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WITHDRAWAL SHEET **Ronald Reagan Library**

Collection: BAKER, JAMES: FILES

Archivist: cas

File Folder: Miscellaneous [1 of 4] A 10514 Box 9

Date: 3/1/99

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. paper	re a New Approach for the second term 5 p.	nd	PS
2. list	of names 1 p. (partial)	nd	P6, F6 B6
3. list	of names 1 p. (partial)	nd	P6, F6 B6 P6, F6 B6 CB PS(00

RESTRICTION CODES

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

- Presidential Records Act [49 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].
- Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of
- 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].
- Release would violate a Federal statue [(b)(3) of the FOIA].
- Release would disclose trade secrets or confidential commercial or financial information F-4 [(b)(4) of the FOIA].
- Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA].
- Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA].

 Release would disclose information concerning the regulation of financial institutions
- [(b)(8) of the FOIA].
 Release would disclose geological or geophysical information concerning wells [(b)(9) of
- the FOIA].

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A New Approach for the Second Term

The second terms of Presidents in this century have generally been downers, particularly after landslide victories. F.D.R. became too cocky and suffered an embarrassing defeat in his effort to pack the Supreme Court. The Republicans made enormous gains in the congressional elections of 1938 from the low at which they found themselves after 1936. It was only the onset of World War II which enabled Roosevelt to recover and win a third term in 1940.

Eisenhower had to endure a deep recession, the Adams scandal, a stroke, and a crushing defeat in the 1958 elections which left the Republican numbers in the House and Senate at the lowest level since 1936.

After his landslide win in 1964, Johnson went overboard on his Great Society programs and failed to take decisive action to win the war in Vietnam. The Republicans made record gains in the House and Senate in 1966, and Johnson finally declined to run in 1968 because of his fear he might lose.

As I reflected on this historical pattern after my landslide win in 1972, I decided to develop a new strategy for reversing the trend. Watergate aborted my plans, but the President might find it useful to implement some of the ideas I developed then for his second term.

A President in his second term, even after a landslide, has a much briefer honeymoon and a less effective mandate than after his first election. Personal loyalty among politicians is rare. As far as most Congressmen and Senators are concerned, they are loyal to the President only to the extent that he can do something for them or something to them. A President who can't run for re-election will therefore get support only if his policies are politically popular. Also, in a second term the fight for the succession will divide Republicans and make ambitious Democrats vie with each other to be the harshest, most effective critic of the President. Consequently, if the second term is not to fall victim to the disaster-prone pattern which has plagued previous landslide winners, action must be taken on three fronts: new men, new ideas, and new drive.

The most difficult decision relates to the necessity to bring in new men in the second term. This requires replacing good men who are worn out -- those Disraeli once described as "Gladstone's exhausted volcances." It requires shucking off

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those who were not good in the first place. And it requires bringing in hard-driving, preferably younger men and women who will give a new look to what some people may otherwise perceive to be an old Administration. The President's most spectacular political achievement has been to win unprecedented support from a majority of young people for himself and the Republican Party. One way to make that support permanent is to bring qualified young people into the Administration in record numbers. One of the President's most admirable traits is that he is loyal to his people even when they are demonstrably incompetent and have become a political liability. What he must recognize is that if he goes with the same team in the second term, he will be in a straightjacket insofar as being able to initiate or implement new, creative policies.

On the idea front, what is needed is initiation of bold new ideas where appropriate and renewed vigor in implementing good old ideas. Overall, what is required is to give the new Administration a sense of purpose and drive toward great new goals rather than just being satisfied with continuing the policies of the past, even though they have just received an overwhelming vote of approval from the electorate.

The President will have a difficult problem initiating any new directions in policies. After his victory, every extreme pressure group will claim that they are responsible for it and will demand that they be rewarded accordingly. The Moral Majority group will insist on his making school prayer and abortion the centerpiece of his second term. extremist supply-siders will contend that their theory, that deficits really don't matter, has been soundly endorsed at the polls and will resist indispensable efforts to reduce the federal deficit by cutting federal expenditures and by a drastic reform of the tax structure. The superhawks will contend that the President's anti-Soviet stance has now been overwhelmingly approved by the voters and that he should discontinue what they believe to be the fatuous attempts to negotiate arms control agreements and his efforts to make progress on other fronts which might reduce tensions between the superpowers.

What he should recognize is that he will have won on his own. He will owe his victory to no one and to everyone. He will be in the enviable position of being able to paint on a new canvas, and he should not allow the protests of the pressure groups to deter him from doing so.

Applying the foregoing analysis to foreign policy, he will be urged by the superhawks to stick it to the Russians,

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having in mind the fact that they did nothing to help him and everything to defeat him. This would be a tragic mistake. A new, less dangerous relationship between the U.S. and the U.S.S.R. is essential if there is to be any chance that real peace will survive in the world. But even those who disagree with this opinion must recognize that unless the American people are given hope and assurance that the Administration is making a good-faith effort to reduce tensions, the support for increased military spending which a continued confrontational status requires would be eroded.

Another strong geopolitical reason for seeking a better U.S.-Soviet relationship is that if we do not do so, the Chinese will have too much bargaining leverage against us. The love affair that seems to be developing among some strong anti-Soviet experts with the P.R.C. would be amusing if it were not so dangerously naive. The Chinese will be forthcoming in their relationship with us to the extent that they need us. If they believe that we have no other option than to improve our relations with them as a counter to the Soviets, they will exact a very high price for that cooperation. We should continue to seek closer ties with the P.R.C. but with no illusions as to the permanence of the current relationship, since that will depend upon what the Soviets do vis-a-vis the P.R.C. There has been far too great a tendency to emphasize the military aspect of our relationship, which only has the effect of irritating the Russians without intimidating them. What we and our allies in Europe and Japan must try to do is to give the Chinese and economic stake in their relationship with the West -- one which is so strong that even if they are able to reduce tensions with the Soviets, the hard-line, pro-Russian Maoists will not be able to use that fact as a pretext for usurping power from the Deng economic pragmatists.

