Ronald Reagan Presidential Library Digital Library Collections

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

Collection: Presidential Handwriting File:

Presidential Speeches

Folder Title: Folder 382 (07/09/1985 to 07/31/1985)

Box: 20

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/

Last Updated: 01/30/2025

The President has seen

(ROBINSON)

JULY 9, 1985

3261725C

REGIONAL PRESS LUNCHEON

GOOD AFTERNOON AND WELCOME TO THE WHITE HOUSE. IT'S ALWAYS REFRESHING TO SPEAK TO REPRESENTATIVES OF THE REAL AMERICA — THAT VAST AND WONDERFUL LAND WHERE A SPECIAL INTEREST IS A HOBBY LIKE FISHING AND A LOBBYIST IS SOMEBODY WHO HANGS AROUND IN HOTELS. I WANT YOU TO KNOW HOW DEEPLY I APPRECIATE THIS OPPORTUNITY TO SPEAK TO YOU AND, THROUGH YOU, TO THE AMERICAN PEOPLE.

I'D LIKE TO DEVOTE THE BULK OF OUR TIME TOGETHER TO ANSWERING YOUR QUESTIONS.

FIRST, HOWEVER, PERMIT ME TO SAY A WORD ABOUT THE BUDGET AND THEN ABOUT OUR MAJOR NEW DOMESTIC POLICY INITIATIVE THE EFFORT TO INSTITUTE A FAIR SHARE TAX PLAN.

ONCE AGAIN, IT SEEMS THAT THE BUDGET PROCESS HAS BROKEN DOWN.

GROWING DEFICITS APPEAR TO HAVE MADE

VIRTUALLY NO DIFFERENCE FOR TOO MANY IN

THIS TOWN, IT'S STILL BUSINESS AS USUAL.

THEY'RE A LITTLE LIKE SAILORS ON A SHIP

ADRIFT WHO PAINT THE GUNNELS AND POLISH THE

BRASS, BUT IGNORE THE BROKEN RUDDER.

THE MAIN PROBLEM LIES IN THE HOUSE,
WHICH HAS PROPOSED A BUDGET THAT JUGGLES
FUNDS BACK AND FORTH BETWEEN ACCOUNTS,
INVENTS SAVINGS, AND SIMPLY WISHES AWAY
MASSIVE COSTS — A BUDGET THAT WOULD BE
LAUGHED AT BY BOOKKEEPERS IN ANY WELL-RUN
SHOP OR BUSINESS IN THE COUNTRY, WHAT THE
HOUSE BUDGET COMMITTEE CALLS A DEFENSE
SPENDING "FREEZE," MOREOVER, IS REALLY A
DEEP CUT. IT WOULD REQUIRE US TO SCALE BACK
OUR SPENDING ON RESEARCH AND DEVELOPMENT,
CONSTRUCTION, AND PROCUREMENT/BY 19 PERCENT
NEXT YEAR, 23 PERCENT IN 1987, AND
28 PERCENT IN 1988.

THE SENATE, BY CONTRAST, HAS TO ITS

CREDIT PROPOSED A BUDGET THAT IS RESPONSIBLE

AND FAIR, THAT, AT LEAST, HOLDS REAL DEFENSE

SPENDING CONSTANT, AND THAT MAKES THE

STRUCTURAL CHANGES IN DOMESTIC SPENDING THAT

WILL HELP US TO GROW OUT OF THESE DEFICITS.

BUT WHEN REPRESENTATIVES OF THE SENATE AND

HOUSE MET IN CONFERENCE, IT QUICKLY BECAME

CLEAR THAT CERTAIN MEMBERS OF THE HOUSE

STILL REFUSED TO CONSIDER REAL CUTS IN

DOMESTIC SPENDING. EVIDENTLY, SOME WANT TO

KEEP THE PROCESS PARALYZED.

MY FRIENDS, I CAN PROMISE YOU THAT THIS
YEAR THINGS ARE GOING TO BE DIFFERENT.
BY CUTTING TAXES AND FORCING DOWN INFLATION
WE'VE CREATED NEW GROWTH NEW JOBS AND NEW
HOPE. AFTER SO MUCH PROGRESS, I FLATLY
REFUSE TO BE CORNERED INTO A CHOICE BETWEEN
A BUDGET THAT UNDERMINES OUR NATIONAL
DEFENSE, AND A SPENDING SPREE THAT THREATENS
OUR PROSPERITY.

MAKE GENUINE CUTS IN DOMESTIC SPENDING.

AND TO SEE THAT THIS FINALLY HAPPENS

I AM WILLING TO GO TO THE AMERICAN PEOPLE

AGAIN AND AGAIN.

TURNING TO OUR TAX PLAN, WHEN THE INCOME TAX FIRST BECAME LAW BACK IN 1913, THE TAX CODE RAN TO 15 PAGES.

TODAY IT ADDS UP TO 4 VOLUMES AND MORE THAN
4,000 PAGES. ONE STANDARD INTERPRETATION OF
THE CODE RUNS TO 18 VOLUMES, REQUIRES SOME
6 FEET OF SHELF SPACE, AND WEIGHS ALMOST
90 POUNDS.

THE COMPLEXITY IS STAGGERING. BUT THE ANJUSTICE IT ENGENDERS IS WORSE.

EACH YEAR, COUNTLESS AMERICANS PAY MORE
IN FEDERAL INCOME TAXES THAN THE GIANT
CORPORATIONS THEY WORK FOR. SOME WEALTHY
INDIVIDUALS WRITE OFF OCEAN CRUISES AS
"EDUCATIONAL," OTHERS DEDUCT EXPENSES FOR
SKY-BOXES AT SPORTS ARENAS.

