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WITHDRAWAL SHEET

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DOCUMENT NO. & TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. transcript	Gergen off the record comment (1 pg partial)	3/31/83	C

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STORY: BUDGET
MA: 60 FMT:

QUEUE: NRD-NRD
HJ:

MSG:
INI:

OPR: RLQ ; 03/19, 12:59

TO: MLS, LT, JF, BFP, DR, JG, GP, LH, DCB, DXB, JWM, SJF,
PA, PGH, SXM, DLB, DAW, LJJ
FROM: RAK
RE: WHITE HOUSE DEVELOPMENTS

REAGAN. Here is a brief summary of the President's comments in the briefing room at noon. WFD transcript to follow.

Reagan launched an unusually harsh attack on the House Democratic spending plan drafted by Budget Committee Chairman Jim Jones and passed by the committee this week.

Reagan called the Jones plan "a truly dangerous budget proposal....a giant step backward into an economic quagmire....a dagger aimed at the heart" of economic recovery.

The Democratic budget would increase domestic spending by 181 billion dollars, and would increase taxes by 316 billion over five years, Reagan said. The average family of four would pay an additional \$3,550 in new taxes by 1988, Reagan said.

Pentagon spending would be cut by 206 billion in budget authority through 1988 under the Democratic budget. Reagan said the Jones plan would "cripple" the administration's military buildup. "Nothing could bring greater joy to the Kremlin" than backing down on the Reagan defense buildup, he said.

STOCKMAN. After Reagan spoke, budget director Stockman

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briefed reporters. His attack on the Democratic budget was even sharper.

Said Stockman: ``Jimmy Carter's back as the chief budget writer in the House...This is a fundamental assault and a fundamental retreat...a radical assault'' on the direction of the last two years. ``This (budget) isn't reasonable and they know it. This is a political document and they know it....They are seriously jeopardizing the bridges we have built...We don't believe middle-of-the-road Democrats can swallow much of this...They've gone too far. They've overplayed their hand.''

Ways and Means Committee Chairman Rostenkowski has expressed reservations about the size of the tax increases in the Jones budget, Stockman said.

The House is scheduled to vote on the Democratic alternative on Tuesday or Wednesday. It appears that the President's sharp attack today was prompted by a fear that the Jones budget stands a reasonable chance of passage in the House. Stockman seemed to be speaking more to Democrats than to Republicans in citing the ``radical'' elements of the Jones plan.

(END)

STORY: TUITICK
MA: 60 FMT:

QUEUE: SJJ-SJJ
HJ:

MSG:

INI:

OPR: SJJ

03/24, 09:23

To: mls lt jf dr bfp jg jwm dcb gp dlb dxb daw lh rak pa
rsd lgh

From: sjf--White House.

THE FOLLOWING ITEMS COME FROM A BACKGROUND INTERVIEW WITH
DAVID GERGEN:

- * President Reagan probably will offer a proposal for an interim INF agreement next Thursday, three days after the close of the current round of talks in Geneva.
- * Reagan knows he's taking a political risk when he makes hard-line speeches about the Soviets. "There is evidence that if he goes too hard line, he gets hurt politically."
- * There is "some support" within the administration to reappoint Paul Volcker as chairman of the Fed, but no decision has been made yet.
- * Gergen portrays White House aide Jim Medas as a naive "kid" who was manipulated by the Rita Lavelle, a conniver who "threw people's names around wildly to secure a niche for herself."
- * William Ruckelhaus is being portrayed as "the Clark Kent of the administration."
- * Declassifying technical intelligence information is not as easy as it looks. Experts on the National Security Council staff clashed with White House who tried to make the information more understandable.

DEFENSE. An interim proposal "might be" unveiled next week during the President's speech in Los Angeles. "I'm not trying to guide you off of it," said Gergen. The idea

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is to unveil the proposal as soon as the current round of negotiations concludes. Officials decided not to propose it during this round for fear the Soviets would reject it and then they would be forced to come up with yet another proposal in the next round.

Reagan's twin defense speeches--one this week and another next week--are part of the administration's fullblown effort to educate the public on the need for defense spending.

"We're all out on an offensive on this," said Gergen.

"We're going to go for it."

Other elements of the drive have been well publicized--briefings of congressmen by John Hughes in the family theater, dinners at Blair House and meetings with outside groups. All former secretaries of state and defense and national security advisers were invited to the White House for dinner in connection with the speech on Wednesday night. Those who accepted included William Rogers, Al Haig, Clark Clifford, Elliot Richardson, Don Rumsfeld, Melvin Laird, McGeorge Bundy, Brent Scowcroft, Zbigniew Brzezinski and Richard Allen.

The Wednesday night speech was scheduled to follow the House vote on the defense budget because White House aides knew that they were going to lose in the House. This way it would not look like the House was rejecting the President's plea for more military spending.

Gergen does not rule out an eventual effort by Reagan to compromise on defense spending, but he says that the

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President hopes his speeches will change the atmosphere in which the compromise can take place. "The country thinks we've spent what's necessary for a military buildup. We hope to build long term support." He explains the White House strategy on Capitol Hill this way: "They've got a freight train going up there. (referring to the Democratic budget on Capitol Hill). We hope to stop that freight train and perhaps pick up a few Democrats on a passenger train." But there are no plans to compromise anytime soon. "I wouldn't see this speech as a prelude to compromise," he said. When asked what the administration would do to defend Reagan's social spending proposals, Gergen seemed dumfounded. "For now, we've got to shore ourselves up on the defense side."

The President's speech on Wednesday night was originally supposed to be based on a classified briefing that John Hughes has been giving for members of Congress. The Hughes material was not easily boiled down for a television speech, however. Hughes speech was effective because it used a large volume of photos--many more than could be used in a television speech by the President. In addition, White House efforts to simplify some of the defense jargon created "tension" between the people in Gergen's office and experts at the NSC. For example, Gergen said the NSC wanted to label photos of "revetted hard stands"--underground hangars in which Soviet MIGs are stored. Gergen had to insist that these labels be removed, even though the

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revetted hard stands were barely visible on the photographs. "I had to tell them, 'you're simply not going to flash the words 'revetted hard stands' on television screen'." Many of the ariel photos used by Hughes were ruled out for the television speech because they needed too much explanation. (Even the photos they decided to use were generally uninteresting. The photos illustrate the presence of Soviet weaponry in Cuba, Nicaragua and Granada about which there has been no dispute.) In fact, Gergen admits that declassifying the photos was more for hype than substance. "The speech does not rise or fall on the photos," says Gergen.

There has been "a little bit" of concern at the White House that these hard-line speeches by Reagan could hurt him politically. This is why Reagan tried to make it a "calm, rational speech." Polls show that Reagan risks scaring people whenever he makes hard-line speeches. Yet Gergen insists Reagan's much-criticized fire and brimstone speech in Orlando was not a mistake. "It helped marshal the troops on the right and raised hackles on the left."

WICKER. The Fed appointment is still "very uncertain." He adds: "Nobody has focused any attention on it. The president is not quite sure yet. There is some support in the administration to keep him... (but) it's not clear that he himself wants it." The incentive for reappointing Volcker is that leaders in the financial community seem to be supporting him. White House Chief of Staff Jim Baker and

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other officials have been consulting informally with business leaders. Gergen gave the impression that the White House is waiting to see how Volcker handles the money supply as the economy continues to recover. "He would be cooked if there was any significant tightening up. This is a growth-oriented White House." There is no official list of possible replacements for Volcker, only "informal lists, the back-of-the-envelope type." One person who would not get the support of the White House staff is Beryl Sprinkel. Baker has no strong preference on whether to reappoint Volcker, or as Gergen puts it: "He's more of an agnostic that you think."

EPA. He says that Jim Medas' only mistake was not issuing a coherent explanation of his meeting with Pita Lavelle. He claims that Medas met with Lavelle out of courtsey and there was no significance to their state-by-state discussion of the political races. He notes that Lavelle had a reputation as a climber, conniver and name-dropper. "Pita Lavelle threw people's names around wildly to secure a niche for herself," says Gergen. "Medas is a clean-living kid...(and the charges are) absurd on their face."