Developing bipartisan support for a new, tough-minded overall arms control initiative should be a priority objective in 1985. But to continue to have arms control as the centerpiece in any possible summit meeting is a grave mistake -- both because it is the most insoluble of all issues and also because an arms control agreement, except to the extent it produces some stability, does not by itself guarantee peace. It is the exacerbation of political differences rather than an arms race which leads to war. That is why Soviet-American political differences in the Mideast, Persian Gulf, Latin America, and Africa should be the centerpiece of our negotiations. It is vitally important also that trade of non-strategic goods be put on the table as a positive incentive -- again, not because trade brings peace but because all possible leverage must be used to assure

progress in such complex and difficult negotiations. Just as the Nixon Administration is remembered for its China initiative, the Reagan Administration can establish a secure place in history for developing a new, less dangerous relationship with the Soviet Union. Incidentally, I have great confidence in George Shultz's ability to quarterback the Soviet-American dialogue.

Turning to another area, the major danger of war in the next ten years is not in Europe but in the Third World. the most crucial area is the Mideast and the Persian Gulf. We must disabuse ourselves of the simplistic notion that our problems in the Mideast would go away if we could just develop an effective strategic consensus which will keep the Russians out and find a satisfactory solution to the Palestinian problem. We could accomplish both of these goals and should try to do so, but we must recognize that the major destabilizing and dangerous factor in the Middle East is not the communist revolution but the Moslem/Fundamentalist revolution. The Soviets will continue to try to co-opt it and will train and subsidize its terrorists. But even without Soviet assistance, the Khomeinis and the Qaddafis will continue to try to export their revolutions to their neighbors in the area.

Military power will not decide this conflict in the Third World. We could have military superiority across the board and still lose. Nuclear weapons are irrelevant, particularly at a time when we no longer have nuclear superiority and threatening nuclear attack on the Soviet Union to deter Soviet aggression in the Third World is no longer credible as it was in Korea. Conventional weapons and rapid deployment forces serve a purpose but are not effective when aggression is not over borders, as in Korea, but under borders by Soviet- and radical Moslem-supported revolutionaries.

To combat the promises of both the communist-supported revolutionaries and the Moslem revolutionaries, it is essential that the U.S. and its allies offer something more than military assistance to our friends in the area. Here the President, in the beginning of his second term, could take a leaf out of Truman's book when he made his inaugural address in 1948 after his upset victory over Dewey. We may disagree with many of the aspects of Truman's Point Four program, but it was positive, upbeat, and new and for a time caught the imagination and support of the majority of the American people. Reagan, who is not known as a soft-headed do-gooder, would have even more dramatic impact if he were to announce an initiative which would take the sophisticated recommendations of the Kissinger Commission for a broad-based

World

program of economic assistance for Central America and expand that to other Third World countries in South America, Africa, the Mideast, and South Asia. It is vitally important that he enlist our allies, particularly the Japanese, in such a program. What I am suggesting here is not a sappy transfer of wealth from north to south as advocated by Willy Brandt, McNamara, et al., but a hard-headed program of aid, trade, technical assistance, encouragement of private enterprise, etc. which would give the millions of people in target countries a positive alternative to the programs of repression and regression offered by the communists and, in the Moslem world, by the Fundamentalist/Moslem revolutionaries.

I am not trying to spell out these initiatives in detail but only to suggest that the President would surprise and inspire people around the world -- including a majority of people in the United States as well -- by not interpreting his mandate as being one simply to continue his justifiable hard-line policies of the past but to appeal to the hopes of those who are not pro-communist but also who are not pro-status quo where the Third World is concerned and who believe that the United States will be at its best when it offers a positive program for progress.

The President has already won his place in history as the leader who demonstrated that conservative policies produce prosperity and who restored the American people's faith in themselves and in their country. During his second term he has an historic opportunity to bring about a sea change in the American political landscape by building a permanent conservative majority in the nation. He can become the preeminent post-World War II foreign policy leader by establishing a new, less dangerous relationship with the Soviet Union and Initiating a program for progress for the three billion people who live in the Third World and who have an average per capita income of under \$600 a year.

All this is a big order. But if the President gets the support he deserves from a team which has received an infusion of new blood, he will be able to pull it off.

December 20, 1984

MEMORANDUM TO: GAYLE HODGES

FROM: BARBARA HAYWARD

Mr. Baker would like to have the following people put on the guest list for a State dinner:

Mr. & Mrs. John B. Armstrong P.O. Box 193 Kingsville, Texas 78363

They are part of the King ranch family, and speak fluent Spanish.

Thanks, Gayle, for taking care of this for us.

bh

Dear Aaron:

Thank you for such a thoughtful message. One of the nicest things about being President is hearing from young Americans in every part of the country. I'm happy to know that I have you for my friend.

RONALD REAGAN

Aaron Groff 12413 Leigh Lane Maryland Heights, Missouri 63043

Enclosure: #25

cc: Barbara Hayward

RR/lynn--12PMNA YP-12

12/3/84

TO: CLAUDIA KORT

FROM: BARBARA HAYWARD

OFFICE OF THE CHIEF OF STAFF

EXT. 6797

We have received a request from the American Hungarian Foundation for a letter from the President for thier 23rd Annual George Washington Awards Dinner, which will he honoring Ambassador Nicolas Salgo, American Ambassador to Hungary.

