Frank Moore

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

Rick Hutcheson
CONGRESSIONAL TELEPHONE REQUEST

TO: Congressman Richard Bolling
DATE: As soon as possible
RECOMMENDED BY: Frank Moore
BACKGROUND: It is now apparent that an additional call by you to Congressman Bolling will be necessary to get the Hospital Cost Containment bill on the House floor this week. The Speaker has also agreed to talk to Bolling.

There are several theories why Bolling is reluctant at this time to bring the bill to the floor. All agree, however, that your call is essential at this time.

TALKING POINTS:

1. I want to thank you for your considerable efforts on behalf of the cost containment bill thus far. You have given the bill a fair hearing and done your best to prepare the bill for floor consideration.

2. I strongly believe that the bill should come to the floor this week. Our experience has been that we have lost strength over district work periods. If the bill is not disposed of before the Thanksgiving recess, Congressmen will be subject to intense lobbying on their home turf.

3. We are the strongest we will ever be right now. All our efforts have been focused on a vote this week. Quite frankly, we are not sure we have the votes to win and we need your help on the floor also but we are sure we will have fewer votes when the Members return from the Thanksgiving recess.
4. To give my hospital cost containment bill a fair hearing on the House floor under the best circumstances now possible, the measure must come up this week. I need your help.
MEMORANDUM FOR THE PRESIDENT

FROM: Frank Moore

RE: Windfall Profits Tax

As you know, the Secretary of the Treasury and his staff have the lead on the windfall profits tax bill which we expect will come up for floor action perhaps as early as tomorrow.

The bill reported by the Finance Committee is obviously inferior to both our original proposal and the House-passed bill. On the other hand, it is less obnoxious than we might have expected, given the fate of other tax measures in the Finance Committee. Therefore, we will have to fight on at least two fronts: first, to strengthen the bill with our own amendments and second, to protect the measure against weakening amendments.

We have arranged sponsors for and will be supporting the following amendments:

- Nelson -- to delete the Committee's exemption for newly-discovered oil.
- Ribicoff -- to eliminate the so-called "independent stripper" exemption put in by the Committee.
- Bradley and Chafee -- to increase the tax rate on Tier II oil from 50% under the Committee bill to 75%.
- Moynihan -- to eliminate the phase-out of the tax.
- Leahy -- to eliminate the Committee provision allowing the depletion allowance for the windfall portion (but continue to allow depletion for the base price).

We have not settled on a sponsor for an amendment to eliminate the exemption for incremental tertiary oil.

If we fail in the major amendments listed above (newly-discovered, independent stripper, and taxing Tier II oil at 75%) we will pursue an amendment to impose a minimum tax on all exempted categories.
We expect the following amendments, which we oppose, to be offered:

Bentsen -- the so-called "small independent" exemption under which each producer's first 3,000 barrels per day would be exempt.

Hart -- an amendment similar to Bentsen's but more moderate (1,000 barrels per day), and it will only be offered if Bentsen fails.

Bellmon -- essentially a plowback amendment giving a credit against the tax for each unit of increased oil production (for example, a 1% reduction in the 50% rate for every 100 additional units of production).

We are optimistic that we can defeat or water down these amendments. We will probably get some behind-the-scenes help from Senator Long in defeating these proposals.

One major question remains and that involves what Senator Kennedy will propose. We believe that he will join with Senators Metzenbaum and Bumpers in offering the House-passed bill as a substitute and proposing that the additional revenues which would be gained should be devoted to a tax cut, either an income tax cut or a social security tax cut. We intend to support efforts to substitute the House-passed bill but will not be able to agree with that part of the amendment which would devote revenues gained thereby to tax relief. We expect that efforts to substitute the House bill will fail. We also expect Senator Kennedy to be extremely critical of the Administration and blame us for the relatively weak bill that the Finance Committee has reported. Undoubtedly, he will charge that if you had made strong statements indicating that if a heavy windfall profits tax were not voted, you would reimpose price controls on oil. He will also probably criticize us for not issuing veto threats with respect to the Committee bill. This criticism will be uncomfortable for us but we are confident that if we continue as we have we will get a sound windfall profits tax bill out of the conference. In this regard, we must be exceedingly careful about Administration statements with respect to the tax bill and suggest that the Secretary of the Treasury be the only Administration spokesman (the possible exception being the Secretary of Energy) on this measure.
THE WHITE HOUSE
WASHINGTON
14 Nov 79

Jack Watson

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

Rick Hutcheson

Arnie Miller
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MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON  ARNIE MILLER

SUBJECT Coordinator of United States Refugee Policy and Program

The lives at stake in Kampuchea and elsewhere in the region may approach the level of the Holocaust human tragedy if the world community fails to act in time. Leadership on the refugee problem rests with the United States, and will largely be in the hands of whomever you select for this position.

Your selection must be based solely on who can best get this job done. It may be one of the most important acts of your administration. Our country's speedy and effective response to this tragedy will be an historic expression of the decency and the humanity of the American people. We have discussed this appointment with Cy Vance, Warren Christopher, Henry Owen, Sam Brown, and others. We are convinced that Bob McNamara is by far the best person in the country for the job.

Far more than any other person, McNamara embodies all of the qualities we believe are necessary -- and which will make the difference as to whether hundreds of thousands of people will live or die in the next twelve months. McNamara is:

- A superb crisis manager.
- He will command respect at the highest level of government and the Congress.
- He has a proven record of accomplishment as a manager. He will surround himself with an excellent team.
- He, more than anyone else, will be able to mobilize and move the military, diplomatic and international assistance bureaucracies required to carry out this massive effort.
- He is capable of effectively articulating the importance of response to the Congress and the public.
While Cy Vance agrees that there is no one better for this assignment, he is also concerned about the personal impact this job may have on McNamara. We recommend that McNamara should be asked to take a one year leave from the World Bank to do it.

As he always does, McNamara will attract very able people, who will create an organization capable of responding well to a change in its leadership at the end of the year.

We strongly feel that the Refugee Coordinator should be brought into the White House and be Chairman of a White House Task Force for refugee matters.

We have considered many other people, none of them come close to matching McNamara.

Some of the other better suggestions for the position are as follows:

Mike Dukakis, is viewed as a tough and able leader with a good deal of compassion. He would need the support of a good manager.

David Bell, Executive Vice President of the Ford Foundation and former Administrator of AID. Bell is well thought of in the foreign assistance community. Cy Vance thinks well of him. However, some people have told us that he is a little old and tired for this assignment. We do not believe he is enough of a self-starting entrepreneur to put this thing together and operate effectively in a highly unstructured situation.

We recommend that you authorize us to go after McNamara first. We believe that the combination of his stature, management skills, Defense Department knowledge (which will be necessary to overcome the logistical problems,) international experience and compassion make him a compelling choice.

We share your concern for the misuse of your time in considering candidates who later turn us down. However, this case is so special, and McNamara is so unique, that Cy Vance and we recommend that you approach him directly.

**Decision:** Schedule appointment for me with McNamara:

[ ] Approve [ ] Disapprove

Authorize Jack to go after him instead:

[ ] Approve [ ] Disapprove
ROBERT S. MCNAMARA
Washington, D.C.

EXPERIENCE:
1968-Present  President, The World Bank
1961-1968  Secretary of Defense
1960-1961  President, Ford Motor Company
1946-1960  Executive, Ford Motor Company
1942-1946  War Department

EDUCATION:
1937  A.B. University of California
1939  M.B.A. Harvard University

PERSONAL:
White Male
63
Democrat

AUTHOR:
One Hundred Countries - Two Billion People
MEMORANDUM FOR PRESIDENT CARTER
FROM: SARAH WEDDINGTON
RE: Two-Week Report of Activities

1. Activities Relating to DNC Meeting, Nov. 7-9, 1979.
   Separate memo submitted.

2. ERA.
   Those attending the ERA event October 23 were very pleased with your attention to the issue. I am now working closely with ERAmerica and the President's Advisory Committee for Women to develop a detailed report for your consideration. We hope to have it finished in about two weeks. I hope to schedule a meeting for a small group with you on ERA in early December.

