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WITHDRAWAL SHEET

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Date: 3/27/2018

DOCUMENT NO. & TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. transcript	Interview with Dan Kingsley (2 pp)	1/9/81	C

RESTRICTIONS

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STORY:MEMO
MA:60 FMT:

QUEUE:SJF-SJF
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MSG:
INI:

OPR:SJF ;01/05,15:10

To: mls lt jf bfp gp lh dxb jwm dcb tjf rak pa pgh cas kj

From: sjf

Re: Reagan's Press Secretary and Congressional Office.

Reagan's choice of Jim Brady as his press secretary could be bad news for the press because he is not likely to have access to the President.

A lack of access is not Brady's only problem, however. He has a number of other strikes against him going into the job. Most Reaganites view Brady as an outsider. It's also painfully obvious that Reagan tried to find someone else before selecting Brady. Plus, as one aide says, Brady is so disorganized "he makes Lyn Nofziger look neat." (An exaggeration.)

Skeptics on Brady's staff are betting that he won't last a year. They predict that Nofziger will become the shadow spokesman while Brady runs the press office. Still, Brady has one advantage. Brady's often more pleasant to deal with than Nofziger, even if he doesn't know anything.

The good news is that Reagan's top aides are promising to be more available to the press. This comes from Max Friedendorf, who appeared this morning at the National Press Club. According to Friedendorf, "The staff has been encouraged to do as much press as possible."

Friedendorf says Reagan feels he is off to a "good start" in his efforts to have a successful relationship with Congress. But he admits he expects the honeymoon to end. He compares it to "feline amour--there's got to be a

(MORE)

2102
scratching before there's much pleasure."

Reagan's congressional liason staff will named later this week. Friedendorf says their office will be located in the East Wing of the White House, not the EOB. "We're moving the White House staff back into the White House," he says.

"Let's face it, the EOB in this town is like Siberia."

He also indicated that Reagan will have some legislation ready to propose right away, but he refused to elaborate.

(END)

January 6, 1981

FROM: RAK - Juarez, Mexico

TO: MLS, LT, JF, BFP, GP, DR, LH, DXB, JWM, DCB, TJF, JSL, SJF, PA, PGH

President-elect Reagan's meeting with Mexican President Jose Lopez Portillo was characterized as "enormously successful" by Reagan's national-security adviser, Richard V. Allen.

Reagan, however, had set modest aims for the visit, and Allen acknowledged that the importance of the trip was more symbolic than an attempt to resolve the thorny issues that Reagan will encounter in the White House.

In the short briefing for reporters after the meeting in the Museum of Art and History in Juarez, Allen said that Reagan hopes to meet again with Lopez Portillo during the first half of 1981. At Lopez Portillo's suggestion, the next meeting, presumably the first of several, will be held in a border city such as Juarez instead of in Washington or Mexico City.

Protocol calls for the U.S. President to visit Mexico next, since the last summit between Lopez Portillo and President Carter was at the White House. Here are the key points made by Allen at the briefing just before boarding a plane back to Washington:

- o "This was a courtesy meeting. We think it was an enormously successful meeting. It was a meeting rich with symbolism. The relationship between these two Presidents is off to a very good start."

- o "The North American Accord as such did not come up. The Mexican side is very much aware that it does not have a specific content...but is a state of mind."

During a private session with Lopez Portillo that lasted about 50 minutes, Reagan told the Mexican President, according to Allen, "Too often our two countries have talked about each other instead of to each other." Lopez Portillo responded, according to Allen, "Magnifico, Senor Presidente."

Allen also quoted Lopez Portillo as saying: "The sign under which this meeting is

taking place is friendship. And that is good."

Allen stressed that Lopez Portillo understood that the trip by Reagan was "a gesture and a symbol and a good sign and as such augurs well" for future relations between the two countries.

Lopez Portillo noted that the session provided the basis for setting agendas for future meetings to discuss substantive issues that divide the two countries, Allen said.

The Mexican President also made clear that the Reagan ~~is~~ administration's policies toward Latin America will be crucial to good relations between Mexico and the United States. Allen said that Lopez Portillo indicated that "If we did not deal with the multilateral issues [meaning Latin America], it would not be possible for the United States and Mexico to deal with their bilateral problems(['']), a reference to Mexico's oil reserves and immigration policies.

Lopez Portillo called the session with Reagan a "discrete and elegant meeting," Allen said. Neither Reagan nor Lopez Portillo said anything to reporters before or after the meeting.

A press release that was labeled a "communique" was issued, but did not include any direct statements ~~by~~ by the two Presidents. The statement simply indicated that the meeting was conducted "in an atmosphere of friendship and of mutual respect."

Allen also reminded reporters that Reagan hopes to stage a similar meeting with Canadian Prime Minister Pierre Elliott Trudeau early this year.

Allen is expected to give a fuller briefing on the plane back to Washington, so I will file a longer memo in the morning.

(END FILE -- rw)

STORY:MEMO
MA:60 FMT:

QUEUE:RAK-RAK
HJ:

MSG:
INI:

OPR:RAK ;01/06,10:49

TO: MLS, LT, JF, BFP, GP, DR, LH, DXB, JWM, DCB, TJF, JSL,
SJF, PA, PGH

FROM: RAK

RE: More on Reagan in Mexico

On the plane back to Washington last night, Reagan's national-security adviser, Richard V. Allen, made a few observations that might be useful as Whispers:

___Iran. Allen says the incoming Reagan team has made it clear to the White House that the new administration will in no way be bound after January 20 by any agreement made by Carter for release of the hostages.

If Carter were to make a deal with Iran that is to Reagan's liking, the new President would, of course, honor the terms of the agreement. Allen hints, however, that Reagan may very likely break off the negotiations with Iran that have dragged on for so many months.

And Allen is not ruling out the possibility that the hostages will be released before Inauguration Day. In fact, he seemed almost hopeful that the whole matter will be resolved before it falls into Reagan's lap. But when I pressed him about the prospects for an early release, Allen declined to characterize the situation as he sees it; he only brushed aside the widely reported belief that release of the hostages before January 20 is virtually out of the question.

For what it's worth, Allen also discreetly took exception

(MORE)

to the claims of Carter administration officials who leaked the story that Reagan was asked by the White House to make his harsh statements about Iran. Not so, says Allen. Reagan was acting independently, not at Carter's request.

Mexico. From the few glimpses we had of Reagan and Lopez Portillo together in Juarez, it seemed clear to me that the Mexican President was completely in charge of the proceedings. It was all Lopez Portillo's show--from the time the two presidents embraced on the Cordova Bridge until Reagan left Juarez. According to Julian Nava, the U.S. ambassador to Mexico, Lopez Portillo attached "considerable importance" to the Reagan visit.

Lopez Portillo, a fairly charismatic and intensely nationalistic President, shook hands with Reagan on the bridge over the Rio Grande in a dignified way, not with the full "abrazo" embrace that is a sign of friendship and warmth in Latin America. Lopez Portillo then walked away from Reagan to shake hands with Meese and Allen, etc., while Reagan took a few aimless steps, obviously wondering what to do next. The Mexican President seemed full of confidence as the two turned to cross the bridge to Lopez Portillo's waiting bus. Reagan took a few strides ahead of Lopez-Portillo, as if to lead the way. The Mexican leader, however, purposefully refused to catch up to Reagan, forcing the President-elect to stop, turn around and wait for Lopez Portillo, who insisted on leading the way to the bus in front of the crowd of Mexicans and television

(MORE)

cameras.

Later, when the press pool was admitted briefly to the meeting among Reagan, Lopez Portillo and about two dozen aides, the Mexican President still was completely upstaging Reagan. Lopez Portillo was speaking in Spanish to Allen and the whole room was listening to him. [Allen was responding in Spanish, too.] Reagan, however, was sitting meekly at the table, almost unnoticed by everyone in the room. The fact that Lopez Portillo insisted on keeping the conversation in Spanish was an obvious liability for Reagan.

