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Date: 06/17/2005

DOCUMENT NO. & TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. scheduling memo	re meeting with Special Medical Advisory Group of Veterans Administration (page 2, partial)	1/27/82	B6
2. schedule	re private dinner, 1p	n.d.	B6
3. chart	seating chart for private dinner, 1p	n.d.	B6

RESTRICTIONS

B-1 National security classified information [(b)(1) of the FOIA].
B-2 Release could disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA].
B-3 Release would violate a Federal statute [(b)(3) of the FOIA].
B-4 Release would disclose trade secrets or confidential commercial or financial information [(b)(4) of the FOIA].
B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA].
B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA].
B-7a Release could reasonably be expected to interfere with enforcement proceedings [(b)(7)(A) of the FOIA].
B-7b Release would deprive an individual of the right to a fair trial or impartial adjudication [(b)(7)(B) of the FOIA]
B-7c Release could reasonably be expected to cause unwarranted invasion or privacy [(b)(7)(C) of the FOIA].
B-7d Release could reasonably be expected to disclose the identity of a confidential source [(b)(7)(D) of the FOIA].
B-7e Release would disclose techniques or procedures for law enforcement investigations or prosecutions or would disclose guidelines which could reasonably be expected to risk circumvention of the law [(b)(7)(E) of the FOIA].
B-7f Release could reasonably be expected to endanger the life or physical safety of any individual [(b)(7)(F) of the FOIA].
B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA].
B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA].

C. Closed in accordance with restrictions contained in donor's deed of gift.

E

THE WHITE HOUSE

WASHINGTON

January 27, 1982

MEETING WITH THE CABINET COUNCIL ON ECONOMIC AFFAIRS

DATE: January 28, 1982
TIME: 2:30 p.m. (60 minutes)
LOCATION: Cabinet Room

FROM: CRAIG L. FULLER

I. PURPOSE

This meeting of the Cabinet Council on Economic Affairs has been scheduled to provide you with a briefing on three matters that have been under discussion for the past few weeks. Of particular interest, I believe, is the paper from Secretary Donovan on unemployment.

II. BACKGROUND

The following three items are set for the agenda:

1. Review of the Economic Outlook.

   Murray Weidenbaum will present a review of the latest economic indicators and his views with regard to prospects for recovery. No papers are attached. Charts will be presented at the meeting.

2. Unemployment and the Unemployment Compensation System.

   Secretary Donovan has prepared a paper on unemployment. An summary of the paper is also attached. In separate discussions, Ray has indicated that he would like to divert resources into job training efforts. As we discussed with you during lunch today, some of these programs have been reduced. To the extent that the Secretary has money available, diverting some resources into training programs that would aid people in finding employment in the private sector is consistent with what we have been trying to accomplish.

Ray may also mention his desire to have a task force established to assist the defense industry in securing people who may have been laid-off in other "related" industries. For example, Rockwell International is involved in a program in which they are hiring unemployed auto workers to assist in the production of the B-1. These types of programs show promise. I asked Ray to present such recommendations in a separate paper which he has agreed to do.

3. Financial Institution Reform.

Don Regan will provide you with a status report on the administration's legislation in this area. A paper is being prepared but was not available for tonight's packet.

III. PARTICIPANTS

A list will be attached to the agenda.

IV. PRESS PLAN

White House photographer only.

V. SEQUENCE

Once the meeting is called to order, Don Regan will make a few opening comments and turn to Murray for the first presentation.

U.S. DEPARTMENT OF LABOR

SECRETARY OF LABOR
WASHINGTON, D.C.

January 26, 1982

MEMORANDUM FOR THE CABINET COUNCIL ON ECONOMIC AFFAIRS

FROM: RAYMOND J. DONOVAN Raymond J. Donovan

SUBJECT: The Recent Unemployment Picture

Enclosed are copies of a report prepared by my staff on The Recent Unemployment Picture for consideration by the Cabinet Council at its January 28 meeting. The paper contains a discussion of the following:

(1) the magnitude and composition of the unemployment increase;

(2) a comparison of unemployment in this recession with that of earlier recessions;

(3) an explanation of the workings of the Unemployment Insurance (UI) system;

(4) the FY 1982 outlook for UI; and

(5) likely Congressional initiatives on UI.

