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WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name	lection Name WHITE HOUSE OFFICE OF RECORDS MANAGEMENT (WHORM): SUBJECT FILE	
File Folder	CO075 (ITALY) (538000-549999)	DLB 5/10/2010 FOIA
Box Number	102	S10-306 SYSTEMATIC 604
ID Doc Type	Document Description No of Pages	Doc Date Restrictions
90977 MEMCON	MEETING /LUNCH WITH ITALIAN 7 PRIME MINISTER GORIA, DECEMBER 16, 1987	ND B1
	R 10/7/2022 NSC/DEPT. OF STATE	E WAIVERS

The above documents were not referred for declassification review at time of processing Freedom of Information Act - [5 U.S.C. 552(b)]

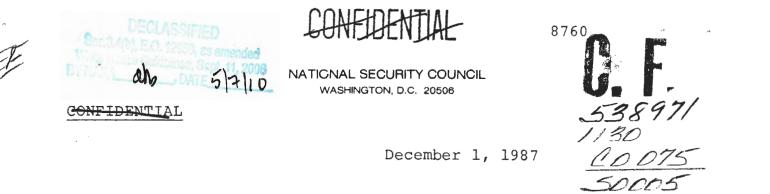
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- B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
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MEMORANDUM FOR JACK L. COURTEMANCHE

FROM: PAUL SCHOTT STEVENS

SUBJECT:

Request for Mrs. Reagan to Host Coffee for Mrs. Goria

FG006-12

State has requested and NSC endorses the suggestion that Mrs. Reagan host a coffee for Mrs. Eugenia Goria, wife of the Italian Prime Minister, during the PM's Official Working Visit to Washington December 16-17. If Mrs. Reagan agrees, State and NSC will prepare appropriate briefing materials.

Attachment

Tab A State recommendation

CONFIDENTIAL Declassify on: OADR

150 8708760

CONFIDENTIAL

NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506

CONFIDENTIAL

Sec.3.4(b), E.O. 12958, as smended 5/7/10 dli

ACTION

November 30, 1987

MEMORANDUM FOR PAUL SCHOTT STEVENS

TYRUS W. COBB TWC FROM:

SUBJECT: Request for Mrs. Reagan to Host Coffee for Mrs. Goria

RECOMMENDATION

That you sign and forward the memo at Tab I to Jack Courtemanche endorsing State's request that Mrs. Reagan host a coffee for Mrs. Goria during the PM's Official Working Visit here December 16-17.

	Approve Disapprove	
FritzÉrmar	th and Marybel Batter concur.	
Attachments Tab I	Memo to Courtemanche	

Tab A State request 11/28/87

CONFIDENTIAL Declassify on: OADR





United States Department of State 8760

Washington, D.C. 20520

November 28, 1987

MEMORANDUM FOR COLIN L. POWELL THE WHITE HOUSE

Subject: The Italian Prime Minister's December 16-17 Official Working Visit: A First Lady's Coffee

The Department recommends that Mrs. Reagan host a coffee for Eugenia Goria, the wife of Italian Prime Minister Giovanni Goria, during his December 16-17 Official Working Visit to Washington.

Prime Minister Goria has proven to be a staunch ally of the United States during his first months in office. His government has been very helpful to us on NATO and Persian Gulf questions. Goria has also been supportive of our positions on counter-terrorism issues.

It is important that Prime Minister Goria's Official Working Visit signal our strong support for his government and for close Italian-American relations. A coffee offered by the First Lady would be a positive gesture of the value we place on our bilateral ties.

Melvyn Levitsky Executive Secretary

CONFIDENTIAL DECL: OADR

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WHITE HOUSE

National Security Council The White House

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Colin Powell		<u></u>	
Lou Michael			
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THE WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

INCOMING

DATE RECEIVED: FEBRUARY 19, 1988

NAME OF CORRESPONDENT: MR. HUGH M. MCINTOSH

SUBJECT: ENCLOSES SPEECH BY DR. UMBERTO NORDIO REGARDING DEVELOPMENTS IN ITALY OVER THE PAST FOUR DECADES

	ACTION	DISPOSITION
ROUTE TO: OFFICE/AGENCY (STAFF NAME)	ACT DATE CODE YY/MM/DD	TYPE C COMPLETED RESP D YY/MM/DD
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THE WHITE HOUSE WASHINGTON March 9, 1988

Dear Hugh:

Thank you for your recent letter and a copy of Dr. Nordio's speech. I appreciate hearing from you and receiving the Dr.'s greeting.

Best wishes.

Sincerely,

Hard H. Baker, Jr.

Chief of Staff to the President

Mr. Hugh M. McIntosh Vinson & Elkins 3300 First City Tower 1001 Fannin Houston, TX 77002-6760

540711

VINSON & ELKINS

ATTORNEYS AT LAW

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2020 LTV CENTER 2001 ROSS AVENUE DALLAS,TEXAS 75201-2916 TELEPHONE 214 979-6600

3300 FIRST CITY TOWER 1001 FANNIN HOUSTON, TEXAS 77002-6760 TELEPHONE 713 651-2222 CABLE VINELKINS-TELEX 762146

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47 CHARLES ST., BERKELEY SQUARE LONDON W1X 7PB, ENGLAND TELEPHONE 0I 44I 49I-7236 CABLE VINELKINS LONDON W1-TELEX 24I40

February 12, 1988

The Honorable Howard H. Baker, Jr. Chief of Staff The White House Washington, D.C. 20500

Dear Senator Baker:

I thought you might enjoy reading the short, subtle and informative speech given by Dr. Nordio at the recent seminar on developments in Italy over the past four decades. He and I talked briefly. He asked to be remembered to you and, like many of your friends, asked about how you were enjoying your new position of high visibility.

Best wishes to you for continued success in 1988.

Sincerely yours,

Hugh M. McIntosh

cc: Mr. A. B. Culvahouse

THE WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

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WASHINGTON, D.C.

