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THE WHITE HOUSE

WASHINGTON

December 8, 1981

MEMORANDUM FOR RICHARD DARMAN

FROM: ELIZABETH H. DOLE 

SUBJECT: SOTU As Per Staffing Memorandum 044142CS

I am suggesting a broad theme which I believe could serve as a preamble to the President's SOTU message. The theme attempts to illustrate the principles at the heart of the President's value system and to share these philosophical principles with the public. I suspect that some of the "mainstreet" Americans who have expressed confusion and disenchantment with our actions over the past months have this concern, as much as anything, because they do not fully understand the President's philosophical framework for decision-making and why he is charting his current path.

By starting at the lowest common philosophical denominator, the President can shape the path on which he is travelling and force people to judge his progress against a yardstick of his own making. Additionally, such an approach will enable listeners to experience the depth of his feelings for the freedom of the individual and the importance of community: family, neighborhood, school, church, etc.

THE THEME

Ronald Reagan understands better than any other political leader that America is great because of (1) individual activities and enterprise, and (2) a strong sense of community.

I propose that the President point out that the health of America is based on a balance of these twin values, and that supply side economics and the entire Economic Recovery Plan are basically attempts to encourage individual economic enterprise. Similarly, the President's support for private sector initiatives, revived federalism, and other Administration social programs is part of an attempt to foster a sense of community and the limitless beneficial activities it can engender.

It can be shown that these principles -- individual enterprise and community - are the essence of the American political tradition and, at the same time, are the core of the Reagan programs. The President could strongly state that in foreign policy he is implementing a revived defense program which will ensure that

America is never again held hostage. Domestically, the President can underscore his commitment to work with the Congress to assure that never again will American citizens be held hostage to a bureaucratic, centralized government which preempts wealth, resources and incentives. The President's record of accomplishments and vision for the future of America will flow well from such a base.

THE SUB-THEMES

With the aforementioned structure for underpinnings, the President could then weave sub-themes throughout the address:

Keeping Promises . . . A Man of His Word

The President could point out that most of our economic and social difficulties are the result of American government having strayed from our traditions and first principles. The President could point out that he has promised, and is delivering, a new beginning, based on the old and tried principles of the Founding Fathers.

The President could, of course, then turn to many specific programs (i.e., budget, tax and regulatory relief), all of which are designed to create incentives for individual and community-oriented activities. The President can show his constancy and his excellent record in keeping his campaign promises.

"I was not sent here to warm a seat in the Oval Office.

"A year ago, I promised a new beginning. With your help and support, we have made good on much of that promise. But a beginning is exactly that - the first of many steps away from what has not worked, toward what can work if we give it a chance. The economic problems we face have rolled downhill with gathering force for half a century. We have halted them in their tracks - but the path uphill will be steep. I offer no panaceas, no painless, patented formulas for wiping out inflation and unemployment. There are no easy answers. But there are answers.

"Most of all, I will not accept the cynical premise that what candidates offer, officeholders somehow find inconvenient. A wise British statesman said that 'History is apt to judge harshly those who sacrifice tomorrow for today.' With your help, with the support of the American people and the sustenance of Almighty God, we will live up to our promise as well as our promises.

"Like every generation of Americans, we acknowledge the problems, and we perceive the potential for better things. Already, some of that potential is being realized. Tonight, I can honestly state that we have turned a corner."

A Caring President . . . A Compassionate Administration

The President can show through this sub-theme that he is encouraging individual and community activities through a number of social programs, including immigration policy, voting rights, the maintenance of the integrity of the social security system, the creation of the "50-States Project" and "Task Force on Legal Equity for Women" and others. Of course, the most obvious examples of the President's dedication to these twin concepts would be private sector initiatives which directly fosters both, and the President's revived federalism programs which are designed to encourage both.

Throughout the speech, we should highlight the President's compassion and emphasize his realization that there are so many under-utilized human resources, especially the elderly, the disabled, women and others who are able and willing to work.

Frankly, there are some constituencies that he must address in his speech, including women, the elderly, blacks, labor and small business, all of which have major concerns about the President's interest in their welfare. The type of example the President utilized regarding the hospitalized youngster conveys his compassion and concern far more effectively than any amount of rhetoric. The President could show that his is not an Administration run by and for the rich and powerful by showing his policy of openness and outreach to all citizens.

"I want to speak to nine million Americans auto workers standing in an unemployment line instead of an assembly line, ambitious black men and women with no outlet for their ambitions, teenagers condemned to street corners because America's economy has yet to stretch to accommodate your desire to get ahead.

"I share your frustration, and, yes, your anger. More than that, I am committed with all my strength to a program that will force outward the walls that now constrict our economy, that will staunch the flow of capital away from the marketplace and return it once more to grease the engine of a free economy."

A Man of Peace

Finally, the President must stress the peace initiative, which will go to the concerns of many of these groups. The theme of "Reagan the Peacemaker" complements the domestic theme of the compassionate President.

"Tonight America is more secure in her freedom. Our defenses are at last being bolstered, and our armed forces are receiving their rightful due. But our strongest weapons have never been our missiles or our aircraft carriers. Our most powerful weapons are our ideas. Our most potent export is liberty: liberty to worship as one sees fit, liberty to realize one's dreams, liberty to be all that God intended."

THE WHITE HOUSE

WASHINGTON

January 20, 1982

MEMORANDUM FOR RICHARD DARMAN

FROM: ELIZABETH H. DOLE

SUBJECT: SOTU Draft

One of the President's strongest leadership traits is his vision and his ability to inspire others. The draft lacks the highest levels of vision and inspiration exhibited in the best of the President's earlier speeches.

On balance, the draft does not do justice to what I know to be the President's real commitment to people as well as to principles and concepts. It needs to be stressed that it is not the people who have fallen from favor, rather the ineffectiveness of programs and a bloated bureaucracy. As we lower federal systems and programs, we need to raise people - and point to more efficient ways of helping them.

In stressing people, the compassion theme should be introduced wherever possible. The following is an example of a greater weight being given to the concerns of the less fortunate:

"I want to speak to auto workers standing in an unemployment line instead of an assembly line, ambitious black men and women with no outlet for their ambitions, teenagers condemned to street corners because America's economy has yet to stretch to accommodate your desire to get ahead.

"I share your frustration, your confusion and, yes, your anger. More than that, I am committed with all my strength to a program that will force outward the walls that now constrict our economy, that will staunch the flow of capital away from the marketplace and return it once more to grease the engine of a free economy."

