

7/23/79

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memo	From Brown to The President (2 pp.) re: Activities of Sec. of Defense 7/20/79/enclosed in Hutcheson to Mondale 7/23/79	7/20/79	A

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Revised:
7/23/79
12:00 Noon

THE PRESIDENT'S SCHEDULE

Monday - July 23, 1979

8:00 Dr. Zbigniew Brzezinski - Oval Office.

9:00 Mr. Hamilton Jordan and Mr. Frank Moore.
The Oval Office.

11:30 Mr. Hamilton Jordan, Mr. Jody Powell
and Mr. Jerry Rafshoon - Oval Office.

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

1:30 Mr. James McIntyre - The Oval Office.
(20 min.)

5:00 Meeting with the White House Staff - East Room.

THE WHITE HOUSE
WASHINGTON
7/23/79

Frank Moore

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

Rick Hutcheson

cc: The Vice President
Hamilton Jordan
Stu Eizenstat
Jack Watson

WEEKLY LEGISLATIVE REPORT

ADMINISTRATIVELY
CONFIDENTIAL

THE WHITE HOUSE
WASHINGTON

July 21, 1979

*Frank
J*

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE

SUBJECT: Weekly Legislative Report

I. DOMESTIC POLICY ISSUES

1. Appropriations

Supplemental -- Final Congressional action on the supplemental has been delayed because of a disagreement on whether to grant senior Senate staff (and perhaps House staff) a 5.5 percent pay increase. We expect this issue to be resolved and the bill to be enrolled on Monday.

Interior -- This bill was reported Thursday by the House Appropriations Committee.

	<u>Budget Authority</u> (in millions of dollars)
Request	8,441
Changes not affecting 1980 programs	-48
Policy changes	+1,803
Synthetic fuels production	(+1,500)
Forest Service	(+243)
Land & Water Conservation Fund	
-- Assistance to States	(-159)
Exploration of National	
Petroleum Reserve in Alaska	(+142)
Solvent Refined Coal Demon-	
stration Plants (SRC I & II)	(+45)
Other	(+32)
Total Change	+1,755
Congressional level	10,196

The Committee accepted most of the recommendations offered by the Subcommittee. Major changes included:

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- An additional \$1.5 billion for development of synthetic fuel. This would appropriate funds for the House-passed Moorhead bill (H.R. 3930). The committee intends that these funds support the synthetic fuels program until an energy trust fund can be established.
- A deletion of \$29 million requested for gas rationing plans.

Energy and Water Development -- Conference action will probably begin on Tuesday. The bill continues to be under our budget request in policy terms. The major changes adopted:

- A Nelson amendment to delete funds for continuing construction of the Yatesville and Bayou Bodcau projects (your letter helped greatly).
- A Culver amendment to strike language added on the House floor which would require completion of the Tellico Dam.
- A proposal to reduce the DOE's funds by \$6.9 million -- 25 percent of the Department's funding for motor vehicles in 1978 -- to force DOE to save fuel.
- Addition of funds (\$57.5 million) to complete the Hart Senate Office Building. This bill is considered a more promising legislative vehicle for this than the Legislative appropriations bill.

Agriculture -- The Senate completed action on this bill Thursday. They adopted a Bellmon amendment (60-36) deleting the \$202 million provided by the Committee for the special home ownership assistance program (HOAP). This action -- consistent with House action -- deletes all funds for this program. Both the House and Senate versions of the bill contain policy increases totaling about \$250 million, including \$110 million for special milk and \$65 million for conservation programs.

By a vote of 32-66, the Senate defeated a Bellmon amendment (supported by the Administration) reducing by \$40 million subsidies for milk served to non-needy children.

Treasury-Postal Service -- The House passed this bill on Monday. The Senate subcommittee marked up its version of the bill on Tuesday. Senate full committee action is scheduled for Tuesday.

Budget Authority
(in millions of dollars)

	<u>House</u>	<u>Senate Subcommittee</u>
Request	8,997	9,019
Changes not affecting 1980 program	-177	-177
Policy changes	<u>-30</u>	<u>-26</u>
Total Change	-207	-203
Congressional level	8,790	8,816

House Floor Action -- Several amendments to the full committee's recommendations were adopted. A discussion of the major changes follows:

A Bauman amendment was adopted by a vote of 294-90 to require you to return unused portions of the \$50,000 expense account to the Treasury. The Senate subcommittee did not recommend any similar provision.

A Miller amendment was adopted to prohibit the Secret Service from paying a Presidential candidate or campaign committee for space on a candidate's aircraft for agents protecting the candidates. Subcommittee Chairman Steed, who had formerly opposed this amendment, supported it after he found out that the Secret Service could instead pay the lessors of the plane.

Deletion of \$20.7 million in Postal Service funds to subsidize bulk mailings by political committees (other than those of the Democratic, Republican, or other party gaining at least 5 percent of the vote in a national election). The Senate subcommittee bill similarly cut \$24.7 million.

- An amendment that reduces the allowance in the bill for former President Nixon by \$66,600, effectively charging him for certain improvements made at his San Clemente home.
- A Dornan amendment that blocks the Internal Revenue Service from removing the tax-exempt status from private schools on grounds of discrimination.
- Deletion of provisions that (1) provide an appropriation for the Federal Election Commission and (2) limit

*It is important
to let this
\$50,000 be
spent. Check if
Lipshutz re
IRS obstacles
Be sure they
can pay
somebody!*

the pay increase of Government blue collar workers to that of white collar workers. The Senate subcommittee bill includes language covering both of these.

EOP Requests -- Action on EOP requests thus far is as follows:

(in thousands of dollars)

	<u>Request</u>	<u>House</u>	<u>Change</u> <u>Senate</u> <u>Subcommittee</u>
White House	18,210	---	---
Office of Administration	11,900	-900	-4,272
Office of Management and Budget	28,054	-454	+1,952
Council on Wage and Price Stability	8,483	-983	---
Domestic Policy Staff	2,650	-50	---

- The Office of Administration was denied \$4.3 million requested for ADP funding -- \$1.5 million of the increase for OMB returns funds for computer activities to OMB which had been transferred to OA. The remainder of the OMB increase would provide 20 additional positions to maintain management activities at the 1979 level.
- The subcommittee restored the \$983,000 and 33 positions to COWPS cut by the House. The report will caution against mid-year and retroactive changes in rules.

HUD-Independent Agencies -- This bill was marked up in Senate subcommittee Thursday. The Senate version, like its House counterpart, is below the budget request for policy items. Some of the highlights of Thursday's action include:

- The general revenue sharing and UDAG programs were fully funded despite Senator Proxmire's attempts to reduce them.
- EPA construction grants were reduced by \$400 million, the same as the House level.
- As a departure from usual practice, the committee decided not to recommend a housing mix for new and rehabilitated housing in the Section 8 program.
- Funding for the Selective Service System was reduced from \$9.8 million to \$7.8 million, the same level approved by the House.

We will provide a more complete report next week.

Labor-HEW -- Senate Floor Action completed Friday night. Policy increases in the House bill total \$257 million, but grow to \$757 million if the effect of the Michel amendment is not considered.

The Senate policy increases total \$948 million. However, since we requested by letter the \$250 million for fuel assistance in CSA, the resultant policy increment is \$697 million in the Senate. This number grew to \$917 million in yesterday's floor action as a result of a three-part Kennedy health add-on.

We are becoming concerned about the growth in the Senate bill and intend to press the conferees to reduce these funding levels.

We will present you a complete analysis next week.

2. Energy

Both the House and Senate are moving quickly on all fronts. The expected calendar for action on energy initiatives is as follows:

House

Monday -- EMB -- mark-up by Dingell's Energy & Power Subcommittee
 Tuesday -- final vote on stand-by rationing plan
 Wednesday, Thursday -- DOE Authorization vote
 Thursday -- CRBR vote
 Timing uncertain -- ESC mark-up by Energy & Power Subcommittee

Senate

Monday -- continued mark-up of EMB
 Tuesday -- Senate Finance Committee mark-up of WPT
 Timing uncertain -- mark-up Energy Security Corp. by Senate Energy Committee after EMB mark-up

Rationing -- Gas rationing plan will be taken up by the full House on Tuesday. Although the decreasing gas lines have eased the sense of emergency somewhat, our initial vote count shows gains. Nevertheless, the vote will be very close -- we have no Republican support.

CRBR -- The House will vote on the CRBR Thursday. Representatives Fuqua and George Brown will co-sponsor an Administration amendment terminating the project. Many liberals

who are upset over the Administration's increased funding for breeder research may vote against us. Udall and Bingham have co-sponsored an amendment which provides for \$200 million less than our request.

WPT -- The Senate Finance Committee will begin mark-up of the WPT Tuesday and will continue throughout the week with intermittent mark-ups on Targeted Fiscal Assistance and hearings on our Treasury and HEW nominees.

Monday WHCL, DPS, OMB, DOE and Treasury personnel will target committee members on WPT. As you know, it has only been in the last week that Senator Long has become somewhat negative on the WPT. He has some surprising allies such as Ribicoff in his effort to exempt third tier oil from the tax. About the best we can hope for in the Finance Committee is a split among the Democrats and support from the Republicans. This makes the ranking Republican, Senator Dole, a key. We will be working very hard on him with the emphasis on increasing short term production on oil, which is uppermost in many Members' minds. We are not optimistic about getting a strong bill reported by Finance.

Consequently, we are also embarking on a Senate floor strategy in which we will try to enlist coal state Senators' active help and play on traditional committee and personality feuds. (Jackson vs Long, and Muskie vs Long) Again, the key on the Senate floor will be gaining sufficient Republican support. This will focus on Senator Baker, whose views at this time are unclear.

Energy Mobilization Board -- Dingell's Energy and Power subcommittee will mark-up the EMB legislation Monday. Prospects for reporting the bill are good, but Dingell has said there will be changes in our proposal, primarily in the area of substantive decision making authority.

The Senate Energy Committee completed its second day of mark-up on the Energy Mobilization Board. Much of the time has been taken up with preliminaries and only a few decisions have been made. The Committee should finish its EMB mark-up by mid-week.

The Committee has tentatively agreed to a "Board" with a Cabinet-level chairman, serving at the pleasure of the President, possessing exclusive decision making authority. There would be a three-member, part-time advisory board.

The major fight will be over the Board's authority to override State and local law and regulations. Johnston and Stevens will propose override of both substantive and procedural State law. We propose override of procedural law only providing certain conditions are met. We define "procedural" broadly. The liberals on the Committee will agree to procedural overrides, but will propose a narrower definition of "procedural."

Energy Security Corporation -- Senator Muskie has appointed Senator Hart to lead a Budget Committee task force that will analyze the ESC. Senator Ribicoff will also be interested in the organizational aspects of the Corporation. We must work closely with both. In the Energy Committee, the alternatives being considered will be the Administration's bill, a Domenici syn-fuels proposal and Chairman Jackson's committee print. All are reasonably close on major points.

The biggest dangers to the ESC will be jurisdictional fights with Ribicoff's Committee and adverse Budget Committee action. OMB economists should work closely with CBO to explain our revenue projections from the windfall profits tax. We do not want the Budget Committee to conclude that syn-fuels spending will not be covered by proceeds from the tax.

3. Hospital Cost Containment

Tuesday, the Ways and Means Committee passed the HCC bill 22-14, becoming the third of the four committees required to act.

Waxman's House Commerce subcommittee cannot pass our bill. Waxman is now trying to determine the best course of action. We are recommending that he try to take the bill straight to the full committee.

Our present count indicates we have 18 of the necessary 22 votes to win. However, three of the four Democrats we need (Dingell, Sharp, and Russo) voted against HCC last year in committee. John Murphy (the fourth) was for it. If we have the votes mark-up could begin this week.

Unfortunately, the Ways and Means bill was granted an open rule. However we may be able to overcome this obstacle through intense lobbying or by going with the Commerce Committee bill.

4. Department of Education

The Department of Education bill was sent to conference committee Tuesday after a series of necessary actions by the House and Senate. In the House a Walker motion to instruct

conferees to retain the anti-affirmative action language was adopted 214-202. However, this action is not binding, and in light of the earlier vote on the amendment (277-120) the narrow margin on the instruction vote is a victory.

The conferees are: House -- Brooks, Fuqua, Fascell, Moorhead, St Germain, Levitas, Horton, Erlenborn, Stangeland, and Senate -- Ribicoff, Glenn, Levin, Percy and Javits.

Civil Rights and women's groups are generally pleased with the selection of conferees.

For a variety of reasons, the sizable number of controversial differences in the House and Senate bill, the short amount of time before recess, and some antagonistic Hill response to Secretary Califano's resignation, we believe it is best to defer Conference Committee action until after the August recess.

5. Busing

On Tuesday the House will take up a Constitutional Amendment to prohibit school busing, a 2/3 vote would be necessary for passage. Congressman Don Edwards is coordinating the vote count which at this point shows 170-190 opposed to the amendment. Justice is coordinating our effort; WHCL, Louie Martin and DPS are involved.

There have been numerous requests for your involvement -- including phone calls and meetings with Members of Congress. I believe the most productive use of your time would be for you to make one or two phone calls to civil rights leaders encouraging their assistance -- perhaps Ben Hooks and Clarence Mitchell.

Thus far Members have received little mail and few phone calls. Some representing districts with relatively high black populations are still undecided. The civil rights leaders should be asked to step up their efforts on Monday and Tuesday. Louie Martin will send you a phone request.

6. Trucking Deregulation

Regional hearings on trucking deregulation will begin after the August recess. WHCL and Anne Wexler's office will coordinate Administration witnesses.

