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WHITE HOUSE
OFFICE OF RECORDS MANAGEMENT
WORKSHEET

- X - MEDIA
- H - INTERNAL

Name of Document: BRIEFING PAPERS FOR
PRESIDENT'S SCHEDULED
APPOINTMENTS FOR MAY 20 81

Subject Codes:
PR 007.01

1) Subject: List of Invitees for preparatory
working lunch for the official visit
of Chancellor Schmidt of
Germany

CO 054.02
SO 003.

2 Meeting with the Cabinet Council on
Commerce and Trade regarding
East-West trade and U.S.
trade policy.

FG 010.02
TA

3 Meetings with U.S. Ambassadors:
ROBERT NEUMANN - SAUDI ARABIA
CARLETON COON - NEPAL
DEANE HINTON - EL SALVADOR

PR 005.
CO 134.
CO 110.
CO 046.

4 Reception for the Advertising
Council.

WE
SO 004.

5 Speaking Notes for reception

BE 003.04
PR 005.

ROUTE TO:		ACTION		DISPOSITION		
Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
RMMATT		RSZ	1 1			1 1

Referral Note: _____

THE WHITE HOUSE

UNPUBLISHED
 May 19, 1981
 4:30 pm

THE PRESIDENT'S SCHEDULE
 Wednesday, May 20, 1981

- 9:03 - DIPLMATIC ENT. - BLAME DEEVER'S KINTSGARDEN CLASS - PHOTO
 9:08 - OVAL
 9:09 am Staff Time — Oval Office
 (30 min) (Baker, Meese, Deaver)
 9:28 — DICK ALLEN
 9:30 am Meeting with Secretary Regan EM, JB, ALLEN Oval Office
 (15 min) (Craig Fuller) (to report on Saudi trip)
 White House Photographer ✓
 9:50
 9:45 am Meeting with Secretary Block / EM / C. FULLER Oval Office
 (15 min) (Craig Fuller) (photo op. before trip)
 White House Photographer ✓
 10:02 -
 10:00 am Meeting with Cabinet Council on Roosevelt Room
 (60 min) Commerce and Trade (TAB A)
 (Craig Fuller)
 White House Photographer ✓
 11:15 am Ambassador Photos Oval Office
 (15 min) (Richard V. Allen) (TAB B)
 White House Photographer
 11:25 - HALL & WEINBERGER
 11:30 am Working Luncheon (re Schmidt Visit) Cabinet Room
 (90 min) (Richard V. Allen)
 White House Photographer (briefing book provided separately)
 1:10
 1:00 pm Return to Residence
 5:00 pm ~~Staff Time~~ Residence
 (30 min) ~~(Baker, Meese, Deaver)~~
 5:38 pm Join White House Reception for East Room
 (15 min) Advertising Council (TAB C)
 (Peter McCoy/Larry Speakes) See also draft remarks
 Press Photo Opportunity provided separately

5:50 - RESIDENCE ↓

PREPARATORY WORKING LUNCH FOR THE OFFICIAL VISIT
OF GERMAN CHANCELLOR SCHMIDT

Wednesday, May 20, 11:30 a.m. - Cabinet Room

PARTICIPANTS:

The President
The Vice President
Secretary Haig
Secretary Regan
Secretary Weinberger
Counsellor to the President Meese
Director of Central Intelligence William Casey
Chief of Staff to the President Baker
Deputy Chief of Staff to the President Deaver
Assistant to the President for National Security
Affairs Richard V. Allen
Assistant to the President for Policy Development
Martin Anderson
Mr. David Gergen
Mr. Richard Darman
Mr. Craig Fuller
Mr. Larry Speakes
Mr. Charles P. Tyson
Chief of Staff to the Vice President Murphy
Charge William Woessner
Assistant Secretary of State for
European Affairs Eagleburger
Mr. James Rentschler, NSC Senior Staff Member
Assistant to the Vice President for National
Security Affairs Nancy Bearg Dyke
Deputy US Trade Representative David McDonald

AGENDA

Introduction - Richard V. Allen
Contents of Briefing Books
Schedule
Objectives of Visit
Review of Major Sub-
stantaive Issues - Secretary Haig
Review of Defense
Related Issues - Secretary Weinberger

Review of Economic
Issues - Secretary Regan

Summation of Briefing --
Tasking of Revisions - Richard V. Allen

May 18, 1981

PREVIOUS VISITS OF SCHMIDT TO U.S.:

March 1980 Last official visit to U.S.
November 1980 Private visit to U.S.
 (Met with President-elect Reagan)

Schmidt has made an official visit to Washington every year since becoming Chancellor in 1976.

