

4/6/79 [2]

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1:15 PM

THE WHITE HOUSE

WASHINGTON

April 5, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: Walter W. Wurfel *WW*

SUBJECT: Your half hour with Non-Washington Editors,
1:15 p.m. Friday, Cabinet Room

These 29 editors are from 21 states. Among them is Brandy Ayres, publisher of the Anniston, Alabama, Star, an early and perennial supporter of yours.

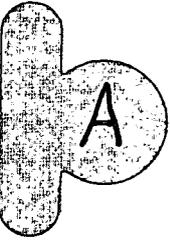
Walter Dear of the Henderson, Kentucky, paper, has told us he will ask you about the status of the solvent refined coal project proposed for Kentucky. The proposed response, from OMB, is attached at (Tab A).

Also attached are the list of editors (Tab B) and the day's schedule (Tab C).

The arrangements are as usual; a brief photo session for the White House press at the start; my "thank you" after 25 minutes to allow the quick one-on-one photographs at the end.

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For information on the
Economic Development

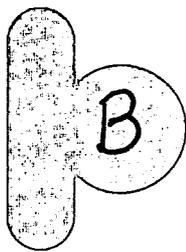


Potential Question from Kentucky Press Representative on
Status of Coal-Liquids Demonstration Plants

Q. What is the status of the SRC Coal Conversion Plants?

A. Due to the fiscal constraints under which the FY 1980 Budget was developed and because of the high cost of each of the SRC demonstration plants (\$700 M each not including private cost sharing) we requested funds for construction of only one SRC facility. This enabled us to fund other important coal technologies in FY 1980. As you know, the two proposed SRC processes differ in that one produces a solid fuel (SRC I) and the other a liquid (SRC II). We proposed in the Budget that these processes be compared and the best one be selected for construction. The SRC I facility would be in Kentucky and the SRC II plant in West Virginia.

With the increased revenues from the tax provisions I will soon submit to Congress, it will be possible to commit to the construction of both facilities.



ALABAMA

W. Harry Slysoff, Jr., editor, daily Alexander City Outlook. Conservative, industrial/agricultural area. Concerns: trade agreements and how they will affect local textile mills and employment; national defense; and Mid-East. Some local support for the AAM.

H. Brandt Ayers, publisher, daily Anniston Star. Early supporter who wrote a chapter in your Inaugural book. He continues to be a strong Administration advocate, but in two of his most recent columns raised the questions: 1) Is there a theme to your foreign policy - an overall philosophy? and 2) Are you too moral and good a man to be President?

James E. Jacobson, editor, Birmingham News (Newhouse). Jacobson was the Administration's strongest advocate in Jody's editorial board with the News in November '78. Air service is still an issue in Birmingham; deregulation has not had an effect there yet. Other issues: steel industry, higher education, federal budget.

Mel Newman, political writer, daily Florence Times. Moderate Democratic paper serving the Quad-cities of Florence, Sheffield, Tuscumbia, and Muscle Shoals. Concerns: nuclear energy; agriculture; Alabama opposition to Bob Clements' TVA nomination (because of his aversion to moving TVA headquarters to Muscle Shoals); labor reform (almost all area labor is unionized).

CALIFORNIA

P. Anthony Ridder, publisher, San Jose Mercury-News (Knight-Ridder). Traditionally a working class Democratic area, with substantial Hispanic and Asian populations. High concentration of electronics industries cause local paranoia over Japan's increasing market share. Other concerns: housing, smog, unemployment, public transportation, and defense contracts. Tax-conscious, strongly supported Proposition 13, Brown's constitutional convention proposal, and lowering capital gains taxes.

Dean S. Leshner, president/publisher, Leshner Newspapers. Leshner owns seven small California dailies. Fairly conservative. Concerns: water policy, natural resources reorganization, the economy. Residents are pleased with federal cooperation on Central Valley water project, vital to area's agricultural interest. Residents are pleased with federal cooperation on the project.

FLORIDA

Gerrard Sherry, editor, weekly Voice, Miami. Small Catholic weekly serving a primarily Hispanic audience. Concerns: recent flood of Haitian refugees; mass transit; welfare programs; water policy; and abortion.

INDIANA

Wayne Perry, editor, daily Terre Haute Tribune. Progressive paper in Republican area. Concerns: industrial growth and urban development, nuclear power (two plants currently under construction nearby), and federal budget.

KANSAS

Jerry Bohnen, news director, KWBW Radio, Hutchinson, Kansas.

KENTUCKY

Walter Dear, publisher, daily Henderson Gleaner Journal. Dear owns eight small dailies in Kentucky, Missouri, North Carolina, and Tennessee. He is a strong Administration supporter, described as intelligent and philosophical. We know Dear will ask about unemployed coal miners and two coal conversion projects proposed for Kentucky and under consideration by OMB. Dear is a good friend of Dale Sights, 1976 campaign coordinator for Kentucky.

LOUISIANA

Arthur Specht, publisher, daily Minden Press-Herald. Very conservative area and paper, about 35 miles from Shreveport. Energy issues dominate. Some agriculture in the rich Red River Valley, mainly cotton, soybeans, and forestland. Other concerns: economy and community development. Local Germantown colony and museum has received recognition from the Department of Interior.

