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HOLMES TUTTLE

361 NORTH LA BREA AVENUE • LOS ANGELES, CALIFORNIA 90036

213 • 935-3246

file

March 8, 1983

Mr. Mike Deaver
Deputy Chief of Staff
The White House
Washington, D.C. 20500

Dear Mike:

I am sending along letters I received about The Newport Foundation. I know nothing about The Newport Foundation.

However, I advised them that I would send the letters back to the White House for consideration. If you care to acknowledge them, fine, if not, fine too.

Sincerely,

Holmes
Holmes *by LTB*

HT/b
encl.

THE NEWPORT FOUNDATION
for Study of Major Economic Issues
400 Newport Center Drive
Suite 508
Newport Beach, California 92660
(714) 644-4311

FEB 22 1983

Rec'd Mr. Dart's Office

18 February 1983

Mr. Justin Dart
Chairman of the Board
Dart Industries, Inc.
8480 Beverly Blvd.
Los Angeles, CA 90048

Dear Mr. Dart:

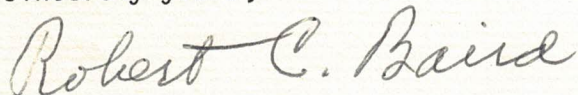
I suspect that you would be one of the first to agree that all of the brains in this country are not necessarily concentrated in Washington, D.C.. If you agree with this premise, then you might be willing to assist us in getting our message, on a major economic issue, to the President for his consideration.

Perhaps our motivations are not too different. I have reference to the article in the L.A. Times of February 6, 1982, where you are quoted as saying, "What America so sadly lacks are more patriots like yourself." Those of us in the Newport Foundation will most likely never achieve your level of contribution; however, we have contributed more than three years of our personal time and effort, without any form of remuneration, in an attempt to improve our nation's economic health. We feel we have a contribution to make, but to date, we have been unsuccessful at reaching someone at a level in government capable of implementing any of our suggestions.

I have avoided seeking your help because my neighbor, Mr. Ed Ramsey, has informed me that the doctors want you to slow down. For this reason, we recently sent a letter to Holmes Tuttle in hopes that he might respond to our request. We have had no reply, so I am enclosing a copy of the letter we sent to Mr. Tuttle for your review.

I am a U.S. Naval Reserve Officer, retired. I am interested in seeing our nation militarily strong and economically sound so that my children and my grandchildren can enjoy the American way of life that has in the past been the envy of the world.

Sincerely yours,



Robert C. Baird, Director
Energy Economics Study Group

THE NEWPORT FOUNDATION
for Study of Major Economic Issues
400 Newport Center Drive
Suite 508
Newport Beach, California 92660
(714) 644-4311

31 January 1983

Mr. Holmes Tuttle
361 N. La Brea Avenue
Los Angeles, CA 90036

Dear Mr. Tuttle:

We would like to meet with you briefly to describe a matter which we believe is critical to the continued success of the current administration and even to the future of our country.

We lead a group of business and professional citizens in Orange County who study national economic problems. A statement of purpose of our organization, The Newport Foundation, is provided as Enclosure (A).

The Newport Foundation and the University of Southern California Economics Department have jointly sponsored meetings, i.e. Enclosure (B) which resulted in a book being published, Enclosure (C). Our monthly breakfast meetings are shown on local cable T.V. We have made three separate mailings to each member of Congress, Enclosures (D), (E), and (F).

Our studies over the past few years have concluded that the economic health of the nation is seriously jeopardized by the approximate \$80 billion dollar annual direct cost for imported oil. In addition, there are hidden costs which must be borne by society. These costs are estimated, by the Institute of Gas Technology, to be of the same magnitude as the direct costs of importing oil. These hidden costs contribute to inflation, cause unemployment, undermine the U.S. balance of payments, weaken the currency, and add to national security costs.

An equally serious consequence of our current situation is the risk to national security which results from dependence upon an insecure source for 30-40% of our nation's oil needs. The strategic petroleum reserve will not suffice if we are subjected to a total OPEC embargo or if the enemy sinks the oil tankers during a state of war.

There has never been a more opportune time to take action to wrest control away from the OPEC cartel, but the window of opportunity will be open for only a short time. We can be energy independent by 1988 if the President directs the nation to achieve it as a national goal!

Mr. Holmes Tuttle

31 January 1983

-2-

We have attempted to arrange a meeting with the President, Enclosures G and H, but feel our prospects would be greatly enhanced by your assistance.

Professor Nake M. Kamrany, Senior Economist, USC, Dr. Delmar Bunn, Executive Director, The Newport Foundation, and the writer would like to discuss our ideas with you. Brief biographical data on each of us is contained in Enclosures (B) and (I).

May we please meet with you?

Sincerely yours,

Robert C. Baird

Robert C. Baird,
Director
Energy Economics Group

Enclosures Included

Enclosures:

- (A) State of Purpose, The Newport Foundation
- (B) Brochure, "Solutions to the Energy Problem: Alternative Approaches to the U.S. Energy Crisis"
- (C) Book - "U.S. Options for Energy Independence" published by Lexington Books, Lexington, MASS., D.C. Heath and Company
- (D) Pamphlet "A Basic Energy Program" published in 1979 by Citizens for Legislative Limit of Oil Imports*
- (E) Pamphlet "America Decides" published in 1980 by Citizens for Legislative Limit of Oil Imports*
- (F) Pamphlet "Need for an Oil Import Tax" published in 1982 by The Newport Foundation
- (G) Letter dated January 11, 1983 to James Baker, III, requesting a meeting with President Reagan
- (H) Letter dated January 14, 1983 to James Baker, III, commenting on Wall Street Journal article, same date.
- (I) Biographical sketch excerpt from book - "Official Who's Who in Orange County," 1980 Edition

* The name later changed to The Newport Foundation

THE NEWPORT FOUNDATION
for Study of Major Economic Issues
400 Newport Center Drive
Suite 508
Newport Beach, California 92660
(714) 644-4311

11 January 1983

Mr. James A. Baker, III
Chief of Staff and
Assistant to the President
The White House
Washington, D.C. 20500

Subject: REQUEST FOR MEETING WITH PRESIDENT REAGAN

Dear Mr. Baker:

This will confirm my telephone request of Monday, January 10th. I spoke with a secretary, Kay.

I am a Director of the Newport Foundation of Newport Beach, California, which was formed for the study of major economic issues. It is comprised of people in a diversity of professions, i.e., doctors, lawyers, engineers, businessmen, economists, etc. A statement of purpose is enclosed.

We are appealing for a meeting with the President in an attempt to persuade him to assume a leadership role in restoring the United States to a position of energy independence. We feel this goal can be achieved within five years with direction and leadership by the President.

As you know, the benefits of achieving energy independence are enormous. It is a prerequisite to sound national security. Who can envision even a limited conflict with Russia while we are importing 30% of our oil. The SPR is capable of handling only minor disruptions in oil imports.

From an economic standpoint, direct payments for imported oil are on the order of 60 billion dollars a year. This is a direct charge. There are indirect costs that must be borne by our society in terms of unemployment, inflation, loss of value of the dollar, and national security. A study by Professor Lemon for the Institute of Gas Technology estimates that the real cost to our economy is on the order of \$100 per barrel of oil imported. This means that we are spending on the order of \$150 billion a year outside of our economy which would not be required if we were energy independent. This constitutes a national disaster that must be corrected if we are to restore jobs to our unemployed.

