

9/18/80 [Briefing Book]

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11:00 Am

THE WHITE HOUSE
WASHINGTON
September 18, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: RAY JENKINS *RJ*
SUBJECT: U.S. News & World Report Interview

Your interview with this magazine will be at 11 a.m. Friday in the Oval Office and will be conducted by:

- John Lang and Ted Gest, US News' White House correspondents
- John Mashek, political editor
- Les Tanzer, managing editor

We are told that the questions will focus largely on political and domestic issues, although there might be a few general questions about world affairs. Since the interview will not be published until September 29, we do not expect them to seek hard news answers, but rather reflective, general, philosophical responses.

The interview will be published in Q & A format.

It is our feeling that your preparation for the press conference adequately prepares you for this session. In case you want to bone up a bit, however, some selected briefing materials are attached.

A photographer for U.S. News will be in for the first minute or two along with the White House photographer.

U.S. News & World Report is the only one of the three news magazines which is based in Washington. It has a circulation of two million and claims to have the highest readership per subscriber of any magazine.

Attachment

KEY CARTER-REAGAN POINTS

1. RECORD -- Carter has compiled a solid record of accomplishments; Reagan has not.

Carter has:

- o protected the peace -- through strong defense and diplomatic skills.
- o tackled tough, long-ignored and politically difficult issues (energy, inflation, government bureaucracy).
- o restored important values to government (ethics, integrity, openness, concern for human rights abroad and equal rights at home).
- o demonstrated compassion, sensitivity for problems of poor, minorities, unemployed, elderly.

Reagan has:

- o developed no national record.
- o left a record as California Governor at odds with his claims about reduced taxes and government.

2. EXPERIENCE AND PRESIDENTIAL SKILLS -- Carter has acquired the experience, and demonstrated the Presidential skills, needed to lead our Nation into the 1980's; Reagan has neither the experience nor the skills.

Carter has:

- o made some mistakes, but has now acquired experience in the job which cannot be duplicated or matched; that experience will naturally make him a better, wiser President during a second term.
- o begun policies which can be continued into a second term, without interruption or the need to become familiar with or educated about the major issues involved in those policies.
- o shown himself to be a cautious, moderate balanced decision-maker -- one who understands the complexities of the problems facing a President and is willing to put in the time and effort to deal with them directly and personally.

Reagan has:

- o not acquired the experience needed by a President -- not held national office; no substantial foreign policy background; held no office for 6 years.
- o indicated he would undo much of the progress of the Democratic and Republican Administrations, ensuring a lack of continuity in our government.
- o demonstrated that he is a hip-shooter, that he takes extreme approaches to problems; that he deals in simplicities, that he does not dig into a problem, that he is eager to delegate real decision-making authority to his staff.

3. DEMOCRAT -- You are a mainstream Democrat, in the tradition of previous Democratic Presidents and committed to the traditions and principles of the Democratic Party; Reagan is a leader of an extremist part of the Republican Party.

You have:

- o continued the traditions of Roosevelt, Truman, Kennedy and have been in the mainstream of the Democratic Party.
- o put forward a program -- over the past 3-1/2 years and for the '80's -- which meets the ideals of the Democratic Party (peace, jobs, compassion for the disadvantaged, concern for working men and women, civil and equal rights).

Reagan has:

- o been a leader of an extremist, reactionary part of the Republican Party.
- o adopted entirely the agenda of that extremist wing -- abortion amendments, ERA opposition, balanced budget amendments, school prayers, litmus tests for Federal judges.

4. RESPONSIBLE, SECURE FUTURE -- You offer a vision of the future which continues and builds on recent progress in vital domestic areas, which is responsible, which is safe, which offers security to Americans.

You have:

- o put forward a program and offered a vision for the '80's which builds on your record of the last 4 years -- in the economy, in energy, in social programs, equal rights and opportunities, in peace, in a strong defense, in the Middle East.

- o put forward a program which is prudent, responsible, and safe; it offers real hope and real security for the future.

Reagan has:

- o offered an agenda that will destroy the progress and programs developed under recent Democratic and Republican Presidents.
- o made proposals which will ensure uncertainty for the future, will provide risks for the American people, which do not offer the safety and security of Carter's proposals.

ECONOMIC REVITALIZATION PROGRAM

Results

Cost:

Tax Package: \$27.6 billion (calendar year 1981)
Spending Package: \$4.7 billion, program level (FY'81)
\$2.4 billion, budget outlays (FY'81)

New Jobs Impact:

500,000 new jobs by end of '81 (calendar)
1,000,000 new jobs by end of '82

Unemployment Impact:

Unemployment rate by end of '81 - decreased by 0.4
percentage points; by end of '82, by 0.8 percentage points.

Real Investment Impact:

Increase in real fixed investment by 10% over '81-'82 period.

GNP Impact:

Will increase GNP by amount resulting in real GNP increase
in '81 and '82 of 4-5% (program itself should increase real
GNP by 1-1/4 percentage points by end of '81 and by
3/4 percentage points by end of '82).

Inflation Impact:

Short Term: Social Security tax credits will help to
moderate CPI by few tenths of percentage point.

Long Term: Investment and productivity incentives will
reduce future price increases.

Deficit Impact:

'81 budget deficit increased by only \$5.7 billion.

KEY ELEMENTS

1. Industrial Revitalization:

- SIMPLIFIED, LIBERALIZED DEPRECIATION
- REFUNDABLE TAX CREDIT (UP TO 30%)
- Social Security credit for employers (8% refundable)
- 3% real growth in government R&D funding
- additional \$975 billion for energy conservation, investment
- additional \$600 million for highways, mass transit; in future, up to \$200 million more for rail rehabilitation
- \$3 billion increase (in FY'81 and '82) in authority

2. Business-Labor-Government Cooperation:

- PRESIDENT'S ECONOMIC REVITALIZATION BOARD (Tripartite; about 10 members)
- INDUSTRIAL DEVELOPMENT AUTHORITY (mobilize private and public resources; details to be developed by Board)

3. Community Assistance:

- TARGETED INVESTMENT TAX CREDIT (10%)
- \$1 billion Countercyclical Revenue Sharing
- expanded CETA training opportunities
- Positive Assistance Demonstration Program (pilot program to retrain or relocate workers)

4. Reducing Individual Tax Burdens:

- SOCIAL SECURITY TAX CREDIT (8%)
- INCREASED EARNED INCOME TAX CREDIT (to 12% from 10%)
- "MARRIAGE PENALTY" DEDUCTION (deduction of 30% of lower spouse's earnings)

MAJOR CARTER ACCOMPLISHMENTS

DOMESTIC

1. Comprehensive Energy Program.
2. Restoration of Openness and Integrity to Government.
3. Increased employment overall, as well as for minorities, women and youth.
4. Restored economic growth after deep recession of '74-'75.
5. Rescuing Social Security System from bankruptcy.
6. Expansion and improvement of major "people" programs - health, housing, social services.
7. Deregulation of airline, trucking, railroad and banking industries.
8. Government Reform -- Civil Service Reform; simplified regulatory process; reduced paperwork burden.
9. Reduced size of Federal government (44,000 fewer employees).
10. Appointment of record number of minorities and women to judge-ships and management positions.
11. Expanded government efforts on behalf of equal opportunities and equal rights.
12. Education - substantial expansion of key programs and creation of Department of Education.
13. Comprehensive Urban Policy.
14. Protected the Environment.
15. Strong Farm Economy.

