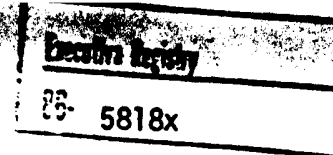


THE WHITE HOUSE
WASHINGTON



December 17, 1986



MEMORANDUM FOR ADMINISTRATION SPOKESMEN

FROM: TOM GIBSON *mb*
DIRECTOR OF PUBLIC AFFAIRS

SUBJECT: Administration Accomplishments

Attached is a summary of President Reagan's major accomplishments during the first six years. Also included is a fact sheet providing a sample of notable economic and domestic news released last month.

For additional information on the attached, please call my office at 456-7170.

WHITE HOUSE TALKING POINTS**December 16, 1986****THE REAGAN ACCOMPLISHMENTS: THE FIRST SIX YEARS**

Well over 600 initiatives have been developed and promoted with White House resources. Attached is a brief listing of major accomplishments that are squarely in the President's "win column" and resulted from his direct action. Well-documented economic and social successes (inflation, interest rates, poverty reduction, etc.) are not listed here because of shared credit with the American people. Also, many partial victories are not listed. Examples: Enterprise zones and tort reform. Though there has not been final action on these initiatives at the federal level, President Reagan's leadership has led to these initiatives being adopted in a majority of the states.

I. THE DOMESTIC ECONOMY

Tax Cuts -- (1981) Since 1981, the Reagan tax cuts saved the average American about \$4,400 in taxes from what could have been expected under the 1980 tax laws, given the actual rates of inflation.

Tax Reform -- (State of Union 1984 through Fall 1986) Number one domestic priority of the past three years. The U.S. now has one of the most economically favorable tax systems and the lowest individual and corporate income tax rates of any industrialized nation in the world.

Deregulation -- (1981) The President's Task Force on Regulatory Relief, chaired by the Vice President, spearheaded substantial changes in Federal regulations affecting businesses and individuals and put all Federal agencies on a "paperwork budget," that has reduced the burdens on the public by 650 million hours.

Immediate Decontrol of Oil Prices -- (Early 1981) Currently, a gallon of gasoline, adjusted for inflation, is cheaper now than at any time in U.S. history.

Thrift and Banking Deregulation -- (October 1982) Removed interest rate ceilings on time and savings deposits at banks and thrifts and introduced a new form of a market-based interest rate system for EE Savings Bonds.

Elimination of the Council on Wage and Price Stability (1981) -- Ended a bureaucracy that had been completely ineffective and burdensome.

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Tax Indexing -- (1981) Effective in 1985, brought an end to "bracket creep" from inflation.

Virtual Elimination of the Estate Tax -- (1981) Removed a long-standing threat to the family farm and small businesses.

Real Jobs, Not Make-Work -- (1982) When the Reagan Administration came into office in 1981, \$3.1 billion was scheduled to be spent that year to subsidize some 300,000 costly make-work jobs. The Carter Administration's budget projected that over \$25 billion would be spent on this job creation program from 1981 through 1986. The program was stopped, saving the taxpayers \$23 billion.

II. THE INTERNATIONAL MARKETPLACE

Selling the American Economic Model -- The U.S. market-based economic approach is now being emulated by the countries of the West and the Third World. Even many Communist nations are seeing a need for economic liberalization.

Protectionism Resisted -- (Since 1982) Local content, textile quotas, oil import fees, denial of a number of requests to restrict imports.

Unprecedented Steps Initiated Against Unfair Trade -- More than two dozen major trade actions have been taken to open foreign markets, not close ours. Examples: Major 301 actions (1985) U.S. tobacco sales in Japan; U.S. computer and software sales in Brazil; U.S. insurance operations in Korea.

Exchange Rate Stabilization -- Pursued in 1985 and reinforced at the Tokyo Summit, is addressing the basic causes of our trade deficit.

Carter Grain Embargo Ended -- (1981) Replaced with a new long-term agreement with the Soviets.

Elimination of Export Credit Subsidies -- (1986) International agreement to eliminate below-market financing for exports; puts U.S. exporters on an equal footing with their foreign competitors and reduces costs to Export-Import Bank.

Caribbean Basin Initiative -- (1983) Successful catalyst for the development of non-traditional Caribbean exports and diversification of Caribbean economies.

Opposed Law of the Sea Treaty -- (1981) Declined signing, which proposed massive regulation of seabed mining activities.

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Voluntary Restraint Agreements -- (Since 1983) Successful bilateral negotiations to provide breathing room for U.S. steel and automobile manufacturers.

III. A GOVERNMENT THAT WORKS

Domestic Spending Growth Curbed -- In real terms, domestic spending grew 6.6 percent per year from 1960 to 1980. From 1981 to 1986, the average annual rate of growth was held to slightly more than 2 percent.

Block Grants -- Since 1981, nearly 60 Federal categorical grants consolidated into nine block grants for health and social services, education, and community development. Less red tape: The 1981 block grants are covered by only 31 pages of Federal regulations, in place of the previous 335 pages.

Restoring the States' Role -- July 1982 Executive Order and April 1986 statement of federalism principles have improved Federal responsiveness to state and local concerns.