AND WITH OUR STEEPLY PROGRESSIVE TAX CODE/WORKING MEN AND WOMEN STRUGGLING ON BEHALF OF THEIR FAMILIES/FIND THAT THE GOVERNMENT LAYS CLAIM TO A BIGGER CHUNK OF EACH NEW DOLLAR THEY EARN. FOR THEM, MAKING ECONOMIC PROGRESS IS LIKE CLIMBING A WALL WITH NO LADDER.

OUR TAX CODE HAS BECOME IN A
FUNDAMENTAL SENSE UN-AMERICAN AND I MEAN
THAT AS A SERIOUS MORAL AND ECONOMIC
ASSERTION. AMERICANS ARE AN EXPANSIVE,
OPTIMISTIC PEOPLE WHO CONSTANTLY SEEK
OPPORTUNITY AND WORK TO BETTER THEIR LOT.
YET OUR HIGH MARGINAL TAX RATES DISCOURAGE
RISK-TAKING SAVINGS AND WORK AND
THEREBY SMOTHER GROWTH. MOST AMERICANS ARE
STRAIGHTFORWARD AND HONEST. YET OUR TAX
CODE CONSTITUTES ONE OF THE MOST COMPLICATED
AND CONVOLUTED LEGAL CODES EVER DEVISED.

AMERICANS LOOK TO THE FUTURE.

YET WE ARE WEIGHED DOWN BY A TAX CODE THAT,

AS THE RESULT OF DECADES OF POLITICAL DEALS,

HAS BECOME THE VERY EMBODIMENT OF THE DEAD

HAND OF THE PAST.

NO WONDER THE UNDERGROUND ECONOMY IS SO BIG AND THOUGHT TO BE GROWING. AMERICANS TODAY FEEL AN ABIDING DISAPPOINTMENT /- EVEN DISGUST /- WITH THE TAXATION THAT REPRESENTS THE MOST BASIC TRANSACTION BETWEEN THE GOVERNMENT AND THE PEOPLE.

MY FRIENDS, THIS IS NO WAY TO GO ABOUT BUILDING ECONOMIC GROWTH.

MAYBE IT HAS TO DO WITH OUR EARLY
HISTORY AS A NATION OF FARMERS, BUT WHEN WE
AMERICANS SEE A PROBLEM, WE SOLVE IT.

IF THERE'S A STUMP IN THE FIELD, WE HITCH UP
THE TRACTOR AND HAUL IT OUT. IF A NEW BARN
NEEDS BUILDING, WE GATHER TOGETHER AND RAISE
IT.

AND WHEN WE HAVE A MESS AS BIG AS A TAX
CODE THAT STIFLES GROWTH AND UNDERMINES OUR
SELF-RESPECT AS A PEOPLE THEN FORGIVE ME
BUT IT'S TIME TO CLEAN OUT THE STALLS AND
PUT DOWN FRESH STRAW.

OUR FAIR SHARE TAX PLAN FOR AMERICA
WOULD GIVE FAMILIES A DRAMATIC BENEFIT BY
NEARLY DOUBLING THE PERSONAL EXEMPTION TO
\$2,000. THIS WOULD MEAN THAT ON AN INCOME
WELL INTO THE \$25,000 TO \$30,000 RANGE.
A WORKING FAMILY WITH TWO OR THREE CHILDREN
WOULD PAY AN EFFECTIVE TAX RATE OF LESS THAN
10 PERCENT.

PERHAPS THE CENTRAL IDEA IN OUR
PROPOSAL IS THIS; BY CURTAILING LOOPHOLES
AND ELIMINATING DEDUCTIONS THAT ARE ONLY
USED BY A FEW WE CAN LOWER MARGINAL RATES
SHARPLY INCREASING THE REWARDS FOR SAVINGS,
INVESTMENT AND GOOD, HARD WORK, IN OTHER
WORDS, A FAIR SHARE TAX PLAN IS A PRO-GROWTH
TAX PLAN.

LOWER TAX RATES A NEAR-DOUBLING OF THE PERSONAL EXEMPTION AND AN END TO UNFAIR DEDUCTIONS — WHAT IT ADDS UP TO IS SIMPLE JUSTICE MORE JOBS AND RENEWED HOPE FOR OUR OWN FUTURE AND THAT OF OUR CHILDREN.

A GREAT DEAL HAS BEEN SAID ABOUT A TIMETABLE FOR PASSAGE OF OUR PROPOSAL.

MY OWN IDEA IS SIMPLE. BY THANKSGIVING DAY OF 1985, WE SHOULD COOK OUR TURKEY OF A TAX CODE AND GET OUR TAX REFORM PASSED BY BOTH THE HOUSE AND SENATE. THEN, BY CHRISTMAS DAY AMERICA'S NEW TAX PLAN SHOULD BE SIGNED INTO LAW AND PRESENTED TO THE PEOPLE AS THE BEST GIFT OF THE YEAR.

THANK YOU, AND NOW I'D BE HAPPY TO ANSWER YOUR QUESTIONS.

The President has seen_

JULY 10, 1985 31744355

DROPBY BREAKFAST FOR THE HOUSE WAYS AND MEANS COMMITTEE DEMOCRATS

GOOD MORNING. LET ME FIRST WELCOME YOU TO THE WHITE HOUSE.

I'VE ASKED YOU HERE TODAY TO DISCUSS
THE ISSUE OF TAX REFORM, AND I CAN SEE THAT
YOU HAVE ALREADY HAD A LIVELY DISCUSSION
WITH JIM AND DON PRIOR TO MY ARRIVAL.

SINCE UNVEILING OUR PROPOSAL ON MAY 28TH, I HAVE TRAVELED TO MANY PARTS OF OUR COUNTRY TO DISCUSS TAX REFORM.

THIS IS A BIPARTISAN EFFORT AND IT IS VITAL THAT WE ACHIEVE SOLID SUPPORT ON BOTH SIDES OF THE AISLE.

