

10/18/79

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10/18/79; Container 135

To See Complete Finding Aid:

http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

October 18, 1979

Dear Captain Heald:

Enclosed you will find a copy of your letter which includes President Carter's comments. Because of my respect for Special Forces, and how much it must mean to you, I felt you would want to keep your Beret and am therefore returning it under separate cover. *sent*

I would like to add that my heart also is with Special Forces, and my association goes back to the early 60's, before the 5th was deployed to RVN. I still believe in the principle and quality upon which the Special Warfare Center was founded. And I also see firsthand the commitment President Carter has to these same principles.

Your values exemplify the best and noblest standards which made our nation great. I sincerely hope you will not put them aside and accept, as well as give, anything less than you deserve or our country deserves.

With best regards,

Sincerely,

Susan S. Clough
Personal Assistant/Secretary
to the President

Captain Don Heald
3813 Ravenna Drive
Valrico, Florida 33594

9
SSC/sb

THE WHITE HOUSE
WASHINGTON

9/20

Susan,

Forwarded to you per your instructions,
please return green sheet with a copy
of reply.

Thanks,
Deanie, Gift Unit

3813 Ravenna Drive
Valrico, Florida 33594
September 14, 1979

Electrostatic Copy Made
for Preservation Purposes

President Jimmy Carter
Commander in Chief of the Armed Forces of the United States
White House
Washington, D.C. 20500

President Carter,

I have given more than most for this country and will let my record stand for itself. Not so much the over inflated ineffective records maintained by the Army, but mainly the record one would find through a truthful search for facts obtained from those who have served with me.

Vietnam was an enormous disgrace for this country: Not only because of the millions of Vietnamese who will never know freedom; not only because of the unprecedented selfish attitudes created and maintained by millions of armed chair americans; not only because of the media's ability to manipulate masses and their inability to realize that they are human also and that their reporting is not unbiased and consequentially is not a truthful representation of facts; not only because the military has not properly identified and learned from its mistakes, but hastily closed the closet door, hoping everyone will forget and assume it won't happen again; not only because of the blood and human life left on Vietnamese soil; but mainly because the war proved that we are no longer one nation under God with liberty and justice for all.

This nations leadership is setting an awesome example that the people are blindly following. Our God is now money, power, and self. Our liberty is alive and well, but not as one nation, but as everyone for themself with no sacrifice for the good of all. Our justice is based on what position you hold, how much money can you defend yourself with, and is enforced with laws that protect those who break them.

It has taken me many years of searching for truth concerning the matters that troubled my mind. I do not believe in complaining or taking action unless I have a workable solution to resolve the problem first. My solutions, however, can only be understood by: those who are not blind or victims of their environment; those who have but one face and a heart that is not hardened or cold; and those who control their mind rather than their mind controlling them. I do not know you Jimmy Carter, but from your deeds it seems as though you have beat all around the bush, and have failed to see the bush itself. Do not be a blind man with perfectly normal vision, we have to many of those already, but rather heed my words when I say that one is only as successful as his method of selecting and classifying the input he reacts upon, and can only see what that input lets him realize. If I did not think that you are sincerely trying to help this country I would not have taken my time and yours, and I wouldn't be giving advice if I thought you were on the right course.

Knowing what I believe to be fact concerning this countries standards, assessed by its deeds alone, I can no longer bare arms for it, and do the only thing one man can do....
.....keep my own back yard in order. I resign my commission with the United States Army effective as soon as it can be processed.

I will participate in the next war to defend the free will of mankind and for what is just, but it will be with the force I choose, for the right reasons, and where and when I decide.

Respectfully,

Don Heald

Don Heald
006-44-7691

*cc: Don Heald. I appreciate your
sincere and heart felt letter. It's part of my
responsibility to assure that America does not
lose its spirit or its unity. We have problems,
but we're strong enough to survive & prevail. - Jimmy Carter*

THE WHITE HOUSE
WASHINGTON

10/18/79

Robert Gordon --

President Carter asked
me to send you the enclosed
copy of your letter which
includes his note -- with
his best regards!

-- Susan Clough

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Robert W. Gordon
Job Center
Golden Line - Ask Me!
113 Lexington St.
Lancaster, Kentucky 40444

jane simpson --

please send copy of gordon's
letter with my note

original to ~~XXXXXXXX~~
central files/handwriting files

thanks--susan

THE WHITE HOUSE
WASHINGTON

Ann:

Please prepare
label & send to
stripping,
JH

Please see that the President personally got
this letter. I am one of the ones who spoke with
him on the phone 10/13/74 and I wanted to clarify
some of the things that I said. Thankyou

10/15/79

Mr. President,

I know I must have sounded like a nut over the phone but I hope you realize how nervous I was. I am writing to clarify what I meant to say. Instead of campaigning for re-election wouldn't it be better to spend that time to seek the Lord for guidance in how to run the country? If your faithful ~~to~~-in spending time with the Lord then (if it be his will) he will put you in office for a second term whether you campaign or not. The Lord should be your first priority. Your family second. And the presidency third. I believe with all my heart that you are a man of God. My love and prayers go out to you and your family.

cc Robert Gordon
I understood your
fine message on
the telephone -

Thank you -
Jimmy Carter

Love in Christ,
Robert W. Gordon

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for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

October 18, 1979

*Has this
been approved by
Fritz, Ham, etc?
J*

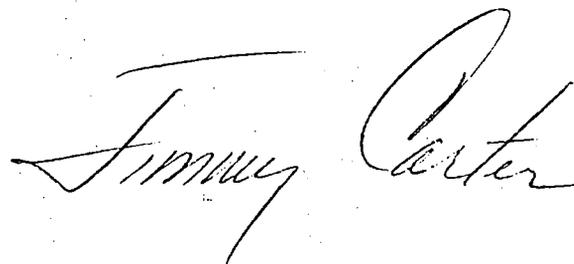
MEMORANDUM FOR: THE PRESIDENT
FROM: ARNIE MILLER *AM*
SUBJECT: Presidential Designation

Attached for your signature is an order designating Clark M. Clifford to be Chairman of the Presidential Advisory Board on Ambassadorial Appointments.

**Electrostatic Copy Made
for Preservation Purposes**

ORDER

I hereby designate Clark M. Clifford as
Chairman of the Presidential Advisory Board on
Ambassadorial Appointments.

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 main text block.

THE WHITE HOUSE,
October 23, 1979

October 25, 1979

Dear Mr. Read:

Respectfully referred for the files
of the Presidential Advisory Board on
Ambassadorial Appointments.

Robert D. Linder
Chief Executive Clerk

Transmitting copies of the following:

Ltr of resignation, 10/25/79, from RO'DASKEW, Chmn. (only) of the P.A.B.A.A.,
eff. POP; acc. 10/23/79 as Chmn. & Mbr., eff. 10/23/79.

~~XX~~
~~(Sent to Mr. Ben Read, Ex. Dir., P.A.B.A.A.)~~

ORDER - 10/23/79 - designating Clark M. Clifford as Chairman of the Presidential
Advisory Board on Ambassadorial Appointments.

(Sent to Mr. Ben Read, Ex. Dir., P.A.B.A.A., State-Rm. 7202, Washington, DC 20520)

dwc

THE WHITE HOUSE
WASHINGTON

18 Oct 79

Secretary Goldschmidt

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

Rick Hutcheson

Jack Watson
Phil Wise

4571

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

ADMIN CONFID
CONFIDENTIAL
SECRET
EYES ONLY

ACTION
FYI

	VICE PRESIDENT
	JORDAN
	CUTLER
	DONOVAN
	EIZENSTAT
	MCDONALD
	MOORE
	POWELL
✓	WATSON
✓	WEDDINGTON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE
	ANDRUS
	ASKEW
	BERGLAND
	BROWN
	CIVILETTI
	DUNCAN
✓	GOLDSCHMIDT
	HARRIS
	KREPS
	LANDRIEU
	MARSHALL

	MILLER
	VANCE
	BUTLER
	CAMPBELL
	H. CARTER
	CLOUGH
	CRUIKSHANK
	FIRST LADY
	FRANCIS
	HARDEN
	HERTZBERG
	HUTCHESON
	KAHN
	LINDER
	MARTIN
	MILLER
	MOE
	PETERSON
	PRESS
	SANDERS
	SPETH
	STRAUSS
	TORRES
	VOORDE
✓	WISE

THE WHITE HOUSE
WASHINGTON

10-17-79

To Neil Goldschmidt

At Illinois town hall meeting a city engineer stated that he had surveyed his community & found 1/3 of stop signs to be unnecessary.

I promised to have you assess this energy-saving possibility.

Jimmy



Jan Pater - 695-0028

W/ Sec of DoD

McI memo re NSC Reorg

- Hold for Comment -

ck on SAT or Mon

H. Brown

THE WHITE HOUSE
WASHINGTON
18 Oct 79

Zbig Brzezinski
Jim McIntyre

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

Rick Hutcheson

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for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

10-18-79

cc Zbig, Fm

Ok -

We particularly need
better contingency planning
such as:

- a) Brezhnev's death
 - b) Tito's "
 - c) SALT II rejection
 - d) M. S. East conflict
- etc.

Just a couple of pages -
well prepared - on a fairly
broad range of subjects -

J

include my rate

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

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CONFIDENTIAL
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	WATSON
	WEDDINGTON
	WEXLER
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	SCHULTZE
	ANDRUS
	ASKEW
	BERGLAND
	BROWN
	CIVILETTI
	DUNCAN
	GOLDSCHMIDT
	HARRIS
	KREPS
	LANDRIEU
	MARSHALL

	MILLER
	VANCE
	BUTLER
	CAMPBELL
	H. CARTER
	CLOUGH
	CRUIKSHANK
	FIRST LADY
	FRANCIS
	HARDEN
	HERTZBERG
	HUTCHESON
	KAHN
	LINDER
	MARTIN
	MILLER
	MOE
	PETERSON
	PRESS
	SANDERS
	SPETH
	STRAUSS
	TORRES
	VOORDE
	WISE



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

C

OCT 10 1979

MEMORANDUM FOR THE PRESIDENT

FROM: Jim McIntyre *Jim*
SUBJECT: Improving the National Security Decision
Process

In August 1977, the Reorganization Project reported to you that, for the past several administrations, achieving adequate coordination among State, Defense, ACDA, NSC and OMB had proven difficult, and proposed a study to determine whether improved structures or processes might be helpful. You approved such a study.

Several months later, as the work began, Zbig noted that the Administration had already adopted practices designed to deal with the problems, and in a memo also signed by Cy and Harold proposed that the study be cancelled. You disapproved that proposal, agreeing to defer the study until the new practices had had some opportunity to shake down, and then to proceed with the assessment.

The attached report is the product of that assessment. It was undertaken over a period of about five months by Phil Odeen, who had been a key member of our DoD transition task force and who had previously served in DoD and on the NSC staff. Phil was chosen for this sensitive study with the full concurrence of each of the departments and agencies to be examined.

I believe that his analysis is basically correct and that the proposals he makes are realistic, feasible, and timely. Phil recommends a number of organizational and procedural measures to better integrate the activities of DoD, State and ACDA, as well as to ensure that they are consistent with your priorities. In particular, he makes several recommendations to strengthen the role of the Executive Office of the

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President in this area. For example, he recommends closer cooperation between the NSC and OMB staffs, organizational realignments of the NSC staff, more emphasis on overseeing implementation of policies, and steps to strengthen EOP staff capabilities. He also recommends a number of organizational and procedural measures to improve foreign policy and arms control considerations in decisions on defense policy, weapon acquisitions, and programming and budgeting. Finally, he recommends ways to improve planning for crises by providing more civilian/political guidance to military planners and revitalizing interagency planning of political and economic options to supplement military ones.

None of the recommendations require Congressional action. They can be implemented by the EOP, State, Defense and ACDA. An executive summary of the report is attached in addition to the actual report which is very concise (less than 50 pages).

Phil has discussed the report with Cy Vance, Harold Brown, George Seignious, Zbig Brzezinski and me. Cy, George and I strongly support it. Harold is understandably cautious about broader interagency participation in DoD decisionmaking, but is satisfied he can live with the recommendations. Zbig will provide you with his comments separately.

I believe that the proposals are likely to be genuinely helpful. They can be accomplished without making decision-processes much more complex, adding substantial additional staffs or requiring substantial structural change.

This report is politically sensitive, especially because it candidly describes shortcomings in our present decision processes. There have already been some tentative inquiries from the press. I recommend that you read the report within the next three weeks. When you are ready we should discuss implementation steps. I will then talk to Jody about how to release the report to the public.