Another way of looking at this problem is a study conducted by the International Energy Agency, which estimates that the latest oil shock of 1979-80 cost the western industrial nations on the order of 10% of their GNP or approximately one trillion dollars.

Mr. James A. Baker, III

11 January 1983

The subject of energy overshadows all other economic issues that we have studied during the three years of our existence. We feel energy independence is the single most important ingredient in action necessary to restore our nation's economy.

The best possible near-term means of mitigating the Russian stranglehold on Western Europe's economy, which is being applied by the Russian Yamal gasline, is to have the United States become energy independent.

We must recognize that Russia is the world's leading oil producer. Russia is rapidly moving toward overtaking the United States as the number one producer of natural gas. Russia is also building large plants to produce methanol from coal. Energy export could put Russia in a strong financial position in the coming years.

As a result of our studies, we have suggestions on how this goal of energy independence for the USA can be achieved by 1988, which as a consequence, will put America back to work and reduce our deficit. We would appreciate an audience with the President to discuss these ideas. We would be represented by:

Dr. Delmar Bunn - Executive Director of the Newport Foundation

Professor Nake Kamrany - Head of Advisory Board of the Newport Foundation
and Senior Economist, University of Southern California

Robert Baird - Director, Energy Economic Studies of the Newport Foundation.

President Kennedy will be remembered for mustering our technical capability for putting man on the moon. Let President Reagan be remembered for his leadership in restoring energy independence to the United States.

Sincerely yours,



Robert C. Baird
Director, Energy Economic Studies

Enclosure: Statement of Purpose

STATEMENT OF PURPOSE

THE NEWPORT FOUNDATION For Study of Major Economic Issues

400 Newport Center Drive
Suite 508
Newport Beach, CA 92660
(714) 644-4311

The Newport Foundation was born out of a recognition of the need for effective, long-range, United States policy in numerous economic areas.

Many believe that the world is in its present serious straits in part because of the lack of prudent economic policy. Yet in democracies it is not professional politicians, economists or single great leaders who can alone correct this course or 'save us.' The individual citizen has a vital role in the democratic development of effective policy. The answers must finally come from 'us.'

The Newport Foundation was organized to provide a means for thoughtful input toward sound policy development. The Foundation is dedicated to providing a structure within which business and professional people, some of those laboring daily in the economic front lines, may creatively develop their best concepts. It might be described as a citizens' 'think tank.'

The Foundation works simply. Each group studies an economic problem area and meets at least monthly to share the results of its work. Currently, issues centering around energy economics, the Japanese-American trade problem complex, and the re-tooling and productivity of America are being studied by such groups. Guidance and instruction are provided by an economist where needed.

Periodically, programs from each group are televised to the community; feedback is encouraged. Letters, brochures and papers are written; one book produced by The Newport Foundation has already been published by a major publisher. Finally, best-developed views are communicated to national policymakers.

The Foundation is non-partisan and party unaffiliated. Individual members are, however, active in directions they consider vital.

The community is invited to become involved, to contribute to finding better national courses. Interested individuals are invited to attend one or several meetings of current study groups. Participation and support are welcomed.

THE NEWPORT FOUNDATION
for Study of Major Economic Issues
400 Newport Center Drive
Suite 508
Newport Beach, California 92660
(714) 644-4311

14 January 1983

Mr. James A. Baker, III
Chief of Staff and
Assistant to the President
The White House
Washington, D.C. 20500

Dear Mr. Baker:

Today's Wall Street Journal mentions that the President is considering an oil import tax. This is one of the subjects we had hoped to discuss with him if given an opportunity in response to our letter of 11 January 1983.

We have spent three years of work on the economic aspects of an oil import tax. Three separate mailings on this subject have been sent over a three-year period to every Senator and Congressman in Washington. Letters were also sent to many others in government. A copy of the article sent with our latest mailing, March 1982, is enclosed.

We have spent more time on the subject of an oil import tax and its economic potential than any other group in this nation. We have done this under the leadership of the Department of Economics at the University of Southern California. We have published a book in which the oil import tax is discussed in depth.

We would like to talk with you and others in the White House or anyone else close to the President.

If asked to come to Washington, the Newport Foundation would be represented by the three individuals proposed in our 11 January 1983 letter; namely, Dr. Bunn, Professor Kamrany, and the writer.

Sincerely yours,

Robert C. Baird

Robert C. Baird
Director
Energy Economic Studies

Enc: "Need For An Oil Import Tax"

March 1982

NEED FOR AN OIL IMPORT TAX

Robert C. Baird, Director
Energy Economics Group
The Newport Foundation

Immediate enactment of a tax on imported oil is required to stimulate growth of domestic energy production and to reduce, and eventually stop, the hemorrhage of \$80 billion a year which the U.S. now pays for oil imports.

This huge payment results from the dramatic increase in oil prices during the last decade controlled by the OPEC cartel and from our national policy of suppressing the growth of domestic oil and gas production by price control, regulation, and excessive taxation. The combination of these factors has, in effect, subsidized oil imports and insured the growth of the OPEC cartel at the expense of the American consumer.

The U.S. petroleum industry is at a competitive disadvantage even after the important presidential action of decontrolling oil prices early in 1981. Domestic oil production is heavily taxed in many ways while imported oil comes in with no U.S. tax. To decrease our dependence on foreign oil we should be doing just the opposite - taxing oil imports and lightening the tax load on domestic production.

We could and should be doing all we can to develop energy resources in this country. By so doing, we can begin to put America back to work. For example, it is a national disgrace that we are shutting down coal mines in Pennsylvania as shown in ABC's "60 Minutes" a few weeks ago.

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The community is invited to become involved, to contribute to finding better national courses. Interested individuals are invited to attend one or several meetings of current study groups. Participation and support are welcomed.

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POINTS TO CONSIDER FOR SMALL BUSINESS INITIATIVES

Small business is the President's natural constituency and represents a large percentage of the voting population. Richard Wirthlin has identified small business as an important Reagan constituency.

Recent Heller Survey shows a 20% decline in small businessmen who feel this Administration's policies encourage entrepreneurship.

A few actions by the Administration could solidify small business support.

Small businesses are vocal and have strong support on the Hill. They have sidetracked Administration initiatives felt to be detrimental. Their strength should not be under-estimated.

We need to be cognizant of small business interests in our decision making.

Most small businesses do not look to SBA for assistance and in fact have been critical of many of our programs. We are endeavoring to redesign programs to address these criticisms. However, policies of the Treasury Department and Justice, as examples, have a broader impact on a substantial number of small businesses.

Support for the President by women is also eroding while SBA is mounting a campaign to assist the growing number of women entrepreneurs.

Democrats are also co-opting the "high-tech" issue when it is this Administration's economic policies which have provided incentives for greater innovation.

Allocation of government resources to the small business issue are minimal yet provide the opportunity to address the needs of an important constituency.

The attitude toward the SBA is changing - ask representatives of Merrill Lynch, Soloman Brothers or Chase what they think of our financing proposals. Ask Mike McKeivitt of NFIB what he thinks of our new direction. We are trying to address the broadest spectrum of small business.

Jobs bill is a good vehicle for small business initiatives--can be effectively packaged.

State of Small Business Report opportunity for the President to announce new initiatives.

Recognition of Problem

- ④ Small Business, accounting for 50 percent of all employment, was solidly behind President Reagan in 1980.