7. AMTRAK

The AMTRAK Authorization bill is scheduled for House floor action Tuesday, although it could come up as late as

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Thursday. The bill will be managed by Representative Florio and is generally acceptable to the Administration.

DOT has been involved in an intensive effort to defeat the Gore-Fowler amendment which would simply continue the existing AMTRAK system for another year. The vote will be close.

8. Mortgage Bonds

The Ways and Means Committee Thursday morning approved a mortgage bond bill which allows the use of both single and multi-family housing bonds with stricter targeting and marketing limitations. Twenty percent of the loans must be placed in targeted chronic distressed areas and 75 percent of the mortgages must be made on a low down-payment basis (95% money).

The bill also provides for a sunset provision after three years for single-family housing bonds. During that time GAO, Treasury and UHD are to conduct a two-year study of the issue and report back to the Committee. The bill will formally be ordered reported on Wednesday.

9. Targeted Fiscal Assistance

The Senate Finance Committee is likely to mark up Targeted Fiscal Assistance on Tuesday. We have been working very closely with Senators Moynihan, Bradley, Danforth and Durenberger who are strong advocates of the bill in hopes of orchestrating a clean-cut mark up with little or no strong opposition.

We still have problems in the House Subcommittee on Intergovernmental Relations where Aspin and Snowe still oppose our bill.

10. Nominations

✓ ICC -- All three were confirmed last Monday. They will be sworn in at the Commission this week.

✓ FRB -- Schultz. Proxmire has indicated to Majority Leader Byrd that he wants to hold the Vice Chair nomination two or three days before the Senate considers it again. As you know Proxmire has said he merely wants to make a speech in opposition.

✓ HEW -- Secretary Harris' hearing before Senate Finance is scheduled for Wednesday morning. *Expedite*

✓ Treasury -- Senate Finance will hear Bill Miller on Friday morning.

II. FOREIGN POLICY ISSUES

1. Panama Implementing Legislation

The Senate Armed Services Committee voted 9-8 to report the Panama treaty implementing legislation. The bill is completely acceptable to the Administration and could come to the Senate floor as early as Tuesday.

It is yet unclear what tactics our opponents will employ. We expect numerous attempts to amend the legislation.

2. SALT III

After 2 weeks of public hearings before the Senate Foreign Relations Committee and closed hearings before the Senate Select Committee on Intelligence, we believe we have made the case for SALT II. The testimony of the JCS and their strong stand against amendments was very helpful even though the media portrayed their support as lukewarm.

We expect more difficult questioning by members of the Senate Armed Services Committee next week; however some of our strongest, most knowledgeable supporters, such as Culver and Hart are on that Committee. Opening testimony will be given by Brown and Perry, followed by Seignious and Earle. The Joint Chiefs of Staff will follow. Because of scheduling conflicts Secretary Vance will appear either Monday or Tuesday the week of the 30th.

The Intelligence Committee hearings will continue, as will Senate Foreign Relations Committee hearings on specific SALT issues.

3. Rhodesia

The following pieces of legislation are or may become targets for conservative challenges to our Rhodesia policy:

Foreign Aid Appropriation Bill -- We anticipate an effort on the House floor to earmark ESF for use in Rhodesia. We are also concerned that opponents of our policy may try to impose prohibitions on the Front Line states.

DOD Authorization Bill -- Conservatives may attempt to amend this bill on the House floor with sanctions-lifting language similar to that which passed the Senate on June 12. In any case we will have a sanctions fight when this bill goes to Conference.

*all veto
sent*

Export Administration Bill -- When the House considers this bill we could face an amendment calling for the lifting of the sanctions on U.S. exports to Rhodesia.

State Authorization Bill -- This bill is awaiting Conference. The Senate version contains non-binding sanctions lifting language. The House bill is silent on Rhodesia, but Solarz plans to try to get the essence of his compromise bill on sanctions included in the Conference report.

4. Development Assistance

The deadlock between House and Senate conferees continues over the House's proposal for an independent Peace Corps, and over the placement of the ESF in the development bill (House) or in the security bill (Senate). The Conference will meet again on Monday.

The Conference did agree Wednesday to a high option compromise authorization level of \$1.84 billion for AID and IO Title I programs (including earmarks of \$10 million for UNEF and \$3 million for UNDCDF); of \$23.75 million for ISTC (subject to absent Senator Baker's approval); and of \$105.4 million for the Peace Corps.

5. Multilateral Development Banks

Wednesday the House passed an amendment prohibiting the use of U.S. contributions to the World Bank for aid to Vietnam. A subsequent amendment offered by McHugh nullifies much of its harmful effect.

The House also voted 219 to 196 to cut funding for the World Bank by almost 50 percent from \$308 million to \$163.1 million. The Administration had originally requested \$1 billion. An amendment cutting funds for the Asian Development Bank by \$4 million was also adopted.

The House adopted an amendment reducing U.S. contributions to the Inter-American Development Bank by 2 percent, to \$870 million, after defeating a motion by Representative Bill Young to cut funding to \$737.3 million.

Final action on the Foreign Aid Appropriations bill is expected next week.

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*assess
impact of
a veto
&
Continuing
Resolution*

6. The Refugee Issue

House and Senate Members who are sympathetic to the Administration's new approach on Indochinese refugees will be pressing for speedy action on refugee legislation in the weeks ahead. Once the Vice President enunciates American policy at the Geneva refugee conference this weekend, we will have to move forward immediately with a FY 80 budget amendment request. Dante Fascell wants to add money for the Administrative side in the FY 80 State Department authorization, which goes to conference next week. Liz Holtzman was considering tagging on a refugee money amendment to the FY 80 Foreign Aid Appropriation Bill but will reportedly await our budget request. Dick Clark is scheduled to appear before Dante Fascell's subcommittee next week and Senator Kennedy and Liz Holtzman have asked for appearances by Secretary Vance, Dick Clark and Dick Holbrooke.

III. MISCELLANEOUS

-- Senator Stevens did not receive favorable reviews for his psychological analysis of you on the Senate floor. When challenged by White House CL, Stevens attributed your "erratic" behavior to the "crossing of so many time zones" during your recent trips to Vienna and Tokyo. Bob Thomson replied that the "time zone traversal" theory at least explained his own floor statement, since few public officials in Washington chalk up as many time zone crossings as the Senator from Alaska.

-- Congressman Parren Mitchell remarked that he couldn't understand where Joe Califano's new-found support has been the last year.

-- Congressman Foley was very supportive in his press release of your actions with the Cabinet.

-- Congressman Dicks reports that the Washington state press is claiming Adams did all this to posture himself to run for Senate against Magnuson.

-- The Democratic Study Group distributed a mock evaluation form for WH staff performance. Congressman Carr arranged for every former chairman of the DSG to call for the halt of DSG's mock evaluation of White House staff. Carr was also on the MacNeil/Lehrer Report Friday night defending WH decisions.

*He's
tops*

*may be
true*

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-- We see the initial hysteria about the Cabinet replacements dying down. Senators Hart, Bayh, Pell, Magnuson, Bumpers and others all voiced unfavorable reactions on Friday. On Saturday, however, only a few Senators mentioned the topic -- and in mild terms.

There will be one lasting result. That is the fear that the "Georgians", represented by Hamilton, are consolidating power within a narrow, closed circle.

*
↓
Few Members know Hamilton, and ignorance breeds mistrust. Consequently, we are working on a strategy to remedy that situation. The strategy may include a series of small, brief social gatherings here in the White House with key Members to let them get acquainted with Hamilton.

?
-- A consensus is emerging on a revised anti-inflation program from our meetings with Democrats. On Monday, we will have our first meeting with Republicans. We cleared the Republican Senate list with Baker. We hope you can meet this week with the Democrats to help firm up the emerging agreement.

* Ok, but don't over react.
as per Meet the Press - he will
not be running @L.

J

The schedule for the House of Representatives for the week of July 23, 1979, is as follows:

Monday, July 23

- S. 41 Release of Contingent Interest in Land Owned by Bell County, Kentucky
- H.R. 3777 To Incorporate into Law Provisions Concerning Congressional Use of Frank Mail
- H.R. 3528 Increase Coast Guard Enforcement of Laws on Importation of Controlled Substances and Other Items
- H.R. 4591 Technical Corrections to Education Amendments of 1978
- H.R. 3807 Codify Recent Law to U.S.C. Title 49
- H.R. 4440 Transportation Appropriations, FY 80
- H.R. 4034 Export Administration Act Amendments of 1979
- H.R. 3633 Nurses Training Amendments
- H.R. 4040 DOD FY 80 Authorizations

Tuesday, July 24 and the Balance of the Week

- H.J. Res 74 Constitutional Amendment to Prohibit School Busing
- S. 1030 Gas Rationing Authority & Conservation
- H.R. 3996 Amtrak Reorganization Act of 1979
- H.R. 3180 DOE Authorizations, FY 80
- H.R. 3000 Unemployment Compensation, re per diem Compensation
- H.R. 2462 Maritime Authorizations, FY 80
- H.R. 3236 Disability Insurance Amendments of 1979
- H.R. 4473 Foreign Assistance Appropriations, FY 80
- H.R. 4440 Transportation Appropriations, FY 80
- H.R. 4034 Export Administration Act Amendments of 1979

H.R. 3633 Nurses Training Amendments
H.R. 4040 DOD FY 80 Authorizations
H.R. 3683 Consolidated Farm and Rural Development
Act Amendments

THE WHITE HOUSE
WASHINGTON

7/23/79

Stu Eizenstat
Bob Lipshutz

The attached was returned
in the President's outbox
today and is forwarded to
you for your information.
The signed original has
been given to Bob Linder
for appropriation action.

Rick Hutcheson

cc: Bob Linder

THE WHITE HOUSE
WASHINGTON

July 19, 1979

MEMORANDUM FOR THE PRESIDENT

FROM:

BOB LIPSHUTZ
STU EIZENSTAT

RE:

CAB Decision: Fare Increases Proposed
by Transportes Aereos Portugueses,
Docket 36112

The CAB proposes to suspend TAP's 7 percent increase in normal economy fares from points in Portugal and the Azores to points in the United States.

There is little price competition at the economy fare level on these routes, and the Board's action suspending them is similar to suspensions of other economy fare increases which you have approved in the recent past.

The interested agencies have no objection to the Board's proposed order, which becomes final unless you disapprove it by July 23. We recommend approval.

Approve

Disapprove

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5:00

THE WHITE HOUSE

WASHINGTON

July 23, 1979

C
/

MEMORANDUM FOR THE PRESIDENT

FROM: JERRY RAFSHOON
RICK HERTZBERG



SUBJECT: Talking points for meeting with White House staff

You might open by talking for about five minutes, after which you would take questions. You might make these points:

1. At Camp David, I did a lot of listening and a lot of thinking about the future of our country. I thought particularly about the crisis of the spirit that I believe underlies the outward and visible problems of the Nation such as energy and inflation.
2. That crisis of the spirit is something I have been aware of for a long time. Leading the American people out of it was what my campaign for the Presidency was all about. And I do believe that with the help of so many in this room, a good deal of progress has been made. Americans no longer see their government as some sort of malevolent enemy, as so many did during the period of Vietnam and Watergate. The great cloud of guilt and shame that hung over our Nation has been lifted -- partly because of the efforts you and I have made together over the last two and a half years. We have restored integrity and idealism to the government of the United States.
3. What we have not restored -- what we must restore -- is a national sense of confidence about the future. We must restore the can-do spirit of America. This loss of confidence is a kind of hangover from those years of assassination, war and scandal. We can restore it -- not so much by words as by actions, particularly in uniting the country to reverse our dependence on foreign oil. Meeting that challenge can help us heal not only our economy but our national spirit as well.
4. I can lead this effort much more effectively with a united team behind me. That is the purpose of the changes I have made in my Cabinet, and also of the reevaluation of the White House Staff operation that is now going on.

5. Those of you who are competent, effective and loyal have nothing to fear from this process -- and that means the vast majority of you. Often you don't get the recognition you deserve. Staff work is almost by definition an anonymous task. But I know that most of you work just as long and hard and with as much dedication and loyalty as any of those who happen to be above you in the hierarchy. I want you to know how much I appreciate that.

6. The changes in the way we do business here should be welcome to most of you. Hamilton Jordan is as you know now the Chief of Staff, with my full confidence and support. We will have clearer lines of authority and accountability. The end result will be to make the work you do more effective and satisfying.

7. We are all in this together -- not just as a staff, but as a Nation. I need your best efforts -- and the Nation needs your best efforts -- to help me lead our country in the direction all of us believe we must go: away from pessimism and passivity and toward confidence and unity and belief in ourselves.

SHOULD
(You ~~might~~ then ask for questions. If people seem shy about asking questions -- particularly tough questions -- you might give them some encouragement.)

THIS
IS
OBVIOUS
—
DOES
NOT
NEED TO BE REPEATED
HJ.

THE WHITE HOUSE
WASHINGTON

7/23/79

Frank Moore
Tim Kraft

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

Rick Hutcheson

done
J

THE WHITE HOUSE

WASHINGTON

July 20, 1979

CONGRESSIONAL TELEPHONE CALL

TO: Senator Paul Sarbanes

DATE: July 20, 1979

RECOMMENDED BY: Bob Thomson *F.M.*

PURPOSE: The Senator called today and asked that you return his call.