The President should include a strong statement on his commitment to keeping promises, for example:

"Most of all, I will not accept the cynical premise that what candidates offer, officeholders somehow find inconvenient. We have made many promises; we have kept many promises. We will make the journey together, remembering the words of a wise British statesman who said that

'History is apt to judge harshly those who sacrifice tomorrow for today.' With your help, with the support of the American people and the sustenance of Almighty God, we will live up to our promise as well as our promises."

It is necessary to stress that the President's programs benefit the little man at least as much as big business. To that end, reference should be made in such benefits as the tax changes which permit estates to be passed on to spouses without paying a hefty inheritance tax, family farms to be passed along to spouses and children without burdensome taxation, small businesses to benefit from many provisions of the tax cut bill, etc. In short, there must be some reference as to how the "little" has benefitted as much as the "big." In addition, if tax proposals (minimum corporate tax, etc.) are planned which negatively impact on big business, they should also be highlighted.

The speech does not leave us with a clear vision of the President as "a man of peace." This issue is of primary concern to women, in particular. While it is appropriate to emphasize the importance of military strength, it must also be stressed that the ultimate objective of a strong national defense is not aggression, but peace and freedom.

cc: Dave Gergen
Aram Bakshian

THE WHITE HOUSE

WASHINGTON

January 20, 1982

MEMORANDUM FOR:

RICHARD G. DARMAN ✓

FROM:

ELIZABETH H. DOLE

SUBJECT:

SOTU - Page-by-Page Remarks

<u>Page</u>	<u>Para.</u>	<u>Comments</u>
2	2	After "...more than just words of numbers", add: "it's people." This addition is suggested to bring the human element into the equation.
4	2	The recounting of accomplishments is essentially a "selling" presentation. However, it is totally devoid of the benefits accruing to individual Americans and, therefore, it is somewhat unconvincing. For example, when we discuss slowing down the rate of increase in spending, we should identify that these reductions occurred in ineffective programs which did not address the genuine concerns of people in need.
	3	We should clarify that tax indexing will take effect in 1985. Setting up of a Task Force on Social Security does not warrant treatment as a major achievement.
	4	Oil deregulation could be converted to human terms by citing this as an example where government dis-involvement actually resulted in a decrease in the real price of gasoline to the consumer.
5	1	We might also wish to add the recapture of revenues kept from the government and Indian tribes by "big oil." This helps to combat the image that we tilt to big business.
6	4	Suggest deleting "housing programs for example". We should try not to highlight program cuts in areas that are considered to be the very basic needs of our citizens, e.g., food, shelter and health.

The logic of the last sentence on Page 6 and the following paragraph on Page 7 is inconsistent and must be changed.

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7	2	General refererences to "people" should be changed to be specific wherever possible. Suggest "men, women and children", where appropriate.
	4	Suggest use of a program other than food stamps in order to point out examples of abuse; preferably an example that shows a big business abuse. Let's use provider fraud rather than people fraud.
8	1	Suggest that "the people" be changed to "the men, women and children" delete "greedy"& add "providers."
	3	Instead of referring solely to significant reductions in entitlement programs, stress savings with an increase in the effectiveness and responsiveness of service to those truly deserving and in need.
	7	To underscore our concern for the needy, it is suggested that we might draw comparisons to the percent of the budget devoted to social and defense programs for the Administration.
9	1	We need more examples of specific benefits to people resulting from government programs. *Million people receive food stamps. *Million housing assistance, etc. The large numbers being cared for will surprise many.
12-14		The entire section on Federalism is somewhat difficult, dry and lacks the true sense of inspiration worthy of the undertaking. The emphasis is much more on the program and structure than on the benefits that will accrue to people.
13		The brief mention of excise taxes without explanation is a potential "red flag". The media has already associated this issue as one which impacts unfairly on the "middle class and the poor."
14-15		With as much strong emphasis as we have placed on PSI and Enterprise Zones, more inspirational and visionary language should be used in dealing with these two subjects.
15	6	The entire passage on civil rights gives the impression of insincerity and does not do justice to the President's deep-seated convictions on this issue.

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16	2	Need to more clearly identify the <u>benefits</u> of the Administration's position on Clean Air.
	3	Suggest deleting "racial quota system" since it has not received the same level of focus as protection of the unborn, forced busing and school prayer among Conservatives.
	4	Somehow involve the elderly in the discussion on crime since this issue is of prime importance to them.
20		In treating the intent of Soviet behavior, it would be very helpful to bring in the human element by stressing the liberties and freedom taken from the people of Poland and Afghanistan in the very recent past.
21		Where there is reference to heroes, include reference to Mother Theresa whom the President met with this summer. She is considered a real heroiness and this would bring in a woman and a religious figure. Suggest also including some modern heroes like Lenny Skutnik. The entire reference to the Hudson Institute scholar should be deleted. It smacks of predestination and actually runs counter to the President's view that positive leadership can make a difference in the outcome of the future.

cc: Dave Gergen
Aram Bakshian

THE WHITE HOUSE


WASHINGTON

January 20, 1982

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RICHARD G. DARMAN

FROM:

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cc: Dave Gergen
Aram Bakshian



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

December 5, 1981

MEMORANDUM FOR: Craig Fuller
FROM: Ed Harper
SUBJECT: State of the Union Address -- Themes
and Initiatives

I have attached an outline detailing a number of themes and initiatives that might be used for the President's State of the Union address.

I assume that established and well-known themes will be covered and submitted by others.

Attachment

cc: Dick Darman ✓

THEME: SHRINKING THE SIZE AND INTRUSIVENESS OF THE FEDERAL GOVERNMENT

- . Dismantling the Department of Energy: The FY 1983 budget will reflect the dismantlement of the DOE. Legislation will be proposed to abolish the Department and assign its legitimate functions to other agencies.
- . Abolishing the Department of Education: The Department of Education will be eliminated from the FY 1983 budget. Legislation will be sent to the Congress to abolish the Department and distribute its limited functions to other agencies. New national Education Foundation will be proposed.
- . Federalism: More block grants will be proposed this year to continue efforts to provide states with maximum flexibility to provide programs that meet the needs of their citizens (e.g., new training and employment block grant, block grant for agricultural conservation programs).
- . Deregulation: Goal of improving FY 1981 performance that avoided \$5 billion in recurring, and \$15 billion in capital, costs.

THEME: THE JOB IS NEVER DONE ON FRAUD, WASTE AND ABUSE

- . Inspectors General: Intend to propose legislation to expand statutory Inspectors General to all major agencies, including the Department of Defense.
- . Debt Collection: Over the next three years, we plan to collect \$4.5 billion in delinquent debts.
- . Eliminate waste and mismanagement in the more than \$110 billion of Federal procurement by
 - Fully implementing 31 point Department of Defense reform program
 - Proposing a uniform comprehensive reform of procurement procedures
 - Insuring more effective competition for government contracts.