He has also made a second private visit to the U.S. almost every year.

Generally, he has always met with
 The President
 Secretary of State

and usually always met with
 The Vice President
 Secretary of Defense
 Majority Leader of the Senate

He has frequently also met with
 The Secretary of Treasury
 The Secretary of Energy
 Senate Foreign Relations Committee
 Senate Armed Services Committee
 House Foreign Affairs Committee

In the last Administration he had a private meeting with
 National Security Adviser

He met with Ronald Reagan in 1978 in Bonn.

THE WHITE HOUSE

WASHINGTON

May 19, 1981

MEETING WITH THE CABINET COUNCIL ON COMMERCE AND TRADE

DATE May 20, 1981
LOCATION Cabinet Room
TIME 10:00 a.m. (90 minutes)
FROM CRAIG L. FULLER *CLF*

I. PURPOSE

This is a regularly scheduled meeting of the Cabinet Council on Commerce and Trade.

II. BACKGROUND

This meeting will consider two proposed statements of Administration policy on trade. The first statement, "East-West Economic Relations: A Prudent Approach", was developed by the Department of State and the National Security Council; it is designed for distribution to our allies in preparation for the Ottawa Summit. The second paper is a proposed "Statement on U.S. Trade Policy," developed by the U.S. Trade Representative and reviewed by the Trade Policy Committee. Both papers are attached and are summarized as follows.

A. SUMMARY OF OTTAWA SUMMIT PAPER ON EAST-WEST TRADE

This paper implicitly rejects the assumptions accepted in the mid 1970's that promoted East-West trade as a means to achieve close political cooperation with the Soviets. It recognizes that in the competitive political circumstances prevalent today, trade with the East involves significant vulnerabilities. At the same time, the paper recognizes that this trade has reached significant economic proportions for the allies. The paper therefore proposes discussions among the allies to minimize problems flowing from an increase in this trade, but does not recommend increasing restrictions except in the following strategic areas:

1. Strengthened and more predictable controls on strategic goods and technology
2. Contingency planning to define a common allied basis for use of trade restrictions in a crisis (e.g., an invasion of Poland)
3. Ensuring Western economic security by protecting against a Soviet threat to cut off supplies or markets (e.g., a cut off of gas through the proposed Soviet pipeline to Europe)
4. Utilizing influence available to the West in this trade to ensure that Eastern European countries pay their debts

and that Western resources do not alleviate the costs to the Soviet Union of its relations with Eastern Europe.

B. SUMMARY OF STATEMENT OF U.S. TRADE POLICY

This paper indicates that the Administration will give top priority to international trade and the maintenance of open markets both at home and abroad. The paper stresses the importance of fair trade, based on effective enforcement of U.S. trade laws and international agreements, as a requirement for continued public support for a more open trading system.

The President's Economic Recovery Program is cited as an essential element of the Administration's effort to improve the U.S. competitive position in international trade and to facilitate the adjustment of the U.S. economy to changing international market conditions.

The paper cites the importance of reducing or eliminating self-imposed export disincentives. It also stresses the importance of better managed government export promotion programs.

The United States should reduce government barriers to the flow of trade and investment among nations, with emphasis on improvement and extension of international trade rules. It is U.S. policy to deal with individual problems through bilateral negotiating efforts in the short run, and to seek to negotiate new multilateral disciplines over the longer term. Special attention will be given to the trade problems of service industries, trade related investment issues, high-technology trade, and trade with developing countries, North American countries and non-market economies.

III. PARTICIPANTS

A list of participants will be attached to the agenda and distributed at the meeting.

IV. PRESS PLAN

No press.

V. SEQUENCE OF EVENTS

After calling the meeting to order, the President should ask Mac Baldrige to lead the discussions of the two papers to be presented.

Both papers have undergone numerous drafts. However, if issues surface, those responsible for the papers should be directed to settle the differences within the Cabinet.

STATEMENT ON U. S. TRADE POLICY

A strong U. S. economy is our goal. Free trade, based on mutually acceptable trading relations, is essential to the pursuit of that goal.

International trade is, and will continue to be, a vital component of the United States' economy. The trade policy of the Reagan Administration will complement domestic economic programs which are designed to increase output and reduce inflation.

One of the principal requirements of a strong U. S. economy is the maintenance of open markets both at home and abroad. The United States is more dependent on international trade than at any time in recent history. Exports generate higher real income and new jobs, and imports increase consumer choice and competition in a wide range of goods and services.