FOREIGN

1. Peace
2. Camp David Accords/Egypt-Israel Peace Treaty
3. Completion of SALT II Negotiations
4. Ratification of Panama Canal Treaties
5. Majority Rule/Free Elections in Zimbabwe
6. Normalization of Relations with China

7. Real Increases in Defense Spending
8. Strengthened NATO Alliance
9. Firm opposition to Soviet invasion of Afghanistan
10. Negotiation and Congressional approval of MTN Agreement

COMPREHENSIVE ENERGY PROGRAM

Key Elements

- o Comprehensive Energy Act of '78 (including phased deregulation of natural gas prices).
- o Windfall Profits Tax (\$227 billion over 10 years).
- o Synthetic Fuels Corporation (target of 2 million barrels per day by 1992).
- o Conservation and Solar Bank (providing \$3 billion in loans over next 4 years).
- o First Solar Energy Tax Credits.
- o Low-Income Energy Assistance (\$2.4 billion a year).
- o Solar Commitment of 20% by year 2000.
- o Coal Production and Conversion Incentives.
- o Standby Gasoline Rationing Plan.
- o Alaskan Natural Gas Pipeline (supplying 5% of our gas).
- o Mexican Natural Gas Agreement.
- o Tokyo and Venice Energy Conservation and Consumption Commitments of Allies.

Key Results

- o Overall program will reduce oil imports by 50% by 1990.
- o Importing 2 million barrels per day less than in '77 (24% less) (in 3 years before you took office oil imports rose 44%).
- o Gasoline demand down 10% (750,000 barrels per day) since 1978.
- o Domestic crude oil production this year will reach 7 year high of over 8.6 million barrels daily (10% increase over '77) (in 3 years before you took office production declined by 7% or 600,000 barrels per day).
- o Oil and gas exploration efforts will set new record in '80 with an estimated monthly average 2,800 rigs in operation -- 70% increase over '76.

- o Coal production in '80 will reach 850 million tons -- 24% above '76 (between '72-'76, production grew only by 13%).
- o Coal consumption in '80 will be 17% above '76, and coal's share of total U.S. energy needs in '80 will pass 20% while oil's share will decline for second consecutive year; coal exports in '79 reached 5-year high.
- o Use of solar energy in households has increased tenfold in past 4 years.

OPENNESS AND INTEGRITY

Key Elements

- o Executive Order requiring financial disclosure of government officials and prohibiting revolving-door practices.
- o Ethics in Government Act - putting into statute the requirements of the Executive Order; also establishing of Special Prosecutor procedure.
- o Inspectors General - placed in each Cabinet Department to identify fraud and waste; identified \$1 billion in wasteful expenditures; over 600 fraud convictions to date.
- o Executive Order reducing over-classification of government documents - increases amount of classified material to be released over next decade by 250 million pages.
- o No claims of Executive Privilege exercised by you before formal Congressional request for information.
- o Held 24 Town Hall Meetings - none held by previous Presidents.
- o Held 58 press conferences.

Key Results

- o Restored openness and integrity of earlier Democratic Administrations.
- o Greater public access than ever to government decision-makers and government information.
- o Ensured feeling by American people of integrity of their governmental leaders.

INCREASED EMPLOYMENT

Key Elements

- o '77 Economic Stimulus Package -- \$21 billion program to stimulate economy and create jobs.
- o Humphrey-Hawkins Full Employment Act.
- o Increased public service employment funds by 115% and jobs by 150,000 (from 300,000 in '77 to 450,000 now).
- o Increased youth employment funds by 230% (providing 1 million youth with training and jobs).
- o Private Sector Jobs Program (\$400 million annually -- 120,000 will get private sectors jobs in '80).
- o Targeted Employment Tax Credit -- (tax credit for hiring hard-core unemployed).
- o Summer jobs programs -- 1 million jobs annually.
- o Doubling size of Jobs Corps.

Key Results

- o Employment is 97 million -- highest in history.
- o 8.6 million new jobs created since Dember '76 -- nearly double the number (4.4 million) created in the previous 3-1/2 years.
- o Labor force participation is at record high of 63.9% -- during previous 4 years it never went above 61.6%.
- o Employment of adult women increased by 17% -- 5.6 million new jobs since Demcember '76.
- o Employment of Blacks increased by 15% -- 1.3 million new jobs.
- o Employment of Hispanics increased by 26% -- 1 million jobs.

RESTORED ECONOMIC GROWTH

Key Elements

- o \$21 billion economic stimulus package in '77.
- o \$20 billion tax cut in '78 (that cut plus the \$8 billion cut in the stimulus package are valued at \$40 billion in 1980).
- o Reduction by one-third of capital gains rate.
- o. MTN Agreement and Export Policy.

Key Results

- o Real GNP is up by more than 13% since '76 (between '72-'76, real GNP rose by only 8.7%).
- o Industrial production is up 13% since '76 (between '76-'76, industrial production rose only 9%).
- o Corporate profits are up 49%; (between '72-'76, corporate profits rose by only 37%).
- o Real business investment in new plant and equipment has grown at an annual rate of 4.7% since '76 (this is 4 times greater than the rate for the previous 8 years).
- o New home construction has averaged 1.8 million units since '76 (during 3 previous years average was only 1.5 million units).

SOCIAL SECURITY SYSTEM

Key Elements

- o Proposed and signed legislation to strengthen financial status of all of the Social Security Trust Funds.
- o Resisted legislative efforts to refinance Social Security System in a way that would weaken the System's fiscal integrity.
- o Proposed credit to negate effect of next year's Social Security tax increase - without reducing in any way Social Security Trust Funds.
- o Opposed efforts to tax Social Security benefits, cap Social Security cost-of-living increases, raise the retirement age for Social Security.

Key Results

- o Not a single check to any of the 35 million Social Security recipients was delayed a day.
- o System was able to afford 14% cost-of-living increase this year.
- o Proposed credit has provided way to ensure continued fiscal integrity while reducing inflationary impact of the Social Security taxes.

