3/20/79 [1]

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<td>From Mondale to the President (Opp.) re: Visit to Brazil and Venezuela opened for RAC 128-10-36-1-4</td>
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<td>memo</td>
<td>From Brzezinski to The President (one page) re: Letter from Brezhnev regarding Israeli-Egyptian Peace Treaty opened 2/1/93</td>
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THE WHITE HOUSE
WASHINGTON

3/20/79

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
MEMORANDUM FOR THE PRESIDENT

SUBJECT: Significant Actions, Secretary and Deputy Secretary of Defense (March 3-16, 1979)

Base Realignment Actions: On March 29 the Department will announce decisions on previously identified studies for base closure; new base realignment studies; proposals to contract out support functions; and miscellaneous efficiencies in the support structure. We should realize approximately $300 million in annual recurring savings and about 17,000 military and civilian personnel spaces. We can expect the usual reaction from affected Congressional delegations. Charles has discussed the package with Jack Watson, Frank Moore, John White, and the Vice President's staff.

Government Ethics Act: Charles has been working closely with the Office of Government Ethics and Griffin Bell on interpretive regulations that implement the law in a sensible fashion. I continue to believe that we will need a few very limited amendments. A clear distinction must be made between what constitutes lawful and unlawful activity in post-government employment. Charles met today with your staff and Griffin Bell; they have agreed on draft amendments that will solve this Department's very serious problems. If you hold a meeting on this subject next week, I would like to be present in view of the potentially severe effects on Defense.

All-Volunteer Force: On Wednesday, the Service Chiefs appeared before Sam Nunn's Manpower and Personnel Subcommittee to discuss the all-volunteer force. The general thrust of the testimony was that the all-volunteer force is working for the active force, but that there are problems with the reserve forces. Bernie Rogers, responding to questioning, suggested that a draft for the Individual Ready Reserve (IRR) is needed; the other Service Chiefs said they would benefit from a draft for the IRR but that they didn't have as great a reserve manpower shortfall or requirement as the Army. The issue of the draft is of increasing public interest.

Extremely Low Frequency Program: Over the past two months we have mounted an extensive campaign to convince those opposed to ELF of our strategic need for it and of its minimal environmental impact. Assistant Defense Secretary Gerry Dinneen and others have provided extensive briefings to members of the Michigan and Wisconsin delegations; met with local residents of the affected communities; appeared on a live two-hour question and answer radio program in Madison, Wisconsin on the subject; and included ELF material in numerous speeches before the public. Just this week Charles Duncan hosted a breakfast for Congressmen Carr, Davis, and Nedzi.
to discuss the program. These efforts have had little real impact and the small vocal opposition continues to prevail. We will continue these efforts but I feel it is essential that a decision be made soon. Congressman Ichord has said privately that in his opinion his Subcommittee would support the program, but that without a decision from you on release of the $20M in FY 79 funds, we will lose the $13M request for FY 80. I plan to send you a memorandum soon on this matter.

Philippine Military Assistance: The recently signed Philippine Military Base Agreement provided that the Administration would make its best efforts to insure $25 million in Military Assistance Program (MAP) funds in both FY 1980 and FY 1981. On Tuesday Lester Wolfe's Asian Subcommittee cut the FY 1980 request to $17.1 million. This is an unfortunate start for the new agreement and we are making a concerted effort to get the requested amount restored in the full Committee markup. I sent a strong letter to Chairman Zablocki requesting his help.

Iran Foreign Military Sales: The Iran FMS trust fund is down to $4.12 million from the $800 million with which we started in early January. We have been unable to obtain written confirmation from the Iranian Government cancelling the remaining two (of the original four) SPRUANCE-class ships. Therefore, my staff is working with State to see whether we can take the initiative. This would be through a diplomatic note advising Iran that the U.S. will plan to terminate the ships in response to Prime Minister Bazargan's February 21 statement to Ambassador Sullivan. This was the last major Iranian purchase, but many lesser actions remain in phasing down our military sales relationship with Iran.

Military Equipment for Yemen: We are prepared to airlift 12 F-5E aircraft, 6 M60 tanks, and 6 M113 armored personnel carriers upon acceptance of letters of offer by Saudi Arabia and Yemen; 26 tanks and 44 APCs would immediately follow by sealift. I have also indicated our willingness to sell the Yemenis 12 155mm howitzers, air munitions for the 12 F-5E aircraft, and Dragon anti-tank weapons, all with associated training teams as required. The Saudis with our concurrence plan to transfer 32 M60 tanks and 35 APCs from Saudi stocks directly to North Yemen.

EUCOM/Saudi Arabia Planning Element: We have assigned a 15-man team to Saudi Arabia to assist in planning for defensive/offensive operations necessary to defend the Kingdom and North Yemen against further PDRY aggression. The planning element is under the leadership of MG Richard D. Lawrence, USA, who was the principal U.S. participant (other than yourself) in drawing the lines associated with Israeli withdrawal from Sinai. He had formerly been Project Manager, Saudi Arabia National Guard Modernization Program. The group is currently receiving briefings/orientations in the Pentagon and will depart this Sunday for Riyadh, arriving Monday, March 19.
Supplemental Budget Request: Congressional action on our FY 1979 Supplemental Budget Request is not moving as fast as we had expected. Further delays in passing the Supplemental appear likely, and as a result we may have to seek emergency interim funding authority to avoid termination of crucial defense programs.

Defense/White House Interaction: The large turn-out for your arrival late Tuesday night at Andrews included approximately forty DoD representatives (DoD Presidential appointees and their spouses). That was particularly gratifying to me. But it also reminds me of a matter that concerns me. I believe that my top level people have not had sufficient social involvement with the White House. One way to increase their visibility as Administration supporters—and to provide them with a well-earned reward—would be to include them occasionally on invitation lists to White House social functions (e.g., receptions, dinners or post-dinner entertainments, Sunday concerts). Of the Service Secretaries, members of the JCS, and various assistant secretaries of DoD and the military departments, less than about three have received such invitations in this Administration.

SALT: Yesterday, substituting for George Seignous, Charles spoke to the Georgia Chamber of Commerce in Atlanta about SALT II. Charles gave a very straightforward speech to the group, and the question and answer period following indicated that his approach—which emphasized the Defense Department support for SALT II along with the need for a strong military capability to provide deterrence and defense—was well received.

ISRAELI-EGYPTIAN TREATY: I met with Ezer Weizman and his party today, and will meet with Egyptian MOD Ali tomorrow or Monday. I have held to a hard line with the Israelis: $2.0 to $2.5 billion over three years to cover both our contribution to withdrawal costs, and to equipment modernization—whose cost Weizman estimates at $1.5 billion a year above their present $1.0 billion of FMS credit; no commitment as to split between grant, FMS credit and type thereof, and USG-guaranteed commercial loan. Weizman will be very disappointed if he returns home on Monday for the Wednesday Knesset debate with no more financial assurance than this, though I will be able to give him a list of equipment approved for purchase, and a draft Memo of Understanding on R and D and on Procurement.

I explained our budget situation, the need to consult Congress, and the political ramifications. Weizman responded that the Israeli Government is vulnerable to the charge that in return for withdrawal from Sinai, they get (in addition to peace with Egypt) to pay (by their estimate) $3.5 billion in relocation costs, much of it spent offshore at the expense of their BOP, the rest at home where it increases their inflation rate. In the end I believe you are likely to have to make a commitment to Begin before the treaty is signed,
of the magnitude I discussed with you on the telephone yesterday. Even getting him to settle at that level may require you to do so at another "family dinner."

I also raised with Weizman the shooting of two Palestinian students in a rock-throwing disturbance, noting its human rights implications. He said he shares your views and that Yadin, in Begin's illness and Weizman's absence, has given orders to exercise extreme self-restraint against being provoked.

Herald Brown
FOR THE RECORD:

SUSAN RECEIVED A COPY (SENT SECRET).
MEMORANDUM

THE WHITE HOUSE
WASHINGTON

March 19, 1979

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI

SUBJECT: Letter from Brezhnev Regarding the Israeli-Egyptian Peace Treaty

1. It is quite moderate in tone but very negative in substance.

2. It foreshadows the public line that the Soviet Union will take in urging Arab opposition to the treaty.

3. It takes strong exception to any enhanced US security role in the region.
The White House
Washington
20 Mar 79

Hamilton Jordan
Jody Powell
Jerry Rafshoon

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

Rick Hutcheson
FOR IMMEDIATE RELEASE
TUESDAY, MARCH 20, 1979
For more information, call 202-633-2014

The Attorney General today announced that he has appointed Paul J. Curran of New York, under the authority of 28 U.S.C. § 515(a), as Special Counsel to conduct the remainder of the inquiry into various loan transactions between the National Bank of Georgia and the Carter Warehouse.

