

**[President's Trip to Oklahoma and Texas, 3/24/79-3/25/79]**

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THE PRESIDENT'S TRIP TO

OKLAHOMA AND TEXAS

MARCH 24-25, 1979

SCHEDULE

THE WHITE HOUSE

WASHINGTON

SUMMARY SCHEDULE

VISIT TO

OKLAHOMA & TEXAS

Saturday and Sunday  
March 24-25, 1979

From: Fran Voorde

4:00 pm Depart via motorcade for 5-minute drive to Reflecting Pool helopad.

4:05 pm Helicopter departs Reflecting Pool helopad for 15-minute ride to Andrews AFB.

4:25 pm Air Force One departs Andrews AFB en route Clinton/Sherman Air Park, Burns Flat, Oklahoma. (Flying time: 3 hours) (Time change: - 1 hour)

6:25 pm Air Force One arrives Clinton/Sherman Air Park. 35-minute motorcade to Elk City High School.

7:10 pm Arrive Elk City High School. Proceed to holding room for 18 minutes personal time.

7:30 pm Proceed to Gymnasium for Town Meeting. Remarks. Question & Answer Session. FULL PRESS COVERAGE

8:30 pm Proceed to holding room for 5-minutes personal time.

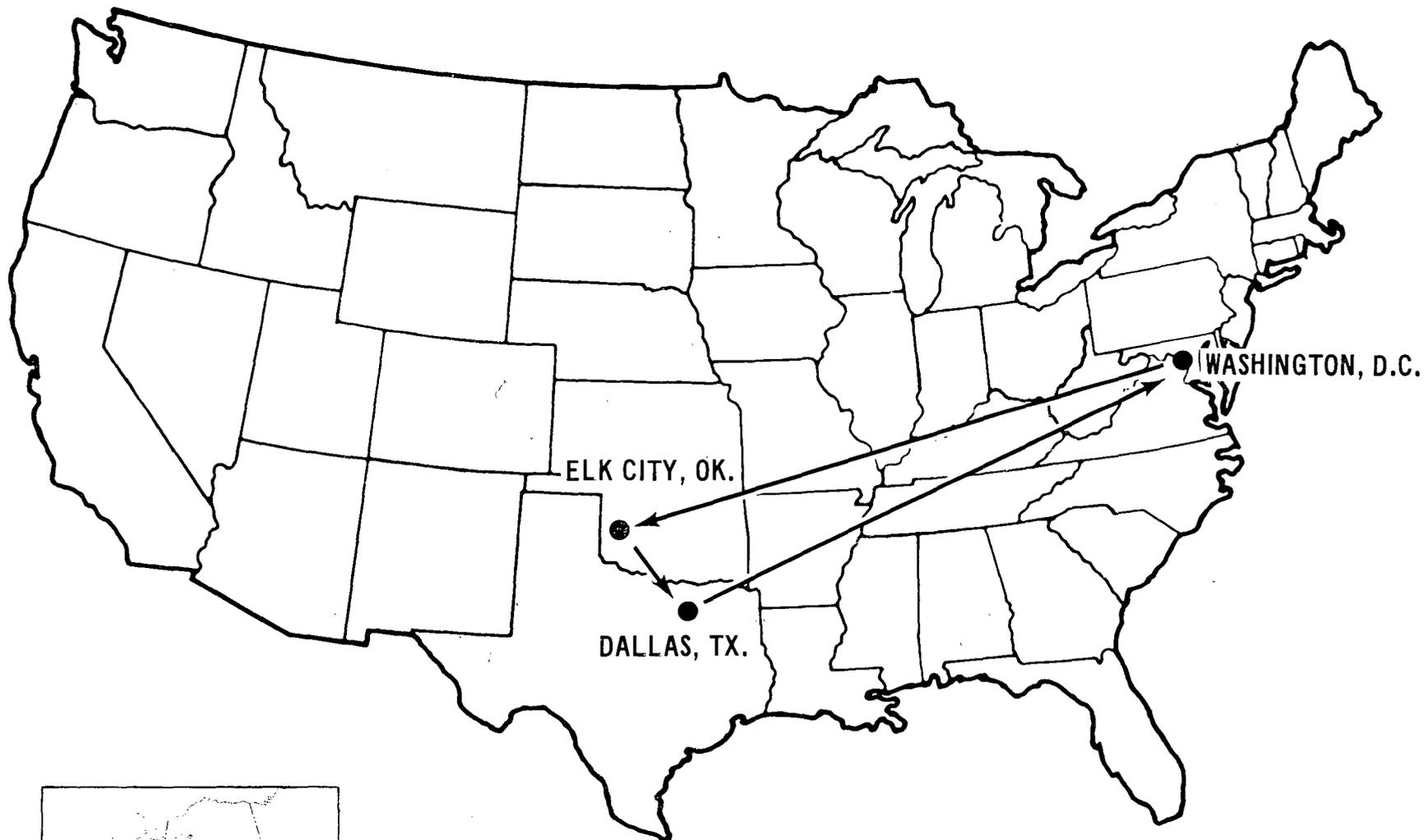
- 8:40 pm Proceed to Room 106 for meeting with Oklahoma Democrats.
- 9:00 pm Meeting concludes. Proceed to motorcade for 3-minute drive to Wade Residence.
- 9:08 pm Arrive Wade Residence.

O V E R N I G H T

Sunday, March 25, 1979

- 9:50 am Proceed to motorcade for 3-minute drive to First Baptist Church.
- 9:58 am Arrive First Baptist Church. Service.
- 10:50 am Service concludes. Proceed to motorcade for 25-minute drive to Clinton/Sherman Air Park.
- 11:25 am Arrive Clinton/Sherman Air Park. Board Air Force One en route Dallas, Texas. (Flying time: 1 hour) (No time change)
- 12:30 pm Air Force One arrives Love Field, Dallas, Texas. Board motorcade for 10-minute drive to Robert Strauss' Residence.
- 12:45 pm Arrive Robert Strauss' Residence for informal luncheon.
- 1:25 pm Luncheon concludes. Board motorcade for 15-minute drive to Hyatt Hotel.
- 1:45 pm Arrive Hyatt Hotel. Proceed to holding room for 10-minutes personal time.

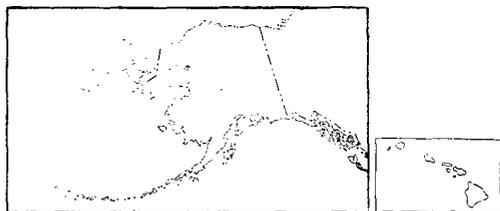
- 2:00 pm Interviews with four local television stations.
- 2:28 pm Interviews conclude. Return to holding room for 48-minutes personal time.
- 3:17 pm Proceed to motorcade for 3-minute drive to Dallas Convention Center.
- 3:25 pm Arrive Dallas Convention Center. Proceed to Ballroom for National Association of Broadcasters Convention. Remarks. FULL PRESS COVERAGE Question & Answer Session.
- 4:00 pm Program concludes. Proceed to motorcade for 12-minute drive to Love Field.
- 4:20 pm Motorcade arrives Love Field. Board Air Force One en route Andrews AFB. (Flying time: 2 hours, 25 minutes) (Time change: +1 hour)
- 7:50 pm Air Force One arrives Andrews AFB. Board helicopter for 15-minute flight to Reflecting Pool helopad.
- 8:10 pm Arrive helopad. Board motorcade for 5-minute drive to South Grounds.
- 8:20 pm Arrive South Grounds.



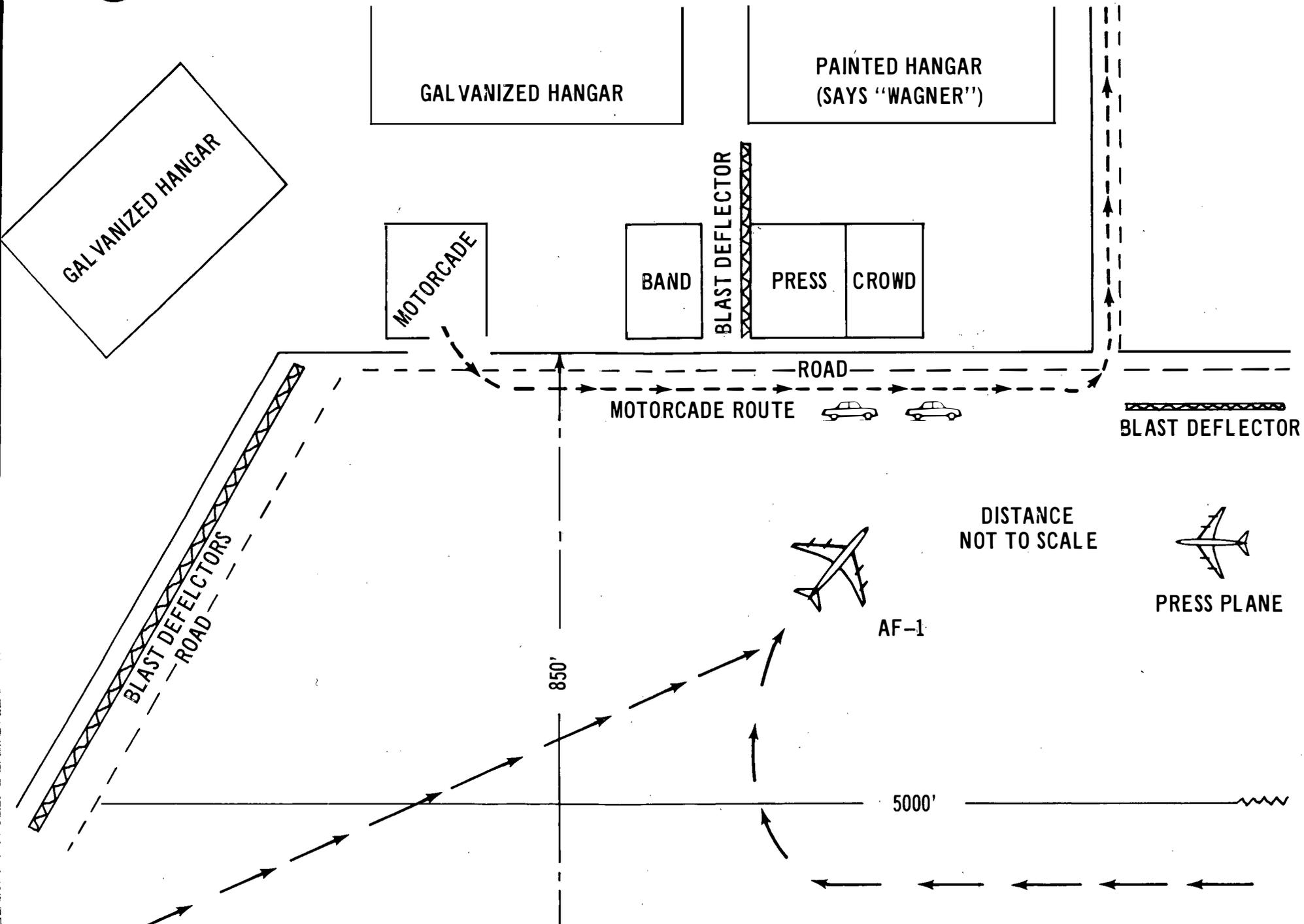
WASHINGTON, D.C.

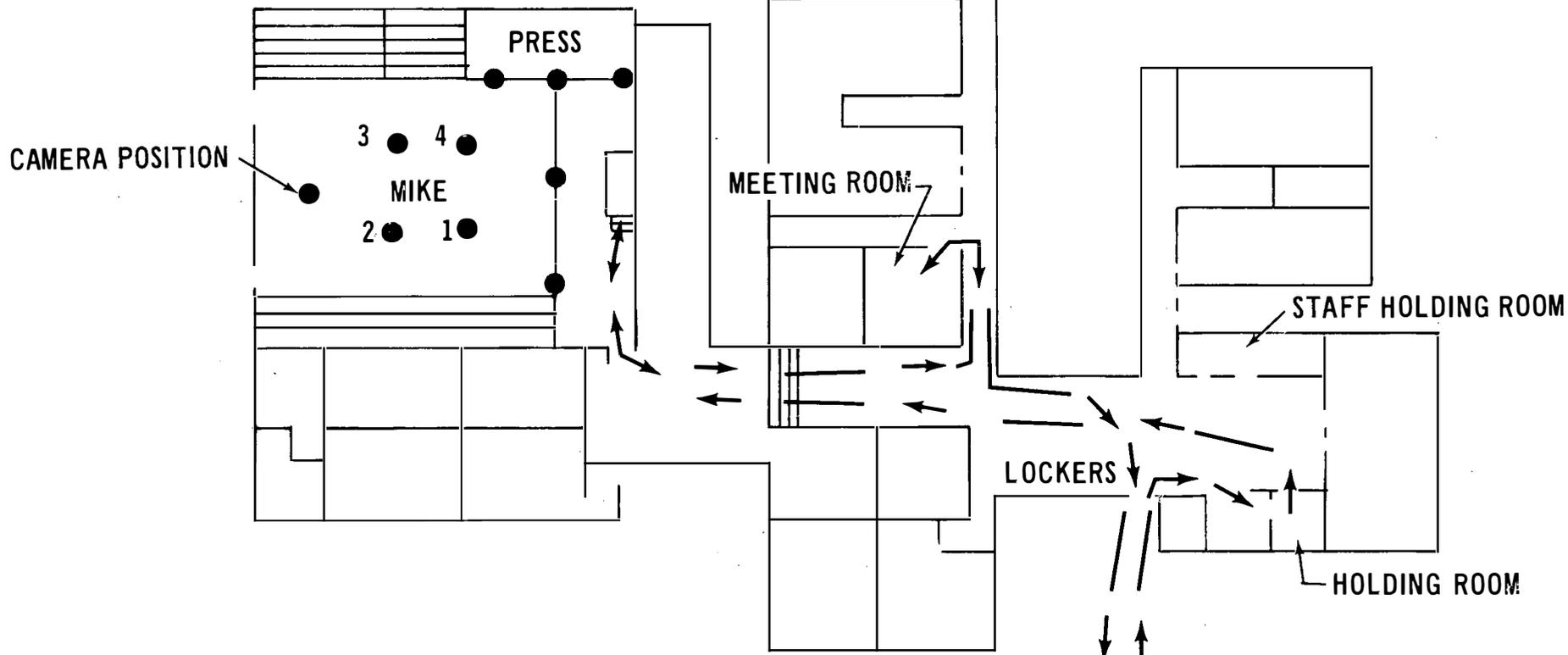
ELK CITY, OK.

DALLAS, TX.

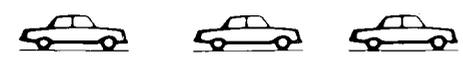


ELK COUNTY OKLAHOMA





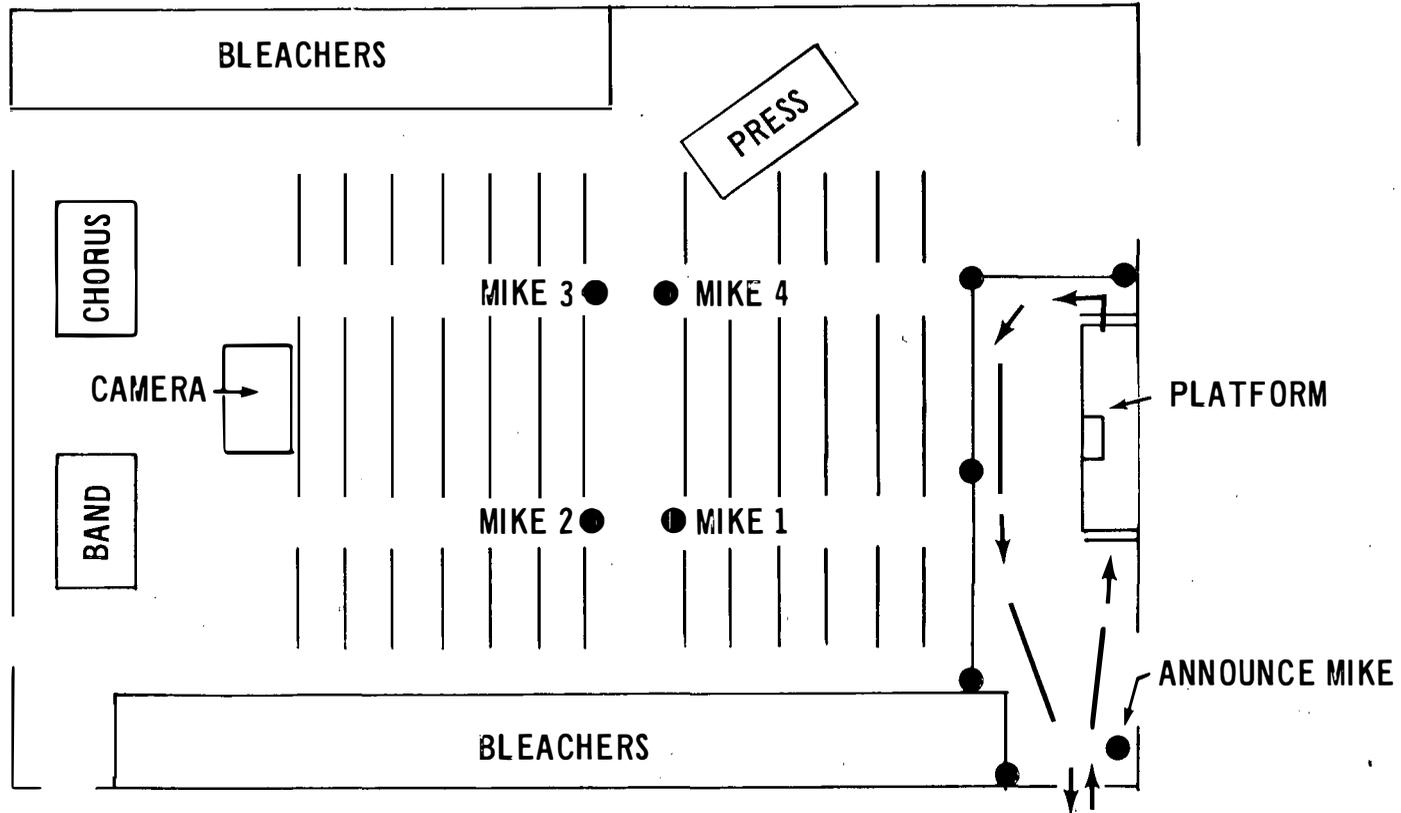
ELK CITY HIGH SCHOOL  
 ELK CITY, OKLAHOMA  
 MARCH 24, 1979



