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MEMORANDUM

THE WHITE HOUSE

WASHINGTON

September 11, 1981

TO: Elizabeth H. Dole

FROM: Morton C. Blackwell 

RE: OPL involvement in volunteerism projects

Several months ago conservative religious leaders, including E.V. Hill, Jerry Falwell, Ed McAteer and others approached me regarding the Foundation for the Poor, which was organized with the cooperation of Senator and Mrs. Roger Jepsen, Joe and Holly Coors, Bunker Hunt and many others. I organized a meeting here in 132 OEOB which was held April 3, during my absence due to the death of my mother-in-law. Subsequent meetings were held, one chaired by Diana Lozano, for further discussions on this group. ( See attached meeting reports.)

We progressed to the point where participants had suggested people who might appropriately be named to a presidential commission on volunteerism.

Word was then passed to me that the President, Mr. Meece, Mr. Baker and Mr. Deaver had asked Bill Baroody, Jr., President of AEI, to assume major responsibility in this area. On July 9, I met at AEI with Bill Baroody and learned that he had been asked to do four things:

1. to collect information on volunteerism projects around the country.
2. to prepare a speech for the President on the topic of volunteerism
3. to monitor proposals for Presidential involvement in encouraging volunteerism programs
4. to prepare a report in about a year on recent developments in volunteerism programs

In July I was asked to prepare a list of religious leaders who might be invited to meet with the President in California in August to discuss volunteerism projects. This list was forwarded to Jim Rosebush who was asked by Mike Deaver to be overall coordinator in the area of volunteerism. Eventually, the meeting was scheduled with the President but the invitation list included no



religious leaders. Even this meeting with the President was not held. It was cancelled presumably because of the Libyan incident.

Convinced that the matter was moving slowly or not at all within the Administration, the conservative religious leaders are proceeding with their independent efforts. The name - Foundation for the Poor has been dropped in favor of the STEP Foundation, headed by E.V. Hill and involving a broad spectrum of religious leaders, the Jepsens, the Coors, the Hunts and many others.

E.V. Hill turned down the President's offer of Chairmanship of the Civil Rights Commission in order to devote his time to this volunteerism program.

Our continued inability to demonstrate serious Administration commitment to the encouragement of religious organizations involvement in volunteerism has not sat well with the religious leaders. E. V. Hill has even considered holding a news conference highlighting the lack of Presidential involvement in this area.

In my judgment the solution to this problem would be for the President to appoint a commission or task force of between twenty or thirty members. This commission would include religious leaders, corporate leaders, philanthropic foundation leaders and leaders of non-religious charitable organizations. The criteria for selection on this commission would be:

1. substantial experience in or resources available for encouraging voluntary activity
2. willingness to make a commitment to spend a significant amount of time on commission activity
3. commitment to the President's program to stop the growth of federal spending on social programs

The third criterion is vital to the success of this commission. The President must not appoint to such a commission people who would in other capacities be attacking his Administration's legislative programs. This does not mean that leaders from "mainline" denominations should not be involved. Every denomination has at least some leaders who are enthusiastically supportive of the President.

The function of this commission would be to encourage all forms of voluntary activity, particularly in areas affected by budget cuts and social programs. The commission would not administer any volunteerism programs, but would issue reports on successful programs, perhaps arrange briefings to share with business, religious or charitable organizations interesting case studies which might be used as models and would make recommendations for Presidential involvement in encouraging appropriate organizations to undertake volunteerism projects based on models which have proved successful.

MEETING REPORT

TO: Foundation for the Poor

DATE: 3/25 TIME: 10 AM PLACE: Rm. 136 EOB

FROM: Blackwell

BY: 2 - Robert Pittinger + Harv  
Dorodyk

TOPICS: Blackwell

discussing of project for  
Channeling church congregation  
activities into helping  
ghetto residents.

OP

SIN

FF: Set up meeting for exploratory  
discussion of concept with  
administration leaders - tentatively  
Sat 1 PM Fri Apr 2

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

FOUNDATION FOR THE POOR MEETING, Friday April 3, 1981.

Diana lozano- opened meeting, introduced the members of the staff that were there.

Red Caveney- More detailed guidelines needed to be introduced<sup>2</sup>, by the Foundation for the Poor, to the OPL.

The Rev. E.V. Hill, would like the President to identify the problems of the poor people. He wants the President to take a stand on the poor. He said that the poor need to help themselves as much as possible.

The Foundation will be setting two prototype programs in Los Angeles, and in Dallas Texas. The results of these programs will be present in two months.

Red assigned Dorkas Hardy, from H.H.S. to be the contact person.

OPL MEETING REPORT

GROUP: FOUNDATION FOR THE POOR

DATE: 4/13/81

TIME: 9:30 A.M.

PLACE: 136 OEOB

PROJECT OFFICER: Morton C. Blackwell

NUMBER OF GUESTS: 2, Robert Pittenger, Harv Oostdyk  
(Attach list)

ADMINISTRATION PARTICIPANTS:  
Morton Blackwell and Herb Ellingwood

SUMMARY:

Follow up discussion on April 3 meeting in 132 OEOB re Foundation for the Poor.

Blackwell agreed at Ellingwood's suggestion to help draft initial papers which might be used in White House releases regarding presidential Advisory Commission on urban volunteers.

FOLLOW-UP

PRESIDENTIAL:

STAFF:

Blackwell drafted above described items and gave to Robert Pittenger on April 14.

OPL MEETING REPORTGROUP:DATE: Apr.22, 1981 TIME: 3 P.M.PLACE: 191PROJECT OFFICER:

Morton Blackwell

NUMBER OF GUESTS:(Attach list) 1ADMINISTRATION PARTICIPANTS:

Morton Blackwell and Herb Ellingwood

SUMMARY:

Made tentative plans for Administration and Hill meeting on Tuesday afternoon at 4 P.M. to hammer out details of Presidential Advisory Commission on Urban Poor.

FOLLOW-UPPRESIDENTIAL:STAFF:



OPL MEETING REPORT

GROUP: President's Task Force on Volunteerism

DATE: Apr. 28, 1981 TIME: 4 P.M.