The dinner will be held at the Pierre Hotel in New York City on December 5. The letter should be mailed to

August J. Molnar President American Hungarian Foundation 117 Somerset Street New Brunswick, N.J. 08903

They would like the letter to read at the dinner. I am enclosing some information which may be helpful to you.

Thanks for your help.



EXPRESS MAIL

177 SOMERSET STREET NEW BRUNSWICK, NEW JERSEY 08903 (201) 846-5777

November 29, 1984

AUGUST J. MOLNAR PRESIDENT

Mr. Robert J. Thompson

Utica Tower

Suite #912 1924 S. Utica

Tulsa, Oklahoma

Dear Mr. Thompson:

Source has set plan for the free works for your from the free anautoren would be anautoren would be worked to have a source of the free for the free 74104 SEVIL WAR

I am writing in reference to the conversation that you had with Dr. Nicholas L. Deak, chairman of our Foundation's 23rd Annual George Washington Awards Dinner, where it will be our pleasure and privilege to honor Ambassador Nicolas M. Salgo.

As Dr. Deak requested, may I ask you to arrange to have a White House message from President Reagan prepared for reading at the Awards Dinner on December 5th at the Pierre Hotel in New York ¢ity. I know that Ambassador Salgo will be especially pleased as will all of the guests of the dinner.

For your information I am enclosing copies of the text of the citation honoring each of the George Washington Laureates along with information about the American Hungarian Foundation and the Awards Dinner.

Sincerely yours,

AJM/ml

Encl.

Dr Nicholas L. Deak cc:

my soon ?

October 29, 1984

Dear Terry:

Nancy and I send our heartfelt congratulations to you and Tina on your marriage. May the joy of your wedding day on November 3 be with you throughout your years together and may your future shine with hope and happiness.

Again, congratulations, and God bless you.

Sincerely,

RUNALD REAGAN

Mr. Terrence Marks Rt. 3, Box 380 Gardiner, Maine 04345

RR:AVH:KCS:pps

bcc: Barbara Hayward

October 25, 1984

Mr. Eugene C. McHenry 816 Blossom Heath Road Kettering, Ohio 45419

Happy Birthday! Nancy and I were delighted when Jim Baker told us that today is your special day. We hope it is filled with pleasant memories of your rich, full life.

Congratulations, and God bless you.

RONALD REAGAN

Anne Higgins 456-7610

RR:AVH:JAB:pps

bcc: Kathy Camalier

THE WHITE HOUSE WASHINGTON 10/24/84

TO: PATSY SKIDMORE

FROM: BARBARA HAYWARD

Tomorrow, October 25, it is the 80th birthday of the uncle of Jim Baker's brother—in—law. Could we please get a telegram sent to him from the President.

His name is:

Eugene C. McHenry 816 Blossom Heath Road Kettering, Ohio 45419

Telephone: 513/293-7801

JAB said the standard telegram would be fine.

Many thanks.

bh

October 19, 1984

Dear Gregory:

Congratulations on becoming an Eagle Scout. This achievement is, of itself, quite an honor. However, you have managed to reach this goal at a very young age and I commend your dedication and hard work.

Mrs. Reagan joins me in wishing you continued happiness and success.

Sincerely,

Eagle Scout Gregory Smythe 4120 Jonquill Circle Palm Beach Gardens, Florida 33410

RR:AVH:KCS:pps

Mail flat: Scout Master George Buck, 9210 Roan Lane, Palm Springs, FL. 33410.

WHcc: Rep. Meyers

bcc: (Barbara Hayward

Director

United States Information Agency

10/18/44

Dear Im

Per our enversation

Jesterday Jam also ground

then to Paul Jaxalt per mit

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ago to ascerdan the statistics you all

face, I though it would be helpful

to gather them

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And with the in the can have

RE: INF

In January 1977, there were no SS-20s deployed. As of January 1981, there were 207 SS-20 launchers with 621 warheads deployed targetting Western European cities (as of now, there are 387 SS-20 launchers with 1611 warheads).

RE: STRATEGIC MISSILES

From 1977 to 1981, the Soviets added 4000 ICBM warheads of the most destabilizing kind. They also added four classes of nuclear ballistic submarines. (Since the signing of SALT II in 1979, they added 3800 strategic ballistic missile warheads (some of the 3800 warheads are included in the 4000 ICBM warheads described above).)

Per Ken Adelman October 17, 1984 because deterrence of the Soviet Union-has been a global requirement. In 1950, for example, when Dean Acheson made a speech on US foreign policy, he did not include South Korea in the American defense perimeter. Yet when Communist North Korea suddenly attacked the South, Truman and Acheson feared that a lack of a US response might encourage a Soviet move in Western Europe, perhaps against West Berlin.

Today, the dynamics of deterrence operate both globally and regionally. Europe remains greatly dependent for much of its oil on the Middle East. Over 50 % of the reinforcement and resupply of NATO in a European crisis would come through the Caribbean. Prevention of Communist hegemony or radicalization in either of these areas is clearly important to America's future.

Likewise a pro-Western Japan, a China unaligned with the Soviets, and a strong US Pacific fleet are all major elements in the deterrence of war. In sum, as the 1983 Williamsburg Summit communique stated: • The security of our countries is indivisible and must be approached on a global basis. •

Therefore, those who argue that the US must shift its vision away from Europe to the Pacific are posing a false

choice. In order to preserve its security and the security of its allies, the United States must look across both its oceans.

Recently there as been a change of leadership at NATO. The new Secretary-General, Lord Carrington, is facing a variety of new challenges: the economic problems faced by alliance members, the need to develop a strategy for better use of resources, better use of new technologies, better harmony and balance in transatlantic and trans-European arms cooperation. His leadership will be needed to improve the Alliance's conventional defense.