The Department of Justice recently completed an intensive preliminary investigation of these loan transactions. That preliminary investigation did not resolve all factual and legal issues relating to these transactions, and therefore the Department has carefully considered available courses of action to pursue the inquiry. The Attorney General, at the recommendation of Assistant Attorney General Philip B. Heymann, and with the approval of Deputy Attorney General Benjamin R. Civiletti, has determined that because of the unique combination of circumstances in this matter, it is in the best interest of the administration of justice and the public's perception of the fairness and impartiality of justice that an independent Special Counsel be appointed.

Special Counsel and Special Prosecutors

Over the last two years, the Department has received over 40 requests from Members of Congress, and from time to time requests from others, to appoint special counsel or special prosecutors in all manner of investigations. We have always declined to do so.
Frequent appointment of special attorneys would undermine the ability of the Department of Justice to conduct its business on a sound basis. It is essential to the administration of justice that the public have confidence in the ability of the Department of Justice to carry out its functions impartially and fairly. Common appointment of special prosecutors would erode the confidence of the public and would chip away at the morale of career prosecutors who have dedicated themselves to striving to administer justice uniformly for all. The Department of Justice often has to make and defend hard prosecutive decisions, and should be called upon to make those decisions, if it is to fulfill its role as a neutral and vigorous guardian of the law. And it has plainly demonstrated that it has the capacity and integrity to investigate allegations of wrongdoing without regard to the position held by any subject of an investigation.

For these reasons, it is the general policy of the Department not to appoint special prosecutors for investigations except where required by the terms of Title VI of the Ethics in Government Act of 1978. That statute requires that allegations of federal criminal violations received against a limited number of high-ranking officials be referred to a special court for the appointment of a special prosecutor if, after a preliminary investigation, the Department of Justice determines that the allegation warrants further investigation or prosecution. The Department has already implemented Title VI on two occasions and intends to enforce it faithfully.
The Criminal Division's current inquiry into the various loans by the National Bank of Georgia to the Carter Warehouse has been consistent with a high standard of vigorous and impartial investigation. Late last summer, in the course of an ongoing inquiry into the activities of several Georgia banks, the Criminal Division examined records which described loan transactions between the National Bank of Georgia and the Carter Warehouse. The attorneys on the banking case were directed by Assistant Attorney General Heymann at that time to investigate the character and handling of these loans. This investigation has continued and intensified over the last several months, as we considered the appropriate structure for handling the completion of the inquiry.

It has been and remains the conclusion of the Department of Justice, as detailed in a March 5, 1979 letter from the Attorney General to the Chairman of the Senate Judiciary Committee, that the Ethics in Government Act does not apply to the pending inquiry inasmuch as the basic information involving the loan transactions was developed by the Department of Justice prior to the October 26, 1978 effective date of the Act.

Nonetheless, this Administration endorsed the Ethics in Government Act and the Department recognizes, in the spirit of the Act, that the Carter Warehouse inquiry involves a combination of extraordinary and special circumstances. These lead us to the conclusion that we should depart from our general policy
against special counsel or special prosecutors in this unusual case. We have determined that an independent Special Counsel selected from outside the Department should be appointed to head the remainder of the Carter Warehouse inquiry.

A Special Counsel is appropriate here for the following reasons. The investigation touches on the conduct of a business in which the President of the United States, the President's brother, and the President's mother, each hold a partnership interest. It is important to the American public's confidence in the administration of justice that they be assured that the ultimate resolution of the investigation -- whether it be a finding that no charges are warranted or a decision to initiate civil or criminal proceedings -- was reached fairly and impartially and without even the possibility of deference to high office. At the same time, the subjects of the investigation should not have to fear that they might be treated more harshly than is warranted by a Department eager to prove its impartiality.

The combination of these circumstances, we believe, outweighs the compelling reasons behind our policy not to appoint special prosecutors generally. The substance and the perception of justice, and fairness to the subjects involved, require a Special Counsel.

Duties and Authority of the Special Counsel

The Special Counsel will have full authority over the Warehouse inquiry, and will supervise that investigation on a day-to-day basis. The Special Counsel will have authority to
draw on existing Department of Justice personnel and resources, including access to any files, records, or other relevant materials; to bring in any additional staff necessary to perform his duties; to conduct proceedings before grand juries and conduct any other investigation that he deems necessary, see 28 U.S.C. §515(a); to determine whether or not to contest any assertion of testimonial privilege; to determine whether or not application should be made to a federal court for warrants, subpoenas, or other court orders; to decide whether or not application should be made for a grant of immunity for any witness, consistent with applicable statutory requirements; and, finally, to determine whether or not the prosecution of any individual, entity, or group of individuals is warranted or not warranted.

The Special Counsel will not be operating with special statutory authority. Therefore, prosecutive decisions, including applications for immunity, must finally be approved by the Assistant Attorney General for the Criminal Division. When the Special Counsel reaches a decision with regard to any aspect of the investigation or the entire investigation, he will report the decision to Assistant Attorney General Heymann. Mr. Heymann would overrule the Special Counsel only if the Special Counsel's decision were so grossly inconsistent with well established prosecutorial standards as to render the decision unconscionable.
In the event that a decision of the Special Counsel were overruled, the matter would be fully reported to the public and the Congress at the earliest stage possible consistent with the rights of any remaining potential defendants and the restrictions of Federal Rule of Criminal Procedure 6(e).

In short, the Special Counsel will conduct a thorough and expeditious investigation of the Carter Warehouse loan transactions and will bring the matter to a fair and just conclusion, whether by closing the case or by initiating appropriate civil or criminal proceedings.

The Special Counsel can build effectively on the fruits of the investigation to date. While the Department is confident that, even without this special appointment, any investigation would be full, vigorous, and impartial, the Special Counsel will serve as a special guarantee to the public of these qualities.
APPENDIX

28 U.S.C. §515(a) reads:

"The Attorney General or any other officer of the Department of Justice, or any attorney specially appointed by the Attorney General under law, may, when specifically directed by the Attorney General, conduct any kind of legal proceeding, civil or criminal, including grand jury proceedings and proceedings before committing magistrates, which United States attorneys are authorized by law to conduct, whether or not he is a resident of the district in which the proceeding is brought."
20 March 79

Attorney General Bell

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

Rick Hutcheson

Rick Hernandez
Tim Kraft

ATTORNEY BELL DID NOT RECEIVE COPY OF PHIL WISE NOTE.
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send philis note to TK+ rico - but not bell
Mr. President:

He is your first hispanic appointment on the Circuit Court level and is a plus politically. If you decide to do this it must be clear that this is an exception to the rule of your participation and that no others will be considered.

Phil
MEMORANDUM FOR THE PRESIDENT:

Judge Woodrow Seals advises that he believes you should administer the oath of office to Judge Reynaldo Garza in Brownsville, Texas, when Judge Garza is elevated to the Fifth Circuit Court of Appeals.

Respectfully,

Griffin B. Bell

Electrostatic Copy Made for Preservation Purposes
THE WHITE HOUSE
WASHINGTON
20 Mar 79

Jerry Rafshoon

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

Rick Hutcheson

Jody Powell
Fran Voorde

PHIL HAS SEEN.
JERRY TOLD 3:00.
Mr. President:

At the moment there is time on Thursday or Friday for this. However, I don't know if the meetings at Camp David yesterday produced new demands on you this week or if a press conference will need to scheduled at the end of this week.

Phil
THE WHITE HOUSE
WASHINGTON
March 19, 1979

MEMORANDUM FOR THE PRESIDENT
FROM: JERRY RAFSHOON

We have been asked by Israeli television to arrange an interview with you which will be broadcast in Israel during the week of the treaty-signing. They would like to do this interview prior to the treaty-signing, which means sometime this week. There will be one correspondent and we will have the questions in advance.

If you approve, we will make the same offer to Egyptian television.

Each interview would be no more than 10 minutes and we will have a set-up similar to the one we had for the Mexican interview -- in the Map Room with each correspondent coming in.