PLACE: room 132

PROJECT OFFICER:  
Morton C. Blackwell

NUMBER OF GUESTS:  
(Attach list) 13

ADMINISTRATION PARTICIPANTS:

See attached list

SUMMARY:

Further discussion on President's task force on  
volunteerism

FOLLOW-UP

PRESIDENTIAL:

STAFF:

submit suggested titles and members to Diana Lozano  
by Mon. afternoon May 4th for Tuesday afternoon meeting



ATTENDEES AT WHITE HOUSE.  
April 28, 1981

James Johnson  
Manager, Government Affairs  
Xerox  
429 L'Enfant Plaza East, S.W.  
Washington, D.C. 20024  
(202) 554-1771

Jackie Harker  
Deputy Director  
Office of Volunteer Citizens  
Participation, ACTION  
806 Connecticut Avenue, N.W.  
Room M 907  
Washington, D.C. 20525  
(202) 254-8080

Carol J. Fraser  
Special Assistant to the  
Assistant Secretary  
Department of Health and  
Human Services  
Room 309F  
200 Independence Avenue, S.W.  
Washington, D.C. 20201  
(202) 472-4253

Mrs. Dee Jepsen  
Office of Senator Roger Jepsen  
110 Russell Senate Office Bldg.  
Washington, D.C. 20510  
(202) 224-3254

Morton C. Blackwell  
Special Assistant to the  
President  
Office of Public Liaison  
Room 128 OEOB  
Washington, D.C. 20500  
(202) 456-2657

Thelma Duggin  
Deputy Special Assistant to  
the President  
Office of Public Liaison  
Room 128 OEOB  
Washington, D.C. 20500  
(202) 456-7896

X Jim Burnley  
Director, VISTA  
806 Connecticut Avenue, N.W.  
Room 1100  
Washington, D.C. 20525  
(202) 254-7376

Gina Bessey  
Office of Senator Roger Jepsen  
110 Russell Senate Office Bldg.  
Washington, D.C. 20510  
(202) 224-3254

Brian Waidman  
Office of Senator Bill Armstrong  
1321 Dirksen Senate Office Bldg.  
Washington, D.C. 20510

Tom Getman  
Legislative Director  
Office of Senator Mark Hatfield  
Washington, D.C. 20510  
(202) 224-3753

Diana Lozano  
Deputy Director  
Office of Public Liaison  
Room 128 OEOB  
Washington, D.C. 20500  
(202) 456-6246

Herbert Ellingwood  
Deputy Counsel to the  
President  
Room 115 OEOB  
Washington, D.C. 20500  
(202) 456-2393

Melvin C. Bradley  
Office of Policy Development  
Room 216 OEOB  
Washington, D.C. 20500  
(202) 456-6560

OPL MEETING REPORT

GROUP: ACTION

DATE: May 4, 1981 TIME: 10 A.M. PLACE: 191

PROJECT OFFICER: Morton C. Blackwell

NUMBER OF GUESTS:  
(Attach list) 1

ADMINISTRATION PARTICIPANTS:

Morton Blackwell and Tom Pauken

SUMMARY:

Briefing and discussion of previous meeting (Apr. 28)  
on President's Task force on Volunteerism.

FOLLOW-UP

PRESIDENTIAL:

STAFF:

OPL MEETING REPORT

GROUP: PRESIDENT'S TASK FORCE ON VOLUNTEERISM

DATE: May 5, 1981 TIME: 4 P.M. PLACE: 132

PROJECT OFFICER:  
Morton C. Blackwell

NUMBER OF GUESTS: 9  
(Attach list)

ADMINISTRATION PARTICIPANTS:

Morton Blackwell and Tom Pauken, Director of ACTION  
Thelma Duggin, Diana Lozano, Herb Ellingwood, Mel Bradley

SUMMARY:

Discussion of suggested titles and members of the board  
for this proposed task force.

FOLLOW-UP

PRESIDENTIAL:

STAFF:

# REQUEST FOR APPOINTMENTS

To: Officer-in-charge  
Appointments Center  
Room 060, OEOB

Please admit the following appointments on May 5, 19 81  
for Morton Blackwell of White House  
(NAME OF PERSON TO BE VISITED) (AGENCY)

BESSEY, Virginia Office of Sen. Jepsen

BURNLEY, Jim Director of VISTA

FRASER, Carol J. Spec. Assist to Asst. Sec. HDS - HHS

GETMAN, Tom Leg. Dir. to Sen. Hatfield

HARKER, Jackie

JEPSEN, Dee wife of Sen. Jepsen

JOHNSON, James Mgr. Govt. Affairs, XEROX

WAIDMAN, Brian

PAUKEN, Tom Director, ACTION

## MEETING LOCATION

|                                |   |
|--------------------------------|---|
| Building <u>OEOB</u>           | Requested by <u>Sherwood</u>              |
| Room No. <u>132</u>            | Room No. <u>128</u> Telephone <u>7140</u> |
| Time of Meeting <u>4:00 PM</u> | Date of request <u>5/5/81</u>             |

Additions and/or changes made by telephone should be limited to three (3) names or less.

APPOINTMENTS CENTER: SIG/OEOB - 525 6046 or WHITE HOUSE - 456 6742

OPL MEETING REPORT

GROUP: Human Resources Secretariat

DATE: May 6, 1981 TIME: 1:30 P.M.

PLACE: room 208 OEOB

PROJECT OFFICER:  
Morton Blackwell

NUMBER OF GUESTS:  
(Attach list)

ADMINISTRATION PARTICIPANTS:

Morton Blackwell

SUMMARY:

Discussion of ACTION programs for volunteer offices in which successful Vietnam Veterans help those in need of assistance.

FOLLOW-UP

PRESIDENTIAL:

STAFF:



OPL MEETING REPORT

GROUP: Senator Jepsen's office

DATE: May 15      TIME: 1:15 P.M.      PLACE: 191

PROJECT OFFICER:

NUMBER OF GUESTS: Morton Blackwell  
(Attach list)

ADMINISTRATION PARTICIPANTS: Morton Blackwell

SUMMARY:

Discussion of concept of Presidential  
task force on volunteerism

FOLLOW-UP

PRESIDENTIAL:

STAFF:

OPL MEETING REPORT

GROUP: A.C.T.I.O.N

DATE: Thursday, TIME:  
June 4 3 PM

PLACE: Mrs. Dole's office

PROJECT OFFICER:  
Mrs. Dole'

NUMBER OF GUESTS:  
(Attach list) 5 Mrs. Dole, Morton Blackwell, Tom Pauken  
Red, and Thelma

ADMINISTRATION PARTICIPANTS:

see above

SUMMARY:

Discussion of A.C.T.I.O.N. programs and status of  
Administration initiatives in area of volunteerism.

