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To: mls lt jf dr bfp jg gp dcb dxb lh jwm rak pa pgh sxm fwf jls

From: sjf and rak

The following material comes from a backround interview with James Baker. White House Chief of staff.

<u>Mice.</u> Mice have returned to the White House. During our interview, a mouse scampered across the carpet of Baker's office. Baker's secretary says there has been a recent resurgence of this problem. A question to be answered this week: Loes Meese have mice too?

Monetary Policy. Fresident Reagan probably will meet with

Vcelker this week. He will ask Voelker to keep the money supply within the Fed's own target range. He will ask Voelker to take into account a recent surge in savings in recent months. Reagan will not publicly criticize Voelker. Unemployment. What does the administration plan to do about rising unemployment? Nothing more than express our concern, 'says Baker. Although the administration has asked for a supplemental to fund rising Unemployment Insurance costs, there will also be an effort to hold the line of benefit costs in fiscal 1983. Baker nonetheless notes that some job training funds were restored to the 1983 budget on appeal from the Labor Department. OMB recommended 1.2 billion dollars for training; Labor wanted 2.3 billion dollars. Reagan's compromise: 1.9 billion dcllars. Reagan's cabinet council on economic affairs discussed strategy on unemployment last Thursday.

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STORY: WHU1

Recovery. Baker dismisses forecasts that the recovery will . once again fuel inflation. At present, he says, he's only looking as far as November. 'All I want is a recovery no later than the end of June and one that lasts no less than four months. Winning the mid-term elections are critical to any President's economic program."

Deficits vs. Tax Increases. According to Baker, Reagan has undergone a genuine conversion to supply side economics. He no longer holds the opinion that deficits are the root of all evil. Baker says that exise tax increases were always considered primarily as part of the federalism package, not necessarily as way to balance the budget.

The final tax hike proposal that Reagan rejected would have raised no more than 10 billion dollars in additional revenue by increasing taxes on tobacco, liquor and luxuries. (Gasoline and beer were ruled out early.) Reagan ultimately rejected this because he felt that it did not raise enough revenue to justify taking the political heat. Justice Department. Baker thinks the Justice Department has taken a bad rap. Smith is doing a good job now, says Baker. 'He just got off to a slow start.' The Justice Department was not responsible for the screw-up over tax exemptions to schools that discriminate, according to Baker. 'Justice was solid on it. They called us and warned us that this was a tough one. 'Plus, he says that Smith did a 'supurb job' representing the administration's view on the voting rights act.

STORY: WHU1 PAGE: 3

Federalism. Baker is optimistic that the federalism proposal will fly. He cites an ABC poll showing 21 governors for it, 11 against it and the others undecided. He says more will go along when they learn the details.

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INI:

To: mls lt jf dr bfp jg gp dxb dcb lh jwm rak pa pgh sxm
From: sjf

The following material comes from an interview with Ed Rollins. the new White House political director.

- * White House is targeting about 40 congressional races for special attention in 1982. The key criteria: Seats that were won or lost by 3 percent or less in the last election.
- * Republicans lost out in reapportionment. Of the 17 newly created seats, only 5 to 7 of them are probable GOP seats.
- * In the House, the GOP could win as many as 10 seats or lose as many as 15. Republican seats in the House will not fall below 180 or go above 210.
- * Cabinet members--excluding Weinberger, Haig and Smith-were required by the White House to pledge to spend at
 least 15 days on the campaign trail. Some will do more.
- * The President's own campaign efforts will be hampered by security considerations. His activities will be limited primairly to television commercials, televised meetings with candidates inside the White House and closed-door events such as fundraisers in the states.
- * The 36 gubernatorial races this year will be `a real war zone' for Reagan because they will be viewed as a referendum on his federalism initiative. The GOP could either win or lose 2 or 3 seats.
- * An average of \$500,000 to 1 million dollars will be spent by each candidate in a targeted congressional race this year. With 1,200 PACS raising funds, ``money is not

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the object it once was."

Reapportionment. Because most of the 17 new congressional districts are being created in the Sunbelt, the Republicans had expected that about 12 of them would turn out to be GOP districts. But most state legislatures are still controlled by the Democrats. Rollins contends that the Democrats recreated at least six districts that the lost in the last two elections.

In California, for example, where the Democrats now have a 22-21 advantage, the Republicans were expecting it to come out as a 23-22 split. Instead, the Democrats gave themselves a 28-17 edge.

<u>Targeting.</u> Most of the congressional races targeted by the White House are not in the Sunbelt, as many people assume. Reason: Only close races will be targeted. No incumbent will be targeted simply for ideological reasons.

'I'm not going to fight any holy wars,' says Rollins.

Of the 20 boll weevils who have supported the President on all key votes, only 2 of them come from swing districts that would normally be targeted. Therefore, only two are getting a genuine free ride as far as far as the White Ecuse is concerned. Rollins also notes that other GOP leaders are not bound by the President's committment to refrain from campaigning in these 20 districts.

Nor will the White House target the Gypsy Moths for defeat. Only one of them, Claudine Schneider of Rhode Island, won by less than 3 percent in 1980 and Rollins

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STORY: WHU2 PAGE:

thinks she will do better in 1982.

The House. Only twice in history--1092 and 1934--has the party controlling the White House also won in off-year elections. The average off-year election loss is 38 seats. Rollins does not think the GOP will do that badly this year. But there is no longer talk of taking over the House. Depending on the economy, he predicts they could win 5 to 10 seats or lose 10 to 15.

Bryd. Rollins thinks Senate Minority Leader Robert Byrd is vulnerable because he has become " a Washington figure" not always linked to the interestes of his state. 'He's going to have his hands full, 'says Rollins. 'Rating targets A. B and C. I'd call him a B target."

Strategy. The White House campaign will get underway in a few weeks. Rollins will begin by scheduling White House and Cabinet people for appearances in districts of GOP incumbents. We want to get the GOP incumbents in good shape by fall and then switch to the challengers. Unlike his predecessor, Lyn Nofziger, Rollins has a reputation as a good manager. He intends to coordinate closely the efforts of the GOP congressional campaign committes, the Republican National Committee and the White House. 'I see myself as a quarterback on an all-star team, 'says Rollins. But there will also be a coach on the sidelines--Jim Baker--calling some of the plays."

Rollins also intends to set up a council of the best political talent' in the Republican Party, including the likes of Nofziger and Stu Spencer, to advise the White House throughout the 1982 campaign.

Rollins. Rollins himself is a straightforward guy who proved to be reasonably candid during the interview. He likes USN&WR and agreed to see us often during the coming year. Although he is known to be a better manager than Nofziger, he is not as close to the right wing. He confided that he thinks right-wingers are `narrow-minded.'

(END)

OPR:SJF

To: mls lt jf dr bfp jg gp dcb dxb lh jwm pa sxm From: sif

White House clampdown on classified material. White House officials indicated Tuesday that the administration plans to clamp down even further on the disclosure of national security information.

This information came to light in a lengthy White House briefing that also illustrated how badly relations have deteriorated between the White House and the press. The session ended with reporters demanding to know why they no longer get an opportunity to see the President every day.

What prompted the entire discussion was a new White House directive issued on Tuesday governing disclosure of classified National Security Council information. The new directive was intended to supercede a more stringent policy laid down last January 12.

As you may recall, Reagan's January 12 directive required top administration personnel to obtain `advance approval from a senior official 'to discuss classified material with a reporter. After any such interview, they were told to submit a memo detailing the information discussed. This policy created a furor among press people, who accused the administration of trying to chill relations between reporters and their sources within the administration.

Apparently in response to reporters' protests, the new directive eliminates the requirement for advance approval and post-interview memos on all contacts with the press.

