

2/22/79

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MEMO	<p>From Young to The President (one page) re: US Mission to the UN Weekly Activities/ enclosed in Hutcherson to Mondale et al. <i>OPENED 4/16/08</i></p>	2/16/79	A

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THE PRESIDENT'S SCHEDULE

Monday - March 5, 1979

8:00 Dr. Zbigniew Brzezinski - The Oval Office.

8:30 Mr. Frank Moore - The Oval Office.

10:30 Mr. Jody Powell - The Oval Office.

11:30 Meeting with Environmentalists.
(30 min.) (Mr. Stuart Eizenstat) - The Cabinet Room.

12:00 Lunch with Vice President Walter F. Mondale.
(60 min.) The Oval Office.

1:30 Announcement on Hospital Cost Containment.
(Mr. Richard Moe) - The Cabinet Room.

FYI

Closed Circuit TV of Voyager-Jupiter Encounter

7:35-7:45 a.m. Closest approach accompanied by close-up
Jupiter images

8:10-8:30 a.m. First close-ups of Io and coverage of
other moons

7:30-8:57 p.m. Background films, an imaging summary and
zoom movie of Jupiter in color, etc.

THE WHITE HOUSE
WASHINGTON

2/21/79

The Vice President
Hamilton Jordan
Zbig Brzezinski

The attached was returned in the
President's outbox today and is
forwarded to you for your information.

Rick Hutcheson

~~CONFIDENTIAL~~

DECLASSIFIED

MR. MISC-06-194

POB. 8/14/07 STATE LETTER

BY 2 NARS, DATE 4/9/08

TO: President Carter
THROUGH: Rick Hutcheson
FROM: Ambassador Young
SUBJECT: US Mission to the UN Weekly Report, February 10 - February 16

C

1. Meeting with Khomeini Representative

Together with Ramsey Clark, I met with two representatives of Ayatollah Khomeini on February 10. They delivered a message from the Khomeini movement expressing friendship toward the American government and people, and assuring us of their concern for human rights. Shahriar Rouhani (spokesman for the interim committee for overseeing the activities of the Iranian diplomatic corps in the U.S.) said that his mission in the U.S. was to try to help the American people and government understand developments in Iran and avoid "panicking".

2. Namibia: Solving the Remaining Practical Problems

Following the return on February 13 of UN Special Representative Ahtisaari from meetings with SWAPO and the Frontline Presidents, the Western Five Contact Group have been consulting daily on ways to overcome remaining practical differences in implementing the settlement plan. Still to be resolved are such questions as the composition of the UN forces in Namibia and whether or not the UN should monitor SWAPO bases in Angola and Zambia. Ambassador Don McHenry is meeting with Waldheim today to persuade the Secretary General to use his upcoming report to the Security Council as a vehicle for resolving these problems. We hope Waldheim will propose solutions in his report and seek the advance concurrence of the parties. This would permit the UN to begin moving into Namibia about the end of the month.

3. Kampuchean Request for Security Council (SC) Meeting

Kampuchean Ambassador Prasith sent a letter this week to the Security Council President, currently Ambassador Bishara of Kuwait, requesting a Council meeting to consider Vietnamese aggression against Kampuchea. The Council President is currently discussing how to proceed with Council members. Bishara will report to Prasith on results of his consultations and then await Prasith's further reaction. USUN believes that we should proceed with care and has suggested that consultations of the Council as a whole should follow bilateral consultations.

4. Ugandan Request for Security Council Meeting

Ugandan President Amin sent Secretary General Waldheim a direct cable regarding the Tanzania/Uganda border problems. Waldheim told us that on the advice of his staff and Security Council President Bishara, he is interpreting Amin's cable as not being a formal request for a Security Council meeting. He has replied to Amin to this effect and asked for clarification. Waldheim said that the Uganda Perm Rep has received no instructions and knows nothing of the matter beyond the text of Amin's cable, which was sent directly to Waldheim bypassing the Ugandan Mission.

5. Speaking Engagements

2/12 - Keynote Speaker, Environmental Protection Agency Black History Month Observance in Washington; 2/14 - Main speaker at a Joint Convocation of AME Church of Texas and Paul Quinn College in Waco, Texas; 2/16 - Main speaker at the Afro-American Congress Black Arts Festival, Tulane University, New Orleans.

DECLASSIFIED

UFR-NLJC-06-194
REQ 8/14/82 STATE LET/EC
BY [signature] MAR 5, DATE 4/9/08

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10

Economic Report of the President

Transmitted to the Congress
January 1979

2:05 p.m.

THE PRESIDENT'S ATTENDANCE AT THE
NATIONAL FOREIGN POLICY CONFERENCE FOR
EDITORS AND BROADCASTERS

Thursday, February 22, 1979

Department of State

2:05 pm

The President boards motorcade on the South Grounds.

MOTORCADE DEPARTS South Grounds en route the Department of State.

(Driving time: 5 minutes)

2:10 pm

MOTORCADE ARRIVES Department of State (Diplomatic Entrance).

PRESS POOL COVERAGE
CLOSED ARRIVAL

The President will be met by:

Deputy Secretary of State
Warren Christopher

The President, escorted by Deputy Secretary Christopher, proceeds to Loy Henderson Room.

2:15 pm

The President arrives offstage announcement area and pauses.

Announcement

The President proceeds inside Loy Henderson Room en route podium for remarks to the Foreign Policy Conference.

PRESS POOL COVERAGE
ATTENDANCE: 300

Presidential remarks.

2:25 pm

Remarks conclude.

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The President accepts questions from the audience.

2:45 pm

Question and answer period concludes.

The President thanks his hosts and departs Loy Henderson Room en route motorcade for boarding.

2:50 pm

MOTORCADE DEPARTS Department of State en route South Grounds.

(Driving time: 5 minutes)

2:55 pm

MOTORCADE ARRIVES South Grounds.

2-21-79

Loc/St Officials. inflation

Many responsibilities
Complex, challenging

Idealism - courage. Common good
Hl infl. econ well being of America

Determined. bring infl under control

Beyond govt control
free enterprise - weather. Foreign
fiscal excesses '60's → early '70's

Some things we can control
budget - deficit. % GNP -

Waste - fraud - regulations - productivity
RWI -
PURCHASING → bal budget & econ kept
sound & strong

Feds - not alone. St, local
Pressures. fight. hold the line

Urban - energy - civil service - hosp costs.
13-14% GNP, workforce

Innovation

Hugh Sidey - Alice
Nick Thimmesch - Pamela
Stanton Cook - Bobbie - chmn
Clayton Kirkpatrick - Thelma - Editor
Maxwell McCrehon - Nancy
Robt Hunt - Janice - Gen mgr
John McCrechon - Susan - Ch Ed Wrt
Aldo Beckman - Maxine - Wash Sec

media dinner 2/22/79

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PRESIDENT JIMMY CARTER
FOREIGN POLICY CONFERENCE FOR
EDITORS & BROADCASTERS
THURSDAY, FEBRUARY 22, 1979

- 1 -

BEFORE I TAKE YOUR QUESTIONS THIS AFTERNOON,
I WANT TO SHARE SOME THOUGHTS WITH YOU ABOUT THE USES OF
AMERICAN POWER IN A CHANGING AND SOMETIMES TURBULENT WORLD.

RECENT EVENTS -- PARTICULARLY IN IRAN AND IN SOUTHEAST
ASIA -- HAVE TOUCHED OFF THE BEGINNINGS OF A NATIONAL DEBATE
ABOUT WHAT AMERICA'S ROLE SHOULD BE IN DEALING WITH THAT
TURBULENCE AND IN TRYING TO GUIDE THAT CHANGE.

WE HAVE BEEN GOING THROUGH DEBATES LIKE THIS ONE
EVER SINCE THE ADMINISTRATION OF GEORGE WASHINGTON, WHOSE
BIRTHDAY WE CELEBRATE TODAY.

LOOKING BACK OVER THE PAST SEVERAL YEARS, I AM
STRUCK BY THE STEADILY INCREASING COMPLEXITY OF OUR WORLD.

