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MEMORANDUM

THE WHITE HOUSE
WASHINGTON

November 16, 1981

file
PSI

TO: MICHAEL K. DEEVER

FROM: JAMES S. ROSEBUSH *J. Rosebush*

SUBJECT: P.S.I. HIGHLIGHTS
For October 20 through November 13, 1981

1. Public Relations Society of America in conjunction with the Public Affairs Council planning a May 1982 meeting on local communities and PSI in Minneapolis.
2. Voluntary Effort to Contain Health Care Costs - Working with local business coalitions to control costs.
3. PepsiCo - One million dollar contribution to United Negro College Fund.
4. National Public Radio - Announces it will renounce federal aid and seek all support from the private sector.
5. American Express - considering expansion of its California experiment contributing 10¢ for every credit card charge and \$2.00 for every credit card application.
6. NAM - Devotes issue of Enterprise, its magazine to PSI.
7. United Way - Local campaigns continue to report 10-24% increases despite criticism that the Administration's tax plan would dampen contributions.
8. National School Volunteer Program - "the major non-profit association matching corporate and individual voluntarism to elementary and secondary educational needs", is planning their 1982 program based on our PSI objectives. Rosebush gave keynote at their annual meeting November 7, 1981.
9. Consortium for Human Service - in Philadelphia has been formed social service types and grantmakers to "achieve a more effective utilization of resources".
10. Public Affairs Council - meeting here November 17,18 is discussing with its corporate members the new role for the private sector.

11. RNC - is planning an ambitious training program for state and federal candidates right along the lines of PSI. This will be a terrific boost. It's called "Working Partners".
12. U.S. Chamber - Board of Directors voted to endorse a statement that "leadership by the private sector is essential".
13. Goodwill Industries- Admiral Cooney is citing inflation as the number one problem endorsed budget cuts and PSI.
14. Colorado Alliance of Business - Placed 11,534 young people in un-subsidized jobs last summer and is now coordinating a year award youth employment program aimed at reducing the 15% youth unemployment rate there.
15. Santa Barbara Community Schools - sponsors on November 23rd a conference on "Community solutions to Crime and Violence".
16. Columbia University - establishing a Laurance A. Wein prize to recognize exemplary corporate social responsibility.
17. Educational Broadcasting Service -committed to a 90-second daily radio feature on PSI to be aired on 2,000 stations across the country. Show to be called "The Spirit of Service".
18. IBM - Donating four memory typewriters to PSI Task Force.
19. American Camping Association -committed to expanding its job programs for youth at camp site to a year around activity.
20. Black College Self Help Plan - Tony Brown proposes use of black colleges in 19 cities for economic revitalization of self-help for blacks.

cc: Baker
Baroody
Darman
Dole
Fuller
Gergen
Meese
Pauken
Speakes
Verity

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

November 16, 1981

File P51

TO: MICHAEL K. DEEVER

FROM: JAMES S. ROSEBUSH *JSR*

SUBJECT: P.S.I. EXAMPLES

In the past two months we have received hundreds of examples of effective private sector program and public/private partnerships.

Anticipating that the Task Force may need a data base of these programs, a volunteer has started to catalogue them. Attached for your interest is a listing of subjects exhibited by the materials we received.

I thought you would be interested in purusing the list just to see the scope of the response.

cc: Dole
Fuller

Arts/ Humanities
Cities/Municipalities - General Programs
Cities/Municipalities - Development
Clippings/Articles
Conservation
Correspondance - Letters of Support
Correspondance - Offers of Help
Crime - Prevention
Crime - Rehabilitation
Crime - Youth
Education - Citizen Rights
Education - Enviornmental
Education - Financial Aid
Education - Literacy
Education - Public Schools
Education - Technical/Job Training
Elderly - Crime
Elderly - General
Elderly - Health Care
Elderly - Retirement Programs
Employment - Black Americans
Employment - General
Employment - Government Role
Employment - Public Employees in the Private Sector
Energy
Food/Surplus Goods
Handicapped - Job Training/Employment

Health Care - Counseling

Health Care - General

Health Care - Youth

Housing - Preservation

Housing - Redevelopment

Organizations - Citizen/Government

Organizations - Foundations

Organizations - Religious

Organizations - Research

Organizations - Volunteer/Non-Profit

Private Sector Initiatives - Forms

Private Sector Initiatives- Participation/Responsibilities

Private Sector Initiatives - Programs/General

Private Sector Initiatives - Revenue Gap

Refugees

Transportation

Volunteerism - European Examples

Volunteerism - Individual Efforts

Women - General

Women - Health

Women - Job Training

Youth - Crime

Youth - Education

Youth - Health

Youth - Job Training

THE WHITE HOUSE
WASHINGTON

file
PS1

October 26, 1981

MEMORANDUM FOR MICHAEL K. DEEVER

FROM: JAMES S. ROSEBUSH 

SUBJECT: Private Sector Initiatives Highlights for
the Week of October 19, 1981

ARCO -- Creating programs to promote voluntarism and fund
market related projects.

Standard Oil of Ohio -- Increasing contributions budget 50%
from \$10 million to \$15 million.

National Association of Counties -- Forging alliance between
business and counties.

Advertising Service Committee -- Adopted by full resolution
of board a year long and campaign on voluntarism.

HUD -- Steve Savas developing specific private sector options
for HUD. Private management of debt collection; private
management of public housing projects.

Gannett Foundation -- Increasing their previously announced
\$400,000 grant program to \$1,000,000 for special community
needs.

Edie Fraser Associates -- Producing weekly list of corporate
examples to use as models.

National Urban League -- Creating new programs to fulfill corpo-
initiatives in training.

Gallup Poll -- Shows 52% of all Americans are volunteering.

Mott Foundation -- Organizing Michigan Equity Investment Fund
to aid small business suffering from Michigan's economic woes.

United Way -- Predicts 12 city campaigns will come in at least
10% over their goal.

page two
Michael K. Deaver
October 26, 1981

National Society of Professional Engineers -- Establishing new
level of volunteer promotion among engineers.