I AM EXTREMELY GRATEFUL TO YOUR CHAIRMAN — DAN ROSTENKOWSKI — FOR THE OPEN-MINDED AND COOPERATIVE APPROACH HE HAS TAKEN ON THIS ISSUE.

I REALIZE THAT MANY OF YOU HAVE
PROBLEMS WITH SPECIFIC PROVISIONS IN THE
PACKAGE. THIS IS TO BE EXPECTED IN A
COMPREHENSIVE REVISION OF OUR TAX CODE.
BUT I URGE YOU TO KEEP YOUR OPTIONS OPEN AND
FOCUS YOUR ATTENTION ON THE ENTIRE PACKAGE.
DO NOT ALLOW YOURSELF TO BE PUT IN THE
POSITION NOW OF OPPOSING THE PROPOSAL
BECAUSE OF PROBLEMS WITH ONE PORTION.
THERE WILL BE AMPLE OPPORTUNITY DURING THE
LEGISLATIVE PROCESS AND WE ARE COMMITTED
TO WORKING WITHIN THE PROCESS
TO ADDRESS PROBLEM AREAS.

THERE IS, (AND THERE WILL CONTINUE TO BE, INTENSE PRESSURE FROM SPECIAL INTERESTS TO EMASCULATE THIS PACKAGE.

MEANINGFUL REFORM WILL ONLY BE ACHIEVED IF
WE CAN WITHSTAND THIS PRESSURE AND WORK FOR
THE ONLY SPECIAL INTEREST THAT COUNTS
THE PUBLIC INTEREST.

THIS WILL BE A DIFFICULT TASK BUT I
KNOW THAT AS MEMBERS OF THE WAYS AND MEANS
COMMITTEE YOU ARE ACCUSTOMED TO DEALING WITH
DIFFICULT TASKS. WE CANNOT ALLOW THIS
MOMENT TO SLIP AWAY.

TOGETHER, WE CAN MAKE REFORM A REALITY.

T AM ASKING FOR YOUR HELP IN THIS CRUCIAL

UNDERTAKING.

LET ME NOW TAKE YOUR QUESTIONS AND COMMENTS.

31756355 SP930-26 The President has seen

(Noonan) July 19, 1985 4:30 p.m.

PRESIDENTIAL RADIO TALK: SATURDAY HOSPITAL ADDRESS

My fellow Americans, I'm talking to you today from a little makeshift studio just outside my room in Bethesda Naval Hospital -- and at the moment I'm remembering the little boy who LA LETTER BACK IN 1981 wrote me after I was shot and said: Mr. President, you better get well quick or you'll have to make your speech to Congress in your pajamas! Well, today I'm in street clothes again so I can go home this afternoon. I'm feeling fine and there's a lot I want to share with you -- so here goes.

First off, I'm feeling great but I'm getting a little restless. A lot of you know how it is when you have to endure some enforced bed rest: you get this feeling that life's out there and it's a big shiney apple and you just can't wait to get out and take a bite of it. I'm eager to get back to work. I've been keeping close track of various things that are going on, especially the budget process in Congress.

I'll tell you what I think of the House budget proposal so . ANE OF THE FAVE who operated I hope it gets well soon. In fact, I told surgeon the far: if Congress can't make the spending cuts we need I'm going to send him over there. I know some people are saying we can just keep going with business as usual in the Federal spending department, but, well FORGIVE ME department, but, well I don't have as much stomach for that kind of talk as I used to!

> But that's for another day. Today I just wanted to say some thank-yous to some very special people. First, the doctors and

nurses who helped me and healed me. Now I know why nearly everyone comes to America for a major operation. It's because we have the best doctors and nurses in the world. IF You HAVE TO BE SUK YOU ARE BETTER OFF IF YOU ARE SICK RIGHT HERE IN THESE UNITED STATES OF AMERICA.

I want to thank everyone -- heads of state, leaders,

50 MANY

friends, and citizens -- whels written and called and included me in their prayers. There were the balloons and flowers and what seems like millions of cards. Sements the nicest was the one I got from the nurses down the hall sent me a card from the NEW babies in pediatrics. It was "signed" with their little PATIGNTS TINY handprints and footprints...

I also want to mention a sort of cautionary note: we all TEND to ignore the signs that something may be wrong with us.

But may I say from personal experience, it's important to go and get a checkup if you think something isn't right. So if you're listening to this right now and it reminds you of something that you've been putting out of your mind: well, please pick up the phone, call your doctor or local hospital and talk to someone.

Expensed a referral... just tell 'em Dr. Reagan sent you.

I'd also like to indulge myself for a moment here. There's something I wanted to say, and I wanted to say it with Nancy at my side, as she is now, as she always has been... First Ladies aren't elected and they don't receive a salary; they've mostly been private persons forced to live public lives; they've all been heroes. Abigail Adams helped invent America, Dolley Madison helped protect it, Eleanor Roosevelt was F.D.R.'s eyes and ears... and Nancy is my everything. When I look back on these days, Nancy, I'll remember your radiance — and your strength,

your support, and for taking part in the business of the Nation... I say for myself, but also on behalf of our Nation: thank you, partner. Thanks for everything. ARE YOU DOWN ANY THINK THE EVEN WE?

Just one more thing I wanted to say, and I want to address it to my supporters and opponents, Republicans and Democrats, friends and foe. So many of you have sent gracious notes and messages, and you've made me think of something that I've been pondering the past few days.

There are a number of things that keep our country united — a shared reverence for certain ideals, for instance, and certain memories and traditions... But there's something more. We're a country of 230 million very different souls, and yet here we are, liberals and conservatives, fundamentalists and agnostics, southerners and northerners, recent immigrants and Mayflower descendants... arguing often enough, and disagreeing with each other, but stand held together, always held together, by a tie that can't be seen and can't be broken. It is, I think, the great unknowing love of Americans for Americans — the great unknowing love that keeps us together. And for which, this day, I am more thankful than ever.