- * The last major statement on small business by President Reagan was in March, 1982 transmitting his State of Small Business Report to the Congress.

- * There was no mention of small business in the State of the Union.

- * A recent Heller Survey showed small business support for the President is eroding.

- * The President has made a strong commitment to minority business development yet legislative and budget proposals provide Democratic Congressional leaders a platform for criticizing Administration action.

- * Support for the President by women is also eroding while SBA is mounting a campaign to assist the growing number of women entrepreneurs.

- * The Democratic Party is co-opting the small business issue. Consider the fact that the DNC small business Advisory Committee includes five prominent Republican small business leaders and the DNC will be sponsoring statewide small business meetings through 1984.
- * Several potential Democratic Presidential candidates are positioning themselves as representing the entrepreneurs and have actively sought meetings with national small business representatives.
- * Proposals to recreate the Reconstruction Finance Corporation or provide loans to businesses through amendments to the Defense Production Act create new and bureaucratic programs and do not recognize deficit problems.
- * The private sector, large business, small business, financial institutions and others, are looking for specific strategies through federal partnerships to develop the economy.

Proposed Solution

- * Small business record in job creation is well documented - their inclusion in a major Administration employment creation effort

achieves the dual goals of small business support for the President and addressing unemployment problems.

- * A combined administrative program packaging existing on-line programs of the SBA with legislative initiatives to creatively adapt and expand these programs to meet job creation is already close to completion at SBA.
- * SBA has demonstrated the ability to form partnerships with states, localities, and the private sector to deliver assistance by leveraging non-Federal resources. Through these partnerships and our network of 100 field offices, we have a proven track record, in contrast to the Presidential PSI Task Force which does not have the reputation for delivering.
- * SBA uniquely addresses two important aspects of employment: both employee and employer growth through its fostering of small business.
- * The 97th Congress has shown that Members will approve certain program levels and changes without regard to stubborn opposition by the

Administration as evidenced by OMB's positions.
We need to avoid these unnecessary battles and
take credit for the inevitable result.

- * Transmittal of the President's Second State of
Small Business Report on or about March ^{18th} 1983
provides the opportunity to unveil a meaningful
small business job creation program.

- * Specific Elements of the Program are attached.

Democratic News

Democratic National Committee
625 Mass. Ave. NW
Washington, D.C. 20036
(202) 797-5900

For Release:
Thursday, May 27
Contact:
Bob Neuman
202/797-5900.

Democrats Call For Small Business Conference

Democratic Chairman Charles T. Manatt today called for the creation of a nationwide conference on small business to assess current policies of the Reagan Administration as they impact on the nation's small business.

"While there is mounting evidence and acceptance of the Reagan Administration's unfair policies on low and moderate income individuals and families, there has been too little attention given to the impact of the Reagan Administration's program and continued high interest rates on America's small business--the lifeblood of our economy," Manatt said.

"Mr. Reagan's tax bill passed in 1981 does relatively little for small business. Though it is the nation's leading job producer, small business gets but 17.8 percent of the business tax cuts in the bill. Furthermore, a study by the Library of Congress indicates that over the course of the next four years that meager share will shrink.

"The Reagan Administration has resisted calls for small business representation on the Federal Reserve Board. The leading cause of business failures and bankruptcies that are plaguing the economy is high interest rates, yet the Fed has no input from small business or agriculture.

"The Reagan Administration's unceasing favoritism to corporate giants is dramatically revealed by a recent statement by the Assistant Attorney General for Anti-trust William Baxter who was quoted as calling the Robinson-Patman Act (which prevents price discrimination) 'an unjustified protection for small business from the rigors of competition.'"

Manatt charged the Reagan Administration "defies logic and good sense in promulgating policies that punish small business.

"If we are to have a vigorous competitive economy we must have a consistent economic policy that fosters the formation and the growth of small business. This can only be accomplished with the active participation of the small business community and individuals sensitive to the ramifications of economic policies on small business.

"The Reagan Administration has not solicited small business participation on a regular basis and this absence has resulted in the grossly

Small Business Council



Democratic National Committee

1625 Massachusetts Avenue, N.W.

Washington, D.C. 20036

(202) 797-5900

Robert Bender
Executive Director

November 30, 1982

The Honorable Thomas P. O'Neill
2231 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Speaker:

The Small Business Council wholeheartedly supports your efforts to develop and pass a jobs program. Many of our economic problems would be alleviated if we take care of unemployment.

The rebuilding of our nation's infrastructure is an excellent beginning for addressing the unemployment issue. However, any long-term jobs program must take into account the overwhelming ability of small business to create the new jobs and innovations needed to get our economy moving and to keep it productive and competitive.

Small firms have greater potential than large ones for rapid growth, for providing services to local economies, and for effectively using local job markets. Any jobs program to be viable must include provisions to stimulate small business start up and growth. Your efforts to include these types of provisions in previous legislation such as the 1981 ERTA and Small Business representation on the Federal Reserve Board are appreciated. Please continue your efforts.

The Small Business Council, which was formed by the Democratic National Committee to provide a forum for Small Business in the Democratic Party, appreciates your concern. We look forward to working with you and your staff in developing positive legislative programs important to the development of Small Business and our economy.

Thank you for your consideration.

Sincerely,

Bernard Featherman
Chairman
Small Business Council

Small Business Council



Democratic National Committee

1625 Massachusetts Avenue, N.W.

Washington, D.C. 20036

(202) 797-50

Robert Bender
Executive Director

November 30, 1982

The Honorable Robert C. Byrd
133 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Byrd:

The Small Business Council wholeheartedly supports your efforts to develop and pass a jobs program. Many of our economic problems would be alleviated if we take care of unemployment.

The rebuilding of our nation's infrastructure is an excellent beginning for addressing the unemployment issue. However, any long-term jobs program must take into account the overwhelming ability of small business to create the new jobs and innovations needed to get our economy moving and to keep it productive and competitive.

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Thank you for your consideration.

Sincerely,

Bernard Featherman
Chairman
Small Business Council

Small Business Council



ocratic National Committee

1625 Massachusetts Avenue, N.W.

Washington, D.C. 20036

(202) 797-5900

Robert Bender
Executive Director

From: Rob Bender
To: Executive Committee
Small Business Council

There will be a meeting of the Small Business Council on December 16, 1982, in Washington, D.C. The meeting will take place in the Rayburn House Office Building on Capitol Hill.

The Agenda for the meeting follows:

8:45	Coffee
9:15	Administrative Matters
9:30	Antitrust and Small Business
10:30	Government Procurement and Contracting Out to Small Business
11:30	International Trade and Small Business
12:30	Lunch
	DNC Chairman Charles T. Manatt
1:00	Management Assistance to Small Business
2:00	Capital Formation and Small Business
3:00	Tax Policy and Small Business
4:00	Urban and Rural Development
5:00	Senator Gary Hart.
5:30	Reception

The meeting will consist of issue briefings by members of our Council, Congressional Staff and representatives from Small Business associations.

You are encouraged to stay at the St. Charles Hotel. The manager of this hotel has been associated with the Democratic Party and is a Small Businessman. The number is 800/424-2463.

I look forward to seeing all of you on December 16.

Small Business Council



Democratic National Committee

1625 Massachusetts Avenue, N.W.

Washington, D.C. 20036

(202) 797-5900

Robert Bender
Executive Director

To: Executive Committee
Small Business Council

From: Rob Bender

The Executive Committee of the Small Business Council will meet on December 16 in Room B-369 Rayburn House Office Building. This room is in the basement of the Rayburn Building. Coffee will be served at 8:45 a.m.