State of Arkansas -- Energetic voluntarism effort. (see attached)

cc: Baker
Baroody
Darman
Dole
Fuller
Gergen
Meese
Pauken
Speakes
Verity

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

October 23, 1981

TO: MICHAEL K. DEEVER

FROM: JAMES S. ROSEBUSH *J. Rosebush*

SUBJECT: PRODUCTIVITY *file*

On October 15, the President received a letter signed by a number of Congressional leaders endorsing the proposal of the National Association of Broadcasters to establish a nation-wide productivity campaign. You will remember the NAB scheme is a spin-off from the earlier Ad Council - NAB Coalition.

Our appropriate response should be that we are taking this under advisement. My response to NAB leadership when they presented this ambitious and rather unrealistic scheme, was that if they could secure the endorsement of the major business and labor organizations we would take a serious look at their request for endorsement. So far I have no evidence of this endorsement.

United States Senate

WASHINGTON, D.C. 20510

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MEMO OFFICE
300 BROAD STREET
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October 15, 1981

Dear Mr. President:

No doubt you have been apprised of the National Association of Broadcaster's proposed campaign to increase the nation's productivity. This plan has our enthusiastic endorsement as "The Right Action at the Right Time"...we feel that it is not only eminently practical but it could be the first of many such enormously valuable efforts by the private sector.

We agree with the NAB that there is a need for immediate action in this area and we hope to see the plan start on schedule (December 25) so as to best utilize the immense resources of the broadcasting industry.

We trust you will give the NAB's proposal every consideration. Apart from the plan's own goals of raising productivity, it could be the model we need to show how volunteerism can be made to work. Indeed, the program is philosophically in tune with the Administration.

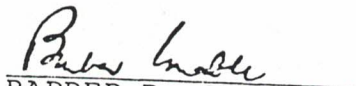
We look forward to working with the White House on the implementation of this program if it is found acceptable.

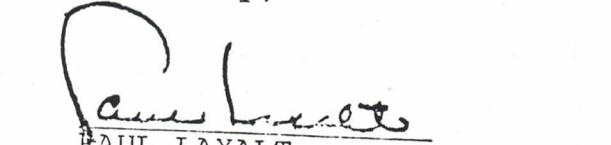
Sincerely,

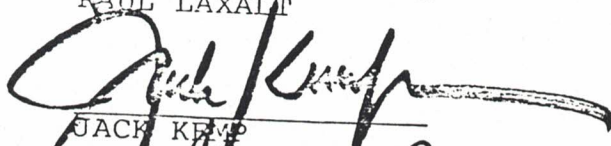

ORRIN G. HATCH

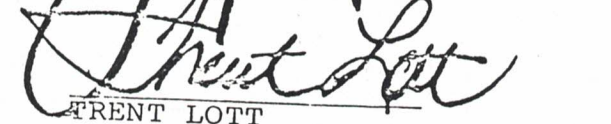

PETE V. DOMENICI


ROBERT H. MICHEL


BARBER B. CONABLE


PAUL LAXALT


JACK KEMP


TRENT LOTT

The Honorable Ronald Reagan
President of the United States
The White House
Washington, D.C. 20500

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

October 22, 1981

*file
PS*

TO: MICHAEL K. DEEVER

FROM: JAMES S. ROSEBUSH *J. Rosebush*

SUBJECT: Summary of Private Sector Initiatives

Attached is an excellent synopsis of how private sector corporate-related organizations are responding to the Administration's call for more initiative. It was prepared by Edie Fraser for her corporate clients. She will be providing them with weekly reports on models that work and can be implemented.

Attachment

cc: Fuller
Darman
Dole
Pauken
Baroody
Verity

EXECUTIVE SUMMARY

PRIVATE SECTOR INITIATIVE: BUSINESS RESPONSE TO THE CALL FOR ACTION

Introduction

Public attention is now shifting from the Reagan budget cuts to "the gap" they are creating. The key question is "Who is going to fill it -- and how?" Both the Administration and the public have high expectations for the private sector. Now is the time to move from rhetoric to action.

The White House Call to Action

Administration spokespersons have been informally encouraging private sector initiatives for some time, but now President Reagan has formed a new Task Force on Private Sector Initiatives. Bill Verity, chairman of Armco and former head of the U.S. Chamber, has been picked to head it. Thirty-five members are now being selected. Jim Rosebush is key Administration liaison.

Business Related Groups Stepping Up Activity

AEI: Baroody study to look at big picture at President's request.

Business Roundtable: New position statement on Corporate Responsibility.

Conference Board: Good resources; little program specifics.

NAM: Trowbridge pushes board resolution.

U.S. Chamber: Citizen review process at local levels.

Clearinghouse on Social Responsibility: Reaching outside of own industry.

Aspen Institute: Looking at the future of private philanthropy.

CED: Studying private/public partnerships.

Public Affairs Council: Predicts more community action.

United Way: Campaigns urging public do do more.

Independent Sector: Submitted plan to Administration.

National Executive Service Corps: Mobilizing retired executives.

Conclusion

These efforts represent the tip of the iceberg. Dozens of other groups are recognizing the importance of joining together to address our country's pressing problems and are developing their own strategies for social change.

PRIVATE SECTOR INITIATIVE:
BUSINESS' RESPONSE TO THE CALL FOR ACTION

With Reaganomics in full swing, attention is shifting away from budget cuts themselves towards "The Gap" they are creating. As one business leader describes it, "The gap is the difference between the amount of funds expended on social welfare, cultural programs and education this year and the amount budgeted under the new federal budget and tax reduction program." Though the nature of "the gap" is clear, the question remaining is who's going to fill it--and how?

