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KDB 8/10/2011

FOIA

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DOC NO	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
1	LIST	RE CANDIDATES FOR PRESIDENT'S COMMITTEE ON THE ARTS AND HUMANITIES	2	ND	B6
2	MEMO	FRANK HODSOLL TO M. DEAVER RE NEA/NEH AND THE OLD POST OFFICE BUILDING (PAGE 1, PARTIAL)	1	10/23/1981	B7(E)
3	MEMO	HODSOLL TO DEAVER RE PROPOSED SPECIAL ASSISTANT FOR ARTS AND HUMANITIES	1	10/12/1981	B6
4	MEMO	HODSOLL TO DEAVER RE ARTS AND HUMANITIES: CHAIRMANSHIP OF FEDERAL COUNCIL	1	10/9/1981	B6

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

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B6

RE CANDIDATES FOR PRESIDENT'S COMMITTEE
ON THE ARTS AND HUMANITIES

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THE WHITE HOUSE

WASHINGTON

November 18, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: MIKE DEEVER

SUBJECT: Appointment of Hodsoll to Chair Interagency
Committee on the Arts and Humanities

As you know, we are in the process of developing legislation which will expand and strengthen the existing Federal Council on the Arts and Humanities. It is our plan to expand the Federal Council, which is currently an interagency committee, to include members of the private sector. This will assist us in strengthening the public-private partnership in this area.

There remains, however, a need for interagency coordination. It is in this respect that we suggest that you sign the attached memorandum to the relevant agencies requesting Frank Hodsoll chair a committee to assist the coordination of existing Federal programs and hopefully provide for more effective use of Federal dollars.

RECOMMENDATION

That you sign the attached memorandum.

ATTACHMENT

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR: SECRETARY HAIG
SECRETARY REGAN
SECRETARY WEINBERGER
SECRETARY WATT
SECRETARY PIERCE
SECRETARY LEWIS
SECRETARY BELL
CHAIRMAN HODSOLL
CHAIRMAN DUFFEY
ADMINISTRATOR CARMEN
ADMINISTRATOR NIMMO
DIRECTOR WICK
DIRECTOR SLAUGHTER
LIBRARIAN BOORSTIN
SECRETARY RIPLEY

SUBJECT: Arts and Humanities

As a number of you know, our Task Force on Arts & Humanities recommended expansion (to include private sector membership) and strengthening of the Federal Council on the Arts & Humanities. We agreed with this recommendation, and are now in the process of developing legislation to this end.

In order to assure coordination of Federal programs in these areas, I would like to establish an inter-agency committee consisting of the addressees of this memorandum. While those of Cabinet level rank may wish to designate a senior representative to the committee, I would ask the heads of subcabinet agencies to participate directly.

I am asking Frank Hodsoll, Chairman of the National Endowment for the Arts, to chair this group. The committee's first task will be to prepare a base of information on current Federal programs which will assist our new Federal Council in its duties.



OFFICE OF THE SECRETARY OF THE TREASURY

WASHINGTON, D.C. 20220

November 10, 1981

file

MEMORANDUM FOR THE HONORABLE MIKE DEEVER
DEPUTY CHIEF OF STAFF

SUBJECT: Presidential Council and Inter-agency Committee
on the Arts and the Humanities

This memorandum follows up a telephone conversation with Frank Hodsoll's office which communicated that the Treasury Department has no objections to the proposed legislation with regard to the Presidential Council and Inter-agency Committee on the Arts and the Humanities.

DL

David L. Chew
Executive Assistant
to the Secretary

THE WHITE HOUSE

WASHINGTON

November 4, 1981

MEMORANDUM FOR: SECRETARY HAIG
SECRETARY REGAN
SECRETARY WATT
SECRETARY BELL
ADMINISTRATOR CARMEN
DIRECTOR WICK
AMBASSADOR TERRA
LIBRARIAN BOORSTIN
SECRETARY RIPLEY

FROM: MIKE DEAVER
DEPUTY CHIEF OF STAFF 

SUBJECT: Presidential Council and Inter-agency Committee
on the Arts and the Humanities

Presidential Council

On October 14, the President indicated his desire to explore with Congress the expansion of the Federal Council on the Arts and Humanities to include private membership.

Attached for your review is proposed legislation that a) authorizes the President to appoint private members, b) limits the federal government membership to representatives of agencies whose mandate is directly related to the arts and/or humanities and who have the largest involvement with the private sector in the field of the arts and humanities, and c) changes the name of the Federal Council on the Arts and the Humanities to the President's Council on the Arts and the Humanities.

Under the current proposal you would be a member of the President's Council. The mandate of the President's Council will be primarily to promote private support of the arts and humanities, and evaluate the effectiveness of Federal support for the arts and the humanities.

It is contemplated that the two Federal Council reports now mandated by current legislation (a study of employment opportunities for artists and a study of the effectiveness of the Arts and Artifacts Indemnity Act) will be completed notwithstanding repeal of the two mandating sections in the Act.

This legislative proposal would have no budgetary impact.

Interagency Committee

We plan to establish an Interagency Committee on the Arts and the Humanities which will be comprised of all agencies -- including yours -- whose activities affect the arts and the humanities in some significant way. This will include the Federal members of the President's Council plus other agencies currently on the Federal Council. The chairman of the Interagency Committee will be a member of the Federal Council.

The purpose of this committee will be to assist the President's council in achieving its goals, ensuring that federal programs are co-ordinated and that data concerning federal support of the arts and humanities is collected in a useful manner.

We would appreciate your comments on, and/or clearance regarding, the proposed legislation before it is submitted to OMB for legislative clearance. We hope to transmit our legislative proposal to the Hill by mid-November. Preliminary contacts with key Senate and House members indicate a favorable reception and quick passage.

Please direct your comments or questions to Frank Hodsoll by November 6.

Many thanks.

Section 1

This Act shall be entitled The President's Council on the Arts and the Humanities Act of 1981.

Section 2

The National Foundation on the Arts and the Humanities Act of 1965 is amended as follows:

"Section 9 (a)

There is established within the Foundation a President's Council on the Arts and the Humanities.

Section 9 (b)

The Council shall be composed of the Chairman of the National Endowment for the Arts, the Chairman of the National Endowment for the Humanities, the Secretary of Education, the Secretary of the Treasury, Secretary of Interior, The Librarian of Congress, the Secretary of the Smithsonian Institution, a member designated by the Secretary of State, the Administrator of the General Services Administration, a member designated by the President pro tempore of the Senate, a member designated by the Speaker of the House of Representatives, and nine members from the private sector designated by the President, one of whom shall serve as Chairman. The President is authorized to change the membership of the Council as he deems necessary, provided that membership of the Council shall not exceed 21 members.