Ruckelshaus will have a "free hand" at EPA. The only special prerogative he sought was direct access to the President whenever necessary. He was assured personally by the President that he would have direct access. His only reservations in taking the job were personal. "His wife wasn't jumping for joy at the idea of coming here." She

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and one school-age child will remain on the West Coast until the end of the school year.

The White House heartily approves of the way that Puckleshaus has handled his first days on the job. "He's handled it superbly. He's the Clark Kent of the administration. His emphasis on enforcing the law has been perfect. He says we will enforce the law, even though it could be improved. He does not close the door for a change in the law."

ADELMAN. There has been no serious talk about withdrawing the Adelman nomination. Publication of the Rowny "hit list" memo does not bother him because the damaging information has already become public. "It may be less lethal when it's out."

PRESS OFFICE. Gergen foresees only "minimal" changes in the press office as a result of the review by personnel chief John Harrington. He thinks it might have a beneficial result for reporters because Harrington apparently thinks that Larry Speakes needs to know more about what's happening in the White House.

(END)

TCRY:ABM
A:60 FMT:

QUEUE:SJF-SJF

MSG:

HJ:

INI:

OPR:SJF

;03/24,11:03

To: mls lt jf jg dr dxb dlt dcb gp lh jwm rak pa pgh daw

whh rsd

From: sjf

Re Reagan's speech.

Although Reagan's proposal for development of an antiballistic missile system is being touted as a "strategic vision" for the United States, its value to the President is obviously more political than strategic.

White House officials are hoping that it will help defuse the fears of nuclear war by offering a hope for peace and disarmament in the distant future. It is the fulfillment of Reagan's claim that the ultimate result of an expensive military buildup is nuclear disarmament. He's using this to make a case for his defense budget.

The proposal is a risky political gimmick, however, because it could foster speculation about a potential first strike by the United States. Such speculation surfaced immediately on Wednesday night at a White House briefing on the proposal. I wonder: Will people believe that Reagan is trying to end the threat of nuclear war or will they see this as an escalation of competition with the Soviet Union.

I also question whether Reagan intends to follow through on this proposal. It appears to have been a last-minute add-on designed to perk up an otherwise disappointing speech.

Judging from what Gergen says, White House aides were disappointed that their newly declassified photos were not as dramatic as promised. The photos showed nothing that

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wasn't already public knowledge. In fact, the pictures were so disappointing that they seemed to minimize the Soviet threat instead of magnifying it.

In addition, if Reagan were really serious about this proposal he would have announced something more concrete than "a comprehensive and intensive effort to define a long-term research and development program." Such efforts have a tendency to get lost in the bureaucracy. He's had two and one-half years to develop such a program, which he discussed during his campaign in 1980.

Reagan's science adviser, George Keyworth, told reporters on background that the proposal "represents the President's strategic vision." But Keyworth and others cautioned that it would take "decades to reach fruition."

Also on background, Pud McFarlane sought to squelch the obvious skepticism with which the proposal was being greeted by the press. He said there is a good prospect of developing something "at or soon after the turn of the century." He denied that the Reagan administration would like to "pair" an antiballistic missile system with an offensive system. He described it instead as a "dramatic incentive" for disarmament.

The United State is currently spending about \$1 billion a year on abm development. McFarlane says the administration will make a specific proposal and a budget request for more money as soon as the research and development program is "identified."

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STORY:MEMC
MA:65 FMT:

QUEUE:RSD-RSD
HJ:

MSG:
INI:

OPR:RSD ;03/24,13:35

TO: JF (LT, MIS, AOK, SJF)

FROM: RSD

RE: Ballistic Missile Defense

DATE: 24 March

Several administration officials gave a background briefing today on Reagan's defense speech. Included were Bill Clark, NSC adviser; Bud McFarland, Clark's deputy; Fred Ikle, undersecretary of defense; George Keyworth, White House science adviser. Attribution to senior administration officials.

These officials offered few hard details about the ABM program. Their presentation was long on generalities.

HIGHLIGHTS--

* Reagan's motivation in proposing such an effort was to "offer hope" to Americans that they will not always have to pile up offensive nuclear arms.

* With his START and ABM proposals, Reagan feels he is going far beyond the nuclear freeze movement in trying to eliminate the nuclear threat.

* Reagan does not contemplate a crash effort. There will be no new request for money in the FY83 or FY84 defense budgets.

* Even a partially workable system would lend "enormous" new impetus to arms control efforts.

* Reagan is not talking about a specific system, such as point defense for the MX. Rather, he is talking about a broad goal that would enable the U.S. to move away from exclusive reliance on assured destruction for the defense of the country.

* The President's move was not triggered by any specific

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scientific breakthrough, because there have been none. Even so, there have been advances that make ABM more plausible.

* The administration expects the more important result of Reagan's speech will be to elevate ABM from a "sub-critical" program to a "critical" program.

IN MORE DETAIL--

From the comments of the speakers, it was clear that Reagan intends to use ballistic missile defense as his answer to the nuclear freezies. His message is that, yes, ICBM's and other offensive systems are now required by the U.S., but the nation need not despair that this will go on forever. It is the president's "very strong belief," McFarland states, that "continued exclusive reliance on threatening people is simply, over time, an unacceptable exclusive basis for deterrence." That, of course, is precisely what the freezies claim the Reagan defense plan would actually mean.

All conceded that this BMD concept is not new. What is new is that Reagan wants to focus the interest in it and raise it to higher priority in the Pentagon scheme of things. Keyworth's words: "The program we have today is sub-critical. What we're trying to do is drive it to a critical level." The genesis of this was a meeting between Reagan and the Joint Chiefs several weeks ago, when the chiefs threw out the idea. Reagan was "immediately interested" and the concept began to grow. The White House hopes to release a Presidential Decision Memorandum tomorrow, in unclassified form, that sets forth what the administration wants to do.

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The plain fact, however, is that no one appears too certain about what it is that they want to do. The project will start with phase one, which means that over the next year or so the Pentagon will ask scientists for their ideas on how to erect such a system. That completed, the U.S. will move on to phase two, meaning actual research and development for a system that could be put in place around the turn of the century. "It's not a crash program," says McFarland.

Clearly not. Clark says there will be no supplemental request for money in the 83 budget, nor is there likely to be one for the 84 budget just presented. The current level of spending--about \$1 billion annually--will suffice for the moment, Clark says. (Of this sum, about 75 percent is being spent on traditional, directed projectile ABM research. The rest is being spent on more advanced laser, particle beam or microwave technology.) The officials had no idea of what the total cost of such a system might be. Nor did they know when the goal might be reached.

Keyworth acknowledges that the technological challenge is awesome. "There has been no single, specific breakthrough" that led Reagan to embrace the ABM concept. There have been some important advances in recent years, however, that make such a system more plausible. These, Keyworth says, include micro-optics, integrated circuitry and the like. Reagan, he adds, is not calling for a leak-proof system. The first step might be to deal with ballistic missile weapons first, then try to deal with the more difficult cruise missile threat.

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How will the Soviets respond? Soviet ABM research is not negligible, the officials said. Moscow should understand that Reagan, in Keyworth's words, "is not looking for a magic bullet or a silver bullet" that will immediately negate Soviet missiles and leave the U.S. invulnerable. All this will take years. The U.S. could reasonably expect the U.S. and the Soviet Union to develop such systems more or less simultaneously, and therefore the effort would not be destabilizing. Nor should there be any great rush to modify or alter the existing anti-ABM treaty provisions. Ikle: "You just have to explore them, address them when you get there." Others said that, since any move for an operational system is 5 to 10 years away, there is ample time to discuss the treaty with the Soviets.