AND I AM ENCOURAGED BY WHAT I JUDGE TO BE AN
INCREASING READINESS ON THE PART OF THE AMERICAN PEOPLE
TO UNDERSTAND THAT COMPLEXITY, AND TO SUPPORT POLICIES
THAT DEAL WITH THE WORLD REALISTICALLY AND RESPONSIBLY.

-- OF COURSE, THERE HAS BEEN NO.....

OF COURSE, THERE HAS BEEN NO CHANGE IN AMERICA'S RESPONSIBILITY OR WILLINGNESS TO MAINTAIN STRONG MILITARY FORCES, ... TO PROMOTE THE ECONOMIC HEALTH AND VITALITY OF OUR OWN AND THE GLOBAL ECONOMY, ... AND TO ENHANCE THE POLITICAL AND MORAL STRENGTH OF OUR NATION.

BUT WE MUST ALSO SEE NEW CHALLENGES CLEARLY, AND DEVISE INTELLIGENT AND THOUGHTFUL RESPONSES TO THEM.

NEITHER OF THE TWO EVENTS THAT HAVE DOMINATED THE HEADLINES IN THE PAST FEW WEEKS -- TURMOIL IN IRAN, AND CONFLICT IN SOUTHEAST ASIA -- WAS OF OUR MAKING.

BUT BOTH EVENTS PLACE GREAT DEMANDS ON OUR ABILITY TO DEFINE AND ACT UPON OUR TRUE INTERESTS AS A PEOPLE. AND THERE ARE LIKELY TO BE MORE SUCH SITUATIONS IN THE FUTURE.

AS THE WORLD BECOMES MORE COMPLEX, IT IS MORE IMPORTANT THAN EVER BEFORE THAT WE DO NOT OVERSIMPLIFY EVENTS ABROAD.

BAD ANALYSIS LEADS INEVITABLY TO BAD POLICY.

INSTEAD, WE NEED TO BE AWARE OF THE DEEP HISTORICAL FORCES AT WORK IN OTHER COUNTRIES. THE REVOLUTION IN IRAN, FOR EXAMPLE, IS A PRODUCT OF IRANIAN SOCIAL, POLITICAL, ECONOMIC, AND RELIGIOUS FACTORS. TO IGNORE THESE REALITIES WOULD ONLY LEAD US TO TAKE ACTIONS THAT WOULD BE INEFFECTIVE OR IRRELEVANT.

dangerous

BUT IN ADDITION TO UNDERSTANDING THE COMPLEXITY OF INDIVIDUAL NATIONS, WE MUST ALSO UNDERSTAND HOW CHANGES TAKING PLACE IN THEM CAN AFFECT THE FUTURE BOTH OF PARTICULAR REGIONS AND OF THE WORLD AS A WHOLE.

WE NEED TO RESIST TWO TEMPTATIONS: TO SEE ALL CHANGE AS INEVITABLY AGAINST OUR INTERESTS, AS LOSSES FOR "US" AGAINST "THEM";...OR TO IMAGINE THAT WHAT HAPPENS IN A COUNTRY LIKE IRAN WILL NOT HAVE CONSEQUENCES ELSEWHERE.

WE NEED TO SEE WHAT IS HAPPENING NOT IN TERMS OF BLACK AND WHITE, BUT IN MORE SUBTLE SHADES;...NOT AS ISOLATED EVENTS, BUT IN RELATION TO DEVELOPMENTS ELSEWHERE.

AT THIS MOMENT THERE IS TURMOIL OR CHANGE IN VARIOUS COUNTRIES FROM ONE END OF THE INDIAN OCEAN TO THE OTHER.

SOME TURMOIL, AS IN INDOCHINA, IS THE PRODUCT OF AGE-OLD ENMITIES, INFLAMED BY RIVALRIES FOR INFLUENCE BETWEEN OUTSIDE POWERS.

STABILITY IN SOME OTHER COUNTRIES IS BEING SHAKEN BY THE PRESSURE FOR MODERNIZATION, THE SEARCH FOR NATIONAL SIGNIFICANCE, OR THE DESIRE TO FULFILL HUMAN HOPES AND ASPIRATIONS.

FOR US IN THE UNITED STATES, CHANGE ITSELF IS NOT THE ENEMY.

-- OUR CONCERN IS TWO-FOLD:.....

OUR CONCERN IS TWO-FOLD: WE MUST WORK TO DAMPEN
CONFLICT,...AND WE MUST MAKE CLEAR THAT IT IS DANGEROUS FOR
OUTSIDE POWERS TO TRY TO EXPLOIT INSTABILITY AND TURMOIL.

THAT KIND OF EXPLOITATION CAN DAMAGE NOT ONLY THE
INTEGRITY AND INDEPENDENCE OF INDIVIDUAL NATIONS,...BUT ALSO
THE EFFORT TO BUILD A MORE SECURE AND PEACEFUL WORLD AS A
WHOLE.

LET ME REPEAT WHAT I SAID AT GEORGIA TECH ON TUESDAY:
"IN THE MIDDLE EAST, IN SOUTHEAST ASIA, AND ELSEWHERE IN THE
WORLD, WE STILL STAND BY OUR FRIENDS,...WE WILL HONOR OUR
COMMITMENTS,...AND WE WILL PROTECT THE VITAL INTERESTS OF
THE UNITED STATES."

THE UNITED STATES CONTINUES TO BE THE MOST POWERFUL
NATION ON EARTH -- POLITICALLY, ECONOMICALLY, AND MILITARILY.

I AM COMMITTED TO PRESERVING AND ENHANCING THAT POWER --
NOT FOR ITS OWN SAKE, BUT FOR THE SAKE OF THE VALUES AND
IDEALS OF OUR NATION.

WE WILL MAKE RESPONSIBLE USE OF OUR POWER WHERE OUR
INTERESTS ARE DIRECTLY INVOLVED, OR WHERE WE CAN HELP TO
CREATE CONDITIONS FOR PEACE AND FOR THE INDEPENDENT
DEVELOPMENT OF OTHER NATIONS.

WE HAVE FORCES IN READINESS WHICH WE WILL USE IF NECESSARY.

I HOPE THAT NEED WILL NEVER ARISE. I AM PROUD THAT NO MEMBER OF THE AMERICAN ARMED FORCES HAS HAD TO GIVE HIS LIFE IN COMBAT DURING MY ADMINISTRATION.

AND I AM DETERMINED TO DO ALL IN MY POWER TO KEEP THE PEACE.

BUT LET THERE BE NO MISTAKE: OUR WILL AND DETERMINATION ARE FIRM;...OUR COMMITMENT TO PROTECTING OUR VITAL INTERESTS IS UNSHAKABLE.

WE MUST THEREFORE BE VERY CLEAR ABOUT WHERE OUR TRUE INTERESTS LIE.

-- IN IRAN, OUR INTEREST IS TO SEE ITS PEOPLE INDEPENDENT, ABLE TO DEVELOP ACCORDING TO THEIR OWN DESIGN, FREE FROM OUTSIDE INTERFERENCE EITHER BY US OR BY OTHER NATIONS;

-- IN SOUTHEAST ASIA, OUR INTEREST IS TO PROMOTE PEACE AND THE WITHDRAWAL OF OUTSIDE FORCES, AND NOT TO BECOME EMBROILED IN CONFLICTS BETWEEN COMMUNIST NATIONS;

-- --AND IN GENERAL, OUR.....

-- AND IN GENERAL, OUR INTEREST IS TO PROMOTE
THE HEALTH AND DEVELOPMENT OF INDIVIDUAL SOCIETIES --
NOT TO A PATTERN CUT IN THE UNITED STATES, BUT TAILORED
RATHER TO HOPES AND DESIRES OF THE PEOPLES INVOLVED.

