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WITHDRAWAL SHEET

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683 10/5/00

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. Memo	Gergen to Baker, re: personnel matter (1 pg.)	3/16/83	P5
2. Memo	Roussel to Baker, re: surrogate speakers (2 pp.)	1/31/83	P5

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P-1 National security classified information [(a)(1) of the PRA].
- P-2 Relating to appointment to Federal office [(a)(2) of the PRA].
- P-3 Release would violate a Federal statute [(a)(3) of the PRA].
- P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA].
- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA].
- P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA].
- C. Closed in accordance with restrictions contained in donor's deed of gift.

Freedom of Information Act - [5 U.S.C. 552(b)]

- F-1 National security classified information [(b)(1) of the FOIA].
- F-2 Release could disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA].
- F-3 Release would violate a Federal statute [(b)(3) of the FOIA].
- F-4 Release would disclose trade secrets or confidential commercial or financial information [(b)(4) of the FOIA].
- F-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA].
- F-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA].
- F-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA].
- F-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA].

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THE WHITE HOUSE
WASHINGTON

September 5, 1984

MEMORANDUM TO JAMES BAKER
MARGARET TUTWILER

FROM: MIKE BAROODY *MB*

SUBJECT: REAGAN-BUSH

Last week, I was invited by Ken Khachigan to attend a meeting at Reagan-Bush.

That Thursday meeting led to a regular 9:15 a.m. meeting, chaired by Lyn Nofziger. It is to be held every day Monday thru Saturday as a follow-up to the 7:30 Reagan-Bush senior staff and our 8:15 communications meeting. The purpose is to coordinate planning for implementation of themes and "lines" set in those earlier meetings.

I will plan to continue attendance at these meetings unless there is objection.

THE WHITE HOUSE

WASHINGTON

August 30, 1984

MEMORANDUM FOR MICHAEL K. DEEVER
LARRY SPEAKES

FROM: JAMES A. BAKER, III 

SUBJECT: Interview Requests

As you know, we have received a number of interview requests for the President. I have been holding the line on not scheduling any interviews between now and Election Day.

The pressure for interviews has increased since the Convention as a result of the Skelton and Sidey interviews, and the three Texas newspapers as well as Scripps-Howard have been especially vigorous in their pursuits. In order to avoid alienating our friends in the press, let's be sure to touch base with each other before agreeing to any interviews.

Edward M. Fouhy
Vice President and Bureau Chief

March 28, 1983

Mr. Larry M. Speakes
Office of the Press Secretary
The White House
Washington, DC 20500

Dear Larry,

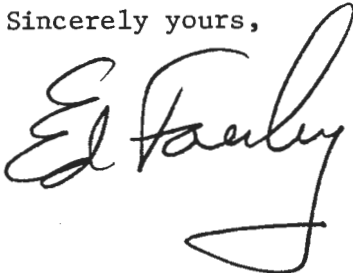
I hope you will reconsider your new policy regarding President Reagan's occasional Oval Office news conferences.

It is my understanding, based on our telephone conversation today, that although these news conferences will be on the record with the audio portion piped into the White House briefing room for whomever wishes to listen, neither audio nor videotaping will be allowed.

Clearly this policy discriminates against radio and television by keeping the tools of our trade out of the Oval Office and needlessly so since the President's remarks are being piped into the briefing room there will obviously be a microphone present. Adding a single pool camera would also seem to be a simple matter.

At this stage of the twentieth century and with the primacy of the electronic media as the source of news for the largest number of Americans clearly established, we can hardly regard this new format as anything but a step backward in terms of presidential public relations. Speaking for ABC News, I hope you will, as I stated at the outset, reconsider your policy.

Sincerely yours,



Larry —
this I don't agree with
sometimes. My feeling is that
we can have access.
the President, we'll take it.
Bob McFarland

THE WHITE HOUSE

WASHINGTON

April 5, 1983

MEMORANDUM FOR MIKE DEEVER

FROM: DAVE GERGEN *DF*
SUBJECT: CBS News Spot

Leslie Stahl is interested in doing a piece on the President's phone calls to people who are in distress, have done something heroic, etc. It would be a follow-up to the U.S. News piece. As part of it, she would want to interview (on camera) someone like Anne Higgins (who has done well at these in the past) and would like to film the President making a call or two (we could probably shield the name of the citizen if we like).

Reading between the lines, it appears that the piece would be positive and upbeat. She is also sensitive to the fact that the President does like to keep some of these calls private and does not want to make them exploitive.

All in all, I think it's worth doing. Can we follow-up?

Thanks.

cc: Jim Baker ✓
Larry Speakes

THE WHITE HOUSE

WASHINGTON

April 4, 1983

MEMORANDUM FOR JIM BAKER

FROM: DAVE GERGEN 

SUBJECT: NSDD on Leaks

Geroge Lardner of the Washington Post is interested in interviewing each of us in coming days for a story he is writing on how the administration is carrying out the NSDD. Justice has told him you are responsible for the White House end of things and he wants to know what you're doing, what kinds of regulations are being issued, how serious you are about it, and what procedures there will be for future books written by current occupants of high government office. Sounds like fun, right?

Can we touch base on this one?

Thanks.

THE WHITE HOUSE

WASHINGTON

March 16, 1983

MEMORANDUM FOR JIM BAKER

FROM: DAVE GERGEN *DF*

SUBJECT: Deputy Slot under Mike Baroody

As I have mentioned a few times, I would very much like to fill the vacant deputy slot in Mike Baroody's shop with Mrs. Pam Bailey, who is currently assistant secretary for public affairs at HHS.

Mike, Joanna and I have all had extensive conversations with Pam and are convinced she would be an excellent addition in working with the department PAOs and carrying on a number of other key activities there. She not only has experience in communications strategy and press relations, but she also has invaluable writing and research background which will help to lighten some of Mike's heavy load.

The only potential problem is that Pam is now at an Executive Level 4, and it would be important to move here without a cut in salary or rank (i.e., she would need to be a Level 4 Special Assistant). But I should point out that Mike Baroody came into essentially the same job when Frank Ursomarso was here, and Mike also started at Level 4.

One other concern is that Pam will need a secretary (we are so short on slots that Mike only has one and Karna, at Level 3, has to do her own typing -- no secretary). That is a subject of a coming memo to you.

In any event, we all agree that Mike needs more help; Pam would go a long way toward meeting that end.

There is some time sensitivity on this as others are beginning to dangle some attractive possibilities in front of her.

Approve _____ Disapprove _____ See Me _____

THE WHITE HOUSE

WASHINGTON

March 15, 1983

MEMORANDUM FOR JIM BAKER

FROM: DAVE GERGEN

SUBJECT: TV Coverage of the Budget "Cuts"

Here's the article by Fred Barnes of the Baltimore Sun just published in Policy Review by the Heritage Foundation. This is a very good piece by someone with a reputation as an independent political pro.

Mar. 24 - Prime Time (Def. Budget)
Mar. 31 - J.A. - Arms Control (N.I.) ←
Apr. 8 - M-X (def. approach) ←

THE WHITE HOUSE

WASHINGTON

April 7, 1983

MEMORANDUM FOR JIM BAKER ✓
MIKE DEEVER

FROM: Larry Speakes S

Attached is a letter from Ed Fouhy, Washington Bureau Chief of ABC. Ed indicates his desire to have either a pool camera or a pool microphone in the Oval Office when the President does another of the "Six on One" interviews. You can see from the note on the bottom that Bob McFarland of NBC dissents from this viewpoint.