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STORY:SIMS
MA:60 FMT:

QUEUE:NRD-NRD MSG:
HJ: INI:

OPR:BW ;03/24,15:13

TO: MLS, LT, JF, BFP, DR, JG, GP, LE, DXB, DCB, JWM, SJF,
PA, PGH, SXM, DLB, DAW

FROM: RAK at the White House

RE: BACKGROUND-ONLY IVU WITH NSC AIDE BOB SIMS

NATIONAL SECURITY DIRECTIVE. A presidential directive to implement the policy outlined by Reagan in his Wednesday night speech will be signed on Friday. But the directive will contain few if any specifics. It will be "very general, much like the tone of the speech," Sims says. "This is not a crash Manhattan project...We're not talking about a specific program to develop a silver bullet that we know is out there." Instead, the directive will spell out general research priorities for the Pentagon to follow over the next few decades, Sim says. The new policy will cost little or nothing in FY '83, very little in '84, but much more in 1985.

At a background-only briefing this afternoon, NSC aide General Richard Boverie said the new Reagan policy will center on devising a better defense against ballistic missiles. It will not focus on stopping enemy cruise missiles, bombers, etc. Boverie said current U.S. defenses against "incoming vehicles" of any kind are "minimal."

Boverie stressed, without elaboration, that any action the administratin takes will be "consistent with the terms of the ABM treaty," which prohibits the development of antiballistic-missile systems.

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THE SPEECH. Sims claims that Reagan and his senior aides are very happy with "the outreach speech." Reagan believes he succeeded in going to the people over the heads of lawmakers to build support for higher military spending. "There's a very good feeling around here today."

By noon today the White House had received 1,768 calls supporting the new Reagan policy and 514 calls opposing it-- a 77 percent favorable response. That compares to 432 telegrams supporting Reagan and 82 opposing him. Larry Speakes claims the volume of response is one of the highest ever to a presidential speech.

PHOTOGRAPHS. All of the photographs shown by Reagan on TV were shot by manned reconnaissance planes. The White House considered declassifying "much better photography" taken by satellite. But in the end only the low-grade photos were used, to avoid revealing American intelligence-gathering techniques--and to avoid criticism that U.S. security was compromised by release of the photos. Many members of Congress have been shown the satellite photos in closed briefings and some lawmakers urged the President to make them public. "What you saw was pretty wild stuff. Anybody could get a picture of the Grenada airport," says Sims.

INTERIM ARMS PROPOSAL. The White House now is "consulting" with the NATO allies on the interim arms-control proposal he will unveil in Los Angeles next week. (In effect, the White House is simply informing the allies in advance of Reagan's decision.)

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Sims declines to detail what the Reagan proposal will contain. But he adds, "I wouldn't put a lot of stock in the numbers" that have been reported regarding the number of warheads that would be allowed.

ADELMAN. "He still has solid support from Reagan," says Sims. But some members of the White House staff and the State Department view Adelman as a lost cause and are urging something be done to get the administration off the hook. Sims says he has seen no evidence that Adelman is prepared to withdraw his own name. What are Adelman's prospects? "It isn't going to be easy. It's going to be very tough."

Sims notes, however, that Reagan's arms-control speech next week may take some of the edge off of the opposition to Adelman by portraying the President as more sincere about arms control.

NSDD #75. The national security decision directive to put more economic pressure on the Soviet Union contains few new initiatives, according to Sims. The document was prepared last year by Richard Pipes before he left the NSC and returned to Harvard. Sims does not know when it was signed by Reagan.

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Manufactured



To: rls lt jr bfp dr jr ay lh dco dxb jwm rak pa pgn dlb
caw tjr

From: sjf

The following items come from a background interview with
Iza Nofziger:

* Reagan will run for re-election. "He's made the
decision now," says Nofziger.

* The Reaganites are restless. They think the President is
waiting too long to get into the race.

* Infighting between the Reaganites and Jim Baker will
hurt the 1984 re-election campaign. "The only person who
could stop it is the President and he won't do it."

* OFF THE RECORD, Nofziger claims to know that Reagan is
"not nearly as enamored with Baker" as everyone thinks.

* Possible compromise candidates to run the Reagan re-
election committee: Irew Lewis and Bill Timmons.

* Even if the economy rebounds, Reagan faces a difficult
race in 1984. Reason: Reagan has ignored many of the
constituent groups that elected him in 1980.

* Gary Hart could be a dark horse in the race for the
Democratic presidential nomination. "Hart could catch
fire. Mondale ain't ever going to really catch fire."

1984 Campaign. Like other Reaganites, Nofziger is getting
anxious to start organizing the 1984 re-election campaign.

"The troops are restless as hell." He mentioned these
names of former Reagan campaign officials in the states who
share his views: Lon Totten of Illinois, Jim Munn of

Seattle, Erwin Argelo of Texas, Jerry Carman at the GSA, Lou Kitchin of Georgia, Trudy McDonald of California, Peter Voss of Chic.

"I wish the President would at least authorize an exploratory committee--something that would be recognized by the FEC and not the FTC. I'm not expecting any serious opposition, but--damn it--you never know. The longer you wait the more opportunity that others have to get into the race." He noted that Packwood has been out on the stump, plus Richard Viguerie and Howard Phillips have been talking about fielding a right wing candidate. He added, however, that there is no reason to fear a challenge by Jack Kemp, who lacks the guts for a tough race. He says Kemp learned as a football player how to sit on a lead.

Even without primary opposition, Nozziger said, Reagan will suffer if he does not build a primary organization. A candidate without a primary campaign goes into the general election with an organization that has never been tested. Some Reaganites are starting to set up ad hoc committees out of frustration. Nozziger's eyes narrow and he laughs when asked if he's still meeting with Reaganites to discuss strategy for the 1984 campaign. "No comment," he says. "There is a lot of movement out there in the country. I get daily letters and phone calls from people" who are anxious to work for Reagan's reelection.

Nozziger vs. Baker. Nozziger says he's usually asked two questions by Reaganites. The first: Will Reagan run for

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reelection? The second: When will Baker be fired?

Off the record.

He notes that the White House staff is split right down the middle. On one side is Meese and Clark. On the other side is Baker, Deaver and Nancy. Nofziger contends that Baker is falling from favor with the President because he is an advocate of higher taxes and lower defense spending. This reflects some wishful thinking by Nofziger--and perhaps Meese and Clark. Although Nofziger claims his objections to Baker are ideological, the real problem is that Baker is in and Nofziger is out.

Even when the President chastized Nofziger for setting up a pre-campaign meeting of Reaganites, Nofziger claims that the President was "almost laughing." He says Reagan implied he was withholding his approval of the meeting only to satisfy Baker. He says the people who planned to attend the meeting were ordered by the White House to stay away. Nofziger is obviously pleased that his sniping is making Baker somewhat paranoid.

End off the record.

Reaganites vs. Baker. The feud between the Reaganites and Baker is sure to split the reelection effort. No matter who is chosen to head the re-elect committee, there will be infighting. Nofziger says that Laxalt will be helpless to halt the infighting, and Reagan will not intervene.

Even before a reelect committee is formed, the two sides are fighting over who will run it. Baker is pushing Stu

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Spencer. Paul Manafort's name also is being mentioned.

Laxalt is rumored to be considering Richard Wirthlin.

"Laxalt feels certain he has a mandate from the President to run the political operation," says Nozziger. "He thinks he's the guy who's going to make the final decision. He knows he's going to have to find someone who's acceptable to the Reagan people out there."

Although he mentions Lewis and Timmons as good compromise candidate to run the re-election committee, Nozziger brings up his own name as the person "most satisfactory" to the right. Yet he concedes he would not be a good compromise candidate. He also adds that he is not interested in the job (ha!). Nozziger notes with apparent pleasure that Stu Spencer would be unacceptable now that he has registered as a foreign agent for South Africa.

The Reaganites don't want Baker running the campaign from the White House because "they object at him using the campaign to install his people throughout the organization." He adds: "In the states, if the re-elect committee picks a Bush guy to run the show instead of a Reaganite you're going to have a feud. There's no doubt about it." He thinks the people who ran Reagan's campaign in 1980 must be reappointed "where competent."

