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#### THE WHITE HOUSE

#### WASHINGTON

#### LATE ADDITIONS TO AGENDA

- 1. Linda Gosdin and Paul Manafort debate plans (detailed) Per Atwater Stu perfers to discuss with you alone.
- 2. Materials organization Per Atwater he and Rollins will discuss with you tomorrow.
- 3. Voter regristration
- 4. Money left over from the primary if any what's been done with it ?

MDT

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#### THE WHITE HOUSE

WASHINGTON

September 27, 1984

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MEMORANDUM FOR JAMES A. BAKER, III MICHAEL K. DEAVER DAVID A. STOCKMAN RICHARD G. DARMAN

FROM: MARGARET TUTWILER

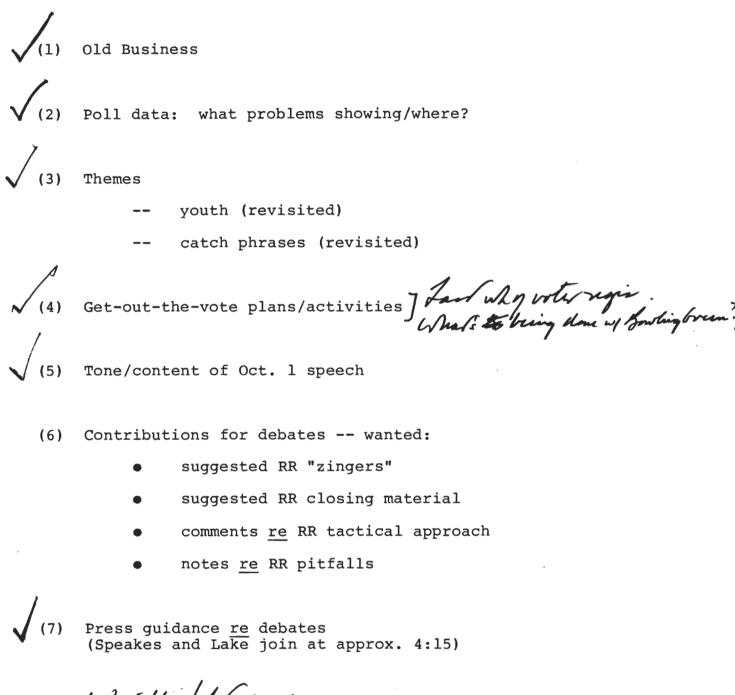
SUBJECT: ATTACHED AGENDA

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Please find attached the agenda for the meeting today at 3:00 p.m. in Mr. Baker's office.

Thank you.

CSG AGENDA -- 9/27/84



8. 1. Prillin left over



The President's Authorized Campaign Committee

\*84 SEP 27 P7:54

**Ed Rollins** 

September 27, 1984

MEMORANDUM TO MARGARET TUTWILER

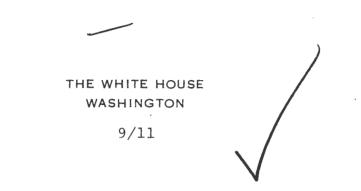
FROM: MICHELE DAVIS

DATE: SEPTEMBER 27, 1984

RE:

INTERESTING FACTS

Some interesting reading...



TO: JIM CICCONI

For your information.

To: JAB TI You may want to look at this. Thanks Or \$13

MARGARET D. TUTWILER Office of James A. Baker III 456-6797



The President's Authorized Campaign Committee

## \*84 SEP 11 A8:10

MEMORANDUM FOR MARGARET TUTWILER

FROM: LEE ATWATER

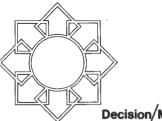
RE:

South Texas

DATE: September 8, 1984

You may wish to pass the attached report on South Texas to Jim Cicconi. This is a follow-up to our previous correspondence on this subject.

SCHEDULE B I T E M I	IZED DISBURSME		AGE 30 INE NO. 19
BY ANY PERSUN FOR THE PURPO	SUCH REPORTS OR STATEMENTS DSE OF SOLICITING CONTRIBUTI THE NAME AND ADDRESS OF ANY SUCH COMMITTEE.	IONS OR LOR CO	MERCIAL
NAME OF COMMITTEE: NATIONAL	REPUBLICAN CONGRESSIONAL	COMMETTER EX	PENDITURES
CATHERINE WHITAKER 916 E CAPITOL STREET WASHINGTON DC 20003 DISBURSEMENT FOR: N/A		1 - 107 845 1 - 107 845	
B' FULL NAME & ADDRESS: WILAND AND ASSOC.INC P.O. BOX 5445 1101 INTERNATIONAL PARKW	PURPOSE OF DISBURSEMENT: COMPUTER SERV: COMPUTER SERV. COMPUTER SERV. 03 COMPUTER SERV.	DATE E 16784 E 26784 E 26784 E 26784	AMOUNT \$2876.68 \$2912.47 \$3851.72 \$1566.48
C. FULL NAME & ADDRESS: KARL WILLIAMS 9511 GREENCASTLE LANE LORTON VA 22079 DISBURSEMENT FOR: N/A	PURPOSE OF DISBURSEMENT: SALARY SALARY	DATE 1/06/84 1/20/84	AMOUNT \$348.53 \$629.11
D. FULL NAME & ADDRESS: GREGORY E. WILLIAMS 1420 N ST NW. #907 WASHINGTON DC .0005 DISBURSEMENT FOR: N/A	PURPOSE OF DISBURSEMENT: SALARY SALARY	DATE 1/06/84 1/20/84	\$243.40
E. FULL NAME & ADDRESS: DAVID H. WINSTON 2717 36TH PLACE NW WASHINGTON DC 20007 DISBURSEMENT FOR: N/A		1/16/84	AMOUNT \$516.97 \$45.00 \$885.25
F. FULL NAME & ADDRESS: WOODWARD & LOTHROP DEPARTMENT 884 1127 FIRST ST., N.E. WASHINGTON DC 20013 DISBURSEMENT FOR: N/A	PURPOSE OF DISBURSEMENT: PRINTING	DATE 1/16/84	AMOUNT \$3435.00
G. FULL NAME & ADDRESS: WRIGHT PATMAN CREDIT UN LONGWORTH HOB WASHINGTON DC DISBURSEMENT FOR: N/A	PURPOSE OF DISBURSEMENT: SUPPLIES	DATE 1/06/84	AMOUNT \$1647.02
H. FULL NAME & ADDRESS: WYATT STEWART & ASSOC IN 320 A ST. SE WASHINGTON, DC 20003 DISBURSEMENT FOR: N/A	PROF SERVICES	DATE 1/16/34 1/18/84 1/18/84	\$5000.0



## Decision/Making/Information®

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FLASH RESULTS NATIONAL TRACKING Reagan-Bush '84

September 19-25, 1984

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The following tables contain the aggregate results for questions asked of the American public on behalf of the Reagan-Bush '84 Campaign on the dates indicated below.

Universe:	Adult Americans (persons aged 17 and older)
Mode of Interview:	Telephone
Date(s) of Interviews:	September 19-25, 1984
Sample Size:	1,750
Confidence Interval:	$\pm$ 2.3 in 95 out of 100 cases

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Intelligent alternatives for today's decision makers

6803 Poplar Place, Suite 300, McLean, Virginia 22101, (703) 556-0001

TO: James A. Baker III Michael K. Deaver Ed Rollins Stuart Spencer

FROM: Richard B. Wirthlin

- DATE: September 27, 1984
- SUBJECT: National Tracking--September 18-25

#### SUMMARY

The following is a brief summary of key findings from the national tracking during the week of September 18-25.

- o When asked "What is the first thing that comes to mind when you think about Walter Mondale," 53% of Americans mention something negative while only 28% mention something positive--a 2:1 negative ratio. In contrast, top-of-mind mentions about Ronald Reagan are positive for 49% of Americans, compared to 39% who mention something negative.
- Despite a flurry of publicity (including Mondale's efforts to attack Reagan over the incident), and a temporary 3-point rise in the number of people mentioning the Middle East as the number one problem, the recent bombing of the U.S. embassy in Beirut does not seem to have become a major Reagan liability. The President's approval rating in handling the situation in Lebanon over the last week has improved.
- o Mondale's and Ferraro's attacks seem to become more shrill with the release of each new poll. Nevertheless, the President remains popular and leads Mondale by 20 points. First-time presidential voters, approximately 12% of the electorate, are voting 2:1 for Reagan (62% Reagan-32% Mondale). We must get them out on election day.

National Tracking Page Two September 27, 1984

- o Mondale may be attempting to halt the erosion of his base by suggesting that Reagan's references to Roosevelt, Truman, and Kennedy are inappropriate. His concerns are justified. The only group now firmly in his camp are Blacks. However, even among Blacks, the President garners a surprising 16% of their vote--fifty percent above the campaign target of 10%. Over the past weeks we have lost support among older voters (down 9%) and Southern White Baptists. The erosion of the former coalition is a consequence of the Mondale/Ferraro ads and attack speeches, and the latter was likely induced by the fade of Jesse Jackson.
- o Of the various issues tested, the President remains most vulnerable on the following: fairness, social security, education, and starting an unnecessary war. He retains a slight relative advantage over Mondale on the issue of negotiating a meaningful arms control agreement with the Soviet Union.
- We will not be able to assess accurately the full impact of the President's U.N. speech or the Gromyko talks for another few days.

#### MOOD

Opinion over the past two weeks has been extremely stable. The number of Americans who think the country is moving in the right direction has remained steady at 54% compared to 37% who think it has gotten off on the wrong track.

This optimism remains broad-based, dipping only among the "have-nots," i.e., the less affluent, the less well-educated, blacks, and older Americans over age 55. Fifty-seven percent (57%) of Americans feel they are personally better off now than they were four years ago while one-quarter (25%) say they are worse off. Another 21% feel things are about the same for them. This includes 41% of blacks who say they are personally better off.

Realizing that Americans do feel they are better off, Mondale is now trying to portray the election as a referendum on the kind of people Americans are. His suggestion is that--in contrast to a majority of Americans--Reagan does not care about those for whom the economic recovery is not a reality. In this way, Mondale combines the questions of fairness and the future when he asks Americans to ask themselves "Will you be better off four years from now?" National Tracking Page Three September 27, 1984

#### Number One National Problem

The major concerns remain the foreign affairs/defense issue cluster (27%--up this week because of the Beirut bombing); other economic issues (16%); domestic/social issues (12%); and unemployment (12%--the lowest this indicator has been since before January 1982).

Deficits are mentioned by seven percent of adult Americans, primarily those who are better educated and more affluent. Of these, men (11%) consider deficits more important than do women (4%). Interestingly, the President's general popularity among men may offset the heightened concern men express over federal deficits; while men are concerned about deficits, they do not like Mondale. This phenomenon may further contribute to Mondale's inability to make deficits a major campaign issue.

Specifically, overwhelming numbers of Americans (69%) continue to favor Reagan's approach to handling the federal deficits.

#### REAGAN JOB RATINGS

#### General

Over the past week, the number of Americans approving of the way Reagan is handling his job as President increased four points--to 66%. Thirty-three percent (33%) strongly approve while only 18% strongly disapprove of the way Reagan is handling the presidency.

#### The Economy

Approval of the President's handling of the economy has risen three points to 61% approving and 36% disapproving. Even 51% of those earning less than \$15,000 a year approve.

#### Foreign Affairs

A stable majority (51%) of Americans approve of Reagan's handling of foreign affairs while 40% disapprove. Despite Mondale's best efforts, the stability of opinion about the President's handling of foreign affairs suggests that the fallout, if any, from the embassy bombing is minimal.

#### IMAGES

#### Top of Mind--Reagan

Among those who give favorable responses, frequent mentions include: strong leader (11%), honest and sincere (9%), doing a good job (8%), and his stand on the economy (6%). On the other hand, negative mentions include: favors the rich (7%), not honest (4%), doesn't represent the people (3%), and his age (3%). National Tracking Page Four September 27, 1984

#### Top of Mind--Mondale

Those mentioning a Mondale negative out-number those who mention a postive by a 2:1 ratio, Mondale's negatives include: not qualified/capable (12%), boring/old ideas (5%), poor vice president (4%), not honest/sincere (4%), appearance/personality (4%), indecisive/not strong (3%), and overpromising (3%). Mondale's positives include: cares for the people (7%), honest/sincere (7%), will do a good job (4%), and qualified/capable (3%).

#### Descriptors

Americans continue to believe that "cares and is concerned about people" is a better descriptor of Walter Mondale (44%) than it is of Ronald Reagan (39%). Public polls, and apparently Mondale's private polls, confirm this. Consequently, Mondale continues--through personal appearances, Ferraro, and commercials--to hammer the President on this issue in an effort to tie the issues of fairness and future together.

Although Mondale couches many of his attacks in terms of Reagan's failed leadership, Americans simply do not find his argument credible. Reagan continues to dominate the leadership dimension.

	Reagan (%)	Mondale (%)	Difference (%)
Leadership			
Effective in getting things done	64	23	+41
Has the strong leadership qualities this country needs	64	24	+40
Will deal with the problems of the future effectively and boldly	56	31	+25
Trustworthy	46	31	+15

National Tracking Page Five September 27, 1984

	Reagan	Mondale	Difference
	(%)	(%)	(%)
Economic Issues			
Will control inflation	59	27	+32
Will reduce the federal deficit by raising taxes	26	54	+28
Will reduce unemployment	51	34	+17
Will cut spending and reduce government waste	47	34	+13
Social Issues			
Will improve education	41	41	0
Will best handle the social security program	37	46	-9
War and Peace			
Will negotiate a meaningful arms control agreement with the Soviet Union	42	35	+7
Will start an unnecessary war	42	18	-24

#### Thermometers

The relative ranking of the Presidential and Vice Presidential candidates remains unchanged in terms of thermometer ratings: on a scale of 0 to 100, Ronald Reagan's average thermometer is 61; George Bush's, 56; Walter Mondale's, 50; and Geraldine Ferraro's, 49. Among women in general, Ferraro's thermometer rating is 51; it is 53 among women under 45 years of age. Catholics give Ferraro the same thermometer rating as the rest of the country.

National Tracking Page Six September 27, 1984

#### NOVEMBER OUTLOOK

#### Reelect Reagan

A slightly higher number of Americans (58%) than last week think that Reagan has performed his job well enough to deserve reelection. Thirty-eight percent (38%) think a new person deserves a chance to do better. An overwhelming 92% of those who think he deserves reelection say they would vote for him.

With the exception of Jews (43%) and senior citizens (49%), a majority of all our key constituencies think the President deserves reelection.

#### Ballot

We are in the last week of September with the President maintaining a commanding 20-point lead. He garners 56% of the vote to Mondale's 36%.

Reagan continues to make inroads into Mondale's base vote--winning 39% of the conservative Democratic vote, 47% of conservative white Democrats (28% of the total Democratic vote), 55% of Independent/Leaners, and a majority (54%) of the women's vote.

Sixty-nine percent (69%) of Reagan voters are strongly committed, in contrast to the 55% of Mondale's vote which is strongly committed.

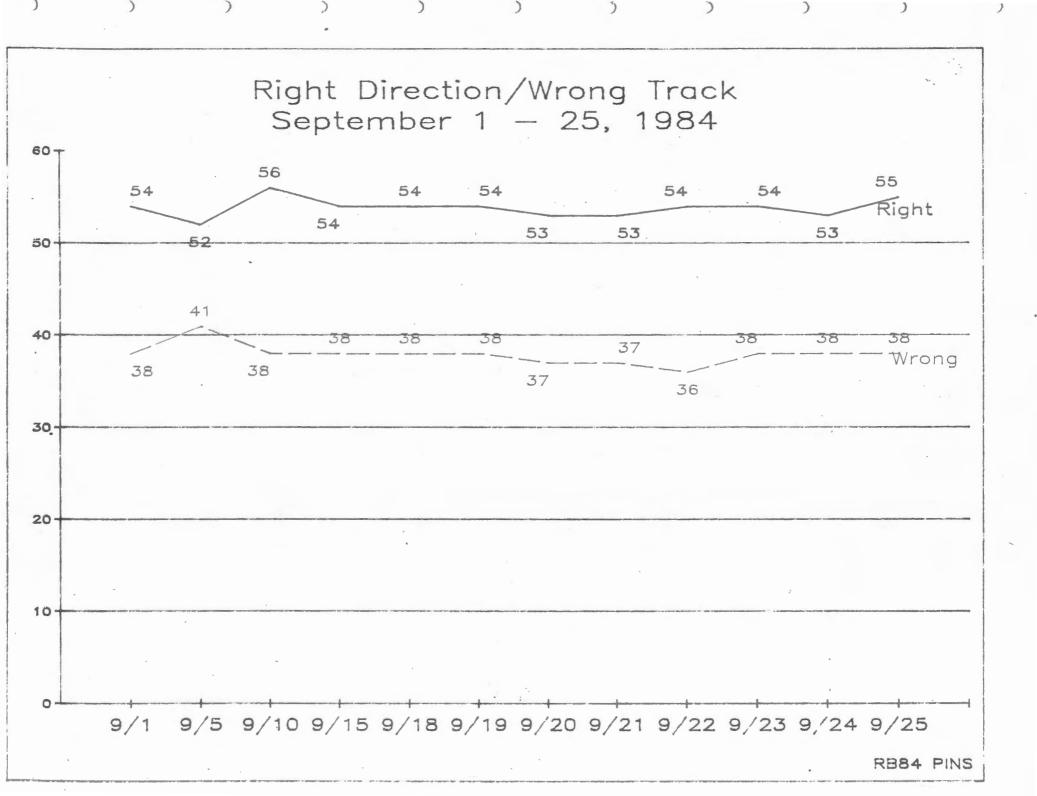
Analysts: Todd D. Remington Gerrit W. Gong

## Right Direction/Wrong Track

#### \_\_\_\_\_

"Generally speaking, would you say that things in this country are going in the right direction, or have they pretty seriously gotten off on the wrong track?"

	Aug 28	Sept	Sept	Sept
	Sep 4	5-11	12-18	19-25
	1984	1984	1984	1984
Right direction	54	55	53	54
Wrong track	40	38	39	37
No opinion	6	7	8	9



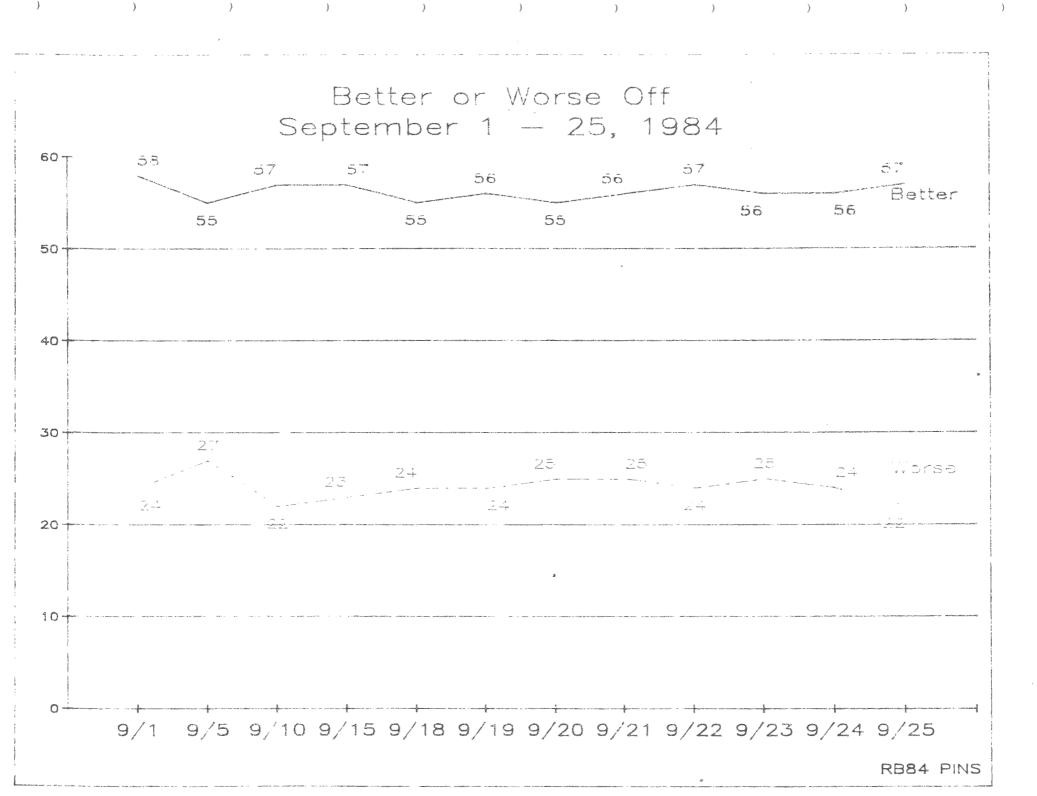
### Better Off/Worse Off

#### \_\_\_\_\_

"How about you <u>personally</u>? Generally speaking, are you better or worse off now than you were four years ago?"