__________________
Approve

Disapprove
THE VICE PRESIDENT
WASHINGTON
March 20, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: The Vice President

SUBJECT: Visit to Brazil and Venezuela

In my meetings with President Figueiredo of Brazil and President Herrera of Venezuela, I will state your desire for a constructive and cooperative bilateral relationship, for close consultations to that end and for cooperation on regional and global issues of mutual interest. In Brasilia and Caracas I will offer both leaders our view of current international issues of importance including developments in the Middle East and the Persian Gulf, Indochina, the strategic arms talks, Southern Africa and North/South relations.

Brazil

In the March 22 talks with President Figueiredo and his ministers I will note our interest in using our bilateral consultative committees -- trade, policy planning, energy, science and technology and agriculture -- to further our relations. I will note specifically that if the Government of Brazil wishes, Frank Press will be pleased to come to Brazil later in the year for science and technology consultations. In other fields, I will note that we have a tax treaty currently under negotiation and state that it will be useful to bring these talks to a successful conclusion, and I will also recommend that we enter into negotiations on a consular convention. I will look for the right occasion to convey "discreetly" to Brazil's new President our pleasure over his very positive references to restoring full democracy and safeguarding human rights in his inaugural address.

VENEZUELA

As you know, before his inauguration, President Herrera sent a delegation to Washington to begin the consultative process, and he told the U.S. delegation to his inauguration that he was looking forward to continuing these consultations during my visit.
with particular emphasis on (1) increased technology assistance from the U.S. in energy and other fields, (2) restoration of Venezuela to GSP eligibility, and (3) removal of current restrictions so as to permit Venezuela, sorely in need of additional doctors, to send medical students to the U.S.

I will plan to inform Herrera that you want to be as responsive as possible in the field of technology and that we would propose to have Dr. Frank Press visit Venezuela for detailed consultations. On GSP exclusion and the current medical training restrictions, I will not hide either the difficulties we face or the complexities of these issues, but I will note that we are giving fresh attention to them and that we will want to stay in close touch to see if satisfactory solutions can be found.

Invitations to Figueiredo and Herrera

Our Embassy in Brasilia reports that the leading Brazilian newspapers, citing Foreign Ministry sources, are reporting that the principal objective of my visit to Brazil will be "to convince President Figueiredo to make an official visit to Washington." I expect questions from the press at both stops on the matter of whether or not I have extended invitations from you to the new leaders. I believe I should handle this issue in the same manner in each country, to treat one positively and the other negatively would only damage our interests with the latter.

With your approval, I would propose to extend an invitation in principle from you to both President Figueiredo of Brazil and President Herrera of Venezuela to visit the U.S. at a mutually convenient time. In doing so, I would note that they are both settling in to their new offices and that the next several months will be extremely crowded for you, and I will suggest that our governments should be in touch later this year or next on the question of specific dates.

Approve invitations in principle to both leaders as outlined above _____

Other _____

Figueiredo  Mid '79
Herrera  '80
The Vice President

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

Rick Hutcheson

Frank Moore
Mr. President:

Congressional Liaison concurs.

Rick
MEMORANDUM

THE VICE PRESIDENT
WASHINGTON

March 13, 1979

MEMORANDUM FOR: THE PRESIDENT
FROM: THE VICE PRESIDENT
SUBJECT: CALL TO SENATOR STENNIS ON THE DEFENSE DEPARTMENT'S DECISION TO SEND THE SARATOGA TO PHILADELPHIA

Senators Byrd and Warner are seeking Senator Stennis' support in their effort to reverse the Defense Department's decision to send the carrier Saratoga to the Philadelphia Navy Yard. The Virginia Senators' plan to amend the fiscal 1980 Military Procurement Authorization bill. Stennis' position on this issue will certainly determine the outcome in the Senate Armed Services Committee and probably on the Senate floor. While in the past Stennis has supported Harry Byrd in his efforts to have the Saratoga sent to Newport News and will be inclined to do so again, he may be responsive to a direct appeal by you asking that he support the Defense Department's decision. I would suggest the following talking points:

1. As you know, the Defense Department reaffirmed its decision last April that the first Forrestal class carrier, the Saratoga, should be refurbished under the Service Life Extension Program (SLEP) at the Philadelphia Navy Yard. I support this decision. It is in the best interests of the Navy and the future of our carrier force.

2. I hope the Armed Services Committee will not further delay implementation of the SLEP program. It is essential that the Navy be permitted to begin preparations for the Saratoga's modernization so that the SLEP program can proceed on schedule.
Frank Moore

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

Rick Hutcheson

cc: The Vice President
    Hamilton Jordan
    Stu Eizenstat
    Jack Watson

ADMINISTRATIVELY CONFIDENTIAL
| FOR ACTION |
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| VICE PRESIDENT |
| JORDAN |
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| KRAFT |
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| MOORE |
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| FOR STAFFING |
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MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE

SUBJECT: Weekly Legislative Report

I. DOMESTIC POLICY ISSUES

1. **Real Wage Insurance** — The Ways and Means Committee will not act before Chairman Ullman and members of the Trade Subcommittee return from China on April 3. Some members are reviewing an alternative to our proposal which would allow credit for inflation over 7.5 percent up to 10 percent. A summary of this proposal is attached.

   The Budget Committees will begin their mark-ups on April 3. In the House Committee, Brodhead is pushing for a deletion of RWI from the Budget Resolution. At this time, he probably would not succeed.

   In the Senate Committee the prospects look more precarious. Treasury reports that all eight Republicans oppose and 10 of the 12 Democrats (including Chairman Muskie) are inclined against RWI. The Finance Committee has recommended only $1.7 billion.

2. **Debt Limit** — On Thursday the Debt Limit Extension Bill passed the House with a vote of (212-195). The vote on the rule was (201-199).

   On the same day the Senate also attempted to move the bill but Republican threats to add a "balance the budget" amendment stopped it.

   If the Republicans (led by Helms) drop their amendment threats the Senate could act on Monday. If they persist with the amendments the bill will be taken up Tuesday with consideration of amendments on Wednesday. (Senator Long will be out of town Monday and Tuesday). If the bill passes in
suitable form on Wednesday, Treasury advises that the securities auction scheduled for that day can be rescheduled in time to prevent problems.

Treasury and WHCL are working with the House Rules Committee on alternative procedures for extending the debt limit. One possibility might be to tie it to the Budget Resolution. Justice will be asked to review the alternatives to determine constitutionality.

3. SBA Authorization Bill -- The House Small Business Committee reported H.R. 90 (sponsored by Committee Chairman Neal Smith), which contains many of the objectionable provisions of the bill vetoed last year. Chairman Smith moved the bill much more quickly than expected. It may come to the House floor as early as Thursday.

The bill contains extremely high authorization levels (averaging $1 billion per year over the budget for 1980 through 1982) and it significantly lowers the interest rates charged to applicants for disaster loans. The bill does not take SBA out of farm lending for disasters, and it does not provide a "credit elsewhere" test for loans. A meeting will be held with several Congressmen next Monday to develop a strategy for floor action and to get sponsors for amendments which would bring it into line with the budget.

4. Targeted Fiscal Assistance -- Reaction to Secretary Blumenthal's testimony before the Senate Finance Subcommittee has been favorable; it now appears that prospects for passage of the bill in the Senate are good.

The problem lies in the House. Treasury CL has been attempting to kick off the process by persuading a majority of the Fountain Subcommittee to co-sponsor our bill. It now appears that there is a fairly good shot at moving the bill through the Subcommittee. Congressmen Bill Moorhead, Weiss, Wydler, and Horton are firmly committed to passing a bill. Snowe seems a good possibility down the road. Aspin is not favorably inclined but may help us move the bill procedurally. Synar and English are undecided but dubious. Fountain and Brooks, of course, are opposed.
5. **AMTRAK** -- The Administration won a key vote in the Senate Commerce Committee on the Amtrak re-structure plan this week. On a voice vote with only one audible objection, the Committee agreed to recommend to the Budget Committee that the Amtrak subsidy be kept at the level requested by the Administration.

On an earlier roll-call vote of 10-4, the Committee rejected a motion by Senator Exon intended to leave the door open for higher subsidies should the Congress veto the re-structure. Support for the Administration's position was led by Senators Cannon, Danforth and Hollings.

The Commerce Committee is expected to act on one of several veto resolutions shortly before the Easter recess. Based upon this week's vote, it appears likely that the Committee, under Senator Cannon's leadership, will reject the resolution. There will probably still be an effort to bring the proposal to the Senate floor.

Prospects on the House side are uncertain. Chairman Staggers and Subcommittee Chair Florio were instrumental in the Committee's recommendation to add $40 million to the budget for "contingencies". This may represent funding for "add-backs" of some routes. We are concerned that restoration of one train may open the way for others.