In the next few hours I'll be leaving to go home... to get on with the jobyou Gave ME __ THERE ARE NO WORDS TO EXPRESS MY APPRECIATION FOR THE CREAT HONOR YOU'VE BESTOWED ON ME.

Until next week, thank you, all of you -- and God bless you.

The President has seen

(ROHRABACHER)

JULY 23, 1985

29246055

ARRIVAL CEREMONY

PRESIDENT LI OF THE PEOPLE'S REPUBLIC OF CHINA

PRESIDENT LI. THIS IS YOUR FIRST TRIP TO
THE UNITED STATES AND THE FIRST VISIT BY A
CHINESE HEAD OF STATE TO OUR COUNTRY. IT IS
A GREAT HONOR TO HAVE YOU, YOUR WIFE, AND
THE DISTINGUISHED DELEGATION WHO ACCOMPANIED
YOU AS OUR GUESTS.

DURING MY VISIT TO CHINA LAST YEAR.

I HAD THE OPPORTUNITY TO GET TO KNOW

PRESIDENT LI. UNDER THE GUIDANCE OF

PRESIDENT LI AND OTHER WISE LEADERS.

THE CHINESE PEOPLE ARE ENJOYING GREATER

PRODUCTIVITY AND A RISING STANDARD OF

LIVING. THE AMERICAN PEOPLE ARE WORKING

WITH THEM AS FRIENDS AND PARTNERS IN

ENTERPRISE.

0034-02

AND CONTINUES TO CLIMB. SCIENTIFIC AND TECHNOLOGICAL COOPERATION IS BEING PUT TO USE IN A WIDE RANGE OF ENDEAVORS.

THIS, TOO, CAN BE EXPECTED TO INCREASE.

OUR EDUCATIONAL AND CULTURAL EXCHANGES,

ALREADY SUBSTANTIAL, ARE EXPANDING. WE ARE

IN THE INITIAL PHASES OF COOPERATION IN THE

CONTROL OF NARCOTICS AND ANTI-TERRORISM.

AND BY OUR COMMON OPPOSITION TO AGGRESSION,

WE ARE NOT ONLY ENHANCING OUR MUTUAL

SECURITY BUT BOLSTERING WORLD PEACE AS

WELL.

BOTH OUR PEOPLES SHOULD BE PROUD THAT IN A FEW SHORT YEARS A SOLID FOUNDATION OF GOOD WILL HAS BEEN LAID.

OURS IS AN INCREASINGLY PRODUCTIVE
RELATIONSHIP BASED NOT ON PERSONALITY OR
MOMENTARY CONCERNS BUT ON A RECOGNITION
THAT OUR NATIONS SHARE SIGNIFICANT COMMON
INTERESTS AND AN UNDERSTANDING OF THE MANY
BENEFITS WE REAP FROM THE GOOD WILL BETWEEN
US.

THIS DOES NOT MEAN THERE ARE NO AREAS
OF DISAGREEMENT. HOWEVER, WE WILL CONTINUE
TO PUT ANY DIFFERENCES IN PERSPECTIVE.

WHEN I MET WITH YOU, PRESIDENT LI, IN THE GREAT HALL IN BEIJING I SUGGESTED A CHINESE PRINCIPLE THAT CAN SERVE AS A TOOL IN BUILDING AN EVER STRONGER BOND BETWEEN US (WHO-JING, WHO-HWAY) -- MUTUAL RESPECT, MUTUAL BENEFIT.

LET US PROCEED IN THAT SPIRIT.

(WHO-JING, WHO-HWAY). AS LEADERS OF GREAT NATIONS, WE SHOULD EXPECT NOTHING MORE AND ACCEPT NOTHING LESS.

PRESIDENT LI, WE AMERICANS HIGHLY VALUE
THE TIES WE HAVE BUILT WITH THE PEOPLE OF
CHINA IN THESE LAST 13 YEARS. WE REJOICE
WITH YOU OVER THE ECONOMIC SUCCESS YOUR
COUNTRY IS ENJOYING AND ARE PLEASED TO BE
PLAYING A SMALL PART IN THIS MODERNIZATION
EFFORT. WE WISH FOR THE PEOPLE OF CHINA
WHAT WE WISH FOR OURSELVES: TO LIVE IN
PEACE AND TO ENJOY PROSPERITY.

BY WORKING TOGETHER, THE PEOPLE OF BOTH OUR COUNTRIES CAN ACHIEVE THIS NOBLE GOAL. WE ARE PLEASED TO HAVE YOU WITH US.

ON BEHALF OF THE PEOPLE OF THE UNITED STATES, I SAY (HWAN-YING). WELCOME.

The President has seen

(ROHRABACHER)

JULY 23, 1985 29246/55

STATE DINNER TOAST

PRESIDENT LI OF THE PEOPLE'S REPUBLIC OF CHINA

HOUSE. TONIGHT IT IS MY PLEASURE TO RETURN
THE HOSPITALITY THAT WAS EXTENDED TO ME BY
PRESIDENT LI DURING MY VISIT TO CHINA. I AM
GRATEFUL TO HAVE HAD THE OPPORTUNITY TO
DEVELOP A PERSONAL RELATIONSHIP WITH HIM AND
IT IS MY HONOR, PRESIDENT LI, TO GREET YOU
AFFECTIONATELY AS: [LAU-PUNG-YO]. FOR THOSE
OF YOU WHO DON'T SPEAK CHINESE, THAT MEANS
"OLD FRIEND."

OUR FRIENDSHIP, HE EXPRESSED HIS WISHES FOR MY FULL RECOVERY. IN FACT, HE TOLD ME THAT ONCE I WAS TOTALLY BACK ON MY FEET, A YOUNG MAN LIKE MYSELF COULD EXPECT TO HAVE A LONG AND DISTINGUISHED CAREER AHEAD OF ME.