   My office was significantly involved in the dinner preparations. The "thank-you photo" with you for key workers has since been done. We are working with the campaign to do a follow-up letter to all those whose names were included on the dinner list.

4. State Briefings.
   We completed the Washington and Maryland state briefings. We are in the process of sending follow-up photos and letters to all who attended the briefings. We are in the process of entering in the White House computer all those who have attended previous briefings, so they will receive a copy of the Administration Accomplishments and other mailings. The Minnesota briefing is scheduled for November 14 (Dick Moe will officiate since I will be out of town). We are trying to schedule Illinois and a New England briefing for the week following Thanksgiving.
5. Speeches.

October 26-27 I spent in Indiana at the request of Congressman Lee Hamilton and State Vice-Chair Patty Evans. I campaigned for three city council Democratic slates headed by women (they all won), and spoke to the state-wide meeting of Democratic Women.

I spent October 30-31 in Iowa at the request of the campaign.

At Governor Riley's request, I spent Saturday, November 3 in South Carolina doing a variety of speeches and Democratic party activities. The Governor is a wonderful leader in your reelection effort; Don Fowler was also very helpful.

Tuesday evening, November 6, I spoke to the group gathered by Lowell Leberman and state-wide officials to prepare for the December 8th brunch fundraiser in Austin, Texas, for the reelection campaign.

Saturday night, November 10, I spoke to the banquet for the National Conference of Puerto Rican Women. Your recent appointment of Puerto Ricans for a judgeship on the mainland, Under Secretary of HUD, etc., were particularly well received.


A good many calls were completed election night and the following day, including the ones you did. We are now in the process of sending congratulatory letters from you (paid for by the DNC) to all those Democrats elected Tuesday, November 6th who were not called; telegrams have already been sent to those elected who are of special significance to us.

cc: Hamilton Jordan
    Jody Powell
    Tim Kraft
    Rosalynn Carter
THE WHITE HOUSE
WASHINGTON

ADMINISTRATIVELY CONFIDENTIAL

CONGRESSIONAL LEADERSHIP BREAKFAST

Wednesday, November 14, 1979
8:00 a.m.
State Dining Room

From: Frank Moore

I. PRESS PLAN

White House Photographer

II. PARTICIPANTS

See attached list.

III. INTRODUCTION

This Leadership Breakfast affords you an opportunity to stress the bipartisan nature of many of the critical issues facing us, as well as to thank members of the Republican leadership for their assistance on rationing and the EMB legislation.

The following introductory points should be made:

o Many of the issues before us today confront us not as Democrats or Republicans but as Americans. The energy crisis, the situation in Iran, and our fight against inflation all transcend party lines. To secure solutions to these problems we must disregard the boundaries of political parties. For the good of the country we must pull together.

o Thank you for your help with rationing and the EMB legislation. The successful outcome of the EMB in particular resulted from close cooperation between members of both parties.

o I want to give special thanks to this group for the restraint you have advocated and demonstrated during the Iranian crisis. Virtually all of the Republican leadership have followed a bipartisan approach. Senators Baker and Stevens, you have been particularly helpful. (Stevens
dissuaded Senator Dole from calling for a "Sense of the Senate" resolution over the hostage situation.

FYI: An addendum on Iran will be provided sometime later on Tuesday evening.

IV. AGENDA

A. HOSPITAL COST CONTAINMENT

As you know HCC may be on the House floor by Thursday. Following are talking points which should be effective with Republicans:

- This is one of the few clear-cut opportunities the Congress will have this session to strike a blow to inflation. If this bill is enacted taxpayers could be saved $20-$23 billion over the next five years. Hospital costs have been rising this year at a rate of 13.3% while inflation in the marketbasket has been rising at a rate of 9.3%. As you know the federal government pays for 40% of all hospital care. The Medicare deductible has risen from $40 to $160 in the past decade and is expected to rise another $20 by the first of next year. Passage of this legislation will go a long way to assist me in my efforts to balance the budget (or hold down the deficit.)

- In working on this legislation over the past 2½ years, my Administration has been realistic in its assessment of the causes and solutions for rising hospital costs. We have tried to accommodate the major concerns of the hospital industry. In fact, last year the hospitals would have gladly accepted this bill. I know that you may have been told that your individual state has been doing well. However, unless your state has already adopted a mandatory plan, the figures prove otherwise.

- As I have stated before, I consider the enactment of this bill to be of national importance, and I think that it will be perceived by the press and the public as a golden opportunity for Congress to take a positive stance against inflation.

B. ESC/SYNFUELS

The House Democratic leadership apparently has still not decided how to deal with the Senate-passed ESC/Synthetic fuels bill. Your best tack for the breakfast would be the following:

1. In the Senate, Republican support for the strong synthetic fuels bill reported by the Energy Committee
was mixed. (Baker absent, Tower against; Stevens and McClure for.) In fact more Republicans voted for the weaker Banking Committee version than for the Energy Committee program. In light of recent events, I hope this trend will be reversed in the House.

2. We must have an aggressive synthetic fuels program to achieve a degree of independence from the foreign oil cartel. As indicated by the current situation in Iran, foreign leaders may be tempted to take precipitous actions if they believe we are heavily dependent on oil which they export to us.

3. The House and the Senate have now passed energy bills that differ greatly. It is not my role to suggest the means by which those differences can be reached. You and your Democratic colleagues are the ones most capable of devising such a mechanism.

4. I do know, however, that the American people expect the Congress to pass a strong energy bill with a very significant synthetic fuels component by the end of the year. I will be pushing for continued favorable action. I strongly support the Senate-passed energy legislation.

C. WINDFALL PROFITS TAX

We now face Senate consideration of the WPT. The Finance Committee bill is not as strong as the measure we proposed. We must strengthen this legislation by removing some of the exemptions and paring down some of the credits adopted in Committee. It is imperative that you denigrate neither the Chairman nor the Finance Committee in front of the Republicans. They are not sympathetic to a strong tax bill and will use your remarks to inflame Senator Long and other Committee members. Ironically, a core group of five Finance Committee Republicans (Packwood, Chafee, Durenberger, Heinz and Danforth) proposed some strengthening amendments, voted for others, and opposed several weakening proposals in the Committee. They will probably be active on the floor so while the leadership, especially Packwood and Stevens, are not sympathetic to efforts to strengthen the measure, several of their Republican colleagues will be.
CONGRESSIONAL LEADERSHIP BREAKFAST

Wednesday, November 14, 1979

PARTICIPANTS

The President

Senator Howard Baker
Senator Ted Stevens
Senator Bob Packwood
Senator Jake Garn
Senator John Heinz

Congressman John Rhodes
Congressman Bob Michel
Congressman Sam Devine
Congressman Jack Edwards
Congressman Clair Burgener
Congressman Bud Shuster
Congressman Trent Lott
Congressman Guy Vander Jagt
Congressman Jimmy Quillen

Secretary Charlie Duncan
Secretary Bill Miller

Stu Eizenstat
Jody Powell
Zbig Brzezinski
Jim McIntyre
Alonzo McDonald
Bill Smith
Frank Moore
Dan Tate
Bill Cable
Valerie Pinson
MEMORANDUM

THE WHITE HOUSE

WASHINGTON

UNCLASSIFIED

INFORMATION

MEMORANDUM FOR: THE PRESIDENT
FROM: ZBIGNIEW BRZEZINSKI
SUBJECT: Your Meeting with the Republican Leadership

The following talking points review the principal areas of concern on the Iranian situation:

Objective

-- Since the takeover of the embassy in Tehran ten days ago, every act of the Government has been directed toward securing the release of the Americans and insuring their physical safety.

-- Despite our anger and frustration, each of us must place uppermost the need to protect the lives of these people, without compromising our principles or giving into blackmail. We have not done that; we will never do that.