TO THESE ENDS, WE WILL BROADEN OUR COOPERATION WITH
OUR FRIENDS IN THE MIDDLE EAST AND SOUTHEAST ASIA, SUPPORTING
THEIR EFFORTS TO MAINTAIN THEIR NATIONAL INTEGRITY AND
INDEPENDENCE.

I WILL THEREFORE ASSESS WITH CONGRESS THE NEED FOR
ADDITIONAL MILITARY AID, TO BE USED WHERE IT CAN BE MOST
EFFECTIVE.

I AM ALSO CALLING ON OUR ALLIES TO HELP WHERE THEY CAN.

WE ARE WORKING HARD FOR PEACE BETWEEN ISRAEL AND
HER NEIGHBORS, AND IN OTHER TROUBLED AREAS OF THE WORLD.

IN THE FUTURE, WE WILL FIND THE DEMANDS ON US
INCREASING, NOT DIMINISHING.

WE CONTINUE TO BEAR THE BURDENS OF MAINTAINING A
STRONG DEFENSE, SUPPORTING TRADITIONAL ALLIES, AND WORKING
TO REDUCE THE GROWTH AND SPREAD OF ARMS.

BUT WE ALSO FACE A TWILIGHT WORLD OF CHANGE AND
SOMETIMES OF TURMOIL.

WE WILL INCREASINGLY BE CALLED UPON TO DEAL WITH
EVENTS THAT DO NOT PRESENT BASIC CHALLENGES TO OUR SECURITY,
BUT STILL REQUIRE RESPONSIBLE USE OF AMERICAN POWER.

WE HAVE THE STRENGTH AND THE WILL TO ACT WHERE
NEED BE.

AND I AM CONFIDENT THAT AS A NATION WE ALSO HAVE
THE WISDOM TO ACT WISELY.

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THE WHITE HOUSE
 WASHINGTON
 February 21, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: JERRY RAFSHOON *Jerry*
 SUBJECT: Informal Dinner with representatives of the
 Media, Thursday, February 22, 1979, 6:30 P

BACKGROUND:

This is another in the continuing series of dinners that you and Mrs. Carter have been hosting for representatives of the national media.

PARTICIPANTS:

Mr. and Mrs. Hugh Sidey (wife-Alice)
 Hugh Sidey was born in Greenfield, Iowa and received his B.S. degree from Iowa State University in 1950. In 1951 he joined the Omaha World-Herald as a reporter and left in 1955 to go to Life magazine. In 1958 he joined Time magazine as a correspondent. In 1966 he began his column on the Presidency and in 1969 he was named Washington bureau chief for Time magazine. Mr. Sidey is the author of several books about the Presidency including John F. Kennedy, President, 1963; A Very Personal Presidency, Lyndon Johnson in the White House, 1966; Portrait of a President, 1975.

Mr. Nick Thimmesch and guest (Pamela Powell)
 Nick Thimmesch was born in Dubuque, Iowa and received his B. A. degree from Iowa State in 1950. He joined the Davenport (Iowa) Times in 1950 as a reporter. From 1955 - 67 he was a correspondent with Time Magazine. In 1967 he was named Washington Bureau Chief for Newsday and served until 1969 when he became a syndicated columnist. In 1976 he became a contributing editor for New York magazine. Nick has written the following books: The Bobby Kennedy Nobody Knows, 1966 and Condition of Republicanism, 1968.

From the Chicago Tribune

Mr. and Mrs. Stanton Cook (wife-Bobbie)

Stanton Cook is Chairman of the Chicago Tribune. He was educated at Northwestern University where he received a B.S. in mechanical engineering. He joined the Chicago Tribune in 1950 as a production engineer. In 1960 he was named assistant production manager and was promoted to production manager in 1965. In 1972 he was named President. In 1974 he began serving as Chairman.

Mr. and Mrs. Clayton Kirkpatrick (wife-Thelma)

Clayton Kirkpatrick is Editor of the Chicago Tribune. He joined the Chicago Tribune in 1938 as a staff member. He served as day City Editor 1958-61 and was named managing editor in 1963. In 1967 he became executive editor. He is also currently serving as President of the Chicago Tribune Press Service. He served in the US Air Force and was decorated with the Bronze Star. He is a Republican. Methodist.

Mr. and Mrs. Maxwell McCrohon (wife-Nancy)

Maxwell McCrohon was born in Sydney, Australia. He began his newspaper career with the Sydney Morning Herald and in 1952 became their New York correspondent. In 1955 he joined the Sun-Herald (Sydney) as a reporter/feature writer. In 1960 he joined the Chicago American where he served as the Sunday magazine editor. In 1972 he joined the Chicago Tribune.

Mr. Robert M. Hunt (wife-Janice)

Bob Hunt is President and general manager of the Chicago Tribune. He joined the Chicago Tribune Company in 1950 after attending school at Michigan State University. He served in various management positions and was named general manager in 1974. He will be coming alone. His wife is in the hospital.

Mr. and Mrs. John McCutcheon (wife-Susan)

John McCutcheon is Chief Editorial Writer for the Chicago Tribune. He was born in Chicago and educated at Milton Academy and Harvard. He joined the Chicago Tribune in 1940 and became editor of the editorial page in 1971. He served with the U.S. Navy Reserve 1941-46.

Mr. Aldo Beckman and guest (Maxine Champion)

Aldo Beckman was born in Lima, IL and received a B.S. degree from Western Illinois in 1956. He became a reporter with UPI in Chicago in 1958 and joined the Chicago Tribune in 1959. He served as White House correspondent 1970-77 when he was promoted to Washington Bureau chief. He won the Merriman Smith Award in 1976.

cc: Mrs. Carter
Gretchen Poston

11:45 AM

THE WHITE HOUSE

WASHINGTON

February 21, 1979

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MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
SI LAZARUS
SUBJECT: Meeting with Doug Costle
Thursday, February 22, 1979

I. PURPOSE

To emphasize your concern that EPA and other agencies follow through on your commitment to cost-effective regulation.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: This meeting was set up at the end of last month, when Doug announced his decision to raise EPA's standard for permissible levels of ozone in the lower atmosphere from .08 parts per million (the existing standard) to .12 parts per million. Frank Press had concluded, and we agreed, that the evidence indicated that a level of .14 ppm would pose no greater health risk than .12 -- a difference worth between 1/2 billion and 1.5 billion dollars per year in estimated compliance costs.

Since the decision, the misimpression has gained credence on the Hill and elsewhere that Doug's .12 decision resulted from his bowing to White House pressure. The Administration may be able to put that notion to rest at oversight hearings which Senator Muskie will conduct next week, at which Doug, Charlie Schultze and Fred Kahn will represent the Administration. In addition to these hearings -- which may be hard-going because Muskie's staff opposes all the Administration's (and EPA's) regulatory reform activities -- other important related events scheduled for the near future are:

- . Publication of the Regulatory Calendar on all significant 1979 Executive Branch regulations -- by March 1.
- . Submission of the Administration's Regulatory Reform Act -- by March 15.
- . EPA's decision on new source performance standards for new steam electric plants (another major regulation followed closely by CEA) -- scheduled for March 19.
- . Commencement by the Regulatory Council of its effort to develop an Administration-wide cancer regulatory policy.

Anticipating these events, which may put considerable pressure on Doug, reaffirmation of your commitment to rational regulatory policy will be useful. Doug may want to discuss his concern about opposition among environmental constituencies to various facets of our regulatory reform activities, especially the criticisms Senator Muskie made in a speech last week.

- B. Participants: Doug Costle and Stu Eizenstat
- C. Press Plan: White House photographer only.

III. TALKING POINTS

1. Doug, I am proud of the innovative steps you have taken at EPA to increase environmental protection and to cut unnecessary costs and rigidity.
2. I know that you disagreed with Charlie, Frank and Stu over this ozone decision last month. I cannot assess the merits of that rule. I do want to reaffirm that my policy is to go with a lower-cost, higher flexibility approach to solving a problem, if it is substantially as effective as costlier, tighter approaches. Ozone may have been a case when you could have gone still further without further adverse health effects.
3. I hope you will put yourself in my place as you make these decisions. I am prepared to become involved if it is really necessary, but it is far preferable to work it out with Charlie and others on my staff.