(c) The Council shall -

- (1) promote private sector support of the arts and the humanities, especially at the state and local level.
- (2) analyze, and make recommendation with respect to, the state of the arts and the humanities, their economic needs and problems, and their relationship with the private sector.
- (3) evaluate the effectiveness of Federal support for the arts and the humanities;
- (4) plan and coordinate appropriate participation (including productions and projects) in major and historic national events; and

- (5) collect, maintain and assure the distribution of data on the sources and levels of public and private sector support for the arts and the humanities, as well as on the availability of cultural resources locally.
- (d) The Council shall meet not less than four times annually.
- (e) The Council shall receive, in order to carry out its activities, from amounts available to the National Endowment for the Arts and the National Endowment for the Humanities under section 11(c)(1) and 11(c)(2), not less than \$200,000 but not more than \$400,000 for each of fiscal years 1982 through 1985."

Section 3

Section 9(d) and 9(e) are hereby repealed.

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NO Document Description			

2 MEMO

1 10/23/1981 B7(E)

FRANK HODSOLL TO M. DEAVER RE NEA/NEH
AND THE OLD POST OFFICE BUILDING (PAGE 1,
PARTIAL)

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Self

Self

FROM: FRANK HODSOLL

FROM: FRANK HODSOLL *Frank*

Further to my memorandum of October 14, there are some additional facts of which you should be aware:

1. GSA informs me that over 85% of Justice's request for OPO space is attributable to the Tax Division's need to vacate the Old Star Building across the street.
2. The only Presidential appointee involved is the Assistant Attorney General (Tax Division), Executive Level IV; but he is currently located in Main Justice and will likely remain there.

$$b(n)(e)$$

4. Space is available for the Tax Division in a modern building at 19th & M Streets. This building can be easily configured for a high security operation.
5. The Tax Division does not need representational space.
6. The OPO is designed for open space and public use of the bottom two floors. It probably cannot be redesigned for high security space; even if it could be, it would cost substantial sums of money, require replacing equipment that has just been installed for open space, and delay occupancy significantly.
7. The OPO renovation contemplated arts related activities. It has representational space suitable for events which can raise money and several Presidential appointees. It also provides space for arts and humanities exhibits.
8. Following consultations with GSA and the Director of the Pennsylvania Avenue Development Corporation, it appears that NEA, NEH, PADC and the National Capital Planning Commission can suitably fit into the OPO with virtually no reconfiguration.
9. Not to place arts related activities in the OPO will likely raise severe criticism from those concerned in Congress and those in the District associated with the redevelopment of Pennsylvania Avenue.

In sum, Justice use of the OPO doesn't make any sense from any perspective. While 19th & M is further away from Main Justice than the Old Star Building, the OPO (as currently configured) is unsuitable. The OPO was designed for arts related agencies; is a symbol of excellence in federal restoration; provides representational space to assist with fundraising; and probably cannot (under any configuration) provide for a high security operation.

RECOMMENDATION:

1. That the White House Space Planning Committee approve continuation of planning (begun in 1974) for arts related agencies to occupy the OPO.

2. That the approximately 127,000 sq. ft. coming available in the Spring of 1982 be allocated now to NEA, NEH, PADC and NCPC.
3. That the additional 27,000 sq. ft. coming available in 1983 be reserved for any expansion of the above until such time as it can be established that they will not need any expansion.
4. That GSA use existing appropriations to provide for systems furniture (this would be the most efficient and aesthetic way to maximize use of OPO space).
5. That GSA be instructed to work with the Chairmen-designate of NEA and NEH to assure appropriate designation of space within the OPO for agencies named above.

CC: John Rogers
Jim Baker

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

October 22, 1981

File

TO: Frank Hodsoll

FROM: Muffie Brandon *Muffie Brandon*

RE: Suggestions for the Federal Council of the Arts and Humanities

The following are ideas which I thought might be useful in the organization of the Federal Council and which we can discuss when we meet on Wednesday at 3:00 p.m.

1. CENTRALIZED DATA BANK/INFORMATION CENTER:

One of the most glaring needs in the whole process of private support for the Arts and Humanities is an Information Recourse Center. This center would serve to gather and distribute the needs of the Arts and Humanities with what is available in the private sector.

The mechanism of this Information Center would be computerized data banks which would be donated and staffed by corporate technical assistance experts.

During the first year the needs of specific Arts and Humanities programs would be programmed as well as specific interests of corporations and foundations.

This Information Center would be an enormously important resource for the Federal Council and would, for the first time, provide a central clearing house of information to which State and local communities, as well as individual cultural organizations, could turn for guidance and information about how to organize support on the local level and what resources might exist within their geographical areas.

2. THE FEDERAL COUNCIL HELPING TO GENERATE LOCAL FUNDS WHICH WOULD REMAIN AT THE LOCAL AND STATE LEVEL:

The suggestion has been made that certain members of the Federal Council would travel to the States and help generate funds through discussions with corporate leaders and Foundation presidents, as well as participating in special fund-raising events. I would hope that all the funds generated by these activities would remain at the State and local level and that this fact be reinforced publicly by the Council in concurrence with the President's financial guidelines.

Frank Hodso11

Page Two

3. COMPOSITION OF THE FEDERAL COUNCIL:

There is an enormous amount of dedication and commitment in the private sector to be harnessed for the advancement of the Arts and Humanities as well as for social programs. My hope would be that those asked to join the Federal Council for the Arts and Humanities be:

- a. Available to really work and devote some time to this challenge.
- b. Be supportive of the basic philosophy of the President in his commitment to encourage private initiative and support at the local level.
- c. Have experience either in the Arts and Humanities or in the corporate/foundation or management field.

cc: Mike Deaver ✓
Jim Rosebush

THE WHITE HOUSE

WASHINGTON

October 13, 1981

NOTE FOR MIKE DEEVER

FROM: FRANK HODSOLL *7H*

SUBJECT: 10/14 Lunch on Arts & Humanities

You should be aware, when you talk to Mrs. Reagan about her announcement, the other Chairmen mix and Muffie, that we will not be in a position to announce Bennett as Chairman of NEH tomorrow. The reason for this is that Helms and East had wanted another candidate (Bradford), and East wants another crack at Baker on the issue. There is no question on how we will come out; it is just that we need the appearance of "due consideration"; one day does not provide this.

