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**WHORM Subject File Code:** CO054-02  
(Countries: Germany, Federal Republic of (West))  
**Case file Number(s):** 440764-451920  
**Box:** 78

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# WITHDRAWAL SHEET

## Ronald Reagan Library

**Collection Name** WHITE HOUSE OFFICE OF RECORDS MANAGEMENT  
(WHORM): SUBJECT FILE

**Withdrawer**

DLB 3/23/2010

**File Folder** CO054-02 (GERMANY, WEST) (440764-451920)

**FOIA**

S10-306

**Box Number** 78

SYSTEMATIC

437

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
88448	PAPER	DUPLICATE OF #88431; GERMANY: OUTLOOK FOR 1986-87 <b>R 11/17/2022 DEPT. OF STATE WAIVER</b>	1	ND	B1
88449		NUMBER NOT USED			

The above documents were not referred for declassification review at time of processing

Freedom of Information Act - [5 U.S.C. 552(a)]

- B-1 National security classified information [(b)(1) of the FOIA]
- B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- B-3 Release would violate a Federal statute [(b)(3) of the FOIA]
- B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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

L

FVI

Letter dated 10/15, but  
postmarked 10/23 (after  
the dinner)

THE WHITE HOUSE  
CORRESPONDENCE TRACKING WORKSHEET

CO 054-02

INCOMING

DATE RECEIVED: OCTOBER 27, 1986

NAME OF CORRESPONDENT: THE HONORABLE JOHN J. MCCLOY

SUBJECT: SENDS HIS REGRETS THAT HE WILL BE UNABLE TO  
ATTEND THE DINNER ON OCT 21 86 FOR CHANCELLOR  
HELMUT KOHL

ROUTE TO: OFFICE/AGENCY (STAFF NAME)	ACTION		DISPOSITION	
	ACT CODE	DATE YY/MM/DD	TYPE RESP	C COMPLETED D YY/MM/DD
LINDA FAULKNER	ORG	86/10/28		
REFERRAL NOTE:				
REFERRAL NOTE:				
REFERRAL NOTE:				
REFERRAL NOTE:				
REFERRAL NOTE:				

CS 10/28 AB

COMMENTS:

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES:  
MI MAIL USER CODES: (A) (B) (C)

- \*ACTION CODES: \*DISPOSITION \*OUTGOING \*
- \*A-APPROPRIATE ACTION \*A-ANSWERED \*CORRESPONDENCE: \*
- \*C-COMMENT/RECOM \*B-NON-SPEC-REFERRAL \*TYPE RESP=INITIALS \*
- \*D-DRAFT RESPONSE \*C-COMPLETED \* OF SIGNER \*
- \*F-FURNISH FACT SHEET \*S-SUSPENDED \* CODE = A \*
- \*I-INFO COPY/NO ACT NEC\* \*COMPLETED = DATE OF \*
- \*R-DIRECT REPLY W/COPY \* \* OUTGOING \*
- \*S-FOR-SIGNATURE \* \*
- \*X-INTERIM REPLY \* \*

REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE  
(ROOM 75,OEOP) EXT-2590  
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING  
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS  
MANAGEMENT.

442/49

# THE AMERICAN COUNCIL ON GERMANY

14 EAST 60TH STREET  
SUITE 606  
NEW YORK, NY 10022  
(212) 826-3636

*h. Faulkner*

*file  
no resp.*

October 15, 1986

- HON. JOHN J. McCLOY  
CHAIRMAN
- ROBERT F. ELLSWORTH  
VICE CHAIRMAN
- RICHARD M. HUNT  
PRESIDENT
- WALTER A. EBERSTADT  
TREASURER
- MAXIMILIAN W. KEMPNER  
COUNSEL
- DAVID KLEIN  
EXECUTIVE DIRECTOR
- KAREN FUREY  
CORPORATE SECRETARY

The President  
The White House  
Washington, D.C. 20500

My dear Mr. President:

I was honored to receive your invitation to dinner on October 21, 1986 for Chancellor, Helmut Kohl.

I regret very much that I cannot be at the dinner. My doctor has advised me not to travel at this particular time.

Given the importance of this political moment, I know this meeting will be valuable for you and the Chancellor.

With warmest best wishes to you and Mrs. Reagan.