	Aug 28	Sept	Sept	Sept
	Sep 4	5-11	12-18	19-25
	1984	1984	1984	1984
Better off	56	57	57	57
Worse off	25	23	24	24
Same	18	20	19	19
No opinion	10	0	0	0

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#### Number One National Problem

#### \_\_\_\_\_

"What would you say is the single most important problem facing the United States today, that is, the one that you, yourself, are most concerned about?"

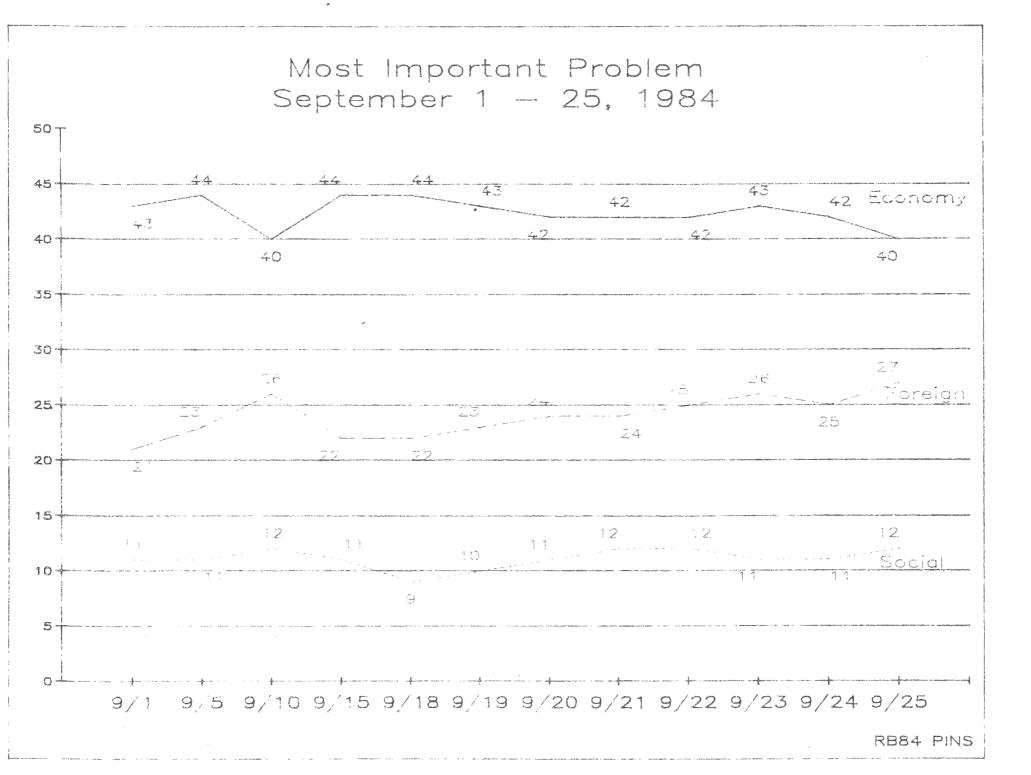
	Aug 28	Sept	Sept	Sept
	Sep 4	5-11	12-18	19-25
	1984	1984	1984	1984
Unemployment Inflation Deficits Economy/Other Domestic/Social Crime/Drugs/Morals Foreign affairs/Defense Government leadership No problems/No opinion	14 7 18 5 7 24 4	14 5 7 15 9 7 26 3 3	15 6 7 17 11 4 24 3 5	12 5 7 16 12 4 27 2 4

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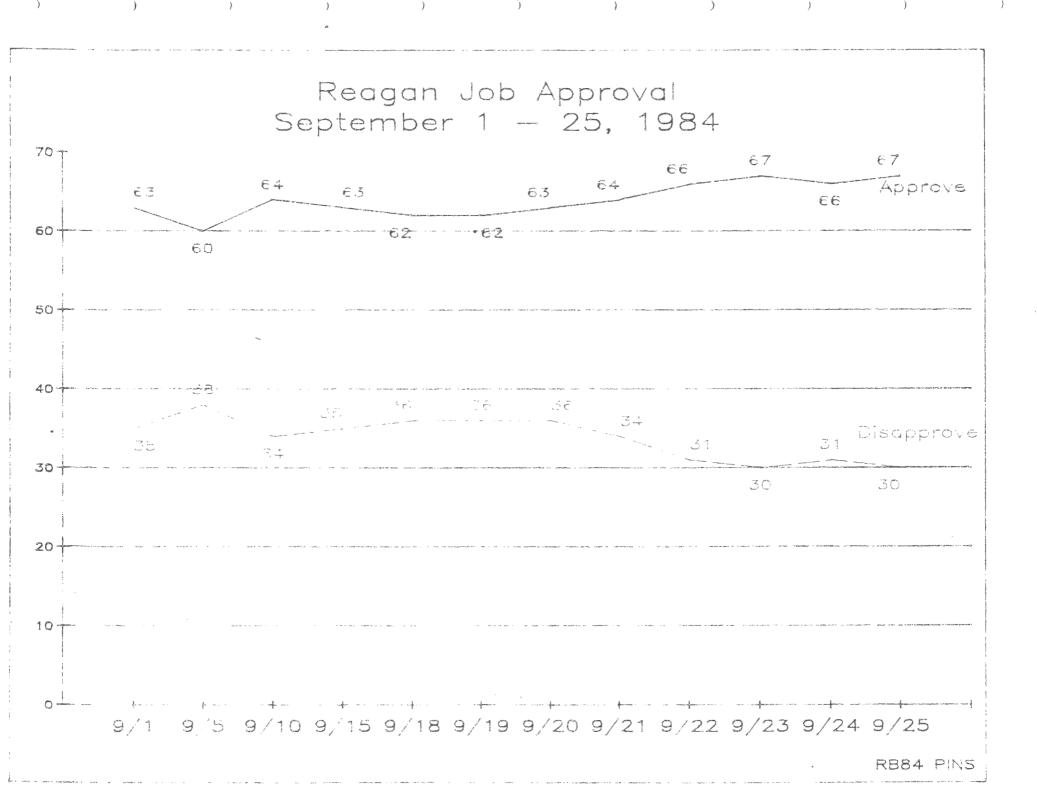


## Reagan Job Rating -- General

#### \_\_\_\_\_

"Do you approve or disapprove of the way Ronald Reagan is handling his job as President?"

	Aug 28	Sept	Sept	Sept
	Sep 4	5-11	12-18	19-25
	1984	1984	1984	1984
Approve	61	64	62	66
Disapprove	37	34	36	31
No opinion	2	2	2	3



### Reagan Job Rating -- General (Approve)

#### \_\_\_\_\_

\*Do you approve or disapprove of the way Ronald Reagan is handling his job as President? Would that be strongly (approve/disapprove) or just somewhat (approve/disapprove)?"

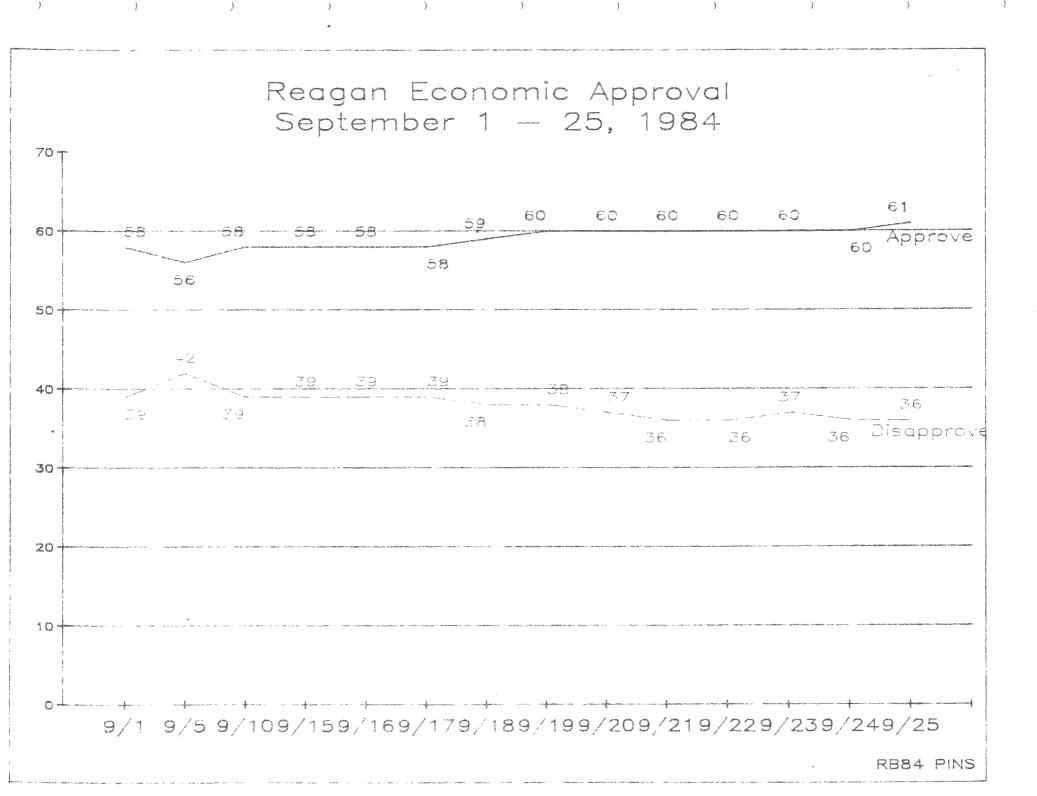
	Aug 28 Sep 4 1984	Sept 5-11 1984	Sept 12-18 1984	Sept 19-25 1984
Aggregate Strength Constituencies	61	64	62	66
Base Republicans Farm Belt States Swing Constituencies	92 63	92 73	93 60	93 64
Blue-collar workers Senior citizens Women Catholics Independents/Leaners 18-24 year olds Professionals Veterans Irish White Southern Baptists	62 56 65 67 65 63 64 69 57	65 63 59 67 68 69 64 69 73 62	59 59 61 67 65 65 65 74 60	63 57 66 71 69 74 72 65 68 61

## Reagan Job Rating -- Economy

#### \_\_\_\_\_

"Do you approve or disapprove of the way Ronald Reagan is handling the economy?"

	Aug 28	Sept	Sept	Sept
	Sep 4	5-11	12-18	19-25
	1984	1984	1984	1984
Approve	57	59	58	61
Disapprove	41	39	39	36
No opinion	2	2	3	3

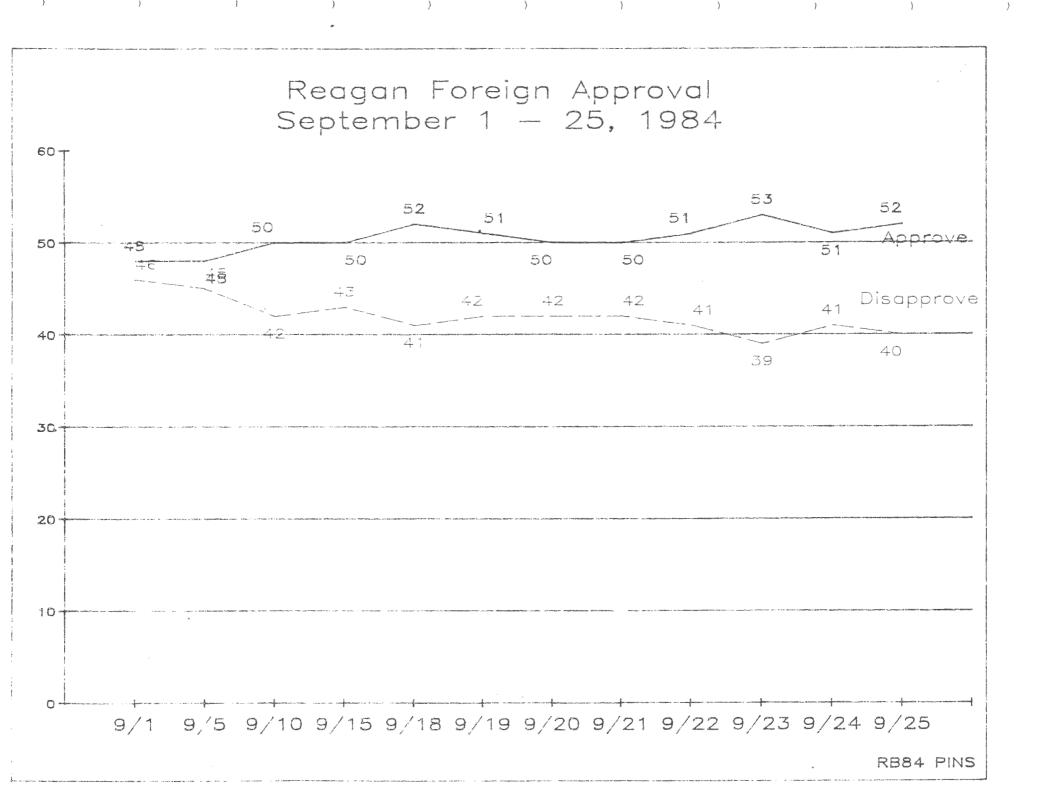


## Reagan Job Rating -- Foreign Affairs

\_\_\_\_\_

"Do you approve or disapprove of the way Ronald Reagan is handling foreign affairs?"

	Aug 28	Sept	Sept	Sept
	Sep 4	5-11	12-18	19-25
	1984	1984	1984	1984
Approve	48	50	51	51
Disapprove	46	41	42	40
No opinion	6	9	8	9



#### Presidential Characteristics

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"Now I'd like you to think of two people running for President of the United States, Ronald Reagan and Walter Mondale. I will read you some statements. For each one, please tell me whether it best describes Ronald Reagan or Walter Mondale?"

	Aug 28	Sept	Sept	Sept
	Sep 4	5-11	12-18	19-25
	1984	1984	1984	1984
Cares and is concerned about people				
Ronald Reagan	41	43	40	39
Walter Mondale	43	40	43	44
Both	8	9	10	11
Neither	4	4	4	4
No opinion	3	4	3	3
Will start an unnecessary war				
Ronald Reagan	46	43	45	42
Walter Mondale	16	18	18	18
Both	2	2	2	2
Neither	26	28	27	30
No opinion	10	9	8	7
Effective in getting things done				
Ronald Reagan	67	67	64	64
Walter Mondale	20	19	22	23
Both	2	2	2	3
Neither	4	4	4	4
No opinion	8	8	7	6
Trustworthy				
Ronald Reagan	41	41	43	46
Walter Mondale	31	30	32	31
Both	13	15	13	13
Neither	10	8	8	7
No opinion	5	5	5	4

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## Presidential Characteristics (continued)

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	Aug 28 Sep 4 1984	Sept 5-11 1984	Sept 12-18 1984	Sept 19-25 1984
Will deal with the problems of the future effectively and boldly				
Ronald Reagan Walter Mondale Both Neither No opinion	52 32 4 7 5	54 30 4 6 6	54 32 4 6 4	56 31 4 5 4
Has the strong leadership qualities this country needs				
Ronald Reagan Walter Mondale Both Neither No opinion	58 25 4 7 5	62 24 4 6 4	60 25 4 8 3	64 24 2 7 3
Will be most likely to reduce the federal deficit over the next four years				
Ronald Reagan Walter Mondale Both Neither No opinion	43 34 1 16 6	44 33 1 17 6	43 40 1 12 5	45 38 1 11 4
Will negotiate a meaningful arms control agreement with the Soviet Uni	on			
Ronald Reagan Walter Mondale Both Neither No opinion	* * * * *	* * * *	* * * *	42 35 5 11 7

## Page 22

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## Presidential Characteristics (continued)

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	Sept 19-25 1984	
Will cut spending and reduce government waste		
Ronald Reagan Walter Mondale Both Neither No opinion	47 34 2 11 5	
Will reduce the federal deficit by raising taxes		
Ronald Reagan Walter Mondale Both Neither No opinion	26 54 10 4 5	
Will best handle the social security program		
Ronald Reagan Walter Mondale Both Neither No opinion	37 46 2 7 7	
Will improve education		
Ronald Reagan Walter Mondale Both Neither No opinion	41 41 6 5 7	

## Page 22

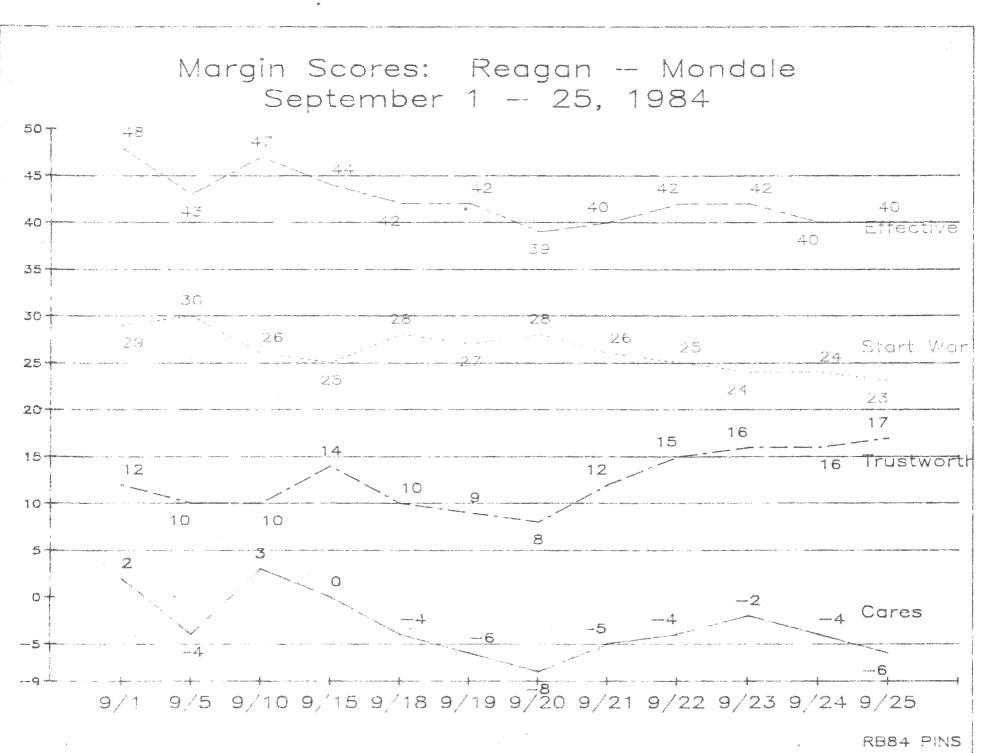
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# Presidential Characteristics (continued)

	Sept 19-25 1984		
Will reduce unemployment			
Ronald Reagan Walter Mondale Both Neither No opinion	51 34 3 6 5		
Will control inflation Ronald Reagan Walter Mondale Both Neither No opinion	59 27 2 7 5		

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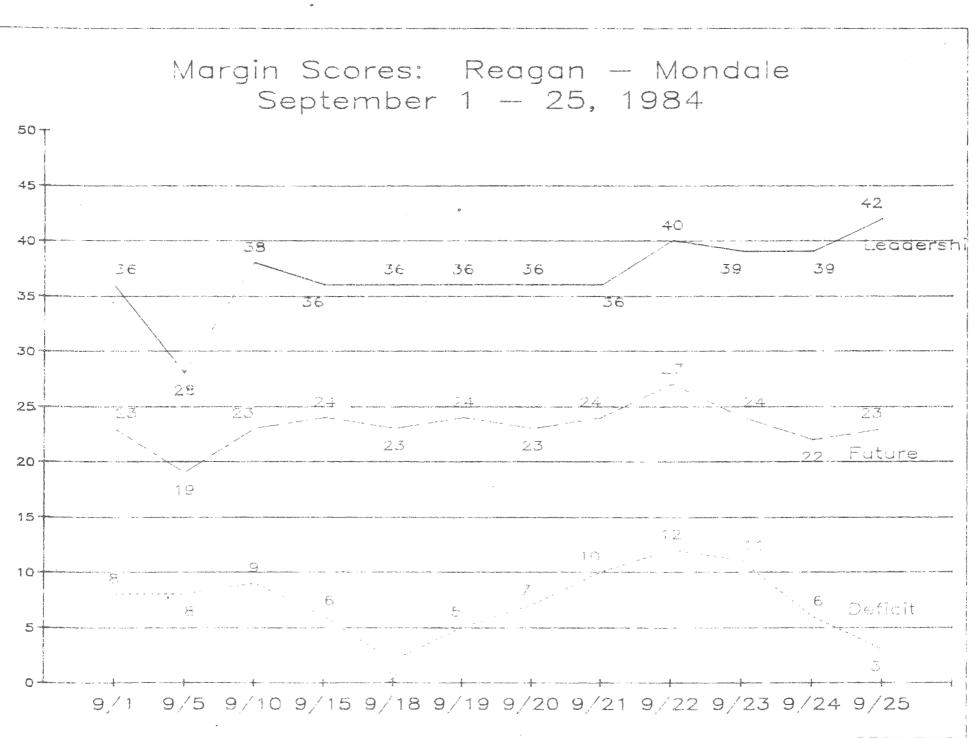
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RB84 PINS

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# Taxes and the Defict

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"Walter Mondale says that taxes must be raised in order to reduce the deficit.