THEME: LET'S CREATE A BUDGET PROCESS THAT WORKS

- . Current process has become cumbersome and almost unworkable. Passage of all appropriations bills by the beginning of the fiscal year is rare. Mechanism needed

to ensure restraint of government spending pending passage of individual bills. President should have line-item veto power of appropriations bills on account-by-account basis.

THEME: IMPROVING EFFECTIVENESS OF LAW ENFORCEMENT ACTIVITIES

- . **Coordination:** Will establish law enforcement coordinating committees in each judicial district to coordinate Federal, state and local law enforcement.
- . **Drug Related Crime:** More effective use of resources through increased DEA/FBI investigations; implement legislation proposed in 1981 to provide access to military intelligence, lift the ban against paraquat spraying, and allow payment of rewards.
- . **Personnel:** More effective utilization of personnel through transfer of Bureau of Alcohol, Tobacco and Firearms responsibilities to the Secret Service and Customs Service.

LA Kudlow
December 5, 1981

STATE OF THE UNION SUGGESTIONS

General Themes Relating to the Economic Plan

The point should be made clearly that the President's overall economic recovery plan, the famous four pillars of wisdom, is as sound and as constructive now as it was when it was first announced last winter.

- o Historic reduction in the burden of taxation and specific tax rates to promote saving, investment, thrift and work effort. Also, the tax plan contributes to the Presidential objective of a strict limit to the size of the federal government by denying revenues to the free spenders and by shrinking the tax receipt share of GNP.
- o Unprecedented reductions in the rate of federal spending as well as in the level of specific programs. Cutting waste, fraud and abuse; tightening eligibility where necessary; eliminating unnecessary subsidies; while still preserving a margin of support for the truly needy elements of American society.
- This budget restraint shrinks the size of government and reduces the magnitude of federal borrowing which has so disrupted the financial market behavior and economic growth.
- Along with the reduction in spending and borrowing, the President has embarked on the first major curtailment of unnecessary off-budget credit programs, which similarly impair financial market behavior and economic growth.

- Steady budget restraint over time will shrink the government's share of GNP; thus allowing for a shift in the distribution of resources from the excessive public sector growth of recent years to the desired private sector growth during the 1980's.
 - Permanent budget restraint is the surest way to hold down tax burdens. The truest measure of a nation's tax burden is the rate of growth of government spending, which must be financed either through direct tax increases or through the indirect tax of inflation. The public will never believe that tax burdens will be permanently reduced until it sees steady, consistent follow-through on the plan for budget restraint.
- o Steady, reliable and subdued growth in the nation's money and credit supply as the keystone of the fight against inflation. Years ago Freidman argued 2 - 5% growth (or thereabouts). This range has been achieved in 1981; it is consistent with the objective of strong economic growth in future years; as well as the objective of reduced inflation and improvement in the value of money.
- The Federal Reserve Board in 1981 has taken major steps to implement the President's monetary views. The Board has earned the confidence and respect of the public. Consequently, we endorse the Fed's conduct of monetary policy, we encourage a continuation of these policies, and we reaffirm the historic traditional independence of the Federal Reserve Board -- free from political interference and fine-tuning, dedicated to the principle of a sound currency, the basis for business confidence, stable prices, and economic growth.

- Future appointments to the Board will occur within the context of the President's policy of subdued growth in money and credit, a strong anti-inflation commitment, and a healthy respect for the independence of the institution.

- o Unprecedented efforts to remove government interference from the economic and social workings of the private sector will continue. Business firms, labor unions, consumers and individual families must be left to pursue their own objectives and goals, in their own manner, consistent with the principles of a free society. The policy of deregulation is consistent with the overall objective to shrink the size of government and reduce the scope of government.
 - Arbitrary decisions by government agencies to impose the rule of administrative law on the American tradition of a sound and representative judicial system must be eliminated.

 - Random decisions made by political forces must also be prevented. Changing the rules of the game without any rhyme or reason disrupts all aspects of economic and social life.

 - The Administration is firmly committed to the primacy of the free market order. This is the ultimate foundation for strong investment, sound money and robust economic growth. It is also the foundation of a truly free society.

The four elements of the economic plan were designed to interact in a complimentary manner over time. Standing alone, none of these elements can act as an economic panacea. The President's program is much more than a politically-crafted combination of issues created to pull together doctrines and dogmas loosely identified as "supply-siders," "monetarists," "traditionalists," or other doctrinal labels.

Instead, the plan was conceived last winter by the President's newly-appointed economic advisers to combine the best elements of the classical free-market economic philosophy to which the President has subscribed for many many years. The complimentary interaction of the principal elements of the economic plan was never expected to achieve a miraculous recovery during 1981. From the earliest days last January the people involved in the construction of this plan anticipated an up-hill effort to implement and consistently follow-through on these plans over a period of several years in order to successfully reverse the momentum of the politically-directed, central planning-oriented welfare state.

The onset of recession in 1981 in no way indicates a failure of the economic plan. A temporary disruption of economic activity was inevitable and ineluctable. Having inherited an easy money big spending policy regime (which itself failed dismally to produce sustained economic growth), a shift toward sound money incentive-oriented budget restraint was bound to cause a transitional economic slowdown.

But the implementation of a new set of policies lays the foundation for strong, sustainable non-inflationary growth in the 1980's. The seeds of recovery have been planted, though many observers refuse to look beyond the end of their noses.

An honest approach should admit straightforwardly that the nation must in the short run tighten its belt. In this, we should not underestimate the character and far-sightedness of the American people. They recognize the futility and failure of the easy credit welfare model. A transitional phase of 6 - 9 months of recession is an acceptable cost in a longer-run effort to improve living standards, hopes and aspirations, and to generate a clear path towards prosperity.

President Reagan has taken steps to end the Age of Inflation. This has lasted a fifteen year generation. It has brought no advance in living standards, and a comprehensive erosion of the fundamental values of thrift, work, sound currency, profits, respect, churches, families and so forth. It has been accompanied by a similar erosion in the standing of the U.S. and its citizenry overseas.

Now, the President seeks a new Age of Prosperity. Without quick fixes, without panaceas, without the triumph of style over substance. The renaissance of traditional values is very much a part of the effort to regain economic growth. These are cosmic values; a few months of transitional recession in no way obscures the importance of this change.

