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ID # 115117

WHITE HOUSE
OFFICE OF RECORDS MANAGEMENT
WORKSHEET

TR

- X-MEDIA
- H-INTERNAL

Name of Document: BRIEFING PAPERS
FOR PRESIDENT'S
SCHEDULED
APPOINTMENTS FOR

DEC 17 82

Subject Codes:

P	R	0	0	7	-	0	1
F	G	0	1	0	-	0	2
F	I	0	0	2	-		
F	G	0	1	2	-		
F	I	0	0	5	-		
B	E	0	0	3	-		
B	E	0	0	6	-		
H	U	0	1	3	-		
T	A	0	0	4	-		
S	C				-		
A	G				-		
B	E	0	0	1	-		
T	A	0	0	3	-		
A	G	0	0	3	-		
A	G	0	0	4	-		
T	A				-		
B	E	0	0	4	-	0	4
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1) Subject: Meeting with the Cabinet Council
on Economic Affairs to discuss the
Federal Financing Bank

2) Signing Ceremony for Minority Business
Statement

3) Meeting with the Cabinet Council on
Commerce and Trade to discuss:

- A) Industry Government Consultation on Innovation
- B) Antitrust Barriers to U.S. Competitiveness
- C) Export Financing
- D) Agricultural Export Policy
- E) Industrial Adjustment Policy
- F) Update on DISC Replacement
- G) New Negotiating Authority
- H) Renewal of Generalized System of Preferences

ROUTE TO:		ACTION		DISPOSITION		
Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
RMHENL		RSZ			C	

Referral Note:

Page 2 of 2

ID # 115117

WHITE HOUSE
OFFICE OF RECORDS MANAGEMENT
WORKSHEET

- X-MEDIA
- H-INTERNAL

Name of Document: BRIEFING PAPERS
FOR PRESIDENT'S
SCHEDULED
APPOINTMENTS FOR

DEC 17 9/2

Subject Codes:

4) Subject: Taping sessions for messages for:
A) Governor Robert Ray Private Dinner
B) Red Cross Month
C) FOWLER-McCRACKEN Commission
Regional Conferences

P	R	0	0	7	-	0	1
P	R	0	1	1	-		
S	T	0	1	5	-		
H	O	0	9	5	-		
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ROUTE TO:		ACTION		DISPOSITION		
Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
RMHENL		RSZ			C	

Referral Note:

THE SCHEDULE OF
PRESIDENT RONALD REAGAN

The President has seen _____



Friday, December 17, 1982

9:00 am (30 min)	<u>Staff Time</u> (Baker, Meese, Deaver)	Oval Office
9:30 am (15 min)	<u>National Security Briefing</u> (Clark)	Oval Office
9:45 am (15 min)	<u>Senior Staff Time</u>	Oval Office
10:00 am (60 min)	<u>Personal Staff Time</u>	Oval Office
11:00 am (30 min)	Meeting with Cabinet Council on <u>Economic Affairs</u> (Fuller) (TAB A)	Cabinet Room
11:45 am (10 min)	Signing Ceremony for Minority Business <u>Statement</u> (Dole) (TAB B)	East Room (draft remarks attached)
12:00 m (2 hrs)	Luncheon Meeting with Cabinet Council on <u>Commerce and Trade</u> (Fuller) (TAB C)	Cabinet Room
1:30 <i>See Mr. Sigler again.</i>		
2:00 pm (20 min)	<u>Taping Session</u> (Bakshian/Goode) (1) Governor Ray Tribute Dinner (2) Message for Red Cross (3) Message for Fowler-McCracken Com- mission Regional Conferences (TAB D)	Family Theater (draft remarks attached)
2:20 pm	<u>Personal Staff Time for Remainder of the Day</u>	Oval Office/ Residence