4. I understand I will be meeting soon with members of the Regulatory Council and I look forward to discussing the Regulatory Calendar, our successes, needs, and priorities.
5. Regulatory reform is among my highest domestic priorities. I need your help, and you can count on mine.

12:20 PM

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

February 21, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze *CS*

SUBJECT: Briefing Memo for Tomorrow's Session with CEA Staff

Time: 12:20 p.m., for 3 minutes

Place: Cabinet Room

Purpose: At this meeting, I will present you officially with a copy of the Economic Report of the President, ask you to say a few words briefly to the staff, and have a photograph taken with the members of the staff.

Attendance: CEA staff members (about 35)

White House photographer

Press plan: No Press

Remarks: A few points you may wish to make:

- o I appreciate, of course, the economic analysis in this year's Economic Report, but I was especially struck by the color of its cover. It is by far the brightest color in the 33 year history of Presidential Economic Reports. Perhaps it was chosen to reflect the Council's economic forecasts. If you can do as well by the economy this year as you did by the cover, I'll have no cause for complaint.

Charlie Schultze tells me that the Economic Report has gotten favorable comments from Arthur Burns, Alan Greenspan, and Paul McCracken. Last year I understand that Walter Heller and Art Okun liked the Report. I don't mind the Council shifting its ground enough to cover this kind of a spectrum, but don't let me catch you putting out one next year that Milton Friedman and Jerry Brown will rave about.

*Heller Okun →
Burns, Greenspan*

- o I appreciate the work that all of you do not only during the time of putting out the Economic Report, but all year long. The year ahead will be a time of difficulty -- fighting inflation is not an easy task. But it will also be a time of challenge in all the areas you work with daily. I am glad you are here to help.

THE WHITE HOUSE

WASHINGTON

February 21, 1979

MEMORANDUM TO: THE PRESIDENT

FROM: Frank Press *fp*

When you were in Mexico I met with a group of industrial executives constituting the International Committee for the Centennial of Light, to receive on your behalf, this bulb, personally constructed by Thomas Edison. The gift is a working model of the original Edison bulb.

The committee members asked me to relay to you their concern that a climate that fosters technological innovation is lacking in the United States. I told them you shared this concern and described the steps you are taking to improve the situation, such as support of research, elimination of unnecessary regulations, and a domestic policy review of technological innovation which will be completed next month.

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DRAFT: Out-of-Town Editors, 2/22/79

Before I take your questions this afternoon, I want to share some thoughts with you about the uses of American power in a changing and sometimes turbulent world.

Recent events -- particularly in Iran and in Southeast Asia -- have touched off the beginnings of a national debate about what America's role should be in dealing with that turbulence and in trying to guide that change. We have been going through debates like this one ever since the Administration of George Washington, whose birthday we celebrate today.

Looking back over the past several years, I am struck by the steadily increasing complexity of our world.

And I am encouraged by what I judge to be an increasing readiness on the part of the American people to understand that complexity, and to support policies that deal with the world realistically and responsibly.

Of course, there has been no change in America's responsibility or willingness to maintain strong military forces, to promote the economic health and vitality of our own and the global economy, and to enhance the political and moral strength of our nation.

But we must also see new challenges clearly, and devise intelligent and thoughtful responses to them.

Neither of the two events that have dominated the headlines in the past few weeks -- turmoil in Iran, and conflict in Southeast Asia -- was of our making.

But both events place great demands on our ability to define and act upon our true interests as a people. And there are likely to be more ~~-- not fewer~~ such situations in the future.

As the world becomes more complex, it is more important than ever before that we do not oversimplify

events abroad. Bad analysis leads inevitably to bad policy.

Instead, we need to be aware of the deep historical forces at work in other countries. The revolution in Iran, for example, is a product of Iranian social, political, economic, and religious factors. To ignore these realities would only lead us to take actions that would be ineffective or irrelevant.

But in addition to understanding the complexity of individual nations, we must also understand how changes taking place in them can affect the future both of particular regions and of the world as a whole. We need

to resist two temptations: to see all change as inevitably against our interests, as losses for "us" against "them"; or to imagine that what happens in a country like Iran will not have consequences elsewhere. We need to see what is happening not in terms of black and white, but in more subtle shades; not as isolated events, but in relation to developments elsewhere.

At this moment there is turmoil ^{or} ~~and~~ change in various countries from one end of the Indian Ocean to the other. Some turmoil, as in Indochina, is the product of age-old enmities, inflamed by rivalries for influence between outside powers. Stability in some other countries

is being shaken by the pressure for modernization, the search for national significance, or the desire to fulfill human hopes and aspirations.

For us in the United States, change itself is not the enemy. Our concern is two-fold: we must work to dampen conflict, and we must make clear that it is dangerous for outside powers to try to exploit instability and turmoil. That kind of exploitation can damage not only the integrity and independence of individual nations, but also the effort to build a more secure and peaceful world as a whole.

Let me repeat what I said at Georgia Tech on Tuesday:

"In the Middle East, in Southeast Asia, and elsewhere in the world, we still stand by our friends --

we will honor our commitments -- and we will protect the vital interests of the United States."

The United States continues to be the most powerful nation on earth -- politically, economically, and militarily. I am committed to preserving and enhancing that power -- not for its own sake, but for the sake of the values and ideals, ^{of} our nation. ~~stands for.~~

We ^{will} ~~are prepared to~~ make responsible use of our power where our interests are directly involved, or where we can help to create conditions for peace and for the independent development of other nations.

(continued on page 7a)

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We have forces in readiness, ^{which} We will use ~~them~~ if
necessary.

I hope that need will never arise. I am proud that
^{member of the armed forces} no American ~~soldier~~ has had to give his life in the ^{combat} ~~defense~~
~~of freedom~~ during my Administration. And I am determined
to do all in my power to keep the peace.

But let there be no mistake: our will and deter-
mination are firm; our commitment to protecting our vital
interests is unshakable.

^{therefore be very}
~~At the same time~~, we must ^{also} ~~be~~ extremely clear
about where our true interests lie.

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-- In Iran, our interest is to see ^{, to people} ~~that nation~~ ^{at independent, able to}

develop according to ^{their} ~~its~~ own design, free from outside

interference either by us or by other nations;

-- In Southeast Asia, our interest is ~~only~~ to

promote peace and the withdrawal of outside forces ^{and} not

to become embroiled in conflicts between Communist nations;

-- and in general, our interest is to promote the

health and development of individual societies -- not to

a pattern cut in the United States, but tailored rather

to hopes and desires of the peoples involved.

To these ends, we will broaden our cooperation with
our friends in the Middle East and Southeast Asia, supporting

and independence.

their efforts to maintain their national integrity, I

assess with Congress the need for

will therefore ~~ask Congress to appropriate an additional~~

~~\$200 million~~ in military aid, to be used where it can

be most effective. I am also calling on our Allies to

help where they can.

*We are working hard for peace
in the Middle East between Israel and
her neighbors, and in other troubled areas
of the world*

~~In~~ As we ~~look to~~ the future, we will find the demands

on us increasing, not diminishing. We continue to bear

the burdens of maintaining a strong defense, supporting

traditional Allies, and working to reduce the growth and

spread of arms. But we ~~now~~ also face a twilight world of

change and sometimes of turmoil. We will increasingly

be called upon to deal with events that do not present

basic challenges to our security, but still require

responsible use of American power. We have the strength

and the will to act where need be. And I ^{am} confident that

as a nation we also have the wisdom to ~~see our way clearly.~~
act wisely.

#

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THE WHITE HOUSE
WASHINGTON
February 22, 1979

C
/

MEMORANDUM FOR THE PRESIDENT

FROM: JERRY RAFSHOON 
SUBJECT: Harris poll on energy

I spoke this morning with Lou Harris, the pollster, who called me about a new poll on energy that indicates that the public is looking for bold, compulsory measures and would expect and react favorably to your telling them what to do.