FEBRUARY 1-4,1988

"ITALY: POLITICAL, SOCIAL, AND ECONOMIC CHANGE SINCE 1945"

SOME REFLECTIONS ON THE ITALIAN ECONOMY

PAPER BY

UMBERTO NORDIO

CHAIRMAN OF THE BOARD OF ALITALIA

TUESDAY, FEBRUARY 2, 1988

Quite a few years ago, when I came to grips with the fact that earning one's daily bread as head of a large corporation also entails making public appearances and delivering speeches, I sought professional advice on how to deport myself on such ungodly occasions. I was told that a sound, if not novel, way to engender benevolent tolerance in the audience is to begin one's speech with a joke or a personal touch. I am thus going to begin by telling you something about my way of life, back in 1945.

An average Italian of that year was expected to consume 7 and a half pounds of red meat, 9 pounds of eggs, 8 pounds of cheese, and to burn an average of 1.747 calories per day. The respective figures for an average Italian of today are 55 pounds of meat, 26 pounds of eggs, 35 pounds of cheese per year, and 3.177 calories per day.

For my education and entertainment, in 1945 I had a choice of 4.307 new books printed that year. Today, the yearly figure is over 23.000. I was not one of the 3 citizens out of 1.000 who owned a car. Today the figure is 400 cars for every 1.000 people. And I was not one of the few thousand passengers departing from an Italian airport. Today I am one of the 17.000.000.

In 1945 I married, and mine was one of the 308.831 marriages celebrated in that year. This is one figure that has not exploded. At that time, people sanctified their unions at the rate of 8 to 9 marriages for every 1.000 citizens a year. Today the figure is down to 5 marriages for every 1.000. Opinions differ as to whether this is good or bad. I am stating the obvious in saying that today I live in a different country. Indeed, this could be said about almost every other industrial country in the world. But in certain aspects, Italy's transformation was peculiar.

The impetus of the recovery was extraordinary. Paul Hoffman, appointed to head the Marshall Plan late in 1948, in February, 1949, presented to the U.S. Congress a Country study on Italy. He underlined the pick up of industrial production in 1946 and 1947 and remarked that the volume of Italian exports in 1948 had already exceeded that of 1938. This he attributed to the firm deflationary action and to the monetary and exchange control policies of the Italian Government as well as to the alertness of private Italian entrepreneurs in exploiting new opportunities." Hoffman, in true Keynesian language, also recommended a vigorous program of government investments in public works and in key industrial sectors.

Italy, a late comer in the industrial world, had just gone through a devastating war and, prior to that, through 20 years of authoritarian government, during which protectionism, monopoly, State subsidy and "autarchia" had been the pillars of the regime's economic doctrine. Yet, as early as 1945, throughout the spectrum of the new political parties, a consensus was coalescing around the thesis that the

country's economy ought to be rebuilt as an open economy, with ample space accorded to private initiative, no centralized planning and an emphasis on production rather than subsidy. This was not the thinking of just the right or the center: at the Economic Convention of the Italian Communist Party in August, 1945, Palmiro Togliatti delivered a speech which could have been a blueprint for Hoffman's recommendations of four years later.

A unanimous choice in favor of a market economy in such forbidding circumstances was in itself extraordinary. It was enacted in a timely and determined way, and we must, in retrospect, pay homage to the men who had the foresight and the courage to make it.

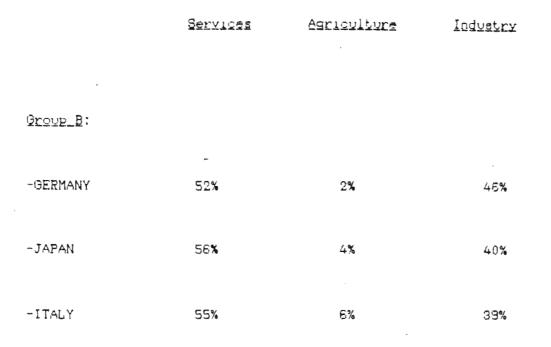
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The different country I live in today is one of the Top Seven industrialized countries of the free world. Some say the fifth, some say the fourth, and I shall fail to be either disappointed or elated whichever is the outcome of this essentially journalistic debate. Rather, I find it gratifying that Italy ranks fourth in a "where to be born in 1988" list of 48 countries, published by "The Economist".

It was not so until very recent years: from 1951 to 1970 over 5 and a half million Italians decided to emigrate from their homeland. In the same period, repatriations totalled only just over 3 million. Today the outflow/inflow figures have been both reduced and balanced: around 70.000 are leaving and the same number coming back each year.

To compare the structures, rather than the size, of the economies of the Top Seven seems a more interesting exercise. If the respective incidence of Services, Agriculture and Industry on the GNP of each member of the Top Seven is taken into account, the Seven split in two homogeneous groups:

	Services	Agriculture	Industry
<u>Grave A</u> :			
-U.S.A.	6 4%	3%	33%
-U.K.	64%	3%	33%
-FRANCE	63%	3%	34%
-CANADA	67%	4%	23%



The shift towards services, typical of a fully developed economy, is much less pronounced in Group "B" than in Group "A". Which inferences, if any, are to be drawn from this classification? The introductory article of a recent issue of Business Week, dedicated to the 1988 outlook, is headed "Manufacturing: the key to growth". Is the American inference that "B" is a better group to be in than "A"? The question may carry particular relevance for countries such as Italy, where State ownership or control of several major agencies or enterprises in the field of both services and manufacturing allows the government a direct leverage in the orientation of the economy.

* * *

Among the Top Seven, until recently Italy had a very poor record with regard to inflation. Inflation is now down to 4.6%, a more manageable

rate, still above, but much closer to, the Top Seven average. However, a worrisome signal keeps coming from the total amount of public debt, which now equals the GNP, a negative record among the Top Seven. Hardly a week passes by without some prominent financial or industrial figure in Europe pointing a disapproving finger at the public sector deficit in the U.S.: but, percentage wise, the public sector deficit in Italy is 4 times as big. Neither stable nor unstable governments were ever able to wage an effective war against this monster. Recurrently, it seems to be a case for either noisy disagreement as to what to do, or tacit agreement not to do anything about it.

However, the clock is ticking away. A better informed and more concerned public opinion is now progressively focusing on the need for tightening the control on public spending and improving the cumbersome, costly and catatonic administrative apparatus of the Italian State.