State_GOP_Problems. Not only is the Reagan organization in disarray, but Nozziger says the Republican party has been neglected by the White House. "The Republican Party in some states is in trouble," he says. "In Ohio, for

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example, they are 1 million dollars in debt. All around the country the Republican Party is a little bit in disarray and somebody's got to put them back into array." His only on-the-record remark: "I don't think there is a great feeling of urgency in the White House."

Nofziger's own ambitions. Nofziger insists he is not interested in a job in the campaign. (Although he is unlikely to be appointed chairman of the re-elect committee, according to White House officials, he might be chosen as spokesman.) "I don't not have the time or desire to get involved," he says. Nofziger, trimmer and healthier since his illness, claims he no longer works long hours.

Nofziger acknowledges that he would like to replace David Gergen as White House communications chief, but only if he could have direct access to the President. He admits he has discussed the subject with White House officials (probably Neese or Clark.) "The President knows my number," says Nofziger. "If he wants me, he knows where to find me."

Election Outcome. Nofziger rejects the White House view that a booming economy will re-elect Ronald Reagan. "The economy can be booming and we can still lose the election," he said. "Why? Because we have not taken care of the people who sent us here. (He's referring to blue collar Democrats, Hispanics and right-wingers among other groups.) We have not lived up to the commitments we made."

Reagan's announcement. Even though Reagan is delaying an announcement, Nofziger feels certain he has already decided

to run. "Ronald Reagan announces when he gets a signal from heaven," says Nofziger. "He's superstitious. He likes to keep his options open." He says Reagan would have won the nomination in 1976 if he had announced sooner.

White House Staff. Beaver came in for the usual criticism. He is a social climber. He can't find a better job on the outside. Nofziger says he's glad it rained on Reagan's visit with the Queen. "With 10 percent unemployment, he had no business doing that."

Nofziger is more charitable to Meese. Meese's biggest trouble is that he travels too much and does not pay enough attention to what's going on at the White House.

Ed Pollins is thinking of leaving the White House in a month or two. He gets tired easily since his stroke. The word is that the political shop will be shut down by Baker once Pollins leaves. Nofziger says the political shop has been a disappointment to Baker because it did not do his bidding.

Democrats. Nofziger says Mondale has properly handled the role of front-runner. But he's keeping an eye on Hart because the Colorado senator is "a good organizer, pretty, articulate and left of everybody else." He thinks the left-wingers eventually object to the centrist positions of other Democrats and turn to Hart.

A black candidate for president such as Jesse Jackson would divide the Democrats and the nation.

EPA. Nofziger thinks EPA officials were doing their job

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if they fired all the Democrats and used the agency for political purposes.

(END)

STORY:DUPERST
VA:60 FMT:

QUEUE:NRD-NRD
HJ:

MSG:
INI:

OPR:BW

;03/24,18:14

TO: MLS, LT, JF, BFP, DR, JG, GP, DCB, DXB, LH, JWM, SJF,
PA, PGE, SXM, DLB, DAW, JLS

FROM: RAK

RE: Background ivus with Ken Duberstein and Larry Speakes
and other notes

Defense policy. The White House effort to reverse growing opposition to increased military spending centers on three presidential actions: Wednesday night's TV speech; next week's speech in Los Angeles outlining an interim arms-control proposal for medium-range nuclear weapons; a speech in early April explaining Reagan's decision on how to deploy the MX missile.

White House aides believe the speeches will improve the climate for military spending by easing fears that Reagan is not sincere about arms control.

The emphasis on developing new technology to intercept ICBMs flowed from meeting Reagan held six weeks ago with the joint chiefs of staff, according to Speakes.

Democratic budget. Duberstein tries hard to put the best face on the White House defeat. He claims that House Majority Leader Wright rounded up votes by telling members that the Democratic budget would be watered down considerably in conference with the Senate. Wright also stressed the importance of Democrats supporting the Democratic consensus. "That was very instrumental with the freshmen, many of whom were scared shitless," says

(MORE)

Duberstein.

He also points out that the White House lost the votes of only four Republicans and that the White House picked up about the same number of Democratic votes as it has in the past. The difference, of course, is that to win in the new Congress the White House must win more Democratic votes than it had to before the '82 election.

Pentagon budget. Duberstein estimates that the increase in Pentagon spending in the FY '84 budget will be closer to 5 percent than 10 percent. Although Senate Budget Committee Chairman Domenici now is talking about only a 5 percent increase, Duberstein is confident the Senate will pass something closer to 7 or 8 percent. That figure then would be reduced a point or two in conference with the House. In an effort too persuade Domenici to seek higher levels of defense spending, Reagan will engage in some personal and fairly low-key lobbying of the senator. Duberstein says Reagan will stress that he is "flexible" on defense, but Duberstein cannot say in what areas the President is willing to yield. The White House also has Senate Majority Leader Baker "working on" Domenici.

Jobs bill. Reagan will sign the jobs package on Friday, probably in the White House briefing room in front of reporters and without any members of Congress present for the ceremony. In this way, Reagan gets the lion's share of the credit for a bill he never really wanted. Duberstein claims that Speaker O'Neil and other Democrats are not

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bothered by this. O'Neil and Ways and Means Chairman Fostenkowski are leaving for China on Friday, and many other members also are out of town now.

Social Security. Reagan may sign the Social Security compromise next week at the ranch. If this happens, members of Congress will be excluded from this signing ceremony, too. But Duberstein says Reagan will sign the bill at the ranch only if the congressional conferees fail to divide the Social Security package from the additional unemployment compensation also contained in the bill in its present form. If Congress doesn't separate the two measures, the Social Security bill will have to be signed by March 31. If they are separated, Reagan will wait until mid-April to sign the Social Security bill in Washington with a bipartisan crowd from the Hill invited.

Hispanic leaders. While I was in Speakes's office, Mike Deaver came in to inquire about an embarrassing incident today in which Hispanic leaders coming to see the President were required to pass through metal detectors to be searched for weapons. The Secret Service set up the metal detectors in the driveway outside the main entrance to the West Wing. The networks recorded the scene on film.

Deaver says that under normal circumstances presidential guests who are strangers assemble in the Executive Office Building and pass through metal detectors inside. The Secret Service determines whom to subject to metal detectors and Deaver stresses that neither he nor Jim Baker

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nor the President were even aware of what the Secret Service were doing. Still, Deaver jokes off the record,

“We were looking for good grass.”

(END)

STORY:WILLIAMSO
MA:60 FMT:

QUEUE:SJF-SJF
HJ:

MSG:
INI:

OPR:SJF ;03/24,18:33

To: mls lt jf bfp dr jg gp dxb dlb dcb lh rak pg pgh daw

From: sjf - White House.

THE FOLLOWING COMES FROM AN ON-THE-RECORD INTERVIEW WITH FAITH RYAN WHITTLESEY, Reagan's new assistant for public liason replacing Elizabeth Dole.

Probably the most interesting thing about this interview was that it was cut short because Whittlesey was summoned to the Oval Office for an unannounced meeting between President Reagan and Phyllis Schlafly. Even though he is trying to broaden his appeal to women (pardon the pun), he's keeping his fences mended with Schlafly. David Gergen he has been holding a series of unannounced meetings with right wing and fundamentalist leaders.

My main purpose in getting an appointment with Whittlesey was simply to get to know her. After hearing so much about this ferocious woman, I was surprised to be greeted by a rather small, undistinguished looking woman with frizzy redish-brown hair. Although she appeared quite calm, her answers to questions suggested she was nervous about being interviewed. Every question prompted a long, overly enthusiastic answer going far beyond the question.

Whittlesey, a lawyer and a protege of Drew Lewis, still maintains strong political ties in Pennsylvania. She hinted that she intends to return to Pennsylvania some day to run for statewide office. She was a two-term state legislator who served as commissioner in Delaware County prior to her appointment as ambassador to Switzerland. Her only

(MORE)

statewide race was for the GOP nomination as lieutenant governor, which she lost to young William Scranton. She thinks he is destined to be governor, like his father.