Enclosed are copies of letters sent by our Chairman, Bernard Featherman, to Senator Robert Byrd and Speaker Tip O'Neill concerning jobs programs.

Also, information about the St. Charles Hotel is enclosed. Note the \$10.00 rebate, which was requested by the Chairman of our Council.

TASK FORCE DESCRIPTIONS

Issue

Tax Policy

To examine the effect of tax policies on small business. To ensure that taxes do not over penalize small business and that adequate account of size differences in the ability of corporations to generate capital is considered. To develop new tax policy to help the small business still in its loss phase and those that are the emerging profit firms.

Financial Assistance and Capital Formation

To examine government policies and programs which effect the ability of small business to create or retain capital. To examine and evaluate government programs designed to provide capital for small business. Generally review capital availability for small business through public and private organizations.

Regulations and Antitrust

To examine the effects of government regulations and paperwork on small business. To evaluate the economic impact of regulation and government initiatives to lessen the paperwork burden on small business. Investigate policies and programs of regulatory and enforcement agencies which create discriminatory or unfair burdens on small business.

To examine the Antitrust laws and their effectiveness in promoting competition. To examine economic trends toward concentration in industries and the results of such concentration. To review government policies and programs which tend to impede growth in productivity and encourage economic concentration.

Urban and Rural Economic Development

To examine government programs designed to address economic growth factors specific to urban and rural areas. To evaluate the resources of federal, state and local governments and the private sector which are devoted to rural and urban economic development.

International Trade

To evaluate the export potential and capabilities of small business. To examine and investigate Federal Government programs, state initiatives and private sector mechanisms available to small exporters or potential exporters. To evaluate the availability and adequacy of information on overseas markets and market development.

Management Assistance

To examine the extent to which small business desires and needs are recognized and taken into account in the development of programs. To examine government and other private programs available which offer help to small business start up and development.

Government Procurement

To examine and investigate federal efforts to provide small business with an equitable share of procurement contacts. To review and evaluate government execution of statutory provisions designed to increase small business participation in federal procurement.

Innovation

To examine and investigate government policies and programs which impede the growth of innovative small businesses. To review the contributions of small business to the innovative process. To examine possible government and private sector initiatives to encourage small business innovation and technology.

Political

Democratic Party Liaison

To develop small business participation on the national, state and local level. To increase their involvement in the party and the 84 Convention.

Minority Liaison

To develop the Black-Hispanic small business constituency and to ensure that the needs of the minority groups are addressed.

Labor Liaison

To work with the Labor Council in developing policies.

Big Business Liaison

To work with Business Council in developing policies.

DEMOCRATS AND SMALL BUSINESS

A REAL POSSIBILITY

I. INTRODUCTION:

Historically, businessmen of all types have been viewed as "Republican" and been thought to have been "captured" by the Republican party. Although Democrats have been able to gain considerable support from the business community on a wide range of specific business issues, the Democratic political strategy has been focused on ways to neutralize the business opposition to Democratic candidates, or retarget business' attention away from business issues and into issues that may affect other aspects of their lives.

It is unlikely that this strategy will change significantly in the foreseeable future. Despite an enviable record in the Congress in an advocacy for many specific business issues, and in particular on behalf of small business, the Democratic members, candidates for national office, and the party, have failed to aggressively advertise our successes, or comprehensively reach out to that community:

The events of 1981-1982 provide an ideal opportunity to reverse that trend. A Republican President dominates the Federal economic gameplan. With Republicans in the majority in the Senate, and a functioning majority in the House, business was under the impression that the Messiah had indeed made the second coming, and the ills of the past would be over.

The facts prove that not to be the case; actually business is rapidly parting company with the President over the deficit, and his entrenchment on economic, tax and fiscal policies. Small businesses have long ago questioned their fate under "Reaganomics," but have been traditionally without a visible leader, and an effective forum.

Politically, the time is ripe for Democrats, and the DNC, to seize the leadership vacuum and seek to publicize their interest and concern for the most outcast segment of the business community -- small business.

II. AN APPROACH

A simultaneous, three-pronged process to involve, and publicize, the Democratic Party's affiliation with small business could be undertaken.

A. Phase I - Leadership Identification

Effective Democratic elected Federal and local representatives should be identified, and their participation enlisted and encouraged. Their input should be solicited, and they should be included in strategy sessions on party positions and proposed legislation.

Through the DNC, and the respective campaign committees, Democratic candidates for elected offices should be encouraged, and supported, in their campaign efforts to talk up the treatment of small business by this Administration. "Heavy Hitters" could be brought into tight races.

In addition, there is a nationwide resource of Democratic activists in small business associations, and of Carter Administration small business "specialists" that should be identified, and their support and work sought.

The DNC should be a resource of potential witnesses for Congressional or regional hearings; legislative Committee and Subcommittee chairpersons, or others in appropriate roles, should be encouraged to hold hearings and/or conferences on a wide range of small business "problems" such as interest rates or access to capital.

B. Phase II - DNC Council Established

The DNC should establish a "Small Business Council" to provide a readily identifiable, and visible, Democratic forum for the small business sector. The Council would provide a structured group that could communicate with Democratic officials on areas of interest to small business which the Council generated, or transmitted.

The Council will also provide a means to publicize to the small businesses of the nation the positive actions which Democrats are taking on their behalf, and, of course, on the benefits of supporting Democrats and the DNC.

All elected officials (at both the Federal and local levels) should be encouraged to establish and coordinate state and district-by-district Small Business Councils. Parenthetically, Speaker O'Neill has already established a Small Business Task Force of the House Democratic Caucus.

In addition, the Council can serve as a focal point for fundraising efforts for candidates, and the party. Careful coordination with the Congressional campaign committees should be expected.

C. Phase III - Research

A repository of research on small business positions, and those in a responsible position to assist with the research of small business issues, must be developed.

Among the initial, and relatively easy research that could be undertaken include the status of the 60 delegate recommendations from the 1980 White House Conference on Small Business, and an analysis of how they fit into the Democratic Party; and the identification of issues from several states that have had follow-up small business meetings.

CONCLUSION

Real opportunities exist for the Democratic party to seize the moment and show small business that we, as a party, have their real interest in mind -- and deserve their cooperation and support.

The timing provides several key chances to highlight the current plight of small business, and the lack of attention being paid to them by this Administration.

Finally, this multi-phased effort could provide a needed cornerstone in the reinvigoration of the DNC and the party.

DEMOCRATIC

NATIONAL COMMITTEE 1625 Massachusetts Ave., N.W. Washington, D.C. 20036 (202) 797-5900

Charles T. Manatt
Chairman

DNC SMALL BUSINESS COUNCIL

The purpose of the Small Business Council is to promote the role of Small Business in our economy. The Council will act as a Small Business Advocate within the Democratic Party by performing the following functions:

- 1) The Council will provide an opportunity for Small Business to communicate with Democratic officials on issues important to Small Business.
- 2) The Council will provide a forum by which Small Business and the Democratic Party can develop positive legislation important to the development of Small Business.
- 3) The Council will be used to inform Democratic candidates on Small Business issues and stress the importance of working with their Small Business community.
- 4) The Council will provide a means to keep Small Business informed on the positive actions taken by Democrats on their behalf.

