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D

THE WHITE HOUSE

WASHINGTON

December 2, 1981

MEETING WITH ROBERT DECHERD

DATE: December 3, 1981

LOCATION: Oval Office

TIME: 4:30 (5 minutes)

FROM: Peter Roussel PR

I. PURPOSE

An opportunity for Robert Decherd, Executive Vice President of The Dallas Morning News, to present the President with a personally inscribed edition of The Texas Almanac.

II. BACKGROUND

Mr. Decherd had requested an opportunity to make a courtesy call on the President and make the presentation of The Texas Almanac. It should be noted that The Dallas Morning News endorsed the President in 1980 and has been highly supportive of the Administration in its editorials. Joe M. Dealey, publisher of the paper, had originally been scheduled to make the presentation but had to cancel due to illness.

III. PARTICIPANTS

Robert Decherd, Executive Vice President, The Dallas Morning News

Carl Leubsdorf, Washington Bureau Chief, The Dallas Morning News

Peter Roussel

IV. PRESS PLAN

White House Photographer

V. SEQUENCE OF EVENTS

After greetings, Mr. Decherd will present The Texas Almanac to the President.

Attachments: Recent editorials of The Dallas Morning News

Burl Osborne, Executive Editor Jim Wright, Editorial Director

14 A Tuesday, November 24, 1981

Presidential Veto:

Reagan Forbids

VETO — the Latin for "I forbid": Two stern words that could have saved the United States considerable misery had they been pronounced often enough in the past.

Here now is Ronald Reagan, wielding the veto power with firmness and extraordinary daring. And what a heartening sight it is.

What Reagan forbade Monday was the operation of all but the most critical federal programs — at any rate until Congress got serious about whittling spending down to the level he wants. Congress quickly got at least semi-serious, agreeing to a less costly spending proposal, effective until Dec. 15.

For such a move as Reagan's there are no precedents. No chief executive within memory has vetoed a continuing resolution, whereby the funding of government programs is assured until Congress can bestir itself and pass the necessary appropriations bills.

The Reagan veto sends two important messages. The first is that, in this matter of budgetary restraint, the President will not be trifled with. The second is that the deficit will not be closed with tax increases, as many congressmen on both sides of the aisle would like. Rather, the President means to hold the line on spending until his tax cuts begin to take hold and the economy starts pulling out of the recession.

The delivery of these two messages is in fact more crucial than the dollar amounts at issue. The vetoed bill was a compromise whereunder total spending was reduced about 2 percent across the board. By exposing a greater number of programs to the knife, Democrats claimed that just as much money would be cut as Reagan had wanted.

Never mind. Reagan's veto is not only proper but useful. Again and again congressmen have leaned on the stop-gap funding bill as a means of spending more without actually passing the relevant appropriation. Thus spending got locked in at the higher level. The Reagan veto says this kind of fun and games is out.

The veto is among any president's sharpest weapons, and it is good to see it brandished by a president whose demonstrated skills have been mostly confined to rhetoric and persuasion. The Congress will now know that Ronald Reagan means to hang tough on spending — come to think of it, like his most recent Republican predecessor did.

Sixty-one times Gerald Ford wielded the veto; 12 times he was overridden — something that won't happen to Reagan, who has many more Republican troops than did Ford. Forbidding the enactment of costly spending bills, Ford helped prune inflation from more than 12 percent to less than 5 percent by the time he left office.

We all know what's happened since then, and it isn't pleasant. That's why one is glad to see Reagan throwing his weight around, even if it's as much for symbolic as for substantive purposes. Maybe Congress' big spenders are finding out at last what they are up against.

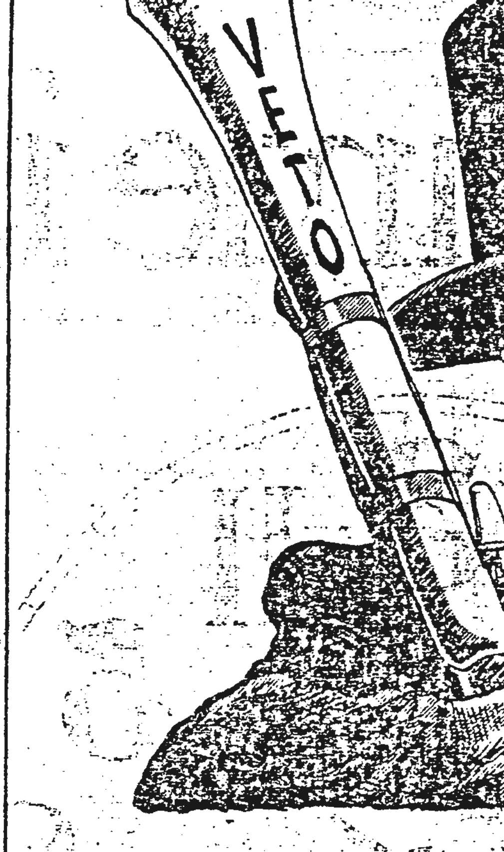
Police Assessment:

A Promising Idea

One of the new ideas that sprang out of the City Council's brainstorming retreat over the weekend offers one way to improve police protection.

The idea is for a special, 1-time police "tax" to help cover the cost of bringing the Dallas police force up to

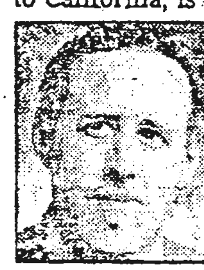
If there are tangible ways to translate the money into a more effective police force, then it is possible a non-binding straw vote could be added to an upcoming bond measure. Voters then could indicate if they would be willing to pay a separate assessment to pro-



To Tell th

By William Murchison
Associate Editor

PHILIP Nicolaides, who used to ply the political PR trade in Dallas before moving on to Houston and later to California, is in trouble with



the *Washington Post* and, therefore, presumably, with other spokesmen for popular enlightenment.

This is because Nicolaides, the new head of commentary and analysis for the Voice of America, has a novel idea. He thinks the Voice really should speak for America — trumpeting America's successes and, what necessarily will consume even more air time, the Soviet Union's failures.

Incensed that a propaganda forum might be used for propaganda purposes, the *Post* grumps that Nicolaides hasn't been fired for his presumption: Thereby underscoring how much Ronald Reagan has to teach the city in which he now dwells.

IT ISN'T enough that Reagan must teach basic economics — the uses of freedom, incentives and all that. He has to demonstrate that truth can be — must be — put in harness by a nation determined to preserve its liberties against implacable enemies.

"Propaganda" is a word that Dr. Goebbels spoiled for all time, nor does Nicolaides himself mean to rehabilitate it. The United States needn't lie, as did the Nazis for a dozen years, as do the Soviets still. There is no need for lies, even if they

Reagan Speech:

On the Offensive

THE President's internationally broadcast speech on nuclear-arms reduction was more than a brilliant rhetorical performance — it was a brilliant tactical stroke that puts the Soviet Union squarely on the spot.

The President has told the Soviets, who have been proclaiming their peaceful intentions everywhere — even the Harvard campus — to put up or shut up. Of course the message is phrased much more diplomatically than that.

Still, that is what it comes to: If the Soviets want to ease the likelihood of nuclear war, then let them, acting in concert with us, take meaningful steps toward that end.

Let them first of all dismantle their SS20, SS4 and SS5 missiles, which, though positioned in Soviet territory, can hit anything in Western Europe or North Africa. In return, the United States will call off the planned deployment of Pershing and cruise missiles in five European countries.

Then let the Soviets join us in talks specifically aimed at achieving "substantial reductions in (strategic) nuclear weapons." Let them likewise work with us to reduce conventional forces in Europe and to prevent the possibility of an accidental holocaust.

Plainly the Reagan speech puts the United States on the offensive — so to speak. A generous offer to walk the way of peace has come from the White House. The intellectual resources of the Kremlin's whole propaganda apparatus will be strained by the search for convincing ways to show up Reagan as a deceitful warmonger.

