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THE WHITE HOUSE

WASHINGTON

November 17, 1982

NOTE TO MICHAEL K. DEAVER

FROM: RALPH L. STANLEY *RLS/jm*

Attached please find a copy of the final summary of surrogate activities which I compiled for Dave Gergen November 12th.

Please note, Dave is adding a few points to this report.

THE WHITE HOUSE

WASHINGTON

November 12, 1982

MEMORANDUM FOR THE PRESIDENT

FROM: DAVE GERGEN

SUBJECT: Final Summary Report on Campaign Surrogate and Communications Activities From Labor Day Through November 2, 1982

INTRODUCTION

As you know, from shortly after Labor Day through the election, we conducted a major program from the White House to carry the "Reagan message" across the country by soliciting support from and coordinating the communications activities of the Cabinet members, subcabinet officials, Republican Congressional candidates and White House officials. These actions were begun to guarantee support of your programs from those various quarters, and were in addition to regular White House Communications activities.

The specific daily activities which comprised this overall program included a 9:15 a.m. meeting to determine the "line of the day", as well as the following:

- A. Production and distribution to all Administration spokesmen of White House Talking Points for that day;
- B. Determination of specific Cabinet member surrogate activities;
- C. Coordination with subcabinet Administration spokesmen making public appearances;
- D. Coordination and planning of specific activities with Republican Senate and House members through the national GOP committees;
- E. Active placement of Administration spokesmen on targetted radio programs in major media markets;
- F. Specialized press mailings, as well as briefings in conjunction with selected events and themes; and
- G. Radio actuality efforts from the Republican National Committee and the White House.

In my judgment the effort was a very worthwhile one because it provided coherence and unity to the campaign efforts of Cabinet members, other Administration officials and spokesmen, as well as GOP candidates and party officials.

There follows an evaluation and description of the accomplishments during this period with regard to each of the specific activities described above.

A. WHITE HOUSE TALKING POINTS

As a first element of the program, each day a page of White House Talking Points (Talking Points) was developed and distributed to Senior White House staff, Cabinet agencies, and GOP Congressional offices for use in appearances that day as well as throughout the weeks that followed.

The determination of the subject for each day's Talking Points was made at the 9:15 a.m. "line of the day" meeting previously mentioned, and based on a Presidential initiative, policy position, or announcement hitting the news that day. These Talking Points subsequently served as valuable guidelines for the duration of the campaign for all who received them, and provided our spokesmen with a common set of arguments to be made on major campaign issues.

A full set of the 27 White House Talking Points which were developed is included for your information at Tab I.

B. CABINET MEMBER SURROGATE ACTIVITIES

The second element was coordination of Cabinet surrogate activities. Your Cabinet did a particularly excellent job in advocating Administration policies and supporting GOP candidates throughout the country. From mid-September through the election they made more than 332 media and political appearances, 159 of which generated media and 173 which were candidate related.

In addition to these Cabinet activities, the White House arranged a number of specific media events involving selected Cabinet members to reinforce the line of the day.

A specific example of this type of coordinated media follow-up involving the White House, Congress, and Cabinet members was that provided on Thursday, September 23, when the August inflation rate of 5.1% was announced. It provides a useful illustration of the kinds of media activity we initiated as a part of this effort in the days following the announcement.

Thursday, September 23

Line of the Day - Inflation's Staying
Down

- o CPI released in a.m.
- o Speakes issues statement at 9:15 a.m. -- inflation chosen as line of day
- o Secretary Regan briefs White House press corps at 3 p.m. (2 networks carry excerpts -- good newspaper coverage follows)
- o White House Talking Points on inflation issued to GOP surrogates throughout Administration and Congress
- o Administration spokesmen appear on radio shows in 6 major media markets
- o Key surrogates notified by White House, insert material in speeches
- o Baldrige appears on McNeil-Lehrer (PBS) that evening and hails news

Friday, September 24

- o RR addresses inflation at trade press luncheon
- o RR statement sent out to numerous radio stations by White House and RNC actuality services
- o Supportive radio statements by GOP Senators and Congressmen cut and distributed by RNC and Senate Policy Conference
- o Chamber of Commerce and NAM produce actualities and issue statements on inflation

Saturday, September 25

- o RR features inflation news in national radio talk

A small representative sampling of press clippings from the more than 300 Cabinet member appearances is included at Tab II.

C. SUBCABINET OFFICIALS SURROGATE ACTIVITIES

The third program element was the activities of senior Administration spokesmen at the subcabinet level, who were very supportive. We launched this part on September 16, 1982, when more than 125 senior Administration officials were provided written materials and briefed at the White House by James Baker, Ed Meese, Craig Fuller, Ed Rollins, Don Regan, Dave Gergen, and Bob McFarlane on the campaign, its major issues, and the importance of getting our message out. A set of the written materials provided at the September 16 briefing is included at Tab III.

The White House Speakers Bureau, working with Surrogate '82 at the RNC, tracked, coordinated, and scheduled Administration speakers in support of GOP candidates. Weekly reports were provided on the number and geographic distribution of these appearances, and approximately 200 speakers were instructed to

place a high priority on speaking appearances, include White House Talking Points in all speeches, and schedule as many media events as possible. On a daily basis, White House Talking Points were distributed to these spokesmen.

As a result of these efforts, approximately 1300 speaking appearances occurred during this period, with 200-220 specific events on behalf of GOP candidates.

D. GOP CONGRESSIONAL AND SENATE SURROGATE ACTIVITIES

As a fourth element of the program, Senate and House Republicans as well as the national Republican campaign committees were contacted with the line of the day and encouraged to issue supportive press releases, floor statements, radio actualities, and other media activities consonant with that theme.

As an example of the results of this effort, on September 24, Senators Quayle, Hawkins and Hatch all produced radio actualities praising Presidential leadership on the job training legislation which was about to pass Congress.

On Friday, October 8, Senator Jepsen went to the Joint Economic Committee hearing on the 10.1% unemployment figure at our request to stress the Reagan economic program's successes and put forward our arguments.

On Thursday, October 14, Senators Garn, East, and Gorton produced radio actualities supporting your nationwide economic speech from the night before.

In addition, the White House Talking Points were utilized to produce numerous supporting press releases and statements and received a very good response from the Hill.

An example of this is an Op-Ed piece by Senator Symms included at Tab IV, which was taken directly from the Talking Points.

E. RADIO INTERVIEWS

The fifth element of this overall program, and one of the most successful, was our active effort to place Administration spokesmen on major media market radio programs each day.

Following the determination of the line of the day, major media markets were contacted and provided with appropriate Administration spokesmen to be interviewed by phone from their office on that topic.

As a direct result of this White House effort, for the period from August 15 - November 2, more than 150 radio interviews were arranged involving approximately 40 different spokesmen.

I have included a list of the cities covered, dates, spokesmen and topics for each of these radio interviews, at Tab V.

F. SPECIALIZED PRESS MAILINGS AND BRIEFINGS

The sixth part of this program was comprised of an increase in our activities regarding specialized press mailings and briefings. From September 1 forward, 29 specialized mailings were sent. A full list of these mailings and targetted groups is included at Tab VI.

In addition, specialized briefings for the press were conducted on major issues. For example, religious editors were invited to lunch with you on September 14, twenty-five selected columnists were briefed by Administration officials regarding the Middle East on September 22, and the editors of business trade publications were given a series of briefings during a White House visit in September. On several occasions, your radio program was mailed to selected groups such as farm editors (grain sales), and religious editors (social issues).

Finally, your satellite teleconferences to GOP campaigns on October 14 and 18 were very successful activities which received good coverage. A Newsweek article on this effort is included at Tab VII.

G. RADIO ACTUALITIES

The seventh and final element of our overall program, which was extremely successful, was the production and dissemination of taped radio messages, or actualities, to thousands of radio stations throughout the country.

For the period of September 1 - November 2, a total of 27 Administration officials, along with 17 GOP Senators and Congressmen made actualities which were offered by the RNC actuality services on 10,669 occasions and taken 5,270 times for use. The White House actuality service, using many of the same radio cuts, estimates that a daily average of more than 500 stations nationwide used these tapes.

A list of the Administration officials, Congressmen, and Senators who participated in this program is included at Tab VIII.

WHITE HOUSE TALKING POINTS

October 29, 1982

INDICATORS UP FOR 5th OF LAST 6 MONTHS

- o The index of leading economic indicators rose 0.5 percent in September, the fifth increase in the last six months and a further sign of economic recovery.
- o This is just more evidence that President Reagan's economic program is working.
- o This latest sign of recovery is the direct result of the President's program which has already made progress in resolving four of the five major economic problems this nation confronted when Ronald Reagan took office.
 - Tax rates for Americans down 25 percent.
 - Inflation down from 12.4% in 1980 to 4.8% so far in 1982, just where it was in 1976, before Democrats took over.
 - Interest rates down from 21.5% to 11.5%-12%.
 - Government spending growth down 2/3s.
 - Unemployment will fall now that progress on above in place.
- o The choice in this election is clear -- stay the course and go forward, or go back with the Democrats to failed past policies; vote with GOP on hope for the future, or vote fear with Dems.
- o The Democrats have no alternatives to present policy. They seem to want the economic issue -- and the votes they think they can get playing to fear -- more than they want recovery.

On their lack of ideas, Speaker O'Neill said it best last year:

"But my philosophy of government belongs to bygone days. We overregulated, we overspent, we over-programmed, we were overfull with idealism. We brought into government too many people from the world of universities and not enough people from business ... It was too late when we began to realize that we were living in a world in which we had to tighten our belt."

(Washington Star 4-12-81)

WHITE HOUSE TALKING POINTS

October 27, 1982

A RECORD OF PROGRESS vs. THE POLITICS OF FEAR

- o In less than two years, President Reagan's policies have produced dramatic progress toward cleaning up the economic mess he inherited from the Democrats.
- o There has been a reduction in inflation from 12.4% in January of 1980 to 4.8% for the first nine months of 1982; interest rates are down from 21.5% to 11.5 - 12%; Federal spending growth has been cut two-thirds; productivity, housing starts, and real wages are up -- all signs that we have a future of hope for America.
- o The Democrats have no coherent program of their own to offer except for a return to policies of more taxes, more spending, and more regulation.
- o Lacking a program, they have only the politics of fear -- and are closing their campaign by trying to scare Americans into believing that things will get worse so their own political fortunes will get better.
- o It is time that critics stopped trying to exploit the politics of fear, and joined instead to help us get this country moving forward again.
- o The economic misery caused by 21.5% interest rates, double-digit inflation, runaway government spending, and ever-increasing taxes is behind us -- a future of hope and progress lies ahead.
- o The thing to fear would be a return to the failed policies of high taxes, runaway spending, and double-digit inflation the liberal Democrats gave us during the years they were in control.
- o The choice in this election is clear -- a record of progress and hope versus the politics of fear.

Campaign:

Republicans' first priority is maintaining control of the Senate. Despite some press speculation to the contrary (i.e. Broder in this morning's Post) GOP strategists are confident their goal will be met. They are also optimistic that the outcome in House races will leave intact a coalition strong enough to pass President Reagan's programs.