As we look ahead, in order to implement these new policies we should not be afraid to make marginal adjustments in the context of changing economic conditions. Pragmatism is never a vice as long as it occurs within the context of a sound footing and a sound policy. We must not allow dogmatists and ideologues to manipulate the President or his policy for their own self-aggrandisement. Narrow ideological considerations are without relevance in this return to the fundamental values of a free society.

(Consideration of technical issues related to new economic assumptions and new budget targets will come later. The above outline is meant only as thematic suggestions.)

MEMORANDUM

THE WHITE HOUSE

6907

WASHINGTON

December 7, 1981

MEMORANDUM FOR DICK DARMAN

FROM: BUD NANCE *Bud*
SUBJECT: State of the Union Speech

Several general points may be made at the outset concerning the scope and character of the President's first State of the Union message:

- Carter's speeches (particularly the written versions for Congress) were notorious for their "laundry list" quality; we should aim instead at presenting a coherent, well-articulated account of the President's philosophy and program;
- it would therefore seem more important to concentrate on stating the broad and permanent themes of the Reagan presidency than on announcing specific "initiatives" for 1982;
- if it is decided after all to propose such initiatives, consideration should be given to relegating discussion of them to the written version of the speech intended for congressional consumption, while preserving the spoken version primarily for the broad themes;
- regarding the place of foreign/national security policy in the speech, it strikes us as extremely important that the President devote a substantial part of the speech to this, the primary aim being to address frontally the persisting doubts of many Americans regarding the priority the Administration is attaching to military spending as opposed to domestic social programs;
- what is needed, therefore, is not a "laundry list" account of what we are trying to do in various regions or programs, but a sober discussion of the world situation and the unique responsibilities of the federal government to defend the nation and support freedom around the world in the light of the growth of Soviet power and increasing international lawlessness and disorder.

The following suggestions may be offered concerning the overall conceptual framework of the speech:

- a serious and carefully considered effort should be made to ground the speech firmly in the American past and to defend the values and traditions of the American past, and in particular the Constitution, against those who claim

they no longer provide appropriate guidance for the present;

- to be most effective, this effort should involve an explicit refutation of the notion that the President is a reactionary with a nostalgic longing for the nineteenth (or, indeed, the eighteenth) century; the point should be made that the American political system has proven a success both because it is grounded in sound principles and because it is adaptable to changing circumstances, but that its very success has endangered the system by causing the principles to be taken for granted and eventually to be misunderstood or forgotten;
- the occasion of addressing "the state of the Union" is a good one for engaging in reflection on the Constitution; two themes in particular can be developed from this -- the relationship between the three branches of government and the relationship between the federal government and the states;
- regarding the relationship of the branches, the argument should be that one of the great purposes of this Administration is to correct the imbalances that have developed in recent years as a result of widespread misunderstanding of the proper functioning of the government in general and the specific branches in particular; we intend to return the Supreme Court to its traditional, more limited role of interpreting the Constitution rather than legislating social policy, and we seek to reduce unwarranted Congressional interference with the prerogatives of the Executive (the Clark Amendment could be mentioned); this does not mean that we intend to resurrect the imperial presidency -- there should be no imperial branches, but a republican balance in the pursuit of limited aims;
- regarding federalism, the argument should be made that the American political tradition supports neither big government nor small government simply, but a sophisticated mixture of the two, and that the challenge facing us today is to correct the imbalance that has developed during the last fifty years in favor of big government and the federal government, while at the same ensuring that the federal government remains adequate to the demands of a complex modern society and to its unique responsibility to see to the nation's defense.

Regarding foreign and national security policy, an argument of the following kind suggests itself:

- under our system of government it is proper for the federal government to devote a large portion of its resources to the common defense; it is all the more necessary given the current international scene as well as a decade of declining military expenditures and a contracting force structure;
- character of the world today: international peace and security are more fragile than at any time since World War II; the hopes we once placed in the United Nations as an international peacemaker and moral example seem increasingly unrealistic, as does the classic vision of progress toward a world of democratic, disarmed and peaceful states; the reality is that peace and the freedom of peoples is threatened as it has not been since the turbulent 1930s by a bloc of states and movements that are highly militarized and employ the traditional instruments of imperialism as well as the more modern arts of propaganda, terrorism and subversion;
- the 1980s a decade of unprecedented danger for the US, the West and freedom-loving peoples everywhere; a need for a national reexamination of the lessons of the 1970s which are to a large extent also the lessons of the 1930s, unfortunately too long and thoroughly forgotten; we must not again invite a world war by our complacency, by refusal to face facts and shoulder responsibilities, by wishful thinking, by a failure of intelligence and will in the leaders and peoples of the West;
- in response to this situation, this Administration has taken the following steps as part of its comprehensive plan for restoring the strength of American democracy and returning this country to its proper and necessary role in the world;
- we are rebuilding the economic basis of national power by removing a crushing tax and regulatory burden, thereby releasing the productive energies of the American people, and by enhancing our access to secure supplies of energy and raw materials through stockpiling, the restoration of competitive market conditions and other means;
- we are rebuilding our military strength: we are moving both to remedy the unsatisfactory state of our military manpower and materiel and to bring greater coherence into our military planning and strategy; specifically, we intend to recover our traditional naval superiority, which has come under severe challenge from the Soviet Union; we seek a

margin of safety in our strategic nuclear forces, and we intend to make up for a decade's neglect of the strategic defense of the continental United States (the fundamental elements of a strategic program intended to fulfill these goals were announced by the President in 1981); and we are proceeding to restore a balance of nuclear forces in Europe, while at the same time continuing improvements in our conventional forces in Europe and elsewhere;

- with respect to arms control, we have committed this Administration to continuing the traditional efforts of this nation to enhance international peace and security through restrictions on military activities and reductions of armaments, while recognizing that the prospects for genuine arms control cannot be considered bright given the current world situation and the record of the last ten years; we have initiated negotiations with the Soviet Union on intermediate range nuclear forces, having offered to forego deployment in Europe of a new generation of American missiles if the Soviets agree to dismantle comparable systems of their own, and we will shortly reopen talks with the Soviets on strategic or intercontinental range nuclear forces; at the same time, we can no longer ignore the accumulating evidence of involvement by the Soviet Union and its allies in the use of lethal chemical and toxin weapons in Southeast Asia and Afghanistan, as well as of Soviet preparations for biological warfare, contrary to the terms of several internationally sanctioned arms control agreements; we are very seriously concerned at such activities, which are not only morally repugnant and inhuman in themselves, but represent a calculated affront to world opinion and threaten to destroy the very basis of the international arms control regime; for this and other reasons, our commitment to arms control must be a qualified one, and will not stand in the way of our resolve to take whatever actions are necessary to discourage and deter our adversaries from pursuing military superiority over the West;

