

(Dolan)  
April 5, 1983  
11:00 a.m.

JIM BAKER: 5TH CIRCUIT JUDICIAL CONFERENCE

It's a great pleasure for me to be here today amidst such a distinguished group. You've heard a good many thoughtful presentations here this weekend -- so I promise not to detain you too long. In fact, I've learned a good many things from President Reagan over these last few years but one of the most important has to do with the proper length of speeches. He likes to recall a story about a friend of his who had just become a preacher out on the prairies. As he stepped up to the pulpit to deliver his first sermon, he noticed that there was only one person in the whole congregation.

Flustered, the preacher went down and asked the man's advice about whether to go on. "Well," said the man, "I'm just a cow poke, don't know much about these things, but if I loaded up my wagon with hay and then found only one cow in the field, I'd feed her."

"Good advice," the preacher said. Up to the pulpit he went -- and he laid out a fire and brimstone sermon that went on and on and on -- three and a half hours. After he was done, the preacher went back down to the fellow in the pew and said, "What did you think?"

The fellow paused and finally answered, "Well, I'm just a cow poke, don't know much about these things . . . but if I went out with a wagon full of hay and found only one cow in the field, I sure as hell wouldn't feed her the whole load."

Having lived along the Potomac for several years, I've become accustomed to feeding out loads of just about any size, but I'll try to keep to the assigned limits -- and then I would welcome your questions.

But I must say that for a former simple Houston lawyer it is somewhat intimidating to stand here in front of an audience that contains so many important jurists.

I couldn't help but think this morning as I thought of addressing all of you -- and of Judge Wester's address later today -- of some of the humor we lawyers used to share about those of you who sat in judgment on our cases -- the sort of humor that tended to exaggerate the gulf sometimes separating the members of the bar and the members of the bench. For example, I remember the story of the lawyer who died and went to heaven (and, believe it or not, some lawyers probably do make it that far) and saw over in the distance a fellow strutting around looking very impressive.

"Look over there," the lawyer said to St. Peter, "that fellow looks awfully important, he must be a federal judge."

"No" said St. Peter, "that's God -- he just thinks he's a federal judge."

But perhaps because of your imposing credentials in the field of law and government you too have noticed one of the most disturbing trends of recent years, one that has led at home to declining faith in our political institutions and abroad to tremendous uncertainty among our allies. That trend, of course, is the way successive American administrations have foundered and

lost either their sense of direction or their ability to lead long before they left office.

In a recent article in the New York Times, Professor Henry F. Graff of Columbia University commented on the succession of crippled administrations that have weakened America's credibility at home and abroad. "Not since Dwight Eisenhower," he wrote, "has a chief executive served two full terms or left Washington with cheers ringing in his ears."

The professor described how Lyndon Johnson, "the ablest Congressional politician of this century, was somehow metamorphosized into a riverboat gambler unworthy of his high place," how Gerald Ford, "the best athlete ever to sit in the Oval Office, became a caricaturist's delight as an oafish stumblebum," and how Jimmy Carter, having been elected as "the outsider brought in to straighten out the mess, became a failure because he was not an insider."

The attacks now being made on President Reagan, Professor Graff maintains, are only the latest chapter in "a denigration of the Presidency that has gone on steadily for two decades. They are not only directed against presidential policies but also against the President's power to exercise his mandate."

This time, however, I feel we have reason to hope for a better outcome. It is terribly important that our Presidents, Democratic and Republican, begin succeeding. You cannot have a strong country and a weak chief executive. The two are mutually exclusive. I believe leadership in a democracy succeeds when it is in tune with the truest, finest qualities and aspirations of

its people. More than his recent predecessors, I believe that this President is at one with the temperament and ideals of those he serves.

You know Judge Cardozo once said that a judge "is not a knight errant roaming at will in pursuit of his own ideal of beauty or goodness. He is to draw his inspiration from consecrated principles."

I think a president, to be truly effective, has to have the same source of inspiration. When Ronald Reagan took over the presidency, he came into office with a very clear mandate from the people. There was little question about where he stood and the principles he believed in. He warned that there would be no quick fixes or easy solutions to our economic crisis, but he did say that if we remained true to the principles that had guided this nation from its outset we would return to prosperity at home and improve the chances for peace and stability abroad.

Look at the economic crisis the president inherited. I think perhaps all of you remember double digit inflation 2 years in a row, interest rates at 21.5 percent, unemployment and business failures starting to skyrocket and the growth in federal spending and taxation entirely unabated.

When Ronald Reagan walked into office, he said that through spending restraint and tax cuts he would get this economy going again. No, he didn't say he would do it overnight -- from the very beginning he made the point that conditions built over 40 years can't be solved in 18 months or 2 years.

No sooner did the President get his economic program through Congress and sign it than the gloom and doom brigaders went to work. I think though that the last couple of months shows their march is over.

After 2 years of back-to-back double-digit inflation, we've brought inflation down to 3.9 percent in 1982 -- and 1.1 percent for the last 3 months of that year. In 1982, real wages increased for the first time in 3 years. Interest rates have dropped dramatically with the prime rate shrinking by nearly 50 percent. And in December, the index of leading indicators was a full 6.3 percent above last March's low point and has risen in 8 of the last 9 months. Last month housing starts were up 95 percent and building permits 88 percent over last year at this time. New home sales are up 75 percent since April and inventories of unsold homes are at the lowest levels in more than a decade. Auto production this quarter is scheduled to increase by 22 percent and General Motors alone is putting 21,400 workers back on the job. Last month's sharp decline in the unemployment rate was the most heartening sigh of all.

Under Ronald Reagan's leadership we have turned the corner on the economy. And even while we've done this, we've managed to accomplish the long delayed reform of the Social Security system -- a system that had become such a political football that many said it could never be straightened out or stabilized.

Let's remember also that only 3 years ago, this country seemed to have an insuperable energy crisis. President Carter spent a good deal of his time trying to overcome it, but U.S.

dependence on overseas oil continued at high levels. Ronald Reagan promised to change that, and again he kept his promise. Today, the U.S. imports over 40 percent less crude oil than it did 3 years ago.

Let us remember too that only 3 years ago we were reeling from a series of humiliations and defeats in the foreign arena. From 1873 to 1980, seven different nations around the world -- as far away as Vietnam and as close as Nicaragua -- were raising Marxist flags for the first time. The seizure of our diplomats and our embassy in Tehran only added insult to injury. Well, Ronald Reagan promised us a more assertive, more muscular foreign policy, and he has kept that promise, too. Not one square inch of foreign land has been seized since Mr. Reagan took office; not one of our foreign service officers has been kidnapped; our adversaries know that America is once again ready and willing to protect its interests; and during all of this time, we have kept the peace.

Now, we are the first to concede that these changes have not been without cost. Overseas, it is apparent that when we insist upon being firm with the Soviets, that causes public uneasiness among some of our allies. Here at home, it is also apparent that the process of unwinding inflation has inevitably contributed to a slackening of the economy -- though that is certainly not the chief reason for the recession. But when people look back sometime down the road, I think they will conclude that this period -- however painful in some respects -- represents a long-overdue transition back to a more soundly based economy and

a more secure America. And with regard to our allies abroad, there is a growing consciousness that this is a firm and strong president who can be both flexible and consistent.