In light of the above, I go from neutrality on Mrs. Reagan's announcement now to support for it. I talked with Max Friedersdorf who does not see any Hill problems with appointing Mrs. Reagan as Honorary Chairman of the Federal Council (there is the Joan Mondale precedent) and then proposing legislation to the Hill to expand the Council. Mrs. Reagan's position is not dependent on the legislation.

On the other hand, since there will be a brief (say, 60 day hiatus before we can appoint a private Chairman), I suggest Mrs. Reagan be announced (the formula would be: the President is delighted that NR is prepared to take on the role of Honorary Chairman) in the context of:

- (i) assisting greater private/public partnership in fostering the arts and humanities, and
- (ii) working with the Congress to expand the Federal Council to include private members (including eventual appointment of a private Chairman).

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NO Document Description

3 MEMO

1 10/12/1981 B6

HODSOLL TO DEAVER RE PROPOSED SPECIAL
ASSISTANT FOR ARTS AND HUMANITIES

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

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THE WHITE HOUSE

WASHINGTON

October 12, 1981

MEMORANDUM FOR MIKE DEAVEY

FROM: FRANK HODSOLL *Frank*

SUBJECT: Arts & Humanities: (A) Timing of Announcement of Mrs. Reagan as Honorary Chairman of the Federal Council; (B) Composition, Rationale and Timing of Other Key Appointments (Chart attached)

A. Announcement of Mrs. Reagan

The original recommendation was that the President would announce Mrs. Reagan as Honorary Chairman of the Federal Council at the October 14 lunch at which the President will receive the Task Force's report on the Arts and Humanities. We had also suggested that the President announce at the lunch his nominations for Chairmen of NEA and NEH and his appointment of a Special Assistant to the President for the Arts & Humanities. The suggestion has now been made that we postpone announcement of Mrs. Reagan's position until after legislation expanding the Federal Council to include private members is passed by Congress.

The pros and cons of moving now with Mrs. Reagan's announcement are set out below:

PROS

- The announcement of Mrs. Reagan combines with the announcements of the Chairmen and Special Assistant to produce a package of appointments in the arts and humanities area; the package is evidence of the President's personal interest-- showing continuing high level White House involvement in support of a combined public/private effort.
- Mrs. Reagan's association with the Federal Council should help to get legislation quickly through the Senate and House; soundings with Senator Stafford and Congressman Yates indicate a favorable Congressional reception.

- Moving now with the announcement of Mrs. Reagan's chairmanship provides her with immediate visibility of moving into her own field.
- The announcement will put to rest the Heston/Terra bickering over who should be chairman.
- Not to move now poses the risk of speculation; a number of people (including Terra) are apparently aware of the possibility of Mrs. Reagan becoming chairman.

CONS

- Announcement now of Mrs. Reagan as Honorary Chairman might be viewed as pre-empting the Congress to whom the Administration would be proposing legislation to expand the Federal Council; it might be awkward for the President to announce the First Lady and then propose legislation to expand the Council.
- Moving now might look like receipt of the Task Force report was rigged (the President will receive the report at lunch); this can be countered by the fact that the President is announcing Mrs. Reagan as Chairman of the Federal Council, not the new council which would be created by legislation.
- It could be embarrassing to Mrs. Reagan if the legislation to expand the Council bogged down; while we do not expect it to bog down, Mrs. Reagan would remain Chairman of the Federal Council, assuring direction to Federal programs.

DECISION

1. Move with announcement of Mrs. Reagan now _____ OK
2. Postpone announcement until after legislation passed by Congress. _____ OK

B. Other Key Appointments

Below Mrs. Reagan, there are two key personalities which need to be considered and three key positions which need to be filled. The two personalities are Heston and Terra. The key positions are Chairman of the President's Council (we need a chairman as well as Honorary Chairman), Chairman of the National Campaign for the Arts and Humanities (the private sector effort), and Chairman of the Interagency Committee (the Federal coordination effort).

Both Heston and Terra had wanted to be Chairman of the Federal Council. As we have discussed, neither of them is an ideal candidate for this position. Mrs. Reagan's assuming Honorary Chairman will be of enormous benefit to the arts and humanities; her leadership and personal qualities will, in my view, generate real excitement around the country. We still, under statute, need a Chairman.

In my view, an ideal complement to Mrs. Reagan (with her status as First Lady and interest in the arts) would be Hanna Gray (with her status as President of the University of Chicago and her involvement in the humanities); Hanna has also proved herself to be the most effective of the three Tri-Chairman of the Task Force on the Arts & Humanities. She is conservative, respected in the academic community, an excellent Chairman, and politically skilled at avoiding the kinds of rumpuses in the press which Heston and Terra periodically gave vent to. Her appointment would also, I think, be acceptable to Heston and Terra; both admire her. She should not, however, be announced prior to passage of legislation since she would be part of the private sector component of the expanded Council.

It should be noted that Hanna Gray has indicated she would probably not have a great deal of time to devote to the Council, but she did this in a way that didn't say no. If she were to receive a call from the President or Mrs. Reagan asking her to take on this function, particularly with Mrs. Reagan as Honorary Chairman, I believe she would say yes.

The way to deal with the Heston personality is, in my view, to make him Chairman of the National Campaign for the Arts & Humanities. Since Chuck prefers to be the front man and is not likely to be available for day to day management of the private sector effort (given his film career), I suggest we get Barney McHenry, who has been the real mover and shaker behind the scenes of the Task Force, to chair an Executive Committee under Heston to manage the private fundraising effort. Heston and McHenry would, of course, also be on the new Federal Council.

I talked with Helene von Damm on Friday about Terra. She asked me whether there would be any problem with putting Terra on the Federal Council. I said that he should be on the Council as the State Department representative. I have also agreed with Helene to draft some thoughts for her consideration on a specific role for Dan in the international area. I gather Dan would now be satisfied just to be on the Council.

Finally, we need a Chairman of the interagency effort. At the risk of being presumptuous, I suggest me. I have run many interagency efforts over the years; and with my knowledge of the political realities of Federal programs, their Congressional committees and constituencies, I believe I could be effective in this role. I would be supported by a number of members of the Task Force in this endeavor. One possible hitch involves Terra. From my conversation with Helene, however, I believe he would be content with being on the President's Council with a more specific role at the State Department. He would also not be, in my opinion, effective in running an interagency effort.

