

# Ronald Reagan Presidential Library

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**Collection:** White House Office of Records Management:  
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**Series II:** Presidential Records

**Folder Title:** Folder 6 (07/16/1981-08/17/1986)

**Box:** 1

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*Last Updated: 06/03/2025*

# WITHDRAWAL SHEET

## Ronald Reagan Library

**Collection:** PRESIDENTIAL HANDWRITING: Presidential Records      **Archivist:** ggc

**File Folder:** Folder 6 (7/16/81-8/17/81) Box 6

**Date:** 10/22/98

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. Memo	Murray Weidenbaum to Pres. Reagan re Financial Conditions in Agriculture, 2p <i>26/8/99 NLSF 98-000</i>	8/3/81	PT
2. Memo	John Block to Pres. Reagan re Agriculture, 1p <i>26/8/99 NLSF 98-000</i>	7/28/81	PT
3. Letter	Roy Brewer to Pres. Reagan re Air Controllers Strike 1p <i>partial release 3/1/19 jsm</i>	8/6/81	Bb

### RESTRICTION CODES

**Presidential Records Act - [44 U.S.C. 2204(a)]**

- P-1 National security classified information [(a)(1) of the PRA].
- P-2 Relating to appointment to Federal office [(a)(2) of the PRA].
- P-3 Release would violate a Federal statute [(a)(3) of the PRA].
- P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA].
- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA].
- P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA].

C. Closed in accordance with restrictions contained in donor's deed of gift.

**Freedom of Information Act - [5 U.S.C. 552(b)]**

- F-1 National security classified information [(b)(1) of the FOIA].
- F-2 Release could disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA].
- F-3 Release would violate a Federal statute [(b)(3) of the FOIA].
- F-4 Release would disclose trade secrets or confidential commercial or financial information [(b)(4) of the FOIA].
- F-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA].
- F-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA].
- F-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA].
- F-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA].

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

The President has seen \_\_\_\_\_

June 22, 1981

MEMORANDUM FOR: The President  
FROM: Lyn Nofziger

I think it is imperative that you appoint a woman to the Supreme Court.

1. It means you will live up to a commitment you made and have that behind you.
2. It will go a long way towards solving the problem we have with the lack of women in this Administration in high places.
3. It will take off of your back the impression, however unjustified, that you and your senior staffers are anti-women.
4. It would be a very good political move. It will strengthen our base among women and probably among men also.

I believe there is a strong feeling in this country that a woman deserves a chance to serve on the Supreme Court. I think also that if you do not appoint a woman you will be perceived to have reneged on your promise and that will hurt you in the Congress if your effort to get your legislative package passed and will certainly hurt you in the polls and, all in all, will have a strong negative effect that will hurt your overall standing and your overall ability to get your legislative program through the Congress.

I think it will also hurt our chances to pick up seats in the next election - - especially if another vacancy does not occur before then.

One more thing - - it's the right thing to do.

cc: Jim Baker  
Mike Deaver  
Dave Gergen  
Ed Meese

End  
Case  
File

033016SS  
FI.004

The President has seen \_\_\_\_\_

THE SECRETARY OF THE TREASURY  
WASHINGTON, D. C. 20220

July 24, 1981

MEMORANDUM FOR THE HONORABLE  
JAMES A. BAKER, III  
ASSISTANT TO THE PRESIDENT

Per our conversation attached is a memorandum to the President suggesting he make calls to Jack Kemp and Bill Young to obtain their support for inclusion of the Multilateral Development Banks in the reconciliation bill.



Donald T. Regan

Attachment

Bill Y. - Wants to work  
with us on shortcomings of I.D.A.  
but will do as we ask on this  
present problem. —

Jack - feels he must have  
some compromise - like 4 yr.  
instead of 3 on the stretch out.  
81 77 54 11:50

*File*

THE WHITE HOUSE  
WASHINGTON

Date: 7/28/81

NOTE FOR: SECRETARY REGAN  
via Craig Fuller

The President has

seen \_\_\_\_\_

acted upon xx

the attached; and it is forwarded  
to you for your information.

Richard G. Darman  
Deputy Assistant to the President  
and Staff Secretary  
(X2702)

cc: James A. Baker III  
Max Friedersdorf

---



7/24/81

Mr. Friedersdorf:

Dick Darman's office would like  
your approval on the attached  
recommended phone calls by the  
President, and are holding the  
papers to give the President pending  
your approval/disapproval.

Annie

Yes, I concur.  
I have talked  
to both Kemp &  
Garry & they want a  
meeting. A phone call  
would be better.  
Max





THE SECRETARY OF THE TREASURY  
WASHINGTON

July 24, 1981

MEMORANDUM FOR THE PRESIDENT

Subject: Status of MDB Legislation

The House Banking Committee has included the authorization for the Multilateral Development Banks (MDBs) in the reconciliation bill, but has placed limitations on appropriations. The effect of the cap of the IDA is to breach the internationally negotiated agreement, which calls for a U.S. contribution of \$3.24 billion over three years.

The Senate reconciliation bill does not contain any authorization for the MDBs. The Senate has passed the Administration's authorization request separately.

The Chairman of the House Banking Committee, Fernand St Germain, has indicated that if the authorization is not provided for IDA in the reconciliation bill, it is unlikely that a separate bill for authorization will ever be reported to the House floor for action. The Ranking Minority Member, Bill Stanton, agrees with this assessment. The House Banking Committee conferees have unanimously agreed that the MDB authorization should be handled within the reconciliation conference, and that the limitations should be lifted to reflect the Administration's request.

