Ronald Reagan Presidential Library Digital Library Collections

This is a PDF of a folder from our textual collections.

Collection: Blackwell, Morton: Files

Folder Title: Reagan! (1 of 2)

Box: 23

To see more digitized collections visit: https://reaganlibrary.gov/archives/digital-library

To see all Ronald Reagan Presidential Library inventories visit: https://reaganlibrary.gov/document-collection

Contact a reference archivist at: reagan.library@nara.gov

Citation Guidelines: https://reaganlibrary.gov/citing

National Archives Catalogue: https://catalog.archives.gov/

THE WHITE HOUSE WASHINGTON

Mina supposedly
Called Phyllis &
Mike Aleaver Called
Paul Laxalt with regreto
Aleane from Mis
R's scholuling office
9/23

THE WHITE HOUSE

WASHINGTON

MICHAEL K. DEAVER Assistant to the President Deputy Chief of Staff FROM:

☐ Information

Action

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

everething under

July 28, 1981

e real plus for us

TO:

Elizabeth H. Dole

FROM:

Morton C. Blackwell

RE:

Testimonial Dinner in honor of Nancy Reagan

This dinner is planned for October 2 in the main ballroom of the Capitol Hilton Hotel. It will be limited by invitation only to members of the Eagle Forum, all of whom have been long time ardent supporters of Ronald Reagan.

Senator Paul Laxalt has been invited and has graciously agreed to give the principal testimonial.

Other speakers and Members of Congress have not been invited primarily because Mrs. Schlafly feels that suggestions should come from Mrs. Reagan and her staff. Mrs. Schlafly wants this to be an exciting, warm, friendly and elegant affair with a mix of different people. She feels that it is important that Mrs. Reagan be comfortable with the speakers who will be paying tribute to her.

I have been to many other functions organized by Phyllis Schlafly. She does such things very well.

This event is particularly important because this constituency was stung by the O'Connor nomination. They basically support the President; this will go a long way toward mending the fences with them. Attached is a copy of Mrs. Schlafly's July newsletter which is a beautifully done and forceful call for support of "Reaganomics", highlighting the President's tax plan.

Eagle Forum

Leading the pro-family movement since 1972 President: Phyllis Schlaflý

WASHINGTON OFFICE: 316 PENNSYLVANIA AVE., S.E., SUITE 203, WASHINGTON, D.C. 20003 R.(202) 544-0353 HEADQUARTERS OFFICE: BOX 618, ALTON, ILLINOIS 62002 M (618) 462-5415

June 24, 1981

.Mrs. Ronald Reagan The White House Washington, D.C. 20500

Dear Mrs. Reagan:

We are so fortunate that, for the first time in many years, we have a First Lady we can all admire and respect, and one who makes us so proud to be Americans.

The ladies of Eagle Forum would like to honor you at a Testimonial Dinner in Washington, D.C. this fall, which would be attended by a national audience of women leaders and dignitaries. Senator Paul Laxalt has graciously agreed to give the principal testimonial to you on that occasion, and we sincerely hope it will be possible for you to accept.

Your Testimonial Dinner would be attended by some 400 women leaders from all fifty states -- the faithful ones who have worked tirelessly and for many years for Ronald Reagan and for other conservative causes. This is a very special group (as Paul Laxalt will tell you) of women who were absolutely thrilled with the Reagan victory last November. Other attendees would include Members of Congress, members of the Administration, celebrities, and some of your close friends.

This national salute to our First Lady would be the high-light of the Tenth Annual Conference of Eagle Forum, the original and leading pro-family organization in the country. These are women who have led and won many important political battles — and all of them worked long and hard during 1980 for Ronald Reagan's election. We usually hold our annual conference in St. Louis, and many of our mutual friends (including Paul Laxalt, Jesse Helms, and Jake Garn) have been the featured speakers in previous years.

This year we moved our conference to Washington so that we can have the Testimonial for you at a convenient location only a few blocks from the White House. We are holding the Ballroom at the Capitol Hilton Hotel for Friday evening, October ninth, but if that is not a convenient date, we will be glad to change to another one.

Eagle Forum

Leading the pro-family movement since 1972 President: Phyllis Schlafly

WASHINGTON OFFICE: 316 PENNSYLVANIA AVE., S.E., SUITE 203, WASHINGTON, D.C. 20003 **■ (202)** 544-0353 HEADQUARTERS OFFICE: BOX 618, ALTON, ILLINOIS 62002 **■** (618) 462-5415

We will work with Paul Laxalt to assure that the salute to our First Lady will be an elegant and memorable event, and conform to your wishes in every way. Please say you will be with us for what will be an evening to remember. This event will give some of your most dedicated and hard-working friends the high honor of thanking you for giving us inspired leadership.

With cordial good wishes,

Faithfully

Phyllis Schlafly



PAUL LAXALT UNITED STATES SENATE

June 25,1981

Dear Nancy
Joan a number of

Reacone I Mink Mic

would be a "few etrike."

Hope you can work

it in! Cane

Copy to: Mrs. Phyllis Schlafly

THE WHITE HOUSE WASHINGTON August 3, 1981

MEMORANDUM FOR:

LYN NOFZIGER

FROM:

NINA WORMSER NOW

RE:

Invitation to the First Lady from

Phyllis Schlafly

Attached please find an invitation from Phyllis Schlafly to Mrs. Reagan.

My inclination has been to regret because of the reaction an acceptance might cause amongst the moderate and liberal members of the Republican party.

Would you please give the invitation your expert evaluation and let me know how you feel we should handle it?

I desagree. Why should We duck the president's long-fune supporters, duck the president's long-fune supporters, the moderates & leberals never helped nominate the moderates & leberals never helped hem contest PR; in fact they all opposed hem contest he was possissated. Let help over long-time he was possissated. Let help over long-time friends how y them

THE WHITE HOUSE

WASHINGTON

September 9, 1981

TO: Elizabeth H. Dole

FROM: Morton C. Blackwell 2

RE: Phyllis Schlafly dinner for Mrs. Reagan

I have had returned to me my memo to you, attached, regarding Phyllis Schlafly's banquet.

First, let me thank you for your very supportive note to Mike Deaver.

Unfortunately, as the memo to Gregg Newell from Mike Deaver shows, Mr. Deaver instructed the invitation be turned down.

Mr. Deaver thus retains a perfect record of declining all the proposals we have endorsed for First Family involvement with meetings with the President's conservative movement supporters.

I am not discouraged and intend to continue to propose appropriate meetings. But I think it is in the best interests of the President and your office for some attention to be paid to the pattern which has developed.

The impression is growing that the White House position is that the leaders of the conservative movement cannot have access to the President.

The Pro-Family meeting was nixed repeatedly. The proposed involvement of conservative religious leaders with the President in discussions relating to volunteerism was nixed, and now this banquet which was strongly endorsed by Senator Laxalt, Lyn Nofziger and you has also been vetoed.

THE WHITE HOUSE

July 28, 1981

TO: Elizabeth H. Dole

FROM: Morton C. Blackwell

RE: Testimonial Dinner in honor of Nancy Reagan

This dinner is planned for October 2 in the main ballroom of the Capitol Hilton Hotel. It will be limited by invitation only to members of the Eagle Forum, all of whom have been long time ardent supporters of Ronald Reagan.

Senator Paul Laxalt has been invited and has graciously agreed to give the principal testimonial.

Other speakers and Members of Congress have not been invited primarily because Mrs. Schlafly feels that suggestions should come from Mrs. Reagan and her staff. Mrs. Schlafly wants this to be an exciting, warm, friendly and elegant affair with a mix of different people. She feels that it is important that Mrs. Reagan be comfortable with the speakers who will be paying tribute to her.

I have been to many other functions organized by Phyllis Schlafly. She does such things very well.

This event is particularly important because this constituency was stung by the O'Connor nomination. They basically support the President; this will go a long way toward mending the fences with them. Attached is a copy of Mrs. Schlafly's July newsletter which is a beautifully done and forceful call for support of "Reaganomics", highlighting the President's tax plan.

Eagle Forum

Leading the pro-family movement since 1972 President: Phyllis Schlafly

WASHINGTON OFFICE: 316 PENNSYLVANIA AVE., S.E., SUITE 203, WASHINGTON D.C. 20003 ■ (202) 544-0353 HEADQUARTERS OFFICE: BOX 618, ALTON, ILLINOIS 62002 ■ (618) 462-5415

June 24, 1981

.Mrs. Ronald Reagan The White House Washington, D.C. 20500

Dear Mrs. Reagan:

We are so fortunate that, for the first time in many years, we have a First Lady we can all admire and respect, and one who makes us so proud to be Americans.

The ladies of Eagle Forum would like to honor you at a Testimonial Dinner in Washington, D.C. this fall, which would be attended by a national audience of women leaders and dignitaries. Senator Paul Laxalt has graciously agreed to give the principal testimonial to you on that occasion, and we sincerely hope it will be possible for you to accept.

Your Testimonial Dinner would be attended by some 400 women leaders from all fifty states -- the faithful ones who have worked tirelessly and for many years for Ronald Reagan and for other conservative causes. This is a very special group (as Paul Laxalt will tell you) of women who were absolutely thrilled with the Reagan victory last November. Other attendees would include Members of Congress, members of the Administration, celebrities, and some of your close friends.

This national salute to our First Lady would be the high-light of the Tenth Annual Conference of Eagle Forum, the original and leading pro-family organization in the country. These are women who have led and won many important political battles -- and all of them worked long and hard during 1980 for Ronald Reagan's election. We usually hold our annual conference in St. Louis, and many of our mutual friends (including Paul Laxalt, Jesse Helms, and Jake Garn) have been the featured speakers in previous years.

This year we moved our conference to Washington so that we can have the Testimonial for you at a convenient location only a few blocks from the White House. We are holding the Ballroom at the Capitol Hilton Hotel for Friday evening, October ninth, but if that is not a convenient date, we will be glad to change to another one.

Eagle Forum

Leading the pro-family movement since 1972 President: Phyllis Schlafly

WASHINGTON OFFICE: 316 PENNSYLVANIA AVE., S.E., SUITE 203, WASHINGTON, D.C. 20003 M (202) 544-0353 HEADQUARTERS OFFICE: BOX 618, ALTON, ILLINOIS 62002 M4(618) 462-5415

We will work with Paul Laxalt to assure that the salute to our First Lady will be an elegant and memorable event, and conform to your wishes in every way. Please say you will be with us for what will be an evening to remember. This event will give some of your most dedicated and hard-working friends the high honor of thanking you for giving us inspired leadership.

With cordial good wishes,

Faithfully

Phyllis Schlafly



The Phyllis Schlafly Report

VOL. 14, NO. 12, SECTION 1

BOX 618, ALTON, ILLINOIS 62002

JULY, 1981

The Rightness of Reaganomics

Almost every American President has suffered a loss of hts own party's strength in Congress in the mid-term elections. The exception was Franklin D. Roosevelt elected in 1932; the Democrats increased their majorities in the Congressional elections of 1934. F.D.R. was able to keep his 1932 political momentum going and bring about a massive change in American political, economic and social trends.

The question is, can Ronald Reagan do likewise? Was the 1980 election a freak of timing, or is it the start of a new conservative era? Will conservative strength gain or fade in the 1982 elections? That question will be answered by the economy in general and by tax cuts

in particular.

Ronald Reagan was elected with a mandate to cut taxes 10 percent a year for each of three years in order to stimulate the private enterprise economy and drastically cut the size of the Federal Government. Reagan's campaign promise was to enact Kemp-Roth tax cuts based on what is called "supply-side" economics. Simply put, that means: let incentives stimulate the economy, resulting in investment, capital formation, and creation of private-sector jobs. It means the fulfillment of Reagan's promise to "get America back to work again."

The Democrats in Congress have already forced Reagan to compromise his hope for a 30 percent tax cut (10 percent for each of three years) down to 25 percent over three years. Does that still sound like a big tax cut? It isn't really. The legacy of Jimmy Carter is that, even if Congress took no action at all, taxes would rise at about \$100 billion a year (from inflation bracket creep,

windfall profits, and Social Security taxes).

In the famous Reagan-Carter debate, Reagan asked Americans, Are you better off today than you were four years ago? The American voters answered NO to that question. The best way to fulfill Reagan's election mandate is to reduce the income tax. We've suffered long enough at the hands of the Keynesian borrowand-spend, deficit-and-inflation economists. It's time to give the reins to "supply-side" economists.

Tax Cuts Essential Now

Although the Reagan budget cuts are essential to his economic program, the Reagan tax cuts are the heart of it. The tax cuts represent the innovative change, the real turning of the corner from the old, tired liberalism of the past, to the new conservative economics of the future.

The structure and rates of the current Federal income tax are the primary reason for the sluggish capital formation in the United States, which in turn restricts economic growth. High marginal tax rates discourage savings because they grab much income which would otherwise go into savings. To discourage savings means to discourage capital formation, which in turn means to discourage the creation of jobs.

The close relationship between savings and growth is reflected in the experience of other countries. Our big competitor, Japan, has a savings rate which is 4.4 times that of the United States, and a real Gross National Product growth rate which is more than ten times that of ours.

The United States also suffers by comparison with the savings and growth rates of Germany, France and Canada, although they are not as high as Japan's. These unhappy comparisons are despite the fact that we are about 60 percent self sufficient in oil, whereas Japan, Germany and France are almost totally dependent on oil imports.

Even though Congress has taken credit for voting a number of "tax cuts" since 1965, these have not been enough to cover the increases in real taxes caused by inflation. We have suffered a striking net increase in taxes due to tax bracket creep, the popular term for the effect of inflation in raising the rates on individual taxpayers by pushing them into higher tax brackets.

Look at how the jaws of the progressive income tax joined with inflation bit into and crushed the individual who had a \$10,000 income in 1965. Between 1965 and 1979, his taxes were supposedly reduced \$520 by legislative tax cuts, but actually inflation alone increased his taxes by \$2,185. At the \$40,000 income level, Congress supposedly reduced taxes \$1,449, but inflation actually increased the individual's taxes by \$18,999. It is obvious that inflation makes windfall profits for the government.

Inflation has made the progressive tax system become progressively more progressive even over the last five years. In 1973, one fifth of the taxpayers were paying 63.7 percent of federal income taxes. By 1978, one fifth of the taxpayers were paying 66.6 percent of the federal tax burden.

