

9/28/79

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Friday - September 28, 1979

7:15 Dr. Zbigniew Brzezinski - The Oval Office.

7:30 Breakfast (Foreign Affairs) - The Cabinet Room.
(90 min.)

✓ 9:15 Reception for Officers of the National Education Association. (Mr. Landon Butler) - The East Room.

9:45 Mr. Hamilton Jordan and Mr. Frank Moore.
The Oval Office.

11:00 Meeting with His Excellency Jose Lopez
(75 min.) Portillo, President of the United Mexican States. (Dr. Zbigniew Brzezinski).
The Cabinet Room.

1:00 - *Pres announcement - Labor Accord*

~~1:30 Meeting with Secretaries William Miller and Charles Duncan et al. (Mr. Frank Moore).
The Cabinet Room.~~

2:00 Mr. Jerry Rafshoon - The Map Room.
(2 hrs.)

7:30 DINNER - (BLACK TIE) Honoring His Excellency Jose Lopez Portillo, President of the United Mexican States, and Mrs. Portillo - The State Floor.

THE WHITE HOUSE
WASHINGTON

*done
J*

September 28, 1979

MR. PRESIDENT:

If you want to call,
the White House operators
have a number in Georgetown
Hospital for Pat Gwaltney,
OMB, who worked on the
education legislation.

(She had a 9 lb. boy)

PHIL

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Sycamore

Sycamore

Tollert - Tues

Tollert

Ralph - Cart

Ar

Phie van
Mee

4:25 p.m.

9/28

~~President talked to Secretary Kreps.
Now Susan Sly, Kreps' appointments
secretary, is calling you.~~

377-2112

9 am
10/3/79

THE WHITE HOUSE
WASHINGTON

SEPTEMBER 28, 1979
2:40 p.m.

MR. PRESIDENT:

Secretary Kreps

called
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PHIL

Phil - 30 min
early next
week
J

THE WHITE HOUSE
WASHINGTON

9-28-79

To E. Torres

Do not let the leaders
of LULAC get away
with false statements
such as in the newspaper
this morning. Either
you or someone else
answer each of their
statements strongly.

J

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9:15 AM

THE WHITE HOUSE
WASHINGTON

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MEMORANDUM FOR THE PRESIDENT

FROM: LONDON BUTLER
GRETCHEN POSTON

SUBJECT: RECEPTION FOR NATIONAL EDUCATION ASSOCIATION

DATE: Friday, September 28, 1979

TIME: 9:15 a.m. (reception begins at 8:30)

LOCATION: East Room

SCENARIO

The NEA group will walk from the hotel to the NW gate and will have had coffee, pastry and juice. All of the members of the White House Senior Staff have been invited to attend the reception.

At 9:15, they will have been escorted into the East Room awaiting your arrival. Your podium will be on a platform at the East wall as you enter. You will be introduced into the room.

PURPOSE

To welcome the top leadership of the National Education Association to the White House for an informal reception.

BACKGROUND, PARTICIPANTS AND PRESS PLAN

- A. BACKGROUND. The NEA Executive Committee and Board of Directors are in Washington for a meeting to be held at the NEA offices following the White House reception.

As you recall, Willard McGuire and Terry Herndon in their meeting with you on September 19 confirmed that they would formally initiate the procedure whereby NEA would endorse you for reelection in 1980. If their effort is successful, it would lead to a formal vote by the NEA Board of Directors at their meeting later in the day on Friday.

NEA delegates to the 1976 Democratic Convention represented roughly one-half of the total labor delegates to the Convention. Their endorsement of your candidacy in 1976 was the first such endorsement in NEA's history.

With a membership of 1.7 million, NEA represents approximately 67 percent of the public school teachers in America. They have an active state affiliate in each of the 50 states.

B. PARTICIPANTS:

Willard McGuire, newly-elected President (September 1)
succeeding John Ryor;
Bernie Freitag, Vice President;
Terry Herndon, Executive Director

The invitees (approximately 250) include the elected governing structure of the NEA, both national and statewide leadership (Executive Committee, Board of Directors, State Presidents and Vice Presidents), and staff.

C. PRESS PLAN

Full press coverage of your remarks.

D. TALKING POINTS

(see attachment)

THE WHITE HOUSE

WASHINGTON

September 27, 1979

MEMORANDUM FOR THE PRESIDENT

From: Rick Hertzberg *Rick*
Chris Matthews *cm*

SUBJECT: Talking Points: Reception for National
Education Association, 9/28/79

1. It's been a good week for the Administration.
 - ¶ Congress passed the Panama Canal legislation.
 - ¶ The Hospital Cost Containment Bill was approved by the House Commerce Committee this week.
 - ¶ My daughter Amy had her first puppet lesson in the White House Family Theater.
2. There was something else I thought you might be interested in ... we created a Department of Education.
3. The first thing I want to make clear is that my inviting you here this morning has absolutely nothing to do with the fact that the NEA had roughly half of all the labor delegates to the 1976 Democratic Convention. This isn't even an election year.
4. What I will admit is that the NEA has had a great working relationship with this Administration -- and on some very important issues. Working together, we have increased Federal funding for education by some 60 percent since the Administration took office. Working together, we have now established the Cabinet Department the country has long needed to ensure that these funds are spent effectively.
5. What more can I say -- we did it! Last year, we came close. Working with me, a broad coalition of interested groups was able to move the Department of Education successfully through the Senate. The bill was approved by the House Government Operations Committee. It was cleared for floor action by the House Rules Committee. Then the House adjourned. Close, but no cigar.