One question was related to the Iranian crisis and asked:

"Because of the shutdown of oil from Iran and the cut-backs announced by some major oil companies, would you go along with voluntary or compulsory measures?"

Voluntary - 36% Compulsory - 58%

Favor strict enforcement of the 55 MPH speed limit

Favor - 75% Oppose - 24%

Closing gas stations on weekends

Favor - 40% Oppose - 57%

Compulsory delivery of gas with some people getting it on odd days and some on even days (based on license plate numbers), or any other form of rationing

Favor - 47% Oppose - 48%

61% of those polled admitted that they waste energy.

cc: Zbigniew Brzezinski
Jody Powell
Hamilton Jordan
Stu Eizenstat

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THE WHITE HOUSE
WASHINGTON

Phil has
been
not necessary
to send any
copies to
anyone

THE WHITE HOUSE
WASHINGTON

2/22/79

Mr. President:

Jody has submitted a request to allow a U.S. News & World Report photographer to photograph the art work in your private study for a story they are doing. Jody realizes the privacy of your study but said U.S. News already had an old photo of the art work and would run it if they could not get a photo of the new additions.

I feel they should use their old photo.

allow new photo to be made

no new photo allowed

Phil 

~~(f.y.i. the old photo they have shows current artwork in study. the only new artwork is above the couch; hence 'old' photo is not outdated.)~~

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12:10 PM

THE WHITE HOUSE

WASHINGTON
February 21, 1979

MEETING WITH REP. WALTER JONES (D-NC-1) AND GAYLORD PERRY

Thursday, February 22, 1979

12:10 p.m. (2 minutes)

The Oval Office

From: Frank Moore *F.M./BR*

I. PURPOSE

To recognize Gaylord Perry for his distinguished pitching career.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

Background: Rep. Walter B. Jones

Committees: #3 Agriculture

Subcommittees: Tobacco, Chairman

Dairy & Poultry

Oilseeds & Rice

#4 Merchant Marine & Fisheries

Subcommittee: Coast Guard

Rep. Jones' interests are basically parochial -- tobacco and public works. Despite his relatively low voting percentage (47.5%), he has been willing to help the Administration on the tough issues. He has been a member of the House since winning a special election in 1966. His wife's name is Doris; they have two children -- Mrs. Dot Lee Moy and Walter B. Jones II.

Gaylord Perry is a native of Jones' congressional district and is the first pitcher to win the Cy Young Memorial Award in both leagues (1972, pitching for the Cleveland Indians, and 1978, pitching for the San Diego Padres). He is 40 years old and is also the oldest pitcher to win the Cy Young Award. Perry is best known for his spit ball, which inspired his book, Me and the Spitter.

Participants: The President, Rep. Jones, Gaylord Perry, Terry Straub. Perry will be accompanied by his wife, Blanche, and his cousin, Billie Larson, who works for Speaker O'Neill.

Press Plan: White House photographer only.

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THE WHITE HOUSE
WASHINGTON
2/22/79

The Vice President
Hamilton Jordan
Tim Kraft
Stu Eizenstat
Bob Lipshutz
Jack Watson
Frank Moore
Jerry Rafshoon
Alfred Kahn
Hugh Carter
Jim McIntyre
Jody Powell
Anne Wexler

Re: Cabinet Summaries

The attached was returned in the President's outbox today and is forwarded to you for your information.

Rick Hutcheson

EYES ONLY



Office of the Attorney General
Washington, D. C. 20530

February 16, 1979

Principle Activities of the Department of Justice
for the Week of February 12 through February 16, 1979

1. Meetings and Events

This week the Attorney General met with former governor Reuben Askew, who is under consideration for heading the Presidential commission on immigration and refugee policy.

2. Judicial Selection

There are currently 170 federal judgeship vacancies (152 under the new bill and 18 regular vacancies). Of this total, there are 31 currently in process at the Justice Department, 7 pending at the White House, and 9 pending in the Senate. The Attorney General is planning to discuss some additional appointments with the President next week.

3. Flood Prosecution

The Justice Department will seek to retry Congressman Daniel Flood on bribery and perjury charges because the first trial ended in a hung jury due to one juror's hold-out. The Department has also instructed the FBI to investigate possible jury tampering.

4. Letelier Bombing Case

After a long international investigation, three anti-Castro Cuban exiles were convicted on all counts for the murder in Washington, D. C. of former Chilean Ambassador Orlando Letelier and a colleague. The testimony of Michael Townley, former Chilean secret police agent, was critical to the prosecution; Townley pled guilty and will go to prison for his part in the assassination conspiracy.

5. Legislation

- The magistrates bill has been introduced in both Houses; the arbitration bill has been introduced in the Senate. Both bills are on a "fast track" for consideration in both Houses.

- A bill to give Justice the ability to act to protect the constitutional rights of institutionalized persons faces formidable Republican opposition in the Senate.

- The LEAA reauthorization bill is receiving favorable treatment from Chairman Rodino of House Judiciary. Rodino also indicated that he favors an independent National Institute of Justice.

- In the antitrust field, the Illinois Brick bill will receive early hearings; the Assistant Attorney General for the Antitrust Division will also testify in favor of the Antitrust Procedural Improvements Act which incorporates several recommendations of the President's Antitrust Commission.

- The Department will testify again on the need for reform of the federal criminal code; Congressman Drinan, who chairs the key House subcommittee, announced that code reform is his top priority. The ACLU wants to limit code reform this year to sentencing and repeal of obsolete provisions.



THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

February 16, 1979

MEMORANDUM FOR THE PRESIDENT

ATTENTION: Rick Hutcheson, Staff Secretary

FROM: Brock Adams

SUBJECT: Significant Issues for the Week of February 12

New Auto Engine Technologies - Earlier this week I presided at a two-day conference held in Boston aimed at exploring ways to dramatically reduce petroleum use in automobiles in the 1990's and beyond. In light of the Iranian crisis, I consider this a major challenge my Department is spearheading with important long-term payoffs for the Nation. The conference was attended by nearly 500 engineers and researchers. There was general agreement that fuel efficiency in the 40-50 miles per gallon range is a reasonable expectation between now and the year 2000 and a new source of fuel not dependent upon petroleum is also attainable. I was pleased at the positive cooperative spirit between industry and government fostered by this effort. I have attached a Washington Post article reporting on the conference accomplishments.

Marine Transportation - As I earlier indicated, I have approved using an existing Assistant Secretary position to become an Assistant Secretary for Marine Transportation to deal with water-related issues assigned to DOT. This new office will combine the marine and maritime functions currently conducted by the Department including deepwater port licensing, inland waterway transportation and international maritime and tanker safety initiatives. The Department's Coast Guard and Saint Lawrence Seaway Development Corporation will provide the necessary counsel and technical support to the new Assistant Secretary's office.

Truck Deregulation - Deputy Secretary Alan Butchman is chairing an interagency White House Task Force exploring the issue of Truck Deregulation. This group, representing the affected Departments, includes representatives of the Domestic Policy Staff, your Congressional Liaison Office, the White House Press Office, staff representing Ham Jordan and Ann Wexler, and staff of the Council

on Wage and Price Stability. In addition, the Department of Justice is playing a key role. The Task Force is meeting weekly on Wednesday mornings. In keeping with your State of the Union Message, they are developing the Administration proposals on Truck Deregulation and are working on a Surface Transportation Presidential Message.



Administrator

February 16, 1979

MEMORANDUM FOR THE PRESIDENT

THRU: Rick Hutcheson
SUBJECT: Weekly Report of GSA Activities

Design-to-Rent

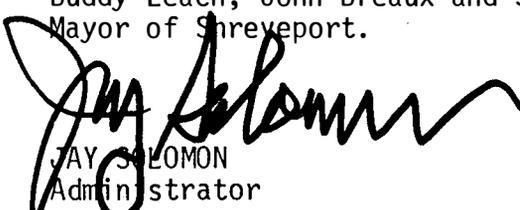
For the last few years, the costs of Federal buildings as constructed by GSA have become the subject of comprehensive scrutiny by OMB and the House and Senate Public Works Committees, as well as by in-house elements dealing with construction management.