"Supply-Side" Means Incentives

Reagan's "supply-side" economics should be called "incentive" economics, because that's what it really means. Incentive is a word that any child can understand and relate to

understand and relate to.

Incentive is a motivator that affects all people without discrimination. It moves rich and poor, black and white, male and female. Just as financial incentives may motivate a poor person to remain on welfare rather than take a low-paying job, financial incentives may motivate a rich person to relax and enjoy life rather

than invest in a new enterprise.

Unfortunately, liberal economics and our present tax structure provide powerful incentives to idleness. When the poor person chooses idleness instead of work, society loses only the small amount of taxes he would otherwise pay (plus the cost of supporting him on welfare). However, when the rich man chooses idleness over work, society loses not only the large amount of taxes he would otherwise pay, but loses something far more valuable -- new jobs for other people.

The rich man, by definition, has more income than he needs to pay for the groceries and to meet the mortgage payments. When he makes more money than he can spend on himself and his family, he normally invests this excess income in other enterprises; and that's what creates new businesses, plant expansion,

and more jobs.

Our present tax structure provides incentives to the rich to quit working, quit producing, quit investing; in other words, to become the "idle" rich instead of the productive rich. If the rich man is in the 60% tax bracket, for every additional dollar he earns, the tax collector gets 60c and he gets only 40c. Since he doesn't really need the money anyway, he decides that leisure is more appealing than extra work or risky investments.

Incentive economics focuses on the marginal tax rates, that is, the tax rate applying to the *next* dollar of income you receive. That's the point at which incentives or disincentives encourage you to earn more or to remain idle. Tax cuts provide incentives to the rich to withdraw from tax shelters, reject leisure, work overtime, forgo consumption, sell gold, buy stocks, start a business, and risk their savings in order to earn more.

Now suppose we cut the tax rates so the rich man can keep 60c from every additional dollar he earns, while paying the tax collector only 40c. All of a sudden, his leisure time costs him 50 percent more. The tax cut has given him an incentive to work harder and to invest

more.

It matters a great deal whether the rich remain idle or go to work because, when the rich work overtime or invest in productive enterprises, they pay taxes -- lots of taxes. Rich people make more money for themselves, yet they pay a larger share of the national tax burden. Cutting the marginal tax rates will make the rich pay more taxes.

More important, their investments create more jobs, so more people move into the productive part of the economy. That means a healthier economy, more tax revenues, and less inflation because the nation

moves closer to a balanced budget.

A productive economy depends on people working in jobs. If there are not enough jobs for the people who want to work (as now), what we need more than anything else is incentives to induce people with savings or extra income (i.e., rich people) to invest in businesses in a way that creates more jobs (called capital for-

mation).

Incentive economics is the wave of the future which is destined to wash into oblivion the destructive economics of Lord Keynes which preached deficit spending and produced the politics of cynicism: tax and tax, spend and spend, elect and elect. The farsighted "supply-siders" who have developed incentive economics include Paul Craig Roberts, Norman B. Ture, Arthur B. Laffer, George Gilder, Jack Kemp and William Roth.

Block Grants Vs. Categorical Grants

President Ronald Reagan's most far-reaching proposal is his plan to convert some "categorical" grants into "block" grants. The Reagan plan is imaginative, constructive, and would be a giant step forward for every economic, social, and political goal so devoutly sought by Reagan and by his enthusiastic followers.

The spectacular growth of Federal spending and regulatory power over the last decade has spawned a steady and increasing flow of tax dollars to a big variety of special-interest groups. These are called "categorical" grants; they go to particular categories of concerns, designated and regulated by Federal officials.

The Reagan Administration proposes to take some 83 of these categorical grants, divide them into six "blocks" which are designated for broad areas of purpose, cut overall funding by 25 percent, and then turn the money over to the states to spend among the 83 categories.

Just because funding for these programs would be cut 25 percent does not mean that there will be a 25 percent cut in services. The cost of unnecessary regulations, bureaucratic red tape, and Federal overhead is

probably at least 25 percent.

The block grant proposal is an historic opportunity to do exactly what the voters elected Ronald Reagan to do: cut Federal spending, slash excessive Federal regulations, and return power, funds, and decision-making to the states. We would get better value for our tax dollars because the states would exert closer supervision over smaller amounts of money.

The Congressional debate on block grants has helped to educate the voters about the variety of special-interest programs on which our tax dollars have been spent. No wonder taxes on Middle Americans are so oppressive! Here are the proposed block grants:

1. The Social Service Block Grant would receive \$3.8 billion. This grant covers funding for Day Care, Child Abuse and Prevention, Adoption Assistance, Development Disabilities, Runaway and Homeless Youth, Community Services Administration, Rehabilitation Services, and the Legal Services Corporation.

2. The Energy and Emergency Assistance Grant would receive \$1.4 billion. This would cover programs of Home Energy Costs, Low-Cost Weatherization, Emergency Medical Care, and Emergency Social Ser-

vices

3. The Health Services Block Grant would be funded at \$1.1 billion. This block covers 15 categorical grants including Community Health Centers, Black Lung Clinics, Migrant Health, Home Health Services, Maternal and Child Health, Hemophelia, Sudden Infant Death, Mental Health Services, Drug Abuse, and Alcoholism.

4. The Preventive Health Service Block Grant would be funded at \$242 million. This block would include High Blood Pressure Control, Health Incenive, Risk Reduction and Health Education, Venereal isease, Fluoridation, Rat Control, Lead-Based Paint Poisoning Prevention, Genetic Disease, Family Planning Services, and Adolescent Health Services.

5. The Local Education Agency Block Grant would be funded with \$3.6 billion. This block would include Elementary and Secondary Education Grants, plus grants for the Handicapped, Preschool Incentive, Adult Education, Bilingual Education, Basic Skills, and

Emergency School Aid.

6. A second block grant of nearly \$1 billion for education programs would give lesser amounts under the Elementary and Secondary Education Act, plus grants to Severely Handicapped Projects, Regional Resources Centers, Early Childhood Education, Gifted and Talented, Educational Television, Basic Skills Improvement, Arts in Education, Metric Education, Pre-College Science Teacher Training, Career Education Incentives, Consumer Education, and Women's Educational Equity. (This last has been receiving an annual budget of \$10 million.)

Lobbying Against Reagan's Program

All the special interests are lobbying hard to keep funds flowing from Washington directly into their treasuries without the prying eyes of state and local officials and citizens. We would all be better off socially, politically, and financially — if we reassert state and local supervision. Here is one example of ax-funded lobbying against the Reagan program.

The Federal agency called ACTION gave Federal tax funds to a "recipient organization" called the Institute for the Study of Civic Values. In March 1981, the Institute published a survey quiz for the stated purpose of helping citizens "assess the impact of President Reagan's Economic Recovery Program on their own communities or cities." Here is how this ACTION-funded document explains its unique methodology:

"The Cruelty Index is a measure of the hardship imposed upon a community or city by Ronald Reagan's proposed budget cuts in 1982. The Greed Index is a measure of the benefits that the taxpayers -- primarily wealthy taxpayers -- will receive under the President's

Tax Reduction plan in 1982."

In case you didn't get the full import of the adroit choice of words "cruelty" and "greed", the document then purports to explain in more detail that the Reagan tax cuts would benefit the wealthy (called the "greedy"), and that the Reagan budget cuts would hurt the poor ("cruelly") by cutting their public services.

In order to spell this out in gruesome detail for those who cannot comprehend the concept of billions of dollars, the ACTION-funded quiz devised a point system to make its smear use of "cruelty" and "greed" more graphic. Each city and community is supposed to undertake its own analysis of the local impact of the Reagan program by assigning one point to every \$10 million. For example, New York City was given a ruelty Index of 53, Philadephia a Cruelty Index of 20.

In opening its investigation of this use of Federal funds, the General Accounting Office stated, "It is apparently a political document intended for wide distribution and would be useful in advocacy or lobbying campaigns." Indeed, it is.

If the Reagan economic program has a hard time getting through Congress, it will be because the American taxpaying public was outspent and outmaneuvered by Federal lobbyists using our tax dollars against us.

Reagan's Regulatory Relief

Regulatory relief for every segment of the economy is an essential part of Ronald Reagan's economic program. Under the capable command of Murray L. Weidenbaum, chairman of the President's Council of Economic Advisers, the Reagan Administration did 104 acts of deregulation in its first four months.

The number of final rules published in the Federal Register dropped by 47%. The number of proposed rules dropped by 54%. The number of published pages

dropped by 60%.

Weidenbaum's goal is to reverse the intrusion of the Federal Government into the lives of citizens, into the decisions of businessmen, and into the choices faced by tens of thousands of state and local government officials and administrators. He doesn't think that workers, managers, investors or administrators need the Federal Government to make decisions for them on how to organize and run their daily lives and activities.

Look at the embattled auto industry. The liberal formula is to hamstring it with costly regulations (a burden that Japanese manufacturers don't have to bear), raise taxes, and give a federal subsidy or loan. The Reagan-Weidenbaum way is to rescind 34 specific regulations which, over a five-year period, will save the American motorist \$9.3 billion in the cost of buying and operating cars and trucks.

This will also release \$1.3 billion in company funds which can now go into capital improvement rather than down the drain of federally-mandated equipment, facilities, and compliance paperwork.

The regulations being lifted or lightened range from rules on bumper strength to exhaust emissions standards and certification procedures. The Administration will also propose that Congress amend the Clear Air Act by eliminating the requirement that all passenger cars meet 1984 emissions standards at higher altitudes.

Here is one example of how a simple change in an auto regulation will reduce costs greatly, allow consumers a wider range of choice, but have no adverse effect on clear air. The Reagan EPA will allow auto manufacturers to meet diesel exhaust emissions standards by using sales-weighted averages of the results from all their different model lines. Some can emit more pollution, some less, but the total of a manufacturer's emissions will be within the clean air standards.

The Reagan Administration has requested the D.C. Court of Appeals to remand to the Environmental Protection Agency for reconsideration a rule EPA previously issued which set noise emissions standards for garbage trucks. The costs, although not great by federal standards, are high in relation to the benefits sought.

More important, the Federal Government has no business being a busybody in the matter of garbage collection, which is a strictly local matter. If noise is a problem, municipalities could solve it better by altering truck routes to accommodate residential neighborhoods, rather than buying expensive sound-proof trucks to comply with EPA regulations.

The Reagan Administration withdrew the Department of Energy's proposed standards for the minimum energy efficiency of major household appliances, such as refrigerators and air conditioners. These unnecessary standards would have required the complete redesign of almost every appliance model by 1986. Appliance purchase prices would increase by \$500 million a year, a cost that would never be recouped in saved energy costs, and which would bankrupt the smaller manufacturers that couldn't afford such rapid model changes.

The Secretary of Education withdrew proposed rules that would have required all school systems to offer a particular form of bilingual instruction to children whose primary language is other than English. The cost saving will be substantial and the lifting of this Federal harassment of local school curriculum is

welcome.

The Department of Transportation delayed four regulations which would have imposed costly requirements on state and local governments, dictating how they conduct urban transportation planning, design traffic control devices, and rehabilitate or

stockpile buses.

The Federal regulatory burden has simply risen way out of all reason. Between 1970 and 1981, Federal spending for regulatory activities alone rose from \$0.9 billion to \$7.1 billion. In constant dollars, that was an increase of $3\frac{1}{2}$ times. The Reagan Administration is moving on schedule to try to stimulate a more productive economy.

The Productivity State

"What's in a name?" Shakespeare asked. "That which we call a rose by any other name would smell as sweet." But would it? American businesses spend millions of dollars to research and choose (or invent) a name before marketing a product. Publishers know that a book's title often makes or breaks its sale.

The rather unique economic system under which America, from a little band of immigrants who landed on our shores with only the clothes on their backs, grew into far-and-away the most prosperous and productive nation in the world is the greatest success story in history. But the people who enjoy its fruits don't seem to have much respect for the tree or know how to keep

it producing.

The reason may be that the tree suffers from the handicap of not having a winning name. "Capitalism" (mistakenly, I believe) connotes big business to which most Americans do not relate with affection. "Free enterprise" and "private enterprise" have a hard time competing semantically and sentimentally with "the welfare state" or "the social welfare state," probably because more people relate to "welfare" than to "enterprise."

Yet the proven failure of the social welfare state and of socialism is just as dramatic as the success of capitalism/free enterprise. From Europe to Africa to the Caribbean to Asia, socialism is shown to be a congenitally diseased system which produces perennial shortages, food lines, black markets, political prisons, and people voting with their feet to escape to a capitalist country.

Even Sweden, long touted as the Perfect Experiment in democratic welfare statism, provides convincing evidence of its failure under the most advantageous

circumstances: a homogeneous population, rich natural resources, and 150 years of avoidance of war.

With the government now consuming 64 percent of the Gross National Product, a typical Swedish industrial worker pays 50 to 60 percent of his wages in taxes, plus an additional 22.5 percent in value-added tax (VAT), a form of sales tax on all goods and services including food.

The United States may be rushing headlong down the same dead-end road. High taxes to make costly incentive-destroying, non-productive handouts have resulted in double-digit inflation, double-digit interest rates, high unemployment, and low savings and investment. Despite the proven success of the American economic experiment, Americans appear to lack understanding of and commitment to the system that produced our prosperity.

The uniqueness of our economic system has been its high level of capital formation -- the investment in plant and equipment which creates jobs, enables worker-plus-machine to produce more per manhour and thereby be paid higher wages. That's why it is

accurate to call our system "capitalism."

However, in the 1980s the word "capitalism" inherits the semantic baggage of decades of leftwing smears. The word "capitalism" looks at the system through the eyes of the saver-investor-owner whom the worker-student-journalist-academician types have been taught to believe is the enemy. We need a new name to sell the successful American system. We need a name to which all participants in the economic process can relate personally.

I suggest we call our unique American economic system "The Productivity State." Productivity is page "good" word; whether we are workers, bosses, or journalists, we all understand that increased productivity (producing more per manhour of labor) brings a higher financial reward. Therefore, all types can relate to the goal: let's increase our productivity so we can labor less and enjoy it more.

The United States over the last decade has had the lowest employee productivity rate of any Western industrial nation. The auto industry, which has priced itself out of the world market, is only the most dramatic

proof of our nationwide malaise.

Restoring our world leadership in productivity will require many things, starting with Federal budget cuts, which in turn will allow tax cuts, which in turn will allow increases in savings and investment, which in turn will cause more capital formation, which in turn will create more jobs and more productive jobs.