"PEOPLE" PROGRAMS

Key Elements

- o Support of comprehensive National Health Insurance (catastrophic coverage for all Americans; comprehensive coverage for 15 million low-income Americans; reducing elderly health care costs; comprehensive coverage for expectant mothers and infants).
- o Support of Hospital Cost Containment (save consumers \$50 billion over 5 years).
- o Support of Welfare Reform (establishing uniform benefit level, creating 450,000 jobs for welfare recipients able to work, and providing nearly \$1 billion annually in fiscal relief).
- o Contracted for over 1.5 million units of subsidized housing; housing starts up 137% under Section 235 program (which subsidizes monthly payments to low and moderate income homebuyers).
- o Eliminating cash purchase requirement for Food Stamps, thereby enabling more than 2 million additional low-income Americans to use Stamps.
- o Creation of low-income energy assistance program -- \$2.4 billion annually.
- o Funding increases since '77 in key domestic programs:
 - National Health Service Corps - 179%
 - Community Health - 49%
 - Preventive Health Programs - 44%
 - Subsidized Housing Programs - 78%
 - Child Nutrition - 300%
 - Food Stamps - 100%

Key Results

- o Staunch opposition of previous 8 years to expanding or improving needed "people" programs has been reversed.
- o Government once again is viewed as beacon to which poor and disadvantaged can turn for needed aid.

DEREGULATION

Key Elements

- o Passage of Airline Deregulation.
- o Passage of Trucking Deregulation.
- o Passage of Banking Deregulation (small savers reform).
- o Passage of Railroad Deregulation.

Key Results

- o The 40-year government push for greater government regulation has been reversed.
- o Airline deregulation has produced a record number of flights and passengers; first year consumer savings - \$2.5 billion.
- o Trucking deregulation will enhance competition and reduce energy consumption; saves consumers \$5-\$8 billion a year.
- o Banking deregulation has allowed banks and savings and loan associations to increase the interest they pay to those with relatively small savings.

GOVERNMENT REFORM

Key Elements

- o Civil Service Reform -- first overhaul in a century.
- o Reorganization -- 12 reorganization plans -- reform of civil rights enforcement, emergency preparedness, ERISA administration, trade and export functions; reduction of White House Staff size.
- o Executive Order simplifying process of issuing regulations -- requiring plain English; public participation; economic impact analysis.
- o Regulatory Flexibility Act -- reduces regulatory burden on small business.
- o OSHA -- reformed; eliminated nearly 1000 rules in one single day.
- o Paperwork Burden -- 15% reduction since '77 in number of hours public spends filling out Federal forms.
- o Cash Management -- billions of dollars saved because of adoption of business-like cash management techniques.
- o Advisory Committees -- several hundred eliminated since '77.

Key Results

- o Government is more streamlined, more efficient than '77.
- o Government's burden on private sector is less costly and intensive than '77.
- o Government is run on more business-like, sound management-basis than '77.

REDUCED SIZE OF FEDERAL GOVERNMENT

Key Element

Last March, you imposed a hiring 2-1 freeze. This was the third one since 1977.

Key Result

By October of 1980, there will be 44,000 fewer full-time Federal employees than when you took office. By comparison, during the four previous years, the number of full-time Federal employees grew by _____.

APPOINTMENTS

Key Elements

- o Appointed more women, Blacks and Hispanics (over 80) to federal judgeships than all previous Presidents combined.
- o Appointed more women, Blacks and Hispanics to senior government positions - Cabinet, sub-Cabinet, Agency Head, White House staff - than any previous President.
- o Appointed three of the six women to ever serve in Cabinet positions.
- o Appointed 29 women judges (there were only 5 women judges at the beginning of the Administration).
- o Appointed 34 Black judges (only 19 Black judges before).
- o Appointed 15 Hispanic judges (only 5 Hispanic judges before).
- o Appointed four Blacks to Cabinet positions, and over 50 to key sub-Cabinet positions.
- o Number of senior management positions held by women has doubled.

Key Results

- o Real progress made for first time in our history in having women and minorities appointed in numbers much more representative of their proportion to the population.
- o Have appointees whose quality is as high or higher than federal government and the federal judiciary has ever had.
- o Have placed women and minority judges in position to be interpreting our laws into the next century.

EQUAL OPPORTUNITIES/EQUAL RIGHTS

Key Elements

- o Equal Rights Amendment ratification deadline extension (new date: June 22, 1982).
- o Passage of D.C. Voting Rights Amendment.
- o Strengthened EEOC through reorganization.
- o Funding and staff for civil rights enforcement increased every year -- now at highest level ever.
- o Passage of anti-boycott legislation.
- o Support of affirmative action -- flexible targets not rigid quotas -- in Bakke and Weber cases.
- o Raising mandatory retirement age from 65 to 70 in private sector; eliminated completely in Federal government.
- o Minority Business -- tripled Federal procurement from minority-owned firms; doubled Federal deposits in minority-owned banks; met Local Public Works 10% setaside requirement with 18% of contracts actually going to minority businesses.
- o Fair Housing Act strengthening -- through the House and now in Senate.
- o Handicapped -- issuing Section 504 regulations.

Key Results

- o Greater participation by minorities, disadvantaged and women in our society than before '77.
- o Healing of divisions within our society that resulted from confrontational politics of previous Administration.

EDUCATION

Key Elements

- o Creation of Cabinet-level Department of Education (combining 150 existing Federal programs into one organization).
- o Elementary and Secondary Education Act Amendments (extension of Act, expanding and targeting Federal aid to disadvantaged).
- o Middle Income Student Assistance Act.
- o Increase in Education budget since '77 -- 73% -- largest increase in comparable period in history.
- o Increased funding of key education programs:
 - Basic Skills Training -- 86%
 - Bilingual and Indian Education -- 117%
 - Higher Education and Student Aid -- 48%
 - Education for the Handicapped -- 57%
 - Head Start -- 73%

Key Results

- o Education represented at the Cabinet-table for first time in history.
- o Greater Federal assistance -- without Federal involvement in local schools -- than at any time in history.
- o No student denied a college education because of access to needed financial assistance.
- o Greatly increased emphasis on the basic skills -- reading, writing, etc.

URBAN POLICY

Key Elements

- o Creation of Urban Development Action Grant Program (first \$1.3 billion of UDAG grants have already stimulated \$7.5 billion of new investment in our Nation's cities and created more than 400,000 new jobs).
- o Expansion of Economic Development Administration funding from \$60 million annually for urban areas to nearly \$1 billion per year.
- o Creation of a rehabilitation tax credit to encourage businesses to rehabilitate their facilities in urban areas (nearly \$2 billion of rehabilitation will be assisted this year through the credit).
- o Executive Order requiring Federal facilities in urban areas to be located in the central business area (resulting so far in relocation of more than 200 government facilities).
- o Executive Order requiring Federal agencies to target their procurement activities to high unemployment areas (this year \$1.2 billion of Federal contracts will be targeted to these areas).
- o Reauthorization of General Revenue Sharing.
- o \$1 billion in counter-cyclical aid.
- o Increase funding by nearly \$1 billion for the Community Development Block Grant Program.
- o A new program to rehabilitate urban parks and recreation areas.
- o Commitment to provide \$50 billion for capital investment in mass transit during the 1980s (compared to \$15 billion in the 1970s).
- o Funding for 300,000 subsidized housing units in FY 81, a 25% increase.