-- I wish to thank each of you for the great restraint and statesmanship you have displayed in this crisis. It is a mark of a great nation that its political leaders subordinate political differences when the fundamental values and interests of the nation are at stake. I know that the American people can continue to count on you -- just as they would look to me to support the President if our positions were reversed.

-- There is reason for each of us to be proud of the dignity and good sense displayed by the American people in this time of trial. From reports I get on our embassy people, I am also extremely proud of them and their courage in the face of great risk.
Steps Taken

-- In the initial stages of the crisis, we explored every possible public and private avenue of communication with the authorities in Tehran. At one point, as you are aware, we received assurances that a Presidential delegation would be received, only to have those assurances reversed within a period of 24 hours.

-- We are continuing these efforts, and the spirit of cooperation which has been shown, not only by private American citizens but also by many Iranians in this country, has been remarkable: We have had a flood of imaginative and useful suggestions and offers of assistance.

-- At the same time, we have undertaken a massive and unprecedented diplomatic effort world wide, using all the resources at our command to carry our message to foreign governments and organizations and to seek their advice and assistance. There is universal recognition of the essential sanctity of diplomatic personnel and property, and the dismay of leaders and private individuals around the world has been no less than our own. These efforts will continue.

-- I have ordered the Immigration and Naturalization Service to seek out and deport any Iranian student illegally present in this country and enjoying the hospitality of our country and our laws.

-- I have ordered a halt to any further oil purchases from Iran in order to remove energy considerations from any role in the negotiations for the release of our people.

-- Obviously, I cannot go into detail about many of the initiatives we have taken and which are underway. I would only say that the effort is intense and the response from governments and international organizations has been heartening.

-- There are no magic solutions to this problem, and I cannot promise you the kind of immediate resolution we all are looking for. I can only assure you, however, that no realistic alternative will be ignored. I solicit your support and advice.
Since there have been suggestions that U.S. preparations for a crisis with Iran were inadequate, you may wish to use the following points in response to questions:

**Security of the Embassy**

- Over the past year, we have taken extraordinary precautions to provide protection to our diplomatic personnel in Tehran.

- We reduced the size of the embassy by more than 90%.

- We carried out a detailed security survey and had completed all of the recommendations of that survey prior to the recent attack, including reinforcement of doors and windows, special surveillance equipment, and consolidation of activities. We had constructed a new, highly secure consulate building which apparently survived the initial attack.

- We had developed detailed contingency plans for our personnel in the event of an attack, and these had been reviewed immediately prior to the latest incident. The 14 Marine guards were under orders to resist but to avoid taking lives. If they had opened fire, we could have had a blood bath.

- In the final analysis, however, the protection of any embassy in any country in the world must rely on the willingness of the host government to fulfill its solemn responsibilities under international law. Without that, no nation's diplomats are safe to carry out their duties in safety.

- Just three days before the latest incident, the authorities in Tehran had responded to a possible threat by increasing security forces around the embassy and taking other steps which effectively defused a possible attack.

- However, on November 4, all Iranian security protection was withdrawn, the responsible authorities failed to respond during the siege, and they have subsequently sided with the attackers.

- We hold the Iranian authorities responsible for the obligations all nations accept for the protection of diplomats accredited to their countries.
Reaction of the Families

-- I recently met with the families of those being held hostage. All Americans can be proud of the courage and dignity which these men and women have displayed.

-- All of us owe them our respect, our support and our prayers.

(Statement by the families is attached.)
The following is a statement of families of hostages:

We are a number of the families of the hostages who are currently being held at the American Embassy in Tehran.

This morning we met with President Carter and Secretary Vance, who assured us that everything possible is being done to secure the release of our loved ones. We fully support their calm and firm diplomatic efforts.

Members of the families have been receiving calls from relatives and concerned friends from all over the world. From them, we have learned that this has become an American crisis which touches us all. Therefore, let's solve this crisis the American way. Despite the frustrations and anger we all now share, we strongly urge that you commit no act that might lower American dignity. We want nothing done which will jeopardize the safety of the hostages. The greatest support you can give the hostages and us, their families, is your prayers. We believe that the power of prayer is the tremendous force that unites the world.

Please find constructive, peaceful ways to show your support. We are asking that you turn on our car lights throughout the day, put an American flag in your window, and express your concern through prayer.

We are a national family. We must work together through prayer and peaceful protest for the release of the hostages.

November 10, 1979
THE WHITE HOUSE
WASHINGTON
14 Nov 79

Zbig Brzezinski

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

Rick Hutcheson
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THE WHITE HOUSE
WASHINGTON

Electrostatic Copy Made
for Preservation Purposes
Mr. Charles H. Kirbo, Esq.
King and Spalding
2500 Trust Company Tower
Atlanta, Georgia 30303

November 10, 1979

Dear Mr. Kirbo:

I am deeply appreciative of the privilege and the opportunity to visit with you the other day.

First of all, I would like to convey to you Korean people's deepest appreciation and admiration for the Carter Administration's expression of strong support for Korea's security following the death of their President. They truly feel that it is a mark of true statesmanship on the part of the President to act in such a judicious manner.

Please allow me to reiterate in writing several key points I tried to convey to you during my visit with you concerning my recent trip to Korea. On account of the effect of jet lag, I was unable to articulate those points completely to my satisfaction. I hope this written report will remedy my initial handicap.

I came back from my trip much encouraged by the prospects of the future development of democratic institutions in Korea. My own observations reinforced by those of others reveal that there is a tremendous opportunity for Koreans to set up an experiment with liberal democracy. In spite of the uncertainties and anxieties over the assassination of their President, the Korean people have exhibited a remarkable degree of political sophistication and maturity which has impressed many foreign observers.

At the same time I feel that the United States has a key role to play in the shaping of the future of the country. In fact, the Korean people yearn for such a role by the Carter Administration. If this opportunity is fully taken advantage of by the Carter Administration to steer Korea to the direction of liberal democracy, it certainly will go down in history as one of the most significant achievements of the Carter Administration. Inasmuch as Korea is pivotal for the regional stability and tranquility in the Far East, I sincerely believe that your personal contributions will also be recognized.
by the posterity.

As I have indicated to you previously, the Korean leaders are very sensitive about outright external interference with their domestic affairs; but they welcome a friendly, constructive advice from their friends. During my stay in Korea, I was contacted by two leading contenders to succeed the late President, and they wanted me to communicate to you that they would welcome your personal advice on the future of Korean politics. Since one of them is most likely to become the leader of the country, it presages a very positive omen for the future relationship between the two countries. Acting President Choi communicated his message through his Vice Minister of Culture and Information; while I have personally talked with Mr. Kim Jong Pil, another leading candidate. Both of them have more or less outlined to me what they plan to do should one of them be elected. Furthermore, they both expressed their desire to communicate through you, rather than through official channels, to avoid the appearance that their actions are dictated from outside. They have spoken of the difficulty in keeping official communication confidential as it soon becomes a public knowledge. The advantage of communicating directly is that it will be strictly between you and one of them bypassing even their assistants. And at the same time the newly-elected President can take into consideration your friendly advice.

In my opinion, this precious opportunity must be fully exploited to help shape the future course of political development in Korea. I believe the current political situation can develop into either a deplorable chaos or a sound, stable democracy, depending upon how judiciously and skillfully the situation is managed. It will be most unfortunate if the future turns out to be detrimental to our interests on account of the lack of foresight or will to take advantage of the opportunity. Of course, we should constantly be wary of the tenuous line of demarcation between an outright interference with internal affairs of another country and a friendly, sympathetic advice. There is no question in my mind that the responsible people in Korea will cherish your kind advice. In fact, it is needed now.

The most urgent issue on the agenda before the Korean people presently involves the fate of the *Yushin* (Revitalization) Constitution of 1972, which was adopted following the fall of South Vietnam and the subsequent visits by North Korea's Kim Il Sung to several communist capitals to drum up support for another adventure. Given the grave international situation at the time, the constitution was resoundingly approved by the people in a referendum. But recently certain provisions in the Constitution, especially those dealing with the methods of electing the President and one-third of the total membership of the national legislature, have engendered much controversy.
According to those provisions, the President is elected indirectly by an electoral college known as the National Conference for Unification (a 2,538 member body of non-partisans elected in districts throughout the country by the voters) and the National Conference for Unification elects one-third of the total number of the National Assembly on the basis of the President's recommendations (in fact, in his capacity as the Chairman of the Conference, the President picks one-third of the legislature).