Calling the American economic system "The Productivity State" will give us a vision of a more prosperous future in which all individuals and groups have a vital stake, can work toward, and can taste their rewards. "The Productivity State" can dispose of the semantic problem so we can get on with more prosperity for more workers.

The Phyllis Schlafly Report

Box 618, Alton, Illinois 62002 ISSN0556-0152

Published monthly by The Eagle Trust Fund, Box 618, Altor. Illinois 62002.

Second Class Postage Paid at Alton, Illinois.

Subscription Price: \$10 per year. Extra copies available: 25 cents each; 6 copies \$1; 50 copies \$5; 100 copies \$8.

Washington, D.C.

Volume 2

Communist Aggression in Central America Threatens All the Americas

Communist agression threatens the future of democracy in Central America and endangers the security of the Western Hemisphere. Even while they are fighting, today's communist revolutionaries are planning for tomorrow's communist dictatorships. Buoyed by success in Nicaragua, marxist terrorists have prioritized their objectives: first El Salvador, then Guatemala, Honduras and Costa Rica.

Communist terrorists operating in Central America receive direct military aid—equipment and personnel—from the Soviet Union, Cuba, other Communist Bloc countries, the Palistine Liberation Organization (PLO), and Libya. Faced by an irresolute Congress, President Reagan stands alone in proposing the necessary aid to prevent the bloodshed of an Afghanistan, a Cambodia, or a Lebanon in America's backyard.

At home, the indecisiveness of liberal politicians weakens America and leaves in tatters the once-proud policy of the Monroe Doctrine which opposed the establishment of hostile foreign forces on American shores. In Congress, the foreign affairs and appropriations committees chip away at the full measure of military aid needed by our allies. In a scene tragically reminiscent of Congressional isolationism before World War II, Congress waits while communist terrorism spreads among our Latin American neighbors.

Soviet aid to Cuba, and Communist Bloc aid to Nicaragua and to guerillas in neighboring countries, is aimed at the heart of American security—control of the Caribbean and of the Panama Canal. Annually, forty-four percent of all the crude oil to the United States passes through the Caribbean. In the event of hostilities in Europe or the Middle East, half of NATO's supplies would travel by sea from Gulf ports to the Mediterranean. The lives of 220,000 American servicemen and women directly depend on our ability to provide reinforcements and supplies. The security of our maritime operations in the Caribbean is critical to the Atlantic Alliance.

the unrelenting guerilla attacks on the economic base and infrastructure of Central America. Seventy-seven cents of every dollar we send as aid to the region goes for economic, not military purposes. Third, America will provide training and materials to help repel communist agression. Fourth, America will support dialogue and negotiations that result in societies that compete with ballots and not bullets.

President Reagan needs our help to make America's plan work. Despite welcomed, bi-

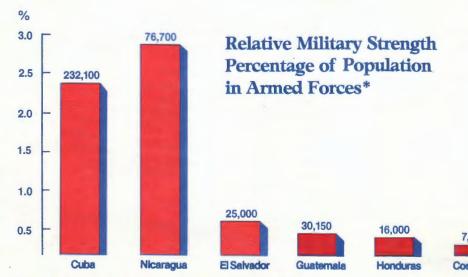
The national security of all the Americas is at stake in Central America. . . Who among us would wish to bear responsibility for failing to meet our shared obligation?

President Ronald Reagan —

President Reagan has warned that control of Central America by a "Soviet-Cuban-Nicaraguan axis" could result in "a tidal wave of refugees...swarming into our country seeking a safe haven from communist repression to our south."

President Reagan has proposed a four-part, bipartisan plan of action for Central America that protects America's security. First, America will support democracy, reform and human freedom and use its influence to achieve these objectives. Second, America will support economic aid to compensate for

partisan support from Congressional leaders, the President continues to face resistance from liberal naysayers. Such liberals are the first to oppose responsible plans but will be the last to be found if that tragic day of reckoning arrives because we failed to thwart communist agression near our borders. Call and write your Representative and Senators. Tell them that you support President Reagan's efforts to eliminate communist agression and support democracy for the suffering people of Central America.



Editor's Note

This issue of *The ARA Report* focuses on the spread of Communist aggression in Central America. According to recent polls, Americans are confused—with only fortynine percent being familiar with U.S. policy in the area and, of those, over one-half incorrectly believing that the U.S. is either neutral towards or supports the Sandinista regime in Nicaragua. Sorting out the various actors and actions can be difficult and it is hoped that this issue of *The ARA Report* will help in this important task.

G.V.B.

* Excludes Reserves, Youth Labor and Territorial Civil Defense Committees.



President Reagan Speaks on the Importance of Central America Excerpts from the President's address to a joint session of Congress, April 27, 1983.

...Central America's problems do directly affect the security and the well-being of our own people. And Central America is much closer to the United States than many of the world trouble spots that concern us.

El Salvador is nearer to Texas than Texas is to Massachusetts. Nicaragua is just as close to Miami, San Antonio, San Diego, and Tucson as those cities are to Washington...But nearness on the map doesn't even begin to tell the strategic importance of Central America, bordering as it does on the Caribbean—our lifeline to the outside world. Two-thirds of all our foreign trade and petroleum pass through the Panama Canal and the Caribbean. In a European crisis, at least half of our supplies for NATO would go through these areas by sea. It's well to remember that in early 1942 a handful of Hitler's submarines sank more tonnage there than in all of the Atlantic Ocean. And they did this without a single naval base anywhere in the area.

Today, the situation is different. Cuba is host to a Soviet combat brigade, a submarine base capable of servicing Soviet submarines, and military air bases visited regularly by Soviet military aircraft.

If the Nazis during World War II and the Soviets today could recognize the Caribbean and Central America as vital to our interests, shouldn't we also?

President Truman's words are as apt today as they were in $1947\ldots$

I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures.

I believe that we must assist free peoples to work out their own destinies in their own way.

The countries of Central America are smaller than the nations that prompted President Truman's message. But the political and strategic stakes are the same. Will our response—economic, social, military—be as appropriate and successful as Mr. Truman's bold solutions to the problems of postwar Europe?

Are democracies required to remain passive while threats to their security and prosperity accumulate?

Must we just accept the destabilization of an entire region from the Panama Canal to Mexico on our southern border?

Must we sit by while independent nations of this hemisphere are integrated into the most aggressive empire the modern world has seen?

Must we wait while Central Americans are driven from their homes like the more than 4 million who have sought refuge out of Afghanistan or the 1.5 million who have fled Indochina or the more than 1 million Cubans who have fled Castro's Caribbean utopia? Must we, by default, leave the people of El Salvador no choice but to flee their homes, creating another tragic human exodus?

I do not believe there is a majority in the Congress or the country that counsels passivity, resignation, defeatism in the face of this challenge to freedom and security in our hemisphere.

I do not believe that a majority of the Congress or the country is prepared to stand by passively while the people of Central America are delivered to totalitarianism, and we ourselves are left vulnerable to new dangers.

Only last week an official of the Soviet Union reiterated Brezhnev's threat to station nuclear missiles in this hemisphere—5 minutes from the United States. Like an echo, Nicaragua's comandante, Daniel Ortega, confirmed that, if asked, his country would consider accepting those missles.

If Central America were to fall, what would the consequences be for our position in Asia, Europe, and for alliances such as NATO? If the United States cannot respond to a threat near our own borders, why should Europeans or Asians believe that we are seriously concerned about threats to them? If the Soviets can assume that nothing short of an actual attack on the United States will provoke an American response, which ally, which friend will trust us then?

The national security of all the Americas is at stake in Central America. If we cannot defend ourselves there, we cannot expect to prevail elsewhere. Our credibility would collapse, our alliances would crumble, and the safety of our homeland would be put at jeopardy.

We have a vital interest, a moral duty, and a solemn responsibility. This is not a partisan issue. It is a question of our meeting our moral responsibility to ourselves, our friends, and our posterity. It is a duty that falls on all of us—the President, the Congress, and the people. We must perform it together. Who among us would wish to bear responsibility for failing to meet our shared obligation?

The Communist Aggressors...

Cuba - Spreading Terrorism Worldwide

Fidel Castro has sent 36,000 troops to fight wars in Africa. Since 1981, Castro has stationed 14,000 troops in Ethiopia aimed at the overthrow of the Somalian government. For the last eight years, Castro has stationed 20,000 combat troops in Angola. For his military help to Angola, Castro receives \$300 million per year in oil. Fidel Castro sells terrorism worldwide at wholesale prices.

Castro, backed by increased Soviet aid, is also successfully spreading terrorism throughout the Western Hemisphere. Castro's ally is Nicaragua where Cuba has 2,000 military advisors plus 5,000 to 6,000 civilian advisors. By broadening its land forces in Central America and gaining new sea and air bases in the Caribbean, Cuba threatens the northern tier of South American nations and more of Africa. One such base is

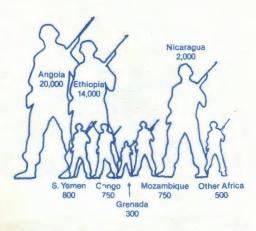
the Point Salinas airfield in Grenada. Grenada's Minister of Defense has said that it may be used by the Soviet Union and by Cuba to supply troops in Angola.

In each target country Castro's strategy

- Unify the left
- Create a "broad coalition" that includes democratic elements but is led by the left
- Use this coalition and propaganda campaigns to obtain Western economic aid
- Strengthen the left with military aid, cripple democratic forces, and destabilize neighboring countries.

This plan has been successfully implemented in Nicaragua, Grenada and the South American nation of Surinam. According to Castro's plan, El Salvador and Guatemala will be next.





The Revolution Without Frontiers - Nicaragua

Principal Kinds of Communist Aid to Nicaragua From:

Cuba:

2,000 Milltary Advisors
4,000 Civilian Advisors

50 Tanks
100 Anti-Aircraft Guns plus Surface-to-Air Missiles
152mm Howitzers

HIP Helicopters

East Germany:
1,000 Trucks

Bulgaria:
Training 70 Jet Pilots

*In addition, advisors and arms are being supplied by the Soviet Bloc, North Korea, Libya, Vietnam and the P.L.O.

Nicaragua's Sandinista Communists modeled their revolution after Fidel Castro's seizure of power in Cuba. And, they intend to continue their communistic crusade beyond Nicaragua's borders. The Sandinistas were, originally, only one of several factions in Nicaragua opposed to the former dictator Anastasio Somoza. They achieved their present, singular prominance by keeping their democratic allies busy in formal governmental bodies while terrorists gained control of the army and the secret police. By deceiving their own people and the West with promises of democratic reforms, the Sandinistas gained popular support and millions of dollars in Western aid.

Shortly after Somoza's exodus, systematic repression of democratic political parties, trade unions, the church and the media was initiated. Repression continues today. Though the Sandinistas promised free elections, in August, 1980, they announced that elections

would not be held until 1985, and that these could only rubber-stamp existing policies. Recently, one of the ruling Directorate said that these elections would not occur.

Repression by the Sandinistas has been especially tragic for the Miskito, Sumo and Rama Indians of Nicaragua. Resistance to forced relocation has meant death and destruction as the Sandinistas have burnt more than 40 Indian villages. 15,000 Indians have taken refuge in Honduras.

Advised and supplied by Cuba and the Soviet Bloc, Nicaragua directs terrorist activities and provides arms and training to guerillas operating in El Salvador, Guatemala, Honduras, and Costa Rica. With access to, and often sympathy from, the media in the United States and other free countries, Nicaraguan officials try to cover the true meaning of their brutal revolution—a revolution without frontiers.

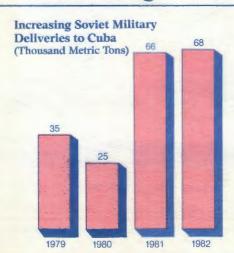
The Soviet Union-Extending Its Reach

The Soviet Union has generously rewarded Cuba for supporting its worldwide totalitarian objectives. In addition to four billion dollars in annual economic aid, the Kremlin has supplied Cuba with over three billion dollars in military hardware since the early 1960's. In the last two years 134,000 tons of Soviet arms have been delivered to Cuban ports. The amount of Soviet arms assistance to Cuba is ten times larger than the United State's military assistance to all of South America.

The Soviet Union presently has an army brigade of 3,000 men, 2,500 military advisors, and 6,000 to 8,000 civilian advisors in Cuba. Soviet military advisors in Cuba outnumber U.S. military advisors in all of Latin America by twenty-five to one! Castro has received 200 MIG aircraft, 650 tanks, at least 90 helicopters, a Koni class frigate, two amphibious

assault ships, and the modern TURYA hydrofoil torpedo boat which has only been exported to Cuba. Cuba supports a massive Soviet intelligence collection center and lies amid sea lanes vital for communication and transportation.

Soviet inspired activities in Central America clearly signal their intent to challenge the United States on American turf. By increasing its air and sea capabilities in the Caribbean, the Soviet Union can hinder and prevent the effective resupply of American troops in Europe. With massive Soviet and Communist Bloc aid to the guerillas in Central America, the Kremlin can destabilize the region, install puppet regimes, and continue its drive for global domination. The threat is real. The Soviet Union has set its course for victory. If its efforts go unchallenged in Central America who will we have to blame?



Military & Military-Associated Equipment (vehicles, field kitchens, uniforms, radios, spare parts)

...and Their Targets of Opportunity

El Salvador - Embattled Yet Free

The Social Democrats and Communist-front refused to participate in El Salvador's 1982 elections. Instead, leftist guerillas resorted to bombing buses and trucks and attacking villagers in an effort to forcibly keep the people from voting. In the elections, a convincing 80% of the electorate voted for law and order, peace and democracy.

Democratic rule is beginning to work in a country that has suffered social inequities and political corruption. The Salvadoran Government is implementing agrarian reforms and recently redistributed one-fifth of all arable land. This "Land to the Tiller" program has made 65,000 farm laborers into farm owners.

The government has committed itself to holding presidential elections, and a referendum on the new constitution by March of next year. Though the government has offered amnesty to guerillas, few will accept it.

Meanwhile, guerillas continue to destroy bridges, transportation, utilities, factories and farmland, pushing unemployment to 40%. In 1982, the 4,000 to 6,000 Cuban and Nicaraguan trained and supported guerillas succeeded in killing 1,300 Salvadoran defense personnel and wounding an additional 12,500. In 1983, El Salvador struggles to remain free.