Key Results

- o Nation has a comprehensive urban policy for the first time.
- o Grants-in-aid to States and localities have increased by almost 35% since '77 (from \$68 billion to \$91 billion).

- o Funding to increase private sector jobs and investment in our urban areas has increased by nearly 3000% (\$60 million to \$1.8 billion).
- o This funding (UDAG, EDA, investment tax credit for industrial rehabilitation, Federal procurement targeted to high unemployment areas) will produce \$6.5 billion in private investment and 400,000 new jobs this year.

PROTECTING THE ENVIRONMENT

Key Elements

- o Executive actions and progress in legislation to protect Alaska lands.
- o Enactment and implementation of Stripmining law.
- o Strengthening and reauthorization of Clean Air and Water Acts, and their effective enforcement at EPA.
- o Enactment and implementation of Nuclear Non-Proliferation Act in context of overall policy of halting push toward plutonium and commercial breeder reactors.
- o Development of comprehensive, environmentally sensitive nuclear waste management policy.
- o Initiation of new policies and program to reform water resource development; opposition to wasteful water projects.
- o Establishment of goal of a 20% solar U.S. for the year 2000.
- o Establishment of energy conservation as cornerstone of national energy policy.
- o Steady expansion of system of protected national lands: parks, trails, wilderness areas, scenic rivers.
- o Appointment of environmentally-concerned individuals to key government positions.

Key Results

- o Reversal of previous 8 years of anti-environmental policies by Executive Branch.
- o Government and environmental community now working together to solve problems and protect the environment.
- o Unanimous endorsement by environmental community leaders.

STRONG FARM ECONOMY

Key Elements

- o Food and Farm Act of '77 -- comprehensive 4 year farm bill.
- o Placed farmers in key decision-making positions at USDA.
- o Established Nation's first farmer-owned and controlled grain reserve.
- o Promoted U.S. agricultural exports, including the development of new markets (such as China).

Key Results

- o Farm prices have gone through a dramatic recovery:

In January, 1977...

corn was \$2.34 per bushel and falling (it eventually reached \$1.60)

-in August 1980 it was \$2.93 and rising

wheat was \$2.43 per bushel and falling (it eventually bottomed-out at \$2.00)

-in August 1980 it was \$3.86 and rising

beef cattle were \$32.20 per hundredweight

-in August 1980 they were \$65.10 and rising

milk sold for \$9.65 per hundredweight

-in August 1980 it was \$12.80 and rising

- o Agricultural exports have risen 82% since 1977, setting new records each year. This year, farm exports will reach \$40 billion, compared with \$32 billion last year (and \$22 billion in 1977) -- the largest one-year increase in our Nation's history. This will result in an agricultural trade surplus of \$21 billion this year.
- o Farm income rose during each of the first three years of your Administration, rebounding from the steady decline that had occurred during the latter years of the Nixon-Ford Administration. In 1979, net farm income reached a record-tying high \$33.3 billion. While net farm income is

being squeezed this year by the effect of OPEC oil price rises, stronger farm prices are already beginning to provide relief. Despite this squeeze, farm income will be higher this year than it was when this Administration came into office.

- o For alcohol fuel, we have set a production capacity goal of 500 million gallons by the end of 1981. This represents an over six-fold increase from the 1979 level and will provide gasohol (90/10 mixture) equivalent to about 10 percent of U.S. unleaded gasoline consumption.

MAJOR GOALS OF SECOND CARTER TERM

DOMESTIC

1. Passage of Economic Renewal Package strengthened economic growth, increased investment, improved productivity, reduced tax burdens.
2. Continued record-level rate of job creation and reduced unemployment rate.
3. Continued reduced inflation rate.
4. Reduced dependence on foreign oil, increased development of domestic and new energy sources.
5. National Health Insurance.
6. Ratification of Equal Rights Amendment (and D.C. Voting Rights Amendment).
7. Increased economic and government opportunities for minorities and women.
8. Continued fiscal strength of Social Security.
9. Continued revitalization of our nation's urban areas.
10. Stable farm prices, increased farm exports.

FOREIGN

1. Maintenance of Peace.
2. Continued real growth in defense spending, and strengthening of defense capabilities.
3. SALT
4. Continued Human Rights Policy.
5. Middle East Peace.
6. Continued development of relationship with People's Republic of China.
7. Continued strengthening of NATO.

BASIC CARTER DISAGREEMENTS WITH REAGAN ON KEY ISSUES

(DOMESTIC)

	<u>Reagan</u>	<u>Carter</u>
Kemp-Roth	Yes	No
Windfall Profits Tax	No	Yes
Constitutional Amendment to Balance the Budget	Yes	No
National Health Insurance	No	Yes
Hospital Cost Controls	No	Yes
Welfare Reform (Increased Federal Assistance)	No	Yes
ERA	No	Yes
Constitutional Amendment on Abortion	Yes	No
School Prayer Amendment	Yes	No
D.C. Voting Rights Amendment	No	Yes
Grain Embargo	No	Yes
Draft Registration	No	Yes
Olympic Boycott	No/Yes	Yes
Aid to New York	No	Yes
Aid to Chrysler	No/Yes	Yes
Labor Law Reform	No	Yes
Minimum Wage	No	Yes
Humphrey-Hawkins	No	Yes
Davis-Bacon Repeal	Yes	No
Department of Energy	No	Yes
Department of Education	No	Yes

	<u>Reagan</u>	<u>Carter</u>
Consumer Protection Agency	No	Yes
Tax Reform	No	Yes
Public Financing of Congressional Elections	No	Yes
Legislative Veto	Yes	No
"Family" Litmus Test for Judges (Republican Platform)	Yes	No
Government Assistance for Synthetic Fuels Industry	No	Yes
55 M.P.H. Limit (Republican Platform)	No	Yes
Government Assistance for Solar Energy Expansion	No	Yes
Eliminate All Energy Price Controls	Yes	No
Theory of Evolution	No	Yes

THE WHITE HOUSE
WASHINGTON

September 19, 1980

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for Preservation Purposes**

MR. PRESIDENT:

HERE ARE SOME POINTS TO STRESS IN U.S. NEWS INTERVIEW:

- I. DEFENSE - GET INTO SOME DETAIL, LIST THE PROGRAMS (SEE ATTACHED FROM MUSKIE SPEECH)
 - A. CRUISE MISSILE
 - B. TRIDENT - BACK ON TRACK
 - C. MX - WORKABLE BASING MODE
 - D. TNF - DIRECT RESPONSE TO SOVIET BUILDUP
 - E. LTDP - U.S. INITIATIVE
 - F. RDF - QUICKER RESPONSE TO PROTECT OUR ^{VITAL} INTERESTS
 - G. FACILITIES - ACCESS IN PERSIAN GULF, *India Ocean Area*
- II. ENERGY PROGRAM - STRESS ACCOMPLISHMENTS
 - A. REDUCTION IN IMPORTS - WILL CUT IN HALF BY 1990, MAY DO BETTER
 - B. INCREASED DRILLING
 - C. ALTERNATIVE FUELS - MAJOR EFFORT TO ENCOURAGE PRIVATE INVESTMENT THROUGH LOAN GUARANTEES, ETC., NOT FOR GOVERNMENT TO DO THE JOB ITSELF.
- III. DEREGULATION - GETTING GOVERNMENT OUT OF THE WAY OF COMPETITION - MENTION SPECIFIC AREAS, ALSO CUTS IN PAPERWORK, ELIMINATION OF OSHA REGULATIONS.

2

our
IV. STRESS [^]THOUGHTFUL ^{and workable} ECONOMIC APPROACH, POINT OUT THAT OURS IS
NON-INFLATIONARY, WHILE GOP IS VERY INFLATIONARY - EVEN FORMER
PRESIDENT FORD SAYS GOP PROGRAM IS TOO INFLATIONARY.

STRESS HOW MUCH WE DO FOR SMALL BUSINESS - PRESIDENT OF
N.F.I.B. SAID OURS IS BETTER FOR SMALL BUSINESS.

POINT OUT THAT OUR PLAN STRESSES PRODUCTIVITY, MODERNIZATION,
ETC. ONLY 10% OF GOP PLAN DEVOTED TO THIS.

*NOTE: WE WILL BE ABLE TO EDIT
TRANSCRIPT.*

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LET ME BRIEFLY SURVEY WHAT THE RESPONSE THUS FAR HAS BEEN.

IN OVERALL TERMS OUR ARMS SPENDING IS NO LONGER DROPPING. IT IS GROWING.

OUR DEFENSE SPENDING DECLINED IN SEVEN OF THE EIGHT YEARS JUST BEFORE PRESIDENT CARTER TOOK OFFICE -- A TOTAL DROP OF MORE THAN 37 PERCENT.

SINCE PRESIDENT CARTER'S INAUGURATION, HOWEVER, DEFENSE SPENDING HAS INCREASED FOUR YEARS IN A ROW -- FOR OVERALL GROWTH OF 10 PERCENT, AFTER INFLATION. AND IF THE PRESIDENT'S FIVE YEAR PLAN IS CARRIED OUT, THE INCREASE BY 1985 WILL EXCEED 27 PERCENT.

TO MAKE IT ABSOLUTELY CLEAR THAT WE ARE NOT PROPOSING TO SQUEEZE OUR ARMED FORCES, LET ME JUST NOTE HERE THAT THIS FIVE YEAR DEFENSE PROGRAM CALLS FOR APPROPRIATIONS OF OVER ONE TRILLION DOLLARS BETWEEN NOW AND 1985.

EVEN SO, THERE ARE THOSE WHO PRONOUNCE THAT EFFORT INSUFFICIENT. THEY INSIST UPON A STILL LARGER ARMS BUDGET.

THEY WILL NOT TELL US WHAT IT WOULD CONTAIN. THEY LEAVE THOSE DECISIONS FOR LATER. THEY SIMPLY WANT "MORE" -- OF WHATEVER, AS IF SHOVELING OUT THE TAXPAYER'S MONEY IS A DESIRABLE END IN ITSELF.

THAT IS A FORMULA NOT FOR GREATER SECURITY, BUT FOR GUARANTEED WASTE -- A FAILING TO AVOID IN DEFENSE JUST AS MUCH AS IN ANY OTHER PART OF THE BUDGET.

INSTEAD WE NEED A CAREFULLY STRUCTURED DEFENSE PROGRAM THAT RESPONDS EFFECTIVELY TO SPECIFIC DANGERS. AND THAT IS WHAT WE HAVE.

IN CONVENTIONAL FORCES, THE CARTER ADMINISTRATION BEGAN PROMPTLY IN 1977 TO ADDRESS THE MILITARY DEFICIENCIES OF NATO -- MATTERS WHICH PREVIOUSLY HAD RECEIVED ABUNDANT DISCUSSION . . . AND PRECIOUS LITTLE CONCRETE ATTENTION. *Good line*

TODAY THE NATO LONG TERM DEFENSE PROGRAM, AN AMERICAN INITIATIVE, IS IN ITS THIRD YEAR. PROBLEMS RANGING FROM READINESS AND PROMPT REINFORCEMENT TO INTEGRATING AIR DEFENSES ARE NO LONGER SIMPLY BEING STUDIED; THEY ARE BEING SOLVED.

THESE NATO IMPROVEMENTS ARE UNDERWRITTEN BY AN ALLIANCE AGREEMENT TO INCREASE DEFENSE SPENDING BY AT LEAST 3 PERCENT EACH YEAR -- ANOTHER INITIATIVE OF THE UNITED STATES.

WE ARE ENGAGED IN A BROAD MODERNIZATION OF THE ARMY'S WEAPONS AND EQUIPMENT. WE HAVE BEGUN THE FIRST FULL-SCALE MODERNIZATION OF TACTICAL AIR FORCES SINCE THE VIETNAM WAR. AND OUR SHIPBUILDING PROGRAM WILL PRODUCE 97 NEW SHIPS OVER THE NEXT FIVE YEARS, BUILDING TOWARD A NEWER AND MORE CAPABLE FLEET OF 550 SHIPS, IN CONTRAST TO 476 IN 1977.

WITH THESE PROGRAMS MOVING FORWARD, WE HAVE ALSO BEGUN BOLSTERING OUR ABILITY TO RESPOND TO EMERGENCIES OUTSIDE THE MAJOR ALLIANCE REGIONS -- INCLUDING THE VITAL MIDDLE EAST-PERSIAN GULF AREA. OUR NAVAL PRESENCE THERE TODAY IS THE STRONGEST EVER. WE HAVE NEGOTIATED NEW AGREEMENTS FOR ACCESS TO PORTS AND AIRFIELDS. WE ARE PREPOSITIONING EQUIPMENT AND SUPPLIES IN THE INDIAN OCEAN AREA. A NEW CARGO AIRCRAFT IS BEING DEVELOPED. THE ELEMENTS OF A RAPID DEPLOYMENT FORCE HAVE BEEN DESIGNATED AND EXERCISES ARE UNDERWAY.