THE WHITE HOUSE
WASHINGTON
September 28, 1979

①
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Dear Mr. President:

Mrs. Eisenhower's condition is stabilized with some improvement in the right side paralysis, but she is unable to speak.

w.l.

William M. Lukash, M.D.

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PRESIDENT'S STATEMENT ON INFLATION AND NATIONAL ACCORD

1:00 pm September 28, 1979

Sunday night
In my ¹² speech to the Nation ~~on~~ July ~~15~~, I said that the American people [~~desperately~~] want to see our government and our great institutions pull together to face the complex challenges which confront ^{us.} ~~our economy~~]

Inflation is the most persistent challenge to our economy---

Q primarily fed by escalating energy costs predominantly controlled by others. [Inflation reduces our real income and our economic values; it breeds recession, discourages investment, and threatens our ability to achieve full employment; and, worst of all, it imposes its toll most heavily on those of our people who can afford it least.]

people and
Inflation tends to pit our ~~great~~ ^{people and} institutions against each other and contributes to the sense of frustration, ~~stagnation~~ ^{Concern} and ~~doubt~~ ^{doubt} drift which has so worried our people. Ultimately, if not curbed, inflation ^{will} ~~saps~~ our confidence as a nation, erodes our faith in the future, and ^{will} ~~threatens~~ those basic human values which make our country great.

I have called for our institutions and our people to regain a sense of shared purpose and cooperation and to ^{join in a} ~~accept their fair share of the restraint and modification that is essential to a~~ successful fight against inflation.

Today, enormous progress toward that goal has been made. I am ^{pleased} ~~happy~~ and proud to announce that this Administration has achieved a new "National Accord" to fight against inflation. This Accord is represented by a Statement of Principles which we have been ~~diligently~~ pursuing since July in discussions with representatives of organized labor. Parallel discussions have been held with the business community.

The communication from President George Meany that the AFL-CIO Executive Council has today endorsed the Statement of Principles ^{means that} ~~marks~~ for the first time in ~~the~~ history ~~of our nation~~ ~~that~~ such an Accord has been reached on a voluntary basis.

I want to commend particularly Secretary ~~R.~~ William Miller and the members of the Economic Policy Group, ~~who have led this~~

~~effort on behalf of my Administration,~~] the key leaders of our major labor organizations, and representatives of the business community for working so constructively together in search of an understanding.

As part of our National Accord, we will be establishing a Pay Advisory Committee and a Price Advisory Committee. Organized labor leadership has agreed to serve on the Pay Advisory Committee, and I am counting on business leaders to join it also. ^{This} ~~The~~ Pay Advisory Committee, which will play an important role in assuring restrained but equitable pay increases, is to be made up of 15 members, five each from labor, business and the public. John Dunlop has accepted my invitation to serve as Chairman of this ^{Pay} Committee, and other members will be announced in the near future. The Price Advisory Committee will consist of five public members whom I will name in the next few weeks.

I want to emphasize again that if substantial progress is to be made to reduce inflation in this country--and this will take

time and sustained effort--we will need the active and dedicated support of both business and labor. The developments of today provide us the initial framework for such an effort, and I pledge to do my utmost to follow through and make this initiative a significant forward step in our continuing fight against inflation.

THE WHITE HOUSE

WASHINGTON

September 27, 1979

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
SUBJECT: Export Administration Legislation

I am pleased to report that this legislation has now cleared the House-Senate Conference with its most objectionable features (particularly a legislative veto on export controls) removed. Although this is an extremely complex piece of legislation and will require careful analysis by OMB and the agencies, it now appears to be in sufficiently good shape that no agency will recommend a veto.

The Conference Report should be adopted by both Houses either today (September 27) or tomorrow. Since the Export Administration Act expires on September 30, it is possible that the final bill will arrive on your desk on Saturday and will require an immediate signature. However, we have received commitments from Senator Stevenson and Congressman Bingham that when Congress acts on the Conference Report, they will try to secure approval of a continuing resolution which would extend the Act for a short period of time in order to give the Administration the opportunity for an orderly review of the final bill.

The Commerce Department, working closely with Stevenson and Bingham, deserves credit for shepherding this very difficult piece of legislation through the Congress.

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LOPEZ-PORTILLO

- 1 -
CARMEN

~~MR.~~ PRESIDENT, WE WELCOME YOU AND YOUR LOVELY WIFE, AND YOUR PERSONAL AND OFFICIAL FAMILY TO THE WHITE HOUSE. ← IMPROVE TOASTS

YOU REPRESENT A GREAT DEMOCRATIC NATION GROWING IN WORLD INFLUENCE AND MR. PRESIDENT YOUR DEPTH OF INSIGHT AND BREADTH OF VISION MATCH THE PAST AND FUTURE ACHIEVEMENTS OF YOUR COUNTRY. ← ENERGY

OUR NATIONS ARE LINKED BY BOTH BORDER AND DESTINY BY BLOOD KINSHIP AND BY LOVE OF FREEDOM.

BOTH OF US HAVE THROWN OFF COLONIAL RULE.

OUR RELATIONSHIPS HAVE NOT ALWAYS BEEN HAPPY, OR PEACEFUL.

