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CABINET AFFAIRS STAFFING MEMORANDUM

Date: 4/11/84 Number: 168956CA Due By: *[Signature]*

Subject: Issue Alerts: March 26 and March 30, 1984

ALL CABINET MEMBERS	Action	FYI		Action	FYI
Vice President	<input type="checkbox"/>	<input type="checkbox"/>	CEA	<input type="checkbox"/>	<input type="checkbox"/>
State	<input type="checkbox"/>	<input type="checkbox"/>	CEQ	<input type="checkbox"/>	<input type="checkbox"/>
Treasury	<input type="checkbox"/>	<input type="checkbox"/>	OSTP	<input type="checkbox"/>	<input type="checkbox"/>
Defense	<input type="checkbox"/>	<input type="checkbox"/>	<u>Selected Agencies</u>	<input type="checkbox"/>	<input type="checkbox"/>
Attorney General	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Interior	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Agriculture	<input type="checkbox"/>	<input type="checkbox"/>	Baker	<input type="checkbox"/>	<input type="checkbox"/>
Commerce	<input type="checkbox"/>	<input type="checkbox"/>	Deaver	<input type="checkbox"/>	<input type="checkbox"/>
Labor	<input type="checkbox"/>	<input type="checkbox"/>	Darman (For WH Staffing)	<input type="checkbox"/>	<input type="checkbox"/>
HHS	<input type="checkbox"/>	<input type="checkbox"/>	Jenkins	<input type="checkbox"/>	<input type="checkbox"/>
HUD	<input type="checkbox"/>	<input type="checkbox"/>	McFarlane	<input type="checkbox"/>	<input type="checkbox"/>
Transportation	<input type="checkbox"/>	<input type="checkbox"/>	Svahn	<input type="checkbox"/>	<input type="checkbox"/>
Energy	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Education	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Counsellor	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
OMB	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
CIA	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
UN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
USTR	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GSA	<input type="checkbox"/>	<input type="checkbox"/>	CCCT/Gunn	<input type="checkbox"/>	<input type="checkbox"/>
EPA	<input type="checkbox"/>	<input type="checkbox"/>	CCEA/Porter	<input type="checkbox"/>	<input type="checkbox"/>
OPM	<input type="checkbox"/>	<input type="checkbox"/>	CCFA/	<input type="checkbox"/>	<input type="checkbox"/>
VA	<input type="checkbox"/>	<input type="checkbox"/>	CCHR/Simmons	<input type="checkbox"/>	<input type="checkbox"/>
SBA	<input type="checkbox"/>	<input type="checkbox"/>	CCLP/Uhlmann	<input type="checkbox"/>	<input type="checkbox"/>
			CCMA/Bledsoe	<input type="checkbox"/>	<input type="checkbox"/>
			CCNRE/	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Attached for your information and use are the following Issue Alerts:

March 26, 1984
March 30, 1984

RETURN TO:

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White House Office of Policy Information

ISSUE ALERT

Washington, D.C.

Number 22

March 26, 1984

DRUG ABUSE IN AMERICA: PRESIDENTIAL STATEMENTS AND ACTIONS

Background

President Reagan has identified drug abuse as one of the nation's most pressing health and criminal concerns. In his 1982 Federal Strategy for Prevention of Drug Abuse and Drug Trafficking, the President outlined a comprehensive program to combat drug abuse that combined strong law enforcement with international initiatives to reduce the availability of illicit drugs. Simultaneously, the Administration has taken major health initiatives to discourage the abuse of drugs, including marijuana and alcohol, and to prevent drug abuse in future generations of Americans.

This Issue Alert provides the President's major statements on drug abuse and summarizes Administration actions taken to fight the problem.

Analysis

THE NEED FOR ACTION

o Statements.

-- Presidential News conference March 6, 1981:

QUESTION: In light of what appears to be a growing concern about the drug abuse problem, especially among teenagers, what will your priorities be and specifically, do you expect to have a White House policy on drug abuse?

PRESIDENT REAGAN: Yes, I do. In fact, it can be stated as clearly as this: I think this one of the gravest problems facing us internally in the United States. I've had people talk to me about increased efforts to head off the export into the United States of drugs from neighboring nations...

It is my ... firm belief that the answer to the drug problem comes through winning over the users to the point that we take the customers away from the drugs, not take the drugs, necessarily -- [we will] try that, of course -- you

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don't let up on that. But it's far more effective if you take the customers away than if you try to take the drugs away from those who want to be customers.

-- Radio Address to the Nation by the President and First Lady, October 2, 1982:

I've heard time and again of children with excellent grades, athletic promise, outgoing personalities, but who because of drugs became shells of their former selves. I won't burden you with all the terrifying statistics, but there's one that's especially troubling. While the health of most Americans has been improving, young people between 15 and 24 have a higher death rate than 20 years ago. And alcohol and drugs are one reason for this.

-- Remarks by President Reagan Regarding the Drug Abuse Program, June 24, 1982:

As in other areas of this Administration, I want to seek new approaches. I want to get away from the fatalistic attitude of the late '70s and assert a positive approach that involves as many elements of this society as possible -- state and local governments, volunteer groups, parents, teachers, students, independent agencies, and law enforcement officials. ...

Drugs already reach deeply into our social structure, so we must ... let kids know the truth, to erase the false glamour that surrounds drugs, and to brand drugs such as marijuana exactly for what they are -- dangerous. ...

We're rejecting the helpless attitude that drug use is so rampant that we're defenseless to do anything about it. We're taking down the surrender flag that has flown over so many drug efforts; we're running up a battle flag. We can fight the drug problem, and we can win. And that is exactly what we intend to do.

DRUG LAW ENFORCEMENT

o Statements.

