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## Ronald Reagan Library

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PRESIDENTIAL BOARD OF ADVISORS ON  
PRIVATE SECTOR INITIATIVES  
WASHINGTON, D.C.

The White House  
Washington, D.C. 20506  
August 20, 1986

MEMORANDUM FOR: INTERNATIONAL CONFERENCE COORDINATING GROUP

FROM: MICHAEL P. CASTINE *Michael P. Castine*  
CHAIRMAN, INTERNATIONAL COMMITTEE

SUBJECT: Paris Conference Update

The President's Board of Advisers on Private Sector Initiatives is a sponsor of an International Conference on Private Sector Initiatives in Paris, France, which is scheduled for 24, 25, and 26 November 1986. The response to the conference from supporters, sponsors, and attendees has been very good. The purpose of this memorandum is to provide you with the most current information on the logistics of the program.

PURPOSE

The conference has been organized as a result of the numerous inquiries from European business and government leaders wanting to know more about the concept, often referred to as uniquely American, of private sector initiatives. In particular, this year's celebration of the restoration of the Statue of Liberty renewed the image of young children in the 1800's collecting francs around the French countryside in order to pay for the voyage of Lady Liberty to the United States. One hundred years later the process was repeated by the citizens of the US who donated to the restoration of the statue.

Complementing this international event were the facts that in the US charitable giving had increased over 80% since 1980 and the total had reached \$80 billion dollars per year. Currently, more Americans volunteer their time than any other period in history and corporations, labor organizations, non profit and religious organizations have become involved in countless innovative partnerships in communities across the country.

European countries have had their share of success in this area of the private sector lending a hand. The conference will be a good opportunity to export our models as well as learn firsthand about the European models of voluntarism, charitable giving, public/private partnerships and corporate social responsibility. In addition, discussions about awards and recognition, tax incentives, and restoration of national treasures will take place.

#### ATTENDEES

The target audience for the conference is representatives from business, at the chief executive and managing director levels, cabinet rank secretaries and ministers, and leaders from the foundation and non profit communities. Approximately 100 selected leaders will represent the United States, France, England, Italy, Germany, Switzerland, and Belgium. Observers from additional countries will also be invited. Commitments have already been received from several members of President Reagan's Cabinet, numerous members of the Board of Advisors on Private Sector Initiatives, US business and non profit leaders and their equivalents in Europe. A partial list of confirmed attendees may be found under Tab A.

An Invitation Committee has been assembled to collect names of individuals to be invited to attend. Sources for these names include the US Ambassadors in each of the countries, Board Members, Cabinet officers, Sponsors, European officials and business leaders and suggestions from the White House Office of Private Sector Initiatives.

Invitations will be extended on a peer to peer basis. Therefore, by the time the actual invitation arrives in the mail it will be "to remind."

#### SITES

The conference will be held at the International Conference Center on Avenue Kleber, site of the Paris Peace Talks, in downtown Paris. The Conference Center is equipped for simultaneous translation. On Monday evening 24 November a welcoming reception will be hosted by US Ambassador Joe M. Rodgers and his wife Honey at their residence behind the American Embassy.

Under the auspices of the French Minister of Culture and Communication a Black Tie dinner will be held at the Versailles Palace which follows the working session of the conference on Tuesday 25 November.

Inter-Continental Hotels at 3 rue de Castiglione, a sponsor of the conference, will be holding a block of rooms for conference participants. Raiford S. Pierce, Chairman of International Travel Advisors of Washington, D.C. is volunteering his time to coordinate travel arrangements for conference participants and develop a special touring package for spouses who want to see the sights of Paris. Mr. Pierce will be in direct contact with more information within the next few weeks.

#### SPONSORS

The American Express Company has agreed to underwrite a large percentage of the conference and James Robinson, Chairman of American Express and the United Way, will participate in the conference. John J. Phelan, Chairman of the President's Board of Advisors on Private Sector Initiatives and Chairman of the New York Stock Exchange, is also making a generous contribution and will lead the U.S. delegation in France. Board of Advisors member, Dr. William B. Walsh, Founder and President of Project HOPE, is devoting many hours and has loaned Project HOPE Vice President John Walsh to the project as a member of the Board of Directors.

Other Sponsors Include: National Association of Broadcasters, Inter-Continental Hotels, The United Way, Materials Research Corporation, Ogilvy and Mather, Rogers and Cowan, Souham Group of Companies, Paris, France, International Travel Advisors, Group W Broadcasting, and United States Information Agency (USIA).

#### PROGRAM

The following program has been developed to explain logistics and give an overview of the topics to be addressed. Please note that it is subject to change. Names of participants have been purposefully omitted at this time. A Program Team led by Dr. William Walsh is assembling the complete package. Key themes include Voluntarism, Charitable Giving, Public/Private Partnerships, Corporate Social Responsibility, Recognition and Award Programs and examples of restoration of national treasures.

#### MONDAY, 24 NOVEMBER 1986

3:00 - 5:00 p.m.      Registration- Inter-Continental Hotel

6:30 - 8:30 p.m.      Opening Reception  
U.S. Ambassador's Residence

Note: it is anticipated that space will be made available for booths to be set up, beginning on Monday, to showcase exemplary models of private sector activity in Europe and the US. Information and video tapes will be on display.

TUESDAY, 25 NOVEMBER 1986

7:15 - 9:00 a.m. Bus Transportation to International Conference Center

7:30 - 8:30 a.m. Late Registration (Foyer-International Conference Center)

9:00 - 9:05 a.m. Call to Order

9:05 - 9:10 a.m. Videotape message from President Reagan

9:10 - 9:45 a.m. Opening Address - French Government Official

9:45 - 10:00 a.m. Overview- Private Sector Initiatives

10:00 - 10:20 a.m. Major Address- THEMES OF CHARITABLE GIVING AND VOLUNTARISM/video

10:20 - 11:00 a.m. Panel Discussion - above topic with representatives of seven countries in a dialogue.

11:00 - 11:15 a.m. Break

11:15 - 11:50 a.m. CORPORATE COMMUNITY INVOLVEMENT/video

11:50 - 12:30 p.m. Panel Discussion- above topic

12:30 - 2:30 p.m. Luncheon (at the Conference Center)  
Keynote Address-

2:45 - 4:30 p.m. Executive Workshop Sessions/video  
Topics may include:  
-Political and Cultural Barriers to Private Initiative  
-Tax Law Structure- effects on charitable giving  
-Government-role of rewards and recognitions  
-Incentives for corporations

4:30 - 4:40 p.m. Closing Comments and Announcements

7:00 - 10:00 p.m. Dinner- Versailles Palace, Hall of Battles (Note: Black Tie)

WEDNESDAY, 26 NOVEMBER 1986

9:00	-	9:20 a.m.	PUBLIC/PRIVATE PARTNERSHIPS Address by:
9:20	-	10:00 a.m.	Panel Discussion on above topic
10:00	-	10:15 a.m.	Break
10:15	-	10:50 a.m.	SOCIAL RESPONSIBILITY BY MULTI-NATIONAL CORPORATIONS/Video Tape
10:50	-	12:00 a.m.	Panel Discussion
12:00	-	2:00 p.m.	Luncheon- Keynote Address
2:15	-	4:30 p.m.	Workshops Sessions: APPLIED PRIVATE INITIATIVES
4:30	-	4:35 p.m.	Closing Comments and Action Steps

MEDIA

The International Conference Center has Press Filing capabilities.

USIA will broadcast the conference to its 100 different sites around the world.

Group W has volunteered its satellite transmission capabilities and has agreed to produce a documentary about the findings of the conference.

Rogers and Cowan has volunteered to organize public relations in the U.S.

National Association of Broadcasters is a sponsor and will produce the video presentations for the panel discussions.

AFTER THE CONFERENCE This conference is viewed as the beginning of an international network with a mission of increasing private sector activity within communities as well as creating partnerships among countries. A report with the results of the conference which may be used as a resource for future private sector activities will be produced and distributed.

INTERNATIONAL CONFERENCE CONTACTS

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U.S. PARTICIPANTS -- INTERNATIONAL CONFERENCE

John J. Phelan, Chairman  
New York Stock Exchange

William Bennett, Secretary  
Department of Education

James Robinson, Chairman  
American Express

Charles Z. Wick, Director  
USIA

Dr. William B. Walsh, President  
and Founder  
Project HOPE

Ann Ascher, President  
Ann Ascher, Inc.

Paul Sheeline, Chairman  
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Gordon Luce, Chairman & CEO  
Great American First Savings  
Bank

Dr. Sheldon Weinig, Charman & CEO  
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Fred Brooks, Chairman  
MacGregor Sporting Goods

Arthur Gunther, Chairman  
Pizza Hut, Inc.

