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PR 005-02

June 10, 1984

Dear General Winn:

Thank you very much for your insightful letter and wise words. I am writing this as I return from the Summit in London.

In spite of the usual slanting and inaccuracies of the media, who consider such meetings failures unless there is friction or a feud to write about, the meeting on the whole was good and worthwhile. There was consensus on some of the issues you raised in your letter with regard to the anti-freedom forces in the world and more realism than in some past Summits.

Indeed, it was easier to achieve consensus there than in Washington with some of the factions in Congress. General Winn, I believe that again the media has exaggerated supposed differences within our Administration. It is true I encourage presentation of all facets but there is no compromise with principle on my part, nor has such been urged upon me.

I'm most grateful for your letter and strengthened by the points you made with such eloquence and logic. Thank you and God bless you.

Sincerely,

RONALD REAGAN

X

Brigadier General David W. Winn, USAF, Ret.
6485 Mesedge Drive
Colorado Springs, Colorado 80919

RR/DICTATION/lme

840612

HANDWRITING FILE

To B/Hen. David W. Winn 6485 Mesedge Dr.
Colorado Springs Col.
80919

Dear Gen. Winn

Thank you very much for your insightful letter and wise words. I am writing this as I return from the Summit in London.

In spite of the usual slanting & inaccuracies of the media who consider such meetings failures unless there ~~was~~ is friction or a feud to write about, the meeting on the whole was good & worthwhile. There was consensus on some of the issues you raised in your letter with regard to the anti-freedom forces in the world; more realism than in some past summits.

Indeed it was easier to achieve consensus there than in Wash. with some of the factions in Congress. Gen. Winn I believe that again the media has exaggerated supposed differences within our administration. It is true I encourage presentation of all facets but there is no compromise with principle on my part nor has such been urged upon me.

I'm most grateful for your letter and strengthened by the points you made with such eloquence & logic. Thank you & God bless you.
Smiley RR

Dear Mr President -

29 May 1984

Mr. President, you will get your second election to that highest office and a second chance to show mankind where America and the world will go. Your impact on world history is assured. The world will be a different place by 1988.

You know, better than any of us, the size of the task.

In Hanoi, as part of senior leadership, I had some experience "rebuilding a civilization," as Vice Admiral Jim Stockdale puts it. Let me size the problem, the challenge, you face as the leader of nations whose options more and more resemble those of captives.

We, the producing people of the world, are being nibbled to death.

All nations have always had bright people whose vision was short. We have our share of those who are very strong, very effective, very impressive but, in one respect, very wrong; they fail to understand that freedom to be all those good things is more important than any deal with an extortionist. It is difficult for free people to think in terms of the possibility that the roof can fall in.

America today thinks by the day, and acts by the hour, even minute. The bad guys build for the long term by destroying right now. We risk destruction of our ability to strike a deal five years from today because of the shakey bridges we build today.

The Soviet SS-18 ICBM, for example, has destroyed Russian citizen opportunities for 10 years or more; through Cuba and in Afghanistan, the Kremlin destroys someone noble, something good, every minute.

There are Americans, many of them, whose days are not spoiled by this fact. They are in business, banking, press, church, education, labor, government and political parties of all persuasions.

These sophisticates exist in all countries. They are not new. They use freedom without dedication to its growth. At best, they hope for its survival. Or, they use power and control only to insure survival of their piece of the action.

And, Mr. President, in the America you lead, it appears that you have few philosophical allies among those with whom you share leadership; in the world, as seen through the filters of Press, you may have none. I believe you know this. But I believe you sense that there is far more support for your vision and instincts than for those of the establishments of all nations. You are correct.

So what's the message? If I were President, I'd...

1. Make the Republican party different from the Democratic party. Dole, Weicker and Mathias are Republicans as is Jim Baker, we think. The Stockmans and Feldsteins are too, and they are all there to keep you honest. But what is missing from the Party is the flat statement that the games are over. You will not be captured by any collection of ideologues. We are the party of divergent views, but united by the theme that we are men and women of America dedicated to freedom of opportunity above all else.

2. This has commercial and international implications. At the coming economic summit, and before, domestically, the big movers have to get the word. The "interdependent world" is not the same as the United Nations. We need to take our hits right now. We can no longer be played off, one country, one company, one bank, against another by a bully. We will exercise choice. Linking free economies and markets to non-producing economies is over where public monies or credit support private ventures. Other nations have to understand that policy. Foreign aid and trade can no longer be virtually the same. And military alliances without economic consensus are pointless in today's world.

