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THE SECRETARY OF THE TREASURY
WASHINGTON 20220

November 13, 1981

File
here

Dear Mike:

This Tuesday, the President announced the establishment of the National Productivity Advisory Committee reflecting his continuing concern over the need to increase U.S. productivity growth and the vital contribution increased productivity can make in restoring a healthy and prosperous economy. This committee has an important role in advising the President and me through the Cabinet Council on Economic Affairs on ways of achieving higher levels of national productivity in our country.

I am delighted that Bill Simon has agreed to serve as chairman of this committee and that you have accepted the President's invitation to join us in this effort. Copies of the White House press release, executive order, and a list of committee members are enclosed. We look forward to having the benefit of your advice during the coming months.

With best wishes.

Sincerely,

Don

Donald T. Regan

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

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release · November 10, 1981

EXECUTIVE ORDER

ESTABLISHMENT OF THE
NATIONAL PRODUCTIVITY ADVISORY COMMITTEE

By the authority vested in me as President by the Constitution of the United States of America, and in order to establish in accordance with the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), an advisory committee on strategies for increasing national productivity in the United States, it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the National Productivity Advisory Committee. The Committee shall be composed of distinguished citizens appointed by the President, only one of whom may be a full-time officer or employee of the Federal Government.

(b) The President shall designate a Chairman from among the members of the Committee.

Section 2. Functions. (a) The Committee shall advise the President and the Secretary of the Treasury through the Cabinet Council on Economic Affairs on the Federal Government's role in achieving higher levels of national productivity and economic growth.

(b) The Committee shall advise the President, the Secretary of the Treasury and the President's Task Force on Regulatory Relief with respect to the potential impact on national productivity of Federal laws and regulations.

(c) The Committee shall advise and work closely with the Cabinet Council on Economic Affairs (composed of the Secretaries of the Treasury, State, Commerce, Labor, and Transportation, the United States Trade Representative, the Chairman of the Council of Economic Advisers, and the Director of the Office of Management and Budget), the Assistant to the President for Policy Development, and other governmental offices the President may deem appropriate.

(d) In the performance of its advisory duties, the Committee shall conduct a continuing review and assessment of national productivity and shall advise the Secretary of the Treasury and the Cabinet Council on Economic Affairs.

Section 3. Administration. (a) The heads of Executive agencies shall, to the extent permitted by law, provide the Committee such information with respect to productivity as it may require for the purpose of carrying out its functions.

more

(OVER)

(b) Members of the Committee shall serve without compensation for their work on the Committee. However, members of the Committee who are not full-time officers or employees of the Federal Government shall be entitled to travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in government service (5 U.S.C. 5701-5707).

(c) Any administrative support or other expenses of the Committee shall be paid, to the extent permitted by law, from funds available for the expenses of the Department of the Treasury.

(d) The Executive Secretary of the Cabinet Council on Economic Affairs shall serve as the Executive Secretary to the National Productivity Advisory Committee.

Section 4. General. (a) Notwithstanding any other Executive Order, the responsibilities of the President under the Federal Advisory Committee Act, as amended, except that of reporting annually to the Congress, which are applicable to the advisory committee established by this Order, shall be performed by the Secretary of the Treasury in accordance with guidelines and procedures established by the Administrator of General Services.

(b) The Committee shall terminate on December 31, 1982, unless sooner extended.

RONALD REAGAN

THE WHITE HOUSE,

November 10, 1981.

# # # #

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release November 10, 1981

The President today established by Executive Order the National Productivity Advisory Committee.

The Committee will advise the President and the Secretary of the Treasury through the Cabinet Council on Economic Affairs on ways of achieving higher levels of national productivity in the United States.

The President's action reflects his continuing concern over the need to increase U.S. productivity growth and the vital contribution increased productivity can make in restoring a healthy and prosperous economy.

The Executive Order directs the Committee to:

-- Examine the Government's role in achieving higher levels of national productivity and economic growth;

-- Advise the Cabinet Council on Economic Affairs and the President's Task Force on Regulatory Relief with respect to the potential impacts on national productivity of Federal laws and regulations;

-- Conduct a continuing review and assessment of national productivity.

The President has designated William E. Simon as chairman of the Committee. Mr. Simon served as the Secretary of the Treasury in 1974-77.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release November 10, 1981

The President today announced the appointment of the following individuals to be Members of the National Productivity Advisory Committee. The President also announced that William E. Simon will serve as Chairman. Roger B. Porter, Counselor to the Secretary of the Treasury, will serve as Executive Secretary.

LAMAR ALEXANDER, Governor, State of Tennessee.

LEWIS M. BRANSCOMB, Vice President and Chief Scientist, IBM Corporation, Armonk, New York

JESSE M. CALHOON, President, National Marine Engineers Beneficial Association, AFL-CIO, Washington, D.C.

NICHOLAS T. CAMICIA, Chairman, President and Chief Executive Officer, The Pittston Company, Greenwich, Connecticut.

JUSTIN DART, Chairman and Chief Executive Officer, Dart Industries, Inc., Los Angeles, California.

MICHAEL K. DEAVER, Assistant to the President and Deputy Chief of Staff, The White House, Washington, D.C.

JOHN T. DUNLOP, Lamont University Professor, Harvard University, Boston, Massachusetts.

MARTIN FELDSTEIN, President, National Bureau of Economic Research, Belmont, Massachusetts.

CLIFTON C. GARVIN, JR., Chairman of the Board and Chief Executive Officer, Exxon Corporation, New York, New York.

HARVEY A. GOLDSTEIN, Managing Partner, Singer, Lewak, Greenbaum & Goldstein, Los Angeles, California.

PETER GRACE, Chairman of the Board and Chief Executive Officer, W.R. Grace & Company, New York, New York.

C. JACKSON GRAYSON, Chairman, American Productivity Center, Houston, Texas.

-more-

ROBERT E. HALL, Professor of Economics, Stanford University, Palo Alto, California.

DAVID T. KEARNS, President & Chief Executive Officer, Xerox Corporation, Stamford, Connecticut.

ALFRED H. KINGON, Editor in Chief, Saturday Review Financial World View; Vice Chairman, Macro Communications, Inc., New York, New York.

CHARLES F. KNIGHT, Chairman and Chief Executive Officer, Emerson Electric Company, St. Louis, Missouri.

WILLIAM KONYHA, President, United Brotherhood of Carpenters and Joiners of America, Cleveland, Ohio.

LAURENCE WILLIAM LANE, JR., Chairman of the Board, Lane Publishing Company; Publisher, SUNSET Magazine, Menlo Park, California.

PAUL MACAVOY, Professor, Yale School of Organization and Management, New Haven, Connecticut.

DONALD S. MACNAUGHTON, Chairman and Chief Executive Officer, Hospital Corporation of America, Nashville, Tennessee.

RUBEN F. METTLER, Chairman and Chief Executive Officer, TRW, Inc., Redondo Beach, California, and Cleveland, Ohio.

JOHN J. O'DONNELL, President, Air Line Pilots Association, Washington, D.C.

PAUL H. O'NEILL, Vice President, Corporate Planning, International Paper Company, New Canaan, Connecticut.

GERALD L. PARSKY, Partner, Gibson, Dunn & Crutcher, Washington, D.C.

JOHN H. PERKINS, President, Continental Illinois National Bank & Trust Company, Chicago, Illinois.

RICHARD F. SCHUBERT, Vice Chairman, Bethelem Steel, Easton, Pennsylvania.

MAURICE R. SCHURR, International Vice President, Local 929, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Philadelphia, Pennsylvania.

DONALD V. SEIBERT, Chairman and Chief Executive Officer, J.C. Penney Company, New York, New York.

L. WILLIAM SEIDMAN, Vice Chairman, Phelps-Dodge Corporation, New York, New York.

-more-

WILLIAM E. SIMON, Chairman, Crescent Diversified Limited, New York, New York.

ROGER B. SMITH, Chairman and Chief Executive Officer, General Motors Corporation, Detroit, Michigan.

JAYNE BAKER SPAIN, Executive-in-Residence, George Washington University, Washington, D.C.

ARNOLD R. WEBER, President, University of Colorado, Boulder, Colorado.