The Senate Foreign Relations and Senate Budget Committees are willing to do this, if there is assurance that the conference report will not be jeopardized on the House floor by opposition to this issue by several Republican members.

Representatives Bill Young and Jack Kemp have stated they will actively oppose the conference report if IDA authorization is included and they will carry additional Republicans with them.

In a discussion between Minority Leader Michel, Representatives Bill Stanton, Tom Evans, and Bill Young and Deputy Treasury Secretary McNamar, Bill Young indicated a willingness not to oppose the inclusion of IDA in the conference or the Administration appropriation request if he and Jack Kemp have an opportunity to discuss the issue with you.

I believe you should meet with Young and Kemp at some point but our immediate task is to gain their acceptance to include the MDB authorization in the reconciliation bill.

I recommend you call Jack Kemp and Bill Young and ask for their support. Talking Points are attached.

  
Donald T. Regan

Attachment

Multilateral Development Banks and Reconciliation  
Talking Points

- I need your support for including an IDA VI authorization of \$3.24 billion in the budget reconciliation bill.
- U.S. participation in IDA VI was an important issue at the Ottawa Summit and our Allies are concerned at the lengthy delay in securing Congressional approval of this legislation and see IDA VI as a litmus test of our willingness to cooperate on other international economic issues.
- I have committed my Administration to take action to fulfill this already-negotiated arrangement. Our credibility is now on the line.
- You have raised some serious reservations about multilateral development bank policies.
- I agree with some of those reservations and my appointments (both at Treasury and to the Bank Boards) clearly indicate that some changes will be made. You can be sure that we will not be pushing policies in the third world which are contrary to the economic principles of market system development and economic growth.
- However, to continue U.S. leadership and influence and to make the changes we want to make in the Bank, we must provide the agreed share to IDA VI.
- I hope I can count on your support for including IDA VI in the reconciliation bill.
- Know you have problems with this, but we need your support and can assure you our intent to consult closely with Congress on future negotiations, and I want to hear your specific thoughts on the issues.

NOTE: Wilson Schmidt, your nominee for Executive Director of the World Bank died this week. We intend to nominate an equally qualified individual to assume this critical position. Schmidt was a renowned scholar on development and quite critical of Multilateral Development Banks.

End  
Case  
File

THE WHITE HOUSE  
WASHINGTON

July 29, 1981

MR. PRESIDENT:

We received this note at mid-day today. You had already discussed this with Ed Meese -- and approved the Union project, not the Great Plains project, as I understand it. It is my further understanding that the Great Plains project and one other synfuels project remain under review in Cabinet Councils.

*Rich*

Richard G. Darman

cc: Ed Meese

*Yes - It seems  
we need another  
Cabinet Council on  
the other 2. I hope it  
will be very soon  
RR*



THE VICE PRESIDENT  
WASHINGTON

MEMORANDUM TO: THE PRESIDENT

July 28, 1981

FROM: THE VICE PRESIDENT

RE: Your Synfuels Decision

I took Senators McClure and Domenici into my office after their meeting with you. We had a good talk about their projects and the political implications. My recommendations are that you (1) approve Great Plains (coal degassification) at that time, and (2) defer a decision on the shale projects, referring that matter to the new Synfuels Board for further consideration and recommendation.

*P.S. The Senators would go  
along with this they told me*



THE WHITE HOUSE  
WASHINGTON

Date: 7/30/81

NOTE FOR: CRAIG FULLER

The President has

seen xx

acted upon                     

the attached; and it is forwarded  
to you for your information.

Richard G. Darman  
Deputy Assistant to the President  
and Staff Secretary  
(X2702)

cc: Ed Meese

File ←

End  
Case  
File



# DART & KRAFT

042050  
50

Justin Dart  
Chairman, Executive Committee

Mr. Reagan  
RR

Chicago  
August 4, 1981

The President  
The White House  
Washington, D. C.

Dear Ron:

Drew Davis, a State Representative from Oregon, sent me a copy of his letter to you where he suggested that he and his wife hold a Tupperware party in The White House.

~~I consider this request to be in very bad taste, and in no way do I recommend to you, or want you to hold a Tupperware party in The White House. I think it would be rank commercialism.~~

He also states in his letter he wants to change his party affiliation to Republican and then try to unseat a liberal freshman Democrat in the Congress. Naturally I think this should be encouraged and I'm sending a copy of this correspondence to Max Friedersdorf who perhaps would like to write to him.

Please don't bother to reply to this letter. It is not necessary or expected.

Warm regards,

Just

# DART & KRAFT

**Justin Dart**

*Chairman, Executive Committee*

Chicago  
August 4, 1981

Dear Drew:

Thanks for your letter.

I'm pleased to know of your plan to change your party affiliation and interest in running for Congress to unseat the freshman liberal. I've used Max Friedersdorf in The White House to see if he can't be helpful in this regard. In addition, I would be happy to help you in any way I can.

Although I admire your enthusiasm, for many reasons I don't believe it would be appropriate to hold a Tupperware party in The White House.

