

12/11/79

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo	From McIntyre to The President (2 pp.) re: Defense Budget/enclosed in Hutcheson to McIntyre 12/11/79 <i>Opened 2/2/93</i>	12/11/79	A

FILE LOCATION

Carter Presidential Papers- Staff Offices, Office of the Staff Sec.- Pres. Hand-writing File 12/11/79 BOX 159

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~~SECRET/SENSITIVE~~

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

9

DEC 11 1979

MEMORANDUM FOR: THE PRESIDENT
FROM: JIM MCINTYRE *Jim*
SUBJECT: Defense Budget Numbers

Per our discussions with you Saturday morning, Harold and I have reached agreement on both the 1981 and five-year defense budget numbers. For 1981, the numbers have not changed since we last discussed them with you: \$157.5B in TOA (5.6% real growth) and \$142.0B in Outlays (3.3% real growth). In light of Harold's consultations in the Senate, we have made an upward adjustment in each of the outyears, so as to achieve the following real growth pattern in TOA: (S)

<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
5.6%	4.8%	4.4%	4.2%	4.2%

The outlays associated with these TOA levels are dependent upon the particular mix of program selected. However, the trend will likely be a steadily increasing rate of outlay growth from just over 3% in 1981 to 4% or more in the outyears, with the increase in outlays (in nominal dollars) being around \$20B from each year to the next. Given the high TOA real growth rates and the ever present uncertainties in projecting outlays, we believe we can and should avoid too much emphasis on specific outlays. Our declared posture should be that "our program involves substantial real growth, and outlays will exceed our 3% NATO commitment in each of the next five years." (S)

The program itself is best characterized as being a scrubbed version of the one we discussed with you last month, with the cutoff coming at approximately Band 5 of Harold's ranking. The outyear numbers allow room for some unspecified "wedges" to be carried, and we agree that it is better not to designate additional programs to "fill in the room" at this time. As for what is "in or out," we have eliminated a few of the programs we raised with you -- in particular the AV8B, AAH helicopter, and certain special pay proposals. Certain other contentious items -- for example, NAVSTAR, the 155mm nuclear shell, and additional AWACS procurement -- remain, although in some cases at reduced funding levels in the near term. Finally, we agreed with Harold to some specific outyear additions to the original program, including two SSN-FA "Fat Albert" attack submarines (one each in 1984, 1985) and approximately 120-160 more Air Force and Navy tactical aircraft spread across 1982-84. (S)

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ok →

DECLASSIFIED

E.O. 12356, Sec. 3.4

PER *Jim* ~~OMB~~ *TYRE* ~~NR-ALC-92-170~~
BY *Jim* NARS, DATE 1/28/93

CLASSIFIED BY Randy Jayne

Declassify Review for De-
classification on 12/11/85

~~SECRET/SENSITIVE~~

~~SECRET/SENSITIVE~~

2

Harold and I also discussed his Thursday presentation to the Senate and your Wednesday speech, and we are working per your instructions to insure that the two texts are consistent and complementary. Randy Jayne worked with Rick Hertzberg on your "Sunday" draft. Two other items related to the defense budget, i.e., civilian personnel and the intelligence totals, should be settled in the next week to ten days. We will schedule a brief intelligence appeal session with you in a few days. (S)

~~SECRET/SENSITIVE~~

THE PRESIDENT'S SCHEDULE

Tuesday - December 11, 1979

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

7:45 Mr. Frank Moore - The Oval Office.

✓ 8:00 Breakfast with Democratic Congressional Leaders.
(60 min.) (Mr. Frank Moore) - First Floor Private Dining Room.

~~9:55 Mayor Ken Gibson. (Amb. Robert Strauss).
(5 min.) The Oval Office.~~

10:00 Mr. Hamilton Jordan and Mr. Frank Moore.
The Oval Office.

✓ 11:55 Photograph with Mr. Kenneth T. Blaylock, President,
(5 min.) American Federation of Government Employees.
(Mr. Landon Butler) - The Oval Office.