Reorganization. When Reagan first moved into the White House, Elizabeth Dole rejected the idea of having one person assigned to deal with business groups, another with farmers, another with blacks, etc. Instead, each of her aides were assigned a variety of issues. But this system failed because most special interest groups wanted the name of one person in the White House to contact with their problems. So they went back to the old system.

Now, Whittlesey has decided to try the issues approach again. "We won't have people wearing T-shirts that say: 'I handle agriculture' or 'I handle business'. People should be able to handle a broad range of issues. They should be more flexible." (I swear that Dole said the very same thing two years ago.) She says the issues system failed under Dole is because "people were grouped badly."

Women. She is not a feminist, but she made a point of saying that she wants to hire women for her staff. "I haven't been involved in feminist causes because I believe actions speak louder than words. I have always tried to bring women into the political arena. I've encouraged them to run for office."

Foreign policy. Foreign policy obviously interests her more than domestic matters. In response to a chatty question about her experiences in Switzerland, she offered

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a 10-minute pep talk about Reagan's foreign policy. I suspect I was hearing her standard speech. Some quotes: "We are the beacon of hope for the free world. Many countries are looking to us to pull them out of the recession. It may be misplaced hope. Some are going to have to change their policies as we did...Europeans are uncertain about America's willingness to defend them. The most common question I heard in going around to the villages and towns of Switzerland was: 'Are you going to take the troops home?'...It was the Europeans who asked for the missiles in the first place...only because they think it is the way to achieve peace. The terrible paradox is that we must arm in order to disarm."

As Reagan's public liason, she says she intends to talk with all the constituency groups about her experiences in Switzerland. "I will talk with special interest groups not just about their own concerns, I want to increase their understanding of the President's decisions. I think it's important to expand the debate beyond their own limited range." She suggested that Dole did not do this because "her interest was only in domestic policy." La-de-dah.

Appointments. She has not yet decided on people to replace the seven staffers she fired. Although Dee Jepson, Morton Blackwell and Michael Gale were not fired, their jobs are not yet secure. "I've made no firm decision."

Schlafly. I later called Schlafly at her home in Alton, Illinois, to find out about her meeting with the President.

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She said they met for 20 minutes at her request, discussing the nuclear freeze movement as well as women's issues. Her Eagle Forum has been working against the nuclear freeze.

"I just asked him to do all the good things that we elected him to do," she said. David Gergen says that Reagan has been meeting privately with many right wing types such as Schlafly and fundamentalist church leaders. I think I got her goat when I asked her about a bill endorsed by Reagan to eliminate gender distinctions in all federal laws. It's designed to do by statute what ERA would have done by constitutional amendment. Since Reagan supported it, this obviously put Schlafly her in a tight spot. "That bill is of no consequence," she said with annoyance in her voice. "Half the things in it are obsolete--provisions that have already been changed by regulation. Life's too short to worry about something that's nothing."

(END)

STORY:DIRECTIVE

QUEUE:NRD-NRD

MSG:

MA:6Z FMT:

HJ:

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GPR:PAE

;23/25,17:21

TO: MLS, LT, JF, BFP, DR, JG, GP, SJF, AOK ✓

FROM: RAK at the White House

RE: NATIONAL SECURITY DIRECTIVE AND OTEER NOTES.

The White House this afternoon released the text of the new National Security Decision Directive to implement what Reagan outlined in his Wednesday night speech. The presidential directive is very broad and fairly vague. It contains nothing that goes beyond what he said in his TV speech.

The directive states, in part: "I would like to decrease our reliance on the threat of retaliation by offensive nuclear weapons and to increase the contribution of defensive systems to our security and that of our allies. To begin to move us toward that goal, I have concluded that we should explore the possibility of using defensive capabilities to counter the threat posed by nuclear ballistic missiles.

"I direct the development of an intensive effort to define a long-term research and development program aimed at an ultimate goal of eliminating the threat posed by nuclear ballistic missiles. These actions will be carried out in a manner consistent with our obligations under the ABM treaty and recognizing the need for close consultations with our allies....I further direct a study be completed on a priority basis to assess the roles that ballistic missile defense could play in future security strategy of the

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United States and our allies."

Reagan also directs that the study "provide guidance" for RSD funding commitments for the FY '85 budget.

SOCIAL SECURITY. In a QSA with high school students this afternoon, Reagan voiced doubts about the long-range soundness of the Social Security system and proposed further studies to reform the system. He said:

"The payroll tax for Social Security has become so huge that for most of the workers in this country, it's a bigger tax than income tax. And I'm not sure that the benefits that you will receive when you come to the point of retiring from the work force will justify the amount of that tax. And I think that while we protect the people presently dependent on the program, and those who may be in the next several years and who've based their plans on that, I don't think there would be anything wrong if we had some solid studies made as to whether we could improve that program for all of you so that it would be more fair for you and for the younger workers in the work force today in the future."

(END)

STORY:BAKER
ML:60 FMT:

QUEUE:NRD-NRD
HJ:

MSG:
INI:

OPR:BW

;03/29,17:27

TO: MLS, LT, JF, BFP, DR, JG, GP, LH, DXB, DCB, JWM, SJF,
PA, PGH, SKM, DLB, DAW

FROM: PAK

RE: Background-only ivu with Jim Baker

Defense budget. Baker, who long has tried unsuccessfully to persuade Reagan to cut Pentagon spending, appears less than enthusiastic about the current battle with Congress over the military budget. He believes the Senate will pass a budget resolution providing for no more than a 7 percent increase, compared to the 10.2 percent sought by Reagan and the 4 percent approved by the House.

The best the President can hope for is to get the House-Senate conferees to agree to a level that is closer to the Senate figure, Baker says. Would Reagan settle for only a 7 percent hike? "The President doesn't have any choice," says Baker.

He notes, however, that Reagan will have another chance to fight the battle of the defense budget later this year when the appropriations process begins. The appropriating committees "will find it very difficult to make the reductions" that will be called for in the budget resolution.

Domestic cuts. Baker also sees a silver lining for the White House in the expected Pentagon cuts. [Whisper?] Sizable reductions in defense spending will improve the chances of getting cuts in domestic spending, Baker

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reasons. He thinks that once lawmakers, in order to reduce the deficit, cut military spending over the President's strenuous objections, they will be afraid not to make the cuts he wants in domestic programs to further reduce the deficit.

Star Wars. It is too early to tell whether Reagan's TV speech last week built any support for defense spending, Baker claims. But he does believe it helped Reagan in his battle with nuclear-freeze supporters and helped reduce his image as a militarist. The reason, says Baker, is that the concept of an antiballistic-missile umbrella as a defense against nuclear war is a much simpler idea to sell to the public than critics' arguments that it represents the end of the policy of mutual assured destruction.

James Watt. Baker has changed his tune considerably about Watt. He professes shock at newspaper reports saying he wants to get rid of the Interior Secretary. "I don't want to see Watt out and I never have," he says. Baker claims that Ray Donovan is the only cabinet secretary he ever wanted to fire.

The fact is that Baker spent months telling reporters on background what a liability Watt was to the President. It was Baker who yanked Watt's leash everytime he said something politically damaging. But it became apparent long ago that Baker was not going to be able to force Watt out.

During last fall's election campaign Watt was the cabinet's most active campaigner, raising millions of

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dollars for Republican candidates, mostly in the West. He is the personification of the Sagebrush Rebellion that helped elect Reagan. More recently Watt served a very useful function as intermediary between the White House and Anne Burford.

Now, with 1984 in mind, Baker regards the Interior Secretary as a political asset. "I don't see him as a vast negative force," says Baker. Watt appeals to "the blue-collar Joe-sixpack folks....Unlike Donovan, Watt can mobilize his constituency and deliver" votes. The only people he has alienated are the executive directors of environmental organizations. Baker praises Watt's policies and says his only problem is that he is too "confrontational."