I have advised Fouhy that we would consider this request but my judgement is that we should remain with the low-key, no microphone, no camera approach that was so successful last week.

cc: David Gergen

TV News: The Shock Horror Welfare Cut Show

FRED BARNES

It starts with some background material from the network anchorwoman in the studio. "On July 4, 1776, there were about a half-million blacks in America, one-fifth of the population," she says. "Almost all of them were slaves. . . black Americans had no reason to celebrate that first Fourth of July. It would be years before they received their inalienable rights of life and liberty. Now there are twenty-five million blacks in America, and many of them are brooding about the third part of that promise, the pursuit of happiness, wondering if 205 years after the Declaration of Independence they're ever going to catch up."

There then follows a correspondent's report from Cleveland. "They celebrated the Fourth of July in some parts of Cleveland more than in others," she says. "That's normal. Black people in America's big cities don't make a big deal of Independence Day. And anyway, the blacks we met on Cleveland's east side this week didn't feel much like celebrating." Then, President Reagan pops on the screen, vowing that he "will not retreat on the nation's commitment to equal treatment of all citizens."

But, the correspondent insists, blacks in Cleveland were not mollified by this assurance:

What worried the black poor in Cleveland was not what the president was saying, but what he'd been doing. . . . The talk of the projects was all about the president's cutbacks in social spending, the lifeline of so many black poor. Four out of ten black Americans live below the poverty level. They live with the help of aid to dependent children and Medicaid and food stamps and public service jobs programs—precisely those kinds of programs the Reagan administration plans to cut back or cut out. . . so you'll understand if there were some folks in America who couldn't quite get into the spirit of the glorious Fourth. There are still a lot of black people who don't understand what the whites are celebrating.

For breathtaking simplicity of analysis, it is hard to top this piece, broadcast on the CBS news show "Sunday Morning" on July 5,

1981. Two centuries after the Declaration of Independence, it suggested, poor blacks are being denied "equal treatment" and their "inalienable rights" by President Reagan's zeal in paring social spending. Aid to Families with Dependent Children (AFDC), food stamps, Medicaid, and public service jobs are the "lifeline" for "so many" who live "below the poverty level"; hence, the programs are good. The president would deprive impoverished blacks of some or all of the benefits of these programs; the cuts are, therefore, bad. And so it is no wonder that Cleveland's blacks have scant reason to celebrate joyously on the Fourth of July.

TV and the Real World

The trouble with this TV story—and it was a riveting piece of television journalism—was that it bore little resemblance to the real world of budget cuts. For all the furor and anguish in Congress over paring social spending for 1982 by \$35 billion, the cuts were hardly apocalyptic. "There was a lot less there than met the eye," confessed budget director David A. Stockman in one of his chats with journalist William Greider. One reason was the cuts were often not cuts *per se*; rather, they were cuts from the "baseline" level of spending for a program. In other words, the program got less than was projected if it had been allowed normal growth. Spending for food stamps, for example, was ostensibly cut from \$12.3 billion to \$11.3 billion; actually, the cut was from \$11.4 billion in 1981 to \$11.3 billion in 1982. Another reason why the cuts did not represent a sweeping retrenchment is that they sometimes were little more than a shift of money inside a program. In program after program, the near-poor lost benefits, while the truly poor were fully protected, even against inflation.

The budget cuts brought about a halt in the growth of spending on programs for the near-poor and poor. They were achieved largely by trimming around the edges. Requirements were tightened and rules were made more stringent. Except for public service jobs, no major program was eliminated. Assessing the changes in federal spending, Professor Samuel H. Beer of Boston College wrote in a nationwide study by the Princeton Urban and Regional Research Center¹ that "the pattern of policy toward which the Reagan administration is tending is to be found in the pause under

1. John William Ellwood ed., "Reductions in U.S. Domestic Spending" (New Brunswick, N.J.: Transaction Books, 1982).

Eisenhower that separated the two great periods of liberal advance.” The analysts who conducted the Princeton study concluded:

... the cuts constitute an important change in direction, coming at the end of a long period of growth in domestic spending and activism in domestic affairs on the part of the federal government. They do not, however, constitute a deep penetration into the 1982 base of federal spending for domestic purposes.

This conclusion is somewhat at variance with the popular view. We think this is because there is a strong tendency for public officials to overstate the size of the cuts. This tendency is not hard to explain. Conservatives tend to exaggerate the fiscal year 1982 budget cuts because they supported them and want to take credit for them. Liberals also tend to exaggerate the size of the cuts, but for different reasons. They want to create public concern about their impact and build up political support for resisting further cuts.

Using what he called “cold statistical facts,” Professor Melville Ulmer of the University of Maryland gauged the budget cuts a different way. When all social spending for welfare, health, and income maintenance, including Social Security, is considered, “federal outlays ... have continued steadily upward—from \$248 billion in fiscal year 1980 to \$291 billion in 1982.”

In the case of AFDC, the basic federally supported welfare program, the Reagan reductions barred payments only to those whose household income exceeds 150 percent of the “state standard of need.” If that standard is low, as in Texas and Mississippi, food stamp payments are automatically higher. For those living on AFDC alone, the average payment reduction as determined in an Urban Institute study would be a meager 2 percent.² Eligibility for food stamps was tightened, but only those with a gross income above \$11,000 a year in 1982 (since boosted by inflation to \$12,090)—or 130 percent of the official poverty level of \$8,500 (now \$9,300)—were denied benefits entirely under the Reagan changes. Medicaid eligibility is set by states. But, according to the Urban Institute study “overall states’ eligibility cuts have not been drastic” in the wake of reduced federal financing. Public service jobs? The scandal-ridden jobs program under the Comprehensive Employment and

2. John L. Palmer and Isabel V. Sawhill eds., “The Reagan Experiment: An Examination of Economic and Social Policies under the Reagan Administration” (Washington, D.C.: The Urban Institute Press, 1982).

Training Act (CETA) was eliminated in the Reagan cuts, prompting few laments in Congress at the time. But for those who could not find replacement work, AFDC, unemployment compensation, and food stamps remained to cushion the blow. In any case, only the public service jobs part of CETA was scrapped; its \$4 billion worth of youth and job training programs were kept in 1982. And the General Accounting Office found that 45 percent of those whose public employment was eliminated found private jobs.

The report from Cleveland's black community, never a hotbed of support for Mr. Reagan, was unbalanced, unfair, and uninformed. But it was not unusual. The budget cuts affecting the poor and the near-poor represent an extraordinary shift in social policy and involve billions of dollars, but even so, television coverage of the cuts has routinely managed to exaggerate their impact. "Hunger in America is back," Bill Moyers declared solemnly in his CBS special on April 21, 1982, about the cuts. "You'll find senior citizens out in the street," an interviewee asserted on the "NBC Nightly News" on September 30, 1981, the evening before the budget cuts for 1982 took effect. Food stamp cuts "are putting people into a 1981 version of the bread line," said Charles Kuralt on the "CBS Morning News" on November 11, 1981. "Reagan has taken everything away from us," insisted a man interviewed in a food line outside the Chicago Uptown Ministry in a report on the "CBS Evening News" on November 17, 1981. True, newspaper and magazine accounts have often indulged in similar exaggerations. But print reporting has lacked the dramatic immediacy of television spots about the victims of the Reagan reductions. Besides, a lot more people have learned of the supposed effects of the cuts in social spending from television than from newspapers or magazines.