- we are reconstituting our foreign policy on a more vigorous and effective basis, revitalizing and strengthening existing alliance commitments, rewarding those nations friendly to the purposes of this country, seeking correct relations on a basis of strict reciprocity with our adversaries, and making sure that those who actively oppose our interests throughout the world pay a price for doing so;

- We are rebuilding our intelligence capabilities, removing harmful restrictions on the activities of our intelligence agencies (restrictions reflecting the unrealistic view of the world so prevalent during the last decade), improving the analytic quality of their products and enhancing the utility of intelligence for policy-making;
- we are rebuilding our international information capabilities after a decade of scandalous neglect, in the conviction that the United States has no more powerful and effective weapon in its arsenal than the weapon of truth, and that it is on the battlefield of ideas that the contest between liberal democracy and communist tyranny will ultimately be decided;
- finally, we are committed to restoring the traditional primacy of the United States in science and technology, refocusing our national pride and aspirations on the conquest of new frontiers by science, particularly the frontier of space (where we intend to pursue vigorous development of the Space Shuttle, which had its first -- eminently successful -- flight in 1981).



OFFICE OF THE SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

December 7, 1981

MEMORANDUM FOR CRAIG FULLER, ASSISTANT TO THE PRESIDENT FOR CABINET AFFAIRS

SUBJECT: State of the Union Speech (Your 044142CS)

Secretary Weinberger forwards the following proposed theme and DoD initiatives for consideration in the development of the President's speech:

- The only real national objectives - a theme which stresses the need to clearly assess national priorities and do what is necessary to attain national objectives. The keystone objective is the maintenance of world peace and stability brought about by our attainment of a level of military strength which ensures national security as well as providing the leadership for the defense of the free world. Remind the American public and the Congress of British Historian Sir John Slessor's comment in 1945 on the most important service:

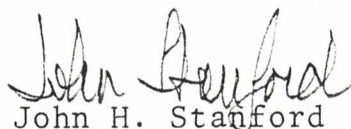
"It is customary in democratic countries to deplore expenditures on armament as conflicting with the requirements of social service. There is a tendency to forget that the most important social service that a government can do for its people is to keep them alive and free."

Part and parcel to that effort are the following administrative initiatives:

- a dedication to the search for meaningful dialogue with the Soviets to lessen tensions and reduce the risk of miscalculation,
- our strategic programs initiative,
- restoration of readiness of our military force,
- maintenance of a healthy all-volunteer force,
- our arms reduction initiative which stresses the common sense fairness of the zero INF option and the need to avoid cosmetic alternatives if we are to have reasonable hope for future progress in arms reduction on a basis of equal security,

- the continued importance of strong and politically viable alliances joined together in a spirit of trust and cooperation and characterized by a mutual confidence, close consultations and concerting of national policies,

- budget balancing efforts (economy and efficiency activities) emphasizing the president's commitment to increasing the efficiency of government operations.



John H. Stanford
Acting Executive Secretary

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DEPARTMENT OF STATE
Washington, D.C. 20520



December 4, 1981

MEMORANDUM FOR MR. CRAIG L. FULLER
ASSISTANT TO THE PRESIDENT FOR CABINET AFFAIRS
THE WHITE HOUSE

SUBJECT: State of the Union Speech

We have attached suggested themes and proposed initiatives for the President's State of the Union Speech, as requested by Cabinet Affairs Staffing Memorandum No. 044142CS.

L. Paul Bremer, III
Executive Secretary

Attachment:

As stated

UNCLASSIFIED

State of the Union Address:
Themes and Initiatives

The 1982 State of the Union address affords an excellent opportunity for the President to describe the historic change of direction he has effected in U.S. domestic and foreign policy and to chart our course for the year ahead. Emphasis should be placed on the solid foundations that have been set for a new era of U.S. economic growth, military strength, and international leadership in the 1980s. Finally, the President will want to consider some new initiatives for maintaining the momentum of his initial programs and for sustaining political support for our policies at home and abroad.

The President's first Inaugural stressed the commitment of his Administration to bring about a world of peaceful change where each nation can determine its destiny for itself and where individual freedom can flourish. The State of the Union address should accord top priority to our commitment to genuine peace and security. The peace issue is an American issue, and the President's Press Club speech has already begun to put the Russians on the defensive. We should take this opportunity to discuss the President's program for a world in which change can occur peacefully rather than in response to intimidation and coercion, and in which massive military burdens are lightened so that all nations can put their resources to work bettering the lives of their people.

To this end, the Administration has rescued American foreign policy from the malaise of the post-Vietnam era and recaptured our leadership role in world affairs. Important progress has been made and new vistas have been opened:

-- We are restoring American military strength with bipartisan support in the Congress and have demonstrated our readiness to defend our political interests and those of our friends. In short, the American giant has re-awakened.

-- We will manage the awesome power under our control with prudence and self-discipline in the service of peace, our highest cause. For that reason, we have initiated INF negotiations in Geneva and will conduct these talks with great purposefulness.

-- But peace is not the product or preserve of US/Soviet relations alone. It is the aspiration of all peoples; and without their help we cannot succeed ourselves. That is why, in its first year, this Administration has placed such a high priority on:

- our allies in Western Europe, with whom we have preserved European peace for two generations. In emphasizing the fundamental character of our commitment to peace in Europe, and to the Atlantic Alliance, the President could announce his intention to visit Europe in the spring;
- our historic alliances in Asia, Japan, Korea, the Philippines, the ANZUS. Our strategic association with China and partnerships with other key countries remain vital to ensuring a peaceful world.
- friendly countries throughout the world (with special reference to Latin America), whose confidence in America's word and will are being restored after a period of uncertainty and nervousness. The President here could review the challenges to peace in regional trouble-spots, including Soviet and Soviet-supported interventions (Afghanistan, Libya, Central America, Kampuchea), and cite our policies for working toward peace in the Middle East and southern Africa.

-- Our domestic and foreign economic policies must interact to serve the common goals of growth and development. Our actions in the past year (Cancun, Ottawa, Zimbabwe aid) afford a basis for solid progress in the years ahead. In that connection, the President could announce:

- his intention to propose an Industrial Democracies Economic Action Program at the Paris Economic Summit this spring, drawing upon the best talents in America and Europe, in both the public and private sectors;

- some new element for the Caribbean Basin Initiative; and
- elaboration of his Cancun program.

-- This reassertion of U.S. leadership clearly corresponds to the President's political mandate from the American people. It can and must be sustained to ensure a more peaceful world. But the price of peace is high and requires the support of our people and our Congress. The President here should make a strong pitch for his defense and foreign assistance programs.