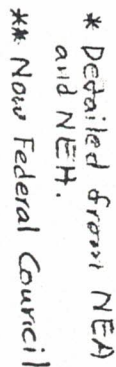
DECISION

1. You call Hanna Gray, at the President's request, to ask her if she would be willing to be Chairman after legislation is enacted. _____ OK
2. You call Heston to tell him about Mrs. Reagan and Hanna Gray, and ask him to chair the private effort (with Barney McHenry providing day to day support as Executive Committee Chairman). _____ OK
3. You call Dan Terra and inform him of the above, ask him to be a member of the Federal Council with specific international responsibilities. _____ OK
4. You tell me whether I can be Chairman of the Interagency Committee. _____ OK

I am sorry to put so many calls on you, Mike, but after your conversation with Heston and Terra I think you are the only one who can really talk with them about these matters. From the point of view of bent noses, I think it is important for you to touch base with them before the lunch. Finally, a call from you would be more likely to sway Hanna.

ATTACHMENT

FOR DISCUSSION
10/5/81



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4 MEMO

1 10/9/1981 B6

HODSOLL TO DEAVER RE ARTS AND
HUMANITIES: CHAIRMANSHIP OF FEDERAL
COUNCIL

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

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THE WHITE HOUSE
WASHINGTON

October 8, 1981

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Arts & Humanities

MEMORANDUM FOR MIKE DEEVER

FROM: JIM ROSEBUSH *JR*
MUFFIE BRANDON *MB*
FRANK HODSOLL *FH*

SUBJECT: Arts & Humanities: Organization and Events

As you know, the lunch on October 14 will kick-off the Administration's official approach to the arts and humanities. While the immediate scenario for the lunch is agreed, we should have an understanding, and approval in principle, of a general scenario following the lunch.

We will need your guidance no later than Tuesday morning (10/13) so that we can organize the necessary calls to certain Task Force members before the lunch. You will probably have to call Heston and Terra.

We suggest the following approach. It assumes we can work out the legal difficulties with Mrs. Reagan's participation; if we cannot, we shall have to agree on a different chairman. Hodsoll will be back to you separately on this.

1. Before 10/14:

Approve in principle proposed Administration structure for arts and humanities (see attached organization chart). The organization chart shows the new President's Council under its Chairman (staffed by the Special Assistant to the President for the Arts & Humanities, an Executive Director and small staff). The Council is bracketed by a private effort to increase local fund-raising (the National Campaign for the Arts & Humanities) and a government effort (coordinated by an Interagency Committee on the Arts & Humanities).

If approved in principle, Hodsoll can discuss, and probably obtain concurrence in, the general concept; we will need to consult with Heston, Terra, Deutsch, McHenry, Murphy, Dan Boorstin, Dillon Ripley and relevant Congressmen and Senators, among others. These consultations can take place during the next two weeks.

APPROVE

OK

DISAPPROVE

2. Lunch 10/14:

Announce (i) Mrs. Reagan as Chairman of the current Federal Council (interagency committee) and (ii) the Administration's inclination to expand the Council to include private members. We would also announce our nomination for Chairman of NEA, our intention to nominate the new Chairman of NEH, and our appointment of a Special Assistant to the President for the Arts & Humanities. Note: Mrs. Reagan and Queen Sofia of Spain will visit the National Gallery together on this day.

APPROVE _____

DISAPPROVE _____

3. By 11/1:

Send legislation to expand Federal Council (new name President's Council on the Arts and Humanities) to the Hill. There are indications from the relevant Senate and House committees that such legislation can be quickly passed (i.e., before the Congress adjourns for Christmas). While the Counsel's office believes we could do this without legislation, they agree with us that it would be preferable to secure Congressional approval. Such legislation would have no budget implication; Council expenses will be borne by NEA and NEH. Council staff would be detailed from NEA and NEH.

APPROVE _____

OK

DISAPPROVE _____

4. Upon Hodsoll's confirmation (hopefully by 11/13):

Presidential memo to Hodsoll instructing him to pull together, in conjunction with NEH Chairman-designate and other affected Federal officials, an analysis of NEA, NEH and other Federal arts and humanities programs and of possibilities for their improved operation and/or consolidation. Senate staff tell Hodsoll that it should be possible for him to be confirmed by 11/13 (the next National Council of the Arts meeting). It will probably

take until mid-November formally to nominate the NEH Chairman (as security and financial clearances will not be available at the outset); his confirmation probably can't be expected before early December.

One of the main tasks of the Federal Council (in its present or expanded form) will be streamlining, packaging and improving Federal arts and humanities programs. We can pull together a data base and initial recommendations on which the new Council can move.

APPROVE

OK

DISAPPROVE

5. 11/22 & 12/6:

The first PBS Young Performers Series will be on 11/22 (Rudolph Serkin at the White House); the President and Mrs. Reagan will attend the Kennedy Center Honor Awards reception on 12/6.

6. By 12/1:

- a. Rosebush/Brandon/Hodsoll to develop, in conjunction with von Damm, a detailed plan for the National Campaign for the Arts and Humanities (including names of participants and proposals for initial pilot projects) for approval by Mrs. Reagan and Mike Deaver. On the basis of this plan, the National Campaign would be put together.

APPROVE

OK

DISAPPROVE

- b. Von Damm/Rosebush/Brandon/Hodsoll to develop recommendations on 8 new members of the National Council on Humanities. Appointments are due in January.

APPROVE

OK

DISAPPROVE

7. 12/81:

President signs legislation expanding Council, appoints private members of the Council, and receives members of the National Campaign.

APPROVE

OK

DISAPPROVE

8. 12/20:

The second PBS Special for Young Performers will feature Beverly Sills.

9. 12/81:

Final action on NEA - NEH appropriations will likely take place during the month of December. The budget amounts will probably be higher than the President's budget for NEA and NEH; but the overall Interior appropriations bill (of which NEA and NEH are part) is likely to be lower (currently \$200 million lower) than the Administration request. Hodsoll is currently working with OMB and the Hill to produce a reasonable budget number on the basis of which a realistic FY 83 budget might be crafted.

10. 1/82:

First meeting of President's Council on the Arts & Humanities. We would hope at this meeting to have an initial report on (i) Federal arts and humanities programs and (ii) the establishment of the National Campaign. Mrs. Reagan would outline the general structure of the Administration's effort, our philosophy, and specific actions and events which can help the private effort.

APPROVE

OK

DISAPPROVE

11. Late January:

President submits to Congress his proposals for the FY 83 budget.

12. January '82:

Hodsoll, and hopefully the new NEH Chairman, begin symposia on the state of the arts and humanities, their special needs, and appropriate sources of funding.