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file

William E. Simon, Chairman
L. William Seidman, Co-Chairman
Jack L. Courtemanche, Director

WHITE HOUSE CONFERENCE ON PRODUCTIVITY, THE WHITE HOUSE, WASHINGTON, D.C. 20500
(202-395-7362)

July 29, 1983

MEMORANDUM FOR PERSONS INTERESTED IN THE WHITE HOUSE CONFERENCE ON PRODUCTIVITY

FROM: JACK L. COURTEMANCHE

SUBJECT: SEPTEMBER 22-23 WHITE HOUSE CONFERENCE ON PRODUCTIVITY

We have held four conferences in preparation for the September 22-23 White House Conference on Productivity. The Conferences were successful in achieving our conference objectives. For your information, we are enclosing a few press highlights of the preparatory conferences and copies of each agenda. Copies of the proceedings will be available after September 2 and you may obtain a copy by writing to our office.

As you know from our earlier press release, space constraints may not permit everyone to attend the White House Conference in September. Please let us know immediately if you would like us to include your name among those wishing to attend. You may use the attached form.

Our staff is prepared to answer your questions about the White House Conference on Productivity. Please feel free to call us if we can be of assistance.

Enclosures

THE NATIONAL PRODUCTIVITY ADVISORY COMMITTEE

CHAIRMAN

William E. Simon
Chairman
Wesray Corporation

EXECUTIVE SECRETARY

Roger B. Porter
Deputy Assistant to the President for Policy Development

MEMBERS

Lamar Alexander
Governor of Tennessee

Lewis M. Branscomb
Vice President and Chief Scientist
IBM Corporation

Harold J. Buoy
International President
Brotherhood of Boiler Makers

Jesse M. Calhoon
President, National Marine Engineers Beneficial Association

Nicholas T. Camicia
Chairman and Chief Executive Officer
The Pittston Company

Justin Dart
Chairman of the Executive Committee
Dart and Kraft Industries, Inc.

Michael K. Deaver
Assistant to the President and Deputy Chief of Staff

John T. Dunlop
Lamont University Professor
Harvard University

Martin S. Feldstein
Chairman, Council of Economic Advisers

Clifton C. Garvin, Jr.
Chairman and Chief Executive Officer
Exxon Corporation

Harvey A. Goldstein
Managing Partner
Singer, Lewak, Greenbaum and Goldstein

J. Peter Grace
Chairman and Chief Executive Officer
W. R. Grace and Company

C. Jackson Grayson
Chairman
American Productivity Center

Robert E. Hall
Professor of Economics
Stanford University

David T. Kearns
President and Chief Executive Officer
Xerox Corporation

Alfred H. Kingon
Assistant Secretary for International Economic Policy (Designate)
Department of Commerce

Charles F. Knight
Chairman and Chief Executive Officer
Emerson Electric Company

William H. Konyha
Former President, United Brotherhood of Carpenters and Joiners of America

Laurence William Lane, Jr.
Chairman of the Board
Lane Publishing Company

Paul W. MacAvoy
Professor of Economics
Yale University

Donald S. MacNaughton
Chairman and Chief Executive Officer
Hospital Corporation of America

Ruben F. Mettler
Chairman and Chief Executive Officer
TRW, Incorporated

John J. O'Donnell
Former President
Air Line Pilots Association

Paul H. O'Neill
Vice President, Corporate Planning
International Paper Company

Gerald L. Parsky
Partner, Gibson, Dunn and Crutcher

John H. Perkins
President, Continental Illinois Bank and Trust Company

Richard F. Schubert
President
American Red Cross

Maurice R. Schurr
International Vice President, Local 929
Teamsters Union

Donald V. Seibert
Chairman and Chief Executive Officer
J. C. Penny Company

L. William Seidman
Dean, College of Business
Arizona State University

Roger B. Smith
Chairman and Chief Executive Officer
General Motors Corporation

Jayne Baker Spain
Executive-in-Residence
George Washington University

Arnold R. Weber
President
University of Colorado

Appointed by President Ronald Reagan

November 10, 1981

THE SAN DIEGO UNION
Wednesday, July 20, 1983

Productivity group producing

By Donald C. Bauder
Financial Editor

You've no doubt read about groups that appoint a committee and 39 subcommittees to study how to streamline their committee system. Or groups that decide they must hold down the length of their meetings — then meet for 14 straight hours debating how to do it.

Cynics expected pretty much the same when President Reagan last year set up a White House Conference on Productivity. What could be more counter-productive than a bunch of scholars sitting around discussing productivity? Indeed, the polysyllabic word "productivity" is itself anti-productive.

L. William Seidman, co-chairman of the President's productivity conference, yesterday confessed that marathon meetings of pipe-puffing professors seldom enhance anyone's productivity — but this conference is making lots of headway.

It's not taking credit for the big turnaround in productivity now taking place in the economy — that always occurs as the nation pulls out of a recession. However, there is little doubt that this commission has done a good job educating the general public to the need to improve productivity.

Today and tomorrow, the conference is huddling at the University of San Diego to talk about two key parts of the puzzle: What government can do about productivity — and the government's own low productivity.

On the latter point, there is little disagreement: Very few things in this world are as unproductive as government bureaucracies.

However, said Seidman in an interview yesterday, it's "difficult to measure" government productivity: "Obviously, you can measure the productivity of the sanitation department, but you have difficulties with fisheries and even more difficulties with health and services departments and psychiatrists."

Generally, "the government does not have the self-discipline of the bottom line," said Seidman, dean of the College of Business at Arizona State University and former assistant to the President for economic affairs in the Ford administration.

"On balance" government is less productive than the private sector, Seidman said, but there are very productive government operations and pathetically unproductive private sector operations, "as we can see in the bankruptcy courts."

Clearly, the alarming slowdown in U.S. productivity growth during the last couple of decades can be blamed greatly on bad government, Seidman agreed. Our tax system punishes productivity by diminishing savings, for example, he noted.

The San Diego Union/THANE McINTOSH
F. WILLIAM SEIDMAN

And there are other root causes that could be addressed, at least in part, by intelligent legislation: Excessive environmental and regulatory requirements that drain corporate funds from productivity-enhancing investment; huge federal deficits; massive government spending for income redistribution; the decline in education.

Also, the inflation-recession cycle which handicaps long-term planning; the phenomenon of "the litigious society," wherein unnecessary time and money are drained away in court; a tax system that promotes consumption at the expense of savings, and the like.

But many of the problems must be solved by the private sector: The antagonism between labor and management; the decline of the work ethic, although Seidman doubts that's as severe a problem as others believe; management's obsession with short-term results at the expense of long-term planning; reduced spending for research and development; the spiraling cost of computer software and business schools' overemphasis on the financial, rather than operating side of enterprise.

The conference will meet again in early August at Pittsburgh's Carnegie-Mellon University to discuss private sector initiatives. The White House conference will be held Sept. 22 and 23.

6/21/83 St. Louis Globe-Democrat

6-21-83 Globe

Reagan Cabinet members to appear at conference

Two Reagan Cabinet members will be keynote speakers at a three-day conference opening Tuesday at St. Louis University.

The conference, on using human resources to stimulate productivity, is in preparation for the White House Conference on Productivity later this year.

The St. Louis conference will focus on topics such as cooperation between employees and management, product quality, and training to meet changing job requirements.

Representatives of business, labor, academia and government organizations will participate.

KEYNOTE SPEAKERS will include Education Secretary Terrel H. Bell, who will speak during a luncheon at 12:30 p.m. Wednesday at Busch Center, and Labor Secretary Raymond Donovan, who will give his address at 9 a.m. Thursday at Tegeler Hall.

President Reagan signed legislation in October calling for a White House Conference on Productivity to develop recommendations for stimulating productivity. That conference will be Sept. 22 and 23 in Washington. Four regional "preparatory" conferences will be on specified topics.

The preparatory conference on capital investment was last week in Durham, N.C. After the St. Louis conference on human resources, the remaining conferences will cover "Government Organization and Operation" and "The Role of Government in the Economy," July 19-21 in San Diego, and "Private Sector Initiatives," Aug. 2-4 in Pittsburgh.

JOHN T. DUNLOP, professor of economics at Harvard University and former secretary of labor in the Ford administration, will chair the St. Louis conference with L. William Seidman, dean of the College of Business at Arizona State University and former assistant to the president for economic affairs, also in the Ford administration.