Ronald Reagan says that the federal deficit can be reduced without raising taxes by stimulating the economy and cutting federal spending.

Do you favor the Reagan or the Mondale position?"

	Sept 12-18 1984	Sept 19-25 1984
Strongly favor Reagan	47	49
Somewhat favor Reagan	20	20
Somewhat favor Mondale	13	11
Strongly favor Mondale	17	14
No opinion	3	6

# Reelect Reagan

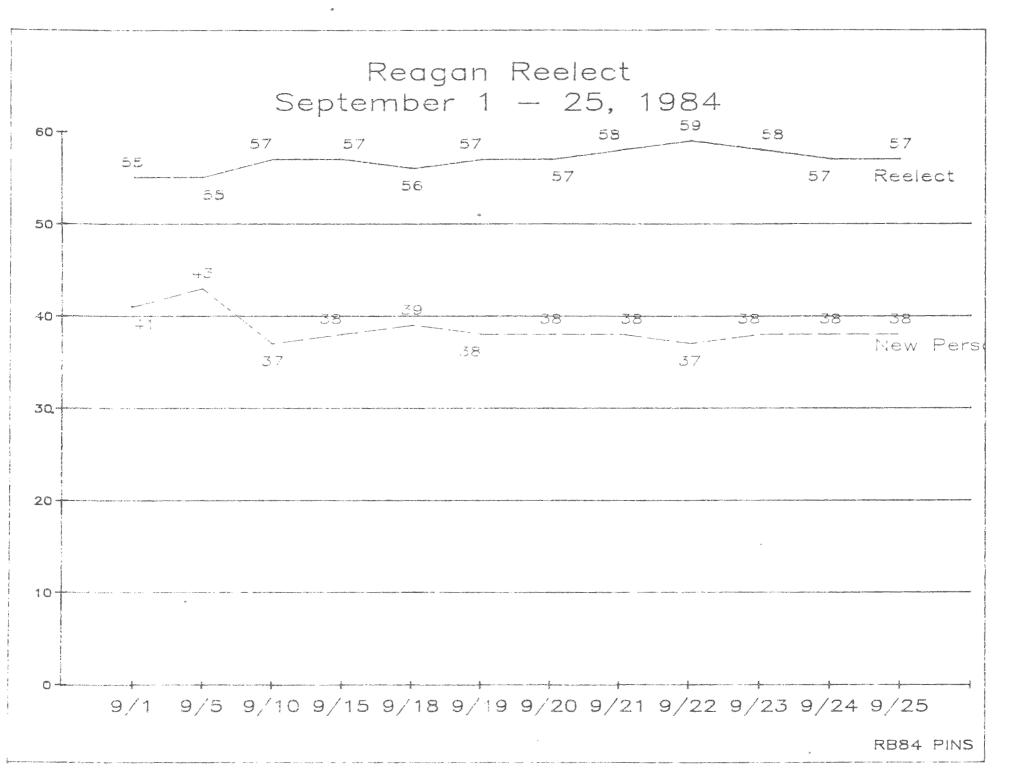
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"Thinking ahead to the November presidential election ... do you think Ronald Reagan has performed well enough as President to deserve reelection, or do you think it will be time to give a new person the chance to do better?"

	Aug 28	Sept	Sept	Sept
	Sep 4	5-11	12-18	19-25
	1984	1984	1984	1984
Aggregate	55/42	57/38	56/39	58/38
Strength Constituencies				
Base Republicans	92/7	91/7	93/5	92/6
Farm Belt States	59/38	64/29	57/40	54/42
Swing Constituencies				
Blue-collar workers	53/43	52/42	54/43	56/40
Senior citizens	53/43	56/37	53/41	49/43
Women	50/47	51/43	53/43	56/39
Catholics	57/39	57/38	61/35	62/35
Independents/Leaners	59/37	60/33	60/35	60/34
18-24 year olds	54/43	58/39	61/38	65/32
Professionals	55/42	58/38	58/38	63/33
Veterans	60/35	65/29	60/35	60/36
Irish	63/33	64/31	65/30	65/30
White Southern Baptists	46/48	52/44	49/45	57/39

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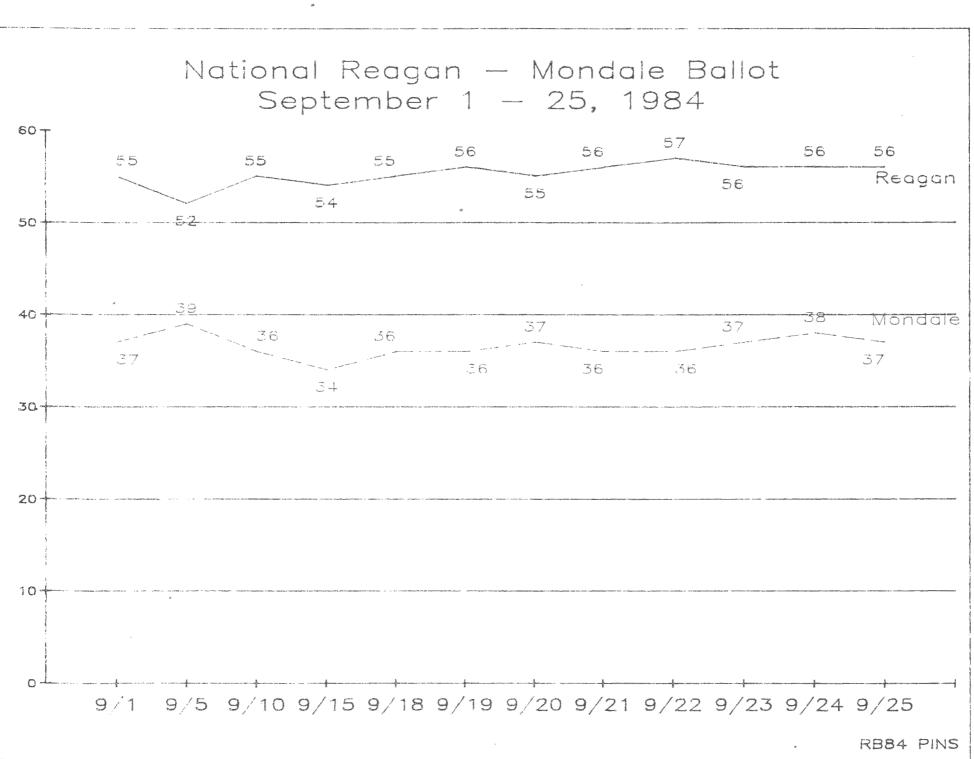


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# Presidential Ballot -- Reagan/Bush versus Mondale Ferraro

"If the general election for President were held today, for whom would you vote, Ronald Reagan and George Bush, Republicans, or Walter Mondale and Geraldine Ferraro, Democrats?"

	Aug 28	Sept	Sept	Sept
	Sep 4	5-11	12-18	19-25
	1984	1984	1984	1984
Aggregate	53/38	55/36	55/36	56/36
Strength Constituencies				
Base Republicans	93/5	92/4	94/4	93/5
Farm Belt States	56/33	61/29	52/40	51/39
Swing Constituencies				
Blue-collar workers	53/39	51/39	55/38	54/38
Senior citizens	50/37	55/38	53/37	45/44
Women	47/42	49/41	52/38	54/38
Catholics	54/35	54/35	57/32	59/35
Independents/Leaners	58/27	58/29	57/30	61/30
18-24 year olds	52/41	55/35	56/37	63/32
Professionals	54/36	54/37	57/36	61/33
Veterans	60/30	63/29	61/30	58/34
Irish	59/31	61/28	65/29	62/31
White Southern Baptists	46/45	51/44	49/43	55/40



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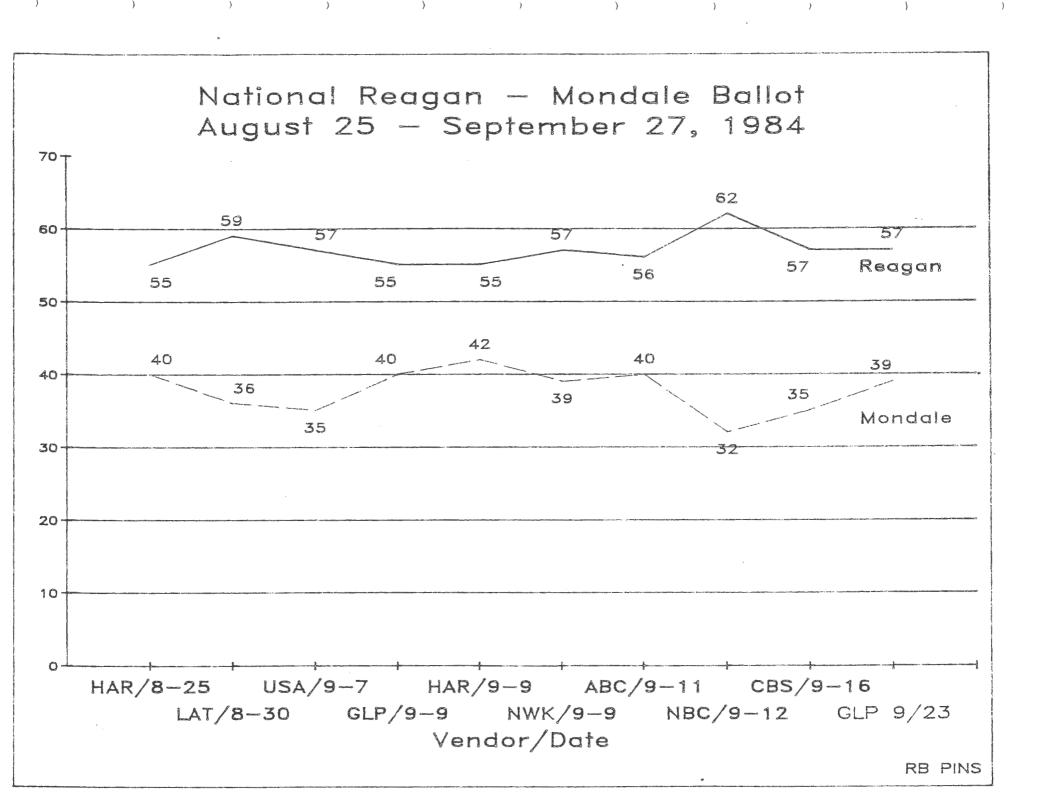
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Reagan Ballot Percentage As of September 27, 1984

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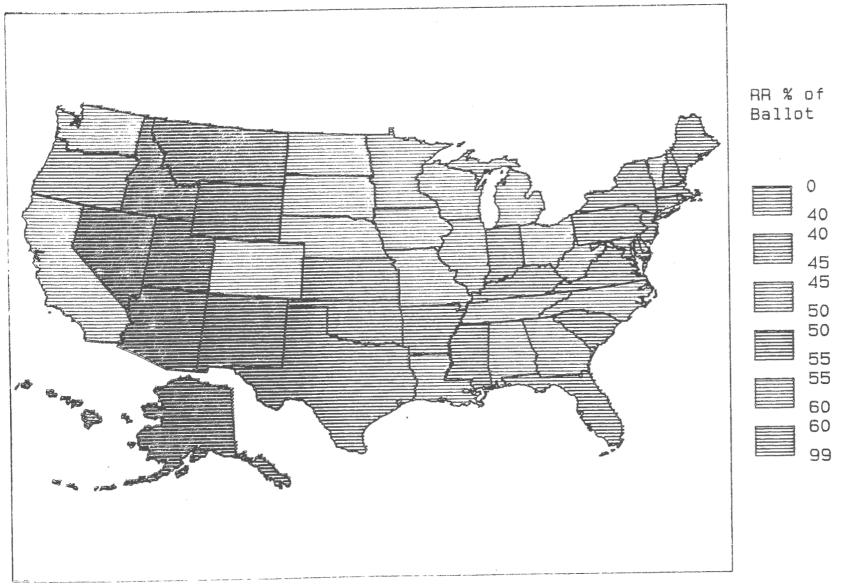
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Reagan Margin Percentage Over Mondale As of September 27, 1984

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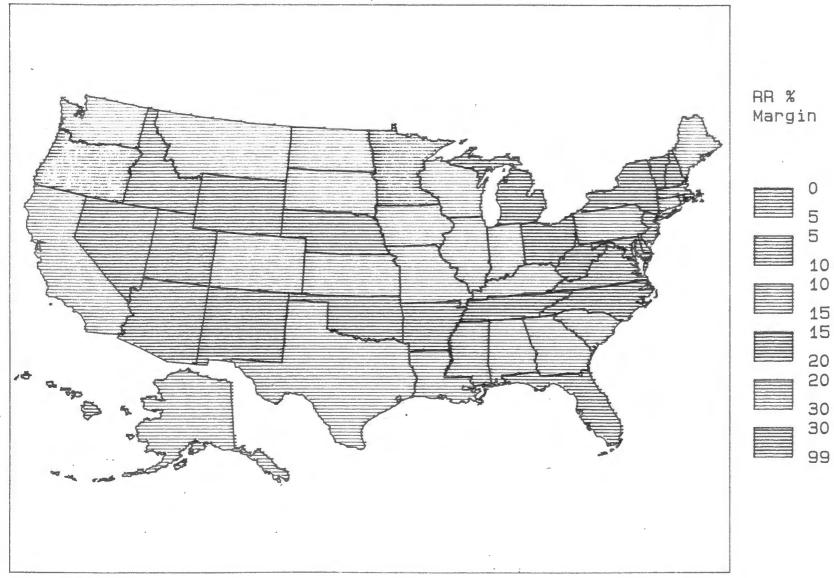
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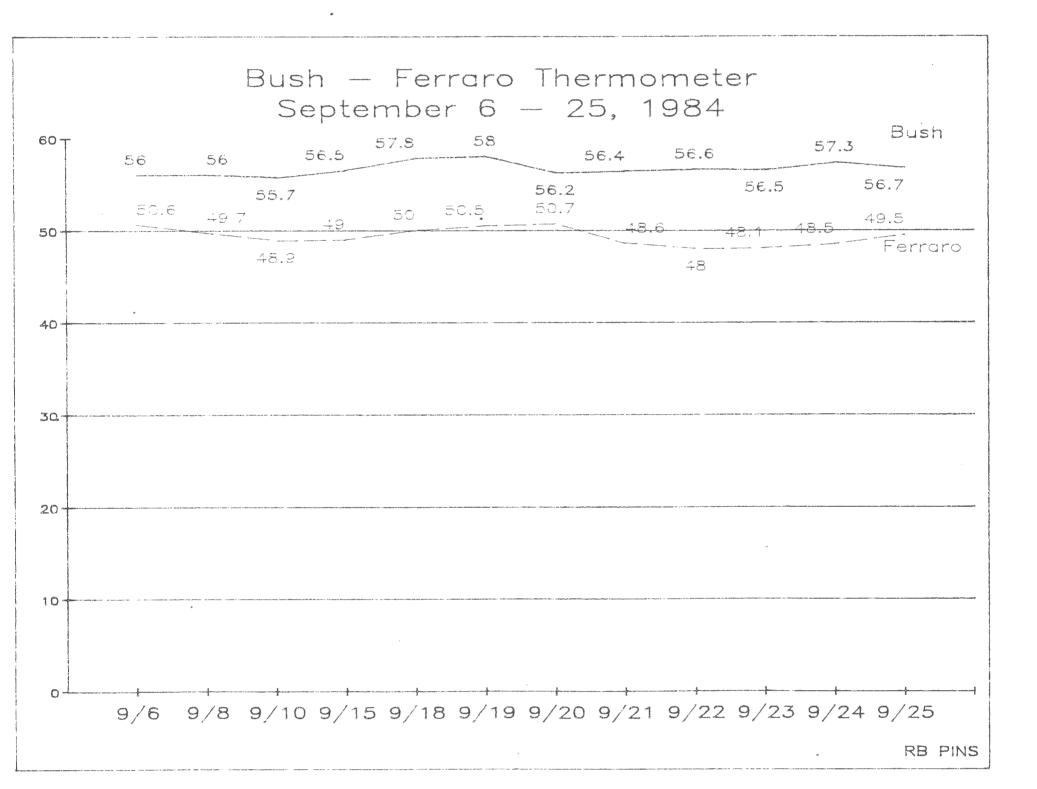
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# Commitment to Presidential Choice

\_\_\_\_\_

"How strongly are you committed to your choice for President?"

	Aug 28 Sep 4 1984	Sept 5-11 1984	Sept 12-18 1984	Sept 19-25 1984
Reagan versus Mondale				
Reagan/Very strong	37	37	38	39
Reagan/Somewhat strong	13	14	13	14
Reagan/Not strong	4	3	4	4
Undecided	8	8	8	6
Mondale/Not strong	3	4	3	3
Mondale/Somewhat strong	13	12	12	13
Mondale/Very strong	21	20	20	20





# The President's Authorized Campaign Committee

VOTER PROGRAMS

PHONE BANK I.D. PROGRAM

AS OF 9/23/84

TOTAL NUMBER OF PHONE BANK CALLS COMPLETED 403,499

State	Completed Calls*	Reaga Number	<u>n</u>	Monda Number	le %	Undeci Number	ded
Alabama							
Arizona							
Arkansas	85,469	35,374	57.7	14,494	23.6	11,422	18.7
California							
Colorado	3,349	1,277	50.9	703	28.0	528	<b>21.</b> 1
Connecticut							
Delaware							
Florida	41,444	12,548	43,0	10,037	34.4	6,570	22.6
Georgia	50,250	22,259	63.2	8,220	23.4	4,708	13.4
Illinois	62,822	22,961	46.0	14,174	28.4	12,749	25.6
Iowa	21,538	7,837	51.1	3,553	23.2	3,935	<b>2</b> 5.7
Kentucky							
Louisiana							
Maine							
Michigan							
Mississippi	33,490	18,066	61.9	6,269	21.5	4,857	<b>16.</b> 6
Missouri							
New Jersey	22,562	7,960	48.9	3,793	23.3	4,527	27.8

\*Total includes Refusals

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·	Completed	Reaga		Monda		Undeci	
State	Calls*	Number	90	Number	90	Number	Ť
New Mexico							
North Carolina							
Ohio	62,341	24,101	54.8	10,591	24.1	9,286	<b>21.</b> 1
Oregon	20,234	9,261	50.4	6,385	34.8	2,711	14.8
South Carolina							
Tennessee							
Texas							
Vermont							
Virginia							
Washington							

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# Mondale's Campaign Team: Can It Do the Job?

Early this year it was hailed as the best campaign team in the 1984 primary race, a deftly organized crew of political professionals with the know-how to pull off a national presidential campaign.

But in head-to-head combat with the Republican incumbent president, Walter F. Mondale's highly acclaimed campaign staff has faced some harsher judgments.

Critics have found Mondale's advisers insulated, overly cautious and mistake-prone, although few will say so publicly. One avowed Mondale supporter who did, Atlanta Mayor Andrew Young, derided the campaign staff as "a bunch of smart-assed white boys who think they know it all."

The outcome of the Nov. 6 election may ultimately determine whether Walter Mondale's campaign advisers were up to the job this year. But, as former Democratic Party Chairman John C. White observed, no matter how skillful the players behind the scenes, "the campaign is going to rise and fall on Mondale himself."

It is his staff, though, who will shape the public image of Mondale between now and Nov. 6. And if Mondale defies the polls and wins the election, it is likely these same men and women will move with him into White House offices.