SOME DIFFERENCES IN THE PAST HAVE BEEN SETTLED BY BLOODSHED.

^{DIFFERENCES}
SOME HAVE BEEN TOO LONG IGNORED AND HIDDEN.

(OVER)

(-NOW THESE TIMES HAVE ...)

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I BELIEVE
NOW, *TRoubled & UNCERTAIN* THOSE TIMES HAVE GONE FOREVER.

IF WE LEAD OUR PEOPLE WELL / WE CAN WRITE A NEW AND LONG HISTORY / OF
PEACE, FRIENDSHIP, COOPERATION AND UNDERSTANDING;

I AM RESOLVED:

THAT OUR DIALOGUE WILL ALWAYS BE CREATIVE.

THAT OUR NEGOTIATIONS WILL BE FRANK, FAIR AND MATURE.

THAT WE SOLVE PROBLEMS / SO THAT BOTH PEOPLES WILL BE GIVEN
A BETTER LIFE.

AND THAT TOGETHER WE CAN BENEFIT THE PEOPLE OF OTHER NATIONS.

WHEN I HAD THE HONOR TO SPEAK TO THE MEMBERS OF THE MEXICAN
CONGRESS / I NOTED THE WORDS OF YOUR GREAT LEADER, BENITO JUAREZ / THAT
ARE INSCRIBED ON THE WALLS OF THE CHAMBER OF DEPUTIES.

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PRESIDENT AND MRS. LOPEZ PORTILLO WERE THE GUESTS OF HONOR AT OUR FIRST STATE DINNER.

MRS. LOPEZ PORTILLO, WHO IS AN ACCOMPLISHED CONCERT PIANIST, DELIGHTED ALL OF US BY PLAYING CHOPIN.

TONIGHT WE ARE PLEASED TO OFFER AN EVENING OF CLASSICAL MUSIC PLAYED BY AN OUTSTANDING AMERICAN GROUP: THE CHAMBER MUSIC SOCIETY OF LINCOLN CENTER.

ITS ORGANIZER AND DIRECTOR IS CHARLES WADSWORTH, A NATIVE OF ^{BARNESVILLE} GEORGIA.

AS A RESIDENT COMPANY OF LINCOLN CENTER, THE SOCIETY GIVES CHAMBER MUSIC ITS RIGHTFUL PLACE ALONGSIDE THE METROPOLITAN OPERA, THE NEW YORK

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CITY BALLET, THE NEW YORK CITY OPERA, AND THE NEW YORK PHILHARMONIC.

CHAMBER MUSIC REQUIRES A CAREFUL ATTENTION TO NUANCE AND DETAIL.
EACH PLAYER MUST BE A LEADER IN TALENT -- AND A PARTNER IN TEMPERMENT.

IT IS FITTING THAT WE ENJOY TONIGHT THE MUSICAL FORM THAT IS AT ONCE
THE MOST DIFFICULT -- AND THE MOST DIPLOMATIC... THE CHAMBER MUSIC SOCIETY
OF LINCOLN CENTER.

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I WOULD LIKE ALL CITIZENS OF MY COUNTRY TO HEAR THEM TONIGHT
IN THE WHITE HOUSE:

ENTRE LOS INDIVIDUOS COMO ENTRE LAS NACIONES,
EL RESPETO AL DERECHO AJENO ES LA PAZ.

BETWEEN INDIVIDUALS AS BETWEEN NATIONS,
RESPECT FOR THE RIGHT OF OTHERS IS PEACE.

IN THAT SPIRIT, LADIES AND GENTLEMEN, AND ON BEHALF OF THE
AMERICAN PEOPLE, I OFFER THIS TOAST TO PRESIDENT AND MRS. LOPEZ PORTILLO,
AND TO ALL THE PEOPLE OF MEXICO.

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NEA Reception 9/28/79

WILLARD MCGUIRE

TERRY HERNDON

(SIGN DOE BILL?)

GOOD WEER:

PAN - BUD RES. DEBT. HCC

PUPPET LESSON

PARTNERSHIP - FULL RANGE

FED \$ A 60%

(TREND: LAST YR. 60-1

RULES-3 HOUSE-4

14!

ENERGY - SALT INFL/HCC

natl education assn recptn 9/28/79

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IN MY SUNDAY NIGHT SPEECH TO THE NATION IN JULY, I SAID THAT THE AMERICAN PEOPLE WANT TO SEE OUR GOVERNMENT AND OUR GREAT INSTITUTIONS PULL TOGETHER TO FACE THE COMPLEX CHALLENGES WHICH CONFRONT US.

INFLATION IS THE MOST PERSISTENT CHALLENGE TO OUR ECONOMY -- PRIMARILY FED BY ESCALATING ENERGY COSTS PREDOMINANTLY CONTROLLED BY OTHERS, IN FOREIGN NATIONS.

INFLATION TENDS TO PIT OUR PEOPLE AND INSTITUTIONS AGAINST EACH OTHER AND CONTRIBUTES TO THE SENSE OF FRUSTRATION, CONCERN, AND DOUBT WHICH HAS SO WORRIED OUR PEOPLE.

ULTIMATELY, IF NOT CURBED, INFLATION WILL SAP OUR CONFIDENCE AS A NATION, ...ERODE OUR FAITH IN THE FUTURE, ...AND WILL THREATEN THOSE BASIC HUMAN VALUES WHICH MAKE OUR COUNTRY GREAT.