Watt will not clash with William Ruckelshaus, because "their portfolios are different" and Watt now knows enough not to pop off about air and water policies that are the domain of EPA.

MX. Baker hints that the MX commission may wind up proposing the same solution proposed by the Reagan administration initially, i.e., putting the warhead in Minuteman silos. This time, though, the administration will have consulted adequately enough with Congress to give the MX a decent chance of winning approval. No solution will be proposed until there is some indication that Congress will buy it. Baker appears very sanguine about the prospects. "This time we're doing it right."

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STORY:POLITIC
MA:60 FMT:

QUEUE:SJF-SJF
EJ:

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INI:

OPR:SJF ;03/28,17:40

Tc: rls lt jf bf dr jg gp lh dcb dxb jwm rak pa pgh dlb
daw tjf

Frcr: sjf

The following items come from a background interview with
White House Chief of Staff Jim Baker:

* Once a skeptic, Baker now feels fairly certain that President Reagan will seek re-election in 1984. One reason: Nancy no longer is against it.

* Baker wants to run the campaign from the White House, not from the election committee. "Under no stretch of the imagination would I consider running the committee."

* Baker already foresees at least two problems for the re-election campaign: (1) There will be sniping between the White House and the campaign committee and (2) the campaign will be "overstaffed" with political operatives.

* Lyn Kofziger can have the job of spokesman of the reelection committee if he wants it.

Reaganites vs. Baker. Baker deflects all questions about a potential clash between himself and the Reaganites in the campaign. He tries to portray the problems faced by Reagan as the same problems faced by any incumbent President.

Announcement. Baker expects the President to announce his candidacy sometime between June and September, but he has no firm fix on the timing. He says that FEC rules governing a so-called "exploratory committee" have been tightened since 1979, when President Carter was able to wait until December to announce his candidacy for re-election.

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Therefore, he indicates that no committees will be set up until Reagan is ready to announce. Baker denies reports that Reagan has told his staff that he will wait until his August vacation in California to make a decision. There has been no discussion of that kind, according to Baker.

Will he--won't he? Just a few months ago, Baker was skeptical that Reagan would run again. Now his view is changed. "I still have some question, but more and more I have less and less," he said. "The longer we go, the less question I have." What's changed his viewpoint? "Just the way he talks." He says Reagan has been more enthusiastic about his jobs since the recent upturn in the economy. In addition, "there still may be some things left to be done" in a second term."

Campaign organization. The way Baker sees it, Paul Laxalt will serve as supernumerary of the re-election committee as well as top honcho at the Republican National Committee. "But that does not equate to the day-to-day running of the campaign," says Baker. In addition to Laxalt, the President must appoint a campaign manager or campaign director to handle the day-to-day decisions. Baker sees Drew Lewis in this role. For this reason, Baker quarrels with our whisper about Lewis and Timmons as compromise candidates. "Lewis is my guy," he says. He nonetheless agrees that Lewis and Timmons would be acceptable to all sides, even though Timmons is unlikely to take the job. The only name Baker's heard offered by the right wing is

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Richard Wirthlin, who he dismisses as a pollster not a campaign manager.

Actually, Baker notes that a person like Lewis would not be needed at the committee until sometime next year. Thus somebody like Stu Spencer could handle it for a while until Lewis is needed. "Don't underestimate the confidence that the Reagan's have in Spencer's abilities," says Baker. Spencer's work for South Africa is not viewed by Baker as an obstacle. The only reason that some people oppose Spencer is because "they don't think they'll have as easy a time getting onto the campaign (with Spencer there) as with somebody else." Baker also notes that there might be a need for several men to head the committee at different times. "Let's face it, the life expectancy in that job is about 2 months," he says, nothing that he was the third person to serve in that position for the Ford campaign.

Baker's role. When asked about his role, his answer leaves little doubt that he hopes to control the whole show from the White House. "Whoever sits in this chair (chief of staff) is of necessity going to have a role. The body is controlled here and the policies are set here." Although he flatly rules out heading up the campaign committee, he has not lost all humility. He adds as an afterthought: "I'll do what ever he wants me to do."

Asked if he sees Nofziger as the spokesman for the re-elect committee, Baker replies: "That's what I'd like."

Problems. No matter who runs the campaign committee,

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Baker anticipates trouble between the committee and the White House. "The committee is going to be doing that anyway. The committee always spends its time dumping on the White House--complaining about those assholes in the White House. And the White House dumps on the committee, telling everyone, 'Those guys can't even organize New Jersey.'"

Nor does Baker see any way to keep the committee from being loaded down with every one-time Reaganite who wants a job. "The bitching is coming from people who want a piece of the action. It would be a mistake to overstaff the committee. You can build a lousy organization by trying to include everyone who wants a spot. (But) That is the likely scenario. The pressures to bring these people on will be irresistible." He recalls that in 1980 the Reagan campaign went broke by trying to run an East Coast operation headed by Sears and a West Coast operation headed by Meese.

Nancy's role. Baker left the impression that he has discussed the matter of a re-election campaign with Mrs. Reagan. He not only noted that she has dropped her opposition to a second term, he also observed that "she gets more involved in a campaign." His statement about Spencer being a favorite of "the Reagans" was also an obvious reference to Nancy.

Impatience. Although Baker originally favored an early summer announcement by Reagan, he now insists that September is not too late. Yet he thinks Reagan would be making a mistake to wait past September. Many Republicans

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have complained to him about the delay. ``What I tell them is this: `What you need to do is write a letter to Ronald Wilson Reagan. Let him know how you feel'.''

Primaries. Although the White House expects no opposition to Reagan, Baker says that Reagan will enter every primary to keep the Democrats from hogging center stage. In addition: ``Suppose Packwood entered in New Hampshire and we didn't get 80 percent. Everybody would be grouching how the White House blew it.''

(END)

STORY:INTERIM
MA:60 FMT:

QUEUE:NRD-NRD
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MSG:
INI:

OPR:PAE ;03/30,10:45

TO: MLS, LT, JF, BFP, DR, JG, GP, LH, DXB, DCB, JWM, SJF, ✓
PA, PGH, SXM, DLB, DAW

FROM: RAK

RE: Reagan's interim arms-control proposal

The following points were made this morning at a White House background briefing by National Security Council aide Robert C. McFarlane, Assistant Secretary of State Richard Burt and Assistant Secretary of Defense Richard Perle. They are to be identified only as senior administration officials.

* The President's interim proposal is simple and relatively broad: NATO would reduce its planned deployment of warheads in Europe from 103 Pershing IIs and 464 cruise missiles to a number equal to that of the Soviet Union's SS-20s, SS-4s and SS-5s "on a global basis." The Soviets would not be permitted to redeploy its mobile missiles from Europe to the Far East.

Parity would be defined as "equal numbers of INF warheads on missiles on launchers," McFarlane said.

* The U.S. proposal does not contain a specific number of warheads for both sides to reach. "There is no number envisioned at this time," McFarlane said. The number would be reached through negotiations. The Soviet now have approximately 1,300 intermediate-nuclear-force warheads.

* Reagan's proposal, which was outlined in Geneva this

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week by Paul Nitze and also outlined to Soviet Ambassador Dobrynin by Secretary of State Shultz, is offered "without precondition," McFarlane said.

This means that, while Reagan insists his zero-zero option remains his ultimate goal, the administration has for all practical purposes abandoned it under pressure from Western European leaders. McFarlane said Reagan is offering his interim plan because of Soviet "intransigence and Soviet unwillingness to negotiate seriously" on the zero-zero option.

In a fact sheet to reporters, the White House stressed that "the United States views the new proposal as an interim step toward the total elimination of U.S. and Soviet land-based, longer-range INF missile systems....While offering this new initiative, the current U.S. proposal to eliminate the entire class of land-based, longer-range INF missiles remains on the table in Geneva."