FOLLOW-UP

PRESIDENTIAL:

STAFF:

OPL MEETING REPORT

GROUP: CABINET COUNCIL ON HUMAN RESOURCES

DATE: Tuesday  
June 9

TIME: 3PM

PLACE: Rm 474

PROJECT OFFICER:

Morton Blackwell

NUMBER OF GUESTS:

(Attach list)

OPD - Mrs. Fairbanks - has the list -

ADMINISTRATION PARTICIPANTS:

Vice President Bush,  
Ann Fairbanks, Morton Blackwell

SUMMARY:

ACTION Director Tom Pauken made a presentation to meeting chaired by the Vice-President regarding ACTION's plan to set up volunteer-run centers in which successful Vietnam Veterans can assist other Vietnam Veterans with problems. The Cabinet Council unanimously agreed to recommend Pauken's proposal to the President.  
Total Expenditures anticipated: \$ 2 million.

FOLLOW-UP

PRESIDENTIAL:

STAFF:

OPL MEETING REPORT

GROUP: ACTION

DATE: Thursday      TIME:      PLACE:  
June 18      10:30 AM      Room 191

PROJECT OFFICER:  
Blackwell

NUMBER OF GUESTS:  
(Attach list)      Tom Pauken

ADMINISTRATION PARTICIPANTS:  
Blackwell

SUMMARY:      Met with him and discussed task force on volunteerism

FOLLOW-UP

PRESIDENTIAL:

STAFF:

OPL MEETING REPORT

GROUP: American Enterprise Institute

DATE: July 9

TIME: 5 PM

PLACE: AEI Offices

PROJECT OFFICER: Morton C. Blackwell

NUMBER OF GUESTS:

(Attach list) 1, William J. Baroody, Jr. President

ADMINISTRATION PARTICIPANTS:

Morton C. Blackwell

SUMMARY:

Discussion of the role Baroody will play in the determining of the President's involvement in support of the voluntary programs by religious groups, non-religious charities and the business community. Baroody said he had been asked by Mr. Meese, Mr. Baker, Mr. Deaver and the President to undertake a role in the following:

1. A major Presidential speech on volunteerism
2. Giving advice on the structure of Presidential involvement in promoting volunteerism
3. Assistance in identifying noteworthy voluntary activities
4. Produce for the President a major report on these voluntary activities.

Baroody specifically advised me that it would be entirely appropriate for the Office of Public Liaison to continue our course which I outlined for him toward making a specific proposal through channels for the structure of a task force relating to Presidential involvement in volunteerism. He modestly said he expected he would be asked to put in his 2¢ regarding any such proposals, but encouraged our development of such a proposal. He said he would discuss these matters with Mrs. Dole next week.

FOLLOW-UP

PRESIDENTIAL:

STAFF:



OPL MEETING REPORT

GROUP: Foundation for the Poor

DATE: Thursday  
July 16

TIME:  
10 AM

PLACE:  
Room 193

PROJECT OFFICER:  
Blackwell

NUMBER OF GUESTS:  
(Attach list) 5 Dee Jepsen, Tom Pauken, Edward Hill,  
Robert Pittenger, Gena Bessey

ADMINISTRATION PARTICIPANTS:

Blackwell

SUMMARY:

Exchange of views on status of presidential support for  
private, voluntary action.

FOLLOW-UP

PRESIDENTIAL:

STAFF:

CPD 102

OPL MEETING REPORT

GROUP:

DATE: 8/26

TIME: 9:30

PLACE: Rm 347

PROJECT OFFICER: Blackwell

NUMBER OF GUESTS: 1 Jim Johnson  
(Attach list)

ADMINISTRATION PARTICIPANTS:

Blackwell, Herb Ellingwood, Jim Rosebush

SUMMARY:

This meeting was held at the request of Herb Ellingwood and me. Jim Rosebush explained what he was doing in the area of encouraging voluntarism. His primary emphasis is on the business community. At one point, he went so far as to express the opinion that efforts to improve the economic condition of the needy ought to be the responsibility of the business community and that the religious community should concentrate on filling spiritual needs. He waffled a bit on this position upon being pressed by Herb Ellingwood and me regarding the importance of involving the religious community in voluntary action. When I described the decision on the part of many conservative religious leaders in recent years to emulate the practice of most liberal religious leaders by taking it as part of their role in life to activate their congregations in the public policy process, Rosebush said he regretted this trend among conservative church leaders. To that, I responded that in my judgement, he would not be sitting where he does today if conservative religious leaders had not made that decision because their support made them an essential element of the President's winning coalition. All in all, it was not an auspicious meeting.

FOLLOW-UP

PRESIDENTIAL:

STAFF:

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

September 22, 1981

TO: ELIZABETH H. DOLE

FROM: Morton Blackwell 

RE: Proposed list for Presidential task force on private sector initiatives

The list of potential invitees circulated to me this morning is fraught with danger for the Administration. It is grossly overweighted with big business and looks more like a charity solicitation list from the 1920's than a politically sophisticated list for the 1980's.

Private sector is not 90% very big business. While small business has a generally good image, big business per se doesn't even have many defenders in the GOP itself.

If polled by "Newsweek," how many of the proposed 32 invitees would express strong support for President Reagan's Economic Recovery program? With only one or two exceptions, this list of 32 did not support the President for nomination; only very few others supported his election. Why should we give people not supporting the President choice positions from which to attack the President's economic program? Can anyone doubt, for instance, that Governor John Y. Brown of Kentucky would delight in attacking the President's program?

Despite an immense awakening of interest in voluntary action among actively conservative religious leaders, they are virtually excluded from the list of 32. Four were included toward the bottom on the probably meaningless alternate list.