MARYLAND

Harvey Rivkins, editor, weekly Enterprise, Baltimore. Small, south Baltimore weekly serving Democratic working class community. Concerns: labor, port of Baltimore, urban development.

MASSACHUSETTS

Robert A. Hastings, editorial page editor, Daily Evening Item, Lynn. Moderate, Democratic area and paper. Concerns: federal regulation, nuclear power, defense (GE plant produces engines

MASSACHUSETTS

Robert A. Hastings, editorial page editor, Daily Evening Item, Lynn. Moderate, Democratic area and paper. Concerns: federal regulation, nuclear power, defense (GE plant produces engines for the FA-18 Navy fighters). Hastings has criticized the Administration's energy policy for lack of direction and ineffectiveness. The region depends on imports for 80% of their fuel, and on nuclear power for one-third of their energy needs. You visited Lynn September, 1978.

MICHIGAN

Philip M. Williams, news and public affairs director, WBNZ Radio, Frankfort.

MINNESOTA

Jean Harrison, editor, weekly Star-Herald Luverne. Moderate paper serving an agricultural community. Concerns: local sugar beet processing plant, AAM (some local support), alternate energy sources. Some local service stations are selling gasahol, greatly in demand by farmers.

MISSOURI

Ty Wansley, news director, KKSS Radio, black, St. Louis.

NEW JERSEY

Donald Mulford, president/co-publisher, The weekly Montclair Times. Moderate to conservative affluent suburb of Newark. Major concern: recent cut-off of countercyclical anti-recession aid (which would have brought \$1.3 million to the suburbs and \$4 million to Newark) has prompted the layoff of 400 policemen. Other issues: urban development; Ft. Dix Army base closing; and federal judgeships for New Jersey. USAG made rebirth and urban development of Newark possible.

Bill Franklin, news director, WNJR Radio, Newark. Only black AM station in northern New Jersey.

NEW YORK

Joseph Preite, editor and publisher, weekly Italian-American News, Brooklyn. Very small weekly serving the Italian-American community in New York City. Particularly interested in Italian-American nominees for federal judgeships.

Father Joseph A. O'Hare, editor-in-chief, weekly America Magazine, New York. Serves the national Catholic community.

Florence S. Bahner, general manager, WYRD Radio Syracuse.

NORTH CAROLINA

Bob Satterwhite, managing editor, daily Asheville Citizen. Moderate paper in conservative area. Concerns: RARE-II and wilderness issues, natural resources, reorganization; regulatory reform; proposed move of National Climatic Center to UNC-Asheville Campus, HEW/University of North Carolina funding dispute, tobacco interests.

OHIO

Al Schottelkotte, vice president for news, Scripps-Howard Broadcasting Company, Cincinnati.

OKLAHOMA

James Pate, co-publisher, weekly Madill Record. Conservative paper and community. Improvement of the drinking water system is the major local concern. Its antiquated city water system makes Madill, which has not been able to qualify for EDA assistance, particularly hard hit by droughts.

PENNSYLVANIA

Thomas Mansfield, publisher, McKeesport Daily News. Independent, objective paper serving three small mill towns outside Pittsburgh. Concerns: inflation, voluntary wage-price guidelines, labor, China recognition, steel industry and energy. Largest manufacturing district of coke. Much of the labor is unionized. Also concerned about corporate profits.

SOUTH CAROLINA

William DuPre, editor, weekly Kingstree News. Southern conservative area, but more liberal on social issues because of the many poverty-stricken residents. Concerns: unemployment, rural development, black issues (40-50 percent black population), desire for industrial growth.

VIRGINIA

Ed Grimsley, editorial page editor, daily Richmond Times-Dispatch. Conservative paper, with normal concerns on energy, inflation and foreign policy (Middle East and Iran). Grimsley is said to be very conservative, anti-ERA; supports a higher defense budget. Also concerned about energy issues, such as deregulation and nuclear power. May ask about your visit to Richmond this Saturday, April 7.

Elliott Stern, news director, WXEX-TV, Richmond.

PC

THE WHITE HOUSE

WASHINGTON

EDITORS' BRIEFING

April 6, 1979

AGENDA

8:30-8:45 a.m.	Coffee
8:50-9:15 a.m.	WALT WURFEL Deputy Press Secretary
	PATRICIA E. BAUER Editor White House News Summary
9:15-9:55 a.m.	ROGER MOLANDER Member National Security Council Staff
9:55-10:00 a.m.	Break
10:00-10:45 a.m.	KATHERINE P. SCHIRMER Associate Director for Energy and Natural Resources Domestic Policy Staff
10:45-11:30 a.m.	HALE CHAMPION Under Secretary Department of Health, Education & Welfare
11:30-11:35 a.m.	Break
11:35-12:15 p.m.	HAROLD WILLIAMS Deputy Assistant Secretary for Economic Development Department of Commerce
12:15-12:45 p.m.	Lunch
12:45-1:00 p.m.	En Route to Cabinet Room

