

Ronald Reagan Presidential Library Digital Library Collections

This is a PDF of a folder from our textual collections.

Collection: Press Secretary, Office of the:
Press Releases and Press Briefings: Records, 1981-1989

Series: II: PRESS BRIEFINGS

Folder Title: 02/20/1985 (#1335)

Box: 33

To see more digitized collections visit:

<https://www.reaganlibrary.gov/archives/digitized-textual-material>

To see all Ronald Reagan Presidential Library Inventories, visit:

<https://www.reaganlibrary.gov/archives/white-house-inventories>

Contact a reference archivist at: **reagan.library@nara.gov**

Citation Guidelines: <https://reaganlibrary.gov/archives/research-support/citation-guide>

National Archives Catalogue: <https://catalog.archives.gov/>

THE WHITE HOUSE
Office of the Press Secretary

PRESS BRIEFING
BY
LARRY SPEAKES

February 20, 1985
The Briefing Room

9:20 A.M. EST

INDEX

SUBJECT

PAGE

ANNOUNCEMENTS

President's Schedule.....1
Prime Minister Thatcher
Thursday News Conference
Working Group on Central America.....1
Trip of the Vice President.....1-2

DOMESTIC

Personal Income Figures.....2
Auto Restraints.....2-7
Meese Nomination/Farm Issues.....7-10

FOREIGN

Shultz/Support of Contras.....10
Pertini.....10
President's Trip To Spain.....10-11
Mexican Border Activity.....11

9:42 A.M. EST

#1335-02/20

THE WHITE HOUSE
Office of the Press Secretary

PRESS BRIEFING
BY
LARRY SPEAKES

February 20, 1985

The Briefing Room

9:20 A.M. EST

MR. SPEAKES: Today is virtually, entirely Thatcher day. As you know, Prime Minister Thatcher is addressing Congress, Joint Session, at 11:00 a.m.

Q Joint meeting.

MR. SPEAKES: At 12:00 p.m., she has a meeting with the President, a private meeting for about 20 minutes. At that time, we'll take the cameras and writing pool in for a photo.

After that meeting concludes, there'll be a working lunch in the Blue Room of the White House.

And at 1:15 p.m., when the luncheon adjourns, they will move to the Family Dining Room for a continuation of the meeting that will last until 2:30 p.m.

Departure statements from the Diplomatic Entrance at 2:30 p.m. And they will be open coverage.

Tonight, the President and Mrs. Reagan will attend a dinner at the British Embassy with Prime Minister Thatcher. Writing pool will accompany, and there'll be coverage of the arrival, greeting and toast with our travel pool.

The toasts will be piped back for those who wish to be here at that hour. And we will release the toast text at 5:00 p.m. today, if we have it in hand and approved.

At noon today, we'll have our regular briefing.

At 2:45 p.m., we'll have a Thatcher backgrounder.

And at 2:30 p.m. this afternoon, there is another meeting of the White House Working Group on Central America. It's in Room 450. The speakers will be Norman Podhoretz, Editor of Commentary, and Dr. Frank Aker, who is a volunteer doctor in Honduras. Those who wish to cover: 456-6623.

Tomorrow at 8:00 p.m., the President will hold the news conference in the East Room. Of course, it will be available for those who wish to attend and ask questions.

Due to the fact that we have a press conference tomorrow, we'll have no briefings here at all tomorrow.

Q Not even a morning briefing?

MR. SPEAKES: Not even a morning briefing.

Announcement on further travel of the Vice President: At the request of the President, Vice President Bush will lead a U.S. delegation to the inaugural of Tancredo Neves as President of Brazil on March 15th. Other members of the U.S. delegation will be our

Ambassador to Brazil, Diego Ascencio, and Assistant Secretary of State for Inter-American Affairs, Langhorn Tony Motley.

Enroute to Brazil, the Vice President will pay a brief visit to Grenada on March 14th and will also pay a brief visit to Honduras on his return trip to Washington on March 16th.

The Vice President's attendance at the inauguration of Brazil's newly-elected President, as well as his visit with members of Grenada's newly-democratically-elected government and with members of the democratic government of Honduras, underscore the United States' continuing strong support and encouragement for democratic governments in the Western Hemisphere.

This morning we have the personal income and personal expenditures are out. Income increased .5 percent in January, following a .4 percent in December.

Consumption expenditures, which is consumer spending, increased .6 percent in January. It increased .8 percent in November. This indicates a continued moderate growth in both personal income and consumer spending. These are positive signs, as the economy moves into a new year of sustained growth.