The Lure of the Exotic

TV coverage of the cuts, particularly that of CBS, has regularly emphasized the exotic, the unrepresentative, and the emotional. To some extent, this is standard press procedure; reporters cover airplane crashes, which are rare, not airplane landings, which are commonplace. "If I were a city editor, even a right-wing city editor, I'd send a reporter out to find someone who was hurt," said Edwin L. Dale, Jr., assistant director for public affairs of the Office of Management and Budget. "It's absolutely normal coverage. There's no way to avoid it." But there is a way to balance it. Reports on the alleged victims of cuts in social spending can be put in

perspective and thus desensationalized. Mention can be made of what remains of a program after a cut, such as the 22 million people still drawing food stamps after some 850,000 were dropped in 1981. And there can be reporting of precise changes in programs, rather than sweeping generalizations about them, in order to avert hyperbole. The network news shows, with the exception of a few ABC pieces, have done little of this. Worse, the generalizations disseminated on television often did not come close to giving an accurate rendering of the broad outlines of the budget cuts.

Oddly, in an era of skepticism about official pronouncements and government officials, television coverage has betrayed an innocence and a naivete about both in connection with cuts in social programs. The statements of bureaucrats with a vested interest in an endangered program have regularly been taken at face value. And the claimed worthiness of programs has almost never been challenged in TV reports. The CETA jobs program, the most scandal-ridden program of the Carter presidency, has been treated as an unqualified success, its elimination as virtually an unmitigated disaster for the poor.

Consider the Appalachian Regional Commission (ARC), which Reagan sought unsuccessfully to jettison. It is, arguably at least, a wasteful bureaucracy that has played a minimal role in whatever economic revival has taken place in Appalachia since the mid-1960s. Yet, an entirely unskeptical impression was conveyed on the "CBS Evening News" by correspondent Joan Snyder in a breathless report on July 12, 1981. It was established in 1965, she said, to attract industry, create jobs, improve the quality of life. A top priority was building highways to penetrate the isolation of Appalachia, which had been bypassed in the age of the automobile because roads are so expensive to build in the mountains. So far, about half of the planned 3,000-mile highway system has been completed, at a cost of more than \$2 billion. More billions from the ARC and other federal agencies have gone for hospitals and clinics, low-rent public housing, aid to education, child development programs, and a network of vocational training schools to give Appalachia's young people the skills to find jobs. A major program has been construction of water and sewer lines, missing in many parts of Appalachia, their absence a barrier to attracting new industry. The government programs and a resurgence of the coal industry during the energy crisis of the seventies have transformed much of eastern Kentucky.

Miss Snyder failed to mention that only the ARC's nonhighway functions were to be abolished. Indeed, she gave the clear impression that its highway functions would be dismantled. After some fleeting criticism of the ARC from Republican Senator Alan Simpson of Wyoming, the spot concluded with pro-ARC words from a Kentucky bureaucrat: "It's not true that we'll get along without ARC just as well."

The Case of Food Stamps

But the ARC is hardly a front-line social program. More important—and vastly more expensive—are food stamps, AFDC, CETA, child day-care, school lunches, and Medicaid. They form the core of the network of federal programs for assisting the poor, and they have experienced spectacular growth in recent years. Partly because of inflation, the food stamp program doubled in cost, from \$5.5 billion to more than \$11 billion, between 1977 and 1981—a fact rarely cited in TV spots about families who lost their access to the food coupons because of the Reagan cuts. To stop the growth of these programs, both spending cuts and eligibility changes affecting them were approved in the Omnibus Reconciliation Act of 1981. But in each case, programs were trimmed far less harshly than television reports indicated.

No cut in social spending has been more vigorously covered than that in food stamps. And no cut has been less accurately portrayed. "The wind that's been blowing across Capitol Hill this autumn has been a budget-cutting wind," said Charles Osgood in a piece on the "CBS Evening News" on October 2, 1981. "And it's been blowing strong enough to uproot some government programs—CETA is gone—and tear the roof off some other ones—food stamps, for example." Well, not quite. The program, begun as a pilot project in 1963, mushroomed in the 1970s. In 1971, it dispensed \$1.5 billion in food stamps among 9.4 million people. In 1981, it distributed \$11.4 billion worth of coupons to 22.4 million people. Even with 875,000 people declared ineligible, the program still cost \$11.3 billion in 1982. The food stamp appropriation is expected to decline more steeply in 1983, when the recession passes and the temporarily unemployed find jobs and become ineligible. One measure of how marginally the Reagan cut affected food stamps in 1982 is the comparison of monthly averages. In July 1981, an average benefit of \$40.83 (per person, not per household) went to 20.4 million people. In July 1982, the average was \$38.68 spread among 20.2 million people.

The most significant change in the program was the limit on eligibility to families whose gross income did not exceed 130 percent of the poverty level—\$11,000 for a family of four. This replaced a ceiling which excluded a considerable amount of income. “Because of the exemptions and deductions, a household with an income substantially above the poverty level may (under the old guidelines) still meet the eligibility guidelines for food stamps,” concluded a study by the Princeton Urban and Regional Research Center. That is something of an understatement, since some families with incomes of more than \$14,000 received food stamps. The new \$11,000 limit did not apply to all recipients; the elderly (25 percent of food stamp households have one or more elderly persons) and the disabled (8 percent) were exempted. And once the \$11,000 threshold is met, deductions *are* allowed in calculating the level of benefits. Instead of deducting 20 percent of earned income, however, the new rules dropped the write-off to 18 percent. Moreover, the standard deduction was frozen at \$85 and the deduction for child care and “excess shelter” was locked at \$115. “The people who will be hardest hit by these reductions are the working poor,” the Princeton study said. “It has been estimated that nearly every recipient of food stamps will be affected (but) because the cuts are broadly based, the effect on any particular group is minimized.” It was a significant paring of the food stamp program, but not a draconian one.

The Draconian Version

Television, however, made it appear draconian. The “CBS Evening News” showcased the plight of Irene O’Brien of Arlington, Virginia, on February 13, 1981, five days before the Reagan budget cuts were formally announced and only twenty-four days after the Reagan inauguration. “She lives alone in a one-bedroom apartment,” said correspondent Susan Spencer. “Her total income from Social Security and a county housing allowance is \$400 a month, including \$54 in food stamps. After paying rent and utilities, O’Brien is left with about a hundred dollars a month to live on. But if her eligibility were figured on her gross income, she would be above the poverty line, no food stamps at all.” The problem with this tale of potential woe is that eligibility for food stamps is not linked to the poverty line, but to 130 percent of the poverty level. And with an income of \$400 a month, Mrs. O’Brien was *below* the adjusted earnings level and thus qualified for food stamps. Miss Spencer did not touch on another factor that tended to make

Mrs. O'Brien's case *sui generis*. The seventy-five-year-old woman was involved in a legal fight with food stamp authorities over whether her housing allowance from Arlington County had to be counted as income. They said yes, she said no, and the matter rested in federal court at the time of the CBS broadcast.