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Instead, officals with access to National Security Council material will be required to sign a secrecy pledge prior to reading any such document. Says Gergen, 'there has been a feeling that preclearance had a chilling effect on the legitimate flow of information. "

But this may not be the end of the matter, according to Gergen. Each department was instructed to write additional guidelines as it sees fit. The Attorney General is ordered to convene an interagency group by March 1 that will determine whether additional laws or executive orders are needed to halt the flow of unauthorized information. And Gergen says the White House is even reviewing the current executive order (No. 12065 written in 1978) outlining the criteria for classifing accuments to see if it needs to be strengthened.

Gergen did not rule out the use of lie detectors to enforce the new directive. Nor would he say specifically that the administration has no plans to prosecute reporters who rublish classified information.

In recent weeks, the number of photo opportunities at the White House has diminished markedly. On Tuesday, for example, reporters were not permitted to cover any of the President's meetings--not even his sessions with such groups as the President's Physical Fitness Council or Senate Youth Program participants. Television reporters are particularly urset about this new policy, which they blame on Mike Deaver. Deaver has become very touchy about adverse press

coverage of the President.

On other subjects:

* The FBI has concluded that the object that struck the Vice President's limousine on Tuesday was a brick or a stone.

* The prime minister of Belgium will visit Reagan on February 17.

(END)

To: mls lt jf dr bfp jg gp dcb dxb lh jwm rak pa pgh sxm aps

From: sif

The following items come from a backround session with Larry Speakes:

Budget. The White House is bracing for a strong adverse reaction to the President's new budget and economic projections. Speakes notes that it's going to be much tougher to hold the Republicans together. 'It's going to be even more difficult because we've got a lot of Republicans who are committed to a balanced budget,' he says. Jim Baker encountered this problem already in a meeting Wednesday with freshmen Republicans.

Making matters worse, as a result of Stockman's remarks in the Atlantic magazine, White House officials expect everyone—Democrats and Republicans alike—to question the credibility of the administration's figures. 'We know we'll be accused of using phoney figures,' says Speakes.

Particularly suspect will be the projected deficit for 1983—just under 100 billion dollars.

Reagan and the media. Although Larry rejects the idea that there is any increased tension between the White House and the press, everything he says indicates that Reagan's aides are increasingly upset by adverse publicity. Examples:

* Speakes called Sam Donaldson's boss at ABC on Wednesday co complain that Sam asked the President a question about Suba during a photo opportunity with Hosni Mubarak.

* Deaver has become super-sensitive. `When the President gets a tough question, 'says Speakes (not for quotation),

`Deaver reacts like he himself has been wounded.'

* The White House did a study of photo opportunities and found that in `95 out of 100' cases, the networks use the picture to illustrate an entirely different story. Result:

The press will get fewer photo opportunities.

Reagan and the Fed. Reagan's meeting with Voelker has been put off until next week. 'We have to be careful how we approach it,' says Speakes. 'If you put too much pressure on him, he'll feel compelled to assert his independence and do just the opposite of what we ask.'

Thus administrations officials are taking time to build a very persuasive case to present to Voelker.

<u>Federalism</u>. The President has offered to negotiate with the governors over changes in his federalism plan. Snelling and Busby are expected to come back to the White House soon with some proposed changes, including a provision that would extend the period of guaranteed federal funding.

In the next few months, the White House will be trying to keep public attention focused on the federalism plan. Next week, for example, Reagan will meet with all members of Congress who are former governors to discuss it.

Education Department. The administration's proposal to dismantal the Education Department has hit a big snag, according to Speakes. A leading Republicans in Congress (Howard Baker, he thinks) has pledged to fight it.

(MORE)

The New Reagan. `The President doesn't feel like he's broken any campaign promises—except one, 'says Speakes. `The only promise he feels like he's broken is draft registration. 'As for the right wing's claim that Reagan is becoming more moderate, Speakes says: `They're just making noise.

(END)

TO: MLS, LT, JF, DR, BFP, JG, GP, DCB, IXB, LH, JWM, SJF,

FA. PGH. SXM

FROM: RAK

RF: Background-only ivu with Lavid Gergen

Mutarak. In Gergen's view, the new Egyptian president is more nationalistic than was Anwar Sadat, largely because Mubarak is politically 'less secure' in Egypt than was Sadat. 'He doesn't want to be looked on as a client state.'

The chief objective of Mubarak's visit here is to win larger economic assistance for Egypt. He also wants more military assistance, but 'his deepest concern is the Egyptian economy... He wants total flexibility on spending the money [for economic and military assistance] and he wants more of it. 'The White House is prepared to provide larger amounts of both military and economic aid. But, Gergen adds, "because of the budget, our resources aren't great. '

Reagan and Mubarak have not established the same personal rapport that existed between Reagan and Sadat. 'There's not much of a personal relationship. "Gergen insists that the rapport is limited only because Reagan and Mubarak haven't had time to get to know each other, even though they have met on earlier occasions. The reason Sadat and Reagan struck up a warm friendship immediately, says Gergen, is that Reagan had an `emotional' respect for

Sadat that he does not feel for Mubarak.

Gergen points out that Secretary of State Haig in the next few months will take `a heavy, direct personal involvement' in trying to advance the Palestinian autonomy talks. [Whisper?] Haig's appointment of Rich Fairbanks to shepherd the Palestinian problem is evidence that the secretary is going to throw his full energies into trying to revive the autonomy talks under the aegis of the Camp Lavid accords. 'You just can't let things dry up after April 25. "

El Salvador. As U.S. military aid and materiel are stepped up, it is probable that the number of noncombat American advisers in El Salvador will have to be increased, too, Gergen says. [Whisper?] Gergen does not regard this as a major political problem. "We have a good case to make in El Salvador, 'he says, because the insurgents are trying to block the elections planned for March. There are now 36 American military advisers in El Salvador. Gergen believes the elections will 'strengthen support in this country' for U.S. involvement in El Salvador. He adds: `I don't foresee us sending in combat troops. That's just not in the cards.'

Cuba. Gergen, who is a moderate on most issues, appears to te advising against the President making an issue cut of the Soviet Mig jets in Cuba. He says that Reagan "may in some fashion single out' the Soviet military buildup in Cuba, but he says the White House is being cautious not to

have Reagan speak up before he is prepared to take concrete steps against Cuba. What could the U.S. do to force Moscow to remove the jet fighters? Gergen mentioned the fact that Reagan in early 1980 called for a 'quarantine' of Cuba as a response to the Soviet invasion of Afghanistan, but he concedes that 'interdicting Soviet ships' would be 'tough' to accomplish. A 'stiffer trade embargo' is a more likely option.

Images. Gergen does not say so explicitly, but he is very
proud of the fact that he persuaded William Clark to tone
down his policy for plugging leaks. "I want to say that
Clark has handled this whole thing extremely well...He made
a wise decision" in deciding--as Gergen advocated--against
requiring aides to get approval before talking to
reporters.

The new Reagan. Gergen rejects the thesis that Reagan has become more pragmatic since moving into the White House.

'On the fundamentals—taxes and defense, for example—you can hardly say he's been pragmatic. He's stuck to his guns regardless of what we recommended...I don't see him being pragmatic on most issues. He's very tough-minded and determined.' Reagan, when he is presented various policy cptions, always reminds aides of what he promised during the campaign. 'What he said in the campaign is always there, always constant in his thoughts.'

Clark. Up to now, Clark is not involved in making policy decisions. ``He's still getting the process in order and

(MORE)

will be for some time...It's conceivable down the d that he will get more involved in policy but for now Ha still completely in charge.' Gergen also believes time will come when Clark will advise the President on entire spectrum of presidential decisions, not just a national security.