Q Good news?

Q Good news?

MR. SPEAKES: Yes, good news.

Q Thanks.

Q Thank you. (Laughter.)

MR. SPEAKES: This morning, you have considerable reporting, as we anticipated, on the auto restraints. The Cabinet Council, as I said yesterday, completed its deliberations and the matter will be discussed with the President. We don't have a specific timetable.

SENIOR ADMINISTRATION OFFICIAL: ON BACKGROUND, if you don't mind that, The Post story reporting, and I'm sure others, which I have not read, is accurate about the procedure of going through the NSC and the groups there for a discussion that will include overall trade relations with Japan and will then be presented to the President.

And, once again, we're in the same posture. If we do nothing and allow the restraints to expire, then the President has to do nothing, has to make no announcement.

Q Yes, but it sounds like you're tying this now to maybe a quid pro quo in some other area.

SENIOR ADMINISTRATION OFFICIAL: Sam, there's been some discussion of the overall trade policy and the fact that we would, as we've expressed to the Japanese many times in the past, allowed the -- let the Japanese allow freer trade on our part, lower some barriers there. That's really what we want is to have it a two-way street and a little broader thoroughfare on that two-way street.

Q Any indication the Japanese are getting the message on this?

SENIOR ADMINISTRATION OFFICIAL: Always, in our meetings with the Japanese, and particularly with Prime Minister Nakasone, he has expressed an understanding of it -- things like beef and citrus and whatever else those several items are that we are always asking for -- lower the barriers a bit on. Those items -- he has always expressed a desire to do so.

Q Why doesn't he?

SENIOR ADMINISTRATION OFFICIAL: He has a government to deal with and a legislature and a bureaucracy, the same as we do. And we are understanding of that, and have been.

Q Well, how long are we going to be understanding of their refusal to make any moves?

SENIOR ADMINISTRATION OFFICIAL: No. They have shown a willingness and an understanding, and they have made moves, and we are making progress in the area of U.S.-Japan trade.

Q Are you on the record or --

Q Still on background?

Q Was the decision yesterday to move it on to another interagency trade group, or was there a real recommendation to the President?

SENIOR ADMINISTRATION OFFICIAL: There was a unanimous agreement on the part of the Cabinet Council as to what their recommendation would be -- once again which I'm not saying -- which is obvious from the newspapers. But this procedure, this track, had always been agreed as was reported so astutely in the Detroit News on Friday or Saturday morning, I believe.

Q The one you said was wrong?

Q That was the one you said was wrong, right?

SENIOR ADMINISTRATION OFFICIAL: No, your question was wrong.

Q Oh, well -- (Laughter.)

SENIOR ADMINISTRATION OFFICIAL: You -- your question was that the President had decided. The Detroit News didn't say that.

Q Frankly, I didn't ask a question about it.

SENIOR ADMINISTRATION OFFICIAL: I see.

Q You said that -- didn't you say on Air Force One Sunday and again yesterday that the Detroit News story -- regarding the Detroit story, you're quoted as wrong?

SENIOR ADMINISTRATION OFFICIAL: Yes. And the wire services had presented the question to me entirely wrong, saying the President made a decision. My statement was that the President has

not made a decision, it has not gone to the President. That's true -- that's true yesterday, day before yesterday, and it's true tomorrow.

Q You never said the Detroit News story is wrong?

SENIOR ADMINISTRATION OFFICIAL: I may have said it was wrong, but the Detroit News story presented to me by you guys on the airplane was wrong.

Q Yes, well, I'm not clear whether you're saying that now, by letting the Japanese have their own head on this -- pardon the expression -- auto restraint, that we hope they will reciprocate by easing some barriers elsewhere; but if they don't, so be it. Or whether we have sent the first signal that we're willing to do this if you're willing to do something in your area. And, in fact, if they're not, we may -- the President may decide to reject that automatic recommendation.

SENIOR ADMINISTRATION OFFICIAL: Sam, even on background I don't think I should go into that kind of tit-for-tat-type discussion.

Q Well, tit-for-tat makes the world go 'round.

Q Why are you saying the President probably won't make a decision? Aren't you basically saying that?

SENIOR ADMINISTRATION OFFICIAL: No, I'm not saying that. I'm saying that is an option. If we just -- if the President decides to let the restraints expire -- he is not required to do anything. No decision, no statement, no --

Q Why doesn't he come out and say that he's going to? I mean, what's wrong with saying so?

