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Charles D. Ravenel

cc Pug  
\* below  
Good news -  
I'll help  
again  
J

SC

May 18, 1979

The Honorable Jimmy Carter  
The White House  
Washington, D.C. 20500

Dear Mr. President:

You were good enough to be willing to contribute to my race against Strom Thurmond, and I want to say thank you. Time has passed and I can now see the campaign in perspective.

It is no fun running hard, throwing your heart and your stamina into a year long race and failing to win. There is a certain satisfaction, however, in knowing you were willing to try. What you helped me do was make a good effort, one for which you and I can feel proud. Politics is a risky and fickle game, be it South Carolina or any state. This time it did not go my way. Next time I hope it will, ← X and I do want to try again.

This country will be as fine and as fair as people who feel responsible make it. You felt responsible, acted and helped. You got involved. Again!  
Thank you so much for doing it with me.

Sincerely,

Pug

Charles D. Ravenel

CDR/kd

P.S. For your interest, the attached article tells the story in some detail.

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Charles D. Ravenel

## Ravenel Will Try Again

# The Loss Wasn't A 'Tragedy'

By BARBARA S. WILLIAMS  
Assistant Managing Editor

Charles D. "Pug" Ravenel regards his loss to U.S. Sen. Strom Thurmond as a "shocking disappointment" rather than a "tragedy" and expects to try again for the seat in six years.

In a recent interview in which he assessed his race against Thurmond and talked about the future, Ravenel:

—Disclosed there is a possibility he will serve in some appointive, non-paying job in the new administration of Gov.-elect Richard Riley.

—Will look at the governor's race in four years but believes the Senate is his most likely next step.

—Said it isn't inconceivable he would run for the state Legislature in two years, depending on whether he can get his financial house in order. Again, he emphasized that the first order of probability is "that I'll run for the Senate in six years."

—Said he isn't considering a race against two fellow Democrats — U.S. Sen. Ernest F. Hollings and 1st District Rep. Mendel J. Davis — because they are "moderate Democrats."

Ravenel said he prefers to run in a race "where I can make a difference and not try to replace somebody who is in the same general area politically as I am."

—Plans a "person-to-person" ef-

fort to eliminate a total campaign debt of about \$230,000.

—Believes his loss to Thurmond was best summarized by someone who said, "Asking people to vote against Strom Thurmond was like asking them to chop down a palmetto tree (the state tree). They just flat weren't going to cut it down. Period."

For Ravenel, the loss on Nov. 7 was the first defeat in four statewide contests although he has never held public office. A newcomer to politics in 1974, he won the Democratic primary and run-off for governor over veteran officeholders, but was defeated in the courts on a residency requirement.

He handily won the Democratic nomination to oppose Republican Thurmond in June with only token opposition.

His race against Thurmond attracted national attention and consumed the past year. Now that it's all over, Ravenel said:

"I'll go on with the business of living. Look ... I have three fantastic children; I look at the water and marsh every day of life, which has been a lifetime dream.

"This is a deep disappointment, not a tragedy. Think of the people in this world who have tragedies they have to live with — a child sick or

(See Page 3-A, Column 1)

Continued From Page 1-A

dying. A loved one paralyzed or some awful thing.

"So, this is a shocking disappointment. Life is full of those things. I was blessed with not having to suffer a tragedy so far.

"... I love to drink a glass of wine. I love fried chicken still. I love to sit in the sun and smell the fresh air. I love the books I read and the movies I see and the friends I have lunch with. I don't have to be senator.

"I've lived a normal life for a long time. I could live a normal life and gain a great deal of pleasure out of it. And, yet, underneath the surface we are talking about what I have wanted to do with my life.

"Some people want to be journalists; some want to be doctors; some want to paint. They are the blessed ones who know what they want to do and put themselves in that posture. I know what I want to do and I am not in that posture yet so there is this constant unease.

"But I do have the joy of knowing that I tried and I tried as hard as I could. So, I don't stay awake nights saying, 'Gee, if I had worked a little harder I would have won.' That is not a thing that worries me.

"... I'm going to run again because I would like to feel that I have something to offer. I think that is still true even though I got beat."

Ravenel's defeat by Thurmond was no political surprise. The senior senator and former governor with 28 years in Washington was the unquestioned favorite although Ravenel was considered his most serious challenger since Thurmond won the seat in an unprecedented write-in campaign.

Ravenel had this assessment of why he lost and where his campaign went wrong:

—A mistake in strategy. "We felt the voters would respond to an issues-oriented campaign and we were wrong," Ravenel said.

Ravenel said a lot of people felt that his 1974 race for governor was a "stylistically dominated" campaign although he doesn't feel that's true.

He reeled off a long list of proposals in his 1974 program for excellence, contending the campaign was very issues-oriented.

"We may have been colored by that and misinterpreted the response, thinking it was in response to the substance, when, in fact, it was a response to style."

Ravenel noted that people kept saying he was a media candidate, and he always disagreed but "they may have been right. I may have misjudged that."

"The major flaw," he said, was the belief that "people would respond to the issues and they would require of the candidate for whom they voted a sober, thoughtful, rational and reasonably hopeful set of specific recommendations."

Ravenel said he didn't think people would tolerate a failure to address the issues and a campaign whose theme was: "You owe it to Sen. Thurmond to send him back because of all he has done for you."

That approach, Ravenel said, "is foreign to my whole frame of thinking. I would never say, 'You owe me something,' but he was able to say, 'You owe me something' and make it stick. And, people said, 'Yes we do. That's where I was wrong.'"

Ravenel noted that moods dominate in politics and that the 1974, post-Watergate mood was "Throw the rascals out." He was the new face in South Carolina politics that year and the fact that his campaign theme or style later was determined to have fit with the mood was "by accident," he said.

"We couldn't just construct some theme" for 1978, Ravenel noted.

The mood this time, Ravenel said, was a feeling that the system can't be changed; all politicians are alike and "I may as well get one who will work for me." People have arrived at that conclusion out of frustration, shattered dreams and unfulfilled expectations, he said. "I can't blame them for their cynicism."

Ravenel said he perceived a more subdued climate this time that was "risk-averse. Thurmond was a known quantity for lots of people and the things people disagreed with him about were less important than the fact that he is predictable."

Ravenel conceded his campaign had problems this time "we could have done without." He took a stand on the controversial labor reform act and kept explaining that stand throughout the campaign. The other nagging problem was the "three senators from New York" criticism that centered on his Eastern connections.

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There were similar criticisms last time, he said, but the critics "didn't make them with much heart and nobody paid much attention because the climate was different."

—Ravenel said he didn't judge correctly the strength of his opponent.

Most people would have bet, he said, that the turnout would have been between 500,000-550,000. "We figured we needed between 250,000 and 275,000 votes to win. We got 280,000. But what they did was to superbly use Sen. Thurmond's strength."

The Thurmond people had two strategies, according to Ravenel: Keep him away from mass media exposure and the issues and get out their vote.

Ravenel said he heard indirectly from someone in the Thurmond campaign that they had thousands of cards on people the senator had done favors for over the last 20-plus years.

They had the economic means, Ravenel said, to write each of those persons three times and call them twice to say, "The senator was there when you needed him and now he needs you."

"I think the evidence of that is they swelled the vote total by at least 80,000, from 550,000 to 630,000, and his margin was 70,000." Ravenel said he believes the Thurmond incremental vote that came out also swept in other candidates he doesn't believe would have won otherwise, including Carroll Campbell over Max Heller in Greenville.

Asked why Dick Riley won while he lost, Ravenel observed that Riley "wasn't a risky commodity. He had been in the state Senate for 14 years and had the business community well behind him in lots of ways. He took no controversial stands and played it very conservatively and very thoughtfully in his issues-orientation."

Ravenel did say at one point that he feels he needs to "communicate what I'm all about better." Essentially, he said, "I am a fiscal conservative and that never got through."