Enclosure

The Recent Unemployment Picture: An Executive Summary

Unemployment has risen steadily since summer when the recession began, and last month reached 8.9 percent of the labor force. In the last few months, job losses have been especially large in the five major metals and metal-using industries within manufacturing--primary and fabricated metals, machinery, electrical equipment, and transportation equipment. There has been a great deal of speculation about the severity of the current decline. Since July of last year, the number of unemployed persons has risen by somewhat more than 20 percent, close to the increase which occurred in the comparable period of 1980. The overall decline in payroll jobs in the current recession has been far less than that which occurred in 1974-75. Thus, the current recession is less severe than the 1974-75 recession, but more serious than the recession of 1980.

Although high unemployment represents a severe national problem, joblessness must be kept in proper perspective:

- Almost half of the unemployed are under 25 have little prior labor force attachment. Half of these are teenagers.

- Among the currently unemployed, 3 out of 5 are job losers. The remaining 2 out of 5 comprise new entrants and reentrants to the labor force and those who have voluntarily quit their job.

- For most individuals, unemployment is relatively brief in duration.

- While the social impact of unemployment should be minimized, most individuals who experience unemployment have family incomes close to the average of all families. Among individuals who experienced some unemployment in 1980, the average annual family income was $19,400, only $3,800 below the average for all families. Only 18 percent of the unemployed had family incomes below the official poverty line.

The Unemployment Insurance (UI) Program was established in 1935 to provide income support to workers over temporary periods of unemployment. The two major components of the UI program are the "regular" UI Program, and the Extended Benefits Program, both of which are financed by a joint state-federal payroll tax.

If a state does not have adequate funds for the payment of benefits, interest-free advances are available from the Federal Government to assure that benefits will be paid. As of December 31, 1981, 17 states had outstanding loans totalling over 6 billion dollars. The Omnibus Budget Reconciliation Act of 1981 requires that advances made to states after March 31, 1982 will bear interest not to exceed 10 percent. States which have outstanding advances for approximately two years may either repay the advances in full or have their federal tax increased.

The Extended Benefit Program, enacted in 1970, provides for extending the duration of benefits in periods of high unemployment. Under the Extended Benefit Program, a state must extend the duration of benefits by 50 percent when its insured unemployment rate reaches a specified level. As of this week, the Extended Benefit Program had "triggered on" in twelve states.

The current financial position of the Trust Fund is shaky. In FY 1982, estimated benefit outlays for the regular UI program will be $19.5 billion. Incoming revenues from states to finance these benefits will be only $12.5 billion. Thus, a revenue shortfall of 7 billion in the regular UI program is predicted. If as expected, 46 states trigger on for Extended Benefits in FY 1982, the shortfall for both the regular and Extended Benefit Program will be $9.0 billion in FY 1982. Approximately $3.6 billion of this will have to be financed from general revenues.

Congress has passed emergency extensions of the maximum duration of benefits in four of the seven post-World War II recessions. This time they will probably propose to extend benefits beyond the existing 39 weeks via a Federal Supplementary Benefit program of either 13 weeks of 26 weeks. When such a program was enacted during the 1974-75 recession, it resulted in advances from general revenues, 5.7 billion dollars of which are still unpaid. A move may also be made to reinstitute the National Trigger for extended benefits that was eliminated in the Omnibus Reconciliation Act of 1981.

