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BPM

To Records Management
C.F.
296776
ACTION
F0006-01
Speakes

SENIOR STAFF MEETING ACTION ITEMS (7-21-82)

ITEMS

1. Schedule: Changes will add three CBI events today. President will meet CEO's in Oval Office at 10:30, after which several executives will brief in the press room; meet with ambassadors of CBI countries (with photo op); and will dropby CBI Coalition reception at 7:30 tonight (with press pool).

Meeting with PM Lee will include WH photos only.

There will be no press availability today.

2. Economy: Preliminary 2nd quarter GNP shows 1.7% real growth; consumer spending is up 3.0%. DOC economists yesterday stated they feel the economy is getting stronger.

3. Tax Bill: Votes will be held today on several key amendments, including the issue of withholding on interest and dividends. Though votes will be difficult, Senator Baker feels the matter is in hand; there is no organized opposition to the overall bill, only to specifics. Regarding Puerto Rico provision, Regan needs to send letter to Hill today on acceptability of a "substantial manufacturing test."

Duberstein
Fuller

4. Nuclear Freeze Resolution: NSC has prepared letter explaining our position to Congress, but it will not be sent until after meeting of Democratic Caucus.

Duberstein
Clark

5. Mid-Session Review: Decision will be made today on whether to release this Friday.

Darman
Gergen

6. Nursing Home Regulations: These were reviewed by the Regulatory Task Force and were published on May 27.

7. Defense Authorization Bill: This is now up in the House. DOD feels they have the votes to win on the C-5B, but they do not yet have a firm vote count regarding the MX.

Duberstein

8. Federalism: Williamson will discuss with Baker, and will attempt to have paper ready soon for the President to consider.

Williamson

9. Barber Shop: Decision has been made that West Wing shop will be for use of the President and Vice President only. We are studying the possibility of a staff facility in EOB, but no decision has been made.

10. WH Travel Office: Guidance is that account surplus is due to policy instituted during the Carter Administration to charge press an extra 10% for travel cost; this was done during 1979-80. The surplus payments will be refunded.

Gergen
Darman

BB

C. F.

to Records Management

SENIOR STAFF MEETING ACTION ITEMS (7-22-82)

096777

EG006-01

ITEMS

ACTION

1. Schedule: Congressional time added from 10:00 to 11:00; meetings with individual senators will be held to discuss the tax bill; meetings should not be made public. Signing ceremony today will be open to press. Duberstein Speakes
 2. Tax Bill: Senate will try to finish work tonight. A big vote will occur this afternoon on move to knock out withholding on interest and dividends. Duberstein
 3. Defense Authorization Bill: We picked up 71 Democrats on successful MX vote yesterday in the House; C-5B was also restored. Consideration of bill will probably not be completed until next week. Duberstein
 4. Economy: Weidenbaum's remarks yesterday were interpreted as stronger than he intended. Guidance is that 2nd quarter GNP figures should be viewed cautiously. Speakes
 5. Busing Testimony: Has been circulated and no problems have been raised; questions should be referred to Justice. Speakes
 6. Tuition Tax Credits: Treasury statement that we oppose inclusion of tuition tax credits in tax bill has led to questions about our level of support for this proposal. It was pointed out that tuition tax credits remains a high priority; a meeting will be held to convey this to private groups supporting the proposal. Duberstein Dole
 7. Offshore Leasing: Yesterday Watt approved a plan to open most of the Continental Shelf to oil and exploration drilling. This had been planned for some time; Fuller will obtain more detailed information from Interior. Fuller
 8. Mid-Session Review: Release will be delayed until next week.
 9. Nuclear Freeze Resolution: Letter outlining Administration position will be sent to the Hill late today or tomorrow. Duberstein
 10. Firefighters: H.R. 756 was discussed. This bill would provide a one-time \$50,000 payment to federal firefighters and Secret Service agents killed in the line of duty. The President apparently made a campaign commitment to support such legislation, but OMB sent a letter of opposition to the Hill. Mark-up on the bill will be held today. Fuller will attempt to resolve the issue. Fuller
- Darman, Fuller and Wright will meet to discuss a mechanism for seeing that such issues are adequately circulated in WH prior to decision. Darman

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to record management
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C. F.
096778
FG 06-01
ACTION

SENIOR STAFF MEETING ACTION ITEMS (7-27-82)

ITEMS

ACTION

1. Schedule: Issues lunch should be used to review press conference briefing material. Press conference briefing time will start at 2:00; first hour will concentrate on foreign policy and second hour on domestic. Press conference will be announced today; networks were alerted yesterday.

Photo op will be held during Future Farmers event.
2. Tuition Tax Credits: Meeting to discuss strategy with supportive outside groups will be set up for Friday; JAB will chair. Legislative Strategy Group will discuss subject prior to that meeting.
3. CBI: JAB has received memo prepared by Clark which designates contact points on the issue; memo is being handled through Darman. House Appropriations Committee markup on supplemental today includes CBI; there is a question, though, on whether State Department has agreed to a funding level.
4. Legislative Positions on Sensitive Issues: Memo has been circulated which explains alert procedure OMB will follow on such issues; the procedure will require each office to designate someone to act quickly when calls or reports are received from OMB.
5. Wilderness Areas: Memo circulated under new sensitive legislative issue procedure; Administration position has been requested for Rules Committee meeting late this morning. Current bill would exclude drilling in wilderness areas forever. Suggestion was made that we stay out of the issue, in part due to high level of congressional support for it.
6. Grain Agreement: Guidance is that President has not yet made a decision on this; there will be time for advance consultations with interested parties prior to any announcement.
7. National Conference of State Legislators: Meeting in Chicago. Resolution was passed yesterday that was supportive of the concepts behind our Federalism proposal, though it did not deal with the specifics of it.
8. OFCCP Regulations: Labor will not move forward with the more controversial regulations, but they plan to publish certain non-controversial changes which have been circulated for WH comment.
9. Tax Bill: Letter is being sent to the Hill stating that Senate action on "936" provisions regarding Puerto Rico is not acceptable; letter will not suggest any specific action, though.
10. Westway: Construction is held up by court order, though related projects not subject to injunction are going forward.

Gergen
Speakes

Speakes

Darman
Dole

Clark
Darman

Wright

Speakes

Williamson

Fuller
Darman

Duberstein
Williamson

ITEMS	ACTION
11. <u>Budget</u> : Alice Rivlin is testifying today and will probably project a revised deficit of \$140B; this is based largely on different economic assumptions. Guidance on response to her testimony will be needed.	Wright
12. <u>Presidential Remarks</u> : It was pointed out that we should not measure the importance of an event by the length of the remarks. Cooperation of staff is requested in keeping Rose Garden remarks to 5 minutes. If press is not covering a particular event, remarks should be prepared by the office responsible (not by the speech-writing staff).	Gergen

BPM

WS C.F. Records Management

SENIOR STAFF MEETING ACTION ITEMS (7-28-82)

096779

FG 006-01

ITEMS	ACTION
1. <u>Schedule</u> : Cabinet meeting has been cancelled.	
2. <u>News Conference</u> : Opening statement will discuss the Balanced Budget Amendment and the economy in general. Pre-news conference briefing will be held from 2 to 4 p.m. today. Any additional briefing material should be forwarded by noon.	Gergen
3. <u>Budget</u> : Guidance regarding Rivlin testimony is that we feel her numbers are too high. It was also noted that recent decisions on the defense budget are built into our estimates.	Speakes
4. <u>Balanced Budget Amendment</u> : In Senate yesterday we defeated amendments by Wendell Ford, but accepted those offered by Domenici.	Duberstein
5. <u>Watt Letter</u> : News reports indicate that Secretary Watt sent a second letter (to certain Congressmen and Senators) relating to Israel. The letter apparently suggests that the U.S. might have to go to war to protect Middle East oil supplies unless more energy is produced domestically. Copy of letter should be obtained before comments are made by WH.	Fuller
6. <u>El Salvador</u> : Guidance is that human rights certification signed by Shultz was a responsibility delegated to the State Department 8 months ago; such delegations are a routine management practice due to the large number of reports to Congress required by law.	Speakes
7. <u>General Supplemental</u> : Version passed the House Appropriations Committee yesterday. The bill provides for a 14% cut in WH, excluding WHO, OSTP, and USTR.	Wright Duberstein
8. <u>Job Training Legislation</u> : DOL has drafted a letter to go to the Hill explaining our position; the draft will be reviewed before being sent.	Fuller Darman
9. <u>Black Colleges</u> : Suggestion was made to give more exposure to Secretary Bell's report on status of black colleges; Harper will double-check content of report prior to any briefing on the subject.	Gergen Harper
10. <u>Grain Agreement</u> : Darman will prepare a timetable for advance notice calls on grain decision. The decision will not be officially released before the press conference, but the President will still have to take questions on it; guidance is that the decision will be announced shortly, and that we are still in the process of consultations.	Darman Gergen
11. <u>Democratic Institutions Study</u> : Some reports indicate that bipartisan approach on this may be in danger. Clark will check on status.	Clark
12. <u>Tax Bill</u> : Calls are presently being made concerning issue of whether to go straight to conference from House Ways and Means Committee (our preference), thus avoiding committee markup.	Duberstein

WS

C. F.

to records management

SENIOR STAFF MEETING ACTION ITEMS (7-29-82)

096780

FG 006-01

ITEMS

ACTION

1. Women's Equity Task Force: Guidance is that report was received at WH on June 28; it has not yet been discussed in CCLP, but will be scheduled soon. The President did receive a brief oral report on progress from Brad Reynolds, and urged them to continue their efforts. The report itself should be considered a working paper for now, and should not be made public. Also, at some future point we should consider changing the executive order so that reports are not required every quarter. Speakes
Harper
2. Taiwan: Duberstein will set up Presidential meeting tomorrow with Senators and Congressmen concerned about the Taiwan issue. Cicconi will call to assure that the meeting is added to the President's schedule. Duberstein
Cicconi
3. Employment Training Bill: President will meet with Congressman Erlenborn at 3:45 on this subject; Secretary Donovan will be present. Duberstein
Fuller
4. Tax Bill: Conference committee will meet on this subject through next week; a report will likely be voted on the second week in August. Duberstein
5. Budget: House has apparently decided to vote separately on individual budget cuts; Duberstein is working on a strategy to deal with this. Duberstein
6. Nuclear Freeze Resolution: Will be on House floor next Wednesday or Thursday. The President has sent a letter to all members of Congress outlining his position. OPL is working to obtain support from outside groups, and informational presentation is being planned by State, NSC and ACDA. Duberstein
Clark
Dole
7. Defense Authorization Bill: Aspin amendment added yesterday which bars funds for anything in violation of SALT I or SALT II; Duberstein will try to have provision dropped in conference. House should finish work on this bill today, and will then take up the supplemental. Duberstein
8. New Federalism: While there has been much criticism of our proposals at the Conference of State Legislators, they will probably not vote on specifics of the plan. Williamson
9. Grain Agreement: Once a decision has been made, State Department will have 12 to 18 hours lead time for foreign consultations; domestic consultations will start 3 hours before the press release is issued. On the issue itself, guidance is that the President is still in the process of making a decision and is consulting with the various parties. Darman
Clark
Speakes
10. Weicker: Regarding rumors that President will endorse Senator Weicker during his trip to Connecticut, guidance is that the President always supports the Republican Party's nominees. Speakes
Rollins