1:00-1:15 p.m. JODY POWELL
Press Secretary to the President

1:15-1:45 p.m. Q AND A WITH PRESIDENT CARTER

1:45-2:15 p.m. Filing Time

2:15-3:00 p.m. ALAN W. WOLFF
Deputy Special Representative for
Trade Negotiations

3:00-3:45 p.m. BARRY P. BOSWORTH
Director
Council on Wage and Price Stability

THE WHITE HOUSE
WASHINGTON
06 Apr 79

Tim Kraft

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

Rick Hutcheson

ARnie Miller



Notes on Selecting a Replacement for the Commissioner of Education

*Tim-
I agree-
Proceed
accordingly
J*

1. I understand that the Office of Commissioner of Education will be vacated in the near future. This position is one of the most important in the Federal Government.
2. Historically, the Office of Education has served as the mouthpiece for the powerful teachers union, the National Education Association. There will be pressure from the NEA and other educational lobby groups to fill the position with one of their people. Similarly, there may be political pressures to appoint a minority person or a woman.
3. Despite these pressures, the position should be filled by the most competent person available—an individual whose only allegiance is to excellence in education. The Commissioner should be selected strictly on merit and hold public respect.
4. The public demonstrates a growing concern for quality in education. Competency testing, along with renewed emphasis on basic skills, is on the rise. Strong leadership in education at the federal level is needed to sustain and encourage this momentum.
5. A Commissioner with a proven record of accomplishment would be far more effective than one whose expertise is in educational theory or philosophy.

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THE WHITE HOUSE
WASHINGTON

06 Apr 79

Anne Wexler

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

Rick Hutcheson



THE WHITE HOUSE

WASHINGTON

April 6, 1979

1:15
Will fight all out
for both taxes
J

MEMORANDUM FOR THE PRESIDENT

FROM:

ANNE WEXLER *AW*

SUBJECT:

Independent Producers Energy Reaction

The opinions expressed by the independent producers reflect the reaction of the oil industry to your energy proposal. It is basically still in a formulative stage. Most are still surprised that you bit the bullet on decontrol. Because of this, many are still skeptical. They anticipate trick definitions and rulemakings to take away what you gave them in plain words. On the "new new" oil issue the key concern is how "property" is to be defined. Secretary Schlesinger knows this and probably the DOE will be favorable. As time passes reasonable people will recognize what has been done and how favorable it really is. A real effort to explain the program needs to be made by making DOE experts available. As knowledge is gained opposition will decline.

On the two tax proposals -- opposition to the decontrol tax is very intense. The principal industry advisers are of the opinion that this tax can be killed or modified -- phased out or plowed back. On the OPEC tax, the opposition is there but less intense. The industry recognizes the difficulty of saying lets give OPEC free rein to raise domestic prices.

Generally, your friends in the industry have been vindicated by your actions on decontrol. Arguments over administrative problems are nitpicking and are replacing arguments over decontrol. Tax opposition is sincere representing a feeling that taxes will simply be used as a substitute for controls. Education by our technical experts is essential to cut down opposition to the overall program.

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THE WHITE HOUSE
WASHINGTON

06 Apr 79

Stu Eizenstat

The attached was returned in
the President's outbox today
and is forwarded to you for
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Rick Hutcheson



FOR STAFFING
FOR INFORMATION
FROM PRESIDENT'S OUTBOX
LOG IN/TO PRESIDENT TODAY
IMMEDIATE TURNAROUND
NO DEADLINE
LAST DAY FOR ACTION -

ACTION
FYI

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EYES ONLY

VICE PRESIDENT
EIZENSTAT
JORDAN
KRAFT
LIPSHUTZ
MOORE
POWELL
WATSON
WEXLER
BRZEZINSKI
MCINTYRE
SCHULTZE

ARAGON
BOURNE
BUTLER
H. CARTER
CLOUGH
COSTANZA
CRUIKSHANK
FALLOWS
FIRST LADY
GAMMILL
HARDEN
HUTCHESON
JAGODA
LINDER
MITCHELL
MOE
PETERSON
PETTIGREW
PRESS
RAFSHOON
SCHNEIDERS
VOORDE
WARREN
WISE

ADAMS
ANDRUS
BELL
BERGLAND
BLUMENTHAL
BROWN
CALIFANO
HARRIS
KREPS
MARSHALL
SCHLESINGER
STRAUSS
VANCE

THE WHITE HOUSE
WASHINGTON

06 Apr 79

xc: Best
Bill J.

Stu Eizenstat

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

Rick Hutcheson

Renegotiation Board

Sta -
assess for
me
J

1. The Renegotiation Act expired September 30, 1976. The Board, however, continues to review for excessive profits a \$150 billion backlog of defense contracts awarded prior to that date.
2. When there is no Renegotiation Act, the profit-limiting provisions of the Vinson-Trammell Act take effect. Vinson-Trammell is more stringent than the Renegotiation Act, particularly for small business. It limits profits on contracts related to ships and aircraft to 10 and 12 percent respectively.
3. Many contractors have not taken Vinson-Trammell seriously as the Treasury Department, which administers the Act, has repeatedly extended the date by which contractors must file profit reports. The first Vinson-Trammell reports are now due January 15, 1979—more than two years after the Renegotiation Act expired.
4. The Defense Department has not helped either. It has supported defense contractor efforts to eliminate the profit-limiting provisions of the Vinson-Trammell Act.
5. To date, efforts by Senator Proxmire and Congressman Minish to extend and strengthen the Renegotiation Act have failed. Congress voted to cut off the Board's funds as of March 30, 1979 unless the Renegotiation Act is extended. (Congressman McCloskey and Senator Cranston are leading the campaign to kill renegotiation.)