The Big Three, says Gergen, regard Clark `as team player...Be's sensitive to the systems we have here. Be's not trying to create new systems of his own...And he's a very wise counselor.'

Perks. For our story on government perks, it might be worth noting that Gergen has a new toy in his office--a remote-control television with three screens, one big screen and two little ones, so that Gergen can keep track of all three networks at once. He believes the set was specially made.

(END)

> Tarnin Systeri > Tax Exemption > Brezhim, Debt-Clarks grunn?

TO: MIS, LT, JF, DR, BFP, JG, GP, DCB, IXB, LH, JWM, SJF,

FA, PGB, SXM

FROM: RAK

RE: INF negotiations

The President today announced that on Tuesday February 2 the U.S. submitted in Geneva a draft treaty embodying his proposal to forego new NATO nuclear missiles in Europe in exchange for the Soviets agreeing to dismantle their medium-range weapons. The White House announcement was made in response to Brezhnev's making public on Wednesday his plan for a phased reduction of intermediate nuclear missiles.

Neither Reagan's draft treaty nor Brezhnev's plan contained any significant new proposals.

At today's daily briefing. Tavid Gergen restated U.S. cprosition to the Brezhnev's plan for a two-thirds cut in U.S. and Soviet arsenals in Europe. The administration cproses the Soviet proposal on the ground that a partial reduction would only maintain Soviet superiority in nuclear wearons targeted on Europe. The U.S. rejects the Soviet contention that NATO and Warsaw pact nuclear forces are roughly equal. Gergen said the Soviets' "alleged current talance...is tased on selective use of data and is not a meaningful base for negotiations." The Soviets are counting French and British weapons systems that are not part of NATO's nuclear forces, Gergen said.

He also rejected Brezhnev's claim that the U.S. is

stalling on arms negotiations, particularly with regard to planned talks to reduce strategic weapons.

Under the administration's draft treaty put on the table in Geneva, the U.S. would forego installation of Pershing II and ground-launched cruise missiles and the Soviet Union would dismantle its SS-4, SS-5 and SS-20 missiles. In a statement Reagan said: "Such a treaty would be a major contribution to security, stability and peace. I call on President Brezhnev to join us in this important first step to reduce the nuclear shadow that hangs over the peoples of the world."

<u>Personnel</u>. Gergen also announced today the departure of Michael Cardenas as SBA administrator. His replacement is James C. Sanders, who was Cardenas's deputy. Gergen refused to comment on the reports of alleged irregularities in Cardenas's handling of SBA loans. 'His job just didn't work out...We regard him as a good and honest man.'

The resignation of Marty Anderson also was announced. His most likely successor is Ed Harper, who is David Stockman's top deputy at OMB.

(FND)

To: mls lt jf dr bfp jg gp dcb dxb lh jwm rak pa pgh sxm
From: sjf

From a backround interview with Ed Meese.

Summary:

- * Marty Anderson will probably be replaced by Ed Harper.

 Several right wingers will also be named to the policy

 staff to placate the conservatives.
- * President Reagan has no plans to throw Poland into default, no matter what conservatives and Defense Secretary Caspar Weinberger are saying.
- * Meese took a few jabs at the right wing for being naive on foreign policy.
- * Meese thinks that the situation in Central American could be improved if the U.S. were able to send money to the anti-Cuban rebels in Angola--something now prohibited by the Clark amendment.
- * `We have no taping system' in the Reagan White House, says Meese. He then jokes: `We've taking taping out of the White House and put it over in OMB where it belongs."

<u>Polish debt.</u> Default will continue to be an option that the Fresident can use at any time, but it's not likely to be used unless something worse happens in Poland. Because default would cause `financial havoc' in the West as well as the East, says Meese, `you have to have a pretty major thing happen' for the U.S. to call Poland into default.

He concedes that default would be a bold action that would please Reagan's conservative supporters. `But if you

use it, you create some real dislocations in the European banking system, you place a requirement on several European countries to bale out their banks and you bring not Poland and other Eastern nations more under the domination of the Soviet Union. "

Asked if Bill Clark stood with Haig against Weinberger on this. Meese said: 'He doesn't stand anyplace. I would doubt that Bill would ever take a position on anything like this. His job is to collect recommendations. This is not a debating society like the Senate.

(Richard Allen, in his first public appearance as a private citizen, Thursday criticized the Reagan administration for failing to put Poland into default.)

Meese has no recollection of what Weinberger recommended on the subject of the Polish debt. He says 'virtually everybody recommended against default.

Anderson's departure. OMB Deputy Ed Harper has been asked to replace Martin Anderson as domestic policy adviser. But Harper has not yet agreed to take the job. He still has to talk it over with his wife. Harper was just getting ready to leave government when this new opportunity came along.

Meese is sensitive to the criticism that Anderson's departure pulls another conservative out of the Reagan lineup. 'Harper is not a non-conservative, 'explains Meese. 'But he is not a doctrinaire conservative.'

To compensate for the loss of a . `doctrinaire conservative" as domestic policy adviser, Meese intends to appoint several new right wingers to the policy development office. (Attention LT and DR: Meese himself recommends this as a whisper. It will not be announced until next week.)

Meese rejects the contention of many conservatives that moderates have now taken control of Reagan. He says these new appointments are being made for ``symbolic'' purposes.

'Contrary to what all the parinoids (he later changed this to 'some people') think, the President is the arbiter of his own policies—he's the one who makes the decisions, 'says Meese. 'I don't want to sound self-serving, but the person who has the most influence on policy in this administration is me. The second most influence has been Marty Anderson. There hasn't been an issue on which those two haven't been dominant.'

Foreign Policy. Meese acknowledges that on foreign policy, the President's actions have not always satisfied his conservative supporters. 'It is a complex world,' he says. 'You can't do everything that you would like to do. There are some very delicate balances here. Right now, the President is inclined to accept the recommendations of Al Haig, which have not been as tough as conservatives want.

``Take something like El Salvador. You don't want to overpromise. You don't want to over-commit to the El
Salvadorean government because I don't think that there is
anybody from the President on down who doesn't believe that
this nation is unwilling to put military force into El
Salvador. Certainly none of us would recommend that to the

STORY: WHU9

President. So therefore you have to do what you can—to live within the realities. I'm sure there are a lot of archconservatives who would like to put in the 82nd division and wipe it out all at once. But that's just not a feasible alternative. So you have take alternatives that are practically available to you.

(Meese rejects Gergen's suggestion that the U.S. is planning to send more advisers to El Salvador.)

He goes on: 'On Poland, what are you going to do? The only thing we can do to influence things in Poland is (A) drop an ICBM on Russia or threaten to or (B) have NATO ringing Poland to protect it or send in an expiditionary force. I mean, what do you do? Sure you can cut off their credit, but this only provides greater deprivation for the Polish people and in the long-run total Sovietization of their economy. I don't see how that's better.

"We also have some practical things that we are up against. The best thing we could do is unleash the Angolan freedom fighters, the anti-Cubans in Angloa to help our situation in Central America. But the Clark amendment prevents us from doing that. If we could get rid of that Clark amendment and if we poured some money into (Jonas) Savimbi, we could make it very hot. There are things like that we can do. We can do things clandestinely. We still want to help the Afgan rebels, for example."

MA:60 FMT:

OPR: RAK ; Ø2/Ø4,17:59

TO: MIS, LT, DR, GP, SJF

FROM: RAK

RE: The Secret Service

The following info was provided on background by special agent Jim Boil:

The only expense incurred by the Secret Service stemming from the rock that struck Bush's lime was the cost of repairing the two-inch chunk of the vinyl roof that had to be replaced. No overtime was paid to agents, because there were enough agents on duty at that hour to investigate the incident. The laboratory tests done on the roof were performed and paid for by the FBI.