WHITE HOUSE TALKING POINTS

October 26, 1982

INFLATION BACK TO PRE-CARTER LEVEL

(Most thought it would take years, not just 21 months)

- o Inflation in September rose at a very low rate of 0.2 percent.
- o The inflation rate so far in 1982 has been 4.8 percent, the lowest in six years.
- o 4.8 percent is exactly the rate of inflation for 1976, the year before Democrats took the White House and overwhelming majorities in Congress.
- o Their tax, spend and borrow policies in the subsequent 4 years lifted inflation to 6.8% in 1977, 9.0% in 1978, 13.3% in 1979 and 12.4% in 1980.
- o Higher inflation led to higher interest rates, higher tax collections (through bracket creep), lower growth -- and as a result, higher unemployment.
- o If -- in President Ford's words at the White House yesterday -- the Democrats hadn't "screwed it up" and reignited inflation, the economic problems President Reagan faced on taking office might have been much less severe.
- o Lower inflation is leading the way to general improvement in the economy. Lower interest rates have accompanied lower inflation -- and that, by itself, should foster increased business and consumer activity.
 - as an example, lower mortgage rates have lowered the cost of a \$50,000 home mortgage by \$200 a month.
- o President Reagan's policies, in 21 short months, have corrected for the excesses of the 4 years before he took office. The key now that inflation has been brought down again, is to stay the course so we can keep inflation down and the economy can grow.
- o As a result of the progress to date, every American is better off. Purchasing power is greater for all than it would have been if inflation had stayed at 1980 levels:
 - A family at the poverty threshold (\$9000/year) has over \$600 more purchasing power;
 - A family at the median income (\$24,000 for a family of 4) is over \$1500 better off.

WHITE HOUSE TALKING POINTS

October 25, 1982

FORD ON DEMOCRATS FOUR YEARS -- "THEY SCREWED IT UP"

- o President Ford, who has campaigned extensively for Republican candidates all over the country this election season, said that President Reagan's popularity among voters and support among GOP candidates remains solid.
- o President Ford criticized the Democrats and the Carter Administration for turning the economic progress they inherited from Ford into an economic disaster that was left to President Reagan to clean up.
- o The Democrats during the Carter years wasted a golden opportunity to build on the progress made in President Ford's two years. In President Ford's words, "they screwed it up."
- o Once again, after two years, a Republican President has carefully built a foundation for economic growth. With more help in Congress, he can build on the start he has made to bring about sustained growth with low inflation -- and more jobs for Americans.
- o The choice is clear: stay the course for continued progress, or go back to tax and spend and borrow that lead to the economic problems that built up from 1977 - 1980.

THE LEGACY

	FORD TO CARTER (1976)	CARTER TO REAGAN (1980)	NOW
Inflation	4.8%	12.4%	5.1%
Interest Rates	6.8%	21.5%	11.5-12.0%
Rate of Federal Spending Growth	12.4%*	17.4%	6.0%
GNP	5.0% (1971)	- 0.4% (1980)	1.4% (last 6 mos.)

* Would have been worse but for numerous vetoes to thwart big spending, Democratic-controlled Congress.

WHITE HOUSE TALKING POINTS

October 22, 1982

PRIME KEEPS FALLING (As program keeps working)

- o This morning the Chemical Bank, the nation's sixth largest, announced a drop in its prime rate to 11.5 percent.
- o The prime has been cut almost in half from the 21.5 percent record peak it hit just before the Reagan inaugural.
- o The fact that inflation has been cut more than in half is the major reason that the prime -- and other interest rates -- have dropped;
 - mortgage rates are down, too, lowering monthly payments on a \$50,000 mortgage by \$200 -- from \$734 to \$534. (Based on drop in FHA rate from 17.5%, 12 months ago, to 12.5% now.)
 - many short term rates are also down, helping consumers who need to make major purchases, such as cars and appliances;
- o By the same token, cutting the growth in federal spending by 2/3rds is one of the major reasons why inflation has come down.
- o In fact, of the five major economic problems the President inherited upon taking office, there has been real, even dramatic, progress on four.
 - tax rates are down 15% -- will drop 10% more next July;
 - spending growth down from 17% in 1980 to about 6% this year;
 - inflation down from 12.4% in 1980 to 5.1% so far this year;
 - interest rates falling dramatically;
 - unemployment picture will brighten because of this; real progress on these only way to make real progress on jobs.
- o In just 21 months, there has been substantial progress on cleaning up the economic mess President Reagan inherited -- far more progress, faster, than many economists thought possible.
- o There will be more progress if we stay the course.

WHITE HOUSE TALKING POINTS

October 20, 1982

LOWER INTEREST AND EXPANDED EXPORTS AID RECOVERY

- o President Reagan today announced further initiatives to aid America's farmers by providing lower interest rates for farm loans and expanded foreign markets for America's farm products.
- o The Farmers Home Administration has followed the general move toward lower interest rates across all sections of the economy by lowering its interest rates.
 - Interest rates for farm operating loans will drop from 13.25% to 11.5% as of November 1st.
 - Farm ownership loan rates will be reduced from 13% to 11.5%.
 - In addition, other farm program loan rates will also be lowered significantly.
- o The importance of lower interest rates is vital to farmers, since with every 1% drop in interest rates on farm debt, net farm income goes up \$2 billion.
- o In addition, Secretary Block has announced a new three-year blended credit program, combining existing export credit loans with \$100 million in interest free loans which will generate an estimated \$1 billion in additional farm exports.
- o One billion dollars in exports creates an additional 35,000 jobs in farm related activities.

GNP Figures

- o The real gross national product rose 0.8 percent for the third quarter, another indication that the economy is pointed toward recovery.
- o This is the second straight quarterly gain in GNP following two successive quarters of decline at a 5% annual rate.
- o This growth contrasts favorably with previous three years when -- despite quarterly ups and downs -- there was no growth. In fact, 1st quarter '82 GNP was less than GNP in 1st quarter of '79, indicating how deeply the economy sank into a no-growth morass under the previous Administration.

WHITE HOUSE TALKING POINTS

October 19, 1982

Lower Mortgage Rates Aid Housing Industry -- Add Signs of Recovery

- o The most vital step the government can take to aid the housing industry is to get interest rates and inflation down to stay.
- o There has been considerable progress made on this front already.
 - In October 1981, when President Reagan's Economic Recovery Program began, conventional long-term home mortgage rates peaked at 18.45%.
 - Since then, long-term home mortgage rates have fallen to a nationwide average of 13 7/8% (as of October 15, 1982)
 - In addition, FHA mortgage interest rates have come down from 17 1/2% to 12 1/2% in the past year.
- o The latest 1% drop in interest rates makes home ownership possible for another 1.6 million potential home buyers.
- o The signs of economic recovery continue to accumulate: lower interest rates, lower inflation, lower producer prices, increased personal income, an historic stock market recovery, increased capital investment.
- o One has to ask the constant critics -- do they really want an economic recovery?

NOTE: The housing starts figures for September will be released this afternoon at 2:30. The news is expected to be positive, and you should be prepared to incorporate them in your remarks.

WHITE HOUSE TALKING POINTS

October 18, 1982

SIGNS OF EMERGING RECOVERY CONTINUE

- o Economic signs continue to indicate President Reagan's program for economic recovery is working, redirecting America's economy and providing new hope for our future.
- o Real progress has already been achieved in lowering inflation and interest rates, and reducing taxes and government spending.
- o Add to this list the growth in investment by venture capital companies, investment which results in the creation of new industries, new companies, and new jobs.
- o New investment by venture capital firms, which were invested at historic levels of \$1.1 billion in 1980 and \$1.4 billion in 1981, has for the first six months of 1982, exceeded \$800 million, indicating it will surpass the 1980 and 1981 levels.
- o The number of new businesses incorporated rose to 600,000 last year, and during the first five months of this year the pace of new start-ups is only 4% off last year's record.
- o These continued signs of lower interest rates, capital formation, reduced inflation, provide evidence that the American economy is working the way it was meant to work.
- o These improvements are the result of a plan that is working.
- o Now is the time for courage, not criticism, patience, not politics, and faith, not fear.

NOTE: On Social Security - Administration awaiting report of Greenspan task force. No surrogate comment should go beyond that.

On Economic Expectations - Official forecast due out in January. Speculation on growth for '83 should be avoided.

October 15, 1982

PPI DOWN TO CAP WEEK OF RECOVERY MOMENTUM

- o This morning's news that the Producer Price Index fell 0.1% in September capped a week of developing momentum toward recovery for the American economy.
- o The PPI is widely considered to be a strong indicator of what's ahead for consumer prices. So far this year, the PPI has been running at a 3.1% annual rate.
- o This week saw drops in the prime rate to 12%, drops in federally backed mortgage rates to 12.5% and strong activity on Wall Street -- all signs of growing confidence.
- o As the President said on Wednesday night, he inherited five major economic problems when he took office. Real progress on four -- taxes, federal spending growth, inflation and interest rates -- has laid a necessary foundation for real progress on the fifth problem, unemployment.

Points on President's announcement today on Soviet grain sales:

- o The announcement is a major step toward undoing the damage to American farmers done by the grain embargo under President Carter.
- o It will help further 3 critical goals:
 - increasing U.S. farm exports;
 - restoring U.S. reputation as a reliable supplier;
 - regaining our rightful share of world markets.
- o Expanding American farm exports is essential to bringing economic recovery to American agriculture -- coupled with lower inflation and interest rates.
- o More markets for their goods and lower production costs are the only way to end the farmers' cost-price squeeze.
- o Soviets can purchase American grain for cash on the line. No subsidies to Soviets in this, no Western currency going into Soviet pockets. There's no question this is in the best interests of American farmers and the U.S. economy.

WHITE HOUSE TALKING POINTS

October 14, 1982

SIGNS OF ECONOMIC RECOVERY AND PROGRESS

- o When President Reagan took office twenty-one months ago, America faced five critical economic problems:
 - o High Taxes
 - o Runaway Government Spending
 - o Inflation
 - o High Interest Rates
 - o Unemployment
- o On four of the five problems, President Reagan has made significant progress.
- o Tax rates for Americans have been reduced by 25 percent under the President's program, the first real tax cut in nearly two decades.
- o Government spending growth has been reduced by nearly two-thirds -- down from 17% in 1980 to 6% this fiscal year.
- o Inflation, which registered 12.4 percent in 1980 is less than half that -- 5.1 percent so far this year.
- o Interest rates, (prime) which climbed as high as 21.5% before President Reagan took office, have fallen to 12 percent.
- o Unemployment has risen, but couldn't make real progress on jobs until inflation (and interest rates) came down. The groundwork has been laid for a recovery that will mean more jobs and more opportunity for all our people.
- o You can't solve unemployment without solving the things that caused it, and a return to big spending, big taxing, and double-digit inflation is no alternative at all.
- o REMEMBER: The Democrats' only alternative is to return to the runaway government spending and taxing policies that produced:
 - o Double-digit inflation -- it was 4.8 in 1976
 - o 21% interest rates -- prime was under 7 in 1976
 - o Higher taxes
 - o Uncontrolled government spending
 - o Higher and higher unemployment

WHITE HOUSE TALKING POINTS

October 13, 1982

JOBS BILL PROVIDES MEANINGFUL TRAINING

(Lower Interest Rates Can Help Economy Create New Jobs)

- o The President today signed the Job Training Partnership Act -- a program which will train more than one million Americans every year in skills they can market where they live.
- o State and local government officials, rather than the Federal government, will work with business and labor leaders in their areas to form private industry councils to determine labor needs in that area and plan the training program accordingly.
- o To eliminate the bureaucratic and administrative waste which characterized so many past jobs bills, more than 70% of these program funds will be devoted to actual job training. (Under previous program, less than 20 percent went for actual training.)
- o Trainees will be equipped to join our labor force in an economy which has shown many recent signs of improvement these past few weeks.
- o A number of the nation's leading banks have already lowered their prime interest rates to 12%, which reflects growing confidence in the economy and provides great assistance to the recovery's progress.
- o These recent declines in inflation and interest rates are essential to assure the economic growth needed to create jobs in the private sector.
- o Meaningful training, as provided by the Job Training Partnership Act, will assist workers to obtain the skills needed to take advantage of new job opportunities in an expanding economy.