13. 2 and 3/82:

Third and fourth of PBS Young Performers Series on Dance and Country Western (featuring Gene Kelly and Merle Haggard).

14. 3/82 - 6/82:

National Campaign pilot programs in 3-4 regional cities providing assistance to local fundraising.

APPROVE

OK

DISAPPROVE

15. 6/82:

Second meeting President's Council

- Reports on state of arts and humanities.
- Reports on NEA & NEH.
- Reports on National Campaign (in particular pilot programs)
- Approve Fall Kick off.

APPROVE

OK

DISAPPROVE

16. Fall '82:

Assuming success of the National Campaign pilot projects, do national event as kick-off to full scale National Campaign. This might involve a Kennedy Center event featuring the more popular aspects of the arts as a drawing card for general support for the arts and humanities; the event could include fundraising dinners (with closed

circuit TV) around the country. This could be followed by a commercial television show. We have proposals that move in this direction, but need not decide now on a precise mechanism.

17. General

The President's and Mrs. Reagan's involvement should be carefully structured to ensure that:

- The arts and humanities effort remains very much a part of the overall private sector initiative.
- It does not create an image of White House elitism (in hard times favoring the "play-things of the rich").
- Mrs. Reagan's public appearances emphasize outreach projects (e.g., in the inner cities and involving children).
- We generate additional excitement about, and appreciation of, American culture -- not just in New York and California, but across the land.
- Those artistic and scholastic efforts which have potential for creating a lasting contribution receive support (outreach should take this into account).
- Diversity of American creativity, and of support for that creativity, is fostered.
- Support for, and federal government appointments concerning, the arts and humanities remain non-partisan. (The Administration will achieve important political benefits from showing sensitivity and recognizing excellence; partisanship would be counterproductive. Johnson/Nixon/Ford treated National Council appointments on a nonpartisan basis. Carter was heavily criticized for using these appointments to reward purely political supporters; he in fact retreated from his earlier position on this in his last appointments which were quite good.)

APPROVE



DISAPPROVE

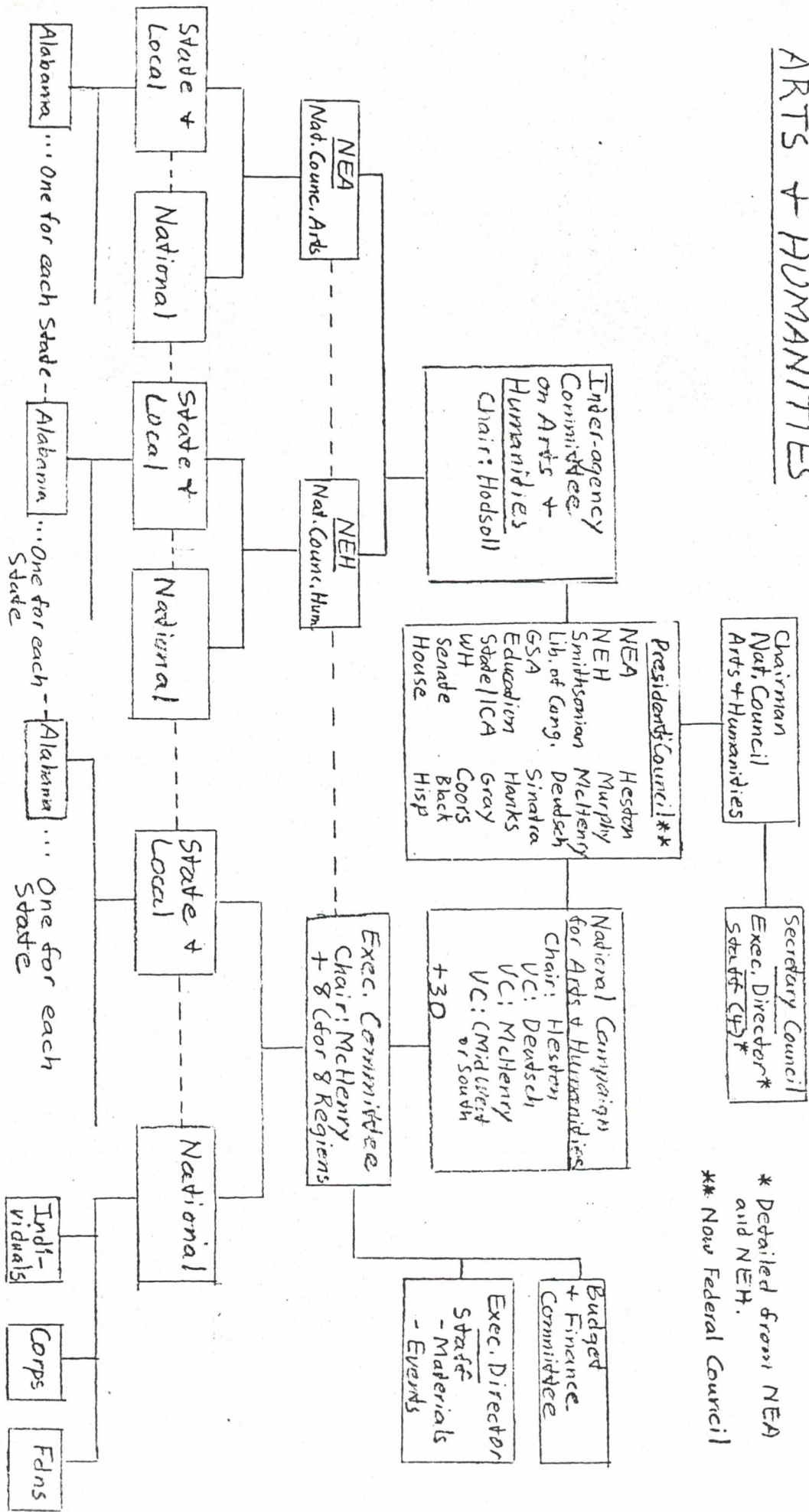
CC: Peter McCoy
Helene von Damm

ATTACHMENT

ARTS + HUMANITIES

FOR DISCUSSION
10/5/81

* Detailed from NEA
and NEH.
** New Federal Council



MEMORANDUM

THE WHITE HOUSE

WASHINGTON

July 15, 1981

MEMO

TO: Michael Deaver

FROM: Muffie Brandon

Muffie Brandon

I would be extremely careful in giving a White House reception to the corporate sponsors of the Kennedy Center, when our own Presidential Commission for the Arts and Humanities is going to need several receptions to "stroke" the corporate community all over the nation to support the arts on a broad basis. Perhaps we should chat about this and try to figure out a policy whereby Presidential stroking is reserved for a certain echelon of corporate executives and we could help the Kennedy Center in some other manner.