What will be at least as interesting as watching the Soviets squirm is observing the reactions of the nuclear disarmament movement, both here and in Western Europe. The Reagan speech provides a means of separating the wheat from the chaff — the sincerely peaceful, who will see the Reagan speech as responsive to their concerns, from the Soviet-leaning agitators, who view Washington, not Moscow, as the problem.

By speaking as he has done, the President has scored what doubtless can be called a propaganda victory.

To be sure, much more than propaganda — namely, peace — is at stake here; which means that the Reagan proposal must be examined in practical as well as symbolic terms. Here again there is cause for praise and hope. The most important item on the President's agenda is reducing strategic, intercontinental weaponry.

SALT II would have reduced our share of such weaponry without much affecting the larger Soviet share. The President recognizes that for arms talks to mean anything there must be mutual and balanced reductions. The Soviets will kick about this, but Reagan has made plain the terms on which America can afford to talk.

So, says the President, let's talk. His speech is a first-rate point of departure for a journey incalculably urgent to the world.

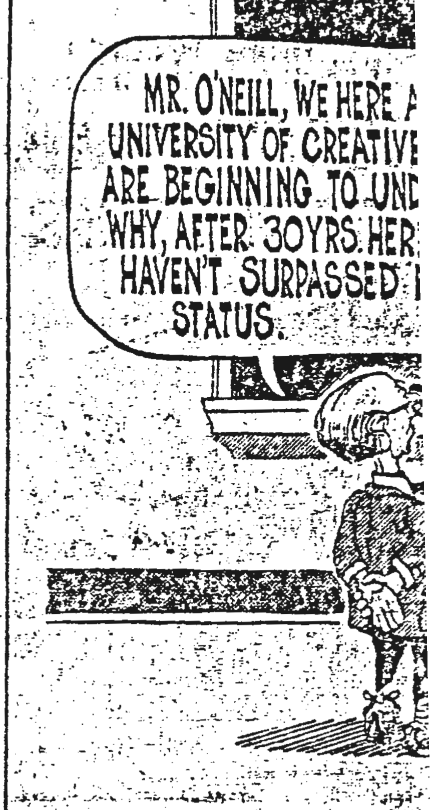
The Washington Follies:

Old Boys Strike Back

Time will tell whether someone's out to get Alexander Haig and whether David Stockman has irretrievably ruined himself. The Justice Department will advise us whether Richard Allen, the national security adviser, solicited an honorarium for arranging an interview with Nancy Reagan.

What we're trying to figure out in the meantime is whether the gossip mills in ... administration and its policies by making it appear that the Reaganauts don't know what they are doing.

This isn't so odd when you think about it. What Reagan has challenged is the Washington old-boy network — the politicians, civil servants, academics, think-tankers, pundits and so forth who can't believe the American people really want a change of national



Disarmi

By William Murchison
Associate Editor

THUNDEROUSLY building to his historic demand — "Give me liberty or give me death" — Patrick Henry set forth the contemporary state of Anglo-American relations. "Men cry peace," said Henry, "when there is no peace."

So it was in 1775. So it is in 1981. Not that the nuclear disarmament movement has condescended to notice.

The other day, as if time had lurched backward and it were the '60s all over again, a couple of thousand women marched on the Pentagon, demanding that their government arrest the nuclear arms race. Sixty-two of the women were arrested instead.

MEANWHILE, in New York City, the Riverside Church (the Rev. William Sloane Coffin, senior minister) was putting on a nuclear disarmament conference. Here the struggle against any buildup of the American nuclear arsenal was described by one enthusiastic delegate as "a battle for the soul of humanity."

The disarmament movement is by no means exclusively American. Large, and growing, European chapters exist. The movement's goals are noble and lofty. They may even become believable one day — the day on which the Rev. William Sloane Coffin, a chanting, whooping crowd at his back, tramps down to the Soviet embassy in Washington, demanding of the totalitarian superpower no more, no less, than is demanded of the

A Wiser C

The Dallas Morning News

Burl Osborne, Executive Editor Jim Wright, Editorial Director

14 A Tuesday, November 10, 1981

Reaganomics:

The Gloom Lobby

ELSEWHERE on this page, Dr. Arthur A. Smith decries the tendency of those who helped make our economic mess — namely, the high priests of federal spending programs and deficits — to belabor and bedevil those trying to clean up the mess — namely, the apostles of Reaganomics.

In political terms, the bedevilment is understandable. The high priests, being out of power, want back in and so, at every opportunity, must lay into those who now wield the power.

In economic terms, which one might suppose were of more immediate importance, the ongoing assault on the Reagan program is crude, cynical and ultimately harmful to hopes for recovery. Not a few Democrats of the Tip O'Neill stamp, including Tip O'Neill himself, seem delighted when recovery fails to blow in on the next breeze.

Thus the speaker, addressing the Fordham Business Conference the day that 8 percent unemployment hit the headlines, called the recession "a deliberate and conscious policy of this administration."

And what would Democrats do to address problems that suppurated while Democrats controlled the presidency and both houses of Congress? O'Neill promised "reasonable, modest and flexible" programs — without saying what they were. The speaker did strike a modestly penitential note. "I assure you," said he, "we are ready to do things differently than we have done them in the past." A sigh must have run through the minds of many listeners: "Let's hope so."

The doomsaying of the O'Neillocrats makes Ronald Reagan's task harder than it need be. For instance, it can't do much for the stock or bond markets, which depend on buyers' expectations, when the nation is assured that not only isn't prosperity around the corner — there isn't even any corner.

The panic of the Republicans in Congress, and all the self-defeating talk they have generated about raising taxes, is due to fears that next year at the polls the O'Neillocrats will bludgeon them.

Yet there is ample cause for hope. A recent survey by *Fortune* magazine says that the Reagan program of tax and spending cuts makes 90 percent of business executives more optimistic. The executives don't doubt that recovery is coming; about half see it coming in the first six months of 1982, the other half in the second six.

Such a forecast is conditioned on the cost of money starting to fall. And, lo, the prime rate is down to 17 percent. On the day that joblessness was disclosed to have reached 8 percent, the basic money supply was shown to have dropped by $3.3 billion. The economy continues to cool, and with it the fierce inflation that got interest rates up in the first place.

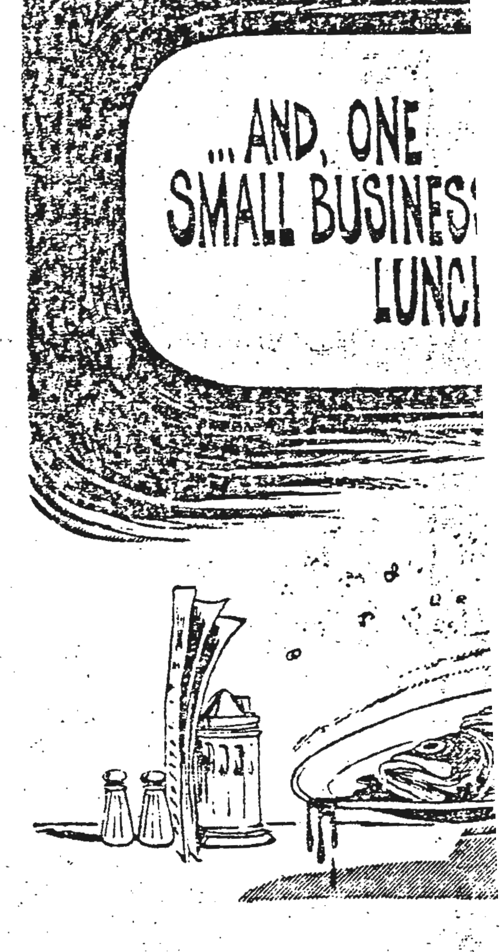
The recession that inspires Tip O'Neill to such flights of oratory may be here: just in time for next year's tax cuts to start reviving it, and for housing and car sales to turn upward if the cost of borrowing slips still more.

Not even a White House speech writer would suggest that from here on out everything's going to be swell. Clearly it won't be swell again for a long time, so deeply rooted are our problems. But things aren't half so bleak as depicted by the O'Neillocrats, who, incidentally, should watch their language. If they are staking their careers on the collapse of Reaganomics, they could be in for a shock.