6. In many respects the performance of the present Renegotiation Board has been disappointing. Even so, for Fiscal Year 1978 the Board made excess profit determinations of \$34 million—nearly six times its operating budget. Substantial additional recoveries are anticipated before Congress reconvenes in January.

7. When Congress reconvenes, Congressman Minish and Senator Proxmire will try again to get a simple extension of the Renegotiation Act. They probably would agree to increase exemptions for small businesses but leave out many of the controversial reforms.

8. Only with active White House support will it be possible to extend the Renegotiation Act. The following White House action would substantially enhance the chances of extending the Renegotiation Act:

a. Direct the Treasury Department to hold to the January 15, 1979 due date for contractor filings under Vinson-Trammell and to start collecting profits in excess of the prescribed limits. Defense contractors who are convinced that Vinson-Trammell will be enforced are more likely to support extension of the Renegotiation Act.

b. Direct the Defense Department and OMB to press for an extension of the Renegotiation Act and to stop undercutting the Vinson-Trammell Act.

c. Make clear to congressional leaders that:

(1) The Administration, as part of its efforts to curb inflation

and reduce waste in Government, must retain legislative authority to recover excessive profits on defense contracts.

(2) If Congress does not extend the Renegotiation Act, the Administration will enforce the stricter profit-limiting provisions of the Vinson-Trammell Act.

(3) Any proposed legislation to eliminate the profit-limitation provisions of the Vinson-Trammell Act would be vetoed unless Congress simultaneously makes the Renegotiation Act permanent.

9. If Congress extends the Renegotiation Act, some of the present Board members should be replaced and the Board brought up to its full complement of five members. To do a proper job, the Board needs more and better people.

Washington, D.C.

22 November, 1978

Dear Mr. President

C

At our recent meeting I mentioned that there are excess people at organization in the Defense Department.

I have found that, even when this is pointed out to them, they will not do anything. an excuse is invariably found to keep things as they are. the accompanying memo is an example.

It may be of use in tackling the broad issue of excessive people and the resulting inflation.

Unless your own appointees work for your goals, instead of for those of their organizations, they will not serve your aims.

With my fervent hopes for you at your aims. — Respectfully

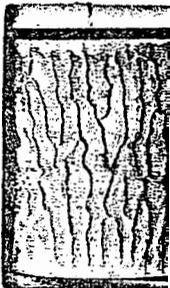
H. D. Reicher

THE WHITE HOUSE
WASHINGTON
06 Apr 79

Jim McIntyre

The attached was returned in
the President's outbox today
and is forwarded to you for
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Rick Hutcheson



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SCHULTZE

ARAGON
BOURNE
BUTLER
H. CARTER
CLOUGH
COSTANZA
CRUIKSHANK
FALLOWS
FIRST LADY
GAMMILL
HARDEN
HUTCHESON
JAGODA
LINDER
MITCHELL
MOE
PETERSON
PETTIGREW
PRESS
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SCHNEIDERS
VOORDE
WARREN
WISE

ADAMS
ANDRUS
BELL
BERGLAND
BLUMENTHAL
BROWN
CALIFANO
HARRIS
KREPS
MARSHALL
SCHLESINGER
STRAUSS
VANCE

November 18, 1978

*McIntyre
info
J*

Organization of the Defense Department

1. Although originally conceived as a small organization of a few hundred people, the Office of Secretary of Defense today numbers about 1500.
2. With the growth of the Office of the Secretary of Defense has come a proliferation of unnecessary staffs throughout the Defense Department. Each additional organizational level generates demands for information and reports from those actually doing the work. New organizations are established to respond to these requests. Information filtered through these layers is often distorted.
3. In the Navy as well as in the Defense Department this overlaying is evident. Yet, the bureaucracy tends to sabotage efforts to eliminate superfluous organizations. For example:
 - a. Prior to 1963, primary responsibility for buying and supporting ships, airplanes, and weapons for the Navy was assigned to technical Bureaus whose chiefs reported directly to the Secretary of the Navy.
 - b. In 1963 the Navy established the Naval Material Command under the Chief of Naval Operations and reorganized its technical Bureaus into Systems Commands placed under the Chief of Naval Material. By 1976 the new Headquarters of the Naval Material Command had grown to 450 people.
 - c. In 1976, the Office of Management and Budget reviewed the operations of the Headquarters, Naval Material Command and concluded it should be abolished. The OMB proposal to abolish this organization, however, was dropped when the Secretary of Defense objected.

d. During the past two years, the Headquarters, Naval Material Command has increased by 300 more people; it now has 750. This superfluous organization continues to grow.