SENIOR ADMINISTRATION OFFICIAL: It never has come to him yet. And until he sits down and talks about it, he's not going to say anything.

Q How are the Japanese to be informed of this? Just by using us, or background, what have you?

SENIOR ADMINISTRATION OFFICIAL: No, no, no. We have a continuing full and detailed exchange with them, and whether it would be done at the Embassy level, or whether Brock would back over there -- all that hasn't been determined.

Q If I can just follow up on what Sam's saying, though, I mean, can you say at all that there's any linkage between what we decide to do on the autos and what we want to see out of the Japanese? Because there's a clear implication of that when you say we're now going to discuss the autos in terms of our overall trade relationship with Japan and the question of their opening our markets. That seems to imply that there would be some linkage.

SENIOR ADMINISTRATION OFFICIAL: No, you're leap-frogging there. We have always made our views known to Japan about the free trade and the barriers that exist on a number of U.S. products there. And we would like to continue down that road of discussion with them. As to whether -- I would not use the word "linkage."

Q Well, would you say there's any relationship between what we do on cars and what they do on other trade issues?

SENIOR ADMINISTRATION OFFICIAL: I just can't say at this time.

Q Larry, at the time of the --

Q Well, why are you -- why is it in the context, then, of the whole trade policy?

SENIOR ADMINISTRATION OFFICIAL: Well, it's got to be, Helen. I mean, if you're --

Q Why do you say there isn't linkage?

SENIOR ADMINISTRATION OFFICIAL: Pardon?

Q Why do you say there isn't linkage?

SENIOR ADMINISTRATION OFFICIAL: Because we may very well not go to the Japanese and say that. It may not be linked.

Q Are we still on background?

Q But it is going to be considered in that context?

SENIOR ADMINISTRATION OFFICIAL: Sure. We're going to look at our entire trade policy.

Ralph?

Q Has all this discussion been on background?

SENIOR ADMINISTRATION OFFICIAL: Yes.

Q Part of it on the record, or --

SENIOR ADMINISTRATION OFFICIAL: No, all of it on background.

Q All of it on background?

SENIOR ADMINISTRATION OFFICIAL: Yes.

Q At the time of the Nakasone meeting, senior administration officials said that the auto import quotas were a bargaining chip.

Now, given this action, what evidence do we have that that bargaining chip has, indeed, yielded fruit? Have we got some --

SENIOR ADMINISTRATION OFFICIAL: Who said that? Who used the bargaining chip?

Q Someone mentioned that to me. Now, have we got something on tele-communications?

SENIOR ADMINISTRATION OFFICIAL: No, that was a long -- that phrase apparently was used to you by someone very early in the process and we've just begun to discuss it in detail in the last few days. So I wouldn't use that term.

Q Well, have we got something on the tele-communications, which is one of the areas that was high on the list of discussions?

SENIOR ADMINISTRATION OFFICIAL: Frank, I don't know whether we've -- I'm not up to speed enough to know whether we've received any concessions from them on any of the other areas specifically. I don't know. But I would caution you not to write a story today indicating that the U.S. plans to use lifting of the auto restraints as a hammer over the head of the Japanese on other areas.

Q Because it's wrong or because it just hasn't been decided?

SENIOR ADMINISTRATION OFFICIAL: It hasn't been decided and chances are it will not be that strong if it would. It would be more implied and less -- more implied and less out in the open.

Q -- your language. I mean, that's fairly strong.

SENIOR ADMINISTRATION OFFICIAL: I say it would not be.

Q If it isn't used in that matter, then what kind of leverage does the United States government have in dealing with Japan on these issues? If you let them lapse, for example, what leverage do you have over the Japanese to loosen up their trade restrictions?

SENIOR ADMINISTRATION OFFICIAL: I'm not so sure that -- I think they recognize, as they did before, that you've got a strong protectionist sentiment from the auto industry in Congress, or inspired by the auto industry in Congress. They recognize that. And I think they just know the realities of how we have to do business.

Q Well, might the Japanese simply raise by some 200,000 or 300,000 or 400,000 units -- million rather -- the number of autos that they would send to the United States but still say that there was some sort of restraint?

SENIOR ADMINISTRATION OFFICIAL: That they could, yes.

Q They could do anything. I'm not asking -- but, I mean, is that one of the avenues that --

SENIOR ADMINISTRATION OFFICIAL: I don't know. I don't have a feel --

Q -- this government might discuss with them?

SENIOR ADMINISTRATION OFFICIAL: I don't have a feel.