3. What to do about Soviet military expansion and Western military budgets? Again our allies must get the picture. A proposal: Free nations should agree on levying a uniform surcharge onto all sales to the Soviet Union or any nation whose arming or actions presents a threat to orderly commerce. In the case of Russia, all suppliers to the Kremlin would jack up prices by the amount of budget defense costs to respond to Soviet military allocations. Free market pricing would return when Russian discontinues developing and fielding offensive missile systems.

All the above require a meeting of minds. You are stuck with the most important and momentous historical responsibility ever faced by any leader in any era.

Totalitarian rule is growing despite the absence of any successful socialist model. Terror, especially in the nuclear age, is the only legacy of failed Marxism. It worked in Teheran and is working in the Persian Gulf, just as it works in El Salvador and Warsaw.

Meanwhile, trade and banking with non-productive modern "authors and finishers" of terrorism continues. Commerce must be linked with ideology, the concept of man's purpose and capability.

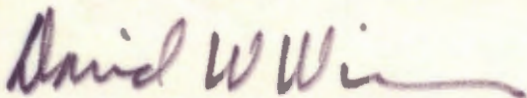
After you, there isn't anyone. You have to start the process leading to a world of hope and eagerness to live.

Without getting tough with your Party and the establishment there will be no success in shaping the contemporary bi-party, no-party, historically myopic leaders on whom all of us, in every nation depend for a future of peace, opportunity and joy.

Some of us are only passengers on space ship earth, a bountiful, beautiful creation none of us shaped. Others are captains. You are a captain with right visions and true instincts. But you need to clear the bridge and the wardrooms of officers who don't have the foggiest notion that all of us have only temporary passage whether passenger, engineer or captain.

I wish I could help, more. But you have much prayer working for you, and act under God's authority. I believe you can expect the unexpected with results rewarding to our country and to your family.

God bless you, Mr. President.

A handwritten signature in dark ink, reading "David W. Winn". The signature is written in a cursive style with a long, sweeping underline.

B/Gen David W. Winn USAF Ret
6485 Mesedge Dr.
Colo. Springs, CO 80919
303/599-7734

F0006-0

**WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET**

JV

- O - OUTGOING
- H - INTERNAL
- I - INCOMING

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

Sherrie - please see me

Name of Correspondent: James A Baker, III

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Payment by host governments of expenses incurred by the official party during Economic Summit trip

ROUTE TO:		ACTION		DISPOSITION	
Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response Code	Completion Date YY/MM/DD
<u>CW Holland</u>		<u>ORIGINATOR</u>	<u>DDI 84/06/12</u>		<u>C 84/08/30</u>
<u>CWAT17</u>		<u>Referral Note:</u>	<u>A DDI 84/06/12</u>		<u>C 84/08/30</u>
<u>CEFIER</u>		<u>Referral Note:</u>	<u>S 84/08/30</u>	<u>JV</u>	<u>A 84/08/30</u>
		<u>Referral Note:</u>	<u>1 1</u>		<u>1 1</u>
		<u>Referral Note:</u>	<u>1 1</u>		<u>1 1</u>
		<u>Referral Note:</u>			

ACTION CODES:

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

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

DISPOSITION CODES:

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

FOR OUTGOING CORRESPONDENCE:

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

Comments: Jun 3 84 London advance staff memo to members of official Party attached along with Rick Ahearn memo on incidental charges in Ireland

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

THE WHITE HOUSE

WASHINGTON

August 30, 1984

MEMORANDUM FOR JAMES A. BAKER, III
CHIEF OF STAFF AND
ASSISTANT TO THE PRESIDENT

FROM: FRED F. FIELDING *Orig. signed by FFF*
COUNSEL TO THE PRESIDENT

SUBJECT: Payment by Host Governments of
Expenses Incurred by the Official
Party During the Economic Summit Trip

This is to provide guidance on whether it was appropriate for the Governments of Ireland and England to pay the expenses of the Official Party of the President during his recent visits to those countries; if such expenses could be paid by the host governments are the recipients required to report such payments in any way; and, should members of the Official Party return any expense advances they may have received from the U.S. Government.

Pursuant to the Foreign Gifts and Decorations Act, 5 U.S.C. § 7342, a Government official:

may accept gifts of travel or expenses for travel taking place entirely outside the United States (such as transportation, food, and lodging) of more than minimal value if such acceptance is appropriate, consistent with the interests of the United States, and permitted by the employing agency and any regulations which may be prescribed by the employing agency. 5 U.S.C. § 7342(c)(1)(B)(ii).

Hence, if it was consistent with the interests of the United States for the host governments to pay the travel expenses of the Official Party, and permitted by the regulations of the Executive Office of the President, the travel expenses (in England and Ireland) of the White House members of the Official Party could be paid by the Governments of England and Ireland.

The State Department has advised that acceptance of the offers made by the governments of Ireland and England is "consistent with the interests of the United States."