At present, the Secret Service is providing round-theclock protection to 20 individuals: Reagan, Nancy and children; Bush, his wife and children; former Presidents Nixon, Ford and Carter, and their wives; Amy Carter (the only former President's child under 16 years old); Bess Truman and Lady Bird Johnson, Because she remarried, Jackie Kennedy no longer receives protection.

One cabinet secretary-Donald Regan--also receives protection, but only by virtue of the fact that the USSS is a Treasury Department agency -- fulltime protection is simply a perk extended to him. Other cabinet officers such as Alexander Haig, Caspar Weinberger and James Watt are protected by their own security personnel, not by the Secret Service.

In addition to the 20 persons who regularly receive SS protection, there are five others classified as 'temporary protectees. 'They are Ed Meese, James Baker, Michael Deaver and, while they are in this country, Egyptian President Mubarak and one President Sokomanu of the tiny nation of Vanuatu (a group of islands south of the Solomons is the South Pacific) who is visiting Atlanta and California. Last year the SS provided protection for 92 foreign heads of state or government who visited the U.S.

With a budget this year of 179.22 million, the Secret Service has 62 field offices, 1,561 special agents and 800 uniform officers, who guard the White House and foreign embassies and missions in Washington. In FY '81 the agency arrested 606 persons who made threats against the President and Vice Fresident -- a 95 percent increase over the previous year, when 355 arrests were made.

The SS refuses to discuss how many agents are assigned to any single individual or to reveal how much it spends to protect any single individual. But it is obvious that it costs a lot less to protect Bess Truman than it does to protect Nancy Reagan.

(END)

STORY:WHU10

QUEUE:SJF-SJE

TNT .

OPR:SJF ;02/05,17:30

To: mls lt jf dr bfp jg gp dcb dxb lh jwm rak pa pgh sxm.
From: sjf

Richard Allen blasts Reagan on the Polish debt.

_ Making his speaking debut as a private citizen, Allen called upon President Reagan on Thursday (2/4/82) to take ``the moral high ground'' by throwing Poland into default.

Allen made his speech at panel discussion sponsored by the Feritage Foundation.

He argued that unless the United States takes bold action now, East-West relations will soon return to normal and Foland will be forgotten by the West. 'It will be business as usual with Poland and the Soviet Union within six to 12 months,' he said. 'And the peace movement (in Europe) will be back with us in 60 to 90 days.'

He argued that by throwing Poland into default, the United States could force the Soviet Union to deal with the economic consequences of its actions. 'Are we now presented with a beautiful opportunity to raise the cost and get on the moral high ground?' he asked.

Allen also criticized the Reagan administration (and himself, by implication) for not being prepared to respond to the imposition of martial law in Poland. He said the U.S. was prepared only for a Soviet invasion.

"I'm not entirely certain that we did pay adequate attention to alternatives to a massive Soviet invasion," he said. "I question whether or not we had assessed the overall reactions of the Soviets."

STORY: WHU10 PAGE:

He said it's now obvious that the decision to impose martial law was made between Feburary and April, 1981.

Allen was very critical of our European allies,
particularly in Germany. 'Are we far too reactive to the
domestic needs of our allies?' asked Allen. 'That is a
question that I consider to be central? Is Germany going to
be a staunch Western ally or some sort of bridge?'

(END)

STORY:STRATEG MA:60 FMT:

OPR:RSD ; 02/10,09:26

TO: JF

FROM: RSD

RE: REAGAN'S MILITARY STRATEGY

DATE: 8 FEBRUARY 1982

I have studied the 1983 defense budget—in effect, the Reagan military white paper—and heard briefings from senior Pentagon officials. Weinberger and Carlucci (Secretary of the John Lehman, too, since his fingerprints are all over the posture statement) are now making changes that will shake up the nation's traditional military strategy. What follows are details of that shift in strategy. Lengthy passages from Weinberger are quoted to give a clearer sense of the Pentagon's intent—

A fundamental shift—emphasizing offense over defense—is taking shape in military strategy under Reagan. This marks a major re-orientation of U.S. plans to deter or wage war with the Soviet Union.

The president's evolving defense plan changes the nation's postwar strategy in two basic ways--

1. Traditional emphasis on directly absorbing a Soviet assault on Europe is replaced by a policy of retaliating against Moscow's vulnerabilities far from the scene of Russian aggression. The Pentagon reserves the right to answer any attack with counteroffensives along many fronts, using highly mobile naval and ground forces.

2. The 'short war' concept-heavily reliant on nuclear

(MORE)

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weapons to offset Soviet conventional superiority--is discarded. Reagan now plans for long wars, fought with conventional arms along multiple fronts, to avoid the risks of nuclear escalation.

To back up these strategic ends, Weinberger wants to spend billions to acquire certain tactical means-

<u>*</u> U.S. ability to react swiftly to even the most ambiguous warnings of Soviet military aggression.

* Vastly stronger American combat forces on the ground and at sea in potential crisis areas.

* Capacity for massive mobilization of U.S. power in future emergencies--by acquisition of more fast ships, cargo planes and access to foreign military facilities.

* A more muscular U.S. industrial base able to churn out a huge volume of weapons shortly after a war erupts.

Broad U.S. defense <u>policy</u> stands unchanged. Weinberger makes the point clear: 'The U.S. remains committed to a defensive use of military strength; our objective is to deter aggression, not to initiate warfare or 'pre-emptive' attacks.' But he adds: 'Our military forces must be prepared to react after the enemy has seized the first initiative, and react so strongly that U.S. counter-attacks will inflict unacceptably high cost on the enemy.'

The strategy that Weinberger spells out in his annual report should be welcomed in Congress, where he was criticized last year for failing to provide any rationale for Reagan's big defense budgets. But it will touch off

a major debate, not only because it charts a more expansive U.S. role worldwide, but because many strategists question its usefulness.

As Weinberger sees it, major changes are needed in America's `intellectual approach' to war. The old U.S. military strategy, he warns, has become discredited and obsolete in recent years as a result of the enormous Soviet military buildup and the deterioration of American forces. Now, the U.S. must maximize its own advantages and exploit Soviet disadvantages.

The best way to do this, Weinberger argues, is for the U.S. to be prepared to widen any war with the Soviets. Weinberger's words: 'We may be forced to cope with Soviet aggression, or Soviet-backed aggression, on several fronts. But even if the enemy attacked at only one place, we might choose not to restrict ourselves to meeting aggression on its own immediate front. We might decide to stretch our capabilities, to engage the enemy in many places, or to concentrate our forces and military assets in a few of the most critical arenas.'

In simplest terms: The Pentagon has concluded that the U.S. and its allies cannot slug it out with Russia in places such as Western Europe or the Persian Gulf, where Moscow enjoys overwhelming numerical and geographical advantage. Russia must be convinced that the West will hit at Soviet weak spots that will be extremely costly. That, resumably, would tend to tie down Soviet forces in these

areas and help bring the conflict to a successful end.

These targets would not be limited to Soviet territory.

'Our counteroffensives should be directed at places where

we can affect the outcome of the war, 'Weinberger says.

'If it is to offset the enemy's attack, it should be

launched against territory or assets that are of an

importance to him comparable to the ones he is attacking.''

Cuba is one possibility. Even Eastern Europe is mentioned

as a potential target of U.S. action.