One other personal observation: Reagan appears uncomfortable most of the time in a one-on-one situation. When he is the designated center of attention, as when he is speaking to a raptured group of listeners, Reagan exudes warmth. But when he doesn't have a script or isn't entertaining listeners, Reagan seems like anything but a strong leader. This characteristic was underscored in the presence of Lopez Portillo.

On the plane, I asked Allen about Reagan's apparent passivity. Allen insisted that my perception was inaccurate, but he acknowledged that Reagan did not raise the subjects of immigration or El Salvador--or much of anything else. Lopez Portillo did make clear to Reagan that U.S. policies toward Central America would be a crucial factor in U.S. relations with Mexico. "We didn't come to talk, we came to listen," said Allen. "Lopez Portillo did

(MORE)

more of the talking, but that's the way the governor intended it."

George Bush. Allen seems to be one of Bush's strongest backers in the Reagan high command. Allen said he has known Bush for 14 years and has recommended that Bush be asked to sit in on the daily national-security briefings that Reagan will receive each morning from Allen, who says he hopes the Vice President will play an "integral" role in shaping Reagan's foreign policy.

Allen also is recommending that Bush be used to do much of the official travel on behalf of Reagan. The new President is not expected to travel much, Allen says, because his priorities focus on domestic matters. "There will not be much travel, period," says Allen.

Aside. I ran into Cecil Andrus at the airport and he asked me to "tell the boys back at the office that they really missed it" when we suggested in two whispers, apparently months apart, that Andrus would be among the first members of Carter's cabinet to resign.

(END)

To: mls lt jf bfp gp dr lh dxb jwm dcb tjf rak pa

From: sjf

Re: Reagan appoints Brady and meets with Haig.

_ President-elect Reagan's temper flared publicly for the first time today in defense of his wife, Nancy. He said he is an "irate husband" over news stories about his wife.

The occasion was the announcement Reagan's new press secretary, Jim Brady. Asked by reporters if Brady is good looking enough to suit Nancy (a reference to the Washington Post story), Reagan replied:

"That question refers to a story written concerning Nancy which was a total invention out of whole cloth. There have been several more of these. I am getting to be an irate husband at some of the things I read, none of which are true. Nancy couldn't be more delighted (about Brady)."

_ Press Secretary's Role. Asked if Brady would have access to the Oval Office, Reagan replied: "I've never run an administration with people who didn't have access to me." He added that he would have "regular" news conferences as president, but refused to say how often.

_ Named as deputy press secretary was Karna Small, a local radio talk show hostess who moderates the weekly Chamber of Commerce television show, "It's Your Business."

_ Jim Baker, who as chief of staff will oversee the White House press office, insists that Brady will have as much access as any press secretary. "The press secretary will have complete access to the president," he says. "He will

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meet with the president no less often than once a day and he will be able to speak for the president. He will not have to go through me. There's not going to be any downgrading of the press secretary. The press secretary is going to function as press secretaries have in the past."

Appointments and budget. Baker also says that the remaining two cabinet positions, education and special trade representative, will be filled early next week. Budget cuts will be discussed over the next two weeks and decisions made by February 1. The Council of Economic Advisers will be appointed "very shortly."

Haig. Haig's meeting with Reagan focused on policy, not confirmation hearings. "Our focus was on the organizational arrangements necessary for the conduct of American foreign policy in Mr. Reagan's administration," said Haig. "We discussed a number of foreign policy issues which are very urgent and very important." His list: Poland, East-West relations in general, the Caribbean and Latin American, Far East and Middle East.

On Iran, he says the new administration has "a lot of thought and coordination to exercise on this subject and we're prepared to do so"--whatever that means. He quickly added: "As long as Mr. Carter is president of the United States, it's his responsibility."

On Kissinger, Haig indicates he'll have no more role in the new administration than other former secretaries of state. "Dr. Kissinger is, of course, a very distinguished

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former secretary of state as is Mr. Muskie, Mr. Vance and a number of others. I am confident that we are not going to ignore this past experience and skill and knowledge and we will from time to time tap them."

On his confirmation hearings, Haig says he does not care if the Senate Foreign Relations Committee takes six months to go through the reams of material available on Watergate. "I expect it will be very thorough," he says.. "I don't anticipate there'll be any problem."

(END)

WASHINGTON, DC 20270

OFFICE OF THE PRESS SECRETARY

FOR IMMEDIATE RELEASE:

Wednesday, January 7, 1981

CONTACT:

Jim Brady 202/634-1900

The President-elect today announced his intention to nominate Edwin L. Harper as Deputy Director of the Office of Management and Budget and to appoint him Assistant to the President. This dual role is designed to forge a strong link between the White House Policy Development activities and the operations of the Office of Management and Budget.

During the 1980 Presidential campaign, Mr. Harper served as a member of the Spending Control Task Force. During the Transition, he served as Deputy Director of the Policy Coordination Staff and as a member of the Economic Policy Coordinating Committee.

Since 1978, Mr. Harper has been Vice President of the Emerson Electric Company, which has headquarters in St. Louis. He has had responsibility for strategic planning, acquisitions, and international activities. His prior business career included his being Senior Vice President and Chief Administrative Officer of the Certain-Teed Corporation and Vice President of the INA Corporation in Philadelphia.

From 1969 to 1973, Mr. Harper was Special Assistant to President Nixon and Assistant Director of the Domestic Council. President Ford appointed Mr. Harper to the President's Committee on Executive Interchange in 1976.

Mr. Harper was graduated from Principia College in 1963 and received his Ph.D. from the University of Virginia in 1968. He also taught at Rutgers University and was a Fellow of the American Society for Public Administration.

Mr. Harper is married to the former Lucy Davis of Lynchburg, Virginia. They have two children, Elizabeth and Peter, and live in St. Louis, Missouri.

OFFICE OF THE PRESIDENT-ELECT

WASHINGTON, DC 20270

049

OFFICE OF THE PRESS SECRETARY

FOR IMMEDIATE RELEASE

THURSDAY, JANUARY 8, 1981

The President-elect today announced that he will appoint Edward V. Hickey, Jr. to be Deputy Assistant to the President and Director of Special Support Services.

Mr. Hickey is currently on the staff of the President-elect, assisting Deputy Transition Director Michael Deaver with logistical and other support services for the President-elect.

Most recently, Mr. Hickey served as Acting Counsellor for Administration at the U.S. Embassy in London. Prior to that, from 1978 to 1980, he served as Senior Regional Security Officer for the U.S. Embassies in the United Kingdom, Ireland and Iceland. From 1975 to 1978, he was Assistant Director of the Office of Security at the U.S. Department of State and from 1969 to 1975, he served as Executive Director of the California State Police. From 1964 to 1969, he served as a Special Agent of the U.S. Secret Service and from 1960 to 1964, he was a Juvenile Officer with the Massachusetts Youth Authority.

Mr. Hickey received his B.S. Degree in Business Administration from Boston College in 1960. He served in the U.S. Army from 1954 to 1956. Born in Dedham, Massachusetts on July 15, 1935, he is married to the former Barbara Burke of Boston. They have seven sons, ranging in age from 21 to 10 and reside in London.

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WASHINGTON, DC 20270

OFFICE OF THE PRESS SECRETARY

FOR IMMEDIATE RELEASE:

Thursday, January 8, 1981

CONTACT:

Jim Brady 202/634-1900

The President-elect today announced that he will appoint Joseph W. Canzeri to be Deputy Assistant to the President and Executive Assistant to the Deputy Chief of the White House Staff (Michael K. Deaver).