BACKGROUND:

We feel it is important for you to call Senator Sarbanes because he could well be publicly supportive of the cabinet changes. He would like to talk to you about the following three items:

- ① Embury *top's*
- ② Fred Schultz *not chmn. - more*
- ③ McLaury *ok - fed*
- ④ Civiletti *top's*

1. That Civiletti is a good appointment.
2. He wants to support Bob Embury as Secretary of Housing and Urban Development.
3. Senator Sarbanes wants to talk to you about the Federal Reserve Board; in particular, he will urge that Fred Schultz not be appointed Chairman or acting Chairman.

Date of submission: July 20, 1979

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THE WHITE HOUSE

WASHINGTON

ADMINISTRATIVELY

July 20, 1979

CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

FROM:

ANNE WEXLER *AW*

SUBJECT:

Activities Report -- Week Ending July 20, 1979

This report is longer than usual due to the intensity of activities over the last few weeks since my last report.

1. Energy Program -- Most of the 300 groups (2,000 people) represented at the eleven energy briefings this week were supportive particularly labor, urban groups and trade associations. Environmentalists were upset as expected but will work with us on certain parts of the program.

A task force has been organized and we are working on a detailed outreach plan to support the legislative initiatives, identifying those groups whose interest in one part of the program can be leveraged for the whole program. We are also developing plans to show continued activity during the August Congressional recess.

Esther Peterson, Jack Watson and I are developing energy conservation programs, with Jack concentrating on interagency aspects and Esther on self-help programs, while I concentrate on outside groups. Per your remark to the Future Farmers, we should develop energy conservation awards. If you agree, we will work up a program.

Over 17,000 letters were received on your energy speech, many with pledges of support and expressions of renewed confidence. The responses will include tips on energy saving.

2. SALT II -- The Vice President did an excellent job in stimulating interest in SALT II during his seven-city tour. Mike Chanin went on the trip to help create the basis for a SALT organization in each city, building on the momentum created by the Vice President. The Americans for SALT organizing meeting was also successful. These activities combined should lead to good grassroots efforts in the key states.

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for Preservation Purposes**

Many organizations and prominent officials have now endorsed SALT and a current list is attached. In addition, other prominent individuals (like Dean Rusk), some of whom are members of the Committee on the Present Danger, are prepared to endorse SALT. I am holding these endorsements until circumstances will assure that they get proper public attention and the timing will be most effective.

3. Ethnic Events -- The man who mentioned Polish Hill to you on Monday on your return from Detroit was John Radzynski who helped during the campaign and would like to work on similar events. We will followup to develop possibilities for your consideration.

SALT ENDORSEMENTS
(7/19/79)

Religious Committee on SALT

American Baptist Churches

American Ethical Union

American Humanites Association

Baptist Joint Committee on Public Affairs

Christian Church, Disciples of Christ

Christian Feminist

Church of the Brethren

Church Women United

Friends Committee on National Legislation

National Assembly of Women Religious Council

National Council of Churches of Christ in the USA

National Federation of Priest Council

Network

Passionist Social Concerns Center

The Reformed Church in America

Southern Baptist Convention

Unitarian Universalist Association

United Church of Christ

United Methodist Church, Global Ministries
Women's Division

United Methodist Church, Board of Church and Society

United Presbyterian Church in the USA

United States Catholic Conference

Union of American Hebrew Congregation

Clergy and Laity Concerned

Other Religious

Alabama Episcopal Diocese
 Baptist General Convention of Texas
 Episcopal Peace Fellowship
 Joint US/USSR Church Leaders
 Mennonite Central Committee, Peace Section
 National Baptist Convention, USA, Inc.

Unions

Amalgamated Clothing and Textile Workers
 Communications Workers of America
 International Association of Machinists
 International Longshoreman's and Warehouseman's Union,
 Seattle Pensioner's Club
 Hotel and Restaurant Workers
 Progressive Alliance (list of members attached)
 National Education Association
 United Auto Workers
 United Steelworkers of America

Minority

Black Leadership Forum
 Joint Center for Political Studies
 Martin Luther King, Jr., Center for Social Change
 NAACP
 National Black Veterans Organization
 National Business League
 National Council of Negro Women
 National Urban Coalition
 National Urban League
 Operation PUSH
 World Community of Al-Islam in the West

IMAGE (Hispanic Government Employees Union)

Arms Control Organizations

Coalition for a New Foreign and Military Policy
 Business Executives Move for New National Priorities
 New Directions
 SANE
 Western New York Peace Center
 Women Strike for Peace
 World Federalist Association

State and Local Organizations

City Council of Chicago
City Council of Plainville, Conn.
New Jersey State Senate
New York State Liberal Party
Nassau Democratic County Committee

Miscellaneous

Americans for Democratic Action
American Committee on East-West Accord
National Board of the YWCA
National Council of Senior Citizens
National Gray Panthers
National Federation of Democratic Women
National Women's Political Caucus

PRO-SALT PROMINENT CITIZENS

Alabama

David Matthews
President
University of Alabama

General Ray Furlong
(U.S. Army-Retired)

California

Mayor Thomas Bradley
Los Angeles

Jonas Salk

Thornton Bradshaw
Chief Executive Officer
ARCO

Edmund G. (Pat) Brown
former Governor

Paul J. Flory
Stanford University

Armand Hammer
Chairman of the Board
Occidental Petroleum Corp.

Marina Von Neuman Whitman
Center for Advanced Study
in the Behavioral Sciences

Colorado

Walter Orr Roberts
Aspen Institute

Connecticut

Edward Gant
Acting President
University of Connecticut

Peter McColough
Chairman
Xerox, Inc.

Paul Newman

Delaware

Irving Shapiro
Chairman of the Board
DuPont de Nemours

District of Columbia

Ambassador Ellsworth Bunker

Marjorie Bell Chambers

William E. Colby

Arthur Goldberg

Ambassador Averell Harriman

Christian Herter

Townsend Hoopes

Mildred Jeffrey
National Women's Political Caucus

Ambassador Sol Linowitz

Ambassador George McGhee

Thomas J. McIntyre
former senator

Patsy Mink
President
Americans for Democratic Action

Ambassador Kenneth Rush

Sargent Shriver

Stuart Symington
former senator

Ambassador Charles Yost

William Winpisinger
International Association of Machinists

William Wynn
United Food and Commercial Workers

Florida

Radford D. Lovett
President
Piggly Wiggly Corporation

Georgia

James E. Andrews
Stated Clerk
Presbyterian Church in the USA

Coretta Scott King

Donald Stewart
President
Spelman College

Illinois

Reverend Jesse Jackson

Phillip M. Klutznick

Brooks McCormick
Chairman
International Harvester

Indiana

Reverend Theodore Hessburg

John Ryan
President
Indiana University

Reverend Kenneth Teegarden
President
Disciples of Christ Church

Maryland

Dr. Milton Eisenhower

Massachusetts

Graham Allison
Dean, Kennedy School of Government

Professor Paul Doty
Director, Center for Science and
International Affairs, Harvard

John Kenneth Galbraith

General James Gavin

George Kistiakowski

John W. McCormack
former Speaker

Donald K. Price
Dean Emeritus, Kennedy School

Jerome Weisner
President, M.I.T.

Michigan

E. M. Estes
President
General Motors Corporation

Douglas Fraser
President, UAW

Minnesota

David W. Preus
President
American Lutheran Church

Burton Joseph
Honorary National Chairman
B'nai B'rith

Missouri

James McDonnell
Chairman
McDonnell Douglas

New York

Robert Benjamin
United Artists Corporation

Norman Cousins

Angier Biddle Duke

Murray Finley
Amalgamated Clothing and Textile Workers

Clifton Garvin
Chairman of the Board
Exxon Corporation

Malcolm S. Forbes
Forbes Magazine

Donald M. Kendall
Chairman
Pepsico, Inc.

Richard Gelb
Chairman
Bristol-Meyers Company

Robert Hatfield
Chairman
The Continental Group, Inc.

Vernon Jordan
National Urban League

Nicholas deB. Katzenbach

Alfred A. Knopf

George P. Livanos
Seres Shipping Company

Betty Goetz Lall
New York State School of Industrial Relations

Joyce D. Miller
Coalition of Labor Union Women

Stewart Mott

William S. Paley
Chairman
CBS, Inc.

Avery D. Post
President
United Church of Christ

Robert V. Roosa
Brown Brothers, Harriman and Company

Harrison E. Salisbury
New York Times

Rabbi David Saperstein
Union of American Hebrew Congregations

Theodore Sorenson

Marietta E. Tree

Richard Shinn
President
Metropolitan Life Insurance

J. Stanford Smith
Chairman
International Paper Company

Martha Wallace
Henry Luce Foundation

George Weissman
Chairman
Philip Morris

North Carolina

William Friday
President
University of North Carolina, Chapel Hill

Terry Sanford
President
Duke University

Pennsylvania

Lloyd McBride
President
United Steelworkers

Martin Myerson
President
University of Pennsylvania

L. Stanton Williams
Chairman
PPG Industries

Tennessee

Benjamin Hooks
NAACP

Dr. Herman Postma
Director
Oak Ridge National Laboratory

Dr. Foy Valentine
Southern Baptist Convention

Texas

Harding Lawrence
Chairman
Braniff Airlines

Virginia

Admiral Isaac Kidd

Vice Admiral Gerald E. Miller
(USN-Retired)

General Bruce Palmer
(U.S. Army-Retired)

Vice Admiral William Raborn
(USN-Retired)

Dr. Herbert Scoville

Wisconsin

Robert E. Matteson
former director of White House
Disarmament Staff

Martin Schreiber
former governor

THE WHITE HOUSE
WASHINGTON

7/23/79

Hamilton Jordan

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

Rick Hutcheson

cc: Hugh Carter

PRESIDENTIAL TRANSITION ACT
AND FORMER PRESIDENT'S ACT

THE WHITE HOUSE

WASHINGTON

July 20, 1979

Ham -
cc Hugh
J

MEMORANDUM FOR THE PRESIDENT

THROUGH: HAMILTON JORDAN
FROM: HUGH CARTER *HK*
SUBJECT: Presidential Transition Act and Former
President's Act

The Senate Governmental Affairs Subcommittee on Civil Service and General Services, chaired by Senator David Pryor, has recently held an oversight hearing regarding the above statutes. The Former President's Act has received a large amount of public attention recently as a result of a U.S. News and World Report article regarding expenditures made by former Presidents Ford and Nixon. Senator Pryor has extended an opportunity for a representative of this Administration to testify about both statutes.

The Comptroller General (CG) has proposed a series of amendments to both acts. A review group was formed consisting of White House and Vice President's Counsel, Marty Beaman, representatives of OMB, and myself to review the CG's and GSA's recommendations. The review group consulted with Richard Harden, Jack Watson and Walter Kallaur. Also taken into consideration were former President Ford's comments requesting additional funding for staff for an extended period and liability insurance coverage.

The review group generally accepts the recommendations of the CG. The following is a summary of the current law, and CG's proposals, and the review groups' final recommendations.

I. TRANSITION ACT

A. Current law includes transition out as well as in.

CG proposes that the Transition Act should deal solely with the incoming administration. Transfer transition out to the Former President's Act.

The review group agrees with the CG.

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for Preservation Purposes**

- B. Current law includes no provision for use of aircraft.

CG proposes authorization for use of aircraft, including approval of reimbursement from the press, etc.

The review group agrees with the CG.

- C. Current law requires that GSA determine appropriateness of proposed obligations or expenditures.

CG proposes a clarifying amendment requiring approval of GSA before expenditure or obligation of funds; except for small imprest fund and national security expenditure provisions.

The review group agrees with the CG; however, recommends: (1) A requirement that GSA meet with major candidates and make plans for transition; and (2) GSA propose an accounting and financial management system subject to review and approval by GAO.

- D. Current law provides that GSA provide communications service found necessary by the President-elect. There is no specific provision allowing support of the type you received.

CG has not proposed any changes.

The review group recommends clarification which provides that Government communications may be used on a non-reimbursable basis upon Presidential approval.

II. FORMER PRESIDENT'S ACT

- A. Current law has \$96,000 per year staff salary authorization limit; except the limit is \$150,000 during the first 30 months.

CG proposes deleting the authorization limit and handling as an appropriation matter.

The review group agrees with the CG; however, as an alternative, recommends extension of the salary authorization limit of \$150,000 from 30 months to 36 months.

- B. Current law does not authorize payment of moving expenses.

CG proposes payment of moving expenses.

The review group agrees with the CG; however, recommends that position not be stated.

- C. Current law authorizes the spouse of a deceased former president to receive an annual pension of \$20,000.

CG proposes setting the pension at one-third of the annual rate authorized for a former president (i.e., now \$22,000).

The review group agrees with the CG; however, recommends that position not be stated.

- D. Current law includes no authorization for liability insurance for automobiles, etc.

CG has not proposed any changes.

The review group recommends authorization for liability insurance.

- E. Current law does not provide for use of aircraft.

CG proposes authorization for use of aircraft, including credit of reimbursements from press, etc., to appropriations account.

The review group agrees with the CG.

- F. Current law provides that GSA provide necessary communications services.

CG has not proposed any changes.

The review group recommends clarification providing that Government communications may be used on a reimburseable basis during the remainder of fiscal year in which he leaves office.

- G. Current law does not provide for use of detailees.

CG proposes allowing detailees on a reimburseable basis during the fiscal year in which transition occurs.

The review group agrees with the CG.

APPROVE REVIEW GROUP'S RECOMMENDATIONS _____ ✓

DISAPPROVE REVIEW GROUP'S RECOMMENDATIONS _____ J

COMMENTS _____

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for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

7-23-79

Fritz.

Identify for me
remaining obstacles to
building Alaska-Canada
gas pipe line. Let's
move with it.