-- Finally, this program of international peace, security and growth must be accompanied by a constant dedication to expanding freedom and liberty in a troubled world. Here, as a token of our commitment to human rights, we could announce the Raoul Wallenberg Award for Human Freedom, which the Secretary recently proposed to the President.

THE WHITE HOUSE
WASHINGTON

R. Darmon

December 7, 1981

MEMORANDUM FOR MICHAEL K. DEEVER

FROM: EDWIN J. GRAY *ESG*

SUBJECT: Ideas for the State of the Union Address

The state of the economy -- the historical factors which led to the mess the President inherited and the groundwork for reversal of those policies which has been laid -- should be addressed forthrightly and directly.

The State of the Union message should serve as a reaffirmation of his commitment to the essential elements of his program for economic recovery.

- a) reductions in tax rates
- b) slowing the rate of increase in government spending
- c) pursuit of a stable monetary policy
- d) deregulation

Steady pursuit of this program will produce long-term economic recovery.

The President should point to reductions in the levels of inflation and interest rates as signs that the program has reached the very first stages of an anticipated economic turnaround. And, that the fruits of recovery will be experienced in greater magnitude as the year progresses.

The President should point out that genuine and lasting recovery will require a continuing commitment to control the growth of government spending, ie. his budget initiatives, and holding down levels of taxation.

The pursuit of economic recovery is not easy. The President's own initial legislative program of tax and spending reductions is little more than three months old, in contrast to the more than three decades of government policies which have set the stage for our present economic difficulties.

The President will not veer from the present course because it is the right one, even though the transition to economic recovery must necessarily make special demands on every sector of the economy. It is not painless a exercise but it is absolutely necessary to restore the economy to steady, non-inflationary growth.

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Memorandum for Michael K. Deaver
December 7, 1981

By the date the State of the Union Address is made, we will know the nature and dimensions of the FY83 budget proposal and this will enable the President to articulate the thrust and rationale of those proposals.

With respect to tax policy, the President should point out that the stimulative effects of the original across-the-board 10% cuts in personal income taxes would have helped to accelerate recovery sooner, had the first cut been of that magnitude and had it come earlier in 1981.

Deregulation

The President should call attention to the work of the Administration, led by the Vice President, in reducing government regulations on the private sector. The accomplishments of this effort are worth emphasizing.

It also is important to address directly the allegations that the Administration is one aimed at helping the rich at the expense of the poor. There is nothing in the Economic Recovery Program which supports such allegations. The principal thrust of the program is in the direction of helping working men and women and in creating jobs. The allegations are a bum rap and the President should again emphasize the benefits of the program to working people.

Energy

The Administration's program has resulted in reducing the country's dangerous dependence on foreign oil. Energy use declined and oil imports fell substantially in 1981. Oil imports fell by more than 1,000,000 barrels a day to less than 1/3 of our total use of oil. Net U.S. imports of all energy were less than 15% of the country's energy use, the lowest figure since 1972.

In his first week in office, the President completed the task of deregulating the production and sale of oil and petroleum products. The results have been dramatic. In the past year, about 1200 new rigs have started drilling, mostly for oil. Last year, more than 25% more oil and gas wells were drilled than ever before in history. For the first time in 10 years, more oil and natural gas liquids were produced in the continental U.S. than in the previous year.

I would hope that a decision will be made by the President to send up legislation to insure that there will be a smooth and orderly transition to a decontrolled market for natural gas -- decontrol which can bring us the same type of benefits in gas that decontrol has brought in oil.

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Memorandum for Michael K. Deaver
December 7, 1981

Enterprise Zones

The President made a highly visible and important commitment in the campaign to the creation of Enterprise Zones, especially in depressed urban areas. The Cabinet Council on Economic Affairs will shortly send to the President a series of options for proceeding. Subject to the President's decision, this should be part of the State of the Union Address.

Federalism

The Cabinet Council on Economic Affairs will take up the matter of returning federal programs and tax revenue sources to state and local governments during the week of December 14. This is in response to a long-held commitment by the President to seek to return responsibility and authority for certain public functions (ie. welfare and education) from the federal governments to the states.

If the Cabinet Council and the President decide to pursue such a program/revenue turnback in 1982, this should be included in the State of the Union address.

The President should emphasize that he will not abandon the concept of revenue sharing for the cities until his program and revenue turnback proposals are in place.

Decisions are now pending in the budget review process regarding UDAG and CDBG. Mention of the President's commitment to these programs should be included, contingent on his budget decisions.

Tuition Tax Credits

The President has committed to work with the Congress in 1982 (latter part of year) to come up with a bill to enact tuition tax credits. I think this commitment should be restated

Drug Abuse

The Senior Policy Adviser for Drug Abuse (OPD) has testified before House and Senate Committees on the Administrations program in this area. We are prepared to submit material.

Black Colleges/Minority Business Enterprise Assistance

Depending on the outcome of the current budget review/appeals process, any positive actions should be a part of the State of the Union Address.

Housing

The President named a National Commission on Housing in June to make recommendations on ways to improve housing delivery and housing finance, and to offer the outlines of a national housing policy. In response to the Interim Report of the Commission, the President recently announced changes in pension plan regulations which will enable them to invest more of their funds in residential mortgages.

In addition, the Interim Report of the Commission called for the use of housing vouchers. A decision must still be made as to whether the use of such vouchers will be implemented by the Administration.

Clearly high interest rates have hurt housing the most. The extent to which interest rates come down will determine the nature of recovery in the housing sector. Housing starts are at an all-time low. Most economists believe that recovery will begin to occur in the Spring.

Other decisions relating to public housing (ie. Ginne Mae, FHA, etc.) are now in the budget review/appeals process.

The work of the Housing Commission and the action taken by the Administration to allow pension funds to invest more in housing are positive points the President can make in the State of the Union Address.

Voluntarism

Mike Deaver is on top of Administration's moves in this area.

Productivity

The President has named a Productivity Committee whose task it will be to make recommendations for improving productivity in the private sector to help the nation better able to compete in international trade. The President should say he looks forward to receiving the findings and recommendations of the Committee. In the meantime, the Economic Recovery Program, which provides the foundations for productivity improvement will continue in place.

Misery Index

During the campaign, we cited the misery index. If it has improved by the date of the State of the Union Address, it should be used.

Health Care

The Cabinet Council on Human Resources will examine health care proposals next week. Depending on the outcome of that effort, the President may wish to incorporate any appropriate initiatives. Secretary Schweiker has proposal(s) he is bringing to the Cabinet Council this week.