CO034-08

PRESIDENT LI COMES FROM A NATION WHOSE
PEOPLE ARE KNOWN FOR THEIR TRADITIONAL
RESPECT FOR ELDERS. PRESIDENT LI, I CAN
ASSURE YOU, I'M DOING MY BEST TO
RE-ESTABLISH THAT TRADITION IN MY OWN
COUNTRY.

I LEARNED ABOUT THAT AND MANY OTHER
WONDERFUL ASPECTS OF CHINA DURING MY VISIT
LAST YEAR. ALTHOUGH MY STAY WAS BRIEF.
I DID AS THE CHINESE SAY LOOK AT THE
FLOWERS WHILE RIDING HORSEBACK CAPTURING
LASTING IMPRESSIONS NOT ONLY OF THE
MAGNIFICENCE OF THE CULTURE AND LAND
BUT ALSO THE BOLD VISION OF THOSE DIRECTING
CHINA'S FUTURE.

THE PROGRESS WE'VE MADE IS A TRIBUTE TO INDIVIDUALS WITH COURAGE AND FORESIGHT,

(LIKE PRESIDENT LI,) ON BOTH SIDES OF THE PACIFIC. THE RELATIONSHIP WE'VE BUILT IMPROVES THE MATERIAL WELL-BEING AND INCREASES THE SECURITY OF OUR COUNTRIES.

AREAS OF DISAGREEMENT EXIST. THESE SHOULD

NOT BE IGNORED NOR SHOULD THEY BE PERMITTED

TO INHIBIT US FROM ACTING TOGETHER IN THOSE

MANY AREAS OF COMMONALITY. HISTORIC TRUTHS

DETERMINE OUR FUNDAMENTAL NATIONAL INTERESTS AND THEY CONTINUE TO DRAW OUR TWO PEOPLES

TOGETHER.

AFTER OUR MEETING TODAY, I AM HAPPY TO SAY I REMAIN CONFIDENT THAT CHINESE-AMERICAN COOPERATION WILL GROW AND STRENGTHEN IN THE YEARS AHEAD. UNDERSCORING THE MOMENTUM OF OUR RELATIONSHIP I AM DELIGHTED TONIGHT TO ANNOUNCE THAT THE CHINESE GOVERNMENT HAS INVITED VICE PRESIDENT BUSH TO CHINA AND THAT HE HAS ACCEPTED THIS MOST GRACIOUS INVITATION.

SUCH VISITS AS YOURS, (MR. PRESIDENT,)
ELEVATE THE RELATIONSHIP OF THE LEADERS OF
OUR TWO NATIONS, ENHANCE OUR JOINT EFFORTS,
AND OPEN NEW DOORS OF COOPERATION.

PRESIDENT LI, BY THE TIME YOU RETURN
HOME, YOU WILL HAVE SEEN MUCH OF THE UNITED
STATES AND MET MANY AMERICANS IN AND OUT OF
GOVERNMENT. YOU WILL HAVE SEEN OUR
INDUSTRY, OUR PEOPLE, AND LAND,
WE AMERICANS CAME HERE FROM ALMOST EVERY
NATION, INCLUDING CHINA, TO AN UNDEVELOPED
LAND, A WILDERNESS. WE ARE PROUD OF WHAT
WE'VE ACCOMPLISHED. TODAY WE ARE PROUD TO
STAND BESIDE THE PEOPLE OF CHINA WHO ARE
STRIVING TO BUILD A BETTER LIFE.

BY WORKING TOGETHER, WE CAN AND WILL
CREATE A MORE PROSPEROUS AND PEACEFUL WORLD.
LET US DRINK A TOAST TO THAT AND TO
PRESIDENT LI AND HIS WIFE.

The President has geen

(ROBINSON)

JULY 31, 1985 29253755

BRIEFING FOR SENIOR WHITE HOUSE STAFF

MC003

THANK YOU, THANK YOU ALL. IT'S A REAL PLEASURE TO SEE THE WHOLE TEAM GATHERED TOGETHER. SOME OF YOU HAVE BEEN HERE FROM THE BEGINNING, SOME HAVE COME MORE RECENTLY. BUT I KNOW THAT, WHATEVER THE LENGTH OF TIME, EACH OF YOU HAS GIVEN YOUR ALL. AND I WANT YOU TO KNOW THAT YOU HAVE MY HEARTFELT GRATITUDE.

THIS IS THE FIRST OPPORTUNITY I'VE HAD

TO SPEAK TO ALL OF YOU SINCE SPENDING A

LITTLE TIME IN BETHESDA, AND I WANT YOU TO

KNOW JUST HOW MUCH YOUR PRAYERS AND SUPPORT

MEANT TO NANCY AND ME. WE READ YOUR

GET-WELL CARDS TOGETHER, AND THERE WERE MANY

WE'LL ALWAYS CHERISH.

ONE OF YOU SAID, "GET WELL,

MR. PRESIDENT -- AND EAT YOUR VEGETABLES."

ANOTHER WROTE, "DEAR MR. PRESIDENT, I WAS
VERY CONCERNED TO HEAR THAT THE DOCTORS TOOK
TWO FEET OUT OF YOUR INNER WORKINGS. HOW
DID THOSE TWO FEET GET IN THERE?"

BELIEVE ME, IT'S GOOD TO BE UP TO

STRENGTH AND BACK AT WORK. ALTHOUGH MY

DOCTORS TELL ME THAT FROM NOW ON, THERE ARE

A FEW THINGS I JUST WON'T BE ABLE TO

STOMACH -- LIKE TAX HIKES.

TODAY MARKS THE END OF JULY AND THE MID-POINT OF SUMMER. IT'S THE TIME OF YEAR WHEN MANY IN WASHINGTON LEAVE TOWN TO REST UP AND PREPARE FOR THE CHALLENGES AHEAD.