WHITE HOUSE TALKING POINTS

October 12, 1982

PRIME CONTINUES TO FALL (Morgan Guaranty Down to 12)

- o By the end of last week, the prime had fallen 3 1/2 points to 13% since mid-July -- less than 3 months.
- o Today's announcement -- that the nation's fifth largest bank (Morgan Guaranty Trust) lowered its prime rate a full point, to 12% -- makes the 3 month drop 4 points, a sign of growing confidence.
- o Interest rates, for months one of the major obstacles to economic recovery, are now among the recovery's signposts.
- o Lower interest rates are essential to progress in the housing and automobiles industries. At higher rates, people just can't afford to buy.
- o Lower rates are also essential to farmers, small businesses and other entrepreneurs who cannot afford -- at the higher rates -- to borrow funds for job creating expansion.
- o The move to lower interest rates (not just the prime) is a confirmation of the progress against inflation. Interest rates would not be coming down -- nor would analysts be predicting further drops -- unless this inflation progress was expected to continue.
- o Other interest rates have also dropped dramatically:
 - 3 month Treasury bills are down to 7.2% from 14.1% in February;
 - long-term rates have also dropped; the 30 year Treasury Bond is down to about 11% from almost 17 last February;
 - and mortgage rates have dropped from over 17.5% to about 15% (the government's FHA rate is an even lower 13.5%.
- o Remember: The prime was under 7 percent in 1976. By just before the Reagan inaugural, in January of 1981, it had risen to 21.5% -- a post-Civil War record.

October 8, 1982

JOBS

- o Unemployment has been too high for too long. Greatest economic priority now must be job creation.
 - two-thirds of auto industry unemployment created before Ronald Reagan took office;
 - in lumber, the figure is three-quarters;
 - it's close to half in manufacturing and construction.
- o Real progress of Reagan policies against inflation, interest rates, has set the stage for recovery, so economy can begin to create jobs.
- o Market rally yesterday (up 58 points in 2 days) and another drop in the prime (to 13%) show there is growing confidence in financial community -- will lead to job creating investment; just what the Reagan program planned.
- o Democrats seizing on unemployment figure out today for partisan gain. Acting like they welcome it, only see votes. Yesterday, President asked his critics three questions:
 - Where were they when economy went haywire?
 - What do they offer now that's different from failed past policies?
 - Why not show real concern about unemployed by joining in our efforts to cure economy instead of just complaining?
- o President sees real pain in unemployment and is acting to correct the problem, not exploit the pain.
- o President today signs job creating Export Trading Companies Act -- this one bill (prior Administration couldn't get through Congress) will expand exports by small, mid-sized firms, create an estimated 350,000 new U.S. jobs.
- o Today's high unemployment could have been avoided if policies to cure economy had been adopted sooner. It didn't have to be this way.
- o Doesn't have to stay this way -- and it won't. Finally, under Ronald Reagan, plan in place to bring recovery, jobs.

o When he took office 20 months ago:

1. inflation was too high -- now been cut more than half;
2. interest rates were too high -- now the prime's down a third; it fell to 13% just yesterday, down 3 1/2 points since mid-July and 8 1/2 since right before inaugural;
3. federal spending growth was out of control -- now been cut almost two-thirds. It will be under 6% this fiscal year, was over 17% in 1980.
4. taxes were soaring -- now rates are 15% lower. They'll be 25% lower next year.
5. regulation was mushrooming -- now 20% fewer new regs.
6. growth had stopped -- GNP up over last 6 months.
7. unemployment -- the only major indicator not yet improving; called lagging indicator because it couldn't improve until inflation, interest rates come down.

TREASURY NEWS



Department of the Treasury • Washington, D.C. • Telephone 566-21

STATEMENT BY DONALD T. REGAN
SECRETARY OF THE TREASURY
AT A PRESS BRIEFING ON
THE ECONOMY AND UNEMPLOYMENT
FRIDAY, OCTOBER 8, 1982
WASHINGTON, D.C.

All of us in the Administration, first and foremost the President, are saddened by the hardship of people out of work. Today's unemployment rate strengthens our resolve for a permanent solution. Twenty months ago this Administration proposed an economic program to create private sector jobs and get the economy moving again. Month by month the nation watched as one piece after another of this program fell into place. Inflation dropped from 12.4 percent to 5.1 percent today. The prime interest rate dropped from 21.5 percent to 13.0 percent today. The three-month Treasury bill rate, which reached nearly 17 percent in the spring of 1981, is now around 7.5 percent.

Yet today we still struggle with the intensely personal problem of too many people out of work. As far as I am concerned, there is no threshold for acceptable unemployment. This Administration believes that every person should have the opportunity for a lasting job. And that is our goal.

Our economic program was designed to strengthen the fiber of our private enterprise system, the economic engine that creates permanent jobs in this country. The gradual increase in unemployment levels in the post war period reflects the depth of the deterioration that had taken place in our economic base. The high unemployment rate observed today is exacerbated by the fact that the recession of 1980 began with the highest unemployment rate of any post World War II recession.

Our tax cuts, budget cuts, regulatory reform, and monetary policy are designed to rebuild that industrial base. The first sign of success is lower inflation.

History shows that when inflation is brought under control, interest rates decline, expansion ensues and the unemployment rate responds by coming down. In 1971-1972 inflation was cut by a third. In 1973, unemployment dropped to under 5 percent. In 1974-76 inflation was cut in half. In the following two years, unemployment fell by a third. And in 1981-82 the inflation rate again has been cut in half. I believe the stage is set for an economic recovery

which will reduce the unemployment rate and create real jobs. Rising bond and stock markets reflect this prospect. And in addition, the President will sign the new Export Trading Company bill that will create 350,000 new jobs.

We reject the quick fixes of the past that brought inflation down and unemployment down for short periods, only to have them skyrocket back up. The short-term proposals to create make-work jobs through more government spending programs will choke off the recovery, re-ignite inflation, and result in even greater unemployment. We simply don't believe that a return to the policies of high taxes and big spending programs will create meaningful jobs.

I want to reassure the American people that we are on the right track, that we will not go back to the policies of the past, and that this Administration has a program to get lasting and meaningful jobs.

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October 6, 1982

UNEMPLOYMENT FOLLOWS INFLATION
(And inflation's going down)

General points about unemployment

- o Not talking about statistics, but about real people. Unemployment is a tragedy for the nation -- and for each and every individual who wants work and can't find it.
- o The unemployment problem has been building over the last dozen years or more; now at highest rate since 1930s.
- o The real cause of the current unemployment is the inflation that had been building over the fifteen years or so before the start of the Reagan Administration.
- o The worst thing about today's high unemployment is that it didn't have to be this way. It could have been avoided if policies to cure inflation and slow growth -- stagflation -- had been adopted sooner.
- o Instead, in the late '70s, a Democratic Administration and a Congress controlled by 2/3s Democratic majorities stuck to business-as-usual, producing policies that made those problems worse and high unemployment inevitable.
- o Inflation breeds unemployment. Getting inflation down to stay is the only way to get unemployment down to stay.
- o Virtually all economists agree that, in the long run, there is no trade-off between inflation and unemployment. We can have lower unemployment with lower inflation. In fact, we can't have lower unemployment unless inflation stays down.
- o If the Reagan policies hadn't stopped inflation from increasing as fast as it was in the years up to 1979 and 1980, there would be even more unemployment in the future.

Foundation for recovery -- and growth -- in place

- o The Reagan program with its lower tax rates and reduced federal spending took effect just a year ago October 1st -- too short a time to correct all the problems from the past but long enough for real improvement in two areas crucial to the jobs picture:
 - 5.1 percent inflation through August of 1982 is less than half the 1980 rate of 12.4 percent;
 - Interest rates of 13-13.5 percent (prime) are down a third from the record of 21.5 in January of 1981.

- o With these two indicators going down, the other key element -- economic growth -- can start to go up. In fact, after three years of essentially no growth since the first quarter of 1979, the GNP has been growing again for the last six months. Such growth is necessary to create more jobs.

Working to help the unemployed, fill skills gap, create jobs

- o President Reagan signed an extension of unemployment insurance that makes people in the hardest hit states eligible for up to 49 weeks -- almost a full year -- of benefits.
- o President Reagan also proposed -- and Congress passed last week -- job training bill to help one million young and poor people a year develop the skills they need for real jobs in the private sector.
- o The President also pushed for Export Trading Company legislation that will expand exports by small and mid-sized firms that will provide hundreds of thousands of jobs. That legislation was also enacted by Congress last week.

No alternative to restored growth with reduced inflation

- o Liberal Democrats offer no alternatives except a return to bankrupt tax and spend policies of the past. Last month, they offered the same old make-work formula to spend \$1 billion for less than 200,000 temporary jobs.
- o Government spent \$66 billion on employment programs in the last 7 years. Over the same 7 years, unemployment got worse, not better, as inflation soared and growth slowed.

Charge is made Administration raised unemployment to lower inflation. True?

- o False. Never wanted higher unemployment.
- o Lower inflation -- and more real growth -- is key to lower unemployment in future.
- o Throughout the 1970s, inflationary surges have been followed by surges in unemployment.
 - In 1969-70, inflation rose to the 6 percent range and one year later, in 1971, unemployment approached the six percent range (it had been under 4 percent in 1969).
 - By 1974, inflation surged again, this time to double-digits, and the next year, unemployment topped 8 percent.
- o And the rise in unemployment in 1981 and 1982 is directly traceable to the surge in inflation in 1979 and 1980.

WHITE HOUSE TALKING POINTS

October 5, 1982

WHAT THE CONGRESS DID -- AND DIDN'T -- GET DONE

- o The 97th Congress passed some historic legislation -- cutting taxes and the rate of federal spending as the President had asked -- but it will be remembered as much for what it failed to do as for what it did.
- o The Congress, thanks largely to the obstructionist delaying tactics of the Democratic House leadership under Tip O'Neill, has reneged on its duty and ignored the will of the American people on many issues.
- o First, unwilling to face up to hard decisions before facing the voters, Congress recessed for the campaign without completing action on spending bills.
- o Second, the liberal Democrats scuttled a Constitutional amendment to balance the budget on the day they left town.
- o Third, Congress failed to pass legislation establishing enterprise zones, a bill which would have provided incentives for private employers to establish job creating projects in our nation's depressed urban areas.
- o Fourth, the House leadership refused to allow any consideration of tuition tax credits on the floor. They never even allowed hearings to be held.
- o Fifth, House leaders made it clear they weren't going to allow any consideration of proposals to allow voluntary prayer in our schools.
- o Because of the cooperation he did get from Congress -- particularly last year -- President Reagan has succeeded in lowering tax rates, federal spending growth, inflation and interest rates. There's much more to do, and the behavior of the House leaders has made it clear the President will need more help in Congress to get the job done.