The Executive Office of the President has adopted the regulations of the State Department, 22 C.F.R. § 3, with respect to the acceptance and reporting of travel expenses received by White House staff from foreign governments. Pursuant to those

regulations, it is permissible for an employee to accept gifts of travel or expenses from a foreign government when the employee's official travel orders place him in the position "of accepting travel or travel expenses offered by a foreign government which are directly related to the authorized purpose of the travel." 22 C.F.R. § 3.4.

The "official travel orders" of the White House Staff members of the Official Party did anticipate the payment of travel expenses by the host governments in Ireland and England as such orders provided each member of the Official Party with only 40% of the amount of the per diem to which they were entitled. Moreover, as a result of the reduction, the State Department has advised that the per diems issued to the members of the Official Party by the State Department need not be returned as they were for expenses not covered by the host governments in Ireland and England.

Thus, it was permissible for the host governments in Ireland and England to pay the travel expenses of the Official Party of the President in those countries, and, according to the State Department, it was permissible for the U.S. Government to provide the Official Party with reduced per diems for their expenses on this trip.

Pursuant to applicable State Department and Ethics in Government Act regulations, receipt of these travel expenses need not be reported. The applicable State Department regulations do not require a reporting of travel expenses received from a foreign government if the expenses were "accepted in accordance with specific instructions from the department or agency." 22 C.F.R. § 3.6(b). State has advised that the official travel orders of the White House members of the Official Party and the memoranda received by the members of the Official Party from the London and Ireland Advance Staff are sufficient to meet the "specific instruction" requirement of that regulation. Similarly, these expense payments need not be disclosed on the recipients' annual financial disclosure reports because such payments are excluded from the definition of a "gift" under the regulations applicable to such reports. 5 C.F.R. § 734.105(f)(3).

cc: Edwin Meese III
Michael K. Deaver
Robert C. McFarlane
Richard G. Darman
Edward V. Hickey, Jr.
Michael A. McManus, Jr.
Larry M. Speakes

FFF:SMC:ph / 7/30/84

cc: FFFielding/SMCooksey/Subject/Chron.

THE WHITE HOUSE
WASHINGTON

July 13, 1984

MEMORANDUM FOR FRED F. FIELDING

FROM: SHERRIE M. COOKSEY *SMC*

SUBJECT: Payment by Host Governments of
Expenses Incurred by the Official
Party During the Economic Summit Trip

*see sign-
page
for comments*

James A. Baker, III has requested guidance on whether it was appropriate for the governments of Ireland and England to pay the expenses of the Official Party of the President during his recent visits to those countries; if such expenses could be paid by the host governments are the recipients required to report such payments in any way; and, should members of the Official Party return any expense advances they may have received from the U.S. Government.

Pursuant to the Foreign Gifts and Decorations Act, 5 U.S.C. § 7342, a Government official:

may accept gifts of travel or expenses for travel taking place entirely outside the United States (such as transportation, food, and lodging) of more than minimal value if such acceptance is appropriate, consistent with the interests of the United States, and permitted by the employing agency and any regulations which may be prescribed by the employing agency. 5 U.S.C. § 7342(c)(1)(B)(ii).

According to Gene Malmborg (Ethics Officer at State) it is an accepted practice for the United States to accept payment of the travel expenses of its Official Parties by foreign governments when such payment is offered. Thus, acceptance of the offers made by the governments of Ireland and England could be deemed to be "consistent with the interests of the United States." This is particularly true in the instance of the British offer, as it has been the practice of the host governments of all previous Economic Summits to pay the travel expenses of the Official Parties of the participating Heads of State.

The Executive Office of the President has adopted the regulations of the State Department, 22 C.F.R. § 3, with respect to the acceptance and reporting of travel expenses received by White House staff from foreign governments. Pursuant to those regulations, it is permissible for an employee to accept gifts of travel or expenses from a foreign government when the

recipients' annual financial disclosure reports because such payments are excluded from the definition of a "gift" under the regulations applicable to such reports. 5 C.F.R. § 734.105(f)(3).

Unless you wish to obtain more detailed information on the use of the advances or per diems received by each White House member of the Official Party before concluding that no reimbursement of those per diems to the State Department is necessary, I am prepared to recommend that you advise Baker that the payments of expenses by the host governments were permissible, the payment of reduced per diems to the members of the Official Party was appropriate, and no reporting of the payments by the host governments is necessary. Attached for your review and signature is a proposed memorandum for Baker.

Attachment

gn officials under the Act
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ll be responsible for proce-
al guest designations by
y of State.