* * *

Better news for Italy comes from a comparison of labor productivity growth and capital formation since 1960. Japan leads the Top Seven in productivity growth, followed at a distance by a cluster of three countries fairly close together: France, Italy and Germany. The U.K., Canada and the U.S. trail behind. Japan also leads in capital formation, namely fixed investments as a percentage of the GNP. Italy comes second, slightly ahead of Germany, France and Canada, with the U.K. and the U.S. again behind.

An ominous difference between the Top Seven emerges if they are classified according to the number of big-size companies operating in each country. Fortune's list of the 500 largest corporations predictably indicates that the U.S. houses most of them. The list of the 500 largest companies outside the U.S. shows that 152 of them are located in Japan. The U.K. follows with 72, Germany with 53, France with 41, Canada with 31 and Italy is last, with just 9 major entries. Between Italy and the other members of the Top Seven there are 5 other countries: Sweden, Switzerland, South Korea, Australia and Finland.

I used the word, "ominous", to qualify this difference, and ominous it is if it is seen in the context of the globalization of the world's economy.

In the one-planet, one-market arena size will ultimately be a perquisite for survival. With just 9 entries in the big league, and trailing 12 other countries, Italy is poorly positioned in this battle for survival of the fittest.

Yet public opinion in Italy - and this is perhaps true for the whole of Europe - fails to have a clear perception of the dangers impending upon a country whose economic performers are out off from the big league.

"Go home and beat your wife; you do not know why, but she does". It is

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an old African proverb, and many seem to be willing to apply it to big business. The more so if big business is also multinational business, which adds xenophobic zeal to the exercise. This benighted crusade at times enlists some political support, on the more subtle basis that big business is a rival in the quest for power.

Big business, of course, has not all of a sudden turned selfless and humane. It has remained what it was before, namely, human with all the pluses and minuses of human behavior. But it has become indispensable for the community. We do not need legislation to limit its size. We need, in Europe, new legislation to prevent it from becoming obnoxious when it grows bigger.

Regulation and deregulation are antithetic but inseparable facets of an issue which has been mankind's constant companion ever since our ancestors started forming organized communities. The history of any society is indeed the history of the body of norms which, in the course of time, it adopted or had imposed upon to regulate its day to day growth; and of the everlasting, at times traumatic, process through which this body is adjusted to fit the new requirements of a muted environment.

* * *

The next decade may witness a cultural revolution of historic proportions in the Soviet Union and its satellites; and a parallel, startling reshuffle of political and cultural attitudes in the Western

world. This perspective does not portend a golden age. Rather, it will be a time for challenges of all kinds, to our intelligence, to our common sense, to our energy, to our faith in our values.

The competitors trading goods, services, ideas and ideologies in the global market place will be more numerous, and their ways less familiar and predictable.

Italian entrepreneurs are well equipped to face up to these challenges. We have been moving about and doing business all over the world for centuries. We can adapt, we can invent: be it new high tech or old horse-trading, we are not easily outwitted. We are at home in the Top Seven Club, and like fish in the water outside of it. And we do not suffer from an identity problem: we have always been Italian, even when there was no Italy. The global market place suits us fine.

* * *

When recalling the Marshall Plan and the Americanization of European mores in those heady post-World War II years, a personal note comes to my mind. In 1948, through friends, I was offered a licensing agreement to sell or possibly produce Coca-Cola in Italy. At that time I had just started selling steamship tickets at Cosulich Bros., a family shipping concern. I thought it would be madness to forgo a secure job in order to get myself involved in the hopeless attempt to make Italians shift from wine to that lackluster American concoction. "How wise of me to

have declined", I thought when in 1949 I read in the news that the Assemblee Nationale had voted to prohibit the import of Coca-Cola in France. However, three years later, in 1952, Coca-Cola was selling 50 million bottles a day in Europe . I still don't drink Coca-Cola. Come to think of it, I am still selling tickets.

You have been very kind to listen to the modest wisdom of a business man with such an embarrassing record. I hope at least I have not bored you. Thank you very much.

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WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

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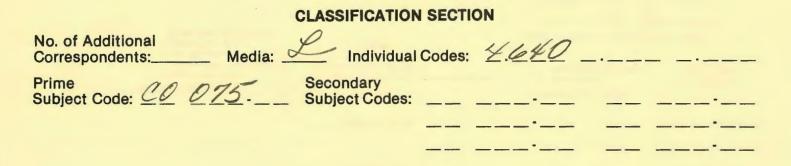
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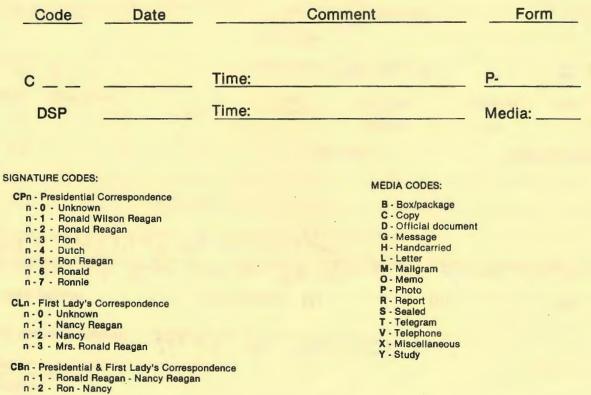
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47 CHARLES ST., BERKELEY SQUARE LONDON W1X 7PB, ENGLAND TELEPHONE 01 441 491-7236 CABLE VINELKINS LONDON W1-TELEX 24140

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cc: Mr. A. B. Culvahouse

THE WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

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WASHINGTON, D.C.