A. C. Lyles, President & CEO  
A. C. Lyles Production/  
Paramount Pictures

William Aramony, President  
United Way

Robert Mosbacher, Jr., Vice  
President  
Mosbacher Energy Company

Jock Elliott, Chairman Emeritus  
Ogilvy and Mather

Dana G. Rinehard, Mayor  
Columbus, Ohio

Robert D. Sparks, President  
W. K. Kellog Foundation

Donna Alvarado, Director  
ACTION Agency

Alexander Trowbridge, President  
National Association of Manu-  
facturers

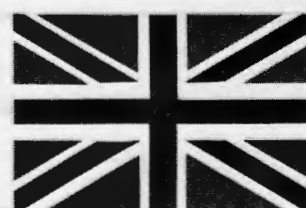
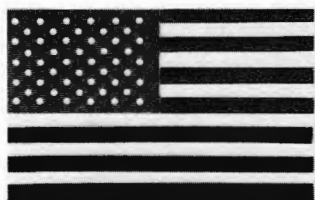
Malcolm A. MacKillop  
Pacific Gas and Electric  
Company

Winthrop Knowlton, Director  
Center for Business and  
Government  
Harvard University

Edward Fritts, President  
National Association of  
Broadcasters

# **International Conference on Private Sector Initiatives**

**November 24-26, 1986 • Paris, France**



## **The Growth of a Good Idea**

During the past few years, there has been an unprecedented increase in private sector services to communities and nations around the world. In the U.S., President Ronald Reagan's "Private Sector Initiatives" program has been very successful in promoting private giving to charitable causes, new levels of citizen voluntarism, partnerships between branches of government and the private sector, and corporate social responsibility.

In other countries, citizens have organized private programs to provide valuable services to their communities. Similarly innovative programs have been created to involve the private sector in the restoration of national treasures and other projects outside existing budgets. Governments have recognized the fiscal and social value of creating tax incentives to promote individual and corporate giving to charitable causes, and increasing numbers of large and small businesses have begun to take active roles in community social issues.

Governments in nations around the world have become partners with the private sector in addressing problems that neither sector can handle unaided. While respecting differences imposed on them by history, energy and expertise of private individuals, communities, associations, and businesses represent a reservoir of talent and commitment as yet largely untapped.

## **An Unprecedented International Conference**

An international forum has been organized to share information on private sector programs and to explore ways to develop these programs internationally. **Sponsored** by the U.S. **Presidential Board of Advisors on Private Sector Initiatives**, this unprecedented gathering will take place at the International Conference Center in Paris November 24-26, 1986.

Attending will be a total of approximately 200 delegates from France, the United Kingdom, the **Federal Republic of Germany**, Switzerland, Belgium, Italy and the United States. Participation will be limited to government officials at the Cabinet or Ministerial level and to chief executive officers of major corporations. These leaders from the highest levels of government and business from seven leading nations will have a forum for personal interaction in the exploration and development of private sector initiatives around the world.

In sponsoring this conference, the Presidential Board of Advisors on Private Sector Initiatives seeks to allow the European and American delegates both to profit from their collective experiences in encouraging private activity, philanthropy and voluntarism and to explore the most fruitful methods of creating and duplicating public/private partnerships.

## **Conference Summary and Goals**

The International Conference on Private Sector Initiatives will open with a welcoming reception hosted by the U.S. Ambassador to France, **The Honorable Joe M. Rodgers**, on Monday evening, November 24. Following will be two days of working sessions to take place November 25 and 26 at Paris' historic International Conference Center. On the evening of November 25, conference participants and their spouses will also gather for a formal dinner at the Palace of **Versailles**. This national treasure, restored in part with the assistance of the private sector, has been graciously lent by the French government in tribute to international private sector initiatives.

The conference format has been designed to enhance the free flow of information among the participants and includes a series of major policy addresses, panel discussions, and executive sessions. Simultaneous translation will be provided for all proceedings.

Objectives of the conference are to develop an international framework for private sector initiatives in the following areas:

- I. Philanthropy
  - Enlarging the roles of the citizen and the corporation
  - Strengthening government/private sector encouragement of philanthropy
  - Enhancing the role of nonprofit organizations
- II. Voluntarism
  - Encouraging voluntary action
  - Increasing individual and corporate voluntarism
  - Extending the role of volunteer organizations
- III. Public/Private Partnerships
  - Exploring the roles of national, state, and local governments
  - Examining the role of the private sector
- IV. Corporate Social Responsibility
  - Highlighting tangible benefits to the corporation
  - Reviewing employee volunteer programs

In addition to discussions of these components of private sector initiatives, a special segment of the conference will be devoted to their application. This discussion will focus on the methods necessary to create and implement programs and will include presentations from individuals who have been pioneers in this area.

A written report on the conference deliberations will be published and distributed to conference participants, academic institutions, governments, and business associations around the world. The proceedings of the International Conference on Private Sector Initiatives will also be filmed and summarized in a 30-minute television documentary for broadcast in each of the participating countries. Finally, a full press operation and briefing center will be available during the conference to aid press dissemination of conference information to the widest possible audience.

***For further information, please contact  
our European or American office***

International Conference on Private Sector Initiatives

**U.S. Office**  
17th and G Streets, NW  
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(202) 456-6204

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Excellence in  
Private Sector  
Initiatives:

A Presidential  
Challenge





**T**hroughout the history of our nation the spirit of neighbor helping neighbor has been one of our greatest strengths and proudest traditions. Nowhere else in the world has so much been accomplished through initiative, ingenuity and a spirit of voluntarism and caring.

Over one hundred and fifty years ago when Alexis de Toqueville visited our country and tried to discover the secret of our success, he found that America is great because she is good, and he warned that if she ceases to be good, she will cease to be great. What impressed him was the way Americans made their society work: by helping each other, not by relying on government. When someone in a community saw a problem developing, he would talk to a few neighbors about it, they would enlist the aid of others and pretty soon they would be working to find a solution.

Some years ago this spirit of voluntarism, this mainspring of social progress seemed to be going slack. There was a tendency to cope with social programs by creating huge government programs. New bureaucracies were set up and old bureaucracies became larger, but the problems did not disappear.

In the last few years, however, that unfortunate trend has been reversed, and our traditional spirit of voluntarism has made a tremendous comeback. Charitable contributions are reaching record peaks and more Americans are donating their time, their talent and their energy than ever before.

They are also reaching out with compassion to those in need, and they are doing it in ways that allow the beneficiaries to maintain their dignity. Personal concern lends a warmth to giving and sharing that no institution or government by itself can.

One of the chief aims of my Administration has been to emphasize the vital importance of private sector initiatives to our American way of life. Ingenuity coupled with compassion was critical to the progress made in our past and is vital to our future. We must make the best use of all the human resources we have available to us as a nation. Polls confirm the fact that most Americans are convinced that no matter how big and powerful the government becomes, and how many services it provides, it can never take the place of volunteers.

In 1981, I asked Bill Verity of Armco to head a Task Force to look at what could be done to stimulate private solutions to public problems. It quickly became clear that both citizens and organizations were willing, even eager, to get involved—they just needed to be asked.

A real beehive of activity developed at the local level under the subsequent Advisory Council headed by Bob Galvin of Motorola, Inc. Thousands of business-education partnerships were formed. Many new initiatives emerged: students learned how to become astronauts and private sector groups worked together to feed the needy. Businesses looked at their options for meeting the child care needs of their employees, and corporations used their expertise to solve the problem of missing children. More people than ever

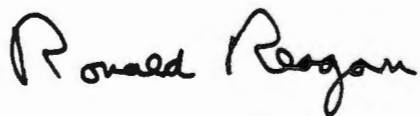


before got involved with neighborhood watch programs, and we saw crime rates diminish. The private sector turned its creative energies loose to create new jobs and job training programs. Small businesses found that they too could make great contributions to the community. Neighborhoods were dramatically revitalized and thousands of youngsters pitched in to restore and maintain our beautiful public lands. This trend is growing; it's producing results, and—best of all—it appears to be unstoppable.

With the help of the Advisory Council, we were able to start the C-Flag Program which recognizes outstanding programs that are finding new solutions to old problems. Bill Taylor and the American Society of Association Executives volunteered to administer this program, designed not only to recognize, but to stimulate more Private Sector Initiatives. Thousands of organizations now proudly fly the C-Flag which says to all the world: "We Can" and "We Care." They are among the growing legion of Americans who are experiencing the satisfaction that comes from putting something back into the community.

As we look around us, we are struck by an impressive list of accomplishments. But many challenges lie ahead. I feel confident that the abundant talent and sincere dedication of the nation's private sector leaders can continue to set a course that will lead us to newer heights of achievement. I am also confident that, as John Phelan of the New York Stock Exchange assumes the lead of a new Board of Advisors, we will be working together with renewed zeal to meet even the stiffest challenges that we still face.

It is my hope that each and every American will get involved and feel the thrill of pride that comes from knowing that they, in some way, have ensured that America remains the land of opportunity and that self-reliance, ingenuity and compassion remain the hallmarks of this great nation.

A handwritten signature in black ink that reads "Ronald Reagan". The signature is written in a cursive, flowing style with a large, prominent "R" at the beginning.