Both the public and the Administration have high expectations for the private sector. Business leaders believe it would be impossible to raise even \$1 billion more than has been given in the past two years. In 1980, from corporations and company foundations contributed approximately \$2.5 billion. The gap created by federal budget cuts is approximately \$30 billion. Clearly, there is no way that business can "fill that gap." Nor should it. Yet opinion leaders agree that if business isn't responsive, we may revert back to the social explosion of the late 1960's. As Bill Norris, chairman of Control Data sees it, "If business doesn't step in, the aftermath of the Reagan Administration could see a rash of social legislation that would match the New Deal."

Beleaguered corporate contributions committees are now swamped with funding proposals from charities, private voluntary organizations and groups. As a result, they are all looking to their managements for direction. The Conference Board reports that attendance at its annual conference on private voluntarism was way up from the past year. Corporations are seeking answers; they are seeking direction.

Faced with a negative economy, it is tough for many corporations to be responsive--particularly in terms of financial contributions. But the thrust of the private sector initiatives now being developed goes beyond contributions. The general response from the corporate community is that philanthropy in the traditional sense is not the only answer. Today "private sector initiatives" means "getting involved," urging employees to get active at the community level.

Because we're not going to have a great deal of money around, we need other alternatives. The White House has awakened to the fact that time is short and the Administration must assist. The clock is ticking. Unfortunately, we have been hearing too much rhetoric; businesses have spent too much time talking to one another. It is time to move from rhetoric to action. The budget cuts are beginning to take effect. There will definitely be fall out from the budget reductions in the social areas. The business community must have a response.

Fraser/Associates has been keenly aware of the increasing challenges to the private sector. This background paper was prepared to summarize the business community's response to date and to give individual companies and associations some direction for their own initiatives. We firmly believe that the business community cannot afford to pass up this opportunity. Several corporations are already giving more money, becoming more active in the community, and building substantial new programs. Other companies are doing nothing. What is needed is an overall concerted effort. We hope the resources outlined in this report will prove useful in putting together your own strategic plan for private sector initiatives.

THE WHITE HOUSE CALL TO ACTION

The President addressed the National Alliance of Business on October 5, outlining his new plan for fostering private sector initiatives and voluntarism. He announced the creation of a Presidential Task Force on Private Sector Initiatives, comprised of 35 leaders from corporations, foundations, and voluntary and religious organizations. Its purpose: "to promote private sector leadership and responsibility and to recommend ways of building better private/public partnerships." Bill Verity, chairman of ARMCO Steel and immediate past president of the U.S. Chamber of Commerce will chair the task force. Reagan asked his Cabinet to develop some seed money programs that offer incentives for private sector investment.

The key word in the Reagan speech was "voluntarism." Many corporate leaders, however, feel the word has little meaning when not associated with substance and permanent programs. Reagan sees it quite simply: "I am calling upon you today to help in the cause to enlarge the social responsibility of our citizens. The spirit that built this country still dwells in our people. They want to help -- we only need to ask them."

The White House involvement has been intensifying over the past several months. Initially Elizabeth Dole, Assistant to the President for Public Liaison, was in charge. She worked with her deputies, Red Cavaney, Jack Burgess and others. The issue was deemed so political that it was moved to a higher level at the White House. Jim Rosebush, who reports to Presidential assistant Mike Deaver is now the key staff person on private sector initiatives. Rosebush is a former Commerce Department business liaison and corporate contributions Director for Standard Oil of Ohio.

In an earlier Administration action, the President named Bill Baroody, the president of the American Enterprise Institute, to chair a special one-year project assessing the potential of private/public partnerships potential. In a letter to Baroody on June 19, 1981, the President said: "I know you share my conviction that we need to restore the proper balance between the public and private sectors. Private sector initiatives often can be more effective and humane than government programs because they arise from the people themselves and thus more fully address their needs and express their traditional values."

Baroody will continue serving as a personal advisor to Deaver while he completes the research project. The AEI's effort is a privately funded project being done at the President's request.

While there has been some activity on the national level, the key problem is there has been no central strategy. Verity may change that, and the selection of task force members is now underway. Business leaders agree that the active involvement of the Administration is key to making things happen, however, and are asking for greater support -- and recognition. In the meantime, they are gearing up on several fronts. The activities of many of the leading organizations are outlined in subsequent sections.

BUSINESS-RELATED GROUPS STEPPING-UP ACTIVITY

The American Enterprise Institute

The American Enterprise Institute project is being directed by Dr. Jack Meyer. The purpose of the study as defined with the White House "is to determine how the traditional institutions in the private sector -- neighborhood groups, churches, voluntary and ethnic organizations, corporations and labor unions -- can help individuals in need, particularly at a time of cutback in government services." Basically AEI plans to:

- Determine who is affected by the cutbacks;
- Identify specific needs that need to be filled;
- Determine how those needs can be met by the private sector institutions and what are the sources of help;
- Develop the best communications strategy for White House and federal government; and
- Identify where government creates barriers or interference with private sector initiatives.

Its objectives are ambitious. For example, AEI hopes "To develop a complete strategy for addressing the social area of American life, one that weaves together a refashioned government strategy with renewed private sector initiatives." Where is this project headed? The emphasis now is on issue areas such as economic development and jobs. Papers will be developed as each phase of the project moves forward.

The Business Roundtable

A rather vague but important policy statement was released in March by the Business Roundtable. It was the organization's Position on Corporate Philanthropy. The Roundtable "believes that corporate philanthropy, primarily through contributions, is an integral part of the corporate societal responsibility." The statement emphasizes that business can do much in terms of direct monies and in-kind support, such as loaning executives, getting employees involved in community activities, loaning equipment and space, emphasizing volunteer programs, providing direct dollar investments and economic redevelopment efforts. It adds that each company has to manage its own philanthropies with its own standards and therefore, "the philanthropic programs of businesses will differ depending, for example, on the needs of the communities in which they operate."

Deviating from the standard corporate practice of helping others "behind the scenes," the Roundtable recommended that all companies make public, in any manner they deem appropriate, information on their corporate philanthropic programs.

The Roundtable position paper was developed by a task force directed by Thomas Murphy, the immediate past chairman of the Roundtable.