FEBRUARY 1-4,1988

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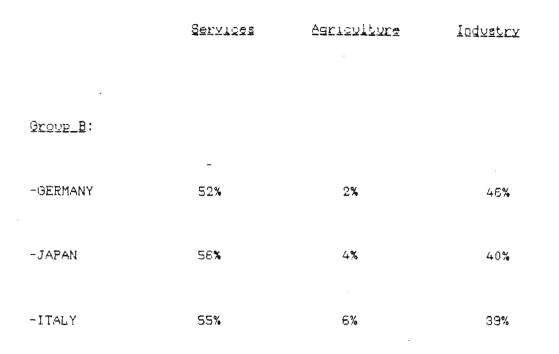
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<u>Group A</u> :			
-U.S.A.	84%	3%	33%
-U.K.	64%	3%	33%
-FRANCE	63%	3%	34%
-CANADA	67%	4%	23%



The shift towards services, typical of a fully developed economy, is much less pronounced in Group "B" than in Group "A". Which inferences, if any, are to be drawn from this classification? The introductory article of a recent issue of Business Week, dedicated to the 1988 outlook, is headed "Manufacturing: the key to growth". Is the American inference that "B" is a better group to be in than "A"? The question may carry particular relevance for countries such as Italy, where State ownership or control of several major agencies or enterprises in the field of both services and manufacturing allows the government a direct leverage in the orientation of the economy.

* * *

Among the Top Seven, until recently Italy had a very poor record with regard to inflation. Inflation is now down to 4.6%, a more manageable

rate, still above, but much closer to, the Top Seven average. However, a worrisome signal keeps coming from the total amount of public debt, which now equals the GNP, a negative record among the Top Seven. Hardly a week passes by without some prominent financial or industrial figure in Europe pointing a disapproving finger at the public sector deficit in the U.S.: but, percentage wise, the public sector deficit in Italy is 4 times as big. Neither stable nor unstable governments were ever able to wage an effective war against this monster. Recurrently, it seems to be a case for either noisy disagreement as to what to do, or tacit agreement not to do anything about it.

However, the clock is ticking away. A better informed and more concerned public opinion is now progressively focusing on the need for tightening the control on public spending and improving the cumbersome, costly and catatonic administrative apparatus of the Italian State.

* * *

Better news for Italy comes from a comparison of labor productivity growth and capital formation since 1960. Japan leads the Top Seven in productivity growth, followed at a distance by a cluster of three countries fairly close together: France, Italy and Germany. The U.K., Canada and the U.S. trail behind. Japan also leads in capital formation, namely fixed investments as a percentage of the GNP. Italy comes second, slightly shead of Germany, France and Canada, with the U.K. and the U.S. again behind.

An ominous difference between the Top Seven emerges if they are classified according to the number of big-size companies operating in each country. Fortune's list of the 500 largest corporations predictably indicates that the U.S. houses most of them. The list of the 500 largest companies outside the U.S. shows that 152 of them are located in Japan. The U.K. follows with 72, Germany with 53, France with 41, Canada with 31 and Italy is last, with just 9 major entries. Between Italy and the other members of the Top Seven there are 5 other countries: Sweden, Switzerland, South Korea, Australia and Finland.

I used the word, "ominous", to qualify this difference, and ominous it is if it is seen in the context of the globalization of the world's economy.

In the one-planet, one-market arena size will ultimately be a perquisite for survival. With just 9 entries in the big league, and trailing 12 other countries, Italy is poorly positioned in this battle for survival of the fittest.

Yet public opinion in Italy - and this is perhaps true for the whole of Europe - fails to have a clear perception of the dangers impending upon a country whose economic performers are out off from the big league.

"Go home and best your wife; you do not know why, but she does". It is

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* * *

an old African proverb, and many seem to be willing to apply it to big business. The more so if big business is also multinational business, which adds xenophobic zeal to the exercise. This benighted crusade at times enlists some political support, on the more subtle basis that big business is a rival in the quest for power.

Big business, of course, has not all of a sudden turned selfless and humane. It has remained what it was before, namely, human with all the pluses and minuses of human behavior. But it has become indispensable for the community. We do not need legislation to limit its size. We need, in Europe, new legislation to prevent it from becoming obnoxious when it grows bigger.

Regulation and deregulation are antithetic but inseparable facets of an issue which has been mankind's constant companion ever since our ancestors started forming organized communities. The history of any society is indeed the history of the body of norms which, in the course of time, it adopted or had imposed upon to regulate its day to day growth; and of the everlasting, at times traumatic, process through which this body is adjusted to fit the new requirements of a muted environment.

* * *

The next decade may witness a cultural revolution of historic proportions in the Soviet Union and its satellites; and a parallel, startling reshuffle of political and cultural attitudes in the Western

world. This perspective does not portend a golden age. Rather, it will be a time for challenges of all kinds, to our intelligence, to our common sense, to our energy, to our faith in our values.

The competitors trading goods, services, ideas and ideologies in the global market place will be more numerous, and their ways less familiar and predictable.

Italian entrepreneurs are well equipped to face up to these challenges. We have been moving about and doing business all over the world for centuries. We can adapt, we can invent: be it new high tech or old horse-trading, we are not easily outwitted. We are at home in the Top Seven Club, and like fish in the water outside of it. And we do not suffer from an identity problem: we have always been Italian, even when there was no Italy. The global market place suits us fine.

* * *

When recalling the Marshall Plan and the Americanization of European mores in those heady post-World War II years, a personal note comes to my mind. In 1948, through friends, I was offered a licensing agreement to sell or possibly produce Coca-Cola in Italy. At that time I had just started selling steamship tickets at Cosulich Bros., a family shipping concern. I thought it would be madness to forgo a secure job in order to get myself involved in the hopeless attempt to make Italians shift from wine to that lackluster American concoction. "How wise of me to

have declined", I thought when in 1949 I read in the news that the Assemblee Nationale had voted to prohibit the import of Coca-Cola in France. However, three years later, in 1952, Coca-Cola was selling 50 million bottles a day in Europe . I still don't drink Coca-Cola. Come to think of it, I am still selling tickets.

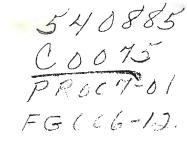
You have been very kind to listen to the modest wisdom of a business man with such an embarrassing record. I hope at least I have not bored you. Thank you very much.

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THE WHITE HOUSE

WASHINGTON



10/20/87

MEMORANDUM

TO: FRANK CARLUCCI

FROM: FREDERICK J. RYAN, JR. W

SUBJECT: APPROVED PRESIDENTIAL ACTIVITY

Time reserved for Working Visit of Italian Prime MEETING: Minister Goria:

DATE:11:00 am - 30 min - briefing - Oval OfficeDATE:11:30 am - 45 min - meeting - Oval Office/Cabinet Room12:15 pm - 75 min - luncheon - Roosevelt Room1:30 pm - 10 min - departure statements - Diplo. Entrance

DURATION: December 16, 1987

DURATION.