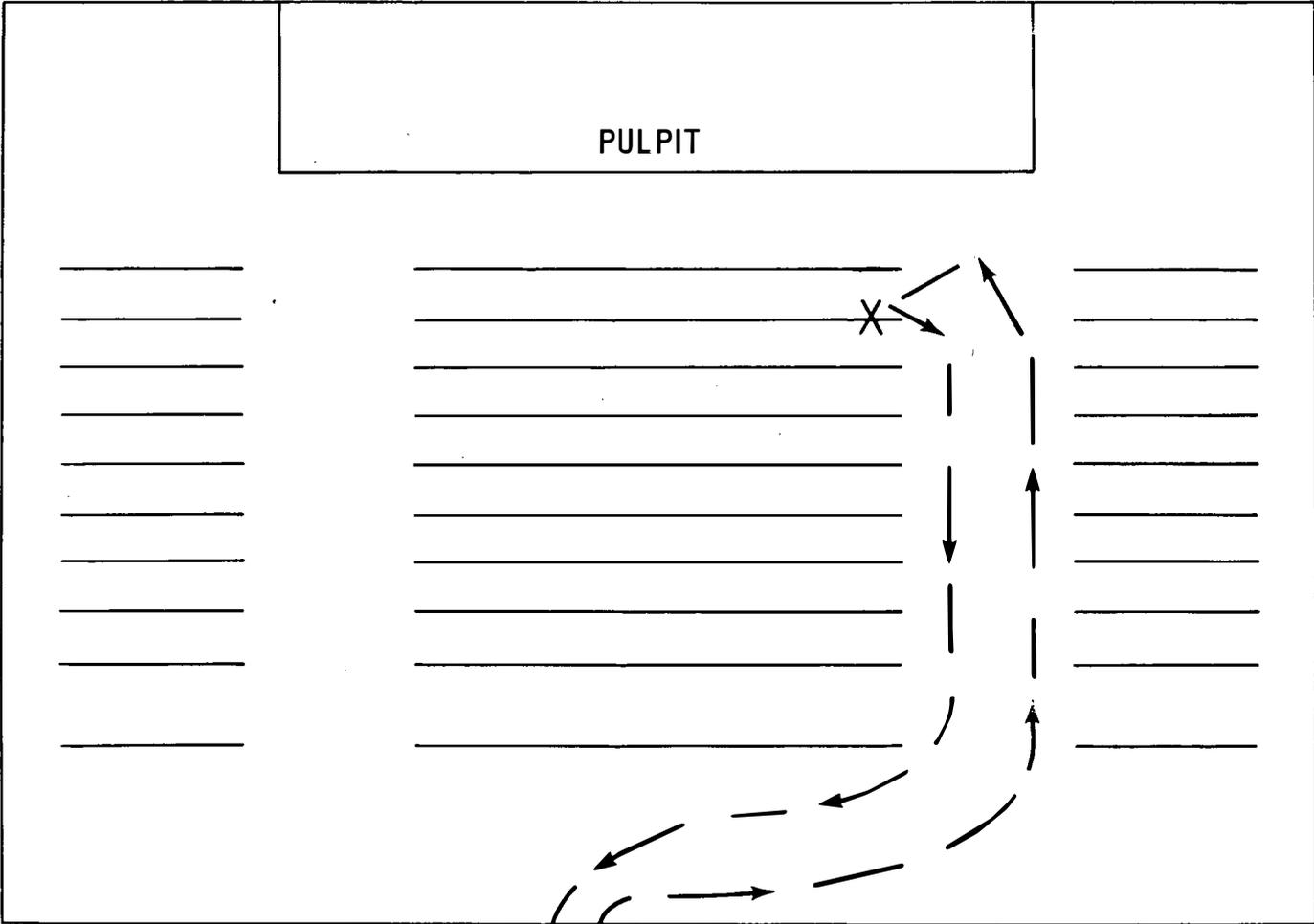
MOTORCADE ARRIVAL AND DEPARTURE

ELK CITY HIGH SCHOOL GYMNASIUM

MARCH 24, 1979



ELK CITY, OKLAHOMA  
MARCH 25, 1979



ADAMS

MOTORCADE



BROADWAY

XXXXXXXXXXXXXX  
X PRESS X

OKLAHOMA



## ELK CITY

Elk City is predominately a farming community with its major agricultural crop being wheat. The City has suffered several cyclical rises and downslides in its economy throughout its history.

Elk City is in the heart of the dust bowl and suffered severely during that period. It is a very conservative community but through the efforts of Mayor Larry Wade, who is the publisher of the local newspaper, the City supported the President during the last election.

The City's population in 1975 was 7,857 which has shown an average yearly growth of about seven percent. The per capita income is \$3,828 which is slightly lower than the state's \$3,983. They have a very active banking community and a bonding debt ratio of approximately 11 percent which would indicate that the community is willing to vote bonded debt for increased services and infrastructure.

An underlying strength in Elk City's economy is its extremely deep gas well development potential. The Clinton-Sherman Air Force Base which is located near Elk City is the home of the world's deepest producing gas well. A paramount issue is the deregulation of gas.

The City Council, last week, passed a resolution against having unscheduled and unpermitted demonstrations within the city limits. This was an attempt to restrict a threatened farmers demonstration during the President's visit.

POLITICAL  
OVERVIEW

## Oklahoma Political Background

The Oklahoma Democratic State Committee will be meeting in Oklahoma City on the morning of March 24. Incumbent party officeholders are expected to be reelected. Immediately following this meeting, leading party officials will travel to Elk City to participate in the President's visit. State Party Chair Obera (oh BEER ah) Bergdall found out about the President's visit after arrangements for the State Committee meeting had been finalized; she made special efforts (including cancelling a fundraiser) to accomodate the President's schedule.

Mrs. Bergdall was a Bentsen supporter in 1976, but has been generally supportive of the President since the 1976 Convention. She believes that the President is not popular in Oklahoma, mostly due to the Administration's energy and agriculture policies. She was pleased to receive a phone call from the First Lady last year, but does not think that the Administration has done much for the Oklahoma Democratic Party.

Nonetheless, although Mrs. Bergdall finds the Administration a somewhat heavy burden to bear, she is a loyal Democrat, and was successful in delivering most of Oklahoma's delegation to the Memphis Midterm Conference in support of the President.

J.C. Kennedy, the most influential early Carter supporter in the state, will be flying to Elk City in Air Force One. The White House has relied principally on J.C., rather than on the State Party, for advice on the small number of jobs for which Oklahomans have been considered. Recently, J.C. has been extremely helpful working with the State Department in trying to arrange a SALT briefing. J.C. has not been particularly close to Governor Nigh.

M.C. Kratz, an early supporter who will be in the receiving line at the airport, set to work immediately on hearing that the 1980 reelection committee was being formed. In less than two weeks, he qualified Oklahoma for matching funds.

### 1976 election results:

In 1976 General election:	Carter	532,442	-	48.7%
	Ford	545,708	-	50.0%
	Other	14,101	-	1.3%

SENATOR DAVID BOREN (D-OKLAHOMA)

Biography: 1st term (1984); born April 21, 1941, Washington, D. C.; Methodist; married (Molly Shi); two children; B.A., Yale University, 1963; M.A., Oxford University (Rhodes scholar), 1965; J.D., University of Oklahoma College of Law, 1968; Oklahoma National Guard; Oklahoma House of Representatives, 1967-75; Governor of Oklahoma, 1975-79; elected to U.S. Senate, 1978.

Committees: Agriculture, Nutrition and Forestry (10)  
Finance (11)  
Subcommittees: Energy and Foundations  
Public Assistance  
Energy and Foundations

As you know during the campaign then-Governor Boren endorsed your candidacy and was one of the few Western Governors to do so. However, as a result of our not endorsing immediate and total deregulation of natural gas, Governor Boren denounced us often.

When he was elected to the Senate your White House Congressional Liaison office went to considerable lengths to establish good relations with him. In the only issue which has come to the Senate floor (Taiwan legislation) he was not helpful at all; in fact, he sponsored the diplomatic property amendment that passed the Senate despite our vigorous objections (a similar provision was included in the House-passed bill).

Because of his key Committee assignments, Finance and Agriculture, and his popularity among his freshmen colleagues, we believe it is crucial that we continue to work with him.

Key issues which you might want to discuss with the Senator on the way to Elk City are: hospital cost containment, energy (particularly oil pricing and the Wright and Bentsen approaches), and the National Health Plan (he tends to favor the Long-Ribicoff catastrophic approach).

Again, we believe that it is important to emphasize the issues on which we agree rather than the differences which exist.

REP. GLENN ENGLISH  
(D-Oklahoma-6)

**Electrostatic Copy Made  
for Preservation Purposes**

Committees:

Committee on Agriculture  
Conservation and Credit  
Department Investigations, Oversight,  
and Research  
Livestock and Grains

*Glenn/Jan*

Committee on Government Operations  
Government Information and Individual Rights  
Intergovernmental Relations and  
Human Resources

Administration Support: 23.9%

Personal Background: Congressman English was first elected in 1974 in one of the nation's biggest upsets in House races. Prior to his election he was Chief Assistant to the Majority Caucus and Executive Director of the Oklahoma Democratic Party. He was also in the petroleum leasing business.

Congressman English is married to the former Jan Pangle. His brother-in-law is Mayor Larry Wade of Elk City. Mrs. English will be accompanying the Congressman on the plane.

Points of Interest: English may well be the most manageable member of the Oklahoma delegation as far as our legislative interests. He voted with us on Taiwan; is not totally unreasonable on other issues. His major interest at present is the issue of drugs in the military.

Last year you spoke to the Congressman to request his support of our counter-cyclical program. You may recall that he stepped out of the shower to take your call. He has since related that story and suggested that if you had kept him on the telephone a few moments longer he would have promised you his vote to keep from freezing in front of the air conditioner. This Congress, we really need his vote to get the targeted fiscal assistance program out of committee.

District Information: Elk City, Oklahoma, is in English's 6th Congressional District, which occupies the northwest and north central parts of the state. It includes the panhandle area and aside from a small portion of Oklahoma City is almost entirely rural. The 6th district has always been the most Republican part of nonurban Oklahoma, but the Republican percentage for President declined from Nixon's 79% to Ford's 54%.

ISSUES

## GOVERNOR NIGH

Governor George Nigh had previously been Lt. Governor for 16 years (though he served as Governor for 9 days in 1963 when a sitting Governor resigned). He is universally viewed as someone who is uninterested in substantive issues. His campaign for Governor involved no real issues, and to date he has not developed major issues as Governor. His popularity stems from his image as an honest, well-meaning and open public figure.

As Lt. Governor, Nigh's principal interest was in promoting Oklahoma's tourist attractions and in attracting new business to the State. He is very proud of his efforts which resulted in the construction of State-run lodges on lakes throughout the State. He is interested in water policy, though only from the development perspective. He is especially proud of the Corps-built McClellan-Kerr Arkansas River Navigation Project, which opened up barge traffic from Tulsa to the Gulf. The Governor and his wife Donna are supporters of ERA and worked to help move it through the Legislature.

The Governor is a strong Carter supporter. He has not yet sought very much from the White House, but his relations with us are good.

You might speak with him about the following:

Oil -- You might ask his views on oil pricing. He is not an energy expert, but may be able to give you a sense of the views of Oklahomans. He will no doubt have been flattered to be asked about this subject, given its enormous importance to the State.

Gas -- On natural gas, you might ask him what the effects of the natural gas bill have been on Oklahoma and whether the Administration is receiving proper credit for our efforts to get this phased deregulation act through Congress.

Conservation -- The Governor might be asked how he believes the Administration could get the best response from the states in encouraging energy conservation. You might see whether he believes there are alternative methods of saving gasoline than our rationing and weekend closings proposal.

Inflation -- You might ask him how the State is beginning to help in our State and local anti-inflation program. You might ask if there is any type of additional assistance that we could provide to him in his effort.

ERA -- It is very important that you discuss ERA with the Governor, for failure to do so (if Nigh discusses your conversation with him) might be taken by ERA supporters as evidence of a declining interest on your part. You might ask what the prospects for ratification are in the next session and what the Administration could do to be helpful with certain key legislators.

Business -- The Governor is close to the business sector of the State and might be able to give you some information about business views on the economy. You might ask him how Oklahoma business views our economic situation and what recommendations he, and those whom he knows in the business community, might make about improving our anti-inflation program and ensuring continued economic growth.

Carter Administration -- People in Oklahoma very often view themselves as isolated from Washington and the events of government. You might ask the Governor how we could improve our efforts to get the Administration's message across in Oklahoma and how our supporters in the State could be made to feel closer to us.

3/22/79

OKLAHOMA AGRICULTURE

LEADING COMMODITIES:

1. Cattle and calves
2. Wheat
3. Dairy products
4. Cotton lint
5. Peanuts

MAJOR ISSUES:

- o Beef imports: There is concern that we will increase the meat import quota for 1979, in response to rapidly rising meat prices. There is comparatively little additional beef to be imported beyond the 1.57 billion pounds for which we have negotiated voluntary restraint agreements. USDA estimates that the maximum level of imports that could be expected if all restraints were lifted is about 1.685 billion pounds. Thus, while an increase in the import quota would have little price effect (perhaps 1 to 2 cents per pound of hamburger), it is certain to make cattle producers angry and thereby risk a delay in the rebuilding of herds. There are also lingering fears that price controls will be imposed.
- o Recent Wheat Program Announcements: Within the past few days, Secretary Bergland has announced two changes in the wheat program that will be good news to Oklahoma wheat producers:
  - (a) Farmers will be allowed to graze cattle or cut hay on wheat acreage up to 40 percent of intended plantings of wheat, feed grains, and upland cotton or 50 acres, whichever is larger. For this acreage, they will receive the same deficiency payment rate as wheat harvested for grain. This will permit calves now on wheat pasture to remain there for an additional 60 days or so. This should result in slightly higher rates of gain and therefore additional beef later this year.
  - (b) Farmers with 1978 crop wheat under CCC loan are being given the opportunity to extend these loans for 6 months to ease storage and transportation problems.

*Wheat loans  
+ 6 mos.  
+ 6 mos.*

o Fuel Shortage: Diesel fuel is growing short in some agricultural areas with the prospect of a more severe shortage when the planting season gets in full swing. The Administration's standby allocation plan for diesel fuel would provide 100 percent of current requirements to agriculture. The USDA and DOE are now working to alleviate spot shortages and are encouraging State governments to participate in the set-aside program so that a reserve will be available for priority needs of this nature.

o American Agriculture Movement: Many of the farmers who visited Washington this winter came from the Southern Plains region. There will probably be general sympathy for the aims of the AAM, but not for their confrontation tactics. The best approach to questions regarding AAM is probably to indicate recognition of the sincerity and the economic problems of most of the farmers who came to Washington, but make it clear that the 90% of parity solution is completely unworkable. The Congressional Budget Office has estimated it would have the following effects:

*Budget*  
 '80 + \$12 B  
 '83 + \$20 B  
 Exports  $\downarrow$   $\frac{1}{3}$   $\rightarrow$   $\frac{3}{4}$   
 Land idle  $\frac{1}{3}$  -  $\frac{1}{2}$   
 \$555/yr

budget costs, now less than \$1 billion for the affected crops, would rise to \$12.5 billion in FY 1980 and on up to \$21.0 billion in FY 1983.

volume of exports would decline sharply ... cotton by 1/3, wheat and corn by 1/2, soybeans by nearly 3/4.

much of our farm land would have to be idled ... 1/2 of all wheat land, 1/3 of corn land.

\* by 1981, food expenditures for a family of four would rise by about \$555 annually.

\* would cause the trend toward fewer and larger farms to accelerate.

o U.S. Agricultural Exports to China: Farmers in this area will have mixed feelings about China. There has been some misinformation to the effect that all their grain purchases from the U.S. have been heavily subsidized, although to date none have been. They will be interested to know that China has told us they expect to purchase 5 to 6 million tons of grain from the U.S. annually in the foreseeable future. Since resuming trade with China, they have purchased over 7.5 million tons of grain and about 550,000 bales of cotton. Although not an unlimited market, we anticipate that China will be a very good customer of our farm products in the future.

*PRC already 7 1/2 mt wheat  
 1/2 m cotton*

## ENERGY OVERVIEW

### Nuclear

Oklahoma has no operating nuclear powerplants. Public Service Company of Oklahoma (PSC) is currently building the Black Fox nuclear steam electric generating plant near Inola, Oklahoma. The first of the plant's two units is scheduled to come on line in April, 1984.

Strong opposition, including legal action, to each permit is coming from consumer/environmental groups, principally the Sunbelt Alliance, and Citizens Action for Safe Energy, Inc. (CASE).

Oklahoma has taken no official position on nuclear waste storage, either through the Governor or the Legislature. Some concern has been voiced by consumer/environmental groups on possible dangers of transporting spent nuclear materials from the Black Fox nuclear generating plant currently under construction.