City Vehicles:

A Bunch of Clunkers

To believe the mainte- even more horror stories



Down W

By William Murchison
Associate Editor

LET us begin at the melancholy beginning. The energy crisis started in 1954 with the imposition of federal price controls on interstate natural gas, in accordance with a U.S. Supreme Court decision.

Price controls meant cheaper gas, which meant higher and higher consumption — but not bigger and bigger gas discoveries, because the controls deflected drilling capital to markets where greater economic return could be had; that is, markets without price controls.

A thundering discrepancy soon arose. In the interstate market, where controls were in effect, gas shortages began to crop up. But where gas stayed in the state that produced it, and so fetched whatever price it could, supplies were abundant.

Here was a textbook case in the workings of the free marketplace. You would suppose that by now we might have profited mightily from such a lesson. But you would be only partly right.

IN 1978, Congress and President Carter were forced to throw their anti-energy producer rhetoric into reverse. The hard evidence showed that unless gas prices were straightway decontrolled, gas supplies would soon become critically short.

The deed was done, but grudgingly. The lawmakers decided that controls would be shucked slowly over seven

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Editorials

The Dallas Morning News

Burl Osborne, Executive Editor   Jim Wright, Editorial Director

20 A   Wednesday, November 4, 1981

National Defense:

Building the B1

LAUNCHED from a White House rostrum just a month ago, the B1 bomber already is encountering heavy flak as it tries to penetrate the fog of Congress.

The President proposes building 100 B1s to replace aging B52s, thus undoing Jimmy Carter's 1977 decision to kill the B1 program aborning. The B1s would come into service in 1987. Then, in the early 1990s, along would come the "stealth" bomber, the so-called "invisible" aircraft. Thus the third leg of the strategic triad — ground-, air- and sea-launched missiles — would be rendered as sturdy as the others, if not in fact sturdier.

But money is starting to overshadow the B1 debate, as it overshadows nearly everything in Washington these days. Costs for the B1 program are rising — from $19.7 billion last spring to $20.5 billion, owing to plans for improved equipment. Defense Secretary Weinberger himself acknowledges that inflation will drive costs still higher.

Senators on both sides of the aisle accordingly have declared or hinted that the nation cannot afford both the B1 and the "stealth" bomber. Senate Republican whip Ted Stevens quotes approvingly a CIA study showing that B52s, fitted with cruise missiles, could effectively do the B1's work. A major struggle could be in the making. And what a dreary prospect that is.

The B1 bomber program should have been cranked up four years ago. Here we are with a second chance to strengthen, in the near as opposed to the distant future, our capability to deter nuclear war. And some lawmakers waffle.

Well, it won't do. The "stealth" concept is a splendid one, and clearly we must embrace it. But what happens while we wait for "stealth" planes to come on line in the early '90s? The B52, excellent plane as it is, dates back to 1962. The B1 is designed to fly lower; its contours present less of a target for Soviet missiles; it can get off the ground more quickly in case of Soviet attack.

The Air Force protests that the CIA report cited by Sen. Allen is outdated — that the B1, as presently designed, is even less visible to radar than previously.

The B1 is expensive? Yes, to be sure; but here is an arresting statistic: In 1976 we could have built 244 B1s for $20 billion, which as we say is the understated cost of 100 today. The longer we put off needed programs, the more expensive they get.

Alas, putting off such programs has become a habit with Americans in the past 15 years. As the Pentagon's share of the budget has shrunk steadily, so has this country's ability to warn off or repel its enemies. However formidable-seeming, $20 billion is one-thirty-fifth of a $700 billion budget. It is little enough, one would think, to help get America's defenses up to snuff after a decade of neglect and decline.

Why not build the B1 and "stealth" *both*, when the choice is your money or your life?

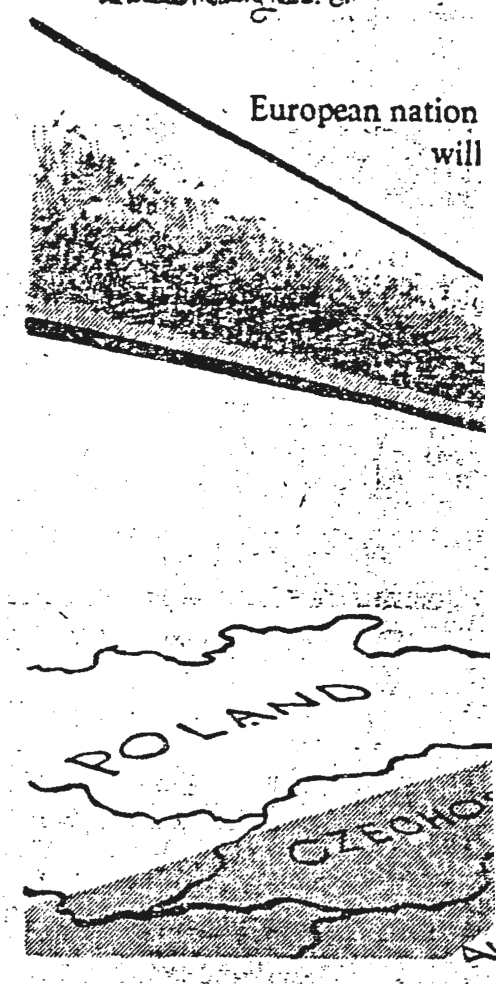
Leonid Brezhnev:

Soviet Sweet Talk

Soviet President Leonid Brezhnev has been busily polishing his nuclear double-talk routine, that is, promising anything that suits Soviet purposes. Over the weekend, Brezhnev promised that West Ger-

In other words, the Soviet leader is asking the West Germans to drop their defensive weapons and trust the Soviet Union not to use the missiles aimed at them.

The Dallas Morning News '81



The POW

By Rena Pederson
Editorial Staff Writer

THE hotel ballroom was hushed and emotion hung in the air as the Navy officer tapped out a message on the wooden lecturn.

Tap. Tap tap. Taptaptaptaptap.

Capt. Jerry Coffee, a prisoner of war for seven years and nine days in Hanoi, was dramatically demonstrating the famous tap code the American prisoners used to communicate through their prison walls.

He told the Dallas conventioneers how the POWs memorized the names of all 450 prisoners and recounted them each day, in case one was freed and could account for the others. They shared Bible verses, like the 23rd Psalm. And they memorized poetry, tapping out each word, each line, one stanza a day.

"THERE WAS one guy whose mom had forced him to learn a new poem every Thanksgiving and he passed them to us through the walls. We learned *Gunga Din*, the Shakespearean sonnets, Alfred Noyes' *The Highwayman*. We'd get one verse a day and it was like the suspense of watching soap operas. We could hardly wait until the next day to find out what Bess the innkeeper's daughter would say to the highwayman," Coffee recalled

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THE WHITE HOUSE

WASHINGTON

December 2, 1981

PHOTO OP WITH COLLEGE REPUBLICAN NATIONAL COMMITTEE EXECUTIVE COMMITTEE
DATE: December 3, 1981
LOCATION: Oval Office

FROM: A. Morgan Mason

I. PURPOSE

The College Republican National Committee is currently putting together a brochure for distribution to campuses and would like to include this picture in the brochure.

II. BACKGROUND

The College Republican National Committee is an arm of the Republican National Committee and is mobilized in an effort to attract college-aged voters to participate in the Republican Party.

III. PARTICIPANTS

Jack Abramoff, Chairman
Grover Norquist, Executive Director

Also attending, A. Morgan Mason from the Political Affairs office.

IV. PRESS PLAN

No press coverage. White House photographer.

RR

THE WHITE HOUSE

WASHINGTON

December 2, 1981

DROP-BY AT MEETING OF MANAGING EDITORS

DATE: Thursday, December 3, 1981
LOCATION: The Roosevelt Room
TIME: 3:50 p.m. (10 minutes)
FROM: Karna Small KS

I. PURPOSE:

To greet some 40 Managing Editors of newspapers (with circulation over 50,000), make a few remarks about the economy and current budget battle with the Congress, and answer a few questions. The group is scheduled to arrive at 3:00. They will be briefed on our communications operations by Dave Gergen and Karna Small. At 3:30, Ed Meese and Jim Baker will join the group and take questions on a variety of subjects (we anticipate most interest in the economy, federalism and perhaps some local issues).