TIME:

LOCATION:

BACKUP LOCATION:

REMARKS REQUIRED: Yes

MEDIA COVERAGE: Coordinate with Press Office

FIRST LADY PARTICIPATION: No

NOTE: PROJECT OFFICER, SEE ATTACHED CHECKLIST

- M. Archambault
- W. Ball
- J. Courtemanche
- E. Crispen
- R. Dawson
- F. Donatelli
- D. Dellinger
- A. Dolan
- J. Erkenbeck
- L. Faulkner
- C. Fuller
- M. Fitzwater
- T. Griscom

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Advance Office G. Green J. Hooley J. Kuhn J. Lamb J. Manning J. McKinney N. Risque D. Johnson R. Shaddick G. Walters

WHCA Audio/Visual WHCA Operations



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NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506

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November 13, 1987

MEMORANDUM FOR MELVYN LEVITSKY Executive Secretary Department of State

SUBJECT: Official Working Visit of Prime Minister Goria of Italy

The Official Working Visit of Prime Minister Goria is set for December 16, 1987. The tenatative scenario is as follows:

11:27	a.m.	Arrival
11:30	a.m.	Photo and Meeting Oval Office/Cabinet Room
12:15	p.m.	Lunch in Residence
1:30	p.m.	Departure Statements
1:40	p.m.	Departure

In preparation for the visit the following is requested by Thursday, December 10.

- Recommended U.S. and Italian participants list
- Secretary Shultz' Scope Paper
- Recommended talking points
- Original biographies
- Draft departure statement
- Recommended talking points and bio for a First Lady's Coffee

zaufel Batis Grant S. Green, Jr. For Executive Secretary

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9148 Add-On

NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506





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ACTION

December 28, 1987

MEMORANDUM FOR PAUL SCHOTT STEVENS

FROM:

TYRUS W. COBB TUR

SUBJECT: Memcon of Meeting/Lunch with Italian Prime Minister Goria

Attached at Tab I is a Memorandum for the Record of the meeting/ lunch between President Reagan and Prime Minister Goria, Wednesday, December 16, 1987.

RECOMMENDATION

That the memcon at Tab I be filed for the record.

Approve WHC Disapprove _____

Attachment

Tab I Memcon

cc: Fritz Ermarth

CONFIDENTIAL. Declassify on: OADR

NSC 8709148





9148 Add-On

THE WHITE HOUSE

WASHINGTON

Autority NSC/State Warvers

MEMORANDUM OF CONVERSATION

Meeting/Lunch With Italian Prime Minister Goria

PARTICIPANTS:

SUBJECT:

The President The Vice President Secretary Frank Carlucci Acting Secretary of State John Whitehead Howard H. Baker Kenneth Duberstein Colin L. Powell U.S. Ambassador to Italy, Maxwell Rabb Acting Assistant Secretary William Bodde Tyrus W. Cobb Neil Seidenman, Interpreter

Prime Minister Giovanni Goria Foreign Minister Giulio Andreotti Ambassador Bruno Bottai Ambassador to the U.S. Rinaldo Petrignani Dr. Mario Sarcinelli Ambassador Luigi Guidobono Cavalchini Minister Luigi Fontana Giusti Counsellor Leonardo Visconti di Modrone Raffaele Vaccari, Interpreter Carla Lonigro, Interpreter

DATE, TIME	December 16,	1987 11:00 a.m	n 1:21 p.m.
AND PLACE:	Oval Office,	Cabinet Room,	Roosevelt Room

President Reagan welcomed Prime Minister Goria to the White House and commented that Jim Baker had noted how helpful the PM had been on G-7 issues and in promoting economic coordination. He commented that he had greatly enjoyed his trip to Italy in June and to the great cities of Rome and Venice. The President observed that Venice truly was the "Jewel of the Adriatic". He added that he felt the Economic Summit was a big success and said that he knew the PM was largely responsible for that.

The President continued by noting that Goria was the first Allied leader he was meeting following the Summit with Gorbachev. He said that he would want to provide the PM with some impressions of the General Secretary and to consult on next steps in East-West relations. He then asked the PM if he had anything to raise before they adjourned to the Cabinet Room.

CONFIDENTIAL Declassify on: OADR



Prime Minister Goria said that he was very pleased to be here at the White House and so grateful for the friendly welcome he had received in Washington. For me personally, he said, and for all Italians, this was especially meaningful. He commented that this demonstrates the excellent ties our two countries enjoy. Goria said that he wanted first to congratulate the President on the very successful Summit with Gorbachev and for the completion of the INF Agreement. He said that this represented a personal triumph for the President and for his administration. He said that both American and European public opinion solidly endorsed the Summit's results. He concluded by again congratulating the President on the very successful meetings with Gorbachev.

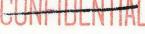
The President expressed his thanks to the PM for those kind words. He said that when we moved to the Cabinet Room he would want to stress how pivotal Italy's role in maintaining Alliance solidarity was. Goria responded that the President could continue to count on Italy, and that the Italian Government would be preparing to assume an even more important role in Alliance cooperation in the future. The PM concluded by again noting how important the President's accomplishments were, pointing out that "what you accomplished would have been impossible 10 years ago".

<u>President Reagan</u> noted his thanks and commented that the polls here certainly supported the results of the Summit. As the two leaders were preparing to leave for the Cabinet Room the President noted that he had long been a student of one aspect of Italian culture -- horsemanship. He said that as a reserve officer in the horse cavalry he had studied the riding style perfected by the great Italian rider, Captain Caprillo. He said that the Americans quickly learned the Italian style, which he was taught by an Italian-born co-owner of his ranch, Nino Pepitone. The two leaders then left for the meeting in the Cabinet Room.