✓ 1:05 Reverend Morris Sheats. (Ms. Anne Wexler).
(5 min.) The Oval Office.

~~1:10 Photograph with Col. Foster Graham.
(5 min.) The Oval Office.~~

✓ 1:15 Congressman Harold Ford. (Mr. Frank Moore).
(5 min.) The Oval Office.

9:00 Congressional Christmas Ball (BLACK TIE) - State Floor.

THE WHITE HOUSE
WASHINGTON

Phil has seen

~~SECRET~~

THE WHITE HOUSE
WASHINGTON

Mr. President:

Adm. Turner has requested to meet with you alone today for 15 minutes to share his personal views instead of the usual 30 minute expanded meeting. I thought I should check with you before approving.

15 minute private meeting

usual 30 min expanded

Phil


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THE WHITE HOUSE
WASHINGTON

12/11/79

Frank Moore

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

Rick Hutcheson

NAME Senator Harrison A. Williams, Jr.

91

TITLE D - New Jersey

CITY/STATE _____

Requested by Frank Moore

Date of Request Dec. 10, 1979

Phone Number--Home () _____

Work () 224-4744 or 224-5209

Other () Senate Caucus Room: 224-6100

INFORMATION (Continued on back if necessary)

Senator Williams is celebrating his 60th birthday today. (There is a surprise birthday party for him this evening at 6:00 p.m. in the Senate Caucus Room).

NOTES: (Date of Call 12-10)

done

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NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

cc Mike - Thank you
very much. Your help has
been invaluable in
shaping historical achievements
in China.
Dec. 7, 1979

Jimmy

Dear Mr. President,

As Zbig may have told you, I must resume my teaching responsibilities at the University of Michigan on February 1st in order to retain my tenure.

Although this means I'll cease being a full time staff member of the NSC, Zbig and I have arranged that I will be an active consultant to the NSC, spending two to three days a week here for as long as Zbig will have me. Hence, I do not consider that I am leaving but rather that my status is changing. I intend to remain a part of the team, concentrating on long term planning.

Maintenance of tenure is important to me. My independent base enables me to approach the bureaucrats and operators in this town knowing I won't need their good will in the future. Were I to give up my base outside Washington, I'd just become another member of this town's foreign policy community.

Yet, with my change in status, this is an appropriate moment for me to express my deep appreciation and loyalty to you. You have given me extraordinary responsibility, trust, and support. I never dreamed that I would have the opportunity to serve personally the President of our country. And I feel enormous pride in being part of your team and in sharing in the great accomplishments of your China policy.

Respectfully,
Mike Oksenberg

Original given to ZB for delivery on 10/11

12/11/79

FOR THE RECORD:

ANNE WEXLER RECEIVED A COPY OF
THE ATTACHED.

THE WHITE HOUSE
WASHINGTON

The attached is forwarded to
you for your information.

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

Good
C

December 4, 1979

MEMORANDUM FOR THE PRESIDENT
HAMILTON JORDAN
LLOYD CUTLER

FROM:

ANNE WEXLER 

**Electrostatic Copy Made
for Preservation Purposes**

SUBJECT:

SALT Outreach

Attached is an updated report on SALT outreach. It will give you a picture of what's going on at the moment.

There are three additional efforts being implemented.

- A. A Christmas (Peace on Earth)/SALT effort with religious leaders nationwide, possibly tied in with your Christmas Message.
- B. A working group designing and implementing strategies by individual state, using constituent activities, and coordinating these activities with Washington-based activities.
- C. A proposal for a total SALT strategy for January which will be submitted by Landon and our SALT working group.

cc: Al McDonald

SALT II -- OUTREACH PLAN

SALT outreach activities are discussed in the attachments as follows:

A. Labor/Liberal Support

We have been meeting every week or two with a coalition of unions, religious groups, and Americans for SALT. These meetings are expected to lead to important input regarding Senators.

Responsibility: Spector

B. Business Support

We have contacted a large number of major corporations to learn whether each corporation and/or its CEO as an individual support SALT, and the level of assistance that can be expected. An initial meeting will be held in mid-December.