Ravenel estimates that about 50 percent of the black vote turned out for the election and that he got between 92-95 percent of that vote.

Ravenel believes he got black support "because they have a stake in change." Blacks in South Carolina, he said, are way under-represented in the House, are not represented at all in the Senate and are under-represented on all boards and commissions that make public policy.

At the same time, Ravenel estimates he only got about 30 percent of the white vote. "I don't know why. I honestly do not know except that what accrued to Strom Thurmond was what accrued to Olin Johnston in 1950 when Strom Thurmond tried to beat him.

"Strom Thurmond was then the reform-oriented fellow who was pushing for change and Olin Johnston beat the tar out of him.

"And, when 'Fritz' Hollings, a successful young governor, attractive and articulate, went after Olin Johnston in 1962, Olin Johnston beat the tar out of him."

There is a kind of long-term Southern trait of loyalty that's admirable in lots of ways, Ravenel observed, although it worked against him this time. Johnston and Thurmond had become institutions in government and the people weren't going to turn them out, he noted.

Ravenel said he also agreed with an observation by someone that while he was anti-establishment in 1974 and 1978, he was "running against the 'king of the ants,'" referring to Thurmond's longtime reputation as an individualist.

Ravenel insists he isn't sorry he made the race instead of running for governor.

"I don't care whether people feel that this is true or not. It is true in my heart. I was trying to make a difference. I made the decision on where I thought I could do the best good for this state.

"I thought I could do the best good fighting for those things I fought for in the Senate race and in replacing Strom Thurmond rather than replacing Dick Riley. That reasoning still pertains and that feeling is still there."

The future?

Ravenel's first order of business is to pay off his campaign debt. Of the \$230,000 total, the campaign owes him about \$110,000.

"I made the judgment that I was

willing to take a prudent risk. I took all the risk at the end. I may just have to eat that," he said.

Fund raising always is a problem, and whether it will be worse or better next time around probably will depend on who is in the race, he noted.

"You always go to the same people who demonstrated a willingness to help you. Some won't help you again because they have lost the capability to give but most who helped in 1974 helped in 1978. We had 10,000 contributors."

Ravenel made it clear he just doesn't feel that this year's loss means it is time to quit.

"I don't want to be a Harold Stassen," and keep on running and running, he noted.

At the same time, Ravenel observed that he's only lost one race out of four and got more votes against Thurmond than anybody ever has.

His statewide base is building, he said, noting that he got 105,000 votes in his first race, 187,000 in the second, 205,000 in the third and 280,000 in the Nov. 7 contest.

While it was tempting, Ravenel decided shortly after the election to withdraw his name from consideration for U.S. Undersecretary of Commerce.

His main reason, Ravenel said, was "if you feel you have a chance to serve in elective office then you should stick to it until you play the string out and not go off on a tangent."

It's most likely, he says, that he'll run for the U.S. Senate in six years when Thurmond is expected to bow out.

It is possible that he will run for governor in four years but that's subject to a lot of questions.

Ravenel said he expects and endorses a move to allow a governor to serve two terms. If that happens, then Ravenel said he would expect Riley to run again.

If he doesn't, "then running for governor is an option because again I'll make a decision on where I think I can make the biggest difference," he said.

While it seems a lot more remote, it is possible Ravenel will run for the state House or Senate "if I can get myself squared away financially to do it."

Ravenel, an investment banker, said he didn't run for the Senate last time because he was in debt and couldn't make a living spending three days in Columbia.

Meanwhile, Ravenel may well be involved in the Riley administration in some "non-full-time," unpaid position.

Ravenel said he has told Riley he would "like to make a contribution" but hasn't asked for a specific post.

Ravenel said he isn't interested in running against Hollings because he is a "moderate Democrat. He and I differ on things and he has his own judgment, but by and large he is a moderate Democrat — I believe that is a fair representation of him. I'm a moderate Democrat. That's a fair representation of me."

To run against Davis, he said, "would put me again in the position of running against another moderate Democrat."

"My feeling is that if there is another office I can run for and still make a contribution consistent with making a living and paying off my debts, I will. But, I will have to see, because I prefer to go where I can make a difference and not replace somebody who is in the same general area politically as I am."

This, from Robert Louis Stevenson, summarizes his philosophy, Ravenel said, "and I want all parts of this, even though some parts I may have to put off:

"That man is a success who lives well, laughs often, loves much; who fills his niche and loves his task, who leaves the world better than he found it; who looks for the best in others and gives the best he has.

"I can live well and I can laugh often and I can love much. I gave the best I had and I hope I can look for the best in others.

"I haven't filled the niche yet, but I love the task. I think anyone who looks at how I ran the race has got to know that I love the process involved. I want to leave the world better than I found it."

Ravenel, however, believes he still has plenty of time to "fill his niche." He will be 46 if he waits until 1984 to run again. That still would give him 20 years of potential public life, he noted, and "that's plenty of time."

THE WHITE HOUSE  
WASHINGTON

5/18/79

Frank Moore

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

Please have the letter hand  
delivered.

Rick Hutcheson



Department of Energy  
Washington, D.C. 20585

May 17, 1979

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JIM SCHLESINGER *JS*  
DOUG COSTLE *DC*

SUBJECT: Moody Diesel Engine

The initial Department of Energy (DOE) and Environmental Protection Agency (EPA) assessment of the Moody Diesel Vehicle has concluded that while there appear to be no revolutionary technological advancements in the vehicle, it does incorporate some relatively sound automotive engineering to improve fuel economy. However, we presently know very little about its air emissions.

DOE, EPA, and the Small Business Administration (SBA) sent representatives to Florida on April 28, 1979, to view and test drive the vehicle. During the informal road test, it achieved 66 miles per gallon. The vehicle's performance and driveability were not, however, judged to be comparable to similarly sized vehicles on the market today.

Senator Metzenbaum held hearings of the Senate Committee on Energy and Natural Resources on May 3, 1979, on the Moody Vehicle. DOE, EPA, and the National Highway Traffic Safety Administration (NHTSA) provided testimony. It was a general factfinding hearing with emphasis on the Federal hurdles that the vehicle would have to cross before it could be marketed.

Apparently, Moody plans to purchase Ford bodies, install Moody engines and drive trains, and market the vehicles through Ford retail outlets. Before the Moody Vehicle can be marketed it must receive air emissions certification from EPA. EPA has simplified its testing procedures for small manufacturers like Moody.

DOE and EPA are very eager to test a Moody Vehicle and have communicated that to the developers on numerous occasions. A test program was offered to the developers at Federal expense. However, this was declined since the developers wished to devote their resources to applying for certification.

DOE and EPA will assure that all future Federal activity regarding the Moody Vehicle, including that of NHTSA and SBA, continues to evaluate this potentially fuel economical vehicle.



THE WHITE HOUSE

WASHINGTON  
May 18, 1979

To Congressman Bill Chappell

This is in response to your telegram of April 17, 1979, concerning the "Moody Diesel Engine."

I am informed that the Department of Energy (DOE) and the Environmental Protection Agency (EPA) are aware of and have been following the recent development and testing of the Moody Diesel Engine installed in a 1979 Mercury Capri. DOE is actively working with EPA and the developers to arrange to have the vehicle tested for both emissions and fuel economy over the urban and highway Federal driving cycles. In addition, acceleration and performance tests were planned to compare the modified vehicle's driveability with the stock vehicle. A detailed technical assessment on the potential of the Moody Diesel Vehicle cannot be adequately performed until this form of testing is completed. All of this evaluation testing including shipment of the vehicle would have been done at no cost to the developers. However, Mr. Moody and his associates have declined this offer and are devoting their resources toward EPA certification testing of a new modified vehicle for which they are planning limited production (less than 2000 units/year).