Yet even while the President has been dealing with the twin crises left us by the last administration: the crisis of our economy and the crisis of our national security, we have been systematically addressing another major problem in American life.

That problem, of course, is crime in America. Next to economic concerns, it remains the subject most on the minds of American citizens according to opinion polls. There is every reason for this to be so. As the President has said, crime has become an American epidemic. It takes the lives of 25,000 Americans a year, it touches nearly a third of American homes and results in at least 8.8 billion a year in financial losses.

Now no one knows better than those of you here today that much of the crime problem has been fueled by the incredible growth we have seen in the last decade in the illegal drug trade. Last year, after the singular success of the South Florida Task Force headed by Vice President Bush, the President announced the formation of 12 such other task forces -- and this means that we are adding 200 new prosecutors and 1000 new investigators to fight the drug menace -- the first such increases in nearly a decade. We're also getting underway with a special cabinet level coordinating group on border interdiction of the drug trade.

But the President has made it clear that going after the drug traders and smugglers is only the first step in solving a

social problem that has too long been tolerated here in America. I mean of course, the existence of regional and national crime cartels -- the drug trade is only one symptom of this larger problem of organized crime.

That's why the president will be announcing shortly a new presidential commission headed by a distinguished jurist that will closely examine the nature and structure of organized crime in America. He has also established a cabinet level coordinating committee for addressing organized crime problems, special training for local police forces, and will be asking the Attorney General for a yearly report on the progress in the war on organized crime.

In doing so, the President has hit upon a central insight. Let me quote his words:

"Oftentimes we draw distinctions between violent crime and sophisticated crime or between crimes like drug-pushing and crimes like bribery. But the truth is, crime doesn't come in categories -- it is part of a pattern. If one sector prospers in the community of crime, so ultimately do the others. The street criminal, the drug pusher, the mobster, the corrupt policeman or public official -- they form their own criminal subculture of lawlessness. They need each other, they protect each other.

I think it's this ability to see the crime problem whole -- to acknowledge the relationship between street crime, drug

pushing, organized crime and public corruption -- that really does set our Administration apart.

A great deal of this has to do with the President's personal insight into the crime problem. He sees the failure of our legal system to cope with crime as a reflection of the same liberal political philosophy that led to many economic problems stemming from so much unnecessary and counterproductive intrusions of Government.

When he announced these new initiatives the President, I think, went to the heart of the matter when he said:

"Much of our crime problem was provoked by a social philosophy that saw man as primarily a creature of his material environment. The same philosophy that held that by changing that man's material environment -- through massive Federal spending schemes -- we could usher in an era of prosperity and virtue also viewed criminals as the unfortunate products of poor socio-economic conditions or an underprivileged upbringing. Society, in short, not the individual, was to blame for criminal wrongdoing. We were to blame.

I think this explains some of the President's thinking in pushing for his new omnibus crime bill. You'll be hearing more about our proposed reforms in this area. But I think many of you will agree that we desperately need to straighten out the abuses in the bail and parole systems, to tighten up on our sentencing guidelines, to make important changes in the area of the

exclusionary rule, capital punishment, the insanity defense and so on.

But if there's one point I could make about our crime program it is this: It is not a hastily thrown together group of initiatives -- it flows directly from the President's own carefully established political principles. While he thinks the expansion and intrusions of Government need to be cut back in the economic area but at the same time the President feels Government has ignored its truly essential functions.

As Government has expanded into areas where it had no business and actually served a counterproductive function -- the drain on the economy, for example, from more and more spending and higher and higher taxes -- it neglected its crucial functions like maintaining a workable and just legal system and protecting our national security through a strong defense establishment.

Many of us have seen a similar problem in the private sector when a new management team takes over a failing business or corporation. Inevitably, they find money is being wasted on frivolous or hastily launched projects while the real productive divisions have been ignored and neglected.

You know, those of us at the White House are very confident about this crime program and all the other programs I've mentioned -- and we think Democrats and Republicans are going to accept Ronald Reagan's invitation to work together for the good of the country and get many of these proposals passed by the Congress.

But as effective as I think these programs are to be, I also think it is vital not to overlook another -- perhaps unique -- contribution Ronald Reagan has made during the first 2 years of his Administration.

It goes back really to the style of leadership -- the personal qualities -- the President's security of mind and maturity of judgement. He's made us believe again in our future, he's done this by offering us not just a series of legislative proposals but a vision of that future.

The President has made it very clear he does not just want this Nation to put its financial house in order or rebuild its defenses -- he has, even from the earliest days, begun planning for what he hopes will be a very different kind of America in the years ahead.

He talked about it in one of his speeches and I would like to read you a few of his words.

"We have to offer America and the world a larger vision. We must remove Government's smothering hand from where it does harm; we must seek to revitalize the proper functions of Government. But we do these things to set loose again the energy and the ingenuity of the American people. We do these things to reinvigorate those social and economic institutions which serve as a buffer and bridge between the individual and the State -- and which remain the real source of our progress as a people."

The President said that his Administration was making long-term plans -- plans that would hold out to America the prospect of "an orderly, compassionate, pluralistic society -- an archipelago of prospering communities and divergent institutions -- a place where a free and energetic people can work out their own destiny under God."

That's why the President views our economic program as only a first step toward reordering the relationship between citizen and Government. A first step toward making Government responsive again to the people. A first step toward ending the illusion that the power of the State rather than the power of a free people is the principal vehicle of social change.

We've achieved long-term tax reductions and reform, we've worked to eliminate waste and fraud and to restore integrity of all our Federal departments, we're looking to a legal system that protects the innocent and punishes the career criminal, to a renewed federalism and a revitalized sector of private, charitable and religious institutions. And, most of all, for an America whose defenses are strong and whose resolute will never be questioned by those who denigrate the value of human freedom.

This is Ronald Reagan's vision -- and I believe it is also America's vision. I think in the first 2 years of this Administration we have come a long way in making that vision a reality.

I hope and believe that history will remember this Administration as one of vision, one that had new ideas and was not afraid to try them. And I hope too it will remember out time

in Government and say it marked a return of national confidence and an era of national renewal. You'll forgive me if I end on a personal note. I've gotten to know Ronald Reagan in the past few years. I've seen up close how accurate the popular perception of the President is: Ronald Reagan really is a good and inspiring man. It's been an honor to work for him. I know he'll be remembered as one of our greatest Presidents.

JAB  
DRAFT PRINCETON REMARKS  
2/24/83

*Manning. Julius bent in accepting this*  
Thank you very much. ("Be Brief" story) *award) was asked*

It is a real pleasure to be back at Princeton -- and

particularly to be out of Washington, D.C. for a few hours.

I must say, however, it was refreshing during Super Bowl time to see a city *(marked by so many political divisions)* so united in its support for the Redskins ... Why we haven't seen that much teamwork in Washington since Congress voted itself a <sup>pay</sup> raise ...