Critics claim that the strategy is unduly provocative, that it confronts the Soviets with what seems to be a new pre-emptive strike danger. It also seems to put highest pricrity on spreading conflict, rather than containing it. Weinberger has anticipated this argument, and his response is that the plan will actually lessen the prospect of war. "A wartime strategy that confronts the enemy, were he to attack, with the risk of our counteroffensive against his vulnerable points strengthens deterrence and serves the defensive peacetime strategy."

Another criticism: That widening the war will in fact create greater risks during wartime for the U.S. To some military analysts, the Pentagon seems to be echoing Dulles' idea of 'compound escalation' to cover U.S. weaknesses. Colin Gray, a hawkish military analysts with the Hudson Institute, sums up the problems this way: 'This idea of the imaginative 'knight's move' in strategy offers more the illusion than the reality of intelligent defense planning.

After all, compound escalation is a game which more than one can play. As a scenario for a complex crisis which overloads the decision-making capacity of governments. . . this idea has few close competitors. "

Finally, many analysts question whether Russia will be affected to any substantial degree by strikes outside the primary areas of battle. They claim that Western Europe and the Persian Gulf are of incomparably higher value to the United States than any Soviet target that the U.S. can attack—other than the Russian heartland. Experts such as Robert Komer, formerly undersecretary of defense, warn that it would be sheer folly to concede those areas to the Scviets while the U.S. pursues a war against Cuba or just nibbles at the flanks of Russia with carrier air strikes or even Marine landings.

Less controversial, but just as important, is Reagan's plan for being able to sustain a long war, or several lengthy conflicts, against the Soviet Union. Most defense analysts believe that building a stronger conventional force is a good idea. The main reason is that this will raise the nuclear threshhold by making it less likely that an outgunned U.S. would be forced to escalate to nuclear weapons in order to avoid defeat. Weinberger takes explicit note of that argument in calling for a greater conventional effort: 'We cannot, in good conscience, increase our reliance on the threat of nuclear weapons to evade the need for retoring our conventional military

strength across the board. Deterrance would be weakened if the enemy were misled to believe that he would easily outlast us in a conventional war. We cannot count on a war ending within a few months.''

Here, the biggest problem will be the enormous cost of building and maintaining conventional forces. Over the past three decades, the West has been able to achieve great military security through relatively low expenditures on nuclear weapons. Now, it is far from clear that the U.S. and the allies are willing to commit such vast amounts of money to acquire this hardware. Critics say that a bigger effort, if it materializes, should be concentrated on the key areas—Western Europe and the Persian Gulf.

Here are the main changes in tactics that Weinberger says are needed to execute the new military strategy:

Strategic warning time

Weinberger wants to put U.S. forces closer to a hair-trigger alert. The strategy requires swift responses to signs of a Soviet military move, so that the U.S. can position its forces in time. Weinberger wants money to upgrade U.S. intelligence resources. But his idea of improving strategic reaction goes far beyond the mechanical aspects of better satellites or radio intercepts.

In the secretary's words: `We must not only receive warning, but also take the decision to respond. The first task has long been recognized; it calls for strong intelligence capabilities. It is the second task that has

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been neglected or misunderstood. We cannot assume that the enemy, if he actually plans to attack, will necessarily do us the favor of furnishing warning that is unambiguous. Military history reminds us that we ought to expect a massive and skillful effort at deception. Hence: 'We have to change our policy for reacting to warning. Our forces and those of our allies must be prepared to respond to warning indicators that are highly ambiguous.

Readiness

Because U.S. forces would have to be ready to go to war on a moment's notice, the Pentagon plan is to build vastly stronger conventional forces, continuously ready to mobilize and fight war to successful conclusion on one or several fronts. This is reflected in huge budgetary increases to expand airlift and sealift forces, to expand the Navy to fight anywhere, and in a variety of quick fixes, such as brining old battleships out of mothballs and deploying thousands of new cruise missiles at sea.

Especially in the Navy, the emphasis will be on offensive firepower and power projection.

Aircraft, arms, ammunition and other war material would be stockpiled. The defense program calls for spending 90 billion dollars through 1987 to restore depleted stocks of reserve weapons.

Training would also be expanded to prepare troops for many different contingencies to cope with a wide range of threats. Also, says Weinberger, ``we are strengthening the (MORE)

interactions of surface naval forces with land-based airborne early warning and control aircraft and with land-based tactical aircraft. With better infrastructure, they could even be moved in peacetime in response to ambiguous warning.

Mobilization

Re-inforcement of these combat-ready troops also rates high priority. 'The faster we can marshal the men and their equipment and move them from the assemply points to where they are needed, the better prepared we are,' says Weinberger. That means purchase of many more C-5 and KC-10 cargo planes, more fast sealift ships and pre-positioning vessels.

For re-inforcing Europe, Weinberger says the U.S. wants to be able to move six Army divisions, a Marine brigade, 60 fighter squadrons and their support equipment to the front in Europe within 10 days, far faster than today.

Weinberger also has earmarked another 4 billion dollars this year specifically for the U.S. Rapid Deployment Force that would race halfway around the world in defense of Persian Gulf oil. Much of it is to start building the fast sealift vessels and cargo aircraft. Another 1.4 billion this year will go to refurbishing military facilities in the Persian Gulf region.

Industry

The Pentagon plans a major effort to re-build America's defense industry. The goal: Rapid expansion of U.S.

(MORE)

weapons production in a crisis so that the war effort can be carried on for an extended period. 'Restoring our capacity for expanding defense production is of very great strategic importance,' says Weinberger. 'This capacity helps to deter precisely the aggressive moves that might lead to such an expansion, and it plays a critical role in our policy for conventional war.'

Weinberger notes that in past wars, U.S. industry has performed well. But 'We would be complacent to assume that we could readily call on American industry today to accomplish comparable feats in expanding defense production. During the last 20 years, the capacity of our industry to respond to a new defense emergency has greatly deteriorated.'

Management reforms will help, but million will be devoted to expanding production through advance purchases of long-lead items for hard-to-build systems and building a `surge capacity' into U.S. plants for certain weapons. M-1 tank production, for example, will be designed with that in mind.

Beyond these exclusively American actions, the Pentagon also wants to bind foreign countries more closely to the new U.S. strategy.

Foreign arms sales is one important area. They will be expanded to friends and clients in order to assist the U.S. in meeting Soviet threats worldwide. `If we had to deal with these threats without the complementary development of

STORY: STRATEG PAGE: 10

allied and other friendly nations' forces and facilities,'
Weinberger says, 'we could only do so, if at all, at much
greater cost. Security assistance, therefore, must play a
large role in our eveloving strategy. It is more important
today because U.S. interests are threatened now in places
that were less critical and better protected in times
past.'

Weinberger also wants to push the allies into a greater effort, not only in building their own defense forces, but through tight curbs on Western European trade, financial credits and technology now available to the Soviets.

(END)

To: mls lt jf dr bfp jg gp dcb dxb lh jwm rak pa pgh From: Sjf

Re Joe Canzeri's expenses.

White House Counsel Fred Fielding confirms (on backround) that he uncovered two instances of expense account 'doubledipping' by Canzeri involving less than \$1,000.

Fielding says the problem came to light during a general review of expense account procedures at the White House. He said he began the review several weeks ago because the question of who pays for political trips will come up often during 1982.

What Fielding found were two occasions on which Canzeri sought repayment from both the federal government and the Republican National Committee for the same expense. When these items were called to Canzeri's attention, says Fielding. Joe pulled out his checkbook and wrote a personal check to cover them. (I don't know whether he wrote it to the U.S. government or the Republican National Committee.)

Fielding declined to say what expenditures were involved, but he laughed when I asked if it had anything to do with California bungalows, scuba gear or women.

Although Fielding tried to minimize the problem, he also declined to comment on reports that he had advised Canzeri to resign. This suggests there may be more to the story than Fielding is willing to discuss.