Kindest regards and good luck,

Mr. Drew Davis  
State Representative  
House of Representatives  
Salem, Oregon 97310

bcc - - Mr. Max L. Friedersdorf  
Mr. Jim Lindberg

W DAVIS  
MULTNOMAH COUNTY  
DISTRICT 20

REPLY TO ADDRESS INDICATED

- ☐ House of Representatives  
Salem, Oregon 97310  
☐ 2136 NE. 194th  
Portland, Oregon 97230



JUL 15 1981

Rec'd Mr. Dart's Office

COMMITTEES

Chairperson:  
State and Federal Affairs  
Member:  
Intergovernmental Affairs  
Data Processing Commission

HOUSE OF REPRESENTATIVES  
SALEM, OREGON  
97310

July 13, 1981

Justin Dart  
P. O. Box 3157  
Terminal Annex  
Los Angeles, CA 90051

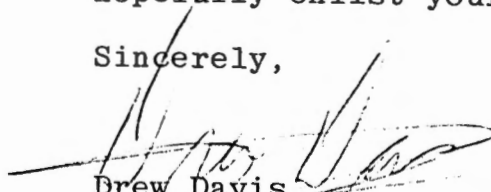
Dear Mr. Dart:

Please find enclosed a letter I sent to President Reagan. The letter is self-explanatory.

You recall we met in Acapulco at the Tupperware convention and I talked with you about my aspirations of running for Congress.

I would appreciate having a chance to meet with you in the future and to hopefully enlist your help.

Sincerely,

  
Brew Davis  
State Representative  
District 20

PTL

Encl.

DREW DAVIS  
MULTNOMAH COUNTY  
DISTRICT 20

REPLY TO ADDRESS INDICATED

- ☐ House of Representatives  
Salem, Oregon 97310
- ☐ 2136 NE 194th  
Portland, Oregon 97230



JUL 15 1981

Rec'd Mr. Dart's Office

COMMITTEES  
Chairperson  
State and Federal Affairs  
Member  
Intergovernmental Affairs  
Data Processing Commission

HOUSE OF REPRESENTATIVES  
SALEM, OREGON  
97310

July 13, 1981

President Ronald Reagan  
The White House  
Washington, D.C. 20500

Dear President Reagan:

My thoughts right now would fill a book - but I'll try to be brief!

My first reason for writing is to ask if you and your wife would consider hosting a Tupperware Party in the White House. My wife, Lori, is an Oregon distributor with 16 years in the business, and we share the belief that Tupperware exemplifies the free enterprise system. An "All-American Tupperware Party" in your home would have strong appeal among the millions of ordinary citizens who attend such parties every year.

Lori and I, of course, would be thrilled to conduct this "greatest ever" party! Our mutual acquaintance, Justin Dart (whom we know through our association with Tupperware), can provide you with background on Lori and me, if you believe our proposal has merit.

My second reason for writing is to ask for a few minutes of your time in Atlanta on July 29, either before or after you address the National Conference of State Legislatures. I am a conservative Democrat serving a fourth term in the Oregon House of Representatives, and I am about to take the two greatest steps of my political career. I plan first to change my party affiliation to Republican, and then to unseat Congressman Ron Wyden, a liberal freshman Democrat.

I am seeking neither advice nor encouragement; I have set my course, and I am determined to succeed. What I seek is the privilege of shaking hands with the most honest, forthright President in our nation's history, and pledging to you the full support of Oregon's next third district congressman.

Sincerely,

Drew Davis  
State Representative

PTL

P.S. If you might fit a brief meeting with Lori and me in your schedule, I can be reached at, (State Capitol) 503-378-8827, or (home) 760-4172 or 252-0314, or (business) 255-1141.

End  
case  
File

THE WHITE HOUSE  
WASHINGTON

August 3, 1981

MR. PRESIDENT:

Attached is a memorandum from John Block regarding Financial Conditions in the Agricultural Sector.

Murray Weidenbaum's comments on this memorandum are also attached.

*Rich*  
Richard G. Darman

~~CONFIDENTIAL~~

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

August 3, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: MURRAY WEIDENBAUM *MW*  
SUBJECT: Financial Conditions in Agriculture

Thank you for the opportunity to respond to Agriculture Secretary Block's memo of July 28, 1981, "Financial Conditions in the Agricultural Sector."

A profit squeeze has occurred in the U.S. farming sector, but it should be viewed in perspective. Net farm incomes for 1980 and the first quarter of 1981 were 29% and 50% lower, respectively, than the comparable figures for 1979, which was a very prosperous year for U.S. farmers. Moreover, farm incomes for 1981 have been lower than generally expected, reflecting smaller than anticipated farm exports, unexpectedly stable livestock prices, and high short-term interest rates. As Secretary Block suggests, farming is a capital intensive business and the higher interest rates have raised the cost of farming appreciably.

While a profit squeeze really has developed in agriculture, I believe that it is an overstatement to characterize the problems of the farm sector as "the worst since the Great Depression." First of all, other equally valid statistics do not show a decline in farm incomes from 1979 to 1980. For example, the farm sector of the GNP rose -- in real terms -- from \$34.9 billion in 1979 to \$35.3 billion in 1980. Secondly, the farm income figures referred to in Secretary Block's memo do not take account of the capital gains and substantial off-farm incomes obtained by many farmers. For example, the proprietors' equities of U.S. farmers rose by \$63 billion in 1980, exceeding their net farm incomes by \$41 billion. Such capital gains should be considered when making farm income comparisons. Finally, there are fewer farms today. Therefore, Jack's income comparisons overstate the decline in per capita farm income over time.

~~CONFIDENTIAL~~

DETERMINED TO BE AN  
ADMINISTRATIVE MARKING  
E.O. 12958, Sec. 1.3(a)

By NARA *K* Date *6/8/99*

The profit squeeze facing farmers is real, but it is not outsized compared to that facing other cyclical sectors of the economy such as autos and housing. Also, increases in farm income should occur later in 1981 as interest rates decline, crop production increases from last year's drought levels, and prices for livestock and poultry rise.