II. BACKGROUND:

This group is in town attending a seminar sponsored by the American Press Institute, a non-profit organization which conducts seminars and workshops for the print media. During this Seminar which lasts several days, the group will have heard sessions on "Business & Economic Coverage", "Improving Sports Coverage", "Ethics and Credibility" and just before they come to the White House, they will have a session on "The Newsroom Budget and Cost Control." (they have budget problems too).

III. PARTICIPANTS

The President
Edwin Meese
James Baker
Karna Small
Plus 39 Managers (see Attached list) - Note that there are many from California, 6 from Canada and one from Brazil.

IV. PRESS PLAN

White House Photographer

V. SEQUENCE OF EVENTS

You will enter the Roosevelt Room and then either standing, or sitting at the Conference table, make a few remarks and answer a few questions.

VI. REMARKS

See attached - Tab B

TAB A

BRIEFING

FOR

MEMBERS OF THE AMERICAN PRESS INTITUTE

December 3, 1981

ALABAMA

David W. Brown
Birmingham Post-Herald
Birmingham, Alabama

Kenneth M. Hare
The Montgomery Advertiser
Montgomery, Alabama

CALIFORNIA

Ernest E. Hines
The Daily Review
Hayward, California

John P. Lindsay
Los Angeles Herald Examiner
Los Angeles, California

John D. Dix
Los Angeles Times-Washington Post
News Service
Los Angeles, California

Henry M. Freeman, Jr.
Oakland Tribune
Oakland, California

Michael J. Parman
Sacramento Bee
Sacramento, California

Peter K. Bhatia
San Francisco Examiner
San Francisco, California

DELAWARE

J. Taylor Buckley, Jr.
The Morning News & Evening Journal
Wilmington, Delaware

DISTRICT OF COLUMBIA

Charles W. Hucker
Congressional Quarterly Weekly Report
Washington, D. C.

FLORIDA

Earl R. Maucker
Fort Lauderdale News
Fort Lauderdale, Florida

Richard T. Allport
The Florida Times-Union
Jacksonville, Florida

Stephen K. Sink
The Miami Herald
Miami, Florida

LOUISIANA

James D. Buchanan
State Times
Baton Rouge, Louisiana

MASSACHUSETTS

Peter A. Stilla
The Boston Globe
Boston, Massachusetts

David H. Humphrey
Morning Union/Sunday Republican
Springfield, Massachusetts

John P. Widdison
Worcester Telegram
Worcester, Massachusetts

MICHIGAN

James F. Vesely
The Detroit News
Detroit, Michigan

MINNESOTA

Stephen E. Ronald
Minneapolis Tribune
Minneapolis, Minnesota

MISSOURI

Keith W. Chrostowski
The Kansas City Times
Kansas City, Missouri

NEW YORK

Clifford C. Hebard
Herald-Journal
Syracuse, New York

OHIO

Richard W. Otte
Columbus Dispatch
Columbus, Ohio

John B. Tillson, Jr.
Dayton Daily News
Dayton, Ohio

Dave C. Wohlfarth
Dayton Journal Herald
Dayton, Ohio

OREGON

Peter Thompson
Oregon Journal
Portland, Oregon

PENNSYLVANIA

James L. Tripodi
Beaver County Times
Beaver, Pennsylvania

RHODE ISLAND

Mark Silverman
Providence Evening Bulletin
Providence, Rhode Island

TEXAS

Paula Moore
The El Paso Times
El Paso, Texas

WASHINGTON

Joann K. Byrd
The Herald
Everett, Washington

BRAZIL

Paulo H. Amorim
Jornal do Brasil
Rio de Janeiro

CANADA

Kevin B. Peterson
The Calgary Herald
Calgary, Alberta

E. Neville Le Capelain
London Free Press
London, Ontario

Robert L. Hughes
Leader-Post
Regina, Saskatchewan

Shirley Sharzer
The Globe and Mail
Toronto, Ontario

Eric O'Higgins
The Providence
Vancouver, British Columbia

Alex MacGillivray
Vancouver Sun
Vancouver, British Columbia

AMERICAN PRESS INSTITUTE

John G. Finneman
Associate Director

Donald E. Lippincott
Associate Director

Elwood M. Wardlow
Associate Director

TALKING POINTS TAB B

--Welcome - it's nice to see such a cross-section of the country represented here today - with a large representation from my home state of California (6).

--I'm sure you all have been well-briefed by Ed Meese and Jim Baker on many issues, but there is one issue that I'd like to emphasize today and that is our commitment to control this federal budget which is fast getting out of hand!

--The December 15th expiration date for the present Continuing Resolution is approaching quickly -- we are continuing our work with the leadership in both the House and Senate to finalize the fiscal '82 appropriations -- but as I've said many times, we are into the second month of the second year with no real budget in place -- and you all know that in your own states, you simply can't operate in that manner!

--But I am hopeful that we CAN control spending -- we are already seeing some hopeful signs on the economic front:

..the inflation rate, as measured by the CPI, has fallen from 12.4% in 1980 to 9.6% in the first ten months of this year (and last month's rate was just 4.4%)

..wholesale prices are encouraging -- with a rise of only7.5% (compared to 11.8% in 1980)

..and then there are interest rates...they've also begun to drop - the prime rate has reached a 12 month low.

--Yes, we are encouraged, but we still have a long way to go - just let me emphasize that we ARE committed to holding the line, sticking with our program and making it work for all Americans!

Now I'd be glad to answer a few questions - but I do have a meeting in just a few minutes.

UNPUBLISHED
December 2, 1981
5:00 pm

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT'S SCHEDULE
Thursday, December 3, 1981

9:00 am (30 min)	Staff Time (Baker, Meese, Deaver)	Oval Office
9:30 am (15 min)	Senior Staff Time	Oval Office
9:45 am (45 min)	Personal Staff Time	Oval Office
10:30 am (15 min)	Dropby Meeting of President's Commission on Housing (Martin Anderson) (TAB A)	Cabinet Room
11:00 am (30 min)	Personal Staff Time	Oval Office
11:30 am (20 min)	Dropby Meeting with Presidents and Executive Directors of State Municipal Leagues and County Associations (Richard Williamson) (TAB B)	East Room
12:00 m (60 min)	Lunch with the Vice President	Oval Office
1:00 pm (60 min)	Reader's Digest Interview (TAB C) (provided here separately)	Oval Office
2:00 pm (30 min)	Executive Intelligence Order Briefing (Admiral Nance)	Oval Office
2:30 pm (60 min)	National Security Meeting (Admiral Nance) (distributed separately)	Cabinet Room
4:00 pm (30 min)	Pendleton James	Oval Office
4:30 pm (5 min)	Courtesy call by Robert Decherd of The Dallas Morning News (Larry Speakes) (TAB D)	Oval Office
4:35 pm (5 min)	Photo with College Republican National Committee Representatives (Lyn Nofziger) (TAB E)	Oval Office
5:00 pm (30 min)	Staff Time (Baker, Meese, Deaver)	Oval Office
5:30 pm	To the Residence	Residence

A

THE WHITE HOUSE

WASHINGTON

December 2, 1981

MEETING WITH HOUSING INDUSTRY LEADERS
DATE: Thursday, December 3, 1981
LOCATION: Cabinet Room
TIME: 10:30 a.m. (15 minutes)

I. PURPOSE

Announcement by the President of changes in ERISA regulations to permit construction-oriented pension funds to invest in residential mortgages and to provide greater freedom for all pension funds to invest additional monies in housing.

These actions, recommended by the President's Commission on Housing in its Interim Report to the President of October 30, 1981, are being taken by the Department of Labor.