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for Preservation Purposes (=OVER=) (I HAVE CALLED FOR.....)

I HAVE CALLED FOR OUR INSTITUTIONS AND OUR PEOPLE TO REGAIN A SENSE OF SHARED PURPOSE AND COOPERATION, AND TO JOIN IN A SUCCESSFUL FIGHT AGAINST INFLATION.

TODAY, ENORMOUS PROGRESS TOWARD THAT GOAL HAS BEEN MADE.

I AM PLEASED AND PROUD TO ANNOUNCE THAT THIS ADMINISTRATION HAS ACHIEVED A NEW "NATIONAL ACCORD" TO FIGHT AGAINST INFLATION.

THIS ACCORD IS REPRESENTED BY A STATEMENT OF PRINCIPLES WHICH WE HAVE BEEN PURSUING SINCE JULY IN DISCUSSIONS WITH REPRESENTATIVES OF ORGANIZED LABOR.

PARALLEL DISCUSSIONS HAVE BEEN HELD WITH THE BUSINESS COMMUNITY.

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(=NEW CARD=) (THE COMMUNICATION FROM.....)

THE COMMUNICATION FROM PRESIDENT GEORGE MEANY THAT THE AFL-CIO EXECUTIVE COUNCIL HAS TODAY ENDORSED THE STATEMENT OF PRINCIPLES MEANS THAT FOR THE FIRST TIME IN HISTORY SUCH AN ACCORD HAS BEEN REACHED ON A VOLUNTARY BASIS.

I WANT TO COMMEND PARTICULARLY SECRETARY WILLIAM MILLER AND THE MEMBERS OF ^{MY} ~~THE~~ ECONOMIC POLICY GROUP, THE KEY LEADERS OF OUR MAJOR LABOR ORGANIZATIONS, AND REPRESENTATIVES OF THE BUSINESS COMMUNITY FOR WORKING SO CONSTRUCTIVELY TOGETHER IN SEARCH OF ^{THIS} ~~AN~~ UNDERSTANDING.

AS PART OF OUR NATIONAL ACCORD, WE WILL BE ESTABLISHING A PAY ADVISORY COMMITTEE AND A PRICE ADVISORY COMMITTEE.

Electrostatic Copy Made for Preservation Purposes (=OVER=) (ORGANIZED LABOR.....)

ORGANIZED LABOR LEADERSHIP HAS AGREED TO SERVE ON THE PAY ADVISORY COMMITTEE, AND I AM COUNTING ON BUSINESS LEADERS TO JOIN IT ALSO.

THIS COMMITTEE, WHICH WILL PLAY AN IMPORTANT ROLE IN ASSURING RESTRAINED BUT EQUITABLE PAY INCREASES, IS TO BE MADE UP OF 15 MEMBERS -- FIVE EACH FROM LABOR, BUSINESS, AND THE PUBLIC.

JOHN DUNLOP HAS ACCEPTED MY INVITATION TO SERVE AS CHAIRMAN OF THIS PAY COMMITTEE, AND OTHER MEMBERS WILL BE ANNOUNCED IN THE NEAR FUTURE.

THE PRICE ADVISORY COMMITTEE WILL CONSIST OF FIVE PUBLIC MEMBERS WHOM I WILL NAME IN THE NEXT FEW WEEKS.

(=NEW CARD=) (I WANT TO EMPHASIZE.....)

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I WANT TO EMPHASIZE AGAIN THAT IF SUBSTANTIAL PROGRESS IS TO BE MADE TO REDUCE INFLATION IN THIS COUNTRY -- AND THIS WILL TAKE TIME AND SUSTAINED EFFORT -- WE WILL NEED THE ACTIVE AND DEDICATED SUPPORT OF BOTH BUSINESS AND LABOR.

THE DEVELOPMENTS OF TODAY PROVIDE US THE INITIAL FRAMEWORK FOR SUCH AN EFFORT, AND I PLEDGE TO DO MY UTMOST TO FOLLOW THROUGH AND MAKE THIS INITIATIVE A SIGNIFICANT FORWARD STEP IN OUR CONTINUING ^{& DETERMINED} FIGHT AGAINST INFLATION.

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THE WHITE HOUSE
WASHINGTON

September 28, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON
ARNIE MILLER *AW*

SUBJECT: Secretary of Education - Criteria and Candidates *J*

*Hamilton -
Back off - check
to Fritz, J Gardner
& Tim Herold -
Expenditures -*

Since Tim and Arnie shared their early thinking with you in June (attached at Tab 1) on staffing the Department of Education, we have solicited views about desirable criteria for the first Secretary of Education. We have talked with the Vice President, Hamilton, Sarah, Charlie Schultze, Juanita Kreps, Joe Duffey, Alice Rivlin, Dick Atkinson, Frank Pace, Arthur Flemming, John Macy, Dick Clark, Elmer Staats, Frank Press, Eleanor Holmes Norton, John Gardner, Bob Strauss, Lloyd Cutler, Jim McIntyre and Stu. Collectively, this group possesses as sophisticated and informed an opinion about government, education and education's role in society as any in the country.