ST. LOUIS POST-DISPATCH

Thurs., June 23, 1983

Donovan Cites Need To Boost Labor Ties

Raymond J. Donovan

"A heavy price for failure"

Citing an erosion of U.S. competitiveness in the international marketplace, Labor Secretary Raymond J. Donovan has called for a new cooperative approach to labor-management relations.

Donovan's suggestion is contained in a speech prepared for delivery today to participants at a White House Conference on Productivity. The conference is being held at St. Louis University.

Donavan is the second high-ranking administration official to address the gathering. On Wednesday, Education Secretary Terrel H. Bell said at the conference that increased productivity must go hand-in-hand with improvements in the nation's education system.

Donovan said that despite a recent upturn in the economy, the times "cry out for change."

"The country demands, more than ever before, leaders from all walks of life who have the foresight and courage to give up the time-worn practices of the past in favor of new policies, new strategies and above all, new relationships," he said.

Donovan asked the participants of the conference to examine ways that business, labor, government and schools could stimulate cooperative labor-management initiatives and tailor them to meet the economic and social challenges in the coming decades.

The most serious challenge, he said, comes from the worsening position of the United States in international markets. He said the U.S. competitive position was eroding as other nations excelled in productive efficiency and quality.

"The undeniable fact is that we are not meeting the competition, and we are paying a heavy price for our failure," Donovan said.

He also said that American workers were now placing increased demands on their jobs. Such demands go beyond traditional concerns of higher wages and better benefits to include how the job is done, how the workplace is structured and how decisions are made.

"Clearly, times and conditions are changing, and our labor relations philosophy must keep pace with those changes," he said. "Too many of our perceptions about the relationship between labor and management are still rooted in a bygone era that will never return.

"Clinging to a collective bargaining relationship that was forged a half century ago — regardless of how well it has served us — can only be a prescription for mutual disaster, not mutual survival."

Improved labor-managment cooperation could result in improved product quality, reduced costs, fewer disruptions and a better quality of life for employees, he asserted. He said studies have shown that when a company promotes cooperative efforts, its workers usually have responded by showing greater loyalty to the firm and pride in its products.

The number of companies that have adopted such an approach is small, but growing, Donovan said. Central to such joint efforts is a desire to enlist the talents and energies of employees in as many workplace decisions as possible, he said.

Donovan said he also was concerned about the rapid pace of change in the American economy and its labor markets. As a result, he said, workers have to be prepared to retrain themselves and learn new skills as they move through their careers.

THE SAN DIEGO UNION
Thursday, July 21, 1983

Strength seen in U.S. productivity

By Donald C. Bauder
Financial Editor

Just as the Reagan administration is gearing up for a major drive to improve U.S. productivity, the underlying fundamentals are looking decidedly better.

And that doesn't simply reflect the normal, cyclical uptick in productivity the economy always experiences in a recession recovery period. There's a basic improvement under way.

"Since the spring of 1982, productivity growth has been strong — more so than is usual in the first part of any economic expansion," said John W. Kendrick, economist at George Washington University and the American Enterprise Institute.

Kendrick was interviewed yesterday at the University of San Diego, where he chaired a committee of economists studying productivity measurement as part of the White House Conference on Productivity's thrust for improving productivity. In preparation for a big White House conclave Sept. 22 and 23, conference participants held meetings at USD this week.

Kendrick, perhaps the U.S.' most respected student of economic productivity, heads the group studying whether current statistical indices give economists the proper tools for evaluating productivity performance.

Whether or not they're adequate, current statistics on productivity are encouraging, said Kendrick. From the second quarter of 1982 to the second quarter of 1983, real (inflation-adjusted) growth of productivity, or output per manhour, surged by 2.5

By contrast, it muddled along at 0.8 percent from 1973 through 1981 — and this dismal performance made the U.S.' productivity growth one of the worst among industrialized nations, alarming economists and politicians.

Kendrick says he believes the recent improvement will prove to be neither illusory nor ephemeral: It's a sign of positive structural change. The recent tax code revisions and cuts — particularly the research and development tax credits — and regulatory reforms have been positive.

And we've taken a page from our competitors, the Japanese. "The quick spreading of employee involvement programs, such as the quality circles (programs in which production line employees have major input in important efficiency decisions) have played a role," said Kendrick.

Also important have been moderate wage gains. First-year wage settlements negotiated by unions have fallen to 1.4 percent, according to recent statistics, largely because of concessions by steel employees. That 1.4 percent figure is too good to last, but the outlook is still good: "Labor costs per unit of output should grow at less than 3 percent through 1984," said Kendrick. Thus, "price inflation will be moderate for the next year and a half."

Some economists disagree with this optimism — particularly monetarists who believe that money supply growth is a better proxy for future inflation than wage price gains.

Economists are forever disagreeing with one another, and yesterday's session at USD was no exception. A prominent monetarist economist, Michael Darby of UCLA, told the panel that the hullaballoo about plunging productivity is "a case of statistical myopia," caused in part by false numbers being recorded during the 1971-1974 period, when businesses were juggling their books to evade price controls. And many of the other statistical indications of lagging productivity can be explained by demographic factors — age, sex, education, immigration patterns.

Four years ago, a panel formed by the Committee on Statistics of the National Research Council (NRC) in the National Academy of Sciences, extensively reviewed government productivity statistics. In the intervening four years, various government agencies that publish these numbers adopted eight of the recommendations and carried out 10 of them in part.

Albert Rees of the Alfred P. Sloan Foundation, who chaired the NRC panel, lauded the government organizations: "The agencies involved have done a tremendous amount during a period in which budgets for non-defense activities have actually been slashed," he said.

At Kendrick's urging, the panel adopted a resolution that the federal government be given adequate resources for expanding the output of productivity statistics. Then an audience member complained that with the federal deficit running over $200 billion this year, any committee devoted to enhancing economic productivity had no business asking the government for more money. Kendrick explained that he had only asked for "sufficient funding — not necessarily increased funding."


The San Diego Union

John W. Kendrick makes point at productivity meeting.

St. Louis Post-Dispatch
6/22/83

6-22-83 Post

Bell: Productivity, Education Linked

By Dale Singer
and Gerald M. Boyd
Of the Post-Dispatch Staff

Increased productivity on the part of the nation's businesses must go hand in hand with improvements in the nation's education system, Education Secretary Terrell H. Bell said here today.

Bell linked the two in remarks prepared for delivery at the White House Conference on Productivity being held at St. Louis University.

EDUCATION PANEL makes its recommendations. Page 15A

"One of the reasons for the decline in American productivity these last 10 years has been related to the slow but steady deterioration of the American educational system over the last quarter century," Bell said. "The societal turmoil of the '60s and '70s have borne some bitter fruit."

Bell cited, by contrast, the experience in Japan. He said the effectiveness of its schools is one relatively neglected reason for the country's high productivity.

"By comparison, our own schools are failing to provide our young people with the preparation they need to reach their full productive potential," he said. "Given the magnitude of the problem, the

See CONFERENCE, Page 15

Conference

From page one

business community should seriously consider playing a more active role in helping to make our schools more effective."

Bell said "the American education enterprise system is in trouble." Among the concerns he cited were:

— Military services having to rewrite their technical manuals to an 8th grade level and even to 6th grade standards.

— American businesses having to spend billions each year educating, training and retraining high school and college graduates.

— American colleges and universities offering remedial courses.

— Some 23 million functional illiterates in the nation.

Using the conference on productivity as a forum to promote the administration's education policies, Bell said President Ronald Reagan is studying proposals for improving the nation's education system that could be accomplished without increased federal funding.

Many of the improvements were recommended in April by the National Commission on Educational Excellence and have since been embraced by Reagan. They include enchanced competency requirements, merit pay for teachers, restoration of compulsory courses and fewer non-academic electives.

Bell said American productivity in manufacturing is much too low and has been for nearly a decade. For example, he said from 1973-81, productivity grew at an annual rate of 1.5 percent as against an average annual growth rate of. 3 percent from 1960-73. More recently, from 1981 to 1982, the growth rate actually reversed itself to a minus 1 per cent, he said.

Bell said the nation was moving into a new economic era, in which high technology was revolutionizing industries, renewing the economy and promising new hope.

"A high quality education is the bedrock, the essential foundation upon which this new economic era will be constructed," he said.