For this task force to have any chance of encouraging a broad range of private sector initiatives, the list must be drastically revised. I suggest the following:

1. Appoint only people who not only supported the President's budget and tax cuts, but who will be likely to support further cuts as proposed by the President. Otherwise, we are just asking for headlines reading: "Advisors Condemn President's Program."
2. Include at least three or four religious leaders who outspokenly supported the President. Specifically, these should include Rev. E.V. Hill and Dr. Jerry Falwell.
3. Weight the list with small businessmen who have been successful in voluntary activities in their personal lives.
4. From the big business community include friends and allies of the President, such as Joseph Coors, who has devoted a great deal of personal time and energy to private sector actions to solve public needs.

*Due 5:00*  
*Input from*  
*Morton + Shilma*

THE WHITE HOUSE  
WASHINGTON

*James -*  
*my COB*  
*9/27*

PRESIDENTIAL TASK FORCE ON PRIVATE SECTOR INITIATIVES

*Objectives:*

- . To explore, discover and promote private sector leadership and responsibility for solving public needs.
- . To provide a focal point for private sector action addressing public problems.
- . To recommend to the President appropriate actions within his responsibility to foster greater public-private partnerships and a decreasing dependence on government.

*Membership:* A diverse group of opinion leaders and individuals who are committed to a strong private sector.

Invitees

Comments

- |   |  |
|---|--|
| 1. Thomas W. Pauken<br>Director<br>ACTION                                       | Chief government advocate<br>for voluntarism                                     |
| 2. Hon. George Romney<br>Chairman<br>National Center for Citizen<br>Involvement | Chief advocate for<br>voluntarism in the<br>private sector                       |
| 3. William R. Baroody, Jr.<br>President<br>American Enterprise Institute        | Major study of private<br>sector initiatives                                     |
| 4. James Henry<br>President<br>Center for Public Resources                      | Entire organization devoted<br>to private sector initiative                      |
| 5. William Norris<br>Chairman<br>Control Data Corporation                       | Founder, City Ventures<br>Leader in finding markets<br>in public problems        |
| 6. John Filer<br>Chairman<br>Aetna Casualty & Life                              | Chairman, NAB<br>Founder, Clearinghouse on<br>Corporate Social<br>Responsibility |
| 7. Terrance Cardinal Cooke<br>The Archbishop of New York                        | Strong supporter of private<br>sector initiatives                                |

InviteesComments

8. Dr. Henry Lucas, Jr.  
Chairman  
New Coalition for Economic  
& Social Change
9. William S. White  
President  
C. S. Mott Foundation
10. Juan Patlan  
President  
Mexican American Unity Council
- ? 11. Hon. ~~George~~ Y. Brown  
Governor  
State of Kentucky
12. Robert D. Lilley  
Chairman  
Local Initiatives Support Corp.
13. Hon. David F. Durenberger  
Senator, Minnesota
14. Donald Kendall  
Chairman  
PepsiCo CC
15. Clifton Garvin  
Chairman  
Exxon BET
16. Arthur Levitt  
Chairman  
American Stock Exchange
17. William Aramony  
President  
United Way of America
18. Cornell C. Maier  
Chairman  
Kaiser Aluminum & Chemical
- ? 19. Margaret Graham  
Chairman  
Assoc. of Junior Leagues

New Conservative Black  
Group

Biggest private foundation  
supporter of private sector  
action

A "convert" to the private  
sector approach

Representing the States

Private sector community  
investment mechanism  
widely endorsed

Strongly urging private  
sector alternatives

Chairman, U. S. Chamber  
of Commerce

Chairman  
Business Roundtable

Committed to encouraging  
member company action

Largest fundraising  
organization for voluntary  
organizations

Jobs Program and corporate  
action

Large traditional volunteer  
network



InviteesComments

20. Rev. Leon Sullivan  
Founder  
OIC

Nationwide private sector  
jobs program

? 21. James Rouse  
President  
Rouse Development Corporation

Developer of inner cities  
for commercial purposes

22. Michael Joyce  
Executive Director  
John M. Olin Foundation

Strong conservative  
foundation

23. Marvel Collins  
Founder  
West Side Preparatory School

Celebrated "back to basics"  
school

? 24. Kenneth Olson  
President  
Digital Equipment Corporation

Builds plants in urban  
areas

25. Franklin Murphy  
Chairman  
Times Mirror Foundation

Strong foundation leader

26. Dee Jepson  
Foundation for the Poor  
Des Moines, Iowa

Alternative approach to  
serving communities

27. William R. Bricker  
National Director  
Boys Club of America

Looking for new ways to

28. Spencer Kimball  
Mormon Church

Large religious movement  
committed to strong private  
sector

29. Stanley Margulies  
United Jewish Appeal

Umbrella Jewish Community  
Action Agency

30. Martin A. Paley  
President  
The San Francisco Foundation

Fastest growing community  
foundation

31. Dr. David E. Rogers  
President  
The Robert Wood Foundation

Second largest private  
foundation. Largest  
special interest foundation:  
-- health field

Invitees

32. Rev. Billy Graham

Comments

Influential religious leader

ALTERNATES

- |      |   |   |
|------|---|---|
| 1.   | Richard Cornuelle<br>Author<br>Reclaiming the American Dream                  | Long involved voluntarism   |
| 2.   | Alexander Trowbridge<br>President<br>National Association of<br>Manufacturers |   |
| 3.   | Robert Holland<br>President<br>Council for Economic Development               | Resource for economic<br>analysis   |
| ✓ 4. | John Gardner<br>Chairman<br>Independent Sector                                | Largest voluntary organiza-<br>tion   |
| 5.   | Roderick Mac Arthur<br>Chairman<br>Mac Arthur Foundation                      | Soon to be largest private<br>foundation investing in<br>private sector initiatives |
| 6.   | Jane Pickens Hoving<br>Founder<br>Tune-In-America                             | Successful volunteer<br>placement group   |
| 7.   | Father Bruce Ritter<br>Covenant House   | Strong proponent of private<br>sector action  |
| 8.   | J. Carter Brown<br>Director<br>National Gallery                               | Cultural issues   |
| 9.   | Don Mooman ✓<br>Pastor<br>Bel Air Presbyterian Church                         | Strong supporter of P.S.I.  |
| 10.  | Sister Falah Fattah<br>House of Umoja   | Youth leader  |

Invitees

11. Fletcher L. Byrom  
Chairman  
Koppers Corporation
12. David Mathews  
President  
Kettering Foundation
13. Rev. Jerry Falwell
14. E. V. Hill  
Mt. Zion Baptist Church
15. Bill Bright  
Campus Crusade for Christ
16. Leslie Luttgens  
Chairman  
Council on Foundations

Comments

Maverick CEO

Ford HEW Secretary, newly  
appointed foundation chief



## PRESIDENT IS FIRM ON WELFARE CUTS

Reagan Says the New Budget  
Is Not a Fair 'Barometer'  
of His Social Concerns

By HOWELL RAINES

Special to The New York Times

WASHINGTON, Oct. 5 — President Reagan, defending his decision to cut spending for social welfare, said today that the new Federal budget was not a fair "barometer" of his Administration's social concern.