Generally, Fielding says he thinks that White House staffers are charging too much of their politial travel to the Republican National Committee and not enough to he government. A new policy will be outlined shortly.

(END)

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

FROM: RAK

RE: Background-only ivu with Larry Speakes

Budget. The White House is not worried by the spate of new budget proposals emerging on Capitol Hill. 'It's an awful long road ahead,' says Speakes. 'We're not going to talk compromise for a good long time. Last year, we didn't budge for a long time and they came to us. That could happen again.'

The President feels that after he has made a lot of very tough decisions on the budget, Congress is looking for an easy way out and refuses to face up to the hard choices. In the end, Reagan believes, lawmakers will come around to his point of view. The White House does not regard the Hollings' proposal as a serious threat to the President's budget.

Federalism. During last week's retreat at Camp David,
Speakes says, he tried to advance his view that federalism
will never ignite the imaginations of Americans. That fact
is now sinking in on Jim Baker, Ed Meese and others. But,
Speakes complains good naturedly, 'I will never get
credit' for persuading the White House to concentrate less
on fedealism and more on the budget battle. Speakes equates
Reagan's federalism with his plan for 'voluntarism' in
terms of how much interest it generates. 'Federalism is

too mushy of an issue. It just won't do."

Joe Canzeri. Speakes is surprised that Canzeri resigned so quickly. He nearly resigned last Thursday, when a New York Times reporter first called him about the double billing and the Rockefeller loan. Speakes, a longtime friend of Canzeri, persuaded him not to resign last week. 'I held his hand through this thing yesterday,' Speakes adds. 'He just made up his own mind [to resign].' Mike Deaver was not dissatisfied with Canzeri's performance, says Speakes. 'Mike depended on Joe heavily and will miss him....There was no problem between them.'

Speakes believes the two cases of double billing were honest mistakes. Each instance involved about \$800 worth of expenses, Speakes believes. What happened is that in both cases Canzeri was advancing foreign trips and thus his expenses were paid by the State Department. The trips were to Paris to advance a Bush trip and to San Diego to advance a Reagan meeting with Jose Lopez Portillo. When the State Department is paying the costs of a trip outside the country, officials are usually given their full per diem in cash, in advance. Canzeri collected the State Department per diem and then also billed his expenses to the Republican National Committee. When White House counsel Fred Fielding discovered the double billings, Canzeri immediately wrote a check to reimburse the RNC.

The question that remains to be answered is why in the world would the RNC ever pay expenses for Canzeri's trips

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to Faris and Mexico? Surely the RNC could not believe those trips were purely political in nature. (I am trying to get an explanation from the RNC.)

Although White House aides do not consider the Rockefeller loan an egregious mistake, the deal may have violated a federal statute barring federal employees from accepting outside compensation, Speakes says, adding, "And there was some doubt that it would pass the Office of Government Ethics.

Volcker. The meeting between Reagan and the Fed chairman may still be a couple of weeks off. The White House is approaching the situation very cautiously. No decision has been made yet whether Reagan will sit down alone with Volcker or whether it will be a meeting involving Reagan and the administration's top economic advisers. The White House still is studying the `psychology of Volcker.' says Speakes. There are some who believe that if you ask him to do one thing, he will do the exact opposite just to show that he's independent."

Ed Rollins. Speakes is quick to defend Rollins, but he concedes that Rollins probably said most of what was attributed to him. 'Nothing is going to happen to Rollins. We're ticked off at Jepsen for using the tactics he did. It amounted to a witch hunt. 'Speakes chuckles in recalling that Reagan called Jepsen "Robert" instead of Roger while in Icwa this week. The point is that the White House doesn't think much of the Iowa senator, regardless of

STORY: SPEAKES PAGE:

whether he is a staunch Reagan supporter or not.

Nancy. It was no one in the West Wing who proposed that Mrs. Reagan go out on the road to improve her image. Is Nancy's negative image a political liability to the President? `That's something we're aware of but not something that we feel we have to get out and turn around. There's no major push from us [in the West Wing]' to improve Nancy's reputation.

Speakes believe that Jim Rosebush, Nancy's new chief of staff, supports the idea of her travelling more. Speakes has recommended that she take one out-of-town trip a month to project a more compassionate image. His view is that if Nancy were more readily identified with a worthy cause or two, reporters wouldn't spend so much time covering her interests in designer clothes, expensive china, etc. Nancy will spend more time on the road in the future fighting drug abuse, Speakes predicts.

(END)

STORY: WHU3 MA:60

To: mls lt jf dr jfp jg gfp dcb dxbn lh jwm rak pa pgh sxm From: sjf

The following items come from a backround interview with Robert F. Bonatati, labor adviser at the White House:

* Unemployment. The Defense Department has approved the idea of "targeting" defense contracts in areas of high unemployment. Bonatati says he thought the idea was unworkable, but Frank Carlucci has assured the White House that it is feasible.

Also in the works: Labor Secretary Ray Donovan soon will unveil a pilot program involving Rockwell International and the United Auto Workers. Rockwell apparently has agreed to hire unemployed auto workers.

- * AFL-CIO meeting. Nearly a dozen top Reagan administration officials will attend the AFL-CIO meeting in Bal Harbour -- more than the Carter administration ever sent. This includes Haig, Bush, Mrs. Dole, Bonatati, Rollins and various aides.
- * Kirkland on Poland. Top White House officials were astonished last week when Lane Kirkland spent more than half of his meeting at the White House enouraging U.S. officials to call Poland into default. Says Bonatati: `I think union members would be shocked to know how little time he devoted to the economy in talking to the President."

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

FROM: RAK

RF: Background-only ivu with chief White House lobbyist Kenneth Duberstein

Duberstein is as sanguine about Reagan's budget as are most others in the White House. He thinks Congress will, in the end, come up with a budget that is fairly close to what Reagan wants. That's because the alternatives -- cutting defense spending, raising taxes or slashing entitlement programs even more--are too unpopular in an election year for Reagan's opponents to push through the House and Senate. 'You can't find a consensus for any proposal the Democrats come up with, 'says Duberstein. 'The Democrats are just saying 'No. no. no. They don't have an alternative they can agree on ... When Congress confronts the reality, they will come around. "

The most likely modification in Reagan's budget. Duberstein believes, is some version of Senator Hollings' plan to cut entitlements and freeze other non-defense spending. The President, however, would not oppose further non-defense cuts.

Defense cuts. Won't Congress cut defense spending? `Last year at this time there was a lot of talk about cutting defense spending, but it didn't happen. The lesson of last year is something you should remember ... I think it's going

STORY: DUBERST PAGE: 2

to be very difficult for Congress to do anything to the President's defense budget or to his tax program."

Boll weevils. Duberstein says he has spent considerable time in the past two weeks talking to the House boll weevils. He still sees them as the key to Reagan's budget fight. Although the mostly Southern boll weevils object to Reagan's 91.5 billion deficit, they object even more to excise taxes on tobacco and liquor and to cuts in defense spending, which disproportionately benefits the South. In many respects, the administration's budget was tailored with the boll weevils in mind, Duberstein says off the record.

Selling the budget. Reagan is likely to go the Hill on a number of occasions to meet with lawmakers on their own turf. Luberstein hinted that Reagan will go to the Hill more than he did last year, but he refused to be specific. 'Pennsylvania Avenue goes both ways...The President going up there says something more than just symbolism.' And Reagan will continue keep up the pace of Oval Office visits. 'Maybe the novelty has worn off but this is an election year, and the aura of the Oval Office and the aura of this President remain very strong.'

n even refused to rule out the possibility that Reagan talked with Volcker in person or over the phone in the past few days. 'It's more constructive sometimes...to sit down together privately and talk.'