The developers plan to submit an application for certification testing to EPA within the next few weeks. These tests will determine the potential of the Moody Diesel Vehicle to meet the present emissions standards as well as its fuel economy potential and performance criteria. If the vehicle meets all Federal regulatory requirements for production automobiles, then it will be the American consumer who will ultimately determine the market demand for the Moody Diesel Vehicle.



ID 792108

T H E W H I T E H O U S E

WASHINGTON

DATE: 18 MAY 79

FOR ACTION: STU EIZENSTAT

FRANK MOORE (LES FRANCIS)

*Jack Watson*

INFO ONLY:

SUBJECT: SCHLESINGER MEMO RE MODY DIESEL ENGINE

CALL IF YOU WISH TO CHANGE PROPOSED LETTER

+++++

+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +

+ BY: +

+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: ( ) I CONCUR. ( ) NO COMMENT. ( ) HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:



Academic Research Leaders:

Dr. Courtland Perkins  
President  
National Academy of Engineering

Dr. Norman Hackerman  
President, Rice University and  
Chairman, National Science Board

Dr. Ray Bisplinghoff, Chairman, National  
Research Council Committee on Transportation;  
DoT Boston Conference Chairman

Dr. David Ragone  
Dean of Engineering, University of Michigan;  
Member of National Science Board

Government Officials:

Secretary Brock Adams  
Department of Transportation

Terry Bracey, Assistant Secretary for  
Governmental Public Affairs  
Department of Transportation

Phil Smith, Associate Director  
Office of Science & Technology Policy

Secretary Jim Schlesinger  
Department of Energy

John Deutsch, Assistant Secretary for  
Energy Technology  
Department of Energy

Omi Walden, Assistant Secretary for  
Conservation and Solar Applications  
Department of Energy

Frank Press

Stuart Eizenstat

Anne Wexler

Jack Watson

II. BACKGROUND, AGENDA & PRESS PLAN

A. Background

In December 1978, in a speech to the Economic Club of Detroit, Brock Adams challenged the automotive industry to join with the government in a major research initiative. The initiative would lay the base for the generation of automobiles for the period beyond the statutory Corporate Average Fuel Economy (CAFE) standard of 27.5 m.p.g. for 1985. Subsequently, you agreed with Brock to meet with the auto industry leaders to discuss such a basic research initiative during National Transportation Week (May 14-18), making clear that you would make no final commitment concerning the government's participation in such an effort until details were worked out.

The basic research initiative we recommend (and on which Brock Adams and Frank Press have achieved agreement in principle with leaders of the industry) builds up research in an area that has been traditionally neglected by both public and private support institutions. The industry leaders agree with Brock and Frank that a basic research program is required to maintain the momentum in improved fuel economy and the competitiveness of the industry in future years. The research topics to be addressed include thermo-dynamics, combustion, fluid dynamics, structures, materials science and processing, control systems, and friction and wear. The proposed initiative would also serve to increase the pool of engineers and scientists for this economically important industry.

Politically, the initiative would be identified with one of the public's most immediate and potentially painful encounters with the energy problem. However, the longer-term -- not the near-term -- impact of the initiative must be stressed constantly.

A research initiative of the sort we envision could reasonably absorb new government plus industrial funding totaling \$50-\$100-million after 3-5 years of build-up. Assuming 50% cost-sharing, the Federal budgetary impact would be in the following range:

FY	81	82	83	84	85
	5-15	10-35	15-50	20-50	25-50

The present level of federal funding in this area is only \$6-million a year.

Significant industry cost-sharing would be a crucially important feature of this effort. A jointly-funded, broad-based research program would be a constructive innovation in government-auto industry relations. As you know, industry generally under-invests in basic research. However, since the proposed new program would be directed at research topics related to the automobile, the industry would, in the long run, benefit from the work, and it is, therefore, reasonable to expect it to support half of the work. General Motors and Ford have agreed to support 50% of an initiative based on the set of principles described in the talking points.

On May 8, in your discussion with Tom Murphy, Chairman of General Motors, you agreed to broaden the meeting to include discussion of the issue of the "front-end loading" of DoT's fuel economy standards about which all four organizations are concerned. We recommend, however, that the discussion be focused on the research initiative, and that the industry leaders be permitted to express to you their concerns on the fuel economy standards as a secondary matter. Other regulatory matters are discussed in Tab B. One, EPA's light duty diesel particulate emissions standards, was proposed in January and is now in the post-comment period with a final decision expected within a month or two; this subject cannot be discussed at the meeting. Antitrust and regulatory issues associated with the meeting are also discussed at Tab B.

#### For Your Information

Griffin reported today that the Antitrust Division gave antitrust clearance to Chrysler's new technical assistance agreement with General Motors. GM will provide prototype emissions control and passive restraint systems to Chrysler, as well as technical consultation to assist Chrysler in meeting the 1980 and 1981 regulatory standards in a timely and competitive fashion.

Chrysler has given appropriate assurances that it will continue its own independent research and development efforts on emissions control and safety devices, and the agreement provides for procedures and monitoring rights to the Justice Department similar to those in the American Motors Corporation-General Motors technical assistance agreement given similar antitrust clearance in 1970.

B. Agenda

Opening statement by you; see attached talking points (Tab A), followed by corporate responses in turn. We seek agreement to participate in a planning effort to develop a detailed proposal consistent with the principles discussed.

C. Press Plan

There will be a brief photo session at the beginning of the meeting. After the meeting, the Press Office will release a Fact Sheet describing the proposed research initiative. Brock Adams and Frank Press will brief the press. The report of the DoT-sponsored Conference on Basic Directions for Advanced Automotive Technology will also be released by DoT.

\* \* \* \* \*

PLEASE NOTE

Brock will drive to the White House for this meeting in one of two demonstration cars developed with DoT research and development funds. The cars, one of which will be parked outside the West Wing, were developed to demonstrate improved safety performance while meeting current fuel performance standards. Following the meeting, Brock will show the vehicles to the press. We think it best to leave any mention or discussion of the cars to Brock after your meeting with the executives.

TALKING POINTS FOR MEETING WITH AUTO INDUSTRY LEADERS

1. Basic research, and the auto industry, are both subjects of great importance to me.
  - o I need not tell you how important the automotive industry is to our nation -- in terms of its total economic impact, its impact on individual citizens, and its role in the national energy picture.
  - o I am particularly pleased to have this meeting in light of my own commitment to basic research. As you know, one of the major points of my science and technology policy has been a rebuilding of our basic research effort, and I am delighted that you, Brock, and Frank have come to discuss a program which is completely consistent with my own views on basic research as a cornerstone in our nation's economic future.
2. Over the last several years, we have accelerated the nation's commitment to synthetic fuels from coal and oil shale. In addition to the base program of \$357-million in the Fiscal Year 1980 Department of Energy budget, I have recently announced a number of new energy supply initiatives, including petroleum decontrol which you wanted and several new synthetic fuels programs. I agree with you that these steps are vital, and I hope you will support the Windfall Profits Tax and Energy Security Trust Fund.
3. I would also like your help in formulating a set of principles for a joint auto industry-government basic research program incorporating the following elements:
  - o Basic research on the fundamental technologies that will yield new knowledge in combustion, fluid dynamics, materials, structures, etc.
  - o Enhanced use of university, industry and federal research laboratories, with the main thrust of the work generally being done in university and industry laboratories;
  - o Joint industry-university research activity to increase the cadre of engineers involved in automotive research and development;

- o Wide dissemination of basic research results so that the greatest possible benefit is obtained;
- o Appropriate federal agency involvement including DoT, DoE, NSF, NASA;
- o Programmatic and institutional separation of the basic automotive research initiative from regulation;
- o No numerical goal that could unrealistically drive research or yield regulatory pressure.

I believe this would be a sound approach, both technically and with respect to federal research and development policy.