RONALD W. REAGAN  
PRESIDENT OF THE UNITED STATES



# W<sub>hy</sub> PSI?

Probably the most commonly asked question about Private Sector Initiatives is: "Why should we become involved?" It's a reasonable question, and one that demands and deserves a thoughtful answer.

Experience to date shows that businesses, associations, communities and individuals take Private Sector Initiatives for a variety of reasons. Some are motivated by altruism and philanthropy. Others become involved in a problem and just cannot walk away until they've solved it. Others respond to the challenge of "It can't be done" with the determination to prove the nay sayers wrong with achievement. Still others are hard-headed pragmatists who get involved because they expect their initiatives to produce benefits that will eventually flow back to their communities and their businesses.

These are good reasons. And, although each is different in its way, they all send a strong, common message that says the private sector and the public sector really live in each other's backyards.

Those backyards are part of a "village" where we and our businesses live. Sometimes, that "village" is confined to a definite geographical area, but it could also be represented by specific areas of need statewide or even nationwide.

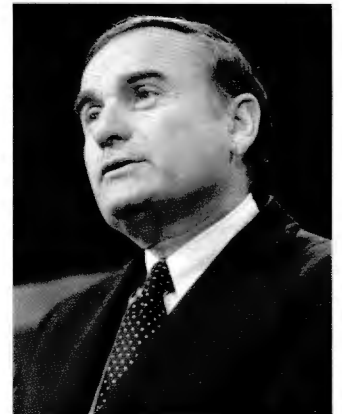
However, our "village"—or more appropriately our collective sense of "village" or community—is the basis for whatever we might accomplish as a business or an association. Our community—the environment in which we live—educates our families and our employees' families, provides public utilities, newspapers, television programs, transportation systems, and gives us every kind of personal and business service. We could not exist without the "village."

Private Sector Initiatives remind us of this two-way relationship without which our village cannot exist. They remind us that we take a lot from the "village," and we should be more farsighted about putting something back into it. They also remind us that the bigger we are and the more we take, the greater our obligation. Private Sector Initiatives provide us with a more positive reminder that, as our expectations of the village grow, we must look for ways to increase our input to the village.

The title "Private Sector Initiatives" is particularly well chosen. It puts the initiative where it belongs, and suggests the scope of what can be accomplished through and for our local and national "villages." This well-turned title says that there is more to be gained by tapping thousands or millions of sources of creativity and energy than by handing out a plan and saying, "Do it."

By focusing these creative and organizational resources on specific goals, programs are better. Perhaps more important, the people and the organizations are better for having put more of themselves into their programs. While participation is good for the program, it can be even better for the participant.

When the recipients of this year's Private Sector Initiative awards were recognized by the President, there was a pride evident there. That pride was in more than just receiving the award—even with



such a distinguished presenter—or even more than pride in accomplishment, group or community. It seemed to be a pride in what they had accomplished as Americans—acting as a people rather than an impersonal government.

Perhaps there was even a pride in possibly being able to say to the world—“This is the American way. Our way of sharing our strengths, our blessings and our innate sense of independent thought and action. This is what the American way is really all about.”

If you had asked me, why Private Sector Initiatives? That would be my answer. But, then, there are thousands of private sector initiators who could probably give you thousands of other reasons. Get together with some of them, join their efforts or launch your own initiatives. Discover what you can accomplish in your own village.



JOHN J. PHELAN JR.  
CHAIRMAN AND CHIEF EXECUTIVE OFFICER  
NEW YORK STOCK EXCHANGE  
CHAIRMAN, PRESIDENTIAL BOARD OF ADVISORS  
ON PRIVATE SECTOR INITIATIVES



## Private Sector Initiatives— A Presidential Commitment to an American Tradition

The preamble to the United States Constitution captured the essence of Private Sector Initiatives in its three opening words: “We the people...”

Those words incorporated the unique mixture of independence and unity that propelled the nation through the hardships and challenges of conquering a vast continent. Individually, Americans learned resiliency and resourcefulness. But they also learned to apply these talents as communities for the benefit of the individual and the group.

The community pulled the individual along, and the individual returned that aid in kind by contributing time, talent, energy and material. Demands that could have overwhelmed the individual were shared. Helping hands planted and harvested crops, raised barns, offered food to the needy and helped the sick. Natural disaster at times destroyed the physical community but not the community of people, who quickly rallied to rebuild what was lost.

As industry grew, businesses became communities within communities. They became sharers of the needs, as well as the benefits, of the spirit of volunteerism. In World War I, they actively encouraged employees to roll bandages for the Red Cross, to knit clothing for the troops and to help out in War Bond Drives. The “dollar-a-year” executives filling government posts were a major corporate contribution to the World War II effort.

However, America’s spirit of volunteering began fading about fifty years ago, perhaps because the depression era had created so many who needed so much. Increasingly, we turned to the federal government to do more of what we had once done ourselves.

Ironically, in a later era of need, during the early 1980s, the tradition of “We can, We care” was rekindled. Public opinion analysts found:

- A 10% decline—between 1975 and 1983—in public advocacy of large government programs.
- Only 31% of Americans polled in 1983 felt the government could provide more social services, compared with 47% in 1980.
- Fifty-two percent of those polled in 1984 felt the federal government had taken too much responsibility, and that many programs could be better run by volunteer groups.
- Between 1981 and 1983, the number of Americans working as volunteers rose by eight million. In 1983, over 92 million people were volunteers—most donating one to three hours each week.
- Charitable giving rose more than \$25 billion between 1980 and 1984 to over \$74 billion—more than the gross national product of two-thirds of the world’s economies.

President Reagan recognized that costly government programs were not always the solution to community needs. In calling for Private Sector Initiatives, he saw that the teaming of the public





sector with the expertise and resources of America's voluntary organizations was a better way to address community issues.

In 1981, he established the White House Office of Private Sector Initiatives to work with private sector and government agencies. Initially guided by the President's Task Force on Private Sector Initiatives, the office worked to stimulate and coordinate private sector involvement in solving many social and economic problems. The President's Advisory Council for Private Sector Initiatives carried on these efforts in addition to focusing their attention on specific issue areas.

The Council fostered activities in areas under the PSI umbrella: volunteerism, corporate community involvement, public-private partnerships and privatization. The results, spanning a wide range of economic, social and community needs, show new growth in the tradition of neighbor helping neighbor.

- Through Partnerships in Education (PIE), businesses are becoming more involved with schools to promote excellence in education. Seventy-nine percent of all U.S. public elementary and secondary schools have links with the community—one in five with local businesses and industries.



- The Young Astronaut Program (YAP), established to promote math and science in the schools by tapping the excitement of the NASA space program, is forming local chapters all around the country.
- Major awareness campaigns and local anti-crime partnerships are forming throughout the country. One out of every six neighborhoods now has a crime-watch organization.
- The issue of child care is being taken into corporate board rooms around the country as thousands of chief executives are being briefed on Employer Options to Support Working Families.
- Increasing numbers of small businesses are finding innovative ways to form community partnerships. Task forces to promote these efforts have formed in each city where The White House Challenge Program was held.
- A coalition of 33 national organizations joined together under the Operation Care and Share umbrella to donate and distribute millions of pounds of food to the needy. Food banks are distributing an increasing amount of good, nourishing food that otherwise would have been discarded.
- The National Center for Missing and Exploited Children was established. The toll-free hotline received 7,000 calls in its first three months of operation, and businesses and the media are helping by posting pictures to help locate America's 1.3 million missing children.
- Through Private Industry Councils, summer jobs for urban teenagers are replacing frustration with motivation.
- More Americans are enjoying—and helping to maintain—our public lands. Through the Touch America Project, 10,000 youth volunteers learned new skills and provided \$800,000 worth of services during the program's first year.
- More than 8,000 parent groups have been formed nationwide to spot adolescent drug abuse.
- The barn-raising of old now take place in urban neighborhoods, where volunteers, backed by community raised materials, are helping insulate and make more livable the homes of the poor, the elderly and the handicapped.
- Hundreds of programs are working to help train, retrain and find jobs for the disabled and disadvantaged.
- Organizations nationwide are joining together to share information, ideas, plans and successes.

The President's Citation Program for Private Sector Initiatives recognizes, encourages, supports and rewards this burgeoning new spirit of American volunteerism. Since the inception of the program in late 1984, thousands of businesses and associations have registered their programs. They proudly fly the "C-flag" that says: "We can. We care."







OPERATION: Home Free

Trailways







## Contributions— grants or monetary awards.

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Scholarships give needy students the opportunity to open doors to better and more productive lives.

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Funding medical aid, rehabilitation centers and research programs creates a healthier community and helps to bring the disabled back into community life.

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Donations of land can create parks and playgrounds and preserve our green spaces for future generations.

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Financial support of reforestation programs protects our ecology.

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Matching charitable contributions increase support for specific needs and help agencies attacking broader problems.

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## Volunteering—

programs that seek out the talents, time and concerns of individuals.