Senior Staff Meeting Action Items (7-29-82)

Page 2 of 2

ITEMS	ACTION
11. <u>Cabinet</u> : Meeting originally planned for tomorrow will be cancelled.	Fuller
12. <u>Tuition Tax Credits</u> : Meeting with private coalition will be held tomorrow at 3:30.	Dole
13. <u>CBI</u> : Kemp will probably offer Administration's amendment to add back \$350M for CBI to the supplemental. Problem, though, is that the issue of CBI could be submerged in a debate over the recent human rights certification for El Salvador.	Dubenstein
14. <u>Mid-Session Review</u> : Will go to print today; final draft was circulated last night with comments due by noon today.	Darman
15. <u>Black Colleges</u> : Secretary Bell will hold a press conference concerning the report on the status of black colleges; preference is to do this today or Monday.	Gergen Fuller

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C.F.
096781 to Records Management
FG006-01

SENIOR STAFF MEETING ACTION ITEMS (7-30-82)

ITEMS	ACTION
1. <u>Schedule</u> : Photo op today is with Foreign Minister Ali.	Speakes
2. <u>Taiwan</u> : Congressional meeting on Taiwan at 1:30 should be put on the public schedule. Further guidance on issue is being prepared by State and will arrive by 9:00. It was suggested that Laxalt or Goldwater should serve as spokesman after the meeting; we may provide a letter or some sort of written guidance for them to refer to.	Speakes Clark Duberstein
3. <u>Index of Leading Economic Indicators</u> : Shows no change in June. Figures for May have been revised, though, and show the index was up 0.9% versus the earlier figure of +0.3%.	
4. <u>Federalism</u> : Conference of State Legislators ended with a close vote favoring neutrality on the issue until a final breakdown is received on how the proposal will affect each state.	Williamson
5. <u>Women's Equity Task Force</u> : Suggestion was made that we consider releasing the report. Gergen, Dole, Harper, Darman, and Fuller will discuss the subject and make a recommendation.	Gergen
6. <u>Grain Agreement</u> : Decision will be released at 10:15. Advance notice calls are being made this morning to congressional and state officials, and to farm group leaders.	Darman Speakes
7. <u>Mid-Session Review</u> : Is now ready for release; briefings will be held this afternoon with a 3:30 embargo.	Wright
8. <u>Defense Budget</u> : Dispute has arisen over President's position on defense budget for '84 and '85. Guidance is that the President reserves his rights with respect to all categories in the '84 and '85 budgets, just as Congress retains its flexibility in those categories; the President is adhering to the binding portion of the resolution. It was decided not to release the decision memorandum on this, though an explanatory statement may be issued.	Speakes Duberstein
9. <u>CBI</u> : Kemp motion to restore CBI funds was defeated yesterday on point of order raised by Whitten. We are working with Kasten on this issue in the Senate, and Shultz is discussing the matter with Whitten in the House.	Duberstein
10. <u>Abortion</u> : Justice has filed an amicus brief in certain abortion cases before the Supreme Court; none of the cases go to the issue in <u>Roe v. Wade</u> . Our brief, in short, supports the power of states to regulate abortion activity within their borders. Guidance on WH involvement is that DOJ informed us that they intended to file the brief, and we interposed no objection. The President has been made aware of the situation.	Fielding Speakes
11. <u>Urban League</u> : Suggestion was made that President call the head of the Urban League and ask that his best wishes be conveyed to the convention. Dole will submit phone call request.	Dole

Senior Staff Meeting Action Items (7-30-82)

Page 2 of 2

ITEMS	ACTION
12. <u>Iowa and K of C Speeches</u> : Various issues to be included in speeches should be resolved in order for the President to be able to work on the drafts over the weekend.	Gergen Darman
13. <u>Airline Pilots</u> : Packwood is now contending that earlier letter of opposition from Stockman is inoperative. Fuller, Darman, Dole, Murphy and Wright will meet with Drew Lewis to discuss whether compromise is possible. Legislative Strategy meeting will then be held.	Darman Fuller
14. <u>Employment Training Bill</u> : Erlenborn has agreed to work with Stockman and DOL to develop an acceptable package of amendments in the House.	Duberstein
15. <u>Legal Fee Cap Legislation</u> : Bill is being developed at OMB that will limit the amount of legal fees that can be recovered when suing the government. No congressional sponsors have yet been found, and the bill has not yet been cleared by WH.	Wright

SENIOR STAFF MEETING ACTION ITEMS

to Record Management
C. F.!

ITEMS

ACTION

096782

Duberstein
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F-006-01

1. Tax Bill: Will probably come out of conference late tonight. Today at 10:00 the Chamber, Farm Bureau and NFIB will announce their opposition to the bill. A suggestion was made to get Paul Thayer and others to speak out in support of the President's position.
 Regarding the conference, the spending side was settled favorably, very close to the target of \$15.9B in cuts. The AFDC reforms of 1981 have also been retained, but the issue of 936 is still not settled.
 One particular issue, completed contract, was thought to have been settled with a Legislative Strategy decision to support the Holland proposal, thereby gaining construction industry support. However, Treasury now says it still strongly opposes Holland. Meese will talk with Regan to clarify this. Meese
2. Defense: conference on this is going well, but is not yet concluded. We have won several issues, though, including the MX. Duberstein
3. General Supplemental: Bill is now out of conference and has passed the Senate; it will be on the House floor today. There are many problems with it, including excess domestic spending of around \$850M, cuts in defense, and a ceiling on security assistance to El Salvador. Duberstein
Wright
4. Pilots/War Risk Insurance Bill: on motion by Kassebaum the bill is going back to conference. Duberstein
5. Producer Price Index: figure is up 0.6% for July, which is a +7.1% seasonally adjusted rate. This indicates continued progress against inflation. The industrial production index was close to flat (-0.1%).
6. Handicapped Regulations: it was pointed out that despite heavy congressional votes against the regs, they became effective yesterday. Wright will look into the matter further, and will then meet with Meese and Fuller to decide our next step. Meese
Wright
Fuller
7. Antitrust: Regarding story that Baxter is selectively enforcing laws against manufacturers setting retail prices, Fuller will obtain guidance from Justice. Fuller
Speakes
8. RNC: Richards will announce today that DeVoss has resigned as National Finance Chairman and will be replaced by Mike Curb.
9. Inoperative Boards and Commissions: The President will sign an executive order terminating 25 inoperative boards and commissions. A copy will be sent to Personnel so they will be able to alert any chairmen still serving. Darman
Von Damm
10. OMB Clearance Process: There has been some problem Fuller

with agencies sending position statements to the Hill that have not been properly cleared. The subject will be taken up at a future meeting.

11. Beirut: There has been no real change in the situation. Clark
We expect talks with the Lebanese to resume today.

BB

W/S

C. F.

to Records Management

SENIOR STAFF MEETING ACTION ITEMS

096783

Fl 006-01

ITEMS	ACTION
1. <u>Nuclear Freeze</u> : New resolution is being introduced, though it is not likely to make it out of Zablocki's committee; Legislative Affairs will monitor this.	Duberstein
2. <u>Schedule</u> : No photo op today. Regarding the congressional meetings, number of participants should be cut.	Speakes Duberstein
3. <u>Clean Air Act</u> : Key amendment vote lost, 21-20, though it could be raised again. This vote will not affect action in the Senate.	Duberstein
4. <u>General Supplemental</u> : passed the Senate last night, and is going to conference. Passage was by voice vote, thus denying us an accurate reading of support. Bill is \$1.1B over our request on the domestic side.	Duberstein
5. <u>Tuition Tax Credits</u> : Moynihan and Bradley have raised questions about the anti-discrimination provision of the bill. We should be able to satisfy their concerns; Justice will answer questions.	Duberstein Fuller
6. <u>Handicapped Regulations</u> : after Education submitted the regulations to Congress at OMB's suggestion, they were voted down 369-0. The regulations are designed to implement a block grant program. Question of why regs were sent to the Hill and other aspects will be checked.	Wright Fuller Harper
7. <u>Tax Bill</u> : Though there are problems, including lack of a conference report yet, we are making progress. Outside groups and the Cabinet have been mobilized, and speech material is now available.	Nofziger
8. <u>Balanced Budget Amendment</u> : there are now 185 signatures on a discharge petition in the House, with five days to go. Legislative Affairs will try to gear up an effort on this.	Duberstein
9. <u>Veterans</u> : it was suggested that, in Clark speech to veterans' groups, we take some credit for the bill providing benefits to those veterans killed in the line of duty. McFarlane, Wright, Dole and Meese will discuss speech.	McFarlane
It was also mentioned that veterans groups are gearing up a major effort aimed at the removal of Bob Nimmo from the VA.	Dole
10. <u>School Prayer</u> : suggestion was made that the AG or Schmults should deliver school prayer testimony on August 18 instead of Olson; reason would be to raise the visibility of our support for this issue.	Fuller

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C. F.