-- Remarks to the International Association of Chiefs of Police, September 28, 1981:

One of the single most important steps that can lead to a significant reduction in crime is an effective attack on drug traffic. Let me outline the major points in our narcotics enforcement strategy:

- o A foreign policy that vigorously seeks to interdict and eradicate illicit drugs, wherever cultivated, processed or

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transported. This includes the responsible use of herbicides.

- o A Special Council on Narcotics Control consisting of the Attorney General and the Secretaries of State, Defense, Treasury and others to coordinate efforts to stop the drug flow into this country. ... [and] ...
- o A border policy that will improve detection and interception of illegal narcotics imports. This will include the use of available military resources for detection when necessary.
- o A domestic policy that will more effectively coordinate efforts among Federal agencies as well as between these agencies and those at the State and local level.

-- Remarks to Miami Citizens Against Crime and the South Florida Task Force, November 17, 1982:

For the first time, we have brought together resources of many agencies of the Federal Government, from Customs to the DEA to the FBI and many others, to assist [you] in a coordinated and concentrated attack on the powerful, highly organized crime rings that deal in the illegal drug trade. We have also mobilized Navy, Army, Air Force and Coast Guard resources to assist in the interdiction of these drugs.

o Actions:

- The Reagan Administration has encouraged and supported an aggressive national Domestic Marijuana Eradication/Suppression Program. The program, coordinated with the Drug Enforcement Administration, has expanded from 7 states in 1981 to 40 States in 1983.
- On October 14, 1982, the President announced the Organized Crime/Drug Enforcement Task Forces as part of a major program headed by the Attorney General to combat drug trafficking and organized crime. The Task Forces are now operational in 12 key areas throughout the country to investigate and prosecute major organized criminal groups involved in drug trafficking.
- On March 23, 1983, the President established the National Narcotics Border Interdiction System, and appointed Vice President George Bush to chair its Executive Board. The new system will combat drug smuggling around the borders of the United States from six regional offices.
- The Attorney General has established Law Enforcement Coordinating Committees in 91 of the 94 Federal judicial districts. The committees consist of Federal, State and

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local prosecutorial and law enforcement agency heads who work together to focus all available resources on the most serious crime problems in each district.

- The Administration granted to the Federal Bureau of Investigation (FBI) concurrent jurisdiction with the Drug Enforcement Administration (DEA) on investigations regarding illicit drugs. By combining and coordinating their forces, the two agencies have achieved more effective investigations. This is reflected in the total number of joint efforts: in July 1981, there were 12 cooperative FBI/DEA investigations, compared to 737 today.

DRUG PREVENTION AND EDUCATION

o Statements.

- Remarks to the International Association of Chiefs of Police, September 28, 1981:

Now, let me also emphasize that our efforts will not be confined to law enforcement. The problem of drug abuse is one that reaches deeply into American society. We need to mobilize our religious, educational and fraternal groups in a national education program against drug abuse...

This Administration will do all in its power to encourage such efforts. Let us recognize that important as intercepting the drug traffic might be, it cannot possibly equal the results in turning off the customers, the users, and making them take a different course in deciding to no longer be customers.

- Remarks to the National Forum on Excellence in Education, October 8, 1983:

We must end the drug and alcohol abuse that plagues hundreds and thousands of our children. Chemical abuse by young people not only damages the lives of individual users. It can create a drug culture at school. We need to teach our sons and daughters the dangers of drug and alcohol abuse, enforce the law, and rehabilitate the users. Whatever it takes, we must make certain that America's schools are temples of learning, and not drug dens.

- Remarks to the National Religious Broadcasters Convention, January 30, 1984:

And if we could get God and discipline back in our schools, maybe we could get drugs and violence out.

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-- Remarks at signing ceremony for National Drug Abuse Education Week, November 1, 1983:

Nancy has told me so many times that few things in her life have frightened her as much as the drug epidemic and this is something she's living with daily by virtue of her work with those who are endangered by drugs. She's told me many personal stories of grief. The hard statistics are there, as well. The numbers on drug abuse are terrifying. These statistics virtually overwhelmed us for the past two decades, paralyzing our will. It was as if the problem was so large that we couldn't do anything about it.

But today, as never before, American's children are getting help in the battle to keep their minds free of drugs. We're making progress against drugs because parents and other adults finally decided to do something about it. No longer do we think of drugs as a harmless phase of adolescence. No longer do we think of so-called hard drugs as bad and so-called soft drugs as being acceptable. Research tells us there are no such categories; that the phrase 'responsible use' does not apply to drug experimentation by America's youth. And as far as the 'recreational use' of drugs is concerned, I've never in my life heard a more self-serving euphemism by those who support drug use. There is nothing recreational about those children whose lives have been lost, whose minds have been ruined. If that's somebody's idea of recreation, it's pretty sick. Too often we've fallen into the trap of using nice, easy, pleasant, liberal language about drugs. Well, language will not sugarcoat overdoses, suicides and ruined lives.

One of the biggest indicators that America is awakening to the harm of drugs is the wonderful outpouring of people who will launch the Chemical People project tomorrow evening on the Public Broadcasting System [1 hour segments aired on November 2 & 9, 1983]. That's the project combining community action with the power of television. ... Simultaneously, there will be local community meetings, thousands of them all across America, in all 50 states, the District of Columbia and Guam. There are more than 10,000 task forces out there to assist mothers and fathers who, unfortunately, have felt for too long that they were alone in the battle against drugs. Over 50,000 volunteers and 35 national organizations have dedicated themselves to making this project a success.