Respectfully,

*John J. McCloy*  
John J. McCloy

**BOARD OF DIRECTORS:** C. W. Carson, Jr. / James W. Cicconi / Kenneth Dam / Richard A. Debs / Thomas R. Donahue / Lawrence S. Eagleburger / Walter A. Eberstadt / Donna R. Ecton / Robert F. Ellsworth / Edwin J. Faulner, Jr. / Richard W. Fisher / Peter M. Flanagan / Guido Goldman / Gen. Andrew J. Goodpaster / Robert D. Hormats / Milton W. Hudson / Richard M. Hunt / William G. Hyland / Robert K. Kelley / Maximilian W. Kempner / Martha Keys / David Klein / Juanita M. Krebs / Gerald D. Laubach / Lewis E. Lehman / Kenneth Lipper / John J. McCloy / John J. McCloy II / Harry C. McPherson, Jr. / Lawrence C. McQuade / William B. Macomber / Elizabeth Miggley / Joseph S. Nye Jr. / Bruce D. Porter / Stanley R. Resor / John E. Rielly / Joe E. Ritchie II / Sargent Shriver / Marshall D. Shulman / Gen. William Y. Smith / Joan E. Spero / Stephen Stamas / Martha Redfield Wallace / Eric M. Warburg / Haskell G. Ward / Rodney E. Willoughby

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THE WHITE HOUSE  
CORRESPONDENCE TRACKING WORKSHEET

8774

C0054-02

INCOMING

DATE RECEIVED: DECEMBER 12, 1986

NAME OF CORRESPONDENT:

SUBJECT: ~~XXXXXXXXXX~~

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ROUTE TO: OFFICE/AGENCY (STAFF NAME)	ACTION		DISPOSITION	
	ACT CODE	DATE YY/MM/DD	TYPE RESP	C COMPLETED D YY/MM/DD
RODNEY B. MCDANIEL	ORG	86/12/12		___/___/___
REFERRAL NOTE: _____		___/___/___		___/___/___
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REFERRAL NOTE: _____		___/___/___		___/___/___
REFERRAL NOTE: _____		___/___/___		___/___/___

COMMENTS: ORIGINAL TO HAROLD WEST

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES: \_\_\_\_\_

MI MAIL USER CODES: (A) \_\_\_\_\_ (B) \_\_\_\_\_ (C) \_\_\_\_\_

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*ACTION CODES:          *DISPOSITION          *OUTGOING          *
*                       *                               *CORRESPONDENCE:  *
*A-APPROPRIATE ACTION  *A-ANSWERED          *TYPE RESP=INITIALS *
*C-COMMENT/RECOM       *B-NON-SPEC-REFERRAL *           OF SIGNER  *
*D-DRAFT RESPONSE     *C-COMPLETED        *           CODE = A   *
*F-FURNISH FACT SHEET *S-SUSPENDED        *COMPLETED = DATE OF *
*I-INFO COPY/NO ACT NEC *                               *           OUTGOING  *
*R-DIRECT REPLY W/COPY *                               *                               *
*S-FOR-SIGNATURE       *                               *                               *
*X-INTERIM REPLY       *                               *                               *
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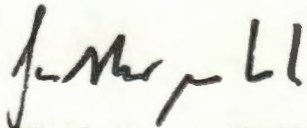
REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE  
(ROOM 75, OEOB) EXT-2590  
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING  
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS  
MANAGEMENT.

THE AMBASSADOR  
OF THE  
FEDERAL REPUBLIC OF GERMANY  
WASHINGTON, D.C.

Dear Mr. President:

I have the honor to forward to you the attached letter from Federal Minister of Defense, Dr. Manfred Woerner, which was received here today.

Respectfully yours,



Günther van Well

Washington, D.C., December 10, 1986

The President

The White House

Washington, D.C.