Salvadoran Infrastructure Destroyed by Terrorists

55 of the country's 260 bridges

112 water facilities

5,000 interruptions in electrical power—
eastern region blacked out for 1/3
of 1981 and 1982

249 attacks on the telephone system

200 buses in 1982

The Next Target - Guatemala

Communist Dominoes



Guatemala, located on Mexico's southern border, has been declared the next target, following El Salvador, for communist takeover in Central America. The communist's bid for revolution has begun with Fidel Castro increasing Cuban support in arms and training to Guatemalan leftist guerillas. On February 9, 1982, a Guatemalan guerilla leader called a press conference in Havana to announce the unification of four leftist factions. Large caches of arms have been captured by Guatemalan security officials. Many of the captured weapons have been traced to shipments of

U.S. arms to Vietnam in the early 1970's. Several vehicles captured in Guatemala City showed custom markings from Nicaragua.

Following Guatemala's 1982 elections, widespread suspicion of electoral fraud led to a coup by the Junior Officers Corps. Governing General Efrain Rios Mont has implemented an intensive counter-insurgency program. The new government struggles for stability while Cuba and Nicaragua continue to arm leftist guerillas in hopes of installing a communist regime one country away from the United States.

Honduras - A Corridor for Terrorism

January 27, 1982, marked the first legitimate election of a Honduran leader in 18 years. Over 81 percent—1.1 million people—voted in an extremely competitive campaign. Dr. Roberto Suazo Cordova's inauguration overwhelmingly displayed the Honduran people's desire to establish democratic government.

Since the election, Honduras has renewed efforts to stop the trespass of guerillas and the shipment of arms through its territory by Nicaraguan-backed terrorists to communist rebels in El Salvador. The United States and Honduras agree on this policy of interdiction in order to prevent the infant democracy of

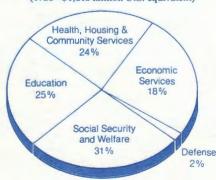
Honduras from becoming a corridor for terrorism.

Honduras has allowed more than 30,000 refugees from Nicaragua, El Salvador and Guatemala to seek shelter within its borders including 15,000 Miskito Indians. These refugees offer the world dramatic proof of the mistreatment that minority and opposition groups receive under the Sandinistan, communist dictatorship in Nicaragua. Democratic forces from Nicaragua, many of whom opposed Samoza, have joined the displaced in Honduras. Jaded by the Sandinista's lies and repression, they are working to establish democracy in their homeland.

Guatemala Honduras El Salvador Nicaragua Seaborne Arms Route Overland Arms Route Airborne Arms Route

A Shining Example of Democracy - Costa Rica

Government Spending in Costa Rica (1980-\$1,210 million U.S. equivalent)



Costa Rica has enjoyed democracy for 35 years. As a shining example to other Central American nations, it boasts the highest standard of living and social services in the region. Costa Rica's peaceful existence is defended by a tiny paramilitary force of only 7,000 men. This small democratic nation is threatened by the continued increase in military arsenals of Cuba and Nicaragua.

Because the Costa Rican government has boldly opposed the use of its territory for the supply of weapons to the region's communist guerillas, Cuba and Nicaragua have made Costa Rica a target for subversion. They have continually provided weapons and training for Costa Rican leftist guerillas. Costa Rican officials have confiscated 13 vehicles used for arms smuggling and more than 170 weapons including machine guns, TNT, handgrenades and launchers, ammunition and combat uniforms.

The famous Nicaraguan military leader, Eden Pastora, known as "Commander Zero," has taken refuge in Costa Rica to do battle with his former Sandinistan comrades because of the Sandinista's failure to bring about the democratic reforms promised by Nicaragua's revolution.

Communist Expansion in Central America

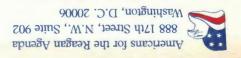




GARY VAN BUSKIRK

888 17th Street, N.W., Suite 902 Washington, D.C. 20006 (202) 835-0819

Washington, D.C. Permit No. 4035 PAID U.S. Postage Bulk Rate



Write Your Congressmen—

Tell them that you support President Reagan's requests for Aid to Central America!

House of Representatives

Your Representative

plus

The Honorable Clement Zablocki

Chairman, Foreign Affairs Committee

plus

The Honorable Micheal Barnes

Chairman, Subcommittee for Western Hemisphere Affairs

The Honorable Clarence Long

Chairman, Appropriations Subcommittee for Foreign Operations

Send Correspondence to:

Senate

Your Senator

plus

The Honorable Charles Percy

Chairman, Foreign Relations Committee

plus

The Honorable Jesse Helms

Chairman, Subcommittee for Western Hemisphere Affairs

The Honorable Robert Kasten

Chairman, Appropriations Subcommittee for Foreign Operations

Send Correspondence to:

United States Senate

Washington, D.C. 20510

United States House of Representatives Washington, D.C. 20515

To Call, Dial (202) 224-3121



The ARA Report

© Published by Americans for the Reagan Agenda, (202) 835-0819.

Donald F. Sammis, President Alfred Balitzer, Vice President Daniel Cathcart, Executive Director

Gary Van Buskirk, Director of Communications & Research

Tyler Miller, Research Assistant



Join Americans for the Reagan Agenda

Help President Reagan Defeat Communist Agression

- ★ By joining Americans for the Reagan Agenda you become a partner in President Reagan's efforts to protect and rebuild America
- ★ By contributing \$20.00 or more you will receive a copy of A Time for Choosing: The Speeches of Ronald Reagan, 1961-1982*
- * Send us your name, and the names of your friends and neighbors so that they may receive The ARA Report.

Send contributions, names & addresses to:

Americans for the Reagan Agenda • 888 17th St., N.W., Suite 902 • Washington, D.C. 20006

*Please allow 6-8 weeks for delivery. Americans for the Reagan Agenda is a non-partisan, non-profit, 501(c)(4) national grass-roots organization which supports the Reagan Presidency.

Americans for the Reagan Agenda Natinal Advisory Board: Jack Abramoff, Robert O. Anderson, Ernest Angelo, Jr., David H. Barron, Margaret Martin Brock, Houston Burnside, Jr., Al Cardenas, Honorable James M. Collins, Holly Coors, Jack L. Courtemanche, Howard H. Dana, Jr., Justin Dart, Honorable David Dreier, Robert L. Emett, Larry Field, Max Fisher, Dr. Hoyt D. Gardner, Honorable Newt Gingrich, Marcia Wilson Hobbs, Jaquelin H. Hume, Earle Jorgensen, Honorable Delbert L. Latta, Honorable Paul Laxalt, Honorable Jerry Lewis, Polly Logan, Honorable Trent Lott, William J. Lowelberg, James Lyon, James Munn, Jerry Oren, Polly Logan, Honorable Trent Lott, William J. Lowelberg, James Lyon, James Munn, Jerry Oren, Marcia Wilson, Honorable Trent Lott, William J. Lowelberg, James Lyon, James Munn, Jerry Oren, Marcia Wilson, Marcia Wilson, Marcia Wilson, Marcia Wilson, Marcia Wilson, Jerry Oren, James Munn, Jerry Oren, Marcia Wilson, Marc Bob J. Perry, Honorable John C. Pritzlaff, Nancy Reynolds, James Roosevelt, Henry Salvatori, Henry Sayler, Harold Byron Smith, Jr., Frank D. Stella, J.A. "Bo" Sullivan, Honorable Strom Thurmond, Holmes Tuttle, Jack Wrather

ember of The Associated Press. The Associated Press is entitled exclusively to the use for reproduction of all

All editorials are intended to reflect the position of the publishers and not that of any individual editorial writer. Signed columns, on the other hand, reflect the opinions of the author and not necessarily those of the publishers.

SATURDAY, JANUARY 16, 1982

Moderates capture Reagan revolt

By PATRICK J. BUCHANAN

Late last year, Dan Rather introduced a CBS Report with the new commonplace observation that 1981 was "a year in which a generation of growth in social service programs halted and went into reverse."

To much of the national press, certainly to CBS and its sisters, Reaganism has become a synonym for savaging the social budget, for colossal

boosts in military spending, for tax rate reduction for the rich.

The recurring, pejorative phrases are becoming a part of our political vocabulary, cliches. Reagan, it said, has "shredded the so- Patrick Buchanan cial safety net." He



is "balancing the budget on the backs of the poor." The administration has "abandoned the cities" and "written off" the minorities. The president's foreign policy is "bellicose" and "militaristic.'

Several analyses have just appeared from the pens of two neo-conservatives and a liberal which suggest a general superficiality to the conventional media wisdom.

Here is Ben Wattenberg, who served in the White House that admits to paternity in The Great Society case;

"In 1964, first full year of the LBJ presidency, 28.8 percent of the federal budget was devoted to 'human seri' vices.' That rubric included health, education, welfare, veterans, Social Security, nutrition and so on. (That 28.8 percent amounted to \$34 billion.)

"A frenetic legislative epoch then

"Enter: food stamps, aid to students, increased welfare and Social Security benefits, Medicare, Medicaid and rent supplements, to begin a long, long list. And, today, in 1981, spending for human resources comprises 52 2 per

cent (or \$349 billion) of a much expanded federal budget.

"In broad strokes," Wattenberg continues, "that increase from 28.8 percent to 53.3 percent in human services spending can be said to delineate the huge change that the Great Society brought to America."

And the Reagan Revolution which threw "into reverse" a "generation of growth in social service programs"?

Wattenberg: In the Reagan budget and projections, "the 53.3 percent of the budget for human services does indeed shrink. But, to what levels? To

Is that a 'radical' change? That is only a 1.5 percent change, and even that assumes that Reagan gets all the cuts he plans during the next few years."

In short, not only all the FDR, but almost all the LBJ social programs endure and grow; taken together, they will continue to consume a near record share of an ever-expanding federal budget. This they call "dismantling the Great Society."

And the tax cuts, Reagan's "welfare for the greedy"?

The Heritage Foundation has concluded that no single group of taxpayers will be paying a smaller share of its income in federal taxes in 1984 than it did in 1977.

Reagan-Kemp-Roth is little more than an "indexing" of the tax code to give workers and producers some of the measure of protection from inflation currently provided by law for retired folks on Social Security.

On our "massive" military buildup, here is Walter Pincus, New Republictype, military analyst for The Wash-

Those who watch instead of listen will make an intriguing discovery: The Reagan administration in the past year actually presided over a significant reduction in strategic nuclear weapons on alert as well as in the development of new weapons for the fu-

In 1981, eight ballistic missile submarines (out of a fleet of 39) were berthed; only one B-52 was outfitted with cruise missiles, not the squadron projected; the 53 Titan missiles, with a third of our land-based megatonnage, were rescheduled for retirement in 1983, four years early; and Jimmy Carter's decision to deploy 200 MX missiles in 4,000 protective shelters in the Western desert was overturned

"Instead, half that many missiles will be built; the racetrack system will be abandoned; only 40 missiles will be deployed by 1986 in old, wilnerable silos now occupied by the Minuteman.

"If a Democrat were in the White House," chortles Pincus, "conservative Republicans almost certainly would be accusing him of unilateral disarmament."

As for our "bellicose" foreign policy a charge based upon Reagan's offhand observations that the Soviets are liars and cheats whose people survive on a "diet of sawdust" - here is the Year One assessment of Irving Kristol, a Reaganite neo-conservative:

"We permit our European allies to circumscribe our policy in Eastern Europe; we permit our foreign economic policies to be shaped at the United Nations; we permit Mexico to veto any vigorous response to Cuba's intervention in Central America and Africa; we tongue-tie our president, our secretary of State and our ambassador to the United Nations when confronting Third World impudence and insult; we are blackmailed so successfully by friend and foe alike that we habitually pay up in advance.

"What single bold action has this administration taken in foreign policy?

While the networks continue to chase down long-in-the-tooth "civil rights leaders" who will pronounce Reagan's administration "racist," the unwritten political story of 1981 is yet overlooked: The hijacking of the Reagan Revolution by the moderate



'Jimmy Reagan' now in charge

By ANDREW M. GREEDEY

Simmy Carter never left the White House. He disguised himself as former movie actor Ronald Reagan and stayed on to continue the policies of his administration.

Consider. The real Ronald Reagan Consider. The real Ronald Reagan promised to eliminate budget deficits and cut taxes. However, Jimmy Reagan (Carter disguised as a cowboy) will preside over the biggest budget deficits in the his

tory of our country and will, if his Treasury secretary is to be believed, increase taxes next

The real Ronald Reagan promised a climate of healthy sympathy for American business.

Jimmy Reagan, a Andrew Greeley of the anti-business American liberals, has permitted the housing and automobile markets to fall apart and watches without concern as the business community sinks into a deep recession.

cession.

The real Ronald Reagan promised to be tough with the Russians. Jimmy Reagan imposes pitty-pat sanctions on Russia and Poland for their suppression of freedom in Poland, not even returning to the grain emhargo.

The real Ronald Reagan promised to abolish draft registration. Jimmy Reagan extends the draft registration. "Surday amcesser" to the Russians of "surday amcesser" to the Russians.

Reagan extends the draft registration of the draft registration to be draft registration to be draft registration to be draft registration about Afghanistan.

The real Ronald Reagan knew that the Russians were tough guys like himself. He didn't believe that you could send messages of weakness by centinuing trade with Russia and canceling these with messages of strength about maybe drafting young Americans. Jimmy Reagan thinks you sound tough if you demand that you have no intention of drafting anyone.

The real Ronald Reagan was a man who you could tell would keep all his campaign promises. Jimmy Carter

kept not a one of his. Obviously a man-who wins the presidency an part on his promise to American mothers that hell-end draft registration and then re-neges on that promise to send a mes-sage to the Russians must be Jimmy Carter and not Ronald Resgan. Would George Gipp lie to you? The Russians are hardly likely to be impressed. They know that the United States does not dare use a draft army in a long overseas war with high casu-alties, even if Jimmy Reagan has forkept not a one of his. Obviously a man-

alties, even if Jimmy Reagan has for-gotten about Vietnam and Korea. They know that the loudmouths who make American foreign policy will attempt to use a conscript army if they have one, but that the public will quickly turn against such a war.