### Oil

Oklahoma ranks fourth nationally in crude oil production. In 1978, the State produced approximately 150 million barrels or about 6% of the Nation's crude production.

The State of Oklahoma owns about 2% of the total acreage in the State. It is the largest mineral rights (oil and gas) owner in the State, with rights to approximately 1,000,000 acres. The State grosses about \$17 million from bonuses and royalties.

### Natural Gas

Oklahoma ranks third in the Nation in natural gas production. Its output of 1,783,269 million cubic feet in 1978 represented 8% of total U.S. gas production.

A legal challenge to the constitutionality of the Natural Gas Policy Act has been filed in Federal District Court in Oklahoma City. The suit is based on the allegation that the Act violates the States' right to govern internal commerce. The States involved in the suit are Oklahoma, Texas, Louisiana, New Mexico and Wyoming.

NATURAL GAS

The Administration's initial natural gas pricing position was very poorly received in Oklahoma. The position was widely seen as inconsistent with your statement on deregulation in Elk City in 1975 and, perhaps more importantly, your letter to Governors Boren and Briscoe.

The gas bill eventually enacted is seen as an improvement over the April 20, 1977 version, but still far from the campaign commitment or the prompt deregulation many in the State wanted. The Administration has received some credit for working toward phased deregulation, but the memories of our initial position appear to be lingering.

This is somewhat less of a problem in Elk City, because of your popularity there and because of the "deep well" nature of the region. "Deep wells" are completely deregulated under the gas bill.

Elk City is known as the "deep gas capital of the world," because it is centrally located over the Deep Anadarko basin. There are a large number of producing wells in the area that produce from below 15,000 feet. There also is high potential for future gas development in the deep hydrocarbon structures in the Anadarko basin.

The Natural Gas Policy Act of 1978 has provided the foundation for continued expansion of deep gas exploration and development in the area. The Act deregulates the wellhead price of gas from wells below 15,000 feet by the end of 1979. For that reason, the Act has been particularly beneficial to Elk City. It also provides favorable ("rolled in") end-use pricing treatment for such gas for wellhead prices well in excess of \$3 per mmbtu.

During your 1975 campaign visit, deep drilling activity in the Elk City area involved only about 25 rigs. Currently, there are over 75 rigs in operation. More than 100 oil and gas firms have offices in Elk City, three times the number which were located there in 1975.

During the 1977-78 period, about 200 deep wells were completed in the Deep Anadarko Basin. These wells established proven reserves of about 725 bcf and production capacity of 200 mmcf per day.

A University of Oklahoma study established that in 1978 alone, completion of 100 deep wells in Oklahoma, created over 2,300 jobs and generated almost \$10 million in revenues. Projections for future development in the Deep Anadarko basin within a 60 mile radius of Elk City include an increase in deep well drilling to over 300 wells per year by 1982. Deep gas production is projected to reach 1.2 tcf annually by 1982, at an average price of \$3 per mmbtu. If the projected drilling and production levels are realized, the University of Oklahoma study estimates that the accompanying economic effects would include over 6,100 new jobs, \$2.2 billion in income (wages, salaries, royalties, lease bonuses, and revenues to suppliers of services, equipment and materials), \$4.5 billion in industrial output, and \$340 million in state and local tax revenues.

Deep drilling during 1978 was at record levels and has already caused an economic boom that is quite visible in Elk City and in other western Oklahoma communities. Elk City's population has increased substantially in the past four years, as have other measures of economic growth such as new construction, sales taxes, bank deposits, etc. This rapid growth has created some problems such as a shortage of rental housing. The unemployment rate is effectively zero.

#### OIL PRICING

There is widespread sentiment throughout Oklahoma for some type of oil price deregulation. Oil pricing is of a greatest concern in the eastern part of the state, where most of the wells are located. The western part of the state is more concerned with national gas pricing, though the presence of stripper oil wells in the western part of the state make your decision about stripper incentives particularly important in that area. Many stripper wells have been shut in recently because of the regulated price. Gas explorers are apparently finding oil but leaving it in the ground because of the low price for stripper oil.

person's life when, for the first time in their existence, they can overcome a physical or mental defect which could have been and should have been detected and eliminated in their early years. And as one who hopes to be President of the greatest nation on earth. I pledge myself to combine my efforts with yours.

Although I don't know the answers, people like you know the answers. And I look forward to forming a partnership with you to give our people a long overdue opportunity for simple and basic preventive care. This can finally be realized if we cooperate, if we tap the resources of our country, if we realize the difficulties and face them frankly and courageously, if we don't yield to discouragement, and if we can commit ourselves to this most worthy of all social efforts to let our people take full advantage of that which God gave them in our great country.

Thank you very much.

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## GAS PRICE DEREGULATION

*In a letter, October 19, 1976, Mr. Carter outlined his position on a national energy policy and the regulation of natural gas prices. The letter, to Governor Boren of Oklahoma, which was circulated in the campaign, follows:*

OCTOBER 19, 1976.

Gov. DAVID BOREN,  
State Capitol Building,  
Oklahoma City, Okla.

Dear Governor Boren: The formulation of a workable national energy policy implemented by a responsive, understandable governmental structure will be of highest priority in a Carter Administration. If we are to reach our goals of full employment and a healthy, growing economy, we must reduce our dangerous dependence on foreign oil and we must develop our own domestic energy supplies. These resources must be produced and used in an environmentally acceptable manner at a cost that the consumer can afford to pay.

A sound energy policy must aggressively promote conservation of our scarce oil and gas resources. This is the only way in which we can hope to make ends meet in our energy budget. But, coupled with energy conservation our policy must encourage additional production of our domestic reserves.

Eight years of Republican Administration have failed to produce an energy policy. Demand for new energy supplies has increased by over 4 percent

per year since 1969—even though demand was reduced considerably during the recession triggered by the Arab oil embargo. At the same time, domestic production and resources have decreased substantially, and dependence on foreign supplies has increased from 35 percent prior to the embargo to over 40 percent today.

To increase our domestic production, I have proposed three important steps.

First, I will work with the Congress, as the Ford Administration has been unable to do, to deregulate new natural gas. The decontrol of producers' prices for new natural gas would provide an incentive for new exploration and would help our nation's oil and gas operators attract needed capital.

Deregulation of new gas would encourage sales in the interstate market and help lessen the prospect of shortages in the nonproducing states which rely on interstate supplies. While encouraging new production, this proposal will protect the consumer against sudden, sharp increases in the average price of natural gas.

Second, I believe we should act to encourage enhanced recovery from wells already in production. As you well know, an average of 60 percent of our oil remains in the ground after standard recovery methods have been exhausted. It is estimated that up to 60 billion barrels of crude could be added to our supply if enhanced recovery techniques are used. Since the environmental costs have already been largely paid on these resources, both consumers and producers alike benefit from development of this resource.

Third, I favor a substantial shift from the use of oil and gas—our highest quality energy sources—to coal, which we have in abundance. We must immediately begin a program to encourage conversion from the use of petroleum and natural gas to coal in those applications for which coal is an acceptable substitute. Our present demand for coal is limited by two important factors. First, we have geared our technological growth to oil and gas for well over 100 years. Second, we have failed to establish a stable regulatory climate in which coal producers are sure of the rules of the game before they make investments in expanded production or new mines. Switching to the use of coal will require strong presidential leadership and proper federal incentives to encourage the conversion process. A Carter Administration will provide this leadership.

I hope that these policy recommendations will help to put my views on the supply aspects of the energy problem into focus. Without a strong commitment to increasing our domestic production, while maintaining basic environmental principles, we cannot hope to reverse the unhealthy trends which the lack of leadership of the current administration has produced.

Sincerely,

Jimmy Carter.

### GASOLINE RATIONING

The Administration's standby gasoline rationing plan has attracted considerable opposition throughout the state. Because of the wide distances between most Oklahoma cities, the State's residents believe they will be inequitably affected by our standby gasoline rationing plan.

### BALANCED BUDGET

One of the most strongly held beliefs among Oklahomans is that the federal budget should be balanced. Political leaders around the state when asked about the concerns of Oklahomans uniformly cite a federally balanced budget. The State Legislature was one of the first to pass a resolution seeking a convention to adopt a balanced budget to the Constitution. Despite that fact, the concern about a balanced budget does not appear generally to extend to the Constitutional amendment. The concern is simply that a balanced budget be reached as quickly as possible, not that it be done through the route of an amendment. You are widely identified through the state with the effort to balance the federal budget, and have not been criticized for opposing a Constitutional amendment.

### HIGHWAY SPEED

The Oklahoma House has recently voted to raise the speed limit to 65 miles per hour. The Senate has not yet taken action.

### GENE LEROY HART MURDER TRIAL

One of the major subjects of interest in Oklahoma recently has been the Gene Leroy Hart murder trial, which began in Pryor (Eastern Oklahoma) this week. The case has attracted national interest as well (the Washington Post carried a major story on Tuesday) because (1) the State launched its largest manhunt in history to capture the murderer of 3 Girl Scouts; (2) Hart is a Cherokee Indian who has aroused the sympathies of large segments of Oklahoma's population because the evidence against Hart appears so circumstantial; and (3) the prosecutor involved appears to be using the case as a way of promoting his political career. The trial is in State court and is expected to last several weeks.

INDIAN ISSUES

Though the State of Oklahoma has a large Indian population, there are no concentrations of Indians in the vicinity of Elk City. One issue that affects Indians and non-Indians in substantial areas of Western Oklahoma is the State's jurisdiction for law enforcement on tribal/allotted Indian lands. Recent court decisions has removed the State from jurisdiction over these lands. As a result, local law enforcement authorities who previously exercised jurisdiction over all territory in Western Oklahoma have withdrawn enforcement on tribal/allotted Indian lands. The problem is compounded with no defined reservation boundaries and Indian land being widely checkerboarded throughout the counties in West Oklahoma. Also, the tribes have not established tribal law enforcement or judicial programs. Most of the tribes must amend organizational documents to provide authority to maintain a Criminal Justice System for tribal members on tribal lands. Consequently, many Indians are totally without law enforcement protection and services at the present time.

ERA

As you know, Oklahoma has not yet ratified ERA. The State Legislature leadership decided this year to keep ERA in Committee; efforts will be made next January to get ERA out of Committee. Although all of the leadership from Oklahoma with whom you had lunch at the White House support ERA, the representatives in the legislature from Elk City strongly oppose ERA. State Senator Gilmer Kapps does not personally care very much about ERA, but has opposed it out of belief that support would jeopardize reelection.

UNEMPLOYMENT

	November '76	January '79
Oklahoma State	5.0	3.9
Elk City	2.1**	2.0*

\*December, 1978

\*\* Elk City is an extremely small town and BLS did not have figures for Elk City itself -- the figures shown are for Beckham County -- Elk City is within this County

## KERR-MCGEE/KAREN SILKWOOD TRIAL

A nationally important civil trial is presently underway in Oklahoma City involving the nuclear energy industry, (Silkwood v. Kerr-McGee Corporation). The Kerr-McGee Energy Corporation is a large diversified energy corporation which owns a substantial portion of U. S. uranium reserves. It also is an important regional oil company and local employer. The late Senator Robert S. Kerr (D-Okla.) founded the company and his son (Bob Kerr, Jr.) is still a principal official of the company and Democratic candidate for the U. S. Senate (1980).

Karen Silkwood was an employee of the Company's Carnegie, Oklahoma plutonium processing facility. She died in an auto accident in 1974 and an autopsy revealed that she had been seriously contaminated by plutonium. She was reportedly driving from her home to Oklahoma City to be interviewed by a New York Times reporter about safety violations at the Carnegie facility when the auto accident occurred. There is evidence that she was forced off the road. An NRC investigation ensued which cleared the Corporation of major safety violations -- but the investigation has been attacked by the anti-nuclear lobby as a cover-up. Karen Silkwood's name is now being used by the national anti-nuclear lobby as a symbol in the cause against nuclear energy.

Her family is suing the corporation for several million dollars.

The main issue in the case is safety violations.

ELK CITY TOWN HALL MEETING.

The town meeting is scheduled for sixty minutes. It will be a standard drill with an opening statement of three to five minutes. There will be four alternating mikes. As in the past, participants have been selected by lottery. Those eligible included Elk City and Beckham County residents, as well as several counties in the immediate area. Over 4200 applications were submitted for the 1100 seats available in the gymnasium.

On entering the high school, you will be asked to view a bronze plaque specially made to commemorate your visit. It will hang on the wall inside the Elk City High School Gym.

After the town meeting, en route to your meeting with the Oklahoma Democratic Party Executive Committee, you will be presented with a scrapbook which will be the official gift of the City. Identical scrap books will also be given to the Mayor, and one kept in the Old Town Museum. The covers were made by an inmate at the Oklahoma State Reformatory.

MEETING WITH OKLAHOMA DEMOCRATIC PARTY EXECUTIVE COMMITTEE

Participants will include:

Governor George Nigh and Mrs. Donna Nigh

Lt. Governor Spencer Bernard and Mrs. Vivian Bernard

Attorney General Jan Cartwright

State Treasurer Leo Winters

Commissioner of Insurance Gerald Grimes

Superintendent of Public Instruction Leslie Fisher

Corporation Commissioners: Hamp Baker  
Bill Dawson  
Norma Eagleton

Speaker of the House Dan Draper

President Pro Temp Gene Howard

State Party Chairperson Obera Bergdall

State Party Co-Chairperson Robert M. Kerr

State Secretary Treasurer James Roy Johnson

Democratic National Committeemen: George Krumme  
Edna Mae Phelps  
Hannah Atkins

District Officials:

1st C.D.: Tommy Nash  
Mary Lowe  
Edwynne Krumme

2nd C.D.: Jim Summerlin  
Leona Kester

3rd C.D.: Sarah Jane Rodgers  
Darryl Roberts

District Officials  
continued

4th C.D.: Earl Abernathy  
Betty McElderry  
Cleta Deatherage

5th C.D.: Ken Hoyt  
Paulyne Leftwich  
Linda Gray

6th C.D.: Don Williams  
Betty Langley  
Betty Hall

THE LARRY WADE FAMILY

RON Elk City

Larry Wade, 40, is Mayor of Elk City and publisher of the Elk City Daily News. Born in Elk City, he received his B.A. in journalism from the University of Oklahoma in 1961.

Wade is on the Executive Committee of the Oklahoma State Chamber of Commerce, and is past president of the Elk City Chamber of Commerce and the Elk City United Fund. He is a member of the State Board of Oklahoma Symphony and was active in the establishment of the Western Oklahoma Symphony Society, the Red Carpet Country Community Theatre, the Western Oklahoma Historical Society and the Elk City Old Town Museum.

He is active in the United Methodist Church. In 1972 he was named one of "Three Outstanding Oklahomans" by the Oklahoma State Jaycees, and in 1976 was a Carter delegate to the Democratic National Convention.

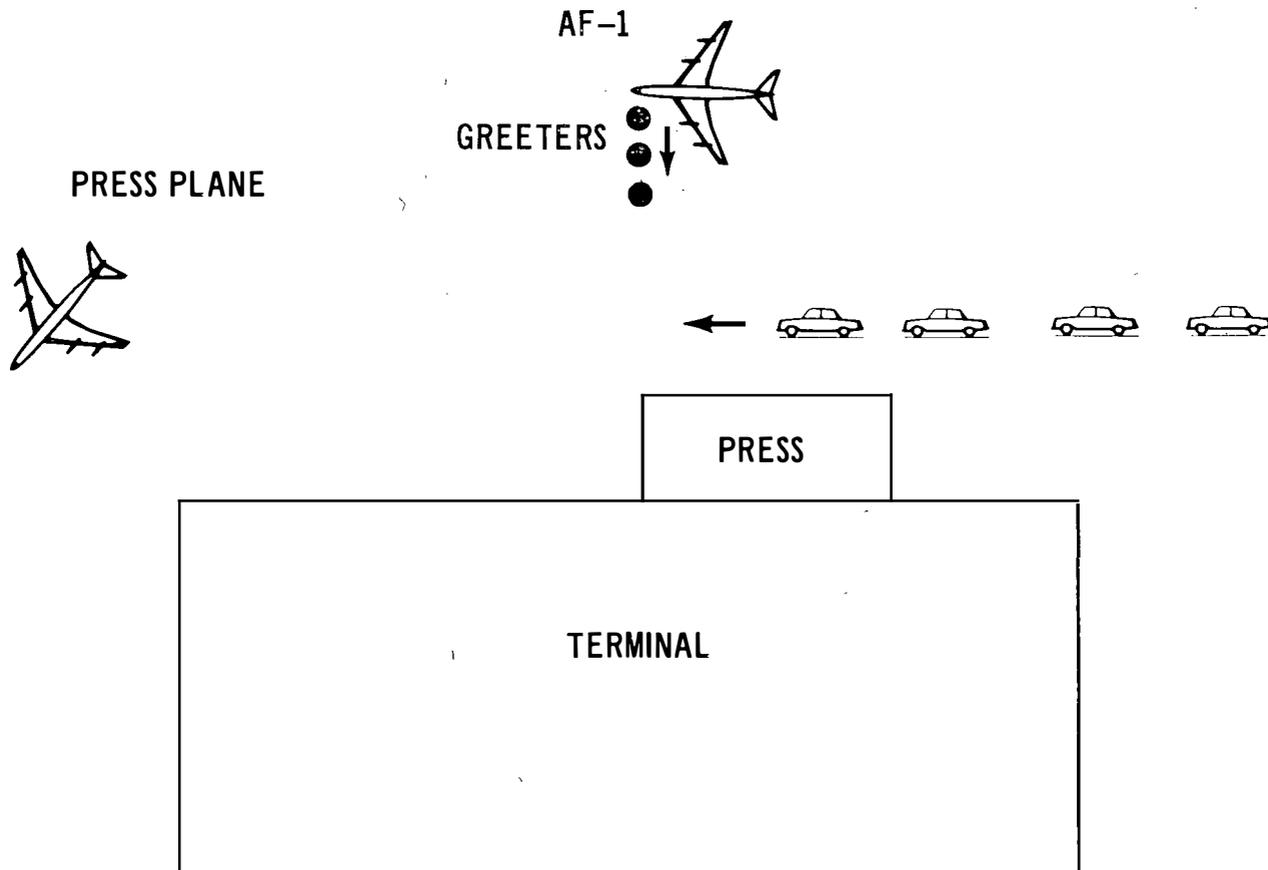
Mary Jane Wade, 34, is treasurer of the Elk City Daily News on a part-time basis. They were married in 1970. She is a 1967 graduate of the University of Oklahoma, and a former stewardess and elementary school teacher. She is a former board member of the Western Oklahoma Historical Society, an active member of the Oklahoma Press Association, and active in community affairs in Elk City. Mary Jane was listed in the 1976 Edition of Outstanding Young Women of America.