THE WHITE HOUSE
WASHINGTON

Mike:

Any further action on this?

Muffie
your comments
I think we
shd do.

PATRICIA BYE

THE WHITE HOUSE
WASHINGTON

To

Muffie Brandon

FROM:

MICHAEL K. DEEVER
Assistant to the President
Deputy Chief of Staff

- ☐ Information
☒ Action

July 16, 1981

Dear Mr. Stevens:

This is with reference to your letter of May 20 to Mr. Deaver about a White House Reception for the leadership of The Corporate Fund of the John F. Kennedy Center for the Performing Arts.

Regrettably, we have been unable to schedule such a reception to date in view of the demands of the schedules of the President and The First Lady. I know, though, they would want to participate in an event to insure continuing support of The Kennedy Center as a national cultural treasure. Therefore, just as soon as it is possible to let you know when this might be arranged, I will contact you again.

In the meantime, please be assured of our sincerity and that you have our very best wishes.

Sincerely,

Gregory J. Newell
Special Assistant
to the President

Mr. Roger L. Stevens
Chairman
John F. Kennedy Center for
the Performing Arts
Washington, D.C. 20566

Inf cc: Mr. Deaver/Mr. Canzeri
cc & inc: Helen Donaldson for schedule consideration
GJN:mhr:emb-8b

9

THE WHITE HOUSE

WASHINGTON

July 15, 1981

Ms. Jillian Poole
Director of Development
John F. Kennedy Center for the
Performing Arts
Washington, D.C. 20566

Dear Jillian:

Many thanks for your kind note of January 10th. I was indeed interested to read Mr. Stevens letter to Mr. Deaver of May 20th, but as you and I discussed, there is a slight problem in having the President or the First Lady "go to bat" for any one specific cultural institution when so many are in such need.

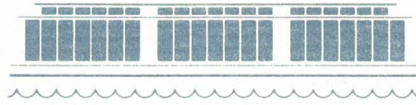
I know that Mr. Deaver will address this issue himself and come up with a wise conclusion. In the meantime, my very best wishes to you and to Roger and all of you who do such a magnificent job at the Kennedy Center.

Very sincerely yours,



Mabel H. Brandon
Social Secretary to
the White House

cc: Michael Deaver



JUL 13 1981

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

Director of Development

July 10, 1981

Mrs. Muffy Brandon
Social Secretary to the White House
1600 Pennsylvania Avenue, N. W.
Washington, D. C. 20500

Dear Muffy:

Enjoyed talking to you today. Attached is Roger's letter to Michael Deaver. As you will see from the attachments, the Corporate Fund leadership is an outstanding national group and, of course, the reason we have been able to get them is because we are the national cultural center.

Thanks and good wishes.

Yours sincerely,

Jillian Poole

3 Enclosures

1. Copy of letter
to Michael Deaver
2. Brochure
3. Governors of Corporate
Fund

C O P Y

May 20, 1981

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

Dear Mr. Deaver:

I was pleased to learn from you last night that you think the President would be receptive to a White House reception for our Corporate Fund leadership.

I am enclosing a couple of copies of our Corporate Fund brochure as well as the full list of our leadership to date. I think it would be appropriate to invite all these men and their wives and Chief Executive Officers of top category contributors, say \$10,000 and up. You will see these corporations listed in the brochure.

Such an event would be enormously helpful to the Center because it would give our campaign impetus. When President Carter hosted this group, the response was most enthusiastic. If the event could be scheduled in June or early July it would be most timely.

Thank you again for your help on this. As I think I mentioned to you, I am going out of the country on business and will not return until June 9. However, Jillian Poole the Center's Director of Development helps me organize the Corporate Fund and you may want to talk to her about it in my absence.

Sincerely,

Roger L. Stevens
Chairman

Enclosures

C O P Y

GOVERNORS OF THE CORPORATE FUND

As of July 13, 1981

Ray C. Adam
Chairman and Chief Executive Officer
NL Industries, Inc.

William M. Agee
Chairman and Chief Executive Officer
Bendix Corporation

Theodore A. Burtis
Chairman and President
Sun Company, Inc.

Joesph E. Connor
Chairman
Price Waterhouse & Company

Hugh Cullman
Chairman and Chief Executive Officer
Philip Morris, U.S.A.

Edwin D. Dodd
Chairman and Chief Executive Officer
Owens-Illinois, Inc.

Thomas E. Drohan
President and Chief Executive Officer
Foremost-McKesson, Inc.

Walter A. Fallon
Chairman of the Board
Eastman Kodak Co.

J. Robert Fluor
Chairman and Chief Executive Officer
Fluor Corporation

Robert V. Hatcher, Jr.
President and Chief Operating Officer
Johnson & Higgins

Roderick M. Hills
Attorney at Law
Latham, Watkins & Hills

Edwin K. Hoffman
Chairman
Woodward & Lothrop, Inc.

Amory Houghton, Jr.
Chairman and Chief Executive Officer
Corning Glass Works

John V. James
Chairman of the Board and Chief Executive Officer
Dresser Industries, Inc.

Edward G. Jefferson
Chairman and Chief Executive Officer
E. I. DuPont de Nemours & Co., Inc.

F. Ross Johnson
Chairman and Chief Executive Officer
Standard Brands Incorporated

Honorable Melvin R. Laird
Senior Counselor
Readers Digest Association, Inc.

J. Paul Lyet
Chairman and Chief Executive Officer
Sperry Corporation

J. Edwin Matz
Chairman of the Board
John Hancock Mutual Life Insurance Company

Edward N. Ney
Chairman
Young & Rubicam, Inc.

Donald E. Procknow
President
Western Electric, Inc.

James D. Robinson, III
Chairman and Chief Executive Officer
American Express Company

Thomas F. Russell
Chairman and Chief Executive Officer
Federal-Mogul

Henry B. Schacht
Chairman
Cummins Engine Company, Inc.

David C. Scott
Chairman and Chief Executive Officer
Allis-Chalmers Corporation

Donald V. Seibert
Chairman of the Board and Chief Executive Officer
J. C. Penney Company, Inc.