The principles restricting the program to basic research and providing for wide and open dissemination of the results are consistent with my own and the Justice Department's commitment to competition in the private sector.

Obviously, we have a great deal of work to do in refining the details of the effort. More detailed planning will guide our thinking about the level of effort in dollars. I see the program starting at a comparatively modest level and developing over several years. Your recommendations, and those from Brock, Frank Press, and Jim McIntyre, will guide my own thinking as I review the fiscal year 1981 budget proposals, along with recommendations for the future years.

4. I would like to hear your reaction to this effort and to the principles I've outlined for the overall program.
5. I know you would also like to express some of your views on the question of the fuel economy regulations. I will be pleased to listen to those views, although I regard that issue as quite independent of this research program.

## Background Information on Antitrust and Regulatory Issues

### ANTITRUST

This meeting touches on legal issues associated with the 1969 antitrust consent decree in which the automotive industry agreed not to discuss or share between themselves certain classes of automotive technology relating to pollution control and safety. The Justice Department recently asked the courts for a ten-year extension of the decree, and it has been granted. The decree does not, however, apply to basic research; it applies only to actual pollution control technologies. Further, the decree does not apply to the sort of public information disseminated widely as proposed in this program. We have met with Justice Department officials and they understand that the meeting and the program will not conflict with these consent decree requirements.

Beyond the specific questions of pollution control and safety technology which industry leaders are not permitted to discuss together under the antitrust consent decree, there are more general questions of antitrust associated with the meeting. Without explanation, the meeting would raise suspicions of conspiracy among certain public interest groups. The industry leaders are also sensitive to the issue. Because we are proposing a basic research program with open dissemination of results, however, legitimate antitrust problems are substantially reduced. In planning specifics of the program, antitrust issues will receive full consideration; the press material also will allay fears on this account as well as possible.

### REGULATORY ISSUES (prepared by Charlie Schultze and Fred Kahn)

There are a wide range of regulatory decisions underway facing the automotive industry on the emissions, fuel economy, and safety of passenger cars, light duty trucks, and heavy duty trucks. The two that are the most contentious at this time are the following.

#### 1. 1981-1984 Fuel Economy Standards for Autos ("Front-Loading")

The present schedule of fuel economy standards and the proposed alternative are as follows:

1978	18.0*	mpg
1979	19.0*	
1980	20.0*	
1981	22.0+	(21.5#)
1982	24.0+	(23.0#)
1983	26.0+	(24.5#)
1984	27.0+	(26.0#)
1985	27.5*	

(See next page for symbols.)

- \* Mandated by Energy Policy and Conservation Act.
- + Established by NHTSA rule-making, July 1977
- # Alternative "straight-line" schedule currently suggested by auto industry

The schedule for 1981-84, set by National Highway Traffic Safety Administration (NHTSA) of DOT, is "front-loaded," since it calls for 2.0 mpg increases each year for 1981-1983 but increases of only 1.0 mpg and 0.5 mpg, respectively in the last two years. The standards apply to the corporate average fuel economy (CAFE) rather than to each individual car. The automobile industry is asking (it has not formally petitioned NHTSA on this) for a "straight-line" schedule for 1981-1984, which would call for equal increases of 1.5 mpg in each year.

NHTSA has recently re-examined the 1981-84 standards, their feasibility, and their cost-effectiveness. NHTSA's preliminary conclusion is to remain with the current standards and to reject the companies request, but this is still under discussion within DOT and with other agencies in the Administration. There has been no official announcement, but the auto companies are probably aware of this preliminary conclusion and are hoping that it will be reversed. There are a number of issues in dispute:

Cost-Effectiveness. The alternative straight-line standards would mean more petroleum usage by the nation (averaging 44,000 barrels per day over the decade of the 1980's), but they would also mean lower manufacturing costs since the more gradual approach would allow some hasty and costly actions to be avoided and allow more time for less costly technologies to be developed. The dispute between NHTSA and the industry involves comparatively small net costs or net benefits per car (perhaps \$50-60 at most), but production numbers are large (40 million units total over 1981-84) so that the total dollar value at stake may come to \$1-2 billion.

Risks of not being able to meet the standards. At one extreme, the companies could meet the standards by producing only small cars such as Chevettes and Pintos. But it is unlikely that most of the car-buying public would be willing to buy only these cars. Accordingly, the auto companies are hoping to provide a broad mix of large and small cars, with enough technological improvements in both so that a mix similar to that sold today can be provided and still meet the standards (on a corporate average basis). However, if some of the technological possibilities do not turn out as hoped or if car buyers do not react favorably to some cars, some companies may have difficulties meeting the standards with the current mix of model sizes. At that point, they must either

violate the law (and pay penalties, which could be large if the companies miss the standard by a large margin) or force the mix farther toward small cars than the car buying public would otherwise desire. NHTSA argues that this scenario is unlikely; the auto companies, particularly Ford and Chrysler, are clearly worried.

Chrysler's survival. Chrysler is currently in serious financial difficulties. The current standards will require a great deal of capital investment and engineering effort between now and 1985. Chrysler may not be capable of generating the necessary funds. NHTSA has argued that the choice between the current standards and the straight-line alternative will make little difference for Chrysler's problems.

Capital market requirements. The auto companies claim that the current fuel economy standards, on top of the other required regulations facing the industry, impose very large capital requirements, far outside their historical experience and that the straight-line alternative will ease and delay these requirements somewhat. NHTSA disagrees.

## 2. The Diesel Particulate Standard

As discussed in the memorandum, this should not be discussed at the meeting because the public comment period has closed on the proposed regulation. However, it is considered important by the industry, especially by GM, which is the only domestic manufacturer currently producing diesel engines for passenger cars. EPA has proposed standards for particulate emissions from diesel cars and light trucks for 1981, and tighter standards for 1983, as part of the effort under the Clean Air Act to meet the national ambient air quality standards for particulates. The 1981 standards are comparatively moderate, though GM is claiming it may not be able to meet them; the 1983 standards are quite stringent, and the entire industry (including foreign manufacturers) claims the standards are impossible to meet. The diesel is an important element in GM's strategy to meet the fuel economy standards, since diesels provide 25-30% greater fuel economy than comparable performing gasoline powered cars.

TAB A

TAB B

11:45 AM

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

May 17, 1979

TO: THE PRESIDENT

FROM: SARAH WEDDINGTON

RE: Rose Garden Ceremony To Announce Women Enterprise Initiative, Friday, May 18, 1979, 11:45

I. PURPOSE

- A. To announce our women's enterprise initiatives and to sign the applicable Executive Order and Memorandum to Departments and Agencies.
- B. To bring a broad spectrum of individuals and representatives of groups interested in women and business issues to the White House.

II. BACKGROUND ATTENDEES, PARTICIPANTS AND PRESS PLAN

A. Background

The Task Force on Women Business Owners presented its final report, The Bottom Line: Unequal Enterprise in America, to you on June 28, 1978. The Task Force found that women entrepreneurs face a lack of adequate capital, lack of marketing opportunities and lack of management and technical skills. The Task Force also concluded that these problems exist, at least in part, because of discrimination against women.

These initiatives are in response to that report.

B. Attendees

There may be some interested cabinet officers and members of Congress attending. I will get a list of any to you prior to the ceremony.

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Other participants will be:

- Members of the Interagency Committee on Women's Business Enterprise (which helped write the Executive Order and Memorandum).
- Representatives of women's business related organizations.
- Representatives of key women's organizations.
- Individual women business owners.

C. Participants

- 11:30 Sarah Weddington will welcome the group and make brief comments and announcements. The group will then be "at ease pending your arrival."
- 11:45 Your remarks.
- Brief Responses
  - Pat Harvey, Chair of the Interagency Committee on Women's Business Enterprise, On behalf of those in the government who are interested in this effort.
  - Pat Cloherty, Former Deputy Administrator of the SBA and the first Chair of the Interagency Committee on Women's Business Enterprise, On behalf of those in the private community who are interested in this effort.