The task of the Small Business Council will be to develop a Democratic Small Business Agenda and to form a partnership between the Democratic Party and the Small Business Community. In developing a Democratic Small Business Agenda, the emphasis will be on issues that need to be addressed in 1983-84 and a Small Business Plank in the 1984 Democratic Platform.

SMALL BUSINESS ASSESSES THE REAGAN ADMINISTRATION

AFTER
TWO YEARS

HELLER
SMALL BUSINESS
INSTITUTE
SPECIAL REPORTS

UPDATE DECEMBER 1982

To determine the extent to which the attitude toward the Reagan Administration on the part of a national cross-section of small business executives may have altered since the summer of 1981 (when the Heller Small Business Institute sponsored a six-city focus group series), the panelists were twice recontacted by telephone—first in December 1981, and again in December 1982.

All but three of the original 77 participants were reached for this second update. In seeking to contact panelists, it was learned that there was at least one bankruptcy, another bankruptcy suspected, and two sell-outs. This unfortunate micropattern seems to parallel the trends in the macro-community of small businesses. In the phone interviews, the panelists were asked the same questions, when applicable, as those in the survey conducted at the time of the initial meetings. The few subjects that had become nonissues since the summer of 1981 were deleted. Substituted were topical items, such as the proposed revisions in the social security system and the President's plea for the country to "stay the course" with his economic policies.

It was found that after Reagan's supportive acceptance in December 1981, when 41% of the surveyed small business panelists said their confidence in the President's leadership of the nation had grown since his inauguration, only 25% of the panelists contacted in December 1982 said their confidence had increased. On the other hand, the percentage of those who reported that their confidence had diminished nearly doubled, from 18% in 1981 to 30% in 1982.

The Heller Institute for Small Business and its Policy Study Committee neither endorse nor disagree with any of the survey findings reported in this booklet. (See inside cover and page 1 of Points at Issue 1, Small Business Assesses the Reagan Administration, Heller Small Business Institute Special Reports, 1981, which this booklet supplements.)

Yet, despite the fact that strong dissatisfaction is also reflected in the rather small percentage who feel well represented in Washington and who believe the Administration policies are supportive of small business (about four out of ten), nearly two-thirds (64%) still think the country should "stay the course" with the President's economic policies. However, when the elements comprising the President's program are examined individually, it appears that 54% of the respondents disapprove of the proposed increases in military spending, while 75% and 70%, respectively, do approve of the reduction in domestic spending and the tax cuts.

The same percentage of executives who expected the President's tax program to help them when asked in December 1981 (55%), said that it is helping them when polled in December 1982. Of the remainder, 39% say the program is of no help, and 4% report that it has actually hurt their businesses. Among those who view the President's tax program as helpful, the most frequently cited measures are: the investment tax credits and tax cuts, realistic depreciation schedules, and reduced capital gains tax. For those who consider the tax program detrimental, by far the most often named factor is the unbalanced budget pushing up the cost of money.

An area where there was a major modification of opinion, and one in which the Administration did not fare well, concerns Reagan's policies toward entrepreneurship. The latest update found a 20-point drop since July 1981, from 71% to 51% in those who find these policies supportive, and a 9-point fall since December 1981. Interestingly, while the percentage of those who think Reagan's programs nonsupportive of entrepreneurship remained the same as last year (32%), the "not sure" contingency more than doubled, from 8% in both '81 surveys to 17% in '82.

Of the major proposals being put forward today to prop up the social security reserve fund, the one receiving the greatest approval (82%) from this cross-section of small business respondents is to allow for greater earnings without loss of benefits, but with taxation of one-half of that income above a predetermined ceiling. Support of this proposal is followed closely by the desire to push up the retirement age (76%). The reduction of benefits for those now entering the system was also favored, though by a smaller majority (60%). As for increasing the social security tax, that approach was frowned upon by all but about a fourth of the group.

However, after all their doubts about economic ills were aired, these executives' views on the prospects for small business enterprises over the next five years are virtually unchanged from December 1981 to December 1982. An identical plurality, 45%, expect conditions to improve while 22% project declining prospects in 1982, compared with 24% in 1981. The balance, 29%, think the state of small business will be unchanged over the coming half-decade, compared with 31% who thought that way in December 1981.

The tables that follow trace a composite of attitudes registered by this group of business people from six urban centers across the country: Boston, Phila-

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Institute For Small Business

Question permitted provided acknowledgment is made

*Walter E. Heller
for Walter E. Heller*

Yet, despite the fact that strong dissatisfaction is also reflected in the rather small percentage who feel well represented in Washington and who believe the Administration policies are supportive of small business (about four out of ten), nearly two-thirds (64%) still think the country should "stay the course" with the President's economic policies. However, when the elements comprising the President's program are examined individually, it appears that 54% of the respondents disapprove of the proposed increases in military spending, while 75% and 70%, respectively, do approve of the reduction in domestic spending and the tax cuts.

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The tables that follow trace a composite of attitudes registered by this group of business people from six urban centers across the country: Boston, Phila-

delphia, Atlanta, Chicago, Dallas and Los Angeles. Because of the sample size, it is difficult to draw any regional conclusions. It can be noted, however, that the Chicago respondents were consistently the most pessimistic, except as to the question about reduced inflation, in which case 93% answered in the affirmative, the highest proportion of any city. Most consistently optimistic, on the other hand, were the participants from Dallas.

Though these panelists' opinions cannot be regarded as representative of the entire small business community, they appear to be confirmed by findings of the Heller/Roper Small Business Barometers during the same periods. The Barometers survey random, nationwide samples of over 1,000 chief executive officers of firms having under 500 employees, and are conducted three times yearly by The Roper Organization for Walter E. Heller International Corporation's Institute for Small Business.

I. Representation

1. How do you feel about the representation you are getting in Washington?*

	Poorly Represented	Neutral/Mixed	Well Represented
Dec. 1982	33%	25%	42%
Dec. 1981	42	14	44
July 1981	30	23	47

2. How would you characterize the Reagan Administration's policies toward small business?

	Supportive	Neutral/Mixed	Non-Supportive
Dec. 1982	45%	9%	46%
Dec. 1981	47	18	35
July 1981	59	16	25

* Respondents were asked to indicate their feelings by using a scale of zero to 10.

"Poorly" includes ratings of zero through 4; "Neutral/Mixed" (feelings) includes only 5; "Well" includes 6 through 10. This same interpretation of numerical ratings applies also to questions of a similar type that follow.

3. Generally in your representation what is the importance of the role played by such organizations as: a) SBA, b) Congress, c) Small business associations?

(a) SBA	Important	Neutral/ Mixed	Not Important
Dec. 1982	29%	24%	47%
Dec. 1981	24	15	61
July 1981	42	20	38
(b) Congress	Important	Neutral/ Mixed	Not Important
Dec. 1982	53%	14%	33%
Dec. 1981	54	13	33
July 1981	49	13	38
(c) Small business associations	Important	Neutral/ Mixed	Not Important
Dec. 1982	67%	17%	16%
Dec. 1981	27	14	59
July 1981	61	17	22

II. Tax Relief and Incentives

In general, to what extent has the Reagan tax program been a help, or hindrance, to the operation of your business?