NANCY AND I WILL BE HEADING OUT TO THE RANCH SOON, WHILE GEORGE AND BARBARA WILL BE SPENDING TIME UP AT KENNEBUNKPORT. TO THOSE OF YOU WHO HAVE NOT YET MADE PLANS TO GET AWAY, I CAN ONLY ADVISE YOU TO HURRY.

YOU SEE, THE WAY I FIGURE IT, THIS COULD BE OUR LAST REAL VACATION FOR QUITE SOME TIME.

NOW, I'M AWARE THAT SOME IN THIS TOWN
BELIEVE OUR REVOLUTION HAS PASSED ITS
HIGH-WATER MARK. THEY SEEM TO HAVE THE IDEA
THAT WE COMPLETED OUR MAJOR ACHIEVEMENTS
DURING THE FIRST TERM, AND THAT NOW, DURING
THE SECOND TERM, WE SIMPLY INTEND TO MANAGE
THE STATUS QUO -- TO BECOME JUST ANOTHER
ESTABLISHMENT ADMINISTRATION.

MY FRIENDS, THERE'S A VERY OLD AND SERVICEABLE ANGLO-SAXON WORD THAT DESCRIBES JUST EXACTLY HOW I FEEL ABOUT THAT POINT OF VIEW, A GENERAL IN WORLD WAR II USED IT WHEN THE ENEMY DEMANDED HE SURRENDER, HE SAID "NUTS." THE VOTERS ELECTED US TO KEEP THE REVOLUTION ALIVE; AND WHEN WE COME BACK IN SEPTEMBER, YOU, I, AND THE AMERICAN PEOPLE ARE GOING TO DO JUST THAT.

ON THE DOMESTIC SIDE, IT WILL BE UP TO
US TO FIX THE BUDGET PROCESS ONCE AND FOR
ALL. LET'S BE CLEAR ABOUT THE SOURCE OF THE
DEFICIT.

RESULT OF OUR TAX CUTS. ON THE CONTRARY,
GOVERNMENT REVENUES ARE ACTUALLY ON THE
RISE. IN 1984, FEDERAL RECEIPTS INCREASED
11 PERCENT -- A HEALTHY GAIN OF 7 PERCENT
EVEN AFTER ACCOUNTING FOR INFLATION.
THIS FISCAL YEAR, THAT REMARKABLE PACE IS
BEING SUSTAINED.

NO, THE DEFICIT PROBLEM IS A SPENDING PROBLEM -- SPENDING WITHOUT DIRECTION OR DISCIPLINE, SPENDING THAT IN THE PAST 20 YEARS HAS BURGEONED ABSOLUTELY OUT OF CONTROL. IN 1966, GREAT SOCIETY PROGRAMS COST \$16 BILLION. BY 1981, THAT FIGURE HAD RISEN TO A STAGGERING \$148 BILLION.

I HAVE OFTEN SAID THAT GOVERNMENT IS
LIKE THAT OLD DEFINITION OF A BABY -AN ENORMOUS APPETITE AT ONE END AND NO SENSE
OF RESPONSIBILITY AT THE OTHER.

THIS CANNOT GO ON. WE HAVE GOOD REASON
TO HOPE THAT THIS WEEK CONGRESS WILL TAKE A
FIRST STEP TOWARD BRINGING SPENDING UNDER
CONTROL. BUT IT WILL BE JUST THAT -A FIRST STEP.

WHEN WE RETURN IN SEPTEMBER, WE'LL PUSH FOR A LINE-ITEM VETO PRESS FOR A BALANCED BUDGET AMENDMENT TO THE CONSTITUTION AND INSIST UPON GENUINE CUTS IN DOMESTIC SPENDING. AND I WON'T HESITATE TO USE THE VETO AND TO TAKE OUR CASE TO THE PEOPLE AGAIN AND AGAIN.

ON TAX REFORM, WHEN WE COME BACK WE'LL REDOUBLE OUR EFFORTS TO ACHIEVE PASSAGE BY CHRISTMAS. AFTER DECADES OF TAXES THAT ARE COMPLICATED AND UNJUST, THE PEOPLE WANT A TAX CODE THAT'S FAIR. AND THEY'VE ALREADY SEEN WHAT OUR FIRST TAX CUTS ACHIEVED IN REVITALIZING OUR ECONOMY AND SETTING IT FIRMLY ON A PATH OF HEALTHY, NON-INFLATIONARY GROWTH.

TAX REFORM IS THE NECESSARY NEXT STEP,
A MEASURE THAT WILL TRULY RETURN US TO THE
FREE MARKET PRINCIPLES THAT MADE THE UNITED
STATES THE LAND OF OPPORTUNITY AND THE
GREATEST ECONOMIC POWER ON EARTH.

ON TAX REFORM, THE COUNTRY IS WITH US.

IT WILL BE UP TO US TO GET WASHINGTON WITH

THE COUNTRY.

IN FOREIGN POLICY, I WILL MEET GENERAL SECRETARY GORBACHEV IN GENEVA THIS NOVEMBER. I WANT THE WORLD TO KNOW THAT, IN THE EFFORT TO BUILD A MORE LASTING PEACE, THE UNITED STATES IS WILLING TO PURSUE ANY OPPORTUNITY.

I WILL EXPRESS TO GENERAL SECRETARY

GORBACHEV THE GOODWILL OF OUR COUNTRY.

IT IS MY ABIDING HOPE THAT HE AND I WILL BE

ABLE TO MAKE A FRESH START ON RELATIONS

BETWEEN OUR TWO NATIONS. BUT, WHATEVER HIS

INTENTIONS, I WILL MAKE IT ABUNDANTLY CLEAR

TO HIM THAT THE UNITED STATES IS UNITED IN

THE CAUSE OF HUMAN FREEDOM.