In summary, the lower farm incomes of 1980 and the failure of farm incomes to rise as expected in 1981 represent genuine sources of disappointment to farmers. But the economic problems facing American agriculture are manageable and should be alleviated as economic growth occurs in 1982.

~~CONFIDENTIAL~~

U-2 8/82



WHORM: Presidential Handwriting File

FILE TRANSFER  
BY THE REAGAN LIBRARY STAFF

*Presidential Records*

*Folder 6*

Previously Filed:

*August 1981 (+)*

New File Location:

*August 1, 1981 [classified File]*

Date of Transfer:

*4/7/98 JLB*

End  
case  
File

THE WHITE HOUSE  
WASHINGTON

7/30/81

JAB :

Jack Block dropped  
this by. It is a copy to  
sensitize us to farm  
concerns.

Frank

JAB has SEEN  
8:45 P.M.  
7/30/81  
MOT



DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
WASHINGTON, D. C. 20250

DETERMINED TO BE AN  
ADMINISTRATIVE MARKING  
E.O. 12958, Sec. 1.3(a)

~~CONFIDENTIAL~~

OK  
ra

By NARA   *h*   Date   6/4/89  

July 28, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: John R. Block  
Secretary

*JRB*

SUBJECT: Financial Conditions in the Agricultural Sector

This memo is to make you aware that our Nation's farmers and ranchers currently face some of the poorest financial conditions in history. This impacts heavily upon the small towns, communities, and vast agri-businesses across this land.

Net farm income fell about 40 percent in 1980 to the lowest level since 1977. After adjusting for inflation, it was the lowest since the early 1930's. Improvement was expected this year, but it now appears that it will be worse. In addition to record prospective global crops, slow growth in the U.S. and world economies is limiting demand for farm products.

We have witnessed a precipitous decline in crop prices since January. Prices farmers receive for their products have not improved in almost a year and are only about 5 percent higher than 2 years ago. Demand for agricultural products primarily predicated upon export demand has been hampered by high interest rates and the strong value of the dollar.

Low prices and drought throughout the Midwest and the South last summer caused large numbers of farmers to incur additional debts and to refinance existing debt at unusually high interest rates. Continued high interest rates have been particularly damaging to farmers because they depend so heavily on capital and credit. A one percent increase in the interest rate on the outstanding farm debt translates into about a 10 percent decline in net farm income. Since 1979, interest on indebtedness in the farm sector increased 46 percent, to over \$18 billion or nearly as much as net farm income.

Agricultural debt has increased an alarming 28 percent in the last 2 years. A major consequence of these conditions is a severe cash flow problem for many producers. Default rates for public farm credit programs are unusually high and the prospects for the timely repayment of loans held by other agricultural lenders are declining.

In short, U.S. agriculture is suffering severe economic problems, the worst since the Great Depression. As we move into the harvest season, we can anticipate increasingly serious concerns from those representing the farm sector to increase prosperity.

WHORM: Presidential Handwriting File

FILE TRANSFER  
BY THE REAGAN LIBRARY STAFF  
*Presidential Records*

*Folder 6*

Previously Filed: ~~August 1981 (+)~~

New File Location: August 3, 1981 [Classified File]

Date of Transfer: 4/7/95 *gmd*

End  
Case  
File

036082  
C0126  
Jack  
Burgess

file

Archdiocese of Philadelphia  
222 N. 17th Street  
Philadelphia, Pa. 19103

O.K.  
RR

Office of the Cardinal

August 4, 1981

The President  
The White House  
Washington, D.C. 20500

036082

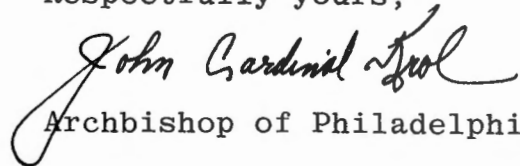
Dear President Reagan:

For the pleasure of meeting with you, and for the favorable response to the request for permission to have the Catholic Relief Services purchase unlimited amounts of surplus foods at concessionary prices for distribution to the peoples of Poland, I am deeply grateful. The Catholic Relief Services is now trying to settle the question of "concessionary prices."

It was gratifying that Congress adopted a resolution almost unanimously supporting your decision to help ease the food crisis in Poland.

With gratitude and with cordial and prayerful best wishes, I am

Respectfully yours,

  
Archbishop of Philadelphia

End  
Case  
File



THE WHITE HOUSE  
WASHINGTON

MG

PLEASE MAKE A XEROX OF THIS AND SEND THE XEROX  
TO MIKE BAROODY EOB FROM JAB " FOR SAFE-KEEPING"

ORIGINAL ~~XXXX~~ BACK TO ME. THANKS TONS.

MDT

KC- PLEASE FILE UNDER  
BAROODY -

RECTOR, HARVEY  
~~BAROODY, MIKE~~

181451

Confirmation  
of Quotes.

Dick Darman — 9/3/81  
RR might wish to  
see this — RN

WFE 171 (0841) (1-004 663 02 17) PD 08/05/81 0838 A9:51

ICS IIMWAWD WCH

04014 (4-02 10168216) 08-04

PMS WHITE HOUSE DC 20500

ICS IPMBNGZ CSF

216 6922250 TDBN CLEVELAND OH 93 08-04 1104A EST

MR LYNN NORFZIGER

WASHDC

PLEASE ADVISE THE PRESIDENT THAT F.D.R., PHILLIP MURRAY, DON L.