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Volunteering is contagious to the spirit, infecting individuals with a sense of common purpose, achievable goals, unity and a willingness to face new challenges.

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Volunteers feed and transport the elderly and help relieve their loneliness through visits and phone calls. They also can bridge another, almost unnoticed gap in community relationships—the differences that exist between age groups.

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A few hours a week can help improve a child's math or reading skills. Overcoming these early difficulties can contribute to a child's sense of achievement and help lower the drop-out rate.

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A contribution of technical expertise can make the impossible achievable for a minority business. Communities—both consumers and other companies—can benefit from the contributions of new businesses.

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Patient negotiating can settle neighborhood disputes and contribute even more to the community by bringing about greater understanding of and appreciation for mutual problems and concerns.

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Sharing experiences gained through hardship can help someone overcome drug or alcohol dependency. This sharing can help make experience “the best teacher” without learning through painful reality.

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## In-Kind Resource Donations— contributions of equipment, facilities, products or expertise.

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Just as each volunteer can find something to contribute, in-kind donations open opportunities for every organization, corporation and individual to be helpful neighbors.

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A few hours free time in a gymnasium can teach children lessons they will not learn on the street. Combining recreation facilities with adult supervision also can create an opportunity to motivate young people.

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Local food banks form an effective food distribution network. They can provide the valuable community service of channeling surplus food to those in need.

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A coat of paint brightens the spirits as well as the homes of the poor. The revitalization of an entire neighborhood can begin when one home is repainted.

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A limited retirement or disability income can create difficult choices. A layer of insulation can divert part of a small retirement income from the furnace to the dining table.

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A few hours work with earth-moving equipment can do more than just save time and labor. It can transform an empty lot into a neighborhood garden or mini-park.

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Lumber and nails can rebuild homes destroyed by a devastating tornado. Extending this American tradition is the essence of the concept of Private Sector Initiatives.

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## Investment Programs—

innovative investment strategies that contribute to the community's economic base.

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Investment strategies are creating new gifts for communities, gifts that keep on giving either because they are self-sustaining or offer benefits that reach out through many areas of the community.

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Interest-free revolving loans build new homes and make older homes more livable. As loans are repaid, new investments are created in other areas of need.

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Broadening the community's economic base is a significant contribution. No-cost seed money for economically disadvantaged areas creates new jobs, new incomes and boosts the community's overall vitality.

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Helping to bring a new plant or store to a disadvantaged community makes that area more attractive to new residents and businesses. The community can also benefit when valuable properties are restored to its tax roles.

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Investing in and employing a supplier located in a depressed area can not only save a business but jobs and, possibly, even a neighborhood—avoiding the need for later revitalization.

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## **Business Decisions—** adopting plans and policies with community needs in mind.

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A review of plans and policies that incorporates a “human interest” could open new opportunities to develop human resources at what can sometimes be an almost cost-free investment.

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The disabled are burdened with an unnecessary handicap when physical barriers keep them from productive employment. Removing these barriers can break the cycle of public or charitable dependency.

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Summer jobs for teenagers can provide more than just a few months work. Planning summer work programs also can provide positive work experiences and the motivation for higher scholastic achievement.

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Most corporations need services and supplies. Purchasing them from minority businesses can help the community as a whole by strengthening community relations and contributing to employment.

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Working mothers are a major part of our workforce. Corporate day care centers can provide these workers with the peace of mind they need to become valuable and productive workers.

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Programs aimed at assisting the elderly with energy costs not only keep the lights burning and the heat on but relieve at least one of the anxieties of old age.

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Training programs can help create not only valuable but loyal employees. Corporations can make a significant PSI contribution by working with social service and public agencies in keying programs to attract needy candidates.

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President Reagan has recognized thousands of volunteers throughout the country for their work in making this nation great.

In June, 1985, a symposium entitled Excellence in Private Sector Initiatives: A Presidential Challenge was held at The White House. The event was co-sponsored by the Presidential Advisory Council on Private Sector Initiatives, The White House Office on Private Sector Initiatives and the New York Stock Exchange.

More than 200 top executives reviewed Private Sector Initiative accomplishments, shared their experiences and discussed the needs and opportunities of the years ahead.

The President's Citation Program for Private Sector Initiatives also presented its first annual awards. One hundred of the nation's outstanding programs were honored.

President Reagan honored organizations which contribute billions of dollars worth of goods and services to their communities annually. Although their programs vary, these private sector initiators and their communities share the common benefits of gaining by giving.

Among the speeches at the symposium and the awards ceremony were three common threads—a recognition of the strength and resources that individuals working together can muster, the acceptance of community responsibilities and the realization that, when people really want to accomplish something, limitations are just steps in the path toward goals.



*"The goal of any Private Sector Initiative is to put something back into the community. By utilizing millions of our bags in product packages, we are helping to return missing children to their families and encouraging young Americans to prepare for the high-tech world of the future. Doing this is a goal. Achieving it is a thrill."*

JAMES A. ROWLAND, PRESIDENT, SAFEWAY STORES, INC.



*"...there is obvious benefit both financially and personally to companies being involved in revitalizing their communities and their neighborhoods. The energy developed through resident involvement will create a momentum which will leverage corporate participation many times over."*

WILLIAM HALL, PRESIDENT, THE HALL FAMILY FOUNDATION  
HALLMARK CARDS, INC.



*"When I see people willing to volunteer the most important resource that they have — their own personal time — I have to tell you that it's terribly encouraging."*

GEORGE MOODY, PRESIDENT, SECURITY PACIFIC BANK



## **Public/Private Partnerships—**

expanding problem solving capacity and maximizing the use of scarce resources through partnerships with federal, state and local governments.

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Combining the strengths of private and public organizations can give both partners a new perspective on how to fulfil community needs and broaden their abilities for meeting future challenges.

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Adopt-A-School programs can help bring volunteers to classrooms, open summer internships and attract sponsors to special athletic and academic programs.

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The help of skilled organizers, technicians and helping hands can make a community betterment project, such as a park or library, more achievable.

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Efficiency and economy are key elements to Private Sector Initiatives. Shared computer data bases can help pinpoint areas of need and can provide already tested ways of meeting them.

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President Reagan visits his penpal and classmates at the elementary school The White House adopted.

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*"De Toqueville, when he took a look at America, noted that one of the distinguished things about Americans was that when there was a job to do, they got together and found a way to do it—raising a barn, helping someone wiped out by a flood, or whatever it was. And that today is known as Private Sector Initiatives."*

GEORGE BUSH, VICE PRESIDENT OF THE UNITED STATES

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*"What has become clear to all of us—in government, in business, and in society as a whole—is that there is another sector of which we are all a part, and that really is the "human" sector."*

JOHN J. PHELAN JR., CHAIRMAN AND CEO, NEW YORK STOCK EXCHANGE

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*"Over the period of time...that the President has had this activity under his wing...a number of outstanding things have taken place...volunteerism, corporate social responsibility, public and private partnerships, and privatization, wherever it was practical to do."*

ROBERT GALVIN, CHAIRMAN, MOTOROLA INC. AND CHAIRMAN  
THE PRESIDENT'S ADVISORY COUNCIL ON PRIVATE SECTOR INITIATIVES

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*"We are recognizing that business is not an island, but simply another part of the main. And when we extend a hand and offer our resources, we are, in the final result, helping ourselves as well."*

WILLIAM M. ELLINGHAUS, EXECUTIVE VICE CHAIRMAN  
NEW YORK STOCK EXCHANGE

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*"Americans in 1983 donated \$70 billion worth of their time and services and \$65 billion to public service."*

GEORGE BUSH, VICE PRESIDENT OF THE UNITED STATES

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*"We have seen tremendous progress being made in the areas of education, child care, missing children, neighborhood revitalization, food assistance for the needy, crime prevention, summer jobs, assistance for the handicapped, and an overall awareness about the importance of making better use of our nation's resources."*

FREDERICK J. RYAN, JR., DEPUTY ASSISTANT TO THE PRESIDENT  
AND DIRECTOR, PRIVATE SECTOR INITIATIVES

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*"We are committed to improving access to justice for all people. These are the ultimate goals of our profession and our public service programs...but it is the public and private sectors, working together, that will one day bring these goals into reality."*

JOHN C. SHEPHERD, PRESIDENT, AMERICAN BAR ASSOCIATION

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*"You have made a difference, for your country and for millions of your countrymen. You have helped renew and enrich America by awakening one of her oldest and most noble traditions. And now, given this marvelous start, I cannot help but feel that our work has just begun. The challenge is before us to make better use of all our resources. We can only do this by working together. No one sector can do it alone."*

RONALD W. REAGAN, PRESIDENT OF THE UNITED STATES

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*“Our country is great because it is built on principles of self-reliance, opportunity, innovation, and compassion for others. Private Sector Initiatives embody this spirit and are a vital part of the nation’s character.”*

RONALD W. REAGAN  
PRESIDENT OF THE UNITED STATES



## The President's Citation Program For Private Sector Initiatives...

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...Invites you to share in the recognition you deserve by registering your program with the Presidential C-Flag Award Committee. Those organizations accepted become eligible to fly the "C-Flag," the symbol of thousands of organizations which proudly proclaim "We Can. We Care."