Attachments: (1) Executive Summary of Report
(2) National Security Policy Integration Report

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

9

INFORMATION

October 12, 1979

MEMORANDUM FOR: THE PRESIDENT
FROM: ZBIGNIEW BRZEZINSKI 
SUBJECT: OMB's National Security Policy
Integration Study

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for Preservation Purposes**

As you may recall, in January 1978 Cy, Harold and I proposed that this study should not be carried out because judgments rendered by a study to be completed by mid-1978 would necessarily be premature. It would not have been able to adequately assess the decision-processes so recently set up and still rapidly evolving. The year's delay that you directed has been worthwhile, for the OMB study as now written is a useful and reasonably balanced critique of the current and relatively stable interagency decision process.

While I do not agree with each and every recommendation, or with several of the examples that form the basis for some recommendations, the report is, on balance, valuable for me, in that it tends to substantiate my feelings that the national security decision-making process is appropriate to the time and circumstance. For example, I agree that we need to consolidate our staff functions in the defense area and am seeking a new chief of an integrated defense policy cluster. I have also been stressing policy implementation as much as policy formulation. For example, my status review of all Presidential Decisions and instructions revealed a good record of compliance and implementation. In some cases (PD-18 in particular) my follow-up on Defense's progress on the Rapid Deployment Force has been necessary to keep Defense's feet in the fire.

I disagree with the study in a few specific instances. For example, I do not believe compensation is the most serious issue facing the military; on the contrary, factors like readiness, training, and sense of individual purpose and worth, instead of pay, are the key manpower issues. Further, issues like weapon system complexity (our need for simpler systems) and affordability are not given the prominence by the study that I believe are due them.

Like Harold I am hesitant to recommend much broader interagency participation into DOD decision processes. Over the past year Harold has on his own accomplished much of what the report now

suggests. Greater participation by State or ACDA would be justified only if DOD had proven itself incompetent -- which it clearly isn't. The study itself argues that interagency participation in DOD decision-making can only be justified if "value is added" -- and I doubt that greater intrusion by outside agencies into DOD decision processes, such as the Defense Systems Acquisition Review Council proceedings, would add enough value to justify increasing the complexity and inevitably slowing down this already lengthy process.

In reviewing this report, you should keep in mind that its author, Phil Odeen, was a member of Henry Kissinger's NSC and thus could be expected to recommend a more centralized approach and a more dominant role for the NSC over the agencies. You should also note, however, that many of the problems he raises are not new, and were not resolved through more formalistic decision processes in the eight years that Presidents Nixon and Ford occupied the White House.

RECOMMENDATION:

I suggest that you have Jim and me put together a plan for implementing the study's useful recommendations, based on the specific comments and reactions of the agency heads involved.

Approve _____

Disapprove _____

J

Define broadly



PRESIDENT'S REORGANIZATION PROJECT

WASHINGTON, D.C. 20503

National Security Policy Integration

Final Report

Executive Summary

This report recommends steps the Administration should take to integrate and strengthen its national security policies and activities. It begins with some conceptual background and a discussion of the main issues on which the study was focused. Then it explores the advisory and "institutional" roles of the Executive Office of the President (EOP), relating the latter to policy integration within the Executive Branch. Next, it focuses on two specific areas for improving policy integration: defense, foreign and arms control policy, and planning for crises. The final chapter summarizes those actions that each agency should take to implement the report's recommendations.

Chapter I - Background and Issues. Although the Administration's national security policies are in general adequately integrated, its effectiveness is limited by weaknesses in decision processes, policy implementation, and preparation for crises. There is also a public perception of inadequate policy coherence. Each Administration adopts its own style of managing national security affairs; President Carter's personal style and desire to avoid previous abuse were reflected in his major effort to decentralize responsibility. However, effective integration of the President's policies often requires detailed involvement by the President's own staff, as well as regular structure and processes. Integration is constrained by the need for confidentiality, and tight decision schedules, but improvements nevertheless can and should be made. Issues in the study centered on the EOP's role in integrating policies; foreign policy and arms control considerations in defense decisions; and ensuring adequate interagency coordination in preparing political, economic and military options for potential crises.

Chapter II - Roles of the President's Staff. The national security elements of the EOP -- NSC, OMB and OSTP -- have effectively served the President in a personal, advisory role. Now that the Administration's basic policies have been set, however, they should give higher priority to their institutional tasks: (1) developing policies where there are gaps, conflicts or a need to articulate priorities; (2) forcing decisions on major issues which the departments have failed to resolve or to see that a decision is made from a national rather than a departmental perspective; (3) managing the decision process, so that the views of key participants are considered and decisionmakers have a full range of options and sound analysis; (4) seeing the President's decisions implemented through clear communication and close monitoring of implementation.

To perform these tasks more successfully, the report recommends that: the EOP, particularly the NSC, prepare an agenda of the most important national security issues to be addressed immediately; the EOP give greater priority to implementation, including a possible follow-up study on implementing the President's basic security policies; the NSC staff have senior members, including a "defense coordinator" with primary responsibility for identifying major issues and working closely with OMB on program/budget matters; as EOP staff vacancies arise, replacements be selected with a view to achieving a greater mix of personnel with analytic capability, experience in the departments, and an interest in overseeing policy execution. A modest increase of 4 or 5 professionals on the NSC staff is warranted to perform the tasks discussed in this report. Greater coordination and personnel interchange within the EOP, especially between OMB and NSC, is also important.

Chapter III - Defense/Foreign Policy/Arms Control. The Administration has adopted several informal processes to integrate defense, foreign and arms control policies. Nevertheless, more systematic integration is needed, particularly for decisions on DoD policy, weapon acquisitions, and program/budget.

With regard to policy development in DoD's Consolidated Guidance (CG) document, the report recommends that DoD: informally staff the policy section to State and ACDA during its drafting stage; after the Secretary's approval, provide the CG to State/ACDA/NSC/OMB for formal review, and chair a "mini" PRC meeting to resolve issues; and consider still unresolved issues at a subsequent PRC

meeting on the Defense program. Furthermore, the report recommends that DoD solicit State/ACDA contributions to DoD studies with foreign policy/arms control ramifications.

With regard to weapon acquisitions, the report recommends more EOP, State and ACDA participation by establishing an OSD-chaired interagency committee to advise the DSARC on foreign policy/arms control impacts; and convening a PRC review of major weapon developments once or twice a year. If these recommendations are adopted, ACDA should seek Congressional relief from the Arms Control Impact Statement requirements.

With regard to program/budget development, the report recommends improving EOP dialogue with DoD by: an OMB and NSC review of DoD's long-term resource needs, no later than early in the President's second term; greater OMB participation in DoD's program review; a staff exchange between OMB and DoD and within the EOP. To ensure that State and ACDA views are considered in the program/budget process, the report finds only limited changes necessary if State and ACDA are included in the policy and weapons development processes as recommended above. These limited changes include: a PRC review of DoD's 5-year program after initial DoD program decisions; active NSC staff participation in OMB's Spring and Fall reviews to highlight questions where State and ACDA input is needed; State participation in EOP-convened program/budget meetings where foreign policy matters are significant.

Chapter IV - Planning for Crisis. Planning for potential crises is difficult to sustain on an interagency basis, and most of it is done by the military. Recent reports have recommended greater civilian guidance and review for military planning, and DoD has made the Undersecretary for Policy responsible for policy guidance and review for military plans; established a JCS Crisis Planning and Assessment Group; and increased policy-level participation in war plan exercises. The report recommends encouraging and strengthening such DoD efforts, as well as reviewing military field planning for politically sensitive areas such as the Middle East.

To achieve sustained interagency planning for potential crises, and complement military options with political and economic ones, the report recommends a new interagency structure, composed of interdepartmental groups with members from NSC, OSD, JCS, CIA, Treasury and other agencies, under the guidance of a State-chaired PRC. To determine the feasibility of the structure, the report proposes a limited pilot effort, with a few potential crisis situations selected for interagency planning. The report emphasizes that the success of this effort will depend upon support from the Assistant for National Security Affairs and the sustained involvement of NSC staff members.

Chapter V - Implementing The Recommendations. This chapter summarizes major actions to be taken to implement the recommendations by: (a) the EOP generally; (b) the Director, OMB; (c) the Assistant for National Security; (d) the Secretary of Defense; (e) the Secretary of State; and (f) the Director, ACDA.

ID 794438

THE WHITE HOUSE

WASHINGTON

DATE: 10 OCT 79

FOR ACTION: SECRETARY VANCE *concur* SECRETARY BROWN

ZBIG BRZEZINSKI *will be commenting*

INFO ONLY: THE VICE PRESIDENT

GENERAL SEIGNOUS *concur*

HAMILTON JORDAN

AL MCDONALD

JODY POWELL

SUBJECT: ADMINISTRATIVELY CONFIDENTIAL MCINTYRE MEMO RE IMPROVING THE NATIONAL SECURITY DIVISION PROCESS

+++++

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

+ BY: 1200 PM FRIDAY 12 OCT 79 +

+++++

ACTION REQUESTED:

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

PLEASE NOTE OTHER COMMENTS BELOW:

THE WHITE HOUSE
WASHINGTON

10/18/79

Mr. President:

Secretary Vance and General
Seignous concur with McIntyre.

Secretary Brown would like
to comment personally but is
out of the country until
next week. His comments
are expected 10/23.

Zbig's comments and recom-
mendation are attached.

Rick/Bill

<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"/>	FOR APPROPRIATE HANDLING
<input type="checkbox"/>	LAST DAY FOR ACTION

*info to
Seignious*

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

ACTION
FYI

<input checked="" type="checkbox"/>	VICE PRESIDENT
<input checked="" type="checkbox"/>	JORDAN
<input type="checkbox"/>	CUTLER
<input type="checkbox"/>	DONOVAN
<input type="checkbox"/>	EIZENSTAT
<input checked="" type="checkbox"/>	MCDONALD
<input checked="" type="checkbox"/>	MOORE
<input checked="" type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON
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<input type="checkbox"/>	KREPS
<input type="checkbox"/>	LANDRIEU
<input type="checkbox"/>	MARSHALL

<input type="checkbox"/>	MILLER
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<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CAMPBELL
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<input type="checkbox"/>	MARTIN
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<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	TORRES
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WISE

DEPARTMENT OF STATE

OCT 11 AM 11 11

WASHFAX RECEIPT
DEPARTMENT OF STATE

U **B**

S/S #

RECEIVED

OCT 11 AM 11:21

WHITE HOUSE
SITUATION ROOM

MESSAGE NO. _____

CLASSIFICATION Administratively Controlled

NO. Pages 1

FROM: B. Jamuff

(Officer name)

S/S

(Office symbol)

22540

(Extension)

(Room number)

MESSAGE DESCRIPTION _____

TO: (Agency)

NSC

DELIVER TO:

Rich Hutcherson

Extension

456-7052

Room No.

OR:

CLEARANCE

INFORMATION

PER REQUEST

COMMENT

REMARKS: _____

S/S Officer: Peter Jamuff

ADVANCE COPY

ID 794438

THE WHITE HOUSE

7918344

WASHINGTON

DATE: 10 OCT 79

FOR ACTION: SECRETARY VANCE

SECRETARY BROWN

ZBIG BRZEZINSKI

INFO ONLY: THE VICE PRESIDENT

GENERAL SEIGNOUS

HAMILTON JORDAN

AL McDONALD

JODY POWELL

SUBJECT: ADMINISTRATIVELY CONFIDENTIAL MCINTYRE MEMO RE IMPROVING
THE NATIONAL SECURITY DIVISION PROCESS

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

ACTION REQUESTED:

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

PLEASE NOTE OTHER COMMENTS BELOW:

For Secretary Vance

[Handwritten signature]

Executive Summary

Chapter I - Background and Issues. Although the Administration's national security policies are in general adequately integrated, weaknesses in decision processes, policy implementation, and preparation for crises are limiting its effectiveness. There is also a public perception of inadequate policy coherence. Each Administration adopts its own style of managing national security affairs; and President Carter reflected his personal style and desire to avoid previous abuse by making a major effort to decentralize responsibility. Nevertheless, effective integration of the President's policies often requires detailed involvement of the President's staff as well as regular structure and processes. Although such integration is constrained by needs such as for confidentiality be made. Issues raised by Odeen center on the EOP's role in integrating policies; foreign policy and arms control considerations in defense decisions; and ensuring adequate interagency coordination in preparing political, economic and military options for potential crises.

Chapter II - Roles of the President's Staff. The national security elements of the EOP--NSC, OMB and OSTP--have effectively served the President in a personal, advisory role. Now that the Administration's basic policies are set, however, they should give more priority to their institutional tasks: 1) developing policies where there are gaps, conflicts or a need to set priorities; 2) forcing decisions on major issues which the departments have failed to resolve or to ensure that a decision is made from a national rather than a departmental perspective; 3) managing the decision process, to ensure that the views of key participants are considered and that decisionmakers have a full range of options and sound analysis; 4) ensuring that the President's decisions are implemented through clear communication and monitoring of implementation.