LEWIS, AND ELEANOR ROOSEVELT HAVE NO INTENTION OF ALLOWING ANY  
SEGMENT OF GOVERNMENT TO BE ORGANIZED WITH THE RIGHT TO STRIKE  
WHEN THE NATIONAL LABOR RELATIONS ACT (WAGNER ACT) WAS RATIFIED IN  
1935. I WAS ONE OF THE ORGANIZERS FOR C I O AT THE TIME. THESE  
FLY BY NIGHT UNION REPS WHO ARE CHALLENGING THE FEDERAL, LOCAL AND  
STATE GOVERNMENT ARE NOTHING BUT ~~REBEL~~ <sup>CAROL</sup> ROUSERS AND SHOULD BE  
JAILED...THE PRESIDENT IS RIGHT...STOP THE LAWBREAKERS BEFORE

THEY OVER THROW THE GOVERNMENT.

HARVEY B RECTOR, LABOR LAW COUNCILOR  
1710 CLARKSTONE RD CLEVELAND OH 44112

NNNN

send to Mike Bandy  
in D.C. for  
safe-keeping

John

End  
Case  
File

033198  
FG 143

THE WHITE HOUSE

WASHINGTON

Santa Barbara

August 14, 1981

Dear Gordon:

As I suggested in my July 30 note, I passed your essay on "Federal Reserve Credibility" on to our economic types. They suggest that if the Fed, with its "back and forth cycles" -- your phrase -- had not lost its credibility as an anti-inflation force, we would not be suffering today from interest rates with a large inflation premium.

Our friend Milton Friedman has pointed out that our system of government and our Constitution are based on the proposition that "rule of Law" is superior to "rule of Man." Yet, in monetary policy there really are no rules governing how money is created by the Fed. It is my hope that we can put restraints on the creation of money. Perhaps the Gold Commission will be coming up with recommendations along these lines.

Sincerely,



Mr. Gordon C. Luce  
Chairman of the Board  
and Chief Executive Officer  
San Diego Federal Savings and Loan  
600 B Street  
San Diego, California 92183

THE WHITE HOUSE  
WASHINGTON

Date: August 5, 1981

NOTE FOR: MAX FRIEDERSDORF

The President has

seen ☐

acted upon ☒


commented upon ☐

the attached; and it is forwarded to you for your:

information ☒

action ☐

Richard G. Darman  
Deputy Assistant to the President  
(x-2702)

cc: FILES 

End  
Case  
File



August 3, 1981

Dear General Pattison:

Thank you very much for writing as you did and for giving me an opportunity to comment with regard to your concern. I appreciate your generous words and the support that you are giving to the party.

I have to say I believe our positions with regard to conservation have been wildly distorted and exaggerated. I do think there are some conservationists who have been rather extreme and would prevent us from meeting any of our needs for minerals, energy, etc. However, I, too, am a conservationist and a lover of the beauty of this country, and I assure you we are not going to allow it to be despoiled. I know Secretary of Interior Watt is a conservationist, and much of what he's supposed to have said or what he's doing is being quoted out of context and distorted. Please rest assured we will not return to poisoned air or water nor will we wipe out the beauty of this land.

Again, my thanks.

Best regards,

RONALD REYGAN *Ronald Reagan*

Mr. Hal C. Pattison  
Brigadier General, USA (Ret)  
3605 Glenbrook Road  
Fairfax, Virginia 22031

RR:mel

cc:RR:H. vonDamm:D. Livingston:CF



5

**Hal Cushman Pattison**

3605 Glenbrook Road

Fairfax, Virginia 22031

21 June 1981

JLR  
President Ronald Reagan  
The White House  
Washington, D.C.

Dear Mr. President;

I have been a life long Republican - in the mold, I Hope, of the great Teddy Roosevelt whom I do remember.

I have been a life long conservationist - in the mold, I hope, of the great Teddy Roosevelt and as taught me in the early days of this century by my father on his Illinois farm.

I have, for years, given generously to the Republican Party and to its candidates. I have given similar support to the conservation organizations which have, in my view, approached the subject in the best interests of the nation as a whole.

This year, to help retain the gains made under your leadership, I have given even more generously to the Party and your supporters than in past years. But - now I am being asked by those moderate and responsible conservation organizations I have so long supported, to give more to fight what they consider to be excessive withdrawals from the genuinely needed conservation gains of the past few years. I am beginning to fear they may be correct!

I find it incongruous to give in support of your administration and, at the same time, feel that I must give to some of those who are fighting your policies. I doubt if I am alone in this dilemma.

In setting things right after so many years of the idealistic stupidity inflicted on the Nation, please see to it that your administration does not throw the baby out with the bath water. Good judgement is still needed.

Respectfully yours,

*Hal C. Pattison*

Hal C. Pattison  
Brigadier General, USA (Ret)

Here is finish of  
last letter in file

- is a conservationist and much of what he's supposed to have said or what he's doing is being quoted out of context & distorted. Please rest assured we will not return to poisoned air or water nor will we wipe out the beauty of this land.

Again my thanks & Best Regards

*Ronald Reagan*



End  
case  
File

ROY M. BREWER

August 6, 1981

4230 JUBILO DRIVE  
TARZANA, CA 91356

*I phoned  
him  
RN*

Dear Ron:

I had hoped to get a message to you to congratulate you on your stand on the Air Controllers strike and to tell you that I think you are handling it just right, but so far have been unable to do so.