* Regardless whether an interim agreement is reached, deployment of NATO Pershing II and cruise missiles will begin on schedule in December 1983. Would anything short of agreement on the zero-zero plan forestall the deployment date? "Definitely not...We believe it is only the deployment date that gives the Soviets any incentives whatsoever to negotiate in Geneva," Burt said.

* The U.S. will continue to exclude British and French nuclear forces from consideration in achieving an equal number of Soviet and NATO warheads. Perle said that only 18

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of the 162 British and French warheads are land-based. The rest are submarine-launched ballistic missiles and thus not part of the discussions in Geneva. The British and French weapons could be considered in another forum, Burt said.

* In seeking agreement on an equal number of INF missiles, NATO intends to preserve the planned mix between Pershing IIs and cruise missiles. Current plans call for approximately four cruise missiles for each Pershing.

* Burt said the U.S. has asked the Soviets not to reject the Reagan proposal out of hand until it has spent time studying it in detail.

* The U.S. will insist on "effective measures for verification," but the officials did not elaborate on verification procedures.

(END)

STCRY:FULLER
MA:60 FMT:

QUEUE:SJF-SJF
HJ:

MSG:
INI:

OPR:SJF ;03/30,11:07

To: mls lt jf bfp dr jg gp lh dcb dxb jwm rak pa pgh dib
daw

From: sjf

The following items come from an on-the-record interview
with Craig Fuller, Cabinet director:

* Some top White House officials are concerned that Reagan will look bad in the defense budget battle because it's being handled by political novices on the NSC staff.

* The well-publicized competition among White House aides has had one beneficial result: It's drawn Reagan more deeply into the decision-making process.

* President Reagan held an unpublicized meeting last week with six career EPA bureaucrats, who told him about morale problems at the agency.

* Jim Watt's only reservation about naming Ruckleshaus as EPA administrator was that a man who once resigned on principle might not be ``a team player.''

EPA. ``Ruckleshaus did not drive a hard bargain with the President.' All he wanted was a free hand in determining the problems and solving them. Fuller predicts that Ruckleshaus will ``move with dispatch in some areas,' but he declines to be specific. He says Ruckleshaus will outline his plans during his confirmation hearings.

Jim Watt played a big part in convincing Reagan to appoint Ruckleshaus. Watt apparently assured the President that Ruckleshaus would be okay with the right wing. Watt also helped in selling it to the right wing. (This,

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combined with Watt's role in getting Burford to resign, is why Jim Baker is no longer trying to get rid of Watt.)

Fuller broke the news to Watt that Ruckleshaus was under consideration. Watt replied: "Bill's been very supportive of me. He's exactly the kind of person we ought to have over there." Yet Watt questioned whether Ruckleshaus could be counted on as a team player. Watt was assured that he would be, even though Fuller doubts whether this question was ever put directly to Ruckleshaus.

Fuller is now aware that the law prohibits political manipulation of the Superfund. (He was not aware of this the last time we talked.) But he insists the EPA's so-called "issues alerts" to the White House were designed only "to allow the President to announce the good news."

Reagan's mood. "He has a sense that things are getting better." At last week's issues lunch, Reagan, who has always viewed "Reaganomics" as a derogatory term, smiled and mused: "I wonder what they are going to call it when they discover that Reaganomics is working?"

Defense Budget. Although it's never been reported, the NSC staff has taken over the job of developing strategy for getting Reagan's defense budget through Congress. Bill Clark has preempted Jim Baker on this one. Last year, Baker and his legislative strategy group handled all dealings with the Hill on defense as well as domestic spending. Although Reagan's domestic advisers did not relinquish their role voluntarily, they have been forced to accept it.

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``We have clear guidance from the President that this is the way it should be.'' But Fuller and others obviously think that the NSC staff is too naive and too ideological to deal with Congress effectively. Says Fuller: ``The House is talking in the realm of 4 to 5 percent. The Senate is talking in the realm of 6 to 7 percent. And we're debating whether we can accept 9 percent. The process has us somewhat concerned.'' He even seemed skeptical of Reagan's letter to Senator Baker promising flexibility in exchange for a delay. ``Theoretically,'' said Fuller, ``that is part of a strategy.'' (I should note here that I've never before heard such snide remarks from Fuller.) He was also critical of the NSC view that these speeches Reagan is making can change the whole climate of opposition to the defense spending. He thinks it's too late to try changing the climate. He thinks that they are wasting their time with these Buck Rogers ideas. ``Senator Domenici agrees with us on defensive nuclear weapons,'' says Fuller. ``But he disagrees with us on the level of defense spending. This does not suggest that by proposing defensive weapons that you've advanced yourself in the budget debate.''

Decision-making. ``The process is still the same,'' says Fuller. ``He still waits to make policy decisions until they come to him.'' But Fuller thinks that Reagan has become more involved in the decision-making process in recent months. He sees two reasons for this: (1) Reagan is more familiar with the issues and (2) the staff no longer

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agrees among it itself before bringing matters to Reagan.

Fuller contends that Reagan's detachment was always a function of being overprotected by his staff. "I've never thought of him as detached. I've always found him very curious." In the beginning, says Fuller, Reagan only seemed detached because he was dealing with unfamiliar subjects. "Issues were coming at him that he wasn't familiar with. He wasn't able to talk about them easily." Now, Reagan is more familiar with the issues. "I think he's grown a lot in the job. He's gained an understanding of the budget issues and Social Security, national security and foreign affairs."

"There has been an evolution in the process generally," says Fuller. "People may have been overprotective in the beginning, being too restrictive in the amount of information he received and in his exposure." Now, Reagan is asked to settle disagreements among aides. He's also permitted to chat with a wider group of aides, not just the Big Three or Big Four. "The group of people he interacts with has been expanded and that's healthy. It's healthy that he's exposed to more people." For example, Fuller says, Reagan recently chatted informally in the oval office with Feldstein and his other economic advisers--something that was not done in the beginning. Fuller himself had extensive discussions with Reagan about the EPA mess.

"He's spending more time with his speechwriters too."

Another innovation, the Monday issues lunch, has allowed

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for an informal exchange of views between the President and his staff.

Reagan also gets a lot of ideas by watching television. "We always wait for a request from him after he watches Sixty Minutes," says Fuller. Just recently, the President asked his staff to check into a Sixty Minutes story about a guy who lost his VA benefits. When he heard on television that Clarence Pendelton could not get documents from the White House, "he was asking immediately, 'why haven't they been given the statistics?' And so we quickly supplied them with the material they wanted."

(END)

March 31, 1983

FROM: RAK - Los Angeles

TO: MLS, LT, JF, BFP, GP, DXB, DAW, JWM, DR, JG, DCB, LH, SJF, PA, DLB, ✓
PGH

RE: Arms-control speech

In his remarks to the Los Angeles World Affairs Council, the President casts the various arms-control negotiations between the U.N. and the Soviet Union as a moral struggle, with the survival of Western values at stake. The tone of the speech is somewhat bellicose, with many of the same moral overtones of Reagan's Orlando address, in which he called the Soviet Union "an evil empire."

The President offers a firm defense of his military buildup and urges bipartisan support for the MX missile as vital to demonstrating the U.S. resolve necessary for the Soviets to bargain seriously on arms control. He attacks the nuclear freeze as a boon to Moscow and dang^Eerous to the West. And he warns that American impatience for an arms agreement will weaken the bargaining position of U.S. negotiators in Geneva.

There is little hard news in the speech. Reagan does indicate that he intends to have more to say in the near future about alleged Soviet violations of existing arms-control treaties. In addition, he says he will be talking to other world leaders in the days ahead "about the need for urgent movement" to halt nuclear proliferation outside the superpowers.

Here are excerpts from the advanced text of the speech,

which Reagan is to deliver at 4:00 p.m., est.

"We live in a world in which total war would mean catastrophe. We also live in a world torn by a great moral struggle--between democracy and its enemies, between the spirit of freedom and those who fear freedom.