The United States is increasingly challenged by the ability of other countries to produce highly competitive products and by intervention of other governments in economic affairs. We should be prepared to accept the competitive challenge, and strongly oppose trade distorting interventions by government.

We will strongly resist protectionist pressures. Open trade on the basis of fair trade rules is in our own best economic interests, and is consistent with the Administration's commitment to strengthen the domestic economy.

We will give top priority to international trade. The President's Economic Recovery Program will strengthen industry and agriculture and improve the U. S. competitive position. Internationally, we will pursue policies aimed at the achievement of open and fair trade and the reduction of trade distortions. In seeking these fundamental objectives, we will initially focus on five central policy components. These are:

1. Restoration of strong non-inflationary growth to facilitate adjustment to changing domestic and international market conditions;
2. ^{Reducing} Removal of self-imposed export disincentives; and better management of government export promotion programs;

3. Effective enforcement of U.S. trade laws and international agreements;
4. Effective management of domestic adjustment;
5. Reduction in government barriers to the flow of trade and investment among nations, with strong emphasis upon improvement and extension of international trade rules.

The Restoration of Strong Non-Inflationary Economic Growth

Fundamental to any effective trade policy is the implementation of domestic economic programs that increase incentives to invest, raise productivity, and diminish inflation. The Administration's economic recovery plan provides the framework for achieving these objectives. The four component parts of the plan are: Reduction of government expenditures, reduction of taxes, regulatory reform, and control of excessive monetary growth. Implementation of the program will improve the competitiveness of U.S. products both at home and abroad.

Recent trends in U.S. productivity and investment have weakened our ability to compete abroad and eroded our industrial base at home. While the U.S. has one of the highest levels of capital per worker and productivity in the world, the U.S. advantage in these areas is rapidly diminishing. A recent survey of 19 industrial countries indicated that the United States now ranked 17th in the rate of productivity growth and 19th in the rate of investment. Other surveys have indicated the United States has had a decline in research and development expenditures, while other developed countries are increasing theirs. The U.S. is losing its technological lead, and this is bound to have serious consequences for the international competitiveness of U.S. products.

The economic recovery program submitted by the Administration can reverse this trend by improving incentives to invest in capital equipment as well as in research and development. Stronger economic growth is also important to facilitate the adjustment to changing international market conditions.

High inflation has also had a strong negative effect on U. S. competitiveness abroad. The Administration's economic recovery plan will reduce the rate of inflation, reduce interest rates, and provide the basic economic underpinnings essential to expanding trade opportunities.

The Removal of Self-Imposed Export Disincentives and Improvement of U.S. Export Promotion Programs.

A high priority will be assigned to the reduction or elimination of domestic export disincentives. Confusing, contradictory and unnecessarily complex laws and regulations adversely affect exports. The recent report to the Congress on Export Promotion Functions and Potential Export Disincentives identified three types of policies as the most significant export disincentives - the taxation of Americans employed abroad, the Foreign Corrupt Practices Act and export regulations and controls.

We will act to mitigate the trade-inhibiting effects of regulatory measures without undermining their legitimate objectives. Vice President Bush is chairing the Task Force on Regulatory Relief, which will review both-existing regulations and future regulatory proposals.

The Administration will support remedial legislation where it is necessary. In this regard, the Administration supports the Export Trading Company Bill currently before the Congress. The Administration also supports legislative action to change the Foreign Corrupt Practices Act, and to reduce the income tax burden on Americans working and residing abroad.

We will make more effective use of the government's export promotion resources. The Department of Commerce is assigning a high priority to strengthening the Foreign Commercial Service and expanding domestic export information efforts. Personnel in the 47 Commerce District Offices will be spending more time in the field counseling exporters, holding "how-to-export seminars", and developing "how-to-export manuals". The Department of Agriculture will continue to give a high priority to overseas marketing efforts of the Foreign Agricultural Service and to domestic export-support programs.

Effective Enforcement of U.S. Trade Laws and International Trade Agreements

To ensure a fair and open trading system, the U.S. and its trading partners have negotiated international agreements to reduce barriers to trade and to establish common ground rules for limiting unfair trade practices. In the Multilateral Trade Negotiations, agreement was reached on new international codes of conduct covering a wide range of non-tariff barriers. U. S. trade laws and international dispute settlement procedures provide the means for effective enforcement of these international trade agreements.

The Administration will strictly enforce United States laws and international agreements designed to prevent unfair practices in international trade. Specifically, our antidumping, countervailing duty and similar statutes are designed to neutralize or eliminate trade distortive practices which injure U.S. industry and agriculture. We regard these laws as essential to maintain the political support for a more open trading system.