The Wades have one daughter, Mary Elizabeth, who was born August 6, 1978.

TEXAS



DALLAS, TEXAS  
LOVE FIELD  
25 MARCH 1979



DALLAS, TEXAS  
CONVENTION CENTER  
ARRIVAL AND DEPARTURE  
25 MARCH 1979

MARILLA STREET

BALLROOM

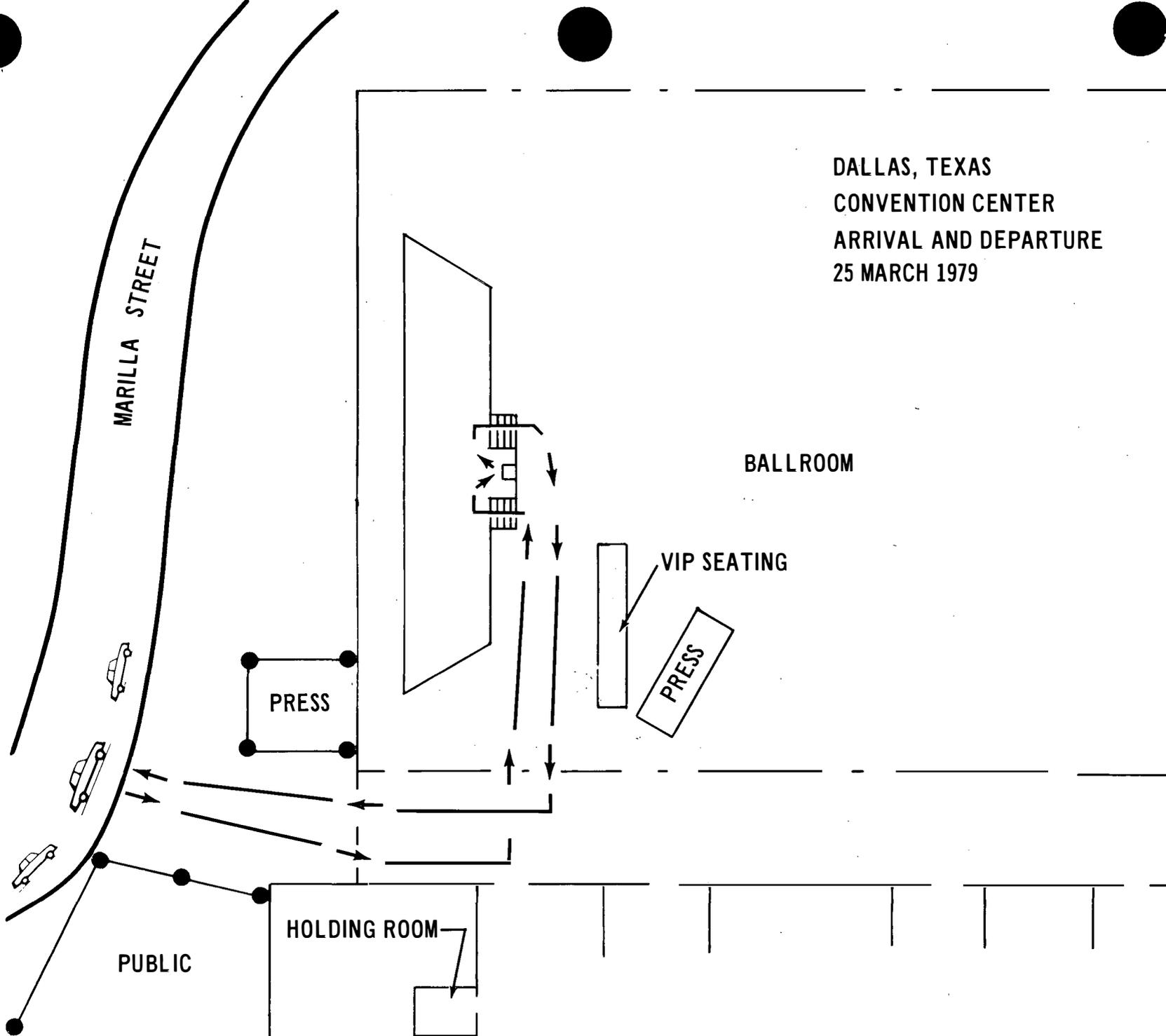
VIP SEATING

PRESS

PRESS

HOLDING ROOM

PUBLIC





## TEXAS OVERVIEW

For the first time in recent history, Texas can accurately be called a two-party state. The election of Bill Clements as the first Republican Governor in 108 years and the re-election of Senator John Tower demonstrates that the Republican Party has the ability to marshal vast financial resources and deliver its vote. The campaigns of Governor Briscoe and Attorney General John Hill for the Democratic nomination for Governor have created divisions in the Party that may prevent the Party from being a cohesive force in the 1980 election. The election of Billy Goldberg last September as the State Democratic Party Chair did nothing to alleviate this situation; he has yet to rally the separate forces in the Party (eg. labor, liberals, Blacks, Chicanos, farmers) around any theme or agenda. Nor has Goldberg been successful in getting off the ground a series of fundraisers to replenish the Party coffers. The Democratic Party in Texas is essentially bankrupt and Clements' election, together with the candidacies of John Connally, Ronald Reagan and George Bush, will further inhibit the Party's ability to raise substantial sums of money from the business community, the traditional source of Party funds.

While no one has yet emerged as a "leader" of the Democratic Party in Texas, Lieutenant Governor Bill Hobby is the highest-ranking Democratic official in the state, and seems to be trying to fill that vacuum of leadership. Heretofore, he has not been active in Party affairs and is looked upon by Party regulars with some skepticism. His active endorsement of a bill before the Texas Senate, which would set up a Presidential primary in March and move primary elections for other offices from May to July is opposed by most Democratic Party leaders. Hobby thinks an early Presidential primary would focus national attention on Texas and force the candidates to commit early on key issues. Democratic leaders contend that two separate primaries would allow conservative Democrats to bolt, vote for Connally in the Republican Presidential primary, then come back to influence state elections in July. Other arguments against the dual primary are that it would cost twice as much, would decrease voter turnout at regular primary elections, and would work against participation of party officials in choosing some of the delegates to national nominating conventions. Governor Clements has advocated a Presidential primary and has publicly stated that he may run as a "favorite-son" candidate.

The Democratic Party has neglected to develop the programs and organization to attract the Independent voter which comprises the largest voting block in Texas. Polls indicate that 60% of Texas voters still identify with parties, but 40% view themselves as Independent. The trend is for more and more Independent voters to identify with Republican candidates.

John Connally is the most formidable opponent the President has in Texas right now. His strength and popularity with long-time Democrats can be seen in almost daily press coverage and in the ever-growing list of Democrats like Ben Barnes, former Lieutenant Governor and Joe Kilgore, Texas Commerce Bancshares, who are publicly supporting his candidacy. Connally has already started a series of fundraising events, each of which has been enormously successful. His ability to siphon off moderate to conservative Democratic voters and their money should not be underestimated.

The Democratic nominee for President has not carried Texas without the active aid and commitment of the incumbent Democratic Governor. Not only will the power of the Governor's office not be available in 1980, but Governor Clements' announced intention is to do everything possible to defeat the re-election of the President. He is openly critical of Carter, his most recent attacks referring to faltering negotiations for Mexican oil and gas and the Department of Energy's position on the deregulation of oil and gas. Clements has, on several occasions, called for the resignation of Secretary Schlesinger.

REP. MARTIN FROST  
(D-Texas-24)

Committees: Rules

Personal Background: A political moderate, Frost was elected in 1978 with 54% of the vote. He formerly was a staff writer for the Congressional Quarterly and was also a practicing attorney. He was the North Texas Coordinator for the 1976 Presidential Campaign and served as a delegate to the Democratic National Convention. He and his wife, Valerie, have two daughters.

Points of Interest: Obtaining a seat on the Rules Committee as a freshman makes Frost unique. The "Texas" seat, vacated by John Young, was hotly contested between Frost and Jim Mattox. There is some residual hard feeling, at least on Mattox's part. Frost has used his previous association with you to demand special consideration on the part of the Congressional Liaison. You should be also be aware that he urged you to meet with a local "Committee of 100" civic group in Dallas during your visit there but his request was turned down.

District Information: The 24th district is known as the Mid-Cities district. It sits between Dallas and Fort Worth and contains parts of both. Altogether, 49% of the 24th's Dallas population is black and a major liberal voting force. The city of Arlington boasts two main attractions: Six Flags Over Texas amusement park and the Texas Rangers, a professional baseball team. Arlington is the smallest city with a major league baseball franchise.

REP. PHIL GRAMM  
(D-Texas-6)

Committees:           Committee on Interstate and Foreign Commerce  
                          Health and the Environment  
                          Energy and Power

                          Committee on Veterans Affairs  
                                  Compensation, Pension, Insurance  
  and Memorial Affairs  
                          Education, Training, and Employment  
                          Medical Facilities and Benefits

Personal Background: Congressman Gramm was first elected in 1978 to fill the seat of Olin Teague with 66% of the vote. He is a former professor of economics at Texas A&M and has served as a consultant to many governmental agencies, including the U. S. Bureau of Mines and the Arms Control and Disarmament Agency. He was named one of Five Outstanding Young Texans of 1977 by the Texas Jaycees.

Gramm is 36. He and his wife Wendy, who also has her Ph.D. in economics, have two children.

Points of Interest: Politically, Gramm is an ultra conservative. He has recently been very much of an obstructionist with regard to the administration's hospital cost containment program. Due to his membership on the Health and the Environment Subcommittee, this legislation is probably the most important issue he is likely to have any influence on and you might want to mention we need his support.

Congressman Gramm has recently mentioned that he has spoken in five churches during the past month and that afterwards he questioned the parishioners about their feelings about your running in 1980. He said he sensed no bitterness, but no real enthusiasm either, and the name of Kennedy was frequently mentioned. Gramm said he does not want to run with or on a Kennedy ticket.

District Information: The majority of the 6th Congressional District's population lives in metropolitan areas, and almost precisely half live in either Dallas or Tarrant (Fort Worth) counties. It has about 10% black and 5% Mexican-American population.

REP. JIM MATTOX  
(D-Texas-5)

Committees: Committee on Banking, Financing and  
Urban Affairs  
Domestic Monetary Policy  
Financial Institutions Supervision,  
Regulation and Insurance  
International Trade, Investment and  
Monetary Policy

Budget

Administration Support: 73.5%

Personal Background: The first liberal Congressman to be elected from his district, Jim Mattox is a former state representative and also was a dock worker. He was first elected in 1976 and barely squeaked by in 1978. He was made chairman of the freshman caucus and in the 95th Congress was the only freshman member of the House Budget Committee. Mattox is not married.

Points of Interest: A tough race for his seat last time probably cost Mattox the seat he was after on the Rules Committee, not because he supported you on the Public Works veto, which is what he has concluded. Jim has openly fought the Taiwan normalization legislation but is generally very helpful as far as most of our programs go.

District Information: The 5th congressional district of Texas is, roughly, the south and east parts of Dallas and some of its suburbs. It includes a large part of Dallas's black ghetto and its relatively small community of Mexican-Americans; but overall the atmosphere is working class white.

REP. JIM WRIGHT  
(D-Texas-12)

Committees: Budget

Administration Support: 79%

Personal Background: First elected in 1954, the Majority Leader's previous experience includes the Texas House of Representatives, the mayoralty of Weatherford and the presidency of the Texas League of Municipalities. Congressman Wright and his wife, Betty, have four children.

Points of Interest: Energy is the biggest issue on the Majority Leader's mind. He met with Stu Eizenstat, Secretary Schlesinger, Secretary Blumenthal and Congressional Liaison staff members this past Thursday morning. He was quite negative on a dollar per barrel severance tax but was less so on a windfall profits tax.

He wants you to "be bold" and tell the nation we need to take unpleasant medicine but that in 10 years (or thereabouts) we will be free from dependence on foreign oil.

District Information: The 12th Congressional District includes most of Fort Worth and the Tarrant County suburbs to the north, and is therefore one of the state's more liberally inclined seats. Fort Worth has grown into a meat-packing, blue collar town and is one of the nation's leading recipients of Defense Department funds, because of the General Dynamics plant which produces the F-111.

ISSUES

LT. GOVERNOR HOBBY

Lt. Gov. Bill Hobby, now serving his third term, has never been very close to the State Democratic party's leadership; but the fact that there is now a Republican Governor increasingly places him in a leadership position within the State, and he is becoming closer to the party's leaders.

Hobby is the son of Ovetta Culp Hobby, Eisenhower's HEW Secretary, who is now publisher of the Houston Chronicle. His father served as Governor of Texas, a position the Lt. Gov. is thought certain to seek in the next gubernatorial election. His relations with Clements thus far have not been particularly good.

Hobby's principal activity recently involves an effort to shift the date of the Presidential primary to March, leaving the State and local primary in July. While many in the State appear to be confused at his motives, because the principal beneficiary of an early Presidential primary would appear to be John Connally, his purpose actually is to help Democrats, or at least conservative ones. He fears that in a combined primary, conservative Democrats will vote Republican in order to help Connally and would thereby be forced to vote for State and local Republican candidates as well. That would have the effect of reducing the conservative Democratic vote and helping liberal Democrats in the primary. Hobby appears to have spent more time on this issue, and become better known for it, than on virtually anything else he has done as Lt. Governor.

He may try to elicit from you support for his proposal. It would be a mistake for you to discuss the matter at all with him, in the view of Frank, Tim and Bob Strauss. They believe that this issue is not only best handled by John White and Strauss, to the extent there is any Administration involvement, but also that you should not be discussing such an overtly political matter with Hobby. If you do, he is likely to talk to the press about it.

Subjects that might be discussed with him include: the Administration's oil pricing decision, our relationship with Mexico, the State's agricultural situation, the undocumented aliens problem and ways in which the State could help fight inflation.

## ENERGY OVERVIEW

### Coal

Due to rapidly diminishing natural gas reserves, electric utilities and industry in Texas consider the next ten years as a period of transition from oil and gas to coal. Although strippable coal reserves are estimated at 10 billion tons and about one-half of the electricity generated by the Texas Utilities Company is coal-fueled already, State officials and industry leaders are concerned about the impact of strict air quality standards and emergency coal transportation costs on plans for expanded use of Texas lignite and western coal.

### Nuclear

There are no operating nuclear power plants. However, several projects are in various states of completion.

Texas has 7% of the United States uranium reserves and is the third-ranked producer.

### Oil

Although Texas leads the Nation in oil production, the Texas Railroad Commission has estimated that 1979 production probably will not reach 1 billion barrels. Oil production has not been under 1 billion barrels since 1964.

Commissioner Mack Wallace, Texas Railroad Commission, and Governor Clements supported the Standard Oil Company of Ohio's (SOHIO) pipeline project which would have transported Alaskan oil from California to Midland, Texas.

### Natural Gas

Although Texas is a major producer, reserves have declined more than 50 percent during the past 10 years. This is one of the major reasons for the current effort on the part of Texas' electric utilities and industries to convert to coal (estimated to cost \$20 billion).

Texas has joined Oklahoma in a lawsuit which challenges the constitutionality of the Natural Gas Policy Act of 1978. Texas supports the allegation that the Act violates States' rights to govern internal commerce.

The City of San Antonio has been discussing with Mexico for the past five months the possibility of exchanging surplus electricity for Mexican natural gas. Governor Clements has had discussions with Mexico's President Lopez Portillo and will be meeting with the Governors of other border States to

discuss the results of his meeting. Texas is watching closely the U.S.-Mexico negotiations on natural gas and will probably await the outcome before continuing their independent discussions with Mexico.

### Electricity

Utility interconnection is a long-standing issue in Texas as interconnections involve Federal jurisdiction. Although the Electric Reliability Council of Texas is independent of the two other electrical networks in the United States, recent developments have served to increase the pressure on the Texas Public Utility Commission to cooperate in the resolution of system coordination issues.

New Mexico filed suit against Texas in the U.S. Supreme Court last December challenging the Texas Public Utility Commission's 1977 order to utilities to operate only on an intrastate basis. The DOE is working with the Texas Public Utility Commission in an effort to develop a cooperative approach to resolving the interconnection issue.

### Conservation

To conserve natural gas, the Texas Railroad Commission ordered industries which burn more than 3000 MCF daily to reduce consumption 10% by 1981 and 25% by 1985. On January 1, 1979, a motion before the Commission passed which calls for an amendment to or repeal of the conservation rule.

## NATURAL GAS PRICING

The Administration is heavily criticized for its initial position in 1977 on natural gas pricing. Aside from the fact that there was substantial feeling in the state that deregulation was needed, there was the feeling that a campaign commitment had been made to achieve at least a phased deregulation over a short period of time.