A great help	14%	(See A, below)
...some help	41%	(See A, below)
....no help	39%	
Has hurt	4%	(See B, below)
Don't know	2%	

A. When those who said the program has been of great or some help were asked what specific tax measures were of help, the three most frequently mentioned measures were: *investment tax credits along with tax cuts, realistic depreciation schedules, and reduction in capital gains tax.*

B. Those who said the program had hurt their business most frequently gave the following three reasons why: *unbalanced budget pushing up cost of money, tighter rules on tax free revenue bonds, and inconsistent economic policies.*

III. Administration's General Program

A. President Reagan says, "We should stay the course," when referring to the direction he has taken, and in which he now wishes to lead the nation. Do you agree or disagree with this aim?

Agree	64%
Disagree	20%
No Opinion	16%

B. Basically, "stay the course" means maintaining the three key parts of the President's program: increase military spending, cut taxes, and reduce spending on domestic programs. Taking them one by one, which do you support or not support?

	Support	Do Not Support	Don't Know
Increase military spending	46%	54%	—
Cut taxes	70	30	—
Reduce domestic spending	76	21	3%

IV. Coping with Government Regulations

A-1. Do you think the softening of regulatory burdens has actually benefited small business?

	Yes	Neutral/ Mixed	No
Dec. 1982	61%	6%	33%
Dec. 1981	51	13	36
July 1981	51	20	29

2. If not, do you think this loosening of regulations has actually hurt small business?

Yes	12%
No	68%
Neither benefited nor hurt	20%

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B-1. Do you believe environmental standards are becoming too lax?

	Yes	Neutral/ Mixed	No
Dec. 1982	20%	17%	63%
Dec. 1981	20	6	74
July 1981	22	12	66

2. If yes, specifically which environmental standards do you mean?

Most frequently mentioned: *pollution and waste control, selling of public land, and failure to enforce existing laws.*

V. Distressed Communities

One administration approach to urban revitalization is the "enterprise zone" designed to stimulate economic development in depressed areas of a city. Do you believe these programs stressing tax relief and financial incentives instead of new spending programs could be an effective revitalization tool?

	Yes	Neutral/ Mixed	No
Dec. 1982	53%	22%	25%
Dec. 1981	63	12	25
July 1981	63	5	32

VI. Financial

The inflation rate has dropped significantly. Do you see indications of this change through a reduction in your day-to-day business costs?

	Yes	Neutral/ Mixed	No
Dec. 1982	74%	9%	17%
Dec. 1981	51	9	40
July 1981	46	5	49

VII. Social Security

A. The social security system appears to be in serious trouble. Of the proposals to bolster funds, the following are the most often suggested:
a) social security tax rates should be increased; b) benefits should be

reduced for those entering the program in the future; c) the retirement age should be raised; d) workers who retire at the normal age should be allowed to earn more without loss of benefits, but should be taxed on one-half of those revenues above \$20,000 for individuals or \$25,000 per couple per year. Which of these proposals do you favor and which do you not favor?

	Favor	Do Not Favor	Don't Know
(a) Increase social security taxes	28%	71%	1%
(b) Reduce benefits for future entrants	60	36	4
(c) Increase retirement age	76	23	1
(d) Allow greater earnings without benefit loss, but tax above ceiling	82	17	1

B. Do you favor any other ideas?

Those most often mentioned, in order of frequency, are:
federal workers should be included in the system, funds should be taken from general tax revenues, and Medicare and Medicaid payments should be derived from other sources.

VIII. Entrepreneurship

A-1. How encouraging and supportive do you consider Reagan policies to be toward entrepreneurship?

	Supportive	Neutral/ Mixed	Non- Supportive
Dec. 1982	51%	17%	32%
Dec. 1981	60	8	32
July 1981	71	8	21

2. Should the Reagan Administration do more for entrepreneurs?

Yes **84%**
No **16%**

THE WHITE HOUSE
WASHINGTON

file

March 4, 1983

MEMORANDUM FOR MICHAEL K. DEEVER
ASSISTANT TO THE PRESIDENT
DEPUTY CHIEF OF STAFF

FROM: FRED F. FIELDING
COUNSEL TO THE PRESIDENT

SUBJECT: NCPAC Solicitation Materials

Attached is a copy of the letter I have sent to NCPAC Chairman John T. Dolan with respect to the NCPAC solicitation letter and related materials recently mailed to you at your White House office. The letter cites the Federal statute prohibiting political solicitation in Government buildings, and asks that your office address and all others that may fall within the statutory prohibition be removed from NCPAC's mailing lists.

Please let me know if you have any other concerns about these materials that you want to discuss. Thank you.

Attachment

THE WHITE HOUSE

WASHINGTON

March 4, 1983

Dear Mr. Dolan:

The enclosed solicitation letter and other materials were recently received by Michael K. Deaver, Deputy Chief of Staff and Assistant to the President. The letter was addressed to Mr. Deaver at his Government office in the White House.

Under 18 U.S.C. § 607(a), it is unlawful to solicit political contributions in Government offices. Specifically, that section provides:

It shall be unlawful for any person to solicit or receive any contribution within the meaning of section 301(8) of the Federal Election Campaign Act of 1971 in any room or building occupied in the discharge of official duties by any person mentioned in section 603, or in any navy yard, fort, or arsenal. Any person who violates this section shall be fined not more than \$5,000 or imprisoned not more than three years, or both.

I realize that this solicitation letter was part of a larger mailing for which address lists were used. We would appreciate, however, your removing from your mailing lists Mr. Deaver's office address and all other addresses that would fall within the prohibited categories set forth in this statutory section.

Thank you for your attention to this matter.

Sincerely,

Orig. signed by FFF

Fred F. Fielding
Counsel to the President

Mr. John T. Dolan
Chairman
National Conservative Political
Action Committee
Suite 513
1500 Wilson Boulevard
Arlington, Virginia 22209

Enclosures

ACCEPT

NEGLECT

**SECOND ANNUAL CONSERVATIVE
LEADERSHIP CONFERENCE
AND PRIVATE WHITE HOUSE RECEPTION
WITH
PRESIDENT RONALD REAGAN**

February 22-23, 1983

Washington, D.C.

February 22, 1983

11:30 - 12:00 Noon	Senate Caucus Room 318 Russell Senate Office Bldg. 1st & Constitution Welcome - Honorable Edwin Meese, III Counsellor to the President Chairman, Second Annual Conservative Leadership Conference
12:00 Noon - 1:30 P.M.	Senate Caucus Room Salute to the POWs Honored Guests: Senator Jeremiah Denton (R-Ala.) Congressman John McCain (R-Ariz.) Master of Ceremonies: Senator John Tower (R-Tex.)
2:30 P.M. - 3:00 P.M.	Hyatt Regency Washington (on Capitol Hill) 400 New Jersey Avenue, N.W. Senatorial Leadership Report Speaker: Senator Richard Lugar (R-Ind.)
3:00 P.M. - 3:30 P.M.	Administration Briefing Speaker: Honorable James G. Watt, Secretary of the Interior
3:30 P.M. - 4:00 P.M.	Congressional Strategy Report Speaker: Honorable Phil Gramm
4:00 P.M.	Adjourn
5:30 P.M. - 6:30 P.M.	Presidential Reception The White House Speaker: The President of the United States, Ronald Reagan

February 23, 1983

9:00 A.M. - 10:00 A.M.	Hyatt Recency Washington Continental Breakfast
10:00 A.M. - 12:00 Noon	National Conservative Policy Advisory Council Meeting Speaker: John T. (Terry) Dolan, Chairman National Conservative Political Action Committee
12:00 Noon - 2:00 P.M.	Luncheon
2:00 P.M.	Adjourn