4. In 1977 you requested the Secretary of Defense to review his organization and identify ways to make it more effective and efficient. He established a special commission for this purpose. His final recommendations are scheduled to reach you in December, 1978.

5. Past studies of the Defense Department have resulted in little, if any, improvement. Typically, needed reforms are nearly always subverted by the agency itself.

6. To effect improvements, the impetus must come from outside the Defense Department. The forthcoming report from the Secretary of Defense will offer an opportunity for you to see that necessary improvements are effected.

7. In this regard, it is recommended that, if not otherwise covered in the Secretary's proposal, the Defense Department be directed to:

a. Show specifically how the problem of excessive organizational layering will be solved. Action is needed to reduce the number of organizational layers and staffs.

b. Abolish, rather than trim, redundant or superfluous organizations and staffs; otherwise they will grow back.

c. Avoid "reorganizing" by simply shuffling high level people and organizations. The numbers or title of senior officials is less important than the proliferation of staffs and organizations beneath them.

d. Avoid greater centralization of management in the Defense Department. To keep good people and promote a more efficient Department, reorganization should be in the direction of delegating authority downward.

e. Avoid the "meat ax" approach to reductions in the number of personnel. Too often the Defense Department has accommodated such cutbacks by reducing the number of blue collar workers and people at lower levels of the organization rather than eliminating unnecessary jobs and staffs at the headquarters level.

8. Mr. Eizenstat is looking into the matter of excessive numbers of general and flag officers in the three military services, as requested by Senator Nunn. When you see how non-responsive the Defense Department was in answering the Senator's request you will recognize why you cannot rely on that Department — or on any other Government agency — to straighten itself out.

THE WHITE HOUSE
WASHINGTON
4/6/79

Jerry Rafshoon

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

Rick Hutcheson

cc: Jody Powell

THE WHITE HOUSE
WASHINGTON

April 5, 1979

*ok -
prepare
brief, handhitting
paragraph
J*

MEMORANDUM FOR THE PRESIDENT

FROM: Jerry Rafshoon 
SUBJECT: Taking the Energy Issue to the Country

After your major address on energy, it will be important for you to continue to speak out on the subject. We must avoid the type of criticism that we received two years ago when it appeared that we announced a program and then dropped it. Your appearances in Virginia and New Hampshire will be good opportunities for this. It should also be a prominent part of all press conferences and other major appearances.

Equally important is the content of such remarks. Obviously, you will want to continue the call for voluntary conservation. You should also stress new technologies. But most importantly, you should lead the fight for the wind-fall profits tax. (The Star today has a story claiming that the tax has little chance of passing.) It can be the same kind of issue as Hospital Cost Containment. "The oil companies should not be allowed to keep these wholly excessive profits. They should not benefit as a result of the energy problems of our nation and the increased cost of energy to the consumer. We need the Fund to develop new sources of energy. Only pressure from the people will force Congress to take on the oil companies."

This approach will do two things:

1. It will give your tax a much better chance of passing.
2. It will identify you with the fight to take on the oil companies and deprive them of wind-fall profits rather than with the actions designed to give them money in the first place. Politically it could be a complete reversal of an unpopular position.

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drop-by americans for
alaska briefing 5/3/79

THE WHITE HOUSE
WASHINGTON

5-3-79

Alaska lands

Theodore Roosevelt

NA
HOO

Permanent Conservation

Nat Forest System

Look ahead - generations -

systematic protection

Wise, balanced for Alaska

Klink-it = Goo'-NUSH-LHEESH

Top Envir priority

17 permanent Nat Mon 56

+ Archies, Bengland ac

Wesley Anderson - fight ahead

Need help - Econ dev

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THE WHITE HOUSE
WASHINGTON

4/6/79

Jerry Rafshoon

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

Please coordinate with involved senior Staff.

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

April 5, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: JERRY RAFSHOON *Jerry*
SUBJECT: Upcoming Speeches

Following your Easter vacation you will have the following speaking engagements:

1. National Academy of Science Einstein Centennial Celebration. Monday, April 23, 1:30 p.m.

Almost everyone recommends that this be a SALT speech directed to the scientific community. While I agree that this should be one small element of the speech I think it would be far more appropriate and interesting to give a major science and technology speech. You have a good record in this area. Your energy plan further improves that record. This has been a continuing source of great strength in this country and I don't think we have given it enough public attention. Frank Press thinks we can do both messages in one speech but in the twenty minutes allotted I think we should stress the more general scientific points.

Agree Disagree

2. Holocaust Commemoration, Tuesday, April 23, Noon.

This will be a five minute statement at the Capitol Rotunda. We are working with Stu and Ed Sanders on it.

3. American Newspaper Publishers Association, Wednesday, April 25, 12:30 p.m.

I think you should use this forum for the SALT speech which was to be delivered at Georgia Tech (attached). We have reworked the speech and I think it is now in very good shape. It is a succinct statement of the major issues

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of SALT. Cy and Zbig are quite happy with it. It is imperative that you begin your personal participation in the debate in a major way soon. This group is a natural audience because "it will be their responsibility to educate the public on this critical issue". Furthermore, the news the next day nationally will focus on a major Presidential issue and not on "politicking" in New Hampshire. (In New Hampshire, where it counts, the news will be on "politicking" in New Hampshire.)