Richard R. Shinn
Chairman and Chief Executive Officer
Metropolitan Life Insurance Company

William S. Sneath
Chairman of the Board and Chief Executive Officer
Union Carbide Corporation

Dr. Otto Sturzenegger
Chairman of the Board and Chief Executive Officer
Ciba-Geigy Corporation

Patrick J. Waide, Jr.
Partner-in-Charge
Deloitte Haskins Sells

Dr. Jack Young
President
Consolidated Petroleum Industries, Inc.

file

THE WHITE HOUSE

WASHINGTON

April 9, 1981

MEMORANDUM FOR:

JIM BAKER
MIKE DEEVER

FROM:

FRANK HODSOLL *Frank*
KATE MOORE *kat*

SUBJECT:

National Endowment for the Arts

We understand the President is favorably disposed to providing, under the leadership of Charlton Heston, greater private sector policy direction and involvement in the National Endowment for the Arts (NEA). We also understand the President would like to demonstrate Administration concern for the arts notwithstanding budget cuts.

We learned Tuesday that Dan Terra, Helene von Damm, Peter McCoy, Joe Canzeri and Muffie Brandon have also been considering a series (beginning in the fall) of White House events supportive of the arts, and that Dan Terra has been giving specific thought to NEA. We are sending them copies of this memorandum, but did not wish to delay this memorandum. Charlton Heston is planning to fly in to Washington, Thursday, April 16, to discuss where we are heading.

The purpose of this memorandum is to give you initial thoughts and seek your preferences on how best to proceed in this area so that we can discuss these with Heston Thursday. Our thoughts are based on conversations with the following:

Livingston Biddle	Current Chairman of the NEA
Richard Bishirgian	Author of the NEH transition report
Muffie Brandon	Social Secretary to Mrs. Reagan and former arts consultant
Robert Carter	Author of the NEA transition report
Bart Giamatti	President, Yale University
Terry Holpert	NEA Budget Examiner from OMB
Mary Lawton	Former General Counsel to Corporation for Public Broadcasting
Barnabas McHenry	New York City Commission of Cultural Affairs
Peter Rusthoven	Counsel to the President's Office
Roger Stevens	Chairman of the Board of Trustees of the Kennedy Center, and former Chairman of the NEA.

A. OBJECTIVES

We have reviewed the current structure and operations of NEA to determine how best to accomplish three objectives:

- (1) Demonstrate Administration concern for the arts, notwithstanding the 50 percent NEA budget cut for FY '82.
- (2) Obtain greater private sector policy direction and involvement in supporting the arts.
- (3) Improve the administration and efficiency of government support to the arts.

B. BACKGROUND

1. Origin and Structure of the National Endowment

The National Endowment for the Arts (NEA) and National Endowment for the Humanities (NEH) were created by the National Foundation on the Arts and Humanities Act of 1965 (the "Act"). The Arts Endowment owes its creation in part to educational establishment support for the Humanities Endowment, according to Roger Stevens, Assistant to President Johnson who secured passage of the Act. While the two endowments serve different constituencies (the arts community and the academic community), there is overlap in their programs: e.g., in museum projects and film production.

The original arts program appropriation was \$2.5 million; the FY '81 budget is now \$158.6 million. Carter would have increased this in FY 82 to \$175 million; our budget cuts the FY 82 budget to \$88 million. The Humanities program has similarly increased from \$5.5 million to \$151.3 million. Carter would have increased the Humanities budget to \$169 million in FY 82; we have proposed a cut to \$85 million. The Senate adopted our cuts, but the House Budget Committee proposes to restore \$57 million to be split between the two Endowments.

NEA and NEH are headed by separate Chairmen, each appointed by the President, subject to Senate confirmation for a four-year term:

- o NEA: Livingston Biddle whose term expires in November 1981
- o NEH: Joseph Duffey whose term expires in September 1981.

Each Chairman has policy and program responsibility and is advised by a Presidentally appointed council of 26 members, serving staggered six-year terms. The councils are composed of qualified citizens experienced in the arts or humanities; the existing arts council consists primarily of artists or arts managers.

The Act also provides for a Federal Council comprised of the two Endowment Chairmen and a number of other Federal officers. Its mission is to consult with the NEA and NEH Chairmen on major problems in carrying out the purposes of the Foundation. This Council was fairly dormant until Joan Mondale revived it. It does not, however, directly participate in the funding decisions of the Endowment Chairmen.

2. Analysis of Current Operations

NEA and NEH receive appropriations from Congress in four basic categories: (a) "program funds," which are the principal funding component, i.e., grants for dance, music, theatre, etc.; (b) "treasury funds," which match private sector pledges (two to one, private to federal) to specific Endowment grantees; (c) "challenge grants", a matching program that offers federal funds to institutions that obtain new private funding sources (three private dollars required for one federal dollar); and (d) an administrative appropriation.

NEA and NEH operate in similar fashion:

- (1) The Endowments process grant applications in the several program categories (e.g., dance, theatre, museums, etc.); the large number of categories and sub-categories is criticized.
- (2) Applications are reviewed by the career program directors and peer panels of artists, with the Chairmen, advised by the council, making the final decisions.
- (3) In general, no grant may account for more than 50 percent of the grantee's income.
- (4) Both Endowments may accept gifts.
- (5) At least 20 percent of the "program" funds must be used to assist arts projects supported by the states. Most of this is, however, allocated in equal amounts regardless of the size of the state to state Arts Councils. While some Arts Councils are thought to be good, doubts have been expressed as to their general quality.

Virtually all of those with whom we spoke indicated need to improve NEA and NEH operations -- better management, less bureaucracy, increased support to the states.

Recommendations included:

- o Get more effective Chairmen for each of the Endowments; Biddle is criticized more than Duffey.
- o Get better managers in the top echelon of NEA.

- o Find ways for more of the individual artistic decisions to be made by States, recognized art institutions (e.g., American Film Institute) and peer groups, rather than by the Endowments' bureaucrats. (Note: Biddle is proposing a substantially identically-sized bureaucracy to administer half the money, and OMB staff is inclined to agree on the grounds that this is the only way to assure quality control and accountability to OMB and the Congress.)
- o Cultivate private sector support for the arts by reviewing tax laws, regulations and incentives.
- o Increase visibility and leadership role of the National Council on the Arts.

3. Congressional Relations

The Congress last year spent some considerable time on the National Endowments -- extending their authorization through FY '85, making the NEA and NEH authorities more parallel, extending Challenge Grant authorities to include local arts groups, and authorizing interagency agreements to promote the arts. It should be noted that the House Committee on Education and Labor expressed concern over increasing percentages of the Endowments' funds being devoted to Treasury programs requiring a high percentage of matching funds, "placing an unfair burden on arts and humanities institutions, particularly at a time when economic conditions discourage philanthropy."