Mr. Reagan quoted Franklin D. Roosevelt and John F. Kennedy, two Democratic Presidents usually thought of as advocates of strong social programs, to the effect that heavy Government spending on welfare has its dangers. "The size of the Federal budget is not an appropriate barometer of social conscience or charitable concern," Mr. Reagan said.

Mr. Reagan announced that he would appoint a panel to study ways in which private volunteer efforts could replace or supplement Government programs.

Mr. Reagan said that his concept of substituting "voluntarism" for Federal spending would show that the private sector could take care of minority groups and the poor. In a speech to the National Alliance of Business, he predicted that the nation "will soon see a torrent of private initiatives that will astound the advocates of big Government."

The President contended that voluntarism would work because of "America's deep spirit of generosity" and because it offered "a buck for business if it helps to solve our social ills."

As an example of the kind of volunteer



United Press International

President Reagan addressing the National Alliance of Business yesterday at the Sheraton Washington Hotel.

effort that he believes can replace Government-financed programs, Mr. Reagan cited the House of Umoja, which has been credited with sharply reducing killings among black youth gangs in Philadelphia.

However, a founder of the House of Umoja, Falaka Fattah, said in a telephone interview today that courts and local government social agencies paid \$46 daily tuition for most of the 500 boys sheltered by the home. Mrs. Fattah said that the House of Umoja, which she founded in 1968 with her husband, had also received Federal grants totaling \$400,000.

She said that the Reagan budget cuts had set back plans to build an "urban

Boys' Town" for black teen-agers, a project praised today in the President's speech. "Already \$100,000 that was committed for that project will not be coming," she said, because of reductions proposed by Mr. Reagan in community-aid projects under the Comprehensive Employment and Training Act.

But, Mrs. Fattah added, she and her husband, Falaka, who were singled out by name in Mr. Reagan's address this morning, would seek more money from private sources. "We're going on," she said. "We didn't start from Government money."

These plans fit with the process that Mr. Reagan described today as a kind of New Deal in reverse. "With the same

energy that Franklin Roosevelt sought Government solutions to problems, we will seek private solutions," he told the business alliance, a group that tries to find jobs for the disadvantaged.

Mr. Reagan suggested to the audience of about 1,100 at the Sheraton Washington Hotel that the growth of Government social programs had stifled private giving.

He said he would appoint 35 business, charity and religious leaders to a new Presidential Task Force on Private Sector Initiatives to make "voluntarism" work. Its chairman will be Bill Verity, chairman of the Armco Steel Corporation, Mr. Reagan announced. The other members are to be appointed later.



THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

September 21, 1981

REMARKS OF THE PRESIDENT  
AT BREAKFAST WITH  
PRIVATE SECTOR INITIATIVES

The Family Dining Room

THE PRESIDENT: Ladies and gentlemen, first of all, thank you very much for being here and you're here -- it's unusual for someone in politics -- (inaudible) -- (Laughter.)

We need to pick your brains very much. All of you here, engaged in addition to your own work, in volunteer work with organizations of various kinds that are serving the public -- and I have a distinct feeling and have for a long time that we have drifted, as a people, too far away from the voluntarism that so characterized our country for so many years. And we have, in a sense, abdicated and turned over to government things that used to be functions of the community and the neighborhood and now with what we're doing here in our economic plan there is a great need to return to that.

That often quoted by after dinner speakers Frenchman, deTocqueville, who came to this country so long ago to find out what was the secret of our greatness and all, there was one line in his book when he went back and wrote a book for his fellow citizens in which he said, "You know, there's something strange in the United States." He said, "Some individual sees a problem," and he said, "They walk across the street to a friend or a neighbor and they tell them of the problem and they talk about it and pretty soon a committee is formed and the next thing you know they are solving the problem and you won't believe this," he wrote, "but not a single bureaucrat was involved."

From the old raising of the barn when someone's barn went up in flames, in the farm days, to every kind of activity. In more recent days, more modern times, I remember -- now that government has gotten so greatly involved, and with the best of intentions. I don't fault their intentions. But we know and you know better than anyone else with what you're doing that if you take the various ways of helping people -- (inaudible) -- is the private effort. Next is the community or local effort, which is a public effort, but the highest of all is the federal government.

In addition to that, trying to form rules and regulations to fit all of the various problems around the country ignores the diversity of this land of ours. I can tell you of an example when I was governor in our neighboring state of Oregon. Up in Portland, Oregon people like yourselves in the business community, dealing with the very real problem of high school drop-outs, had formed an organization which was tremendously successful in preventing and reducing this rate of drop-outs, and then the federal government adopted a program and one of the first places they dropped in on

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was Portland, Oregon and the first task was to drive that private organization out of business and take over and they weren't nearly as successful as the private group had been.

There's one of you here at this table, Mr. Monson -- I don't know how many of you are familiar with what in his church has occurred with the literally providing of welfare programs that I believe is far superior to anything the government has been able to manage, taking care of their people, but based also on the work ethic, because one of the other things that government has done with its good intentions is violate that old rule that you can give a hungry man a fish and he'll be hungry tomorrow, or you can teach him to fish and he'll never be hungry again.

In California there is an aircraft plant that all on its own in a nearby high school heard about the drop-out problem. They instituted a program of their own where young people who have to be imminent drop-outs in their school are given after school work at this plant and training, on the job training, because they found that one of the great causes of drop-outs is lack of money, need for money.

It's a two-way street for the company by this time because not only do they prevent the drop-outs because the requirement is they can only have those jobs as long as they stay in high school. They can't drop out. And, diploma in hand, they have a pretty well trained cadre of young people coming along who get permanent jobs after graduation in their company.