6. **Hospital Cost Containment** -- Markup of cost containment will begin with Senate Finance on Thursday and Friday. That markup is expected to be followed the week of March 26 by markup in the Kennedy Subcommittee on Human Resources.

When Secretary Califano testified before the Health Subcommittee on Finance on Tuesday of this week, Senator Talmadge talked about possibilities of compromise. Both Talmadge's and Nelson's staff are in close touch, and we are working with them to see if we can put together a consensus bill to take to the floor and still preserve the essential elements of the Administration's bill.

Even though Senator Talmadge sounded ready to compromise on Tuesday, an acceptable compromise may not materialize. If it doesn't, Senator Nelson will be proposing our bill in the Finance Committee as an amendment to or as a substitute for the markup vehicle.
Regardless of what happens in Finance, we should be able to get our bill reported intact in Human Resources. We have solid majorities for the bill in the Kennedy Subcommittee and in the full Human Resources Committee.

The Rangel Subcommittee will continue hearings separately on Friday. The Commerce Health Subcommittee schedule is not set.

7. Reorganization

Natural Resources -- We are continuing to discuss the use of reorganization authority with Senator Ribicoff's staff. While we remain hopeful that a compromise can be reached, Senator Byrd has written a relatively strong letter to you supporting Senator Ribicoff's position that DNR cannot be created by reorganization plan -- that legislation is required.

We hope to resolve the problems and send a plan up some time shortly after May 1.

Economic Development -- The EDA Reauthorization bill will be sent to the Hill by April 6th with a reorganization plan following in June/July. The Reauthorization bill will be referred to the Public Works Committee but could run into problems if forced on a referral to the Banking Committee (with responsibility for Development Bank functions) and the Agriculture Committee (with responsibility for Farmers Home Administration).

An interest group and press strategy is being put in place in concert with Department of Commerce (EDA) personnel.

Meanwhile, the Senate Environment and Public Works Committee voted to include funds for the National Development Bank in EDA's FY '80 Budget request. However, funding was not approved for the FmHA Business and Industry program nor for the SBA's 501 and 502 loan programs. This is a clear indication that this portion of economic development reorganization needs particular attention.

8. Department of Education -- On Wednesday the Senate Governmental Affairs Committee passed the Department of Education legislation by a vote of 16 to 1. There were no significant amendments added. Senate floor action is anticipated before the April recess.
At a White House meeting last week, representatives of several corporations which give large amounts of money to educational institutions were briefed.

The House Government Operations Committee will begin hearings on Monday, March 26. Jim McIntyre will testify for the Administration. Others favorable to the department, including representatives of state and local governments and education associations, civil rights proponents, and the business community have also agreed to appear. Your involvement may be necessary as we move to the full Committee following the recess.

9. COWPS Reauthorization — Scheduled for House Floor action on Tuesday. The Republicans will offer a number of amendments but none are expected to pass. Five Banking Committee Republicans supported the bill as it came out of Committee so we can hope for some bi-partisan support.

In the Senate the bill goes next to the Budget Committee and then to the floor. The Senate could pass it before the recess.

10. Budget Rescissions — We reported this vote to you earlier in the week. However, in looking at the vote on the Kennedy amendment, we've noticed that a number of Senators — including Bentsen, Hatch, Hayakawa, Heflin, Helms, Jepsen, Kassebaum, Sasser, Schmidt, Stewart, and Thurmond — voted for the Kennedy amendment, even though they are usually regarded as fiscal conservatives.

It is almost certain that some of the health resources funds, as well as those for the NIH child health building, will remain in the rescission bill after conference, which begins next Tuesday. Thus, the first HEW rescission ever (since the 1974 Impoundment Act created rescissions) are likely to be enacted into law.

11. First Budget Resolution — A series of planned visits to the Budget Committees revolving around the First Resolution commenced this week. The Budget Task Force met with the House Budget Committee senior staff, and the OMB Associate Directors met with their counterparts on both staffs. Meetings with the Members start next week.
It is becoming clear that both committees are under strong pressure to recommend a deficit of $29 billion or less, regardless of the economic situation or other pressures on the budget. Since both committees are costing our budget recommendations at a higher deficit than we show (but not as high as CBO), we expect they will propose further cuts to attain the $29 billion target.

Both the Senate and the House are considering a $2.3 billion cut in the State portion of revenue sharing. We will need to respond to this proposed cut at some point in the next two or three weeks. Pressures are also building on the House side to cut Defense, but more in budget authority than in outlays.

12. Refugee Legislation -- Last Tuesday the Administration's legislative proposal to improve refugee admission and resettlement procedures was introduced as S. 643 by Senator Kennedy and as H.R. 2816 by Representatives Rodino and Holtzman.

On Wednesday Senator Kennedy held hearings on S. 643 before the full Senate Judiciary Committee. During the hearings Senator Kennedy made it clear that he supports S. 643 and will push for its enactment with enthusiasm. Senator Thurmond expressed some reservations about the projected costs associated with the portion of the bill dealing with refugee resettlement. He also indicated that he was concerned about what he regarded as "major policy changes" in the bill as to the number of refugees to be admitted. Accordingly, Senator Thurmond argued that the bill should not be reported out of committee until all the relevant data is assimilated through additional hearings.

13. Alaska National Interest Lands -- Further action on the legislation in the House is awaiting a decision from the Speaker in response to Chairman Udall's efforts to both extend the time limits placed on the Committees and limit the jurisdiction of the Merchant Marine and Fisheries Committee to those portions of the bill dealing with wildlife refuges. Udall expects a final decision from the Speaker within the next day or two.

It now looks as though the Senate Energy Committee will defer action on the bill until after the House acts.
14. **Sugar** -- Mark-up in House Agriculture Committee began last week. Fithian and Bedell led a new fight Friday to increase the market price for sugar. Their interest is in corn rather than sugar. The higher the market price for sugar, the more profitable the corn sweetner market will be. The Administration's direct payment idea which results in better producer income with little or no market impact to the consumer continues to draw fire from the Committee because of the general dislike of direct government payments.

15. **160-Acre Reclamation Law** -- Senator Church has scheduled hearings on reclamation law reform for March 22. This issue promises to be an extremely tedious one for the West. Senator Church would like to have the problems resolved before he begins his campaign for reelection. It is rumored that Governor Jerry Brown is considering changing his historically adamant position against increasing the acreage limitations in order to enter the limitation fight as a leader of compromise.
II. FOREIGN POLICY ISSUES

1. Middle East Peace Process -- Reaction on the Hill to your success has been uniformly positive. Reaction to your Wednesday briefing was very favorable. Many Members appreciated getting the details and flavor from you directly. Staff members are equally impressed. This makes our job easier on the domestic front.

Questions regarding costs and "other commitments" are being posed in a friendly manner.

2. Taiwan Legislation -- A House/Senate conference will take the two versions of the Taiwan Omnibus Legislation up early this week. The two bills differ in form, but not in substance. We will have an opportunity to seek a number of modifications. Although we will not be able to reverse the decision of both Houses to protect Taiwan's ownership of Twin Oaks, we do hope to make further changes to emphasize our policy of "non-governmental" relations with Taiwan.

3. Panama Treaty Enabling Legislation -- Although John Murphy seems intent in his commitment to you to get the enabling legislation passed, he is pushing provisions which would violate the terms of the Treaties. His principle purpose is to gain more control over the Panamanian Members of the Board.

OPM reports that we are also having trouble on the issues of the costs and funding (general revenues or toll rate base).

4. SALT -- The pre-briefings being held by the SFRC are proving to be extremely useful to us. They provide a practice run for our witnesses and highlight problem areas.

Iran continues to plague us. The New York Times story this week about the capabilities of the SS-18 Mod 4 prompted questions from Senators Zorinsky, Glenn, and Muskie regarding our ability to detect SS-18 tests without the Iranian bases. Glenn has some ideas on the replacement of the Iranian base capability. Without such a replacement he says he will vote against the SALT Treaty.
5. **Ship Life Extension Program (SLEP)** -- If Paul Trible introduces his SLEP amendment when the full Committee has its markup of the Supplemental, we have good reason to believe that Chairman Price will rule that it is not germane. The 60 legislative day delay clause in the law expires on 5 April, and it is DoD's intention to proceed with the Saratoga SLEP at Philadelphia at that time.