If the public is slow to react, then the Russians can unleash their American stores to support a "bease care."

the Russians can unleash their Ameri-can stooges to support a "peace cam-paign." The Russians are very good at peace campaigns, though they don't have any in their own country. So they're not impressed with Reggan's phony draft registration message any-more than they are with mutterings about further sanctions

when he is not willing or able to force the European allies to go along with such sanctions. They know that the only reason for having a draft or readi-ness for a draft is that it makes the bureaucrats at Foggy Bottom and the Pentagon feel good because they can act tough and pretend that they have the same kind of authoritarian control over the American people that the Russians have over theirs.

Thomas Jefferson said once that a Thomas Jefferson said once that as military draft is the worst kind of oppression. Obviously the 800,000 young Americans who have not registered think the same thing. Ronald Reagan, the vigorous advocate of personal freedom, individualism, courage of your own convictions against the oppression of big government would not try to send such young mental ail. send such young mento jail.

However, Jimmy Reagan is talking

about Justice Department prosecution.
Turn the power of the government against people who had voted for him?
Don't be silly. The real Ronald Reagan wouldn't do that.

Ask the air traffic controllers.

Patrick J. Buchanan

Let Reagan Be Reagan

WASHINGTON - Say anybody out there know whatever became of "The Gipper"? You know, big fella with the slicked down hair who, bout '75 or '76; came out of California and tore old Jerry Ford up something awful. You remember. The fella who had 'em standing on the folding chairs cursing Jerry for selling out East Europe and giving away the Panama Canal. I can still see that Kansas City convention filled up with the kind of foot-stomping, oath-shouting rednecks in white collars who had Hank Kissinger scared to show up in the hall.

Remember, back in 1980, how he almost kicked it away out in Iowa and then came tearing back to snatch it all from the preppy fellow up in New Hampshire, where he backhanded that Yankee editor who tried to cut him off with, "Mr. Green, I paid for this microphone." Same fellow who used to set their teeth rattling in Georgetown by calling the Vietnam War a "noble cause" and telling the preachers in Dallas he had the same doubts they did about everybody descending from monkeys. Yessir, that was my kind of candidate. Whatever became of him?

WELL, FOLKS, sad to say, your correspondent sighted The Gipper on television the other day at a presidential press conference. He was ducking, bobbing, weaving, backpedaling on what was going on in El Salvador and what the U.S.A. was going to do about it. "I just will not comment," was what it added up to.

Into the new week the process continued. For the record, folks, the Reagan administration is not "on the defensive";

it is getting clobbered.

The president's veterans, with him before Kansas City, are embarrassed almost into silence, watching him explain why he is paying off Gen. Jaruzelski's debts to the New York banks without hauling Jaruzelski's thugs into court and forcing them to confess bankruptcy.

The rabble of the civil rights movement is getting away with any insult its limited imagination can dream up. The "New Federalism," said Joe Jacobs of the Urban League, represents à "caveman ethic that is a moral insult to America's ideals." "The new budget is even more vicious than last year's." Where the devil is Lyn Nofziger? The answer to this kind of rancidity is to zero out federal spending for these poverty racketeers.

Lane Kirkland gets away with calling Reaganomies "Jonestown economics" giving Kool Aid to the nation's poor and unemployed - rhetoric that embarrassed some of his union buddles.

Even the trendy pacifist prelates of the U.S. Catholic Conference can spot a big fat kid who won't fight back. Reagan's budget, says Bishop Joe Sullivan. is "intolerable." "The return of the soup lines and the dramatic increase in the demand for emergency food assistance and financial aid should not be interpreted as a sign of success for the 'New Voluntarism.' They are instead sad symbols of retreat by a government from a fundamental responsibility."

This about a budget that provides 95 million subsidized meals every day and food stamps for 19 million people.

Well. I'll tell you. The administration of Ronald Real gan, Mr. Conservative, is afflicted with that crippling disease common to the moderate Republican a yearning that borders on acute hunger for respectability, for approbation, for acceptance by the Washington elite that will cause one to suffer stoically any insult or indignation, to calmly wipe the spittle off one's cheek before turning it. Its style of selfdefense is the reasoned, cool, non-provocative - always sympathetic to the other fellow's point of views - style taught at Country Day. The "Let's Have a Dialogue" School of Politics.

WHAT HAPPENED to The Gipper?

W. Bradford Reynolds, the president's enforcement officer for civil rights, is a practitioner accused by Eleanor Holmes Norton of being the "major negative force" in the administration, of making an "unprincipled attack on the rule of law." Reynolds retorted, "We are not against desegregation. ... But at the same time we will not deprive students of the significant benefits of attending schools in their own neighborhoods by insisting on a mandatory, race-conscious transportation remedy that has proven ineffective and holds out little promise for an enhanced educational experience."

How's that - for giving it to 'em with

the bark on?

As casualties mounted in the bloody battles of the wilderness, the Eastern press clamored for Lincoln to relieve Grant. "I can't spare this man," Lincoln replied, "He fights."

Not a bad epitaph. What your followers need. Mr. President, is not more Hollywood productions crying, "Let Poland be Poland," but a White House decision to let Reagan be Reagan.

6 1982 PJB Enterprises Inc.

The Elites and Reagan's Populist Agenda

By JEFFREY BELL

By Jappen Main.

While watching the television coverage of the shooting of President Reagan, and in particular the details of his courage and good himm; in the midst of this ordeal that began to filter out. I seemed to hear a tone in the broadcast voices not only of admiration but of sincere surprise.

Estraordinary that the old fellow seems to be brigging it off so well, they seemed to be saying. It struck me that if there is one thing that is consistent about the political career of Ronald Reagan it is his ability to surpass the expectations of America's eitles.

Here, after all, is one of the most inter-Here, after all, is one of the most interesting and surprising political success forces in our history. Entering politics as a second career at the age of 55, winning the governorship of the largest and most modern state in the country, putting himself in the service of a political philosophy that seemed hopelessly discredited, seeing that philosophy through to landside success and igniting movements to limit taxes, decentralize, welfare and reassess detented along the way, winning the iPresidency at an age few thought conceivable.

What is it about Mr. Reugan that enc-me time to be impossible image sense-tion to be impossible image sense-treaction and still be regarded by the best people as an amitable digitoreight? There is, of course, the fact that unlike a lot of successful people. Mr. Reagan is not self-supportant. A man who takes him-self with a grain off sail can lead a certain kind of observer to make the mistake of some the stone.

Related to this quality is Mr. Reagan's tendency to try to embody ideas, rather than build an organization on a network of than bulld an organization on a network of two loyalty to one's career advancement in the Dewby-Nixon-Rocketeller mold. The two loyalty careers to be that a single-minded attention to one's fortunes is the only way to be "realistic." Mr. Reagan isn't "practical" and sophisticated in the sense Dewey, Nixon and Rocketeller-were. Hence—even in the eyes of idealists who don't admire the earlier examples—Mr. Reagan must be "lighter."

Reagan must be "lighter."
Finally, and perhaps most important, there is Mr. Reagan's thoroughgoing populism. During the 1980 campaign, a Reagan political aide was quoted in The Wall Street Journal: "If you give Ronaid Reagan the choice of stitting around with some gas-station attendants or a bunch of state legislators, he'll take the gas-station attendants every time." It was clear in the context that the aide was not happy about this preference. Neither were the earlier advisers—inyself included—who privately bemoaned Mr. Reagan's careful reading and answering di over-the-transom mail from sormal folks, will distinct preference, to meeting and telephoning politicians and opinion-makers.

But in an age of presidential primaries and mass media, with its premium on understanding and communicating with average voters ain televised debates and commercials unfiltered by reporters or old-style pols, who was really right in his use of time? Since 1876, Wr. Reagan has won 43 contested primaries and carried 44 of 50 states in his one general relection.

Mr. Reagan acquired his political style

Judicial activism. Whether one ilkes abortion on demand or not—and Mr. Reagan doesn't—the Supreme Court's 1973 decision is the epitome of elitist government—a unilateral short-circuiting of the democratic process in 50 states.

On this and other "social" issues, Mr. Reagan will favor a reversion from judicial to democratic decision-making, and will not hesitate to Jobby for various consti-

What is it about Mr. Reagan that enables him to do 14 impossible things before breakfast and still be regarded by the best people as an amiable lightweight?

and most of his ideas in a radically populist way. In a New York Daily News syndicated article, former General Electric executive Ekward' Langley described Mr. Reagan's conversion from liberal to conservative in this OE years from 1964 to

servative in this GE years from 1864 to 1862.

"GE people changed Beagan, Year after year, in smoky factories, he let through the forte-little into the air to jabber with welders, or he bounded onto paterial to the season of the control of the co

emment.

"A lady coll-whider hit him with, 'Do you know how many licenses I need to open a part-time beauty parlor in my house? The government is running my life. Why?" A refuctant Reagan listened. He was nose-to-nose with middle America-and changing in the process. No other politician I can think of has been so steeped in the native conservatism of working America.

In seven years, he was so won ica. In seven years, he was so won over to working America that he began giving sizzling speeches to community groups that embarrassed his GE bosses, and they fired him."

The ironic culmination of Mr. Reagan's GE experience has found an echo in just

The ironic culmination of Mr. Reagant's GE experience has found an echo in just about everything that has happened to him since. In his presidential races, he has raised his money by the populist medium of direct mail, while such opponents as Ford, Comally and Bush went the large-contributor route. In his 1976 and 1880 nomination fights, he did far better with primary voters than with elected officials and party dignitaries.

Assuming that Mr. Reagan comes to

party dignitaries.

Assuming that Mr. Reagan comes to dominate the politics of the 1980s, as he has a very good chance of doing provided that he is able to recover and maintain his health, the policy conflicts ahead may be much easter to understand if one forgets the old-fashioned right-left spectrum and focuses on a populist versus elitist cleavage.

intional amendments if they appear the only feasible method of returning decision-making to the electorate. As to the social content of these policies, Mr. Reagan's own leaning will be toward the democratic content of "community standards" rather than to social liberturianism of the right or

than to social libertarianism of the right or left.

Taxes. In this area, Reagan's populism shows in his deep belief that the mass of people will respond to new tax fine-titled, the people will respond to new tax fine-titled. He could be some that the mass of the people will respond to new tax fine-titled in their belief that average people, if given big personal tax cuits, will respond either minimally or irresponsibly—by bidding any prices, rather than supplying new work and saving.

The critique is implicitly elitist, in that it assumes that wiser use of the national income stream will be made by the few (the federal government or large corporations) than by the many, at least in the "short run." The elitist recipe? Keep personal tax rates high, and concentrate tax incentives in the corporate sector. This is the bipartisan recipe that has brought Britain, the most elitist of all the democracies, years of stagilation and an instantaneously frontrunning new party.

Federal spending, it has already been widely noted that the Reagan-Stockman budget strategy, by favoring defense and leaving most of the big transfer-payment programs alone, takes a heavy toil on that portion of the budget known as "Other."

leaving most of the big transfer-payment programs alone, takes a heavy toll on that portion of the budget known as "Other," cutting it from 29% to 18% of dederal spending over the next few years. To some extent, this is simple recognition of the need for higher defense spending in tandem with the supply-side insight that the time to reform safety-net programs is after restoration of economic growth through tax cuts, not before. But it is more than that. The meat ax assault on "Other" is a

The meat-ax assault on "Other" is a p toward massive decentralization of

The dynamic variable in Mr. Reagan's. budget strategy is his optimism about the ability of average people to govern them-

selves at the local level. This populist rationale was clear in his mind at least as early as 1975. When I worked on his controversial speech advocating 380 dillion in federal decentralization, I offered Mr. Reagan at least a dozen possible titles. The one he chose was "Let the People Rule."

Monetary policy. William dennings Bryan might scratch his head in amazement, but in the context of the 1880s President Reagan's long-time filirtation with a return to the spold standard also puts him on the populist side.

In the pure paper currency standard we have had since 1971, an edite 197 central beancers and economists decides how much money the government shall print. This is time whether the edite is monetarist ("conservative"), aiming at a fixed rate of increase, in currency, or Keynesian ("liberal"), aiming to fix interest rates. In either case, the favored policy lever is maminiation by the sfew.

the case, the favored policy lever is ma-nipulation by the few.

In a-modernized gold standard, by con-trast, the people's demand for money de-termines the quantity of money supplied by the government.

termines he quantly of money supplied by the government.

Torsign policy. In the Reagan years, the real argument will not be between years and the search of the search everybedy is worried about the Soviets and wants to rebuild our military but between populist and ellitst schools of winning friends abroad.

The ellitsts, personified by Alexander Haig inso far as he remains under the influence of his chief mentor. Henry Kissinger, like to operate by boncilisting elites in other countries—most of whom have done rather badly in governing their countries. In this strategy, the lid is put on U.S. backing for human rights—even in the Soviet bloc—in order to avoid antagonizing various governing elites we are trying to woo or negotiate with. In his 1976 campaign, Mr. Reagan became the leading critic of this approach.

this approach.

A populist foreign policy, while not ignoring the elites, would put considerably more emphasis on the war of ideas—including the use of all channels, diplomatic and electronic, to promote capitalism and democracy as the twin answers to most of the world's problems.

One thing is certain. When President

the world's problems.

One thing is ocrtain: When President Beagan gets well, and some or all of these things start happening, the President's elists peers will-keep underestimating him—"the man can't be serious." Perhaps their incomprehension is inevitable in the nature of the gulf between a 'falled eliting of both the right and left and an unfastionable but despended appulied. deep-rooted populist revolution struggling to be born.

Mr. Bell, to former Reagan side and 1978 U.S. Senate nominee in New Jersey, is working on a book on mass democracy at the Eagleton Institute, Rutpers University,

It is a pleasure for Nancy and me and a great privilege to be here today to congratulate you who have successfully completed your education and training at the U.S. Military Academy.

We honor you for the responsibility you are willing to accept. Today you become officers in the Armed Forces of the U.S., guardians of our freedom, protectors of our heritage. But more than that you become the keepers of the peace.

Those shrill voices that would have us believe the defenders of our Nation are somehow the enemies of peace are as false as they are shrill. A Chinese philosopher Sun Tsu 2500 years ago said, "Winning 100 victories in 100 battles is not the acme of skill -- to subdue the enemy without fighting is the acme of skill." A truly successful army is one that, because of its strength and ability, will not be called upon to fight for no one will dare provoke it. There have been four wars in my lifetime and none of them came about because we were too strong.

At the end of World War II we alone were at the peak of our military strength. Our great industrial capacity was untouched by war's destruction. Pope Pius XII said, "America has a genius for great and unselfish deeds. Into the hands of America God has placed an afflicted mankind."