I didn't mean to deal so much on drop-outs. There are any other number of things.

I talked to some clergymen who are beginning to recognize that the churches have stood back and let government do in the realm of neighbor helping neighbor what really should be the individual function of their members. Some are investigating the idea of child care centers. How easy it would be. Working mothers within a church and other mothers and women who would like to volunteer and do some good work. The church has facilities to bring them together and say, "Let's establish that with volunteer care here in our own church."

The possibilities are limitless for what we can take over that government has once been doing. Why you're here is, as I say, for us to find out from you who are already engaged in that how we can work out a plan. We intend to go forward. Jim Rosebush is going to remain here with you after I have to leave. He's going to be the Executive Secretary of the Commission that we will form, the committee, for the very purpose of finding out plans and ways that voluntarism in the community can take over and do many of the things that are not being very well done by the government today.

I have one last example of what can happen when it begins officially, other than doing it the community way. Again while I was governor, and again I'm sorry that the example has to do with drop-outs but there was a federal program where they paid students who would be given jobs in the school doing work that needed to be done, washing blackboards and all that sort of thing, after school was over, and then they came in and found that some of the students weren't juvenile delinquents and therefore they were fired. They couldn't have those jobs.

Now, if anyone can think of a better temptation for a kid to go out and break a window simply to get back on the job and get paid, I don't know what it would be. There was no reward for those who were doing what they should do. There was plenty of reward for

those who weren't.

Well, that's enough of that. I'm going to sit back for the time that's left and I'd like to hear from you on the ideas and thoughts that you might have and when the schedule says that I have to go, Jim will remain here as long as you can give of your time to this, but we are going to make it a major project. I intend to be speaking, making a major address on this, very shortly to the business community to find out how we can step in and resolve some of these problems.

So, thank you again very much for being here.

END



Office of the Press Secretary

For Immediate Release

October 5, 1981

REMARKS OF THE PRESIDENT  
TO THE  
NATIONAL ALLIANCE OF BUSINESS

The Sheraton Washington Hotel

October 5, 1981

10:35 A.M. EDT

THE PRESIDENT: Thank you very much for a very warm welcome. Your organization is concerned with jobs. I heard of a fellow who had been unemployed for a long time and a few days ago he found a job at a china warehouse. He had only worked there a couple of days when he smashed a large oriental vase. The boss told him in no uncertain terms that the money would be deducted from his wages every week until the vase was paid for. And the fellow asked, "How much did it cost?" He told him \$300. And the fellow cheered and said, "At last, I've found steady work." (Laughter.)

Seriously, I'm aware that the National Alliance of Business was formed to reduce the despair of unemployment -- to provide opportunities where they would otherwise not exist. You've set for yourselves a noble and necessary goal. You know that a job at four dollars an hour is priceless in terms of the self-respect it can buy.

Many people today are economically trapped in Welfare. They'd like nothing better than to be out in the work-a-day world with the rest of us. Independence and self-sufficiency is what they want. They aren't lazy or unwilling to work. They just don't know how to free themselves from that Welfare security blanket.

After we undertook our Welfare reforms in California, I received a letter from a woman with several children who had been on Aid to Dependent Children. She wrote that she had become so dependent on the Welfare check that she even turned down offers of marriage. She just could not give up that security blanket that it represented. But she said that she'd always known that it couldn't go on -- couldn't last forever. So when our reforms began, she just assumed that the time had come and that somehow she would be off Welfare. So she took her children and the \$600 she had saved from here, as she put it, so-called "poverty" and went to Alaska where she had relatives and she was writing the letter now not to complain about our reforms but to tell me that she had a good job and that working now had given her a great deal of self-respect, for which she thanked me, and then one line that I'll never forget -- she said, "It sure beats daytime television." (Laughter.) Our economic program is designed for the very purpose of creating jobs. As I said on Labor Day, let us make our goal in this program very clear -- jobs, jobs, jobs, and more jobs. And what is more, our program will reduced inflation so the wages from these jobs will not decrease in earning power.

Part of that economic package also includes budget cuts. Now, some of these cuts will pinch which upsets those who believe the less fortunate deserve more than the basic subsistence which the governmental safety net programs provide. The fact is, I agree. More can be done. More should be done. But doing more doesn't mean to simply spend more. The size of the federal budget is not an appropriate barometer of social conscience or charitable concern.

Economic problems or not, isn't it time to take a fresh look at the way we provide social services? Not just because they cost so much and waste so much, but because too many of them just don't work.

Even if the federal government had all the money it wished to spend on social programs, would we still want to spend it the way we have in the past? In all my years as governor, and now as President, I have never found an agency, a program, a piece of legislation or a budget that was adequate to meet the total needs of human beings. Something is missing from such an equation. I believe that something is private initiative and community involvement -- the kind the NAB

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exemplifies.

There is a legitimate role for government, but we musn't forget before the idea got around that government was the principal vehicle of social change. It was understood that the real source of our progress as a people was the private sector. The private sector still offers creative, less expensive, and more efficient alternatives to solving our social problems. Now, we're not advocating private initiatives and voluntary activities as a half-hearted replacement for budget cuts. We advocate them because they're right in their own regard. They're a part of what we can proudly call "the American personality."

The role of voluntarism and individual initiative has been misunderstood. Federal loan guarantees will not be restored by charity alone nor will we replace the Department of Health and Human Services. Voluntarism is a means of delivering social services more effectively and of preserving our individual freedoms. John F. Kennedy knew this when he said: "Only by doing the work ourselves, by giving generously out of our own pockets, can we hope in the long run to maintain the authority of the people over the state, to insure that the people remain the master, the state, the servant. Every time that we try to lift a problem from our own shoulders and shift that problem to the hands of the government, to the same extent we are sacrificing the liberties of the people."

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There are hard-headed, no-nonsense measures by which the private sector can meet those needs of society that the government has not, cannot or will never be able to fill. Volunteer activities and philanthropy play a role as well as economic incentives and investment opportunities. To be certain we're talking about America's deep spirit of generosity, but we're also talking about a buck for business if it helps to solve our social ills.