***** *Transportation will be provided through the Conference* *****



Mr. Nelson Bunker Hunt
216 Corinth & Industrial
Dallas, Texas 75207



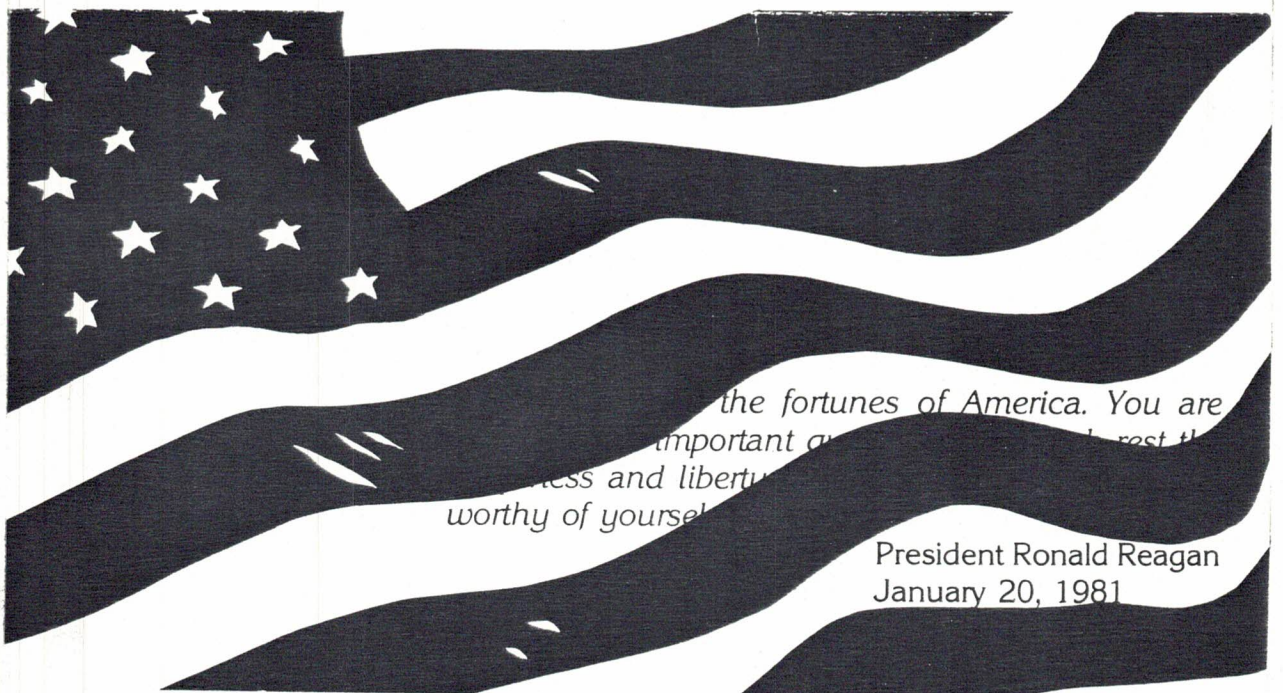
National Conservative Political Action Committee

Federal law requires us to ask for the following information:

Name _____ Occupation _____

Place of Business _____

City _____ State _____ Zip _____



the fortunes of America. You are
important and rest the
business and liberty
worthy of yourself.

President Ronald Reagan
January 20, 1981

BENEFITS OF MEMBERSHIP

- * Reception with President Ronald Reagan at the White House.
- * Exclusive access to select Cabinet officials, Senators and Representatives through NCPAC.
- * Semiannual dinner briefings with Key U.S. Senators and Representatives.
- * Monthly private intelligence and political insider reports from the Chairman of NCPAC.
- * Executive political updates in Washington, D.C.
- * Quarterly private briefings with key political and legislative leaders.
- * Free attendance at all NCPAC seminars.
- * Gold Council lapel pin which will be recognized by conservative administration and congressional leaders.
- * December dinner and reception to meet with elected U.S. Congressmen and Senators supported by NCPAC
- * Private telephone line to the Chairman of NCPAC and through him to elected Representatives.

(Please detach)

Dear Bunker,

As President Reagan has said, *"NCPAC is our best bet to stop the liberals from seizing total control of Congress."*

I want to join the leadership of NCPAC through membership on the National Conservative Policy Advisory Council.

- ☐ I will join you for the private reception at the White House with President Reagan on February 22. Please send me all the details.
- ☐ I am enclosing my total Council Membership Commitment of \$5,000.00 for 1983.
- ☐ I will bring my \$5,000 Council Membership Commitment to the reception with the President on February 22.

Name Hon. Michael K. Deaver
Deputy Chief of Staff
The White House
 Address 1600 Pennsylvania Ave., N. W.
Washington, D. C. 20500

Phone () _____

☐ ***I regret I cannot join the Council. However, I support NCPAC's efforts to elect conservatives to Congress. And because our need is greater than ever, I am enclosing my highest possible check to elect conservatives to office.***

☐ \$500 ☐ \$1,000 ☐ \$2,500 ☐ Other

Nelson Bunker Hunt

January 21, 1983

Honorable Michael K. Deaver
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D. 20500

Dear Honorable Deaver:

I am writing you to ask you to join me on the National Conservative Policy Advisory Council, a small but prestigious group of Americans dedicated to electing a conservative Congress in the '80's.

And I am extending to you an invitation to join the Council in time to attend our next meeting on February 22 at which time all Council Members will be invited to attend the Second Annual Conservative Leadership Conference and Presidential Reception.

The Council is the official steering arm of the National Conservative Political Action Committee (NCPAC), a group which I think is our most effective tool in America to elect conservatives to office. I am sure you remember NCPAC from its successful campaigns to expose the liberal voting records of such Senators as George McGovern, Birch Bayh, John Culver and Frank Church.

In the elections of 1982, NCPAC was instrumental in defeating long-time Senate powerhouse Howard Cannon of Nevada. NCPAC was very active in the New Hampshire gubernatorial race where an upset victory for conservative Republican John Sununu occurred. NCPAC worked with Paul Trible of Virginia throughout the year and gave the maximum support allowable by law in his victorious race to become the new Republican Senator from Virginia.

In a year when Republicans lost nationwide, NCPAC broke the record of losses by being instrumental in electing two new U.S. Senators and heavily supporting 125 conservatives nationwide.

NCPAC also, through its Independent Expenditures against seven liberal Democrats, forced the incumbents such as Ted Kennedy to stay in their own states, thus minimizing any effect they could have had by supporting candidates elsewhere. Kennedy was held to the lowest percentage of the vote since he first ran in 1962.

In addition to doing the difficult and controversial work to defeat liberals, NCPAC also accumulated an incredibly successful record in giving appropriate technical assistance plus direct cash contributions to 115 Congressional incumbents including Senator Orrin Hatch (R-Utah), Senator Richard Lugar (R-Ind.), Congressman Ron Paul (R-Tex.) and Congressman Phil Gramm (R-Tex.). The total in 1982 was over \$4 million -- the highest amount for any nationwide ideological political action committee.

But before I tell you more about NCPAC and the Council, I want you to know something:

Originally, I did not want to write this letter to you. For years, the Federal Government has been abusing its powers to harass me, other members of my family, and our businesses.

The last thing I needed, I thought, was more controversy.