096784

to Records Management

SENIOR STAFF MEETING ACTION ITEMS (8-2-82)

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ITEMS	ACTION
1. <u>Schedule</u> : Photo op is with Shamir; pre-meeting briefing time may be expanded.	Speakes
2. <u>Donovan</u> : Guidance re new allegations is that all questions should be referred to Justice.	Speakes
3. <u>Trip Speeches</u> : Suggestions received from Regan on grain agreement have been incorporated into speech; guidance is that we will be consulting with the Soviets about the extension. Regarding Hartford speech, tuition tax credits and other points appropriate to the audience have been included.	Darman
4. <u>Tuition Tax Credits</u> : Meeting was held Friday with private coalition, who are also meeting with Senator Dole this morning. We should determine what steps are needed to further push the legislation; we should also begin looking for a strategy in the House.	Duberstein Dole
5. <u>Balanced Budget</u> : Final vote in Senate is likely on Wednesday; most amendments have so far been defeated.	Duberstein
6. <u>Airline Pilots/War Risk Insurance Bill</u> : Legislation is now out of conference. Stockman will urge a veto, but Lewis reportedly feels we should sign it despite our misgivings. Decision is that we should inform airline industry that they should not expect a veto of the bill. Stockman will, however, have a chance to make his case for a veto after the bill arrives.	Duberstein Fuller Darman
7. <u>CBI</u> : Shultz, Regan, and Brock will testify before the Senate Finance Committee on tax and trade aspects. Appropriations markup will be held soon on \$350M for CBI.	Duberstein
8. <u>FCC/ICC Reduction</u> : Laxalt will offer amendment for partial restoration of ICC seats; we are looking for a sponsor for a similar amendment re the FCC.	Duberstein
9. <u>Steel Stretchout</u> : Fuller will check on status of EPA action regarding this issue.	Fuller
10. <u>Clean Air Act</u> : We have been promised that a bill will be reported out of committee by August 15.	Duberstein
Regarding recent EPA action on lead content, guidance is that the proposal is in response to the public comment procedure and is not a reversal. Fact sheet will be circulated on this; also, OMB is now reviewing proposed regulations.	Fuller Wright
11. <u>Hinckley</u> : Report is due today on St. Elizabeth's examination; guidance is no comment.	Speakes

ITEMS	ACTION
12. <u>DOE Reorganization</u> : GAO report criticizes reported savings from reorganization; hurts prospects of passing a bill. Legislation is currently being written/amended in a way that may make it more disagreeable than no bill at all.	Dubenstein
13. <u>Health Care Vouchers</u> : Several proposals have been developed on the Hill which may help in achieving more competitive health care costs; Dubenstein will check.	Dubenstein Harper
14. <u>Middle East</u> : It was pointed out that the President was heavily involved with developments in the Middle East while at Camp David and that his press remarks conveyed this to the public; we may consider more regular press remarks on future weekend returns.	Gergen

BPM

WS

C. F.

096785

to Records Management

SENIOR STAFF MEETING ACTION ITEMS (8-3-82)

F6006-01

ITEMS		ACTION
1	<u>Balanced Budget Amendment</u> : Will probably reach the Senate floor tomorrow afternoon; prospects are good for obtaining 2/3 vote needed. In the House, Rodino has scheduled a hearing at which Regan will testify; this is a tactic to slow progress of a discharge petition.	Duberstein
2.	<u>CBI</u> : Appropriations Committee begins markup today on the \$350M we are seeking.	Duberstein
3.	<u>Tax Bill</u> : Reconciliation conference committee begins work today. Regarding provisions affecting Puerto Rico, Governor Romero is now in agreement with the Treasury position; effort is being made to add a pharmaceutical provision to 936, but Romero says such a provision, which would cost \$150M, is not needed.	Duberstein Williamson
4.	<u>Anti-Crime Package</u> : We do not have a date certain for Senate consideration, though it will likely come up after the August recess. Effort will be made to meet with Thurmond and H. Baker to seek restoration of provisions previously removed.	Duberstein
5.	<u>FCC/ICC Reduction</u> : Is now included in reconciliation package and will come up on the Senate floor after Balanced Budget Amendment. Laxalt will offer amendment to restore ICC seats, but we are still looking for a sponsor re FCC. Suggestion was made that Schmitt be asked to introduce the FCC amendment.	Duberstein
6.	<u>Nuclear Freeze Resolution</u> : Will come up on the House floor tomorrow. We are employing a full court press on this issue.	Duberstein
7.	<u>Employment Training Bill</u> : Erlenborn, Donovan and OMB are near agreement on an acceptable package of amendments on the House version of this bill. Fuller and Wright will circulate an outline after an agreement has been reached today.	Fuller Wright
8.	<u>Baldrige Statements</u> : Guidance is that mid-session review was not meant to be a forecast, and that we did not update our economic assumptions in the review. If we had done so, our numbers might have been closer to the CBO figures.	Speakes
9.	<u>Airline Pilots/War Risk Insurance Bill</u> : Stockman has asked that industry not be told about our intentions on the bill since that would preclude his argument for a veto. Meese, Lewis and Stockman will meet today after Legislative Strategy to discuss our position.	Darman
10.	<u>Tuition Tax Credits</u> : Senate Finance Committee will begin markup on issue next week; we will need to prepare to break a possible filibuster once the bill reaches the Senate floor. Dole will send letter to private coalition of supporters informing them of our intentions and seeking their help.	Duberstein Dole

ITEMS	ACTION
11. <u>Prisons</u> : Senator Dole has authored a bill that would spend \$2B over two years for a grant program to build prisons. OMB recommended we oppose the bill, and senior staff agreed. Fuller will speak with DOJ on the subject, and our record regarding land transfer requests for prison construction will also be checked.	Fuller Harper
12. <u>Supplemental</u> : Dispute has arisen over \$1.7B for Section 8 housing. Decision is that we will not withdraw our deferral request, but will instead make Congress decide whether the language in the appropriation will allow administrative discretion to spend the money.	Wright

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C.F.

SENIOR STAFF MEETING ACTION ITEMS (8-4-82)

096786

to Records Management

ITEMS

ACTION

F0006-01

1. Schedule: Photo op is during 10:00 meeting with bipartisan congressional group. Speakes

Items added to schedule are legislative briefing at 2:00; meetings with selected Congressmen and Senators at 3:00; personal staff time at 3:30; House and Senate GOP leadership at 4:00; and budget meeting in the Oval Office at 4:30.
2. Cabinet: Meeting at 11:00 will discuss demographics and OPD planning process; CCCT will then meet with the President at 11:45 on maritime issues. Fuller
3. Balanced Budget Amendment: Senate vote on final passage is set for noon today. Bill was amended to require 60% vote to raise the debt ceiling; an attempt will be made to remove this provision, which could jeopardize prospects for the entire amendment. Dubenstein
4. Beirut: Guidance on current developments will be ready by 9:00. Clark
5. Nuclear Freeze Resolution: Issue will probably come up on the House floor tomorrow. It is expected that the vote will be very close. Dubenstein
6. CBI: Yesterday Appropriations Committee voted for the full \$350M request to fund CBI; issue has still not moved in the Senate Finance or House Ways and Means Committee, though. We are continuing to make calls. Dubenstein
7. Tax Bill: Dole will discuss with Fuller suggestion to have the Cabinet become more actively involved in this issue. Also, Dole, Rollins and Williamson should each formulate plans for use of their outreach resources to assist in passage of the tax bill. Dole
Rollins
Williamson
8. Black Colleges: Secretary Bell's plans for a press conference to brief on the status of black colleges will be postponed. Fuller
9. Personnel: It was emphasized that contact with agencies on personnel matters should be handled through the WH Personnel Office.
10. Wendy Borchardt: von Damm, Dole, Speakes and Baker will discuss press guidance regarding her departure from WH staff. Speakes
11. Regulatory Task Force: Two reports on work of the V.P.'s task force on regulatory reform are being released today; background briefings will also be held. Williamson and Fred Bush will meet to discuss details of this. Williamson
Bush
12. Employment Training Bill: Strategy on issue of public sector jobs is to establish clear legislative history that the bill is not intended to allow that. Fuller will call Secretary Donovan and advise him of this approach. Fuller
13. CFTC User Fees: Question has arisen whether we want to push on this. The issue will be discussed tomorrow after further information has been obtained. Wright

BPB

C.F.

096787

(8-5-82)

Records Management

SENIOR STAFF MEETING ACTION ITEMS

PH 006-01

ITEMS	ACTION
1. <u>Schedule</u> : Health care event is photo op. NSC meeting has been postponed, and Congressional meeting has been added at 3:45. Suggestion was made that the press office not mention which state delegations will meet with President this afternoon regarding reconciliation.	Speakes
2. <u>Beirut</u> : News reports on President's letter to Begin appear to be based on an earlier draft.	
3. <u>Tax Bill/Reconciliation</u> : Talking points will be drafted on how the tax bill and spending cuts interrelate; the points will then be circulated for senior staff use.	Wright Darman
4. <u>Balanced Budget Amendment</u> : Rodino is holding final committee hearing today on the amendment; he and other Democrats are reportedly thinking of drafting their own version. At this point, we have 185 signatures on a discharge petition.	Duberstein
5. <u>Unemployment Benefits</u> : Today Metzenbaum will introduce an amendment to the reconciliation package for a \$6B extension in benefits. OMB is discussing a \$2B extension with Domenici and others, but the WH has no official position as yet.	Wright Duberstein
6. <u>Cabinet Luncheon</u> : Meeting is a continuation of the long-range planning presentation which began yesterday.	Fuller
7. <u>Nuclear Freeze Resolution</u> : Vote at 12:30 is expected to be very close. Any call requests on this need to be submitted as soon as possible. NSC will draft statement for adaptation after vote.	Duberstein Clark
8. <u>Federalism</u> : Issue will be discussed in Legislative Strategy meeting at 10:00; specifics need to be decided soon.	Darman Williamson
9. <u>Airline Pilots/War Risk Insurance Bill</u> : Meese and Baker will discuss this issue with the President this morning.	Meese Baker
10. <u>CFTC User Fees</u> : New effort will be made to include user fees in reauthorization, though prospects are not good.	Wright
11. <u>FCC/ICC Reduction</u> : ICC portion was worked out via an amendment by Laxalt. FCC portion must still be resolved, though; matter will be discussed with Senator Stevens.	Duberstein
12. <u>Job Training Bill</u> : Version passed by House yesterday allocates only 55% of funds for training versus 70% in the Senate bill. Effort to exclude wages and stipends failed. Bill now goes to conference; a veto is possible unless changes are made in the House bill.	Duberstein

PPH

WS

C.F.