Mr. Canzeri is presently Executive Assistant to Mr. Deaver and served as Tour Director of the 1980 Reagan campaign tour.

From 1966 to 1972, Mr. Canzeri served as Assistant to the Governor of New York and from 1974 to 1976, he served as Assistant to the Vice President for Special Events. From 1976 to 1979, he served as Personal Assistant to Nelson A. Rockefeller. Mr. Canzeri has also served as President of the Greenrock Corporation. He has held executive positions with hotels in Cooperstown and Lake Placid, New York, and in the Bahamas.

Mr. Canzeri received a degree in hotel administration from Paul Smith's College in 1953. He served in the United States Army from 1949 to 1951. He has one son and resides in Pocantico Hills, Tarrytown, New York.

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OFFICE OF THE PRESIDENT-ELECT

WASHINGTON, DC 20270

050

OFFICE OF THE PRESS SECRETARY

FOR IMMEDIATE RELEASE
THURSDAY, JANUARY 8, 1981

The President-elect today announced that he will appoint Dr. Daniel Ruge to be Physician to the President.

Dr. Ruge is currently Director of the Spinal Cord Injury Service at the Veterans Administration central office in Washington. He had previously practiced neurosurgery in Chicago from 1952 to 1976 with Dr. Loyal Davis, father of Nancy Reagan. From 1972 to 1976, he also served as Professor of Surgery at Northwestern University.

Dr. Ruge is a graduate of North Central College in Illinois and the Northwestern Medical School. He served in the U.S. Navy as a physician from 1954 to 1956. He is married to the former Greta Piper. They have two children and reside in Washington.

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January 9, 1981

FROM: RAK - Los Angeles

TO: MLS, LT, JF, BFP, GP, DR, LH, DXB, JWM, DCB, TJF, JSL, SJF, RAK, PA, PGH

RE: Reagan in California

President-elect Reagan today staunchly defended Secretary of State-designate Alexander Haig's ^{ROLE} in the Nixon White House, and at the same time defended the secret U.S. bombings of Cambodia during the Vietnam War.

As he was leaving his barber's this afternoon, Reagan said: "I think that there's a certain amount of politics going on in this particular hearing," indicating that he had spent part of the morning watching Haig's Senate confirmation hearing.

"I think they're trying to make a fuss of something...[but] I think he's taking care of himself pretty well."

Asked about Haig's role in the Cambodia bombings, Reagan said: "If you come down to Cambodia and the Vietnam War, the North Vietnamese were taking refuge, sanctuary in Cambodia, coming across a line and killing Americans. And I think that going over after them so that they didn't have sanctuary made a lot of sense -- and so did the fellows that were being bombed."

The President-elect also leveled ^{MILD} ~~middle~~ criticism at the Democratic members of the Senate Foreign Relations Committee, which is considering Haig's nomination. "There's certain elements of extremism that get into the questioning that don't have any bearing on whether he's [Haig's] going to be a good Secretary of State -- and he is going to be a good Secretary of State," Reagan said.

Asked whether the questions put to Haig were relevant, Reagan said: "I think that they're trying to make a fuss of something."

Reagan's comments were the only news being generated here in an otherwise uneventful day.

(END FILE - ERJ)

STORY:MEMO
MA:60 FMT:

QUEUE:SJF-SJF
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MSG:
INI:

OPR:SJF ;01/09,11:43

To: mls lt jf bfp gp dr lh dxb jwm dcb tjf rak pa

From: sjf

Re Reagan.

Although Reagan himself was vague about it when we interviewed him, there's now reason to believe that the new president plans a few dramatic acts on January 20.

The following are random quotes from today's briefing by Larry Speakes: "I don't think anybody will be disappointed with the pace of the administration in the first few days. Definitely, there will be some action--possibly after the 20th. Possibly he can step into the Oval Office on the afternoon of the 20th and there'll be some action."

There are a number of things that Reagan has promised to do early, including a freeze on federal hiring. But the exact timing has never been spelled out. Speakes quotes indicate that Reagan may issue a declaration from the Oval Office right after the inauguration.

Speakes does not rule out additional appointments over the weekend. One good bet is Bill Brock for trade representative. Attached are some lesser appointments made this week.

(END)

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THIS FORM MARKS THE FILE LOCATION OF ITEM NUMBER 1 LISTED ON THE
WITHDRAWAL SHEET AT THE FRONT OF THIS FOLDER.

STORY:MEMO
MA:60 FMT:

QUEUE:SJF-SJF
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OPR:SJF

;01/12,14:04

To: mls lt gp dr dxb jwm dcb tjf jsl rak pa

From: sjf

Transition notes.

Elizabeth Dole, soon to be White House public liaison officer, says her first job after January 20 will be to help sell President Reagan's economic package.

"The economic package is moving right along," she says.

"I see that as my first assignment."

In an interview, Dole described herself as the Ann Wexler of the Reagan administration. She says she has talked with Wexler about the job, and will meet later this week with Jim Baker to get her marching orders. She will occupy the same 2nd floor West Wing office now used by Wexler.

"My job is to develop a consensus for administration policies and programs," she said. "I will be responsible for coalition-building. I will bring in special interest groups so they understand what we are doing. I will be a conduit through which their voices can be heard. Governor Reagan has stressed that he's going to be the president of all the people. I see my office as having a part in that."

She said she hopes to hold White House conferences in every region of the country, and indicated that she will encourage the president to attend these meetings himself. She also will be arranging meetings between the president and various groups. She notes she served a similar function in the Reagan campaign organization.

On the subject of the transition, Dole admits things are

(MORE)

running somewhat behind schedule. But she quickly adds: I think the deadlines we set for ourselves in terms of appointments was a little bit too ambitious."

At today's briefing, Jim Brady predicted "a great spewing forth" of 60 to 100 subcabinet appointments "in the next week or so." He also announced the appointments of Shelia Patton as the First Lady's press secretary and Pen James as personnel director. (Announcements attached.) Other transition tidbits:

- * Reagan has completed work on his inaugural address.

- * Mexican President Jose Lopez Portillo has given Reagan an Arabian stallion. Reagan intends to continue horseback riding while he's in Washington. To quote Brady, "He will ride while he's out here, but we don't know where or on what."

- * The special trade representative will be appointed "in the next couple of days."

- * Despite Stockman's remarks during his hearing, President-elect Reagan has promised to support the federal pay raise proposed by President Carter.

- * The economic package will be announced "very early" after the inauguration.

(END)

WASHINGTON, DC 20270

OFFICE OF THE PRESS SECRETARY

FOR IMMEDIATE RELEASE
MONDAY, JANUARY 12, 1981

The President-elect today announced that he will appoint E. Pendleton James to be Assistant to the President for Presidential Personnel.

Mr. James is currently Director of the Office of Presidential Personnel for the Office of the President-elect. For the past three years, he has been President and owner of Pen James and Associates, Inc., an executive search firm headquartered in Los Angeles, California. Prior to that he was President-Western Operations for the New York-based executive search firm of Russell Reynolds Associates.

From 1971 to 1973, Mr. James served as Deputy Special Assistant to the President, with primary responsibility for recruiting leading figures to fill Presidential appointment positions. Prior to coming to Washington, Mr. James spent five years in the Los Angeles office of Heidrick and Struggles, a major international executive search firm. Prior to that, he was personnel manager at the Aerojet-General Corporation for ten years.

Mr. James received his B.A. Degree from the University of the Pacific in Stockton in 1954 and did his graduate work in Industrial Relations at the University of California at Berkeley and the University of Santa Clara. He is a Trustee of Chadwick School (Palos Verdes, California), a member of the Board of Directors of Big Brothers of Greater Los Angeles, a member of the Community Relations Committee of Torrance Memorial Hospital, a member of the Jack Kramer Tennis Club and an Elder at St. Luke's Presbyterian Church (Rolling Hills Estates). He and his wife, Betty, have two children and reside in Rolling Hills, California.

