

TALKING POINTS: GOOD MORNING AMERICA (APRIL 8)

CONTRA AID

Senate vote

- MAJOR TURNAROUND FROM YEAR AGO:
 - STRONG CONSENSUS FOR \$100 MILLION IN AID, INCLUDING MILITARY AID.
- SENATE VOTE DECISIVE:
 - TWO ATTEMPTS TO GUT PROGRAM DEFEATED 2-1.
- SENATE VOTE BIPARTISAN:
 - TWO DEMOCRATIC COSPONSORS (BENTSEN AND HOLLINGS)
 - 11 DEMOCRATIC VOTES (A QUARTER OF DEMOCRATS)

Time for House to act

- SANDINISTAS GAVE RESPONSE TO EARLIER HOUSE VOTE AGAINST PRESIDENT BY INVASION INTO NICARAGUA.
 - INCREDIBLE THAT SOME OPPONENTS OF PRESIDENT RESPOND BY SAYING: "NO BIG DEAL. THEY'VE INVADED 300 TIMES BEFORE." THOSE 300 INVASIONS ARE THE PROBLEM.
- HOUSE SHOULD ACT NOW, DECISIVELY, TO SUPPORT PRESIDENT.
- O'NEILL MADE COMMITMENT TO DEAL WITH ISSUE.
- NO REASON TO WAIT UNTIL APRIL 15 OR ATTACH TO SUPPLEMENTAL.
 - OBVIOUS POLITICAL PLOY TO PRESSURE PRESIDENT TO ACCEPT EXTRA SPENDING ON SUPPLEMENTAL.
 - PROPER VEHICLE IS S. J. RES. 283, PASSED BY SENATE.

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Further compromise?

-- MANY OF CONCERNS EXPRESSED BY HOUSE MEMBERS:

-- ALREADY ADDRESSED BY WHITE HOUSE.

-- INCORPORATED INTO LAW IN S. J. RES. 283.

New Contadora effort?

-- US HASN'T ABANDONED CONTADORA.

-- IF YESTERDAY'S PRESS REPORTS ACCURATE, CENTRAL AMERICAN DEMOCRACIES RIGHTLY OBJECTING TO UNREASONABLE DEMANDS OF SANDINISTAS THAT US UNILATERALLY ABANDON ALLIES AND FRIENDS IN REGION.

-- SANDINISTAS DON'T WANT CONTADORA TO WORK. THEY WANT TO USE IT TO FURTHER OWN AIMS IN CENTRAL AMERICA.

-- ESPECIALLY FORCED WITHDRAWAL OF US FROM REGION.

-- HARD TO UNDERSTAND HOW WE'RE BLAMED FOR BLOCKING A REGIONAL SETTLEMENT WHEN IT'S SANDINISTAS WHO HAVE ATTACKED AND INVADED NEIGHBORS HUNDREDS OF TIMES.

Bilateral negotiations

-- WE'RE WILLING ON ONLY ONE VERY REASONABLE CONDITION: SANDINISTAS TALK TO CONTRAS, TOO.

-- SAME DEAL DUARTE OFFERING IN EL SALVADOR.

-- DON'T DENY THERE ARE SOME BILATERAL PROBLEMS WORTH TALKING ABOUT.

-- IT'S SANDINISTAS WHO TAKE RIDICULOUS POSITION THEY HAVE NOTHING TO TALK TO CONTRAS ABOUT.

TERRORISM

Libyan threat/US response

-- CLEAR KADDAFI USES TERRORISM AS ESSENTIAL ELEMENT OF HIS FOREIGN POLICY.

-- LIKE MOST AMERICANS, I'M FED UP WITH KADDAFI.

-- UNACCEPTABLE THAT TERRORISM SHOULD:

-- LIMIT US POLICIES OR ABILITY TO PURSUE OUR INTERESTS.

-- MAKE AMERICANS AFRAID TO TRAVEL.

-- US MUST RESPOND SWIFTLY AND DECISIVELY WHEN IT IS CLEAR THAT KADDAFI (OR ANYONE ELSE) BEHIND TERRORIST ACT.

-- OBVIOUSLY CAN'T TIP HAND ON SPECIFIC RESPONSE BUT

-- MUST BE EQUAL TO PROVOCATION.

-- MUST BE PREPARED TO USE FORCE.

Berlin bombing

-- IF IT TURNS OUT KADDAFI BEHIND BERLIN BOMBING, HE SHOULD PAY.

Terrorism bill

-- WORKING WITH HOUSE REPUBLICAN STUDY COMMITTEE ON POSSIBLE ANTI-TERRORISM LEGISLATION.

-- WOULD CLARIFY PRESIDENT'S AUTHORITY AND STRENGTHEN HIS HAND IN DEALING WITH TERRORISM.

-- WILL DEFINE TERRORISM AS ACT OF AGGRESSION AGAINST US (NOT JUST ANOTHER DOMESTIC CRIME) AND GIVE PRESIDENT AUTHORITY TO RESPOND IN KIND.