096788

to Records Management

SENIOR STAFF MEETING ACTION ITEMS (8-6-82)

F6006-01

- | <u>ITEMS</u> | <u>ACTION</u> |
|--|------------------------------|
| 1. <u>Schedule</u> : There will be no photo op during congressional meeting. | Speakes |
| 2. <u>Nuclear Freeze</u> : Administration won by a two-vote margin. We should try to help those 3 Pennsylvania congressmen who switched their votes at the end. | Dubenstein |
| 3. <u>Beirut</u> : Begin has announced his answer to the President's letter, though we have not yet received a copy. Meeting with Jewish leaders yesterday went very well, though problems were caused by Berman's remarks to press on sanctions and other matters that were supposed to be on background. | Clark
Dole
Speakes |
| 4. <u>Unemployment Figures</u> : Increased from 9.5% to 9.8% in July, a new postwar high. | |
| 5. <u>Extension of Unemployment Benefits</u> : Efforts are still being made to agree on a compromise. Administration has not yet taken a position on such efforts. | Dubenstein
Wright |
| 6. <u>Airline Pilots/War Risk Insurance Bill</u> : Meese discussed issue with President yesterday. It was decided to support Kassebaum if she moves for hearings, but to maintain a neutral position otherwise. Kassebaum feels Senate may defeat the bill without WH involvement. | Dubenstein
Wright |
| 7. <u>Tax Bill</u> : Support coalition was formed yesterday; Dole will also request a call to the head of NFIB. President is repeatedly stressing his view that the tax bill is a necessity; a Cabinet meeting may be scheduled for the President to explain his position personally. | Dole
Fuller
Dubenstein |
| 8. <u>Public Employee Pension Legislation</u> : Consensus is that bill (PEPPRA) should be opposed; question is timing, mainly due to fact that we are trying to work with the bill's sponsor, Erlenborn, to obtain changes in the employment training bill. It was decided that Williamson could convey our position to governors' meeting if President concurs. | Meese
Williamson |
| 9. <u>FCC Reduction</u> : Yesterday we lost our effort to restore seats, though we may have another opportunity in conference. | Dubenstein |
| 10. <u>General Supplemental</u> : OMB is preparing a paper opposing the domestic increases, despite fact CBI is included. Veto will remain possibility. | Wright |

SENIOR STAFF MEETING ACTION ITEMS (8/16/82)

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Ft 00601 ACTION

ITEMS

1. Economic Policy: It was pointed out that the press seems intent on obtaining quotes to show that Reagonomics has failed; staff were cautioned to avoid any comments that might be misconstrued.
2. Speech on Tax Bill: Draft has been circulated with comments due by 11:00; no major structural changes should be suggested at this point. In particular, the speech should refute the contention that the President is retreating from his economic policies; we should also assess whether the speech uses too many figures. Darman
3. Defense Bill: Came out last week. Request will be submitted for call to thank Senator Tower for his help; call will also mention one outstanding issue. Duberstein
4. LA Times Story re Plans to Win a Nuclear War: Guidance is that this story has run previously; the report in question concentrates on a policy of deterrence. Speakes
5. Tax Bill: Guidance is that the President fully supports the conference report even though not all of our proposed changes were made. Talking points on the bill will be circulated sometime this morning. Speakes/Darman
6. Abortion: Issue will come up this week during Senate debate on the debt ceiling, and involves a disagreement over whether the abortion problem should be addressed by constitutional amendment or by legislation. Immediate question is what our posture should be re cloture on Helms bill. Duberstein
7. Tuition Tax Credits: Bill is going back to markup tomorrow in Senate Finance Committee. A slight change in anti-discrimination language has been signed off on by Education, Justice, and WH. Duberstein
8. Veterans' Benefits: This issue involves effort to restore Social Security benefits for survivors of soldiers killed in action. Suggestion by Senator Dole is to drop reference to this from presidential speech being prepared. Duberstein

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to Records Management
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SENIOR STAFF MEETING ACTION ITEMS (8/17/82)

ITEMS

ACTION

1. Schedule: Photo op is with DOE; departure statements will be made. Re congressional meetings this afternoon; more congressmen (including Lott) will be brought in by reducing time spent with each to 10 minutes. Speakes/
Duberstein
2. Speech: Reaction to speech reported by Comments Office was 3-1 in support; more complete report will be ready this morning. Speech was generally well-received. Speakes
3. Taiwan Arms Statement: Should be put out as soon as possible to minimize adverse conservative reaction. Bistany and Clark will discuss bringing conservative journalists in for briefing. Clark/
Bistany
4. Housing Starts: July figures will be released later today and will show a healthy increase; permits will also be up.
5. Balanced Budget Amendment: Discharge petition in the House needs about 20 more signatures. The issue is not dead for this session: Prospects will depend on when Congress adjourns in October. Suggestion was made to get facts out about how much the President has personally done to move this issue forward. Duberstein
6. Clean Air Act: Senate is due to report a bill by Thursday. In the House, Dingell and Waxman are trying to resolve differences; Boyden Gray has also suggested certain calls that can be made to help move the bill out of committee. Duberstein/
Murphy
7. Schmitt Meeting: Will be held today to discuss copper issue, which has a great effect on Schmitt's re-election. Supplemental now contains \$198M for this, but Schmitt understands we may have to veto the bill. He will probably seek a commitment to include this money in any subsequent supplemental. Stockman has already sent letter opposing the expenditure. Meese will coordinate development of a position for the meeting with Schmitt. Meese/
Duberstein/
Wright

8. Crime: New package has been developed by Justice which includes insanity defense, exclusionary rule, and habeas corpus. Decision is that package should be announced by President in his radio talk on August 28. Fuller/Darman
9. General Supplemental: Howard Baker asked for, and received, a letter from Stockman outlining the consequences of failure to pass a supplemental the President can sign. The main problem would be inability to meet the military payroll. OMB has also sent a letter to all agencies pointing out the procedure to follow if their budget comes out lower than their request; OMB will work with agencies in that situation to find offsets. Wright
10. Conservatives: An article in Newsweek pointed out that certain conservative politicians plan to hold a mid-term issues conference.
11. Tax Bill: So far, over 50 business organizations are supporting the bill. NAM is with us and BRT should follow. The Chamber remains officially opposed, though a slim majority of the board is signing a letter of support which can be used. A letter of support from a number of labor unions will be ready today or tomorrow. Cavaney
- Regarding the President's activity, he should issue a strong promise to veto budget-busting bills (perhaps via a letter to Trent Lott today). The President should also undertake some action to place him in contact with ordinary citizens this week; personally greeting the tour line in the East Wing was suggested. Nofziger
12. Timber Bailout: Hearing will be held today. Our position is that we will not forgive the contracts, but we will be flexible on the timetable for payout. Duberstein will inform Hatfield in advance. Harper/Duberstein

12/18/82
SENIOR STAFF MEETING ACTION ITEMS (8/18/82)

PH006-01

ITEMS

ACTION

1. Schedule Changes: Congressional meeting will be held from 11:15 to 12:00 in the State Dining Room; the Deficit Reduction meeting is moved to 2:30; and a congressional dinner is added at 7:00. Deaver
 2. Personal Income: July figures rose 1% over June (which showed a 0.4% increase. Also, the savings rate went from 6.9% to 7.3% in June, and is expected to rise again in July.
 3. School Prayer: Schmults will deliver testimony today. Fuller
 4. Taiwan: Helms will release a statement on the subject today. Duberstein/
Clark
 5. Clean Air: Dingell's committee is trying to work out differences on the bill. Duberstein
 6. Immigration: A version very close to our proposal passed the Senate yesterday. Chances of passage in the House after recess are better than 50-50. Duberstein
 7. Tax Bill: All senior staff with contacts on the Hill are encouraged to make calls. A favorable poll on the subject by Dick Wirthlin is being completed, and will be distributed to House Republicans. Also, despite news accounts to the contrary, Conable will support the tax bill. A Republican conference will be held today which may discuss filing suit to block the bill on constitutional grounds; Fielding will prepare talking points re our views on constitutionality. Duberstein/
Fielding
- Speakes will deal with misreporting of Stockman statements in today's press briefing. Speakes
- Among outside groups, a majority of Chamber board members now say they support the bill; a letter of support from labor leaders will go out today, and will especially be used with the Michigan and Ohio delegations; and we will work with Iacocca to get a public statement of support from Riegle. Cavaney/
Fuller
8. Reconciliation: Reason for failure in House yesterday was due to back-door attempt at raising congressional pay. The matter will come up again in the House. Duberstein

SENIOR STAFF MEETING ACTION ITEMS (8/19/82)

WS C.F.

To Records Management

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FG 006 01

ITEMS

ACTION

1. Schedule: Time at 2:00 will be left open to brief congressional leadership on Lebanon if necessary. We will wait to see how House proceedings go on the tax bill before deciding when and how the President will respond to the Lebanese request. Clark
2. Tax Bill: Vote on the rule will occur between 12:00 and 1:00; debate on bill will then last 4 to 5 hours. Duberstein
3. General Supplemental: Senators Baker and Hatfield will meet with the President on this today. A time should be set to brief the President on the bill and the options available. Duberstein
4. Economic Figures: Corporate profit figures will be out later today. A re-estimate of 2nd quarter GNP showed revised growth of 1.3% (down from 1.7%).
5. Taiwan: Arms statement probably did not cause any votes to be lost on the tax bill. Overall, this situation has calmed down; F5-E notification, which goes up today, has helped. Clark
6. Tuition Tax Credits: Senator Bradley has raised questions and submitted an extensive amendment; Senator Dole seems inclined to delay vote until the matter is resolved. Duberstein
7. Abortion/School Prayer: Report is that Helms combined both issues into one bill, which violated an agreement and opened the bill, subsequently, to a filibuster. Helms, however, still feels he has a procedural argument that will allow a vote on the bill. Duberstein
8. Mount St. Helens: A problem has been caused by a natural dam, formed by the eruption, which is in danger of bursting. Over 40,000 people may need to be evacuated. Governor Spellman has asked that a state of emergency be proclaimed by the President that will allow FEMA to help. Report is that the President will sign the necessary proclamation this morning. Williamson/
Darman

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F6006-01

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SENIOR STAFF MEETING ACTION ITEMS (8/20/82)

ITEM	ACTION
1. <u>Schedule</u> : Changes have been made. Weinberger and Schultz will meet with the President at 8:30, followed by a telephone call to Habib at 8:45; 9:30 statement on Lebanon will be made in the Rose Garden; and NSPG will meet briefly at 10:00.	Clark Speakes
2. <u>Tax Bill</u> : Staff were congratulated for fine work in obtaining passage. Bill will probably not arrive for signing until Thursday.	Darman
3. <u>Tuition Tax Credits</u> : Prospects have improved for agreement in Senate Finance Committee.	Duberstein Cavaney
4. <u>General Supplemental</u> : Legislative Strategy Group will discuss the subject at 10:00.	Darman
5. <u>Durable Goods and Orders</u> : Figures will be up markedly.	
6. <u>FBI</u> : Report is that victims kidnapped by "Army of God" are now home safely.	
7. <u>Peso Devaluation</u> : Report is that Governor Brown will ask the President to declare two counties in Southern California "economic disaster areas" due to peso devaluation. Texas border businesses have also been hard hit.	Williamson
8. <u>Railroad Strike</u> : Two emergency boards created to deal with strike have issued reports which will be studied for thirty days. Secretary Lewis has the lead on this, with Secretary Donovan also involved. The hope is that a settlement can soon be reached.	Fuller
9. <u>Speeches</u> : Radio speech on crime is being drafted for delivery on August 28. Idea of televised Labor Day speech has been scrapped.	
10. <u>Senior Staff</u> : Next meeting will be held on Tuesday, September 7.	