CBS also found a food stamp official who explained the eligibility standards incorrectly. "If a person is eligible for food stamps, if they qualify, they're at or below the poverty level," said Anne Johnson, identified on the "CBS Evening News" on February 5, 1981, as an assistant food stamp director in New York. "And with inflation the way it is, I can't see how these people can manage without them." Again she neglected to mention the 130 percent of the poverty figure, \$11,000. On November 17, 1981, the "CBS Evening News" followed up with a report on people who indeed were not managing. "Under prodding from President Reagan, Congress cut more than \$1.6 billion from the federal food stamp program earlier this year," said Dan Rather. "Further cuts are likely. The program's figures are the stuff of legislation, worked out in debate and compromise. But the results . . . already are evident on the streets of the nation." At this point, correspondent Bill Kurtis took over. "8:30 a.m. at the Chicago Uptown Ministry," he said. "The line for free food is getting longer. Some are here for the first time since recent food stamp cuts. Like Martha Itudes." Without any query about her income or assets, Mr. Kurtis turned to Miss Itudes. "I only get \$19 a month in food stamps, and I can't make ends meet," she said. "So, I'm desperate so I had to come and get something or go hungry."

In Georgia, NBC found a woman who had lost her food stamp allotment, but correspondent Bonnie Erbe failed to cite the income level—more than \$11,000 in the woman's case—which made her ineligible. Doubtless the story was all the more poignant without that. "Carol Brockam works two jobs to support four children," Miss Erbe said on the "NBC Nightly News" on September 29, 1981. "She is losing her \$59 monthly food stamp allotment. She, too, earns too much money under new federal regulations." Then, Mrs. Brockam added, "I was very angry, and then I discussed it. I am being penalized because I'm out trying, and out working." Miss Erbe: "The Reagan administration says the states should help to pick up what the federal government is leaving off. But many states, including Georgia, have money troubles of their own, and can't afford to pay for welfare and food stamps." The piece ended with a sum-up from another woman. "No, I don't

think that these people will be okay. Some will be able to manage, but there will be others that will not be able to manage. Currently, the outlook is very bleak."

ABC was not to be outdone on food stamps. On the network's popular "Nightline" news show on February 9, 1981, correspondent Mike Von Freund said: "Proposed cuts of greatest concern to the low income groups—food stamps. The 1982 Carter budget calls for a \$12 billion program. [Budget Director David] Stockman would cut \$2.6 billion by reducing benefits and cancelling planned increases. The number of people receiving food stamps would be reduced by 2 to 3 million from the 22 million people now eligible." Yet again, there was no mention of the \$11,000 ceiling for a family of four and no comparison of the proposed cuts to the 1981 expenditure. That, of course, would have made the cut look smaller.

On August 27, 1981, ABC presented its own deprived recipient on "World News Tonight." Among the million losing food stamps, said correspondent Charles Gibson, "will be Hunter Pitts. He earned \$11,700 last year driving a truck in Maryland. Half his \$700 monthly take home pay goes to rent a modest apartment. The family's been getting \$62 a month in food stamps. No more. The Reagan budget imposes limits on family income to get food stamps, and the Pitts are now over that limit." That they are narrowly over it was not reported. "My husband works hard," said Mrs. Pitts, "and I feel that there are people out there that don't work as hard and have been receiving social services and what not that they shouldn't have been." Mr. Gibson: "In addition to the one million cut off food stamps, 22 million face reduced benefits, but what do these people do?" Mrs. Pitts has an answer. "Eat a lot of chicken," she advised. "I guess just about everybody says that. You eat a lot of chicken." Hunter Pitts: "The reality in all of this is that the bulk of these cuts haven't even begun to take effect." But both the Pitts and Mr. Gibson neglected to consider another reality, namely that what the Pitts may need is not food stamps but a tax cut. Assuming the numbers on the ABC report are correct, the Pitts had a take-home pay of \$8,400 a year (\$700 a month), meaning that they paid \$3,300 in taxes. That's a tax rate of nearly one-third, a painfully high bracket for a low-income family.

Aid to Families with Dependent Children

Next to food stamps, television's greatest concern was working mothers who collect AFDC. And clearly they were the category of

recipients most severely affected by the cuts. AFDC is, of course, the nation's most enduring welfare program. It was inaugurated in the Social Security Act of 1935 and has been growing rapidly ever since, with most of the funds earmarked for children in single-parent households. The Reagan changes with the most impact were a national cutoff level for AFDC eligibility at 150 percent of each state's "standard of need" and the elimination of the "thirty and a third" rule. Though the federal government pays 54 percent of benefits, states administer the program, and they set widely varying poverty levels. As a result, the maximum AFDC benefit in July 1981 for a family of three was \$96 a month in Mississippi and \$571 in Alaska. To compensate for measly AFDC checks, Mississippi recipients got far heftier food stamp payments. According to the Princeton study cited above, before the Reagan changes, "in some states employed AFDC recipients could earn more than twice the state need standard before losing eligibility." This resulted in large part because potential recipients were permitted, in determining AFDC eligibility, to deduct \$30 of monthly income, plus 33 percent of their remaining earnings—the "thirty and a third" rule. The new criteria abolished this rule after four months of employment, counted food stamps as income, limited assets besides a house and car to \$1,000, included a part of a stepparent's earnings as countable income, and set a ceiling on deductible work expenses at \$75 monthly and child care (per child) at \$160.

The most publicized fear in the AFDC program was that employed mothers, women who might be "working their way off welfare," would be penalized to the extent that they would find it more profitable to quit their jobs and go back on welfare full-time. The "thirty and a third" had been established in 1967 as a prod to welfare mothers who wanted to work, allowing them to continue receiving some of their AFDC benefits so long as their salary did not grow excessive. With this rule in place, recipients in fifteen states could earn \$12,000 to \$15,000 annually without being dropped from the AFDC rolls. In Vermont, the state with the highest "standard of need," they could earn up to \$19,000. But studies found that this rule had not acted as a financial incentive. The idea that AFDC payments to the working poor lured them off welfare turned out to be a myth. In 1967, 38 percent of those who left AFDC said it was because they got a job; in 1979, the figure had sunk to 10 percent.

The flip side of the notion that continued payments serve as an incentive to draw recipients off welfare is the idea that elimination of those benefits acts as a disincentive. Preliminary evidence gath-

ered by the Department of Health and Human Services (HHS) in informal discussions with state officials suggests otherwise. Robert Pear reported in *The New York Times* on October 25, 1982, that "people removed from the welfare rolls because of Reagan administration policies have generally stayed off welfare, despite many predictions that they would return." The "recidivism rate" for persons returning to the welfare rolls has remained the same, about 10 percent. The rate in New Jersey between October 1, 1981, when the new AFDC rules took effect, and June 1, 1982, was exactly 10 percent. In New Mexico, it was less than 2 percent. In Vermont and in Los Angeles County, 10 percent. In Illinois, 9.4 percent. In Nebraska, officials reported that "nothing here suggests that cases closed due to earned income have come back on welfare in any noticeable number in the last six months." In Michigan, an economist for the state Department of Social Services said there was "no increase in the rate of [welfare] reopenings."

But, by playing up what turned out to be unrepresentative cases, television gave an entirely different impression. In a piece billed by anchorman John Chancellor as a "report on the probable impact of some of those [budget] cuts," the "NBC Nightly News" interviewed a Georgia AFDC recipient named Joanne Thomas. "Nationally, 1 million people will lose Aid to Families with Dependent children, or welfare . . .," said Bonnie Erbe. "Joanne Thomas supports three children on a salary as a county worker of \$862 a month, plus a family welfare allowance of \$180. She will lose that payment in October, because under new federal regulations, she makes too much." Mrs. Thomas raised the possibility of quitting. "I cannot cut \$180 out of our budget," she said. "It's not there to cut. I can go total welfare and make more money."