To accomplish these tasks, Odeen recommends that: the EOP, particularly the NSC, prepare an agenda of the most important national security issues for immediate addressal; the EOP give greater priority to implementation, including a possible follow-up study on implementation of the President's basic security policy (NSC/PD-18); senior NSC staff members be designated, including a "defense coordinator" with prime responsibility for identifying major issues and working closely with OMB on program/budget matters; as EOP staff depart, replacements be selected with a view to achieve a greater mix of personnel with analytic capability as well as

experience in the departments and an interest in overseeing policy execution; a modest increase of 4 or 5 professionals on the NSC staff is warranted to perform the tasks discussed in this report; coordination and personnel interchange within the EOP be improved, especially between OMB and NSC.

Chapter III - Defense/Foreign Policy/Arms Control. The Administration has adopted several informal processes to integrate defense, foreign and arms control policies. Nevertheless, more systematic integration is needed, particularly for decisions on DOD policy, weapon acquisitions, and program/budget.

With regard to DOD policy development in its Consolidated Guidance (CG) document, Odeen recommends that DOD: informally staff the policy section to State and ACDA during its drafting stage; after the Secretary's approval, provide the CG to State/ACDA/NSC/OMB for formal review, and chair a "mini" PRC meeting to resolve issues; and consider still unresolved issues at a subsequent PRC meeting on the Defense program. Furthermore, the report recommends that DOD more actively solicit State/ACDA inputs to DOD studies having foreign policy/arms control impacts.

With regard to weapon acquisitions, the report recommends more EOP, State and ACDA participation by establishing an OSD-chaired interagency committee to advise the DSARC on foreign policy/arms control impacts of selected DSARC decisions; and convening a PRC review of major weapon developments once or twice a year. If the above recommendations are adopted, ACDA should seek Congressional relief from the requirement to develop Arms Control Impact Statements.

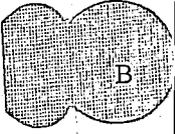
With regard to program/budget development, Odeen recommends improving EOP dialogue with DOD by: OMB and NSC leading a review of DOD's long-term resource needs no later than early in the President's 2nd term; OMB's more active participation in DOD's program review; exchanging staff between OMB and DOD and within the EOP. To ensure State and ACDA views are considered in the Defense program/budget process, Odeen recommends limited changes: after initial DOD program decisions, a PRC review of DOD's 5-year program; active NSC staff participation in OMB's Spring and Fall reviews, to highlight questions where State and ACDA input is needed; State participation in EOP-convened program/budget meetings where foreign policy matters are significant.

Chapter IV - Planning for Crisis. Planning for potential crises is difficult to sustain on an interagency basis, and most of it is done by the military. Recent reports have recommended increased civilian guidance and review of military planning. DOD has already: given the Undersecretary for Policy responsibility for policy guidance and review for

military plans; established a JCS Crisis Planning and Assessment Group; and increased policy-level participation in war plan exercises. Odeen recommends encouraging and strengthening such DOD efforts, as well as a review of military field planning for politically sensitive areas such as the Middle East.

In order to achieve sustained interagency planning for potential crises, to complement military options with political and economic ones, Odeen recommends a new interagency structure, composed of interdepartmental groups with members from NSC, OSD, JCS, CIA, Treasury and other agencies, under the guidance of a State-chaired PRC. To test the feasibility of such a structure, the report proposes a limited pilot effort, with a few potential crisis situations selected for interagency planning. The report emphasizes that the success of this effort will depend upon support from the Assistant for National Security Affairs and sustained involvement of NSC staff members.

Chapter V - Implementing the Recommendations. This chapter summarizes major actions to be taken by agencies in implementing the report's recommendations.





PRESIDENT'S
REORGANIZATION
PROJECT

WASHINGTON, D.C. 20503

September 21, 1979

MEMORANDUM FOR ZBIG BRZEZINSKI

FROM: Phil Odeen

SUBJECT: Final Report on National Security
Policy Integration

Attached is a copy of my final report, which I have submitted to Jim McIntyre for his forwarding to the President. It incorporates most of the suggestions you and your staff made on the final draft, including a recommendation to increase the size of the NSC staff by 4 or 5 professionals.

Thanks again for your helpful insights and those of your staff, particularly Dave Aaron, Vic Utgoff and Jake Stewart.

I hope you will be able to support my recommendations and that they significantly improve Executive Branch organization and processes for integrating national security policies.

I look forward to working with you again.

Attachment

A handwritten signature in black ink, appearing to read "Phil Odeen".

NATIONAL SECURITY POLICY INTEGRATION



**Report of a study requested by the
President under the auspices of the
President's Reorganization Project**

SEPTEMBER 1979

"Halfway through its term, the Carter Administration continued to present a complicated and at times inconsistent picture to the world. Jimmy Carter's Presidency continues to appear to be one that often lacks centralized means of translating differences of opinion into cabinet policy."

This perception abroad is often echoed domestically as well. Thus a secondary objective of this study is to suggest ways to ensure that this perception is unwarranted and hopefully to change it.

1. Different Organizational Approaches. Each President has brought a different approach to the management of national security affairs. Since World War II, the National Security Council has normally served as the top-level decision forum while the Assistant to the President for National Security Affairs and his staff have served as coordinators of the process as well as personal advisors to the President. The manner in which these institutions have been used has varied widely, however, reflecting each President's personal management style, experience, and to a lesser extent the tenor of the times and the personality of the individual occupying the position of National Security Assistant.

Most Presidents have favored "Cabinet Government" when they initially organized their administrations. President Carter opted for this approach and made a persistent effort to decentralize, giving his Cabinet officers considerable responsibility and authority. This effort stems in part from his view that an excessively centralized system existed in the previous administration and in part from his management approach. However, even in areas where departments have broad authority, President Carter has looked to his own staff for fresh ideas, new policy approaches and, in some cases, independent analysis. This has inevitably led to tensions between the EOP and the departments.

CHAPTER I BACKGROUND AND ISSUES

A. BACKGROUND

During the course of this study, I interviewed about 80 senior officials dealing with national security issues, as well as a number of former officials and observers outside of government. There was general agreement that the current decisionmaking system works relatively well and that the President is generally being well served. Moreover, there was broad respect for the qualifications, character, and competence of the principals. Some substantive areas were cited as examples of particularly effective national security decisionmaking, namely SALT and the Middle East peace negotiations.

Despite this generally favorable report, there are a number of organizational and procedural weaknesses that reduce the Administration's current effectiveness and could prove to be more serious in the future. These matters deserve careful attention. In most cases, prompt remedies are justified and are available; at a minimum, the changes in structure and processes I recommend should be considered when the NSC system is reviewed at the start of the President's next term. My primary objectives in proposing these remedies are to strengthen decision processes, improve implementation of the President's policies, and better prepare the government to deal with crises.

One result of the weaknesses in current organization and procedures is a widespread perception that the Administration lacks coherence in policy and action. For example, the most recent Strategic Survey published by the London-based International Institute for Strategic Studies stated:

Finally, I wish to express my gratitude to the senior agency points of contact for this study: Under Secretary of State Ben Read and former Director/PM Les Gelb; former Under Secretary of Defense Stan Resor and Assistant Secretary (ISA) Dave McGiffert; Assistant Director for ACDA, Barry Blechman; Deputy Director for the NSC, David Aaron; and Associate Director/OMB/PRP Peter Szanton. In addition, I received extensive advice and comments from other officials in OSD, the Joint Staff, State, ACDA, and the EOP, as well as from former officials and external observers. Without their important insights, advice and criticism, this contribution to the organization and processes by which the President is assisted in integrating national security policies would not have been possible.

Philip Odeen
Coopers and Lybrand
Washington, D.C.
September 1979

P R E F A C E

This National Security Policy Integration study is one of four major studies directed by the President on national security organization and management. The initial studies concentrated largely on the Department of Defense: 1) the organization of OSD and the civilian secretariats of the military departments; 2) the national military command structure; 3) resource management of the Department of Defense in the financial, logistical, and manpower areas.

This study takes a broader perspective and examines the adequacy of the interagency structure and processes for integrating the President's national security policies, particularly in the areas of defense, foreign affairs and arms control. The Terms of Reference and Issue Summary for the study are included in Appendices A and B. In brief the charge was as follows:

"The study will review Executive Branch organization and processes intended to assure the consistency of national security actions with each other and with national priorities. It will examine current arrangements in terms of their capacity to identify early those issues requiring interagency or Presidential consideration; to bring to bear on decisionmaking a full range of relevant considerations; and to oversee implementation for its consistency with policy."

(Terms of Reference, December 11, 1978)

I conducted this study over a five-month period with the help of several senior staff officers generously provided by the principal agencies concerned. I found that the extensive interviews and research conducted previously by the President's Reorganization Project (PRP) staff provided valuable background information. To identify the

potential issues, problems, and corrective actions to be addressed in the study, I interviewed key personnel participating in national security policy processes. I then asked the staff to examine the most important of these in more detail by preparing background papers, researching the official and unofficial writings in these areas, and conducting extensive additional interviewing of knowledgeable senior officials and academic experts. In total I interviewed about 80 people, while others were interviewed by the staff assisting me in the study.

The interviews and research revealed a wide range of issues that could have been addressed in this study. After considerable discussion and reflection, I focused the study on three broad areas where I believe significant changes will improve national security decisionmaking in the Executive Branch: 1) various roles of the President's staff; 2) foreign policy and arms control considerations in defense decisions; and 3) planning for crises.

I take full responsibility for the selection of issues, as well as for the conclusions and recommendations. However, I am deeply indebted to Joe Annunziata of the PRP staff for his invaluable help throughout the study and for his knowledgeable insights. In addition, I am grateful to Frank Perez and Dick Aherne of State, Stan Riveles and Ed Laurance of ACDA, and Colonel John Sewall and Bob Trice of DoD for the excellent background information they provided on the roles of their agencies in the various national security policy integration processes included in this study. They also provided valuable advice and assistance throughout the preparation of the study.

TABLE OF CONTENTS

<u>CHAPTER</u>	<u>PAGE</u>
<u>PREFACE</u>	i
<u>I. BACKGROUND AND ISSUES</u>	1
A. BACKGROUND	1
B. ISSUES	5
<u>II. ROLES OF THE PRESIDENT'S STAFF</u>	6
A. ADVISORY VS. INSTITUTIONAL ROLES	6
B. INSTITUTIONAL TASKS	7
C. STRENGTHENING THE INSTITUTIONAL ROLE	12
<u>III. DEFENSE/FOREIGN POLICY/ARMS CONTROL</u>	16
A. DEFENSE POLICY	18
B. WEAPON ACQUISITIONS	23
C. DEFENSE PROGRAM/BUDGET	26
<u>IV. PLANNING FOR CRISES</u>	32
A. PLANNING WITHIN DEFENSE	33
B. INTERAGENCY PLANNING	37
<u>V. IMPLEMENTING THE RECOMMENDATIONS</u>	41
<u>APPENDICES</u>	
A. TERMS OF REFERENCE	47
B. PRESIDENT'S REORGANIZATION PROJECT ISSUE SUMMARY	48
C. RECENT RECOMMENDATIONS ON CRISIS PLANNING	52

There are however, certain substantive areas where it is agreed that direction or at least detailed involvement by the President's staff is unquestionable. In the conduct of strategic arms limitation negotiations, for example, interagency coordination is required to resolve issues which often affect several departments. Moreover, the issues are of such political importance that the President and his principal advisors are inevitably involved. In such areas, the EOP must play a strong, leading role.

2. Need for Regular Structure and Processes. There is no ideal system for integrating national security policy, since it must be tailored to fit the needs and style of the President. However, such individualistic considerations alone are not sufficient. For the reasons noted below, regular structure and processes are essential:

- Some issues demand Presidential decision. They are simply too important for cabinet officers to decide, or to depend on their being raised to the President's attention in an ad hoc manner. Established structure and processes help in surfacing such issues and presenting them to the President for resolution.
- Issues requiring Presidential decisions are inevitably complex. Regular structure and processes help ensure that a full range of options is developed and that the President addresses them early enough to have a real choice. In addition, they provide opportunity for rigorous independent analysis of options, to help the President reach an informed decision.
- One department has primary responsibility, but others may have legitimate interests. For example, decisions on overseas deployment of nuclear weapons affect State because of foreign policy implications and ACDA because of arms control implications. Unless some means is provided to ensure these agencies have their say, less satisfactory decisions may result and the level of discord will likely increase.
- Policy execution as well as formulation must be ensured. The system should include a regular means of hearing the views of lower-level officials who will have to implement policy decisions. Unless they feel involved, they will have

little commitment to making policies succeed. Furthermore, clear communication to concerned agencies of decisions and their follow-on responsibilities, as well as the expectation of high-level review of their implementation efforts, will increase the probability of effective execution and reduce the likelihood of dissension and poor discipline.