II. BACKGROUND

The impact of current economic conditions on the housing industry is severe. Housing starts are at an all-time low. The ability of construction-oriented pension funds to invest in housing will represent a new and very important source of funds for the industry.

This event provides the President with the opportunity to personally identify with these regulatory changes in response to the recommendations of his national Housing Commission. Moreover, in announcing these changes, the President demonstrates his concern about the difficulties the housing sector is experiencing through positive deregulatory action by his Administration.

III. PARTICIPANTS

The President
Secretary Donovan
Secretary Pierce

ATTENDEES

National Association of Home Builders

Fred Napolitano, President Elect
David Stahl, Executive Vice-President
Robert Bannister, Senior Staff Vice-President, Government Affairs

National Association of Realtors

Al Abrams, Senior Vice-President, Government Affairs

U.S. League of Savings Associations

Rollin Barnard, Past Chairman
Rick Hohlt, Assistant Vice-President, Government Affairs

Mortgage Bankers of America

Mark Reidy, Executive Vice-President

Labor

John T. Joyce, President International Union of Bricklayers and Allied Crafts

Housing Commission

William F. McKenna, Chairman
Carla A. Hills, Vice-Chairman
Gordon C. Luce, Chairman, Housing Finance Task Force

Mayor Richard Carver
Gary Brown
Kent Colton
Bernard Carl
Maurice Mann
Preston Martin
Bernard Siegan
George Shafran
Kenneth Thygerson

IV. PRESS PLAN

Small White House Press Pool

White House Photographer

V. SEQUENCE OF EVENTS

The President will be seated at Cabinet Table between Secretaries Donovan and Pierce.

At the conclusion of the President's remarks, he will introduce Secretary Donovan for a few words, followed by Secretary Pierce.

B

THE WHITE HOUSE

WASHINGTON

December 2, 1981

DROP-BY BRIEFING FOR PRESIDENTS AND EXECUTIVE DIRECTORS OF STATE MUNICIPAL LEAGUES AND COUNTY ASSOCIATIONS

Thursday, December 3, 1981

9:00 - 11:50 a.m.

(You will drop by at 11:30 - 11:50 a.m.)

East Room

I. PURPOSE

To brief approximtely 150 Executive Directors and Presidents of state municipal leagues and county associations on the Administration's Federalism policy, the 1983 budget, and other issues of concern to cities and counties.

II. BACKGROUND

The White House Office of Intergovernmental Affairs has arranged briefings for over 1,200 state and local officials over the past ten months. These briefings have produced support for the President's programs. Local officials have a strong interest in the Administration's policies and their impact on counties, cities and towns.

Attached are suggested Talking Points. Also attached is a description of the current debate with respect to Community Development Block Grant (CDBG) and Urban Development Action Grant (UDAG) to prepare you for the questions you will most likely receive on that subject.

III. PARTICIPANTS

The Vice President
Secretary Richard Schweiker
  Department of Health and Human Services
Chairman Murray Weidenbaum
  Council of Economic Advisors
Deputy Secretary Darrell Trent
  Department of Transportation
Deputy Undersecretary June Koch
  Department of Housing and Urban Development
Richard S. Williamson

150 Presidents and Executive Directors of state municipal leagues and county associations

V. <u>SEQUENCE OF EVENTS</u>

9:00 - 9:05 a.m.	Richard S. Williamson welcomes the group.
9:05 - 9:30 a.m.	Deputy Undersecretary June Koch makes remarks on the HUD budget, CDBG, housing programs.
9:30 - 10:00 a.m.	Secretary Schweiker makes brief remarks on HHS programs and the block grants.
10:00 - 10:30 a.m.	Deputy Secretary Trent makes brief remarks on DOT programs and FY 83 budget outlook.
10:30 - 11:00 a.m.	Murray Weidenbaum makes brief remarks on the state of the economy and the Administration's economic policy.
11:00 - 11:30 a.m.	The Vice President arrives and makes remarks on regulatory relief.
<u>11:30</u>	<u>You will arrive and make brief remarks. (See Attachment I -- Talking Points.)</u>
	<u>Q & A</u>
<u>11:50</u>	You may leave
	Meeting adjourned.

VI. <u>ATTACHMENTS</u>

1) Suggested Talking Points
2) CDBG and UDAG

Attachment II

CDBG and UDAG

On Tuesday, December 1, 1981, there was a leak about the OMB proposal to eliminate the Community Development Block Grant (CDBG) and Urban Development Action Grant (UDAG) programs in fiscal year 1984. Attached is an article from the December 2, 1981 Washington Post on the subject. For your information, Senator Jake Garn (R-Utah), who is Chairman of the Senate Banking Committee has said he thinks this proposal is "stupid" and Secretary Sam Pierce has said he is going to fight to continue CDBG and UDAG.

Be careful that you don't get trapped into taking a position on the subject one way or another.

WASHINGTON POST

December 2, 1981

New Cuts Reported for Cities, Housing

By Spencer Rich
and Herbert H. Denton
Washington Post Staff Writers

The Office of Management and Budget is seeking to kill the government's largest aid program for cities and drastically cut back the third-largest and now fastest-growing federal welfare program, subsidized housing for the poor, sources in and out of government said yesterday.

The housing program might be supplanted in part by a new and smaller system of housing vouchers, sources said.

The contemplated cuts are certain further to aggrieve city and state officials upset by the cuts in aid the Reagan administration already has made.

To placate and to compensate cities for at least part of their loss, Richard Williamson, head of White House liaison with cities and states, said in an interview during a meeting of the National League of Cities in Detroit that the administration probably would not seek to phase out the $4.6 billion general revenue sharing program for local governments as once threatened, and in fact might move to increase it somewhat.

The possible urban and housing budget cuts are the latest in a series surfacing in recent days as the administration has refined its forthcoming budget for fiscal 1983. Administration officials have made it clear that this will involve further large spending cuts, mostly in domestic programs, in an effort to hold down a 1983 deficit that many experts now think will exceed $100 billion.

The political problems this may cause the administration became clear at the League of Cities meeting. The predictable criticism came from Democrats; New York Mayor Edward I. Koch attacked "the sham and shame of the new federalism," which he said "imperils the cities

See CITIES, A12, Col. 1

and is wholly lacking in realism and responsibility."

But Republicans were also critical. Guest speaker Mark O. Hatfield (R-Ore.), chairman of the Senate Appropriations Committee, criticized the administration for cutting domestic programs while increasing defense. And the most stinging criticism of the day came from Vermont Gov. Richard Snelling, a Republican and chairman of the National Governors Association.

"Frankly, I think that what is happening is that we are having an economic Bay of Pigs," Snelling said. "What is happening is that . . . we get tax cuts, which pleases the supply siders. We get budget cuts, which pleases the monetarists. We get dribs and drabs of federalism and we talk about it a lot, which appeases the federalists, and we sure are whacking away at the substance of government . . . The problem with this potpourri is that it is in fact not an economic policy. Any of the above would be an economic policy. What we have is not an economic policy."

Snelling appealed to the assembled officials to join the governors in seeking an economic summit with the president to discuss budget cuts.

While Snelling was speaking in Detroit, the U.S. Conference of Mayors reported here that OMB Director David A. Stockman had notified the Department of Housing and Urban Development that he wants to phase out by 1984 the existing program of community development block grants and a companion program of urban development action grants. He has also told the department he wants to provide authority in fiscal 1983 for no new subsidized housing units for the poor.

In recent years, the number of new units authorized annually for these programs for the poor, which include the so-called Section 8 program and public housing, has been running at more than 200,000. In fiscal 1982, the Republicans cut this, but only to about 150,000. The housing programs are expected to cost nearly $10 billion in fiscal 1983, behind only Medicaid and food stamps for the poor.

Neither HUD nor OMB would comment on the contemplated cuts. The Stockman proposal is not final; HUD Secretary Samuel R. Pierce Jr., said to be angry over the proposal, has the right to appeal to the president, who plans to hold a series of budget meetings with Cabinet officers starting this week.

Sources said Stockman wants to reduce the community and urban development grant programs from the $3.6 billion authorized in fiscal 1982 to $2.4 billion in 1982, $1.2 billion in 1983 and eliminate new budget authority altogether starting in fiscal 1984.