Agree Disagree

4. New Hampshire Jefferson-Jackson Day Dinner,
Wednesday, April 25, 8:30 p.m.

We expect to give you a general political speech according to the format you have suggested to us through Susan, i.e. some good general rhetoric on a variety of issues and a lead-in for the specific occasion.

~~Handwritten scribble~~

SALT Address

Hold

✓

Each generation of Americans faces a choice that defines its character -- a choice that is important not only for its own sake, but for what it says about our nation's outlook on the world.

In the coming months, we will almost certainly be faced with such a choice: whether to approve or to reject a new Strategic Arms Limitation treaty. The decision we make will profoundly affect our lives -- and the lives of people all over the world -- for years to

come.

We face this choice as the strongest nation on earth -- politically, economically and militarily.

Our alliances are firm and reliable. Our military forces are strong and ready. Our economic power is unmatched. Along with the other industrial democracies, we lead the way in technological innovation. Together, our economies are nearly four times as productive as those of the Soviet Union and its allies. Our political institutions are free. Our open society encourages individual creativity -- and that, in turn, strengthens the whole. Our values, and our democratic way of life, have magnetic appeal for people around the world.

For all these reasons, we have a capacity for leadership in the world that far surpasses that of any other nation.

That leadership imposes many responsibilities upon us. But our highest duty is to use our strength to serve our highest interest: the building of a secure, stable, and peaceful world. We perform that duty in the spirit proclaimed by John F. Kennedy in 1963: "Confident and unafraid," President Kennedy said, "we labor on -- not toward a strategy of annihilation but toward a strategy of peace."

In our relations with the Soviet Union, the possibility of annihilation makes a strategy of peace the only rational choice for both sides.

It is clear that the United States and the Soviet Union will be in competition for as far ahead as we can see. Our values and theirs are too different for it to be otherwise.

Yet we share a common interest in survival, and a common recognition that our survival depends, in some

sense, on each other. The very competition between us makes it imperative that we bring under control the most dangerous aspect of that competition -- the nuclear arms race. That is why the Strategic Arms Limitation Talks are so important.

As the Congress and the American people consider the SALT treaty which is now nearly complete, the debate will center around four basic questions:

--Why do we need the Strategic Arms Limitation Treaty?

--How is the treaty related to our overall defense strategy?

--Can Soviet compliance be verified?

--And how does the treaty relate to Soviet activities which challenge our interests?

Let me address each in turn.

First, why do we need a Strategic Arms Limitation

Treaty?

We need it because it will contribute to a more peaceful world -- and to our own security.

We can never allow ourselves to fall behind in the development of strategic nuclear weapons. The reason is simple: our security depends upon the certainty that an attack or threat against us would carry unacceptable risks for the aggressor.

Check

But common sense tells us -- as it tells the Soviet Union -- that we must work to make that nuclear competition less dangerous, less burdensome, and less likely to lead to the ultimate horror of nuclear war.

Indeed, the entire world has a vital interest in controlling the strategic arms race.

Our allies count on us not only to maintain strong military forces to offset Soviet military power, but

also to manage successfully a stable East-West relationship. SALT is at the heart of both of these crucial efforts. That is why the leaders of France, Great Britain, the Federal Republic of Germany and Canada have all voiced their strong support for the emerging treaty.

Many nations which have so far held back from building nuclear weapons may change their minds if the superpowers turn away from the path of restraint.

Nothing would ignite the proliferation of these deadly weapons more surely than the rejection of the new strategic arms treaty. And nothing would more surely undermine our other critical efforts in arms control -- from equalizing NATO and Warsaw Pact forces in Central Europe to restraining the spread of ever more sophisticated conventional weapons; from a ban on all nuclear testing to preventing dangerous satellite warfare in space.

An overwhelming majority of the American people want and expect continued progress toward bringing nuclear weapons under control. Our people are more than willing to support a reasoned increase in our defense effort. But Americans do not want a wholly unnecessary return to the Cold War and an all-out arms race, with vastly greater risks and costs.

Every President since the dawn of the nuclear age -- both Republican and Democratic -- has pursued the effort to bring nuclear arms under control.

--President Kennedy, building on the efforts of President Truman and Eisenhower, signed the first arms control agreement with the Soviet Union in 1963. It stopped the poisonous testing of nuclear weapons in the atmosphere.

--In 1972, the SALT I agreement placed the first agreed limits on the number of offensive weapons. This

was an important achievement. At a time when we were not building new missiles and the Soviets were building several hundred a year, we gained agreement to a freeze. Without SALT I, we would be faced with a much larger Soviet nuclear force today.

--The Anti-Ballistic Missile treaty made an enduring contribution to our security. It contributed to peace because it assured that neither side could present massive retaliation against itself if it attacked first. It *has* saved billions of dollars and avoided a dangerous escalation of the arms race.

Each negotiation builds on the accomplishments of the last. Each agreement provides the foundation for further progress toward a more stable nuclear relationship.