Another conference speaker, economist Murray L. Weidenbaum, said that providing incentives for both teachers and students is the best way to make the government's education dollars bring better results.

Weidenbaum — who was chief economic adviser to President Ronald Reagan before returning to his job as director of Washington University's Center for the Study of American Business — noted that while federal spending on education had nearly triple since 1974, test scores had dropped.

"Clearly, just spending more money on education is not sufficient," he said in remarks prepared for the conference today. "This is not a justification to spend less on our schools. Rather, experience underscores the need to improve the effectiveness with which the funds are used."

He said salary incentives should be used to help ease the shortage of math and science teachers, despite protests from teachers in other fields.

"Income is not a matter of inherent nobility," he said. "Indeed, it is a matter of attracting people to the area of work in which they are needed. If college and universities paid science teachers and classics teachers the same, we would have a chronic shortage of physicists and a surplus of Latin professors.

"The prospect of higher pay is an important factor encouraging more students to major in physics and math. Standard across-the-board pay increases for teachers may seem to make the administrator's job easier. But that only worsens the shortage situation."

Incentives for students should promotion and graduation, Weidenbaum said.

"For many if not most of us, studying is hard work. Why do it if you get promoted and graduate whether you apply yourself or not?"

He recalled seeing a question on Florida's new statewide test required for a high school diploma — a test that has drawn criticism from students and others in the state. The question asked how long a person had been in a room if he entered when the clock showed 1:50 and left when it showed 2:10.

"To those who criticize such basic attempts at performance testing," Weidenbaum said, "I must reply: How can we expect a young new worker to get to the job on time if he or she cannot even tell time? How can they even get the job if they cannot fill out the application form?

"The links between education and incentives and productivity are very

The News and Observer, Raleigh, N. C., Sun., June 19, 1983

Productivity questions split economists

By MICHAEL FLAGG
Staff Writer

DURHAM — Martin S. Feldstein, President Reagan's top economic adviser, had just finished a speech on business productivity to a group of economists and business executives last week at Duke University. Then Robert Nathan, a Washington consultant and a Democrat, stood up and asked: "But Marty, when are we going to see some changes?"

The 65 participants in the White House Conference on Productivity agreed that changes in the nation's economy are necessary to buck up industry's anemic productivity rate. But Nathan's challenge highlighted the kind of differences that split some participants along ideological and political lines.

Productivity — output for each hour worked — grew by only 0.8 percent in the United States during most of the 1970s, below the rate of many other industrialized countries.

Although it has improved in the past year, there's still concern that less productive American industries are at a disadvantage in world competition.

Feldstein contended during the conference that only by reducing federal budget deficits can interest rates be lowered, providing cheaper capital for American industry to renovate aging plants and boost output per worker.

But next year's federal budget is tied up in negotiations between the House and Senate, each of which has proposed differing versions. Reagan has vowed to veto any compromise budget bill he thinks would compromise his attempt to hold down spending.

Like the budget wrangle, solutions to the productivity problem will involve politics as much as pure economics, some of the Duke participants said.

"Feldstein's talk was basically political," Nathan, chairman of the board of Robert Nathan Associates, said in an interview. "It doesn't fit together any more than the rest of the Reagan program."

Nathan believes the deficit is an impediment to increasing productivity, but says Reagan's program of tax cuts prevents the federal government from reducing its debts. The next cut of 10 percent in income taxes takes place July 1. "But right now we need relief on the deficit instead," Nathan said.

Others offered differing solutions. Donald Fullerton, an assistant professor of economics and public affairs at Princeton University, said tax reform is the single most important change needed to boost productivity.

"We have a diverse and crazy system of tax incentives in this

Productivity questions split economists

(continued from previous page)

Productivity — output for each hour worked — grew by only 0.8 percent in the United States during most of the 1970s, below the rate of many other industrialized countries.

country," Fullerton said in an interview. "There are investment tax credits for some investments, and not for others, with no particular rhyme or reason." Taxing certain kinds of investments, Fullerton said, discourages some useful investments that would increase productivity.

Tax policy — either incentives or higher taxes — affects productivity by channeling the flow of capital into plants, equipment and research and development.

Vito Tanzi, director of fiscal affairs for the International Monetary Fund in Washington, favored a combination of both approaches. "Certainly the wide dispersion of tax rates is a problem," he said. "Certain investments aren't taxed, and people are playing games of shifting investments around."

Tanzi would reduce the federal deficit by cutting expenditures if possible, or by increasing taxes as a second choice.

From 1947 to 1967, productivity in the United States averaged increases of 3.1 percent yearly. Then the growth rate declined until last year, when it began improving. The rate hit 8.3 percent in the first three months of 1983.

Nobody knows why productivity growth has slumped since 1967, though dozens of explanations have been advanced by economists. L. William Seidman, dean of the College of Business at Arizona State University and chairman of the national productivity conference, mentioned several in a speech earlier this month.

Among them were a low rate of savings, decreasing capital spending, the "antagonistic relationship between labor and management and government" and "our litigious society, with its tremendous cost in time and money."

Seidman also blamed government regulations, tax laws, federal deficits and reduced spending for research and development.

The White House Conference on Productivity, created by President Reagan, will attempt to find solutions to these problems in three more regional conferences this summer and a national conference in Washington in September. The first conference — the two-day session last week at Duke — focused on the problems of creating more capital for business investment. The next three will look at human resources, the role of government and private sector initiatives.

Said Fullerton: "It's hasn't gone as well as it could. Some of the discussion has been fairly diffuse, but I think we're all learning something. I'd say it was worth the trip."

Gains In Productivity Predicte

By Paul Wagman
Of the Post-Dispatch Staff

The productivity of American workers, which has been on the wane since the late 1960s, will likely resume its upward path this decade, the co-chairman of the White House Conference on Productivity says.

L. William Seidman, the conference leader, said he thinks the gain will result in part from new technologies and new management systems which have become increasingly popular in the last three or four years. In addition, productivity will increase as some of the obstacles in its way are better understood and corrected, he said.

Seidman is in St. Louis this week to participate in one of four conferences being held around the country as a prelude to the White House Conference in Washington on Sept. 22 and 23. The conference here is assembling some of the top authorities in the nation to discuss productivity issues as they are related to human resources.

The conference, which is being held at St. Louis University today and tomorrow, is also attracting two top administration officials to St. Louis. Secretary of Education Terrell Bell was scheduled to address the group today, and Secretary of Labor Raymond Donovan is slated to talk at 9 a.m. Thursday.

All of the preparatory conferences, as well as the final conference in Washington, are devoted to a better understanding of America's decline in productivity, defined as worker output per hour. The conferences are also intended to advance solutions for consideration by the president and the Congress.

Productivity has become a major economic issue in recent years because of its steady deterioration. After growing at an average annual rate of 3.1 percent between 1948 and 1967, it slid to 2.3 percent between 1967 and 1973 and then .8 percent for the balance of the decade.

The decline is important, Seidman said, because increased productivity is what gives companies the wherewithal to make wage increases. Jobs also are dependent on increased productivity, because companies cannot compete in world markets without being highly productive, he said. "So this conference is really about wage raises and jobs."

Seidman said.

Many reasons have been put forth for the decline in American productivity but the trend remains rather puzzling, economists say. Some of the explanations include: the comparatively low savings rate, which decreases capital spending; antagonistic relations among labor, management and government, which results in large business expenditures unlikely to improve productivity; the influx into the labor force of unskilled young workers from the baby-boom generation; mandatory spending on environmental protection; a tax system which curbs investment innovation and entrepreneurship; the pernicious effects of inflation; and a decline in the work ethic.

Seidman said he expects the White House Conference to play a significant role in sorting these factors out and tackling the problem. A White House conference on inflation which he chaired during the administration of President Gerald R. Ford helped lead to the deregulation of the trucking, airlines and other industries, he said.

"I think it (the White House Conference) has an important influence on decision makers," Seidman said. "Not the sole influence, but an important influence."

The group gathering in St. Louis this week includes representatives from business, government, labor and education. Among the 40 persons scheduled to participate are John T. Dunlop, Secretary of Labor under President Ford; William Freund, chief economist of the New York Stock Exchange; Malcolm Lovell, deputy assistant Secretary of Labor under President Richard M. Nixon; and Harold Buoy, retired president of the International Brotherhood of Boilermakers.