But it is a great honor to be here. The two institutions that shaped my adult life more than any other *are* <sup>happy to be</sup> Princeton and the Marine Corps. That's quite a range-from eating clubs to C-rations. But I think both Princeton and the Marines developed different parts of my character and my person, and I deeply value my association with each. And I am especially happy to be back on this beautiful campus today, because it holds so many fond memories for me. I don't think there is a week that goes by that I wouldn't trade Pennsylvania Avenue for Prospect Street.

I am proud and deeply honored to have been chosen to receive the Woodrow Wilson award, and in accepting it I first want to say a word about this <sup>super</sup> great University. <sup>your</sup> One important thing this institution~~s~~ has given each of us is a healthy respect for the importance of personal communication.

The development of this respect is fostered at Princeton by the diversity of its student body, and by a faculty whose code word is excellence. It is enhanced by an educational environment which guarantees one's freedom to talk, to argue, to differ, <sup>to</sup> even to agree.

An ability to communicate, to deal with people, to disagree agreeably, is important to success in most lines of work. It is essential to success in politics and government.

Thirty-one years ago, as a member of the Class of '52, I left this campus full of idealism, ready to take on life's challenges. Of particular inspiration to me then, and now, was this charge from Justice Oliver Wendell Holmes:

"Behind any scheme to make the world over lies the question, -- what kind of world do you want?"

Today, I think it more important than ever that all Americans think about Justice Holmes' question -- which direction should America take.

In the last dozen years, we have been through some complicated times, a period that has tested our dedication to ideals and principles. Let's face it: headlined events of recent times have disillusioned a lot of Americans, while obscuring the great strengths of our country and the strengths of many of our leaders. As a result, cynicism and apathy have flourished.

As a matter of fact, in taking note of Woodrow Wilson's phrase which is so closely associated with this award, "Princeton in the nation's service", I would be inclined to suggest (without in any way being self-serving) that it may be more difficult to work in the Nation's service today than it was in Woodrow Wilson's day -- and this is especially true for Presidents.

One of the most disturbing trends of recent years, (one that has been a source of tremendous uncertainty among our allies) is the way successive American administrations have founded and lost either their sense of direction or their ability to lead long before they left office. It is terribly important that <sup>all</sup> our Presidents -- Democratic and Republican -- begin succeeding. You <sup>simply</sup> cannot have a strong country and a weak chief executive. The two are mutually exclusive!!

In a recent article in the New York Times, Professor Henry F. Graff of Columbia University commented on the succession of crippled administrations that have weakened America's credibility at home and abroad. "Not since Dwight Eisenhower," he wrote, "has a chief executive served two full terms or left Washington with cheers ringing in his ears."

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and how Jimmy Carter, having been elected as "the outsider brought in to straighten out the mess, became a failure because he was not an insider."

The attacks now being made on President Reagan, Professor Graff maintains, are only the latest chapter in "a denigration of the Presidency that has gone on steadily for two decades. They are not only directed against presidential policies but also against the President's power to exercise his mandate."

This time, however, I feel we have reason to hope for a better outcome. I believe leadership in a democracy succeeds when it is in tune with the truest, finest qualities and aspirations of its people. More than <sup>most of</sup> his recent predecessors, I believe that this President is at one with the temperament and ideals of those he serves. Public opinion polls continue to show that, notwithstanding the economic and other difficulties plaguing the nation (which have lowered the President's job approval rating) the American people like this President personally and want him to succeed.

In closing, <sup>and</sup> let me add a personal note. Yes, there are those who say America has lost her way, that we have passed our peak of greatness. I disagree. To the contrary, I think that service to two Presidents has re-instilled in me a fundamental conviction that we Americans have a very special system. Yes, there are some problems. There are some excesses that tend to

to turn people off. But we have a system that is so unique and so vital that it's ~~worth fighting for~~ <sup>clearly worth preserving and fighting for.</sup>

In my view, we're seeing a renewal of the process of pride in America. Our political system has thrived and flourished <sup>for</sup> over 200 years. And it's not a coincidence that free government and a free press have marched side by side for <sup>those</sup> two centuries. I'm happy to be in the front line where the give-and-take between press and government remains one of the vital treasures of the American way.

Today, as you leave here, I urge you to consider which direction you want America to take. I <sup>would</sup> urge you to think of Justice Holmes' challenge. I am deeply honored by this award, and for the privilege of being a graduate of the "best old place of all".

Thank you <sup>very much</sup>.

# # # # #

NOTES ON THE STATE  
OF THE PRESIDENCY  
(for Princeton seminar)

I. INTRODUCTION

I am delighted to start this discussion with a few general observations on the state of the Presidency, as I see it. But I hope that nothing I say may lead my fellow-panelist, Dick Nathan, to wish to do anything other than strongly support the general conclusion he reached in his recently-revised book on The Administrative Presidency. Drawing admirably on practical experience, analytic insight, and academic objectivity, Professor Nathan observes:

"Ronald Reagan among recent Presidents appears to have the best handle on the need for an administrative strategy. He has so far avoided the pitfalls of Nixon's heavy-handedness, Johnson's grand design, and Carter's atomic-submarine approach to management."

Perhaps I should best leave the observations on "Presidential management" at that -- and turn to a few other observations on the state of the Presidency.

II. OBSERVATIONS ABOUT PRIOR COMPLAINTS RE PRESIDENCY:

I think it may be useful, as a matter of perspective, to pause and consider a few of the general complaints about the Presidency, which were -- until recently -- commonplace.

(1) One of these we might put under the heading "the imperial presidency." This achieved its quasi-official status as a national problem when, in the second Nixon term, Arthur Schlesinger published a book bearing The Imperial Presidency as its title. President Ford, I think, helped restore a more common touch to the Presidency. And Jimmy Carter's inaugural walk began a more active process of de-mythologizing the Presidency. But by the end of President Carter's term, many were lamenting what seemed to be an over-correction. The Presidency seemed to have been stripped of too much of its strength, its dignity, and its symbolic power. The balance was tipped too far the other way.

Now, I think it's fair to suggest that a proper balance has been restored. And this, most would agree, is a healthy restoration -- both as a matter of symbolism and a matter of substance.

I would not suggest that this restoration of balance is the result of effective management as much as it is the product of a particular personality. But whatever the explanation, and however it may be rooted for the moment in personality, it is, I think, a health institutional development nonetheless.

(2) A second complaint heard not long ago among serious analysts was that somehow the challenges of leadership had grown beyond Presidents and the Presidency; that the separation of powers -- and the growth, in particular, of Congressional power -- resulted in a hopeless stalemate (gridlock some called it) on key issues; and that some sort of Constitutional reform was required.

The type of reform suggested tended to approximate a more parliamentary system. Here I am thinking of such analyses as the widely-cited 1980 Foreign Affairs article by former White House counsel Lloyd Cutler. His lament was rooted in President Carter's inability to gain ratification of SALT II; but his solutions went toward basic institutional change.

This trend of thought is found lingering in such journalistic treatments as Robert Shogan's relatively recent None of the Above, which attempts to explain "Why Presidents Fail and What Can be Done About It." But by and large, the talk of a need for basic institutional change has quieted.