As a follow-up to its initial statement, the Roundtable recently issued a second statement focusing on the broader aspects of Corporate Responsibility. In the statement's introduction, the need for such a statement is outlined: "If public expectations and perceived corporate performance are at odds, corporations will be attacked more and more on social and political as well as economic grounds. The result would be adverse public opinion leading to further government involvement in their operations."

The statement suggests that directors, officers, and managers of corporations consider:

- Which issues of responsibility have particular relevance to their business.
- Whether the company has effective policies, the right personnel, and adequate structure to deal with both the economic and social expectations of constituencies and the general public.
- What changes, if any, should be made in company structure, staffing policies, operations, attitudes, and behavior in order to deal effectively with public policy and social issues.
- What steps can be taken to assure that responsibilities to all corporate constituents are given adequate consideration in the selection, assignment, evaluation, and compensation of employees.
- How the company can inform, sensitize, and train present and future management to deal with these matters.
- What can be done to assure that the company's larger role in society is understood by management, employees and other constituencies.
- What are the most effective ways for the company to communicate its concern for all its responsibilities to the general public.

In the context of the current environment, the Roundtable concludes "While it would be neither sensible nor possible to direct the full thrust of the corporate community's efforts to curing all the nation's social ills, it is important that each corporation give attention to all the consequences of its activities."

A full copy of the statement is attached to this report.

The Conference Board

Probably the business organization most involved through the years in studying business philanthropy has been the Conference Board. The Conference Board has 4,000 members and a staff of 270 compared to the Roundtable membership of just under 200 CEOs with a much smaller staff. The key professional involved with private sector initiatives has been Walter A. Hamilton, Vice President, Public Affairs Research. He has guided the development of a superb annual report on corporate philanthropy and annual meetings for corporate contribution officers.

In the current environment, the Conference Board is not emphasizing philanthropy, but taking a greater look in-kind contributions. Hamilton notes that David Rockefeller tried repeatedly over the last year to organize a new business organization which would encourage corporations to give more money to the arts. His efforts proved fruitless and Rockefeller withdrew from the mission. This confirms the belief of other organizations which feel corporations are unlikely to substantially beef up financial contributions in a tight economy.

Hamilton states it well when he says "it will be corporate performance not rhetoric which will determine the outcome." Yet the Conference Board itself has been sponsoring meetings across the country for corporate leaders to compare notes with each other rather than developing specific action plans. Its Public Affairs Research Council, made up of very senior public affairs officers has been tackling the private sector initiative issue extensively. Other groups of public affairs officers have had sessions under the auspices of the Conference Board in the past several weeks in various cities across the country.

As we see it, the primary role of the Conference Board in developing a strategic plan for corporate action is to serve as a data and information resource. The business community can learn from its past experiences, well documented in Conference Board studies, how to shape an effective plan of action for the future.

Two studies of particular interest are: Annual Survey of Corporate Contributions, 1981 Edition, and Organizing Managing a Contributions Program: "A How-To Guide."

National Association of Manufacturers

The president of NAM, former Commerce Secretary, Alexander Trowbridge, has a long, dedicated record of service in this area. In a recent speech at the National Press Club, Trowbridge articulated the NAM position: "American industry is ready to take up its share of the responsibility for providing job training, economic development and social services as the Reagan Administration's budget cutbacks take effect."

Trowbridge stated that the association's member firms are "enthusiastic about what we can accomplish within the bounds of reasonable expectation." "Reasonable expectation" was the key phrase as Trowbridge emphasized the limits of business' responsibility. As he put it: "Business can't take up all the slack by any means -- not when its primary task is to revitalize productive capacity, pursue balance growth and create new jobs. . . . We obviously have some distance to go in solving America's economic problems, but the NAM board and I feel pretty positive about the future. We not only believe that the President's programs will work, but we're ready to take up our share of responsibility for providing needed services in communities across the country."

NAM's board of directors recently approved a resolution that Trowbridge sponsored, calling on the NAM members to increase their contributions to charitable organizations and other non-profit groups.

U.S. Chamber of Commerce

The U.S. Chamber of Commerce is leading the pack in encouraging private sector initiatives at the local level. Don Kroes, general manager of the Chamber's field operations, is heading up the Chamber's effort.

The Chamber believes that problems must be identified at the local level and resolved at the local level. The Chamber's system for local level response is called the Citizen Review Process. The process was developed in part by former Chamber head Bill Verity, who is now heading the Administration's Task Force on Private Sector Initiatives.

The process was first employed on a pilot basis in Middletown, Ohio. The Middletown experience is described in a how-to booklet called "We Can Do It Together " now available from the Chamber.

According to Kroes, the Citizen Review Process is designed to insure that "the business community is dealing with real needs -- not perceived needs." He stresses that it is not business' role to "fill the gap."

"You cannot equate a federal budgetary cut with a gap that needs filling. Certain programs must be pared down, and they must be examined at the community level by those individuals affected," Kroes says.

The Citizen Review Process involves six basic steps:

- Identify how much federal aid is currently coming into the community;
- Identify federal cuts affecting the community;
- Identify those affected by specific cuts;
- Determine with aid of those affected, what real needs remain;
- Determine resources locally available; and
- Go for the necessary dollars.

Already over 40 local Chambers are helping to put together local citizen review task forces.

With over 150,000 members, the Chamber has phenomenal impact potential. By joining with local Chambers, business, government and public interest group leaders, it will establish a support network for private sector initiatives that relies on community planning and implementation.

The Clearinghouse on Social Responsibility

Probably the leading industry supporting private sector initiatives is the insurance industry. Years ago, this industry set up its own Clearinghouse on Social Responsibility. The Clearinghouse holds regular sessions during the year. In fact, it just completed a conference for 115 CEO's on the challenge of private sector initiatives. Among those attending was Jim Rosebush, special assistant to President Reagan for private sector initiatives. The Clearinghouse will soon be releasing a new statement on corporate responsibility and the private sector initiatives.