3. Constraints on Greater Integration. It is important to recognize the constraints on how far and how fast change can be made in the structure and processes that now integrate national security decisionmaking. They include:

- The need for confidentiality. Premature leaks are a major concern of all top officials I interviewed. Sensitive documents are not circulated beyond a select few, meetings are limited to principals, and decisions are held closely. However, these practices inevitably limit input and exclude many potential participants with experience and responsibility. Although certain discussions and decisions of top officials must remain confidential, every effort should be made to ensure that concerned agencies and individuals are included.
- Decisions must be made. Each department and EOP element is subject to a demanding regimen of actions, deadlines, and decisions. There is only so much time for debate, staff work, and review. Rigorous judgment must be made as to what interagency inputs will improve the final product. The system must not be overloaded with participants or review levels.
- Value must be added. Deeper involvement of the departments and EOP elements in one another's activities will work and be sustained only if it adds value to the decisions being made. Carping and concern with minutiae will undercut the mutual cooperation that is needed for the process to operate. The dialogue will quickly become superficial and the impact negligible.

These constraints do not preclude improving the current system for integrating national security policy; however, they deserve careful attention when change is considered.

B. ISSUES

Most problems and questions raised during my interviews revolve around three related issues, and these deserve particular attention:

- Roles of the President's Staff. Is the EOP staff identifying critical issues early, managing the process to enable all significant options to be analyzed, and ensuring that decisions are implemented?
- Foreign Policy and Arms Control Considerations. Are foreign policy and arms control considerations systematically factored into major defense policy, weapon, and program/budget decisions?
- Planning in Advance of Crises. Is there an adequate process to plan for crises (with political, economic, and military options) before they happen? Are plans adequately reviewed and tested to evaluate their soundness and our ability to execute them?

These issues, my analysis of them, and my recommendations for change are discussed in some detail in the chapters that follow. The final chapter identifies the major actions to be taken by respective agencies to implement these recommendations.

CHAPTER II ROLES OF THE PRESIDENT'S STAFF

Primary responsibility for integrating national security policy and actions lies with the President and his staff. Therefore, this chapter looks critically at the roles played by the Executive Office of the President. There is little doubt that the EOP is serving the President well, according to his style and desires. The main issue raised in this chapter is whether its role should shift now that the Administration has largely completed its policy formulation stage and must focus more on putting the President's policies into effect.

A. ADVISORY VS. INSTITUTIONAL ROLES

The national security elements of the Executive Office of the President -- essentially the NSC staff, OMB, and OSTP -- have two major roles to play:

- Advising the President. Staff members must support the President according to his management style and immediate concerns. This role affects the issues they address, the detail they provide, and the extent to which they serve as advocates as distinguished from process managers.
- Carrying Out Institutional Functions. Executive staff members must provide more than personal staff assistance to the President. OMB, for example, must be a watchdog of proposed departmental spending and new programs. The NSC staff must raise critical issues for the President's review and ensure that his policies are executed by the departments. This is their institutional role and must be exercised in addition to the personal advisory role.

The President's staff is by all reports exercising the personal advisory role effectively, providing him the staffing, recommendations and analysis he desires. President Carter has put particular emphasis on this function, requesting independent ideas and analyses from his

staff. But, despite this stress on the personal advisory role, the staff's institutional role must not be neglected. The question is whether current structure and processes are adequate for fulfilling the institutional responsibilities of the Executive Office.

B. INSTITUTIONAL TASKS

The institutional responsibilities that I believe the EOP should give greater priority to can be grouped into four major tasks. They are:

- Developing policies.
- Forcing decisions on major issues.
- Managing the decision process.
- Ensuring decisions are implemented.

The NSC staff has primary responsibility for these functions, although OMB and OSTP also play a part.

1. Developing Policies. A major effort was made in the early months of the Administration to review and revamp existing national security policies. Some 30 PRMs were issued in the first half of 1977, over half of them during the President's first week in office. PRM 10 was a broad review of our security policies and strategic posture. Several others touched on more specific elements of defense policy. The formal policy review process has, as might be expected, slowed after the Administration addressed the key problem areas and formulated its policy initiatives. Thus, the current emphasis is more on day-to-day issues, program decisions, and matters that relate largely to implementation.

During my interviews, the Administration and the NSC system generally received favorable comment in the area of policy development. Some dissatisfaction was expressed over PRM 10, but the resulting Presidential decisions have been broadly accepted. Follow-on studies could have been pursued sooner (e.g. rapid deployment force) or brought sooner into an interagency forum (e.g. nuclear targeting policy), but are now yielding useful results. There are still significant policy gaps (e.g. naval policy and priorities), but the range of policies developed has been generally adequate.

Despite this general satisfaction with policy development, there is considerable criticism over apparent "incoherence." Such criticism may result from three factors:

- The "open administration" philosophy, while bringing a measure of freshness and vitality, has also led to a perception of policy disarray as conflicting views have spilled over into the public domain.
- Significant, controversial policy initiatives were made in two areas of particular concern to the President, human rights and arms exports. Not unexpectedly, foreign policy "realities" often lead to compromises which are seen by many as policy "reversals."
- Changing international conditions have led to significant shifts in U.S./Soviet relations and the U.S. position in the Persian Gulf. These developments understandably have led to change in U.S. policies which some observers see as a lack of consistency.

Continued efforts to refine and articulate administration policies may help dampen this criticism. In addition, efforts to reduce leaks which undercut the policy process as well as pose a security problem should be intensified. Finally, steps to implement more effective procedures for developing national security policy may be helpful in giving the public a sense that coordination and direction are being

improved. Such reforms may also reduce criticism within the Executive Branch by groups who feel they are not adequately consulted in the policy development process.

2. Forcing Decisions on Major Issues. Clear and consistent policy should enable the departments to make most decisions within their spheres of responsibility. But there will always be cases where the President and his staff must step in, to force attention on issues the departments are ignoring, or to ensure that a decision is made from a Presidential rather than a departmental perspective. My interviews revealed instances where the EOP failed to raise such matters for Presidential or NSC review. Some of the cases cited were:

- The future size and roles of the Navy remain largely unresolved and these issues have not been addressed adequately even within DoD. The problem is widely recognized, and several efforts have been made to bring it into focus. Admittedly it is probably the most difficult and contentious issue facing security planners, but it deserves much greater attention and priority than it has received.
- There are force structure issues that affect our ability to execute foreign policy, such as the adequacy of our strategic mobility. Questions of this type deserve greater attention, either within the NSC system or between the EOP and DOD, to ensure that the President's priorities are considered when program choices are made.
- While less immediate, there is growing concern over the long-term implications of procuring relatively few costly high technology weapons rather than larger numbers of less sophisticated ones. This emphasis on technology may be desirable from a purely military viewpoint, but could have major foreign policy implications. The inevitable result will be smaller forces and fewer weapons. This will almost certainly increase pressures to reduce overseas deployments and reduce our flexibility to deploy military force to critical areas to protect U.S. interests.

- Perhaps the most fundamental problem facing the military revolves around compensation and the cost of maintaining quality and motivated troops. These are issues where the EOP can and should play a role. There is also a close interaction with related civil service compensation issues. While OMB has addressed these issues, they have received no priority from other EOP elements.
- There are other, more routine, examples of the need to bring issues to interagency decision. For example, questions related to major international conferences, foreign leader visits, and trips by senior U.S. officials often require decisions on positions to be taken, new aid commitments, etc. These decisions are often not addressed on a timely basis.

3. Managing the Decision Process. In refining policies or forcing up issues for decision, the EOP must manage the interagency process to ensure that sound decisions are made. This requires: (1) using the appropriate forum -- interagency, bilateral, or a single department; (2) ensuring consideration of all realistic alternatives, not just those proposed by the bureaucracy; (3) pressing for good analysis and exposing it to sharp criticism; and (4) presenting the options and analysis to the decisionmakers in a way they can best address them and come to a decision.

This has clearly been done in some instances. The question is whether the process can be managed more consistently. Among the points raised which convince me higher EOP priority should be given to managing the decision process are the following:

- Coordinated interagency papers are seldom available as the basis for PRC/SCC meetings. When papers are provided, they are usually the product of one department, and little effort is made to integrate other agency views or options. While this is in part the result of a conscious effort to give the agencies more responsibility, the result has often been that the real issues are not clear and the meetings are not as productive as they should be.

- The number of SCC/PRCs is increasing sharply, from 7 per month in 1977 to 18 per month in the first 7 months of 1979. As a result, attendees don't have adequate time to prepare, and meetings often fail to reach firm conclusions or recommendations.
- The quality of the analysis is uneven, with agencies especially critical of OMB's analytic products. Regardless of the merits of this criticism, there are few systematic joint analyses or coordinated studies designed to sharpen issues or clarify the assumptions and data that drive the outcome of the analyses.
- The materials developed for the President's review often do not facilitate his decisionmaking. For example, during his final review of the FY '80 DoD budget, the President had to work from three separate books: DoD's, OMB's, and the NSC staff's. Moreover, the issues were not uniformly presented or even the facts agreed to in some cases. This situation puts an inordinate burden on the President. Given the increased demands of economic, energy, and other non-security issues, he requires more systematic and integrated staff support.

Managing the decision process is a time-consuming task and the reduction in the size of the NSC staff could be a reason this task has received inadequate attention. But inadequate process management may also be a price the President has paid for asking the NSC to devote a major portion of its time to personal staff support.

4. Ensuring Decisions are Implemented. The final institutional task is to ensure that the President's policies and decisions are carried out. This involves clearly communicating the decisions (and why they were made) to the rest of the government and then overseeing their execution. This is an area where the Executive Office is most consistently faulted.

An example of EOP weakness in this area is its failure to force prompt action on the formation of a rapid deployment force that has been a priority goal of the President since the early days of the Administration. Another shortcoming cited during my interviews included simply failure to follow-up consistently on meetings with a listing of the major conclusions/recommendations, the further work to be done, by whom and when.

The heavy reliance on informal processes (e.g. Presidential breakfasts or Vance/Brown/Brzezinski lunches) may be one reason policy decisions are not systematically translated into action. Follow-up often depends on adequate debriefs by the attendees, which do not always happen. The agencies have not adjusted to this informal approach and the White House has not developed means to ensure decisions are communicated clearly and promptly to the agencies in cases where the debriefs are inadequate or the perceptions of the results by the principals differ.

Another factor is that the NSC staff appears to have been optimized for a policy formulation role. This may have been altogether appropriate in earlier phases of the Administration. Now, however, with much of the policy review and debate completed, the White House staff needs to give greater priority to execution and follow-up. The President has recognized this weakness in domestic policy implementation. The same refocus is needed in the national security area.

C. STRENGTHENING THE INSTITUTIONAL ROLE

Remedies for these institutional weaknesses are easy to prescribe but difficult to apply. Nevertheless, I believe the following steps are important:

First, the Executive Office staff, and in particular the NSC staff, should carefully review the major issues related to our national security posture and develop an agenda of priority issues for systematic study within the NSC system. This agenda should be reviewed by the agencies concerned and the final agenda approved by the President. Addressing the issues will require a series of PRMs or other interagency studies and possibly use of outside consultants and advisory panels. The responsibility for developing the agenda of defense issues should be centralized in a single, senior NSC staff member described more fully below. Among the issues included on this agenda should be naval policy, the adequacy of DoD's multi-year fiscal guidance, long-term trends and impacts of weapon developments, and the adequacy of military manpower policy and compensation. These issues are recognized as important. What is needed is a concerted effort to address and resolve them.

Second, greater attention should be given to preparation for SCC/PRC meetings and other interagency meetings convened by EOP elements. This will require more careful advance staff work to sharpen the issues, more frequent preparation of interagency papers, and greater use of "mini" PRC/SCCs or working groups to narrow and focus the issues to be addressed by principal officials. Working groups have been used effectively in specialized areas (intelligence and arms control) but sparingly in other areas.