-- WILL HAVE FULL SAFEGUARDS:

-- WILL NOT GIVE PRESIDENT ANY AUTHORITY IN US OR AFFECT ANY CITIZENS' RIGHTS.

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-- NOT AIMED AT BROADENING PRESIDENT'S POWER AS
COMMANDER IN CHIEF OR IN CONDUCTING FOREIGN POLICY.

-- JUST SHARPEN ABILITY TO RESPOND TO
TERRORISM.

-- WILL HAVE REPORTING REQUIREMENT: PRESIDENT WILL
HAVE TO CITE SPECIFIC TERRORIST ACT/THREAT TO WHICH
HE IS RESPONDING.

-- HOPE TO HAVE IT READY BY NEXT WEEK.

Tighten security

-- OBVIOUSLY ONE ELEMENT OF OUR POLICY MUST BE DEFENSIVE.

-- END OF MONTH FOREIGN RELATIONS WILL BE DEALING WITH
EMBASSY SECURITY PACKAGE.

-- ALSO TIGHTENING UP OUR OWN SECURITY.

-- ORDERED SENATE SECURITY FORCES TO BE PREPARED.

April 7, 1986

BUDGET TALKING POINTS

- o The Senate Budget Committee reported out their fiscal 1987 budget by a 13-9 vote. 7 Republicans and 6 Democrats voted for the resolution.
- o I salute Chairman Domenici, and the rest of the members of the Budget Committee for their diligence and the speed with which produced the budget and while I disagree with some aspects of the Resolution, I am pleased that we have begun the process unlike the House which has been unwilling to even begin consideration of a resolution.
- o From my perspective the resolution approved by the Budget Committee leaves something to be desired. First, I believe that the defense spending authority for next year is too low. And second, that the increase in revenues -- close to \$75 billion over three years -- is much too high. I'm not alone in this thinking. Just before Congress adjourned for the Easter recess, I received a letter signed by 24 Republican senators expressing the same concerns.
- o However, I understand the problem Senator Domenici faced in getting a resolution out of the committee -- the delicate balance between enough for defense, but not too much, enough cuts in domestic programs, but not too much, and enough revenues to meet the \$144 billion deficit figure in Gramm-Rudman-Hollings.
- o As in the past no one will come out of this process having gotten exactly what they wanted; neither the House, the Senate, nor the Administration. There are clearly those who will support some taxes, others who would support some increases in defense spending, and finally there is the group that wants to protect the non-defense programs. Each will have to give up something.
- o Most important is our desire to keep the process moving and show the American people that we are serious about making some of the tough decisions necessary.
- o Committee vote: For the resolution: Andrews, Boschwitz, Danforth, Domenici, Gorton, Grassley, Kassebaum, Chiles, Exon, Hollings, Johnston, Metzenbaum, Riegle. Against: Armstrong, Hatch, Kasten, Quayle, Symms, Hart, Lautenberg, Moynihan, Sasser.

- o The Senate will not take up the budget until we have made a serious effort to determine if there is any chance to forge an alternative compromise here in the Senate. I am also hopeful that the Administration will use this time to provide us with their thoughts and comments.

DETAILS OF DOMENICI PACKAGE

- o The total deficit reduction in the resolution is \$38.8 billion in fiscal 1987; \$58.9 billion in 1988; and \$74.4 billion in 1989.
- o The Committee's budget resolution contains \$18.7 billion in additional revenues in fiscal 1987 and a total of \$74.3 billion from fiscal 1987-89. Revenue effects from spending measures assumed in the budget, such as retirement reforms and the sale of CONRAIL, plus revenue from reconciliation would account for \$6.1 billion, \$22.3 billion over three years. And the President's budget contained \$5.9 billion in FY 87 revenue increases, \$21.6 over three years.
- o Defense spending under the resolution would call for \$295.1 billion in FY 87 budget authority and \$280 billion in outlays. The President requested \$320.4 billion in budget authority, outlays, \$282.2 billion. According to the Budget Committee, the amounts included in the Domenici/Chiles resolution allow for 2.8% growth in budget authority from the FY 86 post-sequester budget authority level. In FY 1988 and 1989 there would be a 1% real growth rate.
- o The budget resolution would reduce non-defense spending in FY 87 by \$17.3 billion in outlays, and by more than \$70 billion from FY 87-89, mostly through freezes and reductions. However, \$2.3 billion in additional FY 87 spending would be allocated for critical programs such as embassy security, space shuttle construction, a farm credit initiative (\$400 million over 3 years), IRS, Head Start and key education programs.
- o Social Security, military and civil service pensions and all other indexed programs would receive a cost-of-living adjustment. All civilian and military personnel would receive a 3% pay raise.
- o Agriculture: The budget resolution assumes the enactment of the tobacco price support program contained in reconciliation with projected reduced budget authority and outlays of \$100 million in fiscal 1987 and \$600 million over three years; it assumes \$300 million in savings over three years from enactment million in each of the next three years and \$130 million in fiscal 1987 for farm credit programs.