Space

Inspirational reference should be made in the State of the Union Address to the progress which has been made in the Space Shuttle program, an example of U.S. leadership and innovation, and example of what this nation can do when it puts its mind to it.

Social Security

The President can (assuming the House and Senate have agreed to appoint their people) point to the establishment of the 15-person Task Force on Social Security and their mission.

He should reaffirm the position he has taken repeatedly that he will not permit the system to go bankrupt and restate his desire to work with the Congress to this end.

Entitlement Programs

What the President says will be contingent on outcome of budget review/appeals process. The safety net will not be sacrificed as a result of proposed changes.

Crime

DOJ Crime Package.

Immigration/Refugees

DOJ Package.

Unfair Trade Practices: Japan/U.S.

The Department of Commerce is reviewing the issue of Unfair Trade Practices, particularly as they relate to the treatment of U.S. products in Japan. If a strategy for addressing this problem is developed in advance of the State of the Union Address, I recommend that this be considered for possible inclusion. There is widespread concern by members of Congress and American Industry that this inequity should be addressed. If so, the President could receive a good deal of credit for his initiative(s) on this matter.

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Memorandum for Michael K. Deaver
December 7, 1981

Disposal of Federal Assets

The Cabinet Council on Economic Affairs will be forming a working group in January, 1982, to look at U.S. Property Holdings which could, where justified, be sold. The Working Group, to be chaired by Darrell Trent, will propose ways, such as through the establishment of a Property Review Board (as under President Nixon to review and dispose of federal property. Potential revenues could be significant.

Fundamental Values

The values which have made America great -- political and economic freedom, traditional moral values, thrift, self-reliance, work, preeminence of family and neighborhood and compassion (as an American character trait which motivates individual conduct toward one's fellow man) -- were in the campaign, and will continue to be, the cornerstones of Administration policy. They all speak to the issue of what kind of a society do we wish to leave as a legacy to our children. The President should reaffirm his commitment to work on behalf of these objectives.

Attached are draft speech points prepared at my request by Kevin Hopkins of the OPD staff.

cc. RD
CF

(UNCLASSIFIED/SENSITIVE)

STRATEGIC PLANNING MEMORANDUM #4

TO: Edwin Meese
FROM: Richard Smith Beal
SUBJECT: Phase 4 Policy Focus
DATE: October 16, 1981

President Reagan's Winter Campaign

Objective:

The President must continue to generate support for his Economic Recovery Program during the winter and early spring of 1982.

Circumstances and Conditions:

1. The President's FY83 budget, submitted to Congress in January, 1982, will be the third effort by the President to restrain the growth of the federal budget within one year. Given these budget cutting exercises, it will be extremely difficult, perhaps impossible, for the President to: (1) maintain the national focus on economic recovery, (2) build anew the consensus within Congress for additional cuts in federal spending, and (3) sustain his public credibility across a range of issues.
2. The critical difference in the President's relations with Congress in early 1981 and 1982 is that allowances by Congress were made for the "beginning" of the Reagan Administration in 1981, whereas Congress will be expecting allowances from the Administration in 1982 because of the mid-term Congressional elections.
3. The President will be faced with the condition that several of his most desirable goals will be competing for acceptance; hopefully they will be mutually reinforcing, but the more likely prospect is that they will cancel each other.

4. The President's remarkable successes are raising expectations of Presidential performance which we may not be able to fulfill in Phase 4.
5. The perception of massive changes in federal spending is inconsistent with the reality of "continuing resolution" spending levels. The public thinks that the President has won enormous victories when in fact the budget cuts are not yet in place. The reality of a tax cut coincidental with the lack of reality in the budget cuts will be readily apparent in Phase 4.
6. Special interest and single issue groups opposed to the President's overall policy goals and specific budget reductions will, by Phase 4, be highly organized and waging vigorous campaigns. They will be countering the President's initiatives on not only the substantive content (where their traditional opposition has been), but on our legislative strategies where they have been out maneuvered.
7. By Phase 4, events will, even more so than now, appear to be in the saddle and driving Presidential behavior. Short-term environmental conditions will dominate the policy formation process. The White House will be highly reactive, allowing the issue agenda to be driven by institutions, individuals and groups whose goals are at best inconsistent with the President's.
8. The most serious test of the President's credibility on economic recovery will come early in 1982. Many elites have already begun to question the program, its design, scope and likelihood of success. Elites are becoming increasingly critical and cynical. The general public, while deeply concerned, is not cynical, but hopeful. But by January, 1982 when the President has been in office a year, they will begin to ask whether they are better or worse off as a result of Reagan's Economic Recovery Program. The test of the President's credibility will be made in answering this question in Phase 4.
9. It will be impossible to sustain the momentum of the restraint in federal spending without properly managing at the federal, state and local levels the economic program as it is enacted. The "pass-through" effects of the Economic Recovery Program are enormous, and if

the inter-governmental features are not managed properly in Phase 4 with demonstrable success, then the President's revolution in governing America will have little to no opportunity.

Strategy:

Plan and execute an agenda for Phase 4 focusing on the presentation and explanation of the Federalism component of the Reagan Revolution. The objective of this strategy is to: (1) stimulate administration officials to think in a proactive mode rather than the reactive one into which many are slipping; (2) mitigate, if not totally deflect, the one accusation that can do the Administration the most harm, namely: "Reagan is not in charge, and that Presidential decisions are subject to indiscriminate reversals;" (3) keep the President on the point as the communicator to the people of the direction the country must go; and, (4) anticipate events and issues so that (a) they can be coopted onto the agenda in terms of substance and timing, (b) they may be preempted if early warning signals indicate they are coming to the front of the calendar ahead of schedule or before desired, and (c) they may be effectively "counter punched" with substantive material should they surface too quickly to be preempted.

With this in mind the following agenda option has been developed to meet the stated objective given the circumstances and conditions the President is likely to face in Phase 4.

Title: Federalism and Economic Recovery

Theme: Reagan Federalism: An American Partnership for Economic Recovery

- Goals:
1. Broaden the people's participation in the President's Economic Recovery Program; create the sense of a "~~The Public's~~ Partnership for Economic Recovery." *An American*
 2. Educate the public on the condition of the economy, the plight of the budget and the need for everyone's contribution.
 3. Enlist the support of the state and local officials in the Economic Recovery Program; continue to build the channels of communication between the Presidency and the local communities.

4. Integrate the private sector initiatives with the President's Economic Recovery Program.
5. Set the terms of the political debate in the mid-term election year.