There is equally the task of developing an overall political strategy for NATO. Indeed, NATO's highest political priority has been a strengthening of the Alliance's overall management of East-West relations. This has already started. Acting on the initiative of Belgian Foreign Minister Tindemans NATO completed a study this spring that brought together Allied views on the Soviet challenge. The results of the study produced an extraordinarily unified meeting of foreign ministers in Washington.

Today, throughout the Councils of the alliance there is a greater sense of realism about the Soviet Union than

ever before.

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The Washington Times

BH PRE FOR NY. TELL WILL STAYING
YOU UP THEN SAB BE STAYING
IN CALIF. LEAVING
Oct. 18, 1984 NOW. 9th FOR
HUNTING IN TX.

3600 NEW YORK AVENUE NORTHEAST WASHINGTON, D.C. 20002 / 202-636-3000

Dear Jim:

In anticipation of President Reagan's reelection and a stay in California from Nov. 6 through 12, the ad hoc reporters' group with which you met recently would like to have another background or off the record session with you in that time frame to hear some thoughts on where we go from here.

Ideally we would like to take you to dinner for some relaxed chatting but we would settle or any other format that suits you.

We are no longer including wire services because that defeats our purposes. We are; Bruce Drake, George Skelton, Jim Hildreth, Gary Shuster and Fran Clines, plus yours truly.

Will you let me know if we can figure on a California session with you?

Sincerely

Jeremiah OLeary
051661 / 6609

10/17/84

TO: CHARLIE SHEPHERD

FROM: BARBARA HAYWARD

I have received a request from Justine Marks for a letter from the President for a son's wedding on November 3. FYI — Justine was the receptionist at the Arlington Headquarters of the Reagan-Bush campaign in 1980 and her son was the Reagan chairman in Maine in 1980.

The letter should be addressed to:

Terrence & Tina Marks R-3, Box 380 Gardiner, Maine 04345

Thanks very much.

Barbara

BARBARA B. HAYWARD Office of James A. Baker III 456-6797

10/17/84

TO: CHARLIE SHEPHERD

FROM: BARBARA HAYWARD

I have received a request from Representative Meyers office in Florida for a letter from the President congratulating a young man in his district for becoming the youngest ever Eagle Scout — he is 12 years old and this is supposed to be a record.

If it is possible, the letter should be addressed to: Gregory Smythe
4120 Jonquill Circle
Palm Beach Gardens
Florida 33410

But it should be sent to:

Scout Master George Buck
9210 Roan Lane
Palm Springs Gardens,

Florida 33410

He will be made an Eagle Scout at a ceremony on October 27, and they would like to read the letter to him there.

Thanks.

Barbara

10/17/84

TO: CAROL McCAIN

FROM: BARBARA HAYWARD

The wife of General Toomey, the Commandant at the Quantico Marine Base, has ask if we could arrange a group White House tour for about 15 or 20 NCO wives. They would like to arrange the tour for November 3, but have given an alternate date of November 17.

Is it possible to accommodate them on November 3.

Thanks.

Barbara



The President's Commission on Executive Exchange THE WHITE HOUSE

October 16, 1984

MEMORANDUM TO: SGT. DAVIS

THROUGH: BARBARA HAYWARD

FROM: JUNE WALKER, EXECUTIVE DIRECTOR 3.4.

SUBJECT: Clearance

The President's Commission on Executive Exchange will be meeting in Room 476 of the Old Executive Office Building on Wednesday, October 17th from 9:00 a.m. until approximately 10:30 a.m. Attached is a list of the Executives and staff who will be attending our session with Mr. Louis Giuffrida.

Cleary, Cornelius F.		8/07/45
Evans, William R.		1/08/45
Fair, Thomas R.		10/24/46
Gilbert, H. Steven	REDACT.	2/03/48
Goldbach, Clyde W.		8/16/52
Gray, Edward		3/15/46
Gruelich, David	*	3/ 23/ 10
Hall, John P.	DACTED	1/21/36
Humphrey, Gordon C.	***************************************	5/31/49
Johnson, Dwight C.		1/08/51
Kosich, Andria L.	-	4/27/59
Leamer, Paul C.		4/04/45
Long, Linda Ann		2/08/52
Lucas-Stephens, Elizabeth	REDAC	7/01/35
Mackay, Thomas C.	***************************************	12/15/45
Michel, M. Scott		8/29/50
Norton, William G.	***************************************	4/26/51
Pahre, Jeffrey D.	DACTED	6/21/45
Paskert, Thomas R.	***************************************	1/11/47
Richardson, Albert T.	***************************************	3/10/37
Sirkus, Andrew	***************************************	7/24/49
Skrine, Bruce E.	************************************	8/23/51
Skwarek, Raymond J.	*************************************	4/29/51
Spang, William	REDACTE.	12/10/51
Struebing, Stephen K.		3/26/43
Tarney, Wayne K.	**************************************	2/19/41
Walker, June G.	*************************************	8/01/25
Young, Roscoe	DACTED	12/25/50
		12/23/30
Giuffrida, Louis	***************************************	
•		
*	***************************************	
*	10000000000000000000000000000000000000	
	REDACTEL	
•	107000000000000000000000000000000000000	
•	PACTED	

From the Desk of: **BETTY SOUTHARD MURPHY Baker & Hostetler**

BAKER & HOSTETLER

ATTORNEYS AT LAW

818 CONNECTICUT AVE., N. W.

WASHINGTON, D. C. 20006

(202) 861-1500 TELECOPIER (202) 857-0010 IN DENVER, COLORADO
SUITE 1100, 303 EAST 17TH AVENUE
DENVER, COLORADO 80203
(303) 861-0600

IN ORLANDO, FLORIDA

13TH FLOOR BARNETT PLAZA

ORLANDO, FLORIDA 32801

(305) 841-1111

(216) 521-0200 TWX 810 421 8375 IN COLUMBUS, OHIO

COLUMBUS, OHIO 43215

(614) 228-1541

IN CLEVELAND, OHIO

3200 NATIONAL CITY CENTER

CLEVELAND, OHIO 44114

WRITER'S DIRECT DIAL NO .:

(202) 861-1586

October 3, 1984

Dear Jim:

Teddy Gleason, President of the International Longshoremen's Association, asked me today to see you received a copy of his attached letter dated September 20.