MINUTES OF MANAGEMENT MEETING

WS

C. F.

096850

FG006-01

PARTICIPANTS: E. Meese, C. Fuller, E. Harper, E. Gray, J. Jenkins,
J. Wright, R. Frankum, R. Porter, K. Hopkins, B.N. Dunlop,
R. Beal, K. Cribb

DATE: Tuesday, 11 August 1982

<u>ITEM</u>	<u>ACTION</u>
1. <u>Job Training Legislation:</u> It should be determined when to send word that this will be a veto candidate unless the House version is significantly changed in Conference.	CF
2. <u>Port User Fees:</u> Cost recovery will be 90% across-the-board and 10% port-specific.	JW
3. <u>Windfall Tax on Alaska Oil:</u> RP, EH and JW will confer on Administration position in response to Secy Edwards memo. CF will coordinate.	EH/RP JW/CF
4. <u>GAO Ruling re: SBA:</u> SBA will issue 6-month regs adjusting size criteria as interim relief for the 8(a) firms affected by the GAO ruling.	BND
5. <u>Santa Barbara Protection for RR:</u> Lagomarsino has introduced a bill to provide federal funding. JW should follow up to make sure that the amount remains modest.	JW
6. <u>SBA/Thurmond Issue:</u> All problems have been resolved. BND will confirm this with Atwater.	BND
7. <u>WH Conference on Small Business:</u> EH will make recommendation and provide draft reply to Sanders letter.	EH
8. <u>Census Poverty Report:</u> OPD analysis is completed.	RP
9. <u>Income Survey:</u> Annelise Anderson will find \$7 million to fund this.	JW.
10. <u>Steel Stretchout:</u> EPA ruled in favor of U.S. Steel. BND will check out and report.	BND
11. <u>Non-Registrants/IRS Info:</u> CF will schedule a meeting after hearing.	CF
12. <u>Legal Fee Limitation:</u> EH will follow-up with Darman on legislative strategy meeting and will talk to Duberstein on getting a vehicle for Hill consideration.	EH
13. <u>DOE Reorganization:</u> GAO criticism was aimed at the quality of staff work, not whether the reorganization should occur. JW can continue to push.	JW

ITEM

ACTION

14. Management Reform: JW will brief groups within the Executive Branch, but will refrain from briefing outside groups until cleared by EM. JW
15. H.R. 5600: A letter from RR should go to the Hill sponsors asking them to introduce the legislation. JW
16. Executive Pay Increase: A 4% cap must hold per EM. JW
17. BATF Funding: This should be funded at a level which would maintain current services. JW
18. Federal Employees Relocation Expenses: JW should evaluate studies on this and should coordinate an Administration policy. BND should continue to monitor with GSA and OPM the commitment to more adequately reimburse these expenses. JW/BND
19. DOD Budget Outlays: DS will provide new figures for EM. JW
20. Monetary Growth Charts: EH will provide charts. EH
21. Federalism: Carleson will produce memo. EH
22. Anti-Crime Legislation: Bill Barr is coordinating w/DOJ and Thurmond on a second bill. EH
23. Norman Ture Article: EH has sent this to M. Feldstein for evaluation. EH
24. Apple Computer: A bill is moving through Congress on this issue. CF should prepare a memo for RR. CF
25. Death Payment for Federal Enforcement Employees: CF should obtain the DS memo for EM who will then raise it w/RR. CF
26. U.S.-U.S.S.R. Grain Agreement: EM approved guidance for Administration officials who will testify at the "Sanctity of Contract" hearings. RP

MANAGEMENT MEETING AGENDA ITEMS
 Tuesday, 17 August 1982 - 5:00 p.m.

C.F.

096851
 FG006-01 ACTION
 INITIATOR OFFICER

<u>ITEM</u>			
1. Abortion		EM	EH
2. Edwards Memo re: Working Group on Science and Technology		EM	
3. Paperwork Reduction Act	<i>OMB Circular by 8/20</i>	EM	JW
4. Veterans Education and Employment Amendments / <i>oppose</i>	<i>A-40</i>	JW	CF Schmitts <i>Fielding</i>
5. Daily Legislative Reports		JW	
6. Further Thoughts on Education Regulations		JW	

STATUS REPORT ON:

<u>Date Due</u>	<u>Subject</u>	<u>Case</u>	<u>Action</u>	
17 Aug	Apple Computers	AT222	Memo for RR	CF
17 Aug	Child Labor Laws	AT223	How was this decided?	CF
13 Aug	Steel Stretchout	AT237	Evaluate EPA action	(BD)
17 Aug	Women's Issues	AT132	Summary of Existing WH initiatives	EH

Space -

*mtg with Dan McKinnon / CAB
 - OMB - Joe Wright - options paper
 - early sunset Oct 83
 - 01 85*

aj

MINUTES OF MANAGEMENT MEETING

PARTICIPANTS: E. Meese, C. Fuller, E. Harper, K. Hopkins,
R. Frankum, J. Wright, B. N. Dunlop, K. Cribb

DATE: Tuesday, 17 August 1982

WS
C. F.
096851
FG006-01

<u>ITEM</u>	<u>ACTION</u>
<u>1. Abortion:</u> Check w/KD re: EH recommendation that RR make calls on cloture.	EH
<u>2. Versailles Working Group on Science&Technology:</u> John Marcum already serves in the slot for which Secy Edwards is recommending a DOE official. CF should so respond to Secy Edwards. CF should also check the status on other actions mandated at the Versailles Summit.	CF
<u>3. Paperwork Reduction Act:</u> FFF should resolve this w/DOJ by Friday, 20 August. If not, OMB should take necessary steps to work the A-40 process. CF should coordinate.	CF/JW
<u>4. Veterans Education and Employment Amendments:</u> These should be opposed.	JW
<u>5. Daily Legislative Reports:</u> These should be brought to Senior Staff each morning.	JW
<u>6. Education Regulations:</u> If the Hill rejects our strategy, we should hold another meeting to rethink.	CF
<u>7. Law of the Sea:</u> EH should check further into the status report on this issue.	EH
<u>8. Women's Issues:</u> EH presented EM with a summary of existing initiatives.	
<u>9. Apple Computers:</u> OMB and Treasury are still negotiating. CF should prepare memo for RR.	CF
<u>10. Child Labor Laws:</u> This matter was decided by Labor and DeMuth (for the Regulatory Task Force) with no other clearance.	EM

MINUTES OF MANAGEMENT MEETING

*To Review
Management*

PARTICIPANTS: E. Meese, C. Fuller, E. Harper, K. Hopkins,
R. Frankum, J. Wright, B. N. Dunlop, K. Cribb

DATE: Tuesday, 17 August 1982

<u>ITEM</u>	<u>ACTION</u>
1. <u>Abortion:</u> Check w/KD re: EH recommendation that RR make calls on cloture.	EH
2. <u>Versailles Working Group on Science&Technology:</u> John Marcum already serves in the slot for which Secy Edwards is recommending a DOE official. CF should so respond to Secy Edwards. CF should also check the status on other actions mandated at the Versailles Summit.	CF
3. <u>Paperwork Reduction Act:</u> FFF should resolve this w/DOJ by Friday, 20 August. If not, OMB should take necessary steps to work the A-40 process. CF should coordinate.	CF/JW
4. <u>Veterans Education and Employment Amendments:</u> These should be opposed.	JW
5. <u>Daily Legislative Reports:</u> These should be brought to Senior Staff each morning.	JW
6. <u>Education Regulations:</u> If the Hill rejects our strategy, we should hold another meeting to rethink.	CF
7. <u>Law of the Sea:</u> EH should check further into the status report on this issue.	EH
8. <u>Women's Issues:</u> EH presented EM with a summary of existing initiatives.	
9. <u>Apple Computers:</u> OMB and Treasury are still negotiating. CF should prepare memo for RR.	CF
10. <u>Child Labor Laws:</u> This matter was decided by Labor and DeMuth (for the Regulatory Task Force) with no other clearance.	EM

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FG006-01

MANAGEMENT MEETING MINUTES

PARTICIPANTS: E. Meese, C. Fuller, E. Harper, E. Gray, J. Jenkins,
J. Keyworth, J. Wright, R. Porter, B. N. Dunlop,
R. Beal, K. Cribb

DATE: Friday, 6 August 1982

<u>ITEM</u>	<u>ACTION</u>
<u>1. California Trip:</u> RR will not go to California before the 18th or 19th of August.	
<u>2. GSA Report on Floor Space:</u> Total square footage has been reduced, primarily through GSA alone. A forum should be found to monitor this, personnel levels, and other management-oriented questions.	EM
<u>3. Job Training Bill:</u> This is a candidate for veto. CF should determine how and when to transmit.	CF
<u>4. Tax Bill:</u> OPI should work on a document to help sell the tax bill.	EH
<u>5. Modification of Child Labor Laws:</u> How was this issue decided? CF will check out.	CF
<u>6. Women's Issues:</u> We need to communicate our success on inflation. Enforcement of child support is also an important women's issue. EH should talk to E. Dole and report to EM of what we are doing across-the-board on women's issues.	EH
<u>7. Alaska Land Use Council:</u> The E.O. should be transmitted at Jim Watts' request, unless political problems surface.	CF
<u>8. GAO Ruling re: SBA:</u> SBA cannot live with the GAO ruling, but DOJ is investigating options. BND will check out.	BND
<u>9. Funding for Survey of Income:</u> RB reports that funding is uncertain for this important project.	JW/CF

MANAGEMENT MEETING MINUTES

096852 PD
FG006-01

PARTICIPANTS: E. Meese, C. Fuller, E. Harper, E. Gray, J. Jenkins,
J. Keyworth, J. Wright, R. Porter, B. N. Dunlop,
R. Beal, K. Cribb

DATE: Friday, 6 August 1982

<u>ITEM</u>	<u>ACTION</u>
1. <u>California Trip:</u> RR will not go to California before the 18th or 19th of August.	
2. <u>GSA Report on Floor Space:</u> Total square footage has been reduced, primarily through GSA alone. A forum should be found to monitor this, personnel levels, and other management-oriented questions. <i>J.W. asked to prepare a charter.</i>	EM
3. <u>Job Training Bill:</u> This is a candidate for veto. CF should determine how and when to transmit.	CF
4. <u>Tax Bill:</u> OPI should work on a document to help sell the tax bill.	EH
5. <u>Modification of Child Labor Laws:</u> How was this issue decided? CF will check out.	CF
6. <u>Women's Issues:</u> We need to communicate our success on inflation. <u>Enforcement of child support</u> is also an important women's issue. EH should talk to E. Dole and report to EM of what we are doing across-the-board on women's issues. <i>Robing Issues;</i> <i>D. Lozano is preparing PR+ program.</i> <i>His background on current program.</i>	EH
7. <u>Alaska Land Use Council:</u> The E.O. should be transmitted at Jim Watts' request, unless political problems surface.	CF
8. <u>GAO Ruling re: SBA:</u> SBA cannot live with the GAO ruling, but DOJ is investigating options. BND will check out.	BND
9. <u>Funding for Survey of Income:</u> RB reports that funding is uncertain for this important project.	JW/CF

info,

PRESIDENTIAL ACCOUNTABILITY GROUP

August 30, 1982

30 AUG 1982

096858 PD
4800
FG006-01
FG006-07
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Mr. Edwin Harper
Assistant to the President
for Policy Development
Old Executive Office Building
Room 45

LD 4

Dear Mr. Harper,

Enclosed is a copy of your profile as it appears in the book, Reagan's Ruling Class: Portraits of the President's Top 100 Officials. We have made these copies available to those officials who granted interviews for the book.