A SECOND MAJOR FOREIGN POLICY
INITIATIVE WILL DEMAND OUR ATTENTION -THE STRATEGIC DEFENSE INITIATIVE. NOW,
SOME CRITICS, WHO IGNORE ALL THAT THE
SOVIETS HAVE ALREADY DONE IN THIS AREA,
CLAIM THAT OUR RESEARCH REPRESENTS AN ACT OF
AGGRESSION AGAINST THE SOVIETS.

MR. GORBACHEV MAY HAVE A WORD OR TWO TO SAY ALONG THOSE LINES HIMSELF. AND, YES, I'LL GRANT THE CRITICS THAT POINT —

IF THEY'LL AGREE THAT PUTTING A ROOF OVER YOUR HEAD IS AN ACT OF AGGRESSION AGAINST THE RAIN.

THE STRATEGIC DEFENSE INITIATIVE HOLDS
OUT THE HOPE OF MAKING NUCLEAR WAR OBSOLETE.
IT COULD SHIFT FOREVER THE WORLD STRUGGLE TO
THE BATTLEFIELD ON WHICH IT HAS ALWAYS
PROPERLY BELONGED -- THE BATTLEFIELD OF
IDEAS.

THE STRATEGIC DEFENSE INITIATIVE IS

ALREADY WELL-BEGUN. LET US WORK TIRELESSLY

TO SEE IT THROUGH.

THE THIRD MAJOR ASPECT OF FOREIGN
POLICY UPON WHICH WE MUST FOCUS IS OUR
EFFORT TO SUPPORT AND BUILD DEMOCRACY AROUND
THE WORLD. WE MUST BUILD A COMMUNITY OF
DEMOCRACIES, SUPPORTING — BOTH WITH PUBLIC
AND PRIVATE INITIATIVES — THE ELEMENTS OF
EACH SOCIETY THAT REPRESENT THE TRUE GROWTH
OF PLURALISM FREEDOM AND HUMAN RIGHTS.

AND MAKE NO MISTAKE, THE UNITED STATES
OF AMERICA MUST ALSO SUPPORT THE BRAVE MEN
AND WOMEN AROUND THE WORLD WHO ARE FIGHTING
FOR THEIR FREEDOM. AS I SAID THIS YEAR IN
MY STATE OF THE UNION ADDRESS, THE UNITED
STATES MUST ASSIST FREEDOM FIGHTERS "ON
EVERY CONTINENT FROM AFGHANISTAN TO
NICARAGUA."

TODAY, THERE ARE MAJOR ANTI-COMMUNIST
INSURGENCIES IN AFRICA/CAMBODIA/
AFGHANISTAN/AND NICARAGUA. IN THE PAST
2 MONTHS THE DEMOCRAT-CONTROLLED HOUSE OF
REPRESENTATIVES HAS MOVED TO HELP ALL FOUR.
THE HOUSE HAS VOTED AID TO THE FREEDOM
FIGHTERS IN CAMBODIA, AFGHANISTAN, AND
NICARAGUA. AND IT HAS REPEALED A 9-YEAR-OLD
BAN/THE CLARK AMENDMENT/ON AID TO THE
FREEDOM FIGHTERS IN ANGOLA.

AS THESE MEASURES INDICATE, WE ARE AT LAST PROVING SUCCESSFUL IN OUR EFFORTS TO ACHIEVE A NEW, BIPARTISAN CONSENSUS ON FOREIGN POLICY. IN ALL THE LONG MARCH OF HUMAN HISTORY, 1985 MAY WELL BE REMEMBERED AS A TURNING POINT — THE YEAR AMERICA CAME TOGETHER REPUBLICANS AND DEMOCRATS ALIKE TO HELP FREEDOM FIGHTERS AROUND THE GLOBE.

THE FREEDOM TIDE IS RISING.) SHOULDN'T WE HELP IT GATHER STRENGTH?

YOU KNOW, AFTER A CERTAIN DAY BACK IN 1981, I SORT OF HAD A TIME TO REASSESS THINGS. AS I LEARNED OF SOME OF THE NEAR MIRACLES THAT JUST SEEMED TO FALL IN PLACE IN MY FAVOR, I DECIDED THAT WHATEVER TIME WAS LEFT TO ME BELONGED TO SOMEONE ELSE.

I BELIEVE THAT WE HAVE BEEN GIVEN THIS MOMENT IN HISTORY TO ALTER THE COURSE OF OUR COUNTRY FOR ALL TIME. FOR THE NEXT 3-1/2 YEARS, LET US CONDUCT OURSELVES SO THAT OUR CHILDREN AND OUR CHILDREN'S CHILDREN WILL SAY OF US THAT WE DID ALL WE COULD DO TO ENSURE THEIR FREEDOM AND TO PRESERVE THIS LAST BEST HOPE OF MAN ON EARTH.

THANK YOU, AND GOD BLESS YOU ALL.

(Robinson/BE)
July 30, 1985
5:30 p.m.

PRESIDENTIAL REMARKS: BRIEFING FOR SENIOR WHITE HOUSE STAFF WEDNESDAY, JULY 31, 1985

Thank you, thank you all. It's a real pleasure to see the whole team gathered together. Some of you have been here from the beginning, some have come more recently. But I know that, whatever the length of time, each of you has given your all. And I want you to know that you have the gratitude of my heart.

This is the first opportunity I've had to speak to all of you since spending a little time in Bethesda, and I want you to know just how much your prayers and support meant to Nancy and me. We read your get-well cards together, and there were many we'll always cherish.

One of you said, "Get well, Mr. President -- and eat your vegetables." Another wrote, "Dear Mr. President, I was very concerned to hear that the doctors took two feet out of your inner workings. How did those two feet get in there?"

Believe me, it's good to be up to strength and back at work.

Although my doctors tell me that from now on, there are a few things I just won't be able to stomach -- like tax hikes.