When your program is registered you will receive an order form for your "C-Flag." You also will be invited to submit a description of your program for review by an awards panel that annually selects the leading 100 programs to receive special honors at a White House ceremony.

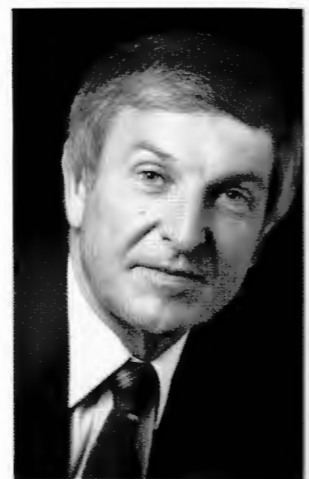
Each year, one hundred organizations are presented with Presidential Citations. The top thirty of this group receive the Presidential Award for Private Sector Initiatives—a cut crystal tetrahedron bearing the Presidential seal. The award's prismatic design symbolizes the fusion of the public, private and non-profit sectors. In selecting the winners of these awards, the judges consider the organizations' overall community involvement as well as specific projects.

Making your efforts more widely known can also contribute to our national community by showing others how they, too, can help. Sharing ideas among private sector initiators is a key to the overall program, and computerized data bases are helping organizations build on the experiences of others.

Please tell us about your program. Request an application to register your program today by writing to:

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The C-Flag Program  
American Society of Association Executives (ASAE)  
1575 Eye Street, NW  
Washington, D.C. 20005



R. WILLIAM TAYLOR  
PRESIDENT  
AMERICAN SOCIETY OF  
ASSOCIATION EXECUTIVES

# President's Citation Program for Private Sector Initiatives

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## Awards Committee

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American Society of Association Executives

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New York Stock Exchange

## Sponsoring Organizations

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American Society of Association  
Executives

National Association of Manufacturers

American Business Conference

National Federation of Independent  
Business

Chamber of Commerce of the  
United States

New York Stock Exchange

Council of Better Business Bureaus

VOLUNTEER: The National Center

Independent Sector

## The Time Is Now- To Get Involved In Private Sector Initiatives

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Today, more than ever, people around the country are wanting to put something back into the communities where they live. They are doing this in more creative ways than ever before. American ingenuity is putting its best foot forward by pairing business know-how with community needs.

These alliances, which are forming throughout the country, are making better use of the nation's resources. Building partnerships allows us to do this in such a way that everybody wins.

It was once thought that big government programs were the answer to every community problem. But, it was learned that the human touch, the kind word, the appreciative smile, and the inspiration through example cannot be budgeted for or regulated into any program. Building partnerships is often the best way for government and private citizens to meet the challenges of community needs.

President Reagan has recognized this fact for many years and used his position of leadership to set a standard for other leaders in our nation. Never before have so many high level public officials and private sector leaders taken the time to set a standard in public service for their own organizations and municipalities.

The benefits derived from these partnerships are many and varied. Community organizations are seeking not only financial support, but technical assistance and in-kind resources which help them to more efficiently and effectively reach their goals.

In addition to helping solve community problems, some of the benefits companies and associations see emerging from their private sector initiatives include:

- Increased productivity through improved employee morale and greater self-reliance;
- A better knowledge of the community resources available that can help community projects;
- An increased awareness of community needs which helps organizations to target their efforts and maximize their private sector initiatives;
- The chance to build closer ties and establish better communications with community decision-makers; and
- Increased good-will which flows from the involvement of citizens in their communities.

The opportunities for involvement are limited only by your imagination and level of willingness to put something back into your community. We hope that you will join the many public and private sector leaders who are responding to the President's call for the formation of partnerships to better meet community needs.

For further information on Private Sector Initiatives write:

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The White House  
Office of Private Sector Initiatives  
Washington, D.C. 20500



FREDERICK J. RYAN JR.  
DEPUTY ASSISTANT TO THE PRESIDENT  
AND DIRECTOR OF  
PRIVATE SECTOR INITIATIVES



# Presidential Board of Advisors on Private Sector Initiatives

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President  
National Center for Neighborhood  
Enterprise









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United States Department of State

Washington, D.C. 20520

September 6, 1986

MEMORANDUM

TO: NSC - Lt. Col. Oliver North

FROM: S/CT - Robert B. Oakley *REO*

SUBJECT: Talks with French and Algerians

53339

In an unusually frank 1-1/2 hour discussion with French Interior Minister Pandraud alone, he provided us with an extensive readout of their hostage-release efforts to date and future concerns (which parallel closely our own), of the French dilemma over LARF threats and the imprisonment of Abdullah (emphasized by an apparent LARF bomb in the metro of which Pandraud was notified while talking to me), and of the general French attitude toward terrorism and his desire to cooperate closely with the USG and others (e.g. Algeria, Morocco and Tunisia) in the long-term struggle needed to bring the threat under some control. He was fully informed of Dick Walters' discussions with Mitterrand, Chirac and Giraud. He provided [REDACTED] a copy of the full report DGSE had obtained from Morocco on the capture of Darwish and other terrorists two weeks ago -- an extraordinary gesture which says a great deal more than words can about his willingness to work with us to the limit of French policy constraints. 3.3(b)(1)

As an outcome of this talk, two important follow-up actions seen strongly indicated, both to sustain momentum of cooperation generally and to advance specific substantive issues:

- Inform Pandraud where we stand and what we propose to do about the Lahad Shia prisoners as soon as a clearer picture emerges from our talks with Israel on this subject;
- Take up the proposal of the Algerian presidency to meet with us and Pandraud together to discuss hostages and LARF, and perhaps also discuss Chad to reinforce talks in other channels.

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DECL: OADR

DECLASSIFIED IN PART  
NLRR 107-081 #53339  
BY CU NARA DATE 4/2/00

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Pandraud was quite open on where the French stand on the hostage issue, aside from his avoidance of the question of possible arms supply to Iran (which I also chose not to address). We ought to consider whether some sort of a package deal or several parallel deals makes sense and if we should discuss it with him -- including release of US, French and Israeli and possibly other hostages by Hizballah/IJO groups as result of pressure by Iran and Syria, plus release of Lahad prisoners. (Pandraud agrees that USG and GOF should avoid involvement in Dawa prisoner issue and that Iran, Hizballah and Kuwait have ways of negotiating on this that we will never know or understand.) Continued dialogue with the GOF can hardly harm our own efforts and could help. It will also help with the LARF situation and should help on broader cooperation. (NB. Any next meeting with Pandraud should take place before October 1st so he can act upon it and come back to us again during his October 16-17 visit to Washington.)

On LARF, Pandraud admitted that the only information they have on a connection to French hostages in Lebanon is from Algeria -- which he admitted is playing its own game -- and said that he does not really believe there is any meaningful LARF influence with Hizballah, and that he personally is willing to separate LARF from the hostage issue. This is important if we are to get the GOF to keep Abdullah in prison. It is also important that we keep the pressure up on prosecution for the second Abdullah trial as a means of forcing an informal GOF agreement to keep him in jail for the duration of his first conviction rather than letting him go next month. Thus far, our strategy and tactics are working well, by Pandraud's own admission. Finally, we ought to consider how best to convey a threat to LARF, paralleling that conveyed to LARF by Pandraud about Abdullah possibly "committing suicide in his cell" should they resume bombings in France as threatened. The LARF villages in North Lebanon are not immune from potential pressures which could be applied by several different parties. Such a threat could deter LARF and would also help us with the GOF generally as well as on the Abdullah issue. It could be conveyed through the Algerians and/or the Syrians. Conveying it to the Algerians in a way preagreed with Pandraud -- perhaps even in the three-way meeting he proposed, could be very useful.

Algeria has not seemed to have much influence on our hostage problem, although they did play a useful communications role about a year ago. The GOF thinks they

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do, with Iran as well as directly with Hizballah. It would not hurt to test this, bilaterally and in a three-way meeting.

Algeria and Chad is a separate issue, but can also be pursued bilaterally and in a three-way meeting. The recent shift in Libyan-Moroccan relations could tempt Algeria to take an unhelpful position on what the USG and GOF want to see happen in Chad. We should try to discourage this, by dialogue and possibly by playing upon Algeria's fears.