WHITE HOUSE TALKING POINTS

October 1, 1982

DEFEAT OF BALANCED BUDGET AMENDMENT

- o Democratic votes and Democratic parliamentary maneuvers defeated the balanced budget constitutional amendment Friday afternoon. The vote was 236 - 187.
- o A clear majority of the House voted for the amendment but a two-thirds majority -- 290 votes -- is needed for a constitutional amendment.
- o Almost 90 percent of House Republicans voted for the amendment but its defeat demonstrates we need more Republicans in Congress.
- o The liberal Democratic leadership used sleight of hand to defeat the amendment:
 - They offered the Alexander "substitute" -- literally thrown together overnight -- a toothless measure requiring the President to submit a balanced budget "plan," but requiring no action from Congress.
 - This measure was defeated 346-77 as most members saw through the leadership charade. But those who voted for it will now claim support for a balanced budget amendment in their campaigns.
- o Was clear the Democratic leadership's only concern was to thwart the amendment -- and in the process they thwarted the will of a vast majority of the American people who favor it. (Polls show support for the amendment is close to 80 percent.)
- o In a statement after the vote, President Reagan said he intends to renew the fight next year for this amendment -- and resolved to fight even harder for its passage.

WHITE HOUSE TALKING POINTS

September 30, 1982

Congressional Action on Balanced Budget Amendment Needed to Control Spending and Continue Trend Toward Recovery

- o Although the index of leading economic indicators fell .9 percent in August, this month's dip is only a temporary interruption. The upward trend pattern is much more significant.
- o The indicators went up for four months in a row before August and we expect them to be up again in September. This would mean an upward trend for five of the last six months. They are now 2.8% above the low point reached in March.
- o This upward trend is assured by three facts which are indispensable to any lasting recovery.
 - First, the prime rate has dropped more than 40% since the President was inaugurated.
 - Second, inflation has dropped 59% under the President's program.
 - Third, real disposable income, the money people actually have in their hands to spend, after taxes and after inflation, increased in five of the last six months.
- o To make sure this recovery takes hold, Congress must restrain Federal spending.
- o President Reagan has displayed his resolve, and now Congress must do the same by passing the balanced budget amendment.
- o President Reagan, the Senate, and above all, the American people want a balanced budget amendment, and the liberal Democratic leadership in the House tried to block it. But by yesterday, a majority of House Members had signed the discharge petition -- freeing it from Committee and permitting consideration on the House floor.
- o The Senate passed a balanced budget amendment almost 2 months ago. Now it's time for the House to do the same.

WHITE HOUSE TALKING POINTS

September 29, 1982

President Challenges Congress to Act on Agenda

- o In his Tuesday night press conference, President Reagan challenged the House Democratic Leadership to permit action in the final days before Congress recesses, on important bills to help keep inflation and interest rates on the decline and to help create jobs.
- o The Democrats who bear such a heavy burden for overspending and taxing us into the recession should resist playing politics with the problems they caused, and instead spend their time working to solve them.
- o The President called for Congress to:
 - Approve a Balanced Budget Constitutional Amendment;
 - Pass the export trading company bill to create several hundred thousand new jobs at no cost to taxpayers;
 - Pass the jobs training bill that would help more than one million unemployed young and poor Americans;
 - Act on spending bills that hold the line on the budget. Congress has passed only 3 of 13 so far.
- o President Reagan's economic program has laid the foundation for recovery. There are positive signs:
 - Inflation has declined sharply, from 12.4% in 1980 to 5.1% so far this year.
 - Interest Rates have fallen from a 21.5% high to 13%.
 - The rate of Federal spending has been cut, and so have tax rates.
- o The Reagan principles of lower Federal spending, lower taxes, and less regulation have brought the results of less inflation, lower interest rates, and an increase in real earnings.
- o The tax and spend Democrats offer no new ideas but a return to the bankrupt policies that brought us to the brink of economic disaster.
- o The issue is a simple one: Do we return to the failed policies of the past, or do we want to stay on our new course to recovery?

WHITE HOUSE TALKING POINTS

September 27, 1982

CONGRESS SHOULD ACT BEFORE RECESS

- o In this last week before they return home to campaign for their own jobs, Congress should act quickly to pass at least a few important bills -- including two Administration proposals directly related to jobs for the American people.
- o This Congress must finish its work on these key issues before the recess, and if they fail to act, the American people are the losers.
- o First, the President has supported a major job training bill which would provide block grants to the states for training one million people a year. The President has urged prompt action this week on this crucial legislation to give workers skills for permanent jobs in the private sector.
- o Second, the Democratic leadership in the House has bottled up a bill to create American Export Trading Companies, an action private economists estimate would increase exports by \$27-55 billion dollars and create between 320-640,000 new American jobs by 1985.
- o Third, President Reagan and the Senate have called for a Constitutional amendment to assure that once the Federal budget is balanced, it stays balanced. The big spenders in the Democratic House have refused to even put this issue to a vote, despite the fact that it is supported by a majority of the American people.
- o Fourth, the Democratic leadership in the House has simply failed to do its job of passing appropriations bills. These bills must originate in the House, but so far, only 4 of the total 13 spending bills have been sent to the Senate. Congress should speed up action and pass more spending bills that are in line with the deficit reductions called for in the Congressional budget resolution.
- o If Congress could get at least this much of its own job done this week -- there'd be more hope of jobs for more Americans as a result.

WHITE HOUSE TALKING POINTS

September 24, 1982

PRESIDENT BACKS BILL TO TRAIN WORKERS FOR REAL JOBS

- o With the support of President Reagan, a House-Senate Conference Committee approved Thursday a major jobs bill to provide block grants to the states for training a million workers a year.
- o The real answer to unemployment is economic growth in the private sector, the goal of the President's Economic Recovery Program. This job training bill will prepare jobless workers for those positions.
- o This bill will assist more than one million poor and jobless people each year, especially youth workers, in efforts to find lasting, permanent positions in the private sector.
- o Unlike the wasteful CETA program, this training program will direct 70 percent of its funds for actual training. The CETA program spent almost as high a percentage on administrative overhead and stipends to trainees -- and far less on actual training.
- o This job training legislation stands in sharp contrast to the "emergency jobs" program passed by the Democrats which would spend \$1 billion of taxpayer money to create 200,000 temporary make work public service jobs.
- o The only real "emergency" for the Democrats is their own reelection campaigns, and the only jobs their bill is designed to protect are their own.
- o Job training legislation was introduced by President Reagan more than six months ago, while the sudden interest by Democrats in a jobs program arose only as the elections neared.

WHITE HOUSE TALKING POINTS

September 23, 1982

INFLATION'S STAYING DOWN

- o News on the inflation front continues to be very good. Figures out today show the CPI rose less than 0.3 percent in August -- only 3.3 percent on an annual basis. Food and gasoline costs actually went down.
- o In the first 8 months of 1982, we've had 5.1 percent inflation -- way under half the rate (12.4%) in 1980, the year before President Reagan took office.
- o Typical (\$24,000 median income) family of 4 has over \$1500 more buying power than if inflation were still at 1980 rate.
- o Inflation has fallen faster, farther than many thought possible, because of sound fiscal and monetary policies during the President's first 19 months in office.
- o It had been so high for so long in the '70s that many economists thought it was a structural problem -- built into the economy -- and would take most of the '80s to stop.
- o Implementing sound policies wasn't easy -- opposition from liberal Democrats in Congress who opposed the Reagan tax and budget program had to be overcome.
- o Their opposition still poses an obstacle. Many Democrats still push for a return to tax and spend -- exactly what helped create the inflation problem in the first place.
- o Inflation isn't completely cured yet. It can be if Congress sticks to course set by President Reagan. To ensure that, he needs more help in Congress -- fewer big spenders and more members with courage to keep spending down.

Lower inflation helps all -- especially the poor

- o Inflation rightly called the "unfairest" tax -- hurts the poor who must spend greater share of income on necessities.
- o Average family AFDC benefit went up well over a third in the '70s, but inflation eroded purchasing power so that family could buy almost a third less even with more money.
- o This year, a family at the poverty threshold (about \$9000 a year) has about \$600 more in purchasing power than if inflation were still at 1980 rate.

WHITE HOUSE TALKING POINTS

September 22, 1982

Rail Strike Settlement Saves Jobs and Preserves Economy

- o President Reagan acted swiftly to sign legislation strongly supported by the bipartisan leadership of both Houses, which he had proposed to Congress on Monday to end the nationwide rail strike.
- o The vast majority of Congress agreed that the welfare of the American economy, the needs of stranded commuters, and especially, the jobs of many millions of workers dependent on our rail network outweighed the right to strike of 26,000 rail engineers.
- o The President's action averted an extended strike which would have had a serious impact on many industries and workers.
- o The President's prompt action ended the potential impact of an extended strike which would have:
 - laid off up to 500,000 non-railroad workers after two weeks, and 950,000 after four weeks.
 - halted the flow of \$15 billion worth of goods and commodities each month.
 - affected 140,000 rail commuters and 18,000 Amtrak riders each day.
- o The President's display of swift, sure and decisive action, has helped avoid the crippling major impacts of a railroad strike.

September 21, 1982

Leadership in the Middle East

- o President Reagan once again has shown his leadership by agreeing to a request of the Government of Lebanon to commit American troops as part of a multinational force designed to bolster the ability of Lebanese authorities to bring stability to the Beirut area.
- o The decision to commit American forces is not an easy one for any President, but turmoil and tragedy in Beirut has created a compelling case for American involvement to help assure peace, ensure the safety of Palestinians living there, and hasten the departure of foreign forces.
- o President Reagan's dedicated leadership toward achieving a lasting peace in Lebanon and the Middle East has earned wide support from world leaders.
- o It merits support, as well, from the U.S. Congress.
- o The President has fully consulted Israel and all other interested parties on his decision to recommit American troops, together with those of France and Italy, to assure peace in Lebanon.
- o The restoration of a free and independent Lebanon remains the President's goal, and this decision represents a clear commitment to Lebanon's secure and prosperous future.
- o The Israelis have begun to withdraw their forces from Beirut, and the President hopes that all foreign forces will be out of Lebanon soon.
- o The recent tragedy in Beirut underscores the need to act in order to achieve lasting peace in the Middle East.
- o Once more, when events in the Middle East created a need for leadership, President Reagan has reaffirmed the United States' role as leader of the free world.

WHITE HOUSE TALKING POINTS

September 17, 1982

CONGRESS NEEDS TO FACE TOUGH DECISIONS ON BUDGET

- o Congress has to face up to its budget responsibilities but this year, for the third year in a row, the House Democratic leaders are dragging their heels on the appropriations process. That's bad management and bad economics.
- o Apparently, they don't want to make the tough decisions the congressional budget resolution requires -- at least not before the election in November.
- o The resolution required \$99 billion in higher revenues along with \$280 billion in outlay reductions. The President kept his part of the bargain when he "swallowed hard" and went along with the revenue bill.
- o He can make the hard decisions. It's up to Speaker O'Neill and others in the House leadership to do the same thing now -- push for passage of appropriations bills that stick to the budget targets and get the deficit down -- not play politics with the federal budget and the nation's economy.
- o Spending bills have to originate in the House but the House has only passed 2 of the total 13 so far.
- o Liberal Democratic leaders in the House are now fashioning a continuing resolution that would carry current spending levels forward until the end of next February -- letting Members off the hook for the elections.
- o The President called yesterday for prompt action -- or for a continuing resolution that lasts for a much shorter period of time, if Congress can't screw up the courage to act on appropriations bills before they face the voters in November.
- o If Congress can't finish its job before the elections, the President believes they should come back and finish it after the elections.