Although the final gas bill will lead to deregulation by 1985, those concerned with energy issues in Texas appear to be very unsatisfied with the bill -- both because of its delay in deregulation and because of its perceived regulatory complications. The Administration does not receive very much credit for working toward and enacting a gas bill which is actually quite favorable to Texas energy interests.

STANDBY GAS RATIONING

Senator Bentsen has introduced a resolution calling for rejection of your proposed standby gasoline rationing plan. In his remarks, he cited a study showing that high consumption of gasoline in Texas is due to a combination of distinctive social and economical factors and not to "extravagant or frivolous gasoline use". He further stated that Texas motorists would have to pay up to \$1.6 billion a year to buy extra rationing coupons to maintain their current driving habits.

Senator Bentsen's concerns are apparently shared by a great many Texans. In their view the large size of their state would mandate more driving than in the eastern part of the country, and our rationing plan discriminates against Texas.

MEXICAN NATURAL GAS

We are currently awaiting Mexico's reply to our cable concerning the beginning of talks in Mexico on a national gas agreement. The American delegation would be lead by Jules Katz of State and Les Goldman of DOE.

In Texas, there has been considerable criticism of the Administration's handling last year of the Mexico gas issue. There is great interest in Texas in consummating a deal with Mexico, even if at a higher price than domestic natural gas receives. Senator Bentsen has been a leader in the criticism of our handling of the Mexico gas issue.

Texas appears to be interested in completing a gas agreement for two basic reasons:

- (1) They believe that a higher price for Mexican gas will make it easier to secure higher prices for domestic natural gas.
- (2) They believe that greater supplies of natural gas in this country will provide businesses with the assurances needed for ready supplies so that conversions to gas will increase, and a larger gas market will be created. That will in the end provide greater markets for Texas gas.

If we hear favorably from Mexico within the next several days, your energy speech would mention the sending of a delegation to begin talks on a gas agreement.

#### SCHLESINGER

Secretary Schlesinger appears to be extremely unpopular in Texas for a number of reasons:

- o The perception that he persuaded you to change your campaign pledge on national gas deregulation.
- o His handling of the Mexican natural gas negotiations.
- o The feeling in the oil community that he is not sufficiently concerned about increasing domestic production of oil and gas.

The recent calls from a number of Members of Congress for Schlesinger's resignation have caused a number of prominent Texans to publicly criticize the Secretary again. Governor Clements continuously calls for the Secretary's resignation, or firing. Governor Clements appears to be making Secretary Schlesinger's removal one of his major objectives as Governor. His campaign focused heavily on the need to remove Schlesinger, and he has continued his attacks since taking office. Indeed, many Texans, when asked about the Governor's activities to date, cite first his repeated calls for Secretary Schlesinger's resignation. (As you know, Clements served as Deputy Secretary of Defense to Schlesinger in the Nixon-Ford Administration, and they did not get along at all at that time.)

#### PRESIDENTIAL PRIMARY

Probably the most important Texas issue involving national political concerns is the effort now underway in the State Legislature to change the date of the Texas Presidential primary. Lt. Governor Hobby is pushing a bill which would place the Presidential primary in March and keep the state and local office primaries in May.

The apparent concern of Lt. Hobby and the Speaker of the House, Billy Clayton, who is also supporting the bill, appears to be that Democratic candidates will be hurt if the Presidential primary is held on the same day as the other primaries. Their

reasoning is that many conservative Democrats will vote Republican during the primary, supporting Reagan, Connally, or Bush, and thereby not casting votes for Democratic candidates in state and local offices. As a result, the Democratic primaries could be tilted away from more conservative candidates. If a Presidential primary were held earlier, the conservative Democrats could vote for Connally or Reagan and then vote for local Democratic candidates in May.

There is also some feeling that John Connally may be quietly seeking an early Presidential primary in order to give him an early victory.

The bill is currently blocked in the Texas Senate on a procedural point, with 13 Senators pledged to prevent the bill coming to the floor for consideration. The Chairman of the House Elections Committee has indicated that the House will take no action until the Senate acts. The Governor has taken no position yet on the bill.

There is great uncertainty as to what will happen at this point. The Administration's supporters in the area are quietly working to keep the primaries at the same time. You should indicate, if asked, that this is purely a State matter and, if a candidate, would have no preference.

#### INFLATION

As elsewhere in the country, inflation is a major concern in Texas. However, unlike many other parts of the country, the concern about energy production, or higher energy prices, seems to be of greater importance to most Texans. For many Texans, inflation can be best controlled in the long-term in the energy area by increased production incentives.

Early this week a regional anti-inflation conference was held in Dallas at which Anne Wexler was the speaker. By all accounts the conference was successful in getting across the Administration's message about the importance of compliance with our program.

#### UNDOCUMENTED ALIENS

Although there are proportionately fewer undocumented aliens in Dallas than other cities in Texas, particularly those along the border, there is considerable interest in the problem in Dallas.

The Hispanic community in the Dallas area firmly opposed the Administration's initial aliens bill; and among other Dallas groups there was no detectable support. All affected groups are awaiting the Administration's decision on what type of aliens bill, if any, will be submitted this year.

There was great interest throughout Texas in your discussions with Lopez Portillo on this subject. Shortly after the visit, there were stories in the Texas press that you had proposed a program that would permit 700,000 Mexicans to enter the U.S. for short work periods. Administration spokesmen have repudiated these stories. Such a program, analogized to the bracero program, would probably not be well received in Texas, in either the Texas or Anglo community (though most farmowners would undoubtedly approve).

#### TORTILLA CURTAIN

In recent months, one of the most troubling issues for the Administration in Texas, particularly along the border, has concerned the "Tortilla Curtain" -- the fence along parts of the border with Mexico designed to keep undocumented aliens out of the state. The initial press stories indicating that the Administration had intended to construct a fence which, when climbed, would sever arms and legs, did enormous damage to the Administration's image in both the Texas Hispanic and Anglo communities.

After learning of the revelations of this destructive fence, which had been commissioned by INS, you indicated in a press conference opposition to any such fence. Others in the Administration have also stated a firm opposition to any fence of this type. To some extent, the word has not completely filtered back to Texas, especially along the border. Many Texans still complain about a fence of this type, though we have made it clear that no such fence will ever be built.

Your recent decision to repair the existing fence, with safe materials, and to prohibit any new construction has not yet been officially announced. That announcement should be made in the very near future by INS. But your decision has apparently been leaked, and Dallas papers recently described your decision. Efforts are now underway with the Hispanic community in Texas to explain the decision, which Rick Hernandez believes will be ultimately understood and accepted -- it will be seen as a considerable improvement over the INS proposal to construct several additional miles of fence.

OFFICE OF HISPANIC AFFAIRS

Last week Senator Bentsen introduced a bill to create an Office of Hispanic Affairs in the Executive Office of the President. This bill is clearly designed to show the Senator's Hispanic constituents of his concern about their importance. His staff indicates that he realizes that the Administration will not support the bill, although we have taken no public position thus far and would not normally do so until a hearing is held.

SAN ANTONIO MISSIONS

Last year, when you signed the bill establishing the San Antonio Missions National Historic Park, you sent a memorandum to Secretary Andrus directing him to consider implementation of those parts of the bill relating to restoration and maintenance of the Missions only if they passed into secular ownership and use. That memo was recommended to you because of the concern of OMB and others that the bill's implementation could lead to the federal government, perhaps in violation of the First Amendment, providing more than \$30 million to the Missions while they continue under active church direction and ownership.

This decision to limit Federal assistance has been bitterly attacked in the Catholic community in Texas. Archbishop Francis J. Furey of the San Antonio Archdiocese, which owns the Missions, has publicly said that he was "double-crossed by the President." The San Antonio media has provided a great deal of coverage on this issue. At present, the Interior Department does have a Park Service official quietly talking with the Missions people about what type of assistance, if any, could be provided under your guidelines. But essentially, Administration assistance is not being provided.

Although this is a major issue in San Antonio, and also one that has attracted some state-wide attention, it is not particularly important in Dallas (where there is a relatively small Catholic population).

JUDGESHIPS

Senator Bentsen was one of the Senators who did not establish a Merit Selection Committee; he made his District Court recommendations without the aid of such a committee and publicly

indicated that in Texas he was the Merit Selection Committee. Nine of ten recommendations have already been sent to the Senate; of the nine, one was an Hispanic male, one was a white female, one was a black female, and six were white males.

At the Appellate Court level there is currently some concern in Texas about the designation of one of the eleven now 5th Circuit Judges. In the western District of the 5th Circuit, three of the Appellate Judges are intended to go to Texas and two to Louisiana; five Judges would go to the eastern District; the 11th Judge would be designated as a "floater" to serve within the bounds of the 5th Circuit. Many Texas attorneys believe that the floater Judge should be designated a 4th Texas Judge, because of the heavy volume of work generated in the Circuit by Texas. Both Texas Senators have written to Judge Bell in support of such a designation.

#### CONVENTION SITE

Until recently, both Houston and Dallas appeared to be competing with about seven other cities throughout the country for the Democratic Convention of 1980. Last week, Houston withdrew from consideration, apparently because its convention facilities were already scheduled for the time period involved.

Dallas remains in consideration, and has actively pursued the convention. Ambassador Strauss' brother, Ted, a Dallas banker, is heading the Democratic committee to attract the convention.

No decision will be made for several months. The Site Selection Committee is chaired by Don Fowler of South Carolina.

#### PANAMA CANAL TREATIES

The Panama Canal Treaties were always very unpopular in Texas, and they remain so. Ronald Reagan, whenever in the state, always raises the issue. However, generally the issue is not now one on the minds of very many Texans; it has largely subsided as well as with respect to the media's interest.

#### MIDDLE EAST PEACE

The Middle East Peace Treaty has been well received in Texas. Both Dallas papers have given substantial coverage to the Treaty and have strongly endorsed your efforts.

In the last several days, though, there has been some concern about the costs of the Treaty, but this does not appear to be taking away from the success of the Treaty negotiations.

#### REVENUE SHARING

Senator Bentsen has introduced a bill to remove the State share of revenue sharing, beginning with the FY'80 budget. He has received a considerable amount of publicity in the State for his effort. The Administration has not yet officially taken a position on whether the State share should be eliminated when revenue sharing is reauthorized next year. For FY'80, our budget funds the State share of revenue sharing, at \$2.3 billion.

#### ERA

Texas ratified ERA in 1972. Every year since then efforts have been undertaken in the State Legislature to rescind. But rescission does not appear to be a realistic possibility.

UNEMPLOYMENT

	November '76	January '79
Texas	4.8	4.4
Dallas	4.2	3.9

3/22/79

TEXAS AGRICULTURE

<u>LEADING COMMODITIES:</u>		<u>National Rank</u>
1.	Cattle and calves	1
2.	Cotton lint	1
3.	Grain sorghum	1
4.	Dairy	9
5.	Corn	7

The Texas agricultural issues involve exactly the same concerns and problems as in Oklahoma. Given the format that you will appear at while in Dallas, it is unlikely that agricultural questions will arise. The information concerning Oklahoma is equally relevant and accurate for Texas. A copy of those materials is attached.

3/22/79

TEXAS | AGRICULTURE

MAJOR ISSUES:

- o Beef imports: There is concern that we will increase the meat import quota for 1979, in response to rapidly rising meat prices. There is comparatively little additional beef to be imported beyond the 1.57 billion pounds for which we have negotiated voluntary restraint agreements. USDA estimates that the maximum level of imports that could be expected if all restraints were lifted is about 1.685 billion pounds. Thus, while an increase in the import quota would have little price effect (perhaps 1 to 2 cents per pound of hamburger), it is certain to make cattle producers angry and thereby risk a delay in the rebuilding of herds. There are also lingering fears that price controls will be imposed.
  
- o Recent Wheat Program Announcements: Within the past few days, Secretary Bergland has announced two changes in the wheat program that will be good news to Oklahoma wheat producers:
  - (a) Farmers will be allowed to graze cattle or cut hay on wheat acreage up to 40 percent of intended plantings of wheat, feed grains, and upland cotton or 50 acres, whichever is larger. For this acreage, they will receive the same deficiency payment rate as wheat harvested for grain. This will permit calves now on wheat pasture to remain there for an additional 60 days or so. This should result in slightly higher rates of gain and therefore additional beef later this year.
  
  - (b) Farmers with 1978 crop wheat under CCC loan are being given the opportunity to extend these loans for 6 months to ease storage and transportation problems.

- o Fuel Shortage: Diesel fuel is growing short in some agricultural areas with the prospect of a more severe shortage when the planting season gets in full swing. The Administration's standby allocation plan for diesel fuel would provide 100 percent of current requirements to agriculture. The USDA and DOE are now working to alleviate spot shortages and are encouraging State governments to participate in the set-aside program so that a reserve will be available for priority needs of this nature.
  
- o American Agriculture Movement: Many of the farmers who visited Washington this winter came from the Southern Plains region. There will probably be general sympathy for the aims of the AAM, but not for their confrontation tactics. The best approach to questions regarding AAM is probably to indicate recognition of the sincerity and the economic problems of most of the farmers who came to Washington, but make it clear that the 90% of parity solution is completely unworkable. The Congressional Budget Office has estimated it would have the following effects:
  - \* budget costs, now less than \$1 billion for the affected crops, would rise to \$12.5 billion in FY 1980 and on up to \$21.0 billion in FY 1983.
  - \* volume of exports would decline sharply ... cotton by 1/3, wheat and corn by 1/2, soybeans by nearly 3/4.
  - \* much of our farm land would have to be idled ... 1/2 of all wheat land, 1/3 of corn land.
  - \* by 1981, food expenditures for a family of four would rise by about \$555 annually.
  - \* would cause the trend toward fewer and larger farms to accelerate.
  
- o U.S. Agricultural Exports to China: Farmers in this area will have mixed feelings about China. There has been some misinformation to the effect that all their grain purchases from the U.S. have been heavily subsidized, although to date none have been. They will be interested to know that China has told us they expect to purchase 5 to 6 million tons of grain from the U.S. annually in the foreseeable future. Since resuming trade with China, they have purchased over 7.5 million tons of grain and about 550,000 bales of cotton. Although not an unlimited market, we anticipate that China will be a very good customer of our farm products in the future.

## BROADCASTING - BACKGROUND

### NATIONAL ASSOCIATION OF BROADCASTERS

The National Association of Broadcasters is the major trade association of the broadcasting industry. Every recent President has addressed an NAB convention.

### BROADCASTING INDUSTRY

In 1920 there were only three radio stations which broadcasted on a regular basis, and TV did not begin until the 1940's. Today there are over 9,000 broadcasting stations in the United States. 969 of these are television stations (commercial, VHF, UHF, and public broadcasting). 8,460 are radio stations (commercial AM, FM and non-commercial FM).

In 1977 total income from the broadcasting industry was \$8.1 billion, with the lion's share made by television. This was an increase of approximately 13% over the previous year's income. Typically, VHF broadcasters make more than UHF.

Over 98% of American homes have a television and a radio set. The average TV set is on for about 6 hours a day, and since most commercial television stations are network outlets, a large part of commercial television programming in prime time is the same nationwide. Radio is more diverse in format, with many local stations being all talk, all news, country, etc.

The cable television industry, which many broadcasters consider a threat, is also thriving. Cable now reaches 19% of the nation's homes, and last year its revenues were over \$1 billion.

The Federal Communications Commission (FCC) has the main responsibility for regulating broadcasting. At present broadcasters

receive their licenses for 3-year terms, as public trustees, without any legal assurance of renewal. They are subject to various regulatory requirements on programming and to such statutory requirements as the Fairness Doctrine and the Equal Time Rule.

ISSUES OF CONCERN TO BROADCASTERS

Among the issues of most concern to broadcasters are:

- Reducing government regulation of their industry. There is an expanding movement in this direction for at least three reasons:
  - broadcasters feel FCC rules impose needless costs and paperwork;
  - many observers feel that a number of the rules have not done much for the public and have been counter-productive in some cases, and
  - the rules were originally based on frequency scarcity, and the number of communications outlets is now expanding rapidly (UHF television, FM radio, cable TV, etc.).

(The "public interest" groups concerned with media issues strongly oppose deregulation and think broadcasters should continue to function as public trustees under watchful government supervision.)
- Competition from new technologies, particularly cable television, but increasingly video discs and cassettes. Broadcasters correctly assert that the cable industry is presently dependent for most of its revenue on income gained from re-transmitting broadcasting signals, and they contend that cable owners do not adequately reimburse broadcast stations. They oppose deregulation of the cable television industry.
- Government First Amendment "intrusion" in areas such as the Fairness Doctrine, equal time for political candidates, and reporters' rights against unreasonable searches and seizures.
- Criticism of sex and violence on television and actions before the Federal Trade Commission that would place restrictions on advertising directed at children.

## GOVERNMENT ACTIVITIES

### FCC Action

Although it cannot change statutory requirements, the FCC is considering relaxing some of its own rules such as the requirements that stations log their programs, engage in an elaborate process of "ascertaining" community needs, and provide a minimum amount of news and public affairs programming. The Commission is likely to reduce regulation of radio, at least in the large markets, this year. No immediate action is expected on TV.

### Congressional Action

Chairman Hollings and Senator Goldwater of the Senate Communications Subcommittee have each introduced bills aimed at deregulation. Chairman Van Deerlin of the House Subcommittee is expected to introduce a revised version of his "Rewrite of the Communications Act" shortly. The bills differ on specifics but have these common themes:

- They would eliminate many of the rules governing broadcasters but retain the principle that they are public trustees.
- They would require broadcasters to pay fees for using the public airwaves in amounts ranging from \$70 million to \$250 million. This money would pay the cost of running the FCC (\$70 million) and perhaps also help support public broadcasting. Note that broadcasters dislike the so-called "spectrum fee" idea (first proposed by Chairman Van Deerlin) seeing it as an unjustified tax on their industry. However, a number of broadcasters are willing to accept some spectrum fee as the price of deregulation.
- They would give indefinite license terms for radio and extended (e.g. 5-year) terms for TV.