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NLRR MO7081 #53340

BY CU NARA DATE 4/9/10

NODIS

E.O. 12356: DECL: OADR  
TAGS: PTER, FR, PGOV, AG  
SUBJECT: PANDRAUD OFFERS TO SET UP MEETING WITH  
ALGERIANS

REF: PARIS NODIS 39823

1. ~~S~~ - ENTIRE TEXT

2. IN HIS SEPTEMBER 4 MEETING WITH AMBASSADOR OAKLEY, FRENCH PUBLIC SECURITY MINISTER PANDRAUD OFFERED TO HOST THE MEETING PROPOSED REFTEL BETWEEN SENIOR ALGERIAN OFFICIALS AND A SENIOR US OFFICIAL IN PARIS (OR TO ARRANGE IT ELSEWHERE -- PERHAPS GENEVA, IF WE SO DESIRE). PANDRAUD NOTED THAT THE ALGERIANS SPECIFICALLY WANTED TO DISCUSS CHAD AND THEIR CONCERNS AS REPORTED REFTEL. HE ADDED, HOWEVER, THAT THE MEETING WOULD PROVIDE AN EXCELLENT OPPORTUNITY TO DISCUSS HOSTAGES AND LARF WITH THE ALGERIANS. PANDRAUD NOTED THAT THE ALGERIANS HAD EXPRESSED A SPECIFIC DESIRE TO MEET WITH OAKLEY. AMBASSADOR OAKLEY PROMISED THAT WE WOULD SERIOUSLY CONSIDER THE OFFER AND THANKED THE MINISTER FOR HIS OFFER.

3. ON SEPTEMBER 5, A CLOSE AIDE TO PANDRAUD

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*Department of State*

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PAGE 03 OF 03 PARIS 40170 052114Z

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REINFORCED THE MINISTER'S OFFER ADDING THAT THE  
MEETING WOULD BE WITH A SENIOR OFFICIAL OF THE  
ALGERIAN PRESIDENT'S OFFICE AND THAT THE ALGERIANS  
WOULD BE VERY WILLING TO DISCUSS LEBANON, HOSTAGES,  
AND LARF. RODGERS

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TO SECSTATE WASHDC 5672

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NLRR M07-081 \*53341

BY CU NARA DATE 4/9/10

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NODIS

E.O. 12356: DECL: OADR  
TAGS: PTER, FR, PGOV,  
SUBJECT: FURTHER ON HOSTAGES

REF: A) PARIS 39810, B) PARIS 39247

1. ~~SECRET~~ - ENTIRE TEXT

2. ON SEPTEMBER 5, SENIOR AIDE TO PANDRAUD MET BRIEFLY WITH EMBOFF AS FOLLOW-UP TO AMBASSADOR OAKLEY'S MEETING WITH PANDRAUD. HE ADDED THE FOLLOWING:

--CONTRARY TO THE REPORT IN REFTEL A, FRENCH INFORMATION IS THAT ONLY THE THREE AMERICANS AND THREE FRENCH LONG HELD BY IMAD MUGHNIYAH'S FACTION OF HIZBALLAH ARE BEING HELD TOGETHER. THE SURVIVING ISRAELI OFFICER IS ALSO BEING HELD WITH THEM.

-- THEY ARE BEING HELD OUTSIDE OF THE BEIRUT AREA IN THE COUNTRYSIDE OF SOUTHERN LEBANON.

--THE TENSIONS WITHIN MUGHNIYAH'S GROUP CONTINUE TO INCREASE AND THE ALGERIANS NOW BELIEVE THAT A COUP AGAINST MUGHNIYAH IS POSSIBLE.

*wishful thinking...?*

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*Department of State*

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PAGE 03 OF 03 PARIS 40168 052108Z

C01/21 009210 NOD443

--AIDE WILL TRAVEL TO MIDDLE EAST THIS WEEKEND AND BE  
IN TOUCH ON MONDAY IF HE HAS ANY NEW INFORMATION.  
RODGERS

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# Department of State

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NLRR 107-081 #53342  
BY CU NARA DATE 4/9/11

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EYES ONLY FOR SS - PLATT ONLY

E.O. 12356: DECL: OADR  
TAGS: PREL, PTER, US, FR, CD, IR, LY  
SUBJECT: AMBASSADOR WALTERS' SEPTEMBER 4 CONVERSATION  
WITH PRIME MINISTER CHIRAC

1. ~~SECRET~~ - ENTIRE TEXT.

2. SUMMARY: AMBASSADOR WALTERS' SEPTEMBER 4 CONVERSATION WITH PRIME MINISTER CHIRAC COVERED A LARGE RANGE OF SUBJECTS. CHIRAC SAID THAT HE BELIEVED THAT THE SITUATION IN CHAD COULD RESOLVE ITSELF FOR WHICH REASON HE WOULD NOT GIVE HABRE A GREEN LIGHT TO MOVE NORTH. AMBASSADOR WALTERS STRESSED THE US DESIRE TO COMPLEMENT NOT TO REPLACE THE FRENCH POSITION IN CHAD. CHIRAC EXPRESSED CONCERN ABOUT IRAQ TO WHICH FRANCE IS GIVING UNPRECEDENTEDLY FAVORABLE TERMS ON ARMS SALES. HE SAID HE HAD TOLD THE IRANIANS THAT IF NO AGREEMENT WERE FORTHCOMING TO RELEASE UNDERLINE ALL THE (FRENCH) HOSTAGES IN LEBANON, FRANCE WOULD REINFORCE IRAQ MILITARILY. CHIRAC EXPRESSED FRANCE'S CONTINUED SUPPORT FOR ECONOMIC SANCTIONS AGAINST LIBYA BUT FAILED TO REPLY WHEN AMBASSADOR WALTERS RAISED THE TWO FLIGHTS A WEEK BETWEEN TRIPOLI AND PARIS. HE

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THOUGHT JALLOUD WOULD NOT LAST FIFTEEN DAYS. IF HE REPLACED QADHAFI. CHIRAC SAID THAT NOT ONLY HE BUT ALSO MRS. THATCHER, CHANCELLOR KOHL AND FRANCE'S GOOD FRIENDS IN AFRICA ALL OPPOSED ECONOMIC SANCTIONS AGAINST SOUTH AFRICA ALTHOUGH FRANCE WOULD DO AN ABSOLUTE MINIMUM IN THE NAME OF EUROPEAN SOLIDARITY. CHIRAC EXPRESSED CONCERN ABOUT THE DANGEROUS CONDITIONS WITHIN THE ARAB WORLD WHERE THE PEOPLE, BUT NOT THE LEADERS, ARE BECOMING EVER MORE ANTI-WESTERN AND EVER MORE PRONE TO POLITICAL EXPLOSION. END SUMMARY.

3. AMBASSADOR WALTERS, ACCOMPANIED BY AMBASSADOR RODGERS, NSC REPRESENTATIVE TEICHER AND EMBASSY POLITICAL COUNSELOR, HELD A WIDE-RANGING DISCUSSION WITH PRIME MINISTER CHIRAC AND TWO OF HIS DIPLOMATIC ADVISERS, BUJON DE L'ESTANG AND CHEF DU CABINET ULRICH, ON THE EVENING OF SEPTEMBER 4.

SOUTH PACIFIC  
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4. CHIRAC BEGAN BY COMMENTING ON HIS RECENT TRIP TO THE SOUTH PACIFIC. HE SAID THAT THE COUNTRIES THERE HAD MADE A DEMARCHE TO CHINA TO ADHERE TO THE PROTOCOLS OF THE TREATY OF RAROTONGA. JUDGING BY CHIRAC'S RECENT CONVERSATION WITH THE CHINESE PRIME MINISTER, THE CHANCES ARE CHINA WILL ACCEDE. AMBASSADOR WALTERS SAID IT WOULD BE VERY DIFFICULT FOR THE UNITED STATES TO SIGN ONTO RAROTONGA SINCE ALL THE OBLIGATIONS WOULD BE ON THE US SIDE WITH NONE ON THE OTHER. CHIRAC DESCRIBED HIS PROBLEMS WITH THE "NOT SO EASY" PRIME MINISTER LANGE OF NEW ZEALAND. HE HAD

SINCE STUDIED THE POLITICAL SITUATION IN NEW ZEALAND AND THOUGHT IT PROBABLE THAT LANGE WOULD BE OUT AFTER



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THE NEXT ELECTIONS IN EIGHT OR NINE MONTHS AND THAT  
THE NEW MAJORITY WOULD 'CHANGE NEW ZEALAND'S CURRENT  
POSITION ON ANZUS.

HOSTAGES IN LEBANON  
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5. TURNING TO THE HOSTAGES IN LEBANON, CHIRAC SAID HE  
HAD MANAGED TO GET TWO OUT WHILE SEVEN REMAINED. ONE  
OF THOSE WILL SOON GET OUT AND "YOU AMERICANS WILL GET  
YOUR PREACHER BACK". CHIRAC SAID THAT HE HAD TOLD THE  
IRANIANS THAT IF THERE WERE NO AGREEMENT ON ALL REPEAT  
ALL THE HOSTAGES, FRANCE WOULD BE FORCED TO REINFORCE  
IRAQ MILITARILY.