D. Press Plan

Open press.



THE WHITE HOUSE

WASHINGTON

May 17, 1979

MEMORANDUM TO THE PRESIDENT

FROM: WALTER SHAPIRO *WS*

SUBJECT: Talking Points: Signing of Executive Order on  
Women's Business Enterprise 5/18/79

1. This is an important occasion for women, for eliminating sex discrimination from our society and for reviving the American entrepreneurial spirit. The Executive Order which I am signing here today will place the full resources of the Federal government behind the goal of increasing opportunities for women as owners of businesses, both large and small.

2. The need for this Executive Order is abundantly clear. The Task Force on Women Business Owners, which has done so much to make this Executive Order possible, found that women own only 4.6 percent of all businesses in our country. Most of these business enterprises are tiny; half of them bring in less than \$5,000 in revenues each year. These figures are not accidental. Rather, they reflect a series of subtle discriminatory pressures in our society which channel women away from business ownership -- something which traditionally has been defined as "man's work." We need to take steps to increase the managerial training available to women and to improve the ability of women to obtain business credit.

3. It is no secret that our economy is facing difficult and unprecedented challenges. We need to renew the spirit of the entrepreneur, the sense of risk and daring that built our country. New businesses mean new jobs, new products, new methods of production and often lower costs to consumers. Promoting the creation of businesses owned by women is an important way of tapping the fresh perspective and vitality of American women. Their talents and abilities are one of our greatest natural resources.

4. This Executive Order will call upon all Federal agencies to take innovative steps to increase the amount of Federal business that goes to firms owned by women. Federal agencies will be able to draft new affirmative action rules to accomplish this goal. The Executive Order also establishes the Interagency Committee on Women's Business Enterprise that will carry on and expand the work of the Task Force on Women Business Owners. This Committee will

work with the Federal government and the private sector to create a new climate to encourage the growth of business ownership by women.

5. Let me stress that this Executive Order does not undermine the other affirmative action programs of the Federal government. It will be of particular help to minority women who face even more difficult problems in starting a new business. We are taking an important step today and I am proud that we are doing it without creating another unwieldy Federal bureaucracy.

# # #

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

*Today has  
already*

ACTION  
FYI

ADMIN CONFID
CONFIDENTIAL
SECRET
EYES ONLY

VICE PRESIDENT
<del>W</del> 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

May 18, 1979

*Jody - The  
last P makes  
no sense  
J*

MEMORANDUM FOR THE PRESIDENT

FROM: JODY POWELL *JJP*

This is the statement which I submitted to the Los Angeles Times over your signature late yesterday. You will remember that I discussed this with you and Stu yesterday morning. I worked from a Domestic Policy draft, but as you might guess, I toughened their rhetoric significantly. I believe this is the sort of line we must take if we are to defend ourselves against those who lay the blame for our current problems on you despite the fact that you more than anyone else have led the fight to protect us against the sort of problems we now face.

If this approach strikes a responsive chord, you may wish to use it in the editors' briefing today.

*If you wish to change a  
word or two, we can still do so  
today. I have shown one possible change  
It on the last page that sounds  
a little better to me.*

ATTACHMENT

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THE WHITE HOUSE  
WASHINGTON

5/18/79

Secretary Vance  
Jim McIntyre

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

As noted, please keep the  
attached confidential.

Rick Hutcheson

cc: Zbig Brzezinski

*Sec. Vance's copy was sent via  
Brzezinski.*

THE WHITE HOUSE  
WASHINGTON

5-18-79

To Ly & Jim M:

I continue to get reports (and observe personally) that our embassies are loaded down with excessive people representing every conceivable U.S. agency.

Prepare to send <sup>the same</sup> a very small team - unannounced.

to a dozen or so embassies to assess the situation for me. I would like to approve plans for this before implementation. Keep confidential.

cc Eb, g

J. C.

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

①  
/

May 17, 1979

EYES ONLY

MEMORANDUM FOR THE PRESIDENT

FROM: Lyle E. Gramley *LEG*

Subject: Revised Estimates of First-Quarter GNP

Tomorrow (Friday, May 18) at 9:30 a. m. the Commerce Department will release revised estimates of first quarter GNP. Real GNP growth in the first quarter is now estimated at an 0.4 percent annual rate, compared with 0.7 percent in the preliminary estimate. The downward revision was mainly in personal consumption expenditures, reflecting weaker-than-expected retail sales in February and March. Net exports were revised up significantly because of the sharp March decline in the merchandise trade deficit.

These new GNP figures contain the first estimate of corporate profits in the first quarter. Profits declined significantly from the fourth quarter level. A similar decline occurred in the first quarter of 1978, when productivity fell because of weak GNP growth, as it did in the first quarter of this year. Relative to a year earlier, profits in the first quarter were up 25 percent.

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THE WHITE HOUSE  
WASHINGTON

5/18/79

Stu Eizenstat

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

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

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	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

May 18, 1979

②

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT *Stu*

SUBJECT: NATIONAL HEALTH PLAN

After you left the national health plan meeting, your advisors agreed that it made sense to proceed along the lines recommended by my memo of May 17 (attached).

If you approve,

- We would use the HEW proposal as the basis for two weeks of intensive negotiations on the Hill, focused on the Senate Finance Committee and Senator Long. These negotiations would be conducted by a team consisting of myself, Secretary Califano and the appropriate members of Frank Moore's staff. You would call the Speaker and Senator Long (talking points will be submitted later today), we would brief them, and you would meet with each separately next week.
- We would prepare alternative approaches to reforming Medicaid without federalization and to containing physician fees without mandatory fee schedules. These alternatives would be completed before the next national health plan meeting with you on May 24.

Approve

Disapprove

\_\_\_\_\_  
 \_\_\_\_\_ *J*

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THE WHITE HOUSE

WASHINGTON

May 17, 1979

MEMORANDUM FOR: THE PRESIDENT  
FROM: STU EIZENSTAT  
SUBJECT: National Health Plan Update

The EPG met this morning and agreed that the most important issues are:

- o The reinsurance issue
- o Federalization of Medicaid
- o Physician fee controls

The EPG recommendation, consistent with the recommendation which Frank, Dick Moe, and I made last night, is that you tentatively approve the HEW proposal as a basis for two weeks of Congressional consultation but that in addition you should ask HEW to submit within one week alternate options for:

- o Reform of Medicaid without federalization, and
- o Ways to encourage physician cost containment without controls, including encouraging increased competition through HMOS and similar forms of group practice.

Proposed Talking Points

- o I approve the HEW plan as the basis for two weeks of intensive negotiation on the Hill, focused on the Senate Finance Committee and Senator Long.
- o I want these negotiations conducted by a team consisting of Secretary Califano, Stu, and Dan Tate (Senate) and Bill Cable (House) of Frank Moore's staff.
- o I am willing to meet early next week with the Speaker and Senator Long.

- o At the end of the two-week period, I will make a final decision on the key issues (outlined in Stu's memorandum of yesterday).
- o Within one week HEW should submit alternate approaches to:
  - reform Medicaid without Federalization
  - contain physician fees without controls, including ways to encourage competition.
- o My goal is to achieve a proposal.
  - that will assure universal catastrophic coverage
  - that will improve health care for the poor, the near poor, and the elderly
  - that will improve prevention
  - that will encourage system reform
  - and, very importantly, that will serve as the basis for enactment of legislation in this session of Congress.