Today marks the end of July and the mid-point of summer. It's the time of year when many in Washington leave town to rest up and prepare for the challenges ahead. Nancy and I will be heading out to the ranch soon, while George and Barbara will be spending time up at Kennebunkport. To those of you who have not yet made plans to get away, I can only advise you to hurry. You

From Ben Elliott 7/31 8:40 pm. see, the way I figure it, this could be our last real vacation for quite some time.

Now, I'm aware that some in this town believe the reagan Revolution has passed its high-water mark. They seem to have the idea that we wan our major achievements during the first term, and that now, during the second term, we simply intend to manage the status quo -- to become just another establishment Administration.

My friends, there's a very old and serviceable Anglo-Saxon

word that describes just exactly how I feel about that point of

WEW! A.GENERAL IN W.W. USED IT WHEN THE ENERY DEMANDED HE SURREMORE, HE SAM NUT:

Wiew: Nats. We didn't win 49 out of 50 States to wallow in

Washington like happes in the mud. The voters elected us to keep

the Revolution alive; and when we come back in September, you, I,

king of the jumple.

On the domestic side, it will be up to us to fix the budget process once and for all. Let's be clear about the source of the deficit. It has not -- I repeat not -- arisen as a result of our tax cuts. On the contrary, Government revenues are actually on the rise. In 1984, Federal receipts increased 11 percent -- a healthy gain of 7 percent even after accounting for inflation. This fiscal year, that remarkable pace is being sustained.

and the American people are going to show Washington just whole

No, the deficit problem is a spending problem -- spending without direction or discipline, spending that in the past 20 years has burgeoned absolutely out of control. In 1966, Great Society programs cost \$16 billion. By 1981, that figure had risen to a staggering \$148 billion.

& have often SAis

Sometimes I think that Government is like that old definition of a baby -- an enormous appetite at one end and no sense of responsibility at the other.

This cannot go on. We have good reason to hope that this week Congress will take a first step toward bringing spending under control. But it will be that -- a first step.

To And I won't hesitate to use I veto and take our case to the people again and again.

On tax reform, when we come back we'll redouble our efforts to achieve passage by Christmas. After decades of taxes that are complicated and unjust, the people want a tax code that's fair. And they've already seen what our first tax cuts achieved in revitalizing our economy and setting it firmly on a path of healthy, non-inflationary growth. Tax reform is the necessary next step, a measure that will truly return us to the free market principles that made the United States the land of opportunity and the greatest economic power on Earth.

On tax reform, the country is with us. It will be up to us to get Washington with the country.

In foreign policy, I will meet General Secretary Gorbachev in Geneva this November. I want the world to know that, in the effort to build a more lasting peace, the United States is willing to pursue any opportunity.

I will express to General Secretary Gorbachev the goodwill of our country. It is my abiding hope that he and I will be able to make a fresh start on relations between our two nations. But, whatever his intentions, I will make it abundantly clear to him that the United States is, and will remain product, self-confident, and united in the cause of human freedom.

A second major foreign policy initiative will demand our attention — the Strategic Defense Initiative. Now, some critics, who ignore all that the Soviets have already done in this area, claim that our research represents an act of aggression against the Soviets. Mr. Gorbachev may have a word or two to say along those lines himself. And, yes, I'll grant the critics that point — if they'll agree that putting a roof over your head is an act of aggression against the rain.

The Strategic Defense Initiative holds out the hope of making nuclear war obsolete. It could shift forever the world struggle to the battlefield on which it has always properly belonged -- the battlefield of ideas.

The Strategic Defense Initiative is already well-begun. Let us work tirelessly to see it through.

The third major aspect of foreign policy upon which we must focus is our effort to support and build democracy around the world. We must build a community of democracies, supporting — both with public and private initiatives — the elements of each society that represent the true growth of pluralism, freedom, and human rights.

And make no mistake, the United States of America must also support the brave men and women around the world who are fighting for their freedom. As I said this year in my State of the Union address, the United States must assist freedom fighters "on every continent from Afghanistan to Nicaragua."

Today, there are major anti-communist insurgencies in Africa, Cambodia, Afghanistan, and Nicaragua. In the past 2 months the Democrat-controlled House of Representatives has moved to help all four. The House has voted aid to the freedom fighters in Cambodia, Afghanistan, and Nicaragua. And it has repealed a 9-year-old ban, the Clark Amendment, on aid to the freedom fighters in Angola.

As these measures indicate, we are at last proving successful in our efforts to achieve a new, bipartisan consensus on foreign policy. In all the long march of human history, 1985 may well be remembered as a turning point -- the year America came together, Republicans and Democrats alike, to help freedom fighters around the globe.

The freedom tide is rising. Shouldn't we help it gather strength?

You know, after a certain day back in 1981, I sort of had a

As i LEARNED OF Some of the NEAR MIRACLES THAT

time to reassess things. I Thought about how easily things might

JUST SEEMED TO FACL IN PLACE IN MY FAVAR I DECIDED THAT WHATEVER TIME WAS LEFT

have been different -- how easily, indeed, everything might have

TO ME RELONGED TO Some ONE ELSE.

come to an end and I realized how, from then on, each day of

my life belonged to Wim.

puring this recent stay in the hospital -- well, let me just say that you can't come out of major surgery without once again

reflecting on how easily things might have gone wrong. When I came home, I did so with a renewed sense of how precious our remaining time here in the White House is going to her. I believe with all my hearst that we have been given this moment in history to act dramatically, to alter the course of our country for all time. My friends, for the next 3-1/2 years, let us conduct our CHILDREN Y OUR CHILDREN CHILDREN CHILDREN CHILDREN CHILDREN CHILDREN WILL SAY OF US THAT WE DID ALL WE COULD DO TO ENSURE THEIR FREEDOM Say to ourselves, yes, we fought the good fight, and yes, we fought the good fight, and yes, we fought the good fight, and yes, we changed history—we changed it forever

Thank you, and God bless you all.