As a result of this examination and the funding ramifications of the Public Buildings Act of 1972, GSA has embarked on a cost control program specifically designed to bring the capitalized construction cost of a building to within its income generating capability (design-to-rent). Within this concept, any allocation of funds in excess of this amount, presumably for a higher quality of construction or tenant requirements, would have to be justified by GSA's Office of Acquisition Policy on a life-cycle cost basis.

Twelve building projects which have been approved but for which architects have not been selected will be used to test the concept. If successful, implementation of design-to-rent could save as much as \$127 million.

Shreveport Federal Building Dedication

On February 12, I officiated at a ceremony in Shreveport, Louisiana, at which the Shreveport Federal Building and Courthouse was named after former U.S. Representative Joe D. Waggoner, Jr. Among those who joined me on the platform were Senator Russell Long, Representatives David Treen, Buddy Leach, John Breaux and Sam Hall and the Honorable William Hanna, Mayor of Shreveport.


JAY SOLOMON
Administrator

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United States
Environmental Protection Agency
Washington, D.C. 20460
February 16, 1979

C

The Administrator

REPORT TO THE PRESIDENT

FROM: Douglas M. Costle

Our efforts to resolve the problems associated with Ohio utilities using local coal are beginning to produce some results. By expediting our review of the relevant parts of the state's air pollution control plan, we were able to reach an agreement with a major Ohio utility that they would rely on washed Ohio coal rather than imported coal. The results would be:

- o 800 more jobs in Ohio mining
- o cleaner air
- o lower electrical costs.

We have also made two decisions on gasoline additives that should help alleviate a threatened gasoline shortage. Last week I approved the use of TBA -- an alcohol octane booster that Atlantic Richfield, for instance, proposed to use. Next week I expect to approve the use of another octane booster, MTBE, and there are several other additives still being analyzed. These additives:

- o will allow more gasoline to be produced per barrel of crude,
- o should substitute for some of the benzene (which is in short supply and has adverse health effects) -- presently used to increase octane,
- o usually can go into production quite rapidly.

As a result, we estimate that the two additives already approved will result in 60,000-70,000 additional barrels per day of production by 1980.

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A large, stylized handwritten signature in black ink, likely belonging to Douglas M. Costle.

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

February 17, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze *CLS*
SUBJECT: CEA Weekly Report

Balanced Budget. My staff and I have been actively involved with the White House senior staff in developing an appropriate response on the part of the Administration to the various proposals for a constitutional amendment to require a balanced budget. In two weeks, I will be appearing before the National Governors' Association Committee on Public Finance, of which Governor Brown is a member. My prepared remarks will not cover the subject of a Constitutional Amendment, but will stress your budget austerity program. The subject of the amendment will undoubtedly come up during the question period, and I propose to lay out all the arguments against the wisdom of such an amendment.

Hospital Cost Containment. CEA's staff worked during this past week with HEW, DPS, and others to complete the hospital cost containment legislation. The legislation has very strong drawbacks, such as the wage passthrough and the extremely complicated nature of the bill. But the bill also represents, on balance, about the best package that seems possible given the complex nature of the industry and of the political coalition necessary to enact it. HEW's bill offers room for states to take over the task of controlling hospitals, something both CEA and OMB felt was essential. An effective state regulatory scheme is much more likely to be responsive to the local conditions and integrated into regional health planning programs than would be a Federal program.

Regulatory Reform Issues. CEA's staff is working with DPS and other agencies to put the final touches on regulatory process legislation that will go to the Congress shortly. In two weeks, I will appear before Senator Muskie's Environmental Pollution Subcommittee to discuss the role of White House advisers in the regulatory process. My current indications

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are that Senator Muskie is very hostile to the Administration's regulatory reform program. For that reason, I also am seeking to meet with him privately prior to the testimony to discuss our program with him.

Humphrey-Hawkins. I testified last week before Congressman Hawkins' Subcommittee on Employment Opportunities on the Administration's steps in response to the requirements of the Humphrey-Hawkins Act. Although the testimony session was polite, Mr. Hawkins made clear that he did not agree with our economic policies and believed they did not live up to the spirit of the Act.

OECD. From Thursday through Saturday (February 22-24), I will be in Paris to chair a meeting of the Economic Policy Committee of the OECD. Lyle Gramley will be acting Chairman in my absence.



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D. C. 20201

February 16, 1979

C

MEMORANDUM FOR THE PRESIDENT

FROM JOSEPH A. CALIFANO, JR. *by Alec Champion*

SUBJECT: Weekly Report on HEW Activities

- The Ethics Law: HEW lawyers and private lawyers advising scientific, health and education personnel here have concluded that either the ethics law should be changed or its effective date postponed to avoid severe restrictions on post-government employment with non-profit organizations that receive Federal funding. Without such a change or postponement, there will be a significant exodus of education, as well as health and scientific, personnel from HEW. I now believe that not only are all four top education appointees likely to leave before July 1, but so will many of their deputies. If we want to avoid this, time is of the essence because people are now beginning to make their plans since they perceive that the Administration and the Congress are not likely to move promptly enough.
- Disability Testimony: On Thursday I will testify before the House Ways and Means Subcommittee on Social Security (Pickle) on our proposals to reform the disability insurance and supplementary security income programs.
- HMOs: On Tuesday in Detroit, I will present a Federal qualification certificate to a new health maintenance organization set up by the three big auto companies and the UAW. This HMO, with a near-term potential of 130,000 subscribers, brings the number of qualified HMOs in Detroit to three, and others are now forming.

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THE SECRETARY OF COMMERCE
WASHINGTON, D.C. 20230

February 16, 1979

FYI

REPORT TO THE PRESIDENT

At lunch this week Congressman Vanik informed me that he is optimistic about both the countervailing duties waiver and the Multilateral Trade Negotiations (MTN). He does believe, however, that enactment of a good Trade Adjustment Assistance bill is essential to a favorable climate for MTN. At his request, I agreed to brief a number of members of Congress on the importance of the MTN when it is under consideration.

You will recall that I presented copies of the Department of Commerce ocean policy study, "U.S. Ocean Policy in the 1970s: Status and Issues," to you and the Vice President at the Cabinet Meeting on December 1, 1978. The study identified policy opportunities for managing the Nation's ocean and coastal resources. We have submitted recommendations to Stuart for the development of initiatives through an abbreviated domestic policy review in the following areas: U.S. fisheries capability, protection of ocean and coastal resources, development of the coastal region, ocean technology, review of ocean regulations, and ocean research and development.

This study presents a leadership opportunity in a vital area largely ignored by other Presidents. With forty percent of this population living in coastal counties whose economies are linked with the ocean, there is immense interest in the protection and development of ocean resources. Many decisions relating to implementation of your energy program are tied to improving the management of ocean and coastal resources. Effective policy measures can result in reduction in the trade deficit, economic expansion, and perhaps even budgetary savings.

I believe these ocean policy issues should be addressed as promptly as possible. One means of moving this process, which I believe you should consider, is an interagency initiative to implement those policy recommendations.



Juanita M. Kreps

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- National Health Plan Briefings: We are continuing to consult with members of the Congress and representatives of non-governmental organizations on the tentative draft of the National Health Plan. During the past ten days, we have briefed Speaker O'Neill, the House Democratic Leadership, Henry Waxman, Charlie Rangel, Jim Corman, Al Ullman, Harley Staggers, Bob Giaimo, the Executive Committee of the Democratic Study Group, a delegation of three Governors from the National Governors Association, and representatives of the Health Insurance Association of America. We were unable to brief Senators this week because of the recess, but we are scheduled to consult with Senators Long, Ribicoff, Cranston and Magnuson next week. The following week we will consult with Senators Williams and Nelson.