ID 792116

THE WHITE HOUSE

WASHINGTON

DATE: 18 MAY 79

FOR ACTION:

INFO ONLY: THE VICE PRESIDENT HAMILTON JORDAN  
FRANK MOORE (LES FRANCIS) JACK WATSON  
ANNE WEXLER JIM MCINTYRE  
CHARLIE SCHULTZE  
SUBJECT: EIZENSTAT MEMO RE NATIONAL HEALTH PLAN

+++++  
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +  
+ BY: +  
+++++

ACTION REQUESTED:

STAFF RESPONSE: ( ) I CONCUR. ( ) NO COMMENT. ( ) HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

THE WHITE HOUSE

WASHINGTON

May 18, 1979

MEMORANDUM FOR THE PRESIDENT

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Approve \_\_\_\_\_

Disapprove \_\_\_\_\_

THE WHITE HOUSE

WASHINGTON

May 17, 1979

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  - that will improve prevention
  - that will encourage system reform
  - and, very importantly, that will serve as the basis for enactment of legislation in this session of Congress.

THE WHITE HOUSE  
WASHINGTON

May 18, 1979

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT *Stu*

We are going to begin consultations with Congress on trucking deregulation this afternoon. We are going to hand out the attached summary of our proposal.

We have coordinated our consultations with Frank's office, and Jody is aware that our proposal will no doubt be in the hands of the press this afternoon.

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Summary of Administration Proposal  
on Trucking Deregulation

I. General Policy Statement

The Administration proposal establishes a new policy statement to govern ICC decisions over motor freight transportation. The new policy statement applies the following standards to ICC decisions: maximum reliance on competition; reduction of barriers to entry; expedited regulatory decisions; improvement of transportation safety; maintenance of fair wages and working conditions; and increased opportunities for service to small communities.

II. Removal of Restrictions on ICC Certificates

- All backhaul restrictions are removed immediately.
- All prohibitions on making intermediate stops between authorized points are removed immediately.
- The ICC is directed to devise and begin within 180 days a program for the phased removal of remaining restrictions. Restrictions shall be removed no later than the following dates:
  - All route restrictions, including requirements that a carrier take a circuitous route or pass through a designated gateway, shall be removed no later than December 31, 1981.
  - All restrictions limiting the types of commodities a carrier may haul shall be removed no later than December 31, 1982.
  - All other restrictions shall be removed no later than December 31, 1983.
- The ICC shall adopt liberal standards and expedited procedures for carrier petitions for removal of individual restrictions prior to the statutory deadlines. Opponents to carrier's petitions have the burden of proof to show why a restriction should not be removed.
- In order to allow carriers to rationalize and expand their own systems, the ICC shall develop a program allowing existing carriers to increase their operating authority by a limited amount each year without ICC approval. The ICC program shall emphasize increased opportunities to serve small towns.

### III. Liberalized Entry Standards

Under existing law, entry applications are granted only if the applicant can show (1) that it is "fit, willing, and able" (i.e. meets safety, financial, and insurance requirements), and (2) that the transportation applied for is "required by the public convenience and necessity."

The Administration proposal would:

1. Retain the requirement that the applicant prove it is "fit, willing, and able."
2. Reverse the burden of proof and require opponents of new competition to show that the transportation applied for is inconsistent with the public convenience and necessity.
3. Require that in determining the "public convenience and necessity," the ICC consider whether the new service will serve a useful purpose responsive to the public; whether the service will improve the applicant's fuel use; whether service will be improved, especially at smaller communities; and whether there will be lower rates and a more competitive environment.
4. Require that after 1 year, the ICC shall make a final decision on entry applications within 90 days.
5. Grant the application of any "fit, willing and able" carrier to enter a point which an authorized carrier does not serve, or which a railroad abandons.
6. Direct the ICC and the Department of Transportation to report to Congress by 1983 on whether the "public convenience and necessity" requirement should be eliminated, thereby permitting any "fit, willing, and able" carrier to serve any point.

### IV. Improve Transportation of Agricultural Commodities

Under existing law, only unprocessed agricultural commodities are exempt from ICC regulation. Agricultural co-ops may carry regulated freight of non-members, but only under severe restrictions.

The Administration proposal:

-- expands the agricultural exemption to include all agricultural and horticultural commodities, as well as farm implements, fertilizers, and chemicals. This will provide more opportunities for independent operators to fill their empty backhauls.

-- expands the right of agricultural co-ops to haul regulated freight of non-members.

#### V. Rate Competition

-- Repeal the special antitrust immunity for collective ratemaking. (Carriers would be prohibited from discussing and voting on rates. Rate bureaus may, however, continue to publish rates. And carriers may continue to inter-line and set joint-line rates so that a shipper can pay one rate even though more than one carrier hauls the shipments to its final destination.)

-- For the first two years, permit carriers to lower rates 20% and increase their rates up to 3% from rates existing in the prior year without ICC approval. After 2 years, rates above variable cost could not be found too low, and carriers could raise their rates 7% a year without ICC suspension.

#### VI. Regulation of Specialized Truckload Transportation

The ICC has made substantial progress deregulating the truckload transportation industry. The Administration proposed to permit any "fit, willing and able" carrier to provide specialized truckload transportation after 2 years, and to eliminate ICC regulation over rates. Such rates would be subject to the antitrust law's prohibition on predatory pricing.

In the case of household movers, the Administration proposal would retain regulation designed to protect against consumer abuse.

#### VII. General Exemption Authority

The Administration proposal would:

-- permit the ICC to exempt a motor freight carrier or carriers from statutory or regulatory requirements if an exemption would be consistent with the new policy statement.

-- exempt small packages up to 500 pounds.

#### VIII. Contract Carriers

-- Permit contract carriers to apply for common carrier authority.

-- Eliminate the statutory restriction that contract carriers may serve only a "limited number" of shippers.

#### IV. Private Carriers

-- Allow private carriers to obtain for-hire authority.

-- Permit carriers to make single trips ("trip lease") of regulated commodities under more liberal terms.

-- Permit private carriers to provide transportation for majority-controlled corporate subsidiaries.

#### X. Mergers

-- Apply a strict standard for ICC approval of mergers: The ICC could not approve a merger if it would substantially lessen competition, or tend to create a monopoly unless the anticompetitive effects were outweighed by important public benefits which could not be achieved through less anti-competitive alternatives.

-- After 5 years, transfer merger enforcement to the FTC and the Department of Justice. The Clayton Act standards would apply.

The Department of Transportation is working on provisions to improve trucking safety and to remove present statutory barriers to intermodal ownership.

### Improvement of Service to Small Communities

The following provisions in the Administration's proposal will improve motor carrier service to small communities:

1. The general policy statement emphasizes small community service.
2. The public convenience and necessity standard in entry cases emphasizes increased service to small communities.
3. Route restrictions are liberalized to permit stopping at intermediate points, and leaving a designated route to serve a point off a main highway.
4. The program for phased route expansion without ICC approval will focus upon small community service.
5. The agricultural commodity exemption and agricultural co-op exemption are broadened.
6. Increased pricing flexibility will allow lower backhaul rates to small communities.
7. Any fit, willing and able carrier may enter a point which an authorized carrier no longer serves or which a railroad abandons.