Throwing taxpayers' money at a problem, sitting back with smug looks of self-congratulation, has been tried and it didn't work. Business leaders recognized this and are lending a helpful hand. For example, the Keebler Company teamed up with Warner Communications last spring and they come forth with a comic book approach to getting the right kind of information about drugs into the hands of kids in a readable way. Other companies are coming forward, as well. The effort against drugs is coalescing with parent groups,

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government, business and now, in the case of the Chemical People project, the media is involved, as well.

Progress is begin made, but it takes time to erase 20 years of lax attitudes. I'm confident we're on the right track and that education, not scare tactics, will be effective.

o Actions

- The personal involvement and leadership of the President and First Lady have played a large role in encouraging concerned citizens from every segment of society to participate in a national effort to combat drug abuse.
 - * Parent and community groups, peers, school officials and health care professionals -- those closest to users and potential users and who have the greatest impact -- have become much more active in drug education and prevention.
 - * Organized parent groups, working to promote an environment in which children are discouraged from using drugs and alcohol, have grown from approximately 800 in 1980 to more than 4,000 today.
 - * Congressional Families for Drug Free Youth has been established to assist education and prevention efforts in the Congressional Districts.
- The President's commitment to fighting drug abuse has generated anti-drug programs throughout the federal government.
 - * The Department of Education has developed and and is now maintaining alcohol and drug abuse prevention programs in over 4,500 schools and communities.
 - * The Office of Juvenile Justice and Delinquency Prevention is cooperating with the National School Boards Association to provide school-related delinquency prevention programs, including drug and alcohol abuse prevention. The two groups are also helping communities, families, volunteers, education and youth-serving agencies by identifying, cataloging and disseminating information.
 - * The Occupational Safety and Health Administration (OSHA) has implemented innovative programs which emphasize to employers and employees their own responsibility for ensuring safe and healthful working conditions, including a drug- and alcohol-free workplace.
- Service organizations and other groups in the private sector are playing a significant role in the President's drug awareness campaign. Among the efforts being undertaken by the private sector are:

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- * Xerox Education Publications is sponsoring a Weekly Reader survey of children's attitudes on drugs and alcohol;
 - * Drug awareness comic books, designed for 4th, 5th and 6th grade students, have been sponsored by DC Comics, the Keebler Company, and IBM in cooperation with the National Federation of Parents for Drug Free Youth, and the National Soft Drink Association;
 - * McNeil Pharmaceutical has prepared "Pharmacists Against Drug Abuse," an anti-drug abuse brochure available at many drug stores;
 - * Professional sports organizations are participating in "Team Up Against Drugs," a campaign to use athletes as positive role models warning young people against drug abuse;
 - * In the entertainment industry, concerned celebrities and representatives from television, motion pictures, radio, popular music, professional sports, and the written media are sponsoring the Entertainment Industry Council for a Drug Free Society, which will raise funds for anti-drug programs, produces public service announcements, and coordinates speakers;
 - * The American Medical Association has formed the Steering Committee on Prescription Drug Abuse, which is studying the problem of miswriting prescriptions for legal drugs and educating doctors to the problem;
 - * The American Academy of Pediatrics is sponsoring an awareness program concerning "look-alike drugs" -- those illegally-sold substances that appear to be certain types of drug but which are not;
 - * The International Association of Lions Clubs has made drug abuse prevention one of their major community service objectives by sponsoring the "Lions' War Against Drugs" campaign;
 - * NBC is sponsoring the "Don't Be A Dope" television campaign; and
 - * The National Association of Independent Insurers is continuing their ten-year-old impaired driving prevention campaign.
- The national prevention effort is beginning to pay dividends. Although drug and alcohol abuse levels remain high, the trend is down instead of up.
- * According to the National Institute on Drug Abuse (NIDA)'s annual poll of high school seniors, the number of seniors using marijuana at least once per month had fallen from

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37% in 1979 to 27% in 1983. This is the lowest rate since NIDA took its first poll in 1975.

* The same poll showed that daily use of marijuana had fallen from 10.7% in 1978 to 5.5% in 1983.

-- Other polls show that teenagers are becoming more aware of the danger of drug abuse.

* According to the Gallup Poll, 35% of teenagers in 1983 said drug abuse is the biggest problem facing their generation, compared to only 27% in 1977.

* The Gallup Poll also reported that in 1983, 80% of teenagers opposed legalization of marijuana, compared to 62% in 1978, and that 70% opposed decriminalization of marijuana, compared to 40% in 1978.

* In 1983, only 4% of the Who's Who High Achievers said they were using marijuana, compared to 8% in 1979.

DRUNK AND DRUGGED DRIVING

o Statements.

-- Presidential Proclamation for National Drunk and Drugged Driving Awareness Week, 1982, December 12, 1982:

Seventy times a day -- once every 23 minutes -- a life is taken somewhere on our streets and highways because driving skills and judgment were impaired by alcohol or drugs. Too often, a repeat offender is involved and, too often, society has looked the other way.

Collisions involving drunken drivers are the nation's single greatest killer of young people...we can give our children a great gift by doing everything we can to keep the drinking driver and the drug-user off our roads. Let us all observe safety and celebrate safely, and let us remember that the safety belt in our car can be our best defense against drunken and drugged drivers.

-- Presidential Proclamation for National Drunk and Drugged Driving Awareness Week, 1983, December 13, 1983:

The most serious problem on our Nation's highway is drunk driving. Drunken drivers kill and injure more people on the roads than any other cause. The cost of this slaughter is staggering. ...

The drunk driving problem has stirred outrage among citizen groups, which have succeeded in arousing national interest in the problem. In response to these concerns, many States have set up task forces to examine their drunk driving laws. Several States have already enacted

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amendments to strengthen their laws. To encourage these efforts, I established the Presidential Commission on Drunk Driving in April 1982. That Commission successfully completed its work and has prepared a landmark report of its findings.