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WASHINGTON, DC 20270

OFFICE OF THE PRESS SECRETARY

FOR IMMEDIATE RELEASE:
SATURDAY, JANUARY 10, 1981

The President-elect today announced that he will nominate Frank C. Carlucci of McLean, Virginia, to be Deputy Secretary of Defense.

Mr. Carlucci is Deputy Director of Central Intelligence, a position in which he has served since February 1978.

Mr. Carlucci was born on October 18, 1930, in Scranton, Pennsylvania, and in 1952 received his A.B. degree in Public and International Affairs from Princeton University. He served as a Lieutenant (junior grade) in the United States Navy from 1952 to 1954, and attended Harvard Graduate School of Business Administration from 1954 to 1955. He then spent one year as a Management Trainee with the Jantzen Company in Portland, Oregon.

He joined the Foreign Service in 1956 and was assigned to the position of Vice Consul and Economic Officer in Johannesburg, South Africa, where he served from 1957 to 1959, followed by a tour of duty as Second Secretary and Political Officer in Kinshasa, Zaire, from 1960 to 1962. From 1962 to 1964, he was Officer in Charge, Zairian Political Affairs. From 1964 to 1965, he was Consul General in Zanzibar and from 1965 to 1969, he served as Counselor for Political Affairs in Rio de Janeiro.

From 1969 to 1970, Mr. Carlucci served as Assistant Director for Operations in the Office of Economic Opportunity and from January to September 1971 he served as Director of the OEO. In 1971, he was appointed Associate Director of the Office of Management and Budget, followed by appointment as Deputy Director. From 1972 to 1974, he served as Under Secretary of Health, Education, and Welfare.

Mr. Carlucci was appointed United States Ambassador to Portugal in December 1974 and served in that position for three years. He is a retired Career Minister in the Foreign Service. Mr. Carlucci has received numerous awards including the State Department Superior Service Award (1962), the State Department Superior Honor Award (1969), the HEW Distinguished Service Award (1974), and the Defense Department Distinguished Civilian Service Award (1977). He is a member of the National Academy of Public Administration.

He is married to Marcia McMillan Myers and they have three children.

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WASHINGTON, DC 20270

OFFICE OF THE PRESS SECRETARY

FOR IMMEDIATE RELEASE:

SATURDAY, JANUARY 10, 1981

Mrs. Ronald Reagan today announced the appointment of Sheila Burke Patton to be Press Secretary to the First Lady.

Mrs. Patton is Vice President-Account Group Supervisor of Hill and Knowlton, Inc., in Washington, a capacity in which she has served since 1978.

She was born on March 3, 1942, in Washington and in 1964, received her B.A. degree in Journalism from Duquesne University. From 1964 to 1966, she was a Research Assistant with Westinghouse Air Brake Company, Assistant Account Executive with Fahlgren and Associates, and Copywriter with Ketchum, MacLeod and Grove. In 1967, she served as an Account Executive with Burson-Marsteller Associates in Pittsburgh and from 1967 to 1971, she served as Public Relations Manager for the Colorado National Bank in Denver. From 1977 to 1978, she served as an Account Executive with Hill and Knowlton in Houston.

Mrs. Patton is a member of the Washington chapter of the Public Relations Society. She has two children and resides in Falls Church, Virginia.

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To: mls lt gp dr dxb jwm dcb tjf jsl rak pa

From: sjf

Transition notes.

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(MORE)

running somewhat behind schedule. But she quickly adds: I think the deadlines we set for ourselves in terms of appointments was a little bit too ambitious."

At today's briefing, Jim Brady predicted "a great spewing forth" of 60 to 100 subcabinet appointments "in the next week or so." He also announced the appointments of Shelia Patton as the First Lady's press secretary and Pen James as personnel director. (Announcements attached.) Other transition tidbits:

- * Reagan has completed work on his inaugural address.

- * Mexican President Jose Lopez Portillo has given Reagan an Arabian stallion. Reagan intends to continue horseback riding while he's in Washington. To quote Brady, "He will ride while he's out here, but we don't know where or on what."

- * The special trade representative will be appointed "in the next couple of days."

- * Despite Stockman's remarks during his hearing, President-elect Reagan has promised to support the federal pay raise proposed by President Carter.

- * The economic package will be announced "very early" after the inauguration.

(END)

WASHINGTON, DC 20270

OFFICE OF THE PRESS SECRETARY

FOR IMMEDIATE RELEASE
MONDAY, JANUARY 12, 1981

The President-elect today announced that he will appoint E. Pendleton James to be Assistant to the President for Presidential Personnel.

Mr. James is currently Director of the Office of Presidential Personnel for the Office of the President-elect. For the past three years, he has been President and owner of Pen James and Associates, Inc., an executive search firm headquartered in Los Angeles, California. Prior to that he was President-Western Operations for the New York-based executive search firm of Russell Reynolds Associates.

From 1971 to 1973, Mr. James served as Deputy Special Assistant to the President, with primary responsibility for recruiting leading figures to fill Presidential appointment positions. Prior to coming to Washington, Mr. James spent five years in the Los Angeles office of Heidrick and Struggles, a major international executive search firm. Prior to that, he was personnel manager at the Aerojet-General Corporation for ten years.

Mr. James received his B.A. Degree from the University of the Pacific in Stockton in 1954 and did his graduate work in Industrial Relations at the University of California at Berkeley and the University of Santa Clara. He is a Trustee of Chadwick School (Palos Verdes, California), a member of the Board of Directors of Big Brothers of Greater Los Angeles, a member of the Community Relations Committee of Torrance Memorial Hospital, a member of the Jack Kramer Tennis Club and an Elder at St. Luke's Presbyterian Church (Rolling Hills Estates). He and his wife, Betty, have two children and reside in Rolling Hills, California.

#

13
January 14, 1981

FROM: RAK - Los Angeles

TO: MLS, LT, JF, BFP, GP, DR, LH, DXB, JWM, DCB, TJF, JSL, SJF, RAK, PA, PGH

RE: Reagan's farewell

The President-elect today dusted off the most maudlin stories of his personal experiences as he bade farewell to California in what was officially proclaimed as "Ronald Reagan Day" here.

Apart from promising to decentralize Washington authority, Reagan's remarks today were unadulterated nostalgia. But the following may be of some use as "Whisper" material:

Reagan told a crowd in the L.A. city-council chambers that he intends to keep a jar of jelly beans on the table at which his cabinet meetings will be held in the White House.

As the President-elect tells it, "We ran the state of California on jelly beans, and maybe we can run things the same way in Washington."

Reagan claims that during heated cabinet meetings in California, the jelly-bean jar was passed around the table to aid in deliberations. When the President-elect was presented with a huge jar of jelly beans today, he told the city-hall gathering:

"I've been wondering how we were going to get a jar on the cabinet table in Washington. . . you can tell a lot about a person's character by whether he picks out all one color."

Reagan got hooked on jelly beans several years ago when he was trying to stop smoking cigarettes.

Reagan clearly is having mixed emotions about leaving California -- especially his ranch at Santa Barbara. He reminded one audience that there is a military base where Air Force One "can land not many miles from the ranch."

Said Reagan: [""]These are times of mixed emotion for us as we watched the furniture move out of the house. . . I began a love affair with California that has deepened as the years went by.""

Throughout this day of ceremonies honoring the President-elect, Nancy Reagan seemed uncharacteristically subdued. Whenever she was called on to speak, she only very briefly thanked the audiences for coming out. My guess is that she is trying to be a little more low key after being stung by the pre-inaugural controversies she generated.