✓cc: RJL

UNITED STATES CIRCUIT JUDGE NOMINATING COMMISSION  
SOUTHERN NINTH CIRCUIT PANEL

611 WEST SIXTH STREET  
SUITE 2220  
LOS ANGELES, CA 90017  
(213) 626-0671

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FRESNO, CALIFORNIA

BARBARA THORNTON  
RENO, NEVADA

April 21, 1979

Michael J. Egan, Esq.  
Associate Attorney General  
Room 5133  
U. S. Department of Justice  
Washington, D.C. 20530

RE: REPORT OF THE U.S. CIRCUIT JUDGE NOMINATING  
COMMISSION, SOUTHERN NINTH CIRCUIT PANEL  
CALIFORNIA

Dear Mr. Egan:

The Commission met in San Francisco, California on March 30 and 31, 1979 and in Los Angeles, California on April 16 and 17, 1979, interviewed a total of fifty-three (53) persons, and has concluded to recommend the following persons from the State of California for the President's consideration for appointment to the Ninth Circuit Court of Appeals:

ARTHUR L. ALARCON

*Hispanic*

Arthur L. Alarcon is a Justice of the California Court of Appeal, to which he was appointed in 1978. Justice Alarcon is 53 years old, and received both his undergraduate and law degrees from the University of Southern California. Justice Alarcon served as a law clerk to Los Angeles Superior Court Judge Edward T. Bishop from 1951 to 1952, and was a Deputy District Attorney for Los Angeles County from 1952 to 1961. From 1961 through 1964 he was Executive Assistant to Governor Edmund G. (Pat) Brown of California, and was appointed to the Superior Court of California for the County of Los Angeles in 1964, on which court he served until appointed to his current position. Justice Alarcon is currently an instructor at Loyola Marymount University, the University of Southern California School of Law, and the California Judicial College. He has written, in whole or in part, several legal publications.

cc to MURK 4/25

ARTHUR BALDONADO

*Hegamie*

Arthur Baldonado is 46 years old and now serving as a Judge of the Superior Court of the State of California for the County of Los Angeles, to which he was appointed in 1977. He received his undergraduate degree from the University of California at Los Angeles, and his law degree from Georgetown University Law Center. While attending law school, he worked as an aide to the then senator, Lyndon B. Johnson. Judge Baldonado served as law clerk to Judge Macklin Fleming of the Los Angeles Superior Court in 1961, prior to going into private practice in which he engaged until 1977 when he was appointed to the bench.

WINSLOW CHRISTIAN

Winslow Christian is a 53 year old Justice of the California Court of Appeal, serving in the First Appellate District on Division 4 thereof. He attended the University of Maryland and graduated from Stanford University, obtaining a B.A. and L.L.B. at that institution. In his early years of practice he was a Deputy Attorney General for the State of California, and City Attorney and District Attorney in Sierra County. He was elected to the bench in 1958, and appointed to his present position in 1966. He is the author of numerous articles and is recognized nationally for his expertise in the area of court reform.

JOHN J. CLEARY

John J. Cleary is the Executive Director of Federal Defenders of San Diego, Inc., the organization providing representation to those financially unable to employ counsel in criminal matters in the Southern District of California. Mr. Cleary is 43 years of age and received his undergraduate and law degrees from Loyola University, Chicago, Illinois, both with distinction. After completion of his legal training, Mr. Cleary served in the United States Army from 1960 to 1964, where he compiled an outstanding record. He served as a Military Police Corps officer, a member of the Judge Advocate General's Corps, and was the first judge advocate to serve with Special Forces ("Green Berets"). In 1964, after four months of private practice, Mr. Cleary became the Deputy Director of the National Defender Project of the National Legal Aid & Defenders Association where he served as the second principal staff officer until 1969. In 1970 he served as Attorney-in-Residence of the Illinois Law Enforcement Commission, and has occupied his current position in the Southern District of California since 1971. He is the author of numerous articles on criminal law and procedure, and other related matters.

Michael J. Egan, Esq.  
April 21, 1979  
Page three

WARREN J. FERGUSON

Warren J. Ferguson is presently a Judge of the United States District Court, Central District of California. He is 58 years of age, and received his undergraduate degree from the University of Nevada at Reno. He attended law school at the University of Southern California, and thereafter was in private practice until he was appointed to the bench in 1959. He has also been a professor at Loyola Law School in Los Angeles. Judge Ferguson has sat on the bench since October 1959 when he was appointed by Governor Edmund G. (Pat) Brown to the Municipal Court in Orange County. Since then he has served on the Superior Court for the State of California, and, now, on the United States District Court. Judge Ferguson received the highest rating on a federal judicial evaluation poll conducted by the Beverly Hills Bar Association in 1976.

JOANNE M. GARVEY *noncan*

Joanne M. Garvey is a partner in the law firm of Cotton, Seligman & Ray. She is 44 years of age, and graduated with an A.B., and later an M.A., from the University of California, and attended law school at Boalt Hall of the University of California at Berkeley. She received several awards and scholarships during her tenure in law school. Ms. Garvey has taught a seminar in corporate tax law at Boalt Hall, and is the first and only woman to be elected as a governor of the State Bar of California. Her law practice consists primarily of business matters, with an emphasis on taxation. She has authored several articles on legal matters for the California Law Review, as well as the California State Bar Journal. She has been particularly active in affairs of the State Bar of California, the California Women Lawyers Association, and in the American Bar Association.

EARL JOHNSON, JR.

Earl Johnson, Jr., who is 45 years of age, is a professor of law at the University of Southern California Law Center. In addition, he is the director of the Program for the Study of Dispute Resolution Policies sponsored by the University of Southern California. Professor Johnson received his law degree from the University of Chicago Law School where he was the book review editor on the law review, and holds an L.L.M. from Northwestern University School of Law. Professor Johnson has been active in a number of professional community activities, and is presently a member of the panel on Predicting Judicial Impact of

Michael J. Egan, Esq.  
April 21, 1979  
Page four

New Legislation. He is president of the Board of Trustees of the Western Center on Law & Poverty, and on the advisory panel for the Special Committee on Housing & Urban Development of the American Bar Association. Professor Johnson practiced law with the U. S. Department of Justice from July 1961 through November 1964, and thereafter became involved with various legal services programs until he took his present position at the University of Southern California Law Center. He is the author of many articles and books on a variety of legal subjects.

STUART L. KADISON

Stuart L. Kadison is a senior partner in the law firm of Kadison, Pfaelzer, Woodard, Quinn & Rossi in Los Angeles. He is 55 years of age, and received his undergraduate degree from the University of Maryland and his law degree from Stanford University. Mr. Kadison is currently a lecturer of law at the Stanford University School of Law, and teaches a course in federal appellate advocacy. Mr. Kadison has been continuously engaged in the private practice of law in Los Angeles since 1948. During the early 1950's, he represented, without fee, more than twenty functionally indigent individuals who had been denied security clearances necessary to their continued employment by defense contractors. He has an extensive trial and appellate practice, approximately 90% of which is in the federal courts. From 1973 to 1976, Mr. Kadison served as a member of the Board of Governors of the State Bar of California.

LOREN MILLER, JR.

*Black male*

Loren Miller, Jr. is a Judge of the Superior Court of the State of California for the County of Los Angeles. He is 42 years of age, and received his undergraduate degree from the University of Oregon and his law degree from the Loyola University School of Law, from which he graduated with great distinction. Judge Miller has been a law instructor at Loyola Law School and the Valley College of Law, teaching courses in law & poverty, and civil rights law. From 1963 to 1968, Judge Miller served in the office of the Attorney General of the State of California, engaging primarily in tax and civil rights litigation and criminal appellate work. From 1969 to 1972, Judge Miller was engaged in the private practice of law in Los Angeles. From 1972, until he was appointed to the Los Angeles Municipal Court in 1975, Judge Miller was engaged in general trial work for a major national corporation. In 1977 Judge Miller was elevated to the Superior Court for the County of Los Angeles, where he currently sits as a judge in the Pomona, California area.

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DOROTHY W. NELSON

*Woman*

Dorothy W. Nelson is the dean of the University of Southern California Law Center, where she teaches courses in legislation, judicial administration, and other subjects. She is 50 years of age, and received both her undergraduate and law degrees from the University of California at Los Angeles. In 1957, after receiving her master of laws degree with great distinction from the University of Southern California, she was asked to serve on the faculty of the law school and was appointed dean in 1969. She is recognized nationally for her expertise in the area of judicial administration, and is the author of numerous articles and books on that subject and related legal topics.