He said that the <u>defeat</u> of the Packwood amendment to XII of the Merchant Marine Act is the single most important issue to the ILA.

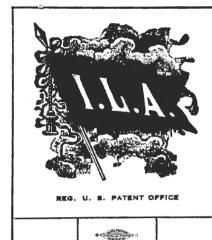
He characterizes the amendment as "the Great American Maritime Windfall."

Best wishes,

Betty Southard Murphy

Sincerely,

Enclosure



OFFICE OF

THOMAS W. GLEASON, President 17 BATTERY PLACE, NEW YORK, N.Y. 10004 **SUITE 1530**

Telephone: 425-1200

International Longshoremen's Association

Affiliated with AFL-CIO and Canadian Labour Congress

September 20, 1984 New York, N. Y. 10004

United States Senate Washington, D.C.

Dear Senator:

I am once again appealing to you to halt an attempt by Delta Steamship Lines, Inc. to circumvent the express intent of Congress in enacting and reviewing the Operating Differential Subsidies ("ODS") program. However, this time around, the perpetrator is not proceeding, as before, with the cooperation of an agency of the Executive Branch, but rather under the disquise of a statutory amendment which is at your own doorstep. I refer to S. 4277, an amendment to H.R. 5505, a bill extending the War Risk Insurance Act, due to expire on September 30 of this year. S. 4277 purports to amend Title 12 of the Merchant Marine Act of 1936.

I respectfully request you to reject the proposed amendment for the following reasons:

You may recall that in September 1983 and January 1984 I wrote to you to protest which I termed "the Great American Maritime Windfall". Briefly, I called for a broad-based investigation of the attempt of Delta and Lykes Brothers Steamship Co., Inc., to avoid the economic effects of their prior commitments under the ODS program, by contracting with the Maritime Administration to "buy them out". In an understatement, I referred to it as a "run on the Treasury", because these operators sought to obtain millions upon millions United States Senate September 20, 1984 Page -2-

of dollars supposedly to be used for the construction of new vessels, in contravention of Congress's own policy prohibiting the use of construction subsidies and without authority whatsoever for such buy-outs.

Ironically, Senator Bob Packwood (R-OR), Chairman of the Senate Committee on Commerce, Science and Transportation, is the sponsor of the troublesome amendment I am referring to. In 1982, that Committee declared that it "has by no means concluded that the subsidy programs must be scrapped" and directed that "ultimate decisions [be made] only after we have redefined or reaffirmed those objectives" of the ODS program. (S. Rep. No. 408, 97th Cong. 2nd Sess. 2 (1982)). The Committee pointedly warned that "Ad Hoc alterations to existing programs ... may even present greater problems than existing programs."

Delta and Lykes did not succeed in burrowing their way under Congress, via the Maritime Administration. Delta is now resorting to an "end run" around Congress, by an equally devious means. The proposed amendment, in effect, is the sort of blatant, Ad Hoc private legislation expressly disfavored by the Senate Committee. It is applicable solely to Delta and to no other carrier subject to the ODS program.

The amendment provides for Delta to receive \$195 million, constituting money that Delta never earned and to which it has not yet become entitled. In turn, Delta is to transfer to the government a fleet of nine aging vessels, for which it paid next to nothing when it took the company over in 1982. Of the \$195 million, Delta is obligated to set aside only \$25 million to provide for benefits, etc. for members of only two of several unions whose members — the intended beneficiaries of the ODS program — would be put out of work. Delta's further requirements under the bill do not even meet the minimal commitments that it currently has under the ODS program. In the end, Delta will walk away with a profit of \$150 million, some of which it would use to build three ships overseas, despite the ban on construction subsidies.

This one shot, narrowly conceived amendment presents a dangerous precedent for other such private bills, which will surely follow if this one succeeds. It treads all over Congress' intent because it is a piecemeal solution to a problem of far greater dimensions which the Senate has already

United States Senate September 20, 1984 Page -3-

determined to treat in its entirety. I feel certain that you can appreciate the contradiction between the proposed amendment and announced congressional policy as well as the inherent inconsistency if the Senate allows it to sneak through on the tails of truly worthwhile legislation.

I earnestly ask you to defeat this sinister amendment. At the very least, an amendment that has such tremendous implications for the merchant marine and the future availability of American mariners ought to be considered at hearings already contemplated by Congress, where all considerations bearing on this program can be entertained.

Very truly yours,

Thomas W. Gleason

International President

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cosponsors of Senate Joint Resolution 310, a joint resolution to designate the week beginning September 16, 1984, as "National Osteopathic Medicine Week".

SENATE JOINT RESOLUTION 346

At the request of Mr. Levin, the names of the Senator from Arizona [Mr. DeConcini], and the Senator from Ohio [Mr. Metzenbaum] were added as cosponsors of Senate Joint Resolution 346, a joint resolution to designate the year of 1985 as the "Year of the Teacher".

SENATE CONCURRENT RESOLUTION 65

At the request of Mr. Percy, the name of the Senator from Rhode Island [Mr. Pell] was added as a cosponsor of Senate Concurrent Resolution 65, a concurrent resolution expressing the sense of the Congress that the Republic of South Africa should cease its "blackspot" policy of forcibly removing black South Africans from their legally acquired residences and relocating them, and for other purposes.