Like most presidential candidates, Mondale surrounds himself with a group of longtime, trusted associates, most of whom have linked their own careers to Mondale's. They include campaign chairman James A. Johnson, treasurer Michael Berman, senior adviser John R. Reilly and press secretary Maxine Isaacs. The one newcomer in the inner circle is campaign manager Robert G. Beckel, once an aide to President Jimmy Carter.

In their personal loyalty, Mondale's crew resembles Ronald Reagan's "California mafia" and Carter's devoted group of Georgians, men who managed their candidate's climb to the presidency and then followed him to Washington.

-By Diane Granat

# Beyond Inner Circle, Organization Is Loose

While Johnson, Berman, Beckel, Isaacs and Reilly form a tight circle around Mondale, the organization below them is not clearly defined. The press office said it was unable to supply an official list of who holds what job, and the campaign shuns the idea of a management flow chart.

In addition to the tactical team at the top, Mondale draws advice from a large pool of policy experts, many of them veterans of the Carter White House, with a few who served in the administrations of John F. Kennedy and Lyndon B. Johnson. Among the most influential of these experts are defense and foreign policy advisers David Aaron, Barry E. Carter and Madeleine K. Albright, and economic advisers Walter Heller, George L. Perry, Susan J. Irving, Sheldon S. Cohen and W. Bowman Cutter.

Unlike the tight clique of political strategists who surround Mondale, the policy advisers are a less structured group, and less easily identifiable as members of a "shadow Cabinet."

"Mondale has not wanted his views prejudged or anticipated by the



public reputations of his advisers," said campaign chairman Johnson. "If you have a shadow Cabinet, you take on the political and policy history of people who are your spokesmen. He wants to be his own spokesman on economics and foreign policy."

### Making Mistakes

When the Democratic primary season opened in January, front-runner Mondale was credited with the most polished, best-organized campaign structure. It was a machine whose origins went back to Mondale's brief bid for the presidency in 1976 and his two vice presidential races. As early as 1981, it was revved up for a full-blown drive for the White House.

The campaign was forced to alter its early, cautious strategy when Mondale was faced with a series of primary upsets by Sen. Gary Hart of Colorado. But under Johnson's leadership, the staff engineered Mondale's comeback and his final capture of the nomination at the Democratic National Convention in July by converting Mondale into a more combative candidate.

Once the nomination was locked up, however, Mondale's staff started receiving heavier doses of criticism. Perhaps the biggest fault found with the group was their handling of the Bert Lance debacle in July, when the

"Mondale has not wanted his views prejudged or anticipated by the public reputations of his advisers."

> -James A. Johnson, campaign chairman

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Foreign policy adviser: David Aaron, one of Walter Mondale's key experts on matters of defense and foreign policy, confers with the candidate.

Georgia banker was abruptly named to replace Democratic Party Chairman Charles T. Manatt and just as abruptly shunted aside a few days later. (Weekly Report p. 1731)

The incident angered many party leaders, who felt they had not been consulted. The move was widely viewed as a mistake because of its poor timing — the weekend before the convention — and Lance's rocky history as Carter's budget director, a job he quit after a controversy arose concerning his past banking practices.

"The Bert Lance affair was the best indication [Mondale's advisers] were not listening to anyone but each other. They insulated themselves from the rest of the world and were tied up in a little room in Minnesota like a bunch of English professors poring over the Boswell papers," said one campaign observer.

Rep. Tony Coelho, D-Calif., chairman of the Democratic Congressional Campaign Committee, said there was a feeling among members of Congress and some party elders that "you need to stretch your inner circle a little bit. You need to let some people who want to help into it."

White, who headed the Democratic National Committee from 1977-81, said the complaint that campaign advisers run a "closed shop" is common in presidential races.

"All campaigns operate under the theory that you have to hold them tightly or they become total chaos, like

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Hubert Humphrey's campaign of 1968," White said. "Ever since then, Republicans and Democrats have structured their campaigns to be extremely tight at the top. Mondale's this year is not that different from Reagan's or Carter's in 1976."

One difference with Mondale, White noted, is that with 24 years in public life "he has so many friends who feel compelled to help. There is more pressure to break in at the top of the decision-making structure. That has hurt some because there are a lot of people who have political skills and something to offer who haven't been consulted."

While trying to placate critics within the party, the campaign has stumbled over nuts-and-bolts problems. The Labor Day kickoff turned into an embarrassment when Mondale and running mate Geraldine A. Ferraro showed up for a New York City parade hours before the crowd arrived. Later that day, his microphones went dead at a speech. Mondale has shown up at factories only to find few workers to greet him, as sloppy advance work continues to mar the campaign. And reporters have had difficulties in getting campaign aides to answer fundamental questions, such as what Mondale's positions are on crime, food stamps and other issues.

### Making Changes

To staunch the complaints of those Democratic regulars who felt slighted by the campaign, Johnson and Beckel have brought in more advisers in the past few weeks.

In mid-August, Mondale met with two dozen agriculture experts, including several members of Congress, to discuss ways to win the farm vote. (Congress, box, p. 2309)

A week later he sought support from Democratic governors and mayors and met with the Rev. Jesse L. Jackson and other black leaders. And shortly after Congress returned from its August recess, Mondale spoke to the House and Senate Democratic caucuses.

Campaign officials also had former party Chairman Robert S. Strauss assemble a council of prominent Democrats to assist them, and they set up regular meetings with Coelho and Texas Sen. Lloyd Bentsen, chairman of the Senate Democratic campaign fund, to coordinate the presidential, House and Senate races.

Johnson and Beckel have brought in aides who worked for Mondale's primary rivals, such as Hart's pollster Dotty Lynch and Jackson aide Ernest Green. They also have recruited Capitol Hill staffers to work on issues development.

"We've been trying to make sure that as we go into this general election period that all of the elements of the Democratic Party feel as though they have the right relationship with the Mondale campaign and that their ideas are being heard," Johnson said.

"We thought we were doing a good deal of outreach, but others disagreed. We need to do as much as people want, until they're satisfied that they're being heard," he said.

Stuart E. Eizenstat, Carter's domestic policy chief who has been helping the Mondale camp, said the campaign's efforts to reach out to others should be helpful.

"Any campaign tends toward myopia because you are talking to the same people," Eizenstat said. "The tendency is to give a candidate — like a president — good news, rather than what he needs to hear. By bringing outside people in, you bring in more reality."

### **Policy Advice**

In contrast to the taut unit managing Mondale's political strategy, his policy advisers are much more loosely organized — to the point of almost not being organized at all.

There is a full-time issues director, University of Texas Professor

### **Presidential Politics - 4**

William Galston, on the campaign staff. And in a few domestic areas, such as agriculture, paid advisers are on the staff. But unlike many campaigns, there are not formal task forces of professors, business people and former Cabinet officers who make policy recommendations.

Instead, aides say Mondale's style is to seek advice on an informal basis, often impulsively telephoning experts on given topics to ask questions and solicit ideas. Many of the people he turns to are contacts he made in his 12 years in the Senate and four in the vice president's office.

Mondale's approach is different from Reagan's in 1980, when the Republican candidate assembled a team of more than 300 advisers from business, academia and former COP administrations.

Johnson said one reason the campaign chose not to form advisory groups was to avoid a situation in which people would feel excluded. And if such policy councils involved too many people, they would be unworkable, he said.

Another problem with such groups, Johnson said, is that "in the past they have taken on positions that are different from the candidate's. The candidate wants to keep his own counsel until he reaches a decision on his position. If an advisory group comes out publicly with a recommendation, it limits his choices. You don't want to cut off his options."

But Eizenstat suggested that formal task forces might be useful. Such groups "give people a sense of involvement," he said, and while they may not produce many new ideas, "occasionally you'll pick up a gem here and there."

### **Key Policy Advisers**

Within the campaign staff, however, there are several key policy advisers.

On defense and foreign affairs, the most influential trio includes Aaron, who was deputy to Zbigniew Brzezinski, Carter's national security adviser; Albright, a National Security Council staff member from 1978-81; and Barry Carter, who worked on Henry Kissinger's security council staff from 1970-72.

Before joining the Mondale camp, both Albright and Carter were professors at Georgetown University. After leaving the White House, Aaron went to work for Oppenheimer and Co., a New York investment firm. Campaign manager: The man who suggested asking the question "Where's the beef," Bob Beckel is in charge of the day-to-day running of the Mondale operation and also oversees political activities.

Much like Mondale, Aaron, Albright and Carter are foreign policy moderates, who advocate a strong defense but emphasize the need for arms control negotiations.

Among the top outside experts called on for national security advice are Robert Hunter, of the Georgetown Center for Strategic and International Studies; Walter Slocombe, deputy under secretary of defense in the Carter administration and now a Washington lawyer; and Richard Holbrooke, assistant secretary of state under Carter.

Others include Washington lawyer Max Kampelman, a former head of the U.S. delegation to the Conference on Security and Cooperation in Europe; Warren Christopher, Carter's deputy secretary of state; Sol Linowitz, Carter's ambassador to the Organization of American States; Carter Defense Secretary Harold Brown; James R. Schlesinger, Carter's energy secretary and defense secretary under President Gerald R. Ford; and Carter arms control chief Paul Warnke.

Like his national security aides, Mondale's budget and tax advisers have résumés filled with prior Democratic administration experience. Several currently are associated with the Brookings Institution, the Washington think tank.

Two of Mondale's chief economic advisers are Susan J. Irving and W. Bowman Cutter.

Irving, who is on the campaign staff, was vice president of the Committee for a Responsible Federal Budget, a non-partisan educational organization, and staff director for the Council of Economic Advisers in the

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Carter administration. Cutter, now a partner in the accounting firm of Coopers & Lybrand, was associate director of Carter's Office of Management and Budget.

Other leading economic thinkers include George L. Perry, a senior fellow at Brookings, and Walter Heller, a University of Minnesota economics professor - both of whom are viewed as traditional, liberal economists. Advice also comes from Sheldon S. Cohen, a Washington lawyer and former Internal Revenue Service commissioner; Benjamin M. Friedman, a Harvard economics professor; and Joseph Pechman, a tax expert at Brookings. Another is Robert D. Hormats, a deputy U.S. trade representative under Carter and assistant secretary of state for economic affairs under Reagan; Hormats is now with Goldman Sachs & Co., the New York investment bankers.

Eizenstat described Mondale's economic team as "basically pragmatic progressives. They're not conservative, nor are they far left wing. They're basically mainstream Democrats."

The following sketches describe the major players on Mondale's political campaign team:

#### James A. Johnson

The most powerful man in Mondale's organization is fellow Minnesotan Jim Johnson. As campaign chairman, he is the staff member with ultimate authority for all campaign operations. Treasurer: Mike Berman's official duties are deciding how money will be spent, handling physical logistics and supervising scheduling. Regarded as the candidate's most savvy political operative, "he has Mondale's ear," an aide says.



Johnson, 40, is a reserved, serious man with a penchant for conservative suits and white shirts. He has worked with Mondale since 1972 and has been described as Mondale's alter ego.

Like his boss, Johnson is of Norwegian ancestry and was raised in small-town Minnesota. He grew up in a political family, with his father serving for 18 years in the Minnesota Legislature.

Johnson studied at the University of Minnesota and Princeton's Woodrow Wilson School of Public Affairs. His own political baptism came with work on the presidential campaigns of Eugene J. McCarthy in 1968 and Edmund S. Muskie in 1972.

Johnson started working for Mondale in the Senate in 1972. He was deputy manager of Mondale's 1976 vice presidential campaign, and served as Mondale's executive assistant while he was vice president. Johnson told an interviewer earlier this year, that in that job "I got to the White House before [Mondale] did every day. I left after he did every evening. I did every mile and every minute with him for four years."

After Mondale left office in 1981, Johnson opened a political consulting firm in an office down the hall from Mondale's at the Washington branch of Winston & Strawn, a Chicago-based corporate law firm. His main job, though, was gearing up for Mondale's 1984 presidential bid.

Johnson best described his lowkey nature in an interview with *The Washington Post* during the Democratic convention. "When things get really tense and people are losing their minds, I have a heartbeat every three minutes."

### Robert G. Beckel

Day-to-day administration of the Mondale operation is in the hands of 35-year-old campaign manager Bob Beckel. Beckel also oversees political activities, such as relations with Democratic officeholders and Mondale's primary competitors. He also works with state political leaders to map out the fall strategy.

Beckel, who is more gregarious than Johnson, came up with the idea of using one of the primary season's more memorable lines: Mondale asking, "Where's the beef?" in reference to Hart's "new ideas."

Unlike the others in Mondale's inner circle, Beckel did not work for Mondale before 1983. He was born and raised in New York City, graduated from New York's Wagner College, served in the Peace Corps and worked for the liberal National Committee for an Effective Congress.

Beckel worked in congressional relations for the Carter White House and was Texas campaign director for the 1980 Carter-Mondale campaign. After Carter's loss, he ran his own political consulting firm.

### Maxine Isaacs

Press secretary Maxine Isaacs is the only woman with a top position in the campaign.

Originally from Cleveland, 36year-old Isaacs graduated from Skidmore College and worked as press secretary to Rep. Louis Stokes, D-Ohio, from 1971-73. She joined Mon-

COPYRIGHT 1984 CONGRESSIONAL QUARTERLY INC Reproduction prohibited in whole or in port except by editorial clients dale's Senate staff in 1973 as a deputy press secretary and held the same job in the vice president's office. She also worked from 1974-75 as a free-lance reporter for National Public Radio.

In 1980, Isaacs was Mondale's campaign press secretary. After the Democratic ticket lost, she opened her own press relations consulting firm, Maximum, Inc. But she returned to work for Mondale in 1983.

Isaacs is extremely loyal to Mondale, and some reporters complain she shields him too much. Reporters also gripe that she is not open enough about the campaign's inner workings. which some attribute to the fact that she has dated Johnson for several years. Yet Isaacs also is praised for her professionalism and accessibility, and for treating reporters fairly.

#### Michael S. Berman

Mike Berman's history with Mondale dates back to 1964, when the two worked on the Johnson-Humphrey campaign. Since then, Berman, 45, has been associated with each of Mondale's own political races..

Berman, an affable, portly man, has the title of campaign treasurer and executive director of the Democratic National Committee. In those jobs, he decides how money will be spent and handles the campaign's physical logistics. As of Sept. 14, he also started supervising Mondale's scheduling and advance teams.

A native of Duluth, Minn., who received undergraduate and law degrees from the University of Minnesota, Berman has worked in a variety of jobs for Mondale. Besides managing

## **Presidential Politics - 6**

Media men: Richard Leone, below, coordinates "message making." Roy Spence, right, is a creative consultant.



several of his campaigns, he was an assistant in Mondale's Senate office and legal counsel when Mondale was vice president. He joined a Washington, D.C., law firm and taught at Georgetown University after Mondale's 1980 defeat.

Along with Johnson and Richard Moe, Berman is called one of Mondale's "most trusted political helpers" in Finlay Lewis' biography of Mondale. Described by Lewis as a "logistical wizard," Berman was ready in 1974 to open a national headquarters for a Mondale presidential effort, when the future vice president suddenly dropped out of the race.

Regarded as Mondale's most savvy political operative, Berman's greatest asset during this campaign, one aide said, is that "he has Mondale's ear."

### John R. Reilly

One of Mondale's closest confidants is attorney John Reilly, whose official title simply is senior adviser.

Reilly coordinated Mondale's selection of a running mate this year and he frequently travels with Mondale, either seated next to the candidate or mingling with the press. A contemporary of Mondale at the age of 56, the gray-haired Washington lawyer says his job at times is to deliver the "un-



varnished facts" to Mondale, telling the candidate when he has given a bad speech, for example.

Originally from Iowa, Reilly met Mondale in 1959, when Reilly was working on John F. Kennedy's presidential campaign and Mondale was helping Hubert H. Humphrey. The two became friends in Washington, where Reilly worked for Robert F. Kennedy in the Justice Department. In 1964, he was appointed to the Federal Trade Commission and in 1968 worked on Robert Kennedy's presidential campaign.

Reilly is a senior partner in Winston & Strawn's Washington ofice. He arranged Mondale's \$150,000-a-year job there when Mondale left the vice presidency in 1981. The Winston & Strawn offices were the campaign's operating base in its early stages, before a Washington headquarters was opened in 1983.

### **Richard Moe**

Although he has no formal role in this year's campaign and seems shut out of the inner circle, Richard Moe, along with Johnson and Berman, is the third member of what Mondale biographer Lewis described as the "political triumvirate" that has surrounded Mondale for years.

Some observers say the decision was made in the campaign's early stages that either Johnson or Moe would need total control, but that they couldn't jointly run the campaign. Moe, who served as Mondale's chief of staff in the vice president's office, said, "I decided four years ago when we left the White House that it was time to move on and do something

COPYRIGHT 1984 CONGRESSIONAL QUARTERLY INC aproduction prohibited in whole or in part except by editorial clients else, to spend time with my family and start a law practice.

A Minnesotan who is now a Washington attorney, 47-year-old Moe has served several functions for Mondale this year. He coordinated congressional strategy, recruiting delegate support for Mondale among members of Congress. Now he is helping as a "troubleshooter," focusing mostly on problems in the South.

### **Supporting Cast**

Other political operatives with central campaign roles include:

• Richard C. Leone. A former New Jersey state treasurer and the unsuccessful primary opponent against New Jersey Democratic Sen. Bill Bradley in 1978, Leone played a leading role for Mondale in the New Jersey and New York primaries this year. A longtime friend of Johnson's, Leone, 43, serves as "media maven," coordinating speeches, television commercials and overall "message-making" for the campaign.

• Paul Tully. A consummate political operator, Tully, 40, is a veteran of numerous political campaigns, working in 1980 for Massachusetts Sen. Edward M. Kennedy. Committed to liberal causes, Tully told a reporter this year that "around the time of the midterm election, I start looking around for the candidate I'm going to work for for president." Tully is the political director, handling a variety of jobs, including running Mondale's platform-writing team in June.

• Peter Hart. A leading Democratic pollster who has worked for dozens of House and Senate candidates, Hart, 42, has handled polling for Mondale since 1983. As Mondale's primary foes left the race this year, Hart picked up aid from William Hamilton, who conducted surveys for Ohio Sen. John Glenn, and Gary Hart's pollsters, Dotty Lynch and Patrick Caddell.

 Judy Press Brenner and Roy Spence. Brenner, the president of her own New York advertising agency, is the campaign's in-house media director. Spence, a Texan who built his reputation on his media work for Texas Gov. Mark White's 1982 gubernatorial campaign, leads a group of creative consultants who design Mondale's television and radio ads. Brenner and Spence are having "a classic thumb-in-the-eye battle" over control of Mondale's media campaign, according to one insider, who predicted that the "war between them may spill blood sooner or later."

# Mondale Turns to Allies on Hill for Advice

Presidential nominee Walter F. Mondale's relationship to his fellow Democrats who are members of Congress is a low-key affair.

Unlike the showy symbolism of Ronald Reagan meeting with congressional Republicans on the Capitol steps in 1980, Mondale meets with members privately, occasionally phoning them for advice on politics or issues. But more than in Jimmy Carter's 1976 or 1980 campaigns, members of Congress are considered valuable assets to the Mondale team.

Having served a dozen years in the Senate, Mondale "is a creature of the Hill and has enormous respect for the expertise that a lot of people have up there," said Richard Moe, a Mondale adviser. "He has good personal relationships with many people on the Hill and draws on that a lot."

Moe headed the campaign's most aggressive congressional effort in 1983 and early this year: recruiting delegate support among Democrats in Congress. Although most members attended the July Democratic National Convention as "superdelegates" who were technically unpledged, the majority had publicly endorsed Mondale by then. Moe viewed the Feb. 1 House Democratic Caucus delegate selection as the first primary, carrying as much weight as the Iowa and New Hampshire races. (Weekly Report p. 89)

Although Mondale calls on various members of Congress to tap their expertise in specific policy areas, there are a few with whom he consults regularly. In the House, according to Mondale aides, they include Speaker Thomas P. O'Neill Jr., D-Mass.; Majority Leader Jim Wright, D-Texas; Majority Whip Thomas S. Foley, D-Wash.; Ways and Means Chairman Dan Rostenkowski, D-Ill.; Democratic Congressional Campaign Committee Chairman Tony Coelho, D-Calif.; and Michael D. Barnes, D-Md., who was Mondale's spokesman on this year's platform committee.