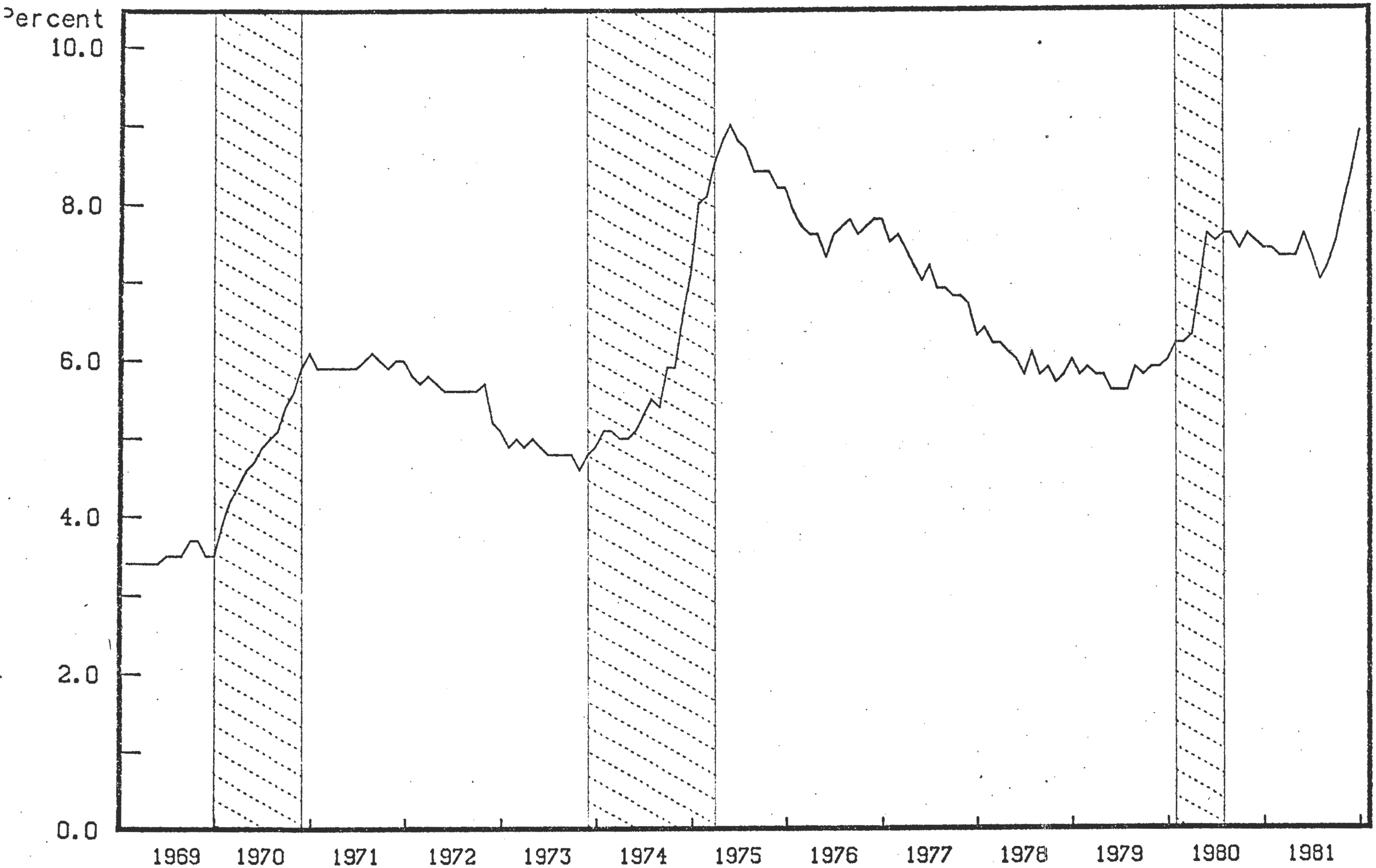
The Recent Unemployment Picture

Unemployment has risen steadily since summer when the recession began. Its growth is illustrated in Figure 1. The overall unemployment rate has increased by 0.3 percentage points or more in each month since last August, and last month reached 8.9 percent of the labor force. In the 5 months since July, almost 800 thousand workers have been dropped from the payrolls of the Nation's business establishments in the important goods-producing sector. Employment growth in the service-producing sector of the economy, which is generally less affected by recession than the goods-producing sector, has weakened considerably since July and has in fact declined in the last two months.

The decline in employment began in the interest-sensitive construction and automobile industries and has now spread to the entire manufacturing sector, where almost 700 thousand jobs have been lost since July. In the last few months, job losses have been especially large in the five major metals and metal-using industries within manufacturing--primary and fabricated metals, machinery, electrical equipment, and transportation equipment. The factory workweek has been shortened, and overtime hours in manufacturing have been curtailed.

FIGURE 1

Overall Unemployment Rate, 1969-81



Source: Bureau of Labor Statistics, January 18, 1982.

In summary, the growth in unemployment during the last 5 months have been swift and sizeable. At present, the employment reductions have been largely confined to the manufacturing sector, especially durable goods industries. However, there are some indications that the recession may be spreading to the service and trade industries. The unemployment statistics for the month of January, which will be released on February 5th, will be particularly informative about the likely extent and depth of the recession.