A surprisingly sharp profile of the most desirable first Secretary of Education emerged from these consultations. Pivotal to this profile was a widely shared view that the position demands a leader with vision, intellectual power and imagination who can:

- (1) determine education's future direction within the context of society's complete needs
- (2) formulate short term objectives and strategies to achieve those objectives
- (3) motivate the nation's state, local and private educational institutions to act accordingly
- (4) through these actions and his or her other personal qualities begin to reestablish public confidence in education.

Only a person with these characteristics can realize the department's promise and fill the current leadership vacuum in education. The Secretary must also be sensitive to the appropriately predominant state and local role in education, however, and understand the distinction between motivation and coercion.

The following profile grew out of our discussions. The first Secretary of Education must:

- not be a "captive" of any education group but can command the respect of the education community

- . be a creative thinker and conceptualizer capable of translating ideas to action
- . be a good manager capable of establishing the department and/or recognize the need to attract good managers
- . possess the organizational courage to reshape and rebuild the Federal education bureaucracy
- . appreciate the state and local role in education and not have an expansive view of the Federal role
- . have a demonstrated commitment to and track record in civil rights
- . possess the ability to motivate and persuade
- . be devoted to excellence with progressive views on improving the quality of education.

The first Secretary should also be politically skilled and a team player and possess the energy, stamina and national stature needed to put the new department on the map.

We need another affirmative action appointment at the Cabinet level, preferably an Hispanic. The list which follows includes some minorities. Unfortunately, most of them don't reach the level we prefer for the first Secretary of Education. We have looked very hard and wide and as yet have been unable to identify any other minority candidates who meet the criteria outlined above.

We think an appointment should be announced soon. Intense pressure will build quickly for various candidates, most of whom we cannot please. Prompt action to select a Secretary will diminish such pressure. Moreover, we feel it may be desirable to announce your selection at the Department of Education signing ceremony. Such an announcement would signal your intent to move quickly to establish the department and add another senior member to your team now.

We have considered more than 30 possible candidates.

Because we were worried about passage of the bill, no extensive outside reference checks were conducted on anyone to avoid stimulating conjecture that might have endangered passage of the legislation. Based on our own knowledge and internal discussions eight individuals meet most or all of the criteria and would serve you well. We have included in the attachments comments that people we consulted with offered about these individuals.

This lists represents our thinking to date. We would like you to review the following names and provide us with some specific guidance. We will rapidly run thorough reference checks on the candidates you are interested in and return those checks to you in 48 hours. Our eight current candidates are:

Jerry Apodaca (former Governor of New Mexico - biography and comments attached at Tab 2). You know our intense desire to see Hispanics appointed to senior positions, especially the Cabinet. Jerry Apodaca brings credentials for this position. He has been a teacher and educational leader, yet is not closely identified with any faction. As Governor he has held one of the most challenging management assignments and has demonstrated political skills and civil rights sensitivities. While these characteristics commend him for serious attention the central question about Apodaca is -- does he have sufficient vision, intellectual strength and leadership capability, combined with the political savvy and organizational finesse, to be Secretary? The impression is probably no.

Scotty Campbell (Director, Office of Personnel Management - biography and comments at Tab 3). Scotty has a reputation for getting things done, and his service as Maxwell and LBJ School Deans plus extensive writing about education suggest him as a possibility. He can manage, and has excellent relations on the Hill. His handling of the civil service reform initiative justly earned him wide respect. Scotty is also a good creative thinker and can develop strategies to achieve objectives. Because of these reasons, he would be a "safe" choice as Secretary -- he could get the transition job done well. His appointment would be unexciting and not broaden your Administration, however, and he is largely unknown outside Washington. Moreover, Scotty does not have the national leadership capabilities of other possible candidates like Moyers or McColough.

Robben Fleming (President, Corporation for Public Broadcasting - biography and comments at Tab 4). Fleming (63) has had a distinguished career that has included terms as Chancellor of the University of Wisconsin and President of the University of Michigan. A former lawyer and labor arbitrator, Fleming is regarded as extremely bright, thoughtful and knowledgeable about education. He is very broad gauged and would win the respect of the higher education community. He could balance effectively the numerous education interests. Fleming may have lost a step though and represents an "old" rather than a "new" face. He may not be a particularly strong leader and has little national political experience. Managing in the Federal bureaucracy would be new for him.

Peter McColough (Chairman and CEO, Xerox - biography and comments at Tab 5). McColough would bring the lustre of Xerox's success and his reputation as a man who picks winners to your Administration. He has strong creative and conceptual capabilities coupled with a track record as a pragmatic, excellent manager. McColough, 57, also has a fine civil rights record, and has addressed actively the black youth unemployment issue (recently winning the praise of the Congressional Black Caucus). He is respected and throughout the business community. McColough understands the educational needs of business and could help foster a better relationship between the business and education communities. Though he has no specific experience in education, McColough has been involved in numerous social causes. He does not have much political experience and is unfamiliar with the Federal bureaucracy and the intergovernmental system. Like other very successful businessmen he might also have a problem adjusting to the scrutiny and decreased perquisites of public office.

Maurice Mitchell (biography and comments at Tab 6). Mitchell has had a diverse career that includes: President of Encyclopedia Britannica, newspaper publisher, and University of Denver Chancellor. He just completed the task of merging the Center for the Study of Democratic Institutions into the University of California system. Mitchell, 64, has an excellent record in civil rights. He promoted integration in Denver and was a member of the U.S. Civil Rights Commission. He is somewhat of an unknown to many people we have talked with but he has a reputation as a thoughtful, creative manager. Mitchell clearly lacks national political or Federal management experience and his lack of national stature would not immediately enhance the department's image.