We began this book with the proposition that the federal government belongs to the governed, that officials who carry out laws in the name of the people should be known to the people. We applaud your accessibility in granting an interview, and we thank you for taking the time out of your busy schedule to meet with us and discuss your background, beliefs and policy plans.

Sincerely,

Ronald Brownstein

Ronald Brownstein

Nina Easton

Nina Easton

P.O. Box 19312
Washington, D.C. 20036
[202] 387-8034

EDWIN HARPER

ASSISTANT TO THE PRESIDENT FOR POLICY
DEVELOPMENT*RESPONSIBILITY OF OFFICE*

Harper moved into the job in March, 1982, after his predecessor Martin Anderson left office in February. Ironically, part of Anderson's frustration grew from the preeminence of the Office of Management and Budget (OMB)—where Harper was deputy director—in setting domestic policy.



That is not the way the system was designed. President Nixon created both the Domestic Council and the Office of Management and Budget with the intent that the former would develop policy and the latter would implement it. That line is easier to draw in a proclamation than in practice, and by virtue of its larger staff, superior computer capability, and control of the bureaucracy's life-giving numbers, OMB has generally been the dominant institution.

In 1977, President Carter abolished the Domestic Council and replaced it with a Domestic Policy Staff directed by Stuart Eizenstat (who did have a significant role in policy development). Reagan reorganized it again, gave the director a new title, and cut the staff.

Harper's aides staff the six Cabinet Councils that Reagan created to develop and coordinate policy for a variety of domestic agencies.

BACKGROUND

Harper comes to the White House from OMB, where he served as David Stockman's deputy. It could be argued that he left the Administration's real Domestic Policy Staff—since virtually all important domestic initiatives have originated in OMB—but the new appointment gives Harper a promotion and a chance to step out of Stockman's shadow.

As Stockman's number two, Harper devoted his attention to the Administration's celebrated fight against waste, fraud and corruption. Harper chaired the "President's Council on Integrity and Efficiency." From the start, the council appeared to be motivated more by ideology than management. Ignoring such items as the \$126 million the Army wastes every year managing its inventory (according to the General Accounting Office), Harper expended all of his energies in the area of "Flics, Flacs and Foldouts"—previously known as audiovisual aids and publications. Cutbacks in the area are expected to total \$100 million—about what the Pentagon annually spends on marching bands—but those "savings" have been selectively pursued.

Although a moratorium was announced in April, 1981 on all new publications, Harper's efforts focused almost exclusively on agencies such as the Environmental Protection Agency (EPA) and National Highway Traffic Safety Administration (NHTSA) which have come under heavy fire from the Reagan Administration for their regulatory activities. NHTSA's enormously popular *Car Book*, a guide for auto consumers, has been discontinued, but some publications managed to slip through Harper's "moratorium." On August 20, 1981 the Commerce Department pub-

lished a new guide for businesses hoping to export energy technology to Soviet bloc countries—ironically at the same time the Administration was pressuring its European allies not to build a pipeline to transport Siberian natural gas to Western Europe. One Commerce Department official told us the moratorium “has been lifted for the Commerce Department.” Another asked: “Is there a moratorium on new publications?” Although some publications have been granted special exemptions from the moratorium, this pamphlet was not among them. Other pamphlets with such riveting titles as “Growing American Bunch Grapes” remain available.

The “pick and choose” of going after publications was revealed in a testy exchange Harper had with reporters:

Reporter: Here is a 16-page printed program for Easter at the White House 1981. Signed by Nancy Reagan. . . What is your estimated cost of this waste?

Harper: I have no idea. It is the first time I have seen the pamphlet.

Reporter: How. . . could you have overlooked this incredible thing? . . . Could you explain that Ed?

Harper: I don't know. . . We will have to find out and get back to you with information about that. . .

Reporter: You will get back to me? How are you going to get back to me? You don't even know how to get back to me.

Harper's boss, David Stockman, has often claimed that the Defense Department harbors billions of dollars in “waste, fraud and abuse.” It is curious that the council has done little on this problem. When asked why the council had not set up a special task force on the Defense Department, an OMB staff member who worked with Harper's council insisted, “It's better to attack the problem as we have done. We choose an area like travel management—the Department of Defense gets investigated just like everyone else. We include them in all our efforts.”

Others complain that Harper failed to do his homework. After he publicly ridiculed six publications in an open forum, one astute observer noted that two of the publications were required by law, one was printed because the state of New Jersey had sued to have information on certain food safety materials made available and two others came in at a cost of 2 cents each to produce. One government publications officer told us Harper's council was “Not sure what they are doing. Should have planned a lot better. . . Going off half-cocked. . . Didn't do the legwork.”

As his role at OMB indicates, Harper is not an idea man. That can be useful as a counterpoint to someone like Stockman (“Stockman is wrapped up in his new world vision,” one OMB staffer told us. “People were glad to see a management type like Ed Harper come to OMB. He provides a grounding in reality.”), but it is not the traditional role of the domestic policy adviser. Harper will be more of a paper-pusher than his predecessors, but because he is a smooth bureaucrat he may ultimately be more influential than Martin Anderson, who was rarely involved in Administration decisions.

Harper's government experience is all in the budget area. Upon completion of his doctoral degree requirements at the University of Virginia in 1968, Harper spent a year with the Bureau of the Budget (OMB's precursor) as special assistant to the director for resources planning. In December, 1969 President Nixon appointed Harper his special presidential assistant for domestic budget planning.

After Harper left this post in December, 1972, an embarrassing incident came to light in which he was implicated. Paul R. Jones, Nixon's chief re-election liaison to blacks, claimed that on one occasion his business had received a \$75,000 federal

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grant from the Office of Minority Business Enterprise by submitting a special plea. Applications for these funds were filtered through Harper, who denied any shady role in the deals. When asked about the \$75,000 request for funds Harper said he could not remember the incident but if he did receive the request, "my policy would have been to send it to the appropriate agency and would have said 'for your consideration,' period. I never made any recommendation."

Following his stint in the White House, Harper took a series of jobs in the private sector. He spent two years as vice-president of INA Corporation and then joined Certain-Teed, a building material concern, in 1975. In 1978, Harper was named vice-president of Emerson Electric in St. Louis.

As for his appointment to the OMB post, Harper was personally selected by Edwin Meese, III. Harper's most important function there, as one OMB staffer told us, may have been "offsetting the gracelessness of Dave Stockman."

Born on November 13, 1941 in Belleville, Illinois, Harper is married and has two children. He received his undergraduate degree from Principia College in 1963, and his Ph.D. from the University of Virginia. Before entering government he taught for two years at Rutgers University in New Jersey.

FINANCIAL BACKGROUND

Harper earned \$175,750 from Emerson Electric Co. He reports assets worth at least \$81,000, including those of his wife and children.

WHAT OTHERS ARE SAYING ABOUT HIM

- All of the people we spoke with commented on Harper's management—as opposed to policy development—skills. "Stockman's the big idea man," said a Republican aide at the House Government Operations Committee. "Part of the deal for Harper is to dampen Stockman's influence."

MAJOR ISSUES

Sometime in the fall of 1981, Rep. Trent Lott (R-Miss.) wrote a letter to President Reagan urging him to reverse a long-standing Internal Revenue Service (IRS) policy denying tax-exempt status to private schools that discriminate on the basis of race.

Lott, a conservative Southerner, had a pressing personal interest in the matter: several Mississippi schools, including one in his district, faced the loss of their tax-exempt status for practicing racial discrimination. He was so concerned in fact, that he had designated himself a sort of chief congressional spokesman for two other schools, Bob Jones University in South Carolina and the Goldsboro Christian Schools, Inc. in North Carolina, both of which had appealed to the Supreme Court after federal appeals courts ruled that they were not entitled to the tax exemption.

Lott had good reason to believe that Reagan would be sympathetic to his plea. During his campaign the President had promised to overturn the IRS policy. As it turned out, Lott was right. Next to the presidential correspondence log's summary of the letter, which indicated that Lott had explained the two cases were before the Supreme Court and had urged Reagan "to intervene in this particular case," Reagan scribbled: "I think we should." The summary with Reagan's comment somehow reached Lott, who forwarded copies to the Justice and Treasury Departments.

Within the White House Ed Meese, oblivious to the outrage he was about to generate, directed the staff work and met with Treasury and Justice officials on reversing the policy. He didn't tell the other two senior aides who made up the powerful "troika" of Reagan advisers—Jim Baker and Mike Deaver—what he was up to.

Thirty-six hours before the policy was to be announced, Baker learned about it in a phone call from the Justice Department. Furious that he had been bypassed on such an important issue, Baker brought up the matter with Meese the following day at a staff meeting. Meese assured both Baker and Deaver that the decision was simply one more perfunctory reversal of a burdensome Carter-imposed regulation.

In fact it was not. When Reagan Administration officials announced on January 9, 1982 that they were reversing the IRS policy and would ask the Supreme Court to dismiss the cases as moot, they were altering a policy set forth by the Nixon Administration in response to a federal court injunction—upheld by the U.S. Supreme Court—against granting tax exemptions to schools engaged in racial discrimination. The policy had been a major victory for civil rights.

