy. He invited us to 5 State Dinners which was a first for an Administrator and always danced with my wife. I would be advised by Secret Service to cut in on the President after about 45 seconds. And we had a very good relationship. And I remember we are at Camp David with the rest of the Cabinet one afternoon and Barbara and I were sitting right near the pool, and she said, “You know, I said to George, all these people, they're all friends, we've known them forever except for you; you're the only one we didn't know.” And I realized how lucky I was that I did get included in that number. And she later was asked by the Queen of the Netherlands--whom I knew from World Wildlife Fund days-- at a state dinner in the Netherlands to which I had been invited by President, she was asked—the Queen asked, “Where did you get him?” And she said “Well George just said, for EPA--no politics. I want the best and everybody said that if you want the best you get Reilly.” So if that's true, whether it's true or not I really like that story a lot.

At any rate we had a good relationship, especially during the first two years when he was very focused on making good on the commitments that he had made in the campaign. The campaign was remarkable for the degree to which he took an issue that was not considered a traditional conservative or Republican issue and exploded it against the Governor of

Massachusetts whom he considered vulnerable on the issue, most notably when he swept into town and went out on the bay--Massachusetts Bay--and Boston Harbor and picked up the pollution and displayed it to the cameras and talked about how the Governor had failed even in his own backyard to attend to the environment.

## Chapter 2: My Agenda at EPA

*“Place-based initiatives resonated with the public in a way that parts per million just do not.”*

Well, President Bush promised to address climate change, to bring the White House effect to bear on the climate effect and to pass the new Clean Air Act and address acid rain. He also said some things about Superfund and hazardous waste. There was a lot of concern in Democratic circles and environment, that a Republican president and EPA Administrator working for him would not come down so hard on industry that it might be necessary, but we might be too diffident in trying to administer those two laws, especially Superfund. He made some commitments otherwise.

And one of the first things that we did in EPA—in fact I think we decided to do it before I arrived there--was to ask the Science Advisory Board to assess the significant issues affecting the public health and the ecology in the United States and they did that. I forget how recently after I arrived, maybe several months, and concluded that waste issues were taking about four-fifths of the budget, but they were a second-order concern in terms of health and ecological effects, to particularly things like the criteria air pollutants, most notably as effects on health and pesticide residues or pesticide and toxic substances as they affect worker safety—farm workers and the like.

So it became a little bit difficult to reorient the budget but constantly with the help of Senator Moynihan, who was important on the Senate Public Works and environment Committee, to try to redeploy our budget to attend to some of the issues that the scientists had identified. Most notably we put a lot of effort onto ecology and to no-net-loss of wetlands, a proposal which had come out of a group that my organization, my previous organization, the Conservation Foundation had sponsored and President bush embraced and we tried to make good on it. And that entailed vetoes of various developments around the country, I think three altogether, and it had something to do with the decision that I made to get a reconsideration of a proposal that was moving forward to build a dam in Colorado on the South Platte River, two forks Dam is it was known, and against the advice of the Water staff and of the Regional Administrator, started the veto process which resulted in its disapproval.

We did a great deal for some of the places that we cared about and thought the country did, the Great Lakes, Chesapeake Bay, Gulf of Mexico. We had a program that was very popular, the National Estuary Program, that we drove hard. I can recall Perry Bass arriving in my office to ask that I put Corpus Christi, Texas on the list of national estuaries. And I remember saying that I knew Corpus Christi; I had been confirmed there by the Bishop. But that the Governor had not nominated Corpus Christi, and it was required for consideration that she do so. I'll never forget, it wasn't more than an hour or two after he left our meeting that we received a memorandum from the Governor of Texas formally nominating Corpus Christi. And I remember thinking, "Well it's nice to see clout working on behalf of the environment in Texas." We did in fact include Corpus in the National Estuary Program. But the advantage of a program like that was to marshal people who weren't necessarily or primarily oriented toward the environment but who really cared about the resource who boated, fished or swam in some of these areas. And Narragansett Bay was another one that we worked on.