With the same energy that Franklin Roosevelt sought government solutions to problems, we will seek private solutions. The challenge before us to find ways once again to unleash the independent spirit of the people and their communities. That energy will accomplish far, far more than government programs ever could. What federalism is to the public sector, voluntarism and private initiative are to the private sector. This country is bursting with ideas and creativity, but a government run by central decree has no way to respond.

Having been a governor, Franklin Roosevelt knew something of the dangers of over-centralization. In a message to the Congress, he wrote, "Continued dependence upon relief (it hadn't yet been given the name welfare) induces a spiritual and moral disintegration fundamentally destructive to the national fibre. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit ... The federal government must and shall quit this business of relief."

What exactly is voluntarism? I guess Gary Cooper did about the best job describing it in the movie "Mr. Deeds Goes to Town."

"From what I can see," he said, "no matter what system of government we have, there will always be leaders and always be followers. It's like the road out in front of my house. It's on a steep hill. And every day I watch the cars climbing up. Some go lickety-split up that hill on high -- some have to shift into second -- and some sputter and shake and slip back to the bottom again. Same cars -- same gasoline -- yet some make it and some don't. And I say the fellow who can make the hill on high should stop once in a while and help those who can't."

Over our history, Americans have always extended their hands in gestures of assistance. They helped build a neighbor's barn when it burned down, and then formed a volunteer fire department so it wouldn't burn down again. They harvested the next fellow's crop when he was injured or ill and they raised school funds at quilting bees and church socials. They took for granted that neighbor would care for neighbor.

When the City of Chicago was leveled by fire, urban renewal programs didn't exist; the people simply got together and rebuilt Chicago. The great French observer of America, de Tocqueville, wrote, "Whenever at the head of some new undertaking you see the government in France, or a man of rank in England, in the United States you will be sure to find an association (of individuals)."

The association of Americans has done so much and is so rich in variety. Churches once looked after their own members and during the Depression the Mormon Church undertook its own welfare plan based on the work ethic -- a plan that is still successful today. With no disrespect intended one can't help but wonder if government welfare would exist at all, if our churches had at that same time -- all of them, picked up that task. Before World War I, the Rockefeller and Carnegie foundations together spent twice as much as the government for education and social services -- simply because there was a need. The National Foundation for Infantile Paralysis set out to conquer polio with dimes ... and did it. In a fitting symbol of America, our own Statue of Liberty was built with the nickels and dimes of French schoolchildren and the contributions of their parents.

We all know countless stories of individual and personal generosity. There was an incident in Los Angeles a couple of years ago involving a man named Jose Salcido whose wife had died of cancer, leaving him both father and mother of 13 children. In an accident only

the Lord can explain, one day the brakes on his truck did not hold and he was crushed against a brick wall as he walked in front of the vehicle. The children who had lost their mother now had lost their father. But they were not orphaned by their neighbors or even complete strangers who immediately began collecting contributions. The parish church started a drive. Finally a fund was set up at the bank and a committee was formed of citizens to take care of it. They also discovered how kind the people of this land can be.

One letter accompanying a check said it all. "This is for the children of Jose Salcido. It is for them to know there are always others who care; that despite personal tragedy, the world is not always the dark place it seems to be; that their father would have wanted for them to go on with courage and strength, and still open hearts."

I know there are cynics who dismiss the notion of Americans helping other Americans. They say that I speak of an America that never was and never can be. They believe voluntarism is a mushy idea and the product of mushy thinking. They say that our society today is too complex or that we're trying to repeal the 20th century.

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Well, the cynics who say these things have been so busy increasing Washington's power that they've lost sight of America. Have they forgotten the great national efforts before there ever was a thing called "foreign aid"? The American people organized to help Japan in the great earthquake, famine in India, bundles for Britain. The spirit is not dead.

I wish the cynics would visit David and Falaka Fattah in Philadelphia. I don't know whether I pronounced their name right, but the Fattahs decided to put their hearts and minds into reducing the gang violence in West Philadelphia, which killed up to 40 persons a year in the early 1970s. They were instrumental in negotiating a city-wide peace treaty among gangs that reduced the number of deaths from 40 to about 1 a year.

This one couple did something that all the social welfare and law enforcement agencies together had been unable to accomplish. They replaced the gang structure with a family structure. They actually took a gang of 16 into their home. Their House of Umoja has helped more than 500 boys now develop into self-sufficient and productive young men. And today they are establishing what might be called an urban Boys Town.

I wish the doubters would visit Detroit where a few years ago hundreds of children awaiting adoption were in the foster care system. Potential black parents were judged by arbitrary income standards and not whether they could offer a warm, loving, secure family to a homeless child.

But a community group called Homes for Black Children challenged the adoption practices of the local agencies with astounding results. In its first year, Homes for Black Children placed more kids in permanent homes than all 13 of the traditional placement agencies combined. There is the DeBolt family in California that began adopting only children who were grievously handicapped, at one time, 19 in their home.

I wish the cynics would call on New York City, the New York City Partnership, an association of 100 business and civic leaders, which this past summer found jobs for about 14,000 disadvantaged youths, the majority of whom would not have otherwise found jobs.

Talk to the Honeywell people who are training prison inmates in computer programming. Those inmates who reach an employable skill level before leaving prison have a recidivism rate of less than 3 percent, compared to a national rate estimated at 70 percent.

Or look at the marvelous work McDonald's is doing with it's Ronald McDonald Houses. These are places, homes really, usually near children's hospitals where families can stay while their children are treated for serious diseases. Currently 28 homes are opened and another 32 are in some stage of development. Since the homes are funded mainly by the local McDonald operators and the staff is all volunteer, no tax money is spent.

The cynics should ask the Fattahs if the spirit is dead. They should ask the families who have been helped by the McDonald Houses and the Homes for Black Children if the spirit is dead. They should ask the disadvantaged New York youths who have summer jobs or the prison inmates who are developing skills for the outside world. Why can't the skeptics see the spirit is there where it has always been, inside individual Americans?

Individual Americans like Father Bruce Ritter. Father Ritter's Covenant House in the heart of Times Square offers youths

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who are runaway or exploited a sanctuary from the pressures of modern life and an escape from those who would prey on them. With the help of 200 part-time and 65 full-time volunteers, Father Ritter last year aided nearly 12,000 youths.