The director of the Clearinghouse, Stanley Karson, believes that insurance companies will definitely be increasing their philanthropic support. Unlike most business organizations, the Clearinghouse is placing emphasis on more money. Karson contends that "private industry knows they are going to have to give more, and give it selectively and carefully. But they don't want to raise expectations that private industry can fill the gap because it can only stem the tide." According to Karson, such contributions are in business' own self interest.

Karson emphasizes the urgency of the situation. As he puts it: "The business community's response must be positive and it must be prompt." The Clearinghouse is taking a new direction by helping to motivate corporations outside its own industry to respond to the call for action.

The Aspen Institute For Humanistic Studies

The Aspen Institute, an innovative think tank founded in Colorado, has received a grant from the MacArthur Foundation to deal with private sector initiatives. "We're going to take a close look at the future of private philanthropy," says Bobbie Kilberg, project director, "in terms of the private sector, the corporate giving sector, and the support given through foundations."

The Institute has focused not only on the private sector but also on national and community-based foundations. The project involves several different sessions and studies. A Seminar on the Future of Private Foundations was held in Aspen in August. It followed an initial seminar on The Evolving Roles of Community Foundations, held in June of this year.

Aspen's efforts confirm that local emphasis works best. This theme is being echoed by many other groups. Focusing on communities, Kilberg has a three-part message:

- Recognize the massive change in funding programs for the community;
- Realize the political climate change; and
- Appreciate that there has been a public attitude change.

"The last seminar we held concerning community foundations proved to answer two questions; what projects were working and what projects were not working," Kilberg says. "We're finding that the community-based foundations are becoming more and more important, corporations will become increasingly dependent upon them. We need a network between the corporations and communities."

The Committee For Economic Development

Long recognized as a leading educational organization promoting business-academic partnerships, the Committee for Economic Development (CED) is comprised of approximately 200 Trustees who represent major corporations, universities and social institutions.

The CED has been working long and hard on a major study to examine corporate solutions to social and economic problems in major cities and gather successful examples of private/public partnerships. The project director is Scott Fosler. Its study, which is expected to receive approval from the Trustees by December is the result of two years of extensive research based on two primary assumptions:

- revenue is constrained within cities; and
- the federal role is limited.

The CED's study addresses important questions. For instance, why are some cities doing better than others in future planning? Why is there greater willingness to engage in mutual problem solving in certain cities? Why are some cities responsive, others are not? What creates the mindset for an urban community to employ successful programs for a progressive future? Cities examined in the report include: Minneapolis, Pittsburgh, Baltimore, Chicago, Dallas, Atlanta, and Portland.

CED has looked at projects and organizations in the urban communities, how resources are applied beneficially, and the active versus passive role as a factor in city planning. The goal of the CED study is to look at case studies, draw an effective and accurate analysis from the research, and then issue a policy statement on behalf of CED's position and findings.

The Public Affairs Council

The organization most committed to providing education and counseling to companies in dealing with public issues is the Public Affairs Council. The Council is a non-profit, non-partisan organization of some top 400 corporate public affairs executives which "encourages its members to be active and informed participants in public affairs and to provide thoughtful leadership as corporate citizens." Dick Armstrong, president of the Public Affairs Council and Ray Hoewing, vice president, are among those who have been in the forefront on public policy issues such as the future of private sector initiative and private/public partnerships.

"We at the Public Affairs Council anticipate that the members will be more involved now than in the recent past in community affairs," says Hoewing. "If corporate involvement is to be truly effective, it must be achieved through a community-by-community approach."

"There are many organizations already involved in helping companies administer their philanthropic programs. Because companies implement their programs through their public affairs departments, we expect to be called for advice in developing strategies and programs."

According to Hoewing, the PAC is moving ahead on several fronts:

- The Public Affairs Council already has a clearinghouse for policy issues. It is expected that the key issues associated with private sector initiatives will be part of this clearinghouse. These include voluntarism, educational projects and initiatives, loaned executives, etc.

- Many organizations are looking at the future of private philanthropy. Hoewing says that he expects member companies to seek counsel from PAC concerning how to get "more bang for the buck." A conference on the future of private sector philanthropy is a possible PAC project.

- The Public Affairs Council anticipates the need for some conferences for corporate executives who have the front-line responsibilities. Watch for conferences and seminars in 1982 and 1983.

- The Public Affairs Council has for many years been involved in anticipating issues on the state and local levels. With the community emphasis of the new private sector initiatives, the PAC's state and local expertise will no doubt be called into play.

Hoewing anticipates a new focus on urban affairs as we see problems arise, needs identified and programs resulting at the community level.

United Way

On September 17 in a nationally televised message, President Reagan officially kicked off the 1981 United Way Campaigns. United Way is the nation's largest voluntary federation, representing more than 37,000 voluntary agencies and programs.

In kicking off the campaign, Reagan made a special appeal for private sector initiative: "Tonight I ask all individuals of every income level and I ask all corporations of every size to give more generously than ever before to this fall's United Way Campaigns in your community," he said. "We're shifting responsibility away from the federal government, but to do so requires people's needs to be met at the local level. We need new, imaginative partnerships between state and local government and voluntary organizations if people's needs are to be met."

In a speech to the National Press Club, United Way chairman Donald Seibert echoed the President's statements. "Tighter budgets and increased social welfare decisionmaking by states and communities are long term realities. Our job is to accept these realities and work within them. We must work to help meet human needs in the most equitable, efficient way possible. We must work toward cooperation."

Seibert outlined three steps that must be achieved in order for private sector initiatives to be effective. They were:

- Cooperation among voluntary groups and governmental officials at state and local levels;
- Taking a hard look at our institutions and programs both public and voluntary to see how well we are using limited resources; and
- Raising more money.

Seibert closed by echoing the President's call for private sector action. "Today is the beginning of a new opportunity. That opportunity is for the private sector -- United Ways, voluntary agencies, foundations, corporations and you and I as individuals -- to do more than we have ever done before. . . . We can do more . . . we should do more . . . we will do more. The national interest requires our combined efforts to do more . . . as never before."