Among the senators he calls on most frequently, aides list Texan Lloyd Bentsen, chairman of the Democratic Senatorial Campaign Committee; Paul S. Sarbanes of Maryland; Patrick J. Leahy of Vermont; Thomas F. Eagleton of Missouri; and George J. Mitchell of Maine.

Two other representatives with key roles in the campaign are Charles B. Rangel, D-N.Y., and Barbara A. Mikulski, D-Md., who were named co-chairmen of the campaign and who serve as important links with blacks and women. And his most visible connection is his running mate, New York Rep. Geraldine A. Ferraro, a three-term House member.

Besides turning to lawmakers for political advice, Mondale relies on them for policy suggestions. On defense issues, for example, he often consults Georgia Sen. Sam Nunn, an influential Democrat on the Armed Services Committee. House Foreign Affairs members Barnes and Stephen J. Solarz, D-N.Y., are regularly consulted on foreign policy issues, while Leahy offers advice on agriculture and intelligence matters, reflecting the committees on which he serves. On tax matters, aides say, Mondale tends to call Rostenkowski, Sen. Bill Bradley, D-N.J., and Rep. Richard A. Gephardt, D-Mo. Bradley, a Senate Finance Committee member, and Gephardt, a member of Ways and Means, are cosponsors of major Democratic tax reform legislation. In addition, the staffs of the House Budget and Ways and Means committees have helped draw up Mondale's economic program.

Mondale's campaign employs a congressional liaison staff, headed by Robert Thomson, a White House lobbyist for Carter. Under Thomson, there are also several volunteers — mostly Washington lawyers and lobbyists — who handle congressional matters, such as notifying members when Mondale released his budget



"If he's calling me, a third-term member of the House, I assume he's calling others who are more experienced."

> -Rep. Michael D. Barnes, D-Md.

plans. These congressional relationships, aides say, are among the campaign's highest priorities.

"For one thing, you get lots of good advice from people on the Hill," said one congressional liaison staffer. "These people have won elections in their states. We're trying to do the same thing.

"Secondly," the aide said, "these are people who have devoted their entire careers to certain issues. You can get valuable substantive advice from the Hill. And thirdly, there's the entire issue of unity. Democrats do better when they work together."

Some Democratic legislators have criticized the Mondale camp for not paying enough attention to members of Congress and other elected officials. But Barnes, who said he talks to Mondale "every couple of weeks" on various foreign policy issues, disagreed. "If he's calling me, a third-term member of the House," Barnes said, "I assume he's calling others who are more experienced."

Besides receiving advice from members of Congress, the Mondale campaign also has been besieged by Capitol Hill staff members who want to help with the election. Thomson says his biggest problem is finding "a meaningful role" for these aides, who want to volunteer after their regular working hours. Some have been put to work on debate preparation or writing position papers.

"If you have one of the leading tax experts in the city who wants to help, you can't put him to work opening envelopes," Thomson said.

-By Diane Granat

# Mondale's Gamble:

# **Presidential Debates Usually Aid Challengers**

Act Four of America's favorite televised political drama — the presidential debates — gets under way next month, and Democratic challenger Walter F. Mondale can only hope that this year's plot will resemble those of the past.

With President Reagan maintaining a double-digit lead in the polls, Mondale needs to score a major victory in a face-to-face encounter with the incumbent if his campaign is to have any prospect of victory.

Thanks to an agreement announced Sept. 17, the Democrat will get his chance: Reagan and Mondale will debate twice, on Oct. 7 and Oct. 21. Vice President George Bush will debate his Democratic challenger, Rep. Geraldine A. Ferraro, on Oct. 11. The debates will be sponsored by the League of Women Voters.

If history is a guide, Mondale has something to look forward to. Every presidential election that has featured a direct debate has been won by the candidate of the party out of power — Democrats John F. Kennedy in 1960 and Jimmy Carter in 1976, and Republican Reagan in 1980.

Indeed, the bonus given to challengers by debates is so strong as to raise the question of why Reagan agreed to one this year. The last two incumbents who declined to debate their opponents — Lyndon B. Johnson in 1964 and Richard M. Nixon in 1972 — both won by landslides.

In part, Reagan's willingness this year reflects the degree to which debates have become established political institutions at all levels. Once a fairly uncommon form — the Lincoln-Douglas debates of 1858 were the exception, not the rule — debates today are becoming virtually mandatory. The incumbent president who refuses to participate in one now risks losing more by that choice than he would lose in the encounter itself.

Beyond that, however, is Reagan's mastery of the debate format. His performance in the 1980 debates helped clinch the GOP nomination and added to his landslide general election win.

### **Setting the Rules**

The latest round of debates was worked out after lengthy negotiation between the Reagan and Mondale camps. Each side maneuvered to gain advantages in the number, timing and format of the debates.

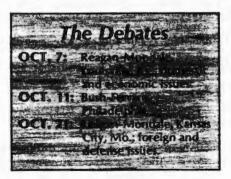
Mondale opened the debate over debates the day after the Democratic convention by calling for six televised meetings with Reagan, with each one focused on a different subject. Democratic strategists hoped that prolonged debates would show that Mondale had a greater understanding of the complexities of current issues than did Reagan.

Like previous incumbents, Reagan sought to limit the number of debates. That strategy has not always worked for incumbents, however —



Carter's one-shot debate with Reagan in 1980 proved to be one of the biggest boulders in the landslide that buried him. A second debate four years ago might have given the beleaguered president an opportunity to recoup.

Timing was another sensitive issue this year. Like previous challengers, Mondale had two separate goals: to begin the debates as early as possible, ideally giving his campaign a lift, and to end them as late as possible, to deny the incumbent time to recover in case he made some serious error in the final showdown. Negotiators also had to contend with an extraneous scheduling complication — the baseball



COPYRIGHT 1984 CONGRESSIONAL QUARTERLY INC Reproduction prohibited in whole or in part except by editorial clients World Series in mid-October, which is likely to overshadow the debates in terms of audience appeal.

The scheduling compromise had costs for both candidates. Forced to wait until the second week of October, Mondale's campaign will be denied a desperately needed shot in the arm for two more weeks. But the second debate, only 15 days before the election, could leave Reagan with a problem if Mondale wins it decisively.

Reagan forces were more successful in controlling the debates' format. Mondale had wanted to foster a clear confrontation between the contenders by allowing each to question the other directly, with minimal interference

from a moderator. But Republicans, backing the more traditional format, sought to put questioning in the hands of journalists. Under the agreement, a panel of four reporters will question the candidates.

### **Getting Ready**

The crucial moments for the debates may come before they even begin. All four candidates are certain to devote hours of intensive effort to preparing for their time of testing.

That was not the case in the first presidential debates, in 1960. Nixon did almost nothing to prepare himself to face Kennedy, other than to try to get some rest after weeks of intensive campaigning. He spent most of the day of the first debate alone with his wife, getting only a 10-minute briefing from an aide as he raced to the television studio. Kennedy worked a little harder to get ready, but most of his preparation time was spent in informal conversations with aides.

Since then, debate preparation has become a science. The extraordinary lengths to which candidates go to prepare themselves was amply illustrated by the controversy over the 1980 Reagan campaign's receipt of Carter's debate briefing books.

While many of the details of the incident are still unclear, Democrats on a House subcommittee investigating the case found in May that the Reagan campaign had illegally obtained Carter's briefing materials on foreign policy and defense. The panel found that the stolen materials were

# THE WHITE HOUSE

WASHINGTON

September 14, 1984

MEMORANDUM FOR JAMES A. BAKER, III MICHAEL K. DEAVER DAVID A. STOCKMAN RICHARD G. DARMAN

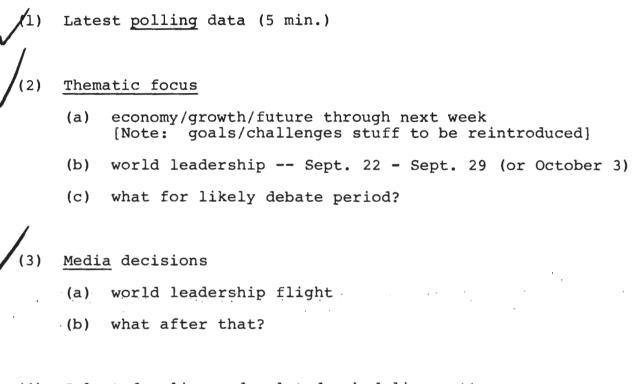
FROM: MARGARET TUTWILER

SUBJECT: ATTACHED AGENDA

Please find attached the agenda for the meeting today at 3:00 p.m. in Mr. Baker's office.

Thank you.

- jä



- (4) Selected policy and related scheduling matters
  - (a) steel: Is compromise set/enough? can/should it hold 'til Friday the 21st?
  - (b) farm initiative: Is it a clear plus? (Note: It could hurt some small banks.) Will it cause any problem in Iowa that might affect scheduling/events?
  - (c) environmental bill for Connecticut?
  - (d) immigration bill: update
  - (e) other?

## THE WHITE HOUSE

WASHINGTON

September 6, 1984

MEMORANDUM FOR JAMES A. BAKER, III MICHAEL K. DEAVER DAVID A. STOCKMAN RICHARD G. DARMAN

FROM: MARGARET TUTWILER WOT

SUBJECT: ATTACHED AGENDA

Please find attached the agenda for the meeting today at 3:00 p.m. in Mr. Baker's office.

Thank you.

- (1) Upcoming trips
  - (a) overall
  - (b) re Michigan, in particular (given auto strike)
- (2) Themes for:
  - (a) current cycle (supposedly economics, but is it really?-- Note: documentary is on Sept. 11)
  - (b) next cycle (tentatively "peace," but should it be broadened to "character" -- see RGD memo; Note: UNGA is Sept. 24)

Related questions: should VP be on same theme as President for any given cycle? Should surrogates? Is there a clear system for overall coordination of details of all this?

- (3) Debate "vulnerabilities" (see RGD note)
- (4) Selected policy issues
  - (a) steel
  - (b) copper
  - (c) corn
  - (d) tobacco
- (5) Problem States

(6)

Media (Note: Allow at least 45 minutes for this.)

CSG AGENDA -- 9/6/84 ADMONITION - unity among us outside this room - differences within this room only. Latest polling data (10 min.) Upcoming trips overall re Michigan, in particular (given auto strike) Hispanic heritage week - valley tow / Texas ? (3)Themes for: (a) current cycle (supposedly economics, but is it really? -- Note: documentary is on Sept. 11) next cycle (tentatively "peace," but should it be broadened to "character" -- see RGD memo; Note: (b) UNGA is Sept. 24) Related questions: should VP be on same theme as President for any given cycle? Should surrogates? Is there a clear system for overall coordination of details of all this? Debate "vulnerabilities" (see RGD note) (4)Selected policy issues '(a) steel (b) copper corn tobacco Problem States (Note: Allow at least 45 minutes for this.) Media (7)



The President's Authorized Campaign Committee

\*84 SEP-6 P6:32

MEMORANDUM

Discussed Block

то:	Jim Baker		i it
FROM:	Jim Vake	ل	
DATE :	September	6,	1984

RE: Secretary Block's Press Conference in Salt Lake City

As a part of our regular program of "bracketing" Mondale and Ferraro with our spokesmen, John Block was asked to talk about the impact of Walter Mondale's tax increases inasmuch as he was going to be in Salt Lake City at the same time Walter Mondale was to address the American Legion. He agreed to do so and was sent an identical copy of the attached talking points to use as a base for his attack.

Two problems have arisen which give me some concern. First, eventhough we paid for the Salt Lake City portion of the trip because of his campaign activities, he conducted a press conference in the Federal Building in Salt Lake City as he had previously arranged to do. We probably should have guided him more specifically, but one would expect him to know better than to hold a campaign press conference in a federal building. Second, and more important in my opinion, the remarks he made about Agriculture simply are not helpful. As you can see from the attached copy of the UPI story that resulted from that press conference, his remarks were just not appropriate in view of current economic climate in Agriculture. There must be a better way for him to address Agriculture policy <u>if</u> he is to be out on the road.

Obviously, we cannot control whether or not the press covers an event with the spin we would like to see developed. Sometimes they will carry our "tax story" other times they will not. That's the breaks. However, we should be able to develop a more sophisticated discussion of farm policy.

11

# TALKING POINTS ON VOTER REGISTRATION

As of September 1, the Reagan-Bush '84 Voter Registration Program had registered 2,201,997 supporters of the President in 50 states, the District of Columbia and overseas.

In September, Reagan-Bush '84 hopes to register another 500,000 voters in support of the President.

Top 20 States New (as of 9/1/84)	Reagan-Bush	Registrants
(as or 9/1/04)		
<ol> <li>California</li> <li>Texas</li> <li>Florida</li> <li>New York</li> <li>Arizona</li> <li>Iowa</li> <li>Colorado</li> <li>Georgia</li> <li>South Carolina</li> <li>Pennsylvania</li> </ol>		443,087 426,808 133,458 102,544 101,654 83,244 65,798 60,760 50,464 49,866
<ol> <li>North Carolina</li> <li>Virginia</li> <li>Oregon</li> <li>New Mexico</li> <li>Washington</li> <li>Indiana</li> <li>Illinois</li> </ol>		47,298 45,610 44,708 40,963 40,896 39,745 39,431

17. Illinois	39,431
18. Alabama	38,631
19. Ohio	37,990
20. Michigan	30,408

For some states, the Reagan-Bush registration drive will mean a huge leap in the number of voters in the presidential election.

Expressed in terms of the total vote in the 1980 presidential election, the Reagan-Bush '84 numbers in several states are impressive indeed:

# Increase in Registrants As Percentage of 1980 Presidential Vote

l. Arizona	+11.6%
2. Texas	+9.3%
3. New Mexico	+8.9%
4. Iowa	+6.3%
5. South Carolina	+5.6%
6. Colorado	+5.5%
7. California	+5.1%
8. Wyoming	+4.5%
9. Georgia	+3.8%
10. Oregon	+3.7%

Note that the presidential election always draws a larger number and larger percentage of a state's voters than any other race. Therefore, this increase in registered voters could have an even greater impact on state and local races! We are building our Party at the grassroots.

Comparing registered voters to actual voters in 1980 may seem like comparing apples and oranges at first glance. But consider: these are voters identified, registered and within immediate contact of the Reagan-Bush state organizations. We've worked hard for these voters -and we're going to turn them out in force on Election Day.

Can the same be said for voter registration drives by disparate special-interest groups? Hardly.

In several very close states in 1980, Reagan-Bush '84 has increased the likely GOP margin by thousands of votes -- that is, over and above the number of Carter voters who this year will vote for the President.

Registration Results in Close Reagan-Bush States, 1980

Alabama	17,000-vote margin	+	38,000	new	registrants
Arkansas	5,000-vote margin	+	2,000	new	registrants
Delaware	5,000-vote margin	+	8,000	new	registrants
Kentucky	18,000-vote margin	+	16,000	new	registrants
Massachusetts	3,000-vote margin	+	3,000	new	registrants
Mississippi	ll,000-vote margin	+	29,000	new	registrants
South Carolina	ll,000-vote margin	+	50,000	new	registrants
Tennessee	4,000-vote margin	+	28,000	new	registrants

Another factor to consider is the 1980 John Anderson vote, which some think may be a plus for Mondale given the former Congressman's recent endorsement of the Minnesotan. (Note: Many Anderson voters voted at the same time for Republican candidates, and have done so since; had Anderson not run, his voters would likely have not gone to the polls or split evenly for Reagan and Carter.)

In eight states, the number of new Reagan-Bush registrants exceeds the number of Anderson 1980 voters:

Alabama	38,631 ne	w registrants v	vs. 16,481	Anderson voters
Arizona	101,654 ne	w registrants v	vs. 76,952	Anderson voters
Georgia	60,760 ne	v registrants v	vs. 36,055	Anderson voters

Louisiana30,195 new registrants vs. 26,345 Anderson votersMississippi29,407 new registrants vs. 12,036 Anderson votersNew Mexico40,963 new registrants vs. 29,459 Anderson votersSouth Carolina50,464 new registrants vs. 14,153 Anderson votersTexas426,808 new registrants vs. 111,613 Anderson voters

If all of the Anderson voters moved to Mondale in these states -- a highly unlikely proposition -- they would be matched by new Reagan-Bush voters in those states, and in others throughout the nation:

--- California's 443,087 registrants matches more than 60% of the 737,000 Anderson supporters in that state from 1980.

--- Florida's 133,458 new registrants nearly matches the 189,000 Anderson voters from 1980.

The regional breakdown of the Reagan-Bush voter registration effort shows strong increases in both the South and West, which have had the largest rates of growth in recent years.

Regional Division of Reagan-Bush Registration Prógram

202,857 new registrants
267,533 new registrants
937,091 new registrants
756,135 new registrants
38,381 new registrants

2,201,997 total

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It should also be noted that the Northeastern and Midwestern states have had more static populations and a higher percentage of eligible voters already registered than the South and West.

The Reagan-Bush campaign regions' totals reflect the same patterns:

Northeast (Stone) -- 12 states & D.C. Midwest (Stanley) -- 7 states South (Kitchin) -- 11 states Southwest (Shelby) -- 7 states Rocky Mountain (Masson) -- 9 states Pacific (Pearce) -- 5 states 236,669 new registrants 215,443 new registrants 454,665 new registrants 500,252 new registrants 222,299 new registrants 534,289 new registrants

The bottom line of the Reagan-Bush voter registration drive is to help re-elect the President through the involvement of more Reagan-Bush supporters in the political process, i.e. through voting.

To this end, the Reagan-Bush registration drive has been successful, according to information form a recent Gallup poll commissioned by the Joint Center for Political Studies.

Among the key points of this study (see Attachment #1 for more details):

• Newly registered white voters support the President over Mondale by a 42-point margin (68% to 26%).

• Among all white voters, the President has a 20-point margin (57% to 37%).

• Among all voters who have registered since 1982, the President has a 12-point margin (56% to 44%).

This last figure is especially important, for it includes the much-vaunted black registration drives that Democrats claim will turn the election in their favor.

The Republicans and the Reagan-Bush ticket is winning the battle for support among new registrants. The overall impact of new voter registration in the last two years has been in the President's favor, not against him as many today claim.

### ATTACHMENT #1

### ANALYSIS

Recent data conducted for the Joint Center for Political Studies by Gallup provides evidence that our registration effort is succeeding in skewing the national ballot in our favor.

Among white voters, the President leads Mondale by a 20 point margin, 57% to 37%. But among voters who have registered since the mid-term election, the President's margin balloons to 42%, 68% to 26%.

Though some of this dramatic increase can be attributed to the self-motivated registration of voters in the 18-24 range who are strongly supportive of the President, I think the numbers also indicate that our registration program has heavily impacted the ballot test.

Utilizing the Joint Center for Political Studies data I've extrapolated the following:

## NEW REGISTRATIONS

	VAP	NEW REGISTRATIONS	E REAGAN	MONDALE
Blacks	18,335,000	1,283,450 (7%)	25,669 (2%	) 1,257,781 (98%)
Whites	146,626,000	5,865,040 (4%)	3.988.227 (68	% 1,876,813 (32%)

Ballot test 98-2% Mondale among newly registered blacks extrapolated from 88-5% ballot among all black voters; this is not a prediction, but a pessimistic worst-case scenario.

2 Reagan-Mondale ballot assumes worst-case scenario, that Mondale receives all 6% currently undecided.

This data, combined with the following reveals clearly the impact of voter registration since 1982.

	REAGAN V. MONDAL	E: NEWLY REGIST	ERED VOTERS
	NEW		
	REGISTRATIONS	SUPPORTERS	<del>20</del>
Reagan	7,148,490	4,013,896	56%
Mondale		3,134,594	448

. ..

The conclusion: Far from badly losing the battle among new registrants, as the Democrats suggest we are winning it dramatically, by a 56 to 44% margin even based upon pessimistic assumptions.

IAB FROM Stu

MEMORANDUM FOR

STUART SPENCER LEE ATWATER JOHN ROBERTS

FROM:

SEPTEMBER 5, 1984

RICK HOHLT

DATE:

SUBJECT:

BIPARTISAN BUDGET COALITION "CUT THE DEFICIT" CAMPAIGN

The public relations representatives of the attached listed organizations met today to finalize the press events of September 11.

Presently, all organizations will attend a background press briefing breakfast at the Mayflower Hotel at 8:30 a.m. on September 11. All reporters (print/electronic) will be invited to hear Mr. Peterson and others provide background information.