We set out to repair the war-ravaged lands of erstwhile enemies as well as friends. We prevented what could have been a retreat into the Dark Ages. Unfortunately another

great power was marching to a different drum test, creating a society in which everything that isn't compulsory is prohibited. Citizens in that society have little more to say about government than a prison inmate has to say about prison administration.

About 10 days ago I addressed another graduating class at the University of Notre Dame. Young men and women of your generation facing a future in which they wonder what jobs will be available and who their employers will be.

You don't have that problem. You know what your job will be and your employers will be those Notre Dame graduates as well as the rest of your fellow citizens. Now, of course, they won't be directly and personally in charge; that will be left to those of us they have chosen to represent them.

Speaking on behalf of the latter may I say we intend that you shall find better working conditions, tools adequate to the tasks you are expected to perform and pay somewhat more commensurate with the responsibility you assume than has been the case in recent years.

Now you may have heard rumors to the effect that increasing Government spending is not something I'm prone to do. And to tell the truth there is a certain substance to those rumors. At the same time, however, I accept vithout question the words of George Washington, "To be prepared for war is one of the most effectual means of preserving peace." It isn't true that he told me that personally; still, I'm in full agreement and believe he did say it.

But let me speak seriously about your employers. We've been through a period in which it seemed we'd forgotten that Government is a convenience of, for and by the people.

While we were busy with our own affairs Government began to grow beyond the consent of the governed. Its growth was nourished by an ever-larger share of the people's earnings that it took by taxation which became more and more confiscatory. At the same time Government neglected one of its prime responsibilities, national security, as it engaged more and more in social experimentation.

Our margin of safety in an increasingly hostile world was allowed to diminish and for a time it seemed there was an erosion of respect for the honorable profession you have chosen.

All of this led to an economic crisis. Deficit spending and an almost trillion dollar debt resulted in runaway inflation, lowered productivity and great unemployment. The tools of your trade were given a low priority.

I'm happy to tell you the people of America have recovered from what can only be called a temporary aberration. There is a spiritual revival going on -- a hunger to once again be proud of all that America is and can be.

The first step in restoring our margin of safety must be the rejuvenation of our economy. A vibrant and expanding economy is necessary if we are to have the research, the technology and the industrial capacity to provide you with what you need to practice your profession. Reflecting the will of the people the Government has returned to our long-time tradition of bipartisanship not only where national security is concerned but with regard to the economic needs of the people. In recent weeks one could say there were no Democrats and Republicans in the Congress —just Americans.

Yes, there are and will be disagreements but they are legitimate differences of opinion on how best to reduce Government costs, what tax changes will provide incentive to increase productivity and how best to restore our defense capability. Already the Congress has voted the greatest reduction of a budget ever attempted. At the same time it has mightily increased spending for the military.

The argument, if there is any, will be over which weapons and not whether we should forsake weaponry for treaties and agreements. My good friend Laurence Beilenson authored a book a few years ago entitled, The Treaty Trap. It was the result of years of research and it made plain that no nation that placed its faith in parchment or paper and gave up its protective hardware ever lasted long enough to write many pages in history. This is not to say we shouldn't seek treaties and understandings and even mutual reduction of strategic weapons. The search for peace must go on but we have a better chance of finding it if we maintain our strength while we're searching. Mr. Beilenson has recently authored a new thought-provoking book, Survival and Peace in the Nuclear Age.

But weaponry alone does not mean security. General George Patton said: "Wars may be fought with weapons, but they are won by men. It is the spirit of the men who follow and of the man who leads that gains the victory." Today we make only one change in that statement. We say: "the men and women who follow and lead." There are 58 women in this graduating class and women constitute 9.1 percent of the Army today.

The indispensable factor for the protection of all that we hold dear is the leadership you and young men and women like you offer this Nation. You will be the individuals who must inspire and lead those who are called upon to do a hard and sometimes thankless job.

James Warner Bellah, sometimes called our Rudyard
Kipling because of his stories of the Army on our frontier
as we pushed westward, described a poignant scene in one of
his stories. A commanding officer lay dying on the field of
battle. As he passed the command to a younger officer he
said, "There may be only one time in your life when your
country will call on you and you will be the only one who
can do the nasty job that has to be done — do it or forever
after there will be the taste of ashes in your mouth."

A torch of leadership is being handed to you in this commencement ceremony today, a ceremony that is duplicated only in the several other service academies. I know that you have learned the principles of leadership here in this historic place. You know that it requires one to command

the respect of those who follow by deserving that respect; by dedication and total commitment to the defense of our country and all that it represents.

You have had an excellent example to follow. General Goodpastor could almost be said to be a member of your class. He arrived here as Superintendent almost at the same time you enrolled as plebes. He retires now as you graduate.

General Goodpastor had served his country well and retired as a 4-Star General. He left retirement and gave up one of those four stars to return to West Point.

You are part of a great tradition. Overused though it may be, the term the "Long Gray Line" is descriptive of the tradition of which you are now a part. In that line have been men who turned defeat into victory; who stood in the breech until citizen armies could be raised. For a time West Point was the Nation's principal source of professionally-trained engineers. The West was explored and mapped by members of that Long Gray Line. A West Point graduate helped design the Panama Canal and the Holland Tunnel. Two were Presidents. Two are presently Cabinet members in this Administration. Others have become giants of commerce and industry: Henry DuPont, class of 1833; Robert E. Wood, class of 1900.

Dwight Eisenhower stated: "Even in the event of a complete disarmament there is a role for West Point. Even if we just turned our graduates back into the body politic

it would be good. The graduates are trained people who understand duty and do it."

Six astronauts are West Point graduates. Among them the first man to walk in space, Colonel Edward White, who then lost his life in 1967 when a tragic fire swept the Apollo spacecraft.

But let us look ahead to the force of which you will be an important and significant part. I doubt there will be many surprises because in a way you've been "Army" for the last 4 years.

There is little chance that you will be like the young World War II recruit who asked in some bewilderment why the Army did certain things the way it did. A long-time Regular Army Sergeant said, "Let me explain it to you. If you were in charge of a brand new country and creating an Army what would you call the first division you finally got organized?" The recruit said, "Well, I guess I'd call it the 1st Division." The Sergeant said: "When the U.S. put together its first division, it named it the 2d Division. When you understand that you'll know why the Army does things the way it does."

Our country has a unique tradition among the nations.

Unlike other powers with armies of conscripts, our military was composed of citizen volunteers. In times past the standing Army was a skeleton force that expanded in wartime to absorb the draftees, the conscripts. We also counted on a National Guard -- a trained reserve to bridge the period

when the new draftees were undergoing basic training. We must still have that reserve and we are taking steps to upgrade it to a state of immediate readiness.

We once had the luxury of time provided by the two great oceans: a luxury we no longer have.

At the end of World War II we continued the draft into peacetime even though a peacetime draft was counter to American tradition. We had always believed that only in the most severe national emergency did Government have a claim to mandatory service of its younger citizens.

We returned to that tradition in 1973 -- a volunteer military. Some proclaimed it a failure from the start. I'm not going to take your time by reciting the pros and cons of the debate which still goes on except to say that some expressed the belief that patriotism alone should be cause enough to serve. George Washington once said of patriotism: "It must be aided by a prospect of Interest or some reward. For a time it may, of itself push Men to Action; to bear much, to encounter difficulties; but it will not endure unassisted by Interest."

It is true that patriotism cannot be bought -- neither can it be coerced. You are here today as living proof of that. Obviously you did not choose this profession with thought of making a fortune. Samuel Johnson, 200 years ago, said, "An officer is much more respected than any other man who has as little money."

Young men and women volunteered for duty in our Armed Forces and then found that too much of their reward was expected to be patriotism. And even here they were shortchanged. In much of the 1970's there was a widespread lack of respect for the uniform born perhaps of what has been called the Vietnam syndrome. The result was inevitable, a fall-off of enlistments, but even worse a drop in reenlistment resulting in a great loss of experienced noncommissioned officers.

The cry for a draft rose to a crescendo. I believe there is another way, one more in keeping with our system of rewarding those who work and serve, on a scale commensurate with what we ask of them. I don't suppose we could put an exact price on the sacrifice we ask of those who guarantee our safety, but one thing certain, they deserve better than a bare subsistence level.

I have asked Secretary of Defense Weinberger to form a Defense Manpower Task Force to review the entire military manpower question and make proposals which will increase the effectiveness of the active and reserve All-Volunteer Forces.

Last year's pay increase was a step in the right direction, but we are asking for another in the fiscal year that begins October 1. We seek to channel pay increases and bonuses to those in the most-needed skill areas. We are studying proposals for a merit pay system and increased flexibility in personnel practices.

with a program having fewer benefits. At the same time we were expanding Federal aid to college students. The Federal Government in effect provided more benefits to those who were not serving their country and reduced them for those who were. The Defense Manpower Task Force will be studying ways in which we can make enlistment more attractive to the kind of young people we need in our military forces.

Already enlistments are up, so are reenlistments and, surprisingly, or maybe we shouldn't be surprised, many who have already left the service are coming back. There has also been a decided rise in quality as measured by educational and training attainment.

Something other than pay and benefits is contributing to this. I mentioned earlier a new spirit that is abroad in our land. The era of self-doubt is over. We've stopped looking at our warts and rediscovered how much there is to love in this blessed land.

All of us together and you very definitely and the posts you go to can help restore the sense of pride our men and women are entitled to have in wearing the uniform. Let friend and foe alike be aware of the spirit that is sweeping across our land, for it means we will meet our responsibility of the free world. Very much a part of this new spirit is patriotism. And with that goes a heartfelt appreciation for the sacrifices of those in uniform.

You are the prime ingredient that heeps us free; that protects all we cherish and hold dear. You can transmit the historic heritage which is in the very air of West Point. The first Purple Heart medal was awarded here. It was the first decoration ever given to an enlisted man.

At Trophy Point I'm told there are links of the great chain that was forged and stretched across the Hudson to prevent the British fleet from penetrating further into the valley. Today you are that chain holding back an evil force that would extinguish a light we've been tending for 6,000 years.

A few years ago in the sunset of his life a West Point graduate, General Douglas MacArthur, addressed West Point Alumni and Cadets here. No one who heard him can ever forget his words nor his declaration that so long as breath remained in his body he would hear the words: duty, honor, country.

Do your duty, keep your honor, and you will preserve this country for us, for your children and for your children's children.

God bless you and keep you.

MERRELL INDEX of PRESIDENTIAL LEADERSHIP"_

V. Dallas Merrell, Ph.	D. FDR	HST	DDE	JFK	LBJ	RMN	GRF	JEC	100 DAY AVG. REA- GAN
OVERALL INDEX RATING*	5.5	5.0	4.8	4.9	5.1	3.8	4.2	3.5	4.6 5.3
BUILDING AND USING POWER:	6.0	5.0	3.8	5.0	5.5	4.1	3.8	3.3	4.7 5.3
Contending for power	6.3	5.0	3.5	5.3	6.0	5.7	3.3	4.5	5.0 5.3
Building and using alliances	5.7	4.1	4.6	5.1	4.8	3.5	3.8	3.3	4.4 6.0
Knowing government institutions	6.1	5.4	3.2	4.9	6.3	5.0	6.4	2.3	5.0 4.2
Dealing with people face-to-face	6.1	5.4	4.6	5.0	5.0	2.5	4.4	4.0	4.6 6.8
Selling ideas to public	6.3	4.4	4.3	5.5	4.0	2.9	3.1	3.1	4.2 6.0
Using power strategically	6.1	4.8	4.1	4.7	5.7	4.5	3.6	2.4	4.5 4.4
Dominating and intimidating	5.8	4.5	3.7	4.6	6.4	3.8	3.4	3.1	4.4 4.6
Resisting coercion from others	5.8	6.3	4.8	5.0	6.1	4.9	3.6	3.4	5.0 5.0
EARNING RESPECT:	5.6	5.3	5.6	5.1	5.3	3.0	4.7	3.7	4.8 5.9
Personal integrity	4.6	5.5	6.0	4.5	4.8	1.7	5.9	4.6	4.7 6.2
Strong convinctions	6.3	5.8	4.1	5.6	4.8	3.6	3.9	4.3	4.8 6.5
Consistency in actions	4.1	5.7	5.3	4.3	6.3	3.3	4.5	1.9	4.4 5.3
Control of weaknesses	5.1	5.8	5.6	4.5	5.0	1.9	5.0	4.8	4.7 6.0
Self confidence	6.6	5.6	6.3	6.2	4.0	4.0	4.6	4.7	5.3 6.3
Popularity and public esteem	6.3	4.8	6.2	5.7	5.7	1.9	4.5	2.6	4.7 6.3
Visibility of strengths	6.6	5.0	5.2	6.0	6.4	2.9	4.0	3.8	5.0 6.1
Achievements before presidency	5.5	4.0	6.3	4.0	6.1	4.6	4.8	2.8	4.8 4.8
UNDERSTANDING MATTERS:	5.4	5.0	4.3	5.2	4.7	3.5	4.3	3.6	4.5 4.9
Understanding diverse types/people	5.9	4.8	4.5	4.9	4.9	3.2	4.8	3.4	4.6 4.9
Tapping grapevines	6.8	4.7	4.0	5.2	5.5	4.0	4.1	3.3	4.7 5.3
Relating ideas and events	6.3	4.9	4.0	5.4	5.0	3.4	3.6	3.3	4.5 4.8
Reasoning independently	5.5	5.8	3.7	4.9	5.1	4.7	3.7	3.5	4.6 4.8
Controlling prejudice	4.5	4.3	5.2	5.0	3.6	2.0	4.7	3.6	4.1 4.6
Keeping up-to-date	5.0	5.5	4.3	5.8	5.7	4.7	4.4	4.3	5.0 4.9
Listening accurately	5.0	5,0	4.9	5.2	4.1	3.7	4.2	3.3	4.4 5.3
Probing and questioning	4.9	4.9	4.1	5.3	5.0	3.9	4.2	3.9	4.5 4.7
Getting criticism	4.9	4.7	3.9	4.8	3.3	2.3	4.6	3.4	4.0 4.7
ESTABLISHING DIRECTION:	6.1	4.6	3.9	4.7	5.4	4.2	3.6	3.1	4.5 5.5
Taking initiative	6.5	5.3	3.6	4.8	6.1	4.8	3.1	4.0	4.8 5.8
Clarifying issues	6.2	4.7	3.7	5.1	4.1	3.6	3.4	3.5	4.3 5.9
Setting objectives	6.1	5.0	3.8	5.0	5.8	4.4	3.9	2.9	4.6 5.5
Formulating strategy	6.1	4.3	3.9	4.6	5.7	4.5	3.6	2.4	4.4 5.2
Persuading and building support	6.3	3.8	4.3	4.5	5.4	3.8	3.6	3.0	4.3 5.6
Keeping matters on track	5.6	4.7	4.3	4.2	5.4	4.0	4.0	2.7	4.4 4.8
DEVELOPING IMPLEMENTATION PROCESSES:		4.8	5.1	4.7	4.8	4.0	3.8	3.0	-
Delegating assignments clearly	5.4		4.6	4.5	5.5	4.8	4.0	3.4	-
Building team spirit	5.4	5.2	5.6	5.5	4.6	3.9	4.2	3.0	4.6 5.4
Pulling loose-ends together	3.6	4.5	4.7	3.8	4.7	4.0	3.7	2.4	4.0 4.2
Setting procedures & ground rules	4.2	4.5	5.1	4.5	4.4	4.2	3.6	3.0	4.2 4.8
Scheduling to meet deadlines	3.8	4.8	4.8	5.3	5.4	3.5	3.5	3.2	
Clarifying working relationships	3.8	4.7	5.5	4.8	4.1	3.4	3.9	2.8	
SOLVING PROBLEMS:	5.7	5.2	5.0		4.4	3.4	4.2	3.2	
	6.1	4.4		4.8					4.5 5.0
Spotting problems early			4.0	3.8	4.3	3.6	3.7	3.4	4.2 4.6
Using competent help	6.0	4.9	5.5	5.7	4.1	3.7	4.6	2.9	4.7 5.3
Acting decisively	5.9	6.5	4.5	5.2	5.3	3.5	4.0	2.5	4.7 5.3
Using good judgment	5.2	5.2	5.5	4.3	3.5	3.0	4.4	2.4	4.2 4.8
Handling crises with poise	6.6	6.0	5.8	5.7	4.2	2.8	3.9	3.1	4.8 6.2
Mediating differing interests	5.0	3.5	5.0	4.2	3.9	2.7	4.5	3.6	4.1 4.6
Resisting petty demands	5.3	5.2	4.8	5.1	4.5	4.1	4.5	4.6	4.8 5.4
Disciplining decisively	5.2	6.0	4.6	4.6	5.3	3.9	3.6	3.1	4.5 4.1
PERSONAL EFFORTS:	5.4	5.4	4.8	5.0	5.4	4.7	4.9	4.9	5.1 5.7
Working hard at duties	5.8	5.5	3.8	4.9	6.3	5.2	4.8	5.7	5.3 4.6
Maintaining health and vitality	4.7	5.4	5.3	5.2	4.5	5.2	6.1	6.0	5.3 6.2
Managing personal time	4.8	5.2	5.7	4.7	4.9	4.4	4.4	3.9	4.8 5.9
Focusing on priority tasks	6.3	5.4	4.2	5.3	6.0	4.1	4.2	4.1	5.0 6.1