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

February 16, 1979

MEMORANDUM TO THE PRESIDENT

THROUGH Rick Hutcheson
Staff Secretary

SUBJECT: Weekly Report

FARMERS. Spending this week in exile (OEOB) to avoid confrontations or provoking the demonstrators. Continuing to meet with small groups of them. (It's surprising how much more work can be done when you're in phone contact rather than foot contact with the Department.)

BUDGET. Had two sessions this week with the House Appropriations Subcommittee. As usual, the main points of contention are small (in dollars) projects in Members districts. Our total budget restrictions, however, seem reasonably secure.

WHEAT. Talks on an International Wheat Agreement were suspended this week without accord. We may have to consider bi-lateral or multi-lateral discussions in order to "inspire" the holdouts into more serious negotiations.

A handwritten signature in black ink, appearing to be "B.B." or "Bob Bergland".

BOB BERGLAND

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U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

February 16, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: SECRETARY OF LABOR, Ray Marshall *Ray*

SUBJECT: Major Departmental Activities February 12-16

60-Minutes Program on the Summer Youth Employment Program. This Sunday, 60-Minutes will begin a two-part series on the GAO. The review of GAO's role is based on its investigation of the summer youth program. I expect 60-Minutes to be critical of the operation of the program. As you know from our budget briefings, there are limitations to the implementation of a 10-week program. We have also implemented a number of the GAO recommendations.

AFL-CIO Executive Council Meeting. Next week the AFL-CIO Executive Council will hold its annual meeting in Florida. I hope for moderation and some support. To avoid any possibility for public confrontation, I will not attend. This approach was also supported by the AFL-CIO.

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THE SECRETARY OF THE TREASURY
WASHINGTON 20220

February 16, 1979

MEMORANDUM FOR THE PRESIDENT

Subject: Highlights of Treasury Activities

1. REAL WAGE INSURANCE

Your telephone call to Chairman Ullman was timely, although we still do not have a commitment for a caucus to discuss going to mark-up. The Speaker has agreed to ask the Chairman for a mark up as soon as possible. We apparently have the votes to report out the proposal, but time may not be on our side. We are pushing for swift action.

2. THE DOLLAR

Markets were quite steady this week, although nervousness about Iranian developments remained. Intervention by U.S. and foreign authorities was light. Treasury announced its second issuance of DM securities in Germany for DM 2½ billion (about \$1.35 billion), with payment to be received on March 1.

3. EPG

The full EPG discussed strategy for defeating the campaign for a constitutional amendment mandating budget balance. I am working with Dick Moe on the issue. The EPG also decided to study the various statutory schemes for limiting spending. As I discussed with you, I believe we should keep an open mind on that issue: the present budget process gives us less than a perfect bulwark against excessive spending.

W. Michael Blumenthal



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, D.C. 20410

February 16, 1979

MEMORANDUM FOR: The President
Attention: Rick Hutcheson

SUBJECT: Weekly Report of Major Departmental Activities

Displacement vs. Revitalization. The Department's recent report to Congress on displacement shows that private revitalization -- the "back-to-the city" movement -- has caused only a limited amount of dislocation of neighborhood residents to date. While strongly supporting urban revitalization as critical to the future of cities and urban areas, the Department also recognizes federal responsibility to eliminate or lessen any adverse effects that reinvestment has on the poor, the elderly, and those with special housing and service needs. Recommendations on how the federal government can help ameliorate the problem of displacement will be ready in March.

HUD to Host Major Land Use Conference. HUD's Housing Cost Task Force identified the cost of land as one of the primary factors in the rising cost of new houses. On February 26-27, the Department and the Urban Land Institute will co-sponsor a conference to explore ways improved land use practices could contribute to holding down the cost of housing. This major conference fulfills a commitment by HUD to seek solutions to the problem by bringing together those who are knowledgeable about land use regulations and other causes of the high cost of housing. Speakers will include Secretary Harris, OMB Director James McIntyre, Urban Land Institute President Harold S. Jenson and Atlanta Mayor Maynard Jackson.

Fresh Start on the South Bronx. With New York City's Board of Estimate's agreement on Wednesday to proceed promptly with renewed planning on redevelopment of the South Bronx without the Charlotte Street Project, HUD's Region II Administrator, Thomas Appleby, the new chairman of the Federal Regional Council, is now working with city officials and Jack Watson to reconstitute the planning effort.

Pat

Patricia Roberts Harris

THE WHITE HOUSE

WASHINGTON

February 21, 1979

PINNING CEREMONY FOR BG JOSIAH BLASINGAME, JR.

Thursday, February 22, 1979
12:05 p.m. (3 minutes)
The Oval Office

From: Hugh Carter 

I. PURPOSE

To pin on BG Joe Blasingame's stars

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: Joe Blasingame was promoted to the rank of Brigadier General on February 8, 1979. He has been the Commander of the White House Communications Agency since May, 1978. He was born in Monroe, Georgia, holds a B.S. degree in physics from North Georgia College and an M.S. in electrical engineering from Northeastern University.

Among many other military decorations, Joe holds a Bronze Star. Prior to coming to the White House, Joe was Chief, Command and Control Staff, Office of the Deputy Commander in Chief in Europe.

B. Participants: Joe Blasingame
Carol Blasingame (wife)
Jody Blasingame (daughter)

Hugh Carter
Marty Beaman

C. Press Plan: White House Photographer

THE WHITE HOUSE

WASHINGTON

Meeting with Kurt Thomas
Thursday, February 21
12:15p.m.
(2 minutes)
The Oval Office

(By: Fran Veerde)

I. PURPOSE: To greet, congratulate and have photograph taken with Kurt Thomas, Indiana State University Gymnastics star.

II. BACKGROUND, PARTICIPANTS, PRESS:

A. Background: Kurt Thomas, a student at Indiana State University in Terre Haute, represented the U.S. at the World Games in France last fall and won a gold medal in gymnastics. This is the first time a U.S. competitor has won a gold medal in gymnastics since 1932. In 1978, Kurt represented the U.S. and was the American Cup Champion (16 countries involved); he was the "Champions All" Champion in Britain and he was the Romanian Invitational Champion.

Sports Illustrated described him as one who will probably win the gold medal in Moscow and will be "the biggest thing to hit this country since Neil Armstrong". He has appeared on national talk shows and Senator Bayh feels that he has potential for becoming a "future American Goodwill Ambassador".

In addition, on April 25, 1977, when he won the Romanian men's all-around title, Nadia Comaneci was the female all-around titlist.

Young Kurt has overcome considerable odds since he was diagnosed as having two heart murmurs and retarded growth at age nine. He was married on December 31, 1977 and his wife will be with him for the photo opportunity. Senator Bayh

requested this appointment.

- B. Participants: The President
Kurt Thomas
~~Elizabeth Ann Thomas~~, Kurt's wife
Richard George Landini, President,
Indiana State University
Roger Council, Teacher, ISU
Shirley Council, Teacher, ISU
Robert Thompson, Director of Univer-
sity Relations, ISU
Edward Brown McKee, III, Director
of Sports Information, ISU
- C. Press: White House photographer
Small press pool.

THE WHITE HOUSE
WASHINGTON

C
/

February 22, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: Jerry Rafshoon 
SUBJECT: Appearance at the Foreign Policy Conference

Attached are additional talking points for your appearance this afternoon at the Foreign Policy Conference at the Department of State.

These talking points, prepared by the National Security Council, pertain to your visit to Mexico and I thought you might find them useful.

Not surprisingly, most of the post trip coverage has not reflected the positive comments, concerning the visit, of President Lopez Portillo.

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Talking Points for
De-Briefings on Mexico

-- I went to Mexico for the same reason that you came here today. We all recognize Mexico's growing importance to the U.S. and to the world. We all are deeply interested in a Mexico which is humane, politically creative, socially just, and economically prosperous. We all are concerned that the major issues which face our countries -- trade, energy, immigration, and the border -- need to be managed cooperatively, least our relationship slide backwards.