But it was Bill Moyers who brought national attention to the phenomenon of a job dropout induced by the new AFDC rules. On "CBS Reports" entitled "People Like Us" on April 21, 1982, he told the story of Frances Dorta. Mr. Moyers dealt with Mrs. Dorta and three other cases of alleged victims of Reagan budget cuts. The Department of Health and Human Services released detailed responses to three of the cases, effectively undercutting Mr. Moyers's contention that three recipients of federal support were victims of Reagan stinginess. In short, Mr. Moyers muffed three out of the four. The Dorta case was slightly more complicated. Her husband "abandoned her and their three children seven years ago," Mr. Moyers said.

She went on welfare until last August when she took a low-paying job. Although she was working, she was still eligible

for some help from the government, including Medicaid coverage for her children. But on October first, she was cut off both welfare and Medicaid (losing her AFDC eligibility automatically barred her from Medicaid). Now she has no money for the operation her son Gabriel needs.

Her case was similar to many, he indicated: "Before the administration's cuts went into effect, a New Jersey family of four earned about \$175 a month more than the average welfare family. After the cuts went into effect October first, the working poor family made just \$18 more a month. Next year, in New Jersey, it will not pay for people like Mrs. Dorta to work. The working poor will have \$4 LESS per month than the average welfare family."

After several interviews with Mrs. Dorta, Mr. Moyers concluded: The new welfare rules finally forced Frances Dorta to choose between her job and her son's health. She made the choice almost any mother would make. Last January, she quit her job to go back on welfare. She now receives a basic grant of \$414 a month, food stamps worth \$169, and all the important Medicaid benefits. Gabriel Dorta's operation on April 14 was successful.

Mr. Moyers's point was twofold: that the ballyhooed "safety net" did not protect Mrs. Dorta and that the new rules drove her to welfare. In response, HHS notes it was New Jersey's responsibility, not the federal government's, to raise the threshold of eligibility so that Mrs. Dorta could have received full Medicaid benefits for her son while continuing to work. At least twenty-one states have done this since the budget cuts were enacted, HHS said. Moreover, states are allowed to establish a "medically needy" category to give low-income but non-AFDC families Medicaid eligibility. This has been done by thirty-three states, but not New Jersey. Even so, HHS pointed out that Mrs. Dorta *was* protected by the safety net. "She did receive the Medicaid assistance for her son's operation that she needed." Furthermore, HHS noted "that the vast majority of families whose eligibility for AFDC was terminated by the . . . changes are not leaving jobs to return to AFDC rolls." And, these preliminary indications have since been confirmed in state after state. The new rules, despite Mr. Moyers, are not driving people onto welfare.

A Breathtaking Array of Waste

While the cuts in food stamps and AFDC were criticized during budget debates in Congress, there was little protest of the abolition of

the CETA public jobs program. It had been marbled with waste and corruption, from the hiring of ballet dancers in Maryland to the use of funds for "Happy Hour Training" at two restaurants in Washington, D.C. As James Bovard points out in "Busy Doing Nothing: The Story of Government Job Creation" elsewhere in this issue, CETA forked over money for a breathtaking array of wasteful projects: \$30,000 to build an artificial rock, \$640,000 for education about homosexual lifestyles, money to pay for two-thirds of the city employees in East St. Louis, Illinois, funds to pay college students to practice for a track meet. Nor were these isolated and unrepresentative cases such as might appear in the network news. In understated fashion, the General Accounting Office concluded in 1981 "that federal funds held by CETA grantees are vulnerable to fraud, waste, and abuse because essential management and internal controls are either lacking or are inadequate." Yet television reports neglected CETA's sullied past in recording its passing. Correspondent Roger O'Neil on the "NBC Nightly News" on February 13, 1982 reported an entire day-care center was shut down in Shawneetown, Illinois, because one CETA-paid worker was dropped. The story went like this:

Mr. O'Neil: For 9 years, the Shawneetown day-care center took care of up to 30 children of working parents in this small southern Illinois town. It's a poor area, where the minimum wage is the prevailing wage, and where almost one out of four is unemployed. The day-care center operated in the basement of a church, its \$45,000 budget made up of mostly federal and some state dollars. Reaganomics hasn't worked here, and neither has volunteerism. The day-care center is closed. There were six full-time employees at the center, feeding children two hot meals a day. CETA money paid the salary of one of them. Carmen Felker says the decision to close was made when the Reagan administration stopped funding the Comprehensive Employment and Training Act.

Miss Felker: We just couldn't make it. It was a constant struggle, and when we lost the CETA funding, we decided to close it.

Mr. O'Neil: The town couldn't afford to take up the slack, and local businessmen didn't volunteer to try to help keep the center open. So instead of one job eliminated, there were six, and for parents like Frederica Garnett, her two children come to work with her now. There was no other place as cheap as the day-care center.

Mrs. Garnett: I did find a couple of people, but it would cost me for six days a week, \$200 a month, and I just couldn't afford that.

Mr. O'Neil: When the one CETA job at the day-care center was eliminated, the government saved \$134 a week. But five people went on unemployment, and that's costing the government at least \$354 a week. There were 350,000 CETA jobs cut. Before the recession started, 45 percent of the workers had not found jobs.

Surely, the inexplicable ripple effect in Shawneetown, from CETA's demise—Mr. O'Neil didn't come close to explaining why the other five employees couldn't have run the center without the CETA worker—was the exception, not the rule. Actually, there was a reason why the center shut down with the withdrawal of the CETA money. State regulations were the culprit. "The thing was barely making ends meet," said Eunice Seely, a member of the center's board of directors. "With the state requirement for a certain number of employees per child, we would have had to have kept all five (non-CETA workers). We didn't have enough to pay all five." Mr. O'Neil, of course, did not explore the possibility that overregulation, not a budget cut, might have caused the shutdown.

Day Care, School Lunches, and Medicaid

Given the aggressive victimology in covering cuts in food stamps, AFDC, and CETA, it was not surprising that television reporters found flaws in Mr. Reagan's reductions in spending for day care, school lunches, and Medicaid. The federal subsidy for care of the children of low-income workers was thrown into a social services block grant to the states, which represented a funding cut of 25 percent for the combined programs in the grant and gave states the flexibility to spread the money among the programs as they saw fit. Because of the newly allowed discretion at the state level, officials at the Department of Health and Human Services have been unable to gauge the impact of the spending cut on day care. Yet, TV correspondents were not afflicted by any uncertainty. "Low-income parents who work will lose free day-care service for their children," said correspondent Ike Seamens on the "NBC Nightly News" on September 30, 1981. That was a considerable exaggeration. Reporter Jane Wallace claimed that 150,000 children got cut out and the consequences were: burning homes. "In Grand Rapids, Michigan, Linda Shumpert saw her house go up in smoke two weeks after her day-care subsidy did," Miss Wallace reported

on the "CBS Evening News" on February 1, 1982. "Her six and eight-year-olds were alone while she worked at a factory. They found the matches; the second floor was gone. The kids were shaken, but managed to escape. According to a Detroit study, one in every six home fires involves unattended children." Miss Wallace used a clever bit of hype here. Is she trying to leave the impression that one-sixth of all home fires involve children who are left in their houses because of cutbacks in spending for subsidized day care? Perhaps not, but some might get that impression from her report.