SENATE RESOLUTION 139

At the request of Mr. ZORINSKY, the name of the Senator from Montana [Mr. Baucus] was added as a cosponsor of Senate Resolution 139, a resolution disapproving the recommendation of the Study Group on Senate Practices and Procedures to abolish the Senate Committee on Veterans' Affairs.

SENATE RESOLUTION 431

At the request of Mr. Dixon, the name of the Senator from Georgia [Mr. Nunn] was added as a cosponsor of Senate Resolution 431, a resolution relating to Canadian pork imports.

SENATE RESOLUTION 447 (EXEC-UTIVE)—URGING THE SENATE TO ACT ON THE GENOCIDE CONVENTION PRIOR TO AD-JOURNMENT

Mr. DODD from the Committee on Foreign Relations reported the following original executive resolution; which was placed on the Executive Calendar:

S. RES. 447 (EXECUTIVE)

Resolved, That the Senate Committee on Foreign Relations hereby urges the Senate Leadership to proceed immediately to the consideration of the Genocide Convention (Ex. O, 81-1) and seek to complete action on it prior to adjournment.

SENATE RESOLUTION 448—WAIV-ING THE CONGRESSIONAL BUDGET ACT WITH RESPECT TO THE CONSIDERATION OF H.R. 2889

By Mr. McCLURE, from the Committee on Energy and Natural Resources, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 448

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act

are waived with respect to the consideration of H.R. 2889, to amend the National Historic Preservation Act, and for other purposes. H.R. 2889, as reported, authorizes the enactment of new budget authority which would first become available in fiscal year 1985.

The waiver of section 402(a) of such Act is necessary to permit congressional consideration of H.R. 2889. Such bill was not reported on or before May 25, 1984, as required by section 402(a) of the Congressional Budget Act of 1974 for such authorizations.

AMENDMENTS SUBMITTED

OMNIBUS TRADE ACT

GORTON (AND OTHERS) AMENDMENT NO. 4276

(Ordered to lie on the table.)
Mr. GORTON (for himself, Mr. Evans, Mr. Roth, Mr. Heinz, Mr. Andrews, Mr. Trible, Mr. Boschwitz and Mr. Denton) submitted an amendment intended to be proposed by them to amendment No. 4244 proposed by Mr. Danforth to the bill (H.R. 3398) to change the tariff treatment with respect to certain articles, and for other purposes; as follows:

At the appropriate place insert the following:

SEC. 208. ARTICLES RETURNED FROM SPACE.

(a) Headnote 5 of the general headnotes of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended—

(A) by striking out "media; and" in subdivision (e) and inserting in lieu thereof "media,":

(B) by adding after subdivision (e) the following new subdivision:

. "(f) articles returned from space within the purview of section 484a of this Act; and": and

(C) by redesignating subdivision (f) as subdivision (g).

(b) Part III of title IV of the Tariff Act of 1930 (19 U.S.C. 1481 et seq.) is amended by adding the following new section:

"SEC. 484a. ARTICLES RETURNED FROM SPACE NOT TO BE CONSTRUED AS IMPORTATION.

"The return of articles from space shall not be considered an importation, and an entry of such articles shall not be required, if:

"(1) such articles were previously launched into space from the customs territory of the United States aboard a space-craft operated by, or under the control of, United States persons and owned—

"(A) wholly by United States persons, or "(B) in substantial part by United States persons, or

"(C) by the United States;

"(2) such articles were maintained or utilized while in space solely on board such spacecraft or aboard another spacecraft which meets the requirements of paragraph (1)(A) through (C) of this section; and

"(3) such articles were returned to the customs territory directly from space aboard such spacecraft or aboard another spacecraft which meets the requirements of paragraph (1)(A) through (C) of this section:

without regard to whether such articles have been advanced in value or improved in condition by any process or manufacture or other means while in space.".

(c) The amendments made by this section shall apply with respect to articles launched into space from the customs territory of the United States on or after December 31, 1984.

MERCHANT MARINE ACT AMENDMENTS

PACKWOOD (AND OTHERS) AMENDMENT NO. 4277

(Ordered to lie on the table.)

Mr. PACKWOOD (for himself, Mr. Long, Mr. Gorton, Mr. Stevens, Mr. Johnston, Mr. Cochran, and Mr. Cranston) submitted an amendment intended to be proposed by them to the bill (H.R. 5505) to amend title XII of the Merchant Marine Act, 1936, as follows:

On page 1, line 3, strike "That section" and insert in lieu thereof "Section 1. Section".

On page 1, insert the following immediately after line 5:

SEC. 2. The Secretary of Transportation is authorized and directed to enter into a contract with a vessel operator receiving operating-differential subsidy for the operation of liner vessels between the United States and all coasts of South America which contract shall provide for the termination and settlement of all obligations of the government (except for the payment of subsidy accrued to, and to be accrued for voyages in progress on, the date of termination) and of the operator arising under or by reason of the operating-differential subsidy contracts or under the Merchant Marine Act, 1936, by reason of receipt of operating-differential subsidy and providing for six equal annual payments in the amount of \$32,500,000. The contract shall provide that the operator agrees to the following contractual conditions: (i) the operator shall transfer title to four LASH vessels their respective complements of barges and five break-bulk vessels to the United States; (ii) \$25,000,000 of the amount received by the operator under the contract shall be used for labor pension fund payments, health benefits, retraining and similar items for the benefit of the officers and crews of the operator's ships; (iii) the operator shall construct three vessels to be delivered to it after June 30, 1984, and contracted for prior to the date of the last payment; (iv) the operator shall provide regular U.S.-flag liner service between the United States and South America for a period of at least six years; and (v) the operator shall not use the proceeds of the settlement for operations in the domestic trades or to pay for vessels constructed in a foreign shipyard. The first annual payment of \$32,500,000 shall be paid on the date of the execution of the contract and the remaining five payments shall be paid on the first through fifth anniversaries thereof. • Mr. PACKWOOD. Mr. President, on

behalf of myself and a bipartisan group of Senators, I am offering an amendment to H.R. 5505, a bill extending the life of the War Risk Insurance Program. The purpose of the amendment is to provide a legislative termination of the existing operating differential subsidy [ODS] contract between Delta Steamship Lines and the Federal Government.