(18 U.S.C. 1116(b)(2), 1116(c)(4); sec. 4 of
the Act of May 26, 1949, as amended (22
U.S.C. 2658))

[Dept. Reg. 108.679, 37 FR 24817, Nov. 22,
1972]

tion of foreign officials.

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(18 U.S.C. 1116(b)(2), 1116(c)(4); sec. 4 of
the Act of May 26, 1949, as amended (22
U.S.C. 2658))

[Dept. Reg. 108.679, 37 FR 24818, Nov. 22,
1972]

§ 2.4. Designation of official guests.

The Chief of Protocol shall also
maintain a roster of persons designat-
ed by the Secretary of State as official
guests. Any inquiries by law enforce-
ment officers or other persons as to
whether a person has been so designat-
ed shall be directed to the Chief of
Protocol. The designation of a person
as an official guest is final. Pursuant
to Section 2658 of Title 22 of the
U.S.C., the authority of the Secretary
of State to perform the function of
designation of official guests is hereby
delegated to the Chief of Protocol.

(22 U.S.C. 2658)

[Dept. Reg. 108.792, 45 FR 55716, Aug. 21,
1980]

§ 2.5 Records.

The Chief of Protocol shall maintain
as a part of the official files of the De-
partment of State a cumulative roster
of all persons who have been duly noti-
fied as foreign officials or designated
as official guests under this part. The
roster will reflect the name, position,
nationality, and foreign government or
international organization concerned
or purpose of visit as an official guest
and reflect the date the person was ac-
corded recognition as being "duly noti-
fied to the United States" or designat-
ed as an official guest and the date, if
any, of termination of such status.

(18 U.S.C. 1116(b)(2), 1116(c)(4); sec. 4 of
the Act of May 26, 1949, as amended (22
U.S.C. 2658))

[Dept. Reg. 108.679, 37 FR 24818, Nov. 22,
1972]

**PART 3—GIFTS AND DECORATIONS
FROM FOREIGN GOVERNMENTS**

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3.2 Authority.

3.3 Definitions.

3.4 Restriction on acceptance of gifts and
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3.5 Designation of officials and offices re-
sponsible for administration of foreign
gifts and decorations.

Sec.

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3.9 Disposal of gifts and decorations which
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3.12 Exemption of grants and other for-
eign government assistance in cultural
exchange programs from coverage of
foreign gifts and decorations legislation.

AUTHORITY: Sec. 515(a)(1), 91 Stat. 862,
amending 5 U.S.C. 7342 (1976).

SOURCE: Dept. Reg. 108.798, 45 FR 80819,
Dec. 8, 1980, unless otherwise noted.

§ 3.1 Purpose.

These regulations provide basic
standards for employees of the De-
partment of State, the United States
International Development Cooper-
ation Agency (IDCA), the Agency for
International Development (AID), and
the International Communication
Agency (USICA), their spouses (unless
separated) and their dependents to
accept and retain gifts and decorations
from foreign governments.

§ 3.2 Authority.

(a) Section 515(a)(1) of the Foreign
Relations Authorization Act of 1978
(91 Stat. 862-866), approved August
17, 1977, (hereafter referred to as "the
Act") amended Section 7342 of Title 5,
U.S. Code (1976), making substantial
changes in the law relating to the ac-
ceptance and retention of gifts and
decorations from foreign governments.

(b) 5 U.S.C. 7342(g) authorizes each
employing agency to prescribe regula-
tions as necessary to carry out the new
law.

§ 3.3 Definitions.

When used in this part, the follow-
ing terms have the meanings indicat-
ed:

(a) "Employee" means (1) an officer
or employee of the Department, AID,
IDCA, or USICA, including an expert

or consultant, however appointed, and (2) a spouse (unless separated) or a dependent of such a person, as defined in section 152 of the Internal Revenue Code of 1954 (26 U.S.C. 152).

(b) "Foreign government" means: (1) Any unit of foreign governmental authority, including any foreign national, State, local, or municipal government; (2) any international or multinational organization whose membership is composed of any unit of foreign government as described in subsection (b)(1) of this section; (3) any agent or representative of any such unit or organization, while acting as such;

(c) "Gift" means a tangible or intangible present (other than a decoration) tendered by, or received from, a foreign government;

(d) "Decoration" means an order, device, medal, badge, insignia, emblem or award tendered by, or received from, a foreign government;

(e) "Minimal value" means retail value in the United States at the time of acceptance of \$100 or less, except that on January 1, 1981, and at 3-year intervals thereafter, "minimal value" is to be redefined in regulations prescribed by the Administrator of General Services, in consultation with the Secretary of State, to reflect changes in the consumer price index for the immediately preceding 3-year period.

§ 3.4 Restriction on acceptance of gifts and decorations.