For the school lunch program, the cut amounted to \$400 million, from \$3.3 billion in 1981 to \$2.9 billion in 1982. Participation shrank from 26.8 million children to 23.6 million, and the number of schools in the program fell from 93,982 in 1981 to 91,233 in 1982. All this resulted from a reduction in the large subsidies for free and reduced price lunches for low-income students and the smaller subsidy for other pupils, a drop in the eligibility levels for free and reduced price lunches, and the elimination of the lunch program in nonprofit schools charging tuition of more than \$1500 a year. The number of students getting free lunches (for which the eligibility ceiling was set at 130 percent of poverty level) dropped the least, from 10.8 million to 9.9 million. Pupils getting reduced price lunches (eligibility ceiling: 185 percent) sank from 2 million to 1.7 million, and those of any income level getting partially subsidized lunches decreased from 14 million to 12 million.

Richard Threlkeld of ABC went to Nashville and learned that its "schools lost \$1 million in federal school lunch money." The schools had "to raise the price of a hot lunch to \$1.10, too high for some families," he said on "World News Tonight" on April 9, 1982. What he failed to mention was that eligible poor kids still got free lunches and that the near-poor kids received lunch at a discount. "Nationwide, almost one million lower income children have dropped out of school lunch programs since last year," Mr. Threlkeld said, but he failed to notice that the children who were no longer entitled to free or reduced-price lunches came from families that had incomes above 185 percent of the poverty level. To describe them simply as "lower-income children" is disingenuousness of a high order.

Finally, there is Medicaid, the medical program for the poor with the most explosive growth. Cuts here were marginal, mainly achieved through lowering the federal matching payments and granting states more leeway in trimming Medicaid costs of their

own. Indigent and "medically needy" (but not poor) patients were newly required to pay \$1 to \$2 for hospital treatment. Even these small payments were a hardship for the family of Louis Bailey, 77, of Atlanta, according to Irving R. Levine of NBC. "His regular treatments in an Atlanta hospital are free," Mr. Levine said on the "NBC Nightly News" on February 8, 1982. "But under the Reagan budget he'd have to pay \$1 for each visit, \$2 a day if he's hospitalized. It would save the government \$369 million a year. But it will be a hardship for the Bailey family."

Occasionally, a report on a budget cut seems willfully misleading. This was true of a CBS piece about the Wildcat job training program in New York City, a program made famous by Ken Auletta in his book *The Underclass*. Mr. Auletta praises the program, but he concedes that it clearly benefited very few of its participants. Only one peep of skepticism was sounded in the report by Marlene Sanders on the "CBS Evening News" on August 7, 1982, the day the unemployment rate reached 9.8 percent. "Wildcat is paid with city and state funds, foundation grants and some contributions from business and industry," she said. "Federal funds were cut off at the end of 1981. Ten of the twenty-one nationwide programs like Wildcat have now shut down for lack of funds. Even though only a third of the students across the country succeeded in completing the program and finding unsubsidized jobs, it's considered a success compared to other projects designed to help the hardcore unemployed." An evaluation found Wildcat, which provides training and then guaranteed jobs for the hard-core jobless, wanting in several respects. "When the very expensive, very thorough evaluation of it was finished, it found that Wildcat produced no evidence of impact among 3 of the 4 groups included in its enrollees—delinquent youth, adult ex-offenders and drug addicts," wrote Charles A. Murray of the Manhattan Institute for Policy Research in a letter to CBS. "It found minor statistical gains among the fourth group, AFDC mothers. But these gains . . . were based on the 64 percent of the enrollees who could be located after the program had finished. The others had disappeared."

Widows, Orphans, and Good Copy

The conclusion one draws from television accounts is that failed social programs are either rare or nonexistent. Certainly TV provides little in the way of rigorous, unsentimental assessment of the effectiveness of these programs. Rather, they are assumed to work—and thus cuts in their funding are presumed to be harmful. And

not only harmful but sweeping in their impact, a point that is easy to make by seizing on untypical cases. But were the cuts staggering? The hard evidence suggests the cuts were marginal. Despite tightened eligibility, there were an estimated 20.2 million food stamp recipients in July 1982, compared to 20.4 million a year earlier. In the face of ballyhooed cuts, the AFDC caseload dropped from 1981 to 1982 only from 3.8 million households to a projected 3.5 million, and overall AFDC spending fell from \$14.6 billion to \$14 billion. And in the teeth of supposed retrenchment, the number of Medicaid recipients rose, from 22.5 million in 1981 to an estimated 23 million in 1982. These numbers are not secret; they are widely available. But you have to be looking for them, instead of simply cranking out the semi-hysterical figures that purport to detail, say, the number of widows and orphans tossed mercilessly in the snow. It may be true in television, as in newspapers, that the bigger a budget cut can be made to appear, the better the play a story about it will get. The story may have the benefit of being accurate, at least on the surface. But there is a casualty in this, truth, as a distorted image of the impact of the cut is presented. Sad to say, it is exactly such an image that television has relentlessly provided.

JAB

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM: Dave Gergen *DG*

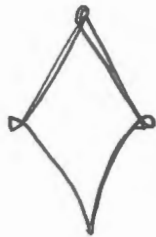
SUBJECT: Sperling Breakfast Interview this Wednesday

Early Wednesday morning, as you know, you have a date with about 45 print reporters for one hour -- one of those Washington institutions called the Sperling breakfast.

You have a free evening Tuesday to read through briefing materials, but we thought you might want to begin glancing through some issues before then.

You saw most of this briefing material in preparation for your press conference last Wednesday.

Tomorrow we will meet with you for 45 minutes to discuss interview topics; papers still to come will cover EPA and oil prices.



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between
Missoula & Great Falls*

*F. Whitstone
2/22/83*

THE WHITE HOUSE

WASHINGTON

February 15, 1983

MEMORANDUM FOR JIM BAKER ✓
ED MEESE
FRED FIELDING
DICK DARMAN
CRAIG FULLER
KEN DUBERSTEIN

FROM DAVE GERGEN

SUBJECT: EPA Guidance

With a good deal of help from Fred, we have drafted the attached guidances. If you could please review and return them by 10 a.m. Wednesday, we can give the President an opportunity to read in reasonable time.

Please note that there are a couple of other items covered at the end of the materials.

Many thanks.

ENVIRONMENTAL PROTECTION AGENCY

Allegations of wrongdoing

All such matters are being handled in traditional and most appropriate way: by Justice Department. Will be promptly pursued and vigorously there.

Executive Privilege

Executive privilege has been claimed only with regard to small number of documents (42); have offered access to some 800,000 other documents.

Privilege was claimed because these documents involve open law enforcement files -- in other words, they deal with the government's litigation decisions and strategy in cases still going on. To release them would hamper law enforcement -- something that would also set back anti-pollution efforts.

Nonetheless, we have been trying to work out agreeable solution with Congress that would permit reasonable access. Federal district court recently told both parties to suit -- both Congress and Executive Branch -- that we should seek a settlement. Toward that end, a team from the executive branch (Justice and White House) met with Congressman Levitas this weekend and our side made a forthcoming proposal (will not disclose terms); we are now waiting for his response.

I am committed to working out some sort of arrangement, will not only help the Congress but will also help us in ensuring full and fair enforcement of environmental protection laws.

Claim that executive privilege shielding criminal wrongdoing

The AG's letter to Congressman Dingell, outlining why executive privilege would be invoked in this case, stated that privilege would not be used to shield evidence of criminal wrongdoing. And it won't be.

Indeed, we offered to let members of the Congressional subcommittee that has requested these documents personally inspect them -- without making copies, I might underscore -- so they could satisfy themselves on this score. They rejected that offer.

Note: this only the 2nd time in this administration that RR has invoked executive privilege.

Will administration appeal court's ruling on executive privilege?