^{*}Ratings made on 7-point scales, with 7 as high.

[&]quot;Merrell Index of Presidential Leadership is a Merrell trademark. Copyright 1980.

V. Dallas Merrell, Ph.D. 13917 Crest Hill Lane, Silver Spring, MD 20904 (301)384-2926

HIGHLIGHTS OF THE STUDY

This is a continuing study to examine the leadership strengths and weaknesses among U. S. presidents. The study began in February 1980 with the establishment of an "Index of Presidential Leadership," measuring presidents from Franklin D. Roosevelt to Gerald R. Ford. Presidential candidates, Carter and Reagan, were studied in October 1980. The panel rated President Reagan after his first 100 days in office.

The index was developed from an independent assessment by a distinguished panel of experts who, using 7-point scales, rated the candidates and presidents on 49 leadership attributes. Panelists were selected from presidential scholars and insiders who have worked with the presidents.

Panelists. James MacGregor Burnes, presidential biographer, Pulitzer Prize winning author of Leadership; Howard Fleiger, former editor U. S. News and World Report; Chester A. Newland, Director, Federal Executive Institute; Francis H. Heller, author of The Presidency: A Modern Perspective; Stuart G. Brown, author of The American Presidency: Leadership, Partisanship and Popularity; Frank P. Sherwood, past President, American Society for Public Administration; Margaret Chase Smith, former U. S. Senator; Elmer B. Staats, former Comptroller General of the U. S.; George E. Reedy, author of The Twilight of the Presidency and LBJ Press Secretary; Merlo J. Pusey, Pulitzer Prize former Associate Editor, Washington Post; A. J. Wann, author of The President as Chief Administrator: Gene Smith, presidential author; J. R. Blandford, General Counsel to Congressional committee; Lee Roderick, Washington Bureau Chief, Scripps-League Newspapers; Maurice H. Stans, former Secretary of Commerce; Dwight Ink, former chairman of presidential task forces; Gardner Ackley, former Chairman, Council of Economic Advisors; Alfred Steinberg, presidential biographer; F. Charles Graves, president, public affairs agency; Kendall O. Price, President, Center for Leadership Development; Neely Gardner, USC Professor of Public Administration. Reagan panelists: Burns, Sherwood Staats, Newland, Reedy, Pusey, Graves, Price, Gardner, Roderick, and Steinberg.

HIGHLIGHTS OF THE FINDINGS

Past presidents. Roosevelt was rated highest overall, 5.5, highest in selling ideas (6.3) taking initiative (6.5), and handling crises (6.6). Johnson at 5.1 was second, highest in dominating (6.4) and working hard (6.3). At 5.0, Truman was third, being most resistant to intimidation (6.3) and the most decisive (6.5). Kennedy, 4.9, scored well for building team spirit and using expert help. Eisenhower, 4.8, was best in earning public esteem and using good judgment. With 4.2, Ford was rated healthiest of those studied and as having integrity. Nixon, rated 3.8 overall, got only 1.7 for personal integrity, but 5.0 for understanding government and 5.2 for working hard. Carter was rated 3.5, lowest of those studied, with his highest scores for personal integrity (4.6) and personal efforts in the presidency (4.9).

Reagan after 100 days. With a 5.3, Reagan's leadership was rated second only to Roosevelt. In no case was he lowest among presidents, but was strongest for building alliances (6.0), dealing face-to-face with people (6.8), personal convictions (6.5), personal integrity (6.2), and managing his time (5.9). Roosevelt is rated as having been more persuasive with the public and a better manager, Truman as more decisive, Johnson as knowing government better. Reagan was rated less high in management areas: pulling loose ands together (4.2), setting procedures and ground rules (4.8), disciplining (4.1), and establishing working relationships (4.5).

V. DALLAS MERRELL, Ph.D., has studied and counseled hundreds of executives and has designed leadership assessment programs for businesses and governments. His work has been featured in the Wall Street Journal, New York Times, and nationwide on television, radio and syndicated news articles. He has been a Republican candidate for the U. S. Senate in Maryland. His latest book is Huddling, a study of the political processes in management.

Mostonione Blom 6181

July 1911

There Blom 6181

file Reagon

THE 1980
CAMPAIGN
PROMISIES OF
IRONAILID
IRIEAGAN

Compilediano lauditaned b.
THEADEMOGRAPIC
CONGRESSIONAL CAMPA(CA COMMININEL
LOW COSTO CHARGE

172 TAL GROUPS

. ELDERLY

a. Social Security

- Preserve and strengthen Social Security. (Tampa, 10/10/80)
- (2) Veto any attempt to tax Social Security benefits. (Tampa, 10/10/80)
- (3) Encourage senior citizens to supplement their benefits. (Tampa, 10/10/80)
- (4) End earnings limitation on Social Security. (Tampa, 10/10/80)
- (5) Not make Social Security voluntary. (American Council on Consumer Interests, 10/80)
- (6) Defend Social Security. Its benefits will once again be made meaningful. (Chicago, 9/9/80)
- (7) Address any remaining inequities in treatment of women under the Social Security system. (Women Today, 10/17/80)
- (8) Make sure that no senior citizen will ever miss a Social Security payment. (Seal Beach, CA, 10/13/80)
- (9) Look into the use of the current cost-ofliving index to determine the amount of yearly increases in Social Security payments. Consider omitting real estate from the costof-living index. (Nation, 6/30/80)
- (10) Not increase FICA taxes to help bail out the Social Security system. (Los Angeles Times, 10/23/80)

b. Medicare

(1) Support Medicare and work to make it stronger. (Louisville, 10/20/80)

- (2) Amend Medicare and Supplemental Security
 Income provisions to facilitate home care
 for the elderly and handicapped when such
 care is less costly than institutional care.
 (The American Family, August/September, 1980)
- (3) See to it that the promises made by Government to every older American under Medicare and other programs are kept. (Philadelphia, 9/7/80)

c. General Promises

- (1) Institute tax reforms that can help older Americans retain their dignity, their selfrespect and their self-reliance as productive members of society. (Philadelphia, 9/7/80)
- (2) Institute tax credits which will promote solutions to the dependent care needs for children, for the disabled and for the elderly in order to help families, particularly those with single heads of households. (Women Today, 10/17/80)
- (3) Encourage the development of private organizations to deal with home care of the elderly and the handicapped. (The Family, August/September, 1980)
- (4) Oppose mandatory retirement laws. (American Association of Retired Persons, 10/80)
- (5) Not tolerate but fight with strength the inexcusable waste, fraud and abuse of government programs, many of which are aimed at older Americans. (Philadelphia, 9/7/80)
- (6) Support the recent move to permit payments made to grandparents for the care of children to qualify for existing tax benefits. (Women Today, 10/17/80)
- (7) Re-evaluate laws regarding the management of private pension plans. (Pension and Investment, 10/13/80)

3. LABOR

a. .

HANDIC

curity me care en such onal care. mber, 1980)

y Govern-Medicare ladelphia,

p older eir selfproduclphia, 9/7/80)

romote

eds for

the eldrticulareholds.

te organthe eldrican

(American '80)

th the ingovernmed at (7/80)

payments of childefits.

gement
and In-

(8) Help the poor and elderly meet rising fuel costs by raising the cost-of-living adjustments in current programs to reflect the significance of energy in recipients' overall cost of living. (Policy Statement, 1/31/80)

2. HANDICAPPED AND DISABLED

a. General Promises

- Amend Medicare and Supplemental Security Income provisions to facilitate home care for the elderly and handicapped when such care is less costly than institutional care. (<u>The American Family</u>, August/September, 1980)
- (2) Institute tax credits which will promote solutions to the dependent care needs for children, for the disabled and for the elderly in order to help families, particularly those with single heads of households. (Women Today, 10/17/80)
- (3) Return revenue sources for special education to states along with the responsibility to provide those programs. (American Coalition of Citizens with Disabilities, Spring, 1980)

3. LABOR

a. Occupational Health and Safety

- (1) Reform OSHA. Set up an agency to research and study how work conditions could be improved. Industry could say, "We have a problem and we seem to lose more people by accident in this particular function. Would you come and look at our plant and then come back and give us a survey of what should be done." (Washington Post, 6/5/80)
- (2) Not seek repeal of the Occupational Safety and Health Act. (Campaign Literature, 10/8/80)
- (3) Work to reform OSHA, strengthen its ability to reduce job related accidents and eliminate unnecessary regulations which decrease health and productivity. (Campaign Literature, 10/8/80)

SPECIAL GROUPS

f.

h.

- (4) Retain OSHA's punitive or compulsory authority. (National Journal, 3/8/80)
- (5) Encourage management and labor to form joint safety and health committees to make the work place a better place to produce goods and services. (Wood and Wood Products, 10/80)
- (6) Require OSHA to consult with, advise and assist businesses in coping with regulatory burdens before imposing penalties for noncompliance. (Wood and Wood Products, 10/80)
- (7) Support efforts to relieve the textile industry of regulatory burdens, such as cotton dust standards, waste-water and air-emission controls. (<u>Textile World</u>, 9/80)
- (8) Exempt small businesses and employees with good safety records from safety inspections. Increase penalities for those with consistently poor performance. (Wood and Wood Products, 10/80)

b. Unemployment Compensation

- (1) Guarantee the integrity of the unemploymentcompensation-insurance trust fund. (U.S. News and World Report, 10/6/80)
- (2) Provide money to help ease unemployment if the recession deepens. (Washington Post, 6/9/80)
- (3) Insure that unemployment programs be fully funded. (Motor Service, 10/80)

c. Trade Adjustment

- (1) Make available retraining funds where possible under the Trade Adjustment Act. (Motor Service, 10/80)
- (2) Fully fund trade adjustment assistance. (Motor Service, 10/80)

d. Minimum Wage

(1) Seek elimination of the minimum wage. (New York Times, 1/2/80)

ulsory author-0)

to form joint o make the roduce goods Products, 10/80)

advise and th regulatory ies for nonoducts, 10/80)

textile insuch as cotton l air-emission))

ployees with good pections. Inth consistently pod Products,

unemploymentind. (U.S.

ployment if the Post, 6/9/80)

ms be fully

where possible (Motor Ser-

istance. (Motor

wage. (New

(2) Eliminate the federal minimum wage. If Congress will not eliminate the minimum wage, then create a two-step minimum wage. (Business Week, 3/31/80)

e. Antitrust

- Bring labor unions under antitrust provisions. (New York Times, 4/23/80)
- (2) Not extend the antitrust laws to unions. (Campaign Literature, 10/8/80)

f. Right to Work

- (1) Support "right to work" laws. (Columbia Debate, 2/28/80)
- (2) Not seek a national "right to work" law. (Campaign Literature, 10/80)

g. Davis Bacon

- (1) Repeal the Davis-Bacon Act. (Policy Statement, 1/31/80)
- (2) Not seek repeal of the Davis-Bacon Act. (Campaign Literature, 10/8/80)
- (3) Insist that the administration of the Davis-Bacon Act be improved substantially so that the true prevailing wage in an area would apply to any public works project affected by the Act. (American Society of Civil Engineers, 10/80)

h. Food Stamps

(1) Not give food stamps to striking workers. (Youngstown, 10/8/80)

i. Public Employees

- (1) Endorse improvements in grievance procedures and collective bargaining for public employees. (Washington, 9/17/80)
- (2) Not abandon the twice-a-year cost-of-living adjustments which federal and postal retirees now receive. (National Association of Postal Supervisors, 10/17/80)