Perhaps the doubters should consider how empty and gray our society would be right now if there were no such thing as volunteer activity. Erma Bombeck, that witty woman who appears in our newspapers, once wrote a more sober article on what it would be like if the volunteers all set sail for another country. And if you don't mind, let me read a part of what she said:

"The hospital was quiet as I passed it. Rooms were void of books, flowers and voices. The children's wing held no clowns ... no laughter. The reception desk was vacant.

"The Home for the Aged was like a tomb. The blind listened for a voice that never came. The infirm were imprisoned by wheels on a chair that never moved. Food grew cold on trays that would never reach the mouths of the hungry.

"All the social agencies had closed their doors, unable to implement their programs of scouting, recreation, drug control, Big Sisters, Big Brothers, YW, YM, the retarded, the crippled, the lonely, and the abandoned.

"The health agencies had a sign in the window, 'Cures for cancer, muscular dystrophy, birth defects, multiple sclerosis, emphysema, sickle cell anemia, kidney disorders, heart diseases, have been cancelled due to lack of interest.'

"The schools were strangely quiet with no field trips, no volunteer aids on the playground or in the classroom ... as were the colleges where scholarships and financial support were no more.

"The flowers on church alters withered and died. Children in day nurseries lifted their arms but there was no one to hold them in love."

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Her article told a very much unrecognized truth -- volunteer cuts would be much more disruptive to the nation than federal budget cuts. Because they are so important, this administration seeks to elevate voluntary action and private initiative to the recognition they deserve. We seek to increase their influence on our daily lives and their roles in meeting our social needs. For too long the American people have been told they are relieved of responsibility for helping their fellow man because government has taken over the job.

We seek to provide as much support for voluntarism without federalizing as possible. Today, I am announcing the creation of a Presidential Task Force on Private Sector Initiatives, comprised of 35 leaders from corporations, foundations, and voluntary and religious organizations. Its purpose will be to promote private sector leadership and responsibility for solving public needs and to recommend ways of fostering greater public/private partnerships.

I have asked Bill Verity, the Chairman of Armco Steel, to chair the task force and act as my personal representative in expanding private sector initiatives and in recognizing outstanding examples of corporate and community efforts.

I'm instructing the Cabinet to review agency procedures and regulations and identify barriers to private sector involvement. We want to deregulate community service. For example, mothers and grandmothers have been taking care of children for thousands of years without special college training. Why is it that certain states prohibit anyone without a college degree in early childhood education from operating a day-care facility?

I'm also asking the Cabinet to develop pump priming and seed money programs that offer incentives for private sector investment. In addition, the Cabinet will provide technical knowledge to develop private incentives. Furthermore, existing programs will be examined to determine those which could be more productively carried out in the private sector.

Voluntarism is an essential part of our plan to give the government back to the people. I believe the people are anxious for this responsibility. I believe they want to be enlisted in this cause. We have an unprecedented opportunity in America in the days ahead to build on our past traditions and the raw resources within our people. We can show the world how to construct a social system more humane, more compassionate, and more effective in meeting its members needs than any ever known.

After I spoke of volunteerism several days ago, I received this mailgram. "At a breakfast this morning, 35 chief executive officers of the largest employers and financial institutions of San Antonio met and committed to: 1) support of you and your commitment of returning the responsibility of support of many worthy, previously federally funded programs to the local level; 2) committing themselves individually and corporately to do more in being a part of continuing or establishing that safety net of services each community needs; 3) as a first step, committing to achieving a minimum 20 percent increase in our local United Way campaign which represents 60 agencies included within that safety net. And finally, committing themselves that the programs supported are needed and efficiently and effectively administered. You have our support." And it was signed by Harold E. O'Kelley, Chairman of the Board and President of Datapoint Corporation, Tom Turner, Sr., Chairman of the Board and President of Sigmor Corporation, Dr. Robert V. West, Jr. Chairman of the Board of Tesoro Petroleum Corporation and H.B. Zachry, Sr., Chairman of the Board of the H.B. Zachry Company.

And just this weekend, I received a letter from the insurance industry promising to undertake new budget initiatives to reduce unemployment, especially among minority youths. The insurance companies plan to direct their financial resources which are in the hundreds of billions of dollars as we know to further this goal. They also plan to increase their dollar contributions to these programs affecting basic human needs.

The private sector can address the tough social problems of special concern to minority Americans and I believe that we will

soon see a torrent of private initiatives that will astound the advocates of big government. The efforts of you at this conference also show what can be done when concerned people in businesses join in partnership with government. You are a model of future action and I'm calling upon you today to help in the cause to enlarge the social responsibility of our citizens. The spirit that built this country still dwells in our people. They want to help. We only need to ask them. All of us, and particularly we who are parents have worried about whether the youth of today have absorbed some of the traditions with which we are so indoctrinated. A few years ago in Newport Beach, California, there were some lovely beachfront homes that were threatened by an abnormally high tide and storm generated heavy surf -- in danger of being totally undermined and destroyed. And all through the day in the cold winter night, and it does get cold in California at night, sometimes in the daytime, the volunteers worked filling and piling sandbags in an effort to save these homes. Local TV stations, aware of the drama of the situation covered the struggle and went down there in the night to see what was happening and catch the damage being done and so forth.

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And it was about 2:00 a.m. when one newscaster grabbed a young fellow in his teens, attired only in wet trunks, even at that hour. He'd been working all day and all that night -- one of several hundred of his age group. And in answer to the questions -- no, he didn't live in one of those homes they were trying to save. Yes, he was cold and tired. And the newscaster finally wanted to know, well, why was he and his friends doing this. And he stopped for a minute and then he answered and the answer was no poignant and tells us something so true about ourselves that it should be printed on a billboard. He said, "Well, I guess it's the first time we ever felt like we were needed."

Americans are needed. They're needed to keep this country true to tradition of voluntarism that has served us so well. And they're needed to keep America true to her values. In the days following World War II when a war ravaged world could have slipped back into the Dark Ages, Pope Pius XII said the American people have a genius for great and unselfish deeds. Into the hands of America God has placed an afflicted mankind. Let those words be true of us today. Let us go forth from this conference and say to the people: Join us in helping Americans help each other.

And I assure you, I'm not standing here passing this off to you as solely your task and the government will wash its hands of it. We intend a partnership in which we'll be working as hard as we can with you to bring this about. Thank you and God bless you. (Applause.)

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11:00 A.M. EDT