Place-based initiatives resonated with the public in a way that parts-per-million just do not, and I continue to believe that the integration of land and water in the agenda, making clear how they affect one another and how important they are not just to the health of ecosystems, they are, but also to the joy that people get in nature. I recall learning when we did a study of San Francisco Bay that the three women who were responsible for getting public support to have a commission the Bay Conservation Development Commission to protect the San Francisco Bay against further infilling were asked what it was--was it an economic concern, was it that they didn't like the way things were changing for some reason, did they not like the kinds of developments that were taking the water and building out into it, and one of them said "No, it's just that it was very very beautiful, and we wanted to keep it that way, and it was not beautiful in many other places where this was happening." And I thought that is very important for environmentalists to understand the motivations of people and recognize how the technical approach needs to be supplemented by a real clear exposition that relates to people on what they care about. Its Jacques Cousteau's famous saying that "People protect what they love."

### Chapter 3: International Issues

*"The Environmental Protection Agency of the United States is revered almost in reverse relationship to the distance that it has from Washington."*

The international agenda was very important to the President and honestly, given his own outlook and interest, it's the way you got his attention. I can recall early on, I think March of my first year, going to a conference that Mrs. Thatcher had on the ozone layer and upper

atmospheric ozone, and the President gave me a handwritten note to give to her. That handwritten note was very complimentary of me. She, by the way gave me one to give to him, and as soon as I returned from that conference, the President invited me to lunch, and we had a very nice lunch, and as I recall, he began it by saying, "Did you get a word in?" He wanted to know what Mrs. Thatcher thought, and that mattered to him a great deal. And later when there was an effort on the part of the Budget Director and Chief of Staff to block funding for developing countries to pay for the substitutes to ozone depleters to lower chlorofluorocarbons, I went to Mrs. Thatcher, and she got in touch with the President. I think the Chief of Staff never knew how that decision got reversed so fast, but she did it. She cared about those issues. The President was impressed that she did. He respected her.

The issues that we took on, I think the first one in fact my first interview with the President I told him about something called Debt for Nature which the World Wildlife Fund in my time had pioneered where we would buy the heavily-discounted debt of developing countries and offer it back to the country, provided in their own local currency equivalent, provided that they agreed to put it in the protection of Parks and Wildlife and staffing for some of those agencies. They were only too happy to do that; they were getting a hard currency conversion at no expense to them to soft currency. And it was particularly valuable in places like Costa Rica, also Ecuador. We did one later, my successor did one, in Madagascar because the IMF had prohibited or disapproved of budgetary expansions and additions in many of those countries as they were so indebted. Well the President loved the idea and for the better part of a year, every time I saw him "How is that Debt for Nature proposal coming along. I hesitated to say "Your Treasury Secretary has a bit of a problem with it" but they later put in the Enterprise for the Americas Program five hundred million dollars for Debt for Nature--a very strong contribution to environmental protection and conservation in Latin America.

We also, given that the wall in Berlin was coming down (it came down in October of '89 so I had been in office I guess eight or nine months) the conditions in Eastern Europe were really appalling. The places left behind by the soviet military, the way that government agencies that dealt with beaches and forests, was so careless and different. And President became interested in having some entity that would serve more than one purpose: an environmental purpose but also help bring the countries of Eastern Europe together and give the newly chosen Leaders, just out of prison many of them like Vaclav Havel [of Poland], give them something to get accustomed to democracy and to non-governmental organizations and to criticism and engagement with stakeholders. And that was the environment about which many of them already had evidenced a great deal of concern. So we started the --I proposed this to the Cabinet--a Center for the Environment of Central and Eastern Europe in Budapest. President agreed to it, and I was sent to open it with a group of other-- the Japanese came in, the European Community put up some funds. And it was really a signal moment for-- Poland became involved after objecting to the fact it wasn't in Warsaw but overcoming that, and the rest of the Eastern European countries did too. They now more recently went to speak at the

25th anniversary. It has been a hugely successful institution. It did, in fact, help them become accustomed to some of the messiness of democracy and differences of opinions and environmentalists' criticisms and the rest and that proved to be, I think, inspired.