There is also a generally unrecognized menace in a category akin to the drunken driver: the drugged driver. The drugged driver is also a public hazard, perhaps less recognized because the cause of the individual's behavior may be less apparent. The driver who operates a motor vehicle while under the influence of mind-altering drugs also presents a significant danger on the roads. The program of the drugged driver is growing, and the American people must become more aware of this added threat...

I ask all of us to be mindful of the dangers of driving while drunk or drugged.

-- Remarks at signing ceremony for Drunk and Drugged Driving Awareness Week, December 13, 1983:

Drunk or drugged driving accounts for annual costs of over \$20 billion in medical and rehabilitation costs, insurance payments and lost production...

Each year drunk or drugged drivers cause half of all the highway fatalities, and injure some 700,000 men and women and children...

A drunk or drugged person behind the wheel of an automobile isn't a driver; he or she is a machine for destruction. The American people have paid the bills, seen the damage, and felt the heartache, and I think they're saying, 'Enough.'

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White House Office of Policy Information

ISSUE ALERT

Washington, D.C.

Number 23

March 30 1984

ARE YOU BETTER OFF NOW THAN YOU WERE WHEN RONALD REAGAN BECAME PRESIDENT?

Background

In 1980, Ronald Reagan asked the American people if they were then better off than they had been four years earlier when Jimmy Carter has assumed the Presidency. For millions of Americans, the answer was an unequivocal "no." Inflation had reached double-digit levels, interest rates were soaring, unemployment was on the rise, and U.S. security and respect for America in the international community were at dangerously low levels.

President Reagan's three years in office have brought an end to the economic decline that occurred in the United States during the late 1970s, and most Americans are now better off in a number of important ways than they were in 1980. President Reagan has also restored overseas respect for the United States and enhanced the country's security through a stronger national defense.

This Issue Alert answers the key questions that gauge whether Americans are better off now than they were three years ago.

Analysis

INFLATION

o Is it easier for Americans to pay their bills?

-- In 1979 and 1980, the inflation rate rose 13.3% and 12.4%, respectively. Many families were finding it nearly impossible to keep up with rising prices.

* For example, in just two years, (December 1978 to December 1980) the price of a gallon of gasoline increased from 69 cents to \$1.27 and the median price for a new home jumped from \$55,700 to \$63,000.

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-- Since Ronald Reagan became President, most prices have increased much more slowly. Some have even declined.

* In 1983, the overall inflation rate was only 3.8%.

* For example, a half gallon of milk, which would have cost \$1.35 in December 1983 had inflation continued at the 1980 rate, cost only \$1.12. A pound of chicken, which would have cost \$1.25 under the old rate, cost only 81 cents, and a dozen eggs cost \$1.00 instead of \$1.41. In all, the average weekly family food bill came to \$93 in November 1983 compared to the \$115 it would have been under the 1980 inflation rate.

* Some prices have even declined. A gallon of gasoline, which cost \$1.27 in December 1980, cost \$1.19 in February 1984.

EARNINGS

o Do workers' paychecks go further than they used to?

-- By 1980, the earnings of the average production worker, as adjusted for inflation, had fallen for two consecutive years. In December 1980, the average gross weekly paycheck was an inflation-adjusted \$172.17, down from \$189.00 in 1977.

-- The general slide in weekly earnings that began in 1979 was finally reversed in 1983. By February 1984, the average gross weekly paycheck had climbed to an inflation-adjusted \$174.63 (or \$291 in non-inflation-adjusted dollars), the first such rise in four years.

* With inflation under control, workers have begun to get more out of their pay. The purchasing power of the average production worker's hourly wage increased for the second year in a row in 1983.

-- Americans are able to work more hours under President Reagan. The manufacturing workweek was 41 hours in February 1984 -- the longest since January 1967 -- and up from 39.1 hours in July 1980. Moreover, average factory overtime reached 3.6 hours in February 1984, the highest level in five years.

TAXES

o Do taxes take less out of Americans' paychecks than they used to?

-- By 1981, the average American's tax burden had become nearly unbearable.

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* The income tax on the median-income two-dependent family, which had been \$916 in 1972, or 8.2% of its income, had risen to \$2,755, or 11.3% of the family's income in 1981 -- a 40% increase in just nine years. And this trend was accelerating because inflation was forcing all lower- and middle-income families into higher tax brackets.

-- President Reagan cut tax rates.

* Since 1981, the annual income tax on a four member family that continued to earn \$20,000 has been reduced by \$464.

* Put another way, the median-income family that paid 11.3% of its income in Federal income taxes in 1981, will pay only 9.7% in 1984.

* Even more important, President Reagan's proposal to index tax rates to inflation, which will take effect in January 1985, will protect all families in the future from being pushed by inflation into higher tax brackets.

-- President Reagan is committed to protecting the tax rate cuts won by the American taxpayer.

* He knows that attempts to reduce the budget deficit by raising tax rates will actually do little to close the gap between federal spending and federal revenues and may, in fact, actually increase the deficit by choking off the revenue-producing recovery. Moreover, if past performance is repeated, Congress could use the tax increase as an excuse to raise spending again, further enlarging the deficit.

* Moreover, any significant tax increases would necessarily fall upon lower- and middle-income people because 90% of all personal taxable income is generated below the level of \$35,000 per year.

UNEMPLOYMENT

o Is it easier for Americans to find jobs?

-- President Reagan inherited an economy that had stopped growing.

* The unemployment rate, 5.6% in May 1979, began to increase during the 1979-1980 recession, and was at 7.5% when President Reagan came to office. And by the time the first part of his economic program took effect in October 1981, unemployment had risen to 7.9%.