Composition of Unemployment

The number of unemployed workers in December was about 1.9 million above the July level. Two-thirds of this increase occurred among adult men. In fact, the December jobless rate for adult men was a full half percentage point above the rate for adult women, a most unusual situation. The unemployment rate for these men has risen since July from 5.6 to 8.0 percent. This extremely large increase in adult male unemployment results from the fact that men are much more likely than women to be employed in the goods-producing sector and especially in durable manufacturing industries, where most of the recent employment declines have taken place.

Another reason for the disparity in the jobless rates for men and women, however, is the fact that women's labor force participation has not increased since the summer. In recent years, women have entered the labor force in increasing numbers. The past increase in their labor force participation rates has been strong and continuous, but the trend has abated in recent months. This long-term pattern of labor force growth for women is quite likely to resume in the future. Should these female labor force increases occur before job opportunities begin to expand, or should recession make further inroads into the service-sector of the economy, unemployment among adult women can be expected to rise faster than it has in the past few months.

Jobless rates for the black population, who always have greater difficulty in the job market than the white population, have remained in the 14 to 16 percent range for most of the last year and a half. The black unemployment rate did not recover from the deterioration experienced during the 1980 recession to the same extent that the white unemployment rate did. As a result, the historic ratio of 2 to 1 between jobless rates for blacks and whites has widened, and the black unemployment rate was more than twice the rate for whites during most of 1981.

As one would expect in a period of economic downturn, most of the unemployed (almost three-fifths in December) were out of work because they had lost their last job. Of the total increase in unemployment, over four-fifths stemmed from loss of a job. The number of workers who voluntarily left their jobs in search of others and the number of new labor force entrants and reentrants dropped.

Since increasing numbers of workers lose their jobs during a recession, the number of newly unemployed persons can be expected to increase. In December, about three-quarters of the unemployed had been without jobs for 14 weeks or less. Only about 12 percent were jobless 27 weeks or more.

In summary, one of the most important demographic factors in the current recession is that job loss has been centered on adult men. The unemployment rate of adult men is now not only higher than the rate among women, but is at its highest level relative to women since the second World War. Although the unemployment rate among blacks is more than twice that of whites, blacks appear to have suffered equally with whites in the recession.

Comparison with Previous Recessions

Labor market conditions have deteriorated markedly during the current recession, and there has been a great deal of speculation about the severity of the decline. For that reason, it is instructive to compare the changes since last July, when the current recession began, with the conditions of earlier recessions. One important difference between the current period and earlier ones, however, is that the unemployment rate at the start of the current recession was about 7 percent.

Since July of last year, the number of unemployed persons has risen by somewhat more than 20 percent, close to the increase which occurred in the comparable period of 1980. Although in December, employment in manufacturing and construction were slightly below the levels to which they had dropped in 1980, the overall decline in payroll jobs in the current recession has been far less than that which occurred in 1974-75. At that time, unemployment rose slowly for several months and then began to increase sharply after August 1974. Between August 1974 and January 1975, factory jobs declined at almost twice the rate of the drop during the current recession. At that time, the level of unemployment rose 50 percent, almost twice the percentage change of the current recession.

Judging from unemployment and employment data, the current recession is thus far less severe than the 1974-75 recession, but more serious than the recession of 1980. Just how deep and how long the current recession will be is at present unclear.

Nevertheless, there is already considerable pressure for Administration action to address the rising unemployment problem. This pressure will become more intense since Congress has reconvened this week, and will likely take the form of proposed changes in the Unemployment Insurance (UI) Program. Before we turn to a description of the current UI program and its ability to alleviate some of the hardship of high unemployment it will be instructive to examine some relevant characteristics of the unemployed.

Some characteristics of the unemployed

Although high unemployment represents a severe national problem, joblessness must be kept in proper perspective. In a typical year most spells of unemployment are of relatively short duration. Unfortunately, data on the length of completed spells of unemployment are not available for 1980. The last year for which these data are available is 1978. In that year the average spell of unemployment lasted only 6 weeks. Moreover, sixty percent of the spells lasted 4 weeks or less. Only 3.4 percent of all spells lasted longer than 26 weeks. Even during a year of a deep recession, unemployment spells are relatively short. In 1975, for example, 48 percent of all unemployment spells lasted four weeks or less and only 6.7 percent lasted longer than 26 weeks. Although many individuals who experience brief spells of unemployment suffer from multiple spells, the data on unemployment duration show clearly that most unemployment is short-lived.