Now that the perceived imminent danger to their security, which precipitated the adoption of the Yushin Constitution in the first place, has to a large extent dissipated, there is now a national consensus on the desirability to supplant it with a constitution more in keeping with their social conditions. But the very serious question now has to do with timing; some impetuous individuals demand a precipitous action to reform the constitution, while more far-sighted, discreet persons want to avoid being stampeded into adopting a makeshift constitution in an emotional frenzy, in favor of taking a little time to construct a document that will endure for the ages to come.

I realize that it will be emotionally gratifying to discard immediately those much abhorred provisions, but we must at times resist the temptation to accede to the transient emotional appeal in the interest of more enduring values. I understand that the United States is inclined toward favoring a quick solution, but that will undoubtedly bring about a regrettable result. Insofar as the Constitution was approved by the people in the first place, I don't believe it will serve the long-term interest of either country to establish a precedent whereby a constitution is discarded with the demise of a leader. Furthermore, it is very risky at this juncture to undertake a far-reaching constitutional reform preceding the wranglings of electoral politics involving the president and the National Assembly. They need some time to sort things out and to regain composure so as to be ruled by reason, rather than by emotion. Any close observer of the Korean politics, including the American diplomatic and intelligence personnel, should realize that hasty actions and their consequent undesirable outcomes could easily set off a social unrest and entail a deeper involvement of the military. Some may shrug it off as a nonsense the suggestion that such turmoil might invite north Koreans, and that the newly elected President must have the military backing. But the stark realities of the Korean political situation will attest to the contrary. One constant factor in today's Korean politics is the role of the military which simply refuses to be an idle spectator. No one can stay in office without their active support -- that is an indisputable fact of life in Korea. They might easily stage a coup if someone without their backing comes into power. This, in my opinion, will be devastating for it militates against establishing a tradition of peaceful transfer of power which Korea has not yet experienced since its independence in 1948. The government of Syngman Rhee was toppled in student demonstrations in 1960, and its eleven-month-old successor demised as the military coup of May 1961 seized power from the incompetent civilian government.
Page Four:

It is so vital for the future of Korea as a democracy that the previous pattern yield to a new pattern, and that the United States land on the right side.

The government of Acting President Choi has already announced that the electoral college will choose temporary leader to govern for an interim period in which the Constitution is revised and a presidential election is held. Although this is an approach that varies from the position Secretary Vance took while attending the funereal, I believe the Korean government's decision is congenial with the popular sentiment among Koreans.

The present Constitution calls for the election of a new President within three months, with the provision that he will serve out the remainder of the term to which his predecessor was elected (Park served only one year of his six-year term). But the interim President will make a public pledge not to serve beyond the necessary time period required to amend the Constitution. This approach will provide the stability and normalcy while the Constitution undergoes an overhaul. I can assure you that the Korean people will not tolerate in the slightest the breach of the pledge by the candidate, and that it will not be a guileful means to win power.

Fortunately both Acting President Choi and Kim Jong Pil are agreed on this. Regardless of which one eventually succeeds, your personal advice will not only be sought but also heeded. Acting President Choi is a very able career diplomat who understands the basic norms of democracy as well as his rival Mr. Kim Jong Pil. It has been mentioned in the press that while Choi is an able person he lacks a political base and following. In short, he is a technocrat, but not a politician. On the other hand, Kim Jong Pil, a former Prime Minister, the architect of the 1961 military coup, married to the late President's niece, is said to have the military backing because of his own military background (a Lt. Col. at the time of the coup) and his wide experience in politics last eighteen years and is also very popular among students and intellectuals because of his past opposition to President Park's seeking the third term and the Yushin (Revitalization) Constitution of 1972.

Both men have a rather mild, reasonable personality and hold a very deep admiration and respect for President Carter. I certainly have a reason to be sanguine about the future development of politics in Korea.
I think it will be very easy for the United States to be perfunctory or indecisive about what to do in Korea, or to be in a quandary. But I firmly believe that President Carter ought to be actively involved.

It is my most sincere hope that you will never cease to be interested in Korea, and that you will continue to support me in my efforts to turn Korea into a staunch ally in which President Carter can openly take pride. I have no doubt in my mind that such efforts will bear fruits.

Very respectfully yours,

Nack Young An
11-14-79

To: President Carter

From: Sarah Weddington

Re: Political meeting with Arrington Dixon and members of the D.C. City Council

Last evening Jack Walsh, Tom Donilon and I met with Arrington Dixon and members of the D.C. City Council. Gwen Hemphill arranged it.

Arrington Dixon will later announce as a prime supporter of ours here. The evening was an attempt to win support from some of the other Council members.

A number of substantive issues were raised (your position on federal funding for the district -- whether fixed formula and amount; your position on home rule; your continued support for the D.C. constitutional amendment; etc.). We are doing research on a few issues and drafting a follow-up letter on all the points raised. The letter should go out next week, and I think we have a good chance of getting strong support from several in the group.

cc: Hamilton Jordan
Rosalynn Carter

D.C. Council Members Present: Arrington Dixon
David Clark
Wilhelmina Rolark
Willie Hardy
William (Bill) Spaulding
Charlene Jarvis
Polly Shackelford.
MEMORANDUM FOR THE PRESIDENT

FROM: LOUIS MARTIN

SUBJECT: MEETING WITH RICHARD NEWHOUSE AND ROLAND BURRIS

WEDNESDAY, NOVEMBER 14, 1979, 11:55 A.M. in the OVAL OFFICE

I. PURPOSE

To greet and be photographed individually with Illinois State Senator Richard Newhouse and Illinois State Comptroller Roland Burris.

II. BACKGROUND, PARTICIPANTS AND PRESS

A. Background

State Senator Richard Newhouse has been an Illinois State Senator since 1966, representing the 24th Legislative District, which covers the South side of Chicago. Currently he serves as Chairman of the Legislative Advisory Committee on Public Aid, Chairman of the Senate Committee on Higher Education, and Vice Chairman of the Senate Committee on Elementary and Secondary Education. In addition, he is a member of the Judiciary and Public Health, Welfare, and Corrections Committees. Senator Newhouse received his BS and MA degrees from Boston University and a JD from the University of Chicago.

Several weeks ago when the President spoke with Senator Newhouse, the Senator indicated that he wanted to help in every way. When he mentioned that he would be at the White House to meet with Louis Martin and Jack Watson, the President indicated that they should have a photo taken.

Roland Burris was elected Comptroller of Illinois in November 1978, becoming one of three statewide Democratic officials. Previously, he practiced law and served as Director of the Department of General Services, a cabinet appointment under Governor Walker. He also served shortly as National Executive Director for Operation PUSH.
2.

Mr. Burris received his BA degree from Southern Illinois and his JD from Howard University. This year he was named by EBONY Magazine as one of the 100 most influential Blacks in the country.

Comptroller Burris is endorsing the President today following this meeting.

B. PARTICIPANTS

Senator Newhouse and Comptroller Burris/White House Staff: Louis Martin

C. PRESS

White House Photographer
Stu Eizenstat

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

Rick Hutcheson

Al McDonald
Rick Hertzberg
| 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 |
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| 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 |
MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT

With substantial segments of the Democratic Party's basic constituency, your decision to decontrol oil was obviously unpopular. As a result, when talking about the importance of decontrol to that constituency, you have not to date received a great deal of applause. I think that this constituency—labor, blacks, Hispanics, low-income—has probably come to recognize the intellectual argument for decontrol, but is viscerally unable to bring themselves to accept it, or certainly to applaud it.