UNP 12/16/82
5:00 pm

THE SCHEDULE OF
PRESIDENT RONALD REAGAN

Def

Friday, December 17, 1982



9:00 - OVR

9:00 am (30 min)	<u>Staff Time - 9:08</u> (Baker, Meese, Deaver)	Oval Office
9:30 am (15 min)	<u>National Security Briefing 9:33 -</u> (Clark), <i>BUSH, am, JB, MKO, McFARLAND</i>	Oval Office
9:45 am (15 min)	Senior Staff Time	Oval Office
10:00 am (60 min)	<u>Personal Staff Time</u>	Oval Office
11:00 am (30 min)	Meeting with Cabinet Council on <u>Economic Affairs 11:04 - 11:35</u> (Fuller) (TAB A)	Cabinet Room
11:45 am (10 min)	Signing Ceremony for Minority Business <u>Statement 11:45 - 11:55</u> (Dole) (TAB B)	East Room (draft remarks attached)
12:00 m (2 hrs)	Luncheon Meeting with Cabinet Council <u>on Commerce and Trade 12:04 - 1:50</u> (Fuller) (TAB C)	Cabinet Room
2:00 pm (20 min)	<u>Taping Session</u> (Bakshian/Goode) (1) Governor Ray Tribute Dinner 2:10 - 2:40 (2) Message for Red Cross (TAB D) (3) Message for Fowler-McCracken Com- mission Regional Conferences (draft remarks attached)	Family Theater
2:20 pm	<u>Personal Staff Time for Remainder of the Day</u>	Oval Office/ Residence

3:00 - 4:00 HORSEBACK RIDING - ROCK CREEK PARK

4:00 - 5:30 RESIDENCE

UNP 12/16/82
5:00 pm

CABINET COUNCIL ON ECONOMIC AFFAIRS

December 17, 1982

PARTICIPANTS

- ✓ The President
 - ✓ The Vice President
 - ✓ Secretary Regan
 - ✓ Secretary Donovan
 - Secretary Schweiker
 - ✓ Secretary Lewis
 - Secretary Hodel
 - ✓ Edwin Meese III
 - ✓ Director Stockman
 - ✓ Ambassador Brock
 - James Baker III
 - ✓ Edwin Harper
 - ✓ Martin Feldstein
 - ✓ Deputy Secretary Dam
 - (Representing Secretary Shultz)
 - ✓ Deputy Attorney General Schmults
 - (Representing Attorney General Smith)
 - ✓ Deputy Secretary Fiske
 - (Representing Secretary Baldrige)
- Secretary Block*

Richard Darman, Assistant to the President and Deputy to the Chief of Staff

- ✓ Craig L. Fuller, Assistant to the President for Cabinet Affairs
- ✓ David Gergen, Assistant to the President for Communications
- Richard Williamson, Assistant to the President for Inter-governmental Affairs

- ✓ Roger Porter, Deputy Assistant to the President for Policy Development
- ✓ Becky Norton Dunlop, Special Assistant to the President and Director, Office of Cabinet Affairs

Additional Attendees:

- ✓ Red Cavaney, Deputy Assistant to the President for Public Liaison
- ✓ Nancy Risque, Special Assistant to the President for Legislative Affairs

*Thadd Garrett
Les Denend*

*David McDonald
Larry Speakes*

*Larry Kudlow
Jim Cicconi*

THE WHITE HOUSE

WASHINGTON

December 16, 1982

BRIEFING PAPER FOR THE PRESIDENT

MEETING WITH THE CABINET COUNCIL ON ECONOMIC AFFAIRS

DATE: DECEMBER 16, 1982
LOCATION: CABINET ROOM
TIME: 11:00 A.M. (30 MINUTES)
FROM: CRAIG L. FULLER *CF*

I. PURPOSE

To discuss the Federal Financing Bank and the option of moving it on-budget. (This item was on the agenda for Thursday's Cabinet meeting, but we ran out of time. You received the paper, however, in yesterday's briefing material).

II. BACKGROUND

This issue deals with federal credit policy. CCEA has discussed whether or not the Federal Financing Bank should be placed on the budget. The working group recommended that it be placed on-budget. There are others who take the position that credit authority should not be on-budget because it would encourage Congress to change credit programs to grants and thus encourage additional federal spending. This decision will have a direct effect on the budget.

III. PARTICIPANTS

Members of the Cabinet Council on Economic Affairs (a listing will be attached to the agenda)

IV. SEQUENCE OF EVENTS

Secretary Regan will lead the discussion on Federal Financing Bank.

THE WHITE HOUSE

WASHINGTON

December 15, 1982

MEMORANDUM FOR THE PRESIDENT

FROM: CABINET COUNCIL ON ECONOMIC AFFAIRS

SUBJECT: Budget Treatment of Federal Financing Bank
Activities

Issue

Should the activities of the Federal Financing Bank be moved on budget beginning in FY 1984?

Background

The Federal Financing Bank (FFB), established in 1974, is a unit of the Treasury Department whose function is to assist federal agencies in financing marketable agency-issued or agency-guaranteed securities. The bank borrows from the Treasury at the Treasury's current rates and lends to agencies and guaranteed borrowers at the Treasury rate plus one-eighth of a percentage point.