CABINET ROOM MEETING

The President opened the meeting by providing an overview of his impressions of his meetings with Soviet General Secretary Gorbachev. He said that he found Gorbachev to be a confident leader, not someone under fire. After several meetings, including five hours alone with Gorbachev, the President characterized the talks as cordial, but candid. He said the key Summit event certainly was the signing of the INF Treaty, which he noted set an excellent precedent -- reductions, not just limitations on growth of weapons. He said the verification regime was the strongest ever. He stated that the INF process showed the success of Alliance solidarity. Now, he said, it was crucial to ratify the Treaty, and any support the PM might give during his discussions with leaders on the Hill would be appreciated.





On START, the President said we secured excellent progress toward our goal of 50% reductions of offensive weapons, and we developed some key counting rules and a sweeping verification approach. Significantly, the Soviets agreed to a sublimit of 4900 ballistic missile warheads, very close to our 4800 proposal. On SDI, the President said, Soviet rhetoric has changed, but the tactics are the same: cripple our SDI while they continue their own programs. But I will hold firm on this commitment and I will not compromise. This is the key, the President said, to one day making nuclear weapons obsolete. The President said that he knew the PM had made a statement referring to the U.S. program as a bargaining chip, but he wanted to make sure that the PM understood that it was not negotiable. He said that our research has shown considerable promise and we may have some major breakthroughs soon in our ability to attack missiles coming at silos. This could eventually make nuclear war impossible.

Goria responded that he again wanted to convey his personal appreciation for this meeting and for the excellent review of the Summit. He wanted to reemphasize the points he had made in the Oval Office; that all Italians endorsed the results of the Summit and considered it a major success. Goria said that he would, indeed, stress Italy's support for the INF Treaty and for the President's handling of the Summit when he met with Congressmen. In fact, Goria added, he brought a "mandate" with him from other European leaders, noting that FM Andreotti secured a solid EC endorsement -- including Kohl, Thatcher, Mitterrand and others -- for the Summit's results and the INF treaty. Goria added that he wanted to underline one key point -- that is, the importance of the verification regime. Further, the acceptance by the Soviets of the principle of asymmetrical reductions, bodes well for the START process.

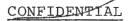
Goria said that Italy was with the President 100%. He noted that Italy's acceptance of the INF missiles was the key to getting the INF deployment off to a solid start. And what made the INF Treaty possible was the extensive consultations that the U.S. -particularly Secretary Shultz -- conducted with Italy and the other Allies. As to SDI, the PM said he regretted that the press focused attention on only one of his comments and he wanted to clarify Italy's position. SDI was a defensive program, but it might not be necessary if we are successful in eliminating the "threat" that SDI would encounter. But, he added, this was just a hypothetical observation.

The PM, commenting on East-West relations in general, said that some people felt that in the wake of INF there might be a slackening of European-U.S. cooperation. Goria said this was not true; in fact, our cooperation must intensify. Not to strengthen this cooperation would be detrimental.

The President commented that the areas where attention needed to be paid now were conventional force reductions and chemical

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weapons limitations. He stressed, however, that he did not favor any changes in the Alliance's holding of battlefield nuclear weapons and he opposed any negotiations on those systems now -at least until the conventional and chemical imbalances were rectified. And, the President said, the Prime Minister's points on transatlantic cooperation were entirely correct. Further, he wanted to reemphasize again, that the U.S. supported European efforts to increase cooperation in the defense area.

<u>President Reagan</u> returned to the overview of the Summit by noting that there was little progres made on regional issues. He said that Gorbachev had little new on Afghanistan, where we pressed to them to make a commitment to withdraw by the end of 1988. Gorbachev simply demanded an end to Western assistance, but he did add an interesting point. He said that we needed to "get our teams" together to see how the people of Afghanistan could be guaranteed a "neutral" government. Finally, on human rights there was little movement. I had this at the top of my agenda, the President said, but Gorbachev took a tough stance. We did make some progress, however, by turning over to him specific lists.

<u>President Reagan</u> said that he would like to turn the focus of the conversation, if he could, to the Persian Gulf. He said that we appreciate the Italian decision to send Naval forces to the Gulf, and the key role the PM personally played in securing Italian cooperation. The situation there remained dangerous and unstable. It was important now, the President said, to demonstrate to Iran that we remained united -- they could not be allowed to think that we would take a "business as usual" attitude.

The President said that he felt Iran was building for another offensive and stepping up pressure on shipping. Iran threatens to turn to the USSR for help, but this is unlikely. However, the Soviets are protecting the Iranians from United Nations' pressure. All concerned governments need to stand firm, maintain their naval presence in the Gulf and push hard for enforcement of the UNSC resolution. He concluded by noting that the proposal for a U.N. force to police that region was unworkable.

Prime Minister Goria responded that he appreciated the President's endorsement of Italy's role. He said that only by guaranteeing free transit of shipping through the Gulf could we "diminish the threat" in the region. Italy is solidly behind the U.N. resolution, which had to succeed. If the U.N. failed in that endeavor it would mean a further weakening of that organization.

Goria candidly noted that he knew the U.S. was concerned with any more delay in securing movement in the U.N. He said that he would see Secretary General Perez de Cuellar and would press for "bringing together a number of threads" that are hanging loose right now. He said that the UNSC resolution must have a "compel-



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ling force" and Italy would support efforts to insure that it did. As the meeting concluded the Prime Minister said that he and the GOI shared the President's assessment of what was transpiring in the Gulf.

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The President suggested that the conversation could continue at lunch and escorted the PM to the Roosevelt Room.

LUNCHEON

The Vice-President opened the discussion by noting the remarkable insight into Sandinista thinking we had gotten from the defector, Roger Miranda. It was clear that the Nicaraguan regime has a plan to build up their forces to 600,000. Clearly anyone who was not persuaded before now understands that these people are exactly who they say they are: committed Marxist-Leninists. They are not at all interested in bringing democracy to that country. This makes it imperative that we support the efforts of the Contras; otherwise, the Vice-President said, the Sandinistas will consolidate their control. <u>President Reagan</u> said it was interesting to ponder how much Gorbachev understood of all this. He told us that the Soviet Union was supporting the Arias peace plan and might even consider terminating assistance to the Nicaraguans.

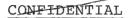
Prime Minister Goria said that he had discussions recently with Argentine President Alfonsin, who seemed to believe that Nicaragua would be supportive of Arias. It was not clear just what was happening there. Foreign Minister Andreotti added that there have been positive developments in Nicaragua -- La Prensa was operating and some independent radio stations were now back on the air. Secretary Carlucci responded sharply that only one newspaper had been permitted to operate.