The group is non-partisan, Seidman said. Had it been otherwise, he said, he would not have accepted the job of co-chairman, because the conference's usefulness would have been destroyed.

Much of the conference's work, it seems, might be accomplished by just listening to what Seidman himself has to say on the topic. The man is the incarnation of productivity.

Currently dean of the College of Business Administration at Arizona State University, Seidman, 62, was assistant to the president for economic affairs from 1974 to 1977 under Ford. He has organized a college and a ski club. He is a certified public accountant, a lawyer, an economist, a teacher and an administrator. When he was interviewed Tuesday, he was wearing his jogging clothes, in preparation for a two-mile ramble through St. Louis's noonday heat.

Asked for his secret, Seidman said that part of it was concentrating on things which he does well. That way he

High-tech rivalry called bad for U.S.

By Janet Lowe
Tribune Financial Editor

Innovation, along with the development and implementation of technology, are the most sensitive weapons we have in the U.S. battle to maintain high levels of productivity, according to William C. Norris, chairman and chief executive officer of Control Data Corp.

Norris, who founded Control Data in 1957, spoke today at the University of San Diego before the White House Conference on Productivity.

Norris blamed lagging productivity in the United States on an erosion in leadership in technological fields.

"Broadly speaking," he said, "our overseas competitors have expanded research and development, increased the number of trained scientific and technical personnel, reduced the cost of capital for industry and fostered growth in targeted areas."

While foreign governments regularly assist their own industries — Norris pointed out that microelectronics and computers are the most highly subsidized Japanese industries — he called upon U.S. government, industry and academic leaders to sponsor "vast increases in technological cooperation" in order to remain competitive.

Norris has long been a proponent of cooperation between industry competitors in basic research. He was the driving force in a 20-year effort to create the Microelectronics and Computer Technology Corp. an 11-member consortium for computer research which this spring chose the Univer-

Cooperative research ventures like MCC are becoming more common, Norris pointed out, despite federal antitrust laws which discourage them.

In addition to MCC, the Semiconductor Industry Association has created the Semiconductor Research Corp. and the Microelectronics and Information Sciences Center has been founded at the University of Minnesota as the result of university and industry interaction.

"The use of basic knowledge by one party should never preclude its use by another," Norris explained. "For every large corporation to rediscover what others have already learned represents waste of the most pernicious sort."

MCC, a model for other cooperative ventures, will undertake projects which will stretch beyond the state of the art in computers, Norris said. The consortium has been structured so not all shareholders are required to participate in each project, though each must participate in at least one.

"MCC projects will be staffed to a considerable extent by personnel from shareholder companies," Norris noted. "At the completion of a project, these borrowed personnel will return to their respective companies. This flow of talent to and from shareholder companies is key to the success of MCC projects."

In addition, he said, the process facilitates the transfer of technologies to participating companies.

"Management of cooperative programs

and wisdom in resolving conflicting views — but decisions are invariably better," he said.

Norris explained that American competitiveness and the relentless drive for higher earnings stand in the way of such ventures, but top level management can be re-educated to the benefits of working together on new technology.

Innovation and productivity alone are not the answers to U.S. economic problems, Norris warned.

"The importance of addressing job creation simultaneously with improving productivity can hardly be overemphasized," he added.

"Unfortunately, there is a growing propensity in our country to concentrate more on developing technology than on applying it," Norris said. "Largely because the task of creating knowledge is organizationally less complex and often less costly than the task of using it to satisfy the needs of the marketplace. Hence, there are vast amounts of unused and underused technologies in the laboratories of government, academia and business."

The Control Data chairman called for joint business, community and government efforts to nurture the small and new businesses which frequently are responsible for putting theoretical technology to work.

Norris also has been involved in the development of programs in Minnesota for transferring technology from large companies to small ones, and for bringing techno-

Session analyzes productivity issue

Productivity, defined as output per hour of work, has varied during the history of this country, but according to the chairman of the White House Preparatory Conference on Productivity which meets here today and tomorrow, gains of about 3 percent per year have been common since World War II.

L. William Seidman, dean of the college of business at Arizona State University, will lead the conference which is expected to attract more than 200 representatives from government, business and education.

In the past several years, U.S. productivity has dropped to about zero, partly because of the impact of high inflation. Because inflation is down, productivity is again rising, though economic observers fear the transition from a manufacturing to a service society may permanently impair the nation's productivity, Seidman said.

The USD conference is the third of four being held around the country to lay the groundwork for a final White House Productivity Conference to be held in Washington, D.C., on September 22 and 23.

Despite a slowdown, Seidman pointed out, the United States is still

THE SAN DIEGO UNION
Thursday, July 21, 1983

Baxter: Competition is not always the best way

By Don Williamson
Staff Writer

The problem with U.S. antitrust laws is not on the books, but in the courtrooms, according to William Baxter, assistant attorney general of the Antitrust Division of the U.S. Department of Justice.

Baxter was in San Diego to participate in the White House Conference on Productivity and addressed more than 100 people at a banquet last night at the Hilton Hotel.

"Federal judges have the mistaken notion that more people doing the same thing looks like competition and therefore is good," said Baxter, who advocated more joint research and development projects within U.S. industry to improve productivity.

He added that there is "no law on the books" that prevents such projects and only the interpretations of various federal judges kept these ventures from taking place.

Baxter has been criticized in some circles for reducing the staff of antitrust lawyers in his division by one fourth and for allowing the number of non-merger prosecution cases to fall from 80 in the last two years of the Carter administration to 29 in the first two years of the Reagan administration.

His supporters, however, cite a doubling of grand jury investigations during the same time period and the resolution of the bureaucratic logjams stemming from suits against International Business Machines and American Telephone and Telegraph.

Baxter cited the need for continued government intervention in some areas such as patents and copyright laws and pushed for support of a legislative package currently before Congress.

Baxter indicated that the proposed law called for provisions that would protect research and development ventures from private antitrust suits, but still permit government action if any such ventures were deemed anticompetitive.

Baxter frequently referred to the rapid growth of Japanese industries as an example of why increased U.S. productivity was necessary. Even that topic, however, was couched in his theme of less government interference.

"For all we know, the Japanese economy might be better off if there had been no government intervention," said Baxter, who added that a healthier economy would have to be achieved without reducing military spending or the amount of tax dollars appropriated for improving nation's infrastructure of highways and bridges.

Conference Leader: Workers Losing

By LOYD LITTLE
Herald Staff Writer

"The problem is that we are no longer a world leader in productivity," said William Seidman. "We now have one of the lowest growth rates in productivity among all the industrialized nations in the world."

And that is one of the reasons, Seidman said, that he is presiding at the White House conference on productivity today and Thursday at Duke University. Seidman is dean of the business school at Arizona State University. He was assistant to the president for economic affairs during the Ford Administration.

"WE HOPE THAT these conferences will help move the United States back to the path of our old productivity growth," he said in an interview Tuesday.

He gave this example of the extent of the problem: "If the United States had continued to maintain during the past year or two its historical rate of productivity growth, wage earners today would be averaging $5,000 per year greater income than they currently enjoy. That $5,000 loss of earnings per worker is a minimum loss, without compounding for future growth."

The primary task of the White House conferences—this one in Durham is the first of four to be held this summer—will be to examine reasons for the "precipitous decline" in productivity growth and, at the same time, to search for possible antidotes.

Seidman said, "There is little question that for too long the incentives to consume have overwhelmed the impulse to save . . . the percentage of disposable personal income devoted to savings in 1980 was 21 percent in Japan, 15.5 percent in France, 13 percent in West Germany and only 5.6 percent in the United States."

HE SAID THE figures on capital investment in manufacturing during the 1970s are equally dramatic. In Japan, investments in manufacturing amounted to 26.5 percent of output; in the United States, the comparable figure was 9.6 percent.

As for why American productivity has not kept pace with the rest of the world, Siedman cited a number of factors. Some of them are:

- The mandatory capital spending for environmental protection, which has no accompanying measurable growth in goods and services.
- The antagonistic relationship between labor and management and government, which results in large business costs unlikely to improve productivity.
- The tremendous cost in time and money for litigation, which is not only not productive, but is counter-productive.
- A tax system that not only promotes spending rather than savings, but also curbs entrepreneurship.
- Huge federal deficits caused by runaway government spending that pre-empts productive private-sector capital and uses it for "Robin Hood"-like transfer payments.
- The decline in workers' desire to produce a full day's work for a full day's pay, sometimes in part attributed to union-dictated work practices and other times to a general decline in the work ethic.
- Inflation, which has hampered long-term planning and produced discounted cash flows.
- The alleged inefficiency of governmental operations, which take a larger share of resources, while returning a less-efficient service.