WILLIAM A. NORRIS

William A. Norris is engaged in private practice with a medium-sized law firm in the City of Los Angeles. He is 51 years of age, and received his undergraduate degree from Princeton University and his law degree from the Stanford School of Law, both with great distinction. Mr. Norris was law clerk to Justice William O. Douglas of the United States Supreme Court from 1955 to 1956. He has been his firm's senior litigator, specializing in business litigation, from 1956 to the present date. Mr. Norris has served as a member of the California State Board of Education from 1961 to 1967, and a member of the Board of Trustees of the California State Colleges from 1966 to 1972. From 1973 to 1974 he served as president of the Board of Police Commissioners of the City of Los Angeles. Mr. Norris was the Democratic nominee for Attorney General of the State of California in 1974.

CECIL F. POOLE

*Black male*

Cecil F. Poole is a Judge of the United States District Court, Northern District of California. He is 64 years of age, and received his undergraduate and law degrees from the University of Michigan. In addition, he has received a master of laws degree from Harvard Law School. For two years, prior to entering the service in 1943, Judge Poole was engaged in the private practice of law in Pittsburg, Pennsylvania. In 1946, after service with the North Atlantic Wing of the Air Transport Command during the Second World War, he was the chief of the West Coast briefing and appellate unit of the Office of Price Administration. From 1949 to 1958, he served as Assistant District Attorney for the City and County of San Francisco. From 1958 to 1961, he was the Clemency Secretary and Legal Counsel to Governor Edmund G. (Pat) Brown of California. From 1961 to 1970 he served as United States

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Attorney for the Northern District of California. From 1970 to 1976 he was engaged in the private practice of law in a medium-sized San Francisco law firm. In July 1976 he was appointed by President Gerald Ford as a United States District judge. He has been active in the American Bar Association, serving in its House of Delegates from 1972 to 1974, and is a Fellow of the American Bar Foundation.

HARRY PREGERSON

*rec. Jim Conman  
+ Ed Sanders*

Harry Pregerson is a Judge of the United States District Court, Central District of California. He is 53 years of age, and received his undergraduate degree from the University of California at Los Angeles and his law degree from Boalt Hall School of Law, University of California at Berkeley. From 1951 to 1965, Judge Pregerson was engaged in the private practice of law in the Los Angeles area as a sole practitioner or with a small firm. In 1965 he was appointed to the Los Angeles Municipal Court, and was elevated to the Superior Court of the State of California for the County of Los Angeles in 1966. In 1967, he was appointed to the United States District Court. Judge Pregerson served with distinction in the United States Marine Corps during the Second World War, and was awarded the Purple Heart for gunshot wounds sustained on Okinawa in 1945. He remains active in veterans' affairs and has served as President of the San Fernando Valley Chapter of the Marine Corps Reserve Officers Association.

STEPHEN R. REINHARDT

*rec. Tom Bradley*

Stephen R. Reinhardt is engaged in private practice with a medium-sized law firm in the City of Los Angeles. He is 48 years of age, and received his undergraduate degree from Pomona College and his law degree from Yale Law School, both with distinction. From 1954 to 1956, Mr. Reinhardt served in the United States Air Force where he was assigned to the Office of the General Counsel in the Pentagon, practicing administrative law for the Air Force. From 1957 to the present date, he has been engaged in the private practice of law, where he has specialized primarily in labor law litigation. From 1969 to 1974, Mr. Reinhardt served as Vice Chairman of the California Advisory Committee to the United States Commission on Civil Rights, and he currently serves as President of the Board of Police Commissioners of the City of Los Angeles. Mr. Reinhardt has been active in the American Bar Association, chairing several of its committees on labor law, and is a Fellow of the American Bar Foundation.

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CHARLES B. RENFREW

Charles B. Renfrew is a Judge of the United States District Court, Northern District of California. He is 50 years of age, and received his undergraduate degree from Princeton University and his law degree from the University of Michigan School of Law. From 1956 to 1972, Judge Renfrew was engaged in the private practice of law with a large San Francisco law firm where he specialized in litigation, principally in the area of antitrust. He was appointed to the United States District Court in November 1971. He has taught courses in criminal law and civil trial practice at Boalt Hall, the law school of the University of California at Berkeley. Judge Renfrew has written several articles on the sentencing of criminal defendants, and other legal subjects.

MURRAY L. SCHWARTZ

Murray L. Schwartz is a professor of criminal law, judicial administration, and other subjects at the University of California at Los Angeles School of Law where he served as Dean of the law school for many years. He is 58 years of age, and received his undergraduate degree from Pennsylvania State College and his law degree from the University of Pennsylvania Law School, both with great distinction. Professor Schwartz was law clerk to Justice Fred M. Vinson, Chief Justice of the U.S. Supreme Court, from 1949 to 1951. He was in the private practice of law in Washington, D.C. until 1952, when he joined the Office of the Solicitor General, U. S. Department of Justice, where he worked as a special assistant to the Attorney General of the United States until 1953. From 1956, until he joined the faculty of the UCLA School of Law in 1958, Professor Schwartz was in the private practice of law in Philadelphia, Pennsylvania. Professor Schwartz was a consultant to President Kennedy's Panel on Mental Retardation in 1962, a consultant to President Johnson's Task Force on the War Against Poverty in 1963 and 1964, and was an advisor to the President's Commission on Law Enforcement and the Administration of Justice in 1966. He is the author of many articles and books on criminal law, judicial administration and other legal subjects, and has been extremely active in the area of criminal law revision.

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ROBERT S. THOMPSON

Robert S. Thompson is a Justice of the California Court of Appeal. He is 60 years of age, and received both his undergraduate education and law degree from the University of Southern California, where he was editor in chief of the USC Law Review. From 1946 to 1963, Justice Thompson was engaged in the private practice of law, specializing in business law with an emphasis upon taxation. In 1954, he served in the office of the United States Attorney for the Southern District of California as Chief Assistant United States Attorney. Justice Thompson was appointed to the Los Angeles Municipal Court in 1965, and elevated to the Superior Court of the State of California for the County of Los Angeles in 1966. In 1968 he was appointed to the California Court of Appeal, and since that date has authored over 900 appellate court opinions. He is recognized nationally for his expertise in the area of court reform, and was selected as the Appellate Judge of the Year in 1973 by the Los Angeles Trial Lawyers Association. He is a former President of the California Judges Association, and the Jewish Vocational Service.

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The minutes of the proceedings in California, and a copy of the personal data questionnaire for each person recommended, will be mailed to you under separate cover.

Cordially,



SAMUEL L. WILLIAMS

ejc



21ST DISTRICT  
CALIFORNIA

JAMES C. CORMAN  
HOUSE OF REPRESENTATIVES  
WASHINGTON

April 26, 1979

*Bob  
Lipshutz -  
include this  
in future  
memo to  
me J*

President Jimmy Carter  
The White House  
Washington, D. C. 20500

Dear Mr. President:

Judge Harry Pregerson, United States District Court Judge, Central District of California, is one of the seventeen persons recommended for the United States 9th Circuit Court of Appeals.

I know most of the seventeen people on the recommendation list and they would all make fine Circuit Court Judges, but Judge Pregerson is the best of the lot.

I sincerely hope that he will receive one of the appointments.

Respectfully,

THE WHITE HOUSE

WASHINGTON

May 9, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: EDWARD SANDERS *ES*

SUBJECT: Candidates for Court of Appeals -  
Ninth Circuit.

I have known Harry Pregerson since our days at UCLA in the early 1940's. Since then I have known him as an outstanding Federal District judge and in Jewish community affairs. Judge Pregerson is an exceptional person and a fine lawyer. I recommend him without qualification.

Dean Dorothy Nelson of the University of Southern California Law Center is another person on the list whom I know well. She is exceptionally well qualified. Dean Nelson is a fine legal scholar and has demonstrated a dedication to not only the law and the administration of justice, but to a wide range of other civic concerns. I believe she would make a fine Court of Appeals judge.

ES:ss

c.c. The Attorney General  
Robert J. Lipshutz  
Hamilton Jordan