8774

*Dr. Manfred Wörner*  
Bundesminister der Verteidigung

Bonn, 28 November 1986

His Excellency  
Ronald W. Reagan  
President of the United  
States of America  
The White House

Washington D.C. 20500

Dear Mr. President,

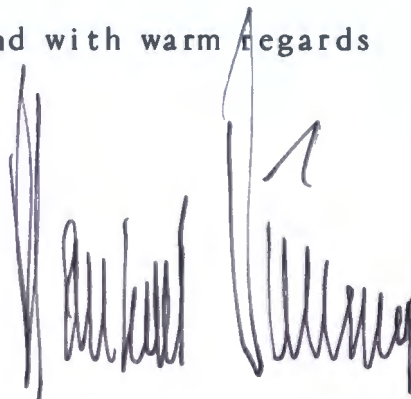
Please accept my deep appreciation for the time you took to receive me during my visit to Washington.

The exchange of views on a wide variety of issues during my discussions with you and the members of your government was helpful to underline the common understanding on the basis of our defence and security policy.

Therefore I convey my sincere wish that the relationship between our nations and our armed forces will remain in the future as it has been in the past.

Thank you again, and with warm regards

Sincerely yours

A handwritten signature in black ink, appearing to read 'Manfred Wörner', written in a cursive style.

THE AMBASSADOR  
OF THE  
FEDERAL REPUBLIC OF GERMANY  
WASHINGTON, D.C.

Dear Mr. President:

I have the honor to forward to you the attached letter from Federal Minister of Defense, Dr. Manfred Woerner, which was received here today.

Respectfully yours,



Günther van Well

Washington, D.C., December 10, 1986

The President

The White House

Washington, D.C.

NSC/S PROFILE

UNCLASSIFIED

ID 8608774

RECEIVED 13 DEC 86 14

TO PRESIDENT

FROM WOERNER, MANFRED

DOCDATE 28 NOV 86

VAN WELL, GUNTHER

10 DEC 86

KEYWORDS: GERMANY F R

VISIT

SUBJECT: THANK YOU LTR TO PRES FM GERMANY MINISTER OF DEFENSE / RECENT VISIT

ACTION: APPROPRIATE ACTION

DUE: 17 DEC 86 STATUS S FILES WH

FOR ACTION

FOR CONCURRENCE

FOR INFO

SOMMER

LAVIN

RODMAN

COMMENTS

*TO NSC/S - Loretta This is a standard thank you and does not require a reply. Suggest you send State and Defense an info copy. No action required. Please close out. Peter Sommer*

REF#

LOG 8607502

NSCIFID

*12/15 (DR) DS*

ACTION OFFICER (S)

ASSIGNED

ACTION REQUIRED

DUE

COPIES TO

*C 12/15 NFAAR per Sommer*

DISPATCH

W/ATTCH FILE

(C)

*DS*

5

ID 66037A

REGISTERED

WOMAN PROVERB

RECEIVED 13 DEC 88 14

DDDATE 28 NOV 88

10 DEC 88

LEFT WORKERS, HAWAII

VAN HALL, CANTON

VISIT

REVENUE REPORT 2 A

WOMAN PROVERB REGISTERED ID 66037A RECEIVED 13 DEC 88 14

REVENUE REPORT 2 A LEFT WORKERS, HAWAII DDDATE 28 NOV 88 10 DEC 88

VAN HALL, CANTON FOR CON PURPOSE FOR 14 1 1989

RECEIVED 13 DEC 88 14 REGISTERED ID 66037A WOMAN PROVERB

FOR 14 1 1989

FOR CON PURPOSE

FOR 14 1 1989

FOR CON PURPOSE

FOR 14 1 1989

REVENUE REPORT 2 A LEFT WORKERS, HAWAII DDDATE 28 NOV 88 10 DEC 88

VAN HALL, CANTON FOR CON PURPOSE FOR 14 1 1989

REVENUE REPORT 2 A

REVENUE REPORT 2 A LEFT WORKERS, HAWAII DDDATE 28 NOV 88 10 DEC 88

*EF*

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SP  
FG011  
FG006-12

NATIONAL SECURITY COUNCIL  
WASHINGTON, D.C. 20506

7353



October 15, 1986

MEMORANDUM FOR ANTHONY R. DOLAN

FROM: RODNEY B. MCDANIEL *Bob for*

SUBJECT: Kohl Visit: Presidential Remarks

Attached are State's draft Presidential remarks for Chancellor Kohl's October 21 visit. The President will be making two sets of remarks: an arrival statement (Tab A) and a dinner toast (Tab B).