September 15, 1982

TUITION TAX CREDITS
(Talking Points)

Overview

- o The Senate Finance Committee's favorable vote on tuition tax credits -- after the President met with Committee Chairman Dole and other members yesterday -- is a major step forward.
- o It gives new hope that tuition tax credits could become law yet this year. It will be passed if President Reagan has his way and the House follows the Senate's lead.
- o President Reagan's Commitment - President Reagan has long supported tuition tax credits to benefit parents of children in nonpublic schools, and he has continued to personally work with the Congressional leadership to pass the legislation needed to achieve this goal.
- o First President to Offer Legislation - While all Presidents since 1969 have supported the concept of tuition tax credits, President Reagan is the first to offer legislation.
- o Responsibility of Congress to Act - The President hopes that once the bill passes the Senate, the House will act promptly to relieve the dual financial burden of parents who today support both public and private schools, and restore the right of parents to direct the education of their children.

Tuition Tax Credits Increase Educational Opportunity

President Reagan's original legislation would allow parents to receive a tax credit of 50% of the cost of tuition and fees for each child in non-public elementary and secondary schools.

- o Credits Benefit Working Family - Credits would give working families the option of private education. According to a 1979 study, more than half the families sending children to private schools earn less than \$25,000.
- o Credits Not For Wealthy - The tuition tax credits proposed by President Reagan are not a benefit for the wealthy. Credits are proportionately reduced for incomes over \$50,000 and not available for those earning more than \$75,000.
- o Discrimination Prohibited - The Reagan proposals explicitly and unequivocally prohibit giving credits for tuition paid to schools that discriminate.

September 13, 1982

THE PRESIDENT'S CRIMINAL JUSTICE REFORM PACKAGE
(Talking Points)

- o President Reagan has proposed reforms in federal crime laws to make the job of the police easier and to make it harder for criminals to escape justice.
- o His objective is to make America a safer place for all citizens -- especially women and the elderly who are so often the victims -- and to inject more commonsense into certain federal criminal laws and procedures.
- o There is widespread support in the legal community (bar associations, legal scholars, judges) for these changes; many psychiatrists favor changing the insanity defense.
- o The President today sent to Congress proposals for reform in three major areas of criminal law that would improve courtroom proceedings:
 - the insanity defense to keep trials from becoming confusing debates among psychiatrists instead of legal forums for determination of guilt or innocence. Would limit application to defendants whose state of mind is affected by mental disease or defect.
 - o Congress has never acted on this so courts have developed it by case law with no uniform legal standard.
 - the exclusionary rule so judges needn't be forced to drop cases because small technicalities prevent the use of evidence. The proposal would establish a "good faith" test allowing use of evidence obtained by an officer conscientiously convinced he acted legally.
 - federal court review of state criminal proceedings to minimize interference in state courts by federal courts and lighten the judicial overload at both levels.
- o These proposals add to three other major crime-fighting efforts by the Administration:
 1. Omnibus Crime Package -- Developed by Administration this spring in conjunction with the Senate Judiciary Committee. Builds on report of Attorney General's Task Force on Crime, appointed by William French Smith. Senate is expected to vote in next two weeks. Among its provisions:
 - bail reform to help keep dangerous criminals, especially big-time drug pushers, off the streets;

- tightening of parole procedures;
- tighter penalties for drug trafficking;
- making it a federal crime to kill, kidnap or assault federal officials.

2. Task Force on Victims of Crime -- Appointed by President Reagan. Begins hearings in Washington this week.
 3. Crackdown on narcotics -- RR expected to unveil more on this front in next several days. One of most successful efforts has been the Vice President's Task Force on South Florida Crime.
- o Crime is epidemic in America. Last year, it took 22,000 lives, \$8.8 billion in direct financial losses and affected one-third of all American households.

Republicans on the road

Cabinet blankets the country to meet campaign quotas

By Ann Devroy
USA TODAY

In less than 40 hours last month, Commerce Secretary Malcolm Baldrige swept through five states, three time zones and 4,600 miles, appearing at 15 events to help Republican candidates.

He may run a billion-dollar agency, but right now Baldrige, like other members of President Reagan's Cabinet, is doing a lot of what the president and vice president are doing — campaigning for Republicans by serving as the star attraction at functions across the country.

Under a program called "Surrogate 82" run by the Republican National Committee, Cabinet officers have been asked by the White House to give 15 days of their time to campaigning. Exempt are those prevented by law from doing so.

Some Cabinet members are stars and some are duds,

say White House and party officials. Some are big draws and some can be foisted on few audiences. Some are prima donnas and some have been slow to meet quotas.

But Cabinet members in general have what one Republican official calls the "big three" assets: People will pay to see them at fund-raisers, they draw publicity and they give an unknown candidate "credibility" by showing he has friends in high places.

The Republicans pay the travel costs of campaign trips, unless the Cabinet member is in the state for an official reason and links it with the campaign event.

President Reagan is the biggest draw and the one most requested, say Republicans, with Vice President Bush second. Bush has devoted a huge chunk of time to campaigning and holds the record among officials at any

level in money raised and candidates helped.

The vice president will have made appearances for more than 140 Republican candidates this year alone, helping to raise more than \$3 million, says his staff. His name on fund-raising letters has helped raise another \$15 million.

Who's minding the store while these administration officials are campaigning? Republicans maintain that most campaigning is done on weekends or at night. The president likes to say that the nation's business goes with him wherever he goes. And the vice president, with few constitutionally mandated duties, has no store to mind.

Federal law bars the secretaries of state, defense and justice — as well as the CIA director — from campaigning on grounds they reflect government policies that should not be partisan.



DONALD REGAN, Treasury Secretary: A big draw nearly everywhere; people will pay big bucks to see the best-known Cabinet member. His aides dismiss complaints that Regan is too demanding a campaigner, saying they're just trying to make more efficient use of his time.



JAMES WATT, Interior Secretary: Popular with mostly very conservative audiences, a liability among others, Watt has to be placed carefully where he can help, not hurt, a candidate. His staff says he travels half the time these days on combination official-political trips.



JOHN BLOCK, Agriculture Secretary: A favorite of the White House and RNC, Block, says one aide, "will go anywhere, do anything and do it well with no complaint." He made six separate campaign trips to eight states in September, helping 14 Republican candidates.



TERREL BELL, Education Secretary: He has done little campaigning so far because, says his spokesman, he's been busy with official business. But Bell does plan to campaign. The White House can't do much about it; Bell is expected to leave the Cabinet after January anyway.



SAMUEL PIERCE, Housing and Urban Development Secretary: He is called "a late bloomer" on the campaign trail who is only now picking up speed. He just got back from South Carolina and New Jersey, and goes to Maryland this week and Michigan later this month.



RAYMOND DONOVAN, Labor Secretary: Still suffering the fallout from two years of investigations into his alleged ties to organized crime, Donovan is rarely asked for. He was not charged with any wrongdoing, but notoriety has made him a campaign liability.

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SEP. 27. 82

Reagan's Cabinet on campaign trail

WASHINGTON (AP)—In less than 40 hours, Commerce Secretary Malcolm Baldrige sped through five states and three time zones, covered 4,600 miles, spoke at 15 political fund-raisers, shook hundreds of hands and gave news interviews almost everywhere his chartered jet touched down.

Drew Lewis, secretary of transportation, made 13 speeches on a three-day swing through California, and is booked for upwards of 40 more political events across the country before the Nov. 2 election.

Treasury Secretary Donald Regan has 20 out-of-town fund-raisers in his schedule book. Ambassador Bill Brock, the administration's trade negotiator, will be on the road at least 17 days for more than two dozen political appearances.

The roving Cabinet members are among the administration's top stars on the campaign circuit this fall—traveling salesmen for Ronald Reagan's policies and drumbeaters for Republican candidates trying to raise money and attract votes.

From \$15-a-person barbecues in California to \$1,000-a-head breakfast fund-raisers in Washington, travel-weary Cabinet members are turning up in big cities and small towns to influence races

the White House wants to win.

In an election year, politicking by Cabinet members is commonplace. By tradition, exceptions to the rule are the secretaries of state and defense, the director of the CIA and the attorney general.

But this year, even White House chief of staff James Baker and adviser Edwin Meese are making some political trips.

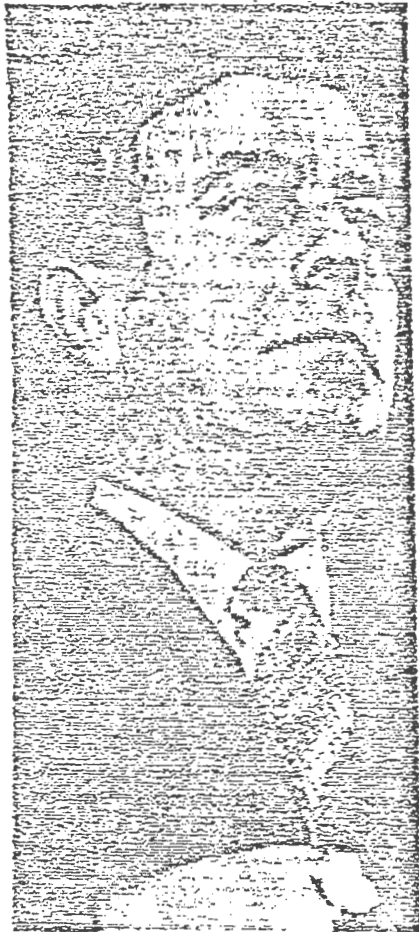
All the appearances are coordinated by the Republican National Committee and the White House political office headed by Edward J. Rollins. Travel expenses are paid by the candidate or the RNC.

However, the costs are reduced when an out-of-town political appearance is scheduled in tandem with an "official" appearance before a "nonpolitical" group. Then taxpayers pay for the travel, and the politician is charged only for local expenses.

While Reagan is the Republicans' top draw, the White House is parceling out his time sparingly.

"I think all of us are aware of the dangers of him being a political huckster," said one White House official.

"He's much more effective as president, in a presidential setting, talking in a presidential way, rather than going out barnstorming."



Drew Lewis

Lewis stumps for Coyne at fund-raiser

By John Martelloro
Courier Times Staff Writer

Calling the 8th Congressional District race a referendum on President Reagan's policies, U.S. Transportation Secretary Drew Lewis returned to his home territory of Montgomery County yesterday to campaign for Bucks County Congressman James K. Coyne (R-8).

At a press conference at the Lower Moreland township building and later at a fund-raising reception in Bryn Athyn, Lewis discussed the importance to the administration of keeping Coyne as the congressman for the district, which includes all of Bucks and a small portion of Montgomery County.

"This is a very important race, and this is the referendum year," Lewis said, "the year in which our nation says, 'Yes, we are doing the right thing. We cannot turn back.'"