The country's next President also revealed that he may accept an offer from the National Park Police to go horseback riding ""at the park where they train in Washington."" I believe Reagan was referring to the stables at Rock Creek Park.

Reagan will leave for Washington at 2 p.m. eastern time Wednesday.

(END FILE - LC)

To: mls lt jf gp dr lh dxb jwm dcb tjf jsl rak pa

From: sjf

Reagan's White House.

Unlike many previous presidents, Ronald Reagan wants to do all his daily work in the Oval Office.

The study adjacent to the Oval Office, which President Carter now uses for his work, will be given to Mike Deaver instead of being used by the president. Ed Meese will get Brzezinski's office. Otherwise, the allocation of office space in the Reagan White House will be similar to what it has been in the Carter White House.

Baker will have Jack Watson's office; Max Friedersdorf gets Frank Moore's office; Bush gets Mondale's office, and Elizabeth Dole gets Ann Wexler's office.

This information comes from an on-the record interview with Frank Hodsell, Baker's deputy, who declined to tell me where Dick Allen and Martin Anderson will be located (which I interpret to mean that they will get lousy offices.)

Meese-Baker-Deaver. Hodsell described the relationship between Meese and Baker as a "partnership"--even though Meese has a more important title as counselor to the president. As he views it, Baker's responsible for "issue management and the political function" and Meese will be the "chief spokesman" while developing and implementing policy. Like others, Hodsell sees Meese, Deaver and Baker as a triumvirate. "They are three senior advisers with different talents and different tasks," he says. "I don't

(MORE)

think one will be more equal than the other."

What distinguishes the Reagan White House organization chart from those of previous administrations, according to Hodsell, is the creation of Meese's job. (On background, Dick Darman, who will be deputy assistant to Baker and staff secretary, says the Meese's position compares in some ways to John Erlichman's job with two differences: (1) his responsibility is publicly announced and (2) he will oversee national security as well as domestic policy.)

Before putting together the Reagan White House organization chart, aides studied other charts going back to Kennedy and read a number books on the subject. (On background, Hodsell showed me the final organizational chart by making some changes in the one that appeared in the Washington Post. His handiwork is attached to this memo.)

Staff Reduction. Reagan wants to cut the staff of the executive office of the president by 10 percent, even though a few new positions are being created. One new position is the director of planning and evaluation under Meese. Hodsell says the planned staff reduction is motivated by "a desire to streamline the White House, to basically cut government and to have a stronger cabinet." He says many functions that the White House took on in recent administrations will be given back to the agencies.

Cabinet. On background, Hodsell says they are considering a plan allowing each cabinet officer to have one of his own assistants working inside the White House. "This would be

(MORE)

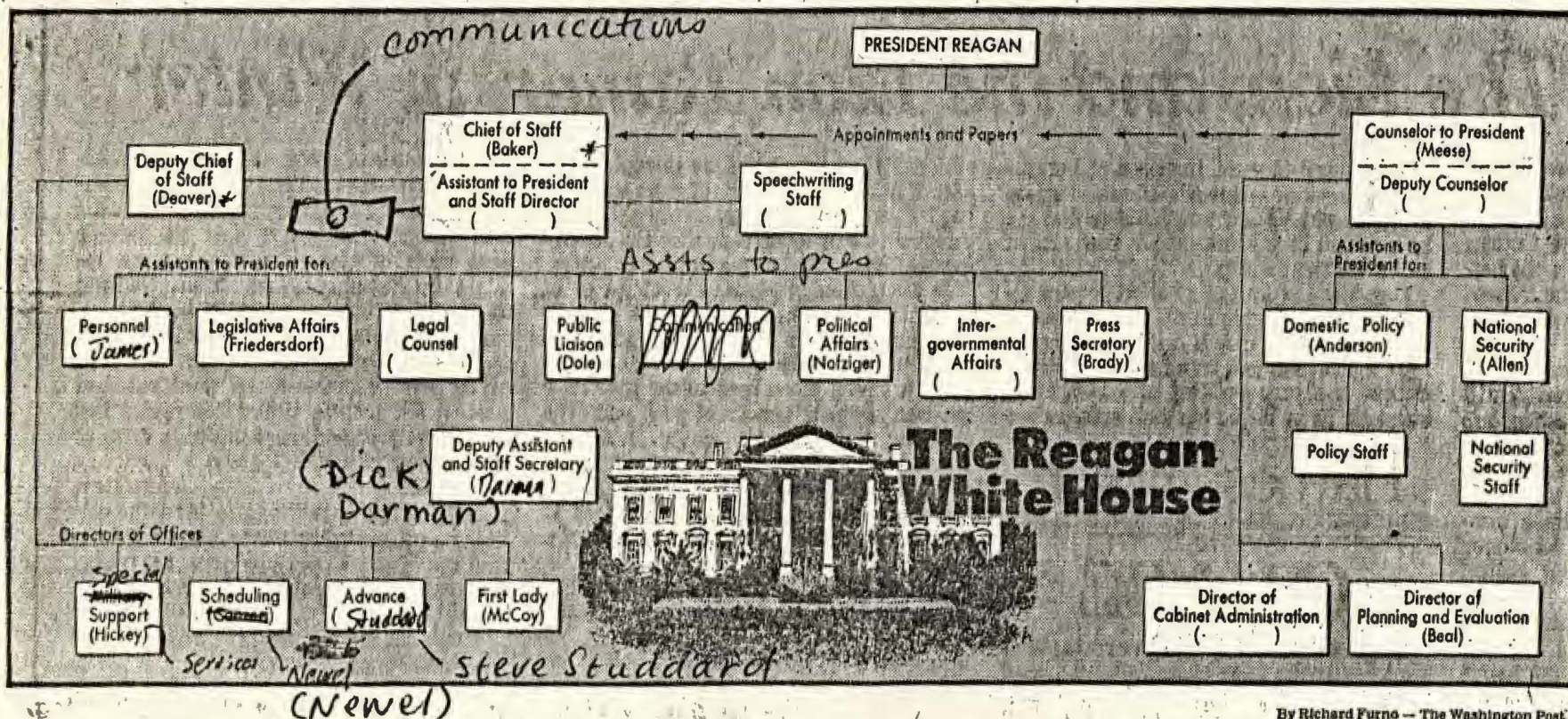
the best way for cabinet heads to be plugged in, it would give them real input and a better sense of cohesion in coordinating and implementing policy," says Hodsell.

Access to Reagan. Meese, Deaver and Baker will have daily access to the President, says Hodsell. (He did not mention Brady, although that was announced.) Otherwise, he says, "those who have a need to see the president will have access to the president." All memos to the president will be funneled through Darman's office, which Hodesell described as "the point at which the paper flow stops."

Perks. Although their perks policy is still being drafted, the Reagan staff will have about the same perks as Carter's staff. Hodsell says he thinks Carter did a reasonably good job cutting down on perks. "We're not going to have people running around ⁱⁿ limousines," says Hodsell. "That's not our style. We'll be lean on perks."

Bush. Despite what we saw in our interview with Bush yesterday, Hodsell insists the vice president is "very plugged in." He says Bush will be "a principle adviser to the president with heavy emphasis on foreign policy" and will meet with Reagan on "a continuing basis."

(END)



By Richard Furno — The Washington Post

In Staff Plan, Baker Is Reagan's Gatekeeper

David S. Broder

Washington Post Staff Writer

Reagan's

Meese, the counselor to the president, and Baker, the chief of staff, occupy parallel positions atop the staff pyramid. But the source said only

ing through Meese, rather than having the direct access to the president their counterparts in previous administrations enjoyed.