The press conference, also at the Mayflower, has been scheduled for 10:30 a.m. Mr. Peterson will be the host/ main spokesman and he also trying to get former Treasury Secretaries to attend. Each organization will be asked to make a brief statement on why they are participating in the effort (real gloom and doom). All will take questions.

A final copy of the advertisement scheduled to run September 12 in the <u>Washington Post</u>, <u>New York Times</u> and <u>Wall</u> Street Journal is attached.

I feel very strongly that if Mr. Peterson is successful in mobilizing established grassroot networks it will only cause significant problems in the days ahead.

### The Bipartisan Budget Coalition

<u>The Bipartisan Budget Appeal</u>, an organization of over 600 former public officials and heads of law firms, investment banks, accounting firms, major corporations, universities, foundations and other organizations. Founding members of the Bipartisan Budget Appeal are: The Hon. W. Michael Blumenthal, Secretary of the Treasury, 1977-79; The Hon. John B. Connally, Secretary of the Treasury, 1971-72; The Hon. C. Douglas Dillon, Secretary of the Treasury, 1961-65; The Hon. Henry H. Fowler, Secretary of the Treasury, 1965-68; The Hon. Peter G. Peterson, Secretary of Commerce, 1972-73; The Hon. William E. Simon, Secretary of the Treasury, 1974-76.

The United States League of Savings Institutions, an organization of 3,500 savings and loan associations, savings banks and cooperative banks, with combined assets of more than \$900 billion.

<u>The American Bankers Association</u>, an organization of 13,000 commercial banks and trust companies with combined assets of \$1.9 trillion.

<u>The National Association of Realtors</u>, a federation of 50 state associations of Realtors and 1,848 local real estate boards with 637,000 Realtors and Realtor-associates.

<u>The Mortgage Bankers Association of America</u>, an association with 2,100 members, principally mortgage banking firms, commercial banks, savings institutions and insurance companies which engage in the mortgage banking business.

<u>The National Council of Savings Institutions</u>, an association of 600 savings banks and savings and loan associations with over \$400 billion in assets.

The National Association of Home Builders of the United States, an organization of 124,000 single and multi-family home builders, commercial builders, remodelers, architects, sub-contractors and others associated with the building industry.

The National Association of Casualty and Surety Agents,

The National Association of Surety Bond Producers,

The Manufactured Housing Institute,

The Mortgage Insurance Companies of America, an organization representing the mortgage insurance industry, with members having over \$175 billion of insurance in force on homeowners' mortgages made more affordable with low downpayment financing.

The Consumer Bankers Association, an association of more than 650 financial institutions, including commercial banks, thrifts, credit unions and other providers of consumer financial services with combined holdings of over 70 per cent of all consumer credit presently outstanding.

The Independent Bankers Association of America, an association of 7,500 community banks across the United States.

The National Forest Products Association,

The American Consulting Engineers Association,

National Association of Brick Distributors

National Independent Dairy Food Association

Automotive Service Councils, Inc.

Menswear Retailers of America

United Business Owners of America

Independent Media Producers Association

American Business Association

# TIME FOR A COMMON COMMITMENT TO CUT THE DEFICIT

· - . -

## A CALL TO RONALD REAGAN, WALTER MONDALE, MEMBERS OF CONGRESS AND CANDIDATES:

We urge the candidates to commit publicly before the November 1984 elections to a deficit reduction plan to be implemented in the first budget following inauguration. This plan should cut the deficit--projected to be approximately 5% of GNP--to no more than 2% of GNP within three years and ensure that future budgets move steadily into balance. Deficit estimates should be based on prudent economic growth and interest rate assumptions.

Because of our common concern we are sending this message to all announced candidates for federal office. No candidate should face the voters without committing to a specific plan for reducing federal spending and deficits. Such a plan should embody the goals, principles and elements outlined below: defense, entitlements and taxes.

## I. The Stubborn Deficit Problem

We are now enjoying strong economic growth. Yet the federal deficit for fiscal 1985 is venturing into unmapped fiscal territory, toward \$200 billion--despite the current recovery and the recent "down payment." Our national government must now borrow more than one of every five dollars it spends. Whatever assumptions are used, the problem will get worse rather than better in the years ahead unless something is done now. The recent deficit "down payment" action was a modest step in the right direction, though it relied too little on spending cuts and too much on tax increases --increases which burdened savings and investment.

It took us nearly 200 years to amass a trillion dollar debt. At the current pace we could double that in a mere five years, thus adding over \$15,000 of debt in the name of each American family of four. Without new steps to cut expenditures and raise revenues, interest payments on the federal debt could rise to over \$200 billion annually by the end of the decade. This would be equivalent to more than a staggering \$3200 yearly tax for an average family of four! Just to pay the interest. Not a penny of this for anything of value. Indeed debt service costs are primed to grow faster than any other segment of the budget--making future deficits self-generating and casting a shadow over our children's economic future. Huge deficits have serious consequences:

- o high interest rates
- o weakened long-term growth
- o an over-valued dollar
- o record balance of payments deficits
- o a crippled export sector
- o stunted capital spending in industry
- o agricultural recession
- o a housing slump
- o a growing international "debt bomb."

Uncontrolled spending and big deficits absorb the investment capital needed to create productive jobs and real income for tomorrow. Over the next few years, federal deficits will absorb 70% of our net savings, leaving only one-half to two-thirds the average of the 1960s or 1970s.

### II. Decisive Action Needed Now

There will never be a better time to attack the problem. The current cyclical upturn should not distract us from confronting the long-term structural deficit. The strong 1984 recovery provides an ideal climate for making the tough but imperative fiscal policy choices. For example, if and when the current recovery slows, it will then be argued that it is politically and economically unwise to cut spending and increase taxes.

\_\_\_\_\_

### III. Principles to Guide action

We the undersigned unite behind three basic principles:

1. Long-term Focus. Reforms must be large, structural and permanent--in keeping with the size and duration of the problem. One-shot actions are not enough.

2. Principles of Need, Fairness and Burden-Sharing. Wide and fair sharing of the needed reductions is essential. The poor must be protected. In all the budget reductions to date, the programs that have barely been touched are the very large non-means tested entitlements and programs that confer a large part of their benefits on middle and upper income groups and have the effect of subsidizing consumption. With debt service, these programs plus defense spending amount to over 80% of the budget. 3. Focus on Investment and Savings. The objective should be to increase savings and investment. Massive deficits rob the future by depleting savings and absorbing capital needed to build productive jobs, strengthen international competitiveness, provide for home ownership and generate real income growth and a higher standard of living for all Americans. Cutting deficits by measures that would at the same time reduce savings and productive investment would make no long-term sense.

# IV. Elements of a Three-part Program for Action--Entitlements, Defense and Taxes

If any of the following areas is placed out of bounds, no fair, effective or politically sustainable solution to the problem of runaway deficits is possible.

1. Entitlements and Other Non-Defense Programs. The broad-based non-means tested entitlement programs, principally Social Security, Medicare and pensions for the civil service and military, have been growing at an astronomical 15% annually for 15 years. These are now about 40% of the budget. Built-in cost-of-living (indexing) escalators--that have overstated the true increase in the cost of living--drive program costs ever higher. But even this fiscal accounting is misleading. It fails to identify the \$7 trillion of unfunded liabilities--nearly four and one-half times our official debt--that we are quietly passing on to our children. After years of ducking and posturing, Congress and the Administration must jointly and squarely face the need for restraint in these entitlement and transfer programs that heavily benefit the middle and upper classes. No spending program should be off-limits other than those essential to the poor.

2. Defense. The unprecedented peacetime defense build-up--from outlays of \$136 billion in 1980 to \$230 billion in 1984--responded to military weakness evident in the 1970s. Currently planned defense budget increases, however, should be scaled back from abnormal "catch-up" growth rates to a real growth rate closer to the sustainable growth capacity of the economy. A commitment to a multi-year moderately increasing defense budget would allow a significant build-up. It would allow more explicit planning for that build-up and lead to deeper and more sustained public support.

3. Taxes. While spending cuts are absolutely our top priority, we must also face the unpleasant fact that current law taxes will generate receipts in a range of only 19-20% of GNP; this compares to current spending commitments in a range of 24-25% of GNP. Thus, even with the strong spending restraints outlined above, there is a need to strengthen the federal tax base in order to achieve long-term fiscal balance. Any tax increases should be tied to and exceeded by spending cuts. To the extent that revenue is raised, it should be done in a way that enhances incentives for work, capital formation, savings and economic growth.

Specific Programs. Any serious effort to deal with the deficit will have to address each element of the three-part program. As to spending reductions, the Bipartisan Budget Appeal has proposed a freeze of at least one year--preferably two--in cost-of-living adjustments (COLAs) for the large, non-means tested programs; a cap on future COLA indexing (e.g., 60% of the consumer price index or to three percentage points less than the inflation rate); similar restraints on all other transfers, subsidies and programs beyond those for the poor; and a multiyear defense buildup at a more moderate pace. Once spending cuts of the type and magnitude described above are assured, any revenue measures needed to reach the deficit reduction goal should mainly rely on consumption-oriented taxes in order to avoid weakening incentives to work, save and invest. The particular program, however, is less important than the fact that each of the three elements must figure significantly in the solution.

Also, a bipartisan commission, council or other entity could help achieve greater deficit reductions for next year and later. If such an entity is established, it should enjoy the strong approval and support of the House, Senate and Administration. It should be initiated as soon as possible with results by January 1985, in time for the President to consider before submitting his budget and in time for consideration by the House of Representatives and Senate in their budget and appropriations processes.

\* \* \*

We, the undersigned organizations, commit to urging our members, supporters, customers, depositors, savers, home builders, buyers and \_\_\_\_\_\_ to communicate support for a deficit reduction program that embodies the principles and elements discussed above to Ronald Reagan, Walter Mondale, members of Congress and candidates. We urge every American to do the same.

\_\_\_\_\_

Comments from: B.SIERN (DAGU34) Posted: Wea 5-Sep-o4 12:41 CUI Sys 31

Disposition: d

From: NEWS Posted: Wed 5-Sep-84 12:27 EDT Sys 97 (47) Subject: AMERICAN LEGION :american legion national convention he said that if \* UPI STATE Wire (UTAH)

--More--

SX PRO WA Block says Reagan putting farmers back on feet By PAUL ROLLY

SALT LAKE CITY (UPI) \_\_ Agriculture Secretary John Block said today farmers should be better off once they are forced away from relying on government help and face the challenge of the free marketplace straight on.

"I'm in favor of lowering support payments, which encourage production," Block said at a news conference. The secretary was in Salt Lake City for the final session of the American Legion national convention.

He said that if farmers rely more on the true marketplace in their decision-making process, it would result in a more realistic supply-demand ratio.

Block also said deficits must be brought into line and interest rates controlled for the American farm industry to thrive. But he said Reagan's policies are more tuned to that goal than those of the president's Democratic challenger Walter Mondale, who Block shared the convention's podium with.

"Walter Mondale is going around the country telling everyone he will raise their interest rates," Block said. "President Reagan is saying we can attack the deficits in other ways \_\_with the line item veto, the balanced budget amendment. --More--

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"We're saying we would raise taxes only as a last resort. Walter Mondale is saying he would raise taxes as a first resort." Block said farmers have "the clearest thoice between presidential

candidates than they have had in the past half century."

He said Mondale was on the Jimmy Carter team that established the grain embargo against the Soviet Union, an unpopular move among U.S. farmers whose market severely dwindled.

"President Reagan lifted the embargo. He has once again established the U.S. as a reliable supplier of farm products."

Block told legionnaires following the news conference that the current farm policy established in 1981 needs to be refurbished. "Even though it's only three years old, it lacks flexibility. It's inconsistent. And it promotes surplus production both here at home and abroad. Moreover, it's at a time when the world market is squirming under excess supplies."

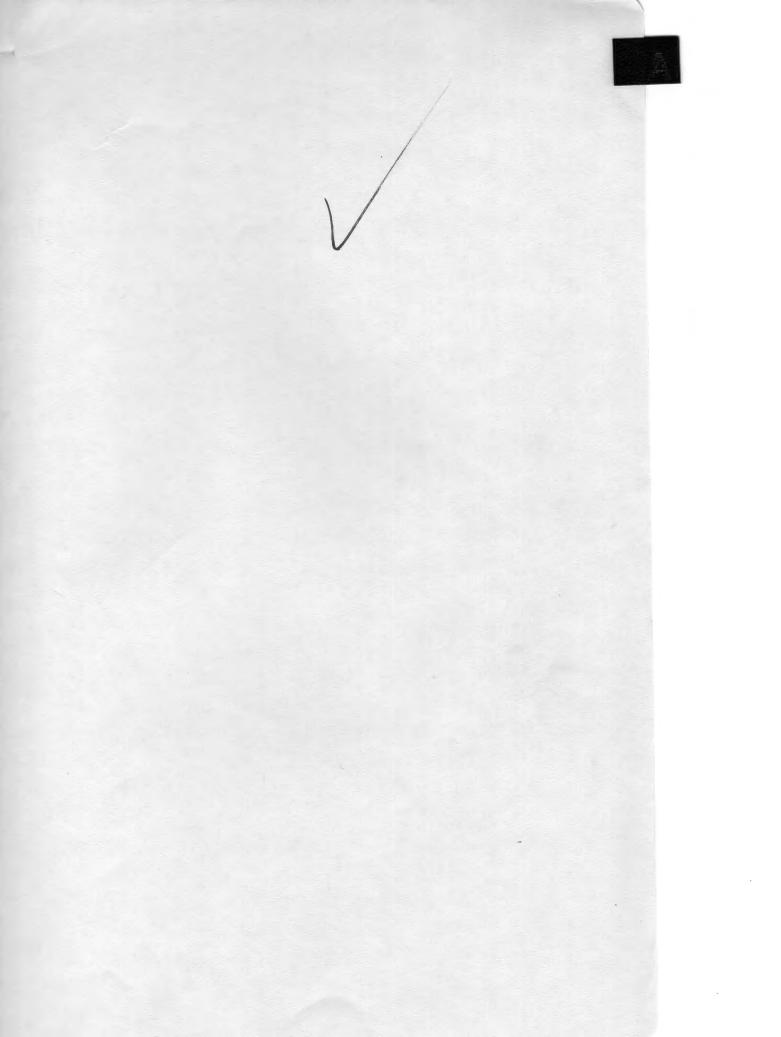
He said the department is preparing to write a new farm bill for 1985 that will call for "less government intervention and more market orientation."

He said the administration is also pushing the expansion of U.S. farm exports, "which may reach \$38 billion this fiscal year up 9 percent from last year. That's like depositing a \$20 billion check in the bank to offset the massive trade deficit in nonfarm products."

--More--

upi 09-05-84 09:26 apd

Disposition: d



THE TUESDAY TEAM, INC.

1270 AVENUE OF THE AMERICAS, NEW YORK, NY 10020 (212) 315-0440

"Employment" :30 Television Revised 9/4/84

### AUDIO

The chance to earn your own way. To work at an honest job. To earn a decent wage.

That's always been our American dream. Today, our dream lives again. By rolling up our sleaves and pulling together, we new have more people working than

A ever before.

B With 6 and a half million new jobs.

C And the best growth opportunity since World War II.

So now we can look to the day when no one can be denied the promise that is America. "WE NOW HAVE MORE PEOPLE WORKING THAN EVER BEFORE"

o The labor force in the United States stands at <u>105.4</u> million as of July 1984. This is the highest total ever recorded since statistics were first kept in 1900. (Source: Bureau of Labor Statistics)



U.S. Department of Labor Bureau of Labor Statistics Washington, D.C. 20212



Technical information: (202) 523-1371 523-1944 523-1944 TRANSMISSION OF MATERIAL IN THIS RELEASE IS 523-1959 EMBARGOED UNTIL 8:30 A.M. (EDT), FRIDAY, Media contact: 523-1913 AUGUST 3, 1984

#### THE EMPLOYMENT SITUATION: JULY 1984

Unemployment rose in July, returning to the May level, while the two major employment measures showed differing movements, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The overall jobless rate, which includes the resident Armed Forces in the labor force base, was 7.4 percent, and the rate for civilian workers was 7.5 percent. Each measure rose four-tenths of a percentage point over the month, after identical declines in June.

Total civilian employment—as measured by the monthly survey of households—fell by 350,000 in July after seasonal adjustment to 105.4 million. This first decline in the series in one and a half years, followed 2 months of exceptionally large increases. In contrast, the number of employees on nonagricultural payrolls—as measured by the monthly survey of establishments—rose by 300,000 over the month, continuing the steady growth that has occurred since early 1983. Despite these differing directions in July, the household series shows employment growth of 6.4 million over the course of the recovery, compared with job gains of 5.7 million in the payroll series.

#### Unemployment (Household Survey Data)

The number of unemployed persons increased to 8.5 million from June to July after seasonal adjustment, and the civilian worker unemployment rate rose to 7.5 percent; both figures returned to the levels posted in May. Since November 1982, the number of unemployed persons has declined by 3.3 million, and the jobless rate has dropped by 3.2 percentage points. (See table A-2.)

The July increase occurred primarily among adult women, whose jobless rate returned to the level that had essentially prevailed between February and May. The rate for adult men edged up to 6.5 percent, the same as in May, but was still below the rates posted earlier this year. Unemployment increased among both white and black workers. While the rate for white teenagers changed little, the rate for black youth, which is subject to wide fluctuation, rose by 8 percentage points in July to 42.4 percent; it had declined by a similar magnitude in June. (See tables A-2 and A-3.)

Most of the July increase took place among workers who had lost their jobs. There was little or no over-the-month change in either the number of persons who were on layoff (expecting to be recalled to their job), had left their job voluntarily, or were entering or reentering the labor force. The number of short-term (less than 5 weeks) and medium-term (5 to 14 weeks) jobless workers rose in July, while the number of long-term unemployed (15 weeks and over) was about unchanged. (See tables A-7 and A-8.)

#### Civilian Employment and the Labor Force (Household Survey Data)



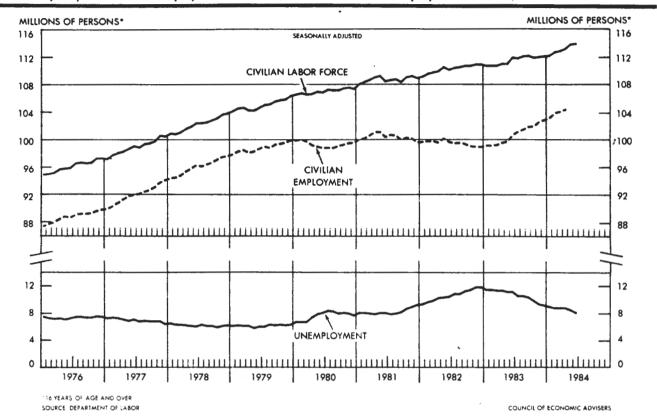
Civilian employment fell by 355,000 over the month to 105.4 million, seasonally adjusted, after rising by 1.3 million in the prior 2 months. Civilian employment was 6.4 million above the November 1982 recession trough. (See table A-2.)

The civilian labor force was 113.9 million in July, unchanged from June. The proportion of the civilian working-age population in the labor force was 64.6 percent, the same as in the previous 2 months. Over the year, the labor force grew by 2.2 million, and the participation rate was up by about half a percentage point.

Centennial of Labor Statistics

# EMPLOYMENT, UNEMPLOYMENT, AND WAGES STATUS OF THE LABOR FORCE

Seasonally adjusted civilian employment rose 460,000 in June and unemployment fell 384,000.