The observation that spells of unemployment are of a relatively short duration is important for public policy, reflecting the fact that much of unemployment is a temporary and transitional phenonemon. However, it is easily misinterpreted. It does not mean that a majority of currently unemployed individuals are expected to remain unemployed for a total of less than five weeks. While spells of long duration during the course of a year are relatively infrequent, individuals who experience them are more likely to be observed at any point in time as compared to those who experience short spells. Spells of short duration that occur during a year are more likely to have already ended or not yet begun. Thus, at any point in time, such as December of 1981, unemployed individuals are more likely to include those who will be unemployed for longer spells of unemployment. In fact, based on past experience, those individuals who are currently unemployed can expect to remain in this state for an additional 10-12 weeks.

Family income statistics on the unemployed indicate that most individuals who experience unemployment have family incomes that are close to the average of all families. Among individuals who experienced some unemployment in 1980, the average annual family income was $19,400, while the average annual income among all families in that year was $23,200. Among, the unemployed, 40 percent had annual family incomes above $20,000 and only 18 percent had family incomes below the official poverty line. Even among the long term unemployed (27 weeks or more) family incomes averaged over $16,000 in 1980.

The income statistcs are even more striking when we consider unemployed workers in the industries that have borne the major brunt of the recent downturn in employment: metals, machinery, transportation equipment and chemicals. In 1980, a year of a mild recession, unemployed workers in these industries had family incomes that average over $21,000. Among those who were unemployed for 27 weeks or longer in that year, family income averaged $17,680.

In summary, before proceeding with policy recommendations it is important to keep the unemployment statistics in proper perspective. Most unemployment spells, even those which occur during a year of a severe recession, are relatively short. Most of the unemployed, even those who experience long spells of income, have other family members who can and do provide economic support, and as a consequence have resources adequate to meet their living expenses.

Overview of the Unemployment Insurance Program

The Unemployment Insurance (UI) Program was established as part of the Social Security Act of 1935. It is a unique Federal-State partnership grounded in Federal law, but executed through State law. The program was created to provide income support to tide workers with a reasonable labor force attachment over temporary periods of unemployment. There are two major components of the UI program: a "regular" UI Program and an Extended Benefits Program.

The "regular" UI program is the primary component of the UI program. States are responsible for determining eligibility requirements, weekly benefit levels, the benefit duration (usually expressed in weeks), and program administration. Although state programs vary considerably, they have a number of features in common. Weekly benefit levels are usually set at one-half the average weekly wages lost because of unemployment. In 35 states the ceiling on the amount of weekly benefits is established as a specified percentage (ranging from 50 to 70) of the statewide average weekly wage in covered employment during the preceeding 12-month period.

Generally, the maximum amount of time an individual can receive benefits under the "regular" UI program is 26 weeks. However, in 9 states the maximum duration is greater than 26 weeks and in one state it is less. But not all claimants qualify for 26 weeks of benefits. Most states vary the benefit duration according to the claimant's work experience and wages during a base period.

All but 12 states provide that no benefits will be paid for the first week of unemployment after a claim is first filed. Thus, most states have a one-week waiting period.

All states set qualifying requirements so that only workers with a reasonably firm attachment to the labor force qualify for benefits. Accordingly, all states require a specified amount of wages or a specified number of weeks of work (or both) during a 12-month period prior to the claim for benefits.

The "regular" UI program is financed by state and federal payroll taxes on employers[1/]. The Federal tax is 0.7 percent of the first $6,000 of wages paid to an employee. The federal tax is used to pay for the administrative costs of the program, to provide a fund from which states may borrow when their funds become depleted, and to finance one-half the benefits paid under the Extended Benefits Program. (This program is discussed later.) The state tax rates and the level of wages subject to the tax vary from state to state. In 1980, 20 states had taxable wage bases above $6,000. The state tax rate applied to the employer also varies within states, depending upon the employer's prior unemployment experience.

[1/] Alabama, Alaska, and New Jersey also levy a tax on employees.

In 1980, the estimated average tax rate for all states was 2.4 percent of taxable wages (ranging from 0.5 in Texas to 4.2 percent in Rhode Island). State taxes finance the full cost of regular benefits and the state's share of extended benefits. At present, virtually all employees are covered by the regular UI program (97 percent of total employment of wage and salary workers.)