There is little that we can do that will change this fact of life. However, I do think your mention of decontrol and even higher energy prices can be better received, indeed even applauded, by this constituency, if linked to the Iranian cut-off. In other words, when discussing decontrol, you can state how this will help insure our energy independence and will help to avoid situations where other nations believe they can use oil as a way of influencing our policies. You can then say that the action you took on Iranian oil was designed to make clear that you will never allow foreign countries to dictate our country's policies. And to make the final point, you can say you will be prepared to continue taking whatever action is necessary to ensure our nation's independence and freedom, even if the price is a few cents more for a gallon of gasoline.

I recommend that you try an approach along these lines in your AFL-CIO speech; if you agree I will work with the speechwriters to insert appropriate language.
MEMORANDUM

THE WHITE HOUSE
WASHINGTON
11-14-79

MEMO TO: President Carter
Rosalynn Carter

From: Sarah Weddington

Re: ERA -- FYI only

The League of Women Voters is sponsoring a December 3 dinner in New York with a goal of bringing together support from the business community for ERA. Polly Bergen and Charles Curry (a Carter supporter from Missouri) are co-signing the letter that went out.
MEETING WITH OPINION LEADERS FROM THE STATE OF MINNESOTA

Wednesday, November 14, 1979
3:30 P.M. (20 minutes)
The East Room

From: Sarah Weddington
and
Dick Moe

I. PURPOSE

To promote among these Minnesota leaders a sense of identity with you and your Administration, a sense of a team working together, and a sense of urgency about actively supporting the Administration across the board.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background: This is the sixteenth in a series of meetings for civic and political leaders from the states. Your first was in August of 1978.

B. Participants: A cross section of civic, community, and political leaders (guest list attached).

C. Press Plan: No press.

III. TALKING POINTS

Your standard presentation to these state groups will be appropriate.

This is a very special group for the Vice President. Dick Moe will be the host. The Vice President will join you after your remarks for the receiving line photos.

Attachments:
Agenda
Guest List
AGENDA
MINNESOTA CONSTITUENT BRIEFING DAY
November 14, 1979

10:10am  RICHARD MOE
         Chief of Staff
         Vice President Mondale
         Room 450 - Old Executive
         Office Building

10:15am  VICE PRESIDENT MONDALE

10:30am  SECRETARY PATRICIA HARRIS
         Health and Human Resources

11:15am  COFFEE BREAK

11:30am  STUART EIZENSTAT
         Assistant to the President for
         Domestic Affairs and Policy

12:10am  DR. ZBIGNIEW BRZEZINSKI
         Assistant to the President for
         National Security Affairs

1:00pm   DEPART FOR WHITE HOUSE

1:15pm   GROUP PHOTO

1:30pm   BUFFET LUNCH
         State Dining Room
         The White House

2:30pm   HAMILTON JORDAN
         White House Chief of Staff
         East Room
         The White House

2:45pm   DR. ALFRED KAHN
         Advisor to the President on
         Inflation

3:30pm   THE PRESIDENT
Jack Watson  
Arnie Miller

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

Rick Hutcheson
MEMORANDUM TO THE PRESIDENT

FROM: JACK WATSON
ARNIE MILLER

SUBJECT: International Bank for Reconstruction and Development (World Bank)

Recently, you accepted the resignations of Edward Fried and William Dixon as U.S. Executive Director and U.S. Alternate Executive Director, respectively, to the World Bank.

To replace them, we recommend Colbert I. King as U.S. Executive Director and David S. King as Alternate U.S. Executive Director.

Colbert I. King is the Deputy Assistant Secretary of Treasury for Legislative Affairs with primary responsibility in the international area. He has played a major role in developing and implementing U.S. legislation for the international financial institutions, including the World Bank. His expertise in the multilateral development banks and his knowledge of the Hill provide a useful combination for the position of Executive Director.

David S. King is currently a lawyer here in Washington, specializing in international trade. He has served as an Ambassador to the Malagasy Republic and Mauritius. A former two-term congressman from Utah, King is strongly supported by Senator Church. His combination of field experience in Africa and congressional contacts provide ample qualifications for him to become Alternate Director.

Henry Owen recommends Rutherford Poats and Colbert I. King as U.S. Executive Director and Alternate U.S. Executive Director, respectively.

Poats is now one of the three NSC senior staff members who works with Owen in coordinating international economic policy for the White House. He has served as Deputy Administrator of AID under President Johnson, a Brookings Federal Executive Fellow, and acting head of the Overseas Private Investment Corporation. Poats has had extensive experience in international negotiations on economic and financial matters.

Recommendation

Nominate Colbert I. King and David S. King. Frank Moore and Bill Miller concur.

---- V approve ______ disapprove
EXPERIENCE:

1977 - Present    Deputy Assistant Secretary for Legislative Affairs, Department of Treasury
1976 - 1977    Director, Government Relations, Potomac Electric Power Company
1975 - 1976    Chief, Legislative Department Senator Charles Mathias, Jr.
1972 - 1976    Minority Staff Director, Senate Committee on the District of Columbia
1971 - 1972    Chief, Policy & Program Development Staff, VISTA
1970 - 1971    Special Assistant to the Under Secretary, HEW
1964 - 1970    Attache, Bonn, West Germany, Department of State
1969    Office of Conciliation, Equal Employment Opportunity Commission
1963 - 1964    Civil Service Commission

EDUCATION:

1961    B.A., Howard University

PERSONAL:

Black Male
Age 40
Democrat
DAVID S. KING
of Maryland

EXPERIENCE:

1970 - 1978  Partner, Williams & King, Washington, D. C.
1967 - 1969  U.S. Ambassador to the Malagasy Republic and to Mauritius
1964 - 1966  Member, U.S. House of Representatives, Utah, 2nd District
1963 - 1964  Attorney in Salt Lake City, Utah
1959 - 1962  Member, U.S. House of Representatives, Utah, 2nd District
1947 - 1959  Partner, King & Anderson, Salt Lake City, Utah
1944 - 1947  Counsel, U.S. Tax Commission
1943 - 1944  Counsel, Office of Price Administration

EDUCATION:

1942  J.D., Georgetown Law School
1937  B.A., University of Utah

PERSONAL:

White Male
Age 62
Democrat
RUTHERFORD M. POATS  
Virginia

EXPERIENCE:

1978 - Present  Staff Member for International Economics, National Security Council

1977 - 1978  Acting President (Senior Vice President), Overseas Private Investment Corporation

1976 - 1977  Senior Advisor for Economic Affairs to the Deputy Secretary of State

1975 - 1976  Special Assistant for Economic Affairs to the Under Secretary of State

1971 - 1974  Vice President, Overseas Private Investment Corporation

1970 - 1971  Federal Executive Fellow, Brookings Institution

1961 - 1970  Program Director, Far East Bureau to Deputy Administrator, Agency for International Development

1947 - 1961  United Press Foreign Correspondent and International Diplomatic Correspondent

EDUCATION:

1943  A.B., Emory University

PERSONAL:

White Male
57
Democrat
MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON

SUBJECT: Your Meeting with Governor Hugh Carey

Dinner -- 6:30 p.m.
The Residence

Wednesday, November 14, 1979

November 13, 1979

At Joel McCleary's suggestion, Gene Eidenberg talked with Steve Ross about this meeting. As you may know, Steve is one of your major supporters in New York and is also close to Carey. Ross believes that Carey can be prevented from deciding in favor of Kennedy and that, over time, can be persuaded to make a genuine commitment to your renomination. Ross thinks that this meeting should be treated as a "working session" that deals with the politics of 1980 within a context of substantive issues of concern to Carey.