Key players in the Senate are:

- o Authorization: Education, Arts, and Humanities Subcommittee (Robert Stafford, Chairman) of the Committee on Labor and Human Resources (Orrin Hatch, Chairman).

Other interested parties include: Ted Stevens, Interior Subcommittee; Claiborne Pell, sponsor of NEA in 1965, former employer of Livingston Biddle, and ranking minority member of the Subcommittee.

- o Appropriations: Interior Subcommittee (James McClure, Chairman); ranking minority member, Robert C. Byrd.

Key players in the House are:

- o Authorization: Post Secondary Education Subcommittee (William Ford, Chairman) of the Education and Labor Committee (Carl Perkins, Chairman).

Other interested parties include: Tom Evans.

- o Appropriations: Interior Subcommittee Chairman, Sid Yates; ranking minority member Joseph McDade.

We have not yet explored the proposals which follow with the relevant Committees; we should do so after obtaining an indication of your inclinations. We would note, however, that it may be difficult to get the Congress to focus on this subject one year after having extended the Act; after consultation with the Congress, we will want to consider how much effort we want to expend in this area to obtain statutory revisions in light of other priorities on the Hill.

C. ORGANIZATIONAL OPTIONS

The options below are designed to address the three objectives described earlier. Counsel advises that organizational changes, designed to change the nature of the NEA/NEH programs and the authority for administering them, will require new legislation rather than a Reorganization Plan. It should be noted that all of the options (except Options 1 and 5) could result in criticism from major art institutions (e.g., Metropolitan Opera) as an attempt to siphon off private funds for Endowment-supported projects. All of the options could be coupled with White House events featuring the arts and encouraging greater private sector support.

Option 1 -- Maintain current structure of NEA; replace Biddle.

This approach demonstrates visible support for the Arts by placing a strong and distinguished leader at the helm. It requires minimal Congressional involvement. The White House and Congress will not be distracted from other legislative priorities.

The job of Chairman as it currently exists is full-time; our ability to appoint an individual with the breadth of experience we seek may be limited by this full-time requirement. Further, this option does not provide a strengthened link to the private sector. The involvement of the private sector would remain a function of the character of the Chairman and his staff.

Option 2 -- Create new parallel Boards of Directors (consisting primarily of managers and patrons) to oversee NEA and NEH; these private sector Boards would have strong Chairmen, policy powers and strong ties to private donors; new Chairmen of the NEA and NEH would carry out the policies of those Boards.

This Option serves all objectives: showing visible support for the Arts, and creating a structural link to private sector donors.

This change, however, requires legislation; it may face opposition, since it downgrades the existing Councils and Endowment chairmen. It may be perceived as an Administration attempt to get around the staggered terms of the Council members and appoint our people; this could be overcome by quality, nonpartisan appointments designed to increase private sector funding.

Option 3 -- Create a single Board of Directors to oversee both NEA and NEH; this private sector Board would have policy powers; appoint a strong chairman.

The only difference between this Option and Option II is that in this case one Board would oversee both NEA and NEH. This approach represents an attempt to reduce bureaucracy and minimize overlap in NEA and NEH functions.

The disadvantages are the same as for Option 2; it might be difficult to find a single person who could chair both the arts and the humanities parts.

Option 4 -- Create a public corporation, along the lines of the Corporation for Public Broadcasting (CPB) to foster the Arts (and Humanities); appoint a strong Chairman.

This approach appears to satisfy all four objectives, although passage through Congress may present a significant challenge. It may be helpful to consider how CPB currently functions.

- o CPB was established as a non-profit Corporation to encourage the development and growth of public radio and television. The principal rationale for a nonprofit corporation was to avoid First Amendment criticisms of Government interference with freedom of the press.
- o CPB has a Board of Directors, each of whom is appointed by the President to six-year terms, with the advice and consent of the Senate. The CPB Board is comprised of individuals eminent in fields of interest related to the public broadcasting industry. The Board, as a body, elects a Chairman and Vice Chairman and appoints the President and other officers of the corporation. The Board is nonprofit and non-political.
- o Federal appropriations are conditioned on non-Federal financing of public broadcasting entities at least equal to the Federal financing.

Option 5 -- Leave Endowments as they are; create by Executive Order a new permanent Presidential Commission to advise the President on the arts (and humanities) with strong arts chairman (and possibly an eminent humanist as co-chairman). The co-chairmen could be part-time Special Counsellors to the President who would provide policy guidance to the Endowment Chairmen and assist them in raising private matching funding. A small (5-10) staff (similar to OSTP) would be located in the EOP to service the Commissions; this could be done by detail from the Endowments.

This option addresses all three objectives (assuming strong managers are placed at NEA and NEH); four would be minimal Congressional involvement. Members of the Commission would be drawn primarily from the private sector (patrons and managers of the arts).

The disadvantage is that this Option results in another bureaucratic structure in the EOP.

Conclusion

These Options are based on a preliminary review. Further study is needed in the following areas:

- Potential for more effective management of the current NEA and NEH structures, including the ability of states and private organizations to administer effectively block grants.
- Receptivity of Congress to organizational change.

What we seek at this point is your preliminary preference:

- Option 1 _____
- Option 2 _____
- Option 3 _____
- Option 4 _____
- Option 5 _____

D. NEXT STEPS

We recommend that we discuss, with Charlton Heston and others, moves toward creation of a Presidential Task Force on the Arts and Humanities to study and develop within 60 days consensus on the issues noted here. We recommend that Charlton Heston be co-chairman of this Task Force for the Arts and that a distinguished humanist be appointed co-chairman for the Humanities. A listing of potential candidates for the arts side of this commission is at Attachment A.

The mission of the Task Force would be:

- o Review and critique the functioning of NEA and NEH, as well as other arts and humanities programs administered by the federal government.

- o Assess Options 1-5 (and any other options) and recommend an appropriate organizational structure.
- o Confer with key Congressmen.
- o Develop specific personnel recommendations which complement the organizational recommendations (e.g., if NEA and NEH remain intact, find replacements for Biddle and Duffey).

The Task Force should be supported by a small temporary executive secretariat (using detail slots from NEA and NEH). We need to identify 2-4 first class arts/humanities persons for this.

Rationale

The above recommendation immediately addresses the objectives of demonstrating our visible support for the arts and seeking private sector involvement. The task force will allow us to study the issue and develop support for a preferred approach.

APPROVE _____

DISAPPROVE _____