A President has now demonstrated -- indeed, demonstrated dramatically -- that he can enact much of his legislative program. This fact is the more remarkable when one considers that the President's party does not control the House of Representatives, and that the ideological leanings of the President and the Speaker have perhaps never in American history been more widely divergent.

Nor, I should note, is this restored ability to enact strategic legislation merely a phenomenon associated with the President's honeymoon period. We are -- even now -- on the verge of enacting a bipartisan compromise that addresses one of the most contentious and politically divisive problems a President could face: the need for social security reform -- exactly the type of issue that, so recently, was assumed to produce only stalemate.

In noting this change, this renewed capacity to enact key legislation, I'll simply note also that I think it is attributable, in part, to improved White House management -- particularly, the workings of the White House Legislative Strategy Group. But whether this managerial innovation is of lasting value or not, it has helped demonstrate a larger point that surely is of value: we do not need Constitutional reform of our system of checks and balances in order to govern!

(3) A third complaint one has heard less of lately would go under the heading "overpromising". Disenchantment with "overpromising" arose in the post-Kennedy era of "inflated expectations". As it mounted and persisted, it tended to contribute to the further erosion of confidence not merely in particular individuals, but also in the credibility of the institution of the Presidency.

Again, Jimmy Carter was a kind of corrective. While he may have systematically avoided unequivocal promises throughout his electoral campaign, his seemingly frequent policy reversals as President tended themselves to erode confidence. And the Carter White House's famous compilation became a mockery: Promises, Promises.

President Reagan has, I think, helped restore the good name of promises. I recognize, of course, that he has not yet delivered on all his commitments. And I suspect I know better than most that some feel he has moderated his positions too much. But clearly, he is following through on the basics. (Before taking a policy position we are very careful to examine exactly where the President was on the issue in the campaign. His credibility in our view depends on this.)

I am not trying to make a partisan point here. Whether people agree with the President's policies or not, there is cause for some appreciation. For the prior syndrome of overpromises and flip-flops threatened not only to erode confidence in the Presidency; ultimately, it also threatened confidence in something more basic: the Presidential election process. If I am right on this point, then we should all be grateful that confidence in the meaningfulness of a candidate's word is being restored.

III. OBSERVATION RE A COMPLAINT WE'VE ENGENDERED

Having offered these general observations on three prior prevailing complaints, let me turn to an observation about a complaint we are said to have engendered. I shall stay away from particular policy complaints and focus on what some have considered an over-arching criticism: it has played in the press as "disarray".

With all my bias and prejudice admitted, I have to say that I think there is less disarray in fact than is portrayed by the media. But the perception of disarray is real.

How do we explain this perception? It is, of course, partly the result of the traditional excesses of the media -- excesses which, on balance, are a reasonable price to pay for the benefits of a free, competitive press. But there is also something to it -- if by "disarray" is meant tension or competition among alternative judgments about policies or tactics.

There is, in fact, often just such tension or competition within and among the Cabinet and members of the White House staff. On balance, I would say this too is healthy. It increases the range of options and sharpens the critical analysis made available to the President. Periodic suggestions of "disarray" are a small price to pay for this benefit of competitive tension -- provided, of course, the competitive tension is constructively managed.

Ronald Reagan wanted a strong Cabinet and a strong White House staff. I think he got both. Ronald Reagan wanted ideologically-rooted policy analysts, tested in their loyalty to his principles; and he wanted practically-oriented implementors tested by their experience. Again, he got both.

This is a built-in formula for tension and competition. But, properly managed, it is also a formula for success in advancing an ideology while adapting, as necessary, to the practical dictates of a less-than-wholly-accommodating reality. Naturally enough, I believe our system is constructively managed.

The specific means by which tension and conflict are managed -- the systems of conflict resolution and decision-making -- would be tedious to describe. For those with an academic interest in the subject, I might refer to our system in terms developed in the literature by Alexander George. It is a system of "multiple advocacy" with multiple "honest brokers."

What is absolutely essential to keep such a system working smoothly is the close and continuous coordination among the honest brokers, and between the honest brokers and the President. This coordination, under the President's overall direction, I'm sure we have -- to a far greater extent that is publicly understood.

I might say in passing, however, that although this internal coordination is not well-understood in the general public discussion, it is beginning to be noticed in the academic literature. I have in mind, for example, a thoughtful analysis presented by Penner and Heclo at the Woodrow Wilson School's recent conference on "The Reagan Presidency at Mid-Term". After commenting favorably on the Reagan Administration's capacity for strategic management, Penner and Heclo note that "strategic management was made possible by the development of a small, rather close-knit group of managers in the White House.

They go on to suggest that "future political scientists, and possibly psychologists specializing in small group dynamics, will undoubtedly devote considerable attention to the internal groupings of the Reagan White House -- the Deaver Luncheon Group, the Legislative Strategy Group and the like." While psychological analysis of small group dynamics in the White House is a somewhat disconcerting prospect, this does lead me to one last introductory observation.

#### IV CONCLUDING OBSERVATIONS

Since Eisenhower there has been a strong tendency toward "denigration" of the modern Presidency. The media tend to build up bigger than life -- then systematically tear down and destroy. This is very disturbing. It is important to the nation that our presidents succeed -- whether democrat or republican. You cannot have a strong nation and a weak chief executive. The two are mutually exclusive.

I would conclude these introductory remarks by observing that the President recently had dinner with a small group of distinguished historians of the American Presidency. One of them noted that the more a responsible scholar learns about a President, the better acquainted the historian becomes with the behind-the-scenes detail, the more appreciative he or she tends to become. The others all agreed. Obviously, Lyndon Johnson's current nemesis, Robert Caro, was not among them! But I bet Professor Greenstein would agree. With that in mind, might I suggest, Fred, that you could usefully turn your revisionist analytical skills from Dwight Eisenhower to Ronald Reagan.

At the moment, the principal historians of the Reagan Presidency are journalists. And without, I hope, unduly taking on the burden of advocacy in these introductory remarks, let me conclude by observation that I am quite confident that future historians (immersed in the detail of the Reagan Presidency) will paint a far more flattering portrait than now appears on the nightly news.

I say this, in part, because I am confident that the President's policies and management will bring significant substantive success in the years ahead. But I say it also as one who is already immersed in what will be the historians detail -- who is confident that there is a substantially better story than is generally being told.

(Maseng)  
April 8, 1983  
6:30 p.m.

JAMES BAKER: JAWORSKI LECTURE  
WEDNESDAY, APRIL 13, 1983

It's good to be back home in Texas, and especially in such distinguished company. I hope you'll understand if I'm a little more circumspect today than I was in that turkey blind interview a while back.

I have to admit that was the first time I ever went turkey hunting and bagged myself.

You know you always hear how dumb turkeys are. Well, all I can say is they did better that day than I did.

It was quite a morning. The turkeys were flapping their wings, the reporter was flapping his ears, and I was flapping my mouth.

I should've concentrated more on the gobbling and less on the gabbling.

In retrospect, I violated the most basic rule of hunting -- keep your mouth shut.