OUR PROGRAMS IN THE AREA OF NUCLEAR WEAPONS REFLECT THIS SAME COMMITMENT TO THE DETERRENCE OF WAR THROUGH THE ASSURANCE OF STRENGTH.

LAST YEAR, NATO ADOPTED OUR RECOMMENDATIONS FOR MODERNIZING THEATER NUCLEAR FORCES IN EUROPE.

UN INTERCONTINENTAL OR STRATEGIC NUCLEAR FORCES, THE HARD DECISIONS HAVE BEEN MADE. A SWEEPING MODERNIZATION OF ALL THREE PARTS OF OUR NUCLEAR TRIAD -- LAND, SEA AND AIR -- IS MOVING AHEAD.

-- FOR THE STRATEGIC BOMBER FORCES, PRESIDENT CARTER TOOK THE SOUNDEST COURSE, EVEN THOUGH IT MEANT ALSO TAKING SOME POLITICAL HEAT. INSTEAD OF SINKING BILLIONS OF DOLLARS IN A B-1 BOMBER WITH A DOUBTFUL FUTURE, HE DECIDED TO EQUIP OUR EXISTING BOMBERS WITH AIR LAUNCHED CRUISE MISSILES.

IN PLACE OF AN OLD CONCEPT HIGHLY VULNERABLE TO SOVIET COUNTERMOVES, HE SELECTED AN ARRAY OF ADVANCED TECHNOLOGIES THAT CAN SURMOUNT FORESEEABLE SOVIET DEFENSES.

-- AT SEA, THE TRIDENT SUBMARINE PROGRAM WAS PUT BACK ON TRACK. THE FIRST OF THOSE MODERN SUBMARINES WILL JOIN THE FLEET NEXT YEAR. PORTIONS OF THE EXISTING FLEET ALREADY HAVE THE TRIDENT I MISSILE, WITH MAJOR IMPROVEMENTS IN RANGE AND POWER.

-- AND ON THE LAND, THE NEW MX MISSILE, WITH MOBILE BASING, WILL OVERCOME THE CHIEF SOURCE OF POTENTIAL NUCLEAR INSTABILITY -- THE GROWING VULNERABILITY OF MISSILES FIXED IN SILOS. AS WITH OUR BOMBER FORCES, PRESIDENT CARTER REJECTED SECOND BEST SUGGESTIONS AND MADE SURE WE HAD THE BEST PLAN BEFORE CONSTRUCTION BEGAN -- SO WE WOULD NOT HAVE TO WASTE TIME AND MONEY LATER FIXING THE MISTAKES.

ALONG WITH THESE PROGRAMS -- CRUISE MISSILES, TRIDENT, THE MX -- THERE IS A FOURTH PROGRAM I WANT TO MENTION . . . A "SECRET WEAPON", IF YOU WILL. LET ME LIST SOME OF ITS CAPABILITIES.

BY ITSELF, THIS SECRET WEAPON WOULD KNOCK OUT ABOUT A FOURTH OF ALL LONG RANGE SOVIET MISSILES AND BOMBERS THAT WE PROJECT FOR 1985. IT WOULD DO THAT WITHOUT LAUNCHING A NUCLEAR WAR; INDEED, WITHOUT EVEN FIRING A SHOT.

September 18, 1980

TO: RAY JENKINS

FROM: Alfred Friendly, Jr. *RF*

SUBJECT: Material for President Carter's interview with
U.S. News and World Report

Instead of providing talking points on current foreign policy issues, which I understand you do not expect to be a major part of the discussion, I attach the transcript of a recent, thoughtful interview Dr. Brzezinski gave to a Canadian radio interviewer. The transcript will not be released until the radio show is broadcast late this year.

The relevant passages giving a broad-range view of the complexity of foreign policy issues facing the U.S. and the West are marked on pages 3-4 and 6.

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

INTERVIEW WITH DR. BRZEZINSKI
and
NICHOLAS STETHEM

(AT 11:55 a.m. EDT)

MR. STETHEM: Dr. Brzezinski, just to begin with, what I would like to do is look back at the change in the shape of American power between 1945 and the early 1960's because a lot of columnists and a lot of analysts are saying now that that was the time when the American President could exercise his power in the United States as real power whereas right now that power seems to be disappearing. What was the real shape of power during that period?

DR. BRZEZINSKI: It is perhaps not so much a matter of American power as such, but of the relative distribution of power in the immediate post-World War II context. The United States was the only country with a comprehensive scale of power, economic vitality and indeed growth in World War II. In contrast to the disintegration of a number of key economies or the severe wounds that the Soviet economy had suffered, it was the only society with unquestioned political legitimacy and it was the country with the greatest potential for the rapid acquisition of military power.

It has to be noted, however, that the United States at that time did not have enormous military power as such, but had the capacity for mobilizing it. In contrast, all the other potential sources of power were either fragmented or recovering from the travails of World War II. Today the United States unquestionably has much more power than it did in the late 40's and early 50's in every respect. But the point is that other centers of power have developed and one of them, the Soviet Union, matches the United States in the military dimensions of power, through clearly not in the others. Western Europe on the other hand matches the United States in the economic dimension of power, but clearly not in the others.

The effect, then, is a much more dispersed situation insofar as power is concerned and less American preponderance.

MR. STETHEM: In terms of this power, this power that perhaps resulted from the situation in the world, as you described it, during that period, was it not in itself limited? I am getting at the idea of William Safir of the New York Times writing about when we use power -- it seems to me that Korea is an example of the limitation of the application of that power simply because it was or appeared to be so indecisive and you can look at Indo China and you can look at Suez, all of these things show perhaps more of the limitations of power than the exercise of power. Would you agree or disagree with that?

DR. BRZEZINSKI: I think what examples you cite show is that American policymakers imposed upon themselves severe limitations on the exercise of power out of prudence, and prudence that was historically well justified. Even if one has relatively unlimited power or preponderance of power, one has to be cautious in not exercising it in a way that drives one's opponents into the corner and forces them to undertake even a hopeless struggle. One will never know whether we could have used our power more assertively in the Korean context as for example, General MacArthur had advocated. We do know that not having used that power beyond certain limits avoided a larger, broader, more devastating war. Whether using that power would have generated such a war, we will never know. We will never know what hasn't happened, but the point is that in these moments, American policymakers did exercise self-restraint.

MR. STETHEM: Looking at international institutions during that period there was the belief -- Canada was a classic example of this -- that international institutions would take over, that they would become firm, that through the UN or through other forms of international cooperation, enlightened people would set up a system that would perpetuate itself and, perhaps in the late 60's we actually believed it did for a little while. It was possible to believe that this system was about to work, the millenium was at hand. What happened to that dream?