We will insist that our trading partners live up to the spirit and the letter of international trade agreements, and that they recognize that trade is a two-way street. Accordingly, we will closely monitor the implementation of international trade agreements by all governments and we will make full use of all available channels for assuring compliance. We will need full and active support from the private sector in identifying compliance problems and in seeking solutions.

The manner in which the MTN codes are applied will determine the shape and effectiveness of the GATT agreements. We will actively pursue the implementation of the codes in a manner consistent with the goal of reducing trade barriers and trade-distorting measures. We will fully utilize the consultation and dispute settlement procedures of the GATT to assure that MTN principles are applied in practice.

One of the most difficult challenges we must face in seeking to achieve free trade is to develop appropriate responses to the growing intervention of foreign governments in international trade. The non-tariff agreements negotiated in the Multilateral Trade Negotiations deal with many aspects of such intervention, and full enforcement of these agreements will help deal with this issue. We will also seek new ways of dealing with forms of intervention that are not covered by these agreements.

We are currently faced by a growing subsidization of export credits by many of our trading partners. We will seek to renegotiate the existing international rules regarding official export credits. Our objective is both to substantially reduce, if not eliminate, the subsidy element, and to conform credit rates to market rates. The Export-Import Bank will target its export credits and guarantees where they are most needed to assist U.S. exporters facing subsidized foreign competitors. If we do not see acceptable and timely results from these efforts, we will take steps necessary to assure U.S. industry and workers are not disadvantaged by these export credit subsidies.

Effective Management of Industrial Adjustment Problems

Developments in the world economy over the past few years, such as the energy crisis and the emergence of new suppliers of manufactured and agricultural products in world markets, have triggered major adjustments in the U.S. economy. Developments in the world economy over the foreseeable future will create the need for continuing adjustment.

Our policies toward this adjustment will take into account the fact that the economic vitality of certain sectors of our domestic economy is clearly essential to national security. Where other countries have a natural competitive advantage, U.S. industry must either find a way of upgrading its own capabilities or shift its resources to other activities. Where the foreign advantage is based upon unfair practices, U.S. policy will be to eliminate such an advantage.

The economic program outlined by the Administration will support adjustment by encouraging non-inflationary growth and by removing obstacles to the operation of market forces. The Administration will continue taking measures, including regulatory relief and assistance to workers and firms in order to further adjustment in cases where severe adjustment problems exist.

Where increases in imports cause serious injury to domestic industry or workers, the Administration will consider whether restrictions are necessary in the national interest for clearly limited periods, but only in accordance with U.S. trade laws and international agreements.

Adjustment assistance and safeguard measures can ease adjustment, for firms and workers, but they do not guarantee adjustment. Such government measures will therefore take account of steps taken by affected industries to bring about adjustment.

Import restrictions, subsidies to domestic industries, and other market distorting measures should be avoided. A better solution to the problems associated with shifts in competitiveness is to promote positive adjustment of economies. It will be critical to encourage, through international negotiations, all governments to adopt adjustment policies which do not have trade and investment distorting effects.

Improving International Trade Rules

The Multilateral Trade Negotiations achieved agreement on new codes covering a wide range of non-tariff barriers and on a substantial reduction in tariffs. There are a number of issues, however, which were not adequately resolved in the Multilateral Trade Negotiations or which were not addressed in these negotiations. It is U.S. policy to deal with individual problems through bilateral negotiating efforts in the short run, and to seek to negotiate new multilateral disciplines over the longer term. Our objective will be to reduce government barriers, both in the U.S. and abroad, to the flow of trade and investment among nations. The preparations for any new initiatives must be thorough and in some cases could be quite lengthy. Nevertheless, we will give priority attention to those issues described below.

Services - Trade in services is of growing importance in the United States. The services sector contributes substantially to our exports. Services also are critical to exports of high technology and capital goods. Many service industries, such as the telecommunications, data processing/information and engineering/construction industries are among our most competitive U.S. enterprises. They offer major new sources of export earnings. To continue a strong U.S. position in this sector, we will pursue these issues bilaterally with our trading partners. We also will work toward future multilateral negotiations that will expand market access abroad and set new rules and effective procedures for dealing with trade issues in services.

Even in the comparatively strong services sector, some American industries face subsidized competition or restricted access in world markets. The Administration is committed to addressing these problems through active negotiations with our trading partners, bilaterally and multilaterally.