Q Are you suggesting that you're going to pass this ball to Congress?

SENIOR ADMINISTRATION OFFICIAL: No, no. No, that was --

Q Is Congress in a position --

SENIOR ADMINISTRATION OFFICIAL: That was the message, subtle message that we delivered to the Japanese last time. We wanted free trade, but if the U.S. auto industry continued to be hurt by Japanese imports, that we might be -- not us, but the Congress might do it.

One thing you mentioned yesterday that I was wrong on, too, was this surge control idea. That was discussed. Now, whether that will be an outcome, at least we are aware that they're -- that is something that we wouldn't want to happen -- if it got out of -- if it was a surge that zapped our market, we wouldn't want that to happen. That was discussed I found out later, so I want to clear that up.

Q I accept your correction for the record.

Q Can we get on the record here?

SENIOR ADMINISTRATION OFFICIAL: Yes, I --

Q Do you mean the President would not care if our industry was harmed or hurt?

SENIOR ADMINISTRATION OFFICIAL: There are a lot of balancing factors.

Q Well, I know. And the Commerce Department said that it would -- they would increase their autos here by one-third.

SENIOR ADMINISTRATION OFFICIAL: Did you hear me say that or imply that?

Q Yes, I thought so, because you said that it really didn't matter.

SENIOR ADMINISTRATION OFFICIAL: No, you missed the boat at the last station.

Q What about the Meese thing? I mean --

Q Does the President care if this industry would be harmed?

SENIOR ADMINISTRATION OFFICIAL: The President has to weigh a lot of factors. The President has to weigh the continued viability of our auto industry, the jobs that are effected in the auto industry. He, at the same time, has to weigh the consumer interest. He has to weigh the overall United States trade relationships with its trading partners, particularly in Japan. All of the above. And I think the President will try to take an approach that will provide maximum benefit for all of the above. But a decision's got to be made and he's the one that's going to be making the decision.

Q We can go back on the record. Can we go back on the record? What is the President's attitude toward the blackmail attempt by some farm state Senators --

MR. SPEAKES: Boy, I'm glad you asked that. I was coming to it.

Q -- by holding up the Meese nomination?

MR. SPEAKES: Yes. The President wishes the Senate to act promptly on the Meese nomination, on its merits. There are the votes there to confirm Ed Meese as Attorney General. The President thinks the Senate should get down to the business of voting on Ed Meese and do so promptly.

As far as the farm issues, we're willing for those to come up in the Senate and stand on their own two feet. Both issues are separate. They're not related. And to hold the Meese nomination hostage for a farm -- for farm legislation is just not the way to do business.

We want the Meese nomination to come forward and be voted on promptly so that the new Attorney General can take office.

Q And prosecute some farmers.

MR. SPEAKES: And as far as the farm issue, we have proposed an emergency debt relief package that we think is adequate and will work if we can get the cooperation of the financial interest in the farming community as well as the farmers themselves.

Q This group of Senators, most of whom are Republicans if memory serves --

MR. SPEAKES: And farm state Republicans.

Q -- don't agree that your package is adequate and they want much, much more help. Are you willing to go more?

MR. SPEAKES: A lot of them are Democrats, Sam.

Q I said most of them are Republicans. There are some Democrats in there.

MR. SPEAKES: Are they? I didn't realize most of them were. We think it is. We're willing to talk with them, but I -- that is a package that we believe is adequate to get farmers on their feet in order to get through the planting season.

Q Does he have any plans to either meet with farmers here, the President, or to go to a farm event out in the Midwest?

MR. SPEAKES: No, not right now. None of the above.

Q Has anyone talked to -- what have you talked to Dole? I'm sure you've talked to Dole, someone from here. What is the strategy then today?

MR. SPEAKES: We have told Senator Dole what we want to do and I think Senator Dole, without me speaking for him,

has agreed -- that he will try to bring the Meese nomination to the floor standing alone. The Senate rules being what they are, is a majority leader has to contend with a filibuster. We're hopeful that those who are threatening filibuster will simply agree to take the farm legislation up at another time.

Q Does the President plan to call them individually and talk to them, or any of them?

MR. SPEAKES: Not at the moment -- don't have any calls.

Q Are you saying there are no further concessions that will be made to the farmers?

MR. SPEAKES: I'm saying that we think our package is adequate. We, as always, have tried to consult with the farm state Senators. But, at the moment, unless they can show us something that is not a budget-busting approach to it, then we do believe that our package is the best way to go.