Specifically, Ross suggests the following:

1. Place the first three years of your Presidency in parallel with Carey's first term as Governor, i.e.,
   -- confronting fiscal constraints,
   -- dealing with citizens' feeling of burden of taxation and inflation,
   -- Democrats governing at a time when traditional Democratic solutions are neither trusted by the people, nor workable,
   -- ignoring the pleas of the special interests amid a growing recognition by large numbers of people that there are no easy or fast solutions to problems that were decades in the making;

2. The governor is highly susceptible to flattery. Once having established a parallel between your two administrations, Ross urges that you note that Carey succeeded by staying with his game plan and that, in the end, the people of New York (despite very low polls) returned him for a second term. Your own approach is very similar in that you have confidence that the American people will not let reports of polls a year before election day sway their assessment of the concrete record of this Administration.
3. Carey is working very hard on New York economic and fiscal issues. In this connection, he is particularly concerned about welfare reform (and attendant fiscal relief for the state) and mass transit.

Situ has prepared briefing material for you on these two issues as they impact on New York (attached).

4. Finally, Ross believes it would be helpful if you found the opportunity to discuss with Carey your views and ideas for a second term. It would be highly flattering if you asked Carey for his own ideas and suggestions as to how you should approach the final year of your first term and ease him into a discussion of a second Carter Administration.

In short, Ross is advising that you take a subtle approach to Carey on 1980. He anticipates that Carey will be forthcoming if the approach is right.

I have personally talked with Bob Strauss about your dinner with Carey this evening. As you may know, Strauss has been in New York City the last two days meeting primarily with business leaders and others. Bob says that his meetings were very successful, and that he got numerous important pledges of financial and political support.

Bob basically agrees with the approach outlined in this memo. He essentially thinks you should tell Carey that you want his support, and that you want to continue to talk with him. Bob thinks it would be a mistake for you to pressure Carey or try to box him in. For your information, I understand that David Garth (perhaps Carey's closest political advisor) has advised him to wait until after January 1 to make any commitment. I think Carey still thinks that you and Kennedy may "knock each other off", leaving him as the Democratic Party's choice.

Also, for your information, David Garth is going to Cairo with Bob Strauss this weekend. I am sure when Bob gets back he will have more information to give us on this subject.
MASS TRANSIT

As you remember, Governor Carey became embroiled in a dispute with us about whether or not he applied for his Accelerated Transportation Program. This program requires a six-year commitment from UMTA for $644 million over and above the normal yearly allocations to the New York City metro area.

Carey has been embarrassed by not being able to obtain such commitments. For FY 1980 he is seeking $328 million as a minimum in capital funds (the average annual amount is in the $260 million range). He feels he could save some face by getting this amount.

The new head of Metropolitan Transit Authority is Dick Ravitch who is coming to meet with UMTA officials to begin negotiations this week. (The former chairman, Harold Fisher, is working hard on your behalf politically.)

I do not think we should give any commitments on funding until we know exactly where Carey is going politically.
13 November 1979

Memorandum for: David Rubinstein
From: Bill Spring
Subject: Welfare reform and the President's meeting with Gov. Cary.

I have discussed the points to be made at this meeting with Bert Carp, Chris Edley, Bill Welsh and Liz Robbins. They agree to the following general line for a brief memo to the President:

The cash half of the Administration's welfare reform proposals passed the House last week on a unexpectedly strong vote of 222/184. (The motion to recommit failed by only 5 votes, however.)

For the nation, the House vote means a major step toward welfare reform, providing for the first time a uniform minimum benefit level (lifting 800,000 families out of poverty), fiscal relief for state and local taxpayers, streamlined and tightened administrative requirements which will be at the same time more fair and cost saving, and, for the first time, a national program of aid to intact families.

For the state of New York, it would mean $130 million in fiscal relief, by raising the federal matching rate for AFDC from 50% to 55% and in AFDC-U from 50 to 65%.

If we can pass the jobs half of the program - the legislation is still stuck in Gus Hawkins' subcommittee in the house - NYState would receive an estimated 10% of the 400,000 jobs and training opportunities authorized, and its fiscal relief would be about doubled as people moved from the state-matched welfare program to the 100% federally funded jobs.

This legislation represents not only a step toward social justice and economic opportunity, but for NYState a rare chance for substantial fiscal assistance.

After introducing - and praising - our revised welfare program, Welfare Subcommittee Chairman Moynihan is at the moment vigorously lambasting the administration, charging that the fiscal assistance is so little as to constitute a reneging on our campaign and platform pledge to fiscal relief. Since Chairman Long is unsympathetic, Moynihan is key.

Cary's help with Moynihan is very important, but he and the Senator must be handled with great care.
IMPACT OF H.R. 4904 IN NEW YORK IN FY 1982*

- The Aid to Families with Dependent Children Program (AFDC) is administered by county or city agencies in New York. Local governments share in benefit and administrative costs and will spend about $400 million in FY 1982 under current law.

- State and local costs for the AFDC Program and the Medicaid Program will decrease by $130 million with the implementation of H.R. 4904. If the State passes through these savings to local governments on a pro-rate basis, local costs will decrease by $70 million.

- The Federal government will pay 55% of all benefits for single-parent AFDC families and 65% of all benefits for two-parent AFDC families (AFDC-UP). Currently, the Federal government pays 50% of both single-parent and two-parent benefits.

- About 5,000 families with children currently receiving AFDC benefits will have higher incomes in the State.

- An additional $34 million will be paid to the blind, elderly, and disabled in the Supplemental Security Income Program for purposes of cashing-out their Food Stamp benefits.

- An additional $32 million in Earned Income Tax Credit benefits will be given to working poor families because of the expansion of that program.

* These estimates are given without the impact of the Work and Training Opportunities Act of 1979, the companion jobs proposal introduced by the Administration. The jobs proposal will substantially improve the impact of the Welfare Reform package on the States by moving many current recipients of AFDC into public and private sector jobs. These jobs will decrease State AFDC caseloads and costs, and thus increase fiscal relief, and at the same time will increase the incomes of all jobs participants. The impact of the jobs proposals combined with the Administration's original cash proposal is shown in the Fact Sheet which was released in May of 1979.
IRAN--Voluminous comment in many countries included widespread praise for the Administration's ban on Iranian oil imports. The report that Iran would withdraw assets from this country came too late for overseas treatment.

Washington correspondent Patrick Brogan of the Times of London today reported that "President Carter's decision to ban the import of Iranian crude oil has met with almost universal approval here. Americans are pleased that the President is doing something about Iran, whether or not it will have any practical effect."

The Daily Telegraph's New York correspondent Ian Ball wrote: "The hawks and the doves for once are united on an issue: the country is tired of being 'kicked around by strangers,' as the Seattle Post-Intelligencer put it....As a result, President Carter's announcement of an immediate suspension of oil imports from Iran appeared...to have won almost unanimous endorsement. The man in the White House has responded to the yearning from the man in the street that 'America do something' to demonstrate its defiance."

Financial Times correspondent David Lascelles in New York commented: "All the signs are that the United States will get by without Iranian oil. The sacrifice might even help it in its tortuous quest for an energy policy. The United States could turn out to be a big winner from the Iranian affair in terms of reduced oil consumption and healthier attitudes towards its oil problems."

In an editorial the paper declared that "the first priority remains to obtain the release of all the hostages with no loss of life. For the United States to succeed in this aim, it will require the wholehearted support of the entire Western world...."

Today's Daily Telegraph editorial said "President Carter has been under crucifying pressure to 'do' something. Now he has. And his move is both cool and commendable."

French papers today echoed praise for President Carter's handling of the situation but expressed fear that his decision...
to exclude Iranian oil would contribute to an oil price increase in France. Several played French Premier Barre's warning yesterday that irresponsibility on the part of oil-consuming countries might lead to world disaster.

Aurore's editorial commented that "it is clear the firmness displayed by President Carter, and the support of his country and of the world, is contributing heavily to an Iranian reversal..."

Left-of-center Le Monde declared today that "Washington's decision is serious and its repercussions are unforeseeable.... As for the oil market, chances are that it will react unfavorably.... The oil-consuming countries have...lost all control of their oil supplies, and Europe's hope for an indispensable dialogue with the oil-producing countries of the Gulf seems in jeopardy today."

Le Matin commented that "Jimmy Carter certainly will not step back (from his decision) after the unanimous endorsement expressed by American political circles.... We must admit that while this retaliation will not have important repercussions on the U.S. economy, it may be extremely serious for the European countries."