(3) Oppose strikes by public employees. (Washington, 9/17/80)

Retirement and Pensions

- (1) Prevent a federally-sanctioned invasion of privately-held pension funds for the purpose of building a pool of bail-out monies for companies on the brink of failure. (Birmingham, 10/9/80)
- (2) Oppose mandatory retirement laws. (American Association of Retired Persons, 10/80)

k. General Goals

- (1) Give representatives of organized labor access to the President and consult with labor representatives on any matter affecting the working people of our country. (Columbus, 8/27/80)
- (2) Oppose any attempt to politicize textile labor relations for short-term political gain. (Textile World, 9/80)
- (3) Not support the intrusion of the federal government in traditionally state-monitored programs such as insurance and workmen's compensation and not dictate levels of some benefits in these categories. (Federal Bar News, 10/80)

4. SMALL BUSINESS

a. Specific Pledges

- (1) Replace the present corporate and individual income tax schedules with more graduated rate scales. Specify the graduated corporate scales up to \$500,000 and reduce the maximum personal income tax rate to fifty percent from seventy percent. (Greater Cleveland Growth Association, 1980)
- (2) Adopt a simplified, accelerated capital cost recovery system to replace the present complex Asset Depreciation Range (ADR) regulations with provisions such as (a) immediately expensing capital costs less than a specified amount, (b) immediately expensing govvernment mandated capital costs and (c) creating a maximum annual benefit that may

55

- be derived from the system. (Greater Cleveland Growth Association, 1980)
- (3) Provide for a tax credit for initial investment in a small business and permit deferral of taxes for rollovers of investment affecting small businesses. (Greater Cleveland Growth Association, 1980)
- (4) Provide tax incentives in the form of a new security called a Small Business Participating Debenture (SBPD) to provide capital for small business. (Greater Cleveland Growth Association, 1980)
- (5) Support and urge passage of S.1860, the Small Business Innovation Act of 1979, and companion bill H.R. 5607, as presently drafted with flexibility for minor future amendments, covering small business research and development set-asides; small business innovation and research programs (as already encompassed by H.R. 5126 and S. 1074); patents; capital formation and retention; amendments to the Internal Revenue Code; and regulatory flexibility. (Greater Cleveland Growth Association. 1980)
- (6) Require that all government agencies which develop fiscal, monetary, legislative and regulatory policies/practices shall submit short business "economic impact" statements that require the regulatory agencies to identify the anticipated benefits and to justify the costs of Federal regulatory requirements to small business. (Greater Cleveland Growth Association, 1980)
- (7) Maintain and reinforce the Office of Advocacy at not less than five percent of the SBA salary and expense budget. (Greater Cleveland Growth Association, 1980)

b. General Goals

- Take immediate action to restore the health of small businesses. (National Retail Merchants Association, 11/80)
- (2) Exempt small businesses and employees with good safety records from safety inspections. Increase penalties for those with consis-

- tently poor performance. (Wood and Wood Products, 10/80)
- (3) Work to assist all small businesses in obtaining capital, managerial assistance, government procurement contracts and export opportunities. (News Bulletin for Indian Leaders, 9/30/80)
- (4) Revive our small business sector by enacting an across-the-board cut in tax rates to restore the incentive to produce. Eliminate unnecessary regulations, especially those which inhibit small business. (American Industrial Properties, Spring, 1980)
- (5) Not favor interest rates that cripple small businesses. (Portland, 5/19/80)

5. VETERANS

a. General Goals and Pledges

- (1) Back the demands of the Veterans of Foreign Wars for more congressional appropriations for veterans. (Chicago, 8/18/80)
- (2) Not restrict or reduce annuties for retired military personnel. (Association of the United States Army News, 10/80)
- (3) Ask Congress to reinstate the G.I. Bill. (TV Address, 10/19/80)
- (4) Support adjustments in compensation for service-disabled veterans and for the survivors of those who died as a result of their service. (Campaign Literature)
- (5) Uphold veteran's preference in federal employment and see that it is strictly enforced in all federally-funded programs. (Chicago, 8/18/80)
- (6) Ensure that VA hospitals are viable and directed toward veterans' needs. (Campaign Literature)
- 7) Ensure that veterans are not denied hospital and medical care because of the inadequate funding which has decreased the number of

6. INI

c.

d.

e.

TAL GROUPS

d and Wood

esses in obsistance, ts and exletin

or by enactin; rates to re-, Eliminate ially those (American 1980)

ripple small

s of Foreign ropriations 0)

for retired on of the

.I. Bill.

tion for serthe survivors f their ser-

federal emictly enprograms.

ble and (Campaign

ied hospital
inadequate
number of

- hospital beds and cut health-care personnel within the VA. (Chicago, 8/18/80)
- (8) Continue to keep the VA system of hospitals free and independent of a national health plan. (Chicago, 8/18/80)
- (9) Improve the Veterans Administration by rooting out waste and fraud, ensuring that benefits and services go only to the veterans who have earned them. (Campaign Literature)
- (10) Maintain veterans' programs for the rehabilitation of the disabled, for job training and for special expanded health care for Vietnam veterans. (Campaign Literature)
- (11) Thoroughly investigate the effects of Agent Orange and provide adequate compensation for veterans who were harmed by it. (Campaign Literature)
- (12) Provide open national cemeteries in which veterans can be interred near their survivors. (Chicago, 8/18/80)

6. INDIANS

- a. Not advance Executive action nor support legislation that would provide for the seizure of tribal jurisdictions by state authorities. (News Bulletin for Indian Leaders, 9/30/80)
- Encourage and support the development of the tribal court system. (News Bulletin for Indian Leaders, 9/30/80)
- c. Encourage fair and just partnerships among the tribal governments, the private sector and the federal government in meeting the tribes' identified development needs. (News Bulletin for Indian Leaders, 9/30/80)
- d. Support tribal sovereignty and self-determination for federally-recognized American Indian tribal governments. (News Bulletin for Indian Leaders, 9/30/80)
- e. Consult with Indian leaders on the appointment of the Assistant Secretary of the Interior for Indian Affairs and the Commissioner of Indian Affairs.

 (News Bulletin for Indian Leaders, 9/30/80)

- f. Consider various alternative arrangements for assuring the development of Indian policy and the effective execution of that policy. (News Bulletin for Indian Leaders, 9/30/80)
- g. Not initiate any legislative changes that would alter current conditions and prohibit tribes eligibile to receive general revenue sharing funds from receiving them. (News Bulletin for Indian Leaders, 9/30/80)
- h. Endorse "Indian self-determination" (P.L. 93-0638) as a national policy. (News Bulletin for Indian Leaders, 9/30/80)
- i. Guarantee tribal governments that the Federal Government will not terminate or abrogate treaties between tribes and the U.S. Government. (News Bulletin for Indian Leaders, 9/30/80)
- j. Preserve the trust responsibility (allowing Indian people to determine tribal membership) and where the trust responsibility brings the Reagan Administration into conflict with tribal policies consider consultation with Indian governments to recommend to Congress the repeal of laws that are causing difficulties. (News Bulletin for Indian Leaders, 9/30/80)

7. ETHNICS

a. Jewish-American

- (1) Consider making Jerusalem a state within a state. (Conference of Presidents of Major American Jewish Organizations, 9/16/80)
- (2) Not ignore the agony of Jews in the Soviet Union. (Washington, 9/3/80)
- (3) Maintain both economic and defense assistance to Israel and ensure Israel remains strong and secure. (Washington, 9/3/80)
- (4) Endorse a united Jerusalem. (Washington, 9/3/80)
- (5) Not tolerate an effort to supersede Security Council Resolutions 242 and 338. (Washington, 9/3/80)

the

ld

ın

≥lils

638)

GOV-

ian

n-

n-

an

b. Italian-Americans

(1) Not exclude Italian-Americans from consideration of positions in the executive, legislative or judicial branch -- including the Supreme Court. (Washington, 9/13/80)

8. ARTS

- a. Designate one member of the White House staff to act as liaison with the National Endowment for the Arts who can act as a catalyst within the government to stimulate interest in and support for the arts. (American Arts, 5/80)
- b. Shift the awarding of individual grants by the National Council of the Arts to the various arts institutions to assure that merit and merit alone is the criterion for making the grant. (American Arts, 5/80)
- Take a personal interest in encouraging individuals and corporations to provide support to the arts. (American Arts, 5/80)
- d. End the politization of the National Council of the Arts. Select members of the council on the basis of their artistic skills rather than their political connections. (American Arts, 5/80)

9. WOMEN

a. ERA

- (1) Oppose passage of the Equal Rights Amendment. (Statement, 10/14/80)
- (2) Seek elimination of numerous federal regulations that discriminate against women. (Press Release, 10/21/80)
- (3) Monitor federal laws to insure that laws which eliminate descrimination are implemented. Add to statutes if necessary. (Press Release, 10/21/80)
- (4) Support equal rights for women but not by the Equal Rights Amendment. (Chicago, 6/20/80)

10.

b. Equal Opportunity and Job Training

- (1) Establish a liaison with the 50 Governors to encourage them to eliminate, wherever it exists, discrimination against women. (Detroit, 7/17/80)
- (2) Improve early career counseling and job training for girls and young women to widen opportunities for them in the world of work. (Women Today, 10/17/80)
- (3) Consider proposals to encourage the Federal Government, the largest employer of women, to extend job training and education opportunities to displaced homemakers. (Women Today, 10/17/80)
- (4) Support job counseling, education, and training programs that expand the opportunities for women to make advances from entry levels to top management in areas of employment previously closed to women. (Women Today, 10/17/80)
- (5) Re-evaluate the conditions of women workers concentrated in low status, low-paying jobs so that their opportunities can be improved. (Women Today, 10/17/80)
- (6) Support total integration of the work force to bring women equality of pay. (Women Today, 10/17/80)
- (7) Address any remaining inequities in treatment of women under the Social Security system. Women Today, 10/17/80)

c. Appointments

- (1) Appoint intelligent, committed, qualified and responsible women to important jobs. (Statement, 10/14/80)
- (2) Fill one of the first Supreme Court vacancies with the most qualified woman. (Statement, 10/14/80)
- (3) Seek out women to appoint to other Federal courts. (Statement, 10/14/80)

MECIAL GROUPS

Governors to rever it vomen. (De-

and job en to widen orld of work.

the Federal of women, tion oppor-(Women

n, and trainortunities entry levels ployment pre-Today,

men workers paying jobs be improved.

work force (Women

in treatment ty system.

qualified and obs. (State-

ort vacancies Statement,

r Federal

- (4) Work with women's organizations and coalitions to identify qualified women around the country and appoint women to important positions throughout the government. (Women Today, 10/17/80)
- (5) Reach out to knowledgeable and competent women for advice on issues facing women in the coming decade. (Women Today, 10/17/80)
- (6) Appoint knowledgeable and compassionate men and women to those agencies providing services and support for victims of domestic violence. (Sane News, 10/80)

d. Armed Services

- (1) Not draft women should the need for a draft arise. (New York Times, 2/6/80)
- (2) Allow women to train for combat jobs. (Army Times, 10/27/80)

10. BLACK AMERICANS

a. Discrimination

- (1) Weigh his fight against bigotry and prejudice against that of the most ardent civil rights advocate. (Los Angeles Times, 3/6/80)
- (2) Not allow the concept of equal opportunity to be distorted by federal guidelines or quotas based on race, ethnicity or sex. Rely on ability and qualifications as the principal factors in hiring or education. (Policy Statement, 1/31/80)
- (3) Continue to believe in equal opportunity.

 Prevent discrimination against any Americans because of race, ethnic background, sex or religion in hiring, education or in any other way. (Policy Statement, 1/31/80)
- (4) Monitor federal laws to insure laws which eliminate discrimination are implemented. Add to statutes if necessary. (Press Release, 10/21/80)

- (5) Remain committed to the protection and enforcement of the civil rights of Black Americans. Weave this commitment into every phase of proposed programs. (New York City, 8/5/80)
- (6) Vigorously support federal action against intentional discrimination in education. (Wheaton, 10/8/80)

b. General Goals

- (1) Adopt the goal of making Black Americans more economically independent through Black enterprise and lasting meaningful jobs in the private sector. (New York City, 8/5/80)
- (2) Improve the conditions of all Americans, especially Black Americans. Pursue a policy of ensuring equal rights and of opening up new and expanded job opportunities through economic growth. (Policy Statement, 1/31/80)

11. HISPANICS

a. Mexico and Puerto Rico

(1) Establish a North American accord between Canada, Mexico, and the U.S. Invite each of our neighbors to send a special representative to sit in on our government's high level planning sessions, as partners, mutually concerned about the future of our Continent. Then immediately seek the views and ideas of Canadian and Mexican leaders on this issue and work tirelessly with them to develop closer ties among our people. Develop methods of working closely together by laying the foundations for future cooperation on a broader and more significant scale. Put to rest any doubts of those cynical enough to believe that the U.S. would seek to dominate any relationship among these countries. (New York City, 11/13/79)

and enack Amerevery ork City,

gainst in-

icans more ack enin the 5/80)

eans, espolicy of up new gh eco-31/80)

tween each epret's tners, of our > views iders :h them ple. gether coopcant e cyniould ng 13/79)

(2) Favor statehood for Puerto Rico and if the people of Puerto Rico vote for statehood, initiate the enabling legislation to make statehood a reality. (New York City, 11/13/79)

b. Undocumented Workers and Refugees

- (1) Document the undocumented workers and make them legal by having them enter our country with visas. Permit them to come here and remain for whatever length of time they want to stay. (Harlingen, 9/16/80)
- (2) Not place limits on the number of Mexicans entering the United States. (San Jose Mercury, 9/26/80)
- (3) Not refuse to accept Cuban refugees. (Lubbock, 4/10/80)

c. Bilingual Education

(1) Oppose efforts to end bilingual education. (Los Angeles, 9/26/80)

12. HOMOSEXUALS

- a. Not subject employers to special laws (such as "gay ordinances" passed in some cities) which, in effect, would compel the employer to hire a person because of that person's sexual preference. (Out, 10/23/80)
- b. Insure that both federal hiring and private hiring are based on which applicant can do the best job and not upon a person's private life. (Out, 10/23/80)
- c. Make sure that government does not interfere with the private lives of Americans. (Out, 10/23/80)
- d. Not advocate the so-called gay life style but support the civil rights of all citizens. (Out, 10/23/80)