J

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
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	VICE PRESIDENT
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	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

Mr. President:

Hamilton, Jody and
Jerry have asked for a
11:30 am meeting with you
this morning.

approve disapprove

Phil


**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

7/23/79

Frank Moore

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

Rick Hutcheson

cc: Stu Eizenstat

	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
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	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

THE WHITE HOUSE

WASHINGTON

July 20, 1979

*Done
J*

CONGRESSIONAL TELEPHONE REQUEST

TO: Congressman Jim Corman (D-California)

DATE: Monday, July 23

BACKGROUND: Congressman Corman called me today to say that he would like to talk with you on Monday.

Congressman Corman was close to Secretary Califano. He wants to tell you that he still supports you and will continue to support you in '80. He also wanted you to know that he still considers national health insurance very important.

I recommend that you return his call. He is very influential in the Committee and we need his continued support.

SUBMITTED BY: Frank Moore *FM*

Date of Submission _____

*Wants to meet
Soon 'c' Stu &
Pat Harris
J*

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for Preservation Purposes

THE WHITE HOUSE
WASHINGTON
7/23/79

Bob Lipshutz
Frank Moore
Hugh Carter

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

Rick Hutcheson

cc: The Vice President
Stu Eizenstat

PRESIDENTIAL COMPENSATION/
EXPENSE ALLOWANCE

THE WHITE HOUSE
WASHINGTON

7/23/79

Mr. President:

Congressional Liaison
concur.

Rick

	FOR STAFFING
	FOR INFORMATION
<input checked="" type="checkbox"/>	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

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	POWELL
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	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
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	BUTLER
<input checked="" type="checkbox"/>	H. CARTER
	CLOUGH
	COSTANZA
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	FALLOWS
	FIRST LADY
	GAMMILL
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	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
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	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

Electrostatic Copy Made
for Preservation Purposes

FROM:

BOB LIPSHUTZ *BL*
HUGH CARTER *HC*

SUBJECT:

Presidential Compensation/Expense Allowance

We are writing to provide background on your \$50,000 expense allowance and request your concurrence on an immediate course of action.

As you know, the House has attached an amendment to the Appropriation Bill covering your compensation. The amendment proposes that any unused portion of the \$50,000 allowance for official expenses be returned to the Treasury.

To the best of our knowledge, for the last 30 years, Presidents have kept such unused expense funds as part of their compensation. Accordingly, the House amendment would have the effect of cutting your gross salary by whatever amount of the \$50,000 you choose not to spend on official expenses.

From 1969 to 1972 President Nixon deducted from \$7,000 to \$16,900 per year as official expenses. Beyond this, however, we have been unable, to date, to determine what portion of this expense allowance other past Presidents have spent and how much they have kept.

Meanwhile, however, the Senate Appropriations Subcommittee has reported the Senate bill, as we submitted it, to the full Appropriations Committee without adding any amendment.

The plan, subject to your approval, is to attempt to steer the bill through the full Senate Committee (which marks-up on Tuesday, July 24), the floor vote, and the conference to get an Appropriation Bill without any amendments.

We feel this is the best we can do effectively right now. There just isn't time to introduce new legislation properly.

After the Appropriation Bill passes, we will come back to you with options on the introduction of legislation to modify the language of the authorization for this account to clarify the situation.

APPROVE
 DISAPPROVE

*This is ok for
a 2nd choice
J*

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

23 July 1979

TO: THE PRESIDENT
FROM: RICK HUTCHESON *R.H.*
SUBJECT: Memos Not Submitted

1. SCHLESINGER MEMO, reporting that a review committee (including Frank Press and others) has recommended that Drs. Harold Agnew and Wolfgang Panofsky receive the Enrico Fermi Award for 1978 (meritorious contribution to the development, use and control of atomic energy). Phil Wise has declined a White House ceremony.
2. RAY MARSHALL MEMO, recommending a new strategy for dealing with the undocumented aliens issue before and after your meeting with President Portillo. DPS, CL and OMB advise that there is little chance of congressional activity until after the Askew Commission reports, and recommend that you take no action on Marshall's memo at this time.
3. ROBERT FROSCH MEMO re space shuttle status. The installation of thermal protection tiles is accelerating. A failure occurred during a main propulsion test on July 2, resulting in some testing delay. The current schedule could culminate in a flight by March, 1980; the chance of flight by June, 1980 is 50%.
4. BOB LIPSHUTZ MEMO, "Petition to Set Aside the Conviction of Dr. Samuel A. Mudd." Senator Charles Mathias, Congressman Paul Simon and 35 other congressmen petitioned you to declare null and void the conviction in 1865 of Dr. Samuel Mudd, for conspiracy in the Lincoln assassination. (Mudd set John Wilkes Booth's broken leg.) Congressional Liaison, Justice and Lipshutz request that you sign the attached letter to Dr. Mudd's grandson, Richard Mudd, in whose behalf the Members of Congress have written you. In essence, the letter says that you are without legal authority to set aside this conviction, restates the exonerative declarations made by President Andrew Johnson in pardoning Samuel Mudd, and indicates your concurrence with the Johnson conclusions. Speechwriters have cleared.

THE WHITE HOUSE
WASHINGTON

7/24/79

Bob Lipshutz

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

Copies are also being provided to Congressional Liaison so that they may be forwarded to Senator Mathias and Cong. Simon.

Rick Hutcheson

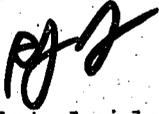
cc: Frank Moore/Ev Small

THE WHITE HOUSE

WASHINGTON

July 16, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: BOB LIPSHUTZ 

SUBJECT: Petition to Set Aside the Conviction
of Dr. Samuel A. Mudd

Dr. Samuel A. Mudd was the Maryland physician who set the broken leg of escaping Lincoln assassin John Wilkes Booth. His trial, conviction, and sentencing for conspiracy in the Lincoln assassination by a military commission in 1865 historically have aroused considerable controversy because of the belief that he was in fact innocent of any criminal complicity.

In August 1977 we received a petition from Senator Charles McC. Mathias, Congressman Paul Simon and thirty-five other Members of Congress requesting that you declare Mudd's conviction null and void. Similar requests have been received from others as well. Underlying the Congressional request is the relentless interest of many Mudd descendants in seeing the family name cleared of what they consider an unjust taint. Dr. Richard Mudd, a 79-year old grandson of Samuel Mudd, has been very active over the past 52 years in researching and exposing the facts surrounding the alleged injustice and seeking to redress it. CBS news correspondent, Roger Mudd, is also a Mudd descendant with a more subdued interest in this matter.

After reviewing this case with Justice, I believe that it is reasonable to conclude that the validity of the conviction is indeed questionable for the following reasons:

- ° The government's case against Mudd was weak (although not without foundation) and the evidence used to obtain his conviction was largely circumstantial. Mudd was convicted not only of knowingly helping Booth escape, but also of plotting the actual assassination. To the extent that historians believe Mudd was guilty at all, they feel that his involvement was limited to that of an accessory after the fact. In 1869 President Andrew Johnson pardoned Mudd, expressing the beliefs that Mudd's guilt was limited to aiding the escape of Booth and that the evidence of even such limited complicity was ambiguous and uncertain.

- ° There is little doubt that the trial, conducted in an atmosphere of post-assassination hysteria, was not fair--at least by today's standards of due process. The military commission, for example, refused to permit Mudd to testify on his own behalf and there appears to have been a deliberate suppression of exonerative evidence in the possession of the government.
- ° There is a reasonable question of whether Mudd, a civilian, could be constitutionally tried by a military tribunal. An analogous 1866 Supreme Court decision (ex parte Milligan) held that military tribunals have no authority to try civil offenses in districts in which the civil courts are in operation.

While there may be merit to the claim that the Mudd conviction resulted in a miscarriage of justice, I believe, and Justice agrees, that it would be inappropriate to issue a Presidential statement purporting to set aside findings that are the domain of judicial processes and whose consequences are now mainly historical. In addition, Justice believes that a President has no power to set aside a conviction such as this. The only Presidential power bearing on this case is the pardon authority--a power to "forgive" an offense rather than to reach judgments of guilt or innocence reserved to courts and juries--which was fully exercised and exhausted by President Andrew Johnson.

This position has been informally conveyed to Senator Mathias and Congressman Simon. They are nevertheless hopeful that some sympathetic statement might be made by you to the elderly Richard Mudd who has spent a large part of his life trying to clear the Mudd name.

The attached letter to Richard Mudd says in essence that you are without legal authority to set aside this conviction, restates the exonerative declarations made by President Johnson in pardoning Samuel Mudd, and indicates your concurrence with the Johnson conclusions. I believe that sending the letter would be a suitable response to the congressional petition and to Richard Mudd's lifetime efforts. I therefore recommend that you sign it.

THE WHITE HOUSE

WASHINGTON
July 24, 1979

To Dr. Richard Mudd

I am aware of your efforts to clear the name of your grandfather, Dr. Samuel Alexander Mudd, who set the broken leg of President Lincoln's assassin, John Wilkes Booth, and who was himself convicted as a conspirator in the assassination. Your persistence in these efforts, extending over more than half a century, is a tribute to your sense of familial love and dedication and is a credit to the great principles upon which our nation was founded.

Your petition and the petitions submitted to me on behalf of your grandfather by numerous members of Congress, several state legislatures, historians and private citizens have been exhaustively considered by my staff over the past two years. Regrettably, I am advised that the findings of guilt and the sentence of the military commission that tried Dr. Mudd in 1865 are binding and conclusive judgments, and that there is no authority under law by which I, as President, could set aside his conviction. All legal authority vested in the President to act in this case was exercised when President Andrew Johnson granted Dr. Mudd a full and unconditional pardon on February 8, 1869.

Nevertheless, I want to express my personal opinion that the declarations made by President Johnson in pardoning Dr. Mudd substantially discredit the validity of the military commission's judgment.

While a pardon is considered a statement of forgiveness and not innocence, the Johnson pardon goes beyond a mere absolution of the crimes for

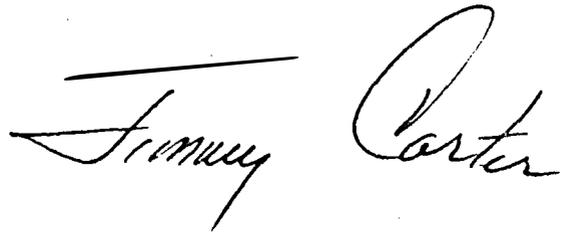
which Dr. Mudd was convicted. The pardon states that Dr. Mudd's guilt was limited to aiding the escape of President Lincoln's assassins and did not involve any other participation or complicity in the assassination plot itself -- the crime for which Dr. Mudd was actually convicted. But President Johnson went on to express his doubt concerning even Dr. Mudd's criminal guilt of aiding Lincoln's assassins in their escape by stating:

"...it is represented to me by intelligent and respectable members of the medical profession that the circumstances of the surgical aid to the escaping of the assassin and the imputed concealment of his flight are deserving of a lenient construction, as within the obligations of professional duty and, thus, inadequate evidence of a guilty sympathy with the crime or the criminal;

"And...in other respects the evidence, imputing such guilty sympathy or purpose of aid in defeat of justice, leaves room for uncertainty as to the true measure and nature of the complicity of the said Samuel A. Mudd in the attempted escape of said assassins..."

A careful reading of the information provided to me about this case led to my personal agreement with the findings of President Johnson. I am hopeful that these conclusions will be given widespread circulation which will restore dignity to your grandfather's name and clear the Mudd family name of any negative connotation or implied lack of honor.

Sincerely,

A handwritten signature in cursive script that reads "Jimmy Carter". The signature is written in dark ink and is positioned to the right of the typed name below.

Dr. Richard Mudd
1001 Hoyt Avenue
Saginaw, Michigan 48607

THE WHITE HOUSE

WASHINGTON

To Dr. Richard Mudd

I am aware of your efforts to clear the name of your grandfather, Dr. Samuel Alexander Mudd, the physician who set the broken leg of President Lincoln's assassin, John Wilkes Booth, and who was subsequently convicted as an assassination conspirator.

Your tireless efforts for more than half a century to unearth and publicize the facts in the case and the questionable circumstances surrounding Dr. Mudd's conviction are commendable. Such persistence and faith are a tribute to the strength of familial love and dedication and are a credit to the great principles upon which our nation was founded.

Your petition and the petitions on behalf of your grandfather submitted to me by numerous members of Congress, several state legislatures, historians and private citizens asking that I vacate the conviction of Dr. Samuel Mudd have been exhaustively considered by my staff over the past two years. Regrettably, I am advised that the findings of guilty and the sentence of the military commission that tried Dr. Mudd in 1865 are binding and conclusive judgments, and that there is no authority under law by which I, as President, could set aside his conviction. All legal authority vested in the President to act in this case was exercised when President Andrew Johnson granted Dr. Mudd a full and unconditional pardon on February 8, 1869.

Nevertheless, I feel compelled to restate the declarations made by President Johnson in pardoning Dr. Mudd which, in my personal opinion, substantially discredit the bases of the military commission's judgment.

While a pardon is considered a statement of forgiveness and not innocence, the Johnson pardon goes beyond a mere absolution of the crimes for which Dr. Mudd was convicted. The pardon states that Dr. Mudd's guilt was limited to aiding the escape of President Lincoln's assassins and not of any greater participation or complicity in the assassination plot itself--an offense for which Dr. Mudd was in fact convicted. But President Johnson went on to express his

doubt concerning even Dr. Mudd's criminal guilt of aiding Lincoln's assassins in their escape by stating:

"...it is represented to me by intelligent and respectable members of the medical profession that the circumstances of the surgical aid to the escaping of the assassin and the imputed concealment of his flight are deserving of a lenient construction, as within the obligations of professional duty and, thus, inadequate evidence of a guilty sympathy with the crime or the criminal;

"And...in other respects the evidence, imputing such guilty sympathy or purpose of aid in defeat of justice, leaves room for uncertainty as to the true measure and nature of the complicity of the said Samuel A. Mudd in the attempted escape of said assassins..."