Trade-Related Investment Issues - U. S. trade policy must address itself to the range of investment issues that distort trade flows just as seriously as do tariffs and non-tariff barriers. Trade-related investment incentives and performance requirements (e.g., export performance and local content requirements) have serious trade-distorting effects. They are becoming widely used by developing countries and even by some developed countries. We will deal with these issues bilaterally and over the longer term seek to negotiate new multilateral disciplines.

Goods Incorporating Advanced U.S. Technology - As our industries mature and adjust to international competition, we will need strong performance in high technology industries to maintain the United States' competitive edge. Trade in these goods frequently is distorted by various forms of government intervention. While the codes negotiated in the Multilateral Trade Negotiations deal with some aspects of such intervention, they do not adequately cover either a number of key sectors or certain types of intervention by governments. Future negotiating efforts will build on the results of the Multilateral Trade Negotiations by extending the sectors and types of intervention covered by international discipline.

Trade With Developing Countries - An increasing proportion of U.S. exports of manufactured and agricultural products is to the developing countries. This growing market for our goods is vital to our economic well-being and to theirs. The developing countries' ability to import our products in turn is dependent on market access for their goods and on the availability of financing. We will consolidate and expand on the work begun in the MTN of integrating the developing countries more fully into the international trading system. The U.S. seeks to ensure that the more advanced developing countries undertake trade obligations commensurate with their stage of development and that the benefits of differential trade treatment are directed increasingly to the poorer LDCs. At the same time, the U.S. will recognize the exporting needs of all developing countries. We will carry out our trade dialogue with developing countries with the objective of making genuine trade progress, to our mutual advantage.

Trade with North American Countries - We have extensive economic links with other North American countries. For economic and political reasons we need to pay close attention to the development of our trade relations with these countries. In recognition of these facts, the Congress has asked the President to submit a report on additional steps that could be taken to encourage further economic cooperation with our North American

neighbors. The report which we will submit to the Congress in July will lay out steps that we could take together with our neighbors.

Trade with Non-market Economies - United States trade with non-market economies has grown substantially in the last decade, although it still constitutes a relatively small volume of total U.S. trade. We need to develop approaches that bridge the fundamental differences between the market-oriented nature of the GATT system and the general absence of market forces in these countries. We will seek to manage trade through individual agreements made in the context of a more uniform policy, while encouraging greater conformity of their trade practices with accepted principles of the international trading system. We will seek also to provide more uniform guidance to business on the conduct of such trade. Finally, we will monitor trade relations carefully to ensure that trade problems are dealt with expeditiously and that they serve overall United States interests.

Creeping Bilateralism - Concerns regarding the availability of oil and raw materials have persuaded an increasing number of countries to negotiate potentially trade-distorting bilateral deals, which include supply commitments for oil and raw materials, investment commitments in processing facilities, and import commitments for processed goods. When such arrangements are negotiated by governments and when they override multilateral trade commitments, they pose a serious threat to U.S. commerce and to the international trading system as a whole. We will initiate international discussions to limit the potential distortion of trade from such practices.

Competition Policy and Safeguards - There has been a tendency in recent years for a large number of countries to face import problems in the same sector. This has led to the simultaneous application of safeguard measures by a number of nations, creating the danger of a significant reduction in competition on a global scale. To the extent some countries permit their firms to reach agreement with foreign firms to restrain trade, the potential erosion of competition globally is even more serious. Differences in national antitrust laws with respect to the treatment of international restraint agreements, moreover, gives rise to inequalities in the standards applied to companies operating in the world marketplace. Increasingly, therefore, competition needs to be viewed from an international perspective. We will pursue these problems in international forums including the GATT, in a fashion consistent with competitive principles.

Conclusion

Adoption of this comprehensive trade policy approach for the 1980's, will markedly improve U.S. economic conditions and our competitiveness in world markets. To fully succeed in this area, we will need to muster a strong national determination, a will to persevere and prevail, and a commitment to rely on competition and free markets. The government can help create an environment conducive to efficient and profitable production. But it is private individuals and enterprises who have to take the initiative to seize economic opportunities.

Our trade policy is built on the close cooperative relationship with the Congress, and the private sector. Our private sector advisory committees have become a fundamental element of our trade policy process. In implementing the agenda we have outlined, we will work closely with each, and increasingly with the 50 state governments in our federal system.

A strong U.S. trade position must be and will be a national priority. It is vital to our domestic well-being, it is essential to our capacity to provide leadership to the free world.