Coyne echoed that attitude, saying, "We're going to have to continue along the course set by President Reagan."

At a \$250-per-person luncheon hosted by Bishop Willard Pennington, Lewis said Coyne's re-election is considered of vital importance in Washington.

"The House of Representatives is very, very critical to the success of this President," Lewis said. "The changes made in the past year and a half are important to this democracy."

Although some administration officials have expressed concern that continued high unemployment figures may cost the GOP dearly in congressional elections this year, Lewis said he rejected the "gloom and doom" attitude. He said a Republican loss of 20 House seats would be considered a "break-even" showing in an off-year election.

Lewis praised Coyne for his support of the administration's tax- and budget-cutting economic policies. Coyne, in turn, gave Lewis high marks for standing up to the "recalcitrant" air traffic controller's union and firing the entire membership for going on strike last year.

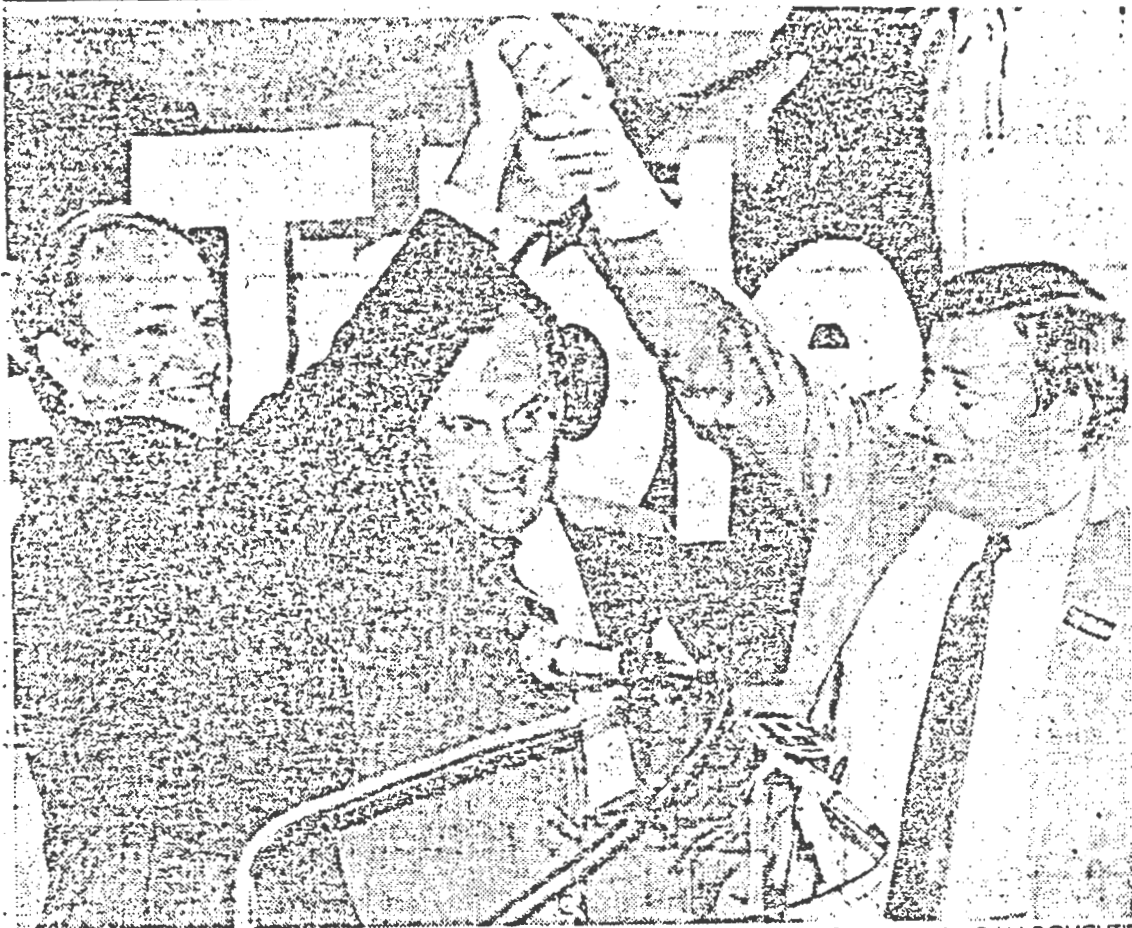
Earlier in the day, the two joined state Rep. Roy W. Cornell (R-152) and state Sen. Stewart J. Greenleaf (R-13) at a meeting with representatives of Mothers Against Drunk Driving in Lower Moreland. The four praised the group for its work and promised to work for MADD's legislative agenda.

Coyne said the federal government is sponsoring an educational advertising campaign for drunken driving week, beginning Dec. 12, and Lewis promised federal financial support from his department for the battle against drunken drivers. The transportation secretary added his department is also planning a similar advertising effort aimed at promoting use of seat belts.

He also said he dislikes enforcing Clean Air Act requirements that call for emissions inspections for cars in the state's urban areas. The state legislature's refusal to set up the inspection procedure has forced the impoundment of millions of dollars of federal highway funds for Pennsylvania, but Lewis said he is seeking ways around that requirement.

He said the transportation department is attempting to free \$20 million for two highway projects — completion of I-76 in South Philadelphia, near the Philadelphia International Airport, and another to complete interstate link in Pittsburgh — by saying they are justified by public safety considerations. The move still must be approved by the federal courts, he added.

"I'm in sympathy with the legislature of Pennsylvania," Lewis said. "The law is ridiculous. The standards make no sense at all. I regret having to be the enforcer."



Staff photo by DAN DOUGHTIE

From left, Rep. Paul Trible, former Gov. John Dalton and Transportation Secretary Drew Lewis at Wednesday's reception in Roanoke

Trible: Highways need rebuilding

By BEN BEAGLE
Senior writer

Paul Trible, the Republican candidate for the U.S. Senate, said Wednesday night the country's roads, bridges and airports will need rebuilding in the 1980s and that federal law on regional construction wage rates must be repealed.

Trible, who represents the 1st District in the House of Representatives, said "we must eliminate laws like the Davis-Bacon Act that would run up the the cost of construction" and make completion of this new building impossible.

The act calls for matching the prevailing wage rates in all areas of the country where federal money is used in building projects.

The airports, roads and bridges, he said, "make up the literal foundation of our economy."

Trible's comments came at a reception for him at the Sheraton Airport Inn in Roanoke attended by Secretary of Transportation Drew Lewis. Lewis is the third Reagan administration official to appear in Virginia on Trible's behalf.

The reception, at \$30 a person, was attended

by between 75 and 100 area Republicans.

Former Gov. John Dalton and retiring 6th District Rep. M. Caldwell Butler of Roanoke were hosts for the reception that stressed the theme that the Reagan administration needs to hold on to its majority in the Senate. Trible's opponent is Democratic Lt. Gov. Richard Davis.

"There's no race in this country that's more important to the presidency," Lewis said of Trible's campaign.

Dalton and Butler said Trible's election — which would give Virginia two Republican senators — is important to continuing the Reagan program of economic recovery and of reducing the size and influence of government.

Dalton, referring to press coverage, said it is time to "get talking about issues" in the Trible-Davis race — issues like the welfare of the country.

Butler said Republicans must maintain their majority in the Senate or the country "will return (to power) ... those people who offended us so greatly ... the Teddy Kennedys and the successors of George McGovern."

Regan Tells Americans To 'Stay The Course'

By Ron Johnson
E-G Managing Editor

"Stay the course" and request Clarence Miller to Congress.

That was advice given yesterday by U.S. Secretary of the Treasury Donald Regan to a huge gathering of Republicans and supporters of Rep. Miller at the Elks home in Lancaster.

In urging "staying the course," Regan referred to ticking with President Ronald Reagan and the economic policies instituted that are now beginning to

Regan noted inflation and interest rates were down and that the major national concern was now unemployment. "We care, and we will exert every effort to put people back to work. Dismantling the president's policies by throwing money at all the problems would only bring back inflation and high interest rates, which could start everything all over again," he noted.

"We need people in Congress who are doers—like Clarence Miller. That's why I'm here, to urge you to return Clarence to Congress. He's looked up to and admired. He's always on the right side of issues.

Secretary Regan said any growth in the money supply permitted by the Federal Reserve Board must be slow and steady in order to reduce interest rates without fueling inflation. He also warned that the Federal Reserve Board must be careful not to increase the money supply too rapidly.

"We cannot afford just to throw money at our current problems — pump up the money supply," Regan said. "Just as sure as night follows day, you're going to come up with inflation."

Regan said the Fed must

"keep its hand very steady on the money supply, allowing it to grow, but allowing it to grow only in a steady fashion, not a quick spurt and then clamp it down. If there's a slow steady growth in the money supply, then you can get interest rates slowly coming down," he said.

Regan denied a suggestion that the recent decline of the prime interest rate was politically motivated.

"I would have to take issue with that," he said, adding that only one member of the Fed has been appointed by Reagan. "They (Fed members) have decided to try as much as possible to bring interest rates down. There's nothing political about that," he said.

Regan said the nation must not waver from the president's program of tax cuts, business stimulants and job training efforts even in the face of a 10.1 percent national unemployment rate.

"We know it's going to be tough," Regan said. "And we're not offering you an easy way. What we're offering you is the correct way."

Regan was introduced by J. Ray Topper, president and chief operating officer of Anchor Hocking Corp.

Maxine Charlton, head of Miller's re-election campaign, served as emcee of the program and introduced dignitaries, including local and area Republican candidates. Mrs. Charlton praised the efforts of Milt Taylor, Lancaster Chevrolet dealer, who engineered the noon affair. Taylor in turn lauded those selling tickets and gave special recognition to Howard Waugh, who topped all with 61.

While the focal point of the elaborate affair that saw the huge ballroom packed, Rep. Miller generally sat back and enjoyed himself. In his brief

remarks, leading to the introduction of Topper, Miller thanked those attending profusely and said he was "grateful for support in the past and in the current campaign."

After his formal remarks, Regan fielded questions from the audience and then entertained the media for a question and answer period.

Mayor Kenneth Mace gave the welcome.

Wm 8/12/81 P. 11

Block visits Delaware

Farm exports take priority

By NANCY KESLER
Staff reporter

GEORGETOWN — American farmers have to sell their way out of the current depressed agricultural economy and exports are a Reagan administration priority to improve sales, Agriculture Secretary John R. Block told a crowd of Delaware farmers Wednesday.

Exports are viewed by the agricultural industry and both political parties as a major solution to the excess production from American farms that is keeping prices down and many farmers on the verge of financial disaster.

"We're talking about exports in almost every other breath," Block told the nearly 1,000 people gathered at the annual University of Delaware Farm and Home Field Day at the university agricultural substation near Georgetown. It is a priority, he pointed out, that wasn't even a factor in farming 50 years ago when almost all production was consumed domestically.

But Block, trying to talk up the Republican agricultural and economic policy, found an audience whose mind was very much on today's market prices with harvest only a few weeks away. The prices are below the cost of production for many growers, according to David Woodward, a cooperative extension agent in Kent County. "I've never seen the spirits of the farmers any lower," he said.

The farmers have heard talk of encouraging exports before, but many believe the nation's drive to compete on the world market has been undercut in recent years by the repeated use of exports as a tool of foreign policy. They complain that the periodic bans on sales to U.S. adversaries such as the Soviet Union have given the nation the reputation as an unreliable supplier and have disrupted domestic grain markets.