I mentioned to you earlier that strikes by government employees would be one of the difficult problems you would have to deal with and I think this is an opportunity to bring the issue to a head in a most appropriate way. When a group of persons can flagrantly disobey the law and then bargain for immunity we are really approaching a position of anarchy. My assessment is that overwhelming majority of the people are supporting your position and are willing to take some inconvenience to have the issue settled.

I am leaving for Nebraska and will be gone until the 18th of August. If there is any chance to see you before you go back I would like very much to do so.

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If there is ever anything I can do to help please call on me. My phone at home is 345-2369. I will be here after the 18th.

My best to you always - and Nancy too.

Sincerely,

*R*  
Roy M. Brewer

*Don't give in.  
RB*

*From the Desk of...*

ROY M. BREWER

Dear Helene:

Here is a short message I  
would like to get to the  
President.

I can imagine how hectic these  
last days before he leaves  
must be, and I don't want to  
add to your problems.

However, if there is any  
possibility of seeing him before  
he goes back I would certainly  
appreciate it.

My very best to you.

Sincerely,

RMB

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The President has seen

THE SECRETARY OF THE TREASURY  
WASHINGTON 20220

August 7, 1981

OK  
DR

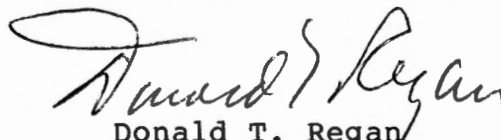
FYI

MEMORANDUM FOR THE PRESIDENT

Subject: Reply to Arthur Appleton

I responded today to Mr. Appleton's letter which you gave me in Ottawa. Essentially, I pointed out that as the economic program begins to take hold, higher corporate after-tax earnings and lower interest rates should considerably enhance the relative attractiveness of stock investments.

A copy of my reply is attached for your reference.

  
Donald T. Regan

Attachment



THE SECRETARY OF THE TREASURY  
WASHINGTON 20220

August 7, 1981

Dear Mr. Appleton:

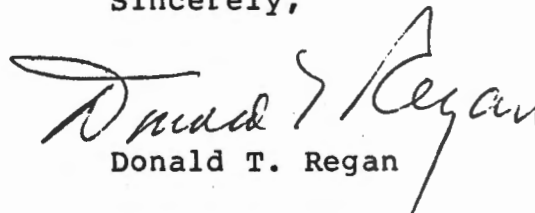
Thank you for your letter of July 7 on the taxation of dividend income. President Reagan discussed this briefly with me, suggesting that we take a closer look at your ideas.

The climate for corporate investment needs to be strengthened, and once the President's tax and economic programs begin to take hold, I think you'll find this happening. The liberalization of depreciable class lives and the increased ceiling for the investment tax credit, to mention a few points, will improve corporate after-tax earnings and thereby boost stock prices. Moreover, the reduction in inflation rates that will be achieved by the other elements of the Administration's economic program should bring interest rates down. Both these developments will enhance the relative attractiveness of equity over debt instruments.

Enactment of the President's program should alleviate many of your concerns about the financial health of the equities markets. Nonetheless, we shall continue to watch these markets closely to determine whether and when further reform should be proposed.

Thanks again for sharing with us your thoughts on this matter.

Sincerely,

  
Donald T. Regan

Mr. Arthur I. Appleton  
President  
Appleton Electric Company  
1701 Wellington Avenue  
Chicago, Illinois 60657

THE WHITE HOUSE  
WASHINGTON

8/12

TO:

*Dick Arman*


FROM:

CRAIG L. FULLER

☐ FYI

☐ Comment

☒ Action

*Suggest this go to *

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THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

August 11, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: MURRAY L. WEIDENBAUM   
SUBJECT: Memorandum from Gordon Luce

Gordon Luce's note is a well-written and thoughtful piece on monetary policy. It also emphasizes the difficulties of extricating ourselves -- and the Fed -- from the mess we inherited.

The title of his memo -- "Federal Reserve Credibility" -- points to one of the most serious economic policy issues remaining after passage of your budget and tax packages. If our central bank were viewed as a "solid bastion against inflation," as it was in the 1950s, final Congressional action on your budget and tax proposals likely would have produced a rapid decline of interest rates.

The Federal Reserve lost its credibility as an anti-inflation institution during the past decade when the old rules disciplining monetary growth broke down. The Fed frequently has promised to produce a slow and steady growth of the money supply in order to eliminate inflation. So far, they have failed to deliver, usually because previous Administrations gave them conflicting signals. This is part of the legacy of the "back and forth cycle" Luce refers to.

The Fed was created as a result of recommendations of a monetary commission that was established following a severe financial crisis in 1907. Now, in 1981, a Gold Commission has been appointed to study the role of gold in the monetary system -- which will involve proposals for establishing new rules to insure that inflationary creation of money is stopped. That could involve a lessened role for the Fed.

In order to help restore "Federal Reserve Credibility" as rapidly as possible, we should take every opportunity to reaffirm that your Administration will not abandon its pursuit of price stability, and that monetary policy actions of the Federal Reserve must be directed towards achievement of a dollar with stable purchasing power.

THE WHITE HOUSE

WASHINGTON

July 30, 1981

Dear Gordon:

Thanks very much for your letter and for the observations about the Fed. I did spend my time in Ottawa telling the others the Fed high interest rates were not part of our economic package.

I've passed your essay on to our economic types to see if they have an answer to whether the Fed is really necessary.

Again, thanks.