DR. BRZEZINSKI: Well, first of all, dreamers by definition are doomed to disappointment, because reality rarely corresponds to pretty dreams. I would think that most people involved in responsible policy making didn't have such rosy dreams and, with that qualification in mind, I would go even further. I would say that if one didn't have too rosy a dream about the future of the world, one is justified in some moderate satisfaction. After all, the international system is taking shape. The United Nations is playing a constructive role. There is wider participation today in the global political process than at any point in human history.

The fact of the matter is that you and I have lived through a political transformation of the world in some last 20 or 25 years on a scale that the world previously has never experienced. Previously passive peoples of the Third World -- notably Asia, Africa, Latin America -- are today participants in the global political process. That process in

turn does involve a continuing effort to further redistribute political and economic power. But the measure of redistribution has already taken place and on the whole in the absence of massive disorders and massive violence.

So, to conclude my answer, if you are a dreamer, you are doomed to disappointment. But if you look at the world in realistic terms but with a sense of moral motivation, guided by the desire to shape a more equitable world, then I think you are justified in saying that the last quarter of a century has been one of rather impressive progress, of movement towards greater justice, more participation.

A lot of what I see happening on the world scene in some ways parallels what has been happening within the United States itself. In the last 20 years, we have had an enormous social change, a sexual revolution, a racial revolution, the last one particularly brought into much more genuine participation into American life a hitherto excluded minority, but a minority of ten percent.

What we are witnessing on the global scale is a similar process of entrance into genuine participation, but not by ten percent of the population, but by eighty percent. That is much more difficult and therefore one is much more justified in saying that we have attained a great deal.

MR. STETHEM: That brings us into another problem. You create another problem though when you have more nations participating in the process of diplomacy of the balance of power and when you have within the society, within the principal Western power, a revolution which has made the decision-making system more complex again, you have a system that becomes so complex, it is difficult to see how it is handled. You, sitting here, have to handle information on a scale unthought of before and you don't have the advantage of slow packet boats bringing it while the problems solve themselves. It is right there. How do you handle it? How do we get around the problems that that information generates?

DR. BRZEZINSKI: Your diagnosis is absolutely correct and I don't have a remedy for it. I think, in some respects, the central problem we confront -- and as I said, there is no easy remedy for it -- is that of complexity. We are being overwhelmed by the interrelationship of issues. The international system that is emerging is enormously complex without visible, symbolically appealing foci of legitimacy and authority.

Take Europe, the EC nine or ten, one of the problems there is that it is very difficult to develop political loyalty to the faceless bureaucrats of Brussels who are struggling day after day with enormously complex problems of tariff, with the flow of goods, etc. It is even more difficult to do so on the global scale. And yet, a mosaic of

institutions is taking place, not just the UN itself, but all of its associated organizations, the World Health Organization of the ILO, or the Law of the Seas Conference, and so forth, not to speak of the regional organizations, the OAU or ASEAN, just to name two.

None of that has the emotional appeal of a nation state. All of that involves a massively complex maze of institutions and inter-relationships and negotiations. I don't have a solution for it, except greater patience, more understanding that complexity is here to stay, greater willingness to look at problems beyond the purely national frame of reference.

MR. STETHEM: If that complexity is here to stay, that is an important element in itself, the acceptance of complexity. So within that complexity, within the slightly anarchic framework, what can one expect to do, looking ahead? Do you look at a series of short terms, stand-off agreements, East-West, short-term arrangements that sort of fit into the flow, or do you try and impose on that complexity another system, another attempt at an overall philosophy or system?

DR. BRZEZINSKI: I think that an attempt to create some single overarching system would not work because it would not be a response to complexity and it wouldn't be supported by the consensus that such a system would require. We are all moving towards a new system. We are moving towards it piecemeal, by negotiations, occasionally by conflict. This process will continue for many years to come and in so doing, it will help to develop, first in the elites, and then more broadly in the global masses an awareness that the new global political process exists and that we are all part of it and we are driven by it as well as guiding it.

MR. STETHEM: But when we are trying to exist within the system, we keep coming up with phrases, words like detente, which describes a very, very complex situation and yet can be bent to several different meanings. The Europeans see detente as one thing, Americans as another, the Soviets as another thing. How does one handle that kind of thing? I can think of other phrases: detente, Third World, all of these things are ways of simplifying that don't really describe the problem. In a sense, the analogy takes over from the reality. How do we handle that one? Because politically I suppose we need those little phrases.

DR. BRZEZINSKI: These phrases are absolutely necessary to maintain support by the populace, particularly in i.e. democratic systems. They are, as you indicate, shortcuts to understanding, and we will continue to rely on them. We have to realize, at the same time that the phrase such as detente is merely a one-word description for a complicated and often contradictory process--one of competition and cooperation at the same time. There is again, no solution to the problem. Dialogue such as the one you and I are conducting is part of the answer. It is an effort to convey to those who spend less time on these problems the need to appreciate the fact that in this new, broader, more interlocked international context, there are no single slogans, no single labels that suffice as organizing explanations of a complicated reality.

Usually wars produce the most simple answers to one's own struggle to define a complicated reality. Wars are really the expression of an inherent tendency to see everything in terms of struggle between black and white, good and evil. And a war is the quintessential expression of that quest for simplicity. But short of a direct conflict, we all realize that we are part of a messy, often chaotic reality over which we have only partial control. In Canada, your own political process demonstrates that; your struggle for a new constitutional framework demonstrates that. If the issue was drawn in very simple but also destructive terms, you could probably reduce it to one word, but as long as you are struggling constructively with the problem, you also have to acknowledge the complexity of the problem.

MR. STETHEM: Taking that idea and putting it in terms of the framework of Western unity, what do you see as essential. Some people would say that when the President speaks, the Western nations should, on a particular problem, back him up entirely. From what you say, I would suspect that you would think in terms of parameter, everybody working in the same direction but in their own separate bits within that direction. If that American power -- and Lord Carrington made this point very forcefully -- American power is central to European survival and European policy, what about their ability to shift within that broad framework, such as at the recent Venice conference when they tried to take an alternate shot at solving the Middle East problem in support, in their view, of the Camp David agreement.

DR. BRZEZINSKI: It all depends clearly on the issue. On some issues diversity is possible, acceptable and even beneficial. On some issues, diversity can be destructive. There is no generalized rule that one can lay down. Specifically insofar as the Middle East is concerned, our view is that Camp David provides the only basis for sustained progress towards peace. It is the only game in town because no one else has come up with a better game. Therefore, it is important to back it, therefore it is important not to undertake initiatives which undermine it. It's within those parameters that one can then judge specific initiatives, such as, for example, the one the Europeans undertook. The same definitional framework applies to such matters as the Western response to Afghanistan. Is it a matter of purely local concern or does it have wider regional significance? If it has wider regional significance for the Middle East and the Persian Gulf area, then does it affect the future of Western Europe and the Far East and thus the United States? If the answer is again affirmative, then greater consensus and commonality of action are clearly desirable.