Farmers are also unhappy about the subsidies some European governments offer on their exports and trade barriers in countries such as Japan that put American farm products at a competitive disadvantage in world trade.

"We're going to demonstrate to the world that we are a reliable



Staff photo by Tom Levy

Agriculture Secretary John R. Block speaks in Georgetown.

supplier," vowed Block. He said President Reagan has declared that "the grainery door is open."

Reagan has also promised not to use agricultural exports as a weapon except in extreme circumstances, and then only when other products are included in an export ban and competitors in the world market agree to join the boycott.

Block pointed to the recent extension for one year of the grain sales agreement with the Soviet Union. "We will sell more grain to the Soviet Union this year than in any year in history," he predicted. The Soviets are America's most lucrative market, he said.

Although most Delaware grain farmers sell their crops to the poultry industry on the Delmarva Peninsula, the price they get hinges on the national price for grain.

The interest in pushing hard for more foreign sales was echoed by the state's Congressional delegation.

James Baxter, a Georgetown area farmer and former acting state secretary of agriculture, said, "I think he's telling us the truth. We've got to have aggressive sales."

for his speech's style than content. "I didn't much expect to hear him say anything else," said George Truitt, a Georgetown corn and soybean grower. Truitt said what he wanted to hear was that American agriculture was going to be set loose in a free market without the longstanding package of farm programs designed to stabilize the mercurial agricultural markets.

But if the government is going to spend money, Truitt said he'd rather see tax money going toward subsidies that would help American agriculture better compete abroad than to pay off such things as the interest on Polish debts.

Truitt believes this will be "the year for the little farmer," such as himself. It appears that Delaware growers are on the verge of the first good field crops in three years, so both large and smaller farmers will have ample amounts to sell.

But Truitt reasons that the large farmers are too far in debt after two bad years to hold back much of their crops to wait for better prices. Part-time growers such as Truitt whose entire income doesn't depend on the crop sale may be in a position to wait and make better

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U.S. trade ambassador stumps for candidates

By MICHAEL Mc MANUS
Advance Staff Writer

U.S. Trade Ambassador William "Bill" Brock praised North Jersey officials Friday for developing the Foreign Trade Zone (FTZ) concept in Mt. Olive, calling it "a good place where jobs will grow."

Speaking in Hackettstown, Brock was promoting President Ronald Reagan's New Federalism and the candidacy of Rep. Marge Roukema, R-7, in the new 5th District.

Brock, a former Tennessee congressman and chairman of the Republican National Committee, said "free trade has to be fair trade." He predicted the soon-to-open FTZ will bring imported products to the Lakeland area for assembly and warehousing, while increasing employment opportunities and expanding support services.

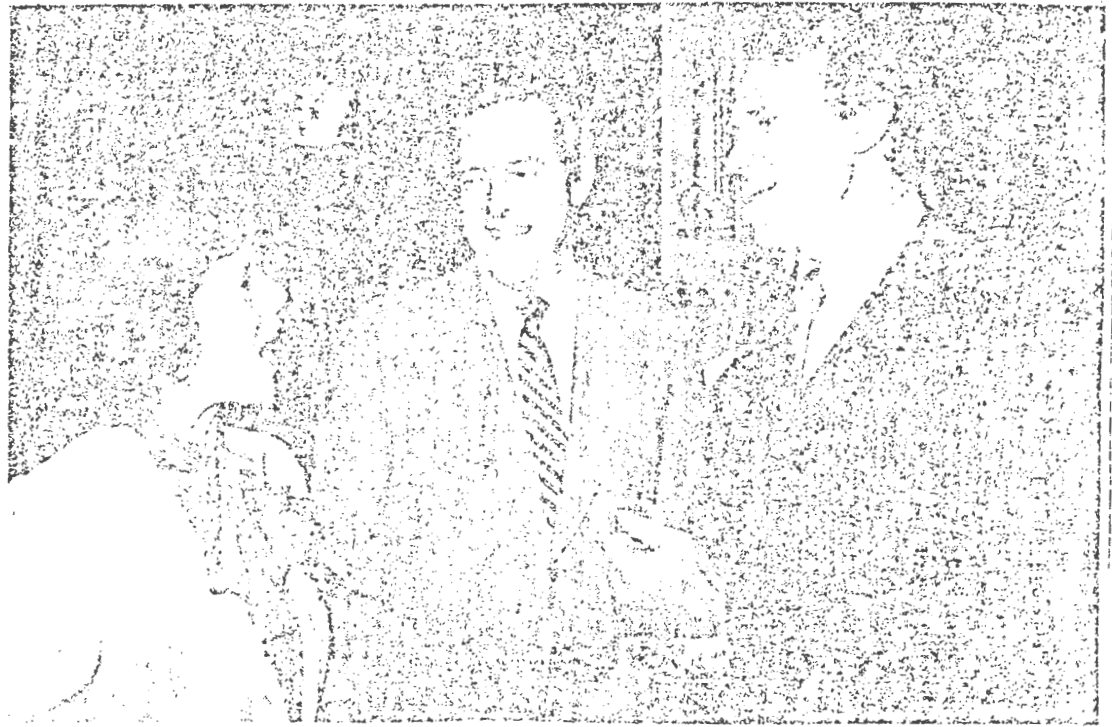
"People (of other nations) don't

realize how competitive we are," Brock said. He singled out the FTZ as one of the methods Americans can utilize in equalizing the slump in the balance of trade and methods of rebuilding employment in the nation.

Brock asked the partisan audience of 100 Republicans from Sussex, Morris, Warren, Hunterdon and Bergen counties to return Roukema and Rep. James Courter, R-13, to Congress. "They have revitalized the country," said Brock, commending Courter and Roukema for siding with the administration on many key budget votes.

He noted interest rates currently stand at 13 percent compared to the 21 percent under former President Jimmy Carter and a Democrat-controlled House in the late 70s.

Courter called Brock "one of the most outstanding representatives in government today."



U.S. Trade Ambassador William "Bill" Brock, center, discusses the concept behind the Mt. Olive Foreign Trade Zone with Reps. Marge Roukema, R-7, and James Courter, R-5, prior to a Hackettstown fundraiser.

Advance Staff Photo by Karen Touhey

THE DAY ADVANCE

SEPT 8, 1982

Farmers told better days ahead

By MIKE MULVEY
Staff Writer

Exports of American farm products should improve in coming months due to new markets and declining interest rates, the Reagan administration's chief trade representative told a group of Fremont farmers Tuesday afternoon.

Ambassador William Brock, a Reagan Cabinet member who serves as chief negotiator in international trade agreements, commented on the state of agricultural exports at a luncheon held on the farm of Bill and Mary Johnson, who live one-half mile east of Fremont.

Brock made the stop at the Johnson farm and later at Valmont Industries in Valley to drum up support for fellow Republican Gov. Charles Thone, whose reelection bid is facing a tough challenge from Democrat Robert Kerrey.

Interest rates have increased the cost of doing business abroad and thus have diminished demand for American farm products, Brock told a group of 15, most of whom were farmers or agribusinessmen. But as the rates continue to decline, business should pick up, he said.

"I know interest rates have made life difficult for you," he said. "They haven't made our prices as competitive as we would like them."

Brock assured the farmers that the Reagan administration is committed to finding new markets for American agricultural products. "There is no one who produces a better product than you do," he said.

The ambassador denied that the administration's foreign policy may be hindering agricultural exports, as some farm officials have charged.

Reagan recently offered the Soviets a one-year grain contract, instead of the five-year agreement favored by some farmers. Reagan has said that the short-term contract, in part, was prompted by the continued Soviet involvement in Poland.

That action is not comparable to the grain embargo imposed on the Soviets by President Jimmy Carter in 1980 following the invasion of Afghanistan, Brock said. He pointed out that Reagan lifted that embargo.

"The Soviets can come in and buy at will" and may purchase more than they would have under a long-



(our farm products) and are going to get them."

A long-term contract would not have been in the best interest of the country or its farmers, he said, adding that the United States would have been shortchanged under any such agreement because we lacked sufficient bargaining power. Brock didn't say what the country lacked with which to bargain.



Ambassador William Brock; foreign trade representative for the Reagan administration, is surrounded by reporters as he speaks to several Fremont area farmers and agribusinessmen Tuesday afternoon. Brock,

Gov. Charles Thone, stopped at the farm home of Bill and Mary Johnson near Fremont for lunch and a brief talk with farmers. Brock said he expects the agriculture export situation will improve in 1983. (Tribune Photos by

Brock opposes trade barriers for foreign nations

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Continued from Page A1

But, he said, "I don't like to deal unless I have all the cards. I can't accept the arguments for brand new talks (on a Soviet grain contract)."

This fall, Brock will meet with representatives of Japan and European nations in an attempt to get those countries to drop barriers that hinder imports of American farm products and other goods.

Brock said he doesn't favor imposing trade restrictions against countries like Japan which easily sell their products here but severely limit imports of American agricultural products. If the United States set up trade restrictions, foreign countries would respond in kind and could hurt the economy even more, he said.

The ambassador said he would like to see some rules governing international trade that would put all countries on an equal basis.

"You can't trade, even with friends, without some stoplights. Let's write some rules and set some standards that people can live by so that we can have open-market competition in the world."

He admitted it may be difficult at first to convince European countries to cooperate in such a plan. Opposition to a pipeline under construction between the Soviet Union and western Europe recently pro-

mpted the Reagan administration to impose restrictions against firms and countries trading American-made products for use in the project.

In the end, there was no escaping the political nature of the luncheon and press conference held on the Johnson farm. Brock, Thone and his aides, some wearing Thone campaign buttons, shook as many hands as time allowed.

Brock talked to the farmers during a brief lunch of fried chicken, coleslaw, tomatoes and chocolate cupcakes served on the Johnsons' patio for the farmers, Thone and the ambassador. About 10 members of the media were given ham salad sandwiches and potato chips, served in the side yard.

After the meal, Brock patted Thone on the back for what he said was the governor's involvement in opening and maintaining foreign markets for farm products. He said Thone's continued efforts are needed. "He (Thone) knows more about the problems facing farmers than any other governor in the country," Brock said.

Some farmers asked Brock when they could expect to see some improvement in the export market. "We do have an over-supply right now, and we do have to a better job in getting exports," he said. "But we should see improvement all the way through 1983."



Fremont farmer Bill Johnson, right, and other area farmers listen attentively as Ambassador Bill Brock, special U.S. trade representative for the Reagan administration, explains the President's farm policies. (Tribune Photo by Terry Ganseboom)

Elko

From page 1C

Watt said President Reagan, whom he described at one point as "our leader, an old man with wisdom," also is helping to change the department.

"We are determined to change America so her greatness might be restored."

Watt singled out for praise Republican Assemblyman Dean Rhoads, author of the Sagebrush Rebellion, a movement to transfer control of the West's vast public lands to the state government.

Noting Rhoads had carried Elko County by a 6-to-1 margin in his unsuccessful bid for the Republican nomination to Nevada's new congressional seat, Watt urged Rhoads' supporters to back Barbara Vucanovich, the Republican primary winner, "because we need her in Washington."

Turning to List's campaign, Watt said,

"Nevada needs Bob List. America needs Bob List." Watt added he could "work better" with List than his Democratic opponent, Attorney General Richard Bryan.