The demand for the favorable financing terms available through the FFB has grown rapidly since the bank's inception. Initially it was anticipated that the bank would lend \$6 to \$7 billion annually. FFB net lending totaled \$24.8 billion in FY 1981, and at the end of FY 1981 outstanding loans totaled \$107.3 billion.

Although the FFB has been a success as a debt management and financing tool, its activities pose two budgetary problems. First, because FFB activities are recorded off-budget -- counted neither in the initiating agencies' budgets nor in the unified budget totals -- agency budget totals and the budget deficit are understated. This budget treatment creates the second problem, the overallocation of resources to FFB activities.

Cabinet Council Review

The Cabinet Council on Economic Affairs has considered the budget treatment of FFB activities at three recent meetings. The Council has identified two principal issues bearing on FFB budget treatment.

The first issue is control of off-budget activities. FFB activities are not subject to congressional budget resolutions or ceilings. As the congressional budget process has imposed ever tighter ceilings on on-budget spending, the off-budget programs of the FFB have grown dramatically. FFB programs increased 27.6 percent (19.1 percent real rate) versus 11.8 percent (3.6 percent real rate) for federal on-budget programs. The control problem is dramatized by the large differences between the Administration's March 1981 budget ceilings for off-budget programs and the current services baseline for FY 1984. The cumulative off-budget spending for FY 1983 through FY 1986 has almost doubled from \$34 to over \$64 billion.

The second issue is the appearance of creating a higher deficit. By bringing on budget programs which are currently not accounted for on the budget, the reported budget deficit will increase. This higher reported budget deficit, however, will not result in greater federal borrowing or outlays but would simply change the accounting practices we presently use. The resulting accounting change would increase the reported annual deficit by an estimated \$9 to \$17 billion. If Congress did not adopt the Administration's proposal to place FFB activities on budget, the accounting effect would be to reduce the deficit estimates submitted by the Administration with the FY 1984 budget by \$12 to \$17 billion. For partisan reasons, this could be a tempting course of action and would convey the illusion that the Congress was more committed to reducing deficits than the Administration.

Options

There are two basic options: moving FFB activities on budget beginning in FY 1984 or preserving the status quo for another year with the possibility of reviewing the issue again for the FY 1985 budget.

Option 1: Move the activities of the Federal Financing Bank on budget beginning in FY 1984.

This proposal would involve:

- o Moving the federal government toward a consolidated cash budget which would reflect all of the off-budget cash outlays of the government by including in the budget all Federal Financing Bank activities. (Other off-budget federal entities, such as the Strategic Petroleum Reserve, the U.S. Railway Association and the Rural Telephone Bank, also would be on budget.)

- o Charging outlays currently attributed to the FFB to the agencies responsible for generating those outlays.
- o Submitting legislation that would make these changes effective beginning FY 1984.
- o Over time, consolidating through the Treasury all federal financing activities, including guaranteed securities.

Advantages

- o This offers the best chance of bringing the off-budget lending activities of the FFB under the scrutiny and controls associated with on-budget spending.
- o Consolidating on-budget government lending activities presents a more accurate picture of total federal borrowing in the capital markets.
- o This is a necessary step in reducing the growth of off-budget activities to a rate in line with that of other federal programs, thereby reducing federal borrowing requirements.

Option 2: Preserve the current budget treatment of FFB activities with these activities remaining off budget in FY 1984.

Advantages

- o This preserves the consistency of the Administration's deficit estimates for FY 1984 and beyond presented in the FY 1984 budget with past practices.
- o Maintaining current budget treatment avoids providing the Congress with a "no action" alternative -- refusing our proposed modification -- which would enable them to claim that they had "saved" \$12 billion of the deficit in FY 1984 and \$48.7 billion over the five year period FY 84 - FY 88.
- o A move which would raise the reported budget deficit estimates for FY 1984 could have an adverse psychological effect under present circumstances.

Decision

Option 1 _____ Move the activities of the Federal Financing Bank on budget beginning in FY 1984.

Option 2 _____ Preserve the current budget treatment of FFB activities with these activities remaining off budget in FY 1984.



Donald T. Regan
Pro Tempore

THE WHITE HOUSE

WASHINGTON

December 15, 1982

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Donald T. Regan
Pro Tempore

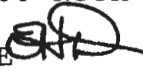
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THE WHITE HOUSE

WASHINGTON

December 16, 1982

SIGNING CEREMONY FOR MINORITY BUSINESS STATEMENT

DATE: December 17, 1982
LOCATION: East Room
TIME: 11:45 a.m. - 12:00 Noon
FROM: ELIZABETH H. DOLE 

I. PURPOSE

To sign your statement on Minority Business Development. This brief ceremony will demonstrate your interest in, and support of, minority business growth and development.