Third, the EOP staff should give greater priority to overseeing implementation. This means, first of all, clear direction to the staff that such oversight is a priority matter. It also means better follow-up after interagency meetings and clarification of past policy or program

decisions as necessary. To augment the role of the EOP, State and the NSC staff should consider wider use of interdepartmental groups (IGs) to see that routine matters are implemented and to follow up on top-level decisions. There has been little use of IGs in recent years. More systematic efforts to review departmental progress in carrying out Presidential decisions would also be useful. A possible renewed effort in this area would be a PD-18 follow-up study: an interdepartmental effort to assess the adequacy of the implementation of the President's basic security policy. It should highlight gaps as well as problems or conflicts related to the policy.

Fourth, a number of actions to strengthen the staffing of the EOP are in order:

- The NSC staff should have a single individual with responsibility for Defense matters -- at present responsibility is spread among at least 5 individuals. At a minimum, a "defense coordinator" should be named with prime responsibility for identifying major issues to be studied within the NSC system and to work closely with OMB on program and budget matters. A strong and experienced senior coordinator for defense-related matters, such as Henry Owen plays in economic matters, could make a major difference in the effectiveness of the NSC staff. The demands on the time of the Assistant to the President and his Deputy are too great for them to play this integrating role.
- The organization of the rest of the NSC staff should also be reviewed. Consideration should be given to designating senior people and aligning other staff members under them. The senior personnel could take some of the load off the Assistant to the President and his Deputy. By thus organizing staff resources, the NSC could do a more effective job of managing the interagency process and supporting interagency meetings.
- The EOP needs stronger analytic capabilities. This does not imply building a large analytic staff in OMB or the NSC, although a modest increase of 4 or 5 professionals on the

NSC staff is warranted. Defense can and should provide the bulk of the analytic talent (aided by State, CIA, or ACDA as appropriate). What the EOP needs are analysts of sufficient experience and ability to manage, monitor, and assure the quality of the interagency process. They must be heavily involved in selecting the assumptions, developing alternatives and reviewing results, but should not do the actual work.

- Greater interchange of personnel within the EOP and with the departments should be encouraged. This not only aids communication and improves the informal processes, but also enhances the skills of the individuals involved and broadens their perspectives.
- As personnel on the EOP staff turn over, care should be given to enriching the mix with people having experience in the departments and a concern and interest in follow-up and overseeing policy execution. Knowledge of the players and how the bureaucracy works is important to effective policy execution; on-the-job training in such matters for EOP staff members is a chancy approach. This does not imply moving away from the concept of a diverse staff, composed of personnel with academic or research experience as well as government experts. Rather, the balance should shift in light of the need for greater emphasis on execution.

Finally, there is a need for clearer formulation of responsibilities and coordination processes among EOP elements as well as among the EOP and the departments. In particular, clarification is needed of overlapping OMB, NSC and OSTP responsibilities in the areas of broad DoD resource allocations, weapon acquisitions, and program and budgets. Their relationships and channels with DoD need to be better coordinated, as well as their presentation of issues of mutual interest for the President's decision.

CHAPTER III DEFENSE/FOREIGN POLICY/ARMS CONTROL

The need for closer integration of our defense, foreign, and arms control policies and activities has been recognized by the President and his principal advisors. Various mechanisms apart from the formal NSC system have been established to exchange information and ideas and coordinate approaches on matters of joint interest. These include Friday morning breakfasts with the President, Vance/Brown/Brzezinski lunches, and regular Bartholomew/McGiffert meetings. The result is closer State/Defense relations than have existed in the past, a development enhanced by the close personal relationship between Secretaries Brown and Vance. George Seignious' long experience in Defense and close ties there should help build more bridges to DoD, helping to overcome the natural rivalry and suspicion that always exist between ACDA and the Pentagon.

Nonetheless, officials interviewed from all three agencies recognized the desirability of improving the processes for synthesizing foreign policy and arms control considerations with Defense decisionmaking. Moreover, even closer integration will be needed in the future for several reasons:

- In the early stages of SALT III, systematic consideration of the interaction between weapon developments and negotiating objectives will be essential. Such consideration early in SALT I might have led us to a strategy other than insistence on protecting our MIRV programs. Failure to limit MIRVs then is now enabling the Soviets to threaten our land-based ICBMs. Yet survivability of our land-based ICBM's was a high-priority objective on the SALT agenda. SALT III will also involve a new level of difficulty and sensitivity as it brings into play the concerns of our NATO allies and the political and technical complexities of "grey area" systems.

- A series of increasingly difficult program/budget choices will face the President and his advisors over the next several years. The growth of Soviet capabilities, coupled with new challenges to U.S. security interests in areas such as the Middle East, argue for increased defense spending. Yet the President is also faced with strong political, economic and monetary pressures to hold down the defense budget. Decisions on the overall level of spending as well as on priorities among costly new programs DoD has underway -- strategic missiles, Navy ships, new tactical air and Army weapons, improved C³ and mobility -- must be made on the basis of the President's overall national priorities, not just those of DoD.
- Potential areas of crisis or conflict over the next several years, such as the Middle East, require coordinated attention to political and foreign policy developments. Significant input from a variety of area experts is needed if our capability to preserve U.S. interests is to be appropriate to existing circumstances and constraints.

Regardless of the closeness and frequency of contact among top-level officials, systematic exchanges of views among DoD, State and ACDA staffs will be essential. Moreover, if these relationships are to be effective, timing is important. If decisionmakers learn of a serious foreign policy or arms control problem late in the decision process, the required adjustments are likely to be costly in terms of time, money, or diplomatic ramifications.

Interaction among the agencies involved in national security covers a broad spectrum. I have selected three areas where better integration between Defense and other agencies involved in security matters is needed: Defense Policy; Weapon Acquisitions; Defense Program/Budget. In each area, I suggest actions to remedy the problems identified.

The steps I propose to enhance integration of the Administration's national security policies will inevitably involve State and ACDA in areas that DoD now handles relatively independently. However, if State

and ACDA expect to obtain more substantive cooperation from DoD, they will have to demonstrate reciprocity on their part. DoD has a legitimate interest in many of the activities of these agencies, and its concerns must be given full consideration. For example, DoD has continuously sought greater State understanding and support for DoD's needs and concerns in such areas as foreign training locations, nuclear ship visits, status of forces agreements, base negotiations, foreign force deployments, prepositioning of stocks, and the judicious use of military facilities and equipment for foreign policy purposes. It has also sought relief from the burdensome requirements of Arms Control Impact Statements prepared largely by ACDA. These agencies should give priority to being responsive in these areas where Defense needs their cooperation and continued support. They should also coordinate with DoD any major statements relating to national security, such as the Secretary of State's annual address to the U.N., discussions at NATO ministers' meetings, and Congressional testimony.

A. DEFENSE POLICY

Clear and well formulated Defense policy is critical to our national security posture. It affects the overall force, weapon and dollar requirements, establishes priorities when hard choices must be made, and provides a basis for justifying the Administration's posture, program and budget to the Congress and the American public.

1. Consolidated Guidance. DoD has a formal process to develop and update its basic policy document, the Consolidated Guidance (CG). This document is an internal compendium of policy, programming and fiscal guidance issued by the Secretary. The CG serves primarily as

the basis for the Services' five-year programs and the policy yardstick for making program and budget decisions. It also provides broad guidance to the JCS and U&S commands for the preparation of operational and contingency plans. While many elements of the policy are only relevant and useful within DoD, both State and ACDA have interests in certain aspects of it, such as the NATO guidance, programming for support of conflicts in sensitive areas, strategic nuclear policy, and various arms control issues. Despite the importance of the CG and its significance for our national security posture, a systematic means to incorporate the views of State, ACDA, and the EOP has not been developed.

Information copies of the CG were sent to the NSC staff, OMB, and the Secretary of State (but not ACDA) in 1978. While not asked to do so, State provided DoD with a number of comments and proposed changes. Since the CG had already been sent to the Services, State's comments had little immediate value, although some were reflected in the 1979 document. In addition, a brief NSC meeting was held on the CG, but there was little advance preparation and the discussion dealt more with the assumptions than the substance of the CG. This year DoD again sent copies to the NSC staff, State, and OMB. A PRC meeting was held to consider the CG, among other items, and to provide the agencies an opportunity to raise major issues. The meeting, however, again did not address the policy aspects of the CG, focusing instead on what DoD saw as the more critical issue, the adequacy of the Presidentially approved five-year fiscal guidance. Thus, opportunity for principal agency officials to raise substantive questions about the policy contained

in the guidance or to affect its stated priorities has been limited. In addition, there is no formal process for the agencies to raise minor points or suggested changes with DoD.

State believes that its role as chief advisor on foreign affairs and principal executor of foreign policy necessitates greater consideration of its views in the development of the CG. In particular, State wants to have input on "defense" issues with foreign policy or political ramifications to ensure that the major foreign policy questions are pinpointed and fully considered.

Senior ACDA officials believe they should have a voice in the preparation of the arms control sections of the guidance as well as the weapons policy sections. The NSC and OMB staffs generally would like to comment on the guidance early in the process and to have an inter-agency review -- preferably before the CG goes to the Services in final form.

2. Policy Studies. DoD sometimes undertakes major policy studies unilaterally, although policy studies of major national security issues are normally an interagency process. These unilateral studies cause some concern in State and ACDA about the adequacy of the foreign policy and arms control assumptions and analyses. In many cases, these studies eventually are considered within the NSC system, especially if they touch on major issues, but such after-the-fact reviews provide State or ACDA little chance to significantly affect the outcome.

Two recent examples are DoD's nuclear targeting policy study and Persian Gulf contingency planning study. In both cases there was

active interest in the substance of the studies at State (and ACDA on the targeting study) and a strong belief that their input on the assumptions used, options considered, and possibly the analysis would have made a needed contribution.

3. Conclusions. The major issue is the adequacy of the current process for preparing the Consolidated Guidance. A secondary issue is the possible need for more interagency participation in selected DoD policy studies.

In my discussions regarding the CG, it was suggested several times that a formal NSC review of the document be conducted, perhaps culminating in Presidential approval. In my view such a formal process is not needed, given the current general agreement among agencies on much of the substance of the CG. The differences are largely over priorities and nuances, not basic policy. There is also a problem of time -- the principals who participate in NSC meetings already have extraordinary demands on their schedules. Therefore, what is needed is a low-key, but systematic process that gives careful consideration to the views of State/ACDA/OMB/NSC. This process should settle as many issues as possible at the sub-cabinet level, keeping to a minimum the number to be addressed by the NSC principals and the President.

I recommend a three-part process, which should not be intrusive to DoD or unnecessarily time-consuming, yet which gives the other agencies an opportunity to have their views considered and to raise major issues of interest to the principals. The three steps of the process are:

a. DoD should informally provide the policy section of the CG to State for comment during the drafting stage (as is done with the Defense Report). DoD should provide it to ACDA also, to review it for arms control implications.

b. After the Secretary of Defense approves the CG (roughly March 1) it should be given to State/ACDA/OMB/NSC for a formal review, much as is done now. Any significant issues should be reviewed by a "mini" PRC chaired by the Under Secretary of Defense for Policy. The key to success in this process is keeping the focus on policy issues rather than second guessing Defense's program planning. Moreover, the objective should be to assist DoD in making the tough choices it faces on priorities, given the real-world limits on spending, and not just to press for more programs and forces.

c. Any major issues unresolved by the "mini" PRC would be considered at a PRC meeting on the Defense 5-year program, which will be discussed in section C of this chapter.

Finally, DoD should be sensitive to the need to incorporate the ideas of State/ACDA into major studies, especially those which could affect policy toward major nations and areas or require use of foreign territory for troops, supplies, or overflight rights. It would be useful to ask in advance for input on the political/foreign policy assumptions, constraints, etc. When appropriate, these agencies should participate in the studies. The lead in this effort should be taken by the Under Secretary for Policy.