The bills also address cable TV, telephone and other communications issues.

### Administration Action

The National Telecommunications and Information Administration (NTIA) of the Department of Commerce is responsible for most of the Administration's activities in the telecommunications area. NTIA's Assistant Secretary, Henry Geller, has generally supported deregulation efforts at the FCC and on the Hill,

especially with respect to radio. We will not submit a deregulation bill of our own, but NTIA will participate actively in the upcoming Hill hearings.

NTIA has also pushed for increased diversity by making more radio frequencies available, permitting construction of a new class of small TV stations in rural areas, and a major initiative to encourage minority ownership of television and radio stations. Several government agencies (SBA, EDA, FmHA) are now providing loan guarantees for minorities to purchase broadcasting properties. As a result of discussions with NTIA and others, the National Association of Broadcasters has established a non-profit Minority Broadcast Investment Fund to further stimulate minority ownership of broadcast facilities. The Fund, through donations and government leveraging, hopes to raise \$45 million for low-cost loans and loan guarantees to minority owners. (Many broadcasters are nervous that this sets a bad precedent for subsidizing competition, and the NAB leadership deserves commendation for its initiative in this area.)

In the cable television area, NTIA has made a proposal to allow some deregulation which would provide additional cable compensation to broadcasters through the marketplace. This proposal, called retransmission consent, is controversial and will be before the FCC and Congress.

NTIA has also proposed a reduction in the Fairness Doctrine requirements now imposed on both radio and television.

On March 23, Secretary Califano announced at HEW the beginning of a "closed-captioning" television program for the hearing-impaired. You had originally promoted this idea, and in response to your initiative, ABC, NBC, and the Public Broadcasting Service in conjunction with Sears Roebuck Company have agreed to participate. A non-profit institute has been created to provide the captioning which will be transmitted by the networks and picked up by those who purchase special decoding devices through Sears.

EVENTS

STRAUSS BRUNCH

Sunday, March 25, 1979

No formal remarks are expected. The President will mingle informally among the guests. Those attending will include:

The Honorable & Mrs. Clarence Guittar  
--Chief Justice

The Honorable & Mrs. Spencer Carver  
--Associate Justice

The Honorable & Mrs. Ted Robertson  
--Associate Justice

The Honorable & Mrs. Ted Akin  
--Associate Justice

The Honorable & Mrs. Joe Bailey Humphrey  
--Associate Justice

The Honorable & Mrs. Charles Storey  
--Associate Justice

The Honorable & Mrs. Oscar Mauzy  
--Texas Senator

The Honorable & Mrs. Ron Clower  
--Texas Senator

The Honorable & Mrs. Bill Braecklein  
--Texas Senator

The Honorable & Mrs. Samuel Hudson  
--Texas House of Representatives

The Honorable Anita Hill and Mr. Hill  
--Texas House of Representatives

The Honorable & Mrs. Chris Semos  
--Texas House of Representatives

The Honorable & Mrs. Ray Keller  
--Texas House of Representatives

The Honorable & Mrs. Ted Lyon, Jr.  
--Texas House of Representatives

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Page Two

The Honorable & Mrs. Carlyle Smith  
--Texas House of Representatives

The Honorable David Cain  
--Texas House of Representatives

The Honorable & Mrs. John Bryant  
--Texas House of Representatives

The Honorable & Mrs. Paul Ragsdale  
--Texas House of Representatives

The Honorable & Mr. Lanell Cofer  
--Texas House of Representatives

The Honorable & Mrs. Garry Weber  
--County Judge

The Honorable & Mrs. Jim Tyson  
--County Commissioner

The Honorable & Mrs. Roy Orr  
--County Commissioner

The Honorable & Mrs. Henry Wade  
--District Attorney

The Honorable & Mrs. Bill Shaw  
--District Clerk

The Honorable & Mrs. Bill Melton  
--County Treasurer

Mr. & Mrs. Pat Pangburn  
-- DNC Member

Eddie Bernice Johnson  
--District Director - HEW

Mr. & Mrs. Ed Coker  
--Attorney

The Honorable & Mrs. Bill Hobby  
--Lieutenant Governor

The Honorable & Mrs. Mark White  
--Attorney General

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Page Three

The Honorable Warren G. Harding & Mrs. Harding  
--State Treasurer

The Honorable & Mrs. Reagan Brown  
--Commissioner of Agriculture

The Honorable & Mrs. John Poerner  
--Railroad Commissioner

The Honorable & Mrs. Jim Nugent  
--Railroad Commissioner

The Honorable & Mrs. Mack Wallace  
--Railroad Commissioner

The Honorable Jim Mattox & Guest  
--U.S. House of Representatives

The Honorable & Mrs. Martin Frost  
--U.S. House of Representatives

Mr. & Mrs. George Bristol

The Honorable & Mrs. John Hill  
--Former Attorney General

Mr. & Mrs. Rick Gump  
--Law Partner of Robert Strauss

Mr. & Mrs. Jack Haner  
--Law Partner of Robert Strauss

Rick and Susan Strauss  
--Son and daughter of Robert Strauss

Mr. & Mrs. Ted Strauss  
--Brother of Robert Strauss

The Honorable & Mrs. Jim Wright  
--Majority Leader, U.S. House of Representatives

Mr. & Mrs. Jess Hay  
--Past Finance Officer

Mr. & Mrs. Dewey Presley  
--Texas Banker

Mr. & Mrs. Charles Kirkham  
--Stockbroker, former legislator, early Carter

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Page Four

Mr. & Mrs. Jack Warren  
--Oil businessman, early Carter

Mr. & Mrs. George Goodwin  
--Texas lawyer, early Carter

Mr. & Mrs. Sam Pettigrew  
--Texas attorney, early Carter

Mr. & Mrs. Phil Strickland  
--Early Carter, Baptist State Convention

Mr. Billy Goldberg  
--State Chair

Mr. & Mrs. Calvin Guest  
--Former State Chair

Mr. & Mrs. Edward White  
--John C. White Family

Mr. & Mrs. Richard White  
--John C. White Family

Mr. & Mrs. Russell Coffee  
--John C. White Family

Mr. & Mrs. Craig Coffee  
--John C. White Family

Judge & Mrs. Leonard Hoffman, Jr.  
--Texas Judge

Judge Joan T. Winn and husband  
--Texas Judge

Mr. & Mrs. W. O. Bankston  
--Texas businessman

Lady Bird Johnson

Luci Nugent

Mr. & Mrs. Gordon Wynne, Jr.  
--White House Staff

Mr. & Mrs. Bob Coleman  
--Law partner of Ron Kessler, Dallas County Chair

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Page Five

Mayor & Mrs. Folsom  
--Mayor of Dallas

The Honorable Buddy Temple, III  
--Texas House of Representatives  
--\$10,000 contributor

The Honorable Billy Clayton  
--Speaker of the House, Texas House of Representatives

The Honorable W. S. Heatly  
--Texas House of Representatives

HOSTS:

The Honorable & Mrs. John C. White  
The Honorable & Mrs. Robert Strauss

DALLAS TV INTERVIEWS

Four Dallas/Fort Worth television stations (three commercial network affiliates and PBS) will be set up for three minutes each with you upon your arrival at the Hyatt Regency at 1:45 p.m.

They will share equipment for interviews in this order:

WFAA-TV (ABC) Interviewer: Tracy Rowlett, anchor  
6:00 p.m. newscast

KDFW-TV (CBS) Interviewer: Barry Judge, anchor  
10:00 p.m. newscast

KERA-TV (PBS) Interviewer: Tom Grimes, news director

KXAS-TV (NBC) Interviewer: Chip Moody, anchor  
6:00 p.m. and 10:00 p.m.  
newscasts

Ground Rules: National and international policy questions only

Embargoed for use until Monday, 5:00 p.m.

## THE NATIONAL ASSOCIATION OF BROADCASTERS CONVENTION

The National Association of Broadcasters is composed of owners and managers of radio and television stations. At the present time their membership consists of 4,611 radio stations, 570 television stations and all the television networks.

The Association was formed in 1922 and this year they celebrate their 57th annual convention. Every President since Kennedy has addressed this group.

They are anticipating a record number of broadcasters this year, as well as a large Washington contingent including members of the FCC and members of Congress. Congressman Lionel Van Deerlin and Senator Hollings will be present to discuss the House and Senate revisions to the Communications Act which will be made public this week. Also, Secretary Schlesinger will be addressing the group on Wednesday morning.

The NAB will be meeting for four days in Dallas. The program agenda includes workshops and exhibits. The "Opryland Country Music USA" featuring Roy Clark will follow your speech.

Vince Wasilewski is this year's President.

### FORMAT:

There will be eight people seated on the stage. After everyone has been seated, "Hail to the Chief" will be played. The President will enter and take his seat. Vince Wasilewski will then introduce the President.

After remarks, the session will be opened for Q&A. There will be live local television coverage throughout the President's appearance.

STAGE SEATING

NATIONAL ASSOCIATION OF BROADCASTERS CONVENTION

On stage with the President, left to right, will be:

Robert King

- Senior Vice President of Capital Cities Communications
- Convention Co-Chairman

Jack Harris

- General manager of KPRC Radio & TV
- Distinguished Service Award Winner

Dr. Paul Stevens

- Director, Southern Baptist Radio Convention

Mayor Robert Folsom of Dallas

Donald Thurston

- Chairman, NAB Board of Directors

President Carter

Vincent Wasilewski

- NAB President

Carl Venters

- Convention Co-Chairman
- President, Durham Life

THE WHITE HOUSE

WASHINGTON

March 23, 1979

*Jerry-  
ok*

*Susan - Speech  
Cards  
J*

Mr. President--

Here is your opening statement for Elk City. It is a tribute to small town values, commitments and then goes into inflation.

As for the inflation section, the reality is that we are taking no concrete actions (except doubling the COWPS price monitoring staff) which we can announce at this time. They evidently plan to tighten the price standard in a matter of days but Bosworth does not want to announce this yet as it is not in place.

I suspect that the news, if any, from this statement will be that you are blaming large and medium-sized business for non-compliance and threatening to expose violators publicly. That is not bad.

  
Jerry Rafshoon

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SEN BAREN, GOV NICH, CONG ENGLISH

THANK YOU, MR. MAYOR. I HAVE ALWAYS BEEN AN ADVOCATE OF OPEN  
GOVERNMENT, AND I KNOW LARRY TAKES IT VERY SERIOUSLY, TOO. HE'S VERY  
PROUD THAT SINCE HE HAS BEEN MAYOR, EVERY OFFICIAL MEETING HERE HAS BEEN  
OPEN -- ESPECIALLY TO THE PRESS.

*AS A BAPTIST*

I AM GENERALLY NOT VERY ENTHUSIASTIC ABOUT GAMBLING. BUT I  
MODIFIED MY VIEWS WHEN I HEARD THAT YOU HAD A LOTTERY TO DECIDE WHO  
WOULD COME TO TONIGHT'S MEETING. THE ONLY PROBLEM IS THAT NOBODY TOLD  
ME WHETHER I WAS TALKING TO THE WINNERS OR THE LOSERS.

(=OVER=) (AS PRESIDENT, .....)

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AS PRESIDENT, I DO A LOT OF TRAVELING. IN THE PAST FEW WEEKS, I HAVE VISITED SOME OF THE MOST IMPORTANT CITIES IN THE WORLD -- MEXICO CITY, CAIRO, JERUSALEM, AND NOW ELK CITY.

ELK CITY IS IMPORTANT TO ME BECAUSE WHEN I CAME TO YOU IN NOVEMBER 1975, I WAS AN OUTSIDER, AN UNKNOWN,...BUT I REMEMBER HOW MANY OF YOU CAME OUT TO THE AIRPORT TO MEET ME, AND HOW MANY OF YOU LISTENED AT THAT LUNCHEON IN THE TROPICAL MALL AS I SPOKE TO YOU ACROSS THE SWIMMING POOL AT THE HOTEL.

I WILL NEVER FORGET YOUR WARMTH, YOUR FRIENDLINESS, AND YOUR ENTHUSIASM.

(=NEW CARD=) (3 ½ YEARS AGO,.....)

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THREE-AND-A-HALF YEARS AGO, I PROMISED TO COME BACK AS PRESIDENT.  
HERE I AM.

I AM HERE FOR ANOTHER REASON AS WELL. ALL PRESIDENTS MAKE  
DECISIONS EVERY DAY THAT AFFECT THE LIVES OF PEOPLE EVERYWHERE IN THIS  
NATION.

WE MAKE SPEECHES EXPLAINING WHAT WE WERE TRYING TO DO,...BUT IT'S  
IMPORTANT THAT WE ALSO LISTEN TO THE PEOPLE. WE MUST LISTEN NOT JUST  
TO THOSE WHO COME TO WASHINGTON TO EXPRESS THEIR CONCERNS,...BUT ALSO  
TO THE FARMERS AND HOUSEWIVES, SCHOOL TEACHERS AND STORE CLERKS, WHO  
NEVER GET TO WASHINGTON.

(=OVER=) (SOMETIMES THE VERY SIZE...)

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SOMETIMES THE VERY SIZE OF OUR COUNTRY AND THE COMPLEXITY OF OUR PROBLEMS MAKES PEOPLE FEEL THAT WHAT ONE PERSON DOES CANNOT MAKE A DIFFERENCE.

I THINK THAT PEOPLE IN SMALL TOWNS LIKE ELK CITY HAVE AN ADVANTAGE, BECAUSE YOU CAN CLEARLY SEE HOW YOUR ACTIONS AFFECT THE LIVES OF YOUR NEIGHBORS. YOU KNOW THAT YOUR UNSELFISH PARTICIPATION AND COOPERATION ARE ESSENTIAL TO THE SUCCESS OF YOUR SCHOOLS, YOUR CHURCHES, YOUR TOWN.

WE NEED THE SAME SORT OF COOPERATION, THE SAME RECOGNITION THAT EVERY PERSON MATTERS, IF WE ARE GOING TO SOLVE THE DIFFICULT PROBLEMS WE FACE AS A NATION TODAY.

WE'VE ALWAYS BEEN ABLE TO MUSTER THAT SENSE OF COMMON PURPOSE IN WARTIME, BUT IT IS JUST AS CRUCIAL IN TIMES OF PEACE.

(=NEW CARD=) (PRESIDENT ROOSEVELT....)

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PRESIDENT ROOSEVELT SAID IN 1933, "IT IS A MISTAKE TO ASSUME THAT THE VIRTUES OF WAR DIFFER ESSENTIALLY FROM THE VIRTUES OF PEACE. ALL LIFE IS A BATTLE AGAINST THE MISTAKES AND HUMAN LIMITATIONS OF MAN, AGAINST THE FORCES OF SELFISHNESS AND INERTIA, LAZINESS AND FEAR."

WE ESPECIALLY NEED THAT SPIRIT IN OUR CURRENT BATTLE AGAINST INFLATION. THE DECISIONS AND ACTIONS OF ALL OF US -- GOVERNMENT, BUSINESS, LABOR, CONSUMERS -- CONTRIBUTE TO INFLATION. IT IS NOT A PROBLEM GOVERNMENT CAN SOLVE ALONE WHILE EVERYONE ELSE CONTINUES BUSINESS AS USUAL.

ALL AMERICANS WILL WIN THE BATTLE AGAINST INFLATION,....OR ALL AMERICANS WILL LOSE IT.

(=OVER=) (IN A FEW MONTHS,.....)

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*I believe that*  
*weeks*

IN A FEW MONTHS WE WILL BEGIN TO SEE THE RESULTS OF THIS BATTLE.  
I NEED YOUR TOTAL SUPPORT IN THIS FIGHT.

I WAS DEEPLY DISTURBED BY THE CONSUMER PRICE INDEX FIGURES  
YESTERDAY. A LARGE PART OF THAT INCREASE WAS DUE TO INCREASES IN  
WORLD OIL PRICES, SEVERE LATE WINTER WEATHER, AND OTHER FACTORS BEYOND  
OUR CONTROL.

BUT THOSE FACTORS DO NOT ACCOUNT FOR THE SHARP PRICE INCREASES  
WE SAW IN MANY GOODS AND SERVICES. THAT INFLATION LEVEL IS UNACCEPTABLE.  
AND THOSE FIGURES ARE A WARNING AND A MESSAGE TO GOVERNMENT, BUSINESS,  
LABOR AND CONSUMERS: THIS MUST BE A TIME OF RESTRAINT.

(=NEW CARD=) (I AM VERY ENCOURAGED.....)

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I AM VERY ENCOURAGED BY THE WILLINGNESS OF WORKING PEOPLE TO JOIN IN THIS CRUCIAL BATTLE,...BUT WE STILL FACE A SERIES OF CRUCIAL NEGOTIATIONS.

IT IS VITALLY IMPORTANT THAT THOSE RESPONSIBLE FOR THESE NEGOTIATIONS RECOGNIZE THEIR OBLIGATION TO SHOW MODERATION AND CONCERN FOR THE ECONOMIC WELL-BEING OF ALL THE PEOPLE IN THIS NATION.

I EXPECT RESTRAINT,...AND THE AMERICAN PEOPLE EXPECT RESTRAINT. FUELING INFLATION IS NOT IN THE LONG-TERM INTEREST OF ANY AMERICAN.

ON THE PRICE SIDE, MOST OF OUR <sup>VERY</sup> LARGEST CORPORATIONS SEEM TO BE COMPLYING WITH THE PROGRAM. BUT I AM VERY DISAPPOINTED THAT MANY MEDIUM AND LARGE-SIZED BUSINESSES ARE NOT SHOWING THE SAME SORT OF COMMITMENT. TOO MANY BUSINESS LEADERS SEEM TO FEEL THAT THE FIGHT AGAINST INFLATION IS NOT THEIR RESPONSIBILITY. THE RESULT IS HIGHER PRICES FOR US ALL.