(a) An employee is prohibited from requesting or otherwise encouraging the tender of a gift or decoration from a foreign government. An employee is also prohibited from accepting a gift or decoration from a foreign government, except in accordance with these regulations.

(b) An employee may accept and retain a gift of minimal value tendered and received as a souvenir or mark of courtesy, subject, however, to the following restrictions—

(1) Where more than one tangible item is included in a single presentation, the entire presentation shall be considered as one gift, and the aggregate value of all items taken together must not exceed "minimal value".

(2) the donee is responsible for determining that a gift is of minimal

value in the United States at the time of acceptance. However, should any dispute result from a difference of opinion concerning the value of a gift, the employing agency will secure the services of an outside appraiser to establish whether the gift is one of "minimal value". If, after an appraisal has been made, it is established that the value of the gift in question is \$200 or more at retail in the United States, the donee will bear the costs of the appraisal. If, however, the appraised value is established to be less than \$200, the employing agency will bear the costs.

(c) An employee may accept a gift of more than minimal value when (1) such gift is in the nature of an educational scholarship or medical treatment, or (2) it appears that to refuse the gift would likely cause offense or embarrassment or otherwise adversely affect the foreign relations of the United States, except that a tangible gift of more than minimal value is deemed to have been accepted on behalf of the United States and, upon acceptance, shall become the property of the United States.

(d) An employee may accept gifts of travel or expenses for travel taking place entirely outside the United States (such as transportation, food, and lodging) of more than minimal value if such acceptance is appropriate, consistent with the interests of the United States, and permitted by the employing agency. Except where the employing agency has specific interests which may be favorably affected by employee travel wholly outside the United States, even though it would not normally authorize its employees to engage in such travel, the standards normally applied to determine when proposed travel will be in the best interests of the employing agency and of the United States Government shall be applied in approving acceptance of travel or travel expenses offered by a foreign government.

(1) There are two circumstances under which employees may accept gifts of travel or expenses:

(i) When the employee is issued official travel orders placing him or her in the position of accepting travel or travel expenses offered by a foreign

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the United States at the time of the gift. However, should any dispute result from a difference of opinion concerning the value of a gift, the employing agency will secure the services of an outside appraiser to establish whether the gift is one of "minimal value". If, after an appraisal is made, it is established that the gift is in question is more at retail in the United States, the donee will bear the costs of appraisal. If, however, the appraisal is established to be less than the value of the gift, the employing agency will bear the costs.

(1) An employee may accept a gift of minimal value when (1) the nature of an educational scholarship or medical treatment it appears that to refuse would likely cause offense or embarrassment or otherwise adversely affect the employee's foreign relations, except that a tangible gift of more than minimal value has not previously been accepted on behalf of the employee in the United States and, upon acceptance, shall become the property of the United States.

(2) An employee may accept gifts of minimal value for expenses for travel taking place wholly outside the United States, as transportation, food, and other expenses of more than minimal value, if acceptance is appropriate with the interests of the United States, and permitted by the employing agency. Except where the employing agency has specific instructions, acceptance may be favorably affected by travel wholly outside the United States, even though it is not authorized by the employing agency in such travel, the same rules apply to deterred travel will be in the interest of the employing agency in the United States Government. The same rules apply in approving travel or travel expenses incident to foreign government.

Under the following two circumstances employees may accept gifts of minimal value for expenses:

(1) When an employee is issued official orders placing him or her in a position where accepting travel or expenses offered by a foreign

government which are directly related to the authorized purpose of the travel; or

(i) When the employee's travel orders specifically anticipate the acceptance of additional travel and travel expenses incident to the authorized travel.

(2) When an employee is traveling under circumstances described in paragraph (d)(1)(i) of this section, that is, without specific instructions authorizing acceptance of additional travel expenses from a foreign government, the employee must file a report with the employing agency under the procedures prescribed in § 3.6.

(e) Since tangible gifts of more than minimal value may not lawfully become the personal property of the donee, all supervisory officials shall, in advising employees of their responsibilities under the regulations, impress upon them their obligation to decline acceptance of such gifts, whenever possible, at the time they are offered, or to return them if they have been sent or delivered without a prior offer. All practical measures, such as periodic briefings, shall be taken to minimize the number of gifts which employees must deposit and which thus become subject to disposal as provided by law and regulation. Employees should not accept gifts of more than minimal value on the assumption that refusal would be likely to "cause offense or embarrassment or otherwise adversely affect the foreign relations of the United States". In many instances it should be possible, by explanation of the prohibition against an employee's retention of such gifts, to avoid consequences of acceptance, including possible return of the gift to the donor. Refusal of the gift at the inception should typically be regarded as in the interest both of the foreign government donor and the U.S. Government.