The anticipated result will be a savings of hundreds of millions of dollars for the Federal Government, the acquisition of militarily useful vessels

for the National Defense Reserve Fleet, and the termination of numerous constraints on the viable operation of an important U.S.-flag carrier.

Due to the importance of this legislation and desirability of these objectives, this proposal has bipartisan support within the Senate and the House, and most importantly, is supported by both management and the labor organizations affected.

The terms of the contract termina-

tion are as follows:

First, the Federal Government's obligation to make payments to Delta Steamship Lines, as required by the 20-year ODS contracts, would be terminated. Under these contracts, the liability of the Federal Government is between \$800 million and \$1.2 billion.

Second, Delta Steamship would transfer a fleet of nine vessels, composed of four lash vessels (and their complement of nearly 400 barges) and five break-bulk vessels to the Federal Government for use in the National Defense Reserve Fleet. The military is presently operating lash vessels identical to these in the Indian Ocean in support of the pre-position forces. The Maritime Administration's Vessel Evaluation Committee has valued these vessels at a total of \$83.5 million.

Three, Delta agrees to maintain regular service between the United States and Latin America for at least 6 years, and our expectation is that this amendment will allow it to do so permanently.

Four, the Federal Government would pay \$195 million in six equal annual installments of \$32.5 million to Delta Steamship.

Fifth, none of the funds Delta will receive will be used either for domestic operations or for acquisition of foreign

Sixth, of the amounts to be received by Delta, \$25 million is intended to be distributed to the union labor currently employed by Delta. As employment opportunities for the U.S. merchant marine have shrunk in the past decades, fewer working seamen are supporting the pensions of large members of retired mariners. This has caused significant pressure on the pension funds of the unions, and the \$25 million will address this growing concern.

Seventh, finally, and most importantly to a number of us, is that Delta Steamship Lines will be able to operate in a flexible, commercially viable manner, free from the constraints of Federal intervention in its operations.

It is important that the Senate realize that this bill and amendment are not, and should not, be used as a vehicle for other measures. The sponsors were persuaded to add this provision because the urgent needs of the steamship line, of Government for these vessels, as well as for the beneficial impact on maritime policy and the cost savings to the Federal Government. The sponsors believe that any attempt to expand the bill to address other maritime concerns would simply

lead to its defeat. The reason for amending this important war risk insurance legislation is because of the extreme urgency of the situation. I and my colleagues have no intention of adding other amendments on other matters, and will adamantly resist any efforts to do so either in the Senate or the House.

In sum, the specific need for this legislation by the steamship line is apparent. The benefits to the Nation of reducing the Federal deficit and improving the competitiveness of our merchant marine are clear. This legislation enjoys bipartisan support in the committee, the Senate, and the House. Of critical importance, both management and the labor organizations affected by this proposal support it. I urge my colleagues to join me invoting in favor of it when it is brought to the floor in the near future.

OMNIBUS TRADE ACT

HUMPHREY AMENDMENT NO. 4278

Mr. HUMPHREY proposed an amendment to amendment No. 4244 proposed by Mr. Danforth to the bill H.R. 3398, supra; as follows:

On page 41, between lines 18 and 19, insert the following:

SEC. . USER FEE FOR CUSTOMS SERVICES AT CERTAIN SMALL AIRPORTS

(a) The Secretary of the Treasury shall make customs services available and charge a fee for the use of such customs services

(1) the airport located at Lebanon, New Hampshire, and

(2) any other airport designated by the Secretary of the Treasury under subsection (c).

(b) The fee which is charged under subsection (a) shall be paid by each person using the customs services at the airport and shall be in an amount equal to the expenses incurred by the Secretary of the Treasury in providing the customs services which are rendered to such person at such airport (including the salary and expenses of individuals employed by the Secretary of the Treasury to provide such customs services).

(c) The Secretary of the Treasury may designate 4 airports under this subsection. An airport may be designated under this subsection only if—

(1) the Secretary of the Treasury has made a determination that the volume or value of business cleared through such airport is insufficient to justify the availability of customs services at such airport, and

(2) the Governor of the State in which such airport is located approves such desig-

(d) Any person who, after notice and demand for payment of any fee charged under subsection (a), fails to pay such fee shall be guilty of a misdemeanor and if convicted thereof shall pay a fine that does not exceed an amount equal to 200 percent of such fee.

(e) Fees collected by the Secretary of the Treasury under subsection (a) with respect to the provision of services at an airport shall be deposited in an account within the Treasury of the United States that is specially designated for such airport. The funds

in such account shall only be available, as provided by appropriation Acts, for expenditures relating to the provision of customs services at such airport (including expenditures for the salaries and expenses of individuals employed to provide such services).

HEINZ AMENDMENT NO 4279

Mr. HEINZ proposed an amendment to amendment No. 4244 proposed by Mr. Danforth to the bill H.R. 3398, supra; as follows:

At the end of title III of the amendment, add the following new section;

Section (a) Section 203(a) of the Trade Act of 1974 (19 U.S.C. 2253) is amended to read as follows:

"(a)(1) If the President proclaims the import relief recommended by the Commission, or announces his intention to negotiate one or more orderly marketing agreements pursuant to the Commission's recommendation, the President shall on the date such proclamation is made transmit to Congress a document setting forth the action he is taking under this section.