Bill Moyers (PBS journalist - biography and comments attached at Tab 7). Moyers, 45, is widely regarded as one of the nation's most thoughtful and incisive individuals. He is no one's captive and has thought extensively about education and its role in society. Moyers has an appreciation for the limits of Federal authority but understands how to lead. He is articulate, charismatic and politically savvy, having learned politics from Lyndon Johnson. Moyers also has a wide range of experiences that equip him to bring a broad perspective to the department. Moyers has a solid civil rights record. His only weakness is his lack of major management experience, though his stints as Peace Corps Deputy Director, chief assistant to LBJ and Newsday publisher exposed him to management. While his appointment might seem unconventional and risky, Bill Moyers would add stature to your Cabinet and possesses the vision, experience and leadership necessary to be a superb Secretary of Education. He may blend better than anyone in the country a perceptive, refreshing mind with a pragmatic understanding of Washington, national politics, and how to lead.

Terry Sanford (President, Duke University - biography and comments attached at Tab 8). Sanford, 62, has done an excellent job at Duke and built a reputation as one of the nation's best university presidents. He possesses the intellectual strength, management experience and leadership capacity to be Secretary. He probably understands the intergovernmental and public vs. private subtleties of education as well as anyone. Though Sanford's been deeply involved in education he is no one's captive. He has led higher education's fight against Title IX though and would be opposed by women's groups who would not trust him to enforce it. Sanford may not have the appetite, stamina and ambition to take on difficult organizational issues, and he lacks experience dealing with Congress and the Washington political world. He might also be associated with the North Carolina desegregation issue and be distrusted by some civil rights organizations.

Cliff Wharton (President, State University of New York (SUNY) - biography and comments at Tab 9). Wharton, one of the leading black educational administrators, reputedly did a good job as President of Michigan State and was SUNY's first choice in 1978 to become its next President. Though he has been an educational administrator since 1970 most of his career has been in international development, especially agriculture and feeding the world's hungry. Wharton is regarded as thoughtful, a good manager and able to implement policies. Because he has focussed on international issues Wharton is unconnected to most of the black community. He has not been active in civil rights issues and is an Independent. We do not have a clear fix on his intellectual and leadership skills and he has little national political experience.

The 28 candidates we rejected are listed at Tab 10 with a short summary describing why we think each one should be ruled out. Please review this list and indicate whether there is anyone you would like to be considered further.

RECOMMENDATION:

We recommend that you authorize us to run comprehensive reference checks on and discuss with senior White House staff individuals you want to consider seriously to be the first Secretary of Education. We will provide you with a summary of the comments we receive within 48 hours. We have attached at Tab 11 a list of people we plan to call about each of the eight candidates discussed above if you are interested in them. Please check those individuals you want us to inquire about:

_____ Jerry Apodaca
_____ Scotty Campbell
_____ Robben Fleming
_____ Peter McColough
_____ Maurice Mitchell
_____ Bill Moyers
_____ Terry Sanford
_____ Cliff Wharton

Others that should be considered?

(Note list at Tab 10).

THE WHITE HOUSE
WASHINGTON
28 September 1979

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MEMORANDUM FOR THE PRESIDENT

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FROM:

RICK HUTCHESON *RH*

SUBJECT:

Status of Presidential Requests

MCINTYRE:

1. (9/20) (and Dr. Frosch) Advise the President on the management of space shuttles -- In Progress, (expected 10/5).

JORDAN:

1. (9/18) (Weddington) Governor Grasso would like to help. The President would like a list of specific suggestions -- Done. *poorly*

WATSON:

1. (9/25) The President wants you to find out the facts concerning the report on the disappearance of LOBSTA I -- In Progress, (the information you requested will be here Monday).
2. (9/25) (and Secretary Landrieu) The suburban caucus would like to meet with you; please do so -- Done, (Jack talked with Congressman Mottl and a meeting will take place within the next two weeks). *done*
3. (9/27) The President would like you to see Congressman Rangel about a visit with him in New York some time -- Done, (Jack has spoken with the Congressman and arrangements for a meeting are taking place). *done*
4. (9/19) (and Doug Costle) The President would like a half page assessment on Chris Brown's memo about the EPA Regional position in Denver -- In Progress, (Jack has Barbara Blum's assessment and will speak with you directly about this).

BRZEZINSKI:

1. (9/27) Please have Secretary Vance or Warren Christopher call Cong. Mickey Leland concerning a possible trip to Cuba -- Done, (Warren Christopher called the Congressman and Peter Tarnoff visited him. They do not know, however, if he will be going to Cuba or not). *done*

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TORRES:

1. (9/28) The President does not want the leaders of LULAC to get away with making false statement such as the one which appeared in Friday's paper. Either you or someone else answer each of their statements strongly -- Message Conveyed, (Ed has made several calls, and on Monday and Tuesday has public speaking engagements in which he will address the false statements).

done
—

MOORE:

1. (6/4) You and OMB give the President a potential veto list -- don't be timid -- In Progress, (with McIntyre, expected 10/3).