Our package is there in place. There is an enormous amount of loan money that exists in the farm -- in farm credit, both from the government and from independent resources that could and should be made available to the farmers.

Q Larry, the question isn't more debt -- I mean, more loans. These people can't pay off the loans they have. So, it -- I mean, it seems to me that they're not asking for additional loans. Does the administration have any other ideas about how to approach the problem?

MR. SPEAKES: No. I think the approach to the problem is to some way work an adequate financial arrangement for those farmers who are able to show that they can continue in business and present a sound financial plan, whether it be in a private or government lending, and not continue to throw good money after bad as far as farm debt is concerned.

But there -- certain element -- a certain number of farmers out there that are sound businessmen that have been victimized by inflation, land values, etc., that could, if given an adequate financial arrangement by their -- in their own locality, could function.

Q Was Dole here yesterday?

MR. SPEAKES: No. I don't believe so. Max and B. conferred with Dole yesterday, but whether they did it by phone or went to the Hill -- I don't think Dole came down. He was not here this morning. They've been talking to him by phone.

Sheila?

Q Larry, I think there was a meeting yesterday afternoon with Block -- of Block and some other officials. Was that called specifically to see what might be the administration response to the Meese situation, and what was concluded at that meeting?

MR. SPEAKES: Yes. It was concluded that we would push for Meese to -- the Meese nomination to be considered on its own merits and the farm legislation to be considered when the Senate could arrange it.

Q Is there a fall back position?

MR. SPEAKES: No.

Q Is it --

MR. SPEAKES: There really is no fall back position on

that. We're adamant that we want Meese to be confirmed and --

Q Is it --

MR. SPEAKES: -- and voted on and not linked to any farm credit legislation or held hostage to any farm credit legislation.

Q Is it clear -- on another subject -- that Shultz was saying on the record, on the Hill yesterday, that the purpose of aiding the Contras is in fact to overthrow the government of Nicaragua -- the Sandinista government?

MR. SPEAKES: I didn't see that quote, Sam.

Q Well, I am not giving you an exact quote, but the thrust of the reporting from the Hill seemed to have Shultz saying on the record that we were aiding the Contras, or there was a need to aid the Contras in order to overthrow the government -- remove the government of Nicaragua.

MR. SPEAKES: We've always been a little careful in that area. (Laughter.)

Q Well that's why --

Q No, not very.

Q That's why, I mean --

Q -- until now.

Q Poor old Boland has just, you know, been murdered so many times up there.

MR. SPEAKES: Yes. I'd have to look at Shultz' testimony before I tried to contradict him.

Anybody got anything else?

Steve?

Q So you don't have any guidance on that? Bob, would you look into that?

Q Any reaction to the Italian president, I think it was, who is a little miffed --

MR. SPEAKES: Pertini.

Q -- and says he won't go to the European Parliament because --

MR. SPEAKES: No. I guess we'll no comment Pertini's desire not to speak on the day following the President to the Italian --

Q Has the President called him or anything?

Q Do you have any firm dates of --

Q Does the President know that he bumped him?

Q Sorry.

MR. SPEAKES: Say what?

Q Do you have any dates now on the President's trip to Spain?

MR. SPEAKES: No.

Q Do you expect to announce them today?

MR. SPEAKES: I don't think so. Sims, do you think we'll have them today? Spain?

MR. SIMS: Whenever we work it out --

Q Scrub the Bilbao stuff, will you? (Laughter.)

MR. SPEAKES: -- wait until we get it worked out.

Q Have we been on the record since the discussion of auto imports.

MR. SPEAKES: Yes. When we ended auto imports everything has been on the record.

Q Number two, when does the pool -- for this evening?

MR. SPEAKES: For this evening? Probably about 7:00 p.m. Are you stuck with it?

Q I'm afraid so.

MR. SPEAKES: What time -- find out what time the pool gathers here.

Q Larry --

MR. SPEAKES: No, it'll probably be about 7:15 p.m. or 7:30 p.m., something like that.

Q Larry, do you have any response to the Mexican diplomatic note protesting the border activity?

MR. SPEAKES: No. You have anything on that? Why don't we -- let us run a little more thorough check with the State Department to be sure of what that -- what it is.

Q That's still going on down there by order of customs -- whatever it is here?

Q Bob, check with Shultz.

MR. SPEAKES: I believe it is, yes, close checks at the border.

7:30 p.m. for the pool.

END

9:42 A.M. EST

#1335-02/20