No decision has been made on that. As indicated, our representatives have been negotiating with Congress over the weekend to see if solution can be reached.

No decision has been made on that. As indicated, our representatives have been negotiating with Congress over the weekend to see if solution can be reached.

Contrary to some reports, should note that the federal district court did not "reject" our claim of executive privilege. Judge did not rule on that issue at this time. Instead, he said he wanted Congress and the Executive Branch to make further efforts to settle the matter. That's what we're doing.

Did you authorize firing of Rita Lavelle?

Yes, that was a management decision recommended to me and my senior staff by Anne Gorsuch. I felt that in a case when the head of an executive agency loses confidence in an assistant, who was a presidential appointee, I should support the recommendation of the agency head to let that assistant go.

Conflicts of interest among WH staff

Ed Meese has advised me that he no longer has any financial interests in Rohr Industries (one of the chemical companies tied into dumping at Stringfellow Acid Pits in California). That relationship was severed long before he came into the Federal government. Moreover, he has advised that at no time during his employment with Rohr was he involved in the issue of chemical dumping.

Document shredding at EPA

The General Counsel of EPA has advised that all documents relating to the executive privilege matter have been indexed and carefully maintained and that no documents sensitive for enforcement purposes have been shredded. Nonetheless, in view of the seriousness of this allegation, the Justice Department is looking into it.

OTHER LEGAL ISSUES

Allegations against Steve Savas

(Note: there have been recent allegations that Emanuel Savas, an assistant secretary at HUD, charged the government for numerous trips he made to NY on personal business and that he improperly used HUD employees to proofread and type a book he wrote).

Allegations currently under active investigation by HUD's Inspector General and Department of Justice along with a review at the White House (Fielding). Until investigation completed, inappropriate to comment. If disciplinary action is needed, it will be taken. (Savas now on administrative leave).

Justice Burger's call for new court

(Note: Many Supreme Court justices complain of overwork, and Burger recently called for creation of court between the Supreme Court and the courts of appeal to help ease the Supreme Court burden. Congress showed some interest. Press might want RR's reaction.)

Obviously, when the Chief Justice speaks, we listen very carefully. We are well aware of increasing workload there, caused in part by unfortunate tendency these days to drag everything into court. We are supporting efforts to ease this burden, including a proposal to give the Justices greater control over their own caseload by abolishing mandatory appeals. We will certainly give the Chief Justice's proposal the careful consideration it warrants.

Administration Crime Package

We plan to send up in next few weeks. As we did last year, will try to get some much needed reforms on issues such as bail reform, insanity plea, and exclusionary rule.

Political manipulation of Superfund

Goes without saying that we will not tolerate criminal conduct, which is the substance of these allegations. Anne Gorsuch has advised me there has been no "political manipulation" of the EPA laws. So that we leave no doubt on that score, Justice also looking into it and Congress looking into it with our cooperation.

Hugh Kaufman, the Whistle Blower

In the past week, I understand he has agreed to a settlement with EPA on his allegation that EPA was harrassing him and attempted to fire him because of whistleblowing.

If he has any evidence of wrongdoing (he alleges wrongdoing in the White House), then he knows the way to the Justice Department.

Accomplishments of EPA

(To come from C. Fuller)

THE WHITE HOUSE
WASHINGTON

1/31/83

MEMO TO: JAB, IV
FROM: PETE ROUSSEL

BAK: This is for your
consideration —
and eyes only.

Just seems we
could be doing
more on this front.
Rou

THE WHITE HOUSE

WASHINGTON

January 31, 1983

MEMORANDUM FOR:

JAMES A. BAKER, III

FROM:

PETER ROUSSEL *PR*

PROBLEM:

A very real assessment should be made of the surrogate operation. As currently structured, it just doesn't seem we are getting much "oomph" out of it. Where is the ink? The sustained impact? There should be more to it than merely compiling computer lists of where people have gone; more than merely reacting to incoming invitations.

- It needs forceful, creative scheduling. Need to initiate -- not react.
- Cabinet members and other Administration spokesmen constantly updated with new talking points.
- And it needs more than just a Cabinet/Administration effort. It needs more citizen involvement.

RECOMMENDATION:

That we immediately begin marketing of the State of the Union through a massive, citizen-oriented surrogate operation. Trying to carry the load with Administration spokesmen is not enough.

How to implement? Through a citizen-speakers group (akin to the Private Sector Initiative format) headed up by the most prominent and influential names we can attract from various groups; e.g., Business: Lee Iaccoca-types, etc.; Women, Blacks, sports figures, Labor, Chamber of Commerce Chairmen, etc. In other words, prominent private sector names who are willing to sacrifice and take time to speak out. A high-powered, broad-gauged group whose names will generate positive ink in behalf of the President. Form a committee with a high visibility Chairman, then initiate a concentrated scheduling effort (perhaps through the RNC) that blankets key media markets throughout the country -- and continues through 1983. Something that is designed to sustain a message, builds in impact, rather than just sporadic, random scheduling.

The point is we obviously need to get the momentum going the other way. It's too self-serving for the President to do it. We have got to mount some strong support in his behalf, but it has to come from the people -- it's not going to come from D. C. or through the Washington media.

THEMES FOR SPEAKERS:

- The President has tremendous job facing him -- but he's trying.
- He's given us the blueprint.
- The stakes are high, so don't surrender the field to the propagandists.
- Emphasize people want continuity in government -- want a President to succeed.

If we are going to effectively combat the drumbeat of negativism that we are getting through the networks (and which will continue) we have got to battle back through other forms. Our message is not going to make it to the public through the sieve of networks, Post, Times. Moving upward through such a grassroots network can combat that.

In short, we need to break the pattern of the coverage. There is one way to do it.

Please look at the attached. I really think the ones marked * should be given some thought.

THE WHITE HOUSE

WASHINGTON

January 18, 1983

MEMORANDUM FOR: DAVID GERGEN
LARRY SPEAKES

FROM: PETER ROUSSEL

SUBJECT: State of the Union -- Media
Plan ... Plus a Few Other
Things

Knowing you are preparing the media plan for marketing of the State of the Union and Budget, I offer the following for consideration in that plan or for additional follow-up. Some of this is repetitious, some perhaps not:

State of the Union/Budget

- Schedule appropriate Presidential interviews following the speech and budget release.

Wires -- AP, UPI, Reuters, AFP

Radio -- CBS, ABC, NBC (to equalize interview given the independents)

TV -- CNN

Groups -- chains, newspapers

In addition to transmitting our message through these outlets, numerous standing interview requests could be fulfilled, particularly through the group sessions, and most importantly, while being focused on one subject thus maximizing impact.

- Schedule surrogate spokesmen on ensuing morning, Sunday, late evening, etc. shows.
- * See additional item regarding surrogates.
- Through Media Relations office, schedule briefings here for editorial groups. On all upcoming trips, we should also consider possibility of having the President and surrogates meet with editorial writers, columnists, not only from the city visited, but the region. Ideally, the

surrogates would both precede and follow the President's appearance. Think there is much to be gained from this approach and saves having to import large groups to Washington.