Corporations have traditionally been supportive of United Way Campaigns and active in United Way programs in their communities. The relationships which have been built up over the past years are likely to prove fruitful in expanding such cooperative programs. In fact, a number of corporations have already increased their commitments to United Way as the foundation for their new programs.

Independent Sector

The Independent Sector, an umbrella organizations promoting private sector philanthropy in areas such as education, science, health, welfare, cultural and religious life, is playing an important role in fostering effective private/public partnerships. Its membership includes any copanies, trade and professional organizations as well as non-profit groups.

In September, John Gardner, chairman of the Independent Sector, developed a strategy for revitalizing the non-profit side of the private sector. In a written proposal to Vice President Bush, Gardner urged Administration support. Stressing that much of our society is shaped by activities nurtured through voluntary initiatives, Gardner said the Independent Sector "is weakening and may not continue to represent so rich a source of personal and community development." As he sees it, "relative declines in giving and long term trends toward domination by government make it difficult for the sector to respond to the increased expectations of it."

Gardner outlined a series of actions the Administration could take to substantially strengthen the non-profit side of the private sector. In general, they were:

- Encouragement of giving by individuals;
- Encouragement of public responsibility by corporations;
- Strengthening the funding capacity of foundations;
- Encouragement of volunteering; and
- Encouragement of voluntary organizations.

Gardner listed several ideas concerning how the Administration could encourage public responsibility by corporations. He feels, "corporate leaders are wary of any expectation that they should fill the gap of government cutbacks. They know that no matter how well they do, their funds are inadequate. On the other hand, corporations can do more and are willing to do more, but are only likely to respond to a partnership effort with the Administration." Specifically, Gardner suggested that Bush:

- Use the White House as a platform to encourage and applaud the leading businesses and business executives responsible for the recent dramatic growth.
- Work with the major umbrella groups in the business community listing their participation and the growth of corporate public responsibility.
- Speak to the major meetings of the same organizations, using the opportunity to applaud the leaders within the groups who have excelled in the effort and to increase public responsibility including contribution.
- Encourage a broader concept of corporate public responsibility, including far more than contributions -- volunteer time, loaned executives, in-kind assistance, program related investments, purchasing from minority firms and many other ways in which a corporation pursues its public responsibility.

The Independent Sector's plan, as outlined to the Vice President, contains a wealth of ideas for fostering private sector initiatives. The Independent Sector is sponsoring a national conference this fall entitled "Working Together: Creative Responses to Difficult Times." Topics to be addressed include: philanthropic and voluntary organizations, an update on budget cuts, status of block grants and prospects for funding. There will also be sessions on strengthening private/public cooperation and a status report on the Independent Sector's efforts to promote private sector initiatives.

National Executive Service Corps (NESC)

NESC is a non-profit organization offering management assistance to non-profit organizations across this country. The National Executive Service Corps represents a powerhouse of retired executives delivering technical assistance and management help -- directly to those non-profit organizations that need help most. The NESC is rather new; it was founded in June, 1977. It was patterned after the International Executive Service Corps (IESC).

Frank Pace, Jr., former CEO of General Dynamics, serves as the president of the group. Other committed individuals include: Jim Linen, vice chairman, who's a retired president and director of Time, Inc.; and Curtiss E. Frank, retired president, Dunn and Bradstreet, Inc.

John W. Macy, Jr., former chairman, Civil Service Commission and former chairman, Council of Better Business Bureaus serves as vice president for the NESC Management Assistance System. Macy asserts, "We just can't buy all this talent. We move these CEOs and other executives into supporting these local programs. They have substance." Macy continues, "It's going to take time. There will be a gap, and money is not the only answer. But we find with this program that we can play a major role, especially with linkage to the United Way Program."

Macy believes that the National Executive Service Corps is certainly one of the answers to the Reagan challenge. Its projects in certain areas include the arts; education; health; religion; and social services.

Certain corporations are following NESC's lead. Union Carbide, for example, has already established its own non-profit consulting organization, the Carbide Retiree Service Corps.

NESC sees a natural linkage between itself and the Independent Sector. One of the sector's objectives is to improve the management of nonprofit organizations. This is precisely the goal of the National Executive Service Corps. As Macy says, "We can't afford waste. We need control on some of our programs; we need to make more careful judgment on what works at the local level."

In certain cities, such as Cleveland, Los Angeles, Denver, San Francisco, Chicago, Dallas, and Indianapolis, local Executive Corps are proving successful. Macy wants to take this program to other cities, one-by-one.

Who takes the leadership for the National Executive Service Corps in local communities? According to Macy, it depends on who has influence in the community and can articulate idea. The national office in New York spins off the creative ideas but is the drive, spirit and commitment that is responsive at the local level.

CONCLUSION

Whether motivated by the opportunity to demonstrate creativity and effectiveness of the private sector or the fear of a public backlash, the business community is reaffirming its commitment to society in a range of public forums. The actions of leading business organizations indicate that corporations, associations and small businesses are now gearing up to demonstrate that commitment through dynamic action programs.

While the programs now underway are widely different, there are some general themes on which most groups agree. They are:

- The private sector cannot "fill the gap" created by government budget cuts -- nor should it."
- The primary private sector initiatives will be designed and implemented at the local level with national direction in the broadest sense;
- Talent, ideas, manpower, and other private sector resources will be applied to community problems -- not just money; and
- Private sector initiatives must be results-oriented in order to demonstrate the true extent of business' role in bringing about social change.

The organizations mentioned in this report are by no means the only ones involved in this effort. Other leading groups promoting private sector initiative include ACTION, The Urban Institute, Local Initiatives Support Corporation, the Council of Better Business Bureaus, Volunteer, the nation's Community Foundations, and a wealth of others.

There is a clear recognition that no sector of the public will be able to accomplish its goals in the current environment without the support of colleagues in government, non-profit groups, businesses, educational institutions and others involved in insuring a good quality of life for Americans.