Both remarks need to expand on the results of Reykjavik. And we would like to see a little more emphasis on the benefits of a close U.S.-German relationship in the arrival statement.

- Attachments
- Tab A Arrival statement
  - Tab B Dinner remarks

NSC 860 7353

Presidential Arrival Statement  
Visit of Chancellor Helmut Kohl

October 2~~1~~, 1986

Chancellor and Mrs. Kohl, Mr. Foreign Minister and Mrs. Genscher, and Distinguished Visitors:

On behalf of the American people, Nancy and I welcome you back to the United States. We have always enjoyed your visits and the opportunity they give to exchange our views and deepen our friendship.

We will be discussing many questions during your visit, Mr. Chancellor. Surely the most important among these is our desire -- which I know you share -- to forge a more secure world. In addition, as two of the most developed and prosperous countries in the world, we must seek to ensure that our policies contribute to economic growth and the free flow of goods and services worldwide.

A reduction in tensions between the West and the Soviet Union is a special aim we have in common. I have only recently completed a series of frank and candid discussions with General Secretary Gorbachev directed to that goal. As we prepare for further serious discussions on the central issues of the East-West relationship with the Soviet leadership, I look forward to hearing your views on the common challenges we face.

Our talks together will indeed be talks among friends. Mr. Chancellor, you and I know NATO must stand united. We cannot hope to deal seriously with our adversaries if they feel they are succeeding in their tireless efforts to sow discord and misunderstanding among the Allies. Your visit is timely, Mr. Chancellor, and I look forward to consulting with you on measures to ensure a more peaceful world.

On behalf of all Americans, I bid you and Mrs. Kohl welcome to the United States.

Presidential Toast for State Dinner in Honor of  
Chancellor Helmut Kohl

October 21, 1986

Mr. Chancellor and Mrs. Kohl, Mr. Foreign Minister and Mrs. Genscher, Distinguished Guests:

I am delighted to welcome you back to the United States. I am always pleased to talk with you, Mr. Chancellor, and to renew and strengthen the friendship we have enjoyed over these many years.

In a very real sense, our friendship symbolizes the historic and continuing friendship between the American and German people. Germans and Americans share common values and common goals. One of the most important of these goals is the deep desire of both our peoples to achieve a more peaceful world. I have long valued your advice, Mr. Chancellor, on ways in which we can move toward this goal; and in our conversations today, I was once again deeply impressed by your strong commitment to a world blessed with peace in freedom.



The Federal Republic of Germany today is a living symbol of the victory of the human spirit. From the destruction and desolation of World War II, a new Germany has arisen. Germans are once again in the forefront of literature, the arts, music, business, and sports. The people of the Federal Republic of Germany are proof of man's determination to live in freedom and resist tyranny.

Next year we will celebrate the 750th anniversary of the great and proud city of Berlin. Berlin has a special meaning for me and all Americans. It is the living symbol of the divided world in which we live: in the west, a free, dynamic metropolis whose citizens enjoy the fundamental rights and freedoms of the Western democracies; across the infamous wall, a city whose people live under the heavy hand of totalitarianism. Berlin is a constant reminder that we must strive to overcome barriers to the free flow of ideas and people, and to the right of the individual to choose his own path and live his own life. We look forward to joining with you and contributing to the 750th birthday celebrations of this great city.

The United States is proud of its enduring commitment to the people of the Federal Republic of Germany. In the forty years since the ending of the Second World War, Americans and Germans have faced many common challenges. These have included economic reconstruction, the Cold War, the Berlin Wall, and the challenges of providing for the common defense of the West while pursuing a policy of dialogue and constructive engagement with our adversaries. We have faced these challenges together with mutual trust and in close cooperation. We both know that whatever future challenges we face, we will do so in a spirit of friendship.

I therefore propose a toast to you and Mrs. Kohl and to the Federal Republic of Germany.

NATIONAL SECURITY COUNCIL  
WASHINGTON, D.C. 20506

ACTION

October 15, 1986

MEMORANDUM FOR RODNEY B. MCDANIEL

**SIGNED**

FROM: PETER R. SOMMER *PS*  
SUBJECT: Kohl Visit: Presidential Remarks

RECOMMENDATION

That you sign the Tab I memo forwarding draft Presidential remarks for Chancellor Kohl's visit to Tony Dolan:

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

*CRS*  
Steve Sestanovich and *Frank Lavin* concur.