Three Presidents have spent six years negotiating the next step in this process -- the SALT II agreement.

We have negotiated carefully and deliberately. Every step of the way, we have worked with our military leaders and experts. We will soon be able to take another major step toward a safer and more secure world.

To understand the concrete contribution SALT II will make to our security, let me turn to the second question -- how SALT is related to our overall defense planning.

The strategic forces of the United States and the Soviet Union today are essentially equivalent.

They lead in certain areas; we lead in others.

They have larger and more numerous land-based missiles.

We have a larger number of warheads, and we have technological and geographical advantages.

Neither side has superiority -- and each side has the will and the means to prevent the other from achieving

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it. Neither side is in a position to exploit its strategic weapons for political purposes, or to use them without risking suicide.

What causes us serious concern is not the current balance, but the momentum of the Soviet strategic build-up. For a decade, the Soviets have been increasing their defense spending, while we have been decreasing ours. They have launched ambitious programs to strengthen their strategic forces. It is clear that at some future point they could achieve a strategic edge -- unless we alter these trends.

That is exactly what I intend to do -- with the support of the American people and the bi-partisan support of Congress.

We must move on two fronts at the same time:

--First, we must modernize our own strategic forces.

*Misleading
Vietnam*

That is a central purpose of the increased defense budget I have submitted to the Congress.

--Second, we must place limits on the arms race that will constrain Soviet strategic programs. That is the purpose of the SALT II treaty.

The defense budget I have submitted will ensure that our nuclear force continues to be essentially equivalent to that of the Soviet Union.

This year, we will begin to equip our submarines with new, more powerful and longer-range missiles. Next year, our new, virtually invulnerable Trident submarines will be going to sea. And we are working on a more powerful and accurate Trident II missile for these submarines.

Our cruise missile programs will greatly enhance the effectiveness of our long-range bomber force. These

missiles will be able to penetrate any conceivable Soviet air defenses.

We are substantially improving the accuracy and power of our land-based Minuteman missiles. But it is likely that in the coming decade missiles of this type will become increasingly vulnerable to surprise attack. The Soviets have three quarters of their warheads in such fixed-site missiles, compared to only a quarter of ours. Nevertheless, this is a serious problem -- and we must deal with it sensibly and effectively.

The Defense Department now has under consideration a number of options for making our ICBM's mobile -- that is, not fixed in a single, easily targetted spot. The SALT II agreement will preserve our flexibility in this area.

Our strategic forces must be able to survive any attack, and then to counter-attack military and civilian targets in the aggressor nation. This flexible capacity is the essence of deterrence. We have had this capacity for a decade -- and the defense programs I have described will enhance it.

But our own defense can only do half the job. It cannot slow the growth of Soviet arms or limit the strategic competition. The SALT II agreement can and will. And by helping to define the future threats we will face, SALT II will make our defense planning more effective.

Under the agreement, the two sides will have equal numbers of strategic arms for the first time. This will end the Soviet numerical advantage temporarily agreed to in SALT I.

To reach these levels, the Soviets will have to

reduce their overall number of strategic delivery systems by ten percent. More than 250 Soviet missiles or bombers will have to be destroyed or dismantled. Naturally, the Soviets will choose to phase out their weakest, most outmoded systems. But under the agreement, they will not

^ be permitted to replace these systems with modern ones.

bombers
On the other hand, our own forces are well below the permitted ceiling. Under the agreement, we can make substantial increases if we choose to do so.

SALT II will also limit the size of land-based missiles and the number of warheads that can be placed on any one missile. In this way, it will help us lessen the growing vulnerability of our own land-based missiles. Without it, the Soviets could counter any effort on our part to diversify the locations of our missiles simply by ~~greatly~~ increasing the number of warheads on theirs.

In short, SALT II allows our own needed programs to proceed, while placing serious limits on what the Soviets might do in the absence of the agreement. For example, without SALT II, the Soviet Union could build some 3000 strategic weapons by 1985. With SALT, they will have 2250 -- one third fewer.

This sound and careful arms control agreement will serve our national interests. It will reduce the dangerous stockpiles of nuclear weapons and restrain the development of future weapons. It will maintain our relative strength compared to the Soviets. And it will avert a costly, risky, and pointless arms buildup -- at the end of which both sides would be less, not more, secure.

Let me turn now to the third of ~~the four~~ questions:

~~I listed at the beginning:~~ How can we know whether the

Soviets are living up to their obligations under this SALT agreement?

No objective has commanded more energy and attention from our negotiations than assuring that we will be able to determine -- on our own -- whether the Soviets are complying.

In part, our confidence derives from the size and nature of most of the objects we must monitor. For example, nuclear submarines which take several years to construct and assemble, can only be based in a few ports. Missile silos and their supporting equipment are large and bulky. Intercontinental bombers need major airfields. All these systems must be tested extensively -- for years -- before and after they are deployed. Each phase -- production, testing and deployment -- provides us with opportunities to monitor.

Our independent verification capabilities, however, are not limited only to observing these large-scale activities. We can determine not only how many systems there are, but what they can do. Our photoreconnaissance satellites, as well as other highly sophisticated means, enable us to follow developments in Soviet strategic forces with great accuracy. Cheating on any scale that might affect the strategic balance would be ~~discovered~~ *impossible (?)*.