LIBYA AND TERRORISM  
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6. AMBASSADOR WALTERS THEN TURNED TO THE BUSINESS OF  
HIS VISIT. THE US HAD NO IRREFUTABLE PROOF OF NEW  
LIBYAN TERRORIST ACTIVITIES. THE SITUATION HAD COOLED  
DOWN FOR THE LAST SIX MONTHS. WITHIN LIBYA THERE WERE  
SIGNS OF NERVOUSNESS SUCH AS THE TRANSFER OF AIR FORCE  
HEADQUARTERS TO A PLACE 460 KILOMETERS FROM TRIPOLI.  
WALTERS THOUGHT THAT MEASURES TAKEN BY THE EUROPEANS  
(100 LIBYAN DIPLOMATS EXPELLED, THE REDUCTION IN OIL  
PURCHASES, AND THE OTHER ECONOMIC MEASURES) HAD HELPED  
TO CREATE THIS CALM SITUATION. BUT QADHAFI NOW  
APPEARS TO BE COMING OUT OF HIS EGG. HE WANTS TO

RESTRUCTURE HIS INFRASTRUCTURE FOR TERRORISM BY USING  
LIBYAN AIR LINES AND THE BANKS WHERE HE HAS PUT HIS  
CAPITAL. CHIRAC INTERJECTED THAT THERE WAS LITTLE  
LIBYAN MONEY IN FRANCE BECAUSE OF FRENCH POLICY  
AGAINST ARAB INVESTMENT THAT HE HIMSELF HAD

INAUGURATED TEN YEARS AGO WHEN HE WAS LAST PRIME  
MINISTER. ON THE CONTRARY THERE WERE HEAVY LIBYAN

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INVESTMENTS IN SPAIN, ITALY, AND THE UNITED KINGDOM.

7. AMBASSADOR WALTERS SAID THAT HE HAD TOLD ALL HIS EUROPEAN INTERLOCUTORS, AND NONE HAD REACTED NEGATIVELY, THAT IF THERE IS ANOTHER TERRORIST ATTACK AND THE US KNOWS QADHAFI IS RESPONSIBLE THE UNITED STATES WILL ATTACK HIM. WALTERS APPRECIATED THE EFFECTIVE MOVES MADE BY EUROPE. HE SAID THAT THE US WANTED TO RAISE THE PRESSURE ON QADHAFI AS MUCH AS POSSIBLE, BUT THE UNITED STATES WOULD NOT LIKE TO SEE HIM REPLACED WITH A PRO-SOVIET LIBYAN. HOWEVER, THE US DOES NOT THINK JALLOUD IS PRO-SOVIET.

8. WALTERS ASKED CHIRAC TO USE FRENCH INFLUENCE ON THE COUNTRIES OF EASTERN EUROPE AS WELL AS GREECE, CYPRUS, AND AUSTRIA TO CURB TERRORIST ACTIVITIES BASED IN THOSE PLACES. THE GRENADES USED AT THE ROME AND VIENNA AIRPORTS, THE ONES SEIZED IN PARIS AND TURKEY, AND EVEN THE BOMB USED AT THE CAFE DU PARIS IN ROME WERE OF BULGARIAN ORIGIN. THE ABU NIDAL ORGANIZATION IS NOW INSTALLED IN WARSAW. WALTERS RECOUNTED HOW THE SOVIETS HAD FINALLY BEEN WILLING TO VOTE FOR AN ANTI-TERRORIST RESOLUTION IN THE UNITED NATIONS. PERHAPS THEY NOW REALIZE THAT TERRORISM CAN BOOMERANG ON ITS PROPONENTS.

CHAD  
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9. TURNING TO CHAD, WALTERS RECOUNTED GIRAUD'S STATEMENT THAT THE FRENCH PRESS HAD MISQUOTED HIM (PARIS 39462). THE U.S. WANTS TO COMPÈMENT FRANCE IN

CHAD, NOT TO REPLACE IT. WE HAVE PROVIDED SIX OR SEVEN MILLION DOLLARS OF MILITARY AID INCLUDING SIX ARMORED CARS AND SOME GROUND-TO-GROUND MISSILES WHICH WERE NOT OURS, BUT SOVIET. WE WILL ALSO PROVIDE SEVEN MILLION IN ECONOMIC AID. WALTERS HAD TOLD GIRAUD THAT

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IF THE US IS DOING ANYTHING WRONG IN CHAD, THE FRENCH  
SHOULD LET US KNOW. HE INQUIRED ABOUT FRENCH PLANS  
FOR CHAD SAYING HE HAD THE IMPRESSION THAT THE FRENCH  
HAD PULLED BACK A BIT IN THAT COUNTRY.

10. CHIRAC REPLIED THAT WITH RESPECT TO LIBYA,  
EVERYBODY WANTS QADHAFI'S DISAPPEARANCE, BUT THIS IS  
NOT EASY. THE QUALITY OF HIS SECURITY SERVICE AND HIS  
MOBILITY MEANS THAT ONLY A SERVICE ON THE GROUND COULD  
REMOVE HIM. THE ONLY SERVICE WITH THAT CAPABILITY,  
HOWEVER, IS ISRAELI AND THE ISRAELIS HAVE NO INTEREST  
IN REMOVING QADHAFI. ONLY THE UNITED STATES COULD  
PERSUADE ISRAEL TO DO THIS AND EVEN THEN THE U.S.  
WOULD HAVE TO USE ALL ITS POWERS OF PERSUASION ON  
ISRAEL.

11. IF QADHAFI DISAPPEARS, POLITICALLY OR PHYSICALLY,  
THE SUCCESSION PROBLEM WOULD ARISE. CHIRAC KNOWS  
JALLOUD AND HE HAS NOT IMPROVED. HE DRINKS AND CHIRAC  
THOUGHT HE ALSO TAKES DRUGS. JALLOUD HAS NEVER BEEN A  
COMMANDER AND HE IS NOT RECOGNIZED AS A LEADER BY  
ANYONE IN PARTICULAR. IF HE TOOK OVER IT WOULD BE FOR  
15 DAYS. ALTHOUGH HE, CHIRAC, HAD HIS OWN IDEAS ABOUT  
A SUCCESSOR, THE BEST PERSON TO IDENTIFY SUCH A MAN IS  
THE KING OF MOROCCO WHOM CHIRAC HAD JUST SEEN DURING  
HIS BRIEF VACATION THERE.

12. CHIRAC CONTINUED THAT QADHAFI IS IN A DIFFICULT  
SITUATION NOW. HE HAS STIRRED UP PART OF THE MILITARY  
AGAINST HIM. THE LIBYAN ARMY IN CHAD DOES NOTHING  
EXCEPT TO SUBSIST IN THE MOST LAMENTABLE CONDITIONS.

? THE GUNT HAS GONE. THEREFORE, IN CHIRAC'S VIEW, THERE  
ARE POSSIBILITIES THAT THE CHAD PROBLEM WILL RESOLVE  
ITSELF. HABRE HAS STRENGTHENED HIS FORCES, BUT NOT  
HIS AIR FORCE. HE WOULD SUCCEED IF HE MOVED NORTH  
NOW. BUT WITHOUT AIR COVER, HE WOULD PROBABL

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COUNTERATTACKED BY THE LIBYAN AIR FORCE. TH  
WOULD HAVE TO AID HIM. FRANCE WILL THEREFORE NOT G  
HABRE THE GREEN LIGHT TO MOVE. IF HABRE MOVES, H

WILL EITHER BE ATTACKED FROM THE AIR OR HE WIL  
BE. CHIRAC IMAGINED A SITUATION IN WHICH QADHAFI  
WITHDRAWS HIS FORCES ON THE GROUNDS THAT THE GUNT IS  
FINISHED. HOWEVER, HE COULD NOT DO THAT IF THERE WERE  
SOME KIND OF AN EXTERNAL MOVE. THE CONDITION TO A  
LIBYAN WITHDRAWAL WOULD, OF COURSE, BE THAT THE FRENCH  
ALSO WITHDRAW. ALL OF THIS MIGHT HAPPEN IN SIX  
MONTHS. THAT IS WHY CHIRAC IS NOT IN FAVOR OF  
SUPPORTING A NORTHWARD MOVE BY HABRE.

## SANCTIONS AGAINST LIBYA/IRAQ

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13. CHIRAC SAID THAT FRANCE SUPPORTS ECONOMIC  
SANCTIONS AGAINST LIBYA. ALL THE PETROLEUM PURCHASES  
HAD STOPPED EXCEPT FOR THOSE OF THE "MAJORS" -- SHELL  
AND BP. AMBASSADOR WALTERS INTERJECTED THAT WE ARE  
TAKING MEASURES TO ENSURE THAT THE EUROPEAN  
SUBSIDIARIES OF US COMPANIES DO NOT CONTINUE TO WORK  
WITH LIBYA. CHIRAC SAID THAT FRANCE'S PROBLEM WITH  
RESPECT TO OIL IMPORTS IS HOW TO HELP IRAQ. FRANCE  
HAS TOLD SAUDI ARABIA AND KUWAIT WHY IT SEEKS TO  
PURCHASE AS MUCH OIL AS IT CAN FROM IRAQ TO HELP THAT  
COUNTRY'S SITUATION. SAUDI ARABIA AND KUWAIT

EXPRESSED UNDERSTANDING FOR THE FRENCH POSITION.