	Noninstitu- tional			Employ-			Civilian e	mpioyment		Unemplo	yment	Labor	
	population	Resi- dent	Labor force including	ment including	Civilian			Nonag	ricultural		15	partici rate (pe	
Period	resident Armed Forces NSA	Armed Forces NSA	resident Armed Forces	resident Armed Forces	labor force	Total	Agricul- tural	Total	Part-time for economic reasons <sup>1</sup>	Total	weeks and over	Total <sup>2</sup>	Civil- ian <sup>3</sup>
978	163,541	1,631	103,882	97,679	102,251	96,048	3,387	92,661	3,298	6,202	1,414	63.5	63.2
979	166,460	1,597	106,559	100,421	104,962	98,824	3,347	95,477	3,373	6,137	1,241	64.0	63.7
980	169,349	1,604	108,544	100,907	106,940	99,303	3,364	95,938	4,064	7,637	1,871	64.1	63.8
981	171,775	1,645	110,315	102,042	108,670	100,397	3,368	97,030	4,499	8,273	2,285	64.2	63.9
982		1,668	111,872	101,194	110,204	99,526	3,401	96,125	5,852	10,678	3,485	64.3	64.0
983	175,891	1,676	113,226	102,510	111,550	100,834	3,383	97,450	5,997	10,717	4,210	64.4	<b>64</b> .0
983: June	175,793	1.668	113,573	102,411	111,905	100,743	3,479	97,264	5,886	11,162	4,486	64.6	64.3
July		1,664	113,489	102,889	111.825	101,225	3,499	97,726	5,700	10,600	4.398	64.5	64.2
Aug		1,682	113,799	103,166	112,117	101.484	3,449	98,035	5,866	10,633	4,078	64.6	64.3
Sept	176,297	1,695	113,924	103,571	112,229	101,876	3,308	98,568	6,027	10,353	3,889	64.6	64.3
Oct		1,695	113,561	103,665	111,866	101,970	3,240	98,730	5,724	9,896	3,655	64.3	64.0
Nov	176,636	1,685	113,720	104,291	112,035	102,606	3,257	99,349	5,848	9,429	3,527	64.4	64.0
Dec	176,809	1,688	113,824	104,629	112,136	102,941	3,356	99,585	5,712	9,195	3,369	64.4	64.0
984: Jan	177,219	1,686	113,901	104,876	112,215	103,190	3,271	99,918	5,943	9,026	3,201	64.3	63.9
Feb		1.684	114,377	105,576	112,693	103,892	3,395	100,496	5,808	8,801	2,984	64.5	64.1
Mar		1,686	114,598	105,826	112,912	104.140	3,281	100,859	5,463	8,772	2,873	64.6	64.2
Apr		1,693	114,938	106,095	113,245	104,402	3,393	101,009	5,593	8,843	2,855	64.7	64.4
May		1,690	115,493	106,978	113,803	105,288	3,389	101,899	5,353	8,514	2,851	65.0	64.6
June	177,974	1,690	115,567	107,438	113,877	105,748	3,403	102,344	5,491	8,130	2,619	64.9	64.6

<sup>3</sup> Persons at work. Economic reasons include slark work, material shortages, inability to find fulltime work, etc. <sup>3</sup> Labor force as percent of noninstitutional population (both including resident Armed Forces). <sup>3</sup> Civilian labor force as percent of civilian noninstitutional population.

NOTE .-- NSA indicates data are not seasonally adjusted. Source: Department of Labor, Bureau of Labor Statistics.

#### NO. 669. EMPLOYMENT STATUS OF THE NONINSTITUTIONAL POPULATION 16 YEARS OLD AND OVER BY SEX: 1950 TO 1983

#### (In thousands, except as indicated. Annual averages of monthly figures, except as indicated. Based on Current Population Survey, see Appendix III See also *Historical Statistics, Coloniel Tanes to 1970*, series D 11-19 and D 85-86)

			1		ABOR FOI	RCE			ployed	1
	Alexinet				mployed			Union	picyeu	
	Noninsti- autional	i i				Civilian			Der	Not i
YEAR AND BEX	popula- tion <sup>1</sup>	Num- ber	Totati	Resident dent Armed Forces	Total	Agri- culture	Nor- epri- culture indus- tries	Num- ber	Per- cent of labor force <sup>2</sup>	Nerci
bial 1950 1955 1960 1966 1966 1968 1968 1970 1971 1950 1	128,459 130,180	63,377 67,087 71,489 76,401 77,892 79,565 80,990 82,972 84,889	60,087 64,234 67,639 73,034 75,017 76,590 78,173 80,140 80,796	1,169 2,064 1,861 1,946 2,122 2,218 2,253 2,258 2,118	58,918 62,170 65,778 71,088 72,895 74,372 75,920 77,902 78,678	7,160 6,450 5,458 4,361 3,979 3,844 3,817 3,606 3,463	51,758 55,722 60,318 66,726 68,915 70,527 72,103 74,296 75,215	3.288 2.852 3.652 3.366 2.875 2.975 2.817 2.832 4.093	5.2 4.3 54 4.4 3.7 3.7 3.5 3.4 4.8	42.76 44.66 47.61 52.05 52.28 52.52 53.29 53.60 54.31
72	145.939 148.870 151,841 154,831 157,818	86.355 88,847 91,203 93,670 95,453 97,826 100,665	81,340 83,966 86,838 86,515 87,524 90,420 93,673	1,973 1,813 1,774 1,721 1,676 1,668 1,656	79,367 82,153 85,064 86,794 85,846 88,752 92,017	3,394 3,484 3,470 3,515 3,408 3,331 3,283	75,972 78,669 81 594 83,279 82,438 85,421 86,734	5.016 4.882 4.365 5.156 7.929 7.406 8.991	5.8 5.5 4.8 5.5 8.3 7.6 6.9	55.83 57.66 58.1 59.3 59.95 60.02
77 78 79 180 181 182 183 June <sup>*</sup> Male 1950	169.349 171.775 173.939 175.793	103.882 106.559 108.544 110.315 111.872 113.600 44.969	97,679 100,421 100,907 102,042 101,194 102,454 42,728	1.631 1.597 1.604 1.645 1.668 1.668 1.150	96,048 98,824 99,303 100,397 99,526 100,785 41,578	3,387 3,347 3,364 3,368 3,401 3,522 8,002	92,661 95,477 95,938 97,030 96,125 97,264 35,576	6,202 6,137 7,637 8,273 10,678 11,146 2,239	6.0 5.8 7.0 7.5 9.5 9.8 5.0	59,6 59,9 60,8 61,4 62,0 62,1 62,1 6,9
Male 1950. 1960: 1970: 1975: 1980: 1980: 1982: 1982: Female 1950	57,495 56.385 73,891 60,877 83,052 54,289	48.221 53.309 57.899 62.932 63.979 18.408	45,737 51,071 53,457 58,665 57,800 17,359	1,833 2,081 1,600 1,479 1,529	43.904 48.990 51,857 57,186 56,271 17,340	4 472 2 862 2 824 2 709 2 736 1 159	39.431 46.128 49.032 54.477 53.534 16.181	2,486 2,238 4,442 4,267 6,179 1,049	4.2 7.7 6.8 9.7 5.7	9.2 13.0 15.9 17.9 19.0 35.8
1970 1975 1980 1982	72,819 80.938 88.472 90,687	23,268 31,580 37,553 45,611 47,894	21,902 29,725 34,067 42,241 43,395	28 37 78 124 139	21,874 29,688 33,989 42,117 43,256	966 901 584 656 665	20,887 29,087 33,404 41,461 42,591	1,366 1,855 3,486 3,370 4,499	5.9 5.9 9.3 7.4 9.4	38.3 41,2 43,3 42,8 42,9
btal 1950 555 560 565 566 566 567 568 569 569 570 771 771	100 0 100 0 100 0 100 0 100 0 100 0 100 0 100 0 100 0 100 0	59 7 60.0 59.5 59.8 60.2 60.3 60.8 61.0 60 7	56.6 57.5 56.8 57.6 58.0 58.0 58.2 58.7 58.0 58.2 58.7 58.0 57.2	1.1 1.6 1.5 1.6 1.7 1.7 1.6 1.5 1.4	55.5 55.6 55.2 55.3 56.0 56.3 56.3 56.5 57.0 56.5 55.8	2.9 2.8 2.6	48.8 49.9 50.6 51.9 52.9 53.4 53.7 54.4 54.0 53.4	3 1 2.6 3.2 2.6 2.2 2.3 2.1 2.1 2.9 3.5	(X) (X) (X) (X) (X) (X) (X) (X) (X)	40 40 40 39 39 39 39
772 773 774 775 776 777 778 778 778 789 799 800 801 802 803 June <sup>3</sup>	1000 1000 1000 1000 1000 1000 1000 100	61.7 61.6 62.0 62.6 63.5	57.5 58.3 56.5 57.3 59.7 60.3 59.6 59.6 59.6 59.6 58.2 58.3	1.2 1.2 1.1 1.1 1.0 1.0 1.0 1.0 1.0 1.0 9	56.3 57.1 57.2 55.4 56.2 57.3 58.7 59.4 58.6 58.4 57.2 57.3	20 21 20 20	53 9 54.8 54.8 53.2 54.1 55.2 56.7 56.7 56.7 56.5 55.3 55.3	3.3 2.9 3.4 5.1 4.7 4.4 3.8 3.7 4.5 6.1 6.3	(X) (X) (X) (X) (X) (X) (X) (X) (X) (X)	38
Male 1950	100.0 100.0 100.0 100.0 100.0	66 7 83.9 80.3 76 4 77.8 77.0	82 4 79.5 76.9 72.3 72.5 69.6	2.2 3.2 3.1 2.2 1.8 1.8	80.2 76.4 73.8 70.2 70.7 67.8	11.6 7.8 4.3 3.8 3.3 3.3	68 6 68.6 69.4 66.4 87.4 64.5	4.3 4.3 3.4 8.0 53 7.4	(X) (X) (X) (X) (X) (X) (X)	11
Female 1950 1960 1970 1975 1980	100.0 100.0 100.0	339 378 434 464 516 527	.32.0 35.5 40.8 42.1 47.7 47.7	(Z) (Z) (Z) .1	31.9 35.5 40.8 42.0 47.6 47.6	2.1 1.6 .7 .7	29.8 33.9 39.9 41.3 46.9 46.9	1.9 2.2 2.5 4.3 3.8 5.0	(X) (X) (X) (X) (X)	885544

X Not applicable 2 Less than .05 <sup>3</sup> Includes resident Armed Forces. <sup>#</sup> Unemployment as a percent of the labor force, including resident Armed Forces. <sup>3</sup> Seasonality adjusted, except for population and resident Armed Forces.

Source U.S. Bureau of Labor Statistics, Employment and Earnings, monthly

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#### D 233-682 and D 1-10

LABOR

major groups was changed to form more "families" of occupations. This applies especially to the "professional" and "service" major groups. Although there was an effort to limit changes between major groups, there were many cases where such changes were necessary. One such change is the treatment of apprentices. They were moved from "operatives" to "craftsmen" and are classified as a subcategory of their craft.

Two other changes in the census have an important effect on comparability: (1) The allocation of "not reported" cases to the major groups in 1970 increased the size of those totals relative to the totals for 1950 and 1960 when there was no allocation of these characteristics; and (2) the age coverage for statistics on these subjects to accord with past and current definitions of the labor force, as indicated in the table for series D 182-232.

The population census occupational classification system is generally comparable with the system used in U.S. Bureau of Employment Security, *Dictionary of Occupational Titles* (DOT), 3d edition, with the exception of the blue collar workers (i.e. manual and service workers). The DOT structure for these occupations is quite different from that used by the Bureau of the Census. An important reason for this is that the two systems are designed to meet different needs and to be used under different circumstances. The DOT system is designed primarily for employment service needs, such as placement and counseling, and is ordinarily used to classify very detailed occupational information obtained in an interview with the worker himself. The census system, on the other hand, is designed for statistical purposes and is ordinarily used in the classification of limited occupational descriptions obtained in a self-enumeration questionnaire or in an interview with a member of the worker's family.

#### D 233-682. Detailed occupation of the economically active population, 1900-1970.

Source: See source for series D 182-232.

Dashes (-----) are used in the columns of this table to denote that comparable data are not available because of changes in definitions and occupations.

See also text for series D 182-232.

Series D	1–10.	Labor Force and Its Components: 1900 to 1947	
	(In thous	ands of persons 14 years old and over. Annual averages]	

	Total la	bor force	1			Employed			Unemployed	
¥.		Percent of noninstitu-	Armed	Civilian labor force	<u></u>				Percer	it of—
Year	Number	tional population			Total	Farm	Nobfarm	Total	Civilian labor force	Nonfarm employees
	1	2	3	4	5	•	7	8	9	10
947.	61,755 60,970	57.4 57.2	1.590 3,450	60.168 57.520	57,812 55,250	8,256 8,320	49.557 46,930	2,356 2,270	3.9 3.9	5 5
945	65,290 66,040 64,560 60,380 57,530	61.9 63.1 62.3 58.8 56.7	11,430 11,410 9,020 3,970 1,620	53,860 54,630 55,540 56,410 55,910	52,820 53,960 54,470 53,750 50,350	8,580 8,950 9,080 9,250 9,100	44.240 45.010 45,390 44.500 41.250	1,040 670 1,070 2,660 5,560	1.9 1.2 1.9 4.7 9.9	2 1 2 6 14
940 939 938 937 936	56.180 55,588 54,872 54,088 53,319	56.0 56.0 55.9 55.7	540 370 340 320 300	55,640 55,218 54,532 53,768 53,019	47,520 45,738 44,142 46,068 43,989	9,540 9,710 9,840 10,000	37,980 86,028 84,302 86,068 83,899	8,120 9,480 10,890 7,700 9,030	14.6 17.2 19.1 14.3 17.0	21 25 27 21 25
935 934 933 933 932 931	52,553 51,910 51,132 50,348 49,585	55.6 55.7 55.6 55.4	270 260 250 250 260	52.283 51.650 50.882 50.095 49.325	41.678 40.310 38,052 38,038 41,305	10.110 9,990 10,090 10,120 10,240	\$1,563 \$0,320 \$7,962 \$7,918 \$1,065	10,610 11,340 12,830 12,060 8,020	20.3 22.0 25.2 24.1 16.3	30 32 37 36 25
930 929 928 927 927 926	48.783 48,017 47,367 46.634 45,885	\$5.0 \$5.1 \$5.2 \$5.2 \$5.2 \$5.3	260 260 262 259 256	48,523 47,757 47,105 46,375 45,629	44,183 46,207 45,123 44,856 44,828	10,840 10,541 10,497 10,529 10,690	83,843 85,666 34,626 84,327 84,138	4,340 1,550 1,982 1,519 801	8.9 3.2 4.2 3.3 1.8	14
925 924 923 922 921	45.431 44.502 43.699 42.772 42.341	55.4 55.5 55.7 55.7 55.9	262 262 255 276 362	45.169 44.235 43.444 42.496 41.979	43,716 42,045 42,395 39,637 37,061	10,662 10,599 10,621 10,561 10,448	83,054 81,446 81,774 29,076 26,618	1,453 2,190 1,049 2,859 4,918	3.2 5.0 2.4 6.7 11.7	11
<b>9</b> 20. 919. 918. 917. 916.	41,720 41,239 41,980 40,742 40,238	\$5.6 56.4 57.7 \$6.6 \$6.6	880 1,543 2,904 719 181	41,340 39,696 39,076 40,023 40,057	39,208 39,150 38,540 38,175 38,014	10,440 10,498 10,674 10,788 10,802	28,768 28,652 27,866 27,387 27,212	2,132 546 536 1,848 2,043	6.2 1.4 1.4 4.6 5.1	
915 914 913 912 911	<b>89,774</b> <b>89,564</b> <b>38,832</b> <b>38,081</b> <b>37,623</b>	\$6.8 57.3 \$7.3 \$7.4 \$7.6	174 163 157 149 145	<b>39,60</b> 0 <b>39</b> ,401 <b>38,675</b> <b>87,932</b> <b>37,478</b>	36,223 36,281 37,004 36,173 34,960	10,953 10,945 10,974 11,186 11,107	26,270 25,336 26,030 25,037 23,853	<b>3</b> ,377 3,120 1,671 1,759 <b>2</b> ,518	8.5 7.9 4.3 4.6 6.7	1
910. 909. 908. 907. 906.	86,850 85,855 85,039 84,295 83,821	\$7.4 57.2 57.2 57.2 57.2 56.8	141 134 123 112 109	36,709 35,721 34,916 34,183 83,212	34,559 33,897 32,136 33,238 32,638	11,260 11,163 11,238 11,493 11,479	23,299 22,734 20,898 21,745 21,159	2,150 1,824 2,780 \$45 \$74	5.9 5.1 8.0 2.8 1.7	
905	32,408 31,548 30,804 30,012 29,268	56.5 56.3 56.2 56.0 55.8	109 107 106 108	32,299 31,441 30,698 29,904 29,153	30,918 29,750 29,494 28,807 27,948	11,187 11,076 10,869 10,753 10,916	19,731 13,674 18,625 18,054 17,032	1,381 1,691 1,204 1,097 1,205	4.3 5.4 3.9 3.7 4.0 5.0	1

#### ASSERTION B

"WITH SIX AND A HALF MILLION NEW JOBS."

- o In December 1982, at the trough of the recession, a total of only <u>100.6</u> million Americans were working in the United States. But by July of 1984 (most recent figures), a total of <u>107.1</u> million Americans were employed. This represents a net gain of <u>6.5</u> million jobs. (Source: Bureau of Labor Statistics.)
- o Department of Labor statistics indicate that 6.4 million civilian jobs have been gained over the course of the recovery. (Source: Bureau of Labor Statistics)
- o Unemployment fell for the first time below the rate inherited by the Reagan adminstration--7.5 percent in January 1981--as 460,000 more Americans found work in June. The rate peaked during the last recession at 10.7 percent in December 1982. Since then the economy has added 6.7 million jobs.

-- "U.S. Jobless Rate Hits 4-Year Low," <u>The Washington Post</u>, July 7, 1984 (emphasis added)

7.5% as New Jobs Surge," <u>The</u> Washington Post, June 2, 1984



U.S. Department of Labor Bureau of Labor Statistics Washington, D.C. 20212



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Media contact:

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#### THE EMPLOYMENT SITUATION: JULY 1984

Unemployment rose in July, returning to the May level, while the two major employment measures showed differing movements, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The overall jobless rate, which includes the resident Armed Forces in the labor force base, was 7.4 percent, and the rate for civilian workers was 7.5 percent. Each measure rose four-tenths of a percentage point over the month, after identical declines in June.

Total civilian employment--as measured by the monthly survey of households--fell by 350,000 in July after seasonal adjustment to 105.4 million. This first decline in the series in one and a half years, followed 2 months of exceptionally large increases. In contrast, the number of employees on nonagricultural payrolls--as measured by the monthly survey of establishments--rose by 300,000 over the month, continuing the steady growth that has occurred since early 1983. Despite these differing directions in July, the household series shows employment growth of 6.4 million over the course of the recovery, compared with job gains of 5.7 million in the payroll series.

#### Unemployment (Household Survey Data)

The number of unemployed persons increased to 8.5 million from June to July after seasonal adjustment, and the civilian worker unemployment rate rose to 7.5 percent; both figures returned to the levels posted in May. Since November 1982, the number of unemployed persons has declined by 3.3 million, and the jobless rate has dropped by 3.2 percentage points. (See table A-2.)

The July increase occurred primarily among adult women, whose jobless rate returned to the level that had essentially prevailed between February and May. The rate for adult men edged up to 6.5 percent, the same as in May, but was still below the rates posted earlier this year. Unemployment increased among both white and black workers. While the rate for white teenagers changed little, the rate for black youth, which is subject to wide fluctuation, rose by 8 percentage points in July to 42.4 percent; it had declined by a similar magnitude in June. (See tables A-2 and A-3.)

Most of the July increase took place among workers who had lost their jobs. There was little or no over-the-month change in either the number of persons who were on layoff (expecting to be recalled to their job), had left their job voluntarily, or were entering or reentering the labor force. The number of short-term (less than 5 weeks) and medium-term (5 to 14 weeks) jobless workers rose in July, while the number of long-term unemployed (15 weeks and over) was about unchanged. (See tables A-7 and A-8.)

### Civilian Employment and the Labor Force (Household Survey Data)

rate was up by about half a percentage point.



the November 1982 recession trough. (See table A-2.) The civilian labor force was 113.9 million in July, unchanged from June. The proportion of the civilian working-age population in the labor force was 64.6 percent, the same as in the previous 2 months. Over the year, the labor force grew by 2.2 million, and the participation

Civilian employment fell by 355,000 over the month to 105.4 million, seasonally adjusted, after rising by 1.3 million in the prior 2 months. Civilian employment was 6.4 million above

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#### ASSERTION C

"THE BEST GROWTH OPPORTUNITY SINCE WORLD WAR II."

- o This year the Gross National Product has risen at an average rate of 8.8%. This represents the highest rate of growth since 1943.
   (Source: Bureau of Economic Analysis)
- o The first quarter GNP of <u>10.1</u>% is the highest recorded GNP since 1943. (Source: Bureau of Economic Analysis)
- o In February 1984, total industrial production rose <u>15.9</u>%. On a yearly basis since 1945, production has never risen this much. (Source: Board of Governors of the Federal Reserve System)
- o During the one year period between June 1983 and June 1984, industrial production rose by an average of <u>13.7</u>%. This was the highest annual rise since 1950, just five years after World War II. (Source: Board of Governors of the Federal Reserve System)
- o For the last 18 months, the boom in capital investment has been the strongest since World War II, which economists attribute in part to the Reagan Administration's large tax cuts for capital goods . . . ."