B

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD V. ALLEN ^{B.d}
 SUBJECT: Your Meeting with Ambassadors Neumann
 and Coon, Wednesday, May 20, 1981,
 11:15 a.m.

You will be meeting with your newly-appointed Ambassadors Robert G. Neumann and Carleton S. Coon for the purpose of photographs and to wish them all the best in their new posts. Mr. Neumann will be our Ambassador in Saudi Arabia and Mr. Coon will be Ambassador in Nepal. In both of these countries great importance is attached to personal contact between our Ambassadors and the President, hence the particular importance of this opportunity for photographs.

Ambassador Robert Neumann

- o Robert G. Neumann, Ambassador to Saudi Arabia, was formerly Ambassador to Afghanistan and Morocco. Prior to that he had an academic career.
- o He was the Director of the Department of State's Transition Team following your election.
- o Mr. Neumann is married and has two grown children.

Ambassador Carleton Coon


- o Carleton Coon, the Ambassador to Nepal, has been a Career Foreign Service Officer since 1949. Among other countries, he has served in India, Iran, Nepal and Morocco. In the last two countries he was Deputy Chief of Mission.
- o This will be his first ambassadorial appointment.
- o Ambassador Coon has six children and is married to another Career Foreign Service Officer, Jane Abel Coon, whom you have asked to be our Ambassador to Bangladesh. When Carleton and Jane Coon take up residence in Nepal and Bangladesh, they will be the first Foreign Service husband and wife team serving in separate countries as Ambassadors.

MEMORANDUM

THE WHITE HOUSE
WASHINGTONINFORMATION

May 20, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD V. ALLEN 

SUBJECT: Your Meeting with Ambassador Hinton,
Wednesday, May 20, 1981, 11:15 a.m.

Deane Hinton has requested to see you before leaving for El Salvador. Your meeting him for a photo opportunity will give him a boost in a country that is currently critical to us.

Ambassador Hinton is a seasoned diplomat who has been assigned to trouble spots before, including Zaire and Guatemala.

Ambassador Hinton has ten children. His wife recently died of cancer.

C

THE WHITE HOUSE

May 19, 1981

RECEPTION FOR THE ADVERTISING COUNCIL

DATE: Wednesday, May 20

LOCATION: East Room

TIME: 5:30 - 6:00 p.m.

FROM: Larry Speakes

I. PURPOSE

To host a reception for members of The Advertising Council who will be in Washington for their annual Washington conference on May 20 and 21. And to bring a better understanding between the leaders of government and those who support the broad public service activities of the Council.

II. BACKGROUND

This is the 37th conference of the Council which is a non-profit organization through which American business, advertising, and the communications industries contribute their skills and resources to promote voluntary citizen actions in solving national problems. Last year the Council conducted more than a dozen advertising campaigns on behalf of the Federal Government agencies which came to over \$298 million in free time and space.

III. PARTICIPANTS

Over 200 chairmen, presidents and chief executive officers from business, advertising and the media.

IV. PRESS PLAN

Writing pool and photo coverage.

V. SEQUENCE OF EVENTS

- 5:30 p.m. President and Mrs. Reagan arrive in East Room to make comments to group (talking points).
- 5:40 p.m. President and Mrs. Reagan mix and mingle with group.
- 5:50 p.m. President and Mrs. Reagan depart East Room.

Attachment: Talking Points
Agenda for Conference

SPEAKERS AGENDA
37TH ANNUAL WASHINGTON CONFERENCE

20 May 1981

SENATE CAUCUS ROOM (318)
RUSSELL SENATE OFFICE BUILDING

3:00 pm	Senator Howard H Baker	Welcomes Ad Council Board *
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THE WHITE HOUSE

5:00 pm	The President of the United States	
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21 May 1981

OLD EXECUTIVE OFFICE BUILDING

8:40 am	Mr Louis Gerig Director of Media Liaison The White House	Moderator
8:45 am	Admiral Robert M Garrick Deputy Counselor to the President	Welcome
8:50 am	Senator Charles H Percy Chairman Senate Foreign Relations Committee	Foreign Affairs
9:10 am	The Honorable Murray Weidenbaum Chairman Council of Economic Advisors	Economics
9:35 am	The Honorable Joseph Wright, Jr Deputy Secretary of Commerce	International Trade
10:00 am	Coffee Break	
10:15 am	General David C Jones Chairman Joint Chiefs of Staff	National Security
10:40 am	The Honorable Edwin Meese, III Counselor to the President	Administration Priorities
11:05 am	The Honorable Richard S Schweiker Secretary Department of Health and Human Services	Human Resources
11:30 am	The Honorable Norman B Ture Assistant Secretary (Tax Policy) Department of the Treasury	Tax Policy

DECATUR HOUSE

1:15 pm	The Honorable James Baker, III Chief of Staff The White House	"Cabinet Government"
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*Subject to Senate roll call demands.