It is a great honor for me to be here today, paying tribute to a Texan who was known for speaking and acting his mind, Leon Jaworski. He, however, spoke out with such judiciousness and wisdom that he won the respect of men and women across the political spectrum and helped heal a troubled Nation. His belief that no one could be above the law lest our very system of government collapse thrust him into the center of such pivotal controversies as civil rights and Watergate. In those instances, as in every other in his career, Leon Jaworski acted with

absolute integrity and compassion, and left an entire Nation sorely in his debt.

I know he loved and depended on his wife and family. He believed in God and practiced his religion. And because he brought his values with him wherever he went, he did much to restore the people's trust in their institutions. He also helped us believe in ourselves again -- a requirement for the prosperity of any nation.

As I've lived through recent administrations, it has often struck me that our country lives on a psychological roller coaster. Sometimes, we reach incredible highs -- usually when we elect new Presidents and a dawn of new hope bursts upon us. Or who can forget those inspiring moments of July 4th, 1976 -- the bicentennial celebration -- or the day the hostages came home from Iran? But then, too, we've had some breathtaking downers -- the gloom of Vietnam and of Watergate. And for me personally, that terrible March 30th when Ronald Reagan was shot in downtown Washington. Nations, just like individuals, have ups and downs in their lives.

Wading through the press clipping of the past couple years -- watching Bill Moyers and company wring their hands over the decline and fall of America -- I have to wonder whether we talk ourselves into some of our psychological downers.

I would be the first to agree that we live in times of momentous challenge and, yes, even pain and peril. Our difficulties are deep and complex, but we need to keep things in

perspective -- and it is the perspective of the Reagan White House that I would like to trace out here today.

Critics who insist that the Reagan Presidency will fail -- that it will be unable to solve any of the major problems now facing the country -- always seem to forget just how much has been accomplished already through domestic and foreign policy.

Candidate Reagan said he would put our economy on a sound footing again, and President Reagan is keeping his promise. Reaganomics has taken a bad rap, but what it really means is a return to good, old fashioned common sense. We have cut in half the rate of growth in government spending and are now tackling the problem of deficits. We have reformed the tax system both to make it more fair and to boost recovery through incentives to save, invest, and work harder. We cut the rate of growth in Federal regulations by a third and have supported policies of slow, steady growth in our money supply. Taken together, these policies have got America squarely on the road to recovery.

It's worth remembering that in 1980, when Ronald Reagan was elected, inflation was ravaging our economy. It was economic enemy number one. Many then were as pessimistic about the future with rising inflation as they are now about rising deficits. With inflation running over 12 percent a year, people said it would take years and years to get the rate down to single digits. In the 12 month period ending this November, inflation was down to 4½ percent -- the best record in a decade. Consumer prices have not risen at all this year, and, for the last 6 months,

inflation has risen at an annual rate of only 0.4 percent -- the lowest 6 month average in nearly 22 years.

Our inflation forecast for 1983 is only 4.5 percent, less than half what it was when Ronald Reagan took office. To translate those statistics into human terms, you must remember that inflation had been terrorizing American families. This President has taken away that fear. As a result of his programs, a family earning \$15,000 last year kept nearly \$1,100 more in real terms than they would have under the economic conditions of the previous administration.

Also, in 1980, the prime interest rate was at a peak of 21½ percent. Now it's 10.5 percent and at at least one bank 10 percent -- still too high but cut in half and trending downward. As a result, the housing industry has begun to boom, again. For millions of Americans, the dream of owning their own homes is becoming possible. Housing starts are at the highest level since September, 1979. In February they were 93 percent above the same month last year. Permits to build were 88 percent better and sales of existing homes in January broke all records ever kept.

Another important result of the drop in interest rates has been the relief to small business, that backbone of our economy. Our small business entrepreneurs are once again able to borrow to finance inventories, increasing new orders for durable goods and starting our factories humming again.

Industrial production was up for the third consecutive month in February, and America's workers understand how good that news

is. Our automobile and steel industries are expanding. Real wages are up and real disposable income -- the bottom line for every family -- is rising again after stagnating for years.

We are projecting a 4.7 percent growth rate this year -- a healthy, steady climb out of recession toward restored prosperity. That means about 3 million more jobs, unemployment below 10 percent and better times for all our people.

Let us remember, too, that only 3 years ago we were reeling from a series of humiliations and defeats in the foreign arena. From 1973 to 1980, seven different nations around the world -- as far away as Vietnam and as close as Nicaragua -- were raising marxist flags for the first time. The seizure of our diplomats and our embassy in Tehran only added insult to injury. Well, Ronald Reagan promised us a more assertive, more muscular foreign policy, and he has kept that promise, too. Not one square inch of foreign land has been seized since Mr. Reagan took office; not one of our foreign service officers has been kidnapped; our adversaries know that America is once again ready and willing to protect its interests; and during all of this time, we have kept the peace.

Of course, Americans are still very concerned about the serious problems we face during the next 2 years of the Reagan presidency -- challenges in the budget, in Social Security and in employment.

#### The Budget Challenge

You've no doubt read some hair-raising stories about the deficits built into the Federal budget for the rest of this

decade. I wish I could assure you that there was no truth to these stories, but I can't. Looking at these deficits is like seeing the Rockies for the first time; they are awesome.

The President has proposed a budgetary program whereby deficits will be steadily reduced in size, moving toward a balanced budget. His dream, one day, is that the Federal Government will actually begin making payments on the national debt. He is committed to braking and reversing the trend of deficit spending in Washington, but convincing the Congress remains our toughest battle.

The proposals in the President's budget will restore non-inflationary growth and has four basic elements: First, a 6-month freeze on cost of living adjustments for Social Security and other Government programs, with a 1-year freeze on civilian and military pay and pensions. Second, an effort to control the so-called uncontrollable entitlement programs. Third, a \$55 billion cutback in our defense program over the next 5 years -- savings carefully chosen so as not to jeopardize America's security. And finally, a contingency tax that could be triggered in October, 1985 if the deficit remains above 2½ percent of our gross national product.

America's best hope for economic recovery is to work along a parallel track of spending restraint and economic expansion. In effect, as Secretary Regan said, we must lower the water and raise the bridge at the same time. And we are convinced that with a \$760 billion Federal budget this year -- a budget which will still grow over \$50 billion a year, still growing faster

than the rate of inflation -- it should be possible to make additional savings while still meeting our basic human and defense needs. And yes, the President is also looking at a number of options in the area of long-term tax reform. But both he and all of his advisers are united in believing that new taxes must be a last resort -- and only then if they are tied to spending restraint and only if they are restricted to the "out years" when they will not threaten our hopes for recovery.

What about defense spending? The President's critics are still arguing that he's being rigid, that he ought to be more flexible. They are ignoring the record. Two years ago, when we came into office, we found a Carter budget that was inadequate for our future security. President Reagan then proposed that we increase defense spending by a cumulative total of \$116 billion more than the Carter 5-year plan. As of January 1, by our own actions and by those of Congress, we had already cut that \$116 billion figure by a full \$41 billion -- in other words, over a third of our original increase had already been squeezed out of the budget.