We sent some people--and this is something that is often not understood I think--but the Environmental Protection Agency of the United States is revered almost in an inverse relationship to the distance that it has from Washington, but in the other countries where they don't have the same kind of scientific expertise--epidemiological Research, air pollution research, automobile controls, and things of that sort and if you can make those resources available to other countries whose problems very often are much more egregious, particularly in developing countries, you have performed a marvelous service. We did that several times. We sent people to Morocco and Mexico and Estonia for spills of various sorts or fires, and I recall getting a letter from the Prime Minister of Estonia saying that "The visit of your two Professionals" (who characterized what the nature of the spill which had come to them from Russia as I recall) "was the most important visit of an American since Lindbergh." I wish that I had kept that letter but I didn't.

The international agenda also involved a lot of work on climate and attendance at the Conferences of the Parties and negotiations on what became the Convention on Climate that was signed by President Bush in Rio in 1992 in June. For one of the major conferences of what was then the G-7, I was the first Administrator, I think the only environmental minister, ever taken to a G-7 meeting. I was the only one there at the time by our President. I talked to the German environment minister Klaus Töpfer who was pushing very hard his own boss Helmut Kohl's proposal for milestones and specific deadlines on climate. Well, this particular G-7 meeting was going to be in Houston, not the most felicitous environment for talking about climate at the time, probably not today either, and I said "You know this is going to be more difficult for us and for the President. But what I would like to propose is a forestry convention." and I'll never forget the Response. Töpfer said "Well the Chancellor cares about climate, but he's nuts about trees. I think he'll take the deal." And they did, and we promoted that, negotiated that, in Rio. We got less than we wanted; we got a statement of principles on forestry. It was actually opposed by a number of developing countries--the group of 77 were worried about some kind of incursion into their sovereignty if they acknowledged an international interest in their forests. But it can be built on and has been to some degree.

We also dealt less successfully with the Convention on Biological Diversity, strongly opposed by America's pharmaceutical industry and made the decision I think not to sign it. The Clinton Administration later did sign it, never submitted it for ratification to the Senate. We had some language in it that I thought would have given it an interpretive direction that we could live with, and that is in fact what the Clinton Administration took that language.

But so not all of our international ventures were so successful, and certainly we were criticized for not supporting specific deadlines in Rio on climate, criticized by

environmentalists, and then later, the Kyoto Protocol which President Clinton signed did include those limitations, but were not honored, nor was he able to submit it for ratification of the Senate either. So the international issues, some of the ones where we most successful had to do with, I think, rebuilding Eastern Europe and getting a higher priority for conservation and forestry in developing countries especially Latin America, working very closely with Mexico on the environmental side agreements in the North American Free Trade Agreement. I was, and probably still am, the only environment minister who ever testified for a trade treaty, and I testified seven times and helped bring environmentalists to support that, and it's been very good for the environment of Mexico.

#### Chapter 4: Priorities at EPA

*“My sense was that that the essential unifying characteristic of the agency, of EPA, of its regulatory mission, has to be science.”*

My sense was always that the essential unifying characteristic of the agency, of EPA and its regulatory mission has to be science. The science has to be sound, it has to be, if not undisputable because science does evolve, it has to be mainstream and when it stays with that the Agency will have more respect and be more effective. I can recall asking Senator Moynihan, Senator from New York, who was on the Senate Committee on Environment and Public Works “What advice would you give me as I undertake to lead EPA?” This was in the rounds I was making to the Senate members of that Committee before my confirmation. And he said, “Above All, do not allow your agency to be transported by middle-class enthusiasms.”

Well, by that he essentially meant, some of the waste programs, and I understood him, but he could have meant much else too. And I think that's a very important message for the agency; I had five or six themes and I would say this is the second piece of advice I would give to my successor: science, international, ecology, environmental justice, then finally, pollution prevention, the voluntary programs we had some of which have continued to have impact, such as Energy Star, Green Lights, 33-50, which was a toxics reduction voluntary program.

And to the extent that I was able to communicate about those, and I had been advised by Russell Train who'd been the second Administrator who was my mentor, to spend a good deal of time with the press. The reason he gave was to create sufficient reputation and persona that as he put it, “The White House will fear you they will tell you not to do it.” And I remember discussing with Christie Whitman, she was told not to do the morning talk shows for much of the time she was there, and I was told some of those things too, and did not pay any attention to them.