§ 3.5 Designation of officials and offices responsible for administration of foreign gifts and decorations.

(a) The Act effects a significant degree of decentralization of administration relative to the disposal of foreign gifts and decorations which become U.S. Government property. Each agency is now responsible for re-

ceiving from its employees deposits of foreign gifts of more than minimal value, as well as of foreign decorations not meeting the statutory criteria for retention by the recipient. The agency is also responsible for disposing of this property by return to the donor, for retaining it in the agency if official use of it is approved, for reporting to the General Services Administration within 30 calendar days after deposit items neither disposed of nor retained, and for assuming custody, proper care and handling of such property pending removal from that custody pursuant to disposal arrangements by the General Services Administration. The Secretary of State, however, is made responsible for providing guidance to other executive agencies in the development of their own regulations to implement the Act, as well as for the annual publication of lists of all gifts of more than minimal value deposited by Federal employees during the preceding year. [See § 3.5(c).] Authority for the discharge of the Secretary's responsibilities is delegated by these regulations to the Chief of Protocol.

(b) The Office of the Chief of Protocol retains primary responsibility for administration of the Act within the Department of State. That Office will, however, serve as the depository only for those foreign gifts and decorations which are turned in by State Department employees. The Director of Personnel Services of the USICA will have responsibility for administration of the Act within that agency and will serve as the depository of foreign gifts and decorations. Employees of the other foreign affairs agencies must deposit with their respective agencies any gifts or decorations deposit of which is required by law.

(c) Any questions concerning the implementation of these regulations or interpretation of the law should be directed to the following:

(1) For the Department of State, to the Office of Protocol or to the Office of the Assistant Legal Adviser for Management, as appropriate;

(2) For IDCA, to the Office of the General Counsel;

(3) For AID, to the Assistant General Counsel for Employee and Public Affairs; and

§ 3.6

(4) For USICA, to the General Counsel.

§ 3.6 Procedure to be followed by employees in depositing gifts of more than minimal value and reporting acceptance of travel or travel expenses.

(a) An employee who has accepted a tangible gift of more than minimal value shall, within 60 days after acceptance, relinquish it to the designated depository office for the employing agency for disposal or, with the approval of that office, deposit it for official use at a designated location in the employing agency or at a specified Foreign Service post. The designated depository offices are:

(1) For the Department of State, the Office of Protocol;

(2) For IDCA, the General Services Division of the Office of Management Planning in AID;

(3) For AID, the General Services Division of the Office of Management Planning; and

(4) For USICA, the Office of Personnel Services.

(b) At the time that an employee deposits gifts of more than minimal value for disposal or for official use pursuant to paragraph (a) of this section, or within 30 days after accepting a gift of travel or travel expenses as provided in § 3.4(d) (unless the gift of such travel or travel expenses has been accepted in accordance with specific instructions from the Department or agency), the employee shall file a statement with the designated depository office with the following information:

(1) For each tangible gift reported:

(i) The name and position of the employee;

(ii) A brief description of the gift and the circumstances justifying acceptance;

(iii) The identity of the foreign government and the name and position of the individual who presented the gift;

(iv) The date of acceptance of the gift;

(v) The donee's best estimate in specific dollar terms of the value of the gift in the United States at the time of acceptance; and

(vi) Disposition or current location of the gift. (For State Department em-

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ployees, forms for this purpose are available in the Office of Protocol.)

(2) For each gift of travel or travel expenses:

(i) The name and position of the employee;

(ii) A brief description of the gift and the circumstances justifying acceptance; and

(iii) The identity of the foreign government and the name and position of the individual who presented the gift.

(c) The information contained in the statements called for in paragraph (b) of this section is needed to comply with the statutory requirement that, not later than January 31 of each year, the Secretary of State publish in the FEDERAL REGISTER a comprehensive listing of all such statements filed by Federal employees concerning gifts of more than minimal value received by them during the preceding year.

§ 3.7 Decorations.

(a) Decorations tendered in recognition of active field service in time of combat operations or awarded for other outstanding or unusually meritorious performance may be accepted, retained, and worn by an employee, subject to the approval of the employing agency. Without such approval, the decoration is deemed to have been accepted on behalf of the United States and, like tangible gifts of more than minimal value, must be deposited by the employee with the designated depository office for the employing agency within sixty days after acceptance, for retention for official use or for disposal in accordance with § 3.9.

(b) The decision as to whether a decoration has been awarded for outstanding or unusually meritorious performance will be made:

(1) For the Department of State, by the supervising Assistant Secretary of State or comparable official, except that, in the case of a decoration awarded to an Assistant Secretary or other officer of comparable or higher rank, the decision shall be made by the Office of Protocol;

(2) For IDCA, by the Assistant Director for Administration;

(3) For AID, by the Director of Personnel Management; and

Chapter I—E

(4) For U Associate Di sel, or the Congre sion domestic en rector of A employees).