* Because the high-tax, high-inflation, and high-interest-rate policies of the previous four years had severely

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weakened the economy, further economic contraction could not be headed off before the President's recovery program was in place. The economy was thus saddled with a deep recession rooted in the failed policies of the past.

* However, since November 1982, when the 1979-1982 recession ended, a record 4.9 million Americans have found jobs; more Americans are working now than ever before in history.

* Unemployment fell from 10.6% in December 1982 to 7.7% in February 1984 -- the sharpest drop since 1950. In addition, there are more jobs now in most sectors of the economy, including 200,000 new jobs in the auto industry, 400,000 new construction jobs and over one million new jobs in the service sector.

* Furthermore, the economy is still expanding -- the Gross National Product increased 6.2% in 1983 and 7.2% in the first quarter of 1984. As a result, even more Americans will go to work in the coming months.

-- The President has also worked to ensure that unemployed Americans without job skills receive the training they need to find productive jobs.

* The new Job Training Partnership Act (JTPA), signed into law by the President in October 1982, will train more than 1.5 million disadvantaged Americans each year and give them their first real chance at permanent employment.

* Unlike the discredited Comprehensive Employment and Training Act [CETA] program, which spent only 18% of its resources on actual job training, the JTPA requires that 70% of its funds be spent for training.

ASSISTANCE TO THE NEEDY

o Have the prospects of poor Americans improved?

-- In 1980, the poor had seen no real improvement in their plight for more than a decade, despite massive spending increases in government social programs.

* The poverty rate, which had declined from 33% at the end of World War II to 12.8% in 1968, had remained virtually unchanged throughout most of the 1970s. In fact, by 1980, the percentage of Americans in poverty had actually increased to 13.0%. This was largely due to the economic stagnation of that decade -- the slower growth in the economy, the periods of high inflation, and the rising joblessness.

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- * Government spending on welfare programs was soaring when President Reagan came to office, having increased two-and-a-half times, in inflation-adjusted dollars, during the 1970s. Yet this poorly-targeted aid was going to many non-needy recipients who were becoming dangerously dependent upon government assistance. Moreover, because of inflation, those recipients in real need were actually receiving less assistance than they had in the 1970s. Indeed, the real value of AFDC benefits had declined by 30%.
- * Federal jobs programs were not providing the kind of training needed to help unemployed Americans find permanent productive jobs. The CETA program, for example, spent \$54 billion but found private sector jobs for only 15% of the participants.
- President Reagan has worked to make America into an opportunity society that would: provide aid to those who truly need it, reduce dependency, eliminate quotas, and foster a vital, innovative economy that rewards all Americans according to their talent and hard work.
- * Under President Reagan, federal assistance has been redirected to the neediest Americans, away from those who are well above the poverty line. And to ensure that poor Americans who need assistance actually do receive it, President Reagan has provided higher levels of assistance than any other President. Spending on safety net programs (AFDC, SSI, Child Nutrition, Food Stamps, Medicaid, and housing assistance) rose from \$63.2 billion in 1981 to \$73.5 billion in 1984.
- * For those unemployed Americans lacking marketable job skills, the President supported and signed into law the Job Training Partnership Act, which will help train more than 1.5 million Americans each year for productive, private sector jobs.
- * But most important to those working to lift themselves out of poverty, the President has supported policies that have sparked a resurgence of economic growth. Since December 1982, nearly 5 million Americans have found jobs. At present, 105.6 million Americans are working -- more than ever before in history.
- * Moreover, the purchasing power of the poor has increased, thanks to President Reagan's success in reducing inflation. Since 1980, the purchasing power of a poverty-level family of four has increased \$700.

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THE ELDERLY

- o Can Americans look forward to retirement with greater security?
 - In 1980, America's elderly and near-elderly faced an unsure economic future. Social Security was rapidly running out of money and inflation was eating up savings and depreciating the value of fixed-income pensions.
 - President Reagan has helped secure the economic future of elderly Americans.
 - * Thanks to a compromise plan worked out by the President and Congress, Social Security has been put back on a firm financial footing.
 - * Under President Reagan, the average Social Security check has increased from \$341 to \$440.
 - * Inflation has been reduced from double-digit levels to an annual rate of 3.8%. This is making it easier for the elderly to buy the necessities of life and to live in dignity.
 - * The President's Economic Recovery Tax Act vastly expanded the availability of Individual Retirement Accounts (IRAs), tax-free savings accounts which generally enhance the ability of Americans to plan for their retirement.

ENERGY

- o Is it easier for Americans to pay the cost of energy?
 - Before President Reagan came to office, energy prices were soaring.
 - * Home heating oil prices were rising steeply, increasing from 40.6 cents per gallon in 1976 to 97.8 cents in 1980.
 - * Unleaded gasoline jumped from 61 cents per gallon in 1976 to \$1.22 per gallon in 1980. Moreover, motorists often had to wait in long lines to buy fuel.
 - Under President Reagan, energy is more plentiful and, in many cases, actually less expensive than in 1980.
 - * The price of home heating oil has nearly stabilized, rising an average of only 3% per year between 1980 and 1983.
 - * Retail gasoline prices fell from \$1.27 per gallon in December, 1980 to \$1.19 in February 1984. Taking inflation into account, gas prices have declined a full 20% and gasoline lines have become a thing of the past.

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HOUSING

o Is it easier to buy a home?

- Interest rates and the prices of new homes were soaring when President Reagan came to office.
- * The average mortgage payment increased more than 300% from 1977 to 1981, putting the dream of owning a house out of the reach of many families.
- * Not surprisingly, with so few families able to afford mortgage payments, construction of new homes was declining. In 1980, national housing starts slumped to 1.3 million new units.
- Because interest rates have declined under President Reagan, more families are able to buy homes.
- * Mortgage rates, which reached a peak of 18.5% in November 1981, have come down 5 percentage points since then. As a result, the monthly mortgage payment on a \$50,000 home loan is now about \$160 less than it would have been at the higher rate.
- * Home builders have responded. Construction starts of new homes rose 29% between December 1980 and January 1984, to a seasonally adjusted annual rate of nearly 2 million units -- the highest level in five years -- making it easier for Americans of all income levels to buy a home.