On the basis of the information provided to me concerning this case, I wish to express to you my concurrence with the findings of President Johnson. I am hopeful that those conclusions will be given widespread recognition which will restore dignity to your grandfather's name and clear the Mudd name of any negative connotation or implied lack of honor.

Sincerely,

Dr. Richard Mudd
1001 Hoyt Avenue
Saginaw, Michigan 48607

U U U U
ID 792952

THE WHITE HOUSE

WASHINGTON

DATE: 16 JUL 79

FOR ACTION: FRANK MOORE (LES FRANCIS)

JODY POWELL

JERRY RAFSHOON

RICK HERTZBERG

INFO ONLY:

U U U U
SUBJECT: LIPSHUTZ MEMO RE PETITION TO SET ASIDE THE CONVICTION
OF DR. SAMUEL A. MUDD

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

U U U U
ACTION REQUESTED: IMMEDIATE TURNAROUND

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

U U U U
PLEASE NOTE OTHER COMMENTS BELOW:

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

have letter edited
by speechwriter &
retyped

ID 792952

THE WHITE HOUSE

WASHINGTON

DATE: 16 JUL 79

FOR ACTION: FRANK MOORE (LES FRANCIS)

JODY POWELL

JERRY RAFSHOON

could call him

nc

INFO ONLY:

SUBJECT: LIPSHUTZ MEMO RE PETITION TO SET ASIDE THE CONVICTION
OF DR. SAMUEL A. MUDD

+++++

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

+ BY: 1200 PM WEDNESDAY 18 JUL 79 +

+++++

ACTION REQUESTED:

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

PLEASE NOTE OTHER COMMENTS BELOW:

*Rick -
Justice does concur*

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

*p/s
ret/pe*

23 July 1979

TO: THE PRESIDENT
FROM: RICK HUTCHESON
SUBJECT: Summary of Lipshutz Memo, "Petition to Set Aside the Conviction of Dr. Samuel A. Mudd"

Sen. Charles Mathias, ^{senator} and Cong. Paul Simon and 35 other Members of Congress have petitioned you to declare null and void the conviction in 1865 of Dr. Samuel Mudd, ~~who~~ *for* ~~was convicted of conspiracy in the Lincoln assassination,~~ *settling the broken leg of Lincoln's* John Wilkes Booth's *broken leg*

(Mudd) Lipshutz, Justice and Congressional Liaison request that you sign the attached letter to Richard Mudd, Dr. Samuel Mudd's grandson, in whose behalf the Members of Congress have petitioned you.

do The letter says in essence that you are without legal authority to set aside this conviction, restates the exonerative declarations made by President Andrew Johnson in pardoning Samuel Mudd, and indicates your concurrence with the Johnson conclusions.



National Aeronautics and
Space Administration

Washington, D.C.
20546

Office of the Administrator

July 17, 1979

The President
The White House
Washington, DC 20500

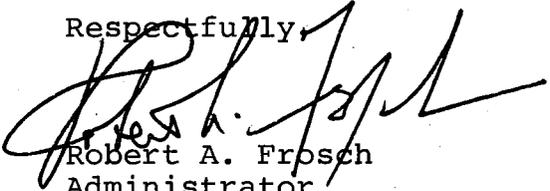
Dear Mr. President:

The enclosed status report covers improvements in the processing of the orbiter Columbia, and a successful series of main engine tests marred by a three engine test failure early this month.

The Congress continues to move toward essentially full funding of the NASA portion of the Shuttle program: we are working with the Air Force and OMB to seek restoration of the House cut in military construction funds for the west coast launch site.

In response to your helpful memorandum of July 12, I am arranging to appoint several consultants to review the Shuttle effort and report their views by October 15.

Respectfully,



Robert A. Frosch
Administrator

Enclosure

SPACE SHUTTLE STATUS
(JUNE 14 TO JULY 13)

OVERALL - We are deeply involved in the qualification of flight-configured hardware. Work on Columbia is continuing at the Kennedy Space Center (KSC), with tile installation accelerating. A failure occurred during a main propulsion test on July 2, resulting in some testing delay. Our current schedule could culminate in first flight by the end of March 1980 -- the chance of flight by the end of June 1980 is 50%.

ORBITER - The rate of application of the thermal protection system has increased, but progress remains slower than planned. During this reporting period approximately 1300 tiles were installed, as compared to 800 during the previous period. This brings the total number of tiles installed at KSC to over 3000, with 9000 to go. Other work required to ready Columbia for its first flight is continuing. Combined systems tests are on schedule.

ENGINE - We have accumulated 50,319 seconds of main engine tests against the preflight goal of 80,000 seconds. About 3000 seconds were accumulated during this reporting period. Sixteen successful tests were run on the Preliminary Flight Certification engine during this period. Major test objectives, including operating the engine at 102% of rated power during a simulated nominal mission, were achieved. Inspections are underway and testing of this engine is expected to resume this week. Testing at the Santa Susana site, which had been halted due to an engine nozzle problem is expected to resume shortly.

TEST PROGRAM - During a planned 520-second three engine main propulsion system test on July 2, cutoff occurred after less than 20 seconds. Just prior to the cutoff signal, a hydrogen leak resulted in an external fire. The cause has been identified as a structural failure of the body of the main hydrogen valve on one of the test engines. The failure caused some structural damage to the test article heat shield and attach structure. The resulting external fire caused slight damage to the TPS and local instrumentation. The preliminary indication is that a delay in the next MPT firing of three months or so may be necessary. Further investigation, recommendations for corrective actions, and schedule assessment are proceeding.

EXTERNAL TANK AND SOLID ROCKET BOOSTER - No major problems exist in either of these projects. The first flight external tank arrived at KSC on July 6. The first solid rocket qualification motor was successfully fired on June 3; the second is scheduled for test in late August. Segments of the first flight motors are scheduled to arrive at KSC during July and August. Other booster subsystems are being assembled at KSC.

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

24 July 1979

TO: FRANK PAGNOTTA
FROM: RICK HUTCHESON *R.H.*
SUBJECT: Schlesinger Memo, "1978 Enrico Fermi Award"

The nominees recommended by Secretary Schlesinger to receive the 1978 Enrico Fermi Award have been approved. However, Phil Wise has determined that a Presidential ceremony to present the awards will not be possible.

I presume that DOE can therefore proceed with presenting the awards. Thanks.

cc: Phil Wise
Jerry Rafshoon

THE WHITE HOUSE
WASHINGTON

7/20/79

Phil Wise
Fran Voorde

Jerry Rafshoon concurs with the award
for nominees but not necessarily with
a ceremony. Do you wish to schedule
a ceremony?

NO

Rick Hutcheson



Department of Energy
Washington, D.C. 20585

July 12, 1979

MEMORANDUM FOR: THE PRESIDENT
FROM: JIM SCHLESINGER 
SUBJECT: 1978 Enrico Fermi Award

The Department of Energy statute contains provisions for the granting of "an award for any especially meritorious contribution to the development, use or control of atomic energy", subject to your approval. It is this provision that forms the basis for the prestigious Enrico Fermi Award.

The Department set up an ad hoc committee composed of Frank Press, Bob Frosch, Dick Atkinson, Duane Sewell and Dick Hewlett (DOE Historian) to review all nominations for the 1978 Enrico Fermi Award. The committee unanimously recommended that two nominees be given this award--Dr. Harold Agnew and Dr. Wolfgang K. H. Panofsky. I concur fully in the committee's recommendations and have attached biographies of these two outstanding individuals, a list of previous recipients of the award, and the membership of the ad hoc committee.

The award consists of a gold medal, a check for \$25,000 and a Presidential citation. If this meets with your approval, I would hope that you could bestow these awards personally at an appropriate ceremony at the White House during the middle of August.

Attachments:

- Tab A - Biography--Harold Agnew
- Tab B - Biography--Wolfgang K. H. Panofsky
- Tab C - Award List
- Tab D - Ad Hoc Committee Membership

TAB A

C

HAROLD M. AGNEW

Biography

Harold Agnew was born March 28, 1921, in Denver, Colorado.

He graduated from South High School in Denver in 1938. In 1942 he received his A.B. in chemistry from the University of Denver with physics and mathematics as minors and earned a Phi Beta Kappa key for his scholarship. He attended the University of Chicago on a National Academy of Science Fellowship from 1946-48, receiving an M.A. in physics. In 1949 he received his Ph.D. in physics from the University of Chicago.

Dr. Agnew has been closely associated with the nuclear energy program since 1942 when he joined the Metallurgical Laboratory of the U.S. Army's Manhattan Engineer District and was one of the group which worked with Enrico Fermi on the first nuclear fission chain reaction at the University of Chicago. On December 2, 1942, man first initiated a self-sustaining nuclear chain reaction, and controlled it.

On April 1, 1943, he joined the staff of the Los Alamos Laboratory where he made significant contributions to the work of developing the first atomic bomb.

In 1946, Dr. Agnew left Los Alamos to earn his doctorate with Enrico Fermi at the University of Chicago, and returned to Los Alamos on August 10, 1949, as a staff member of the Physics Division. He was Assistant to Technical Associate Director from 1951 to 1953; Associate Division Leader, Theoretical Division, 1954-56; and from 1956 to 1961 was Alternate Weapons Physics Division Leader.

Dr. Agnew left the Laboratory on a leave of absence in 1961 to serve as Scientific Advisor to the Supreme Allied Commander in Europe at NATO headquarters in Paris. Upon his return to LASL in 1964 he was named head of the Weapons Physics Division. In this capacity he directed specific investigations related to development of nuclear components of weapons. The scope of this work extends from fundamental physical and chemical research to actual detail design and testing of weapons. On September 1, 1970, he became Director of the Los Alamos Scientific Laboratory and retired from that position in March 1979 to become President of Gulf General Atomic, Inc.

His memberships include: Phi Beta Kappa; Member, U.S. Air Force Scientific Advisory Board, 1957-68; Member, Von Karman Study Group, 1960; Consultant, Joint Committee on Atomic Energy, 1960; Member, U.S. Air Force Minuteman Planning Committee, 1961; Chairman, U.S. Army Scientific Advisory Panel, 1964-70; Chairman, U.S. Army Combat Developments Command Scientific Advisory Group, 1965; Member, President's Scientific Advisory Committee, Aircraft Panel, 1965-72, Air Traffic Control Panel, 1970; Member, Defense Science Board, 1966-70; Member, NASA Aerospace Safety Advisory Panel, 1968-74; General Advisory Committee, U.S. Arms Control and Disarmament Agency, 1974 to present, Chairman 1974-78; a member of the Council on Foreign Relations, 1975 to present; a member of the Board of Directors, Federation of Rocky Mountain States, Inc., 1975-present; a member of the National Academy of Engineering, 1976 to present; a member of the Army Science Board, 1978 to present; and a member of the National Research Council - Assembly of Engineering, National Academy of Engineering.

Dr. Agnew is also a Fellow of the American Physical Society and a Fellow of the American Association for the Advancement of Science.

In recognition of his contributions to the nuclear weapons program he was awarded one of the AEC's Ernest O. Lawrence Awards in 1966. In the spring of 1971 he received the NASA Public Service Award for his dedicated service as a member of the Aerospace Safety Advisory Panel which contributed significantly to the safety and success of the Apollo Program. In addition to his technical achievements, Dr. Agnew has served two terms as a member of the New Mexico State Senate, 1955-61; Los Alamos County Board of Education Trustees, 1950-55 (President, 1955); member of the Governor's Radiation Advisory Council, 1959-61; New Mexico Health and Social Services Board, 1971-73; and Senior Fellow, Woodrow Wilson National Fellowship Foundation, 1973 to present.

TAB B

WOLFGANG K. H. PANOFSKY

Biography

Dr. Panofsky was born in Berlin, Germany on April 24, 1919. He received his Bachelor's degree in Physics from Princeton University in 1938 and his Ph.D. from the California Institute of Technology in 1942. During the period 1942-1945 he was associated with the Office of Scientific Research and Development.

In 1945 Dr. Panofsky came to the University of California in Berkeley where he emerged as an inspiring teacher and an enthusiastic researcher. As a member of the faculty of the University of California his research work at the Lawrence Radiation Laboratory was divided between the design and construction of a 32 MeV proton linear accelerator and experiments in elementary particle physics. The most important result of these efforts was the experimental determination of the intrinsic parity of the pi-meson which led to a new selection rule in reactions involving pi-mesons. Constraints were thereby imposed on theories to explain the properties of these mesons. These experiments also determined that the electrically neutral pi-meson was lighter than its electrically charged counterpart and made the first quantitative determination of the mass difference between the charged and neutral pions.

At Stanford Dr. Panofsky's research was initially conducted at the High Energy Physics Laboratory, where he was appointed Director in 1953. The experiments he initiated ranged over the broad spectrum of physics which utilizes an electron accelerator. The most important of his experiments were concerned with the direct electron-induced production of pi-mesons from nucleons and yielded the first information on the electromagnetic structure of the unstable excited states of the nucleon. This line of investigation, begun by Dr. Panofsky, has been continued by other experimentalists at the High Energy Physics Laboratory at Stanford, and by physicists at other high energy electron machines around the world. During the period of Dr. Panofsky's directorship of the Stanford High Energy Physics Laboratory, this Laboratory grew from a small facility with a somewhat unreliable accelerator, to its present stature as one of the world's foremost laboratories in the field of electron physics. This development to a large extent is due to the atmosphere of the Laboratory, fostered by Dr. Panofsky. Dr. Panofsky's strong support of, and enthusiasm for, research initiated by the junior physicists has been in large measure responsible for the vitality of the Stanford High Energy Physics Laboratory.