Seidman said he hopes to get ideas from business people, the academic community and ordinary people about solving the productivity problem. People can send their comments to William Seidman, White House Conference on Productivity, 736 Jackson Place, Washington, D.C. 20006.

Durham Morning Herald

Wednesday, June 15, 1983

WHITE HOUSE CONFERENCE ON PRODUCTIVITY

PREPARATORY CONFERENCE ON CAPITAL INVESTMENT

Duke University, Durham, North Carolina

June 14 - 16, 1983

AGENDA

TUESDAY, JUNE 14, 1983

6:00 - 7:00 pm	REGISTRATION (Sheraton University Center)
7:00 - 8:00 pm	RECEPTION (Sheraton University Center)

WEDNESDAY, JUNE 15, 1983

8:30 am	SHUTTLE BUS SERVICE (Sheraton To Duke)
8:30 - 9:00 am	REGISTRATION (Duke University)
9:00 - 9:30 am	WELCOME -- L. William Seidman, White House Conference Co-Chairman; President Terry Sanford, Duke University
9:30 - 11:30 am	PANEL: Capital Formation, Productivity and Economic Growth
11:30 - 11:45 pm	BREAK
11:45 - 1:00 pm	LUNCHEON/SPEECH -- MARTIN S. FELDSTEIN, Chairman Council of Economic Advisers
1:00 - 1:15 pm	BREAK
1:15 - 3:15 pm	PANEL: Fundamental Tax Reform
3:15 - 3:30 pm	BREAK
3:30 - 5:30 pm	PANEL: Government Impact on Capital Formation
5:30 - 7:00 pm	SHUTTLE BUS SERVICE (Duke to Sheraton) / OPEN
7:00 - 8:00 pm	RECEPTION (Sheraton University Center)
8:00 - 10:00 pm	DINNER (Sheraton University Center)

THURSDAY, JUNE 16, 1983

8:30 am	SHUTTLE BUS SERVICE (Sheraton to Duke)
8:30 - 9:00 am	REFRESHMENTS
9:00 - 11:15 AM	PANEL: Tax Policy for Productivity Growth
11:15 - 12:00 pm	GENERAL SESSION/QUESTIONS & ANSWERS
12:00 - 2:00 pm	INFORMAL LUNCHEON (Duke University)

WHITE HOUSE CONFERENCE ON PRODUCTIVITY

Preparatory Conference on Human Resources

St. Louis University --- St. Louis, Missouri

June 21 - 23, 1983

TUESDAY, JUNE 21, 1983

6:00 - 7:00 pm	REGISTRATION (Ramada Inn)
7:00 - 8:00 pm	RECEPTION (Ramada Inn)

WEDNESDAY, JUNE 22, 1983

8:30 am	SHUTTLE BUS SERVICE (Ramada Inn to Tegeler Hall)
8:30 - 9:00 am	REGISTRATION / REFRESHMENTS (Tegeler Hall)
9:00 - 9:30 am	WELCOME (Tegeler Hall) -- L. William Seidman & John T. Dunlop, Co-Chairmen, Preparatory Conference on Human Resources
9:30 - 12:15 pm	PANEL: TRAINING AND RETRAINING TO MEET CHANGING JOB REQUIREMENTS (Tegeler Hall)
12:15 - 12:30 pm	BREAK
12:30 - 1:45 pm	LUNCHEON / SPEECH (Busch Center) -- Secretary T.H. Bell, Department of Education
1:45 - 2:00 pm	BREAK
2:00 - 5:15 pm	PANEL: EDUCATION'S ROLE IN MEETING EMPLOYMENT SKILL NEEDS (Tegeler Hall)
5:15 pm	SHUTTLE BUS SERVICE (Tegeler Hall to Ramada Inn)
5:30 - 6:30 pm	OPEN
6:30 pm	SHUTTLE BUS SERVICE (Ramada Inn to Cupples House)
6:45 - 7:45 pm	RECEPTION (Cupples House)
7:45 pm	SHUTTLE BUS SERVICE (Cupples House to Ramada Inn)
8:00 - 10:00 pm	DINNER (Ramada Inn)

THURSDAY, JUNE 23, 1983

8:30 am	SHUTTLE BUS SERVICE (Ramada Inn to Tegeler Hall)
8:30 - 9:00 am	REFRESHMENTS
9:00 - 9:30 am	SPEECH (Tegeler Hall) -- Secretary Raymond Donovan Department of Labor

THURSDAY, JUNE 23, 1983 (Con't.)

9:30 - 9:45 am	BREAK
9:45 - 11:45 am	PANEL: EMPLOYEE-MANAGEMENT COOPERATION TO IMPROVE PRODUCTIVITY, PRODUCT QUALITY AND QUALITY OF WORK LIFE (Tegeler Hall)
11:45 - 12:30 pm	GENERAL SESSION/QUESTIONS & ANSWERS (Tegeler Hall)
12:30 - 2:00 pm	INFORMAL LUNCHEON (Busch Center)
	SHUTTLE BUS SERVICE (Busch Center to Ramada Inn)

WHITE HOUSE CONFERENCE ON PRODUCTIVITY

The White House, Washington, D.C. 20500

AGENDA

PREPARATORY CONFERENCE ON GOVERNMENT ORGANIZATION & OPERATION & THE ROLE OF GOVERNMENT IN THE ECONOMY

Dates: July 19-21, 1983
Location: University of San Diego - San Diego, CA
Hotel: The San Diego Hilton

TUESDAY, JULY 19, 1983

6:00 - 7:00 pm	REGISTRATION (Hilton)
7:00 - 8:00 pm	RECEPTION (Hilton)

WEDNESDAY, JULY 20, 1983

8:30 am	SHUTTLE BUS SERVICE (Hilton to USD)
8:30 - 9:00 am	REGISTRATION/REFRESHMENTS (USD)
9:00 - 9:50 am	OPENING REMARKS/SPEECH L. William Seidman, Co-Chairman, WHCP William Norris, Chairman & Chief Executive Officer, Control Data Corporation
9:50 - 10:00 am	BREAK
10:00 - 12:15 pm	CONCURRENT SESSIONS (USD) 1A - Productivity Measurement 1B - Research, Development, Innovation and Protection of Intellectual Property Rights
12:15 - 12:30 pm	BREAK
12:30 - 1:30 pm	LUNCHEON/WELCOMING REMARKS - Dr. Author E. Hughes, President University of San Diego
1:30 - 1:45 pm	BREAK
1:45 - 4:45 pm	CONCURRENT SESSIONS (USD) 2A - Public Sector Productivity (Federal/State) 2B - The Impact of Regulation on Productivity Growth

4:45 - 5:00 pm	SHUTTLE BUS SERVICE (USD to Hilton)
5:00 - 6:00 pm	OPEN
6:00 - 7:00 pm	RECEPTION (Hilton)
7:00 - 9:00 pm	DINNER (Hilton)/SPEAKER: William Baxter, Assistant Attorney General, Antitrust Division, U.S. Department of Justice

THURSDAY, JULY 21, 1983

8:30 am	SHUTTLE BUS SERIVCE (Hilton to USD)
8:30 - 9:00 am	REFRESHMENTS (USD)
9:00 - 11:45 pm	CONCURRENT SESSIONS (USD) 3A - Government Organization & Information Policy 3B - Antitrust, Productivity & International Competitiveness
11:45 - 12:15 pm	GENERAL SESSION - QUESTIONS & ANSWERS (USD)
12:15 - 1:15 pm	INFORMAL BUFFET LUNCHEON (USD)
	SHUTTLE BUS SERVICE (USD to Hilton)

July 14, 1983

AGENDA

PREPARATORY CONFERENCE ON PRIVATE SECTOR INITIATIVES

Dates: August 2-4, 1983
Location: Carnegie-Mellon University - Pittsburgh, PA
Hotel: The William Penn Hotel