II. BACKGROUND

The signing ceremony will conclude a one-and-a-half-hour briefing session with the Vice President, Cabinet and sub-Cabinet members from the Department of Commerce, HUD, Transportation, and the Small Business Administration.

Your statement is eagerly anticipated by the minority business community as an indication to government agencies, the private sector, and financial institutions of your interest in minority business programs. The minority business community believes that without your support, interest from those who provide resources would wane. As your supporters, the minority business community will be very appreciative of your personal involvement.

III. PARTICIPANTS

See attached list.

IV. PRESS PLAN

Open press and selected minority press.

V. SEQUENCE OF EVENTS

11:45 a.m. You enter the East Room and proceed to the dias joining the Vice President, Secretary Baldrige, Secretary Pierce and Elizabeth Dole.

You extend your formal remarks.

11:55 a.m. You move to the table and sign the statement.

12:00 Noon You thank the audience and depart the East Room shaking some hands as you exit.

Attachment

List of Participants

PARTICIPANTS FOR MINORITY BUSINESS SIGNING CEREMONY

250 minority business people and key supporters of minority business from across the country.

Administration

The Vice President

Secretary of Commerce, Malcolm Baldrige

Secretary of HUD, Samuel R. Pierce

Administrator of Small Business Administration, James Sanders

Elizabeth H. Dole

(Rohrabacher/AB)
December 16, 1982
3:30 p.m.

PRESIDENTIAL REMARKS: SIGNING CEREMONY FOR MINORITY
BUSINESS STATEMENT
FRIDAY, DECEMBER 17, 1982

Welcome to the White House and thank you for being with us to recognize the vital role minority business plays in this country. Our Nation's 600,000 minority enterprises represent nearly 5 percent of our non-farm business. They also represent social mobility and economic advancement to millions of Americans. Today in signing this statement, we reaffirm our commitment to a healthy economy in general, and to a vibrant and expanding minority business community in particular.

We believe that in the last 23 months we've taken the steps that will bring the economic recovery our people want so badly. Clearly, a general prosperity -- high growth with low inflation -- is the greatest single thing this Administration, or any Administration, can provide for minority Americans. Our economy -- building measures -- our tax rate cuts and regulatory reform -- will spur minority businesses just as they do the entire business community. In some cases our program gives minority business an even greater boost than at first glance.

Our tax rate reductions, for example, should have a major impact on minority business. Since a large proportion of minority businesses are proprietorships and partnerships, they report their income as individuals and receive the full benefits of our across the board tax rate cuts. And these same enterprises will continue to be helped because tax rates will be

indexed after 1984. Here again, all small businessmen are being helped, with minority enterprise a full participant.

Early in this century Teddy Rossevelt said that it "ought to be evident to everyone that business has to prosper before anybody can get any benefit from it." Just as the incredible productivity and efficiency of American business catapulted the standard of living of the our people as a whole, we believe a thriving minority business community will be instrumental in bettering the lives of those formerly excluded from the prosperity enjoyed by most Americans. In signing this statement we renew our pledge that as recovery takes hold we're not leaving anybody behind.

Back in September I spoke about this with the Members of the National Black Republican Council. At that time I said that the Administration would soon announce a program focusing on minority business development, including a commitment to increase the level of Federal procurement from minority owned enterprises. Although it has taken longer than expected, today I'm making good on that promise. Among the other items detailed in today's statement is a 10 percent increase of the minority business procurement objectives in 1983 over the 1982 level. Over the next 3 fiscal years our goal will be to purchase some \$22 billion, directly and indirectly, from minority-owned businesses.

Increasing the procurement levels can be accomplished on our own, but we can't forget that enterprise zone legislation, something that promises to do much to encourage growth in our

inner cities, is still tied up on the hill. I know that Secretary Pierce went into detail on this important piece of legislation earlier today, but I want to add my feelings that it's about time we see some action on this job building legislation for the disadvantaged and we will continue to press for action on this vital legislation.

If there is one lesson we should have learned over the last 2 decades it is that focusing totally on government as a vehicle for social improvement is the least effective method of improving the lives of our people. We are firmly committed to assuring our fellow citizens in the minority communities an equal opportunity to enjoy the fruits of our competitive enterprise system. Given the proper incentives and a general environment of economic progress, American minority businesses can thrive and serve as a mighty engine for social progress.