MR. STETHEM: Looking at the middle powers, at Europe, they have a role separate from the United States because they are the super powers in certain areas as in Southern Africa and the success or the apparent success of Lord Carrington's move in Zimbabwe. How does one link these efforts together; there doesn't seem to be a mechanism apart from Summits and Summits seem to be of limited use. In looking at the Venice Summit,

one comes together, one gets together a communique and it seems the exercise of producing the communique is perhaps the only valuable thing -- the focusing of the mind involved in putting a communique together. There doesn't seem to be a coherent system where they get together for a coffee break once a week and discuss. How do we coordinate that problem?

DR. BRZEZINSKI: First of all, the problem is not as bad as you put it. Secondly, you are right, the problem is a serious one and needs a better remedy than the one we have for it as of now. It is not as bad as you put it. Because in addition to the Summits, the fact of the matter is that Western leaders are frequently in contact with one another. The telephone age has come into being so far as statesmanship is concerned also. That is to say in my own three years in the White House, four years by now, I have often participated indirectly in the President's very informal conversations with his peers, be it in Ottawa, London, Paris, Bonn, Rome or Tokyo. That is a very important vehicle previously not available or not used by statesmen.

The President talks to them often. They talk to him and these conversations are informal, casual, and yet substantive. So we do have that contact. The same clearly applies to the President's subordinates and their equivalents abroad. But you are right; we do need a better, more sustained, more institutionalized, in my judgment, mechanism for consulting on issues which are wider than those which have traditionally involved Atlantic or NATO consultations.

There is historical reason for it. The NATO mechanism grew up as a response to the security threat posed to the Atlantic area by the Soviet Union. That security threat continues and therefore the NATO mechanism is needed. But the point is that global stability, security and progress require additional mechanisms. And I believe that in the months ahead, we will have to search very actively for new ways of consulting on a more sustained basis and for ways of institutionalizing the answers that we give; that is to say we need to create mechanisms which enable us and the West Europeans and the Canadians and the Japanese to talk about such problems as the Persian Gulf or the Southwest Asia area, to talk about such problems, redistribution of global political power and what it implies over the long run, to talk about global security. These are issues which are not currently susceptible to effective discussion within any of the existing fora.

MR. STETHEM: One of the problems you talked about were the problems of the Middle East, the Persian Gulf. One of the problems I found in talking particularly to Third World -- I hate to use the phrase "PEOPLE" -- because I think that lumps a lot of people together that aren't in the same package. But it's a shorthand.

DR. BRZEZINSKI: Exactly, but we talk about the Western world and we often even include Japan in that, right?

MR. STETHEM: I hadn't thought of it from that angle. But people in the Third World are very, very worried about the Western ability to exercise power. It is not enough to have it, one must prove the ability or be believed that you have the ability to exercise it. This applies particularly in the Persian Gulf. There is some doubt. Short of actually doing it, how do we get around that doubt?

DR. BRZEZINSKI: Doubt about what?

MR. STETHEM: Doubt about the ability of the United States to exercise real power in the region; whether the people in the United States, let's get right down to it, would support the exercise in the same way that the French supported the move into Shaba Province.

DR. BRZEZINSKI: The President of the United States in January of 1980 made it very clear that vital American interests are engaged in the Persian Gulf area and that the United States would defend them. He was supported on this by the Congress and the American people so there should be no doubt about American determination to stand up if vital interests are jeopardized. The question does arise: how would the United States respond -- and with what. The answer to that is that over the last months, a year or so, we have made a sustained effort -- and I have been very directly involved in sharing the mechanism that has been the catalyst for it -- to develop an effective capability for a much more rapid response in this strategically-vital region.

We have as consequence not only permanently emplaced forces in the area, particularly maritime, but we have acquired facilities which give us a 'surge' capability; a 'surge' capability which we didn't have previously in the event of a crisis. We have been prepositioning equipment so that American ground forces could be introduced more rapidly if necessary. We have developed tactical exercises with a number of the countries in the region so that there will be a shared basis of experience in dealing with military contingencies. We have defense planning with some of the countries concerned so that not only will our forces be injected, but if need be theirs would be engaged. And of course, we have talked to our allies. As a consequence, I think it is fair to say that we have demonstrated both the will and have acquired the capability to respond if need be.

MR. STETHEM: One of the problems, Dr. Brzezinski, that I keep running into is the tendency of a society to look at the rest of the world in caricature; its own self image; the American vision, for example, of the individual who sees, cannot understand why everyone in the world would not want to be an American. I am sure you can understand what I am talking about. That distorts one's view of the world. When you are dealing with something complex like an Islamic reality, or an African reality, it becomes very difficult, particularly in a democratic society where the people have to understand a little bit about what is going on. How can you generate the understanding? How can that be communicated? Is there anything that you can do or I could do or anyone could do?

DR. BRZEZINSKI: You are, first of all, quite right in stressing the limitations under which we all operate insofar as our ability to relate to others is concerned. It is not only that most Americans assume that everybody else wants to be an American. Most others think that they are uniquely endowed with the virtues of righteousness, intelligence, special mission. This applies to as good a neighbor with whom I am personally very familiar and to which I am very devoted, namely Canada, where I grew up. Canadians have often very idealized descriptions of the unique mission of Canada and the world, but it applies to almost every country in the world; the French with their unique mission civilatrice, the Moslems with their newly reawakened sense of religious fervor and of mission; the lingering residue of the Communist ideology, making some of the Communist elites, at least, feel that they have the unique insight into revolutionary but also historical dynamics. One can go down a whole list encompassing almost every nation in the world with everyone feeling that they are uniquely right and uniquely endowed with wisdom.

The fundamental lesson to be drawn from the increasingly intense global interaction is that everybody is right and therefore everybody has to accept a certain relativity of standard insofar as judging one's self and others as well. This is why international communication conferences, discussions, and particularly the UN, are useful institutions. They teach us a little bit about humility. They teach us about the importance of respecting the perspective of others. They teach us, above all, about the relevance of history, namely that historical conditioning of nations has a great deal to do with their conduct and if you want to understand another nation, you have to understand their history, just as to understand another individual, you need to know him personally.

I think all of that is part of this process of growing together which we started discussing earlier in our dialogue. It is a complicated process of growing together -- it means getting to know each other. Getting a sense of the history of others, I think, is a fundamentally important introduction to any understanding among peoples.

MR. STETHEM: Thank you Dr. Brzezinski.

DR. BRZEZINSKI: Thank you.