(=OVER=) (I WILL TAKE FIRM.....)

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I WILL TAKE FIRM STEPS TO DEAL WITH THIS PROBLEM IN THE DAYS AHEAD.  
I WILL SUBSTANTIALLY INCREASE THE STAFF RESPONSIBLE FOR MONITORING PRICES.  
WE WILL ALSO BE WORKING WITH LABOR AND CONSUMER GROUPS IN A NATIONAL  
PRICE-MONITORING EFFORT.

AND I HAVE NOW INSTRUCTED THE COUNCIL ON WAGE AND PRICE STABILITY  
TO USE ITS LEGAL AUTHORITY TO GET REGULAR REPORTS ON PRICE INCREASES  
FROM FIRMS IN PROBLEM INDUSTRIES.

WE HAVE IDENTIFIED SEVERAL COMPANIES WHICH APPEAR TO HAVE BROKEN  
THE GUIDELINES WITH UNJUSTIFIED PRICE INCREASES. WE WILL BE IDENTIFYING  
OTHERS IN THE DAYS AHEAD. THESE COMPANIES WILL BE GIVEN A CHANCE TO  
RESPOND TO OUR FINDINGS,...BUT I WILL NOT HESITATE TO IDENTIFY THOSE  
IRRESPONSIBLE FIRMS AND INDIVIDUALS TO THE PEOPLE OF THIS NATION.  
(NEW CARD) (AN ABSOLUTELY.....)

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VITAL

AN ABSOLUTELY CRUCIAL ELEMENT IN THE FIGHT AGAINST INFLATION IS RESTRAINT IN FEDERAL SPENDING. WE CANNOT TOLERATE EVER-INCREASING FEDERAL SPENDING. I AM COMMITTED TO A BALANCED BUDGET, ...AND THAT IS A GOAL I INTEND TO ACHIEVE.

IN THE PAST TWO YEARS, WE HAVE CUT THE \$66 BILLION DEFICIT I INHERITED BY MORE THAN HALF. THIS YEAR, I HAVE SENT THE CONGRESS A TIGHT, AUSTERE, RESPONSIBLE BUDGET THAT CUTS THE DEFICIT FURTHER.

I AM DETERMINED TO HOLD THE LINE ON FEDERAL SPENDING THIS YEAR, AND I HOPE YOU WILL GIVE ME YOUR SUPPORT.

THE PROBLEM OF INFLATION IS DIFFICULT, FRUSTRATING, AND TERRIBLY COMPLEX. BUT IT IS NOT BEYOND OUR POWER TO CONTROL.

(=OVER=) (FOR 30 YEARS,.....)

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FOR 30 YEARS, MANY BELIEVED THAT THE CHANCE FOR PEACE BETWEEN ISRAEL  
AND EGYPT WAS BEYOND OUR GRASP. BUT ON MONDAY, OUR NATION WILL WELCOME  
PRIME MINISTER BEGIN AND PRESIDENT SADAT TO THE WHITE HOUSE TO SIGN A  
TREATY OF PEACE,

WE ALL NEED THAT SAME DAILY COMMITMENT, DETERMINATION, COURAGE, AND  
WILL, TO LICK THIS PROBLEM OF INFLATION.

THOSE QUALITIES HAVE ALWAYS BEEN A PART OF THE AMERICAN PEOPLE,...  
AND I KNOW THAT SAME SPIRIT EXISTS WITHIN OUR PEOPLE TODAY.

I KNOW WE HAVE THE WILL TO WIN THIS FIGHT TOGETHER.

I'LL TAKE YOUR QUESTIONS NOW.

# # #

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ELK CITY REMARKS

Thank you, Mr. Mayor. I have always been an advocate of open government, and I know Larry takes it very seriously, too. He's very proud that every official meeting here has been open since he has been mayor -- especially to the press.

I am generally not very enthusiastic about gambling. But I modified my views when I heard that you had a lottery to decide who would come to tonight's meeting. The only problem is that nobody told me whether I was talking to the winners or the losers.

As President, I do a lot of traveling. In the past few weeks, I have visited some of the most important cities

Mexico City, -2-

in the world -- <sup>^</sup> Cairo, Jerusalem and <sup>now</sup> Elk City.

Elk City is important to me because when I came to you in November 1975, I was an outsider, an unknown, but ~~you welcomed me and heard what I had to say~~ I remember how many of you came out to the airport to meet me and how many of you listened at that luncheon in the tropical mall as I spoke to you across the swimming pool at the hotel.

*I will never forget*

Your warmth, your friendliness and your enthusiasm ~~meant a great deal to me.~~

~~When I visited you~~ Three-and-a-half years ago, I promised to come back as President. Here I am.

I am here for another reason as well. <sup>Any All</sup> ~~Presidents~~ any ~~President~~, makes decisions every day that affect the lives of people everywhere in this nation. ~~Presidents have~~ *We make* ~~often traveled around the country making speeches explaining~~ what <sup>we</sup> ~~they~~ were trying to do, but it's important that we also

listen to the people. We must listen not just to those  
who come to Washington ~~and tell the President and the~~  
*to express*  
~~Congress~~ their concerns, but also to the farmers and house-  
wives, school teachers and store clerks who never get  
to Washington.

Sometimes the very size of our country and the  
complexity of our problems makes people feel that what one  
person does cannot make a difference. ~~Too many people,~~  
~~feeling that what they do really doesn't matter, end up~~  
~~devoting their energies to temporary selfish goals.~~ I think  
that people in small towns like Elk City have an advantage,  
*because*  
you can clearly see how your actions affect the lives of your  
neighbors. You know that your *unselfish* participation and cooperation  
are essential to the success of your schools, your churches,  
your town.

We need the same sort of cooperation, the same  
recognition that every *person* ~~individual~~ matters, if we are going *to*

solve the difficult problems we face as a nation today.

We've always been able to muster that sense of common purpose in wartime, but it is just as crucial in times of peace. President Roosevelt said in 1933, "It is a mistake to assume that the virtues of war differ essentially from the virtues of peace. All life is a battle against the mistakes and human limitations of man, against the forces of selfishness and inertia, laziness and fear."

*especially*  
We need that spirit in our current battle against inflation. The decisions and actions of all of us...government, business, labor, consumers...contribute to inflation. It is not a problem government can solve alone while everyone else continues business as usual. All Americans will win the

battle against inflation -- or all Americans will lose it. *In a few months we will begin to see the results of this battle.*  
*depth* I need *from* total support *of* in this fight.  
*your*

I was <sup>A</sup>disturbed by the Consumer Price Index figures *A large* yesterday. <sup>A</sup>part of that increase was due to increases in

world oil prices, severe late winter weather, and other factors beyond our control. But those factors do not account for the sharp price increases we saw in many goods and services. That inflation level is unacceptable. And those figures are a warning and a message to government, business, labor and consumers:..this must be a time of restraint.

The overwhelming majority of wage increases negotiated by labor during the past several months have come within the 7 percent wage guidelines. ~~And~~ I am very encouraged by the willingness of working people to join in this crucial battle, but ~~we~~ still face a series of crucial negotiations. It is vitally important that those in <sup>responsible</sup> ~~positions of responsibility~~ for these negotiations recognize their obligation to show moderation and concern for the economic well-being of all the people in this nation. I expect restraint, and the American people expect restraint. Fueling inflation is not in <sup>the</sup> ~~any~~ ~~American's~~ long-term interest, <sup>of any American.</sup>

On the price side, most of our largest corporations <sup>seem to be</sup> ~~are~~ complying with the program. But I am very disappointed that many medium and large-sized businesses are not showing the same sort of commitment. Too many business <sup>leaders</sup> ~~men~~ seem to feel that the fight against inflation is not their responsibility. The result is higher prices for us all.

I will take firm steps to deal with this problem in the days ahead. I will <sup>(substantially increase)</sup> more than double the staff responsible for monitoring prices. We will also be working with labor and consumer groups in a national price-monitoring effort.

And I have <sup>now</sup> instructed the Council on Wage and Price Stability to use its legal authority to get regular reports on price increases from firms in problem industries.

We have identified several companies which appear to have broken the guidelines with unjustified price increases.

We will be identifying others in the days ahead. These companies will be given a chance to respond to our ~~tentative~~ findings, but I will not hesitate to identify those irresponsible firms and individuals to the people of this nation.

An absolutely crucial element in the fight against inflation is restraint in federal spending. We cannot tolerate ever-increasing federal spending. I am committed to a balanced budget, and that is a goal I intend to achieve.

In the past two years, we have cut the \$66 billion deficit I inherited by more than half. This year, I have sent the Congress a tight, austere, responsible budget that cuts the deficit further. I am determined to hold the line on federal spending this year, and I hope you will give me your support.

The problem of inflation is difficult, frustrating, and terribly complex. But it is not beyond our power to

control. For 30 years, many believed that the chance for peace between Israel and Egypt was beyond our grasp. But on Monday, our nation will welcome Prime Minister Begin and President Sadat to the White House to sign a treaty of peace.

<sup>all</sup>  
We need that same daily commitment, determination, courage and will ~~on all of our parts~~ to lick this problem of inflation. Those qualities have always been a part of the American people, and I know that same spirit exists within our people today. I know we have the will to win this fight together.

I'll take your questions now.

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PRESIDENT JIMMY CARTER  
NATIONAL ASSOCIATION OF BROADCASTERS  
OPENING REMARKS  
DALLAS, TEXAS  
SUNDAY, MARCH 25, 1979

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AS WE MOVE INTO 1980, A NUMBER OF PEOPLE HAVE  
PETITIONED THE F.C.C. DEMANDING THAT THE NAME OF THE  
SHOW "CARTER COUNTRY" BE CHANGED.

THE REPUBLICAN NATIONAL COMMITTEE WANTS TO CALL  
IT "FOUR IS ENOUGH".

RONALD REAGAN WANTS TO RE-NAME IT "STAR TREK".

AND JERRY BROWN SUGGESTED "HOW THE WEST WAS WON".

I SAID WE SHOULD COMPROMISE AND RE-NAME THE SHOW  
"WELCOME BACK CARTER".

*Allen - Gascho*  
*my sched*  
*newspaper vs CBS*  
*inflation control*  
*Dick*  
*Hargrove*  
*Simon*  
*Mid E*  
*Spectrum*

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NATIONAL ASSOCIATION OF BROADCASTERS  
OPENING REMARKS  
DALLAS, TEXAS MARCH 25, 1979

- 1 -

THANK YOU PRESIDENT VINCENT "WAH-ZUH-LOO-SKEE",  
DR. STEVENS, MAYOR FULSOME, OFFICERS AND MEMBERS OF THE  
NATIONAL ASSOCIATION OF BROADCASTERS, FRIENDS:

INSTEAD OF GIVING A LONG SPEECH, I THOUGHT I WOULD  
MAKE A FEW BRIEF REMARKS AND THEN TURN THE REST OF THE TIME  
OVER TO YOU FOR QUESTIONS. I THINK IT IS ONLY FAIR, FOR A  
CHANGE, THAT AN ELECTED OFFICIAL OFFER THE BROADCASTING  
INDUSTRY EQUAL TIME.

IT IS HARD TO BELIEVE THAT LESS THAN 60 YEARS AGO  
OUR COUNTRY WAS SERVED BY ONLY THREE FULL-TIME RADIO STATIONS,  
OR THAT ONLY 30 YEARS AGO TELEVISION WAS A FLEDGLING PIONEER  
WHICH MANY PREDICTED WOULD FAIL.

TODAY YOU BIND AMERICA TOGETHER WITH INSTANT  
COMMUNICATIONS. YOU SHAPE OUR CULTURE, OUR LANGUAGE,  
OUR PERCEPTIONS OF OURSELVES, AND OUR UNDERSTANDING OF  
THE WORLD.

WHAT YOU SEE, AND SAY, AND SHOW IS REALITY FOR  
MILLIONS OF AMERICANS.

-- THEY MAY NEVER VISIT.....

THEY MAY NEVER VISIT ISRAEL OR EGYPT, ... NEVER SET FOOT ON THE MOON OR EVEN HERE IN TEXAS, ... BUT THEY KNOW WHAT THESE PLACES LOOK LIKE, AND THEY PARTICIPATE IN <sup>IMPORTANT</sup> EVENTS ~~THERE~~ BECAUSE OF THE COMMUNICATIONS YOU PROVIDE.

WHEN I GREW UP WE HAD NO ELECTRICITY ON OUR FARM. AND I REMEMBER VIVIDLY SITTING OUTDOORS WITH MY FAMILY AT NIGHT GATHERED AROUND A RADIO HOOKED UP TO THE BATTERY OF MY FATHER'S CAR LISTENING TO THE NEWS, OR MUSIC, OR A POLITICAL CONVENTION IN A DISTANT CITY.

BROADCASTING OPENED UP NEW WORLDS TO US JUST AS IT HAS DONE FOR MILLIONS OF OTHER PEOPLE.

ALL OVER THE WORLD, BROADCASTING IS HELPING TO BREAK DOWN BARRIERS OF TIME AND DISTANCE, OF MISUNDERSTANDING AND MISTRUST, THAT HAVE SEPARATED THE WORLD'S PEOPLE.

I WONDER WHETHER THE PEOPLE OF ISRAEL AND EGYPT WOULD HAVE TAKEN THAT FINAL STEP TOWARDS PEACE AND RECONCILIATION HAD THEY NOT SEEN IN THE FACES OF EACH OTHER ON T.V., AND HEARD IN EACH OTHER'S VOICES ON RADIO, A DEEP YEARNING FOR AN END TO WAR.

AND TOMORROW, BROADCASTING WILL BRING TO THE WORLD A TRULY HISTORIC SIGHT: PRIME MINISTER BEGIN AND PRESIDENT SADAT SIGNING A TREATY OF PEACE.

I BELIEVE THAT THE PUBLIC INTEREST <sup>CAN</sup> ~~WILL~~ BEST BE SERVED BY A BROADCASTING INDUSTRY WHICH IS HEALTHY, INDEPENDENT, AND DIVERSE.

I WILL <sup>ALSO</sup> CONTINUE TO SUPPORT VIGOROUSLY OPPORTUNITIES  
FOR MINORITY OWNERSHIP, AND A STRONG PUBLIC BROADCASTING  
SYSTEM FREE FROM POLITICAL CONTROL.

I APPLAUD THE HARD WORK AND LEADERSHIP OF YOUR  
CHAIRMAN, DON THURSTON, ON BEHALF OF THE N.A.B. MINORITY  
OWNERSHIP FUND.

MY ADMINISTRATION WILL CONTINUE TO WORK WITH THE F.C.C.  
AND THE CONGRESS TO <sup>ENCOURAGE</sup> SUBSTITUTE DIVERSITY AND INDEPENDENCE  
IN YOUR INDUSTRY THAT ~~SERVES THE PUBLIC INTEREST FOR~~ INSTEAD OF  
GOVERNMENT PAPERWORK AND CONTROLS.

AS BROADCASTERS, YOU HAVE A SPECIAL SENSITIVITY TO  
BOTH THE BENEFITS AND THE BURDENS OF GOVERNMENT REGULATION.

TOMORROW, I AM SUBMITTING TO THE CONGRESS A  
COMPREHENSIVE PROPOSAL TO REDUCE, RATIONALIZE, AND STREAMLINE  
THE REGULATORY BURDEN THROUGHOUT AMERICAN LIFE.

AND I WANT TO SPEAK TO YOU VERY BRIEFLY ABOUT THAT  
LEGISLATION TODAY.

THE CALL FOR REGULATORY REFORM IS NOT A DEMAND THAT  
ALL REGULATION BE ABOLISHED;...IT IS A CALL FOR COMMON SENSE.

I BELIEVE MOST AMERICANS SUPPORT RESPONSIBLE  
REGULATION TO PROVIDE EQUAL OPPORTUNITY, A CLEAN ENVIRONMENT,  
SAFE DRUGS AND FOOD, A HEALTHY WORKPLACE, AND A COMPETITIVE  
MARKETPLACE.

-- BECAUSE OF RESPONSIBLE.....

BECAUSE OF RESPONSIBLE REGULATION, THE AIR WE BREATHE IS CLEANER TODAY;...OUR AUTOMOBILES ARE SAFER AND BURN LESS GASOLINE;...MILLIONS OF AMERICAN WORKERS HAVE WON NEW PROTECTIONS AGAINST <sup>INJURY AND</sup> ~~CANCER-CAUSING~~ SUBSTANCES ON THE JOB;... AND I UNDERSTAND THAT FISH ARE SWIMMING IN THE <sup>CONNECTICUT RIVER & THE</sup> HOUSTON SHIP CHANNEL AGAIN FOR THE FIRST TIME IN 20 YEARS.

BOTH THE AMERICAN PEOPLE -- AND I AS PRESIDENT -- ARE DETERMINED TO CONTINUE THE PROGRESS WE HAVE MADE TOWARD THESE SOCIAL GOALS.

OUR CHALLENGE IS TO PURSUE THE LEGITIMATE GOALS OF REGULATION IN WAYS THAT ARE RATIONAL, PREDICTABLE, AND EFFECTIVE.

FOR FAR TOO LONG, WE HAVE ACTED AS IF WE COULD THROW ANOTHER LAW AND ANOTHER RULE AT EVERY PROBLEM IN OUR SOCIETY WITHOUT THINKING SERIOUSLY ABOUT THE CONSEQUENCES.