In 1961 Professor Panofsky became the Director of the Stanford Linear Accelerator Center (SLAC) and took over direct management of the construction of the new Laboratory and its major research tool, the 20 BeV electron linear accelerator. Dr. Panofsky's involvement in the large linear accelerator project dates, however, from a considerably earlier time. In 1956, with the assistance of the staffs of the Stanford High Energy Physics and the Microwave Laboratories, he participated in the design studies which culminated in a proposal to the Atomic Energy Commission for authorization of the construction of this project.

Under Dr. Panofsky's supervision, the construction of this accelerator was completed on time and within the budget--a remarkable achievement. In addition, experimental research at this center has flourished under his direction.

It is now recognized that the men who design, perfect, and construct these accelerators are surmounting intellectual and creative challenges in no way lesser than those who are making use of the accelerators to discover basic new phenomena. On this score one can say that Dr. Panofsky, as Director of the High Energy Physics Laboratory, and particularly now, in leading the development, completion and administration of the SLAC accelerator, has made a vital contribution to elementary particle physics. As both an experimentalist and a builder, Professor Panofsky has provided that most important interface between the user and the accelerator physicist that distinguishes a first-rate laboratory.

Dr. Panofsky has served as a consultant to several government agencies including the Atomic Energy Commission, the National Science Foundation and the Air Force. He was a member of the High-Energy Commission of the International Union of Pure and Applied Physics from 1958 to 1960 and served on the President's Science Advisory Committee from 1960-1963. He is a member of the National Academy of Sciences and a Past President of the American Physical Society.

TAB C

Past Recipients of the
Enrico Fermi Award

- | | |
|------------------------------|-------------------------------|
| 1. John von Neumann (1956) | 10. Lise Meitner (1966) |
| 2. Ernest O. Lawrence (1957) | 11. Fritz Strassmann (1966) |
| 3. Eugene P. Wigner (1958) | 12. John A. Wheeler (1968) |
| 4. Glenn T. Seaborg (1959) | 13. Walter H. Zinn (1969) |
| 5. Hans A. Bethe (1961) | 14. Norris E. Bradbury (1970) |
| 6. Edward Teller (1962) | 15. Shields Warren (1971) |
| 7. J. R. Oppenheimer (1963) | 16. Stafford L. Warren (1971) |
| 8. H. G. Rickover (1964) | 17. Manson Benedict (1972) |
| 9. Otto Hahn (1966) | 18. William L. Russell (1976) |

Years No Awards Were Granted:

1960
1965
1967
1973
1974
1975
1977

TAB D

Ad Hoc Committee Membership

1978 Enrico Fermi Award

Frank Press
Science and Technology Advisor
to the President

William J. Perry
Under Secretary of Defense
for Research and Engineering
Department of Defense

Richard Atkinson
Director
National Science Foundation

Robert Frosch
Administrator
National Aeronautics and
Space Administration

John M. Deutch
Director of Energy Research
Department of Energy

Duane C. Sewell
Assistant Secretary for
Defense Programs
Department of Energy

Richard G. Hewlett
Chief Historian
Department of Energy

THE WHITE HOUSE
WASHINGTON

7/20/79

Phil Wise
Fran Voorde

Jerry Rafshoon concurs with the award for nominees but not necessarily with a ceremony. Do you wish to schedule a ceremony?

Rick Hutcheson

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND
<input type="checkbox"/>	NO DEADLINE
<input type="checkbox"/>	LAST DAY FOR ACTION -

*fell thru
Terry
concerns re awards, not
rec ceremony*

ACTION
FYI

<input type="checkbox"/>	ADMIN CONFID
<input type="checkbox"/>	CONFIDENTIAL
<input type="checkbox"/>	SECRET
<input type="checkbox"/>	EYES ONLY

<input type="checkbox"/>	VICE PRESIDENT
<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	MOORE
<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON
<input type="checkbox"/>	WEXLER
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	MCINTYRE
<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	CRUIKSHANK
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	RAFSHOON
<input type="checkbox"/>	SCHNEIDERS
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<input type="checkbox"/>	WARREN
<input checked="" type="checkbox"/>	WISE

<input type="checkbox"/>	ADAMS
<input type="checkbox"/>	ANDRUS
<input type="checkbox"/>	BELL
<input type="checkbox"/>	BERGLAND
<input type="checkbox"/>	BLUMENTHAL
<input type="checkbox"/>	BROWN
<input type="checkbox"/>	CALIFANO
<input type="checkbox"/>	HARRIS
<input type="checkbox"/>	KREPS
<input type="checkbox"/>	MARSHALL
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VANCE

ID 792909

THE WHITE HOUSE

WASHINGTON

DATE: 13 JUL 79

FOR ACTION: JERRY RAFSHOON

Concur

INFO ONLY: THE VICE PRESIDENT

STU EIZENSTAT

ZBIG BRZEZINSKI

FRANK PRESS

Concur!

SUBJECT: SCHLESINGER MEMO RE 1978 ENRICO FERMI AWARD

+++++

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

+ BY: 1200 PM WEDNESDAY 18 JUL 79 +

+++++

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND
<input type="checkbox"/>	NO DEADLINE
<input type="checkbox"/>	LAST DAY FOR ACTION

FOR ACTION
FYI

<input checked="" type="checkbox"/>	VICE PRESIDENT
<input type="checkbox"/>	JORDAN
<input checked="" type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LIPSHUTZ
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<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HERNANDEZ
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	KAHN
<input type="checkbox"/>	LINDER
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<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input checked="" type="checkbox"/>	PRESS
<input type="checkbox"/>	SANDERS
<input type="checkbox"/>	WARREN
<input type="checkbox"/>	WEDDINGTON
<input type="checkbox"/>	WISE
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	ADMIN. CONFIDEN.
<input type="checkbox"/>	CONFIDENTIAL
<input type="checkbox"/>	SECRET
<input type="checkbox"/>	EYES ONLY



Department of Energy
Washington, D.C. 20585

July 12, 1979

NOTE TO RICK HUTCHESON

Attached you will find Jim Schlesinger's recommendation to the President along with the necessary background papers for his approval of recipients for the 1978 Enrico Fermi Award.

I would appreciate knowing when the President approves the nominees so we can proceed with plans for the presentation ceremony.

Thanks.

A handwritten signature in cursive script, appearing to read "Frank R. Pagnotta".

Frank R. Pagnotta
Director
Office of The Secretary

Attachments



Department of Energy
Washington, D.C. 20585

July 12, 1979

MEMORANDUM FOR: THE PRESIDENT
FROM: JIM SCHLESINGER
SUBJECT: 1978 Enrico Fermi Award

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- Tab B - Biography--Wolfgang K. H. Panofsky
- Tab C - Award List
- Tab D - Ad Hoc Committee Membership

HAROLD M. AGNEW

Biography

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He graduated from South High School in Denver in 1938. In 1942 he received his A.B. in chemistry from the University of Denver with physics and mathematics as minors and earned a Phi Beta Kappa key for his scholarship. He attended the University of Chicago on a National Academy of Science Fellowship from 1946-48, receiving an M.A. in physics. In 1949 he received his Ph.D. in physics from the University of Chicago.

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His memberships include: Phi Beta Kappa; Member, U.S. Air Force Scientific Advisory Board, 1957-68; Member, Von Karman Study Group, 1960; Consultant, Joint Committee on Atomic Energy, 1960; Member, U.S. Air Force Minuteman Planning Committee, 1961; Chairman, U.S. Army Scientific Advisory Panel, 1964-70; Chairman, U.S. Army Combat Developments Command Scientific Advisory Group, 1965; Member, President's Scientific Advisory Committee, Aircraft Panel, 1965-72, Air Traffic Control Panel, 1970; Member, Defense Science Board, 1966-70; Member, NASA Aerospace Safety Advisory Panel, 1968-74; General Advisory Committee, U.S. Arms Control and Disarmament Agency, 1974 to present, Chairman 1974-78; a member of the Council on Foreign Relations, 1975 to present; a member of the Board of Directors, Federation of Rocky Mountain States, Inc., 1975-present; a member of the National Academy of Engineering, 1976 to present; a member of the Army Science Board, 1978 to present; and a member of the National Research Council - Assembly of Engineering, National Academy of Engineering.

Dr. Agnew is also a Fellow of the American Physical Society and a Fellow of the American Association for the Advancement of Science.

In recognition of his contributions to the nuclear weapons program he was awarded one of the AEC's Ernest O. Lawrence Awards in 1966. In the spring of 1971 he received the NASA Public Service Award for his dedicated service as a member of the Aerospace Safety Advisory Panel which contributed significantly to the safety and success of the Apollo Program. In addition to his technical achievements, Dr. Agnew has served two terms as a member of the New Mexico State Senate, 1955-61; Los Alamos County Board of Education Trustees, 1950-55 (President, 1955); member of the Governor's Radiation Advisory Council, 1959-61; New Mexico Health and Social Services Board, 1971-73; and Senior Fellow, Woodrow Wilson National Fellowship Foundation, 1973 to present.

TAB B

WOLFGANG K. H. PANOFSKY

Biography

Dr. Panofsky was born in Berlin, Germany on April 24, 1919. He received his Bachelor's degree in Physics from Princeton University in 1938 and his Ph.D. from the California Institute of Technology in 1942. During the period 1942-1945 he was associated with the Office of Scientific Research and Development.

In 1945 Dr. Panofsky came to the University of California in Berkeley where he emerged as an inspiring teacher and an enthusiastic researcher. As a member of the faculty of the University of California his research work at the Lawrence Radiation Laboratory was divided between the design and construction of a 32 MeV proton linear accelerator and experiments in elementary particle physics. The most important result of these efforts was the experimental determination of the intrinsic parity of the pi-meson which led to a new selection rule in reactions involving pi-mesons. Constraints were thereby imposed on theories to explain the properties of these mesons. These experiments also determined that the electrically neutral pi-meson was lighter than its electrically charged counterpart and made the first quantitative determination of the mass difference between the charged and neutral pions.

At Stanford Dr. Panofsky's research was initially conducted at the High Energy Physics Laboratory, where he was appointed Director in 1953. The experiments he initiated ranged over the broad spectrum of physics which utilizes an electron accelerator. The most important of his experiments were concerned with the direct electron-induced production of pi-mesons from nucleons and yielded the first information on the electromagnetic structure of the unstable excited states of the nucleon. This line of investigation, begun by Dr. Panofsky, has been continued by other experimentalists at the High Energy Physics Laboratory at Stanford, and by physicists at other high energy electron machines around the world. During the period of Dr. Panofsky's directorship of the Stanford High Energy Physics Laboratory, this Laboratory grew from a small facility with a somewhat unreliable accelerator, to its present stature as one of the world's foremost laboratories in the field of electron physics. This development to a large extent is due to the atmosphere of the Laboratory, fostered by Dr. Panofsky. Dr. Panofsky's strong support of, and enthusiasm for, research initiated by the junior physicists has been in large measure responsible for the vitality of the Stanford High Energy Physics Laboratory.

In 1961 Professor Panofsky became the Director of the Stanford Linear Accelerator Center (SLAC) and took over direct management of the construction of the new Laboratory and its major research tool, the 20 BeV electron linear accelerator. Dr. Panofsky's involvement in the large linear accelerator project dates, however, from a considerably earlier time. In 1956, with the assistance of the staffs of the Stanford High Energy Physics and the Microwave Laboratories, he participated in the design studies which culminated in a proposal to the Atomic Energy Commission for authorization of the construction of this project.

Under Dr. Panofsky's supervision, the construction of this accelerator was completed on time and within the budget--a remarkable achievement. In addition, experimental research at this center has flourished under his direction.

It is now recognized that the men who design, perfect, and construct these accelerators are surmounting intellectual and creative challenges in no way lesser than those who are making use of the accelerators to discover basic new phenomena. On this score one can say that Dr. Panofsky, as Director of the High Energy Physics Laboratory, and particularly now, in leading the development, completion and administration of the SLAC accelerator, has made a vital contribution to elementary particle physics. As both an experimentalist and a builder, Professor Panofsky has provided that most important interface between the user and the accelerator physicist that distinguishes a first-rate laboratory.

Dr. Panofsky has served as a consultant to several government agencies including the Atomic Energy Commission, the National Science Foundation and the Air Force. He was a member of the High-Energy Commission of the International Union of Pure and Applied Physics from 1958 to 1960 and served on the President's Science Advisory Committee from 1960-1963. He is a member of the National Academy of Sciences and a Past President of the American Physical Society.