Responsibility: Spector, Mercado, Reiman

C. Religious Support

Over a thousand clergypersons have been sent materials on SALT, and many have preached sermons on this subject. Intensified activity and possibly a mailing can be expected over the Christmas/Hanukkah season.

Responsibility: Spector, Maddox

D. East Room Briefings

We may want to do one more state briefing and also possibly an update briefing for selected VIPs (Bs and Super Bs).

Responsibility: Spector

E. Media

The themes paper will be mailed to several press lists as soon as it is complete. In addition, we will work to refute the SALT Syndrome film and the Laird Reader's Digest article, and begin planning for talk shows and possibly a Presidential speech in January.

Responsibility: Raymond, Moffett.

F. Additional Events

Possible events for the President or Vice President include Super-B's (see D above), pro-SALT retired military, Presidential science advisors, union presidents, and evangelicals.

Responsibility: Spector

G. State Activities and Coordination

Work with state grass-roots organizations and constituencies to support their public education efforts and coordinate these activities with Washington-based activities described above.

Responsibility: Chanin, Spector, Moffett, Losser.



A

ATTACHMENT A

Labor/Liberal Support

Bob Beckel and Phil Spector have been meeting about once every two weeks with the following organizations:

AFL-CIO
United Auto Workers
Intl Longshoremen's & Warehousemen's U.
National Education Association
United Steelworkers
Hotel & Restaurant Workers
Communications Workers of America
Amal. Clothing & Textile Workers
National Farmers Union
U.S. Catholic Conference
National Council of Churches
Union of Amer. Hebrew Congregations
Americans for SALT
Council for a Livable World
United Nations Association

At these meetings, specific Senators have been discussed, and assignments have been made, based on each organization's strengths. As the list of Senators narrows, the nature of the assignments given each group will be more focused, and appropriate follow-up phone calls will be placed to make sure that assignments are carried out. Reports back from Senatorial contacts will be immediately channeled to Bob Beckel and Madeleine Albright.

B

Attachment B

Business Support

Phone calls have been made by Rich Reiman, Judith Mercado and Kempton Jenkins to the Washington representatives or government affairs officers of major corporations. They discussed four kinds of potential assistance:

- 1) Approval to use the company's or CEO's name as being pro-SALT in press releases, newspaper advertisements, and the like.
- 2) Assistance by the CEO, especially toward the end of the floor debate, in making phone calls and/or visits to specific Senators.
- 3) Help from the Washington office of the corporation in contacting specific Senate offices and reporting back to us.
- 4) Grass roots assistance from the corporation's plant managers, district sales managers, branch managers, and the like, using both mail and direct Senatorial contact.

Returns to date indicate that we are likely to receive substantial help in the 2) and 3) categories; response in the 1) and 4) categories has been less enthusiastic. The responses will be placed on computer and correlated with the corporation's areas of geographical strength, to allow for assignments to be given quickly once a tighter Senate target list is generated.

As the debate proceeds, we may want to call a meeting of 15-20 top CEO's with Anne and perhaps Hamilton, to emphasize the need for concentrated action during the most critical period.

A final aspect of business outreach involves the US-USSR Trade Council and its lobbying arm, the Committee for Expanded Trade. C. William Verrity, the CEO of Armco Steel and head of the Council, will send telegrams to all of the 103 committee member companies, urging SALT support. He will follow-up with telephone calls to their CEO's and will report back to us with results. As the debate begins in January we will work closely with the committee companies to coordinate CEO activities, emphasizing the importance of East-West trade for jobs and dollars in specific states.

C

ATTACHMENT C

Religious Support

Over the past month, about 1,000 sets of materials have been sent to clergy who have indicated an interest in SALT. The materials have included a summary of religious denominations' positions on SALT and a paper on SALT from a moral perspective.

Feedback from this mailing has been very positive, and many ministers have done sermons or held meetings on SALT. Others will be doing these public education activities over the Christmas/Hanukkah period.