-- I must confess that I travelled to Mexico with some anxiety. Our countries and our relationship are changing rapidly, and our peoples have become so sensitive to each other that it is sometimes difficult to communicate candidly. The principle objectives I set for myself were to renew my dialogue with President Lopez Portillo and to convey to him and the people of Mexico my wish that we could build a new relationship based on mutual respect and full and frequent consultations. I hoped that my trip would improve the climate of our relationship, making future candid discussions on important issues possible.

-- I am happy to report that my conversations and the trip far exceeded my expectations and objectives. I held over seven hours of discussions with President Lopez Portillo. I found him an extremely intelligent and eloquent man who is a genuine statesman in the sense that he views his role as not only representing the interests of the people of Mexico today, but also the interests of future generations of Mexicans. I found him extremely frank, and I welcomed that. For too long, the Presidents of our two countries were disguising problems and feelings with florid and banal toasts. Some in the press interpreted President Lopez Portillo's toast as "harsh" or as "lecturing" me. I did not hear that. What I heard was a Mexican President articulating the deeply-felt feelings of all Mexicans not with the intention of denigrating the U.S., but rather the opposite. He wanted to articulate Mexico's sensitivity and concerns because a genuine and candid dialogue would have to build from that base.

-- A real dialogue did occur, and in virtually every issue, we succeeded in narrowing our differences and expanding our areas of understanding and cooperation. Let me summarize briefly some of the achievements of the trip:

On trade, we agreed on the necessity of concluding our bilateral negotiations within the context of the Multilateral

Trade Negotiations as soon as possible. We also agreed that a further expansion of trade between our countries was a desirable objective which could be achieved only by "a continuous liberalization of both countries' trade policies." President Lopez Portillo explained to me the nature of the decision he faces on whether to join GATT. He said that his decision will be greatly affected by the extent to which the MTN will give special treatment to the developing countries. Because of the importance of Mexico joining GATT, I have asked Bob Strauss to do what he can to make the MTN more responsive to the needs and concerns of developing countries. We also agreed to continue high-level consultations on trade and financial matters.

On energy, we reached a number of important understandings. First, we decided that our two governments would immediately start designing a broad cooperative program in the field of energy, which will include not only trade in oil and gas but also science and technology exchanges. Secondly, our two governments will begin negotiations within a month or so on long-term arrangements on the sale of natural gas. (We had been stalemated on these since the Mexican Government let their Memorandum of Intentions expire in December 1977.) Third, we agreed to do a joint study on the possibility of electricity interchanges on the border. (We have done such a study with the Canadians, and it has proved very useful.) Fourth, in order to enhance our cooperation in the field of nuclear energy, I told President Lopez Portillo that I would be in touch with the NRC to speed up the export of enriched uranium to Mexico. Fifth, we agreed to promote scientific cooperation in various fields, including solar and geothermal energy.

On science and technology, we agreed that further cooperation in this area would play a key role in our relationship. Our Secretaries of Foreign Relations signed three agreements while we were there on S&T cooperation in arid land management, urban settlement, and enhancing the U.S.-Mexican Mixed Commission on S&T. We plan to expand cooperation in areas such as railroad safety, development of new agricultural crops, management of industrial technology, oceanographic exploration, and techniques for exploring for uranium.

-- On border matters, perhaps the most important agreement of all was to instruct the International Boundary and Water Commission to formulate a plan for a permanent solution to the sanitation and water pollution problems on the border. Also, we agreed to strengthen and expand our efforts to suppress the production and trafficking of narcotics and to explore with Central American countries multilateral programs to assist them in this area. We also agreed to try to develop new ideas for cooperation to fight contraband.

On immigration, President Lopez Protillo was very understanding of the problem, and we agreed to undertake joint governmental studies and to share research on this matter.

On international affairs, we had wide-ranging discussions, and we agreed to cooperate and consult closely in the U.N. and in the O.A.S. on Nicaragua. We also agreed on the important work the Inter-American Commission on Human Rights is doing.

On bilateral relations, we agreed to strengthen the Consultative Mechanism and have it draft a report making concrete recommendations within four months which we could use in preparing for our next round of talks by the summer.

To summarize, I think it was a very productive trip. We accomplished a lot, and I also had time to sample Mexico's rich culture at the Ballet Folklórico and in hearing the Mexican National Symphony. My trip to Ixtlilco el Grande also permitted me to better appreciate Mexico's important efforts at integrated rural development.

12:25 PM

THE WHITE HOUSE
WASHINGTON

February 21, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: CAROL BENEFIELD *for Mrs. Carter*

SUBJECT: APPOINTMENT WITH MARY FOSTER, MILDRED WILLIAMS, DORIS BROWN

DATE OF MEETING: THURSDAY, FEBRUARY 22, 1979

TIME: 12:25 p.m.

DURATION: 3 Minutes

LOCATION: The Oval Office Mrs. Carter will escort these ladies to the Oval Office.

PRESS COVERAGE: White House Photographer only

PURPOSE: Mrs. Foster is the ^{*aunt*} ~~piece~~ of Irene Horne who is a good friend of President and Mrs. Carter. Mrs. Williams and Mrs. Brown are friends of Mrs. Foster.

Purpose is to meet these ladies and have a photograph taken with them.

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THE WHITE HOUSE

WASHINGTON

February 21, 1979

FOREIGN POLICY CONFERENCE FOR
EDITORS AND BROADCASTERS

Thursday, February 22, 1979

2:15 (30 minutes)

The State Department

From: Jerry Rafshoon *Jerry*

I. PURPOSE

To address the editors and broadcasters attending the annual foreign policy conference sponsored by the Department of State.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

This is the third State Department foreign policy conference held during your administration. Some 400 editors and broadcasters from around the country accepted, but due to the bad weather only 200-300 have been able to get to Washington this week. The list of invitees was provided by the White House.

This conference began on Wednesday and the subjects to be discussed during the two-day meeting include SALT II and US-Soviet Relations, China, Middle East, Africa, International Economic Policy. Speakers include State Department officials, William Miller and Ambassador Strauss. For the most part, all remarks by officials from the rostrum are on-the-record.

Pool coverage of your opening remarks only. Your response to the questions from the audience will be for the participants only and will be embargoed until the close of the conference later that afternoon.

III. TALKING POINTS

The attached opening remarks were prepared by Bob Hunter and Rick Hertzberg. The statement is basically a follow-up from the Georgia Tech speech.

IV. AGENDA

Opening Statement. (10 minutes)

Questions from the floor. (15-20 minutes)
Hodding Carter is serving as the moderator and will select the questioners. You will be expected to answer only three questions. You, of course, have the option of taking additional questions if you desire.

8:00 AM

THE WHITE HOUSE
WASHINGTON

February 21, 1979

MEMORANDUM TO THE PRESIDENT

FROM: ALFRED E. KAHN *Fred*

SUBJECT: Agenda for Inflation Breakfast, February 22, 1979, 8:00 a.m., Cabinet Room

1. A brief report on contact with George Meany on price monitoring; ✓
2. Discussion by Barry Bosworth of the 1978 inflation experience and the prospects; ✓
3. Discussion of my own highly provisional appraisal of the status of the anti-inflation program. ✓

THE WHITE HOUSE
WASHINGTON

2/22/79

Jack Watson

The attached was returned in
the President's outbox today
and is forwarded to you for
your information.

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

February 22, 1979

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MEMORANDUM TO THE PRESIDENT

FROM: JACK WATSON

SUBJECT: Telephone Call to Governor Jim Hunt

Jim Hunt has asked to speak with you personally on the telephone to urge your appointment of Luther Hodges, Jr. to be Under Secretary of Commerce. Jim said that it is important to him politically in North Carolina to be able to do so. He also said that Luther would be an enormous political asset for us in North Carolina in the 1980 election. The call will be very brief.

Arnie Miller says that Luther is, in fact, one of the leading candidates for that appointment, but that no final decision has been made by White House Personnel regarding their final recommendation to you.

I recommend that you call Jim today and simply receive his recommendation without making any commitment on the matter. As you know, he continues to be a great supporter of yours.

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