B. WEAPON ACQUISITIONS

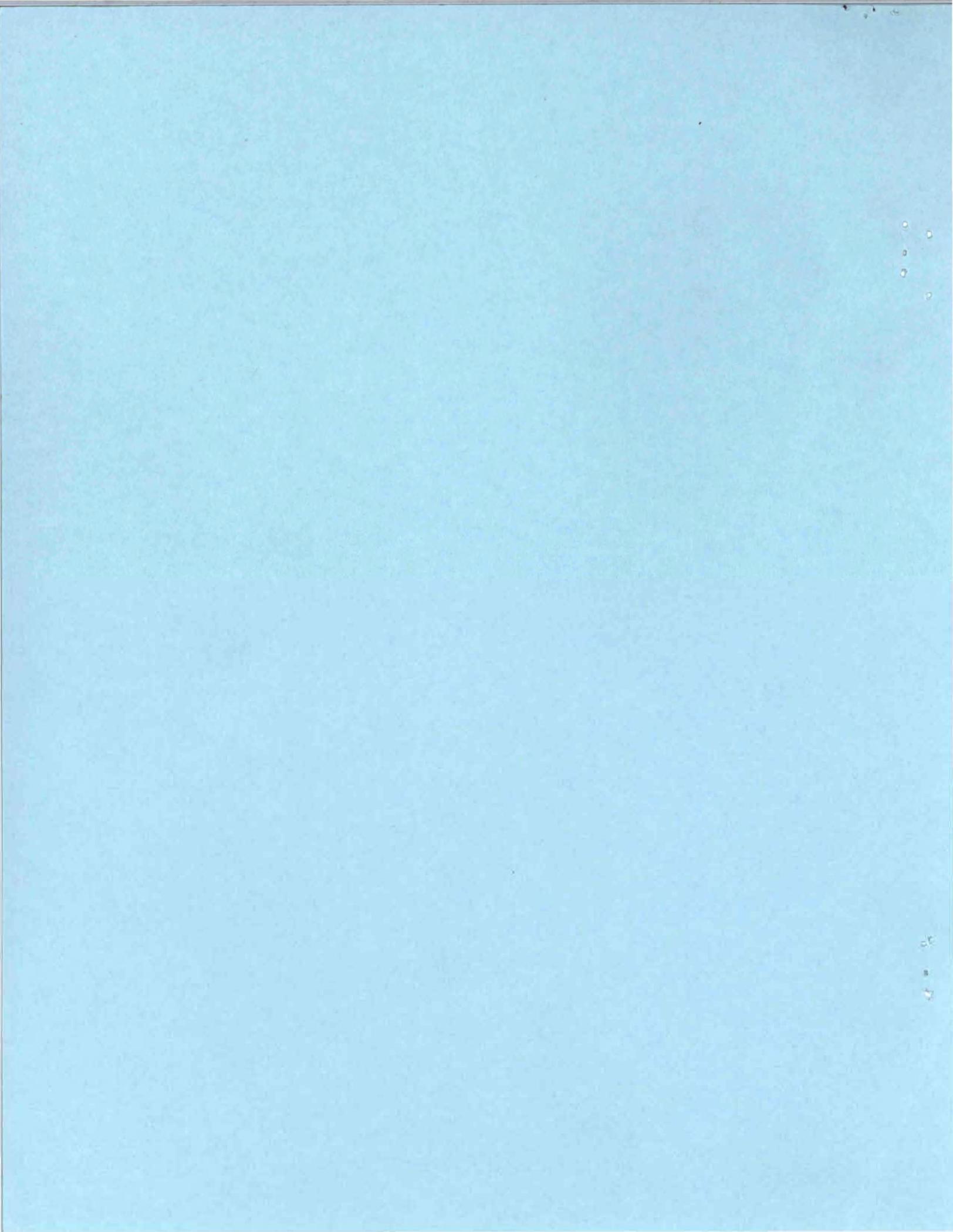
DoD uses a separate management process to make milestone decisions on weapons -- the Defense Systems Acquisition Review Council (DSARC). In an effort to speed and improve weapon development and production decisions, over the past two years DoD has revamped its internal organization and decisionmaking process. The post of Under Secretary for Research and Engineering was created, merging the various parts of OSD that had responsibility for weapon acquisition, and placing all the critical phases of the multi-year development and production process under a single, high-level official. In addition, the DSARC process has been modified to ensure that all relevant cost, schedule and performance factors are considered when milestone decisions are made. A so-called "zero" DSARC was added to take a careful look at the need for each major weapon and ensure that the proposed mission could not be handled by some other military solution.

1. Foreign Policy and Arms Control Considerations. Despite these changes, foreign policy and arms control considerations are not a systematic part of the process. ISA participates in DSARCs that relate to NATO issues and figures significantly in selected cases such as the MX. NSC and OSTP staff representatives attend some DSARCs. However, other departments have no regular input to decisions on major weapons, unless the Executive Office of the President gets directly involved such as with the B-1 or MX. In these two cases, OMB and the NSC were major participants. Neither State nor ACDA were involved in the B-1 decision, and they had little involvement in the preliminary DoD studies of MX. They did become actively involved in the final, decisive PRC meetings on MX when major decisions were imminent.

The primary concern in ACDA and State is the lack of an early and systematic opportunity to raise questions regarding such major weapon developments. There is no fear that DoD is "out of control" or making numerous unsound decisions. Nor is there support for a complex inter-agency process to review large numbers of weapons or to veto DoD decisions. But State and ACDA should have a voice in the deliberations, systematically and in timely fashion, so that changes in direction, if necessary, can be made before great momentum builds for a particular option.

In some instances, a more formal Presidential review will be necessary. Decisions as momentous as the MX will inevitably require Presidential involvement at key stages, and as a result the EOP -- NSC, OSTP, and OMB -- will be involved. In such cases State and perhaps ACDA will likely participate. But even in these cases, the processes tend to be ad hoc and unsystematic, more reactive than anticipatory.

The number of weapon developments of interest to State and ACDA is small. The obvious cases are new strategic or space weapons, theater nuclear forces, selected weapons with unusual political impact such as the neutron bomb, theatre-based cruise missiles, and joint US/NATO developments. In a few cases developments might impinge on arms control negotiations (e.g., CW/RW systems or anti-satellite weapons) thus warranting State and ACDA involvement. But of the 80 or 90 weapons under the purview of the DSARC at any one time, probably no more than 10-20% would justify some interagency input.



THE WHITE HOUSE
WASHINGTON

10/18/79

Frank Moore

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

Rick Hutcheson

cc: Zbig Brzezinski

THE WHITE HOUSE
WASHINGTON

October 18, 1979

MEMORANDUM FOR THE PRESIDENT

FROM:

Frank Moore *F.M.*

Sm Zbigniew Brzezinski *DG*

SUBJECT:

Cambodian Refugees -- Senator Danforth's Trip

As a result of your telephone conversation with Senator Baker, Senator Danforth will be leaving tomorrow for Thailand and perhaps Cambodia (if the Cambodian government agrees). We feel strongly that a Democrat should join Danforth, and Danforth has no objection. We have talked to Senator Glenn, who cannot go, but feels comfortable with Senator Inouye representing the Senate. Senator Inouye is now in Manila and plans to return this weekend.

We would like to call Inouye at your instructions to encourage him to join Danforth. In addition, to show your concerns for the issue, we would like to be able to instruct Assistant Secretary of State Holbrooke to accompany Inouye and Danforth.

As you know, there is concern on the Hill that the Administration has not been active enough in the Cambodian relief effort and this trip, at your instructions, will help rectify that move.

Because of the lateness of all this, airline transportation is very difficult. We suggest that you dispatch a plane to carry Danforth and Inouye on this mission.

1. That you instruct us to call Senator Inouye on your behalf to ask for his participation.

___ Agree Disagree ___

2. That you instruct us to direct Secretary Holbrooke to accompany the delegation.

___ Agree Disagree ___

Frank - This was not my idea, but Baker's initiative - a) What does Sen Byrd think? b) What is purpose of "mission"?

J

3. That if Inouye cannot participate, we find another suitable Democrat in your name.

___ Agree ___ Disagree ___

4. That you will order a plane to be made available for the mission.

___ Agree ___ Disagree ___

FYI: Cy Vance agrees

4:15 pm

THE WHITE HOUSE

WASHINGTON

October 17, 1979

C

MEMORANDUM FOR THE PRESIDENT

FROM: Al McDonald
Gordon Stewart *AS*

SUBJECT: Alliance to Save Energy/Harvard Conference

1. The objectives of this reception are to generate rapport and co-operation between the administration and these conservation groups.
2. Senators Percy and Cranston, Secretary Duncan and Stu will join you in receiving the reports of the conference.
3. Your meeting should not be played as proclaiming an overall comprehensive conservation policy, since:
 - a. Conservation is a vast field with many complex problems.
 - b. We are ahead in some areas, still exploring many and working with the Congress on others.
 - c. The administration is open to ideas.
 - d. Conservation progress is the responsibility of all.
4. As press will be present, we suggest reading at least some of the text. But it is not a full-blown affair, so excerpting as you see fit should be fine.

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Alliance to Save Energy/Harvard Energy Project

(4:00 p.m.)

Thank you for your research reports, which my staff and I will study with great interest as we continue to work towards our common goal -- energy security and energy freedom for our nation.

Exactly six years ago this week eleven oil producing nations implemented their embargo strategy -- and sent us a clear message that we could no longer regard cheap oil as a right, or take it for granted like a third faucet on the sink. We used to think there was hot water, cold water, and gasoline. No more.

For six years public moods have fluctuated from false optimism to apathy to excessive panic. Every manner of miracle cure was oversold to the press -- not just by politicians but

by scientists, journalists and business people.

From my own travels, town meetings, radio call-ins and other conversations I am now convinced that the American public is ready to agree with a belief many of us have held for some time -- that the cheapest, cleanest, most certain source of energy we have is the one we save for ourselves.

While we are working hard on renewable and other alternative energy sources, conservation is not only the quickest way to produce more energy now, but the techniques and attitudes we create will last forever.

I have also found that conservation is very difficult to advance as a single, general concept. In practice the field covers everything from advanced technology, to tips for homeowners. It can involve every sector of society at every level.

A survey of federal agencies alone turned up hundreds of programs, ranging from bench-scale research and development efforts to the actual commercialization of alternative energy technologies; from out reach aimed at consumers to basic energy education for schoolchildren; from state-run energy plans to demonstrations in local energy management, from standard-setting for energy-efficient building construction to regulations for home appliances and thermostat controls in commercial buildings.

I know you have been studying and discussing some of these areas in detail. So have I and my Administration. Each of us does not have to agree with every other person's idea in every single sector -- as long as together we are committed to the goal of producing more energy for this country by making it more energy efficient.

For example, let us look at the residential sector -- an area where many of you have done valuable research.

We know that homes, apartments, and commercial buildings across this country, if retrofitted to become energy efficient, would provide us with the equivalent of another Prudhoe Bay in oil reserves. Our challenge -- the challenge of the Alliance, of the Executive Branch and of the Congress -- is to design measures that will tap this reserve as surely as drilling a well or building a pipeline.

That is why my Administration is now asking the Congress to provide \$5.8 billion over the coming decade to subsidize conservation investments by Lower-income homeowners and apartment building owners, ~~whose incomes are at or below the median.~~ This will permit all moderate income persons, to take advantage of substantial interest subsidies which will greatly assist them in financing conservation investments.

In order to expand opportunities for utility financed programs we will seek to eliminate the current prohibition on

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utility financing of conservation investments, and leave this
to the option of the utilities and their state regulatory
commissions.

Of course, the existing tax credits of the National
Energy Act remain in force and evidence from last year shows
that about ^{9%} ~~11%~~ of all ^{taxpayers} ~~higher income households~~ are participating,

This same legislation we are now working on with Congress
will require utilities to offer basic energy audits of any
residential building which is served by that utility. And
to improve upon the existing utility audit program, we are
asking that this legislation make those audits available at
no cost to utility customers. New skills must be developed
to do this job well, and we are supporting a program for
state training and certification of home energy auditors.

The Administration also supports legislation which

would provide funding over the next two years to assist states which want to participate in a more complicated "House Doctor" program on a pilot basis.

We already have a low-income weatherization program in place that has had problems. I am pleased to say that we revamped the existing program to ensure that funds are better managed and delivered more efficiently.

Actual savings to date, however, have been greatest in the industrial sector, which is of course more sensitive to energy prices.

Between 1973 and 1978, industrial output in goods and services rose 12 percent while industrial energy use registered *declined by 6%* ~~no net gain -- indicating an increase in energy efficiency of 12%.~~ During this period, industry's share of overall U.S. energy consumption declined from 39 to 36 percent.

Perhaps the most effective single government initiative to conserve petroleum has been the implementation of automobile fuel economy standards. The existing 1985 standards of 27.5 mpg can reduce gasoline consumption by ^{1.2 million} ~~two million~~ barrels per day by 1990, when compared to 1977 levels. To reach maximum feasible fuel economy after 1985, I have proposed increased research to:

- modernize engines and drive trains;
- improve structural designs and materials; and
- test fuel efficient prototype vehicles.

I have proposed to draw on the Windfall Profits Tax for a total of \$16.5 billion to fund improvements in the Nation's mass transportation systems and automobile fuel efficiency efforts.

We also hope to achieve more sensible and more economic use of the private auto by supporting car and vanpool matching

systems, variable work hours, vehicle inspection programs, proper maintenance practices, and other measures.

There are so many other areas, each one deserving of an entire conference such as the one you have just held. I recently attended one at Georgia Tech where some twenty advanced technologies were discussed. I could imagine another dealing entirely with the problems of making rental housing more energy efficient -- or on farming conservation techniques, on ride-sharing, on small-scale renewable sources of energy; on industrial co-generation.