6. **Nuclear Carrier** -- On Wednesday the House Sea-power Subcommittee met again to continue markup of the FY 1980 Budget. The majority of the discussion focused on the nuclear carrier. The Subcommittee seems to be fully aware of a likely veto if a nuclear carrier is included, but at this state of the proceedings it does not appear to affect their actions.

7. **Philippine Military Assistance** -- The Philippine Military Base Agreement, recently signed, provided that the Administration would make its best efforts to insure $25 million in Military Assistance Program (MAP) funds in both FY 1980 and FY 1981. The FY 1980 budget requested $25 million. On Tuesday Lester Wolf's Asian Subcommittee cut the request to $17.1 million. The full Committee markup was postponed to next week. This is a bad start for the new agreement. DoD and State are making a concerted effort to get the requested amount restored in the full Committee markup. Secretary Brown sent a strong letter to Chairman Zablocki requesting his help.

8. **Rhodesia** -- The McGovern/Hayakawa Resolution, which calls for sending Congressionally-designated observers to the April elections in Rhodesia in furtherance of the Case/Javits amendment of last summer, was reported out on Wednesday by the SFRC. Senator McGovern expects floor consideration sometime next week. Even if passed by the Senate, the Resolution will face opposition in the House where Steve Solarz's African Subcommittee is opposed to any action that would lend credibility to an "illegal" regime.

As the time for floor action in the Senate approaches, there is a growing sense of unease over physical security arrangements for the 25-50 observers called for in the Resolution. If the security assessment we promised to give the Committee is negative, there is a good possibility that some supporters of McGovern/Hayakawa may have second thoughts. State has neither opposed nor supported the Resolution, but has testified pointedly that the Executive Branch will not be sending observers to Rhodesia.
III. MISCELLANEOUS

Like Senator Inouye, Senator Hollings has outstanding controversies with us in several areas. Ambassador Strauss appears to have partially satisfied him on textiles, but he gave us an extremely difficult time on China legislation and will lead the fight against DNR. We are attempting to plot a course of reconciliation. It will not be easy.

Senator Tsongas is particularly concerned with establishing an identity of his own in the Senate. He and his staff have stressed to us on several occasions that we should not treat them as a branch of Senator Kennedy's office.

Of the new Senators, Senator Stewart is perhaps the most interesting. He is ideologically committed to programs such as rural health which was largely ignored by his predecessors. He has a fiery temper and has virtually no understanding of Washington bureaucratic niceties. Nevertheless, his heart is in the right place and we are doing all we can to help him succeed as a Senator and get reelected.

We have learned from Senator Muskie's staff that his presence at the airport on Tuesday night was a first. In his 21 years in Washington he has never gone to Andrews to meet a returning President.

Secretary Schlesinger — The newspapers correctly reported that the attack on Secretary Schlesinger on the Senate floor last week ran out of gas — so to speak. The attack is spearheaded by Senators Metzenbaum, DeConcini Durkin and McGovern. Far more Senators spoke in the Secretary's defense than attacked him. Your letter to Senator DeConcini should help the situation significantly. You should know that there are three or four more Senators who believe Secretary Schlesinger should resign, but have said nothing publicly.

Energy Consultations — Prior to your energy announcements in the weeks ahead, it is essential you have more direct consultations with Members of Congress. We realize these meetings are often repetitive and sometimes do not provide you with valuable policy guidance. Nevertheless, they are important from a tactical standpoint because the Members usually tip their hands in the process and afford us better information about their bottom line positions.

We have submitted a number of scheduling requests for these energy meetings.
From the Treasury Department

REAL WAGE INSURANCE

ROSTENKOWSKI - CORMAN ALTERNATIVE TO ADMINISTRATION PROPOSAL

1. Amend Administration proposal as follows:

A. Deductible feature - No credit for first one half percentage point of inflation. Retain the 7 percent or smaller pay increase limit for qualifying groups, but allow credit only for inflation over 7-1/2 percent up to 10 percent.

This eliminates all cost exposure on inflation up to 7-1/2 percent. For inflation between 7-1/2 percent and 10 percent, the saving is $2.5 billion on Administration compliance assumptions; $1.8 billion on Joint Committee staff assumptions. At 7.7 percent inflation rate, the program cost is $1 billion on Administration compliance assumptions, $0.75 billion on staff assumptions. At 8.5 percent inflation, the cost is $5.0 billion on Administration Assumptions and $3.75 billion on staff assumptions.

B. Low wage workers ($4.00 and hour or under) - They will be included not as a separate group, but with the unit they belong to, union or nonunion. They will not be included in the calculation determining whether the group meets the 7 percent standard, but will be eligible for insurance if their group qualifies. The additional cost is about 10 percent of the cost otherwise.

C. Small employers - Coverage for workers of employers with under 50 employees will be mandatory, if their groups qualify. The additional revenue effect is negligible.

2. Oppose all other amendments.
The program for the House of Representatives for the Week of March 19, 1979, is as follows:

Monday, March 19

House meets at noon.
All recorded votes will be postponed until Tuesday, March 20.

Suspensions (Two Bills):

1. H.R. 2154 -- Revise Strategic Materials Stock Piling Act

2. H.R. 1301 -- International Shipment of Lottery Materials

(One House Committee Funding Resolution)

H. Res. 118 -- To establish Select Committee on Committees

Tuesday, March 20

House meets at noon.

Suspensions (No Bills)

Recorded Votes on Bills Debated Monday, March 19

H.R. 2283 -- Council on Wage and Price Stability Reauthorization

(Open Rule, One Hour)

Wednesday, March 21

House Meets at 3 p.m.

Series of Eight House Committee Funding Resolutions

H. Res 13 -- To Reestablish Select Committee on Narcotics Abuse and Control

H. Res 38 -- To Reestablish Select Committee on Population

Thursday, March 22

House Meets at 11 a.m.

H. R. 90 -- Small Business Programs Authorizations
(Subject to a Rule Being Granted)

H.R. 2774 -- Arms Control and Disarmament Agency Authorizations, FY '80 and '81 (Subject to a Rule Being Granted)
Friday, March 23

House Not in Session

The House will adjourn by 5:30 p.m. on all days except Wednesday***any further program will be announced later***
FINANCIAL CONTROL

In early 1979, economic developments presented a challenge for the management of the company. The company's financial position was under threat due to increasing costs, which led to a decrease in profitability. The management decided to implement cost-saving measures to improve the company's financial health.

The company's sales had been declining, and the competition was fierce. To improve the situation, the management introduced new products, which led to a slight increase in sales. However, the increase was not enough to offset the rising costs, and the company continued to struggle financially.

To address the financial crisis, the management decided to cut expenses wherever possible. They also increased their focus on customer service, which helped to improve customer satisfaction and loyalty. The company's shares reached a record high, and the management was optimistic about the future.

In conclusion, the company had managed to overcome the financial crisis and improve its position. The management's efforts had paid off, and the company was on track to achieve its goals.

John Smith
CEO

Date: 01/18/2020
THE WHITE HOUSE
WASHINGTON
March 19, 1979

AGENDA FOR MONDAY'S CAMP DAVID MEETINGS

9:00 a.m.

Part I:
A review of the economic situation and the anti-inflation program.

1. Recent economic and inflation situation and outlook: Schultze, 10 minutes
2. International economic situation and the dollar: Blumenthal, 5 minutes
3. Status of the anti-inflation program: Kahn, 10 minutes
4. Status of the Teamsters negotiations: Marshall/Kahn, 5 minutes
5. General Discussion
   a. Discussion of the economic and inflation situation
   b. Possible policy responses to the worsened inflation problem.

Part II: Energy (Energy Group)

1. Current oil situation and the outlook: Schlesinger, 10 minutes
2. Crude oil pricing policy --- alternative policies and the consequences: Schlesinger, Eizenstat, 1 hour
3. Alternative voluntary and mandatory conservation measures to deal with short-term problem including environmental waivers: Schlesinger, 30 minutes
4. Other actions: Schlesinger, 30 minutes
   a. Technology response
   b. Impediments to energy projects
   c. Oil swaps with Japan/Mexico
5. Ways to provide equity for poor: Schlesinger/Eizenstat, 15 minutes

Part III:
Smaller Meeting on specified policy responses to current inflation problem.