Best regards,

/s/ Ron

Mr. Gordon C. Luce  
Chairman of the Board  
and Chief Executive Officer  
San Diego Federal Savings and  
Loan Association  
600 B Street  
San Diego, California 92183

RR/ls

bcc: ✓ Murray Weidenbaum

**EXECUTIVE OFFICE OF THE PRESIDENT  
COUNCIL OF ECONOMIC ADVISERS**

**Date:** 8/12

**To:** Dick Darman

**From:** James B. Burnham

There will be no red faces this  
time.

San Diego Federal  
Savings and Loan Association



GORDON C. LUCE  
Chairman of the Board  
and Chief Executive Officer

July 23, 1981

The President  
The White House  
1600 Pennsylvania Avenue, N.W.  
Washington, D.C. 20500

Dear Mr. President:

The increasing concerns of world leaders as well as the American public regarding high interest rates have many of us reaching for solutions.

I have done a two page "mini-memo" on the subject. Obviously I am not an expert in this field, but feel it is my duty to try to help with this perplexing problem.

The facts are that with the amazing reduction in our inflation rate and GNP of the second quarter, the Federal Reserve has not been able to respond.

You are doing a superb job on the many other vital subjects facing our nation. We send our best regards and hope for your continued strength in leading our country.

Best regards,

Gordon C. Luce

GCL:cpf

Enclosure

*Dear Gordon*

*Thanks very much for your letter and for the observations about the Fed. I did spend my time in Ottawa telling the others, the Fed & high interest rates were not part of our ec. package. I've passed your essay on to our ec. types to see if they have an answer to ~~submit~~ whether the Fed. is really necessary. Again Thanks - Ben Reynolds*

*Ren*

*To Murray Weinsbaum  
7.4.2 - 7 am  
Random lines.  
RR  
Do we really need  
the Fed?*

FEDERAL RESERVE CREDIBILITY

A severe recession is on the horizon because of the Federal Reserve's failure to balance the nation's financial problems. The heavy-handed approach of the Federal Reserve has unnecessarily maintained interest rates above an appropriate level in 1981. Millions of Americans and millions of small businessmen and women have lost major amounts of their savings, reserves, and/or net worth. These losses may never be recaptured and have resulted in a transfer of resources from middle Americans to the treasuries of large banks and corporations.

Experts such as Milton Friedman recognize the fact that the Federal Reserve has "no bottom line, doesn't need to meet a budget, is not elected, has no outside pressures, and therefore has no force to get itself in line". The Federal Reserve has announced changes in its objectives, yet has not changed its procedures. Unfortunately the Federal Reserve has resisted change through the years and not reviewed and/or improved its ways. The Fed's three months back and forth cycle is well known on Wall Street. Financial markets know this and respond accordingly. The unsophisticated, however, absorb the losses from these cycles.

Since members of the past and present Administrations, as well as Congress, seem to fear criticizing the Federal Reserve, the Fed goes on with its excessive up and down policies and its "overdo" of restraint. The Fed is very inbred, with many former staff members on the Board. The fed needs some businessmen to balance the theorists and bureaucrats.

The Federal Reserve lacks credibility and at the same time is very low in prestige. What it needs is a straight growth plan, rather than the uncertainty it breeds. Again, according to Milton Friedman, some of the blame should be placed on the large commercial banks, particularly the money center banks in New York and Chicago. It is obvious that the large mergers and major corporate requests receive first attention in borrowing in the present economic environment, which leaves consumers, small business and middle America out in the cold.

What are the solutions? They are not easy, but experts such as Friedman should be listened to concerning the Federal Reserve operations. The Administration should divorce itself from recent statements made by top Administration officials which imply that the Administration and the Federal Reserve are working "hand in hand" on a tight monetary policy, coupled with the Administration's Economic Recovery Program. Time and again new



appointees of the Administration seem to revel in their discovery that for the first time these two elements are working together. Financial experts laugh at these statements since they know the Administration has little control over the Federal Reserve, as the seven members serve staggered 14 year terms and the Fed's budget is not subject to Administration control. There is also serious doubt that the Federal Reserve supports the Administration.

It also must be remembered that Chairman Volcker is a product of big money center banking, having worked on two occasions for David Rockefeller at Chase Manhattan Bank. He appears to be sensitive to the needs of the big banks, and insensitive to the rest of America.

We have an emergency in the world today due to sustained high interest rates in this country. The President should use all of his resources to question the Federal Reserve's policies, which are close to creating a financial crisis.

Predictions of lower interest rates will not suffice. We are almost at a point where "temporary" high interest rates may become permanent. Although the Administration's Economic Recovery Program is excellent, a linkage with the Federal Reserve policies is a major mistake for the Administration and the country.

Recently from Ottawa Ed Meese made a very sensible statement on this subject in the media concerning interest rates. He placed the blame on the past and removed the Administration from present Federal Reserve policies. This is wise and others should follow his lead.

In conclusion, the solutions to this emergency problem are:

1. Assign a new group of experts to review promptly and provide recommendations as to what can be done about the failure of the Fed.
2. Disassociate Administration spokesmen from linking the Administration program with the Fed.
3. Appoint next Governor who will improve the structure and policies.
4. Investigate who is benefiting most from Fed policies.
5. Assure world powers that America is in charge of its economic policies, rather than subject to the Federal Reserve.
6. Develop a long range program for America to improve the credibility of the Federal Reserve.

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MEMORANDUM

The President has seen \_\_\_\_\_

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THE WHITE HOUSE  
WASHINGTON

August 12, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD ALLEN *RA*

SUBJECT: Letter from Gustavo R. Cisneros

*RR*  
*Pres. Herrera*  
*Venezuela*

In July you met with the United States Business Committee on Jamaica headed by David Rockefeller. Present at that session, in addition to US businessmen, were several from Canada and Venezuela.