- Tactics:
1. Do the unexpected: Create a Phase 4 momentum by moving the focus from the FY83 budget as soon as possible to the federalism component of the Reagan revolution.
 2. Sustain the Economic Recovery Program during the most difficult period when the credibility and prestige of the President is at stake.
 3. Describe Reagan federalism as the inter-governmental component of the Economic Recovery Program; treat it as a variation on the economic recovery theme.
 4. Stay Presidential while stumping in the states; treat Phase 4 as a campaign to build the necessary relationship with the states, cities and counties to implement and manage economic recovery.
 5. Continue to take bold, decisive action; make big decisions and remain firm, but never rigid; compromise on the details, but insist that they be worked out.
 6. Anticipate that the number, variety and complexity of issues is increasing dramatically; everyday the threat of being overtaken by events and other people's agenda increases.
 7. ~~Shift the emphasis from a policy process being driven by the budget to one driven by politics.~~

- Action:
1. January 20, 1982: Commence Phase 4 with the "State of the Union" Address. The goals of the Address will be to:
 - a. Assure and inspire the American people about the President's understanding, visions for the future and leadership.
 - b. ~~Enhance coalition building as a necessary political process throughout 1982, and which is essential to maintain the Reagan~~

~~policy agenda to the end of the term in 1984.~~

- c. Set the tone and pace for policy focus and strategy of the President's legislative proposals and strategic plan.
2. Mid-January to mid-February: Concentrate on the legislative strategy for securing congressional support for the FY83 budget and passing, as quickly as possible, the appropriations legislation.
3. Mid-February to the end of April: Commence the Reagan Federalism phase where the President makes a series of visits to states (meetings with Governors, state officials and legislators), counties, cities (large, medium, small; mayors and city councils), and perhaps local communities (especially those who have successively embraced the block grant programs and have political importance).
 - a. Snowbelt Phase: During the coldest part of the year, the President should use Washington as the base and travel to state and cities in the Northeast, Eastern seaboard, and North Central areas of the country. Suggested targets are: Pennsylvania, up-state New York, Cleveland (ADI covers 30% of the state), Allen County Commissio (Fort Wayne, Indiana), and Providence, Rhode Island.
 - b. Sunbelt Phase: During the month of April, the President should visit the Southeast, South, Southwest, West and Northwest. To maximize the President's time and effort, selected state and local officials could be invited to the ranch. Suggested targets are: meeting with selected Southern governors at Montgomery, Alabama; Orange County (Orlando, Florida); Governor of Texas and address to the Texas State Legislator at Austin; Mayor and city council of Phoenix; meeting with selected Western mayors at the ranch; visit to Portland-Vancouver and Seattle, Washington; and, upon returning to Washington, D.C. a stop in Fargo, North Dakato and Moorehead, Minnesota.

4. Washington, D.C. Budget Phase: From late April until mid-May, the President should concentrate on getting the final appropriations legislation completed. There will be ample opportunity for policy initiatives to be made during this phase.

Presi-
dential
Style:

1. December 1-20, 1981: President-as-Leader. During this time the President will be under tremendous pressure to change the thrust of his Economic Recovery Program. The President will, therefore, need to stand firm lest he lose credibility in the one unequivocal area where his strength is unchallenged,--namely his leadership, firmness and clarity of vision for the country. The attributes of Presidential leadership that are critical include: demonstration the President is informed, calm, confident, firm, opposed to quick fixes and strategies antithetical to his political philosophy, and resolute but willing to compromise.

Staff Support: During this period the President's staff should show that they are on top of the issues, are well informed and confident toward the success of the President's plans, and above all, are strongly supportive of the President.

2. January 1-20, 1982: President-as-Communicator. The President's principal workload will to get the FY 83 budget finally prepared and finalizing the "State of the Union" address. The address gives the President the opportunity to educate the public about the condition of the economy and budget, the thrust of his foreign policy, and the need to be persistent through adversity. The attributes of Presidential leadership are candor, persistence, future-oriented, educator, unflinching, and eager to resolve and manage the nation's problems.

Staff Support: The President's staff should acknowledge that he is preparing for the State of the Union address, and that they are providing needed information. They should display consistency and coordination, while remaining somewhat low-key and in the background.

3. January 21-mid February, 1982: President-as-Persuader. During this period while the FY83 budget is pending before Congress, the President needs to use his Congressional time to extend the political foundation that will be necessary to secure ultimately the appropriations legislation for FY83. This period does not have to be an intense, high risk activity where the President's credibility is on the line. It should, rather, be when the President prepares the ground for later in the session when he will have to bring to closer the legislative process through his leadership.

Staff Support: The President's "team" should move out and into action according to a planned effort that complements the State of the Union message. This will include coordination of a "mild blitz" of Congress, the public, States and local governments, Federal departments and agencies, and selected foreign nations.

4. Mid-February until the end of April: President-as-Recruiter. The President needs to recruit a large segment of the American population to support his specific economic programs and domestic policies. The channel for this enlistment is the state and local officials and the Reagan federalism strategy. The necessary Presidential attributes are Ronald Reagan's winning ways with people individually and collectively, his ability to explain and motivate, his ability to translate complex policy choices into clear, comprehensible common-man actions, and his ability to be "presidential" while campaigning.

Staff Support: The President's "team" should hold strong in Washington while he visits States and local governments. The staff should continue high activity levels both in and outside Washington, and not let any Presidential promise remain unattended or "drop through the cracks."

5. April to May 15, 1982: President-as-Chief Executive. Congress will be pressing to finish their business as early as possible in 1982 because it is an election year. The Administration will have a host of issues before it, especially evaluations of where the

economy is, what the status of the budget and appropriations legislation, where major defense decisions are, and how the bureaucracy is implementing the President's policies. It is essential that the President demonstrate that he is not only capable of convincing Congress, state and local officials, and the public, but the bureaucrats as well. Coordination, management, follow through, control, planning and evaluation will be Presidential attributes of importance during this period.

Staff Support: The image of the President's staff during this period should be one of efficiency, confidence and cooperation with each other. The management of Federal departments and agencies must be seen as superior, as this is when the major budgetary decisions will be made, and the Administration must be seen as "in control" of their organizations.

Communica-
tion

- Strategy: 1. December 1-20, 1981: Op-ed strategy which focuses on continuity and consistencies in economic recovery program and foreign policy. Articulates more of the Reagan philosophy of government, and emphasizes the need for government management.
2. January 21-31, 1982: Use radio, television and RNC promotionals to sustain the impact of the President's State of the Union address.
3. Mid-February until the end of April 1982: Establish a regular radio broadcast with the President where he is explaining the content and progress of his policies. Use the visits to state and local communities to cut media for the 1982 elections.
4. May 1-15, 1982: Have the President give to Congress a report of his visit to the state and local communities.