TALKING POINTS: RECEPTION FOR THE ADVERTISING COUNCIL
MAY 20, 1981

- Nancy and I are very pleased to welcome you to the White House. You may not know this, but The Advertising Council is a pretty popular group with my Administration. You see, I just saw the list of all our people who will be speaking to you tomorrow and I realized that while you're getting your briefings, I won't, because you've captured nearly half my Cabinet.

- Let me say, in behalf of our Administration and millions of our citizens, how honored I am to continue a tradition observed by every President since Franklin D. Roosevelt. I salute you and your organization as you begin your 37th Annual Conference, and may I add, simply, thank you for all you have done for America.

- Through the years, both in peace and in wartime, your public service work has provided an indispensable source of communication between our Government and the grass roots. Your campaigns have educated, motivated and united our people, improved the quality of our lives, and demonstrated what the American spirit of volunteerism is all about.

- As you probably know, I've always been a great believer in this spirit of voluntary service, of cooperation, and of private and community initiatives. It's a spirit that flows like a

deep and mighty river through the history of our Nation. But in recent years we've seen it recede as Government has steadily expanded its own influence over the economy and our personal lives. Some Americans developed an attitude of, "Why should I worry, or care, or get involved . . . Let the Government handle it."

-- Well, letting the Government handle it has done for our economy about what Mrs. O'Leary's cow once did for the great city of Chicago. But that just makes organizations like yours all the more important.

-- I was very gratified to hear that, once again, you are planning to take action. That, together with the National Association of Broadcasters, you are preparing a public service campaign to educate Americans on the need to improve productivity. Believe me, nothing could be more welcome. And if it will help cut through the red tape, let me pledge to you right now the full and enthusiastic support of our Administration.

-- In closing let me just emphasize that the ultimate objective of everything we are trying to do is to give this economy back to the American people, because they are the most valuable resource of our Nation.

-- I hope we never forget that America's revolutionary gift to the world -- the idea that individual freedom is an unalienable right granted by God to all as a birthright -- is at the

core of everything we've ever accomplished. Albert Einstein probably summed it up best when he said: "Everything that is really great and inspiring is created by individuals who labor in freedom."

-- This is the message that all of us, you in the Ad Council and we in this Administration, must give to our countrymen and the world beyond. Because when we do, we'll be telling millions of people the true story about hope and a better tomorrow. We'll be telling them about America.

-- Thank you very much.

(ELLIOTT/TD)

ADVERTISING COUNCIL RECEPTION - MAY 20, 1981

GD AFTRNOON. N & I . VRY PLSD . WELCM U
.. W.H. U MAY NT KNOW THS, BUT . AD. COUNCL IS
PRETTY POPLR GRP W/MY ADMIN. IN FACT, U MITE BE
TOO POPLR. I JST SAW . LIST R. P. WHO WL BE
SPK_G . U TOMORW, NRLY ½ . CABNT. THT MEANS THT
WHILE U R GET_G YUR BRIEF'GS, I WON'T BE.

BUT THTs AL RIT. BY . TM WE'VE GIVN U ALL
. LATST INFO . SPND_G & TAXs, WE MAY JST ASK U TO
GO UP . CAP. HILL WITH . WORD THT I'M STILL
HANG_G TUF FOR . GD TX BILL - AS I WS FOR .
SPND_G CUTS, SO THEY SHLD GV US . TX CUTS.

LET ME SAY, ON BEHALF . N. (WHO WRKD W/U
ON THT GRT FOSTER GRNDPARNT SPOT,) OUR ADMIN, &
MILs . R CITZNS, HOW HONRD I AM . CONTINU :-
TRADTN OBSRVD BY EVRY PRES. SINC FDR. I SALUTE
U & YUR ORGANZ. AS U BGIN YUR 37_{TH} ANNUL CONFER.,
& MAY I ADD, SMPLY, THNK U FOR ALL U HV DONE
FOR AMER.

HANDWRITING FILE

THRU . YRS, BTH . PEACE & WARTM, YUR PUBLIC
 SERVICE WRK HS PROVDD . INDISPENSBL SORCE .
 COMUNCATN BTWN R GOVT & . AMER. P. } YUR AD
 CAMPAIGNS HV EDUCD, MOTIVD, UNITD & IMPROVD .
 QUALTY . R LIVES. } U HV DEMONSTRTD WHT WY AMER.
 SPIRT :: VOLNTRISM IS ALL ABOUT.