TUESDAY, AUGUST 2, 1983

6:00 - 7:00 pm	REGISTRATION (Penn Hotel)
7:00 - 8:00 pm	RECEPTION (Penn Hotel)

WEDNESDAY, AUGUST 3, 1983

8:30 am	SHUTTLE BUS SERVICE (Penn Hotel to CMU)
8:30 - 9:00 am	REGISTRATION/REFRESHMENTS (CMU)
9:00 - 9:15 am	WELCOMING REMARKS: L. William Seidman, Co-Chairman, WHCP
9:15 - 9:45 am	WELCOME AND KEYNOTE: Richard M. Cyert, President, Carnegie-Mellon University
9:45 - 10:00 am	BREAK
10:00 - 12:00 pm	CONCURRENT SESSIONS (CMU) - Managing Company Productivity Programs - Reward Systems - Product and Process Quality
12:00 - 12:15 pm	BREAK
12:15 - 1:45 pm	LUNCHEON AND SPEAKER (CMU) Secretary Malcolm Baldrige U. S. Department of Commerce
1:45 - 2:00 pm	BREAK
2:00 - 3:30 pm	CONCURRENT SESSIONS (CMU) - Technology - Training - Information Workers
3:30 - 3:45 pm	BREAK

3:45 - 5:15 pm	CONCURRENT SESSIONS (CMU) - Technology - Managing Information - Manager's Role in Productivy Growth
5:15 - 5:30 pm	SHUTTLE BUS SERVICE (CMU to Penn Hotel)
5:30 - 6:30 pm	OPEN
6:30 - 7:30 pm	RECEPTION (Penn Hotel)
7:30 - 9:30 pm	DINNER AND SPEAKER (Penn Hotel) C. Jackson Grayson, Chairman American Productivity Center

THURSDAY, AUGUST 4, 1983

8:30 am	SHUTTLE BUS SERVICE (Penn Hotel to CMU)
8:30 - 9:00 am	REFRESHMENTS (CMU)
9:00 - 10:30 am	CONCURRENT SESSIONS (CMU) - Cooperation in the Workplace - Health Care Industry - Service Sector
10:30 - 10:45 am	BREAK
10:45 - 11:15 am	INSTITUTE OF ROBOTICS PRESENTATION (CMU)
11:15 - 12:00 pm	GENERAL SESSION (CMU)
12:00 - 12:15 pm	BREAK
12:15 - 1:15 pm	INFORMAL BUFFET LUNCHEON (CMU)
	BUS SERVICE (CMU to Airport)

WHITE HOUSE CONFERENCE ON PRODUCTIVITY

The White House, Washington, D.C. 20500

Yes, I am interested in attending the White House Conference on Productivity in Washington, D.C. on September 22-23, 1983.

NAME: ______________________________

ADDRESS: ______________________________
(Organization)

____
(No. & Street)

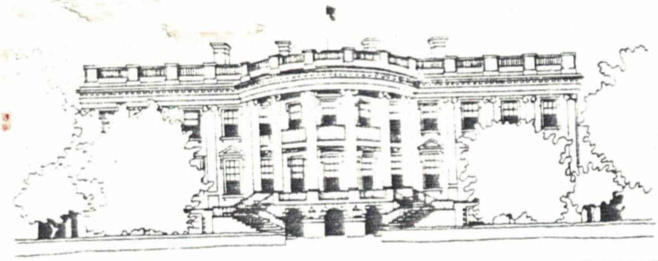
____
(City) (State) (Zip Code)

PHONE: ______________________________
(Area Code & Number)

NUMBER OF PLACES I WISH TO RESERVE: ____________

Please fill out and return to:

White House Conference on Productivity
The White House
Washington, D.C. 20500



William E. Simon, Chairman
L. William Seidman, Co-Chairman
Jack L. Courtemanche, Director

WHITE HOUSE CONFERENCE ON PRODUCTIVITY, THE WHITE HOUSE, WASHINGTON, D.C. 20500
(202-395-7362)

July 7, 1983

Mr. Gaylord E. Nichols, Jr.
Director
Industrial Relations Center
California Institute of Technology
Pasadena, California 91125

Dear Mr. Nichols:

Mr. Earle Jorgensen has told us about the extensive work your institution does in the field of productivity in industry.

We would like to have your participation in the White House Conference on Productivity. In conjunction with the White House Conference, we are holding four preparatory conferences on different aspects of productivity. We have attached information on these conferences as well as the White House Conference. Please review and let us know which conferences you would like to participate in.

Thank you for your interest in the White House Conference on Productivity. We look forward to your participation.

Sincerely,

Jack L. Courtemanche

Enclosures

cc: Mr. Earle M. Jorgensen

THE WHITE HOUSE
WASHINGTON

June 28, 1983

Jack:

Would you please respond to the attached for Mike Deaver and send us a copy.

Thanks!

WILLIAM F. SITTMANN
456-2861

EARLE M. JORGENSEN
10650 SOUTH ALAMEDA STREET
LOS ANGELES, CALIFORNIA 90054

MAILING ADDRESS
P. O. BOX 54633

Bill
pls have
J. Courtemanche
get in
touch.

June 24, 1983

The Honorable Michael Deaver
The White House
Washington, D.C. 20500

Dear Mike:

As you know, for the past 30 years I have been a very active board member of California Institute of Technology in Pasadena. One of my duties for this great institution is to be the Chairman of the Executive Forum of the Industrial Relations Center. The Institute, for many years, has been conducting extensive programs on the subject of productivity in industry. I understand that there is to be a White House conference on productivity on September 22 and 23 of this year. I strongly feel that with the experience we have gained over the years in this field, we could make a valuable contribution to this gathering. I would appreciate anything you could do to have the California Institute of Technology represented. If you feel this is appropriate, send the invitation to Mr Nick Nichols, Director Industrial Relations Center, California Institute of Technology, Pasadena, California 91125.

Thank you for any help you can give us in this matter.

Sincerely,

Earle

EMJorgensen:bb

cc Mr Gaylord E Nichols, Jr., Director
Industrial Relations Center
California Institute of Technology
Pasadena, California 91125

WHITE HOUSE CONFERENCE ON PRODUCTIVITY

The White House, Washington, D.C. 20500

May 5, 1983

file

Mr. Frank Merlotti
President
Steelcase, Incorporated
Grand Rapids, Michigan 49501

Dear Mr. Merlotti:

Mr. Michael Deaver passed on to me the report sponsored by Steelcase, Incorporated entitled, "White-Collar Productivity: The National Challenge." This report is well done and certainly addresses the challenge of productivity.

We have enclosed the recent announcement of the White House Conference on Productivity. We would certainly welcome Steelcase's participation in the conference. You will also note that C. Jackson Grayson is the chairman of our preparatory conference on the private sector in Pittsburgh, Pennsylvania.

If I can be of assistance to you, please let me know.

Sincerely,

Jack L. Courtemanche
Executive Director

Enclosures w/d

cc: Mr. Michael K. Deaver

THE WHITE HOUSE

WASHINGTON

February 16, 1983

file

MEMORANDUM FOR JAMES A. BAKER III
MICHAEL K. DEAVER
RICHARD G. DARMAN
DAVID R. GERGEN

FROM: ROGER B. PORTER RBP

SUBJECT: White House Conference on Productivity

We are receiving numerous calls and a good deal of correspondence from individuals and organizations inquiring about the plans for the White House Conference on Productivity. You have already approved the basic concept of holding a final conference in Washington in mid-October and four preparatory conferences around the country during the late spring and summer.

The steering committee established by the National Productivity Advisory Committee has met and approved this approach and the attached draft press release which can serve as something we can send to those who inquire about the Conference.

Hopefully, we will have all the clearances completed on a Director for the Conference within the next few weeks and can issue a followup release announcing his appointment.

We have tentatively scheduled the State Department Auditorium for October 13-14 in the event that we want to hold the Conference in a government facility.

I recommend that we issue this release soon so that we can have something concrete to communicate to those who are interested in contributing to the Conference.

Attachment

DRAFT: 2/1/83

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release February _, 1983

White House Conference on Productivity

On October 25, 1982 President Reagan signed legislation calling for a White House Conference on Productivity to develop recommendations for stimulating productivity growth in the United States. The President assigned responsibility for conducting this Conference to the National Productivity Advisory Committee, and expressed his belief that "under the auspices of the National Productivity Advisory Committee, a White House Conference on Productivity could make a significant contribution to the ongoing efforts in this area."