Gramm-Rudman-Hollings -- (1985) With the President's strong support, the Balanced Budget and Emergency Deficit Control Act of 1985 passed both Houses of Congress by overwhelming majorities.

Federal Retirement Reform -- (June 1986) Congress enacted a new retirement plan for federal civilian employees hired after December 1983. Total estimated savings from the conversion to the new system: \$3 billion annually after complete phase out of old system.

General Revenue Sharing Eliminated -- (1986) Saving Federal taxpayers \$4 billion per year.

Social Security -- In 1982, Social Security faced bankruptcy -- despite a huge tax increase after 1977 legislation. The President's bipartisan commission produced a workable solution. System now solvent; monthly benefit for an average retired couple has risen by \$260 since 1981 -- over \$3,100 a year.

Grace Commission Reforms -- (Summer 1982 - Fall 1985) Total of 2,478 recommendations reviewed; implementation on track. Billions of dollars in estimated potential savings.

Subsidized Housing Curbed -- (1983) Eliminated the costly Section 8 New Construction program and introduced more efficient housing vouchers and a renewed emphasis on rehabilitation.

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Joint Training Partnership Act (JTPA) replaces Comprehensive Education and Training Act (CETA) -- (1982) Training for real jobs provided under public-private partnership.

Cash Management -- (1983) The Reagan Administration installed the first comprehensive system to manage the Federal Government's \$1 trillion cash flow. Estimated \$3.2 billion saved through 1988.

Crackdown on Waste, Fraud and Abuse -- Coordinated efforts by the Inspectors General have resulted in more than \$84 billion saved or put to improved use since 1981, and hundreds of successful prosecutions.

Privatization Begun -- (1986) The sale of Conrail via a public stock offering was enacted in the 1986 Reconciliation Act and will take place in 1987.

Restoring Our National Parks -- (1981) Past neglect had taken a heavy toll on our national parks. This Administration established a multi-year, \$1 billion program to restore and improve facilities throughout the entire national park system.

Water Resources Development Reform (1986) -- The President signed into law comprehensive reforms financing and planning Army Corps of Engineers water projects; paved the way for the first major water authorization bill in 16 years.

Environmental Protection (1985, 1986) -- New Superfund program which will authorize \$8.5 billion over 5 years for the cleanup of abandoned hazardous waste sites; a Safe Drinking Water Act and the Resources Conservation and Recovery Act which has greatly expanded Federal and state authorities to protect the Nation's drinking water supplies.

IV. THE DOMESTIC AGENDA

Federal Judiciary -- Appointments of three Supreme Court Justices, including Sandra Day O'Connor, first woman to serve on the Supreme Court. To date, the President has appointed 299 men and women to the federal bench -- nearly one-half the entire federal judiciary.

National Crusade Against Drug Abuse -- (1982) The President and the First Lady launched a national crusade with six major goals to eliminate drug abuse. Federal spending to combat illegal drugs has tripled. More than 10,000 "Just Say No" clubs have been established nationwide since 1984.

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Crime -- In 1984, after three years of delay, Congress passed President Reagan's Omnibus Comprehensive Crime Control Act. During the past four years, spending has increased 61 percent and more than 2,100 new Federal investigators and prosecutors have been hired. One result: Unprecedented prosecution and conviction by federal prosecutors of mafia bosses.

Drug Enforcement -- Drug eradication efforts are now ongoing in over 14 countries, up from just two in 1980. Major initiatives and prosecutions like Operation Alliance and the South Florida Task Force and Force Hartford. Convictions have doubled and drug seizures have risen sharply since 1981.

Grassroots Educational Reform -- National Commission on Excellence in Education produced "A Nation at Risk" in April 1983 and sparked a national grassroots education revival. "What Works" builds upon the President's first-term accomplishments. Discipline, basics emphasized.

Immigration Reform -- (1986) The most sweeping changes in immigration reform in 34 years, provides means to control illegal immigration and legalize the status of millions of persons here contributing to the economy and the society.

Abortion -- (Spring 1985) U.S. foreign aid funds no longer underwrite abortions performed overseas. The Reagan Administration has continued the ban on taxpayer funding of abortions and has urged the Supreme Court to overturn Roe v. Wade.

Child support -- The Reagan Administration's toughened enforcement helped achieve a record \$2.7 billion in child support collections in 1985.

Employment Discrimination -- The Reagan Administration has moved against real discrimination while opposing quotas. More new lawsuits and higher awards against employers for violations of Equal Employment Opportunity Laws were achieved between 1981 and 1985 than during 1977-1981.

Legal/Economic Equity for Women -- (1982-1985) Record number of senior women appointees. Task forces to purge Federal laws and agency regulations of discriminatory language; States encouraged to do same.

AIDS -- A half-billion dollar Federal research and education effort has led to breakthroughs in isolating AIDS viruses and establishing blood testing procedures.

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The Strategic Defense Initiative -- the moral alternative to the threat of mutual annihilation -- is on track. Between fiscal years 1984 and 1987, a total of \$8.3 billion will have been committed to this research effort; dramatic technological advances are being made.