In all of these areas we are proposing, or considering, or acting. The National Forest Service's free wood for fuel program is expanding rapidly. We are identifying smaller, low-head hydro-electric sites. The solar tax credits and the National Solar Development Bank will help us reach my goal of 20% of America's energy from the sun by the year

2000. The Department of Commerce's Economic Development Administration has set a fiscal year 1980 goal of investing \$150 million in energy conservation projects.

However so much is beyond the reach of our federal agencies and even our state agencies. What we can do is encourage incentives to help people move faster, and research to help them move faster. We can offer guidance, leadership and communication to help us move forward together, in step as a nation.

After my July 16th energy speech in Kansas City, I created a special clearinghouse and hotline to give specific advice on energy conservation to Mayors and country officials. I have extended the Energy Extension Service which provides grass roots level advice, to cover all 50 states. And to encourage

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and co-ordinate support for energy conservation, I have established a special White House group which will involve all departments in clarifying and making known their energy conservation efforts -- to each other and the public.

TV exec's

I have already written to the chief elected official of every city and country in America encouraging their efforts in community action for energy efficiency. But while it is important to put pressure on politicians -- even those who agree with you -- it is even more important to make the cause of American energy efficiency a popular priority with every politician and citizen of every party.

*not a sacrifice
elim 1/3 stop signs*

I have sought the advice and help of Americans in every walk of life. Today I am asking yours.

You, the partners in the Alliance, are America's energy scholars and teachers. You can help us end energy waste and develop energy choice. Together we can lead this country to

energy security and energy freedom.

In the long run it is the action of all the American people who are going to produce the real energy we need to save energy -- to bring our country through profound change for the better -- and bring it through together.

#

2:30 PM

done

October 18, 1979

MEETING WITH KEY WASHINGTON POLITICAL FIGURES

Treaty Room 2:30pm (15 minutes)

by Sarah Weddington *SW*

I. PURPOSE:

Brief meeting with key political opinion leaders to assure them that you will definitely be a candidate and will go all out to win; to indicate that you welcome their advice and support.

II. BACKGROUND, PARTICIPANTS, PRESS:

A. BACKGROUND:

These people are coming in to talk with Sarah and then with Hamilton. Many of them are regular participants in some of our major initiative drives and each of them has a constituency.

All are favorable towards you, although Harry and Beryl have not definitely committed.

B. PARTICIPANTS:

Loyd Hackler - American Retail Federation
Harry McPherson - Atty
Bob Washington - atty; DC Party Chair
Bob Barrie - GE lobbyist; fundraiser
Bob Keefe - lobbyist
J.D. Williams - atty; lobbyist; fundraiser
Tommy Boggs - atty; lobbyist; fundraiser
Pat O'Connor - atty; lobbyist; fundraiser
Harry McAdams - atty; lobbyist
Beryl Bernhard - atty
Hamilton Jordan
Sarah Weddington
Tim Kraft
Anne Wexler
None

C. PRESS:

III. TALKING POINTS

1. Thank them all for coming over.
2. They will have heard from Hamilton, Sarah and Tim that you will indeed announce and run. They should hear the same from you. We want these people to go back to their constituencies and pass along the message that you will come out with your guns loaded.
3. Ask their advice about the campaign.

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Special notes on participants in Thursday 10/18 2:30pm meeting:

- Loyd Hackler: Loyd is the President of the American Retail Federation. As early as February of 1978 he sent a personal note to Tim telling of his strong support for you and an open offer to help in any way he could. He is a regular member of Anne's Wednesday group.
- Harry McPherson: Harry, aside from being a full-time partner in the firm of Verner, Liipfert, Bernhard, McPherson and Alexander, also still writes columns in the paper from time to time, and is widely respected for his opinions on a full range of subjects.
- Bob Washington: partner in Danzansky and Dickey; Bob has had strong loyalties to you since the summer of 1976. He was very vocal of his support for your work with Blacks when nobody was asking. As Chairman of the D.C. Democratic Central Committee, Bob has had an uphill battle (many of the people in the Barry camp are Kennedy), but has never waivered. He went on the trade mission to Africa with Andy; you recently apptd him to an international trade advisory board. He is a very articulate young attoney here in Washington, very close to John Hechinger as well as many of the different Blacks in power within their own factions here.
- Bob Barrie: Chief Legislative Representative for G.E.; Bob is very close to Sen Pete Williams and helped us out a great deal in N.J. in the '76 campaign. He is helpful not only to the DNC fundraising efforts, but to the CMPC as well and is always willing to help however he can. He too, has a circle of his own friends in the business community here as well as NJ
- Bob Keefe: Bob has been working very closely with Sarah, Hamilton and Tim, and is virtually an unpaid staff member.
- J.D. Williams another attorney here in town, J.D. can also put a message into the "lobbyists' pipeline"
- Tommy Boggs: Tommy has helped to raise funds for you and for the DNC; feels very comfortable with a number of your staff and will help get the word out through the atty/lobbyist connection; he may not be able to attend, as he must testify on the Chrysler Corp problems on the Hill today.
- Pat O'Connor Partner, O'Connor & Hannan; very close to the V.P.; feels very strongly about your office and works well with many of your staff; does a great deal of Governmental Relations
- Harry McAdams Business-Government Association; Harry is a good ole boy from Texas -- he has a network here in Washington as well as in the oil country. He is very close to Dolph Brisco.
- Beryl Bernhard Partner of McPherson's; ran Muskie's Presidential campaign

4:15 PM

THE WHITE HOUSE

WASHINGTON

ALLIANCE TO SAVE ENERGY

Thursday, October 18, 1979
4:15 PM
EAST ROOM

From: Anne Wexler AW

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I. PURPOSE

To discuss energy conservation before the Alliance to Save Energy/Harvard University Conference.

II. BACKGROUND

The Alliance to Save Energy is a private, non-profit organization which seeks to bring about a national commitment to energy conservation and energy efficiency. Co-chairpersons of the Alliance are Charles H. Percy, Alan Cranston, Carla A. Hills, and Daniel Parker. The group has been meeting at Dumbarton Oaks for a symposium co-sponsored with Harvard University on "The Dynamics of Energy Efficiency." Stansfield Turner, Charles Duncan, and Shaikh Yamani (Minister of Petroleum and Mineral Resources, Saudi Arabia) will have spoken during the conference. Turner's remarks were entitled, "Political and Security Ramifications of our Continued Dependence on Foreign Oil Imports." Secretary Duncan will speak on "Delivering Conservation to the Nation." Shaikh Yamani will speak on "An Exporting Nation's View of the Need for Conservation." Conference workshops were held to discuss conservation opportunities in the four end-use sectors: residential, commercial, industrial, and transportation. (The agenda is attached.)

III. PARTICIPANTS

About 150 persons are expected. They are generally national leaders representing industry, labor, state and local government and consumers. Many are experts in energy issues. Senators Cranston and Percy on behalf of the Alliance and Derek Bok and Robert Stobaugh (co-editor of Energy Future) on behalf of Harvard are chairing the symposium. All but Bok will be present. We also anticipate that other Congressmen will attend and we will let Phil Wise know who is coming tomorrow.

IV. AGENDA

Senator Cranston will introduce Bob Stobaugh to give you a brief verbal report on the symposium and then will introduce you. After your remarks, I recommend that you take a few questions from the

audience. Stu Eizenstat and Charles Duncan will be on the stage in the event you desire to call on either of them. Senator Percy has strongly requested that you take questions. A detailed agenda is attached.

V. PRESS PLAN

White House press pool for remarks by Senator Cranston, Mr. Stobaugh and yourself. In addition, about 30 business and energy writers will be present for the entire program.

VI. TALKING POINTS

Remarks prepared by Gordon Stewart are being submitted under separate cover.

WHITE HOUSE
AGENDA

4:15	Introduction of Robert Stobaugh	Senator Cranston
4:16	Brief Summary of Symposium	Robert Stobaugh
4:20	Introduction of the President	Senator Cranston
4:22	Remarks	The President
4:30	Questions and Answers	The President

THE WHITE HOUSE

WASHINGTON

October 17, 1979

MEMORANDUM TO: THE PRESIDENT
FROM: GRETCHEN POSTON *Gp mfg*
SUBJECT: REVISED SCENARIO FOR RECEPTION FOR
ALLIANCE TO SAVE ENERGY, OCTOBER 18.

4:00 P.M. Guests arrive Southeast Gate by bus and proceed to East Room via Diplomatic Reception Room to be seated.

Eizenstat, Duncan, Cranston, Percy and Stobaugh meet in Blue Room.

4:15 P.M. The PRESIDENT arrives State Floor and greets guests in Blue Room.

Eizenstat, Duncan, Cranston, Percy and Stobaugh are escorted into East Room.

The PRESIDENT is announced into East Room.

Senator Cranston makes remarks introducing Mr. Stobaugh.

Mr. Stobaugh makes remarks.

The PRESIDENT is introduced by Senator Cranston.

The PRESIDENT makes remarks and does some questions and answers.

The PRESIDENT departs State Floor.

Guests proceed to State Dining Room for reception.

Guests depart.

ALLIANCE TO SAVE ENERGY/HARVARD UNIVERSITY

DECISION MAKERS CONFERENCE

October 17 & 18, 1979

THE DYNAMICS OF ENERGY EFFICIENCY/

THE DUMBARTON OAKS SYMPOSIUM

Dumbarton Oaks
1703 32nd Street, N.W.
Washington, D.C.

Conference Chairmen:

Mr. Derek Bok, President
Harvard University

Senator Alan Cranston, Co-Chairman,
Alliance to Save Energy

Senator Charles H. Percy, Chairman,
Alliance to Save Energy

Professor Robert Stobaugh, Director, Energy Project,
Harvard Business School

Conference Coordinator:

Ms. Linda Parke Gallagher, Executive Director,
Alliance to Save Energy

Conference Program Advisors:

Dr. Denis Thompson, Director, Research,
Alliance to Save Energy

Dr. Robert Williams, Center for Energy & Environmental
Studies
Princeton University

Dr. Daniel Yergin, Member, Energy Project,
Harvard Business School

AGENDAOctober 17, 1979

- 6:00 p.m. Reception *
Dumbarton Oaks
- 7:00 p.m. Dinner
Dumbarton Oaks
- 9:00 p.m. Introduction
Senator Charles H. Percy

Remarks

"Political and Security Ramifications of our
Continued Dependence on Foreign Oil Imports"

Stansfield Turner
Director
Central Intelligence Agency

October 18, 1979

- 8:00 a.m. Coffee and Orientation **
Dumbarton Oaks
- 8:20 a.m. Introduction of General Session
Professor Robert Stobaugh
- 8:50 a.m. The Promise of Conservation
Dr. Daniel Yergin
- 9:20 a.m. Premiere of Conservation Film Produced by the
Alliance to Save Energy in cooperation with
Twentieth Century Fox Studios
Ms. Linda Parke Gallagher

*Entrance for Reception and Dinner will be Dumbarton Oaks,
Garden Gate, 31st & R Streets, N.W. (see enclosed map)

**Entrance for Symposium will be Dumbarton Oaks, 1703 32nd
Street, N.W. (see enclosed map)

9:45 a.m. Introduction of The Honorable Charles Duncan,
Secretary, U.S. Department of Energy

Senator Charles H. Percy

Remarks

"Delivering Conservation to the Nation"

The Honorable Charles Duncan
Secretary
U.S. Department of Energy

10:00 a.m. Introduction to Workshops

"Designing a Conservation Delivery System--
Private/Public Sector Roles"

Professor Robert Stobaugh

10:15 a.m. Break

10:30 a.m. Workshops

1. Residential

Moderator: Professor Thomas Schelling
John F. Kennedy School of Government
Harvard University

Technical Advisor: Dr. Robert Socolow
Center for Energy & Environ-
mental Studies
Princeton University

2. Commercial

Moderator: Professor J. Herbert Hollomon
Director, Center for Policy
Alternatives, MIT

Technical Advisor: Richard M. Stein, Partner
Stein Partnership

3. Transportation

Moderators: Professors George and William Hogan
Harvard Business School

Technical Advisor: Professor R. Eugene Goodson
Director, Institute for
Interdisciplinary Engineer-
ing Studies
Purdue University

4. Industrial I

Moderator: Professor Quinn D. Mills
Harvard Business School

Technical Advisor: Charles Berg, Consultant

5. Industrial II

Moderator: Professor Ronald Fox
Harvard Business School

Technical Advisor: Professor Marc Ross
Department of Physics
University of Michigan

(Note: Each group will be provided a working
paper for discussion purposes prior to the
Symposium.)