I thought that the country needed to have someone communicate about the environment particularly when we had these crises--we had an Alar crisis for apples and for apple juice and children's apple sauce for baby food--to reassure the country what is known and which are not fully grounded fears. It's very important that the Agency had the reputation for serious attention to the research and not become transported, among other things, by environmental environmentalists' own issue at the moment. That I think was important and then finally to the agency itself to have an Administrator who is communicating regularly about what it is that we should direct ourselves to, why it matters, why wetlands matter to three-fourths of the fish in the sea which have their nurseries and part of their lives in wetlands, those things have to be reiterated and the public particularly has to believe them.

Some time ago the Nicholas Institute for Environmental Policy Solutions at Duke University did some polling about Americans' attitudes toward the environment and toward climate change among others and discovered that Americans generally think the environment is pretty good and they're not feeling a sense of urgency about it so they don't vote it. Secondly there was a perception then (this is ten years ago now) that regulations cost jobs and jobs were uppermost in people's minds. Well clarifying the kinds of impacts on the economy in the thoughtful integration of the environment and the economy which has always been a preoccupation of good policy makers, that's vital. So I did give a very high priority to communicating and was encouraged by the President to do it and often told that he had watched my appearances and felt very good about them.

## Chapter 5: EPA Leadership and Staff

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I arrived at EPA as Administrator with more modest expectations of the staff than proved justified. I was an environmentalist and so you know it's stock in trade for environmentalists never to be satisfied, and I had followed EPA, of course, and was honestly not prepared for them to be as good as they were. I suppose I shouldn't have been surprised. They were extremely good at cost benefit analysis, at risk assessment, for one reason they had to be. As an AP reporter said to me who had covered all the Agencies, he said "You're going to the best, and I said "Well, that's not exactly the perception on the street." He said "No, EPA will make a decision in a week or two that it would take one of these other agencies six months or a year, and they've still got it wrong.

Well, one reason is because everything EPA did was so scrutinized by the Office of Management and Budget and by the affected industries, and it has a huge impact on industries



and in virtually every industry. I remember the Secretary of Energy one day saying at a Cabinet meeting, pointing at me, saying, “He's in my Knickers” and then pointed to the Agriculture Secretary and HUD secretary, “and he's in yours, and yours.” Well that's kind of the brief.

And so if you have people who are effectively impacting on agriculture and banking, even as a result of Superfund, and finance and chemicals and autos and oil, you've got to be good. I was very impressed with EPA staff and came to have a very large respect for them. As to my own selection of leaders of the agency, I was conscious of a couple of things: one, President Bush had said to me at my first conversation with him about the job was he said “Find some new people,” he says, “not that there's anything wrong with the old people but,” he said, “we're new Administration, and we want to reflect that.”

So I remember one of my ablest people was Linda Fisher. She wanted to be Assistant Administrator for international. I was starting for the first time an Assistant Administratorship of international that was going to be an important priority; it was certainly one of the president's made clear to me. It was something in my background and interest, and I thought that given that she had been representing us at international negotiations, it would be the wrong signal for that not to change, for the face not to be different from the Reagan Administration. And I made her Assistant Administrator for Toxics and Pesticides at which she starred, and she later went on to be Deputy Administrator under Christie Whitman.

## Chapter 6: EPA's Challenges

*“Another reality is EPA is typically given more to do than it can.”*

One of the problems or challenges one confronts at EPA is that there's something like 78, that's the number I recall, committees and subcommittees of the Congress to which the Agency reports. And that's a consequence of its history; it was put together from, I think, five different entities and with an executive order but without a statutory base. And the committees are not about, most of them, not about to surrender the piece of jurisdiction they have, whether it's the Agriculture Department and pesticides or Natural Resources Committee on water.

Any rate, it would be very helpful to have a more integrated entity, and in fact while I was at EPA, a proponent of that, and an expert on organization of EPA, did prepare an integrated statute, Terry Davies was Assistant Administrator for Policy. Having prepared it, he discouraged me from introducing it or publicizing it because he was sure it would antagonize the Congress which it probably would have, it certainly would have any committees that were to be consolidated or have the jurisdiction Altered. But it would be extremely helpful to the administration of the Agency to do that.