In addition, the agreement itself strengthens our ability to monitor Soviet forces.

One Soviet system which might have created particular verification problems -- the SS-16 -- is banned outright under SALT II. And the Soviets have agreed, for the first time, to give us a categorical count of their strategic missiles and bombers. That count will be independently verified and updated every _____ months.

One of the provisions of the SALT II agreement specifically forbids interference with the systems used for monitoring compliance. Any such effort would itself be detectable. And any such effort would itself be a violation of the agreement and would itself constitute cheating.

SALT II is in the national interest of the Soviet Union as well as in our own national interest. For this reason, the Soviets will have little incentive to cheat, and much incentive to abide by the treaty. But as I have said many times, the stakes are too high to rely on trust -- or even on the Soviets' rational inclination to act in their own best interest. That is why I will sign no treaty that cannot be verified.

Finally, how does SALT II fit into the context of our overall relations with the Soviet Union?

To answer this question, we must look at the practical

relationship between a SALT agreement and other aspects of our relations.

Because SALT II will make the world safer and our own nation more secure, it is in our national interest to pursue it even as we compete with the Soviets elsewhere in the world.

A SALT agreement in no way limits our ability to promote our interests and to answer Soviet threats to those interests.

We will continue to support the independence of Third World nations that have fought hard to be free and are determined to stay that way.

We will continue to promote the peaceful resolution of local and regional disputes, and we will oppose efforts by the Soviets and others to inflame those disputes with outside force.

And we will continue to work for human rights.

Those who assert that a U.S. rejection of SALT would somehow induce the Soviet Union to behave itself in Africa or elsewhere are falling victim to a naive delusion. The actual effect would be precisely the opposite. The most intransigent and hostile elements of the Soviet power structure would be encouraged and strengthened. The Soviets might well feel they have little to lose by making more mischief around the world than they already do.

A rejection of SALT II would have significance beyond the fate of a single treaty. It would mean a radical turning away from America's long-term policy of gradually easing tensions and involving the Soviets in a system of international law based on mutual interests -- a policy that Republican and Democratic Presidents and members of Congress from both parties have spent a generation building.

The result would be a more perilous world. As I said at Georgia Tech on February 20: "Each crisis, each confrontation, each point of friction -- as serious as it may be in its own right -- will take on an added measure of significance and an added dimension of danger. For it would occur in an atmosphere of unbridled strategic competition and deteriorating strategic stability. It is precisely because we have fundamental differences with the Soviet Union that we are determined to bring this most dangerous element of our military competition under control."

To hold SALT hostage to Soviet actions elsewhere would mean that we could settle nothing with the Soviets unless we settle everything. This would be a policy of paralysis, not progress. For these reasons, we will not impose linkage between Soviet behavior and SALT -- and we will not accept any Soviet attempts to link SALT with aspects of our own foreign policy that they dislike.

Again, SALT II is not a favor we are doing for the Soviet Union. It is in the national interest and the national security interest of the United States.

I put these issues to you today because they need discussion and debate, and because the voice of the American people needs to be heard on them.

In the months ahead, I and members of my Administration will do all in our power to explain the treaty clearly and fully to the American people. I know that Members of Congress from both parties will join in this effort to insure an informed public choice.

As that national discussion takes place, let us be clear about what the issues are -- and are not.

--Americans are committed to maintaining a strong defense. That is not the issue.

--We will continue to compete -- and compete effectively

-- with the Soviet Union. That is not the issue.

The issue is whether we will move ahead with strategic arms control or resume an unlimited arms race. That is the choice we face -- between an imperfect world with SALT and an imperfect world without it.

With SALT, we will have:

- significant reductions in Soviet strategic forces;
- far greater certainty in our defense planning;
- the foundation for further controls on nuclear and conventional arms;
- and the self-respect as a nation committed to the works of peace.

Without SALT:

- The Soviets will be unconstrained and capable of an enormous further buildup.
- There would be a much sharper rise, therefore, in

our own defense spending.

--We would end up with thousands more strategic nuclear warheads on both sides, with far greater costs to our taxpayers and less security for our citizens.

--We would see hope for improved relations with the Soviet Union replaced by heightened tensions.

--The long, slow process of arms control, so central to building a safer world, would be dealt a crippling blow.

--And the world would be forced to conclude that America had chosen confrontation rather than cooperation and peace.

This is the inescapable choice we face. Those who loudly urge rejection of SALT II fall silent when they are asked what alternative they propose. For the fact is that the alternative to this treaty is not a perfect, unobtainable agreement in which we gain everything and the Soviets nothing. The alternative, now and in the future, is no

agreement at all.

I am convinced that the United States has the moral and political will to manage the relentless technology that constantly devises new weapons of mass destruction. We need not drift into a dark nightmare of unrestrained arms competition. We have the wisdom to see that our security depends on more than unsurpassed defense forces. Our security depends also on arms control measures that can stabilize and finally reverse a dangerous and wasteful arms race which neither side can win. This is the path of wisdom -- and of peace.

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