THE WHITE HOUSE

WASHINGTON

October 21, 1981

JLR

Dear Mr. Nestande:

Thank you for your letters to Edwin Meese and Michael Deaver, describing private/public efforts in Orange County to integrate immigrants, refugees and other minority residents into the mainstream of community life.

You and your associates are to be commended for your commitment, energy and initiative in addressing community problems beyond the resources of government assistance programs. You represent precisely the spirit President Reagan is attempting to rekindle.

Once again, thank you for bringing the program to our attention. With your fine example, the Task Force on Private Sector Initiatives may call upon you in the future for assistance.

Sincerely,



James S. Rosebush
Special Assistant
to the President

Mr. Bruce Nestande
Vice-Chairman of the
Board of Supervisors
Orange County Hall of
Administration
10 Civic Center Plaza
Santa Ana, CA 92701

10/13

THE WHITE HOUSE
WASHINGTON

TO

Jim Carvelush

FROM:

MICHAEL K. DEAVER
Assistant to the President
Deputy Chief of Staff

Information

Action



SUPERVISOR, THIRD DISTRICT
BRUCE NESTANDE
VICE-CHAIRMAN OF THE BOARD OF SUPERVISORS
ORANGE COUNTY HALL OF ADMINISTRATION
10 CIVIC CENTER PLAZA, SANTA ANA, CALIFORNIA 92701
PHONE: 834-3330 (AREA CODE 714)

Jimi Rosebush
Please respond
+ cc MKD

October 9, 1981

Honorable Edwin Meese, III
Counsellor to the President
The White House
Washington, D.C. 20550

Honorable Michael K. Deaver
Deputy Chief of Staff and
Assistant to the President
The White House
Washington, D.C. 20550

Dear Ed and Mike:

I am addressing this letter to both of you as it pertains to a subject with which both of you are concerned -- the Administration's focus on foreign refugees and your increasing emphasis on the role of the private sector in resolving problems of a significant nature in a given community.

I believe we have a program here in Orange County which could well serve as a model for the Reagan Administration to highlight with other communities throughout the United States which are impacted by large numbers of foreign refugees coming into the community.

Very briefly stated, as you know, we have 32,000 - 37,000 documented Chinese refugees here in Orange County at the present time. In reality, that figure is probably in excess of 50,000. As a direct result of the leadership of one of the community's preeminent private sector leaders, the Fluor Corporation, a special project was developed which now operates under the auspices of the United Way of Orange County. This project is called the "Immigrant and Refugee Planning Center." Its purpose, as part of the overall private sector involvement, is to enlist both the financial and manpower commitments of the private sector in meaningful "mainstreaming" programs that will lead to the assimilation of these refugees into the community. The total private sector program is designed to provide meaningful cultural assimilation, language training, and job training programs designed to get these people off the various government assistance programs which they have been introduced to (and on which so many of them have become dependent), and into productive jobs. A second "parallel" track is being designed by the group to accomplish the same results for the large number of Hispanics in our county.

The "cornerstone" of the program is the "data base" that has been established through a most unique, extremely complex, and far-reaching survey conducted among Orange County employers, the Hispanic community, other

Honorable Edwin Meese, III
The White House

October 9, 1981

Honorable Michael K. Deaver
The White House

Page 2

members of "host" communities, and among the refugees themselves. Incredibly, no such data base existed before this project was undertaken. This means that literally millions of taxpayer's dollars have been thrown at attempts to deal with hundreds of thousands of Indo-Chinese being brought into this country without having an adequate data base (inventory of job skills, educational levels, employment needs, language skills, attitudes and needs of employers, etc., etc., etc.) upon which to build a logical and meaningful program.

The survey that produced the data base, now available in Orange County, was designed and conducted by Dick Wirthlin's firm DMI (Decision Making Information). Dr. Gary Lawrence, Dick Wirthlin's right-hand man in Orange County, was responsible for developing and conducting the survey and is now working with the Immigrant and Refugee Planning Center staff in interpreting the data so that it can be used in developing the "mainstreaming" programs. The private sector, in conjunction with the Immigrant and Refugee Planning Center, will be playing the major role in financing and implementing these programs, all of which are designed to get these people mainstreamed and into meaningful employment. County government -- particularly the Orange County Board of Supervisors -- will be working closely with the private sector to eliminate governmental roadblocks and in other ways assist in the effort.

I am appalled when I think of the confusion, duplicated efforts, and often counter-productive actions which various government agencies have employed in dealing with the refugee problem. I am also shocked at the tremendous costs borne by the American taxpayers for these efforts which do not even have a valid data base upon which to operate. We sincerely feel that with the leadership shown by the private sector here, we have a most unique project underway in Orange County; a project which truly can be a model for other areas of this country impacted by immigrants, refugees, and other minority residents. You may want to discuss this with Dick Wirthlin the next time he is in the White House, and, of course, I will be happy to give you additional details.

I did want to call this to your attention, given the increased focus on private sector involvement -- particularly in problem solving where the problems involved were created, or at least compounded, by government.

I sincerely hope you will give this example of private sector leadership and commitment your careful attention and that I may have the opportunity to discuss it with you in greater detail at your earliest convenience.

Sincerely,



BRUCE NESTANDE

BN:sn

THE WHITE HOUSE

WASHINGTON

October 14, 1981

MEMORANDUM FOR MICHAEL K. DEEVER

FROM: JAMES S. ROSEBUSH *JSR*

SUBJECT: Private Sector Highlights for the week of
October 5, 1981

Committee on Economic Development (CED)-- Comprehensive study on private sector alternatives and public/private partnerships completed. Will be valuable to PSI Task Force. CED will provide gratis research assistance to Task Force.

International Paper -- Some expansion of contributions budget. Very willing to help.

SRI -- Planning meetings on models for public/private ventures interested in coordinating with our efforts.

National School Volunteers -- In 47 states pushing parental and volunteer involvement in education. Mrs Bush to honor National Conferees November 17, 1981.

Pull for Youth -- Privately funded group of former athletes helping young people with education and jobs. Wants to expand in the employment area.