President Reagan said the fact of the matter was that there were now more Nicaraquans in prison than when Somoza was in power. Further, their Army is now larger than all of the forces of the rest of the Central American countries put together. Goria suggested that what was needed was a plan that could be "checked" on a stage by stage basis. The President said that one thing that could be "checked" easily was the continuing Sandinista shipments of arms to guerrillas fighting to overthrow the Central American democracies. Miranda made it clear that the Sandinistas will continue to do this despite the peace plan restrictions. The President said that we needed to keep in mind that the Sandinistas came to power with a commitment to eliminate the sins Instead, today they are doing the same of the Somoza regime. things -- only more so.

<u>Carlucci</u> said he wanted to go back to the issue raised at lunch on possible declining U.S.-European cooperation. He said that this would be a very bad development. <u>Goria</u> quickly responded

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that his remarks were intended to note just that -- we needed to increae our cooperation after the INF Agreement is ratified. <u>The President</u> said he was glad to hear that clarification. Certainly, we did not want anything to happen that would diminish the effectiveness of the Alliance. <u>The Vice-President</u> suggested that the PM should make just that point when he meets with leaders on the Hill. <u>Carlucci</u> added that, in fact, NATO needs to pursue an ambitious modernization program in the face of declining budgets. <u>The PM</u> agreed that increased consultations and cooperation would be required. <u>The President</u> said that he made that point in his report to the nation after the Summit.

Deputy Secretary Whitehead noted that he felt the Warsaw Pact might not be as solid in a post-INF environment. Goria agreed, and said that "Soviet expansionism" would be difficult to sustain if Gorbachev indeed succeeded in his efforts to decrease the military burden. The best way to keep Gorbachev on that path was for the West to stay together. Following on a point made by Secretary Carlucci, Goria said he agreed we had to be wary of the Kremlin's efforts to seduce the West into relaxing its guard. Finally, he advised, in negotiating with the Soviets we not only need to stick together, but we needed to be sure that we did not "ask for more than we could get".

Turning to the Middle East, <u>Goria</u> expressed his concerns over recent developments on the West bank and the "harsh Israeli retaliation" against the protesters. He asked if it wasn't time to try once again to convene an international conference. <u>The</u> <u>President</u> noted that we had tried to persuade the primary nations concerned to talk about this directly, but were unsuccessful. <u>Whitehead</u> agreed, noting that if we couldn't get our friends --Israel and Jordan -- on board, then the prospects for the Conference being successful were not great. <u>Andreotti</u> reiterated that he felt the situation in the Middle East was explosive. The <u>Vice-President</u> said that we haven't written off the value of an international conference. He noted that there was some change in the Israeli position on this, too.

<u>PM Goria</u> said that he wanted to just mention international economic questions before they adjourned their meetings. He stressed that the situation was unstable at present and that the U.S., Italy and the other Allies needed to address this problem urgently. He said he would see Jim Baker later and would want to explore what could be done to restore stability. <u>The President</u> said he would be looking forward to hearing from Secretary Baker regarding what steps might be considered. However, he said he felt that we had achieved a lot of progress at home in our efforts to reduce the deficit. Although it was very difficult to work with Congress, we had reached a bipartisan compromise. This would have an important and positive impact on the global economy.

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As the meeting concluded <u>PM Goria</u> again thanked the President for his warm welcome and for the excellent discussions they had.

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The meeting concluded at 1:21 p.m.





National Security Council The White House

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FROM: FRITZ W. ERMARTH WC SUBJECT: Participants for Meetings/Lunch with PM Goria

State has forwarded a recommended list of participants for the meetings and lunch for Italian PM Goria's Official Working Visit, December 16. The number of Italians (8) strikes us as quite large, but we understand that Lucky Roosevelt has informed the GOI that they can have eight in the meeting and lunch. State is also recommending that Under Secretary Wallis be invited to the sessions, but we cannot find any rationale for that.

We recommend:

Prebrief (11:00-11:30 a.m.)

The President

The Vice President

Howard H. Baker

Kenneth Duberstein

Colin L. Powell

Acting Secretary of State John Whitehead

Acting Assistant Secretary (EUR) William Bodde

U.S. Ambassador to Italy, Maxwell M. Rabb

Tyrus W. Cobb, NSC

Meeting and Working Luncheon (11:30 a.m.- 1:30 p.m.)

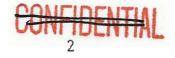
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Same participants plus Neil Seidenman, Interpreter

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Italy

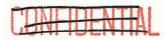
Prime Minister Giovanni Goria Foreign Minister Giulio Andreotti Ambassador Bruno Bottai, Secretary General of the Ministry of Foreign Affairs Ambassador to the U.S. Rinaldo Petrignani Dr. Mario Sarcinelli, Director General of the Treasury Ambassador Luigi Guidobono Cavalchini, Chief of Staff of the Minister for Foreign Affairs Minister Luigi Fontana Giusti, Diplomatic Advisor to the Prime Minister Counsellor Leonardo Visconti di Modrone, Deputy Diplomatic Adviser to the Prime Minister Isabella Randone (interpreter) RECOMMENDATION That you approve the participants list. Approve _____ Disapprove

Marybel Batjer concurs.

Prepared by: Tyrus W. Cobb

Attachment Tab I Incoming from State 12/5/87

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8735049



United States Department of State

Washington, D.C. 20520

9012

December 5, 1987

MEMORANDUM FOR COLIN L. POWELL THE WHITE HOUSE

Subject: Visit of Italian Prime Minister Goria: State/Italian Participants in White House Events

Attached is the proposed list of State Department and Italian participants in White House events for the visit of Italian Prime Minister T.H. Goria, December 16, 1987.

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Melvyn Levitsky Executive Secretary

Attachment: List of Participants

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PROPOSED STATE DEPARTMENT AND ITALIAN PARTICIPANTS IN WHITE HOUSE EVENTS FOR THE VISIT OF ITALIAN PRIME MINISTER GORIA

Acting Secretary's Briefing of the President Wednesday, December 16, 1987, 11:00 a.m.