Sources said Stockman wants to cancel some of the 150,000 new subsidized housing units Congress voted for this year, then eliminate all new authorizations for the low-income units in fiscal 1983, reversing two generations of federal housing policy. Other sources said a handful of new units might be funded in fiscal 1983. HUD's own request for fiscal 1983 was for an added 100,000 to 144,000 units.

In place of the existing programs, Stockman reportedly is considering giving large numbers of low-income households, perhaps as many as 200,000, vouchers worth small amounts of money which they could apply against their rents. This idea has been put forward by the president's advisory committee on housing as less costly and otherwise preferable to existing subsidies, which commit the government to keep up payments over periods of 15 years or more.

C

THE WHITE HOUSE

WASHINGTON

December 2, 1981

MEETING WITH EDITORS OF READER'S DIGEST

DATE: December 3, 1981
LOCATION: Oval Office
TIME: 1:00 p.m. (60 minutes)

FROM: Larry Speakes
Peter Roussel

I. PURPOSE

To meet with editors of Reader's Digest to answer questions on foreign and domestic issues. Also an opportunity to discuss accomplishments of the Administration of past year.

II. BACKGROUND

This session will be used for an article to be printed in the February edition of Reader's Digest. It should be noted that Reader's Digest has the world's largest circulation.

III. PARTICIPANTS

Edward T. Thompson, Editor-in-Chief
Kenneth O. Gilmore, Managing Editor
William Schulz, Washington Editor
Antonio Rodriguez Villar, Editor-in-Chief,
  Latin American editions (Mexico City)
Ko Shioya, Editor,
  Japanese edition (Tokyo)
Larry Speakes
Peter Roussel

IV. PRESS PLAN

White House Photographer

V. SEQUENCE OF EVENTS

After introductions, a sixty-minute question and answer session will begin.

Attachments: Possible Q&A's

D

THE WHITE HOUSE

WASHINGTON

December 2, 1981

MEETING WITH ROBERT DECHERD
DATE: December 3, 1981
LOCATION: Oval Office
TIME: 4:30 (5 minutes)

FROM: Peter Roussel PR

I. PURPOSE

An opportunity for Robert Decherd, Executive Vice President of The Dallas Morning News, to present the President with a personally inscribed edition of The Texas Almanac.

II. BACKGROUND

Mr. Decherd had requested an opportunity to make a courtesy call on the President and make the presentation of The Texas Almanac. It should be noted that The Dallas Morning News endorsed the President in 1980 and has been highly supportive of the Administration in its editorials. Joe M. Dealey, publisher of the paper, had originally been scheduled to make the presentation but had to cancel due to illness.

III. PARTICIPANTS

Robert Decherd, Executive Vice President, The Dallas Morning News

Carl Leubsdorf, Washington Bureau Chief, The Dallas Morning News

Peter Roussel

IV. PRESS PLAN

White House Photographer

V. SEQUENCE OF EVENTS

After greetings, Mr. Decherd will present The Texas Almanac to the President.

Attachments: Recent editorials of The Dallas Morning News

Burl Osborne, Executive Editor   Jim Wright, Editorial Director

14 A   Tuesday, November 24, 1981

Presidential Veto:

Reagan Forbids

VETO — the Latin for "I forbid": Two stern words that could have saved the United States considerable misery had they been pronounced often enough in the past.

Here now is Ronald Reagan, wielding the veto power with firmness and extraordinary daring. And what a heartening sight it is.

What Reagan forbade Monday was the operation of all but the most critical federal programs — at any rate until Congress got serious about whittling spending down to the level he wants. Congress quickly got at least semi-serious, agreeing to a less costly spending proposal, effective until Dec. 15.

For such a move as Reagan's there are no precedents. No chief executive within memory has vetoed a continuing resolution, whereby the funding of government programs is assured until Congress can bestir itself and pass the necessary appropriations bills.

The Reagan veto sends two important messages. The first is that, in this matter of budgetary restraint, the President will not be trifled with. The second is that the deficit will not be closed with tax increases, as many congressmen on both sides of the aisle would like. Rather, the President means to hold the line on spending until his tax cuts begin to take hold and the economy starts pulling out of the recession.

The delivery of these two messages is in fact more crucial than the dollar amounts at issue. The vetoed bill was a compromise whereunder total spending was reduced about 2 percent across the board. By exposing a greater number of programs to the knife, Democrats claimed that just as much money would be cut as Reagan had wanted.

Never mind. Reagan's veto is not only proper but useful. Again and again congressmen have leaned on the stop-gap funding bill as a means of spending more without actually passing the relevant appropriation. Thus spending got locked in at the higher level. The Reagan veto says this kind of fun and games is out.

The veto is among any president's sharpest weapons, and it is good to see it brandished by a president whose demonstrated skills have been mostly confined to rhetoric and persuasion. The Congress will now know that Ronald Reagan means to hang tough on spending — come to think of it, like his most recent Republican predecessor did.

Sixty-one times Gerald Ford wielded the veto; 12 times he was overridden — something that won't happen to Reagan, who has many more Republican troops than did Ford. Forbidding the enactment of costly spending bills, Ford helped prune inflation from more than 12 percent to less than 5 percent by the time he left office.

We all know what's happened since then, and it isn't pleasant. That's why one is glad to see Reagan throwing his weight around, even if it's as much for symbolic as for substantive purposes. Maybe Congress' big spenders are finding out at last what they are up against.

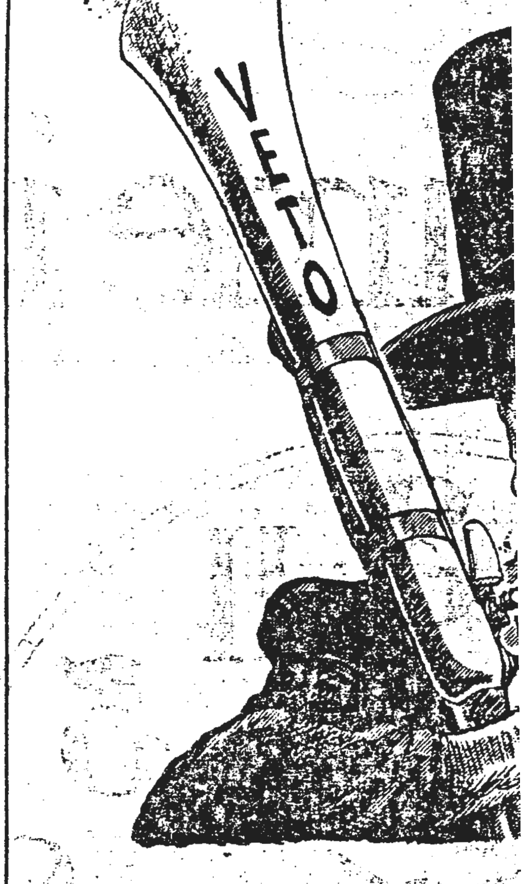
Police Assessment:

A Promising Idea

One of the new ideas that sprang out of the City Council's brainstorming retreat over the weekend offers one way to improve police protection.

The idea is for a special, 1-time police "tax" to help cover the cost of bringing the Dallas police force up to

If there are tangible ways to translate the money into a more effective police force, then it is possible a non-binding straw vote could be added to an upcoming bond measure. Voters then could indicate if they would be willing to pay a separate assessment to pro-



To Tell th

By William Murchison
Associate Editor

PHILIP Nicolaides, who used to ply the political PR trade in Dallas before moving on to Houston and later to California, is in trouble with the *Washington Post* and, therefore, presumably, with other spokesmen for popular enlightenment.

This is because Nicolaides, the new head of commentary and analysis for the Voice of America, has a novel idea. He thinks the Voice really should speak for America — trumpeting America's successes and, what necessarily will consume even more air time, the Soviet Union's failures.

Incensed that a propaganda forum might be used for propaganda purposes, the *Post* grumps that Nicolaides hasn't been fired for his presumption: Thereby underscoring how much Ronald Reagan has to teach the city in which he now dwells.