WHEN I CAME TO WASHINGTON I FOUND A REGULATORY ASSEMBLY LINE WHICH CHURNED OUT NEW RULES, PAPERWORK, REGULATIONS, AND FORMS WITH <sup>OUT</sup> PLAN, WITHOUT DIRECTION, AND SEEMINGLY WITHOUT CONTROL.

WITH THE BEST OF INTENTIONS, 90 SEPARATE REGULATORY AGENCIES WERE ISSUING 7,000 NEW RULES EVERY SINGLE YEAR.

THEY AFFECT TEACHERS AND TRUCK DRIVERS, BROADCASTERS AND FARMERS, SMALL BUSINESS AND LOCAL GOVERNMENT.

BUT NO ONE HAD STOPPED TO ASK: DOES EACH OF THOSE RULES MAKE SENSE? DOES IT DO THE JOB? HOW MUCH DOES IT COST? AND IS THERE A CHEAPER WAY TO ACCOMPLISH OUR GOALS JUST AS EFFECTIVELY?

THE F.C.C. NOW REQUIRES 18 MILLION MANHOURS A YEAR FROM BROADCASTERS TO FILL OUT THE PAPERWORK IMPOSED BY ITS RULES AND REGULATIONS. *PERHAPS YOU HAVE NOTICED THIS.*

CHARLIE FERRIS IS WORKING TO REDUCE THAT LOAD THROUGH A ZERO-BASED REVIEW OF EVERY F.C.C. RULE AND REGULATION.

I KNOW HE WILL SUCCEED IN REDUCING THAT PAPERWORK BURDEN ON YOU. HE HAS MY FULL SUPPORT. *HE ALSO NEEDS YOUR SUPPORT.*

FOR TOO MANY AMERICANS, TODAY'S CONTACT WITH GOVERNMENT AT EVERY LEVEL MEANS A BEWILDERING MASS OF PAPERWORK, BUREAUCRACY, AND DELAY.

AND THE COSTS OF COMPLIANCE WITH GOVERNMENT REGULATIONS IS STEADILY ON THE RISE.

IT EATS UP PRODUCTIVITY AND CAPITAL FOR NEW INVESTMENT. IT ADDS TO INFLATION. AND THE BURDENS OFTEN FALL MOST HEAVILY ON THOSE LEAST ABLE TO AFFORD THE COSTS -- SMALL BUSINESSES, LOCAL GOVERNMENT, AND NON-PROFIT ORGANIZATIONS.

OUR SOCIETY'S RESOURCES ARE VAST, BUT THEY ARE NOT INFINITE.

-- AMERICANS ARE WILLING TO.....

AMERICANS ARE WILLING TO SPEND A FAIR SHARE OF THOSE RESOURCES TO ACHIEVE SOCIAL GOALS THROUGH REGULATION, BUT THEY WANT THEIR MONEY'S WORTH.

THEY WILL NOT SUPPORT -- AND I WILL NOT PERMIT -- NEEDLESS RULES, EXCESSIVE COSTS, DUPLICATION, OVERLAP AND WASTE.

IT IS TIME THAT WE TAKE CONTROL OF FEDERAL REGULATIONS IN AMERICA INSTEAD OF REGULATION CONTROLLING US.

AS PRESIDENT, I TAKE THE MANAGEMENT OF THE REGULATORY PROCESS AS SERIOUSLY AS THE GOALS IT IS INTENDED TO ACHIEVE.

THE LEGISLATION I AM SUBMITTING TO CONGRESS TOMORROW WILL CONTINUE AND STRENGTHEN OUR REFORM EFFORTS AND EXPAND THEM TO EVERY INDEPENDENT REGULATORY AGENCY. IT WILL ACCOMPLISH FIVE MAJOR GOALS.

FIRST, THIS LEGISLATION WILL MAKE SURE THAT THE COSTS AND BENEFITS OF ALL MAJOR REGULATIONS AND RULES ARE WEIGHED BEFORE THEY ARE ISSUED.

FROM NOW ON, REGULATORS WILL HAVE TO GET THE JOB DONE AT THE LEAST POSSIBLE COST. AND THEY WILL HAVE TO JUSTIFY THE BILL TO THE AMERICAN PEOPLE.

SECONDLY, THIS LEGISLATION WILL HELP US CLEAN UP THE ENORMOUS BACKLOG OF RULES AND REGULATIONS THAT HAVE ACCUMULATED OVER THE YEARS BUT HAVE LONG SINCE OUTLIVED THEIR USEFULNESS.

BY DEREGULATING AIRLINES LAST YEAR, WE SAVED CONSUMERS \$2.5 BILLION IN REDUCED FARES, ... BROUGHT RECORD PROFITS TO THE INDUSTRY, ... AND HAVE BEGUN TO DISMANTLE A FEDERAL BUREAUCRACY.

THIRD, IT WILL PUT A BRAKE ON THE REGULATORY ASSEMBLY LINE.

IT WILL MAKE SURE THAT GOVERNMENT PLANS AHEAD; ... THAT THE AMERICAN PEOPLE KNOW WHAT NEW RULES ARE PROPOSED; ... AND THAT REGULATIONS ARE DEVELOPED -- NOT IN THE INNER <sup>SECRET</sup> SANCTUMS OF THE BUREAUCRACY -- BUT UNDER THE SUPERVISION OF SENIOR OFFICIALS WHO ARE ACCOUNTABLE TO THE PEOPLE, TO THE CONGRESS, AND TO THE PRESIDENT.

FOURTH, THIS LEGISLATION WILL END NEEDLESS DELAYS AND ENDLESS PROCEDURAL NIGHTMARES WHICH HAVE PLAGUED TOO MANY AMERICANS FOR TOO LONG.

IT SHOULD NOT HAVE TAKEN 12 YEARS AND A HEARING RECORD OF OVER 100,000 PAGES FOR THE F.D.A. TO DECIDE WHAT PERCENTAGE OF PEANUTS THERE OUGHT TO BE IN PEANUT BUTTER. (I WOULD HAVE CITED THAT EXAMPLE EVEN IF I HAD RAISED SOYBEANS AND WHEAT.)

-- FINALLY, THIS LEGISLATION.....

FINALLY, THIS LEGISLATION WILL OPEN UP THE RULE-MAKING  
PROCESS. IT WILL ENSURE THAT ALL AMERICANS HAVE A VOICE --  
CONSUMERS AND SMALL BUSINESS, LOCAL OFFICIALS AND STATE  
GOVERNMENTS -- NOT JUST THE BEST FINANCED AND BEST ORGANIZED  
INTEREST GROUPS.

IN REGAINING CONTROL OF THE REGULATIONS THAT GOVERN OUR  
LIVES, WE <sup>CAN</sup> ALSO REGAIN OUR FAITH IN SELF-GOVERNMENT.

TOGETHER, WE WILL REAFFIRM THAT OUR FUTURE DEPENDS --  
NOT ON FATE OR IMPERSONAL FORCES BEYOND OUR CONTROL -- BUT  
ON OUR OWN DECISIONS AS A FREE PEOPLE IN THE FREEST DEMOCRACY  
ON EARTH.

THANK YOU VERY MUCH.

# # #

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Dallas Joke ( Note: Each of these titles is a current tv show )  
Will go over especially well with broadcasters

As we move into 1980, a number of people have petitioned the FCC demanding that the name of the show Carter Country be changed.

The Republican National Committee wants to call it " Four Is Enough ".

Ronald Reagan wants to re-name it " Star Trek ".

And Jerry Brown suggested " How the West Was Won ".

I said we should compromise and re-name the show " Welcome Back Carter ".

THE WHITE HOUSE  
WASHINGTON

3/26/79

rick/bill--

original speech text/  
opening remarks from  
dallas yesterday have  
been sent earlier this  
morning to you.  
attached is president's  
approved/edited draft  
for same

-- susan clough

THE WHITE HOUSE  
WASHINGTON

March 23, 1979

*Susan -  
ok for speech  
notebook - See  
if Dave has  
brief addition -  
J*

Mr. President--

Since we will be dealing with a general statement on inflation in Elk City, I am inclined to agree with Stu that a good statement on regulatory reform would go over before the broadcasters.

This is the statement which has been cut down from what they originally submitted. It is conservative and would appeal to the audience. It fits into our themes of inflation and cutting government interference in our lives.

If this is something you just don't want to do, then we can do another inflation statement on Saturday for Sunday use.

If Fred Kahn could give us something concrete on the inflation program, we can substitute it.

Jerry Rafshoon

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Opening Remarks to National Association of Broadcasters  
Dallas, March 25, 1979

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Thank you President Vincent Wasilewski (WAH-ZUH-LOO-SKEE):

Dr. Stevens, Mayor Fulsome; Officers and Members of the

National Association of Broadcasters, Friends:

Instead of giving a long speech, I thought I would make a few brief remarks and then turn the rest of the time over to you for questions. I think it is only fair, for a change, that an elected official offer the broad-casting industry equal time.

It is hard to believe that less than 60 years ago our country was served by only three full-time radio stations, or that only 30 years ago television was a fledgling pioneer which many predicted would fail.

Today you bind America together with instant communications. You shape our culture, our language, our perceptions of ourselves, and our understanding of <sup>The</sup> ~~our~~ world.

What you see, and say, and show is reality for millions of Americans. They may never visit Israel or Egypt...never set foot on the moon or even here in Texas...but they know what these places look like and participate in events there because of the communications you provide.

When I grew up we had no electricity on our farm. And I remember vividly sitting outdoors with my family at night gathered around a radio hooked up to the battery of my father's car listening to the news, or music, or a political

convention in a distant city. Broadcasting opened up new worlds to us just as it has done for millions of other people.

All over the world, broadcasting is helping to ~~bring~~<sup>break</sup> down barriers of time and distance, of misunderstanding and mistrust, that have separated the world's people.

I wonder whether the people of Israel and Egypt would have taken that final step towards peace and reconciliation had they not seen in the faces of each other on TV, and heard in each other's voices on radio, a deep yearning for an end to war. And tomorrow broadcasting will bring to the world a truly historic sight: Prime Minister Begin and President Sadat signing a Treaty of Peace.

I believe that the public interest will best be served by a broadcasting industry which is healthy, independent and diverse. I will continue to support vigorously opportunities for minority ownership, and a strong public

broadcasting system free from political control. I applaud the hard work and leadership of your chairman, Don Thurston on behalf of the NAB minority ownership fund. My Administration will continue to work with the FCC and the Congress to substitute diversity and independence in your industry that serves the public interest for government paperwork and controls.

As broadcasters, you have a special sensitivity to both the benefits and the burdens of government regulation. Tomorrow, I am submitting to the Congress a comprehensive proposal to reduce, rationalize, and streamline the regulatory burden throughout American life. And I want to speak to you very briefly about that legislation today.

The call for regulatory reform is not a demand that all regulation be abolished; it is a call for common sense. I believe most Americans support responsible regulation to provide equal opportunity, a clean environment, safe drugs and food, a healthy workplace, and a competitive marketplace.

Because of responsible regulation the air we breathe is cleaner today; our automobiles are safer and burn less gasoline; millions of American workers have won new protections against cancer causing substances on the job; and I understand that fish are swimming in the Houston ship channel again for the first time in 20 years. <sup>both</sup> The American people -- and I as President -- are determined to continue the progress we have made toward these social goals.

Our challenge is to pursue the legitimate goals of regulation in ways that are rational, predictable, and effective. For far too long, we have acted as if we could throw another law and another rule at every problem in our society without thinking seriously about the consequences. When I came to Washington I found a regulatory assembly line which churned out new rules, paperwork, regulations and forms without plan, without direction, and seemingly without control.

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With the best of intentions, 90 separate regulatory agencies were issuing 7,000 new rules every single year. They affect teachers and truck drivers, broadcasters and farmers, small business and local government. But no one has stopped to ask: Does each of those rules make sense? Does it do the job? How much does it cost? And is there a cheaper way to accomplish our goals just as effectively?

1 - 4

For too many Americans, today's contact with government at every level means a bewildering mass of paperwork, bureaucracy and delay. And the costs of compliance with government regulations is steadily on the rise. It eats up productivity and capital for new investment. It adds to inflation. And the burdens often fall most heavily on those least able to afford the costs -- small businesses, local government, and non-profit organizations.

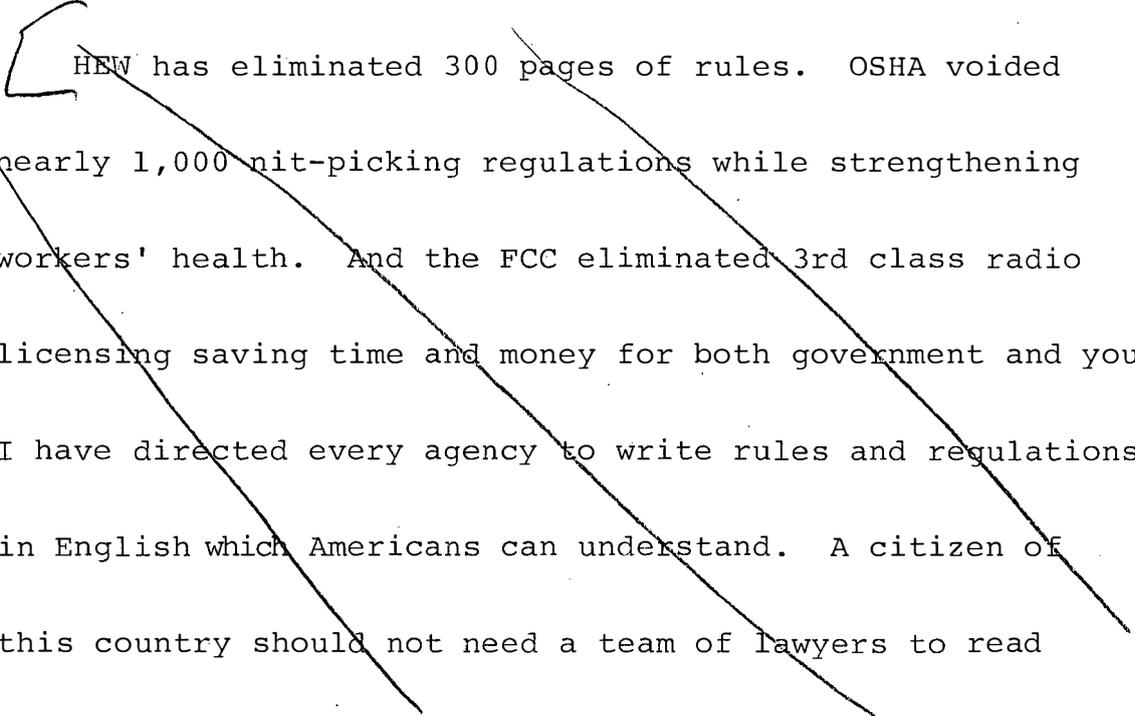
A  
The FCC now requires 18 million manhours  
a year from broadcasters to fill out the paperwork  
imposed by its rules and regulations. Charlie Ferris  
is working to reduce that load through a zero-based  
review of every FCC rule and regulation. I know he  
will succeed in reducing that paperwork burden on you.  
He has my full support.

A

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Our society's resources are vast, but they are not infinite. Americans are willing to spend a fair share of those resources to achieve social goals through regulation, but they want their money's worth. They will not support -- and I will not permit -- needless rules, excessive costs, duplication, overlap and waste.

It is time that we take control of federal regulations in America instead of regulation controlling us. As President, I take the management of the regulatory process as seriously as the goals it is intended to achieve.

 A handwritten bracket on the left side of the paragraph groups the first three sentences. Two diagonal lines cross the entire paragraph from the top-left to the bottom-right.

HEW has eliminated 300 pages of rules. OSHA voided nearly 1,000 nit-picking regulations while strengthening workers' health. And the FCC eliminated 3rd class radio licensing saving time and money for both government and you. I have directed every agency to write rules and regulations in English which Americans can understand. A citizen of this country should not need a team of lawyers to read

~~the Federal Register:~~

The legislation I am submitting to Congress tomorrow will continue and strengthen our reform efforts and expand them to every independent regulatory agency. It will accomplish five major goals.

First, this legislation will make sure that the costs and benefits of all major regulations and rules are weighed before they are issued. From now on, regulators will have to get the job done at the least possible cost. And they will have to justify the bill to the American people.

Secondly, this legislation will help us clean up the enormous backlog of rules and regulations that have accumulated over the years but have long since outlived their usefulness. By deregulating airlines last year we saved consumers \$2.5 billion in reduced fares, brought record profits to the industry, and *have begun to* ~~nearly~~ dismantle a

federal bureaucracy.

Third, it will put a brake on the regulatory assembly line. It will make sure that government plans ahead; that the American people know what new rules are proposed; and that regulations are developed -- not in the inner sanctums of the bureaucracy -- but under the supervision of senior officials who are accountable to the people, to the Congress, and to the President.

Fourth, this legislation will end needless delays and endless procedural nightmares which have plagued too many Americans for too long. It should not have taken 12 years and a hearing record of over 100,000 pages for the FDA to decide what percentage of peanuts there ought to be in peanut butter. (I would have cited that example even if I had raised soybeans and wheat).

Finally, this legislation will open up the rule-making process. It will ensure that all Americans have a voice -- consumers and small business, local officials and state governments -- not just the best-financed and best organized interest groups.

[ The work ahead will not be glamorous and there are few headlines involved. It calls for common sense, sensitivity, and staying power. But the rewards are worth the challenge. Too many years of red tape and paperwork, confusion and delay have eroded the confidence of too many Americans that government can be a force for progress. In the final analysis, regulatory reform is our best hope for achieving the goals we share....a healthier, safer, and fairer America. ]

In regaining control of the regulations that govern our lives, we also regain our faith in self-government. Together, we will reaffirm that our future depends -- not on fate or impersonal forces beyond our control -- but on our own

decisions as a free people in the freest democracy on earth.

Thank you.

# # #