Arms Reductions -- (1986) Brought the Soviets back to the bargaining table. For the first time, the United States and the Soviet Union are discussing the possibility of major reductions and eventual elimination of all ballistic missiles.

Strategic Modernization -- In 1981, the President recognized the need for strategic modernization and, as a result, proposed a five-part, coordinated program to restore the strategic balance with the Soviet Union. In 1985, Congress voted \$1.5 billion for 25 additional MX Missiles; total is now 50. Sea-based forces, currently the most survivable leg of our strategic Triad, are being modernized and a new class of Trident submarines is being deployed.

The B-1B Bomber -- (1986) The first of 100 B-1B bombers rolled off the assembly lines in fiscal year 1985, ahead of schedule and under budget.

Conventional Readiness and Modernization -- In the professional judgment of each U.S. Unified and Specified Commander-in-Chief, his command is far more ready "by every measure of common sense" than it was four years ago.

Pershing, Cruise Missiles in Europe -- The U.S. and her NATO allies prevailed in fulfilling the 1979 NATO decision despite massive propaganda effort to prevent deployment. (Fall 1983) First missiles in, deployment proceeding on schedule.

Fighting Defense Department Waste -- In 1981, costs in major weapon system development programs were growing at an average annual rate of 14 percent. The Reagan Administration reduced cost growth to less than 1 percent annually by FY 1985. Since 1981, DOD has conducted 60,000 audits which have produced more than \$10 billion in savings. Packard Commission recommendations for additional management efficiencies are being implemented.

Technology Transfer -- The Reagan Administration is the first to realize fully the major security risk posed by technology transfer, and has taken many steps toward stemming the flow of military sensitive know-how and hardware to the Soviet Union.

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Environment -- (Since 1981) Aggressive cleanup of hazardous waste sites -- the Reagan Administration has produced over 100 civil suits, 257 convictions and court-ordered cleanups worth \$400 million.

V. PROMOTING FREEDOM AND DEMOCRACY

Grenada Set Free -- (October 1983) At the request of the Organization of Eastern and Caribbean States, combined forces led by the U.S., liberated Grenada.

Aid to the Nicaraguan democratic resistance -- (1986) Congress with a bipartisan majority, adopted the President's \$100 million aid proposal.

El Salvador -- (1984) With the assistance of a bipartisan majority in Congress, a deteriorating situation in El Salvador was reversed.

Democracy in the Philippines and Haiti -- (February 1986) The U.S. government lent its support to successful popular movements in the Philippines and Haiti.

Angola -- (1985) Clark Amendment repealed -- unties U.S. hands to assist UNITA Freedom Fighters.

Afghanistan -- (1985/86) Soviet troop withdrawal urged in Gorbachev meetings; support pledged to Afghan freedom fighters.

A National Endowment for Democracy -- A Reagan initiative, has undertaken projects in support of democratic institutions in the Philippines, Northern Ireland, Chile, Haiti and South Africa. Other projects have assisted elementary school education for anti-communist Afghans.

VI. NATIONAL SECURITY

Men and Women in Uniform -- Since 1980, total active duty strength in our Armed Forces has increased over 5 percent. Recruitment goals are being met -- and with record high-quality recruits. Applications to the service academies are at record or near-record levels.

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Swift Action Against State-Sponsored Terrorism -- (April 1986)

U.S. attacks and destroys several terrorist support facilities in Libya, in response to clear evidence of Libyan involvement in terrorist activity.

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NOVEMBER HIGHLIGHTS

Economic Recovery Enters Fourth Year. The Reagan economic boom is now 48 months old -- making it the second-longest peacetime expansion since World War II. Since November 1982, we have created more than 12 million payroll jobs; inflation (measured by the Consumer Price Index) for 1986 is running at less than one percent.

The Shrinking Trade Deficit. The U.S. trade picture improved in October, as a \$1.8 billion rise in total exports reduced the trade deficit for the fourth consecutive month. The \$12.1 billion October deficit is the smallest this year and a full \$2.1 billion less than the average monthly deficit recorded in the first nine months of 1986.

Mob Justice. All eight defendants in a dramatic 10-week racketeering trial were convicted in November of operating a "commission" that ruled the Mafia throughout the United States. U.S. Attorney Rudolph W. Giuliani said the convictions effectively dismantles the "ruling council" of the major organized crime network.

A Warning to White-Collar Criminals. In 1983, according to a recent Bureau of Justice Statistics study, 88 percent of those arrested for white-collar crimes were prosecuted; 74 percent were arrested; 60 percent sentenced to prison. The lesson: White-collar crime doesn't pay.

Record Drug Confiscation. The Drug Enforcement Administration seized in October 4,620 pounds of cocaine, the largest confiscation of that drug in the United States.

The American Miracle. A joint Census Bureau-Conference Board study released in November shows that Americans have tripled their standard of living over the past 70 years while retiring sooner, owning more homes, increasing their productivity and improving infant health. "Even the most ardent Utopian at the turn of the century could not dream of the affluence and quality of life in today's America," says Fabian Linden, who co-authored the report.