IT ISN'T enough that Reagan must teach basic economics — the uses of freedom, incentives and all that. He has to demonstrate that truth can be — must be — put in harness by a nation determined to preserve its liberties against implacable enemies.

"Propaganda" is a word that Dr. Goebbels spoiled for all time, nor does Nicolaides himself mean to rehabilitate it. The United States needn't lie, as did the Nazis for a dozen years, as do the Soviets still. There is no need for lies, even if they

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Reagan Speech:

On the Offensive

THE President's internationally broadcast speech on nuclear-arms reduction was more than a brilliant rhetorical performance — it was a brilliant tactical stroke that puts the Soviet Union squarely on the spot.

The President has told the Soviets, who have been proclaiming their peaceful intentions everywhere — even the Harvard campus — to put up or shut up. Of course the message is phrased much more diplomatically than that.

Still, that is what it comes to: If the Soviets want to ease the likelihood of nuclear war, then let them, acting in concert with us, take meaningful steps toward that end.

Let them first of all dismantle their SS20, SS4 and SS5 missiles, which, though positioned in Soviet territory, can hit anything in Western Europe or North Africa. In return, the United States will call off the planned deployment of Pershing and cruise missiles in five European countries.

Then let the Soviets join us in talks specifically aimed at achieving "substantial reductions in (strategic) nuclear weapons." Let them likewise work with us to reduce conventional forces in Europe and to prevent the possibility of an accidental holocaust.

Plainly the Reagan speech puts the United States on the offensive — so to speak. A generous offer to walk the way of peace has come from the White House. The intellectual resources of the Kremlin's whole propaganda apparatus will be strained by the search for convincing ways to show up Reagan as a deceitful warmonger.

What will be at least as interesting as watching the Soviets squirm is observing the reactions of the nuclear disarmament movement, both here and in Western Europe. The Reagan speech provides a means of separating the wheat from the chaff — the sincerely peaceful, who will see the Reagan speech as responsive to their concerns, from the Soviet-leaning agitators, who view Washington, not Moscow, as the problem.

By speaking as he has done, the President has scored what doubtless can be called a propaganda victory.

To be sure, much more than propaganda — namely, peace — is at stake here; which means that the Reagan proposal must be examined in practical as well as symbolic terms. Here again there is cause for praise and hope. The most important item on the President's agenda is reducing strategic, intercontinental weaponry.

SALT II would have reduced our share of such weaponry without much affecting the larger Soviet share. The President recognizes that for arms talks to mean anything there must be mutual and balanced reductions. The Soviets will kick about this, but Reagan has made plain the terms on which America can afford to talk.

So, says the President, let's talk. His speech is a first-rate point of departure for a journey incalculably urgent to the world.

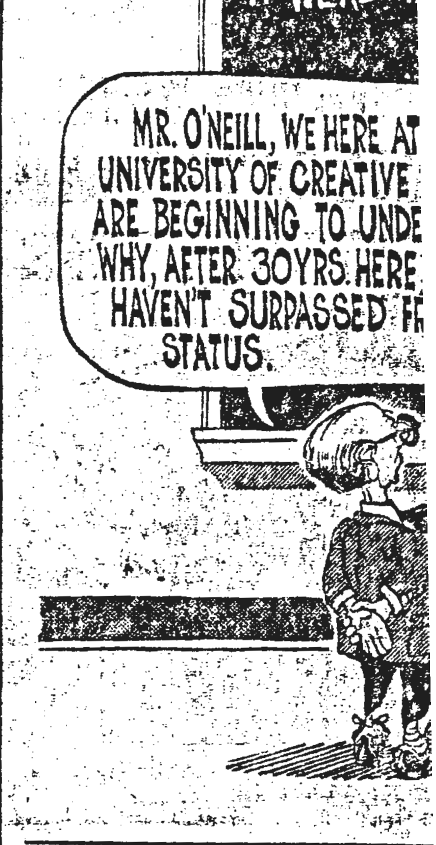
The Washington Follies:

Old Boys Strike Back

Time will tell whether someone's out to get Alexander Haig and whether David Stockman has irretrievably ruined himself. The Justice Department will advise us whether Richard Allen, the national security adviser, solicited an honorarium for arranging an interview with Nancy Reagan.

What we're trying to figure out in the meantime is whether the gossip mills in administration and its policies by making it appear that the Reaganauts don't know what they are doing.

This isn't so odd when you think about it. What Reagan has challenged is the Washington old-boy network — the politicians, civil servants, academics, think-tankers, pundits and so forth who can't believe the American people really want a change of national



Disarmi

By William Murchison
Associate Editor

THUNDEROUSLY building to his historic demand — "Give me liberty or give me death" — Patrick Henry set forth the contemporary state of Anglo-American relations. "Men cry peace," said Henry, "when there is no peace."

So it was in 1775. So it is in 1981. Not that the nuclear disarmament movement has condescended to notice.

The other day, as if time had lurched backward and it were the '60s all over again, a couple of thousand women marched on the Pentagon, demanding that their government arrest the nuclear arms race. Sixty-two of the women were arrested instead.

MEANWHILE, in New York City, the Riverside Church (the Rev. William Sloane Coffin, senior minister) was putting on a nuclear disarmament conference. Here the struggle against any buildup of the American nuclear arsenal was described by one enthusiastic delegate as "a battle for the soul of humanity."

The disarmament movement is by no means exclusively American. Large, and growing, European chapters exist. The movement's goals are noble and lofty. They may even become believable one day — the day on which the Rev. William Sloane Coffin, a chanting, whooping crowd at his back, tramps down to the Soviet embassy in Washington, demanding of the totalitarian superpower no more, no less, than is demanded of the

A Wiser Ca

The Dallas Morning News

Burl Osborne, Executive Editor Jim Wright, Editorial Director

14 A Tuesday, November 10, 1981

Reaganomics:

The Gloom Lobby

ELSEWHERE on this page, Dr. Arthur A. Smith decries the tendency of those who helped make our economic mess — namely, the high priests of federal spending programs and deficits — to belabor and bedevil those trying to clean up the mess — namely, the apostles of Reaganomics.

In political terms, the bedevilment is understandable. The high priests, being out of power, want back in and so, at every opportunity, must lay into those who now wield the power.

In economic terms, which one might suppose were of more immediate importance, the ongoing assault on the Reagan program is crude, cynical and ultimately harmful to hopes for recovery. Not a few Democrats of the Tip O'Neill stamp, including Tip O'Neill himself, seem delighted when recovery fails to blow in on the next breeze.

Thus the speaker, addressing the Fordham Business Conference the day that 8 percent unemployment hit the headlines, called the recession "a deliberate and conscious policy of this administration."

And what would Democrats do to address problems that suppurated while Democrats controlled the presidency and both houses of Congress? O'Neill promised "reasonable, modest and flexible" programs — without saying what they were. The speaker did strike a modestly penitential note. "I assure you," said he, "we are ready to do things differently than we have done them in the past." A sigh must have run through the minds of many listeners: "Let's hope so."

The doomsaying of the O'Neillocrats makes Ronald Reagan's task harder than it need be. For instance, it can't do much for the stock or bond markets, which depend on buyers' expectations, when the nation is assured that not only isn't prosperity around the corner — there isn't even any corner.

The panic of the Republicans in Congress, and all the self-defeating talk they have generated about raising taxes, is due to fears that next year at the polls the O'Neillocrats will bludgeon them.

Yet there is ample cause for hope. A recent survey by *Fortune* magazine says that the Reagan program of tax and spending cuts makes 90 percent of business executives more optimistic. The executives don't doubt that recovery is coming; about half see it coming in the first six months of 1982, the other half in the second six.

Such a forecast is conditioned on the cost of money starting to fall. And, lo, the prime rate is down to 17 percent. On the day that joblessness was disclosed to have reached 8 percent, the basic money supply was shown to have dropped by $3.3 billion. The economy continues to cool, and with it the fierce inflation that got interest rates up in the first place.