Past Recipients of the
Enrico Fermi Award

- | | |
|------------------------------|-------------------------------|
| 1. John von Neumann (1956) | 10. Lise Meitner (1966) |
| 2. Ernest O. Lawrence (1957) | 11. Fritz Strassmann (1966) |
| 3. Eugene P. Wigner (1958) | 12. John A. Wheeler (1968) |
| 4. Glenn T. Seaborg (1959) | 13. Walter H. Zinn (1969) |
| 5. Hans A. Bethe (1961) | 14. Norris E. Bradbury (1970) |
| 6. Edward Teller (1962) | 15. Shields Warren (1971) |
| 7. J. R. Oppenheimer (1963) | 16. Stafford L. Warren (1971) |
| 8. H. G. Rickover (1964) | 17. Manson Benedict (1972) |
| 9. Otto Hahn (1966) | 18. William L. Russell (1976) |

Years No Awards Were Granted:

1960
1965
1967
1973
1974
1975
1977

TAB D

Ad Hoc Committee Membership

1978 Enrico Fermi Award

Frank Press
Science and Technology Advisor
to the President

William J. Perry
Under Secretary of Defense
for Research and Engineering
Department of Defense

Richard Atkinson
Director
National Science Foundation

Robert Frosch
Administrator
National Aeronautics and
Space Administration

John M. Deutch
Director of Energy Research
Department of Energy

Duane C. Sewell
Assistant Secretary for
Defense Programs
Department of Energy

Richard G. Hewlett
Chief Historian
Department of Energy

ID 792909

THE WHITE HOUSE

WASHINGTON

DATE: 13 JUL 79

FOR ACTION: JERRY RAFSHOON

INFO ONLY: THE VICE PRESIDENT

STU EIZENSTAT

ZBIG BRZEZINSKI

FRANK PRESS

SUBJECT: SCHLESINGER MEMO RE 1978 ENRICO FERMI AWARD

+++++

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

+ BY: 1200 PM WEDNESDAY 18 JUL 79 +

+++++

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:

FP 7-17-79

THE WHITE HOUSE
WASHINGTON

7/24/79

TO: STU EIZENSTAT
FROM: RICK HUTCHESON

Rick

The President decided not to review this memo at this time. Please ensure that Secretary Marshall's proposals are included, as appropriate, in briefing material prepared for the President's meeting with President Lopez Portillo.

ID 792890

THE WHITE HOUSE

WASHINGTON

DATE: 10 JUL 79

FOR ACTION: STU EIZENSTAT

7/17 - will recommend attached

FRANK MOORE

*concur w/ SE
7/16 - hold continue to that*

ZBIG BRZEZINSKI *nc*

JIM MCINTYRE

RICK HERNANDEZ *attached*

take no action - until after Portillo visit

INFO ONLY: THE VICE PRESIDENT

LONDON BUTLER

SUBJECT: MARSHALL MEMO RE UNDOCUMENTED ALIENS

*7-19
message for
summary*

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM THURSDAY 12 JUL 79 +
+++++

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:

WASHINGTON

DATE: 10 JUL 79

FOR ACTION: STU EIZENSTAT

FRANK MOORE

ZBIG BRZEZINSKI

JIM MCINTYRE

RICK HERNANDEZ

INFO ONLY: THE VICE PRESIDENT

LONDON BUTLER

SUBJECT: MARSHALL MEMO RE UNDOCUMENTED ALIENS

+++++

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

+ BY: 1200 PM THURSDAY 12 JUL 79 +

+++++

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:

Best piece of work I have seen
on this issue since I have been
here!

Rico

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

July 16, 1979

TO: Bill Simon

FROM: Meg McAleer

SUBJECT: Marshall Memo re: Undocumented Aliens

CL feels strongly that this memo should not go into the President unless and until there are consultations on the Hill. If it must go in, it should be noted that there has been no Congressional input and Congressman Rodino and Senator Kennedy, at the very least, should be consulted before any decisions are made.

If you want CL to begin consultations, let me know and we will do so immediately.

cc: Bill Cable
Bob Thomson
Les Francis
Jim Copeland

**MEMORANDUM
OF CALL**

TO:

Bill

YOU WERE CALLED BY—

YOU WERE VISITED BY—

OF (Organization)

PLEASE CALL → PHONE NO. CODE/EXT. _____ FTS

WILL CALL AGAIN

IS WAITING TO SEE YOU

RETURNED YOUR CALL

WISHES AN APPOINTMENT

MESSAGE

*NSC - No Comment
on Undocumented
Alien memo*

RECEIVED BY

DATE

TIME

THE WHITE HOUSE

WASHINGTON

July 19, 1979

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT *Stu*
FRANK WHITE

SUBJECT: Secretary Marshall's Memorandum
Concerning Undocumented Aliens

While we support the approach suggested for your meeting with Lopez Portillo, there are a number of points in the memorandum with which we disagree and some other observations that need to be made:

1. In our view there is little likelihood that the Senate will seriously consider any proposals in this area. Even those Senators who strongly support employer sanctions privately acknowledge that there is virtually no chance of a bill passing. Because the House has twice-passed employer sanctions only to have it die in the Senate each time, Chairman Rodino has said several times he will not move it again until the Senate has acted.

2. The failure of our 1977 proposals was not due to substantive or technical shortcomings but rather to the fact that there is not yet a broad consensus in the Senate in support of legislation of this kind. Indeed, this is what Governor Askew's Commission will undertake to develop. To be sure, there are some aspects in which the proposal may be improved but we doubt that even with these improvements the Senate will seriously consider this legislation.

3. Instead of making such changes in our 1977 package as it thought appropriate, Congress chose, primarily at the urging of Senator Kennedy, to create the Askew Commission. Although its mandate is broad, it is generally conceded that the illegal entry issue is perhaps the most difficult question facing the Commission. Although not justified, many members are likely to use the creation of the Commission as a reason for deferring any action in this area. Hispanic groups can be expected to urge Congress to do nothing until the Commission has submitted its report.

4. With 1980 an election year, it is unlikely that the members of Congress will be willing to take this issue on. This almost guarantees that they will seek to use the Commission as an excuse for doing nothing.

5. You do not need to reintroduce the bill to demonstrate Presidential leadership or concern about this issue. Our public position has been that it was one of the principal matters to which you directed your attention upon taking office; that you submitted to Congress the most comprehensive and thoughtful package ever presented on the subject; that Congress chose instead to create a Commission rather than to deal with the matter; that you remain willing to cooperate with the Congress at any time in fashioning a solution.

The risks of resubmission, on the other hand, are great. Mexican-Americans, already concerned about what they perceive to be Administration insensitivity to their concerns, will simply have another basis for attacking the Administration. It would be one thing if the bill had a reasonable chance of passage. But the considered view is that it does not. To risk, as we approach reelection, that kind of backlash on a bill that doesn't have a chance of passage seems unwise.

In sum, we believe that you should continue to take a hard line with Lopez Portillo because it is important to continue to encourage Mexican acceptance of the inevitability of U.S. action in this area. We think, on the other hand, that nothing will be gained and much could be lost by mechanically resubmitting the bill. Certainly, in light of the upcoming meeting, no decision to resubmit it should be made now.

U.S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY
WASHINGTON, D.C.
20210

July 10, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: SECRETARY OF LABOR, Ray Marshall *RM*

SUBJECT: Undocumented Aliens

The purpose of this memorandum is to recommend a strategy for dealing with the undocumented aliens issue both during and subsequent to your upcoming meeting with President Lopez-Portillo of Mexico. I understand that in response to a recent memorandum from Stuart Eizenstat, you indicated that you would not make any decisions on this matter until after the September conference. Although I believe that this is a wise decision, I also continue to feel that addressing this issue at the earliest possible moment should be treated as a high national priority.

Proposals of August 1977

I believe that the failure to enact the Administration's proposals of August 1977 can be ascribed to the following:

- (1) The proposals were seriously flawed in two ways. First, the granting of a five year temporary worker permit to individuals who entered the country between 1970 and 1977 was regarded by many as a process which institutionalized the second class status of large numbers of undocumented aliens. Second, it was feared that the lack of a reliable means of identifying individuals legally entitled to work in the United States would lead to discrimination by employers against workers who appeared foreign.
- (2) The overall political climate was poor. Senator Eastland, then Chairman of the Senate Judiciary Committee, disliked the Administration bill because of its implication for agricultural interests. The

Administration has many other pressing priorities. As a result, hearings were not held on the bill until the summer of 1978. No significant effort was made to educate either members of Congress or the American public on either the issue or the Administration proposals. Especially important, I believe, was our failure to read the difference in attitudes between the Hispanic leadership, who tend to regard the current influx of undocumented aliens as strengthening their constituency base, and the Hispanic population in general, who tend to regard undocumented aliens as competitors in low-wage labor markets. Finally, the creation of the Select Commission on Immigration and Refugees has provided some individuals the opportunity to argue that a better solution may be forthcoming if we wait a few years.

- (3) Any change from the status quo was seen as likely to strain our increasingly important relations with Mexico. The Mexicans correctly perceive that the illegal immigration process represents an important safety valve for their explosive unemployment dilemma.

A New Set of Proposals

I believe that in the light of our experience with the 1977 proposals, a new set of proposals can now be drafted to address this issue. On the basis of numerous discussions with Hispanic groups, members of Congress, and church and union leaders concerned with this problem, I feel that these proposals would stand a good chance of enactment. In broad terms, I propose the following:

- (1) As in the previous proposals, make the hiring of undocumented aliens unlawful and enforce the prohibition on a "pattern or practice" basis.
- (2) Institute a reliable system of work permits so individuals legally entitled to work in the country can be identified without the potential for discrimination. Such a system

might be based on the social security card, which the (largely unenforced) Social Security law already requires be issued only to those legally entitled to work in the country. A recent study by the Labor Department has indicated that a reasonably secure work permit system (not based on the social security card) could be put in place for less than \$200 million per year. We have conducted detailed analyses of identification options that are even less expensive, but this is a very important matter and should be carefully constructed. The benefits to be derived from a secure identification system outweigh the costs at the less than \$200 million level.

- (3) Grant eligibility for permanent resident alien status to undocumented aliens who have been in the United States three or four years. Individuals entering after that would remain deportable.

- (4) Allow the existing H-2 temporary worker program to fill any legitimate need for additional agricultural workers. The basis for deciding whether temporary foreign workers should be admitted under the H-2 program is whether or not U.S. workers are available at prevailing wages and working conditions. This is a sound concept because it forces employer groups who say sufficient domestic workers are not available to make legitimate job offers, but also forces labor organizations who say that workers are available to produce job applicants. Reducing the flow of foreign workers into the United States probably would cause employers to develop systems to use domestic workers more effectively. The number of temporary foreign workers allowed to enter the country would thus be explicitly linked to existing labor market conditions. If the reduction in the number of undocumented aliens in the United States opens up jobs domestic workers are unwilling to take, a natural expansion of the H-2 program might be expected. New legislative authority would not be required. The number of workers who would

acquire permanent resident alien status under this proposal might be sufficient to obviate the need for much, if any, expansion of the H-2 program.

- (5) Increase the resources available for border enforcement.

The chances for enacting this set of proposals would, I think, be good. We would have the following factors on our side.

- (1) Senator Eastland has retired and Senator Kennedy now heads the Judiciary Committee. Although Kennedy has been cautious regarding support of any undocumented alien bill, he has expressed his willingness to work with us and I believe he will eventually help us with the above set of proposals.
- (2) The reduction of the excess supply of workers in low wage labor markets which would probably result from the enactment of the above program could be a popular political position, especially during the next two years, when unemployment will probably be rising. An extensive public and Congressional education effort should be undertaken to promote understanding of the issue and to make sure that the strong feelings people have about this problem are channeled into constructive rather than destructive activities. If we act now, a humane solution to this problem is possible; if we wait, demagogues on all sides will make a humane solution more difficult.
- (3) I don't believe, and don't believe that the American people will believe, that the Select Commission will either be able to produce a better set of proposals or improve the political consensus. Waiting for the Select Commission report would be widely regarded as an indication of government inability to come to grips with tough issues.

I recommend you take the following approach when you meet with President Lopez-Portillo:

- (1) Inform him that you are inclined to propose the program outlined above but are interested in receiving his comments and suggestions. He should be told that although we have no wish to strain our relations with Mexico, we do feel bound to control illegal immigration into the United States.
- (2) He may be somewhat attracted by the temporary worker part of the proposal. If the legal temporary workers program were to expand in response to labor market needs, Mexican workers would be under protection of our laws and thus better off. The fact of illegality creates problems for us both in terms of our law enforcement program and with respect to our relations with Mexico.
- (3) Make sure he realizes that you are likely to introduce some set of proposals to the Congress later this year.

I would be pleased to discuss these proposals with you further at your convenience.

THE WHITE HOUSE
WASHINGTON

July 23, 1979

4:10 p.m.

Mr. President:

Warren Christopher called.

Phil

- re Nicaragua
- a) what Latin friends think
 - b) Vahy travel around
 - c) Use Aid to help moderate
 - d) Amb/Aid director (Harrison)
 - e) Arch Bishop 'Obravo popular
 - f) Military moderate & Torrijos help

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

Mr. President:

Bob Strauss requests and
Hamilton recommends that you
see him tomorrow on a mid-
east matter for a few minutes.

approve disapprove

Phil

I don't think he
still needs to
see me

THE WHITE HOUSE

WASHINGTON

July 23, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE

SUBJECT: Senator Byrd and the Windfall Profits Tax

Our chances of getting a strong tax through the Finance Committee are not good. We are going to have to cut our losses there and concentrate on the Senate Floor. Senator Byrd will be critical to this effort and we must enlist his active assistance as soon as possible.

I hope you will take the first opportunity to impress on the Senator the need to have the Senate pass a strong tax which will serve as the funding base for our synfuels program, an essentially COAL-based program.

I suggest that you make the following points:

(1) Oil state Senators have charged that your energy program does not offer sufficient incentives for domestic exploration and production. They have chosen to neglect your decision to decontrol all domestic oil prices by September of 1981. Decontrol coupled with the windfall profits tax you proposed will increase domestic production by a million barrels a day. Exempting newly discovered oil from the tax, as proposed by oil state Senators, would result in only an additional 150,000 to 300,000 barrels per day.