Attachments

Tab I Memo to Dolan  
Tab A Arrival Statement  
Tab B Dinner Toast



8631463

7353

United States Department of State

Washington, D.C. 20520

October 9, 1986

MEMORANDUM FOR VADM JOHN M. POINDEXTER  
THE WHITE HOUSE

Subject: Public Statements for the President

You will find attached a draft Presidential arrival statement and toast to be used in connection with the visit of FRG Chancellor Helmut Kohl to Washington, D.C., October 20-23, 1986.

A handwritten signature in cursive script that reads "Nicholas Platt".

Nicholas Platt  
Executive Secretary

86 OCT 9 P 4: 20

EXHIBIT RECEIVED  
MAY 19 1986  
K. H. ...

1986  
The information herein is for your information only and is not to be used for any other purpose.  
This information is for your information only and is not to be used for any other purpose.  
This information is for your information only and is not to be used for any other purpose.

UNITED STATES DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION



...  
...  
...

# NATIONAL SECURITY COUNCIL

## EXECUTIVE SECRETARIAT STAFFING DOCUMENT

TIME STAMP

36 OCT 9 P 4: 28

SYSTEM LOG NUMBER: 7353

ACTION OFFICER: SOMMER DUE: 15 OCT

- |                                                                        |                                                         |
|------------------------------------------------------------------------|---------------------------------------------------------|
| <input type="checkbox"/> Prepare Memo For President                    | <input type="checkbox"/> Prepare Memo McDaniel to Chew  |
| <input checked="" type="checkbox"/> Prepare Memo For Poindexter / Keel | <input type="checkbox"/> Prepare Memo McDaniel to Dolan |
| <input type="checkbox"/> Prepare Memo _____                            | to _____                                                |

### CONCURRENCES/COMMENTS\*

PHONE\* to action officer at ext. 5732

- | FYI                                            | FYI                                       | FYI                                  |
|------------------------------------------------|-------------------------------------------|--------------------------------------|
| <input type="checkbox"/> Brooks                | <input checked="" type="checkbox"/> Lavin | <input type="checkbox"/> Ross        |
| <input type="checkbox"/> Burghardt             | <input type="checkbox"/> Lenczowski       | <input type="checkbox"/> Sable       |
| <input type="checkbox"/> Burns                 | <input type="checkbox"/> Levine           | <input type="checkbox"/> Sachs       |
| <input type="checkbox"/> Cannistraro           | <input type="checkbox"/> Linhard          | <input type="checkbox"/> Saunders    |
| <input type="checkbox"/> Childress             | <input type="checkbox"/> Mahley           | <input type="checkbox"/> Sestanovich |
| <input type="checkbox"/> Cobb                  | <input type="checkbox"/> Major            | <input type="checkbox"/> Small       |
| <input type="checkbox"/> Danzansky             | <input type="checkbox"/> Mandel           | <input type="checkbox"/> Sommer      |
| <input type="checkbox"/> deGraffenreid         | <input type="checkbox"/> Matlock          | <input type="checkbox"/> Soos        |
| <input checked="" type="checkbox"/> Dobriansky | <input type="checkbox"/> May              | <input type="checkbox"/> Stark       |
| <input type="checkbox"/> Donley                | <input type="checkbox"/> Mingle           | <input type="checkbox"/> Steiner     |
| <input type="checkbox"/> Douglass              | <input type="checkbox"/> Morton           | <input type="checkbox"/> St Martin   |
| <input type="checkbox"/> Farrar                | <input type="checkbox"/> Murdock          | <input type="checkbox"/> Tahir-Kheli |
| <input type="checkbox"/> Grimes                | <input type="checkbox"/> North            | <input type="checkbox"/> Teicher     |
| <input type="checkbox"/> Hanley                | <input type="checkbox"/> Perry            | <input type="checkbox"/> Thompson    |
| <input type="checkbox"/> Kelly                 | <input type="checkbox"/> Platt            | <input type="checkbox"/> Tillman     |
| <input type="checkbox"/> Kissell               | <input type="checkbox"/> Pugliaresi       | <input type="checkbox"/> _____       |
| <input type="checkbox"/> Kraemer               | <input type="checkbox"/> Raymond          | <input type="checkbox"/> _____       |
| <input type="checkbox"/> Laux                  | <input type="checkbox"/> Reger            | <input type="checkbox"/> _____       |