- Suggest that a representative cross-section of columnists (not editorial writers) be brought in for a small group session. These can have more impact than the newswriters and certainly than editorial writers. A columnist, for instance, such as Lynn Ashby of The Houston Post is the most popular, widely read and quoted in the state. We have done virtually nothing to involve these kind of writers and now seems like a crucial time to do so.
 - Through the Media Relations office make absolutely certain that all special interest groups are covered via mailings of the speech, budget summaries, etc.
 - Similarly, make certain that not only Members but their press secretaries get these mail outs so as to encourage reprinting excerpts in their newsletters.
 - * ● On a very selective basis, consider building on the base established with the 5-minute radio program by following during this crucial marketing period with a series of geographically/politically targeted call-ins to radio talk shows around the country. This would provide a means for taking his message directly to the people and being responsive without filtering it through the media. These shows have large audiences that generate discussions for many days, even weeks following. Through these we could generate the follow-up that may have been lacking in the radio shows -- an interest beyond the day of broadcast.
 - Activate the Cabinet, sub-Cabinet, etc. in a surrogate blitz making certain their efforts are concentrated in areas of good media coverage.
- * (Frankly, I think we are not getting maximum impact from our surrogate effort; e.g., we need to make the press here more aware of what these surrogates are doing -- mailings of their speeches via the RNC, etc.)

A Few Other Things for Consideration

- We need to do a better job on marketing of speeches, appearances by senior White House staff members. Perhaps a memorandum will remedy the problem. A recent case in point was the Baker speech, which CNN would have carried live had we alerted them. Also, when a prepared text is used, we should make it available in the White House press office.

- * ● Consider compiling an updated daily/weekly sheet of the "designated hitters" on the various issues. This would have the following purposes:
 - Being available to the press so they would know who they are and thus cut down the number of phone calls.
 - Circulate within the White House so staff would know where to forward errant press calls.
 - Emphasize to press and staff that this is a serious policy being pursued in a serious manner.
- * ● Consider having Mrs. Reagan host a White House lunch for an individual or couple from each state -- people to be chosen by the Governor, Senator or Congressman -- who are notable for some self-sacrifice during these difficult times. This would associate Mrs. Reagan with "mainstream" Americans who are also achievers and, in a sense, joined with the President in the same battle. Also, would have the effect of involving Governors, Senators and Congressmen in a very positive way with the White House -- and their constituents.
- Draft and prepare a Presidential letter to all White House staff, Republican officials, etc. thanking them for their dedicated effort in the first two years, emphasizing the accomplishments and urging them on to greater effort in the years ahead. This morale boost to the troops in the trenches could pay dividends in increased output and perhaps is needed at this mid-term juncture. A re-charging of the batteries of commitment.

THE WHITE HOUSE

WASHINGTON

April 5, 1983

JAB
READING FILE PLS.
4/7
MOT
✓

MEMORANDUM FOR FRED FIELDING
WHITE HOUSE COUNSEL

PETER WALLISON
GENERAL COUNSEL - DEPARTMENT OF TREASURY

JOHN KELLEHER
ACTING LEGAL COUNSEL - SECRET SERVICE

JAMES BAKER
CHIEF OF STAFF - WHITE HOUSE ✓

CAROLYN WIMMER
MEDIA LIAISON OFFICE

FROM: Larry Speakes *S*

The proliferation of news media in Washington is causing new concerns on the qualifications of the applicants for White House press credentials.

As you know, court decisions have tied our hands in limiting credentials to only those who have a legitimate need to cover the President. These decisions have forced us to grant approval of credentials to virtually every applicant.

We now must grant credentials to an increasing number of "fringe" news organizations. The increasing numbers not only present serious logistical difficulty, but the quality of some applicants causes some security concern. With the number of outstanding credentials rapidly approaching 2,000, I believe a legal review of our options on this matter would be appropriate.

The increasing number of applicants, together with the renewal process, requires a considerable expense on the part of the Secret Service for security checks and processing of applications and renewals. As the number increases, the cost obviously increases.

Let's explore the feasibility and legality of an applicant's fee to be charged for news organizations applying for credentials, with the revenues to be utilized to fund the process. It is my view that this will make news organizations think twice before applying for credentials that are not needed on a regular basis.

After you have had an opportunity to review these ideas, I would like to assemble a group for discussion of them. We will be in touch with you.

THE WHITE HOUSE
WASHINGTON

6/27/83

MEMO TO:

JAB, IV

FROM:

PETE ROUSSEL

BAKE:

Any comments on this
with regard to use as
an op ed piece?

Rou

To a young actor who recently visited the White House, President Reagan passed along this advice attributed to Spencer Tracy: "Learn your lines and don't bump into the furniture."

As the Ronald Reagan Ship of State leaves the mid-term mark behind, one senses that Mr. Tracy's homily has found its way, in a very fundamental way, to the Oval Office. Indeed as the gears of his Presidency have shifted into a third-year mesh, Mr. Reagan can point to more and more positive indicators of economic uplift coming on stream. With regard to inflation, interest rates and reduction in the tax rates, it seems fair to say he is winning. And he can point to recent polls which show that more Americans are optimistic about the direction of the Nation's economy today than at anytime in the past two years. Things are starting to go his way.

And yet, even in the wake of all this good news, even as we appear on the verge of recovery, there persists an undercurrent of gnawing doubt about the man and his politics. Some have called it a steady drumbeat by the doomsayers. It rumbles along, a low national murmur -- sotto voce -- but it persists.

Why does this mood of lingering doubt hang over the land? My colleague, Larry Speakes, has a theory. He attributes to the "daily drumbeat of the morning newspapers and the clashing

cymbals of the evening television shows." I would expand that to include the vast media terrain of morning news shows, hourly and half-hourly newsbreaks, all-day and all-night radio and television talk shows and the multitude of television interview shows.

Eventually, it all becomes a torrent of news flashes pressing down upon American households throughout the day and night, creating a repetitive bulletin-type mindset that is virtually inescapable. Of late it seems to have shifted off the positive turn of the economy and focused more on the thornier issues crossing the President's desk -- El Salvador, Nicaragua, Lebanon, nuclear disarmament. And lurking amidst all the clutter remains that yet unanswered blockbuster: Will he or won't he run again?

This is not to say any of this is wrong. Certainly this is the right of the national media in its exercise of the First Amendment. That is not the issue. More paramount seems to be the question of presidential survival. Which leads one to ask: Just how much battering in this era of mass media exposure can any one Administration take before going under?

The lifespan of good news for a President in recent times is often short. It seems to be getting shorter. In a recent article in this paper, Professor Henry F. Graff of Columbia University commented on the succession of crippled administrations that have weakened America's credibility at home and abroad. There is a message here. And a challenge. Can the Presidency, the modern Presidency, survive this daily drumbeat -- no matter how many positive achievements a President might rack up?

Not since Eisenhower has an elected President served two full consecutive terms. I do not know if President Reagan will run again and attempt to break this trend. But my experience near the man convinces me he can take it; that his spirit of optimism is far from broken; that he will make his ultimate decision on the basis of conviction, not on his latest reviews from the nightly news. He has known the harsh glare of kleig lights before, but this is not play acting and no one understands that comparison better than this President.

I, for one, hope he chooses to add a new twist and attempts to throw Professor Graff's orderly scenario out of kilter. For I see this as a man in control; a man determined to see his program succeed. A man who despite the relentless carping from critics who portray him as insensitive, does truly care about the plight of the unemployed.

If he does choose to stay the course, I would suggest any potential opponents not forget about Spencer Tracy, for the man currently occupying the Oval Office has learned his lines. This time, however, they are not the craft of a scriptwriter; they are his own vision of a national policy designed to get America on the mend -- regardless of how the media may report it.

And, just for the record, the last time I looked in on the Oval Office, the furniture appeared to be intact, and, after two years, unmarked by a Chief Executive's pratfalls.