Also to be tested is the design that

will be the directors of the First Lady's office, Peter McCoy; scheduling, Joseph Canzeri; military support services, Edward V. Hickey, and the yet-to-be-announced director of advance

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To: mls lt gp jg mfd ^bJA~~s~~ jwm rak dxb

From: sjf

Reagan's economic advice.

Alan Greenspan has warned Ronald Reagan in a memo that the nation's financial system may begin to crumble unless the new president takes "bold and credible" action to revamp the fiscal affairs of the federal government.

The memo, which I read on a White House aide-to-be's desk while I was waiting in his office today, is entitled: "The New Economic Environment: The Rise of Permanent Inflationary Expectations and the Need for Bold Policy Correction." It reads as follows:

"The American economic has arrived at a point where, unless the underlying inflationary movement is rapidly defused, the new administration will be fighting a rear guard battle against stagnation for most or all of the remainder of its term."

The memo says that Carter's revised 1980 budget "triggered the final breakdown" when it increased spending estimates for fiscal 1984 by 165 billion dollars.

"From that the market concluded, finally, that the federal budget was out of control. Long term interest rates as a consequence rose sharply as lenders increased 'inflation premiums' to compensate for the prospective loss in purchasing power on the life of the loan. In effect, for the first time in American history, the financial community was basing its investments on the expectation that

(MORE)

inflation had become a deep-seated long-term problem.

``Previously, even in periods of short-term inflationary excess, the markets had assumed that a non-inflationary environment would be restored within a year or two. That optimism is now lost.

``It is essential that it be restored as quickly as possible. If we fail, long-term interest rates will not come down. While other countries can seemingly adjust to very high interest rates without their whole financial structure crumbling, the U.S. does not have that option.

``Our sophisticated financial institutions require a non-inflationary environment. Continued high interest rates will bankrupt these institutions and create devastating repercussions throughout the financial system.

``There is no choice but to bring interest rates down. It can be done only by bringing inflation premiums embodied in long-term interest rates down; and that requires changing inflationary anticipation by convincing a highly skeptical marketplace that the federal government is finally ready to bring its fiscal affairs in order.

``Despite their underlying skepticism, the financial community seems willing to give President Reagan a shot at turning things around. But unless the action is bold and credible, the market will surely deteriorate further. We may never have another reasonable opportunity for restoring stability. If it becomes clear that Congress is going along with major restructuring of our fiscal affairs, long-term

(MORE)

forecasts of inflation will undergo a major reduction. This will immediately feed back as lower inflation premiums and long-term interest rates. Lower mortgage and other interest rates will restore the sagging home building and other markets. Unemployment will decline."

The last paragraph was hidden from view. It was signed by Greenspan.

(END)

STORY:GREEN
MA:60 FMT:

QUEUE:SJF-SJF
HJ:

MSG:
INI:

OPR:SJF ;01/14,10:58

To: mls lt gp jg mfd jbg jwm rak dxb

From: sjf

More on Greenspan's memo.

_ On background, Greenspan confirms that his memo was written very recently for Reagan's economic advisers and was to have limited distribution. He offered ``a grudging congratulations`` to me for getting it.

He refused to divulge the last paragraph, but indicated that the memo goes on to propose a constitutional amendment requiring a 60 percent vote in both houses of Congress on any authorization of budget authority, all outlays including entitlement programs.

(END)

STORY:MEMO
MA:60 FMT:

QUEUE:RAK-RAK
HJ:

MSG:
INI:

OPR:RAK ;01/15,11:46

TO: MLS, LT, JF, BFP, GP, DR, JG, LH, DXB, JWM, DCB, TJF,
JSL, SJF, PA, PGH

FROM: RAY

RE: Meese briefing

GOP party leader Bill Brock today was named the Reagan administration's U.S. trade representative, with cabinet rank. Brock will report directly to the President.

Top Reagan aide Ed Meese briefed reporters on a range of subjects:

Economic package. Immediately after Inauguration Day, Reagan will send to Congress an initial ``message`` outlining in broad terms his economic proposals. That will be followed up later with subsequent messages detailing specific proposals for tax cuts, spending cuts, regulatory reform, etc., according to Meese. ``We are right on schedule with the economic package...The whole package will be there [to Congress] within a matter of two, three or four weeks, including all the details,`` Meese said.

Most of Reagan's economic proposals already have been decided, and the rest of the decisions will be made in the next few days as the President-elect holds lengthy meetings on the economy with his top advisers.

Tax cut. No decision has yet been made whether to defer for six months the effective date of the Reagan tax cut.

Revision of Consumer Price Index. Meese did not outright endorse Carter's plan to change the way the CPI is

(MORE)

computed, but he said: "I can appreciate their concern about the present standard...So, it's something we're going to look at very, very closely."

Fiscal '81 budget. Reagan will submit requests for rescissions and supplementals to the 81 budget--just what kind of changes, Meese did not say. Reagan's plans for the '82 budget have not been worked out in detail.

Iran. "At this point, I don't want to make any comment as to what actions we may or may not take." Meese restated Reagan's position that he will start with a "clean slate" if necessary on January 20.

Haig. The President-elect believes Haig's performance before the Senate Foreign Relations Committee has been "excellent" and that Haig has "vindicated" Reagan's argument that the general will make an excellent secretary of state.

Department of Education. Meese has never been a fan of this agency and today he eradicated any doubt about its fate: "Mr. [Terrell] Bell is absolutely committed to defining the proper role, if any, of the federal government in education...And he's absolutely committed to abolishing the department...It never should have been created in the first place."

El Salvador. Reagan supports Carter's decision to resume military aid to El Salvador.

Executive orders. Meese would not be specific, saying only that a hiring freeze is "very likely" and that many

(MORE)

actions begun by the Carter administration would be
pendel so that ``there can be a thorough review.'' This
suspension applies to regulatory matters, contracts, etc.,
Meese says.

___Third World_. Reagan intends to deal with all countries on
an individual basis, not as blocs representing various
interests.

___Subcabinet slots_. Reagan still hopes to fill almost all of
the top positions by next Tuesday.

___Martin Luther King_. ``We've not made any decision'' on
whether to support proposals for making King's birthday a
federal holiday.

___Crime_. The Reagan administration will take a ``keen''
interest in crime prevention, but only to the limited
ent that the federal government should have any role in
what Reagan believes is primarily a responsibility of state
and local governments.

___New Right critics of Reagan_. ``I see more criticism by
columnists who claim to hear such criticism than I have
from the spokesmen themselves.''

___Reagan's schedule_. Today and tomorrow, Reagan will hold
lengthy economic meetings at the New EOB with his cabinet
and senior staff. On Saturday he and Nancy will attend a
luncheon at the City Tavern Club hosted by Holmes Tuttle.
On Saturday evening, the inaugural festivities begin with a
ceremony at the Lincoln Memorial. The President-elect goes
to church Sunday at National Presbyterian Center, then a

(MORE)

luncheon in the afternoon and the Kennedy Center in the evening. On Monday, Reagan will hold meetings that will be announced later, then to the Capital Center in the evening for the Hollywood gala.

(END)

STORY:SMITH
MA:70 FMT:

QUEUE:TG-TG
HJ:

MSG:
INI:

OPR:TG ;01/15,14:13

January 15, 1981

MLS LT DR GP SJF from TG

Mr. Smith comes to the Hill...

Attorney General-designate William French Smith immediately got off on the wrong foot with women's groups today as he started his confirmation hearings. Smith refused to quit two California clubs that don't admit women members, thus setting himself apart from Griffin Bell, who did quit discriminatory clubs for symbolic reasons. Smith told Ted Kennedy that the all-male clubs were comparable to the Boy Scouts or the Davis Cup team. Smith promptly received a lecture from senators on both sides of the aisle. Joseph Biden and Charles Mathias. Biden told Smith he was sending ``signals of intense insensitivity'' to women, and Mathias attacked Smith's declaration that he was being asked, in effect, to abide by a ``non-existent law.'' On the latter point, Mathias told Smith that the Attorney General must conform to certain principles, even if they're not codified in law. Groups interested in women's rights are due to testify against Smith later.