- |             |                                               |                                             |                                                 |
|-------------|-----------------------------------------------|---------------------------------------------|-------------------------------------------------|
| INFORMATION | <input type="checkbox"/> McDaniel             | <input checked="" type="checkbox"/> Pearson | <input checked="" type="checkbox"/> Secretariat |
|             | <input checked="" type="checkbox"/> Rodman    | <input checked="" type="checkbox"/> Cockell | <input type="checkbox"/> _____                  |
|             | <input type="checkbox"/> Poindexter (advance) | <input type="checkbox"/> Keel (advance)     | <input type="checkbox"/> _____                  |

### COMMENTS

Return to Secretariat

National Security Council  
The White House

BT

86 OCT 15 P 3 59

System # \_\_\_\_\_  
Package # 7353  
DOCLOG BT A/O \_\_\_\_\_

|                 | SEQUENCE TO | HAS SEEN  | DISPOSITION           |
|-----------------|-------------|-----------|-----------------------|
| Bob Pearson     | <u>1</u>    | <u>P</u>  | <u>A</u> <del>A</del> |
| Rodney McDaniel | _____       | _____     | _____                 |
| Rodman/Cockell  | _____       | _____     | _____                 |
| Al Keel         | _____       | _____     | _____                 |
| Paul Thompson   | _____       | _____     | _____                 |
| Florence Gantt  | _____       | _____     | _____                 |
| John Poindexter | _____       | _____     | _____                 |
| Rodney McDaniel | _____       | _____     | _____                 |
| NSC Secretariat | <u>2</u>    | <u>RM</u> | <u>↓</u>              |
| Situation Room  | _____       | _____     | _____                 |

I = Information    A = Action    R = Retain    D = Dispatch     N = No further Action

cc: VP Regan Buchanan Other RBM

COMMENTS \_\_\_\_\_ Should be seen by: \_\_\_\_\_  
(Date/Time)

RECEIVED 09 OCT 86 17

TO POINDEXTER

FROM PLATT, N

DOCDATE 09 OCT 86

SOMMER

15 OCT 86

MCDANIEL

15 OCT 86

KEYWORDS: GERMANY F R

VISIT

KOHL, HELMUT

AP

SUBJECT: ARRIVAL STATEMENT & TOAST RE VISIT OF KOHL 20 & 23 OCT

.....

ACTION: PREPARE MEMO FOR POINDEXTER DUE: STATUS C FILES WH

.....

FOR ACTION

FOR CONCURRENCE

FOR INFO

SOMMER

DOBRIANSKY

LAVIN

RODMAN

PEARSON

COCKELL

COMMENTS

REF# 8631463

LOG 8605237

8607338

NSCIFID

( DR TC )

.....

| ACTION OFFICER (S) | ASSIGNED | ACTION REQUIRED | DUE | COPIES TO |
|--------------------|----------|-----------------|-----|-----------|
|                    | C 10/15  | Pearson Sgd     |     | PRS, RBM  |
|                    |          |                 |     |           |
|                    |          |                 |     |           |
|                    |          |                 |     |           |
|                    |          |                 |     |           |

DISPATCH

W/ATTCH FILE (C)





P.S.

449838

THE WHITE HOUSE  
WASHINGTON

4700  
CO 054-02  
AR  
30002

CJ

September 19, 1986

Dear Mr. Grey: JOEL GREY

The President and Mrs. Reagan have asked me to convey their delight and pleasure that you are able to perform for the dinner honoring His Excellency the Chancellor of the Federal Republic of Germany and Mrs. Kohl at the White House on October 21, 1986.

The following points will hopefully clarify some of the details, and I will be happy to go into further detail with you at your convenience:

1. Air Transportation

The White House will reimburse you for first-class domestic transportation to and from Washington, D.C. for you and for coach to and from Washington for two members of your accompanying party.

2. Ground Transportation

The White House will also be responsible for ground transportation for you and your accompanying party. This is normally limited to and from airports and to and from the White House.