American Business Conference -- Press release supporting PSI.

Partners -- A privately funded program to match delinquent kids with adults. A good model to build on.

Business Roundtable -- Establishing a committee to exclusively take up PSI issues.

Redington, Inc. -- Pilot program of 500 Fairfield county firms to encourage corporate giving now being planned.

National Neighborhood Watch -- Expanding its self-help crime prevention program.

Tune-In-America -- Highly successful volunteer placement service in New York. Will be inviting the First Lady to serve as honorary chairman.

*Cy sent
to JAB + E.M.*

Page Two
Michael K. Deaver
October 14, 1981

Foundation in Teaching Economics -- Interested in Presidential Commission or some other appropriate boost for economic education.

National Council for Urban Economic Development -- Setting up special board committee and outreach program on PSI.

American Express Company -- Decided to devote 10¢ for every credit card transaction in San Diego and \$2.00 for every new card application to help fund discontinued projects in San Diego county. Fund could amount to \$100,000.

Coca-Cola -- Chairman speaking out in favor of PSI.

cc: Baker
Baroody
Darman
Dole
Fuller
Gergen
Meese
Pauken
Speakes

EXAMPLES OF
PRIVATE SECTOR INITIATIVES
FROM SRI RESEARCH

Employment and Training

- o Continental Illinois Bank along with other corporations participating in Chicago United have provided special technical training courses in the public schools.
- o Hewlett-Packard, Memorex and IBM in collaboration with the school district in San Mateo County, California have set up special schools for training high school students in electronics.
- o Union Carbide, Polaroid, Bankers Life and Casualty have established flexible work schedules and special hiring policies for the elderly.
- o Control Data Corporation and Honeywell in Minneapolis as well as Avantec and Signetics in Santa Clara County, California provide special on-site training programs for Indochinese refugees.
- o The Dallas Citizens Council, a business executives' committee, has taken the lead in establishing English language training and job placement efforts for refugees.
- o Macy's and Chase Manhattan Bank provide transitional employment opportunities for deinstitutionalized mental patients in collaboration with Fountain House in New York. Hecht Company and Drug Fair do the same in collaboration with the Green Door in Washington, D.C.

Neighborhood Economic Development

- o Control Data Corporation has located plants in economically deprived areas in St. Paul, Toledo, and Washington, D.C. and provides day care on site for employees.
- o Clorox, Kaiser and World Airways have worked closely with the City of Oakland on downtown revitalization. Clorox located its corporate headquarters in a revitalizing area, and "adopted" local high schools, providing assistance for vocational programs.
- o Businesses in Jamestown, New York; Pittsburgh, Pennsylvania; and Los Angeles have set up Business Retention Committees to provide management advice and assistance to small businesses.
- o Motorola and other corporations in Phoenix set up a Small Business Development Corporation that provides management advice and helps target procurement of large businesses to small firms.

Housing and Neighborhood Revitalization

- o Aetna has worked with neighborhood groups on local initiatives to reduce home insurance costs.
- o Taft Broadcasting and General Mills have invested in the renovation of housing stock for use by low and moderate income people.
- o American Bank for Savings in the Boston area established a "First Fund for Dorchester" which promoted community reinvestment.
- o Broadview Savings and Loan in Cleveland established a reverse annuity mortgage for the elderly.

Health

- o 3M, General Mills, Honeywell and other corporations have been leaders in the Minnesota Coalition on Health Care Costs which has been promoting ways to reduce health care costs in that state, including the development of HMOS.
- o AT&T, Speidel, Xerox, Citibank have special prevention health programs for employees.
- o Kimberly Clark, General Motors have special mental health programs on site.
- o Dupont has established alcohol abuse counseling programs for its employees.

Reducing Consumer Costs (Child Care, Food, Utilities)

- o Polaroid and Control Data Corporation provide day care for employees on site.
- o Carnation has been an active participant in the "Second Harvest" Food Bank in Phoenix through surplus food donations.
- o Baltimore Gas and Electric Company helped set up the Baltimore Fuel Fund in which the utility matches dollar contributions from private funds to help pay the utility bills of persons facing shutoffs.



THE WHITE HOUSE
WASHINGTON

TO: Jim Rosebush

FROM: MICHAEL K. DEEVER
Assistant to the President
Deputy Chief of Staff

- Information
- Action

Add Max Fisher per James Baker's
request.

MAX M. FISHER
2210 FISHER BUILDING
DETROIT MICHIGAN 48202

take up with

Reamer -

Baker - Tues.

October 12, 1981

10/17

*OK
to JR
& MT*

James Baker, III
Chief of Staff
The White House
Washington, D.C. 20500

Dear Jim:

I notice that President Reagan has appointed a committee on volunteerism to help ease the problems created by the budget cuts.

In 1969, I was appointed by President Nixon as Special Consultant to the President on Voluntary Action and I served for over two years in this program.

If needed, I might be able to provide valuable insight and opportunities for such a program because of my years of experience and subsequent involvement in other volunteer programs.

If I can be of any help or assistance to the above committee, I gladly offer my services and think that there are some real opportunities in this program.

With kindest personal regards,

Sincerely yours,


Max M. Fisher

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

October 19, 1981

file

TO: FRANK HODSOLL

FROM: JAMES S. ROSEBUSH *JSR*

SUBJECT: ROGER MANDLE

I hope you had an opportunity to meet briefly with Roger Mandle, Curator, Toledo Museum of Art, after the arts lunch Wednesday.

There are few individuals that could rank as highly in my view as Roger. He has a superb grasp of cultural issues, is very articulate, and politically savvy. If this Administration could convince him to take a top arts post, we would benefit immensely. Roger is all in favor of the private sector approach to financing the arts and he has demonstrated this by the money he has raised for shows as well as a major addition to the museum.

It's just not every day you spot someone with the combination of talent, diplomacy and skill Roger has. I hope we can think about him in our future discussions about the role of the arts in this Administration.

cc: Deaver ✓
Brandon