SMALL BUSINESS

o Is it easier for Americans to start and operate a business?

- When President Reagan took office, high interest rates, federal overregulation, and rising taxes were discouraging entrepreneurs from going into business and making it very difficult for existing owners to remain solvent.
- Under President Reagan, the business climate has improved dramatically.
- * The prime interest rate, which stood at 21-1/2% in December 1980, has been cut nearly in half. This makes it much easier for entrepreneurs to borrow capital needed to keep their businesses operating.
- * The President's Economic Recovery Tax Act (ERTA) contained many important tax changes that have stimulated business activity. For example, ERTA accelerated and simplified the system businesses used to depreciate their assets. ERTA also created a special small business depreciation deduction for new businesses, allowed a 25% tax credit for new spending on research and development and provided for expensing of \$7,500 in capital investment per year. Most

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important, the 25% reduction in marginal individual tax rates has benefited partnerships and proprietorships that file personal rather than corporate income taxes.

- * The Reagan Administration has reduced the federal paperwork burden by 300 million hours each year, giving owners more time to spend on productive activities.
- Entrepreneurs have reacted by going into business in record numbers: 66,000 new businesses were started in the first nine months of 1983, compared to 59,000 during the same period in 1980. Moreover, the total number of American corporations, partnerships, and sole proprietorships climbed to 17.3 million in 1981, up from 16.8 million in 1980.
- Investors have also shown their confidence in the business climate. Venture capital rose to \$4 billion in 1983, four times what it was in 1980.

DEREGULATION

o Are federal regulations less burdensome?

- Before President Reagan came to office, the government each year was imposing new regulations on the public and requiring more time to be spent filling out federal forms.
- * In fact, by 1980, federal regulations were costing individuals and businesses more than \$100 billion annually, or about \$1,800 for a family of four.
- * Although many of these regulations were necessary, others were counterproductive, driving up prices without achieving their objectives.
- The burden of federal regulation has declined under President Reagan, thanks to the President's Task Force on Regulatory Relief, which reviewed and worked to eliminate unnecessary rules.
- * The Task Force saved Americans more than 300 million hours filling out paperwork.
- * These changes also saved Americans from \$15 billion to \$17 billion in one-time capital costs and \$14 billion in annual costs. These savings will result in lower prices, greater productivity, and more jobs.
- * To guarantee that the government continues to ease the regulatory burden, the President has instructed the Office of Management and Budget to review all proposed regulations and make sure they do not unnecessarily hamper the public.

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- * The most dramatic proof that the President's deregulatory program is working is that for the first time since the Federal Register commenced publication in 1936, the size of the Register has been reduced for three consecutive years. New regulatory proposals are down by more than one-third -- and many of these proposals are to revise or eliminate obsolete rules.

SAFETY

o Are Americans safer in their homes and workplaces and on the roads?

-- In 1980, despite four years of increased regulatory burdens, the government had a mixed safety record: many work-related death rates were declining, but traffic-related deaths were climbing, having risen from 45,000 in 1976 to 51,000 in 1980.

-- Under President Reagan, the industrial workplace is safer.

- * Although millions of dollars have been saved through the streamlining of Occupational Safety and Health Administration (OSHA) rules, work-related injuries are still declining. In 1982 there were only 7.7 injuries or illnesses per 100 full time workers, compared to 8.7 in 1980.

- * And even with record numbers of Americans in the workplace, the number of work-related deaths has declined since 1980. The National Safety Council estimates 11,200 workers died in 1983, compared to 13,200 in 1980.

- * For example, in the coal industry, work-related deaths per 100 workers decreased 17% from 1981 to 1982, despite an increase in coal output.

-- Auto deaths have also declined under President Reagan, down from 51,000 in 1980 to 42,500 in 1983.

- * With only 2.6 deaths per 100 million vehicle miles, 1983 was the safest year for motorists since fatality figures were first collected in the early 1920s. This represented a 21% decrease in fatalities since 1980, when 3.3 people died for every 100 million vehicle miles.

- * Alcohol-related traffic fatalities dropped by about 5,000 per year from 1980 to 1983. To preserve and promote this decline, the President, in April 1982, established the Presidential Commission on Drunk Driving to study the tragedy of alcohol-related deaths. The Commission's findings, issued on December 13, 1983, are now under review.

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EDUCATION

o Has the quality of America's schools improved?

- In 1980, many parents were losing faith in the public schools.
 - * Since 1963 college board math and verbal scores had fallen by about 50 and 40 points respectively.
 - * Thirteen percent of American 17-year-olds could be considered functionally illiterate and most high school seniors were doing less than an hour of homework each night.
- Since 1980, President Reagan has mobilized the public to reverse the decline in American education.
 - * His blueprint for reform has been the report of the National Commission on Excellence in Education, which was established in August 1981.
 - * That report stressed the need for renewed excellence in the schools through stronger discipline, more homework, more basic courses, and more performance-based teachers' pay.
- Since the President began his campaign to improve education, the American people have demonstrated a renewed enthusiasm for educational reform. Communities across the nation have responded by lengthening the school year, increasing graduation requirements, insisting on student disciplinary codes, and increasing homework assignments.
- The Reagan Administration has also proposed new programs in areas of special need, such as math and science. For example, he has proposed a \$50 million per year block grant program in the Department of Education that would help train some 10,000 new math and science teachers every year.