Another reality is EPA is typically given more to do than it can. I cannot count the number of reports, simple reports. If a committee wants to involve itself with environmental Protection, very often they'll start with a report, and the report requirement never goes away. And so people are toiling away at EPA doing reports on Second-order problems sometimes that distract them. That being the case, it became very clear to me early on that--and someone asked me, where I would put my priorities, and someone asked my successor, Carol Browner how she saw the agency and she said "Carrying out the laws that Congress has enacted." And I remember thinking "Well, Congress has enacted so many laws affecting EPA that one really has to specialize, take those that matter most and give them the utmost attention and recognize that you're going to pay less attention to some other issues.

That's really what I tried to do, and I took my cue principally from the scientists and what they said were the most significant problems and challenges to health and ecology and to the President's own commitments in his campaign and the things I knew he cared most about. We paid a lot of attention to it. But whenever I worked on international environmental issues or sent people abroad to address them--we sent two people to China to try to get the Chinese not to build 300 million new refrigerators with chlorofluorocarbons, that the substitutes would be available and they would be Affordable. Hugely important.

I don't recall there was any budget for that; we took that out of the existing air, water, toxics, and rest budgets. There was going to be a significant budget for it when I left, I think, we had 245 staff positions allocated for the for the Assistant Administratorship of international, but those were discontinued by my successor, and they transferred most of the international responsibilities over to the State Department. I thought that it was very important and would I have been able I would have reorganized the Agency much more around the priorities that were uppermost in the minds of the scientific community and perhaps done less, certainly budget-wise, for things That, although they had been associated with scares and the public had become alarmed and there was press attention to them, nevertheless didn't stand up to the same degree as some of the high-order health issues.

## Chapter 7: Major Accomplishments

*"The most notable accomplishment I think we had in the time that I was at EPA was the Clean Air Act."*

Well, the most notable accomplishment I think we had in the time that I was at EPA was the Clean Air Act and some of the very innovative features of it, the market-based pollution rights trading component for acid rain which proved even more successful and more cost-effective than its advocates, than I, had expected it would be. I feel very strongly that we re-

established the agency as a major player in my time. That's really thanks to the President who took the environment seriously and took me seriously. We did that and reinvigorated the Agency. It became more than an entity that considered itself a regulator. It became a place where values and priorities were made clear in an area of fundamental importance to the country.

As the country grows, as the demographics change, as we consume more, some of the protections that we are going to require for land and water, for wetlands, for the coast need vastly more attention. The tendency of certain developments to go in exquisite ecologically important places--golf courses most notably--needs to be stopped. It's just simply not sustainable. The way that water is priced and allocated and stored or not stored in places like California, EPA needs to speak to those issues. It's inextricably involved with environmental resources in all of those questions and if that's the case, there is no better place, there's no more logical conscience of the government on the environment than the Environmental Protection Agency.

Well, the fundamental recognition that I had of the Agency and its mission is that it's more than an enforcement and regulatory agency--though we had the highest enforcement record in terms of fines and penalties than in the previous 18 year history of the agency in our four years--it's an educator, an informer, a source of scientific information about what the environment needs. We therefore considered that the role of supporter, initiator of the National Environmental Education Foundation and environmental education generally for students was an appropriate EPA function. I remember there were those who thought it belonged in the Department of Education. Well, they didn't think of it, and didn't propose it; we did. It seemed to me it made good sense. I got a first-class Board with former Governor Tom Kean of New Jersey on it and Ed Bass from Texas. That strikes me as entirely appropriate for an organization like EPA which has a mission that goes well beyond simply issuing the permits and regulating.

The writer, Gregg Easterbrook, commented, "The environment, along with Social Security, are the two most effective public policies of the post-world-war-two generation." The Air Act was most notable for very specific evidence of vast reductions in all the criteria pollutants: lead, particulates and the rest. It really has succeeded. It had the combination of support for control of industrial entities and a lot of money that companies were able to put up, and made to put up, to manage their air pollution and then the auto industry transformation, really a revolution in automobile engine technology and catalytic converter and the rest. So that we can really all take great pride in the fact that the air, while it is not entirely cleaned up at all, and we do have bad days still, we don't have very many of them in places like Los Angeles which used to have the majority of them.

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