The reaction to the Reagan Administration's announcement was swift and damaging. On other civil rights questions the Administration had adroitly mitigated perceptions that Reagan was unwilling to protect minorities from discrimination. The tax exemption case exposed the Administration, and Reagan himself, to widespread charges of racism. "I have not yet had occasion to call the Reagan Administration racist," said Benjamin Hooks, executive director of the NAACP after the announcement, "but this latest series of retreats on discrimination puts them mighty close." Said one White House correspondent: "I'm not sure any of those guys understood the history of this thing. Baker sensed [its sensitivity] but even Baker didn't know the history."

Within the White House, "operation salvage" was launched in an attempt to save face for the President. Baker quietly told friendly reporters that it was a Meese operation, and that if he had seen it soon enough he would never have let it through. Deaver, distraught over how the incident had damaged Reagan's image, told reporters the policy shift was a result of sloppy management, not Reagan.

"This President is the most fair-minded man I've ever known," Deaver told the *Washington Post*. "All of those involved failed to see the sensitivity of the issue. It's a shame his reputation has to be tarnished by faulty staff work."

At the same time, Deaver urged the President to submit legislation replacing the IRS rule. Thus Reagan could assert that he simply had not wanted bureaucrats formulating social policy that Congress should address—knowing full well that the conservative-dominated Senate would never pass such a bill.

Within a week, Reagan publicly confessed that he was "the originator of the whole thing," and claimed the decision was simply ill-timed, that he had planned all along to submit legislation replacing the rule.

Personality and performance are always clearly defined in crisis, in the White House as anywhere else. The tax exemption fiasco highlights both the problems Reagan's senior advisers face, and their individual roles in the White House. Meese, an uncomplicated conservative, grabbed the issue from his like-minded friends and huddled it through the White House machinery, insensitive to the political fallout that would occur. Baker, a politically savvy adviser who charts Reagan's ups and downs, immediately recognized the sensitivity of the issue and was quick to blame

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it on Meese. Deaver, whose blind loyalty to Reagan often skews his judgement, lied to reporters to protect the President.

To Ronald Reagan, who once said he "would have voted against the Civil Rights Act of 1964," the issue went straight to his heart; he did not give a second thought to reversing the IRS policy. "This thing hit a vein of sympathy in Reagan," said one White House reporter. "He still stands for all the things that have been considered racist since those days."

For his senior advisers, an overriding, though unstated, responsibility is to protect Reagan from himself. The same Reagan rhetoric and campaign promises that appealed to the interests of a select few can be politically hazardous when put into action by a leader charged with protecting the interests of the many. The tax exemption question is a case in point. Reagan's position on the matter had been stated in his campaign speeches, and indeed in the Republican platform.

Another example is Reagan's belligerent anti-Soviet rhetoric. While during the campaign those words evoked cheers and applause from like-minded audiences, from the Oval Office they evoke visions of nuclear war and give rise to mass arms control demonstrations.

But Reagan still sees himself as governor of the few. "He has certain ideologies," said Saul Friedman, White House reporter for the *Philadelphia Inquirer*. "If it doesn't fit into his predilection, his ideas, he discards it." His decisions are based on a general impression of the world that he has developed, not the product of rigorous discussion or debate on the issue at hand. "He is not an intellectually curious man," said Loye Miller of *Newhouse News* service. "He does not go out of his way to get himself exposed to other ideas."

It is no accident that the most politically damaging decisions of his presidency have been made by Reagan himself. One is the tax exemption case. Another is Reagan's decision not to raise taxes in the 1983 budget. Reagan actively backed by Rep. Jack Kemp, rejected advice from nearly his entire circle of advisers to implement some type of tax—the most widely supported was a higher excise tax on liquor, cigarettes and various luxury items—as a means to cap the swelling federal deficit. Reagan's stubbornness on that issue—in the face of deficits that will reach more than \$100 billion a year—has jeopardized his support from key Republican leaders and members of the business community, as well as providing ammunition to his many critics.

In sharp contrast to Jimmy Carter who muddled himself in detail—reporters still laugh about the stack of documents several feet high that he studied before his decision to cancel the B-1 bomber—Reagan only wants an ankle-deep version of complex issues. In California, William Clark devised the mini-memo for use by Governor Reagan, in which the details of an intricate state issue would be condensed to one page. Reagan reportedly still uses mini-memos to make decisions on federal issues. His counselor, Meese, told a Los Angeles audience in March, 1982 that he tries "to relieve the President of some of the details, but always to make sure he is the one to make the decisions."

Reagan is the President that governs by anecdote. More often than not, his stories are exaggerated, even untrue. In supporting his cuts in the food stamps program, for example, Reagan told Sen. Bob Packwood (R-Ore.) this story: "You know a person yesterday, a young man went into a grocery store and he had an orange in one hand and a bottle of vodka in the other, and he paid for the orange with food stamps and he took the change and paid for the vodka. That's what is wrong." Later an Agriculture Department official, Mary Jarratt, responded in congressional

testimony that change from a food stamp transaction is limited to 99 cents. "It's not possible to buy a bottle of vodka with 99 cents," she said. After a year in office, Reagan's misstatements of fact—some would call them lies—had already become legendary.

Reagan has a long history of such misstatements. Reporters regularly report Reagan's errors of fact, but tend to treat them as bloopers, evidence of Reagan's lack of familiarity with the programs under his control and the decisions being made in his name. Rarely pointed out is that the "errors" are always of the same kind: designed to make Reagan look better, or his opponents look worse. Reagan doesn't "accidentally" state that unemployment is higher than when he took office; he twists numbers to make it appear that unemployment is lower. When he was running for his first term as governor—promising, then, as now, to clean up the welfare state—he didn't underestimate the number of Californians receiving welfare. Instead he exaggerated the total by 200 percent.

It's a phenomenon that, try as they might, his advisers cannot control. As one White House reporter noted: "You see growing incidence of bloopers even as it becomes more of an issue." But there is no doubt that it is damaging the Administration's credibility. When we asked a number of reporters what they considered the chief weakness of the Reagan White House, a common response emerged: Ronald Reagan himself.

But in general, the important details of the government are kept out of Reagan's hands. Reagan delegates, preferring to run his show corporate style, and act as the chairman of a board of directors. "I have been asked many times how Reagan goes about making a decision," John Sears, who has managed two Reagan campaigns, wrote in the *Washington Post* four months before Reagan's election. "The answer is that his decisions rarely originate with him. He is an endorser. It is fair to say that on some occasions he is presented with options and selects one, but it is also true that in other instances he simply looks to someone to tell him what to do. . . if his advisers are adequate there is nothing to fear from President Reagan."

During his first year in office, three men emerged as Reagan's most influential advisers, the troika—Counselor Ed Meese, Chief of Staff James Baker and Deputy Chief of Staff Michael Deaver, who despite his title operates as an equal to both Baker and Meese. While David Stockman, James Watt, William French Smith and other Cabinet members sketched in the lines and colors of Reagan's amorphous program, the troika regulated the flow of their information and ideas to the President.

Each morning at 7:30 the three meet for breakfast, before Reagan is awake, and discuss the issues that Reagan will have to address that day. Later the three brief him in the Oval Office. Though Reagan met fairly regularly with the full Cabinet—37 times in 1981—he rarely made decisions without first meeting with the troika.

Of the three, Meese most closely reflects Reagan's views. He is raw Reaganism, without the smoothed edges of a James Baker; and he is a favorite of the right, someone they know they can count on, a "solid Reaganite." His statements rarely have the polish that coats more sophisticated Reaganite speeches. In a March, 1982 address to the Civil Defense Association, for example, he called nuclear war "something that may not be desirable." During a White House meeting he insulted major environmental leaders—including prominent Republicans—with comments like "Solar won't amount to much—what can a few windmills provide?" Left to their own devices, Meese and Reagan would probably drive the Administration off the edge.

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Meese's principal interest in the White House has been law and order issues, and he's been a regular spokesman for the Administration's tougher criminal policies. But he has also been a powerful representative for specific business interests. During internal discussions on the 1982 budget, when Samuel Pierce, secretary of the Department of Housing and Urban Development was arguing against Stockman's plan to phase out urban development grants, he was surprised to find an ally in Meese. As Rowland Evans and Robert Novak wrote in *The Reagan Revolution*, Meese "had been convinced by real estate developers in California that 'leveraging' federal funds was a good idea." He prevailed, and the funds for the program were increased in the Administration's budget request. Meese also guided through the American auto industry's request that Japan implement "voluntary" quotas on its exports of automobiles to the United States.

The word during the first months of the Administration was that Meese was the most influential of Reagan's senior advisers. He was the only one of the three with Cabinet rank. He occupies the West Wing office once filled by National Security Adviser Henry Kissinger and later Zbigniew Brzezinski. In a departure from previous Presidents' policy, the National Security Adviser Richard Allen reported to Meese, not the President. So Meese's purview included both domestic and national security matters. Reporters jokingly referred to him as "deputy president" and even "President Meese," and remarked on his extraordinary power in the White House.

That reputation hit a peak in August, 1981 when Meese failed to wake the President to tell him that two Navy jets had been fired upon over the Gulf of Sidra and had retaliated by shooting down the two attacking Libyan planes. Perhaps Meese was starting to believe his press notices. While his decision to let the President sleep during what could have turned into an international crisis spawned a new wave of "President Meese" stories, at the same time it undercut his reputation, as both the press and officials inside the Administration began questioning his judgement. During a *Washington Post* luncheon in early 1982, Meese was introduced with the remark: "I know that if there is another Libyan episode, Ed Meese will wake up the President." Meese didn't disagree. Meese violated a cardinal rule of show business: never upstage the leading man. He has never fully recovered from the incident.

More important, though, Meese is an inept administrator, a condition which readily became apparent over the months. His disorderly nature and penchant for tedious procedures, a familiar characteristic in California, dragged the White House from day one. "Meese is slow," said one White House correspondent. "He frustrates the hell out of everyone." To top it off, Meese seemed to be spending more time making speeches to obscure business groups on the West Coast than churning out ideas. He was addressing audiences in sunny California and Hawaii while the staff huddled in wintry Washington over the Polish crisis and the 1983 budget.

Perhaps his greatest failure was appointing men whose most significant qualification was ardent Reaganism to head the key two offices that reported to him—Martin Anderson at the Office of Policy Development and Richard Allen at the National Security Council.