The debate over Smith's club memberships was the highlight of a hearing in which Smith confessed his ignorance of most issues that will face him as Attorney General. Time after time, Smith told senators that he was unfamiliar with matters they asked him to discuss. Some of this may have been part of a strategy not to alienate anyone too early, but his appearance seemed to confirm the notion that he has few strong feelings about key justice issues.

(MOPE)

The other news at today's hearing was Smith's statement that he will make violent crime the top Justice Department priority. However, he quickly confessed that he wasn't sure how he would accomplish it, in that street crime is generally a state and local concern. Smith listed his priorities, in this order, as violent crime, organized crime, drug enforcement and white-collar crime. He studiously avoided discussing civil rights, promising only to "vigorously enforce the law," but not stating how big or small a priority civil-rights laws will be. For the most part, Smith stuck to generalities, such as:

"My most important problem will be properly balancing the rights of society and government with the rights of the individual." He also declared that some parts of the Justice Department are "badly in need of leadership and organization," but he didn't name the units.

As of the time I quit covering the hearing (after each senator had had one shot at questioning), Smith hadn't yet discussed his appearance with Frank Sinatra at a party or his views on the new ethics law, but that was likely to come up later. Other matters--

<*> Smith has ended all personal legal work for Reagan, and would disqualify himself from any probe of a Reagan family member.

<*> Smith will support an extension in 1982 of the Voting Rights Act. He left unclear whether he would seek amendments, however.

<*> Although I believe the Reagan camp has endorsed the legislative-veto concept, Smith said he wasn't aware that the new administration has any position in the issue. He wouldn't offer any view.

<*> Smith confirmed that he favors reducing U.S. legal aid to the poor.

<*> In perhaps his worst-conceived statement of the day, Smith said

that (prison) rehabilitation was proper only "for those subject to being rehabilitated."

(MORE)

(H)

STORY:BAKER
MA:60 FMT:

QUEUE:SJF-SJF
HJ:

MSG:
INI:

OPR:SJF ;01/15,14:47

To: mls lt rak jf gp jg dxb jbg mfd jwm dcb tjf cas kj ms

From: sjf

Breakfast today with James Baker III, Reagan's future
White House chief-of-staff.

Baker listed four executive orders that Ronald Reagan likely will issue in the first hours of his presidency.

They are:

- * A freeze on federal hiring. (Still no details on how this would differ from Carter's freeze, except Baker says they are serious about enforcing it.)

- * Suspension of all or some pending regulations.

- * Orders to each Cabinet member to submit a dollar estimate of waste and fraud in his department.

- * Abolition of the Council on Wage and Price Stability.

Baker, speaking to reporters at Alan Emory's breakfast group at the National Press Club, said they also are considering a review of the status of the Council of Environmental Quality. But it cannot be abolished without congressional action. Baker views CEQ as an agency that "has fancy offices and reports to the president once a year."

Economic package. Baker indicated they are still hoping to cut 2 percent from the budget in 1981, and up to 30 billion dollars in fiscal 1982. He indicated the tax cut will be delayed until mid-year. Here's how he described the budget cuts: "Not just cuts in social programs, but cuts across the board including entitlements. We're talking about

(MORE)

changing the definition of these entitlement programs.

"We're not talking about cutting existing programs, but redefining them to slow down the growth of those programs in the future." He declined to talk specifics. He dismissed Carter's budget as a political document. "That budget is like the budget we left for the Carter administration," he said.

Selling the Economic Package. Reagan is considering two ways to put pressure on Congress to pass his economic package--a State of the Union address and "a couple of trips out around the country." He conceded, "The economic package is not going to be easy to get enacted. The thing will only work as a package."

Grain Embargo. Scratch another campaign promise. Baker says there is now evidence that the embargo is having an impact on grain supplies in the Soviet Union. Therefore, Reagan is reconsidering his pledge to lift the embargo.

Transition. Baker concedes that some administration appointments may not be made in the first 100 days. But he promises about 60 subcabinet appointments before Tuesday. What went wrong? "We were perhaps a little to exuberant in terms of setting our deadlines," Baker said. "But we've done well in an historical comparison with other administrations."

(END)

STORY:MEMO
MA:75 FMT:

QUEUE:JBG-JBG
HJ:

MSG:budget
INI:

OPR:JBG ;01/15,17:28

To MLS, LT, JG, MFD, SJF, RAK, DXB

From JBG 1/15/81

Reagan team reaction to Carter budget

Ronald Reagan and his top economic had harsh words today for Jimmy Carter's 1982 budget. Reagan said of it: "I think there'll be some fat there." On the economic situation, he said he was still optimistic that he would be able to present his economic package on schedule, even though "there's no question about the economy worsening." The growth of the 1982 budget from an estimated 600 billion dollars during the campaign to around 660 billion now means a far larger deficit than Reagan planners had counted on during the campaign. Reagan says this means that the cuts he had been talking about earlier "wouldn't make the same impression that we were hoping that they'd make." But the new administration won't "retreat", he added. "It just means that we've got a harder job and more to do."

At a press conference this afternoon, OMB director-designate David Stockman blasted the Carter budget. Stockman dominated the brief session, with Treasury-secretary-designate Donald Regan getting in only one short answer to a question. He may be the administration's chief economic spokesman, but he's clearly outflanked by Stockman on budget matters.

Stockman said that the Carter budget "looks like a very political document" and was "more of the same." He added that "We have to revise it top to bottom" and that its elements, including higher taxes and a large deficit, are "not an acceptable fiscal policy."

He said that the Carter deficit was "entirely cosmetic and artificial"

(MORE)

and that it probably was ``at least'' 50 billion dollars and maybe substantially more. He wouldn't estimate the deficit that the Reagan people are shooting for, only that their goal is to reduce it ``substantially'' below what ``we inherit this year.''

On the economic program, Stockman said the administration hopes shortly after the inauguration to submit its own ``emergency measures'' to deal with the economy. Again no specifics except that it will be a four-year plan to steadily reduce the deficit, accompanied by tax cuts. There's been no backing away from the 3-year, 30 percent Kemp-Roth tax reductions, he said.

``Clearly there is great economic distress in this country today,'' said Stockman. ``We have a budget totally out of control.'' The economic program being devised will deal with ``very urgent economic problems.'' What's needed, he added, is a ``comprehensive and bold shift in economic policy.''

On spending cuts, Stockman said that no firm decisions have been made yet, only that administration officials are developing a ``very long options list.'' Every agency and every program is being looked at, he said, and there ``won't be any agency that escapes.'' The savings that the administration makes in its own 1982 budget will be ``very substantial'', said Stockman, ``a multiple of some 10 billion dollars.''

On the economic outlook, Stockman called the Carter forecast too optimistic given the policies in their budget. Higher taxes and the other elements outlined by Carter would cause the economy to deteriorate still further, says the Reagan budget chief. But with a different economic policy under Reagan, ``we can have a much better outlook and conditions, especially later in the year,'' according to Stockman.

(MORE)

On tax cuts, no dates have been decided, he said.

The intent is to move with ``urgency and speed`` on the economic package, said Stockman. But he cautioned that there were ``hundreds`` of decisions to be made and ``hundreds`` of people to consult.

Donald Regan's only contribution was to say that the new administration was not ``boxed in`` by the Carter figure on defense, and that they would go ahead and set their own numbers.