It is possible that the White House has decided against a meeting with Volcker in the near future, on the ground that such a session would only make him more recalcitrant.

(END)

TC: MLS, LT, JF, DR, BFP, JG, GP, DCB, DXB, LH, JWM, SJF, PA, FGH, SXM

FROM: RAK

RE: Reagan's Dear Menachem letter

In a letter today to Israeli Prime Minister Begin, the President bluntly attempted to explain away Defense Secretary Weinberger's pro-Arab views by pinning the blame on reporters who accompanied Weinberger on his recent Mideast trip. The letter, reaffirming administration support for Israel, began: "Recent press reports have presented incorrect and exaggerated commentary regarding U.S. military assistance policies for the Middle East."

Reagan's letter was prompted by Begin's angry response to statements made by an anonymous ``senior official''-- apparently not Weinberger--to reporters travelling on the defense secretary's plane. The senior official, whom the White House has not identified, talked of the administration ``redirecting'' its Mideast policy away from Israel in favor of moderate Arab states. Judging from the letter, the President seems determined not to believe that Weinberger and Secretary of State Haig have major differences of view regarding what U.S. policy in the Middle East should be. The letter was drafted after both Haig and Weinberger met on Monday with Reagan to report on the separate trips they took last week.

At today's daily briefing, David Gergen tried to soften

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Reagan's obvious attack on the media, and at the same time stressed that the letter was not a slap at Weinberger.

'There's no rebuke of anyone in this letter,' said Gergen.

But the letter, presumably written at Haig's urging, clearly was a setback for Weinberger, who appeared on a morning interview show today to clarify the U.S. position regarding Israel. Reagan pointedly noted in the letter that 'there has been no change regarding our military supply relationship with Jordan, and Secretary Weinberger brought me no new request. Any decision on future sales to Jordan or any other country in the region will be made in the context of my administration's firm commitment to Israel's security...'

The President added: 'I am determined to see that

Israel's qualitative technological edge is maintained and
am mindful as well of your concerns with respect to
quantitative factors and their impact on Israel's security.

The policy of this government remains as stated publicly by
me. Secretary Haig's and Secretary Weinberger's statements
on the public record are also clear.'

My guess is that the Reagan letter is an effort by Bill Clark to enforce better coordination between Haig and Weinberger, and to bring some order to U.S. foreign policy.

<u>Volcker</u>. Gergen announced today that when and if the President meets with the Fed chairman, the meeting will be held in secret, without the White House making it public.

February 17, 1982

TO MLS, LT, DR, GP, JSL

From PA

Nancy--The trip

There was an almost palpable sense of relief on the Air Force DC-9 as Nancy Reagan flew home from a 1,655-mile, 2-day trip to Frontida and Texas.

The tightly scheduled journey to spotlight the widespread problem of drug abuse among youth reaped a benefit beyond its intented immediate purpose. The handful of White House aides aboard, while refusing to acknowledge that Nancy Reagan's one-dimensional image as fashion plate was fast becoming a political liability to her husband, felt the trip had been a breakthrough.

"The trip did a lot for her," observed the First Lady's press secretary
Sheila Tate. "It was good for her to emerse herself in the subject. She
had been briefed at length but seeing (drug abuse programs) is different from
hearing about it."

The trip had been four months in the planning stages but it paid off. Said Tate of the local and national coverage: "It gas super, fabulous. Everyone is focusing on the issue." And Mrs Reagan's reaction to her foray out around the country? She said: "There's no substitute for seeing these programd first hand. I hope it was a useful trip." Thus trip was only the beginning.

Mrs Reagan told reporters would make similar efforts, "As often as I can."

The First Lady had left Washington on a springlike February day, carrying with her a 20-person press contingent, 4 White House aides, a White House photographer and 10 Secret Service agents.

The programs and facilities fisited had been carefully chosen to fit certain criteria--demonstration of prifate-sector initiatives and Mrs. Reagan's. belief that parental involvement was crucial to deal effectively with drug-troubled adolescents.

Arriving on a hot, muggy merning in St. Petersburg, Florida, the First Lady went directly to nearby Pinellas Park for an hour visit to a public elementary school where third to fifth graders who had been spotted as having potential behavioural problems were enrolled in a program of child counseling administered by an outside drug prevention program.

After a briefing by **effix** program officials in classes, she went to another classroom and sat down surrounded by 20 children. Always at ease with children, she patted a neighboring child, clasped the hand of another and listended attentively to the children, parents and counselers.

Along with the youngsters, she went through a breathing exercise and an immediate isometric relaxation routine. One young divorcée parent told Mrs. Reagan that the program had enabled her son not only to pass his courses but had helped her to rebuild her relationship with her child.

Before she left the classroom, the First Lady offered some words of advice. To the children: "Learning self worth and what you can accomplish is is terribly important. If you can learn it now, you're ahead of the game." To the parents: "Being a parent is the most important thing we do in our whole lives and one wax we are given no training for. I'm a big believer in family and we've gotten away from that. In the earlier briefing, Mrs Reagan had some questions of her own. How had these children been spotted as having potential difficulties whether they had expressed any knowledge of drugs even at this early age and the exact nature of the tests the children were given.

Mrs. Reagan made to effort to hurry away from the school.

When one young boy asked her to sign her autograph on his name tag, she sat

in their midst and sign4 d her name for each of the 20 or more youngsters.

(The First Lady had been greeted by the way at the school by the children scranding her to the tune of "Hello Dolly but substituting thex with "Hello Nancy" She waved and laughed.)

Mrs. Reagan then proceed directly to her Tampa hotel where she was then a reporterfrom interview by a local TV personality and **Executive** to a Tampa paper. The subject? The problem of drug abuse.

Returning to St Petersburg that evening the First Lady visited a drug-rehabilitation center. In sharp contrast to the interactive simplicity of dealing with **Penngxekilenken** young children, she participated in an emotionally charged $2\frac{1}{2}$ hour session with adolescents at Straight, Inc , a program at **aimless** aimed essentially behaviour modification of youngsters who had severe drug problems.

She sat in a huge auditorium facing row upon row of 300 whith middle and their working class there agers who told her of calamitous descent into the world of the drug culture. Sitting upright in a straight plastic chair, she listened to horror story and their bodies with substances as lethal and bizarre and De Con an insecticide, parsely leaves scaked in ambalming fluid, aerosol deoderants, roach killer, PSP, ISD, , gasoline, asm well as cocaine, marijuana, and of course alcohol. They took these substances, they said, in bedrooms at home, out in the woods, behind stairwells, in cars, and at school. Weeping, they told het they had turned on their friends, their younger siblings, even their family pets. They had lied, stolen, tried suicide, threatened their parents, carried weapons, a litany of unrelenting self-destruction.

Then it was the parents turn to call across the wide aisleseparating them from their children. Singling out their individual children, they spoke of their pain, their love, often their despair but urging them to stick to the Straight inc program which kan can last on the average of 8 months of 12= hour reprogramming 7 days a week

Basically the program is a combination of behavious modification through intensive counseling, routines and a counter form of peer pressure.

The First Lady-listening to youngsters and parents recount the horrors of they they had been through separately and together-openly wept, dabbing her eyes a number of times with a handkerchief.

At the end of the session, she stood to take a microphone in her hand. Moving into the wide center aisle she spoke to the 1,000 people in the room. Telling the tennageers that she was proud of them for making the tough effort make to get straight, she said "We only mke this trip thrugh life once and that once ought to be as wondeful and fulfilling as you can make it." Turning to the parents she said:

"There is nothing as painful as seeing what can mappen to your child."