EIZENSTAT:

1. (8/16) (and Speth) The President would like you to (a) plan a meeting to discuss with environmentalists key issues; (b) have staff screen public statements and distribute pertinent comments to key groups; (c) marshal administration support; and (d) advise on further action -- Ongoing, (Stu is working with Speth and Wexler to arrange for a series of meetings with key environmentalists, including an eventual meeting with the President. They will keep you apprised of any significant developments. CEQ has compiled a collection of Presidential statements on environmental issues and will distribute them appropriately.)
2. (8/17) Assess James Wallace letter on stockholder representation on corporate boards -- Done.

done
—

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

9/28/79

Zbig Brzezinski

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

The original of the letters
has been given to Bob Linder
for appropriate forwarding.

Rick Hutcheson

cc: Bob Linder

4227

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

5565

*3/19 - Why do
you repeat -
almost verbatim -
what OMB
says on the
next page?*

UNCLASSIFIED WITH
~~CONFIDENTIAL~~ ATCH

September 27, 1979

ACTION

MEMORANDUM FOR: THE PRESIDENT
FROM: ZBIGNIEW BRZEZINSKI *ZS.*
SUBJECT: Nicaragua: Waiver to Permit AID
to Buy Food Staples Locally

In the attached memorandum Acting AID Administrator Nooter proposes to make available in 1979 about \$5 million from the Economic Support Fund to Nicaragua's grain stabilization board to purchase rice, sorghum, beans, and corn from small farmers in Nicaragua in order to promote adequate food supplies at fair and stable prices. However, Section 604(e) of the 1961 Foreign Assistance Act, as amended, would prohibit such purchases when, as at present, the same commodities are priced below parity in the United States.

Section 614(a) of the Act permits you to waive the Section 604(e) prohibition if you determine that the local purchases are important to the security of the United States. The proposed funding for Nicaraguan agricultural reconstruction may importantly help promote political stability there. The volume of commodities to be purchased under the AID proposal is too small (32,000 metric tons) to affect prices in the United States and would not displace sales here since the Nicaraguan Government does not have funds available to buy the staples in the United States.

RECOMMENDATION

That you sign the attached Section 614(a) determination and authorize the purchases.

OMB concurs in our recommendation.

?

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THREE SIGNATURES REQUESTED



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

SEP 25 1979

MEMORANDUM FOR: THE PRESIDENT
FROM: James T. McIntyre *J. McIntyre*
SUBJECT: Nicaragua: Waiver to Permit AID to Buy Food Staples Locally

In the attached memorandum Acting AID Administrator Nooter proposes to make available in 1979 about \$5 million from the Economic Support Fund to Nicaragua's grain stabilization board to purchase rice, sorghum, beans, and corn from small farmers in Nicaragua in order to promote adequate food supplies at fair and stable prices. However, Section 604(e) of the 1961 Foreign Assistance Act, as amended, would prohibit such purchases when, as at present, the same commodities are priced below parity in the United States.

Section 614(a) of the Act permits you to waive the Section 604(e) prohibition if you determine that the local purchases are important to the security of the United States. The proposed funding for Nicaraguan agricultural reconstruction may importantly help promote political stability there. The volume of commodities to be purchased under the AID proposal is too small (32,000 metric tons) to affect prices in the United States and would not displace sales here since the Nicaraguan Government does not have funds available to buy the staples in the United States. I therefore recommend you sign the attached. Section 614(a) determination and authorize the purchases. The agreement must be signed not later than September 30.

Attachment

~~CONFIDENTIAL~~ When With Attachments

DECLASSIFIED
E.O. 12356, SEC. 3.4(b)
WHITE HOUSE GUIDELINES, FEB. 24, 1983
BY *Jay* NARS. DATE *8/15/90*

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE ADMINISTRATOR,
AGENCY FOR INTERNATIONAL DEVELOPMENT

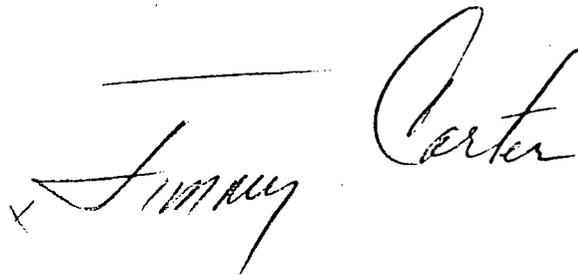
SUBJECT: Determination and Authorization under
 Section 614(a) of the Foreign Assistance
 Act of 1961, as amended, for Procurement
 in Nicaragua of Rice, Sorghum, Beans and
 Corn

Pursuant to the authority vested in me by section 614(a) of
the Foreign Assistance Act of 1961, as amended (the Act), I
hereby

- A. Determine that the use of approximately \$5.0 million
 in funds available in FY 1979 for the procurement in
 Nicaragua of rice, sorghum, beans and corn, without
 regard to the requirements of section 604(e) of the
 Act, is important to the security of the United
 States; and

- B. Authorize such use of approximately \$5.0 million
 in funds for the procurement in Nicaragua of rice,
 sorghum, beans and corn.

This determination shall be published in the Federal Register,
as required by law.