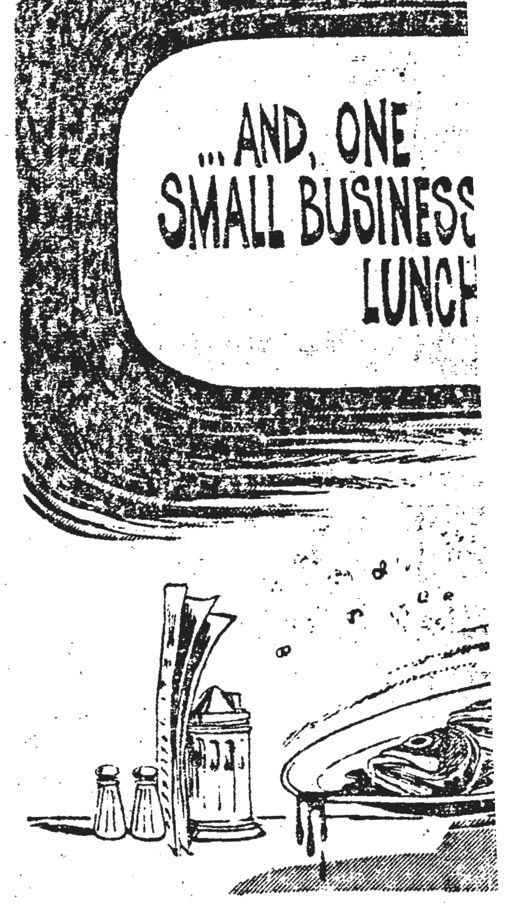
The recession that inspires Tip O'Neill to such flights of oratory may be here: just in time for next year's tax cuts to start reviving it, and for housing and car sales to turn upward if the cost of borrowing slips still more.

Not even a White House speech writer would suggest that from here on out everything's going to be swell. Clearly it won't be swell again for a long time, so deeply rooted are our problems. But things aren't half so bleak as depicted by the O'Neillocrats, who, incidentally, should watch their language. If they are staking their careers on the collapse of Reaganomics, they could be in for a shock.

City Vehicles:

A Bunch of Clunkers

To believe the maintenance figures on some City even more horror stories available.



Down Wi

By William Murchison
Associate Editor

LET us begin at the melancholy beginning. The energy crisis started in 1954 with the imposition of federal price controls on interstate natural gas, in accordance with a U.S. Supreme Court decision.

Price controls meant cheaper gas, which meant higher and higher consumption — but not bigger and bigger gas discoveries, because the controls deflected drilling capital to markets where greater economic return could be had; that is, markets without price controls.

A thundering discrepancy soon arose. In the interstate market, where controls were in effect, gas shortages began to crop up. But where gas stayed in the state that produced it, and so fetched whatever price it could, supplies were abundant.

Here was a textbook case in the workings of the free marketplace. You would suppose that by now we might have profited mightily from such a lesson. But you would be only partly right.

IN 1978, Congress and President Carter were forced to throw their anti-energy producer rhetoric into reverse. The hard evidence showed that unless gas prices were straightway decontrolled, gas supplies would soon become critically short.

The deed was done, but grudgingly. The lawmakers decided that controls would be shucked slowly over seven

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Editorials

The Dallas Morning News

Burl Osborne, Executive Editor   Jim Wright, Editorial Director

20 A   Wednesday, November 4, 1981

National Defense:

Building the B1

LAUNCHED from a White House rostrum just a month ago, the B1 bomber already is encountering heavy flak as it tries to penetrate the fog of Congress.

The President proposes building 100 B1s to replace aging B52s, thus undoing Jimmy Carter's 1977 decision to kill the B1 program aborning. The B1s would come into service in 1987. Then, in the early 1990s, along would come the "stealth" bomber, the so-called "invisible" aircraft. Thus the third leg of the strategic triad — ground-, air- and sea-launched missiles — would be rendered as sturdy as the others, if not in fact sturdier.

But money is starting to overshadow the B1 debate, as it overshadows nearly everything in Washington these days. Costs for the B1 program are rising — from $19.7 billion last spring to $20.5 billion, owing to plans for improved equipment. Defense Secretary Weinberger himself acknowledges that inflation will drive costs still higher.

Senators on both sides of the aisle accordingly have declared or hinted that the nation cannot afford both the B1 and the "stealth" bomber. Senate Republican whip Ted Stevens quotes approvingly a CIA study showing that B52s, fitted with cruise missiles, could effectively do the B1's work. A major struggle could be in the making. And what a dreary prospect that is.

The B1 bomber program should have been cranked up four years ago. Here we are with a second chance to strengthen, in the near as opposed to the distant future, our capability to deter nuclear war. And some lawmakers waffle.

Well, it won't do. The "stealth" concept is a splendid one, and clearly we must embrace it. But what happens while we wait for "stealth" planes to come on line in the early '90s? The B52, excellent plane as it is, dates back to 1962. The B1 is designed to fly lower; its contours present less of a target for Soviet missiles; it can get off the ground more quickly in case of Soviet attack.

The Air Force protests that the CIA report cited by Sen. Allen is outdated — that the B1, as presently designed, is even less visible to radar than previously.

The B1 is expensive? Yes, to be sure; but here is an arresting statistic: In 1976 we could have built 244 B1s for $20 billion, which as we say is the understated cost of 100 today. The longer we put off needed programs, the more expensive they get.

Alas, putting off such programs has become a habit with Americans in the past 15 years. As the Pentagon's share of the budget has shrunk steadily, so has this country's ability to warn off or repel its enemies. However formidable-seeming, $20 billion is one-thirty-fifth of a $700 billion budget. It is little enough, one would think, to help get America's defenses up to snuff after a decade of neglect and decline.

Why not build the B1 and "stealth" *both*, when the choice is your money or your life?

Leonid Brezhnev:

Soviet Sweet Talk

Soviet President Leonid Brezhnev has been busily polishing his nuclear double-talk routine, that is, promising anything that suits Soviet purposes. Over the weekend, Brezhnev promised that West Germany would be spared in

In other words, the Soviet leader is asking the West Germans to drop their defensive weapons and trust the Soviet Union not to use the missiles aimed at them.

Such a deal. This promise

The Dallas Morning News. '81

European nations will

The POW

By Rena Pederson
Editorial Staff Writer

THE hotel ballroom was hushed and emotion hung in the air as the Navy officer tapped out a message on the wooden lecturn.

Tap. Tap tap. Taptap-taptaptap.

Capt. Jerry Coffee, a prisoner of war for seven years and nine days in Hanoi, was dramatically demonstrating the famous tap code the American prisoners used to communicate through their prison walls.

He told the Dallas conventioneers how the POWs memorized the names of all 450 prisoners and recounted them each day, in case one was freed and could account for the others. They shared Bible verses, like the 23rd Psalm. And they memorized poetry, tapping out each word, each line, one stanza a day.

"THERE WAS one guy whose mom had forced him to learn a new poem every Thanksgiving and he passed them to us through the walls. We learned *Gunga Din*, the Shakespearean sonnets, Alfred Noyes *The Highwayman*. We'd get one verse a day and it was like the suspense of watching soap operas. We could hardly wait until the next day to find out what Bess the innkeeper's daughter would say to the highwayman," Coffee recalled.

E

THE WHITE HOUSE

WASHINGTON

December 2, 1981

PHOTO OP WITH COLLEGE REPUBLICAN NATIONAL COMMITTEE EXECUTIVE COMMITTEE
DATE: December 3, 1981
LOCATION: Oval Office

FROM: A. Morgan Mason

I. PURPOSE

The College Republican National Committee is currently putting together a brochure for distribution to campuses and would like to include this picture in the brochure.

II. BACKGROUND

The College Republican National Committee is an arm of the Republican National Committee and is mobilized in an effort to attract college-aged voters to participate in the Republican Party.

III. PARTICIPANTS

Jack Abramoff, Chairman
Grover Norquist, Executive Director

Also attending, A. Morgan Mason from the Political Affairs office.

IV. PRESS PLAN

No press coverage. White House photographer.