Department of State The Acting Secretary Deputy Assistant Secretary for European Affairs, William Bodde Ambassador to Italy Maxwell M. Rabb

Goria's Meeting and Working Luncheon with the President Wednesday, December 16, 1987, 11:30 a.m.

Department of State The Acting Secretary Under Secretary Wallis Deputy Assistant Secretary for European Affairs, William Bodde Ambassador to Italy Maxwell M. Rabb Neil Seidenman, Interpreter

Italy

Prime Minister T.H. Goria Foreign Minister Giulio Andreotti Ambassador Bruno Bottai, Secretary General of the Ministry of Foreign Affairs Ambassador to the U.S. Rinaldo Petrignani Dr. Mario Sarcinelli, Director General of the Treasury and Personal Representative of the President for Economic Summits Ambassador Luigi Guidobono Cavalchini, Chief of Staff of the Minister of Foreign Affairs Minister Luigi Fontana Giusti, Diplomatic Advisor to the Prime Minister Counsellor Leonardo Visconti di Modrone, Deputy Diplomatic adviser to the Prime Minister Isabella Randone (interpreter)

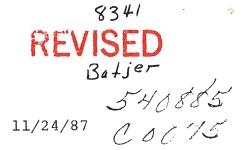
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THE WHITE HOUSE

WASHINGTON



MEMORANDUM

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TO: COLIN POWELL

FROM: FREDERICK J. RYAN, JR.

SUBJECT: APPROVED PRESIDENTIAL ACTIVITY

MEETING: The Luncheon to be held in connection with the working visit of Prime Minister Goria of Italy will be in the Roosevelt Room, rather than the Residence, as previously notified.

TIME: December 16, 1987

DURATION:

LOCATION:

BACKUP LOCATION:

REMARKS REQUIRED:

MEDIA COVERAGE:

FIRST LADY PARTICIPATION:

NOTE: PROJECT OFFICER, SEE ATTACHED CHECKLIST

E. R. F. D. A. J. L. C. M.	Archambault Ball Courtemanche Crispen Dawson Donatelli Dellinger Dolan Erkenbeck Faulkner Fuller Fitzwater	Advance Office G J. Hooley J. Kuhn J. Lamb J. Manning J. McKinney N. Risque D. Johnson R. Shaddick G. Walters WHCA Audio/Visual WHCA Operations	•	Green
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THE WHITE HOUSE

WASHINGTON

11/20/87

MEMORANDUM

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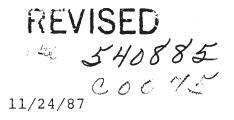
TO:	FRANK CARLUCCI					
FROM:	FREDERICK J. RYAN, JR. TW					
SUBJECT:	APPROVED PRESIDENTIAL ACTIVITY					
MEETING:	Time reserved for Working Visit of Prime Minister Goria of Italy: 11:00 am - 30 min - briefing - Oval Office					
DATE:	<pre>11:30 am - 45 min - meeting - Oval Office/Cabinet Room 12:15 pm - 75 min - luncheon - Residence 1:30 pm - 10 min - departure statements - Diplo. Entrance</pre>					
TIME:						
DURATION:	December 16, 1987					
LOCATION:						
BACKUP LOCATION	:					
REMARKS REQUIREI):					
MEDIA COVERAGE:	Coordinate with Press Office					
FIRST LADY PARTICIPATION:	No					
NOTE: PROJECT (OFFICER, SEE ATTACHED CHECKLIST					
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THE WHITE HOUSE

WASHINGTON



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MEMORANDUM

TO: COLIN POWELL

FROM: FREDERICK J. RYAN, JR.

SUBJECT: APPROVED PRESIDENTIAL ACTIVITY

MEETING: The Luncheon to be held in connection with the working visit of Prime Minister Goria of Italy will be in the Roosevelt Room, rather than the Residence, as previously notified.

TIME: December 16, 1987

DURATION:

LOCATION:

BACKUP LOCATION:

- **REMARKS REQUIRED:**
- MEDIA COVERAGE:

FIRST LADY PARTICIPATION:

NOTE: PROJECT OFFICER, SEE ATTACHED CHECKLIST

Advance Office M. Archambault J. Hooley W. Ball J. Kuhn J. Courtemanche J. Lamb E. Crispen J. Manning R. Dawson J. McKinney F. Donatelli N. Risque D. Dellinger D. Johnson A. Dolan R. Shaddick J. Erkenbeck G. Walters L. Faulkner WHCA Audio/Visual C. Fuller WHCA Operations M. Fitzwater T. Griscom

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Sandy:

The Departure Statements can still be at the piplo. Entrance as per Kathy Fenton. They are not decorating there

Mary Kay says that's where they would like to have it.

Ok to leave it there?

Or have at C-9, the Police Location near OO? Weather, of course, would be a factor there.

HCD

THE WHITE HOUSE

WASHINGTON

11/20/87

MEMORANDUM

TO: FRANK CARLUCCI FREDERICK J. RYAN, JR. \mathcal{W} FROM: APPROVED PRESIDENTIAL ACTIVITY SUBJECT: Time reserved for Working Visit of Prime Minister Goria of Italy: **MEETING:** 11:00 am - 30 min - briefing - Oval Office 11:30 am - 45 min - meeting - Oval Office/Cabinet Room 12:15 pm - 75 min - luncheon - Residence Room DATE: 1:30 pm - 10 min - departure statements - Diplo. Entrance TIME: December 16, 1987 DURATION: LOCATION: **BACKUP LOCATION: REMARKS REQUIRED:** MEDIA COVERAGE: Coordinate with Press Office FIRST LADY No **PARTICIPATION:** NOTE: PROJECT OFFICER, SEE ATTACHED CHECKLIST Advance Office M. Archambault J. Hooley W. Ball J. Kuhn J. Courtemanche J. Lamb J. Manning E. Crispen R. Dawson J. McKinney F. Donatelli N. Risque D. Dellinger D. Johnson A. Dolan R. Shaddick J. Erkenbeck G. Walters L. Faulkner WHCA Audio/Visual C. Fuller WHCA Operations M. Fitzwater

T. Griscom