CRIME

o Can Americans feel safer on the streets?

- Violent crime was on the rise when President Reagan came to office.
 - * Lax enforcement of existing laws, court decisions that unnecessarily tied the hands of the police, and the persistence of the liberal myth that criminals are somehow not responsible for their crimes all contributed to a climate in which crime apparently did "pay."

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- * As a result, reported violent crimes were 33% higher in 1980 than in 1976 and a sizable number of Americans lived in constant fear of crime, virtual prisoners in their own homes.
- President Reagan has made fighting crime a high priority. And in 1982, the rate of serious crimes fell 4%, followed by a 5% drop during the first six months of 1983.
- * During this period, murders fell 6% and rapes declined 25%.
- The President also established a tough anti-drug program to keep drugs off the streets and away from youngsters.
- * The Reagan Administration created a new border interdiction program to combat the problem of illegal drug smuggling. As a result of this effort, the federal government seized nearly 20,000 pounds of cocaine in 1983 -- almost four times the amount captured in 1981. Seizures of other drugs have also increased dramatically.
- * New task forces aimed at fighting drug gangs indicted more than 1,300 persons in 1983 alone. In fact, since 1981, the number of drug convictions has increased 40%.

HEALTH

Are Americans healthier?

- Since Ronald Reagan became President, the health of the American people has continued to improve.
- * Americans are living longer. Life expectancy in 1982 increased to 74.3 years, up from 73.8 years in 1980.
- * The infant mortality rate has dropped steadily, declining from 12.5 deaths per thousand in 1980 to 11.9 deaths per thousand in 1981, 11.2 in 1982 and, according to provisional data, 10.7 for 1983.
- The Reagan Administration has worked to bring hospital costs under control by implementing important Medicare reforms.
- * When President Reagan took office, health care costs were nearly out of control, having risen 522% (or six-and-a-half times the rate of inflation) since 1966. These rising prices had become a real threat to the health and financial security of the American people.
- * Under the new system of fixed prospective payment costs, hospital reimbursement rates are set for each diagnosis and institutions with costs lower than the established rates can keep the difference. This replaces the previous

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inflationary system of reimbursing the hospitals for virtually all charges, regardless of cost, and should help hold down health costs.

- * At the same time, the President has protected aid to the needy. Forty-nine million elderly, poor and disabled citizens are Medicare and Medicaid beneficiaries -- three million more than in 1980.

DEFENSE

o Is America more secure?

-- During the 1970s, America's conventional and strategic defenses had been allowed to deteriorate.

- * In constant, non-inflated dollars, defense spending declined in 8 of the 10 years.

- * Military pay had not kept pace with inflation and experienced personnel were leaving the armed forces at an alarming rate. Moreover, the services were not attracting the high-quality recruits they needed.

- * The military's conventional forces -- planes, tanks, and ships -- were aging, in poor condition, and sometimes even spare parts were unavailable.

- * America's Strategic Triad of land-based missiles, submarine-launched missiles, and bombers was aging and in severe need of modernization.

- * Defense spending, which had comprised more than 45% of the federal budget in the early 1960s, had fallen to less than 24% by 1980.

-- Since 1981, President Reagan has been restoring the credibility of America's deterrence, both strategic and conventional, thus improving the chances for a more lasting peace.

- * The President increased military pay by 14.3% in FY 1982, helping all four services meet their recruitment objectives by signing on 338,000 quality recruits. Better educated people are joining and staying in the service. For instance, more new recruits are high school graduates than ever before. And so far this year, 68% of those the services hoped to retain have re-enlisted, compared to only 55% in 1980.

- * The President established readiness as a top military priority. The Defense Department has also significantly increased its spending on spare parts, munitions procurement, and operations and maintenance.

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- Flying hours for American tactical and fighter pilots increased steadily between 1981 and 1984. It is expected that in 1984, Air Force aircrew flying hours will have risen to more than 19 hours per month, up from 16 hours per month in FY 1981.
- In shipbuilding, the Navy will build 121 new ships under the President's budget, thereby moving toward the Administration's goal of a 600 ship Navy.
- The number of procured tactical aircraft will increase 37% from 1982 to 1984.
- New land force systems will be introduced, including the M-1 Abrams tank, the Bradley Fighting Vehicle, and the Sergeant York air defense gun.
- Procurement of repair parts will have almost doubled between 1981 and 1984.
- Purchases of munitions and spare and repair parts for sustainability programs have nearly doubled since 1981.
- * The President has also begun modernizing the nation's strategic nuclear forces, further deterring the Soviets from ever considering an attack on the United States.
 - To strengthen deterrence, the President has called for a limited deployment of MX Peacekeeper missiles in Minuteman silos. In addition, the Air Force is developing a smaller and more survivable ICBM that will further strengthen deterrence against Soviet attack.
 - The construction of Trident submarines is continuing, and a more accurate sea-launched ballistic missile -- known as Trident II -- will be developed and deployed on Trident submarines, starting in 1989.
 - One hundred B-1 bombers will be operational by 1988, when they will replace the 20-year-old B-52s, which are nearly obsolete.
 - The Administration has approved a new initiative to address strategic defensive technologies and provide new deterrence options in the future.
- * The Administration is cracking down on all waste in the government, including waste in the military. In April 1983, the President appointed the first Department of Defense Inspector General. Among the abuses uncovered by the Reagan Administration were well-publicized overpayments for certain spare parts.

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ARMS CONTROL

o Are the chances for peace greater?

-- During the 1970s, the United States restrained from modernizing its nuclear forces and actually reduced the size of its warhead arsenal. The Soviet Union, on the other hand, relentlessly built up its strategic offensive forces far beyond what was needed to defend that country.