If a state does not have adequate funds for the payment of benefits, interest-free advances are available from the Federal Government to assure that benefits will be paid. As of December 31, 1981, 17 states had outstanding loans totalling 6.27 billion dollars. The Omnibus Budget Reconciliation Act of 1981 requires that advances made to states after March 31, 1982 will bear interest not to exceed 10 percent. States which have outstanding advances for approximately two years may either repay the advances in full or have their federal tax increased by a minimum of 0.3 percent each year up to a maximum of 2.7 percent until the advances are fully repaid.

The Extended Benefit Program was enacted in 1970. It provides for extending the duration of benefits in periods of high unemployment. Under the Extended Benefit Program, a state must extend the duration of benefits by 50 percent (up to a maximum of 13 weeks) when its insured unemployment rate reaches a specified level. The states insured unemployment rate is analogous to the regular unemployment rate, except that it applies only to workers receiving regular UI benefits and workers in firms covered by the regular UI program. One-half the cost of the Extended Benefit Program is financed out of state taxes and the other one-half out of the 0.7 percent federal unemployment tax.

As of this week, the Extended Benefit Program had "triggered on" in twelve states.

The FY 1982 Outlook for the UI Program

The continued high rates of unemployment during the 1970's have undermined the financial footing of the UI system. The current recession is likely financially to weaken the system further and to lead to increased advances from general revenues.

The current financial position of the Trust Fund is shaky. Their are 17 states whose Trust Fund balances have been depleted and which have outstanding loans which total $6.17 billion. The remaining states have positive balances totaling $6.2 billion. However, two states, California and Florida account for two-thirds of the positive reserves. Many states are close to the margin.

Based on the official administration economic assumptions for FY 1982*, estimated benefit outlays for the regular UI program will be $19.5 billion. Incoming revenues from states to finance these benefits will be only $12.5 billion. Thus, a revenue shortfall of 7 billion in the regular UI program is predicted.

In addition, it is predicted that as many as 46 states may be triggered on for Extended Benefits in FY 1982. FY 1982 Revenues for the Extended Benefit Program are estimated to be $1.16 billion while estimated outlays are $3.2 billion.

Thus, projected outlays are expected to exceed projected revenues for both the regular and Extended Benefit Program by $9.0 billion in FY 1982. Some of this difference will be financed by positive balance states that will draw down their balances. Approximately $3.8 billion, however, will have to be financed by advances from general revenues.

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*January 11, 1982 assumptions. Confidential until released by the President.

CDG 6/23/05

Likely Congressional Responses to High Unemployment

There have been emergency extensions of the maximum duration of benefits in four of the seven post-World War II recessions. There was no such extension in the first two of these recessions in 1949 and 1954. Emergency programs were passed in 1958, 1961, 1969 and 1974, but not for the 1980 recession. Each emergency program was enacted to deal with the large proportion of claimants exhausting regular benefits and as a countercyclical fiscal tool.

1) The most likely response this time will be a proposal to extend benefits beyond the existing 39 weeks via a Federal Supplementary Benefit program of either 13 weeks or 26 weeks. Such a national program was enacted during the 1974-75 recession. It resulted in advances from general revenues. 5.7 billion dollars of these advances have yet to be repaid.

2) A move will be made to reinstitute the National Trigger for extended benefits. This trigger was eliminated in the Omnibus Reconciliation Act of 1981.

While the above in no way represents the only actions that Congress may take in response to rising unemployment, they do appear to be the most likely legislative initiatives in light of past Congressional activity.

F

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

January 27, 1982

MEMORANDUM FOR THE PRESIDENT

FROM: WILLIAM P. CLARK

SUBJECT: Your Meeting with Israeli Ambassador Ephraim Evron, Thursday, January 28, 1982 3:45-4:00 p.m., in the Oval Office

Purpose

Ambassador Evron departs Washington on Friday, January 29, 1982, and he wishes to make a farewell call on you.

Background

Evron has served as Israel's Ambassador for over 3 years. He participated in the Camp David Summit. He has been a resourceful and thoroughly reliable envoy in countless diplomatic exchanges. For example, Evron played a major role in White House meetings to defuse crises concerning Syria's missiles in Lebanon and Israel's destruction of Iraq's nuclear facility.

Objectives

- To express appreciation for Evron's personal contribution to US-Israel relations.
- To reiterate the U.S. commitment to Israel's security and to reemphasize the view of Israel as a strategic ally in spite of differences over Israel's application of its laws to the Golan Heights.
- To reinforce Israel's commitment for its scheduled withdrawal from Sinai in April and for its attempt to reach an autonomy agreement with Egypt.