(c) To ju sion, a state ernment, pi citation wh for the ten supplied. A ceived or b should forv pository c agency a case. This statement award and the foreig panied it. obtain the office as t the statu er the dec worn. Pen the decor custody of

§ 3.8 Appr decorat official

(a) At post or an agency, a have been United St cial use. proved:

(1) For the Chief

(2) For Manager

(3) For agement

(4) For rector fo

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THE WHITE HOUSE

WASHINGTON

July 13, 1984

MEMORANDUM FOR JAMES A. BAKER, III
CHIEF OF STAFF AND
ASSISTANT TO THE PRESIDENT

FROM: FRED F. FIELDING
COUNSEL TO THE PRESIDENT

SUBJECT: Payment by Host Governments of
Expenses Incurred by the Official
Party During the Economic Summit Trip

*Autype +
note cc - members
of Official
U.S. Party*

is to provide guidance
This ~~will~~ respond to your request for guidance on whether it was appropriate for the Governments of Ireland and England to pay the expenses of the Official Party of the President during his recent visits to those countries; if such expenses could be paid by the host governments are the recipients required to report such payments in any way; and, should members of the Official Party return any expense advances they may have received from the U.S. Government.

Pursuant to the Foreign Gifts and Decorations Act, 5 U.S.C. § 7342, a Government official:

may accept gifts of travel or expenses for travel taking place entirely outside the United States (such as transportation, food, and lodging) of more than minimal value if such acceptance is appropriate, consistent with the interests of the United States, and permitted by the employing agency and any regulations which may be prescribed by the employing agency. 5 U.S.C. § 7342(c)(1)(B)(ii).

Hence, if it was consistent with the interests of the United States for the host governments to pay the travel expenses of the Official Party, and permitted by the regulations of the Executive Office of the President, the travel expenses (in England and Ireland) of the White House members of the Official Party could be paid by the Governments of England and Ireland.

The State Department has advised that acceptance of the offers made by the governments of Ireland and England is "consistent with the interests of the United States."

The Executive Office of the President has adopted the regulations of the State Department, 22 C.F.R. § 3, with respect to the acceptance and reporting of travel expenses received by White House staff from foreign governments. Pursuant to those

regulations, it is permissible for an employee to accept gifts of travel or expenses from a foreign government when the employee's official travel orders place him in the position "of accepting travel or travel expenses offered by a foreign government which are directly related to the authorized purpose of the travel." 22 C.F.R. § 3.4.

The "official travel orders" of the White House Staff members of the Official Party did anticipate the payment of travel expenses by the host governments in Ireland and England as such orders provided each member of the Official Party with only 40% of the amount of the per diem to which they were entitled. Moreover, as a result of the reduction, the State Department has advised that the per diems issued to the members of the Official Party by the State Department need not be returned as they were for expenses not covered by the host governments in Ireland and England.

Thus, it was permissible for the host governments in Ireland and England to pay the travel expenses of the Official Party of the President in those countries, and, according to the State Department, it was permissible for the U.S. Government to provide the Official Party with reduced per diems for their expenses on this trip.

Pursuant to applicable State Department and Ethics in Government Act regulations, receipt of these travel expenses need not be reported. The applicable State Department regulations do not require a reporting of travel expenses received from a foreign government if the expenses were "accepted in accordance with specific instructions from the department or agency." 22 C.F.R. § 3.6(b). State has advised that the official travel orders of the White House members of the Official Party and the memoranda received by the members of the Official Party from the London and Ireland Advance Staff are sufficient to meet the "specific instruction" requirement of that regulation. Similarly, these expense payments need not be disclosed on the recipients' annual financial disclosure reports because such payments are excluded from the definition of a "gift" under the regulations applicable to such reports. 5 C.F.R. § 734.105(f)(3).

THE WHITE HOUSE

WASHINGTON

June 11, 1984

236576 *in*

MEMORANDUM TO: FRED FIELDING
FROM: JAMES A. BAKER, III *JAB*
SUBJECT: 1984 Summit Expenses

The attached memos are self-explanatory. Please advise the members of the official party if these expenses may be paid by the host governments and how they should be reported, if at all.

Many thanks.

1984 JUN 11 11 5 41

THE WHITE HOUSE

WASHINGTON

June 3, 1984

MEMORANDUM FOR: MEMBERS OF THE OFFICIAL PARTY
FROM: LONDON ADVANCE STAFF
SUBJECT: EXPENSES INCURRED BY THE OFFICIAL PARTY

Her Majesty's Government has agreed to be responsible for expenses incurred by the Official Party during the four-day period of the Summit.