The National Productivity Advisory Committee has announced that it will convene the White House Conference on Productivity on October 13-14, 1983 in Washington, D.C.

In preparation for the Conference, there will be a series of four preparatory conferences conducted in different locations in the United States, beginning in April 1983, to consider specific issues and recommendations for stimulating productivity. Interested individuals and organizations are invited to submit their suggestions on what action government, community, employee and business organizations can take to improve productivity growth in the United States. The Advisory Committee has appointed six Conference committees to review the recommendations and suggestions it receives and to ensure that areas specified in the legislation creating the Conference are considered.

All suggestions and requests for information should be sent to The White House Conference on Productivity, The White House, Washington, D. C. 20500.

# # #

DRAFT: 2/4/83

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

February _, 1983

White House Conference on Productivity

Background Information

The legislation authorizing the White House Conference on Productivity, H.R. 7292, specifies that the Conference should bring together experts and representatives of business, labor, academic and government organizations to develop background and recommendations on improving productivity growth. It outlines 11 policy areas for the Conference to consider with regard to their role in improving productivity:

1. Reorganizing the Federal Government to promote productivity improvement;
2. Promoting the benefits which result from implementing productivity improvement techniques;
3. Improving the general training and skill level of American labor;
4. Informing American businesses of foreign technology developments;
5. Sharing government research with industry;
6. Establishing awards for businesses and industries that make improvements in productivity;
7. Revising the tax laws to improve productivity;
8. Reviewing the effects of antitrust laws on productivity;
9. Reviewing our patent laws;
10. Improving the accuracy and reliability of productivity measures;
11. Revising Federal civil service laws.

The legislation provides for sending a conference report and recommendations to the President within 120 days of the Conference. It further provides for the President to send the Congress within 120 days from the date he receives the conference report his recommendations for legislative and administrative action necessary to implement the Conference recommendations he supports.

Conference Objectives

The White House Conference on Productivity will pursue four princiapal objectives:

1. Develop Recommendations. The legislation specifically mandates that the Conference develop recommendations for actions to stimulate productivity growth. To assure that it provides the President with the best options available, the Conference will use the recommendations developed already by the Advisory Committee as the basis for Conference proposals and will review additional suggestions submitted by interested individuals and groups.

2. Increase Public Awareness. While many Americans are generally aware of a productivity "problem," most are unaware of the nature of the challenge or of the public policies necessary to meet it. The Conference will provide opportunity for a wide ranging discussion on productivity, and about what government, business, labor, and private institutions can do to improve it.

3. Promote Private Initiatives. In addition to discussing what government has done and can do to promote productivity growth, the Conference will focus on the role of business, labor and private institutions in meeting the productivity challenge. Many firms and organizations have been very successful in generating relatively high levels of productivity and in instituting systems for eliminating impediments to productivity. The Conference can provide a forum for making others aware of these initiatives.

4. Facilitate Public Debate. Fundamental reforms in government policies can occur only with broad based public support. The Conference can provide a forum for business, labor and academic leaders to debate such fundamental reforms without committing the Administration or the Congress to a position in advance. Moving to a simpler and more fair tax code is an example of an issue that merits further public debate.

Organization of the Conference

The National Productivity Advisory Committee (NPAC), which has overall responsibility for overseeing the White House Conference on Productivity, has established a series of committees to provide direction and to review Conference planning and activities.

1. Chairman and Co-Chairman of the Conference. William E. Simon, Chairman of the NPAC, will serve as the Chairman of the White House Conference on Productivity. L. William Seidman will serve as the Co-Chairman.

2. Steering Committee. To provide direction and guidance to the the various individuals that will be responsible for the different elements of the Conference activities, the Advisory Committee has appointed a Steering Committee composed of the following individuals: William E. Simon, Chairman; L. William Seidman, Co-Chairman; Lewis M. Branscomb, John T. Dunlop, C. Jackson Grayson, Paul W. MacAvoy, Paul H. O'Neill, Committee

Chairmen; and Senator William Roth and Congressman John LaFalce.

3. Six Subject Matter Committees. The NPAC has also established six subject matter committees of individuals who have expertise in particular areas for which recommendations may be developed. The Committees are: Capital Investment; Human Resources; Research, Development and Technological Innovation; The Role of Government in the Economy; Government Organization and Operations; and Private Sector Initiatives. The committees will be responsible for examining issue areas specified in the legislation and any others that may be added by the Conference Chairman or Co-Chairman.

The committees will review recommendations provided by the public and also will ensure that recommendations are developed in each of the issue areas specified in the legislation calling for the White House Conference. Recommendations should be submitted to the White House Conference office at least two weeks before the preparatory conference scheduled to consider the issue area.

4. Preparatory Conferences. The Advisory Committee believes that holding a select number of preparatory conferences will enhance the opportunities for achieving the Conference objectives. These conferences will be held on university campuses, or in other public facilities that will be readily accessible to the public. Four preparatory conferences are planned on the following subjects:

Capital Investment and Taxation

Government Organization and Operation,
Research & Development,
Role of Government in the Economy

Private Sector Initiatives

Human Resources

As resources may be available, teleconference facilities will be considered as an opportunity to expand the participation in the preparatory conferences to individuals assembled at other locations, as well.

5. White House Conference. The final White House Conference on Productivity will be held in Washington, D. C. on October 13-14, 1983. Attendance at the Conference will be open to the public, but space limitations require that it be arranged in advance, by October 1, through the White House Conference offices.

The final Conference will include presentations and discussion by the committees based on the papers and recommendations they received from the public or developed in their own deliberations.

6. Conference Participation. Representatives of the Congress, the Administration, state and local governments, business and employee organizations, academic institutions and other organizations with relevant interests in productivity will be invited to participate in the White House

Conference. Although participation will be by invitation, members of the public can arrange to present their papers, recommendations or views during an appropriate comment period during the preparatory conferences, in writing or by advance arrangement with the Conference office.

Conference participants or their sponsoring organizations will pay their own expenses for attending or participating in preparatory conferences, committee meetings or the final conference.

7. Conference Office. The official office for Conference will be in Washington, DC. Any correspondence or recommendations should be submitted to:

White House Conference on Productivity
The White House
Washington, D. C. 20500

The telephone number for the White House Conference office is 202-566-9085. All recommendations, suggestions and nominations for participation should be submitted in writing to the Conference Office and accompanied by a one page summary.

National Productivity Advisory Committee

The National Productivity Advisory Committee was established by President Reagan in Executive Order 12332 on November 10, 1981. Its members are:

William E. Simon, Chairman
Wesray Corporation

Harold J. Bouy
Boilermakers International

Lamar Alexander
Governor of Tennessee

Lewis M. Branscomb
IBM Corporation

Jesse M. Calhoon
National Marine Engineers Beneficial Association

Nicholas T. Camicia
The Pittston Company

Justin Dart
Dart & Kraft, Inc.

Michael K. Deaver
The White House

John T. Dunlop
Harvard University

Martin Feldstein
Council of Economic Advisers

Clifton C. Garvin
Exxon Corporation

Harvey Goldstein
Singer, Lewak, Greenbaum & Goldstein

Peter Grace
W.R. Grace & Company

C. Jackson Grayson
American Productivity Center

Robert E. Hall
Stanford University

David T. Kearns
Xerox Corporation

Alfred H. Kingon
Macro Communications

Charles F. Knight
Emerson Electric Company

William Konyha
Brotherhood of Carpenters
and Joiners of America

Laurence W. Lane, Jr.
Lane Publishing Company

Paul W. MacAvoy
Yale University

Donald S. MacNaughton
Hospital Corporation of America

Ruben F. Mettler
TRW Corporation

John J. O'Donnell
Air Line Pilots Association

Paul H. O'Neill
International Paper Company

Gerald L. Parsky
Gibson, Dunn & Crutcher

John H. Perkins
Continental Illinois
Bank & Trust Company

Richard F. Schubert
American Red Cross

Maurice R. Schurr
Brotherhood of Teamsters

Donald V. Seibert
J. C. Penney Company

L. William Seidman
Arizona State University

Roger B. Smith
General Motors Corporation

Jayne Baker Spain
George Washington University

Arnold R. Weber
University of Colorado

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