Talking Points

- Mr. Ambassador, your personal contribution to US-Israel relations has been outstanding.
- America's commitment to Israel's security is unshakeable despite differences of the moment.
- We appreciate your Government's adhering to its Sinai withdrawal schedule and for the attempt to reach an autonomy agreement with Egypt.

G

THE WHITE HOUSE

WASHINGTON

January 27, 1982

MEETING WITH THE NATIONAL
CONFERENCE OF REPUBLICAN MAYORS

DATE: THURSDAY, JANUARY 28, 1982
TIME: 4:00 - 5:15 p.m.
(You will attend at 5:00 - 5:15)
LOCATION: Roosevelt Room

FROM: RICHARD S. WILLIAMSON RSW/eb

I. PURPOSE

This is an opportunity for you to call upon Republican Mayors to mobilize support for your federalism initiative.

II. BACKGROUND

Gaining support from the Executive Committee of the National Conference of Republican Mayors and Local Elected Officials (NCRM) for your federalism initiative is vital to the success of this proposal.

NCRM is in Washington, D.C. for the mid-winter meeting of the U.S. Conference of Mayors (USCM). While non-partisan, USCM is largely represented by the big-city Democrat Mayors who will be critical of your proposal. NCRM can play a valuable role in tempering that criticism.

III. PARTICIPANTS

The Executive Committee of the National Conference of Republican Mayors and Local Elected Officials (See Attachment I)

Richard S. Williamson

IV. PRESS PLAN

White House Photographer

V. SEQUENCE OF EVENTS

4:00	Rich Williamson will welcome the group, explain in detail the federalism initiative, and open the meeting for a general discussion.
5:00	Prior to your arriving in the Roosevelt Room, you will have your photo taken with Mayor James Inhofe (R-Tulsa) who is up for re-election in April, 1982. Mayor Inhofe has been one of your strongest supporters among the Mayors. You will proceed to the Roosevelt Room, make brief remarks (5 minutes) and open to Q&A.
5:15	You may leave. Meeting adjourned.

LIST OF PARTICIPANTS

NATIONAL CONFERENCE OF REPUBLICAN MAYORS AND LOCAL ELECTED OFFICIALS

PRESIDENT
Mayor Margaret Hance, Phoenix, AZ

VICE PRESIDENT
Councilwoman Donna Owens, Toldeo, OH
Mayor William Hudnut, Indianapolis, IN
Mayor James Inhofe, Tulsa, OK
Mayor Jayne Plank, Kensington, MD
Councilwoman Joan Specter, Philadelphia, PA

SECRETARY
Mayor James Ryan, Arlington Heights, IL

TREASURER
Mayor Richard Berkley, Kansas City, MO

AT-LARGE MEMBERS
Mayor Hernan Padilla, San Juan, PR
Mayor George Voinovich, Cleveland, OH
Councilwoman Geraldine Sylvester, Dover, NH
Councilmember John Mercer, Sunnvale, CA
Councilmember Rudy Barnes, Columbia, SC
Councilmember Aaron Johnson, Fayetteville, NC

ADVISORY COUNCIL
Mayor Richard Carver, Peoria, IL
Mayor Lawrence Kramer, Paterson, NJ
Mayor Thomas Ryan, Kankakee, IL
Mayor Vincent Cianci, Providence, RI
Mayor Vincent Thomas, Norfolk, VA
Mayor Frank Duci, Schnectady, NY

SUGGESTED TALKING POINTS AT MEETING WITH THE NATIONAL CONFERENCE OF REPUBLICAN MAYORS

January 28, 1982

-- I am pleased all of you could be here today. I understand that you have been discussing in some detail my federalism initiative for a new partnership in our governmental system.

-- As you know, what I announced Tuesday night is a conceptual framework and there are many details which we need to work out. Washington, D.C. does not have a corner on wisdom in this country. We are looking to you for suggestions on how we can best design this proposal to ensure that government programs are more responsive to the people.

-- I hope all of you will play an active role in the consultation process over the next eight weeks.

-- I am encouraged by the initial response from state and local officials like yourselves. As leaders of the National Conference of Republican Mayors, your support of this proposal is essential to its success.

-- I know there are those that do not support the philosophy of returning responsibilities and resources to state and local governments. But it is my belief that you can more effectively, more efficiently, and more responsively meet the needs of our citizens.