And in January Cap Weinberger took his knife in hand once again and came up with the reductions in outlays I mentioned earlier. But President Reagan will not play politics with the security of this Nation. Some of his critics have proposed slashing our defense program to dangerous levels, which would be nothing short of rolling the dice with America's peace and freedom at stake. This the President will not do.

Let me move on to quickly address two other pressing subjects: Social Security and jobs.

#### Social Security

There has been a lot of demagoguery and frightening talk about Social Security, but one man has had the courage and provided the leadership necessary to move us forward to a responsible solution. In 1980, as a candidate -- and as he had many years before -- Ronald Reagan warned that Social Security was running out of money and ought to be reformed; the other side laughed it off. In 1981, he proposed a package of comprehensive reforms to the Congress; the other side turned it into a political football. Late in 1981, he appointed a bipartisan commission to come up with recommendations and help form political consensus; the other side used scare talk as a major issue of the fall campaign in 1982.

I was proud to work at the direction of the President on this issue, although at first I was not encouraged about the prospects for success. But the President pressed hard and won a solution with a number of statesmen on both sides who worked together for the good of the country. One of the greatest achievements so far in this Presidency -- and one of those Ronald Reagan is most proud of -- is the recently negotiated, bipartisan compromise to save the Social Security system.

#### Jobs

Finally, let us consider the question of jobs and economic growth in America. The President has said repeatedly that the most urgent priority we face today is to create more employment.

We are painfully aware of the long lines that form whenever a handful of new jobs is announced in cities across the land.

In tackling this problem, we have to keep in mind the massive changes that are taking place -- not only in the nature of our work force but in the nature of work itself. Partly out of economic necessity, partly because of new attitudes, women have been streaming into the labor market in unprecedented numbers. Then, too, we have seen an enormous influx into the labor force in recent years of the baby boom generation. The net result is that over a fourth of our current unemployment is made up of people who have never held a job before or have just entered the labor force. I say this not to belittle the unemployment problem -- it is obviously severe, indeed tragic -- but to highlight some of the underlying structural causes.

At the same time, we must recognize that a massive transformation is taking place in America from essentially a smokestack economy into a internationalized post-industrial economy. We are emerging into a new world -- one that is sharply competitive and socially wrenching, but one that still offers enormous opportunities for growth.

What does all this mean for the Reagan Administration? President Reagan's first priority, of course, is to spark an economic recovery as quickly as possible. The recent upturn in almost all the economic indicators convince us we're on the right track. Clearly, one key to sustained growth is to bring down deficits; another is to support the Federal Reserve in its desirable efforts to allow reasonable growth in the money supply.

We also recognize that even with recovery, the problems of structural unemployment will persist. For those with marginal skills and for teenagers, the difficulties will be acute. The President has proposed a package of proposals to address their needs, including job training, aid for dislocated workers and incentives to hire the young and inexperienced.

On another critical front -- international trade -- we have been vigorous in holding back the tide of protectionism in this country, and we will remain so. We have been extraordinarily patient with our friends overseas in seeking fairer access to their markets. But our patience has worn thin. The President now wants more concrete actions from friends and trading partners overseas.

But we also have to pay attention to a deeper question: How do we encourage the transition to a U.S. economy that provides more jobs and more growth in the industries of the future -- electronics, biotechnology and the like? The U.S. has long been a pioneer in these fields, but we now feel the hot breath of competition from many others overseas. It is imperative that we provide a warm, hospitable environment for our sunrise industries to encourage the innovation so essential to the future health of our economy.

As you can see, the agenda for long-term economic growth is complex and imposing -- and seems more so every year. But despair and the gloom are attitudes of the past. Our troubles were part of a broader, deeper transition taking place in our society. The opportunities before us are many and great. The

central question is whether we can successfully direct and manage this economic revolution. We must!

Ladies and gentlemen, I want to close by mentioning that one of the most disturbing trends of recent years -- one that has been a source of tremendous uncertainty among our friends and allies -- and that is the way in which successive American administrations have foundered and lost either their sense of direction or their ability to lead long before they left office. It is terribly important that our Presidents, Democratic and Republican, succeed. You cannot have a strong country and a weak chief executive. The two are mutually exclusive!

In a recent article in the New York Times, Professor Henry F. Graff of Columbia University commented on the succession of crippled administrations that have weakened America's credibility at home and abroad. "Not since Dwight Eisenhower," he wrote, "has a chief executive served two full terms or left Washington with cheers ringing in his ears."

The professor described how Lyndon Johnson, "the ablest Congressional politician of this century, was somehow metamorphosized into a riverboat gambler unworthy of his high place," how Gerald Ford, "the best athlete ever to sit in the Oval Office, became a caricaturist's delight as an oafish stumblebum," and how Jimmy Carter, having been elected as "the outsider brought in to straighten out the mess, became a failure because he was not an insider."

Since Eisenhower, there has been a strong tendency toward "denigration" of the modern Presidency. The media tend to build

up bigger than life -- then systematically tear down and destroy. The attacks now being made on President Reagan, Professor Graff maintains, are only the latest chapter in "a denigration of the Presidency that has gone on steadily for two decades. They are not only directed against presidential policies but also against the President's power to exercise his mandate."

This time, however, I feel we have reason to hope for a better outcome. I believe leadership in a democracy succeeds when it is in tune with the truest, finest qualities and aspirations of its people -- the historic current and flow of the Nation's spirit.

More than his recent predecessors, I believe that this President trusts the people and is at one with the temperament and the ideals of those he serves. And with my prejudices admitted, I believe that he brings to his job an ability to articulate and lead, the likes of which we have not seen since the days of Franklin Roosevelt.

President Reagan has, I think, helped restore the office of President. He has been keeping the promises that got him elected. I recognize, of course, that he has not yet delivered on all his commitments. And I suspect I know better than most that some feel he has moderated his positions too much. But clearly, he is following through on the basics. I am not trying to make a partisan point here. Whether people agree with the President's policies or not, there is cause for some appreciation. For the prior syndrome of overpromises and flip-flops threatened not only to erode confidence in the

Presidency; ultimately, it also threatened confidence in something more basic: the election process itself. If I am right on this point, then we should all be grateful that confidence in the relationship between a candidate's word and a President's performance is being restored.

Today, certainly, economic difficulties continue to plague us. But I am confident that the groundwork has been laid and that America is headed once again in the right direction. It is a direction that makes me much more confident that the America of my grandchildren will also be the land of opportunity, freedom and strength which you and I were raised to believe in and to love.

Thank you for having me with you today.

(Dolan)  
April 5, 1983  
11:00 a.m.

JIM BAKER: 5TH CIRCUIT JUDICIAL CONFERENCE

It's a great pleasure for me to be here today amidst such a distinguished group. You've heard a good many thoughtful presentations here this weekend -- so I promise not to detain you too long. In fact, I've learned a good many things from President Reagan over these last few years but one of the most important has to do with the proper length of speeches. He likes to recall a story about a friend of his who had just become a preacher out on the prairies. As he stepped up to the pulpit to deliver his first sermon, he noticed that there was only one person in the whole congregation.

Flustered, the preacher went down and asked the man's advice about whether to go on. "Well," said the man, "I'm just a cow poke, don't know much about these things, but if I loaded up my wagon with hay and then found only one cow in the field, I'd feed her."