(END)

To: mls lt jf gp dr lh dxb jwm dcb tjf jsl rak pa

From: sjf

Ed Meese at the Sperling Breakfast:

While President Reagan backs away from earlier promises, Ed Meese tries to convince reporters that no such promises were ever made. Several examples from today's breakfast:

* Meese said Reagan had never fixed a starting date for his tax cut. But when challenged, he conceded that in "one speech" the president-elect had promised to make it retroactive to January 1.

* Meese suggested Reagan had never set a time for opening negotiations with the Soviet Union on a new SALT pact. In the campaign, Reagan said he would do "immediately."

* Meese denied that he ever stated his intention to fill 352 top jobs by Inauguration Day. He insisted they were running only "slightly behind" his goal of having 110 in place by next Tuesday. He thinks they will have nearly 100.

* Meese backed away from earlier promises to increase the defense budget. Now he says some items will be increased and others cut, with the net effect of no overall change.

* He also tried to create the false impression that they made no special effort to have minorities represented in the Cabinet. He said the choice of Sam Pierce was "a tribute to the ability of the individual, not that we tried to find someone in every category."

This is not the same open, honest Ed Meese that we've come to know over the past few months. Today, he was

(MORE)

defensive and downright dishonest. It appears to me that Meese, who's always gotten good press, may be somewhat sensitive to criticism.

Economic matters. Reagan intends to propose a 13 percent tax cut, although the starting date is not yet decided. Budget cuts will be across-the-board. Reagan has been told by members of Congress that they could support "a more general approach in which nothing is exempted." He added, "There will be a massive attempt to mobilize public opinion to look at the budget as a whole." Even before the legislative package is ready, they will have "a number of spending control measures" to announce next week. This will be accompanied by a "message" of some kind, the first of several messages. A Council of Economic Advisers will be named within the next week. Reagan's freeze on hiring will have "very few exceptions," unlike the current freeze. "The present freeze is more of a frost than a freeze." Consultants are "a target of immediate opportunity" for cutting.

Inaugural Address. Reagan's inaugural speech will have a "presidential tone," and last about 15 or 20 minutes. When Reagan sought advice on the speech, he was told by his advisers: "We are in a very difficult situation, but there should be a way to indicate that there is hope--a way out--particularly on the economy."

Abolishing Departments. Meese says Reagan is still committed to abolishing the Education Department and

(MORE)

dismantling the Energy Department. By dismantling, he means that some functions will be transferred to other departments. But he says there's nothing much at Education worth saving. "You can't believe the bureaucracy they've created there out of whole cloth," he says. "Never has such an enormous bureaucracy been created to do so little." The heads of these departments will be asked to come up with a plan to dismantle them.

Reagan's Routine. Asked about Reagan's daily routine as president, Meese said the president intends to meet regularly with the congressional leadership and the Cabinet and about once a week with the National Security Council. He will also set aside "a portion of every week" to meet with some individual Congress members and outside groups.

Press Conferences. Reagan will meet "relatively frequently" with reporters. Press conferences twice a month is not "an unreasonable estimate." He adds: "Some months there may be four. Some months only one."

Cabinet Subcommittees. Reagan will establish subcommittees of the cabinet "clustered around different issues"--one on foreign policy, one on the economy and others on other issues as they arise. White House staffers also will meet with these groups. There also may be an overall executive committee of the Cabinet, or a super-Cabinet. He hinted that they have decided to go ahead with the idea mentioned by Rodsell to have a representative of each Cabinet member housed in the White House. "We'll have

(MORE)

a way to bring them into the White House symbolically," he said. "But I'm not ready to announce that yet."

Defense Spending. Budget items that will be increased in the Reagan administration: Reserve forces, operating and maintenance of existing equipment, new equipment, personnel recruitment and retention.

(END)

To: mls lt jf gp dr lh dxb jwm dcb tjf jsl rak pa

From: sjf

Re Reagan's inaugural speech.

The theme of Reagan's 15-minute inaugural speech will be "the beginning of an era of renewal." This information comes from a backrounder with Jim Brady on Friday night.

Reagan's original draft, written in a combination of ink and pencil on a lined yellow legal-size pages, has been photographed by White House photographer-to-be Michael Evans. The news magazines can have these pictures on Tuesday. Each magazine will get a different shot.

Brady declined to say whether "the beginning of an era of renewal" was an actual phrase from the speech. Here's how he described the speech: "The tone is upbeat--can do...tap the American spirit, trust the people, cut government, give more power to the states...economic urgency, inflation, taxes and big government...on foreign policy, the United States will be a dependable ally, a

(MORE)

strong defense...Ronald Reagan is going to show leadership, take over right away and do things...(the speech) reaches out beyond Reagan's normal constituency...sets the tone for the administration and gives a sense of what kind of president he will be...vintage Reagan, but with new language...a slice of the philosophy he's held for 16 years or more...wants to inspire the people and enlist them in the renewal...enlist people in a return to greatness for America."

The speech apparently will gloss over the country's many problems. "It's not a hair shirt speech--nothing about a malaise, nothing about sharing the shortages. It's not a 'do without' speech. It says there isn't a quick-fix, but it's not dashing hopes." Although there will be some mention of the economy, there will be no specifics of the president's economic program. "That comes later."

Brady says that Reagan not only wrote the speech himself, "he went so far as not to want to show it to anyone." He

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offered this chronology of events that produced the speech:

Early December--Reagan read over old inaugural speeches and found them ``not helpful.``

Mid-December--Reagan reviewed suggestions solicited from 15 to 18 people, including outsiders.

Christmas--Reagan reviewed some ``chucks of prose`` provided by speechwriter Ken Khacchagian and returned to Khacchagian with additional ideas.

January 4--Khacchagian gave Reagan a ``winnowed-down`` version.

January 8--Aboard his plane returning to California, Reagan rewrote most of the speech, all except the ending.

January 9--Reagan showed his draft to Khacchagian, who told Reagan ``don't change anything.``

January 13--Reagan wrote the ending.

January 14--Aboard Air Force One returning to Washington, Reagan reluctantly allowed Meese, Deaver, Brady to read it.

A final note. Brady and other Reagan aides are fond of

(MORE)

saying that Reagan is his own best speechwriter. It should be noted that the competition for this title is not stiff.

On the campaign, Reagan's prepared speeches were often so bad that he discarded them (or added to them) when he got to the podium.

(END)

January 21, 1981

TO: SJF, RAK, (MLS, LT, DR, GP, DCB, CAS, PGH)
FROM: RAB

Reagan firing of inspector generals.

On background basis, checked this situation with Jim Naughton, chief investigator, House Government Operations subcommittee on Intergovernmental relations. He is best Hill expert on IGs, having helped put together the law ~~sk~~ which established IGS throughout much of the government as a statutory post, subject to senate confirmation.

Attached to SJF and RAK memos is the IG list he sent me recently, since it shows which departments or agencies have them. Not all-- Justice and Pentagon, for example, do not have a statutory IG.

Jim says things should be a "shambles" for awhile with Reagan ~~boxxx~~ firing all these people and apparently not having replacements ready. Plus the need for each involved Senate committee to hold confirmation hearings and the Senate then to vote on confirmation.

Jim says Reagan has the legal power to do what he did, but technically should have cited a good reason in each case. As Jim reads the letter, Reagan just is indicating he'd like his own choices. But Jim does not say any member of Congress might challenge this Reagan action.

Also, Jim finds it highly unusual for Reagan to fire everyone of them, but also invite them to reapply if they would like to be considered for the job they were fired from.

SJF raises question whether these IGS might be described as "non-political" and I'm not sure, but you surely can describe them as "independent" since they serve at the pleasure of the President, ~~not~~ and thus are not accountable to the cabinet Secretary or agency chief where they are working.

Jim Naughton does find it odd that a letter dated January 21 can fire a person retroactively on January 20, but he is not sure anyone will make a storm over it.

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