12:00 noon

Lunch
Dumbarton Oaks

12:45 p.m.

Introduction of Shaikh Ahmad Zaki Yamani

Senator Charles H. Percy

1:00 p.m.

Address

"An Exporting Nation's View of the Need for
Conservation"

Shaikh Ahmad Zaki Yamani
Minister of Petroleum and Mineral Resources
Saudi Arabia

2:00 p.m.

Workshops Reconvene

3:00 p.m.

Workshops Break

3:15 p.m.

Conferees Depart Dumbarton Oaks for the
White House (Transportation Provided)

4:00 p.m. Remarks
President Carter
The East Room
The White House

Reception
The White House

6:00 p.m. Adjourn

THE WHITE HOUSE
WASHINGTON

10/18/79

Jim McIntyre

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

Rick Hutcheson

452

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Jim M. E. Inby re
Stop this
J.C.

al Diary

Obituaries

Classified

OCTOBER 18, 1979

C1

Landfill Ordered to Bulldoze Load

U.S. Furniture Buried

By Mike Sager

Washington Post Staff Writer

While the federal government has been probing the illegal dumping of usable government office furniture, government employes continue to throw it away, according to workers at the Montgomery County landfill in Rockville.

Yesterday at 8:30 a.m. a blue and yellow GSA truck pulled into the landfill at 600 E. Gude Rd. and emptied a load of desks, chairs and conference tables in front of a bulldozer for burial.

Landfill records indicate only that the load came from the Department of Health, Education and Welfare.

When the truck came in, said bulldozer operator J. Riner, "they unloaded the stuff and told us we had to crush it up immediately and then bury it. Usually they only request us to cover it that fast when they bring selection files or chemicals.

I tried to salvage some myself—there were good wooden swivel chairs and tables, stuff I could have used—but they said no way, that we had to get rid of the stuff right away."

Proden, a supply systems analyst for HEW, said he had no idea where the furniture came from: "I don't know. I couldn't even guess

because we're so large and spread out."

Just last week, Adm. Rowland G. Freeman III, the new administrator of the General Services Administration, halted all purchases of government office furniture, saying he was not convinced that government agencies use all the furniture they already have on hand.

Freeman's statement came after the Senate Governmental Affairs' federal spending practices subcommittee presented new evidence that government agencies were continuing to buy new furniture when they had plenty of usable surplus furniture on hand.

That investigation, and one conducted by the inspector general's office of GSA, came after The Washington Post reported last month that the Agriculture Department, the Department of Housing and Urban Development, and other federal agencies were shipping off hundreds of dollars worth of usable office furniture and equipment each day for burial in the District of Columbia landfill at Lorton, Va.

It was also found that much of the used furniture was being grabbed by government employes or scavengers who either took it home or sold it to surplus stores.

HEW's Proden speculated that yes-

terday's load of furniture could have come from the National Institutes of Health or from the Department of Public Health in Rockville, but said he could not be sure without an investigation.

Proden said that normally, any furniture or materials that his agency no longer needs is declared "excess property" and goes to the GSA for sale to other government agencies or to the public at monthly auctions.

"The only way we are authorized to dump property is when it has no commercial value or when it's not economical to fix. But even then we have to get an independent official to give us a written statement to that effect."

Meanwhile, HEW and GSA officials said yesterday that they had no idea that the dumping was being continued.

"There is no question that we are interested in looking into the matter," said Robert Wilson of the Inspector General's office at HEW. "I'm happy that you brought our attention to it."

"We really and truly want to see this stuff stopped," said an aide to Freeman. "We are trying to get all the federal agencies to put their inspector general on this matter so we can go out quickly and shut this off immediately."

THE WHITE HOUSE
WASHINGTON

Phil has
seen
for Julius

THE WHITE HOUSE
WASHINGTON

Mr. President:

The senior staff feels
you should drop-by for
10 minutes for this
event.

approve disapprove

Phil



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11:15 AM

THE WHITE HOUSE

WASHINGTON

October 10, 1979

MEMORANDUM FOR PHIL WISE
FRAN VOORDE

FROM: ALFRED E. KAHN *Fred*

SUBJECT: Presidential Visit to First Meeting
of Pay Advisory Committee

As you know, the President announced on September 29 an accord with organized labor, the most prominent component of which was the creation of a Pay Advisory Committee to be chaired by John Dunlop, former Secretary of Labor.

We plan to recommend names to the President for membership on the Advisory Committee later this week and to announce the members and hold the first meeting next week, if at all possible. We must move rapidly, since the Committee is charged with formulating recommendations on the pay standard by the end of this month.

I believe that it would be highly desirable for the President to make a brief statement to the Committee at its first meeting. This will be a prestigious committee, and it will play a very important role in the anti-inflation program. It is important not just in terms of showing Presidential concern with inflation, but substantively, for the President to appear as they begin their deliberations.

Dr. Dunlop plans to try for a first meeting on Wednesday, October 17 (my birthday!) in the morning, and the second on Monday, October 22, or Tuesday, October 23. I strongly recommend that the President make a brief appearance and statement (perhaps 10-15 minutes) on one of those dates -- preferably the first.

If you have any questions about this, please call Josh Gotbaum, my Executive Assistant, at extension 7777.

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THE WHITE HOUSE
WASHINGTON

Phil has
seen

11.45 am

THE WHITE HOUSE
WASHINGTON

Mr. President:

Bob Strauss has asked to see you today to discuss politics. Hamilton recommends you see him. Shall I schedule?

yes no

Phil

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1pm Fri

THE WHITE HOUSE
WASHINGTON

Mr. President:

Hamilton informed me you wanted to meet with Dr. Kemeny before the final report was completed. The commission's last meeting is Saturday. Shall I proceed to set a meeting this week?

set meeting
 delay

Phil



THE WHITE HOUSE
WASHINGTON

10/18/79

rick hutcheson --

brzezinski copy of attached
was given to bob gates;
copies to brown, vance and
turner were put in envelopes
addressed to same, and given
to bob gates for NSC delivery.

attached is for your file.
there are no other copies.

--susan clough

THE WHITE HOUSE

WASHINGTON

10-18-79

To Vance, Brown, Brzezinski,
Turner

Re Branigin's article on
Morocco (Post, 10-18-79)

I would prefer to see the
PRC reports before they are
given to the reporters.

Jimmy Carter

Copies given

10/11/79

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THE WHITE HOUSE
WASHINGTON

10/18/79

Secretary Duncan

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

Rick Hutcheson

cc: Stu Eizenstat
Frank Moore

ADMINISTRATIVELY
CONFIDENTIAL



Department of Energy
Washington, D.C. 20585

MEMORANDUM FOR:

FROM:

SUBJECT:

The Administration's Breeder Position

To C. Duncan - ^{a)} In my opinion
The CRBR is a complete waste of \$
b) R&D on BR technology is needed
c) Pending Kennedy, LLR's are in
a relatively dormant state & to
push BR's would be premature
d) No need to stir additional
opposition to ESC right now
October 15, 1979
e) Our anti-CRBR supporters in
Congress have been to the wall
with us. They would have to be
part of any change in approach.

THE PRESIDENT

is held for true being -

CHARLES W. DUNCAN, JR. *CWJ*

On August 23, Jim Schlesinger wrote you proposing a change in the Administration position on construction of a new breeder R&D plant and raised the possibility of financing this new plant from the Energy Security Fund (ESF) and windfall profits tax.

It is my view that now is an appropriate time to review our breeder position. In my judgment it is important for the Administration, our domestic energy policy and our international non-proliferation efforts to resolve the Clinch River Breeder (CRBR) issue and embark upon a reasonable breeder development program that has the support of both you and Congress. It appears that Congress will once again vote funds for the CRBR prolonging wasteful expenditures for an outdated plant, without resolution of an issue that has remained outstanding too long and to no one's benefit. The issue of the ESF to fund a new plant, should you decide to do so, raises many issues that would need to be fully explored.

I propose that over the next two weeks DOE fully review the options on this issue, including the potential use of the ESF. At that time I will seek the views of other interested agencies on the various options and then report the options, agency views and my recommendation to you on how I believe we should proceed on this troublesome issue. Stu concurs in this approach.

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CONGRESSIONAL LIAISON
COMMENTS



Congressional Liaison Comments

Any decision to alter your position on the construction of a new breeder R&D plant should be deferred until next year. The Senate Energy Committee, with Sen. Bumpers in the lead, has voted to deauthorize the Clinch River Breeder Reactor. The DOE authorization bill, in which the deauthorization language appears, could be considered on the Senate floor late this year or early next year, according to Energy Committee staff. We believe there is slightly less than a 50:50 chance to retain that language on the Senate floor.

Nevertheless, while there is still some chance for victory on the issue, it makes no sense to back off our position. Bumpers worked hard on the issue in Committee, won narrowly and would view it as a betrayal if we gave up at this juncture.

Also, reliance on the windfall profits tax to finance a new breeder could trouble many of the strongest supporters of the tax. These Senators, many of them liberals, are already disturbed that a large portion of the revenues from the tax are to be used for synfuels production rather than solar, conservation or biomass. We must have the enthusiastic support of these people in order to win an acceptable tax. They will see a decision to use WPT revenues for breeder spending as further unacceptable waste of potential revenues from the tax.

Congressional Liaison recommends delaying any decision on a change in position until the DOE authorization bill is scheduled for floor action.

ID 794519

THE WHITE HOUSE

WASHINGTON

DATE: 16 OCT 79

FOR ACTION: FRANK MOORE

(Bob Thomson)

in by 9:00 pm

Free will comment

INFO ONLY: THE VICE PRESIDENT

AL MCDONALD

ELIOT CUTLER

SUBJECT: DUNCAN MEMO RE THE ADMINISTRATION'S BREEDER POSITION

+++++

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

+ BY: +

+++++

ACTION REQUESTED: IMMEDIATE TURNAROUND

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

PLEASE NOTE OTHER COMMENTS BELOW:

Alliance to Save Energy 10/18/79
 Harvard Stober
 6 YRS EMBARGO Walked
 Mood - PANIC → APATHY → No
 CONSERVATION = NO SACRIFICE
 PERMANENT BENEFIT
 FED AGENCIES - 100's
 RETROFIT BLDGS = PRUDENT
 SUBSIDIZE LOANING ^{HOMES} / 100's
 TAX CREDITS = 4% PARTIAL
 ENERGY AUDITS { STOP
 DEREG ^{SIGNS}
 INDUSTRY - 5 YRS / 12% ^{100's} 4%
 AUTOS 2 7/2 / 85% = mbd
 URBAN XPORT + VANPOOLS
 SEMINAR = RENT HOUSING - FARM
 WOOD = SOLAR = EXTEN SERVICE
 TV EXECS = PUBLIC =
 ?'s

Alliance to Save Energy 10/18/79

ACTION TOM MASARO
Newark
1ST 2 YRS USD PROTECTS
#681L, N 1/6 GOVT
230T PERM - 130T TEMP ^{CONST} JOBS
7V80 70% INCREASE
POVERTY POCKETS = 20% UDAG
FUNDING
EVEN BETTER

HENRY MAIER = DEAN - MILWAUKEE
PRES US CONF OF MAYORS
FOUNDER CONF DEMO MAYORS
75-76 BASE

PETE WILLIAMS
CHMN SUBC. HOUSING, URBAN
AFFAIRS
SHAPE UDAG

LUD ASHLEY
ADVOCATE HOUSING, DEV. COM.
BIPARTISAN

URBAN POLICY GROUP 10/18/79

HARRIS - LANDRIEU - HUD
Bob Embrey

U. DEV ACTION GRANT (UDAG)

Urban, Policy Group 10/18/79

CONCEIVED '75 = NO 2ND GUESS

60-DAY DECISIONS TARGET

LEVERAGE - 6:1 10:1 PEOPLE

ISOLATION = FRUSTRATION = ALIEN

NEW ENTHUS = HOPE = ACTION =

PARTNERSHIP = GOV/MAY/CO.
2 me, 5-10 TIMES

URBAN CENTERS: BACKBONE VS
ACHILLES HEEL

GOOD PEOPLE → WISH 2 MATTERS/2 YRS
HUD-LABOR-WH

CETA ~ 2X YOUTH + 60%
URBAN DEV 300% (UDAG & EDA)

180 \$6 BIL PRIVATE, 400,000
JOBS

HOUSE - XPORT - SOCIAL

UDAG CORNERSTONE = 90 DAYS

nt (cc)
THE WHITE HOUSE *11:36 am*
WASHINGTON

10/18/79
9:30 am

Mr. President --

Bert Lance called and
asked if you would return
his call sometime when you
were not busy.

He did not mention subject;
but did say that he would
like to talk with you briefly.

--SSC

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