There's no doubt that Anderson was loyal to Reagan. He alone supported the President in rejecting tax hikes to moderate the deficit. But his office contributed next to nothing to the Administration's domestic policy, a result of lack of organization, a lack of access, and lack of expertise. Of so little use was the domestic policy office that when Reagan was pondering whether he should fire Stockman over the *Atlantic Monthly* fiasco, one senior adviser remarked to a *Time* reporter:

"Hell, he's our entire domestic policy staff. What are we going to do without him?"

Anderson solidly supported the President's supply-side single-mindedness though from a distance. When asked about the supply-siders' influence within the White House during the September tax increase offensive, Jude Wanniski replied: "Let me just say this: when Marty Anderson left the White House last week he sat down with the President at his going-away party. That was the first time since the election that Marty sat down with the President." Anderson resigned in March, 1982.

His successor, Edwin Harper, regarded as a more efficient administrator than Anderson, has reorganized the staff, shoving aside officials who are weak on policy substance and promoting those with some expertise. "Harper is a technocrat who will keep things moving," said one White House reporter. But, with budget-cutting still the Administration's primary domestic policy, the office of policy development can be expected to continue playing a limited role in White House decisions.

The office, which has been substantially scaled down from the Carter years when it was an important force, is now primarily a support mechanism for the six "cabinet councils," devised by Meese as a means for top officials to thrash out policy. Cabinet councils, which consist of cabinet secretaries from the affected departments, have been formed for commerce/trade, economic affairs, food/agriculture, human resources, natural resources, and legal affairs.

In practice, the councils have not become the focus of presidential decision-making as they were billed. In 1981 Reagan chaired only 12 council meetings, and he meets with them less in 1982. Instead domestic policy is discussed in more informal forums, like the legislative strategy group, which includes the three top aides, as well as staff secretary Richard Darman, director of Cabinet administration Craig Fuller, and the assistant for legislative affairs, Kenneth Duberstein (who replaced Max Friedersdorf).

Neither was the national security office a productive element of the White House machinery during 1981; Richard Allen spent most of his energy fighting with Haig and responding to charges that he had acted illegally in accepting custody of a \$1,000 check from Japanese journalists that was intended for Nancy Reagan. At the same time his sometimes acerbic and arrogant manner irritated others on the White House staff. Reagan announced early in his presidency that the national security adviser would have a low profile and take a back-seat to the secretary of State. Allen was put in the basement office and did not have regular access to the president. To supplant Allen's weak National Security staff, Meese devised the National Security Planning Group consisting of Haig, Defense Secretary Caspar Weinberger, Vice President Bush, CIA Director William Casey and the three top White House aides. Allen was designated "note-taker" at those meetings.

Allen, however, was an ideologue who wanted to influence policy. He hired a staff that reflected his views and, while not developing any significant initiatives on foreign policy matters he routinely ran head on into Haig. The bickering between the two continued through most of Allen's year in the White House, reaching the point when Haig announced to the press that an unnamed White House aide (obviously Allen) was waging "guerrilla warfare" against him. Meanwhile the contradictory statements emanating from the State and Defense Departments escalated.

Despite Allen's embarrassing performance, Meese was his strongest backer, while Baker and Deaver both pressed for his removal. With little choice left, Meese finally ordered an FBI investigation of Allen's acceptance of the \$1,000 check. Though cleared of any wrongdoing, Allen was forced to resign at the end of 1981. When Clark came on as national security adviser, Meese lost authority over that area.

Deaver is the President's hand-holder. He sees to Reagan's personal needs and comfort. An amiable public relations man, Deaver also minds the first family's image. His tool is Reagan's daily schedule, which he sets. Through that, Deaver can control not only what the President does and who he sees, but also what the public sees him do. He's been particularly concerned with trying to "correct" perceptions that Reagan is unfair, racist, and unfeeling, an effort consistently thwarted by Reagan himself. But Deaver lacks the insight to catch sensitive decisions before they get into the pipeline. He rarely gives his views on policy substance. "He's not an issues person, though from time to time he tells the President how to approach issues," said Friedman. Another White House reporter remarked: "Deaver likes to avoid responsibility for decisions." Of the big three, Deaver is the least accessible to the press.

Baker, considered a dangerously moderate Bush-type by the far right, has the keenest political insight of Reagan's top advisers. He is the President's chief legislative strategist, the one who keeps count on members of Congress. Baker is the most accessible both to reporters—he's usually the unnamed "senior adviser" quoted in the press—and to congressmen. Reportedly he has a policy of returning before the end of the day every call he receives from members of Congress.

To Democrats and moderate Republican leaders, Baker is the most sensible voice in the White House. He sided with Stockman during discussions on the 1982 budget in arguing for smaller increases in defense spending. He was a vigorous proponent of implementing excise taxes to bring down the deficit and restore the faith of many traditional Reagan supporters that had begun expressing doubts. And he has sought to moderate the cuts in some social programs.

But to the Moral Majority and friends he is that Ivy League-Wall Street-Big Business kind of Republican that Richard Viguerie says he so despises. The right-wing press has sent warnings to Reagan that the "Bakerization" of the White House is stifling his Administration's program. In a May, 1982 letter to a financier of conservative causes, Reagan defended Baker against the carping of the New Right.

Baker has become the far right's whipping boy because they cannot attack the main source of their frustration—Ronald Reagan. Over the years, Reagan has demonstrated himself clearly in support of their goals, but he recognizes there is only so much he can devote attention to. And given the choice between the social agenda of the New Right and the "Robin-Hood-in-Reverse" needs of big business and Wall Street, Reagan has invariably come down on the side of big business. Reagan may well get to the new right's "pro-family" package—he certainly will give it rhetorical support—but he is not likely to vigorously support their efforts if he, and his aides, perceive that it will impinge on the preeminent goal of increasing the after-tax income of the top income earners and business.

On a day-to-day level, Baker's influence is growing. But when it comes down to the crucial decisions, he is still an outsider who has little influence over Reagan's thinking: he, of course, lost on both the defense budget and tax question.

Clark, who joined the White House at the beginning of 1982, came into the national security adviser's post with little knowledge of foreign affairs other than his

year as Haig's deputy at the State Department. But he has the requisite ingredients to become a powerful force in Reagan's decisions. He has a close relationship with Reagan from his years as chief of staff in the California governor's office. They are personal friends of similar intellect and interests. As Deaver told the *Los Angeles Times*: "These two guys more than anybody else in the White House would rather be riding off into the sunset on a horse than doing anything else—that's what makes them different."

That relationship gives Clark direct and regular access to the President. As one senior adviser remarked to the *Los Angeles Times*, "Reagan runs a lot of things past Clark, and when Clark wants to see the President he just goes in."

Like Meese, Clark is a solid Reaganite, but unlike Meese he is an efficient administrator. As deputy secretary of State, he functioned capably despite his astonishing lack of knowledge in foreign affairs. He headed an interagency group on El Salvador, coordinated policy for the Law of the Sea conference and headed a committee on ambassadorial appointments. He also traveled to South Africa to discuss the Namibian settlement. Understandably, though, he was kept off Capitol Hill where his lack of knowledge would have been embarrassing during congressional hearings.

"Ultimately," said one White House reporter, "Clark will not be a conceptualizer or initiator of foreign policy ideas, but he will have a lot of influence as a coordinator." In that, Clark occupies a unique position. He spent nearly a year earning Alexander Haig's trust and soothing his tempers. When Reagan, in a move to head off Haig's maneuvers for power, appointed Bush to head a "crisis-management" team that would handle both domestic and foreign crises, Haig was furious and ready to resign. But Clark calmed him down, and even got Deaver to mollify him over breakfast. The crisis management team has still not met, though not for lack of crises.

Clark, in addition, has been friends with Weinberger since they served together in Reagan's gubernatorial administration. Thus he can be a forceful mediator between the two men. "So far he's been successful at banging their heads together," remarked one Washington reporter. When Weinberger and Haig both scheduled trips to the Middle East without consulting each other or the White House until it was too late to change plans, Clark stepped in and reproached both. Then he convinced Reagan to issue a directive requiring that future trips first be cleared with the White House.

More importantly, however, Clark's job is to get Reagan more involved in foreign policy. During his first year, Reagan's superficial understanding of national security matters was evidenced in press conferences, where he became visibly shaky each time a technical national security question arose. It was also clear that Reagan did not fully understand the implications of his initial decision, later reversed, to base MX missiles in hardened silos.

Clark briefs Reagan each morning—a practice that was halted about midway through Allen's tenure—often bringing in experts from the Pentagon and State Department to expand on the issues he presents.

Reagan also meets regularly with the National Security Council. Many observers say Clark's lack of expertise is not a hindrance in his new post, in fact it may help. And because he is no expert, he is unlikely to clash over policy matters with Haig and Weinberger. He will operate as the post was intended—as coordinator and adviser.

With that said, however, Clark is a tried and true Reaganite, a conservative hardliner. After Reagan complained about leaks of sensitive memos and policy decisions, Clark in January, 1982 issued a directive requiring that all contacts between journalists and Administration officials "in which National Security Council matters on classified intelligence information are discussed" first be approved by "a senior official." Baker, who was in Houston when he learned that Clark's order was going to be released, expressed concern over the press's reaction to it, and asked Clark to delay the order. Clark disregarded his advice and issued the order anyway, telling staff members he didn't think "press considerations should be involved in this."

The guidelines did generate a storm of controversy. Several weeks later the White House retreated, and the President issued a substitute directive requiring officials who read material to be digested by the NSC to sign a cover sheet, acknowledging an understanding of the laws governing the release of classified information and agreeing to cooperate with an investigation into unauthorized leaks.

Clark was also a driving force behind Reagan's executive order expanding the government's secrecy authority. The order eliminates the standard for "identifiable" damage to the national security, in effect reversing a 30-year trend towards more open government and changing the operating standard to when in doubt—classify. Before the order was promulgated, Rep. Glenn English (D-Okla.), chairman of the House government information and individual rights subcommittee, conducted a hearing on the proposal, saying it could provide a "blank check" for an unprecedented level of government secrecy. Clark, and Attorney General William French Smith refused to testify or send representatives.

But Clark is credited with taking a relatively pragmatic approach to other matters. He has urged Reagan to tone down his cold war rhetoric and to try to coopt the nuclear freeze movement rather than confront it, hence Reagan's comment to freeze proponents during Ground Zero week: "I'm with you."

He'll try to file the sharper edges of Reagan on foreign policy matters, just as Baker tries to smoothe them on the domestic side. The product may be a sugar-coated Reaganism, a more palatable version. Inside, though, the ingredients are the same. For they are true believers, too, loyal to the President and ready to use their political skills to advance his program.