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3-20-89

Record Ind Asso gAm
Stan Getifikov

don't get it down
us - create, produce

Praise band in Ga
Phil Walden

Beverly Sills - dancing
parade - opera above

Chet Atkins - ERs

Ohio

another Carter Family

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Fred Scroggins
Mat's wife Ted 3/0/29
"Th"- canoe, fish, hunt,
hike - scuba - ski
environ for granted
love for outdoors
& dual office
Some accomplishments
Alaska trapper
Dept of Mat. Res.
Constant vigilance
need & Tom Kimball
other 6/6/29.
Leadership Breakfast 3-20-79

> M. East - ceremonies: cost
> C. David
>
> Hosp costs = Sept.
>
> S&AA meeting. Neal Smith - veto
> Amtrak
>
> Reorg. M. Res
> D-2
>
> Taiwan legis
>
> Philippine base N.15m MAPs 17
>
> CVD
>
> Recession
>
> RWI & RWS in danger
>
> Panama - 450K for com.
>
> COSPS, no prob.
>
> 80 ex. Demo. 9 Rep. Sen. running
> Rev. Sh. for states
March 19, 1979

To: Mr. O'Neill
From: Ari

1. **FY '80 Budget**: Appropriation subcommittees have begun hearings. Bills on track for floor action beginning June 13th.

   First Budget Resolution: Will reach markup first week in April. Administration has reduced deficit estimate to $28.4. Due to slightly less optimistic economic projections (6.4% v. 6.2% unemployment; 7.7% inflation) and re-estimates, Giaimo thinks $31.8 billion is more realistic. He is deciding whether to come in tight and fight off all amendments, or whether to build in enough room for a cut on the floor. Real wage insurance and the state share of revenue sharing will be attacked.

2. **Real Wage Insurance**: Sympathetic Committee Democrats are exploring means to hold down the cost, which Committee staff predict could reach $6 billion. One suggestion would be to move the trigger from 7% to 7.5%. Being kept alive largely with an eye to the Teamster's negotiation.

3. **Panama Canal**: The four committees (Merchant Marine, Foreign Affairs, Judiciary, Post Office) are under April 10th reporting deadline. Murphy remains a problem on some features. Subcommittee markup begins tomorrow.

4. **Hospital Cost Containment**: Serious problems in Commerce. Both Luken and Murphy (a pro vote last year) are against the bill. Waxman subcommittee rebelled at July 1 deadline. Waxman advises an extension till September. Full Ways and Means Committee is closely divided.

5. **Alaska D-2 Lands**: Interior adopted Huckaby weakening amendment. Both Merchant Marine and Interior under April 23 reporting deadline. Will be fought out on floor.

6. **Council on Wage and Price Stability**: Reauthorization with additional employees on floor today.

7. **Constitutional Amendment**: Judiciary plans hearings beginning March 27 to hear Paul Samuelson, Arthur Burns, Greenspan, National Taxpayers Union, and Charlie Schultze. Will then break until May.

8. **Standby Energy Plans**: The four plans submitted by the President (restrictions on outdoor lighting; thermostat settings in federal buildings, weekend gas closings, and rationing) must be approved by both Houses by early May. The last two are controversial. Hearings begin this week.

9. **SBA Authorization**: Awaiting a rule. This measure makes loans available at 3% and 5% for homeowners and businessmen. It does not include a credit elsewhere test. It includes farm operations. In addition OMB believes the authorization level is too high. Bolling, Giaimo, Foley, Mineta, Derrick, Panetta, Bedell are prepared to take on the first two in a substitute. This would virtually cure the third. But its not worth doing if the authorization level alone will draw a veto.
PASSED HOUSE:

Countervailing Duties
China-Taiwan
Debt Limit
First recission for FY '79

OTHER MAJOR LEGISLATION:

National Health Insurance (Administration decision within week)
Welfare Reform (Awaiting Administration bill)
Trade Agreement (Expected in April)
Social security amendments (only disability before summer)
Rail deregulation (Expect Administration bill next week)
Department of Education (Bill filed)
Department of Natural Resources (Strong opposition to Forestry transfer. Tentative Administration decision to proceed by reorganization order subject to one House veto, rather than by legislation, threatens full-scale battle)
Public Financing (Hearings nearly complete. Committee closely divided)
Intelligence Charters
Criminal Code Reform
Illinois Brick
Lobby Reform
Amendments to revolving door rule (Danielson proposes six month deferral; Administration for technical amendments)
Nuclear Waste Management
Nuclear Licensing
160 Acre Amendments
Sugar Bill
Countercyclical
Federal Pay Comparability
Regulatory Reform (Expect Administration bill in week)
Ev Small

The attached letters were returned last night from the President. They are forwarded to you for hand delivery.

Rick Hutcheson
MEMORANDUM

THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR:  THE PRESIDENT
FROM:           FRANK MOORE
SUBJECT:        Letters of Thanks to Members

Attached are letters to Senators Church and Javits and Congressmen Zablocki and Broomfield thanking them for their work on the Taiwan legislation.

Also included is a paragraph on the Middle East to Chairman Zablocki because he had written to you about the subject.

Recommendation

That you sign the letters of thanks (Tabs A-D).

The texts have been cleared by Bernie Aronson.
To Chairman Frank Church

I want to thank you for all your hard work and effort on the Taiwan legislation, and to congratulate you on your first major victory as Chairman. We were over the Atlantic on the way back from Cairo when I heard that the Senate had completed a good bill, and I felt that between us we had done a good day's work.

Many thanks and warmest regards,

Sincerely,

[Signature]

The Honorable Frank Church
Chairman, Committee on
Foreign Relations
United States Senate
Washington, D.C. 20510
THE WHITE HOUSE
WASHINGTON
March 20, 1979

To Senator Jack Javits

I want you to know how much I appreciate the forceful leadership you have provided on the Taiwan legislation and also in getting the Foreign Relations Committee off to a strong start. I know that this has been a taxing and difficult fight for you, but the results are extremely important to our future relationship both with Taiwan and with the People's Republic.

With my warm regards,

Sincerely,

The Honorable Jacob Javits
United States Senate
Washington, D.C. 20510
THE WHITE HOUSE
WASHINGTON
March 20, 1979

To Chairman Clem Zablocki

We were over the Atlantic when we got the good news that the House had completed work on the Taiwan legislation. I want to say again how grateful I am for the enormous amount of time and effort you put into that bill. Your results on the Floor reflect a strong committee.

I want to thank you also, Clem, for your support of my Middle East effort. The risks at this point appear to have been justified, but there were moments of doubt, and your support was important to me.

With my warmest regards,

Sincerely,

The Honorable Clement Zablocki
Chairman, Committee on
Foreign Affairs
U.S. House of Representatives
Washington, D.C.  20515
THE WHITE HOUSE
WASHINGTON
March 20, 1979

To Congressman Bill Broomfield

I have expressed to Clem Zablocki my admiration and gratitude for the job your committee did on the Taiwan legislation, and I want to thank you personally for your help and support on this important legislation. Once the conference has completed its work, I think we will have a bill which provides a sound basis for our continuing relations with both Taiwan and the People's Republic.

With best wishes,

Sincerely,

The Honorable William Broomfield
U.S. House of Representatives
Washington, D.C. 20515
THE WHITE HOUSE
WASHINGTON
3/20/79

Zbig Brzezinski

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

Rick Hutcheson
Memo For The President

These verses were written to illustrate Bishop Berkeley's thesis that in order for an object to exist there must be an observer of its existence - and that God performs that vital function for the physical world.

It seems to me that somewhere in this argument there must lie a response to Zbig's assertion that unless Zbig certifies your decisions, they don't exist. I won't try to identify the exact correspondence of the arguments and the personas.

[Signature]

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There was a young man who said,
"God must think it exceedingly odd,
If he finds that this tree continues to be
When there is no one about in the quad."

The reply:
"Dear Sir:
Your astonishment 's odd:
I am always around in the quad;
And that's why the tree will continue to be
Since observed by, Yours Faithfully, God."

Knox
THE WHITE HOUSE
WASHINGTON
March 19, 1979

AWARD FROM NATIONAL WILDLIFE FEDERATION

Tuesday, March 20, 1979
9:30 a.m.
Cabinet Room

From: Anne Wexler

I. PURPOSE

To accept the National Wildlife Federation's award naming you as "Conservationist of the Year 1978."

II. BACKGROUND, PARTICIPANTS, & PRESS PLAN

A. Background:

1. The National Wildlife Federation invited you to accept this award at its national convention, which is being held this week in Toronto, Canada. When it became evident that you could not go to Toronto, we suggested that the award be presented to you at the White House, and that the presentation be filmed for showing at the national convention.