3. Hotel Accommodations

The White House will confirm hotel reservations for you for two nights at the Madison Hotel, which is very convenient to the White House and for one member of your accompanying party. The cost of these rooms will be the responsibility of the White House. This unfortunately does not include any incidentals charged to the room. We will need your full name, date of birth, and Social Security number, as well as that of your entire accompanying party.

4. Rehearsal

We normally rehearse around 2:30 p.m. the afternoon of the dinner.

5. Dress

The dress for the evening is black tie.

6. Dinner

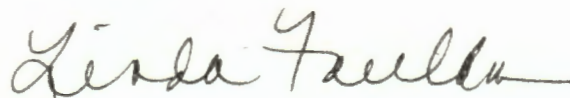
Mr. Rick Miller has explained that you may not wish to attend the dinner, which is very understandable. Should you decide to attend the dinner, you should plan on arriving at the White House at 7:30 p.m. If you wish, we can take you to a holding room following the toasts allowing you a chance to freshen up prior to your performance. This allows you approximately 20 minutes. We will, of course, facilitate all of the arrivals and departures with White House vehicles.

7. Performance

You should plan on a 20-minute program, a copy of which we will need as soon as possible to be printed in our program. We will also need your biographic information for press and speech purposes.

In the meantime, please do not hesitate to call (202/456-7064) as you have questions. We are greatly looking forward to your performance and want to do everything possible to make it a memorable occasion for you.

Sincerely,

A handwritten signature in cursive script that reads "Linda Faulkner". The signature is written in dark ink and is positioned to the right of the typed name.

Linda Faulkner  
Social Secretary  
to the White House

Mr. Joel Grey  
1 West 67th Street  
New York, NY 10023

cc: Mr. Rick Miller



THE WHITE HOUSE  
WASHINGTON

NOTED BY DTR

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September 29, 1986

MEMORANDUM FOR DONALD T. REGAN

FROM: ALFRED H. KINGON *AK*

SUBJECT: Stoltenberg Meeting

I had a debrief from Darman this morning on the state of play with the Germans.

They have been polite but adamant that under the current circumstances they will not move the discount rate down.

- A. While they concede slow growth in the first quarter, they had very strong growth in the second quarter (both factually correct). They insist they are on a 3% real growth path which, with their declining population, is their potential. (They do not comment on their 9+% unemployment.)
- B. They point out that their monetary growth exceeds their targets.
- C. Their inflation is at zero, having been negative in the next quarter. They believe it is extremely important for them economically not to be seen to be fine tuning. They claim their financial markets are somewhat nervous and they shouldn't do anything to suggest in any way that things are not excellent -- especially with their elections coming up in January. They cannot in any way appear to be dissatisfied.
- D. They do concede that if there is a softening of significance they will commit to review the situation and determine if it is better to lower the discount rate or accelerate their tax cut but it is their preference not to do anything now or before January.

Our response has been that (a) while the second quarter growth is good, it doesn't appear sustainable; (b) that a U.S. recession would be very bad for the whole world and the risks of such are far higher than the risk of inflation resuming in Germany. A discount rate cut is a small thing for them to do to instill world confidence. The Germans were unresponsive to this argument but the talks were amicable.

The Germans are looking to you to see whether it is just the Treasury that feels this way or whether the whole Administration is supportive of the Baker argument.

There is an additional important side-light which I will impart to you in private tomorrow morning.

GERMANY: Outlook for 1986-87

Real German economic growth rebounded sharply in second quarter, up 14.3% (saar), after a 4.3% (saar) decline in the first quarter. However, real growth in first half 1986 rose only 0.3% over previous six months but second half is forecast to rise some 3.5% over first half 1986. We forecast 3.3% average growth in 1986 (4.8% on a 4th/4th basis), compared to the official forecast of 3%. For 1987 we forecast a marked deceleration in real GNP during the year, resulting in only 1.7% (4th/4th) growth. For the year as a whole we foresee 3.7% above the year average 1986 level, which is pulled down by the weak first half. Germans forecast 3% growth again next year.

- Consumption, public and private, has replaced exports as main force to growth.
- Equipment investment forecast to continue strong this year and next.
- Decline in housing construction halted this year, with 4% real increase expected in 1987.
- By end 1987 growth will have decelerated markedly, raising doubts as to sustainability of expansion into 1988 and beyond. Second stage tax cut in 1988 not adequate to significantly raise growth expectations. Planned tax reform not likely to be implemented before 1988.