-- "Economic Growth at High 7.5% Rate in Second Quarter," <u>The New</u> <u>York Times</u>, July 24, 1984 (emphasis added)

o The growth of productivity in the private sector, which averaged around 3% in the two decades after World War 11, slid to an anemic rate of less than 2% from 1970-78 and was virtually flat from 1978 through 1982, the worst performance since the early days of the Depression. Now some experts predict that annual growth rates in output per work hour in the nonfarm sector could run as high as 3% a year for the rest of this decade . . . ."

-- "The Revival of Productivity," <u>Businessweek</u>, February 13, 1984

## CHANGES IN GNP, PERSONAL CONSUMPTION EXPENDITURES, AND **RELATED PRICE MEASURES**

		Gros	s national pro	duct			Personal o	onsumption c	spenditures	
Period	Current dollars	Constant (1972) dollars	Implicit price deflator	Chain price index	Fixed- weighted price index (1972 weights)	Current dollars	Constant (1972) dollars	Implicit price deflator	Chain price index	Fixed- weighted price index (1972 weights)
1972	10.1	5.7	4.2	4.1	4.0	9.6	5.8	3.7	3,6	3.7
973	11.8	5.8	5.8	6.0	6.0	10.2	4.2	5.7	6.1	6.1
974	8.1	6	8.8	9.1	9.4	9.4	7	10.1	10.4	10.4
975	8.0	-1.2	9.3	9.2	9.1	9.9	2.2	7.6	7.7	7.8
976	10.9	5.4	5.2	5.7	5.8	11.0	5.6	5.1	5.3	5.3
977	11.7	5.5	5.8	6.1	6.3	11.1	5.0	5.8	6.0	6.:
1978	12.8	5.0	7.4	7.6	7.8	11.8	4.5	7.0	7.3	7.4
1979	11.7	2.8	8.6	8.9	9.5	11.9	2.7	9.0	9,3	9
1980	8.8	3	9.2	8.9	9.8	10.7	.5	10.2	10.7	11.1
l981 <sup>r</sup>	12.4	2.5	9.6	9.5	9.7	10.9	2.0	8.7	9.2	9,-
1982 7	3.8	-2.1	6.0	6.6	6.4	7.3	1.4	5.9	6.1	5.9
1983 <sup>r</sup>	7.7	3.7	3.8	4.3	4.2	8.6	4.8	3.7	4.1	4.0
1982: 17	2	-4.6	4.6	6.0	5.6	8.6	2.9	5.5	5.7	5
11 <sup>7</sup>	4.7	8	5.6	5.3	4.7	6.3	2.2	4.0	4.2	3.
111 <sup>r</sup>	2.5	9	3.4	5.8	5.8	5.5	2.2	6.1	6.3	6.1
IV <sup>r</sup>	3.9	.5	3.4	5.0	4.6	: 3	5.1	4.0	5.0	4.5
1983: ] <sup>r</sup>	8.5	3.3	5.0	3.4	3.3	4.8	2.6	2.2	2,5	1.5
11 r	12.3	9.4	2.6	4.3	4.1	14.5			4.4	4.3
III <i>'</i>	10.1	6.8	3.1	4.4	4.7	7.6	3.8	3.7	3.7	3.9
IV ′	10.6	5.9	4.4	4.1	3.9	9.2	6.8	2.3	3.6	3
1984: 17	14.9	10.1	1.4	4.9	5.0	8.6	4.6	3.8	4.7	4.5
11 <sup>p</sup>	10.9	(7.5)	3.2			9.1			3.1	

[Percent change from previous period, quarterly data at seasonally adjusted annual rates]

NOTE - Annual changes are from previous year and quarterly changes are from previous quarter Series revised bigmning 1981.

Source: Department of Considerce, Bureau of Economic Analysis.

# NONFINANCIAL CORPORATE BUSINESS-OUTPUT, COSTS, AND PROFITS

[Quarterly data at seasonally adjusted annual rates]

-	Gross de			Curr	ent-dollar co	st and profit	per unit of a	output (dollar	s) 1	نــــــ		
-	product of n corporate (billions o	business	:	Capital consump- tion				valuation a	profits with and capital co adjustments		Output per hour	Compen- sation per hour of
Period	Current dollars	1972 dollars	Total cost and profit <sup>2</sup>	allowances with capital consump- tion adjustment	Indirect business taxes <sup>3</sup>	Compen- sation of employ- ecs	Net interest	Total	Profits tax liability	Profits after tax 4	of all employ- ees (1972 dollars)	all employ- ees (dollars)
1972	678.0	678.0	1.000	0.092	0.113	0.659	0.028	0.107	0.049	0.058		
1973	759.4	731.9	1.038	.093	.114	.692	.031	.107	.055	.053	7.849	5.429
1974	818.9	708.2	1.156	.112	.127	.786	.042	.090	.059	.030		5.937
1975	890.0	694.2	1.282	.137	.140	.837	.044	.124	.059	.065	7.774	6.507
1976	1,001.3	745.5	1.343	.141	.141	.878	.040	.144	.071	.073	77.998	77.021
1977	1,128.4	795.8	1.418	.145	.141	.928	.040	.163	.075	.088	78.141	7.555
1978	1,276.2	846.3	1.508	.155	.144	.998	044	.168	.079	.089	8.209	78.191
1979	1,416.8	876.1	1.617	.171	.149	1.094	.050	.154	.079	.075	78.194	78,961
1980 <i>p</i>	1,540.7	859.5	1.793	.198	.172	1.218	.065	.140	.078	.062	78.118	79.884
1981 <sup>r</sup>	1,739.2	883.3	1.969	.217	.201	1.307	.076	.167	.072	.095	8.271	10.811
1982 <sup>r</sup>		857.4	2.074	.245	.210	1.397	.084	.138	.052	.086	8.357	11.677
1983 <sup>,</sup>	1,917.7	896.4	2.139	.243	.219	1.409	.077	.191	.065	.126	8.634	12.166
1982: III "	1,787.8	858.5	2.083	.247	.211	1.404	.080	.141	.052	.089	8.406	11.801
IV "	1,772.4	846.5	2.094	.254	.217	1.419	.081	.123	.043	.080	8.398	11.913
1983: I <sup>r</sup> II <sup>r</sup>	1,812.3 1.887.6	855.7 886.2	2.118 2.130	.250	.218 .222	1.421 1.408	.079 .076	$.151 \\ .182$	.049 .064	.102 .118	8.464 8.617	12.027 12.131
III <sup>r</sup>		912.4	2.130	.243	.222	1.400	.078	.182	.073	.133	8,728	12.224
IV '	2,014.2	931.1	2.144	.239	.220	1.408	.077	.200	.072	.149	8.725	12.283
1984: 1 <sup>•</sup>	2,084.2	956.9	2.178	.236	.217	1.415	.078	.233	.078	.155	8.801	12.454

<sup>1</sup> Output is measured by gross domestic product of nonfinancial corporate business in 1972 dol-

With inventory valuation and capital consumption adjustments.

<sup>4</sup> Output is measured by gives women product of nonfinancial corporate business with lars. <sup>2</sup> This is equal to the deflator for gross domestic product of nonfinancial corporate business with the decimal point shifted two places to the left. <sup>3</sup> Indirect business tax and nontra liability plus business transfer payments less subsidies.

NOTE .- Series revised beginning 1981, except last two columns beginning 1976.

Sources: Department of Commerce (Bureau of Economic Analysis) and Department of Labor (Bureau of Labor Statistice)

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# TABLE B-5.—Changes in gross national product, personal consumption expenditures, and related price measures, 1929–83

		Gross	national pi	roduct		P	ersonal cor	sumption	expenditure	\$
Year or quarter	Current dollars	Con- stant (1972) dollars	Implicit price deflator	Chain price index	Fined- weight- ed price index (1972 weights)	Current dollars	Con- stant (1972) dollars	Implicit price deflator	Chain price index	Fixed- weight ed pric index (1972 weights
929 933 939	6.6 -4.2 7.0	- 2.2 7.8	18				-2.0 5.3	3.8 7		
940	10.0 25.0 26.7 21.3 9.6	7.6 16.3 15.3 15.1 7.1	99			97	4.6 5.9 1.0 2.9 2.8	1.3 7.4 10.8 9.0 5.8		
945 946 947 948 949	-1.2 11.1 11.3	-1.5 -14.7 -17 41 5	6.9	i		1251	6.2 11.1 1.6 2.1 2.3	8.3 10.7 5.8 - 3		
950 951 952 953 954	15.5 5.2 5.4	87 83 37 38 -12	21 66 14 16 12	· · · · · · · · · · · · · · · · · · ·		7.8 79 4.8	5.6 13 25 38 18	2.0 65 2.3 19		
955 956 957 958	54 53 1.3	67 21 1.8 - 4 50	3 2 3 4 1 7 2 4	· · · · · · · · · ·	l	7.6	6.5 29 2.1 1.0 5.4	1.0 1.9 3.3 2.2 1.9		
960	36 7.7	2 2 2 5 5 8 4 0 5 3	1.6 .9 1.8 1.5 1.5	1.6 1.2 1.4 1.3 1.4	1.5 11 12 11 12	4.5 3.1 5.5 6.9	26 21 45 38 55	1.9 1.0 1.5 1.6 1.4	1.7 11 1.1 1.1	1
965	8.4 9.4 5.8 9.2 8.1	500 507 458	2 2 3 2 3 0 4 4 5.1	10	17 29 30 41 50	75 81 54 95 8,4	551 53 53 3.7	1.8 2.9 2.4 4.0 4.5	. 1.5	
970	5.2 86 10.1 11.8 81	- 2 34 57 - 6	54 5.0 4.2 58 88	5.3 4.9 4.1 6.0 9 1	5.2 4 8 4 0 6.0 9.4	6.9 8.1 9.6 10.2 9.4	2.2 37 58 42 - 7	4.6 4.3 3.7 5.7 10.1	4 6 4.3 3.6 6.1 10 4	4 4 3 6
975 976	117	12 54 55 28	9.3 5 2 5 8 7 4 8 6	9.2 5.7 6.1 7.6 8.9	9.1 5.8 6.3 7.8 9.5	11.0	2 2 5.6 5 0 4 5 2 7	7.6 5.1 5.8 7 0 9 0	7.7 53 60 73 93	7 5 6 7 9
980 981 982	8.8 12 2 4 0 7 7	- 3 - 19 - 19 33	9.2 9.4 5.0 4.2	89 94 65 4.4	98 95 64 43	107 113 73 8.4	5 27 14 42	10.2 8 4 5.8 4.0	107 90 59 4.2	9
N	20.5 6.6 13 3 3 7	90 	10 6 5.9 9 4 9.0	96 76 90 82	10.2 7.9 8 9 8 4	14.7 7.5 11.4 3.9	59 5 35 -30	8.3 70 7.7 70		10 7 7 6
902 I II II IV 983	6.6	-55 10 -10 -13	43 56 37 38	5.6 5.2 5.9 5.0	5.3 4 7 5.9 4 7	7.5 7.2 7.5 7.8	2 4 3.1 .9 3.6	5.0 4.0 6.5 4.1	5.2 3.9 6.4 5.1	4 3 6 5
983- ! ! !! !!	133	2.6 9.7 7.6 4.5	5.5 3.3 3.6 3.9	3.6 4 3 4.5 4.6	3.4 4.3 4.7 4.5	5.2 15 1 6.5 9.9	2.9 10 0 2.2 6.5	2.2 4.6 4.2 3.1	2.3 - 4.7 4.2 4.5	1 4 4

[Percent change from preceding period; quarterly data at seasonally adjusted annual rates]

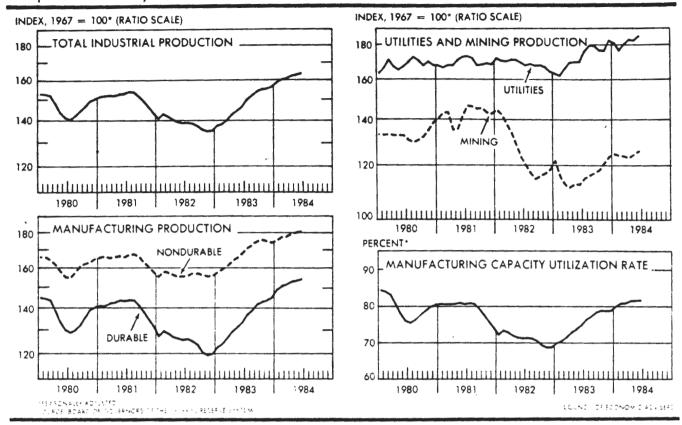
Note.—Changes are based on unrounded data and may differ slightly from changes computed from data shown elsewhere in these tables

Source: Department of Commerce, Bureau of Economic Analysis.

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# INDUSTRIAL PRODUCTION AND BUSINESS ACTIVITY

Industrial production rose 0.5 percent in June following an increase of 0.4 percent in May. The index for June was 11.7 percent above its year earlier level.



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 MUSLIN	4141.3	sparse data	addisticu

	To			Edustry prod	la tua indexes	$1967 \pm 100$		Capacity	
	s indus produ		V	fundacturing				rate, perce Reserve	
Period	index. 1967 = 100	Percent change from year earlier	Total	Durable	Nondurable	Mining	Unlines	Manutac- turing	Industrial materials
1967 proportion	100,00	,	\$7.95	51.98	35,97	6 50	5.69		
1974	129.3		129.4	125.7	134.6	115.3	143.7	83.7	874
1975	117.8	1	116.5	109.3	126.4	112.5	146.0	72.9	73 3
1976		· · ·	130.3	122.3	141.8	114.2	151.7	79.6	81.1
1977	138.2	5.9	135.4	130.0	150.5	113.2	156.5	82.2	82.6
1978		5.7	146.5	139.7	156.9	124.0	161.4	84.7	85,6
1979	152.5	4.4	153.6	146.4	164.0	125.5	166.0	\$6.0	576
1980	147.0	- 3.6	146.7	136 7	161.2	132.7	168.3	79,6	. 804
1981	151.0	2.7	159.4	140,5	164.8	$142.2^{-1}$	169.1	79.4	80
1982	138.6	-8.2	137.6	124.7	1.56.2	126.1	105.7	71.1	70.
1983		6.5	148.2	134.5	168.1	116.6	172.4	75.2	75.
1983: Jung	146.4	5.6	147.4	133.2	167.8	112.6	169.8	74.9	74.4
July		7.9	150.6	136.8	170.6	115.0 i	176.0	76.4	76.
Aug		9.7	152.8	138.8	172.9	116.1	179.3	77.3	77.4
Sept		12.0	155.1	141.6	174.6	117.1	179.3	78.4	78.6
0et		14.2	156.2	142.8	175.6	118.3	176.5	78.9	79.
Nov		15.1	156.4	143.6	174.8	121.1	176.3	78.8	79.
Der	156.2	15.5	156.8	145.0	173.9	123.7	182.5	78.9	79.0
1984: Jan	158.5	15.4	159.5	148.6	175.2	124.8	181.0	80,1	80.0
Feb	160.0	(15.9.)	161.4	150.5	177.2	124.1	176.5	80,9	81.
Mar '	160.8	14.9	162.1	151.4	177.6	123.8	180.0	81.0	82.
Apr 7	162.2	13.7 ;	163.6	152.8	179.2	123.1	182.9	81.6	82.
May '	162.8	12.7	164.2	153.3	179.9	124.6	182.5	81.7	82.
June <sup>p</sup>	163.6	11.7	164.8	154.1	180.2	$126.0^{-1}$	185.1	81.8	82.9

1 Output as percent of capacity

Source Board of Governors of the Federal Reserve System

# PRODUCTION AND BUSINESS ACTIVITY

# TABLE B-42.—Industrial roduction indexes, major industry divisions, 1929-83 [1967 = 100, minthly data seasonally adjusted]

90	Total		Manufacturing	ß	Alia	
Year or month Change from year earlier	industrial production	Total	Dura- bie	Non- durable	Min- ing	Utili- ties
1967 proportion	100.00	87.95	51.98	35.97	6.36	5.6
1929 1933 1939	21.6 13.7 21.7	22.8 14.0 21.5	22.5 9.1 17.7	23.2 19.9 26.1	43.1 30.6 42.1	7.4 6. 10.
940	25.0 31.6 36.3 44.0 47.4 40 7	25 4 32 4 37.8 47.0 50.9 42.6	23.5 31.4 39.9 54.2 59.9 45.2	27.5 33.3 34.6 37.1 38.6 38.5	46.8 49.7 51.3 52.5 56.2 55.1	11 1 13 14 16 17 17
1947 + 12, 6 1948 + 4, 3 1949 - 5, 6 1950 + 15, 7	35.0 39.4 41.1 38.8 44.9	35.3 39.4 40.9 38.7 45.0	31.6 37.7 39.3 35.7 43.5	39.7 41.3 42.7 42.0	54.2 61.3 64.4 57.1	18. 20. 22. 23.
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	48.7 50.6 54.8 51.9 58.5 61.1 61.9 57.9 64.8	48.6 50.6 55.2 58.2 60.5 61.2 57.0 64.2	48 9 51 9 58 7 59 2 61 1 61 6 53 5 61 1 61 6	46.7 48 3 49.2 51.2 51.6 57.2 60.1 61.1 61.6 67.7	63.8 70.0 69.4 71.2 69.9 82.0 82.1 75.3 78.7	27. 31. 33. 39. 43. 43. 51. 53. 59.
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	66 2 66.7 72.2 76.5 81.7 89.8 97.8 97.8 100.0 106.3 111.1	65 4 65 6 71 5 75.8 81 0 89 7 97.9 100 0 106 4 111 0	62.9 61.8 68.5 73.1 78.3 96.9 100.5 100.5 110.6	69.3 71.5 75.8 80.0 85.2 90.9 96.7 100.0 106.2 111.5	80 3 80 8 83 1 86 4 93.2 98.2 100 0 104.2 106 3	63. 67. 72. 77. 83. 88. 95. 100. 108. 117.
1965	107.8 109.6 119 7 129.8 129.3 117.8 130 5 138.2 146.1 152.5	106.4 108.2 118.9 129.6 129.4 116.3 130.3 138.4 146.8 153.6	102 3 102 4 113 7 125 7 109 5 122 3 130 5 130 7 146 4	112.3 116.6 126.5 133.8 134.6 126.4 141.8 150.5 156.9 164.0	112.2 109.8 113.1 114.7 115.3 112.8 114.2 118.2 118.2 124.0 125.5	124. 130. 139. 145. 143. 146. 151. 156. 161. 166.
986 1981 1982 1982	147.0 151.0 138.6 147.7	146.7 150.4 137.6 148.5	136 7 140 5 124 7 134 6	161.2 164.8 156.2 168.5	132.7 142.2 126.1 116.5	168. 169. 168. 172.
1982 Jar Fet	140.7 142.9 141.7 140.2 139.2 138.7	138.5 140.9 140 1 138 7 137.9 137.7	127 1 129 3 128 2 126 7 126 1 125 5	155 1 157.8 157.3 156.1 155.0 155.3	144.5 142.4 138.1 134.1 128.9 123.5	171. 170. 170. 171. 170. 169.
July	138.8 138.4 137.3 135.7 134.9 135.2	138.1 138.0 137.1 135.0 134.0 134.5	125 9 124.9 123.5 120.3 119.3 119.9	155.7 156.9 156.7 156.2 155.3 155.6	120.1 116.9 114.7 115.9 116.8 118.4	167. 168. 167. 167. 166. 164.
1983: Jan	137.4 138.1 140.0 142.6 144.4 146.4 149.7	136.7 138.2 140.4 143.1 145.1 147.4 150.6	122.5 123.9 126.3 129.1 131.0 133.2	157.4 159.0 160.7 163.3 165.4 167.8	121.9 415.6 112.6 111.6 112.8 112.8 112.6	163. 162. 165. 169. 169. 169.
Aug Aug Sept Oct Nov P Dec P	149.7 151.8 153.8 155.0 156.1 156.9	150.6 152.8 155.1 156.4 157.2 157.8	136.8 138.8 141.6 143.0 144.0 145.0	170.6 172.9 174.6 175.8 176.3 176.3	115.0 116.1 117.1 118.6 120.9 123.4	176. 179. 179. 176. 178. 183.

Source Board of Governors of the Federal Reserve System.

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