He said List, because of his leadership in the Western Governor's Conference, "plays a key role in helping the president."

List called Watt "a true friend of the West. One who had the guts to take on the bureaucrats that were standing in the way of the good of America."

List said Bryan is supported by southern Nevada "labor bosses."

"Every single union that represents governmental bureaucrats supports him because they know there's going to be a change: they're not going to be able to keep going along fat, dumb and happy, if Bob List is elected."

One hundred of those attending paid another \$100 each to have a chance to shake hands and talk briefly with the secretary before the luncheon.

After the luncheon, Watt, List and Vucanovich walked Idaho Street in Elko, shaking hands with people in businesses and casinos and visiting the Elko Daily Free Press.

Paul Bottari, executive secretary of the Nevada Cattlemen's Association, said his members are "elated" at Watt's change in water policy on the public lands. He said the BLM policy amounted to "blackmail" of the ranchers.

Watt also promised to clear the way for releasing "corridors" for power transmission lines for the proposed 1,500-megawatt White Pine Power Project near Ely.

He also promised to look into requests by Elko sportsmen to ease boating restrictions designed to protect ducks at the Ruby Marshe Wildlife Refuge.

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Reagan's land, water policies

Dr. Watt has just the cure for what ails the ranchers

By PATRICK O'DRISCOLL

Preaching the gospel of "stewardship of the lands" and condemning the Carter administration for its "shameful" record of mismanaging the public domain, Interior Secretary James Watt wooed and won an enthusiastic, overflow crowd of western ranchers in a speech in Reno on Monday.

At the same time, Watt offered a new message branch to rural Nevada ranchers who have been angered over long delays in water improvements for their grazing allotments on federal acreage.

Watt, who oversees most of the nation's federal lands, announced that his Bureau of Land Management will withdraw all its water rights applications in Nevada — which number several hundred — and drop its protests to competing applications.

In a refinement of concessions he made to northeastern Nevada ranchers on a political campaign appearance Monday in Elko, Watt said the policy change will allow Nevada stockmen to file now for badly needed range improvements, particularly water wells, without interference from the BLM, while the state engi-

get rave reviews

neer rules on the question of whether federal agencies can hold water rights in Nevada.

Watt also said President Reagan will follow him into Nevada for a political campaign-related visit early in October, but he had no further details.

Cowboy hat in hand and smiling broadly, Watt was greeted Tuesday morning with a standing ovation at the annual meeting of the Public Lands Council, an alliance of cattle and sheep ranchers in 13 western states.

With the skill of a visiting preacher, Watt seized the moment and summoned to the front of the crowded meeting room the heads of several federal land agencies who also were present for the three-day conference — BLM Director Bob Burford, U.S. Forest Service Chief Max Peterson, Bureau of Reclamation Director Bob Broadbent, and a host of assistant directors and officials including Nevada state BLM director Ed Spang.

"We are the federal landowners, and we manage, good and bad," he told the audience as the other figures took their seats around him. "We have in our collective responsibility on this platform the responsibility for managing one-third of America's lands."

Watt said he and his colleagues are making dramatic changes in federal land management "so that stewardship can be realized" and America's resources best used "to help feed and clothe" the nation and the world.

"The previous administration did not understand the concept of stewardship — that you take care of the land and water," Watt added. "My predecessors did a poor job, a very poor job."

In particular, national parks and wildlife refuges have gone to pot, he said, while "the consumers of America have been ignored for too long."

Watt said he wanted to "come down hard today so that the truth will have a chance . . . The shame has been that in the past the federal government has not adhered to the law."

That law, he said, was that the nation's lands were supposed to be sold, to be given over to the states — something that happened in the original colonies and some eastern states but not out West.

"It's a mess," he said of the public lands situation. Until the current inventory of federal holdings began, no one knew for sure just how much land Uncle Sam owns, he said.

But Watt repeated his standing disclaimer that the federal government will not sell national parks, wilderness lands, wildlife refuges and other vast tracts of public property in the "privatization" program to raise funds to help defray the trillion-dollar national debt.

"We've got odd pieces of land all over," Watt said, and the program to sell some of the land is "extremely small potatoes . . . we won't make much of a dent."

Like other federal lands officials, Watt chose to call the controversial program "asset management" rather than "privatization," a term coined by a White House adviser and since then the target of alarmed environmental groups who have dubbed the program "The Great Terrain Robbery."

"All the scare tactics that you're reading raises funds for the special interest groups," Watt said, referring to those critics.

Watt did say that 200,000 acres of Bureau of Reclamation lands in Nevada — mostly in Churchill, Washoe and Clark counties — will be among the first to be sold under the asset management program.

Officials stop in S.A. to endorse Wentworth

By Susan Lindee

Express Staff Writer

Two Reagan administration officials visited San Antonio Sunday in a show of support for congressional candidate Jeff Wentworth.

Reagan himself might visit San Antonio as the campaign heats up, one of the visitors indicated.

Secretary of Energy James Edwards and White House Chief of Staff Jim Baker attended afternoon and evening fund-raisers for Wentworth, who is running for the 23rd congressional district seat of U.S. Rep. Abraham "Chuck" Kazen.

At an airport press conference Sunday evening Baker said the 23rd congressional district race is "one of the top priority races in the country" targeted by the Reagan administration.

He said he would not be surprised if Reagan made a campaign visit to Texas that could include an appearance on Wentworth's behalf and would definitely include a show of support for Gov. Bill Clements.

"We want to send him wherever he might be able to make a difference," Baker said of the president's campaign plans.

Reagan's engagements are still flexible for the entire month of October, Baker said, to allow him to campaign in mid-term elections all over the United States.

"We want to make sure we don't give the ap-

pearance of over-campaigning," he said. "To go out there too much is bad."

White House Deputy Chief of Staff Michael Deaver was also expected Sunday, but his visit was called off because of pressing duties stemming from the crisis in Lebanon and the national rail strike.

"One of us had to stay in Washington," Baker explained.

Edwards said Wentworth was the kind of conservative congressman the Reagan administration needs to help balance the budget.

"We'd like to see him in Washington to help us," he said.

He said Reagan's energy policies, sometimes criticized as non-policies, have allowed private industry to take control of the energy market.

"Our policy is very simple. We've deregulated oil; soon we'll deregulate gas. We've canceled government projects that were a waste of money. We've redirected policy to allow the private marketplace to take over," he said.

He said deregulation in the energy industry has saved 8.3 million industrial man-hours.

Edwards attended a \$250-per-person fund-raiser for the former Bexar County commissioner at the Petroleum Club Sunday afternoon, then headed off to College Station for another political appearance.

Baker arrived in town later for a \$100-per-person fund-raiser in Wentworth's honor at Los Patios.

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Stockman praises Benedict



David Stockman
...budget director

By ELIZABETH SKEWES
Of The Herald-Dispatch staff

U.S. Senate candidate Cleve Benedict and the nearly 50 other freshman congressmen in the U.S. House of Representatives can take a large part of the credit for the success of the Reagan administration's economic policies, David Stockman said last night.

Stockman, director of the federal Office of Management and Budget, said Benedict was one of the "stand-out" supporters of the president's

economic proposals.

Benedict "understands the problems of the country," can articulate them and has the vision "to continue the historic movement we have begun," Stockman told more than 100 Benedict supporters at a \$250-per-ticket reception for the candidate at the Holiday Inn Gateway on U.S. 60 East.

Benedict is running against Senate Minority Leader Robert Byrd, D-W.Va., in the November general

election.

Stockman said there would be a change in 1983 in the senators from West Virginia.

"Anyone running on the platform that the economic programs of this administration have failed is so utterly out of touch with the realities of the economy they should be retired right now," he said, referring to Byrd and other Democrats who claim high unemployment rates and the continuing recession are

indicators the Reagan administration was wrong about "supply-side economics."

Stockman went on to say the leadership of House Speaker Thomas P. "Tip" O'Neill, D-Mass., "clearly is ruining the country. That's why it's so critically important to increase the numbers of people in the Senate who support the program.

"Just as we needed new faces in the House to get the economic changes in 1981, we need that same

kind of change in the Senate for 1983 and for the six years following," Stockman said.

He said Congress and recent Democratic administrations are responsible for the nation's present economic problems and that those who don't have the vision to carry through with Reagan's policies should be "part of a retirement program that this country needs very much if we're going to get the job done."

GOP displays unity at fundraiser

By Diane Hirth

Political Writer

At a \$1,000-a-plate fundraiser in a Palm Beach home so elegant the elevator had a telephone, the Florida Republican "ticket" for 1982 basked in a show of unity Wednesday evening.

"I don't know I have a magic message. I don't wave any wands," said Bill Brock, U.S. trade ambassador and former national GOP chairman.

"But I think there's a great deal of confidence here," he observed. "I think it's been building for several years.

"Republicans are running stronger candidates — they're younger, more articulate. It's the only way to win when you're still a minority."

State Sen. Van Poole was there, just one day after he beat Palm Beach County State Attorney David Blutworth in a sometimes cantankerous runoff for the U.S. Senate nomination.

"It was a good fair fight. I won. I want David's help, and he will," said Poole, whom Blutworth has promised to back. "We're united, and that's what's got (U.S. Sen.) Lawton (Chiles) worried."

Yet Blutworth, though invited to this intimate gathering, had not shown up 1½ hours after it began.

Still, Poole, Blutworth, Brock, GOP gubernatorial hopeful L.A. "Skip" Bafalis and state party chairman Henry Saylor are scheduled to hold a peace-making press conference together this morning in Palm Beach.

"It's part of what I worked on several months before I started to run," Bafalis said. "The kind of divisions we've had in the past hasn't been the case this year.

"I think there's a great deal of harmony," he said. "It's going to be beneficial."

Brock, too, complimented Blutworth and Poole for not giving the Democrats a chance to divide and conquer.

"To put arms around each other and swear an oath of fealty — it helps," Brock said. "It doesn't always end up that way."

All were careful to pronounce President Reagan's record an asset to Florida Republican candidates. "We expect to make gains in Florida," Brock emphasized.

Yet hostess Jeanne Ford offered a sobering note, "I don't think (the public) is excited because it's an off-year." And with many Republicans not returning until the more chic winter season, "It's difficult," she said.

Earlier in his campaign tour Wednesday Poole said he has asked President Reagan to

campaign with him.

Poole said Reagan can help unseat Chiles. But Reagan has not decided whether he wants to get personally involved in the race, according to Poole and a White House spokesman.

Unlike some GOP candidates in other states who are putting distance between themselves and Reagan because of the faltering economy, Poole said the president would be an asset to his campaign.

Poole gave reporters a preview of what promises to be a rough-and-tumble campaign. He told a press conference at Fort Lauderdale's Marriott Hotel that he was "mean enough" to fight a negative campaign against Chiles.

Poole labeled Chiles, a Lakeland resident who has been in the Senate 12 years, a "big spender."

"He supported two-thirds of all the spending bills in Congress," he said.

"He's five-sixths a liberal. For the past five years he has been a liberal and now, election year, he is a conservative," said Poole.

Poole said Palm Beach County is one of the areas he would emphasize in his 25-day campaign against Chiles. North Florida and the Gold Coast is where he stands the best chance, he said.

Staff Writer Buddy Nevins contributed to this report.