AS U HV PROB. SUSPCTD, I'M . GRT BELIEVR
 . THS SPIRT^{OF} VOL. SERVC, . COOPRATN, & . PRIVATE
 & COMUN. INITIATVS. } THT SPIRT FLOWS LK . DEEP &
 MITY RIVR THRU . HISTRY . R NATN. } BT . RECNT YRS
 WE'VE SEEN IT RECEDE AS GOVT HS STEDLY XPND^D ITS
 OWN INFLUNC OVR . EC^{'Y} & R PERSNL LIVES. } & AS
 GOVT DID THS MOR & MOR AMERs DVLOP^D . ATITUD OF,
 "WHY SLD I WORRY, OR CARE, OR GET INVOLVD ...
 LET . GOVT HANDL IT."

WELL, LETG . GOVT HANDL IT HS DONE " R
 EC^{'Y} WHT MRS. O'LEARY'S COW ONCE DID FOR CHICAGO
 WHCH MAKES ORGANZATNS LK YURS ALL . MOR IMPRTNT.

I WS VRY GRATFIED TO HEAR THT, ONCE AGN,
 U R PLANG TO TK ACTN. } THT, TOGETH W/THE NATL
 ASSOC OF BROADCSTRS, U R PREPARG . GIANT PUBLIC

SERVIC AD CAMPGN TO EDUC AMERs ON . NEED TO
 IMPROV PRODUCTVTY. BLIEV ME, NTHNG CLD BE MORE
 WELCM. & IF IT WILL HLP CUT THRU ANY RED TAPE,
 LET ME PLEDG TO U RITE NOW . FULL & ENTHUSASTC
 SUPRT OF OUR ADMIN.

IMPROVg PRODUCTVTY REALY REQUIRES ONLY 2
 THNGS: P. WHO HV BETR IDEAS, & P. WHO HV SAVNGS
 & WNT TO INVST IN THOS IDEAS. WE HV . 1ST; WE
 DO NOT HV . 2ND. SO THS ND FR GRTR SAVNGS &
 INVSTMNT IS WHY OUR ADMIN INSISTS THT WHILE ...
 REDUCg XCESV SPNDg, MONTARY GROTH & REGLATN,
 WE MST ALSO ENACT TX RT REDUCTNS ACROS-TH-BOARD.
 IF WE DO, IF WE'RE WILLg TO ENACT . TOTL EC.
 RECOV. PROGM (WHCH I BLIEV . PUBLIC WNTS)-
 THEN WE WILL PROVID INCNTVs . GRTR EC. GROTH THN
 WE'VE HAD IN MORE THN . DECADE.

&, WHN THT HAPNS, WE'LL NOT ONLY RESTORE
 STRNG PRODUCTVTY, WE'LL REDUCE INFLATN & SAVE
 . AMER. DREAM WE ALL LOVE.

THE ULTMATE OBJEC. .; EVRYTHNG WE R TRYg
 TO DO IS TO GV THS EC. BCK TO . AMER. P.,
 BCUS THEY R . MST VALUBL RESOURCE OF R NATN.

AMER.s REVLUTNARY GIFT TO . WRLD IS . IDEA
 THT INDIV. FREDM IS . INALIENABL RITE GRNTD BY
 GOD TO ALL AS ; BRTHRITE. THS IS AT . CORE .
EVRYTHNG WE'VE EVR ACOMPLSHD. SM. CALL THS IDEA
 OLD FASHD, EVEN REACTNARY. WELL, IT'S STILL .
MST UNIQUE, . MST XCITG & . MST SUCESFL IDEA .
WRLD HS EVR KNOWN. ALBERT EINSTEIN, 1 OF .
 GRTST GENIUSs OF ALL TM, PROB. SUMD IT UP BEST
 WHN HE SAID: "EVRYTHNG THT IS REALLY GRT &
 INSPIRG IS CREATED BY INDIV.s WHO LABR IN FREDM."

THS IS . MESAG THT ALL OF US, YOU IN AD
 COUNC. & WE IN THS ADMIN, MST GV TO R CNTRYMEN
 & . WRLD BEYND. BCUS WHN WE DO, WE'LL BE
TELLG MILs . P. . TRU STORY ABT HOPE & . BETR
TOMORROW. WE'LL BE TELLG THM ABOUT AMERICA.

THANK YOU VERY MUCH.