"In the last 15 years and more, the Soviet Union has engaged in a relentless military buildup, overtaking and surpassing the United States in major categories of military power, acquiring what can only be considered an offensive military capability. All the moral values which this country cherishes--freedom, democracy, the right of peoples and nations to determine their own destiny, to speak and write and live as they chose^o--all these basic rights are fundamentally challenged by a power[^] adversary which does not ~~which~~^{WISH} these values to survive. . . .

"We cannot conduct ourselves as if the special danger of nuclear weapons did not exist. But we must not allow ourselves to be paralyzed by the problem--to abdicate our moral duty . . . We of the 20th century, who so pride ourselves on mastering even the forces of nature, are forced to wrestle with one of the most complex moral challenges ever faced by any generation . . .

"We have seen Soviet military arsenals continue to grow in virtually every significant category. We have seen the Soviet Union project its power around the globe. We have seen Soviet resistance to significant reductions and

measures of ~~effective~~ ^{EFFECTIVE} verification, especially the latter. And, I'm sorry to say, there have been increasingly serious grounds for questioning their compliance with the arms-control agreements that have already been signed and that we have both pledged to uphold. . . .

'We know that the ideology of the Soviet leaders does not permit them to leave any Western weakness unprobed, any vacuum of power unfilled. It would seem that to them negotiation is only another form of struggle. Yet, I believe the Soviets can be persuaded to reduce their arsenals[?], but only if they see it as absolutely necessary. Only if the Soviets recognize the West's determination to modernize its own military forces will they see an incentive to negotiate a verifiable agreement establishing equal, lower levels. And, very simply, that is one of the main reasons why we must rebuild our defensive strength. . . .

'A strategic-forces modernization program depends on a national bipartisan consensus. Over the last decade, four successive administrations have made proposals for arms control and modernization that ha^{ve} become embroiled in political controversy. No one gained from this devisiveness; all of us are going to have to take a fresh look at our previous positions. I pledge to you my participation in such a fresh look and my determination to assist in forging a renewed bipartisan consensus. . . .'

Regarding the START talks, Reagan says, "The Soviets have made a counterproposal. We have raised a number of serious concerns about it. But--and this is important--they have accepted the concept of reduction. I expect this is because of the firm resolve we have demonstrated. . . ."

Regarding the INF talks, Reagan says, "Our offer of zero on both sides will, of course, remain on the table as our ultimate goal. At the same time, we remain open, as we have been from the very outset, to serious counterproposals. The Soviet negotiators have now returned to Moscow, where we hope our new proposal will receive careful consideration during the recess. . . ."

"I'm sorry the Soviet Union, so far, has not been willing to accept the complete elimination of these systems on both sides. The question I now put to the Soviet government is, if not elimination, to what equal level are you willing to reduce? . . ."

"Every country that values a peaceful world order must play its part. Our allies, as important nuclear exporters, also have a very important responsibility to prevent the spread of nuclear arms. To advance this goal, we should all adopt comprehensive safeguards ^{AS A} ~~of the~~ condition for nuclear-supply commitments we make in the future. In the days ahead, I will be talking to other world leaders about the need for urgent movement on this and other measures against nuclear proliferation.

"It is vital that we show patience, determination, and, above all, national unity. If we appear to be divided--if the Soviets suspect that domestic, political pressure will undercut our position--they will dig in their heels. And that can only delay an agreement, and may destroy all hope for an agreement.

"This is why I have been concerned about the nuclear-freeze proposals, one of which is being considered at this time by the House of Representatives. Most of those who support the freeze, I'm sure, are well intentioned--concerned about the arms race and the danger of nuclear war. No one shares their concern more than I do. But, however well intentioned they are, these freeze proposals would do more harm than good. . . .

"The freeze would reward the Soviets for their 15-year buildup while locking us into our existing equipment, which in many cases is obsolete and badly in need of modernization. Three quarters of Soviet strategic warheads are on delivery systems (five) years old or less; three quarters of the American strategic warheads are on delivery systems 15 years old or older. The time comes when everything wears out--the trouble is, it comes a lot sooner for us than for them. And, under a freeze, we couldn't do anything about it."

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The following items come from a background interview with
David Gergen:

* President Reagan unveiled his interim arms proposal on Wednesday instead of Thursday, as originally planned, to maximize the impact in Europe.

* Reagan is counting on the prestige of the MX commission to convince Congress to reconsider the hardened-silos idea. "Anything with the imprimatur of the commission has a good chance of being adopted by Congress."

* Reagan will not compromise on the defense budget as easily as he did in the past. Reason: This time the issue is being handled by hardliners on Bill Clark's staff and not "the masters of compromise" on Jim Baker's staff.

* Reagan will give an environmental speech in three weeks to coincide with Bucklehaus' takeover as EPA chief.

* White House officials disagree with the Commerce Department's idea of selling the weather satellites. "It's a dumb idea."

Arms Control. Originally, administration officials did not want to propose an interim agreement until the beginning of the next round of INF talks. There were two reasons for this: (1) they feared the Soviets would reject it out of hand and (2) they were not fully prepared to put forth a complex plan. By making a vague proposal with more

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details to come in May, they got around these problems. Until details are spelled out, says Gergen, the Soviets cannot completely reject the proposal. "It's just a concept," he said. "It will be harder for them to deal with a concept that has no specifics. The intention was to let them go home and stew on this for a while. The President really does want to get this off the dime."

U.S. officials decided to offer the proposal now because of strong pressure from the Europeans. As a result, the announcement was timed to have maximum impact in Europe. Originally, Reagan was supposed to announce it on Thursday in Los Angeles. But the timing was altered when U.S. officials realized that an afternoon announcement on the Pacific Coast would be too late for European newspapers--many of which do not even publish on Good Friday. Thus the announcement was moved up to Wednesday. Thursday's speech will touch on Soviet non-compliance with arms treaties and efforts to restrict the proliferation of nuclear weapons.

Cold War. White House aides see a potential danger in Reagan's recent bellicose antiSoviet statements, but the danger they see is more domestic than foreign. Their chief fear is that Reagan will be viewed as a warmonger by the American people. "There is a risk in all of these defense speeches and the risk is in how the President is viewed by the public--instead of Reagan the peacemaker, Reagan the warmaker." But Gergen says he sees no serious disadvantage to this image of Reagan in the global propaganda war

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between the United States and the Soviet Union.

MX. The MX commission is due to report during the week of April 12, but Gergen says he's been told there may be a "modest delay." He thinks the hardened-silos idea will gain more acceptance on Capitol Hill this time around because the commission members have been consulting with members of Congress throughout their deliberations.

Defense. Gergen refuses to talk about the power struggle between Baker and Clark over who will control the defense budget strategy. But he suggests that Baker's legislative strategy group (ie. Richard Darman) overplayed its hand in the past. "They deserve some of the blame," says Gergen. "After a while people started to believe those press clippings about the legislative strategy group being the master of compromise." In other words, Clark convinced Reagan that the defense budget should be handled by the NSC staff instead of the legislative strategy group because Baker's people had a reputation for being too anxious to compromise. Gergen insists the two groups are cooperating, however. "The members of the legislative strategy group are busting our tails to help."

Foreign leaders--Attention David Wiessler. Here's what Reagan thinks of the foreign leaders he will meet in Williamsburg:

Thatcher. Reagan's favorite foreign leader. He not only agrees with her policies, he likes being with women.

Trudeau. Reagan's least favorite. They disagree on most

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White House. ``Everybody knows he'd run if the presidency were vacant. Nobody thinks he'll challenge the President.``

O'Neill in China. ``Some people thought the President ought to meet O'Neill at the airport to dramatize how the big-spenders are off globetrotting while the President is hard at work in Washington.``

Weather Sattelites. ``It's a dumb idea. The rationale was lost on most people around here. We didn't criticize it in deference to Mac (Baldrige), who is highly respected around here.`` It's rumored that the Grace Commission is talking about selling off the Veterans Administration.

Trade. Gergen clearly shares the frustration of many White House officials that the administration cannot agree on a coherent trade policy. He referred to the President's recent trade speech as ``a deformed child.``

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