"(2) If, on the basis of advice received under section 202(b), the President determines that the provision of the import relief recommended by the Commission is not in the national economic interest of the United States or that there are alternative recommendations which offset the material injury or threat thereof to the industry to the same extent to which the Commission's recommendations offset such injury or threat thereof, the President shall transmit to Congress a document which sets forth—

"(A) such determination,

"(B) the reasons why providing the import relief recommended by the Commission is not in the national economic interest,

"(C) information with respect to-

"(i) what actions (other then adjustment assistance programs immediately available), if any, the President proposes to take to help the industry overcome material injury or threat thereof and the workers to find productive employment, and

"(ii) how such actions will overcome such material injury or threat thereof to the same extent as the Commission's recommendations, and

"(D) any proposed legislation needed to implement the President's recommendations.

"(b) Section 203(b) of the Trade Act of 1974 (19 U.S.C. 2253) is amended to read as follows:

"(b)(1) The President's recommendation under subsection (a)(2)(D) shall be treated as an implementing bill pursuant to the provisions of section 151, except that, for purposes of section 151(c)(1), no trade agreement shall be required and the day on which the implementing bill is submitted shall be treated as the day on which the trade agreement is submitted; and for purposes of section 151(e)(1), and (2) the 45-day period shall be reduced to 15 days.

"(2) The President shall no later than the 31st day after the submission of such proposal—

"(A) proclaim the actions recommended by the Commission under section 201(d) if Congress fails to adopt the implementing bill submitted pursuant to paragraph (1), or

"(B) take the action recommended by him if the Congress has adopted and the Presi-



The President's Commission on Executive Exchange THE WHITE HOUSE

October 3, 1984

MEMORANDUM TO: SGT. DAVIS

THROUGH:

BARBARA HAYWARD

FROM:

JUNE WALKER, EXECUTIVE DIRECTOR J. Walf

SUBJECT:

Clearance

The President's Commission on Executive Exchange will be meeting in Room 476 of the Old Executive Office Building on Thursday, October 4th from 9:45 a.m. until approximately 11:15 a.m. Attached is a list of the Executives and staff who will be attending our session with Secretary Block.

Carroll, J. Martin Cleary, Cornelius F. Evans, William R. Fair, Thomas R. Gilbert, H. Steven Goldbach, Clyde W. Gray, Edward Gruelich, David Hall, John P. Humphrey, Gordon C. Johnson, Dwight C. Kosich, Andria L. Leamer, Paul C. Long, Linda Ann Lucas-Stephens, Elizabeth Mackay, Thomas C. Michel, M. Scott Norton, William G. Pahre, Jeffrey D. Paskert, Thomas R. Richardson, Albert T. Sirkus, Andrew Skrine, Bruce E. Skwarek, Raymond J. Spang, William Struebing, Stephen K. Tarney, Wayne K. Walker, June G. Young, Roscoe		9/24/49 8/07/45 1/08/45 1/08/45 10/24/46 2/03/48 8/16/52 3/15/46 1/21/36 5/31/49 1/08/51 4/27/59 4/04/45 2/08/52 7/01/35 12/15/45 8/29/50 4/26/51 6/21/45 1/11/47 3/10/37 7/24/49 8/23/51 4/29/51 12/10/51 3/26/43 2/19/41 8/01/25 12/25/50
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THE WHITE HOUSE

WASHINGTON

October 3, 1984

Congratulations to George P. Shultz, Casper W. Weinberger, Robert C. McFarlane, M. Peter McPherson, Brent Scowcroft, John W. Vessey, Jr., and all of the other co-authors of the highly significant volume, The Presidency and National Security Policy. These contributors to our Nation's security policies have clearly enunciated vital policy issues. As Secretary of State Shultz expresses it, this volume "will follow the excitement of America's quadrennial exercise of self-renewal...." Here is a work most timely for all Americans considering these issues over the next four years.

James A. Baker, III Chief of Staff and Assistant to the President

CENTER FOR THE STUDY OF THE PRESIDENCY

208 EAST 75TH STREET - NEW YORK, N. Y. 10021 - 212 249-1200

OFFICE OF THE PRESIDENT

September 26, 1984

Hon. James A. Baker, III 2415 Foxhall Road, N.W. Washington, DC 20007

Dear Jim:

Center for the Study of the Presidency's newest volume, The President and National Security Policy, is scheduled to be off the press not later than the last week in October. A number of your friends and colleagues have written chapters for this work. These include Robert C. McFarlane, M. Peter McPherson, Brent Scowcroft, George P. Shultz, John W. Vessey, Jr., Caspar W. Weinberger.

We are inviting \underline{a} \underline{few} distinguished persons' observations or a brief commentary to appear on the cover of this 600 page volume and we would be most grateful to have your own observations. The others would be from President Ford, Dick Cheney and Lee Hamilton from the Congress, and Bryce N. Harlow.

Herewith is Title Page, the Table of Contents, and a copy of Brent Scowcroft's Foreword.

May we suggest something like the following for your commentary:

Congratulations to Robert C. McFarlane, M. Peter McPherson, Brent Scowcroft, George P. Shultz, John W. Vessey, Jr., Caspar W. Weinberger and all of the other co-authors of the highly significant volume, The Presidency and National Security Policy. These contributors to our Nation's security policies have clearly enunciated vital policy issues. As Secretary of State Shultz expresses it, this volume "will follow the excitement of America's quadrennial exercise of self-renewal...." Here is a work most timely for all Americans considering these issues over the next four years.

James A. Baker,III Chief of Staff and Assistant to the President

Jim, we need this not later than October 9th to meet our publication deadline and we shall be most grateful for your participation.

Warm regards.

Since gery yours,

R. Gordon Hoxie

RGH:ed enclosures