Figaro of Paris reported from Washington that "U.S. political circles are practically unanimous in considering that Jimmy Carter's firmness paid off.... What the country notes is that Carter, in avoiding both passivity and a military adventure, has made the right choice in displaying firmness."

West German TV One said "America is prepared to suffer.... The vast majority welcomed" President Carter's cutoff of Iranian oil imports. TV Two ran the report of a Washington correspondent that the new Iranian demands "represent the same old demands in new language. When the Iranians see a softening in the American position, they will not be likely to reduce their demands." The correspondent added: "President Carter can regard (his action) as a success. Using his halt of Iranian oil imports, he managed to orient his fellow citizens toward saving more energy.... But the Tehran incident confirms international experience with President Carter: He thinks of effects, not causes leading to events. Thus anyone waiting for a change—that is, for a more persistent U.S. policy—will have to be patient."
Papers in West Germany led with reports that the revolutionary authorities in Iran were no longer insisting on extradition of the Shah, that there now was more hope for the hostages, and that the U.S. public broadly supported President Carter's oil decision.

National tabloid Bild-Zeitung carried a statement by former Christian Democratic chairman Rainer Berzel calling for "full, loud, emphatic moral support for our friends (in the United States)....Our life in freedom, our peace depend on the United States, so let us rise...to demonstrate solidarity and to let the United States know: You are not alone. What is done to the United States today may be done to us tomorrow...."

Right-center Frankfurter Allgemeine said today, "President Carter's decision to stop oil imports from Iran is precisely in line with the mood of the people....America's allies draw a sigh of relief. Finally, action is being taken...Does the United States, a world power, have to put up with everything? No, as Carter's courageous decision has shown."

Left-of-center Sueddeutsche Zeitung of Munich judged today that "the prudence displayed by President Carter in the current crisis is remarkable...."

Independent conservative Berlingske Tidende of Copenhagen declared that "Carter has demonstrated plenty of civil courage by restraining U.S. Government reaction to the provocations. It takes political courage to bear the humiliations and to preside over the obvious impotence of the U.S. superpower. It does not suit the American people to hang back in an emotion-packed situation such as this. But offensive tactics against Khomeini would aid him...."

Several Japanese editorial writers today expressed considerable concern over the international impact of the U.S.-Iranian confrontation. Liberal Asahi of Tokyo said it was "expected to have serious effects on (all) countries, including Japan, in the international political and economic fields." Noting President Carter's boycott of Iranian oil, the paper urged that the United States "make utmost efforts to conserve oil.... Japan and the West European countries should also strengthen efforts to control oil imports under the agreement reached at the Tokyo summit."

Moderate Mainichi of Tokyo wrote: "We urgently call on both the United States and Iran to use self-restraint in their
actions and hope that an influential international organization such as the U.N. will take positive steps to mediate the dispute....Third countries should support such mediation efforts...

Tokyo's business-oriented Nihon Keizai said of the U.S. suspension of Iranian oil that the "prevailing view" in Japan is that crude oil imports will become even more difficult. It is thought that U.S.-affiliated majors will further reduce their supplies to Japanese oil companies and trading firms. Gulf, which is one of the U.S.-affiliated majors, has already notified Japanese oil companies...it 'will not be able to supply crude oil to them from January of next year, and after.'"

Singapore's Straits Times today termed Mr. Carter's decision not to buy Iranian oil a "wise move when people are looking for decisive leadership...The Iranians may not realize it but they may be supplying the needed impetus to American resolve to be serious about energy conservation and to lessen dependence on imported crude."

Israeli papers today reacted positively to Mr. Carter's oil decision. Haaretz of Tel Aviv said "its major significance is psychological...If only the Administration would put it to the right use, it could serve as a springboard to a counterattack." The paper expected that evolving Washington-Tehran relations would have "far-reaching repercussions on the U.S. attitude to the Middle East," but said that right now "two facts stand out: PLO failure to mediate the release of the hostages--a failure that Israel's friends must exploit once the drama is over--and the increasing importance of Saudi oil, as well as the political price that is certain to go with it."

Davar of Tel Aviv termed the U.S. embargo "a step toward recovery," adding that if it is successful, "it might also have a positive impact on other OPEC members."

Cairo's al-Ahram and al-Akhbar yesterday headlined President Carter's halt of U.S. purchase of Iranian oil. The latter paper said his decision "affirms that America will not allow terrorists to impose their terms."

Lusaka's Government-owned Times of Zambia, in its first editorial on the Tehran Embassy seizure, stressed yesterday that "the Americans must be commended for having kept their cool in the latest confrontation with the Iranians....Nevertheless, all Arab countries must continue their efforts to persuade Khomeini
to release the hostages. Even under doctrinaire Islamic law, there can be no justification for the cold-blooded murder of 100 innocent people."

* * * * * * *

THEATER NUCLEAR FORCES--Comment on modernization of NATO's nuclear arms arsenal was stimulated by the meeting of ten NATO defense ministers yesterday and today in The Hague. Many media voices took the position that the proposed theater nuclear force would be adopted in principle but that its final extent would depend on bargaining with the Soviet Union.

West German TV Two reported last night from The Hague that "the NATO allies have actually made a decision and this meeting only serves to approve a new armament program and a new negotiating offer to Moscow which is aimed at limiting the number of nuclear intermediate-range missiles in the East and West..." It said "the United States brought all its guns to bear on Holland" and reported that NATO officials stated at a press conference that the "United States could not be expected to spend several billion dollars on weapons while the Europeans were unable to make a timely commitment..."

A Hague correspondent for right-center Frankfurter Allgemeine wrote that "things are running well" and said U.S. Defense Secretary Brown had pointed out that NATO arms modernization is necessary to maintain the effectiveness of the strategy of flexible response and demonstrate to the USSR that NATO is determined to equip its armed forces with the necessary weapons.

West Berlin's pro-Social Democratic Spandauer Volksblatt remarked that U.S. military experts described the Pershing and cruise missiles as superior to the Soviet SS-20 but doubted that despite this claimed superiority the Kremlin would be ready to "serve up acceptable compromises on a silver platter." It felt that Soviet offers thus far were "too little for a genuine Western renunciation of American missile support and too much for an ice-cold countermove in the area of armament." The paper nevertheless concluded that "if the will for detente really exists on both sides, there should be opportunities for understanding."

Defense correspondent Clare Hollingworth asserted in the conservative London Daily Telegraph today that "the future of the
Atlantic Alliance, which has effectively prevented war in Europe for the past 30 years, hangs on decisions taken by NATO's nuclear planning group which meets in The Hague. If plans for the deployment of theater--Euro-strategic--nuclear weapons in Europe to counter those already employed by the Russians are not generally agreed, many ministers and officials can see the gradual disintegration of NATO."

The independent Financial Times' European editor, Reginald Dale, wrote: "Many Western officials believe that new East-West negotiations will still be possible if NATO approves the plan to modernize its forces, given that the new Pershing and cruise missiles will not be ready for deployment until 1983..."

Liberal Guardian correspondent Hella Pick wrote today that Soviet Foreign Minister Gromyko would go to Bonn next week "as a vital move in the Soviet Union's intense diplomatic activity against NATO's plan to install new medium-range nuclear missiles in Western Europe...The Soviet Union wants NATO to open East-West negotiations on the limitation of these European theater weapons before making a commitment to modernize its existing nuclear weaponry in Western Europe."

Independent De Standaard of Brussels today carried a byliner's report that theater nuclear forces "would mean that the Federal Republic one way or another would also have a finger on the trigger of European nuclear weapons, and the question of a German or partially German nuclear weapon is so delicate that you can raise it only in whispering voices in official NATO circles..." She stated that "NATO forces in Europe must be capable of responding to any attack at the right level if they are still to have a credible deterrent."

Pro and con views on NATO modernization were expressed in Danish media positions. Independent conservative Berlingske Tidende of Copenhagen said the move would not "signal an irresponsible arms race but the maintenance of the military power balance which has secured peace in Europe and Western Europe's political independence for the last 30 years...."