"I believe strongly in the family and I think we've gotten away from that."

Nancy

Called "the First Mother of the land", Namyxwas presented with a giant Valentine signed by all the teen=agers in the Skanighkxfamilikyx Straight program, and returned to her hotel.

Early the following morning, the First Lady flew to Dallas Texas to learn hear firsthand how drug abuse is being handled on a statewide kakkix basis.

Called Texans War on Drugs , the committee established by Governor William ed Clements and head by Texas industrialist Ross Perot is working to organize parent groups, combat drug dealers, and has pushed through legislation outlawing drug paraphernalia. They work with schools, Junior League, medical auxilliaries and their civic groups.

Met at the airport by old friend and Governor Bill Clements, Nancy sped through Dallas with a motorcycle escort to the Anatole Hotel where she lunched on pate, freshfruit and sherbert and mineral water then heard around table discussion of how the group worked and what itxassaskikkedx accomplished.

advised the First Ladv to deal with state governors urging them to set up

However, Mrs. Reagan said she preferred to speak to the wives of the Governors instead who will be in Washington next week for a conference.

Their

She will urge the women to lobby theer husbands on what can be done in their states.

Said later

Said later

my way."

(It was at the Anatole Hotel that the only evidence of a perception of the First Lady as kningxxxxxixi lacking social concern surfaced. A small and waitexxxxxxxx quiet group of men and women held up placards asking Mrs.

Reagan's assistance in right their neighborhood of charical pollution. One sign

Mrs. Reagan walked by the group xigen read: "Is saving our children in fashion?" and the hotel,

"Last year it was difficult to do anything. But this year I can start to move out." She went from there quickly to a local Tv interview where she urged provate sector inviscement involvement; "You can't always turn to things like the school board or the government. In the final analysis, you give birth to that child and that child is your responsibility and you've got to do something about it."

Keeping again to a tight scheule, Mrs.xReegenmekek Reagan motored to
the University Park section of Dallas to the home of Mrs. Linda Lytle where
crammed into a small living room with over 30 press and technicians she heard
Navia been seed on RC 5011 Avial, 500
a local parent group tell of their work. Straining to hear over the claiter of
equipment and clicking cameras. and occasionly kix visibly distracted by the
horde of press Mrs Reagan again made clear her commitment to the cause.

The First Lady duestions from the press traveling with her as she flew earlier that day from Tampa to Dallas.

some)

Here again, the First Lady repeated themes and sentences on the subject of which drug abuse she had been using since last fall. "The problem of youthful drug abuse has reached epidemic proportions. I do think we're in danger of losing a whole generation of children. It crosses all boundaries. Its the most democratic of illnesses."

She added: "I just want to get attention focused on it and get parents invalved." The First Lady is careful to shy away from endorsements of specific programs such as Straight, Inc and from any suggestion of federal aid. Over and over she makes clear that following her husbands policy of less government and more private initiative is the key to todays solutions.

End she was equally definite about her refusal to discuss any

were

negative ince perceptions of her which was rampant in the last 8 months.

Asked is she felt that she had been misunderstood and that as her husband had said she was getting a"bum rap", she quickly replied: "I just want to talk about children and drugs." (An aide said latethat she will not discuss such matters with the press.

"She just not going to do that.")

on the furor of image. "Last year was a lost year." Lost in what way, she was asked, the shooting? Nodding she said, "It wasnt exactly the happiest year of my life."

Mrs Reagan, and her aides, appear to regard 1982 differently.

Said one assistant: "The trip built confidence in her and what she is attempting" in building support for action against drug abuse.

Perhaps so but the trip waxx was also the opening wedge in the effort to dispel negative perceptions of the First Lady.

The trip was 4 months in planning stage. Careful preparation

Before depodore,

was the key. Traveling press were given a detailed brailing briefing on

which was followed

what the First Lady would be doing on the trip

White House transcript of that briefing,

Dr. Carlton Turner, who went along on the trip, was the briefer and serves as senior policy adviser on White home drug policy. Also along on the trip were chief

Nancy's xkxixf of staff Jim Rosebush, her press secretarySixxixl Tate, herspeciall projects director, Ann Kxxxxxi Wrobleski.

The logistics of the trip were well handled, It was advanced by two people. Ample filing time was permitted, and facilities for it arranged. Press had full access to events on her schedule. And indeed the reviews of the production were nervously awaited. Calls were placed to washington early tuesday morning to have national press accounts of the first day read to them over the phone.

Now Nancy Reagan has subjected herself to a new kind of national scrutiny. Asserting abuse officials on the trip told her repeatedly the kind of attention she can brigg to the issue is extraordinarily valuable.

She has publicly committed herselfow and the Whit's House hopes that along with that commitment will come a heightened and positive dimension and perception of Nancy Reagan as a First IAdy.

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Derise of Cabinet Government. When he came into office, Reagan wanted to revive Cabinet Government as it operated in the Eisenhower days. 'The Cabinet would be my inner circle of advisers,' he said, 'almost like the board of directors.' He vowed to have frequent Cabinet meetings and open them to round-table discussions of all issues facing the administration. He established five cabinet councils to screen issues prior to discussion by the full Cabinet.

At first, the system seemed to be working well. Cabinet meetings were held at least once a week—sometimes more often. Cabinet councils met frequently. Virtually all major decisions facing Reagan were hashed out at a Cabinet meeting before he made the final decision. But White House officials soon discovered that some truely important issues facing the administration were not coming up through this system. The President's two most embarassing policy decisions—his Social Security proposal and the tax exemption for schools that discriminate—were never discussed by a Cabinet council or the Cabinet.Martin Anderson, who was running the domestic Cabinet council system, proved to be an incompetent manager. White House aides complained that the system took more than a year to produce a proposal for enterprise zones.

Cabinet members meanwhile are becoming captives of their

departments. When Reagan prepared his 1982 budget, the Cabinet members were volunteering cuts. But when he put together the 1983 budget, many Cabinet members appealed cuts proposed by Stockman. The Haig-Weinberger fight shows a true lack of collegiality.

Now, Reagan is relying less and less on the Cabinet system. After a fast start, Cabinet meetings have tapered off. Reagan held 35 Cabinet meetings in 1981 and three in the first seven weeks of 1982. No longer do we hear about any hot Cabinet debates on crucial issues. The President is relying more heavily on the White House staff to advise him. Allen was replaced by Clark because he was too weak. New advisory groups are springing up within the White Ecuse. Since December, Reagan hass been meeing every Monday for lunch with senior White House officials to discuss pending issues. Meese is setting up a policy oversight committee of his own. Deaver also has launched a strategy meeting every Friday-the same group that went to Camp David two weeks ago for a retreat.

White House weaknesses. Yet the more Reagan relies on his White House staff, the more unreliable the staff becomes. There is an obvious lack of enthusiasm for Reagan's 1983 among his top aides, most of whom tried unsuccessfully to convince him to raise taxes. Craig Fuller says on backround that internal White House support for the economic pacage is `discouraging. 'He adds: `We're having trouble getting people around here to focus on it. 'No one seems

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to be trying to make a persuasive case for the budget.

Example: Speakes was asked today what evidence the President has that there will be an upturn this summer. He said there were many 'leading indicators' pointing to a recovery. When pressed, he could not name one such indicator. Asked again on what basis the administration was predicting an upturn, he replied: 'Hope.'

The White House staff also failed to advise Reagan adequately on the school tax exemption issue. Nor does the staff seem capable of preparing the President for news conferences. Many top White House people--Jim Baker and his aides--seem to have become especially sensitive to attacks on them from the right. Reporters complain that Baker has become defensive and unhelpful. Whether the staff can pull together again is not yet known.

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