"Good advice," the preacher said. Up to the pulpit he went -- and he laid out a fire and brimstone sermon that went on and on and on -- three and a half hours. After he was done, the preacher went back down to the fellow in the pew and said, "What did you think?"

The fellow paused and finally answered, "Well, I'm just a cow poke, don't know much about these things . . . but if I went out with a wagon full of hay and found only one cow in the field, I sure as hell wouldn't feed her the whole load."

Having lived along the Potomac for several years, I've become accustomed to feeding out loads of just about any size, but I'll try to keep to the assigned limits -- and then I would welcome your questions.

But I must say that for a former simple Houston lawyer it is somewhat intimidating to stand here in front of an audience that contains so many important jurists.

I couldn't help but think this morning as I thought of addressing all of you -- and of Judge Wester's address later today -- of some of the humor we lawyers used to share about those of you who sat in judgment on our cases -- the sort of humor that tended to exaggerate the gulf sometimes separating the members of the bar and the members of the bench. For example, I remember the story of the lawyer who died and went to heaven (and, believe it or not, some lawyers probably do make it that far) and saw over in the distance a fellow strutting around looking very impressive.

"Look over there," the lawyer said to St. Peter, "that fellow looks awfully important, he must be a federal judge."

"No" said St. Peter, "that's God -- he just thinks he's a federal judge."

But perhaps because of your imposing credentials in the field of law and government you too have noticed one of the most disturbing trends of recent years, one that has led at home to declining faith in our political institutions and abroad to tremendous uncertainty among our allies. That trend, of course, is the way successive American administrations have foundered and

lost either their sense of direction or their ability to lead long before they left office.

In a recent article in the New York Times, Professor Henry F. Graff of Columbia University commented on the succession of crippled administrations that have weakened America's credibility at home and abroad. "Not since Dwight Eisenhower," he wrote, "has a chief executive served two full terms or left Washington with cheers ringing in his ears."

The professor described how Lyndon Johnson, "the ablest Congressional politician of this century, was somehow metamorphosized into a riverboat gambler unworthy of his high place," how Gerald Ford, "the best athlete ever to sit in the Oval Office, became a caricaturist's delight as an oafish stumblebum," and how Jimmy Carter, having been elected as "the outsider brought in to straighten out the mess, became a failure because he was not an insider."

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its people. More than his recent predecessors, I believe that this President is at one with the temperament and ideals of those he serves.

You know Judge Cardozo once said that a judge "is not a knight errant roaming at will in pursuit of his own ideal of beauty or goodness. He is to draw his inspiration from consecrated principles."

I think a president, to be truly effective, has to have the same source of inspiration. When Ronald Reagan took over the presidency, he came into office with a very clear mandate from the people. There was little question about where he stood and the principles he believed in. He warned that there would be no quick fixes or easy solutions to our economic crisis, but he did say that if we remained true to the principles that had guided this nation from its outset we would return to prosperity at home and improve the chances for peace and stability abroad.

Look at the economic crisis the president inherited. I think perhaps all of you remember double digit inflation 2 years in a row, interest rates at 21.5 percent, unemployment and business failures starting to skyrocket and the growth in federal spending and taxation entirely unabated.

When Ronald Reagan walked into office, he said that through spending restraint and tax cuts he would get this economy going again. No, he didn't say he would do it overnight -- from the very beginning he made the point that conditions built over 40 years can't be solved in 18 months or 2 years.

No sooner did the President get his economic program through Congress and sign it than the gloom and doom brigaders went to work. I think though that the last couple of months shows their march is over.

After 2 years of back-to-back double-digit inflation, we've brought inflation down to 3.9 percent in 1982 -- and 1.1 percent for the last 3 months of that year. In 1982, real wages increased for the first time in 3 years. Interest rates have dropped dramatically with the prime rate shrinking by nearly 50 percent. And in December, the index of leading indicators was a full 6.3 percent above last March's low point and has risen in 8 of the last 9 months. Last month housing starts were up 95 percent and building permits 88 percent over last year at this time. New home sales are up 75 percent since April and inventories of unsold homes are at the lowest levels in more than a decade. Auto production this quarter is scheduled to increase by 22 percent and General Motors alone is putting 21,400 workers back on the job. Last month's sharp decline in the unemployment rate was the most heartening sigh of all.

Under Ronald Reagan's leadership we have turned the corner on the economy. And even while we've done this, we've managed to accomplish the long delayed reform of the Social Security system -- a system that had become such a political football that many said it could never be straightened out or stabilized.

Let's remember also that only 3 years ago, this country seemed to have an insuperable energy crisis. President Carter spent a good deal of his time trying to overcome it, but U.S.

dependence on overseas oil continued at high levels. Ronald Reagan promised to change that, and again he kept his promise. Today, the U.S. imports over 40 percent less crude oil than it did 3 years ago.

Let us remember too that only 3 years ago we were reeling from a series of humiliations and defeats in the foreign arena. From 1873 to 1980, seven different nations around the world -- as far away as Vietnam and as close as Nicaragua -- were raising Marxist flags for the first time. The seizure of our diplomats and our embassy in Tehran only added insult to injury. Well, Ronald Reagan promised us a more assertive, ~~more muscular~~ foreign policy, and he has kept that promise, too. Not one square inch of foreign land has been seized since Mr. Reagan took office; not one of our foreign service officers has been kidnapped; our adversaries know that America is once again ready and willing to protect its interests; and during all of this time, we have kept the peace.

Now, we are the first to concede that these changes have not been without cost. Overseas, it is apparent that when we insist upon being firm with the Soviets, that causes public uneasiness among some of our allies. Here at home, it is also apparent that the process of unwinding inflation has inevitably contributed to a slackening of the economy -- though that is certainly not the chief reason for the recession. But when people look back sometime down the road, I think they will conclude that this period -- however painful in some respects -- represents a long-overdue transition back to a more soundly based economy and

(?)

revise

a more secure America. And with regard to our allies abroad, there is a growing consciousness that this is a firm and strong president who can be both flexible and consistent.

Yet even while the President has been dealing with the twin crises left us by the last administration:--the crisis of our economy and the crisis of our national security, we have been systematically addressing another major problem in American life.

That problem, of course, is crime in America. Next to economic concerns, it remains the subject most on the minds of American citizens according to opinion polls. There is every reason for this to be so. ~~As the President has said,~~ Crime has become an American epidemic. It takes the lives of 25,000 Americans a year, it touches nearly a third of American homes and results in at least 8.8 billion a year in financial losses.

Now no one knows better than those of you here today that much of the crime problem has been fueled by the incredible growth we have seen in the last decade in the illegal drug trade. Last year, after the singular success of the South Florida Task Force headed by Vice President Bush, the President announced the formation of 12 such other task forces -- and this means that we are adding 200 new prosecutors and 1000 new investigators to fight the drug menace -- the first such increases in nearly a decade. We're also getting underway with a special cabinet level coordinating group on border interdiction of the drug trade.