One of the Venezuelans, a young businessman named Gustavo Cisneros has written the attached letter describing an interesting and sensible program designed to provide the basic skills of literacy and functional education for the Venezuelan population. He argues that we are losing the struggle for the minds of individuals in the region by virtue of our abandoning the process of eliminating literacy to the extreme left.

Mr. Cisneros' letter contains some very interesting notions, and for that reason I forward it to you for your review. I intend to develop this contact with him and perhaps you will be able to discuss this program with President Herrera Campins when he is here for his State Visit on November 17.

cc: The Vice President  
Ed Meese  
Jim Baker

81 AUG 13 1981



ORGANIZACION DIEGO CISNEROS

DICT.GUSTAVO CISNEROS R.  
PRESIDENTEPASEO ENRIQUE ERASO, CENTRO COMERCIAL PASEO LAS MERCEDES, 31º PISO  
TELFs. 01 59 88 (6 LINEAS) APDO. POSTAL 80 038 - TELEX: 23 475 GUER - CABLES: GURICA - CARACAS, VENEZUELA

July 20, 1981

Mr. Richard Allen  
Assistant to the President  
for National Security Affairs  
The White House  
Washington, D.C. 20520

Dear Dick:

It was indeed a pleasure to see you in Washington on the occasion of the July 3 White House meeting of the U.S. Business Committee on Jamaica. The session with President Reagan and the prior briefings at the State Department were profoundly encouraging - demonstrating as they did the President's and his Administration's firm resolve to support private initiative in furtherance of economic and social development in the Caribbean.

I was particularly gratified to have had the opportunity for a personal discussion with you and to learn of your interest in Venezuela. I would be delighted if the latter prompted you to plan a visit to this country some time in the near future. One possible framework for such a trip might be a lecture at one of our universities or private foundations. It would be a privilege for me not only to arrange a formal invitation, but also to make sure that you reach the top thought leaders and opinion makers here.

In the meantime, I look forward to working with you and the U.S. Business Committee on the Jamaican development effort. From our perspective in Venezuela, the significance of this program for helping to safeguard our region from further Communist encroachment and subversion can hardly be overemphasized.

I believe, within this general context, that it is essential we supplement our program of promoting conventional direct investment, as a means to abet economic development, with the notion of giving assistance to basic education, as a means to improve the development of the individual. More specifically, it seems to me that the objective of self-sustaining economic growth is unachievable within a reality of widespread illiteracy - the core problem in Jamaica as in most of the Caribbean area.

./..

A reasonably literate population may not be a sufficient condition for economic growth, but it certainly is a necessary one. This has been our experience in Latin America consistently.

Not surprisingly, whether in power as in Cuba and now in Nicaragua or in insurgency as in El Salvador and Guatemala, the Communists have always made literacy programs their top priority. In fact, the process of guiding the illiterate poor toward basic skills in using letters and numbers has traditionally been preempted by the extreme Left as the most effective means by which to implant its ideology in the population.

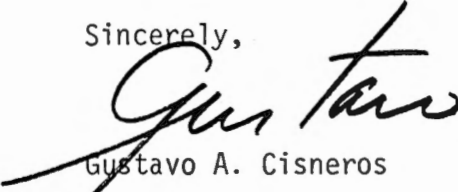
And this has been happening by default on our part. I don't think it is overly simplistic or dramatic to argue that while we try to fill stomachs, the Communists concentrate on hearts and minds. The result is apparent. Before purely economic assistance can begin to bear fruit, the masses have become so indoctrinated by the other side that they reject the very system which facilitated their emergence from extremes of poverty to begin with.

I elaborate on this idea because of our recent experience here in Venezuela - and extraordinary successes of much longer standing in Colombia - with a unique program to teach basic reading, writing, and arithmetic to large segments of the population. What is unique about the program is not only its effectiveness as an educational tool but also its substantive content. The latter rests squarely on the central values and concepts of our Western culture, rather than seeking to inculcate implacable antagonism toward them, as the Leftist-inspired educational materials do so relentlessly. I am thoroughly convinced that this program has direct and immediate applicability not only in Jamaica but also in the troubled republics of Central America.

Given the vital interest of the United States in this region and your own concern about the widening reach of Marxist doctrine, I should very much like to acquaint you personally with the Simón Bolívar Foundation in New York City, which is sponsoring this literacy program as an essential part of its objective "to promote the social and economic development of disadvantaged populations through education." A very brief summary of the Foundation's aims and goals is attached. I or any of the other members of the Board of Directors listed in the back of the brochure will be delighted to discuss with you the Foundation's activities.

With warm personal regards and best wishes,

Sincerely,



Gustavo A. Cisneros

Encl.

P.S.

In view of the less than reliable mail service between the United States and Venezuela, you may wish to have my New York address:

Highgate Properties, Inc.  
645 Fifth Avenue, Suite 904-6  
New York, New York 10022  
(212) 355-0620/1  
Telex 127033

RECEIVED 13 AUG 81 17

TO ALLEN

FROM CISNEROS, GUSTAVO A DOCDATE 20 JUL 81

ALLEN

12 AUG 81

KEYWORDS: VENEZUELA

JAMAICA

SUBJECT: VENEZUELAN BUSINESSMAN WRITES LTR RE PROGRAM FOR EDUCATING VENEZUELAN  
PEOPLE

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FOR ACTION

FOR CONCURRENCE

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PRES

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