2. When you arrive, the group will be standing around the lectern in front of the Cabinet Room windows. You should proceed to the center of the group, where the Federation's president, Fred Scroggin, will be waiting. First, he will make brief comments and present you with a statuette of a whooping crane. You will then have an opportunity to make remarks in response.

B. Participants: About 25 officers and board members of the National Wildlife Federation will attend. A list of those expected is attached.
C. **Press Plan:** White House Photo and Press Pool will be present throughout the ceremony.
In addition, a Navy film crew will be filming the event for showing at the Toronto convention. The filming will be continuous from the time you walk into the room until you leave the room.

**III. TALKING POINTS**

Talking points prepared by the speechwriters, in consultation with Domestic Policy Staff, are being submitted separately.
THE WHITE HOUSE
WASHINGTON
March 19, 1979

MEMORANDUM TO THE PRESIDENT

FROM: CAROL COLEMAN/BERNIE ARONSON

SUBJECT: Talking Points for National Wildlife Federation Award 3/20/79

Thank you for honoring me with this award. On this occasion, I think it is particularly fitting that behind me hangs the portrait of Theodore Roosevelt, a conservationist and a great President. For too many years, our Nation simply took the environment for granted, not realizing how fragile it is. We know now that the natural world is not indestructible and that it is a precious birthright. It is our responsibility to preserve and protect our natural heritage and hand it down unspoiled to the next generation.

People sometimes question whether the need to preserve our precious natural resources can be reconciled with our Nation's energy and other development goals. I believe that it can. I have been asked whether we can have both a healthy environment and a healthy economy. I know that we can, and I am committed to both.

*(During the past two years, I have signed legislation creating 15 new National Park System units, numerous new park wildernesses, and wild and scenic rivers. I proposed, and the Congress passed, legislation adding 48,000 acres to Redwood National Park. And I signed into law tough, but reasonable, environmental controls over strip mining.)*

There is much more that we must do. My Administration and your organization, the National Wildlife Federation, are working for passage of the most important environmental legislation in our generation -- The Alaska Lands Bill. We want a bill that is strong; a bill that is sensitive to hunting and fishing uses of Alaska's wildlife resources. I fully expect that we will ultimately have a substantive Alaska lands statute. And critical to this accomplishment are the efforts of the Wildlife Federation, under the leadership of Fred Scroggin.
I recently met with Tom Kimball, your executive vice president, and other representatives of environmental organizations. As you know, I have a meeting with environmental leaders every six months to discuss our special concerns. This continuing dialogue is very helpful to me in resolving crucial environmental issues.

This year, in addition to the Alaska Lands Bill, I hope to create a Cabinet-level Department of Natural Resources. It will include all functions of the existing Department of Interior, as well as the U.S. Forest Service and the National Oceanic and Atmospheric Administration from the Agriculture and Commerce Departments. The new DNR will form the basis for comprehensive management of America's magnificent natural assets. But Congressional approval of this reorganization plan will be a tough fight. Here again, I need and appreciate the support of the National Wildlife Federation.

*You may wish to delete this information if it is mentioned during the presentation of the award.
The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson
THE WHITE HOUSE
WASHINGTON
March 19, 1979

MEMORANDUM FOR THE PRESIDENT
FROM: TIM KRAFT
ARNIE MILLER

SUBJECT: International Development Cooperation Administration (IDCA)

On February 15 you decided to establish an International Development Cooperation Administration (IDCA) whose Director will report both to you and to the Secretary of State.

Also, you decided that the Director's role will be primarily coordinative rather than managerial: i.e., tying together more closely the activities of AID, the international development organizations, the multilateral development banks, and the Institute for Technological Cooperation when it is created.

The Director ought to be familiar with the major issues of development, and at the same time able to bring a fresh perspective to them. The essential qualities needed are the ability to coordinate the work of different agencies and to make effective presentations to the Hill and to supporting aid constituencies. It would be useful if he were an experienced manager as well. He must be credible as a leader of your development aid efforts, to the Congress, the private development groups, and the agencies he will lead.

Secretary Vance recommends that you nominate Thomas Ehrlich (resume attached at Tab A). After serving as an Assistant to George Ball in the State Department from 1962-65, he served as Dean of the Stanford Law School. He then became head of the new Legal Services Corporation, expanding the scope of its services and restoring morale among attorneys in an effort to improve the quality of legal services provided to poor people. As an outsider, he was initially received with some skepticism by the Legal Services community. He never became part of it but quickly acquired their respect as a tough but committed administrator.

In the development field, Ehrlich is also somewhat of an outsider, since he doesn't come from the development community, and has not worked in this field. However, he has taught an international development course at Stanford.
THOMAS EHRlich

PERSONAL

Office: Legal Services Corporation
733 15th Street, N. W.
Washington, D. C. 20005
Tel: (202) 376-5100

Born: March 4, 1934
Cambridge, Massachusetts

Married: Ellen Rome Ehrlich

Home: 136 Hesketh Street
Chevy Chase, Maryland 20015
Tel: (301) 654-5178

Children: David (19)
Elizabeth (15)
Paul (11)

EDUCATION

Harvard College, Cambridge, Massachusetts
A.B. 1956, magna cum laude
Phi Beta Kappa, Erich Firth Prize

Harvard Law School, Cambridge, Massachusetts
LL.B. 1959, magna cum laude
Article Editor, 1958-59

EMPLOYMENT

1976 - present: President, Legal Services Corporation, Washington, D. C. (First chief executive of private, non-profit organization established by federal statute to support civil legal assistance for poor people. The Corporation and its staff of 260 employees is responsible for funding and supervising throughout the country 320 grantees programs with about 5,600 lawyers. It initially received a Congressional appropriation of $92 million in 1976, has a current appropriation of $270 million, and seeks $337.5 million for the next fiscal year.)

1971 - 1975: Dean, Stanford University Law School, Stanford, California (Responsible for curriculum, faculty, and student development. Raised funds for new complex of law school buildings. Wrote and taught on international law and legal education. Named first Richard E. Lang Dean and Professor of Law. Currently on leave as first Wendell and Edith M. Carlsmith Professor of Law.)

1965 - 1971: Professor, Stanford University Law School, Stanford, California (Taught and wrote mainly in the areas of international affairs, international law, and economic development. Vice-Chairman, Faculty Senate, and involved in many University-wide committees and projects.)
1964 - 1965: Special Assistant to the Under Secretary, Department of State, Washington, D. C. (Represented and assisted Under Secretary George W. Ball in international negotiations on various economic and political matters.)

1962 - 1964: Special Assistant to the Legal Advisor, Department of State, Washington, D. C. (Worked on special international projects for Abram Chayes, the Legal Advisor.)

1960 - 1962: Associate, Foley, Sammond & Lardner, Milwaukee, Wisconsin (General international and domestic private law practice representing profit and non-profit organizations.)


OTHER PROFESSIONAL ACTIVITIES

Arbitrator, United States-France International Aviation Dispute, Geneva, Switzerland, 1978
International Legal Center, Board of Trustees (1971-1977)
American Society of International Law, Executive Committee (1970-1975)
Council on Foreign Relations
Admitted to practice in Wisconsin; the United States Supreme Court
American Bar Association, Special Committee on Professional Standards
Associated Harvard Alumni, Elected Director and First Vice-President
Harvard Law School, Board of Visitors
Little, Brown & Co., Editorial Advisory Board, Law Division
National Academy of Sciences, Food Safety Study Committee
Tulane University, Board of Visitors
President's Commission on Military Compensation (1977-1978)
Long-Range Planning Committee, State Bar of California (1975)
Board of Specialization, State Bar of California (1974)
Ditchley Conference on East-West Relations (1972)
Salzburg Seminar in American Studies (1971)

PUBLICATIONS

Books:


Numerous articles, book reviews, and other publications, particularly on international relations and international law.
We recommend him because of his reputation as an administrator and his ability to bring a fresh perspective to international development.

We will also need to recommend you candidates to head AID, where managerial ability will be the main requirement, and the proposed Institute for Technological Cooperation, which should be headed by a distinguished scientist or research administrator. It would be desirable to present all three names to the Congress simultaneously, after the Reorganization Plan is approved by the Congress in mid-May.

RECOMMENDATION:

We recommend that you appoint Thomas Ehrlich to be Director of the International Development Cooperation Administration.

[Signature]

Electrostatic Copy Made for Preservation Purposes
MEMORANDUM FOR THE PRESIDENT

FROM: TIM KRAFT

ARNIE MILLER

SUBJECT: United States Advisory Commission on International Communications, Cultural and Educational Affairs

March 16, 1979

The United States Advisory Commission on International Communication, Cultural and Educational Affairs was created by Congress last year. It has seven members and is bipartisan. You approved a list of members last fall, but Theodore White and his alternate David Mahoney were unable to serve.