(2) The acceptance of only two amendments (exempting newly discovered oil and providing a so-called small producers exemption) would reduce revenues by more than a third and effectively gut the synfuels program which is largely dependent on COAL.

Finally, I am concerned that Senator Byrd may have plans to keep the Senate in session for at least part of the August recess and to blame us for having to do so. If Senators have to forego family vacations or cancel political appearances, they will be very upset. The Senate Leadership should have to cope with their wrath, not you. If you ask Senator Byrd to keep the Senate in past August 3rd, it will be counterproductive in terms of our goal of getting a strong tax. He should make that decision himself.

THE WHITE HOUSE

WASHINGTON

July 23, 1979

MEMORANDUM FOR THE PRESIDENT

FROM

STU EIZENSTAT *Stu*
KITTY SCHIRMER

SUBJECT

TALKING POINTS FOR THE LEADERSHIP BREAKFAST

We met this morning with representatives of Frank Moore's staff, DoE, and Treasury to discuss strategies for dealing with the windfall profits tax in the Senate. We believe that it is very important for you to:

- o put a public spotlight on the Senate Finance Committee mark-up which begins on Thursday;
- o send a clear signal that the Administration is going to make a strong fight, both in Committee and on the floor, for a tax which is at least as strong as the one we originally recommended; and
- o reinforce the importance of enacting a strong tax to our ability to undertake the massive new program you announced last week; exemptions from the tax will seriously jeopardize that program.

We recommend that you use the following basic talking points at the leadership breakfast.

1. No action which the Congress will take this session will be more important than its action on the windfall profits tax. Without that tax, we cannot assure the American public either of equity as we move to decontrol oil prices, or of our fiscal ability to pay for the program which will provide energy security for the country.
2. The Administration has supported the House-passed bill, but with important strengthening amendments to make the tax permanent. The Senate must enact a tax which is at least

as strong as the House bill with these amendments over its entire life or we will have failed in our basic mission to provide both for equity and for energy security.

3. This Thursday, the Senate Finance Committee will begin marking up the windfall profits tax bill. Over the next two days, members of my staff, and the Departments of Energy and Treasury will be calling on each of the Members of the Committee to explain in greater detail the adverse consequences of weakening amendments to or exemptions from the tax. I stand ready to point out to the Congress and to the public the serious risks which these kinds of amendments pose for our energy security.

4. For example, if newly discovered oil, production from tertiary recovery techniques, and production under 2000 barrels per day were exempted from the tax as the House passed it, one third of the estimated receipts -- more than \$54 billion over the period 1980 to 1990 even assuming no further OPEC price increases -- would be lost. That in turn would seriously jeopardize our ability to pay for the investments which I have recommended for the Energy Security Corporation and the other programs I announced last week.

5. It is also important to note another point. Our ability to win our energy war will depend on whether we can restore confidence in all of our institutions, including the government and including the oil industry. The energy companies are

going to have to play a major role in our energy battle. To the extent that we in government, whether the Executive or the Congress, fail to assure the public that both they and the oil companies are being treated equally, we will not be able to regain that confidence so needed to succeed in the energy area. Said another way, the sooner we enact a tax which protects the public interest while providing the oil industry with reasonable incentives, the sooner we can get this debate behind us and the sooner we can get on with the job of moving ahead on all energy fronts with the support of the American people.

6. To sum up, both for equity reasons -- which are vital to our ability to restore public confidence -- and to enable us to pay for a massive new program to develop synthetic and other alternatives to foreign oil, a strong windfall profits tax, like the one I originally proposed, is an essential ingredient of our nation's energy policy.

THE WHITE HOUSE

WASHINGTON

CONGRESSIONAL LEADERSHIP BREAKFAST

Tuesday, July 24, 1979

8:00 a.m.

State Dining Room

From: Frank Moore

I. INTRODUCTION

This is an expanded Leadership breakfast due to the importance of energy policy to the country and to Democrats.

You should open the breakfast with a statement similar to the one you made to the media group you met with Sunday. You should tell them that the period of evaluation is over; that the changes in the Cabinet have been completed; and that changes in White House staff will occur expeditiously. You should also emphasize that you are bringing new faces and people into the Cabinet and into the White House.

You should thank the Senate for responding so rapidly to your request for a speedy confirmation process. You are turning your energies to domestic issues, and you hope that the Congress will do the same.

II. PRESS PLAN

White House photographer.

III. PARTICIPANTS

See attached list.

IV. AGENDA

1. Energy Legislation

You should mention that you have reviewed the likely schedules for the energy legislation and state your concern about the pace. As I indicated in my prognosis memo, prospects for passage of anything before the recess are dim. Even Senate passage of the Windfall Profits Tax is now uncertain. Work on EMB could be

finished before the recess -- if pushed; but completion of committee work on ESC in either House looks very unlikely.

As you review the various energy proposals with the Leadership, you should make special appeals on a few, as follows:

- Windfall Profits Tax

You will have already spoken to Senator Byrd about the Windfall Profits Tax. You should make a tough pitch to the Senate Leadership on the need for a strong tax.

- Clinch River Breeder Reactor

Majority Leader Wright has indicated to WHCL that if the Speaker were to offer his support for our CRBR position the rest of the Leadership would follow suit. Our position is now being perceived as the moderate one due to the presence of the Udall-Bingham amendment which cuts funding for further R&D, and the McCormack amendment which fully funds CRBR.

CONGRESSIONAL LEADERSHIP BREAKFAST

Tuesday, July 24, 1979

PARTICIPANTS

The President
The Vice President

Senator Robert C. Byrd
Senator Alan Cranston
Senator Warren G. Magnuson
Senator Russell Long

Speaker Thomas P. O'Neill, Jr.
Congressman Jim Wright
Congressman Thomas S. Foley
Congressman John Brademas
Congressman Dan Rostenkowski
Congresswoman Shirley Chisholm
Congressman John Dingell
Congressman Morris Udall
Congressman Don Fuqua

Hamilton Jordan
Zbig Brzezinski
Jody Powell
Stu Eizenstat
Jim McIntyre
Frank Moore
James Schlesinger
Charles Duncan
Chairman John White
Dan Tate
Bill Cable
Jim Free
Bob Thomson
Bill Smith

THE WHITE HOUSE

WASHINGTON

July 23, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE

SUBJECT: ENERGY LEGISLATION

The following expands on the information I supplied you in the Weekly Legislative Report. With each of the components we have made an effort to predict the likely timing and where possible our best guess as to the likely outcome. (We have also indicated the elements of our strategy for each).

WINDFALL PROFITS TAX

Schedule

Since we last reported to you there has been a change in the Finance Committee schedule. The Committee now plans to mark up Targeted Fiscal Assistance on Tuesday. Any available time on Tuesday will be spent with the Joint Committee staff discussion of the issues. Wednesday and Friday will be spent with the Harris and Miller confirmations. So, it is likely that only Thursday of this week will be spent on actual mark up and if history is any guide, no substantive decisions will be made the first day of real mark up. The bulk of the work on the bill will occur next week -- we feel at least two full days of serious discussion will be required.

The bottom line is that it is unlikely the full Senate will act before the recess if they stick to their present plan of going out on August 3 or 4. (Byrd this afternoon did hold out the possibility that he would keep the Senate in -- he will consult with Long and Dole later this week before deciding.)

Strategy

Policy and Hill operatives from WHCL, DPS, OMB, DOE, Treasury met this morning to revise our strategy. They decided the following:

1. To revise our estimates of tax revenues given different assumptions on world oil price increases and a variety of possible exemptions. Due from Treasury and OMB today.
2. To brief every Member of the Finance Committee by Wednesday evening. Three teams composed of people from DOE, Treasury and the WH headed by Dan Tate, Stu and Gene Godley are conducting briefings.
3. To brief as many non-Finance Committee Members before recess as is possible. It is vital that the Senators understand the relationship between decontrol, the Windfall Profits Tax and the July 16 initiatives.
4. To recruit a core group of Senators to work on their colleagues. We hope to encourage the anti-oil Senators as well as those who are pro-coal to bring influence to bear on the Finance Committee Members.

The key coal Senator is Majority Leader Robert Byrd -- he must be convinced that every exemption from the Windfall Profits Tax means less for coal/synfuels facilities and less for coal R&D. We will need your assistance with Senator Byrd.

We will request that you talk with Byrd before or after tomorrow's Leadership Breakfast. Though he is normally very deferential to Senator Long, this is an exceptional situation. We need his help with the Committee and on the Floor. We may ask you to call other Senators who could help by persuading their colleagues of the merits of the tax.

5. To appeal to Committee and personality rivalries -- specifically Jackson and Muskie vs. Russell Long. WHCL will work on this.
6. To attempt to garner Republican support -- they will play a significant role. Dole is ranking Minority Member of Senate Finance. He and Baker

have recently tended to take opposite views on major issues as they endeavor to position themselves in the Presidential race. Our hope is to split the Republicans -- as part of this effort, we will also work closely with Senator Danforth who is Baker's issues director.

Prognosis

Unless there is a dramatic change in the attitudes of most Finance Committee Members, the Windfall Profits Tax is likely to emerge from Committee replete with exemptions. The most likely is exclusion for all newly discovered oil. It is also likely that the Committee will attempt to seize jurisdiction over several aspects of the synfuels program by writing in attractive tax credits where we propose grants, loans, loan guarantees, price guarantees, etc. Floor fights will be necessary. Prospects for Senate passage before recess - uncertain.

ENERGY MOBILIZATION BOARD/ENERGY SECURITY CORPORATION

Senate

Schedule and Prognosis

The Senate Energy Committee will resume consideration of the Energy Mobilization Board tomorrow. The Committee has business meetings scheduled every day until August 2, except Sundays. It will take up the Energy Security Corporation after completion of work on the EMB - probably Thursday morning (July 26).

The Committee is determined to report the EMB and ESC before August 3. The bill reported will be a revised S. 932. S. 932, the Defense Production Act Amendments, was passed by the House with the Moorhead Amendment on it.

The Senate will consider S. 932 on the Floor early in September. When it is passed, the bill will go immediately to a conference with the House. The Speaker has indicated he will expand the list of House conferees to include key House energy figures such as Dingell and Udall. Much of the work on the ESC and EMB will have to be hammered out in conference.

Three other Committees have a piece of the action in the Senate. S. 932 is a Banking Committee bill. That Committee

is holding hearings Wednesday through Friday of this week. It will mark up the bill July 31 through August 2.

The Banking Committee is not dealing with the EMB. It does have jurisdiction over the ESC and the synfuels program. Proxmire thinks we are going too far, too fast. Most of his Committee, led by Riegle and Lugar, disagree.

The Governmental Affairs Committee has asked for referral of S. 932. There is potential for delay here, although Ribicoff has stated he intends to move with dispatch. Nevertheless, the Committee probably would not be able to report the bill, if it were referred, before August 3. Committee staff indicates they should be finished with it by September 15, which is the date they think the Leadership has targeted for Senate Floor action.

The Majority Leader will have difficulty denying Ribicoff's request for referral, since the bill has organizational components clearly within Governmental Affairs jurisdiction. However, he can urge Ribicoff to move more quickly.

The Budget Committee's task force on the bill will be led by Senator Hart. Chairman Muskie and Senator Hart have pledged completion of their review by August 27. By September 5, the Committee will complete its hearings. Areas of inquiry go well beyond "can we afford?", they include financing methods and possible entities to receive funding. The Committee is also likely to make specific recommendations concerning use of funds. The biggest threat is that the Committee will conclude that proceeds from the Windfall Profits Tax cannot pay for the synfuels program. The Congressional Budget Office has been asked for an updated report by the end of July.

OMB and Treasury analysts must be prepared to deal with this issue in the Budget Committee. We believe that other than the loss of the WPT, there is no greater danger to your revised energy plan than a Budget Committee prediction of giant deficits in the out years.

House

Schedule and Prognosis

As reported in the Weekly Legislative Report, the Energy and Power Subcommittee is marking up an Energy Mobilization Board bill. There were no votes today -- but as it stands the Commerce Committee is almost certain to report a bill considerably weaker than our proposal. The primary problem is in the area of substantive decision making authority. Liberals and environmentalists define "procedural overrides" much more narrowly than the standards set forth in our "specs". Members with strong allegiances to and constituencies in affected agencies are also likely to oppose broad override authority.

House passage of EMB before the recess is unlikely.

Mark up of an Energy Security Corporation bill will begin in the Dingell Subcommittee on Wednesday. Our policy people are meeting with Subcommittee staffers. It is unlikely the Commerce Committee will report a bill before the recess.

Strategy

Prepare for Floor fights in both Houses. We will need to facilitate the formation of coalitions of pro-development Members, Republicans and moderate to conservative Democrats.

Once the shape of the Subcommittee bills is clearer we will form Administration briefing teams to brief Members on the Administration's preferences.

A comprehensive "energy implementation strategy" including components dealing with outside groups, governors, the media, will be presented to you by Hamilton in a day or so.

RATIONING

Vote on House Floor on Tuesday. We made assignments to Agency CL people on Monday morning. Our base is the 159 who voted with us in May. Preliminary reports are encouraging. WHCL will make an all out effort tomorrow. Jim Free is coordinating.

DECONTROL

"Recontrol" proponents are not likely to offer their amendment to the DOE authorization. Some external event - like the perceived gutting of the Windfall Profits Tax - could change the picture, giving Moffett reason to believe the recontrollers could prevail.