Left-of-center Politiken of Copenhagen declared: "There are nuclear arms enough on this side. The United States still has its many so-called tactical arms in West Europe. In addition there are the long-range sea-based Poseidon missiles and bombers in Great Britain which are unlimited in number by SALT II."
MEETING ON THE SPACE SHUTTLE
November 14, 1979
10:30 - 11:30 A.M. (One Hour)
The Cabinet Room

From: James T. McIntyre, Jr.

I. PURPOSE

Meeting with the President to discuss the Space Shuttle Program and the 1981 Budget.

II. PARTICIPANTS

Dr. Zbig Brzezinski
Dr. Robert Frosch
Mr. James McIntyre
Mr. Frank Press
Mr. Bo Cutter
Mr. Curt Hessler
Mr. Ben Huberman
Mr. Randy Jayne
Mr. William Lilly
Mr. Alan Lovelace
Mr. Hans Mark
General Robert Rosenberg
Mr. John Yardley

Tesch

Last stages - complex & precise & to be ended
No hard core prep. - all done on thin stripe
I do not too tight re Dog
Moving R&D to open attitude
Splitting ass'um for open
Dividing responsibilities

I will monitor details (directly under dep't.) followed
Is NASA in the Action team?
Indigo

Need expression of confidence
Later direct comm. Tesch/Press
Channel = Tim
Kampuchean Relief 11-13-79

To: Mr. Richmond, Mrs Young

Report very helpful

Senators, Congresswomen

Thais, unselfish, need help

Reps: Refugees to Thailand

Food to Refugees Cambodia

Obstacles: What did Agency believe

Strong recommendation

a) US GOVT. = $70,000,000

b) Voluntary organs

c) International

Not grab at credit

Initiative, but cooperation

Armcs: Help Cambodia
Breakfast with Republican Leadership
Wednesday, November 14, 1979

THE WHITE HOUSE
WASHINGTON

Republican C'Ship 11-14-79

Energy - Oil - EMS + SSC, WP

Iran - "Th" of Iran 3-90% - all Rec rec
3 days gone by, but "He W'dan"

Kempke: Danforth

Inflation

NCC 79.47% in 11. Ted 40%

Dan: banks "6-5-69, 9-5-91"

Panama, Rhodesia "72"
No oil for Iran - consult with Carter

Embassy

Chrysler

NASA

VIP Lunch

Electrostatic Copy Made
for Preservation Purposes
Ambassador Askew

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

Rick Hutcheson

cc: The First Lady
    Al McDonald
November 5, 1979

Mrs. Rosalynn Carter
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Rosalynn:

I wanted you to know that through the good offices of Ambassador McDonald, Julia and I are attempting to put together during the next several months what could be one of the most important meetings on export trade held in the United States.

Reubin Askew, as the Special Representative for Trade Negotiations, is an absolutely critical person to have involved. Ambassador McDonald has agreed to recommend that Governor Askew participate in the program. If you could do the same we would be grateful.

Thanking you in advance, I remain

Yours sincerely,

Peter C. White
President

PCW:as
Enclosure
November 2, 1979

The Honorable Reubin O'D. Askew  
Special Representative for  
Trade Negotiations  
1800 G Street, N.W. - Suite 720  
Washington, D.C. 20506

Dear Ambassador Askew:

At the suggestion of Dean Rusk, Bette Wimbish and the Trustees of the Southern Center, I am writing this letter to invite you to keynote and participate in the first of a two-year series of programs focusing on trade issues that are to be sponsored by the Southern Center. Your presence at this program to be held in Atlanta would be extremely valuable and most appropriate as our new Special Trade Representative.

The program in which we would like you to participate will focus on the Multilateral Trade Negotiations Agreement, the U.S. Trade Agreements Act of 1979, and the President's Reorganization Plan. We would like you to discuss the President's Reorganization Plan and its effect upon the 1979 implementing trade legislation.

Attached is a copy of the proposed program and a list of suggested guest lecturers and panelists. This program has been tentatively scheduled for January 10-11, 1980. The dates for the first session are flexible, and if you consent to participate, we would be pleased to work around your schedule.

As soon as we hear from you we will then contact the other lecturers and participants. Ambassador Nobuhiko Ushiba who, as you know, negotiated the Tokyo Round of the Multilateral Trade Negotiations Agreement, has agreed to participate. We will know by Telex next week the dates on which he will be available. Ambassador Ushiba will discuss the negotiations involved in the MTN.

We anticipate the meeting will be attended by governors, commissioners of various state departments of trade and economic development, and CEO's from many large and small corporations in the region who have potential in the export field.
The Honorable Reubin O'D. Askew  
November 2, 1979  
Page Two.

Our organization is the only regional institution designed to provide educational programs and a forum for Southern leaders interested in the field of foreign policy. The Southern Center is a nonprofit educational and research institution funded by states, corporations, foundations and over 900 individual contributing members.

For your further information, I have enclosed a brochure, a program summary, and two of our recent publications.

We are undertaking these programs because we are deeply concerned over the nation's growing trade deficit and feel that it is our responsibility to do what we can as a regional organization to encourage political and business leaders to take advantage of the new and pending legislation and reorganization that will enable more American firms to sell their products overseas.

Yours sincerely,

Peter C. White  
President

PCW:as

Enclosures: Proposed Programs  
SCIC Brochure  
SCIS 1978 Program Summary  
Hardliners and Softliners: More Heat than Light?  
Foreign Direct Investment in the Southeast:  
West Germany, the United Kingdom, and Japan

cc: Mrs. Rosalynn Carter  
Ambassador Alonzo McDonald  
Mrs. C. Bette Wimbish
TRADE POLICY AND REGULATION FOR THE '80s

EVENING PROGRAM - Dinner
Conversation - Nobuhiko Ushiba and Reubin Askew
The Future of U.S./Japan Trade

MORNING

Overview
Tokyo Round and Passage of 1979 Trade Agreements Act
Speakers: Ambassador Ushiba and Tom Graham

Panel
Antidumping, Countervailing Duties
Moderator: Peter Ehrenhaft - Deputy Assistant Secretary, Department of the Treasury; handles tariffs and investment

Panel Members:
Dan Webster - Former Legal Counsel to Treasury Department
John Greenwald - Deputy General Counsel, Office of STR. He negotiated the Countervailing Duties Subsidies section of the Code, and was the lead from the Export Branch of STR who assisted in drafting the law as presently incorporated in the 1979 Trade Agreements Act.

Question and Answer Period

Panel
Customs, Evaluation of Imports

Panel Members:
Sal Caramagno - Chief author for evaluation at Customs Service; also the lead person from Customs who insisted on drafting the law implementing a Customs Evaluation Code
Bruce - STR; handled negotiation on drafting MTA and Trade Agreements Act, 1979 (Alternative to Caramagno)
Ed Glad - Private attorney from the West Coast, involved in customs practice

Question and Answer Period
LUNCH

AFTERNOON

Overview
President's Reorganization Plan and Its Effects upon U.S. Trade Abroad

Speaker: Reubin Askew

Panel
Government Procurement and Standards

Panel Members:
Doug Newkirk - Formerly with STR; negotiated both MTN Agreements and the Trade Agreement Act of 1979; previously with Department of Commerce
Two Panelists from Business - Who can tell what opportunities are available to the private sector

Question and Answer Period

Panel
Enforcement of U.S. Rights, Dispute Settlement

Panel Members:
John Jackson - Overview
Rick Johnston - Formerly with Senate Finance Committee

Question and Answer Period

Conclusion
Have a speaker draw it all together, as well as go into areas not covered above, such as
Revision of General Law, System of Preferences Agriculture Agreements Import Licenses, Export Administration Act Reorganization Pending Legislation

Possible Speakers:
Bob Cassidy - New General Counsel for STR and Deputy STR in the States
Hormatz - With State Department, and will soon be with STR - real expert in this area

ADJOURNMENT 4:00 P.M.