* By the end of the 1970s, the Soviet Union had surpassed the United States in total number of systems, total number of ballistic missiles, and total destructive potential. Furthermore, the Soviet Union introduced a new class of intermediate range nuclear (INF) missiles in Europe, thus gaining an INF monopoly on that continent.

* During the 1970s, arms control agreements negotiated with the Soviet Union, such as SALT I and SALT II, did not reduce nuclear arsenals; instead these agreements merely established ceilings on future nuclear arsenals that allowed for ever-higher levels and greater destructive potential.

-- Without abandoning his realistic appraisal of the Soviet Union as an aggressive and expansionist power, President Reagan has sought, in arms control discussions and in public statements, to make Soviet understand that deep cuts in nuclear arms are in the best interests of both superpowers. Pursuing this objective, the President has presented the most comprehensive and meaningful arms reduction program ever offered by any government.

* In 1982, the President initiated the Strategic Arms Reductions Talks (START), in order to produce mutual, verifiable reductions in the size of American and Soviet intercontinental nuclear forces to equitable levels. Throughout these negotiations, the President has consulted closely with the Congress, in an effort to develop a national bipartisan consensus.

* The President also proposed the "zero option" for the INF Nuclear Forces in Europe, which would banish from the world that entire class of nuclear weapons. When the Soviet Union refused to consider this offer, the President gave U.S. negotiators new flexibility to explore equitable interim solutions. NATO remains solidly behind the President's approach to European security.

* At the same time, the President opposes a "nuclear freeze" at existing levels because this would lock the U.S. and NATO into a position of unacceptable military disadvantage and vulnerability. Moreover, such a freeze would make significant arms reductions more difficult to achieve, as it would take away the incentive for the Soviets to negotiate.

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- * The President is also seeking to ban all chemical weapons. U.S. negotiators have introduced to the 40-nation Committee on Disarmament in Geneva a basic set of detailed views that can assist the committee in reaching a chemical weapons ban.
- * To reduce the number of conventional forces in Central Europe, the President, along with the European Allies, have sponsored a fresh approach to the Mutual and Balanced Force Reduction (MBFR) talks in Vienna.
- * In a speech to the American people on January 16, 1984, the President reiterated his desire to resume arms reduction talks and told the nation he would meet the Soviets "halfway" in restoring substantive discussions.

FOREIGN POLICY

o Is the United States more respected overseas?

- In the late 1970s, America's reputation abroad as a reliable ally and a responsible superpower was deteriorating. Many world leaders believed the U.S. would not act decisively in response to aggressive acts. As a result, the world was a more dangerous place: the Soviets had reacted to America's unilateral military restraint with a massive military build-up of their own and an unprecedented display of international adventurism perhaps best symbolized by their invasion of Afghanistan.
- * President Carter himself admitted on January 23, 1980 that "The implications of the Soviet invasion of Afghanistan could pose the most serious threat to peace since the Second World War." Clearly, the foreign policy of the previous administration had made America less safe.
- The foreign policy of the previous administration also saw the taking of American hostages in Iran, and the installation of Soviet-backed regimes in Nicaragua, South Yemen, and Ethiopia. America seemed to be on the retreat throughout the globe.
- However, since 1981, America has demonstrated a new resolve and a new commitment to freedom and democracy.
- * America's relationships with her allies are stronger than they have been in years. The President's personal diplomatic efforts at the Williamsburg Summit and his historic East Asian visit resulted in greater cohesion in our world-wide economic and security relationships.
- The NATO nations have demonstrated cohesion by ending the Soviet monopoly on INF nuclear weapons in Europe through the deployment of Allied missiles, while, at the

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same time, seeking an arms control agreement with the Soviets.

- The U.S. and the European Allies reached agreement in several areas on the security implications of East-West trade, in order to prevent the Soviet Union from gaining one-sided benefits from trade with the West. These involved Allied agreement to: end preferred terms for credit to the U.S.S.R.; restrict the flow of equipment that could be used by the Soviets for military purposes; limit dependency on Soviet energy; and upgrade substantially NATO's attention to the security dimensions of East-West economic relations.
- The President also established an agenda with Japan that will seek a more stable trading and economic relationship between the U.S. and Japan.
- President Reagan has also increased U.S. emphasis on the dynamic ASEAN nations of Southeast Asia, in order to build upon their economic development through trade and investment.
- * By rescuing the U.S. medical students on Grenada, the President demonstrated that the U.S. will not hesitate to act boldly and decisively when American lives are at stake.
 - That rescue mission also thwarted Cuban and Soviet attempts to establish another foothold in the Caribbean.
 - Moreover, thanks to the President's actions, democracy will be restored to the Grenadan people.
- * President Reagan has developed a new approach to assistance to developing countries.
 - For example, the recently-enacted Caribbean Basin Initiative, which seeks to foster economic growth in the developing nations of the Caribbean Basin, mixes components of trade, aid, and U.S. investment.
 - The President's National Bipartisan Commission on Central America issued a report in January 1984 which found that the root causes of turmoil in Central America are economic and social, that U.S. funding levels must be increased, but that economic, social, and political reforms cannot take place in a climate of violence. The President is working to implement the Commission's findings.
 - As part of an overall approach to help troubled debtor nations implement economic reforms, the President led an effort to raise the resources of the International Monetary Fund by \$8.4 billion.

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- * President Reagan has worked to nurture the growth of democracy throughout the world and to defend those aspiring democracies whose existence is threatened daily.
 - Because of the Reagan Administration's assistance, the people of El Salvador were able to vote in a free and fair Presidential election on March 25, 1984.
- * The President announced a major Mideast peace initiative in September 1982. The Administration remains committed to the search for a just and lasting peace in that troubled region, and continues to believe the President's initiative provides a sound basis toward achieving this important goal.

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