But then I thought about our great country, and how by arousing controversy, often great things can be accomplished. Controversy breaking new ground is, in fact, what has made NCPAC so effective in helping to elect conservatives. I suddenly realized that by encouraging you to join the National Conservative Policy Advisory Council, I might be able to help elect conservatives to the Congress who will restore the American dream of strength and prosperity.

I am proud to say the liberals in the media and the Congress fear NCPAC possibly more than any other organization in the country. Why? Because NCPAC has been consistently successful in exhortingly exposing the hidden liberal voting records of incumbent liberal Senators and Congressmen. Simply put, NCPAC defeats them at the polls. And NCPAC does it by telling the truth about the liberals, unmasking their actual votes back in their home states and nothing more.

NCPAC's Council is an exclusive group of key NCPAC supporters who meet quarterly as the steering organization for NCPAC. We receive confidential political briefings from Cabinet officials like Secretary of the Interior James Watt, Secretary of Transportation Drew Lewis, Secretary of Agriculture John Block, and other prominent political leaders in Washington.

NCPAC's agenda for 1984 is tremendously ambitious but necessary if we conservatives are to prevail. NCPAC's goal will be to mobilize over one million conservative activists nationwide in the next 18 months. NCPAC will establish state affiliates that will identify,

recruit and train the top candidates for state and federal offices. NCPAC will also promote President Reagan's re-election candidacy with a multi-million dollar advertising campaign. And, NCPAC will target for defeat vulnerable incumbent liberals (House and Senate) who face strong challenges from conservatives.

Obviously, what we are proposing entails a tremendous amount of work. But NCPAC did not become the most successful organization in America by staying idle!

NCPAC's success, however, is dependent to a great extent on the political and financial support of conservative activists and dedicated conservatives like you, Honorable Deaver. In fact, it was the financial support and advice from the Council that greatly contributed to the defeat of McGovern, Church, Culver, and Bayh in 1980.

Some of America's finest business and community leaders now serve on NCPAC's Council. Let me mention just a few:

- ** John Uhlmann - President of Standard Milling Company. You probably know the Standard Milling Company from its products like Kingsford Charcoal and Maypo Cereal.
- ** Robert Kriebel - Chairman of the Board of Loctite Corporation. Loctite is one of America's Fortune 500 companies. Bob is presently a member of the Board of Directors of the U.S. Chamber of Commerce.
- ** Mrs. Helen Marie Taylor - Member of the Corporation for Public Broadcasting. Helen Marie is a noted writer and conservative activist from Virginia.
- ** Robert Perry - President of Perry Homes, one of the most successful construction firms in Houston, Texas.
- ** Richard DeVos - Founder and President of the Amway Corporation and former Finance Director of the Republican National Committee.

There are many other members I could mention. But I think you see that this is a most prestigious and dedicated group of conservative Americans.

Honorable Deaver, I'm sure you're very involved and busy in your home state. I know I am here in Texas, and so are other NCPAC Council Members. We don't like to waste time or money. But we know when to get involved as well.

As I mentioned, membership on the National Conservative Policy Advisory Council is limited to no more than 300 nationwide. Each member contributes \$5,000 annually for NCPAC to carry out its programs. I also ask that you make yourself available to attend our quarterly Council meetings in Washington, D.C. when possible and to offer political advice on your area of the country to NCPAC's very accessible National Chairman, John T. (Terry) Dolan.

Ronald Reagan in 1976 called NCPAC "our best bet to stop the liberals from seizing total control of Congress."

As usual, the President was right. NCPAC and its Council have been doing that often difficult and controversial work ever since, better than anyone else in America.

In 1981, President Reagan again said about NCPAC: "Thanks to you, we have begun our historic journey toward national renewal."

The National Conservative Policy Advisory Council was the leading group of voluntary leaders that helped sustain the President's momentum nationwide to secure his legislative agenda in that year.

We want your participation as well as your crucial financial support. We also want people of importance in government to know your views first hand.

I have told you of the responsibility of Council Membership. Now let me tell you about some of the benefits:

1. Private reception with President Ronald Reagan at the White House on February 22, 1983.
2. Private meetings with Cabinet officials, other Administration officials, and members of the Senate and the House.
3. Quarterly private briefings with key political and legislative leaders.
4. Monthly private political intelligence reports from NCPAC's National Chairman, John T. (Terry) Dolan.
5. A gold Council lapel pin which will be recognized by conservative Administration and Congressional leaders.

6. Attendance at all briefings in behalf of NCPAC either in Washington or other parts of the country. (I hosted four in 1982 in Dallas.)

Because of the intimate nature of our reception with the President on February 22, attendance will be quite limited. I will need to hear from you as quickly as possible so I may reserve a place for you and your spouse.

But, Honorable Deaver, the most important benefit is knowing you are part of the most effective, independent political organization in the country. I truly share the deep satisfaction felt by all NCPAC Council Members as we look at the impact we have had in defeating liberal incumbents and replacing them with conservatives.

I would be most proud and gratified if you would join us for the most exciting period of our activities -- the 1984 election season.

There are a few seats available on the Council at this time. I am inviting you personally to join with me and others who share our concern for conservatism. I know you will receive a tremendous degree of satisfaction and fulfillment through your participation with NCPAC.

I am proud to say that no other group in America is so highly regarded by conservatives -- and so highly feared by liberals -- as the National Conservative Political Action Committee. This is largely because of NCPAC's Council and its efforts.

If you cannot join NCPAC's National Policy Advisory Council, let me make a personal appeal for funds from you. Our need is greater than ever, and every contribution helps. Please send me your highest possible contribution of \$1,000, \$500, \$250 or whatever you can afford -- believe me, I will be tremendously grateful.

I have enclosed a pledge card, which I have already filled out for you, as well as other information about the Council and NCPAC.

One final point. In the spring of 1982, President Reagan personally requested that NCPAC take the lead in electing "Reaganites" to office. The reason is simple: NCPAC is the most dedicated and successful organization in America today. No other group can invest your money as effectively as NCPAC. That is why I joined the Council and now ask you to do the same.

Honorable Michael K. Deaver
Page 6

Please take a moment to think about this important matter, and then let me know of your decision as soon as possible. I look forward to hearing from you at your earliest possible convenience, and I hope to thank you personally at the Council reception with President Reagan on February 22.

Sincerely,

A handwritten signature in cursive script that reads "Nelson Bunker Hunt".

N. Bunker Hunt
Chairman
Hunt Energy Corporation

NBH/scb

Enclosures

PS: Please accept my invitation to join NCPAC's Council so I can inform President Reagan that you will be attending our reception at the White House. If you would like to make immediate reservations please call me or Bill George at (703)522-2800.

JACOB K. JAVITS

375 PARK AVENUE

NEW YORK, N. Y. 10152

file

March 1, 1983

Mr. Michael Deaver
Assistant to the President
and Deputy Chief of Staff
The White House
Washington, D. C. 20500

Dear Michael:

Thank you so much for the wonderful arrangements and appointments at the White House. It made a glorious day for my family, my nurse and for me. The President was his usual warm and considerate self.

Many thanks and warmest and best regards always,

Sincerely,

J. K. Javits

JKJ:ec

To: MKD

Everyone is happy for now
on this.

I've attached two pages
of the original draft
testimony with my notes.
You can see what almost
occurred and why
Elizabeth was upset.

P.S. The idea of ^{JC}Niskanen testifying
was turned off early.