Inflation performance excellent, August rate down 0.4% from the year earlier month. Zero inflation forecast for 1986 and a minor rise to 1.5% for 1987.

Despite half million new jobs created in 1985-86, unemployment remains high at 8.8% (sa) in August, with 9% average forecast for 1986, declining to 8.7% in 1987.

Current short-term interest rates at 4.5% down slightly over past twelve months; real interest rates high; discount rate last cut by a half point to 3.5% in March. Monetary growth at 7.1% in August continues well above upper end of 3.5 - 5.5% target range.

Government expenditure is rising less than increase in nominal GNP. Federal deficit estimated at 1.2% of GNP in 1986 and 1987.

1986 current account surplus forecast to more than double in dollar terms to \$29.4 billion (3.4% of GNP) and decline slightly to \$26 billion (2.7% of GNP) in 1987. Trade surplus forecast to rise from \$25 billion to \$51 billion in 1986 and drop slightly to \$49 billion in 1987.



9/22/86

U.S. - GERMANY ECONOMIC FACT SHEET

|                                            | <u>U.S.</u> | <u>Germany</u> |
|--------------------------------------------|-------------|----------------|
| <u>Size of Economy</u>                     |             |                |
| 1985 GNP/GDP (\$ billion)                  | 3,998       | 623            |
| 1985 GNP per capita (\$)                   | 16,707      | 10,213         |
| 1985 population (millions)                 | 239         | 61             |
| <u>Real GNP Growth</u>                     |             |                |
| 1984 4th/4th                               | 4.6%        | 3.0%           |
| 1985 4th/4th                               | 2.9%        | 2.4%           |
| 1986 1Q (saar)                             | 3.8%        | -4.3%          |
| 1986 2Q (saar)                             | 0.6%        | 14.3%          |
| <u>Unemployment Rate (August)</u>          |             |                |
| Official release                           | 6.7%        | 6.8%           |
| Adjusted by BLS to U.S. concept            | 6.7%        | 7.4%           |
| <u>Inflation Rate (CPI)</u>                |             |                |
| 1984 (year avg)                            | 4.3%        | 2.4%           |
| 1985 (year avg)                            | 3.6%        | 2.2%           |
| 12 months to July 1986                     | 1.6%        | -0.4%          |
| <u>Interest Rates (short-term)</u>         |             |                |
| August 1985 (avg)                          | 7.8%        | 4.8%           |
| August 1986 (avg)                          | 5.9%        | 4.5%           |
| <u>Money Supply (M1) Increase</u>          |             |                |
| 1984 Dec/Dec                               | 5.9%        | 5.7%           |
| 1985 Dec/Dec                               | 12.2%       | 5.2%           |
| Three Months to July 1986 (saar)           | 18.6%       | 4.4%           |
| <u>Total Government Budget Deficit</u>     |             |                |
| <u>as % GNP (NIA basis)</u>                |             |                |
| CY 1984                                    | 2.7%        | 2.3%           |
| CY 1985                                    | 3.4%        | 1.7%           |
| <u>Government Expenditures</u>             |             |                |
| <u>as % GNP (NIA basis)</u>                |             |                |
| CY 1984                                    | 33.9%       | 48.6%          |
| CY 1985                                    | 35.1%       | 48.1%          |
| <u>Current Account balance</u>             |             |                |
| 1984 (\$ billion)                          | -106.5      | +6.3           |
| 1984 (as % GNP)                            | -2.8        | 1.0            |
| 1985 (\$ billion)                          | -117.7      | +13.1          |
| 1985 (as % GNP)                            | 3.0         | 2.1            |
| <u>Bilateral trade balance with U.S.</u>   |             |                |
| 1985 (\$ billion)                          | NA          | +5.5           |
| <u>Exchange Rate</u>                       |             |                |
| DM/\$, end of previous month               | NA          | 2.05           |
| % change vs. \$, year to end 1985          | NA          | +27.8          |
| % change, trade weighted, year to end 1984 | +11.6       | -1.1           |
| % change, trade weighted, year to end 1985 | -12.1       | +7.2           |

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