This position must be filled by a non-Democrat. We feel that another woman on the Commission is important, so we have worked with Sarah Weddington's office and we recommend Jean McKee:

Jean McKee (New York): Office of the Minority Leader of the New York State Assembly. Former Acting Administrator (and Deputy Administrator) of the American Revolution Bicentennial Administration. Prior to that, was Administrative Assistant to Senator Jacob Javits. Her background includes work with several areas of communications which would make her an asset to the Commission.

She has been approved by Ambassador John Rhinehardt and Dr. Olin Robison, Chairman of the Commission.

RECOMMENDATION:

Nominate Jean McKee as a member of the United States Advisory Commission on International Communications, Cultural and Educational Affairs.

______ approve ________ disapprove
PROFESSIONAL EXPERIENCE:

**Offices of the Minority Leader of the N.Y. State Assembly**

1978

**Chief of the Assembly Minority Staff**

Directed staff of over 200 providing legislative and support services to the Assembly Minority Leader and Minority Members. Functions included communications, legislative counsel, research, speech writing, legislative programs, member services to constituents, correspondence, scheduling, personnel and nine regional field offices. Budget in excess of $3.2 million.

- Coordinated communications output of press offices, speech writers, research, and other groups providing background information and public issue material.
- Developed Issue Advisory Panel of experts prominent in such fields as banking, housing, education, the arts, health, criminal justice, the economy, social welfare, governmental budgets, etc., to write position papers and critique policy.
- Supervised development of various support groups including Doctors, Lawyers, Youth, Women, Blacks, Hispanics, Educators, Labor, and other identifiable interest groups.
- Advised on planning of scheduled public appearances to gain maximum media coverage and to strengthen voter recognition as well as highlight identification with critical issues.
- Recruited staff of over 50 for gubernatorial campaign and advised on early campaign strategies based on prior record and current opinion polls.
- Set up Minority Leader's participation in efforts to obtain Federal aid for New York City resulting in U.S. Senator Lugar working out successful compromise legislation.

**American Revolution Bicentennial Administration**

1976 - 1977

**Deputy and Acting Administrator**

Presidential appointment confirmed by the U.S. Senate: Chief Executive establishing national policy and programs for Bicentennial celebrations in the United States and abroad. Directed agency with $31 million budget and 230 member staff located in Washington, D.C. and ten regional offices. Concluded all functions and closed Federal agency.

- Authorized in excess of $9 million in grants and contracts for more than 175 programs.
- Achieved a one-half million dollar surplus while phasing out all programs and staff and concluding grants and contracts.
- Encouraged and set guidelines for over 35,000 projects and events in 55 states and territorial commissions, 12,566 communities, non-profit, private, civic, patriotic, business and professional organizations, corporations, federal agencies and foreign countries.
American Revolution Bicentennial Administration (continued)

- Achieved an estimated 65 million hours of volunteer participation.
- Spoke at approximately two events per week with audiences up to 40,000. Held press conferences and interviews with print and broadcast media. Testified before Committees of Congress and represented ARBA at Cabinet level Committee reporting to the U.S. President.
- Developed five volume Final Report to the Congress covering 10 years of organization and implementation, including 700 color photographs of Bicentennial activities.
- Reviewed budget, programs and grants for approval at monthly Board meetings chaired by Senator Edward W. Brooke. Board members besides self: Senator Joseph M. Montoya; Congresswoman Lindy Boggs; Congressman Caldwell Butler; Secretary Kleppe of the Interior Department; David Wolper of Wolper Productions; Andrew McNally of Rand McNally; Ann Hawkes Hutton, historian, author and playwright; Dr. J. Duane Squires, historian; and Carol Evans, student.

Offices of Senator Jacob K. Javits 1967 - 1975
Washington, D.C. and New York City

Administrative Assistant
1973 - 1975
Head of office with largest staff in the Senate or House. Responsible for overall coordination and administration, budgets, personnel and related activities. Managed staff of 60 located in four Senate offices with annual budget of $2 million and 30 staff appointed to Senate Committees.
- Coordinated legislative and policy recommendations from over 20 legislative and constituent services staff.
- Responsible for relations with national, state and local elected officials, political organizations and leaders, and New York Congressional delegation.
- Reviewed all office procedures resulting in updating of all office equipment, revised systems to facilitate processing of 50,000 yearly constituent case problems, conversion of mailing list to computer and increasing list size tenfold, and adjustment of inequitable salaries and institution of annual employee review for merit increases.
- Supervised organization of Senator's schedule for maximum public exposure, replies to 1,000 daily constituent letters, annual selection of military academy appointments from 1,000 applicants and of 20-25 interns from 300-400 students.
- Recruited and screened professional and support staff.
- Advised on all aspects of Senator's 1974 re-election campaign.
- Returned to New York for month of October to reverse prior month's projected possible loss to a 300,000 vote plurality.
- Represented Senator at political and other meetings within New York State and nationally.
Special Assistant 1967 - 1972  
Washington, D.C. and New York

Screened and recommended applicants for appointment to Federal policy positions. Responsible for contacts with Governor's office, state government officials, Congressional delegation, political organizations and officials. May to November 1968 was deputy manager of Senator's successful re-election campaign. Helped develop campaign strategy and organized Senator's campaign schedule of appearances. Set up campaign headquarters, directed administration of office, 35-member headquarters staff, 10 regional offices and volunteers. Culminated in a 900,000 vote plurality.

PRIOR EXPERIENCE:

Public Affairs  
Assistant to Raymond Moley, magazine and newspaper columnist covering government and politics.

Researcher, Stricker & Henning Research Assoc., Inc. consultants on public policy issues.

Public Information Assistant, Crusade for Freedom public relations and fundraising arm of Radio Free Europe.

Government and Politics  
Commissioner, New York State Bingo Control Commission regulating charitable Bingo games with annual receipts of $140 million.

Director of Scheduling, Governor Rockefeller's Re-Election Campaign

Partner and Treasurer, Consensus, Inc. political consulting and public opinion polling

Executive Director, New York State Presidential Campaign

Assistant, New York Republican State Committee fundraising and recommending Federal appointments

Assistant, New York Republican Finance Committee Business and Professional Division fundraising for Presidential Campaign

EDUCATION:

Vassar College, Poughkeepsie, New York  
A.B., 1951

Major: Political Science

Public Relations Management Seminar: Issues Management and the Public Relations Professional  
New York University, 1978
PROFESSIONAL AND VOLUNTEER ACTIVITIES:
(PRESENT AND PAST)

National Women's Education Fund, Board Member and Treasurer
Executive Women in Government, Public Relations Chairman
National Women's Political Caucus
American Newspaper Women's Club
Vassar Club of Washington, D.C.
National Society of Colonial Dames of America
N.Y. Republican State Committee, Executive Committee
N.Y. State Federation of Women's Republican Clubs, Council Member
N.Y. State Association of Young Republican Clubs, first woman President
   of 40,000 member organization
Junior League of Brooklyn, N.Y., Board Member
Listed in Who's Who of American Women

References on request.
UNITED STATES ADVISORY COMMISSION ON INTERNATIONAL COMMUNICATION, CULTURAL AND EDUCATIONAL AFFAIRS

Independent

AUTHORITY: Reorganization Plan No. 2 of 1977 (eff. 4/1/73)
Executive Order 12048, March 27, 1973

METHOD: Nominated to the Senate

MEMBERS: SEVEN, who shall represent the public interest and shall be selected from a cross section of educational, communications, cultural, scientific, technical, public service, labor and business and professional backgrounds.

Not more than four members shall be from any one political party. (BI-PARTISAN)

CHAIRMAN: The President shall designate a member to chair the Commission.

TERM: THREE YEARS, except that of the original seven appointments, two shall be for a term of one year and two shall be for a term of two years.

Any member appointed to fill a vacancy occurring prior to the expiration of the term for which a predecessor was appointed shall be appointed for the remainder of such term. Upon the expiration of a member's term of office, such member may continue to serve until a successor is appointed and has qualified. (HOLDOVERS)

SALARY: No provision.

PURPOSE: The Commission shall formulate and recommend to the Director of the International Communication Agency, the Secretary of State, and the President policies and programs to carry out the functions vested in the Director or the Agency, and shall appraise the effectiveness of policies and programs of the Agency.