-- I would like to now turn the meeting over to Mayor Hance. (MAYOR HANCE WILL BE SITTING TO YOUR IMMEDIATE LEFT.)

H

THE WHITE HOUSE

WASHINGTON

January 27, 1982

MEETING DATE WITH SPECIAL MEDICAL ADVISORY GROUP
OF THE VETERANS ADMINISTRATION

DATE: January 28, 1982
LOCATION: Blue Room
TIME: 5:30 p.m.

FROM: Dr. Daniel Ruge

1. PURPOSE

The purpose of this meeting is a reception honoring the Special Medical Advisory Group of the Veterans Administration.

II. BACKGROUND

The Veterans Administration's Special Medical Advisory Group (SMAG) meets in Washington several times each year to advise the Chief Medical Director and Administrator. I have never attended, so I cannot comment on the content of the meeting.

All members are quite prominent and represent a broad area. Your friend, Dr. Longmire, was a member until about a year ago. He has moved to the VA's distinguished physician group and receives remuneration for being more available than SMAG. He may visit hospitals as needed, etc..

The Veteran's Administration is divided into three divisions:

Veterans Benefits (Pensions, Compensation)

Medicine and Surgery (Hospitals, Clinics)

Memorial Affairs (Cemeteries)

You are not expected to know the guests, but below are a few comments about several of them:

John A. D. Cooper - Student of Dr. Loyal Davis at Northwestern; President of the Association of American

II. BACKGROUND (Continued)

Medical Colleges. He asked you to address the annual meeting in October, 1981. He is quite active politically; well-known on the Hill.

Norman Cousins - You may know him; he is from California.

Richard M. Ryan, Jr. - He is related to Tip O'Neill. I believe there was some pressure to make him Administrator of VA at one time.

Frank Stinchfield - Student and resident of Dr. Davis at Northwestern. He has known Nancy for many years and he has met you at least once. [redacted] He is my main New York contact in my job.

b(6)

Donald Custis - Chief Medical Director (Head of Medicine and Surgery). He was a student of Dr. Davis at Northwestern. He was also former Surgeon General of the Navy (three-star Admiral) appointed by John Warner when he was Secretary of the Navy. Dr. Davis visited him when he was here for your inauguration and spoke to you about him.

I think he is the best Chief Medical Director since Paul Hawley. (Nancy knew him.) Incidentally, Paul Magnuson (whom Nancy also knew) was Chief Medical Director in the mid-1940's.

Robert Nimmo - Administrator of VA appointed by you. I am sure you have seen him a number of times.

III. GUESTS ATTENDING NOT LISTED IN SECTION II

James A. Baker

John F. Beary, III (Dr.)
Acting Assistant Secretary of Defense for Health Affairs (Ex Officio)

Ernest M. Burgess (Dr.)
Prosthetics Research Study

Vice President Bush

Ewald W. Busse (Dr.)
Associate Provost and Dean, Duke University School of Medicine

William T. Butler (Dr.)
President, Baylor College of Medicine, Texas Medical Center

Theodore H. Clarke (Dr.)
President, American Podiatry Association

Michael K. Deaver

Jere E. Goyan (Dr.)
University of California School of Pharmacy

Charles T. Hagel
Deputy Administrator of Veterans Affairs

John R. Hogness (Dr.)
President, Association for Academic Health Centers

Lucie S. Kelly (Dr.)
Professor of Public Health and Nursing, Columbia University

John A. McMahon (Dr.)
President, American Hospital Association

Matthew F. McNulty, Jr. (Dr.)
Chancellor, The Medical Center, Georgetown University

Edwin Meese, III

Fred E. Mondragon
President, Nuc-Med, Inc.

III. GUESTS ATTENDING NOT LISTED IN SECTION II (Continued)

Tom E. Nesbitt (Dr.)

Barbara J. Pryor
Executive Secretary to SMAG

Malcom Randall
Director, VA Medical Center

Mrs. Reagan

President Reagan

Uwe E. Reinhardt (Dr.)
Associate Professor of Economics and Public Affairs, Woodrow Wilson School, Princeton University

Alfred A. Rosenbloom (Dr.)
President, Illinois College of Optometry

Daniel Ruge, M.D.

Melvin Sabshin (Dr.)
Medical Director, American Psychiatric Association

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