14. AMBASSADOR WALTERS RESPONDED THAT THE US WAS  
PROHIBITING ALL PURCHASES OF LIBYAN OIL. THE PROBLEM  
IS ONLY THAT OF LIBYAN OIL REFINED IN EUROPE. THE US  
WOULD LIKE TO SEND A TEAM TO EUROPE TO DISCUSS THIS.  
CHIRAC RESPONDED THAT HE HAD CONSULTED ELF AND TOTAL  
WHO SAID THAT THERE IS NO PROBLEM IN DETECTING THE

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LIBYAN ORIGIN OF PETROLEUM, BUT THERE IS NO LIBYAN OIL BEING REFINED IN FRANCE. AFTER DISCUSSION IN WHICH TEICHER PARTICIPATED, IT WAS AGREED THAT THE US TEAM WOULD COME TO FRANCE IN ANY CASE IF ONLY TO BRING ABOUT ADDITIONAL SUPPORT FOR THE TEAM'S MISSION IN OTHER EUROPEAN COUNTRIES. AMBASSADOR WALTERS ALSO RAISED THE LIBYAN AIRLINE SERVICE OF TWO FLIGHTS A WEEK, ONE CARGO AND ONE PASSENGER. CHIRAC DID NOT REPLY.

DANGERS IN THE ARAB WORLD  
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15. CHIRAC THEN EXPRESSED HIS WORRY ABOUT THE GROWTH OF ANTI-WESTERN FEELING AMONG THE ARAB PUBLIC. HE KNEW KING HASSAN WELL AND HE HAD SEEN MANY OTHER ARABS IN THE LAST FEW WEEKS. THERE IS A RISE OF ANTI-WESTERN FEELING IN THE ARAB WORLD WHICH IS LEADING TO RESENTMENT AGAINST THE MODERATE GOVERNMENTS. THE MASS OF ARABS IS BEING WORKED ON. THE U.S. STRIKE ON LIBYA HEIGHTENED THE DEGREE OF ARAB ANTI-WESTERN SOLIDARITY. IN LEBANON THE WEST HAD LOST FACE BOTH WITH THE MNF AND NOW WITH THE UNIFIL EXPERIENCES. THESE THINGS ARE DANGEROUS. AMBASSADOR WALTERS COMMENTED THAT THERE HAD BEEN VIRTUALLY NO ARAB REACTION TO THE APRIL 15 STRIKE AND THERE HAD BEEN NO DEMONSTRATIONS OF ANY IMPORTANCE. CHIRAC SAID THAT DEMONSTRATIONS ARE NOT IMPORTANT; EXPLOSIONS ARE THE REAL DANGER. STANDARDS OF LIVING IN THE ARAB

WORLD ARE DECLINING. ALL THE ARAB COUNTRIES ARE WEAK INCLUDING SAUDI ARABIA, JORDAN, TUNISIA, IRAQ, AND EGYPT. THE PROBLEM IS NOT THE LEADERSHIP, WHICH IS MODERATE; IT IS THE PEOPLE. IRAQ IS A PARTICULAR PROBLEM WHERE FRANCE IS MAKING A SPECIAL EFFORT. FRANCE IS ACCEPTING CONDITIONS ON MILITARY SALES TO IRAQ WHICH IT HAS NEVER ACCEPTED FROM ANYONE ELSE. IT DOES SO BECAUSE IF IRAQ GOES, SO DOES THE ENTIRE





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REGION. TURKEY SHARES THIS CONCERN. BUJON LATER  
EXPLAINED THAT THE FRENCH WERE OFFERING CREDITS FOR  
THE SALE OF MILITARY EQUIPMENT TO IRAQ, SOMETHING THE  
U.S. HAS LONG DONE, BUT NEVER FRANCE.

EGYPT  
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16. TURNING TO EGYPT, CHIRAC SAID THAT THE US MUST  
HELP TO BRING ABOUT A MEXICAN SOLUTION TO THE EGYPTIAN  
FINANCIAL PROBLEM. EGYPT COULD TIP OVER INTO THE  
SOVIET CAMP IN ONE DAY, HE THOUGHT, HAVING MET THAT  
NOON WITH THE EGYPTIAN PRIME MINISTER. THE IMF HAD TO  
HELP. SPANISH FINANCE MINISTER HAD SET OFF A

CONTROVERSY BY SUGGESTING THAT EGYPTIAN ECONOMIC  
POLICY NEEDED TO BE EXAMINED BY THE PARIS CLUB. THIS  
IS TOTALLY UNACCEPTABLE TO THE PROUD EGYPTIANS, GIVEN  
THEIR HISTORY. HE, CHIRAC, HAD ALREADY MADE  
ARRANGEMENTS WHEREBY EGYPT AND THE IMF COULD REVIEW  
THE SITUATION WITHOUT THE APPEARANCE OF A PARIS CLUB  
INSPECTION OF EGYPT. EGYPT WOULD DEAL ONLY WITH ITS  
CREDITORS. TEICHER SAID THAT THE US, TOO, WAS TRYING  
TO MOBILIZE ITS FRIENDS TO BRING ABOUT A MEXICAN  
SOLUTION FOR EGYPT.

ZAIRE  
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17. CHIRAC MENTIONED THAT HE HAD SEEN PRESIDENT  
MOBUTU OF ZAIRE EARLIER THAT DAY AND WOULD BE HAVING  
DINNER WITH HIM LATER THAT EVENING. MOBUTU, NO MATTER  
WHAT ONE THINKS OF HIM, IS THE ONLY PERSON IN ZAIRE  
CAPABLE OF KEEPING THE COUNTRY TOGETHER. AMBASSADOR  
WALTERS AGREED WITH THIS POSITION. CHIRAC ALSO  
PRESSED FOR US FINANCIAL ASSISTANCE FOR ZAIRE WITHOUT  
WHICH ZAIRE WOULD LAPSE INTO ANARCHY. TEICHER SAID

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THAT THE US WAS WORKING HARD ON AID TO ZAIRE AS WELL  
AS TO EGYPT.

SOUTH AFRICAN SANCTIONS  
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18. CHIRAC SAID THAT CHANCELLOR KOHL IN GERMANY IS AGAINST ECONOMIC SANCTIONS AGAINST SOUTH AFRICA. HE ALSO HAD AN ARRANGEMENT WITH MRS. THATCHER IN ENGLAND TO OPPOSE THE SANCTIONS. HOWEVER, FOR REASONS OF EC SOLIDARITY, FRANCE HAD AGREED TO DO AN ABSOLUTE MINIMUM. CHIRAC ADDED THAT MOST OF FRANCE'S GOOD FRIENDS IN BLACK AFRICA ALSO OPPOSE SANCTIONS, BUT CANNOT APPEAR TO BE DOING LESS THAN EUROPE. AMBASSADOR WALTERS SAID THAT FRANCE'S POSITION WOULD BE WELL RECEIVED IN WASHINGTON. HE ASKED CHIRAC PARTICULARLY NOT TO PLACE SANCTIONS ON COAL AND STEEL WHICH PROVIDE SUBSTANTIAL EMPLOYMENT FOR BLACK SOUTH AFRICANS. CHIRAC SAID THAT BOTHA WILL BE IN PARIS ON NOVEMBER 11.

19. COMMENTS: IT HAS BEEN EVIDENT FROM AMBASSADOR WALTERS' CONVERSATIONS IN PARIS, INCLUDING THIS CONVERSATION WITH CHIRAC, THAT THE FRENCH WERE NERVOUS

ABOUT THE POSSIBILITY OF SOME KIND OF US OR US-ENCOURAGED MILITARY ACTION IN CHAD. AMBASSADOR WALTERS UNDOUBTEDLY DISPELLED THIS NERVOUSNESS BY STRESSING THE US DESIRE TO COMPLEMENT, BUT NOT TO REPLACE, THE FRENCH ROLE IN CHAD. WITH RESPECT TO THE ISSUE OF SANCTIONS AGAINST LIBYA, THE FRENCH HAVE BEEN FORTHCOMING EXCEPT ON THE ONE ISSUE OF THE LIBYAN FLEET OF 727S. DESPITE ITS LACK OF RELEVANCE FOR FRENCH SITUATION, WE ALSO THINK THE FRENCH WILL TREAT WELL THE US TEAM DISCUSSING A SYSTEM OF CERTIFICATES TO PREVENT LIBYAN OIL FROM ENTERING THE US. WE THEREFORE ENCOURAGE ITS VISIT HERE.

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20. SEPTTEL FOLLOWS COVERING THE UNIFIL PORTION OF THE  
CHIRAC/WALTERS CONVERSATION.

21. AMBASSADOR WALTERS DID NOT SEE THIS MESSAGE  
BEFORE DEPARTING PARIS. RODGERS

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