They will cover the cost of lodging, meals and drinks (in the hotel only), room service, laundry, valet service and telephone calls (up to £5.00 per person for the period).

632-9414
Admin Office Staff

THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR THE OFFICIAL PARTY

FROM: RICK AHEARN

SUBJECT: INCIDENTAL CHARGES IN IRELAND

It is the wish of the Irish Government that the entire Official Party be their guests during the President's stay here in Ireland. Therefore, all charges, including all incidentals, will be assumed by the Government of Ireland, both at Ashford Castle and in Dublin.

Please sign for all incidental charges, including meals, room service, bar or valet that you may incur. Gratuities should be added to any charges. The host government will also cover gratuities so please add tips to the bills you sign.

Thank you for your attention to this matter.



United States Department of State

Washington, D.C. 20520

A/EX/ASD, Room 3800, NS

Traveler: James A. Baker III

PLEASE NOTE:

The attached money (\$300.00) is an advance to cover your incidental expenses incurred on the trip. The Department of State will be billed directly for your hotel room and tax. All other expenses such as food, beverages, phone calls, etc., are to be paid upon departure from the hotel. If phone calls are official, they may be claimed at the conclusion of the trip, as indicated below.

The voucher that you sign acknowledging receipt of this money will be submitted for you at the end of the trip. If you wish to claim any other expenses covered by your travel orders, please itemize them and forward with any receipts to the address above or to Grier Ballantine in the White House Advance Office and they will be added to the voucher.

en

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THE WHITE HOUSE

WASHINGTON

June 14, 1984

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PP005-01

PH

Dear Brute:

Thanks for your letter and the postscript. As usual, your Camp report resulted in a little homesickness.

Your column is right on. In London at the Summit I think I convinced our friends and allies that our deficit had nothing to do with high interest rates. For one thing, four of them have higher deficits as a percentage of G.N.P. than we do, one is tied with us, and one has lower. Our interest rates now are due to just plain fear that inflation will come back.

You are absolutely right that the problems are caused by government spending too much. I've asked several times what the difference is between borrowing or taxing. We're still taking the money from the people either way.

Thanks for your kind words about El Salvador. We'll keep slugging.

Best regards,

Ron

Lt. Gen. Victor H. Krulak (Ret.)
3665 Carleton Street
San Diego, California 92106

840615

HANDWRITING FILE

To Gen. Ret. Victor H. Krulak (We have his address)

Dear Brute

Thanks for your letter & the postscript. As usual your camp report resulted in a little home sickness.

Your column is right on. In London at the summit I think I convinced our friends & allies that our deficit had nothing to do with high interest rates.

For one thing 4 of them have higher deficits as a percentage of G.N.P. than we do, one is tied with us & one has lower. Our interest rates now are ~~just~~ due to just plain fear that inflation will come back.

You are absolutely right that the problems are caused by govt. spending too much. I've asked several times what the difference is between borrowing or taxing.

We're still taking the money from the people either way.

Thanks for your kind words about El Salvador. We'll keep slugging.

Regards Ron

VICTOR H. KRULAK

23 May 1984

Dear Campmates:

The Work Weekend was a success -- fine weather, ten members present, a lot of hard work -- cleaning, repairing, painting and organizing our fine new kitchen. The Camp will be in good shape for the Spring Jinks and the Encampment. We worked, but did have time for some good food (Chef Ralph was there) and a domino game or two.

We discussed the matter of new members. -- We agreed to propose that the Camp reaffirm its previous invitation to our old friends Harry Gray, Jack Sparks and Michael Beaumont, as they are now members of the Bohemian Club. Dick Krasno, Lou's son, who was a guest last year, is also now a Club member. It was our belief that Dick should be invited to join us. If there is no contrary response from the rest of the members by June 10th, I will send each of the four a letter. Jim Wiesler, a fine San Francisco prospect with whom some members had previously discussed Owl's Nest membership, will be the Camp's guest on the first weekend. It was agreed, if there is no contrary reaction by the end of that weekend, we will invite him formally at that time.

The opportunity for these new members coupled with the large number of guests invited for this year resurfaced the matter of an additional cabin, financed from the new members' fees. We are exploring the feasibility of the proposition with the Grove staff.

Although the figures change as time passes, we could have as many as 25 on the first weekend, 31 on the second and 28 on the third weekend. A load, but we will make it work.

Cheers,

Bruce

Dear Mr. President: We missed you. The Grove was beautiful - replete with rhododendrons.

Enclosed is a column on economics that may give you some help. I'm proud of the way you are handling your El Salvador opposition.

Sincerely,

Bruce