Jimmy Carter

THE WHITE HOUSE

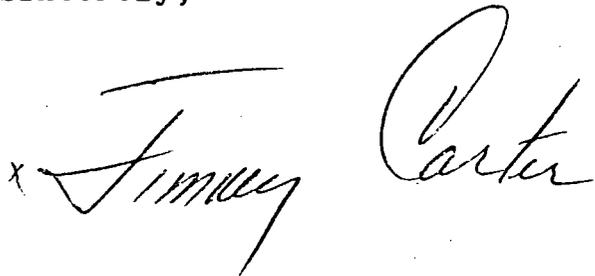
WASHINGTON

To Chairman Frank Church

In accordance with the notification requirement established by section 652 of the Foreign Assistance Act of 1961, as amended, please be advised that I intend to exercise my authority under section 614(a) of the Act to permit the procurement in Nicaragua of rice, sorghum, beans and corn without regard to the requirements of section 604(e) of the Act. Justification for this action is contained in the enclosed memorandum.

I have determined that such a waiver is important to the security of the United States and will be forwarding my formal determination to you within the next few days.

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 word "Sincerely,".

The Honorable Frank Church
Chairman
Committee on Foreign Relations
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

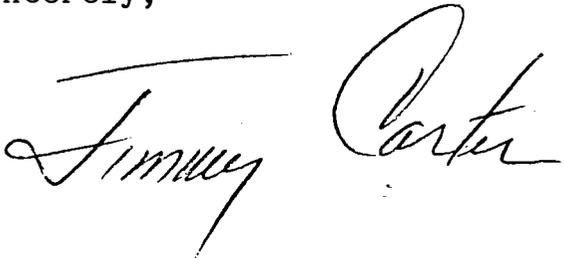
WASHINGTON

To Speaker Tip O'Neill

In accordance with the notification requirement established by section 652 of the Foreign Assistance Act of 1961, as amended, please be advised that I intend to exercise my authority under section 614(a) of the Act to permit the procurement in Nicaragua of rice, sorghum, beans and corn without regard to the requirements of section 604(e) of the Act. Justification for this action is contained in the enclosed memorandum.

I have determined that such a waiver is important to the security of the United States and will be forwarding my formal determination to you within the next few days.

Sincerely,

x 

The Honorable Thomas P. O'Neill, Jr.
Speaker of the
U.S. House of Representatives
Washington, D.C. 20515

JUSTIFICATION FOR PRESIDENTIAL DETERMINATION
TO AUTHORIZE PROCUREMENT IN NICARAGUA
OF RICE, SORGHUM, BEANS AND CORN

The recent civil strife in Nicaragua has left the people of that country in dire circumstances, with both severe short-term humanitarian needs and serious long-term economic recovery requirements. In addition to 45,000 persons killed, by the end of the fighting in July some 1,000,000 persons were being fed by public or private relief agencies. The prolonged conflict has also drained Nicaragua's financial resources and left its economy in shambles. Physical damages to many of the urban centers of the country has been severe. Even more devastating than the physical damage, however, has been the severe disruption of economic activity. The country's banking, commercial and industrial enterprises have suffered extensive losses. Unemployment is estimated to be as high as 50 per cent of the labor force. Agricultural production has been sharply reduced, and credit has dried up. The food distribution system ceased to function as food stocks ran out and marketing facilities were destroyed. The financial system is virtually bankrupt, as loans were not repaid and massive amounts of capital were sent overseas. Foreign exchange reserves are at a precariously low level.

Immediate efforts of the U.S. Government in Nicaragua were focused on humanitarian assistance to relieve human suffering. AID is presently shifting from nutrition relief to economic recovery assistance. While such longer term recovery efforts are being mounted, it is critical that domestic food production in Nicaragua be resumed. Therefore, AID will provide approximately \$5.0 million of reprogrammed FY 1979 funds for the purchase of rice, sorghum, beans and corn in Nicaragua to stabilize prices for these commodities and to assure farmers in Nicaragua that a market for these commodities will be available to them.

Currently parity prices are calculated for rice, sorghum, beans and corn, and each is selling at prices below parity. Section 604(e) of the Foreign Assistance Act prohibits the use of funds available under the Act to procure any agricultural commodity outside the United States when the domestic price of that commodity is less than parity. The purpose of this provision is to require that the foreign assistance program be administered in such a way so as not to depress or adversely affect U.S. farm prices.

The essence of the proposed activity is the stabilization of prices in the agricultural market in Nicaragua through the purchase of Nicaraguan commodities. The funds designated for this purpose are not, and would not be, available for purchase of agricultural commodities in the United States in the event the assistance is not furnished, nor does the Nicaraguan government have other funds available for this purpose. Thus, our failure to provide the resources necessary to purchase the local crop would not result in increased imports from the United States, but would result in substantial reduction in Nicaraguan crop production. Finally, it should be noted that the volume of commodities at issue (a total of 32,000 metric tons) is not significant in terms of U.S. or world market prices.

The course of events in Nicaragua will influence developments in Central America and throughout the hemisphere and will have an important impact on U.S.-Latin American relations. The security interest of the United States will be best served by the development in Nicaragua of a democratic government, within a pluralistic society. With the support of the U.S. and other democratic countries in the hemisphere, Nicaragua will have an opportunity to revitalize its shattered economy and to continue on a moderate and pluralistic path (the new government is a coalition of former guerrilla and civic leaders, and its initial policies have been generally moderate). The food grain stabilization program proposed to be carried out is an important first step in a larger assistance effort, addressing one of the most critical problems facing the new government of Nicaragua.