But the President has made it clear that going after the drug traders and smugglers is only the first step in solving a

✓  
this is a bipartisan group we're speaking to.)

social problem that has too long been tolerated here in America. I mean of course, the existence of regional and national crime cartels -- the drug trade is only one symptom of this larger problem of organized crime.

That's why the president will be announcing shortly a new presidential commission headed by a distinguished jurist that will closely examine the nature and structure of organized crime in America. ~~He has also~~ established a cabinet level coordinating committee for addressing organized crime problems, special training for local police forces, and will be asking the Attorney General for a yearly report on the progress in the war on organized crime. *He has also asked that other <sup>specific</sup> initiatives be examined.*

In doing so, the President has hit upon a central insight.

Let me quote his words:

"Oftentimes we draw distinctions between violent crime and sophisticated crime or between crimes like drug-pushing and crimes like bribery. But the truth is, crime doesn't come in categories -- it it part of a pattern. If one sector prospers in the community of crime, so ultimately do the others. The street criminal, the drug pusher, the mobster, the corrupt policeman or public official -- they form their won criminal subculture of lawlessness. They need each other, they protect each other.

I think it's this ability to see the crime problem whole -- to acknowledge the relationship between street crime, drug

Take Out  
Pres to announce

pushing, organized crime and public corruption -- that really does set our Administration apart.

A great deal of this has to do with the President's personal insight into the crime problem. He sees the <sup>inability</sup> ~~failure~~ of our legal system to cope with crime as a reflection of the same liberal political philosophy that led to many economic problems stemming from so much unnecessary and counterproductive intrusions of Government.

(over)  
Insert 1

When he announced these new initiatives the President, I think, went to the heart of the matter when he said:

"Much of our crime problem was provoked by a social philosophy that saw man as primarily a creature of his material environment. The same philosophy that held that by changing that man's material environment -- through massive Federal spending schemes -- we could usher in an era of prosperity and virtue also viewed criminals as the unfortunate products of poor socio-economic conditions or an underprivileged upbringing. Society, in short, not the individual, was to blame for criminal wrongdoing. We were to blame.

Insert 2

*The challenge of addressing these problems is behind*  
~~I think this explains some of the President's thinking in~~

pushing for his new omnibus crime bill. You'll be hearing more about our proposed reforms in this area. But I think many of you will agree that we desperately need to straighten out the abuses in the bail and parole systems, to tighten up on our sentencing guidelines, <sup>and other</sup> ~~to~~ make important changes in the area of the

## Insert 1

He feels, and raw statistics bear him out, that our legal system has largely ~~shown~~ <sup>shown</sup> itself to be ~~handicapped~~ when it comes to ~~the~~ dealing w/ ~~the~~ crime. We feel this is partly due to ~~the~~ the unwise application of ~~liberal social~~ <sup>liberal social</sup> ~~philosophy~~ philosophy to the judicial system -- a philosophy that tends to hold society, not the criminal, responsible for crime.  
~~As the President suggested it:~~

## Insert 2

Whether one agrees w/ this view or not, it must be conceded that uncertainty of punishment, lax parole laws, the insanity defense, and procedural anomalies that lead to hardened criminals getting off scot-free -- ~~not only hampers our~~ ~~all result in a loss of public confidence in our~~ ~~legal system and its~~ ability to effectively punish, and therefore deter, crime; they ~~also lead to a~~ ~~damaging~~ ~~loss of public confidence in the legal system.~~ have also led to a damaging loss of public confidence in the legal system.

that will make the system more ~~effective~~ <sup>effective and</sup> thereby reingire public ~~exclusionary rule, capital punishment, the insanity defense and confidence,~~ <sup>confidence,</sup> ~~so on.~~

But if there's one point I could make about our crime program it is this: It is not a hastily thrown together group of initiatives -- it flows directly from the President's own carefully established political principles. While he thinks the expansion and intrusions of Government need to be cut back in the economic area but at the same time the President feels Government has ignored its truely essential functions.

As Government has expanded into areas where it had no business and actually served a counterproductive function -- the drain on the economy, for example, from more and more spending and higher and higher taxes -- it neglected its crucial functions like maintaining a workable and just legal system and protecting our national security through a strong defense establishment.

Many of us have seen a similar problem in the private sector when a new management team takes over a failing business or corporation. Inevitably, they find money is being wasted on frivolous or hastily launched projects while the real productive divisions have been ignored and neglected.

You know, those of us at the White House are very confident about this crime program and all the other programs I've mentioned -- and we think Democrats and Republicans are going to accept Ronald Reagan's invitation to work together for the good of the country and get many of these proposals passed by the Congress.

But as effective as I think these programs are to be, I also think it is vital not to overlook another -- perhaps unique -- contribution Ronald Reagan has made during the first 2 years of his Administration.

It goes back really to the style of leadership -- the personal qualities -- the President's security of mind and maturity of judgement. He's made us believe again in our future, he's done this by offering us not just a series of legislative proposals but a vision of that future.

The President has made it very clear he does not just want this Nation to put its financial house in order or rebuild its defenses -- he has, even from the earliest days, begun planning for what he hopes will be a ~~very different kind of America in the~~ <sup>rebuilding of the American spirit.</sup> years ahead.

He talked about it in one of his speeches and I would like to read you a few of his words.

"We have to offer America and the world a larger vision. We must remove Government's smothering hand from where it does harm; we must seek to revitalize the proper functions of Government. But we do these things to set loose again the energy and the ingenuity of the American people. We do these things to reinvigorate those social and economic institutions which serve as a buffer and bridge between the individual and the State -- and which remain the real source of our progress as a people."

paraphrase,  
not direct  
quote

The President said that his Administration was making long-term plans -- plans that would hold out to America the prospect of "an orderly, compassionate, pluralistic society -- an archipelago of prospering communities and divergent institutions -- a place where a free and energetic people can work out their own destiny under God."

That's why the President views our economic program as only a first step toward reordering the relationship between citizen and Government. A first step toward making Government responsive again to the people. A first step toward ending the illusion that the power of the State rather than the power of a free people is the principal vehicle of social change.

We've achieved long-term tax reductions and reform, we've worked to eliminate waste and fraud and to restore integrity of all our Federal departments, we're looking to a legal system that protects the innocent and punishes the career criminal, to a renewed federalism and a revitalized sector of private, charitable and religious institutions. And, most of all, for an America whose defenses are strong and whose resolute will never be questioned by those who denigrate the value of human freedom.

This is Ronald Reagan's vision -- and I believe it is also America's vision. I think in the first 2 years of this Administration we have come a long way in making that vision a reality.

I hope and believe that history will remember this Administration as one of vision, one that had new ideas and was not afraid to try them. And I hope too it will remember <sup>our</sup> ~~out~~ time

Should instead work in theme of making the Presidency succeed. Action, not inaction, leadership, not reaction, confidence in America, not illusions, a crisis spirit, etc.

in Government and say it marked a return of national confidence and an era of national renewal. You'll forgive me if I end on a personal note. I've gotten to know Ronald Reagan in the past few years. I've seen up close how accurate the popular perception of the President is: Ronald Reagan really is a good and inspiring man. It's been an honor to work for him. I know he'll be remembered as one of our greatest Presidents.