The holiday period provides an especially good opportunity to build on the "peace on earth" theme. A number of possibilities exist:

- 1) A letter from Anne Wexler or Bob Maddox to the clergy mailing list of 400, plus perhaps the list from the September breakfast of the Religious Committee on SALT -- this letter would talk about peace and the holiday period, with perhaps a few references to SALT.

- 2) A strong peace/SALT statement in the President's Christmas and Hanukkah messages and a mailing, to the same list(s) as in 1), of the appropriate message -- this could be combined with the letter mentioned in 1).

- 3) Billy Graham might agree to do a televised appearance on SALT around Christmas, or to meet with the President (publicly) to discuss SALT during this time period.

- 4) The President could meet with a small group (15-20) of pro-SALT evangelicals.

ATTACHMENT D

East Room Briefings

Ten briefings covering 22 states have been held since August 1979. Senator Gary Hart has recommended that we do Colorado, and there are enough other possibilities that we could probably do one more briefing in early January.

As an alternative, or in addition, we may want to invite back to the White House the most supportive of the VIP's (Super-Bs and Bs) who were briefed by the President in May, prior to the Vienna summit. The purpose of the briefing would be to update them on SALT, in light of all that has happened since May (Vienna, Cuba, Committee reports, Iran, etc.), and to get their active support. This briefing should occur in early January. Another option is to have the Vice President host the briefing as part of a breakfast in the Senate with Senator Byrd and other Senators attending. See Attachment F.

E

ATTACHMENT E

Media

The revised themes paper is now being finalized by Alan Raymond, working with Roger Molander and Landon Butler. This paper, perhaps accompanied by an additional piece on the developments in the Foreign Relations Committee (which could be prepared quickly if necessary) will be mailed before Christmas to some or all of the following:

- 1) White House press list
- 2) State Department press list
- 3) Local press that attended East Room briefings
- 4) Press that attended White House or State Department briefings on SALT
- 5) East Room briefing attendees
- 6) State Department conference list.

The SALT Syndrome film has been shown on television around the country. The rebuttal to it that has been prepared is useful not only for refutation, but also as a SALT advocacy piece. It should be sent to television stations, preferably from the Defense Department. We may also want to explore sending it to Senators, accompanied by a note saying, in effect, if you get a constituent inquiry about the film, SALT Syndrome, here is our response.

Melvin Laird had a misleading article against SALT in the October Reader's Digest. A response has been drafted and cleared. Averell Harriman is thought to be the best person to sign the response, but first we must get the agreement of Reader's Digest to publish the article. Lloyd Cutler has talked to Jody Powell about this, and Pat Bario is following up.

In January, as the debate intensifies and public interest increases, we should be planning a number of media appearances by top officials (Vance, Brown, Brzezinski, Seignious). In addition, we may want to consider a major Presidential address to an appropriate forum.

F

ATTACHMENT F

Additional Events

Several possible events for the President or Vice President have been discussed in previous attachments. The following summarizes these and other events:

- 1) East Room briefing for Super Bs and Bs - January; may want to use Senator Robert Byrd and hold as a State Dining Room breakfast.
- 2) Evangelicals favoring SALT -- Cabinet Room; January.
- 3) Pro-SALT retired military -- Cabinet Room (focus on quality, not quantity); January.
- 4) Former Presidential science advisers -- Cabinet Room; timing not important.
- 5) Union presidents -- especially good for Vice President; Cabinet/Roosevelt Room; January.

Note: Any or all of the above, as well as the meeting with CEO's, could also be hosted by the Vice President at a breakfast in the Senate, perhaps with Senator Byrd and with one or more of the other Senators attending.

ATTACHMENT G

State Activities

Through White House briefings and Americans for SALT fieldwork, a strong network has been built of pro-SALT prominent citizens in key states. The target list and an analysis of each state will be the basis of a public education strategy for each state where the analysis shows such efforts to be warranted. The strategy is to set out the level of effort, the constituencies involved and the timing. These efforts will be coordinated closely with the activities described in the other attachments.

THE WHITE HOUSE
WASHINGTON

Phil has

seen

THE WHITE HOUSE
WASHINGTON

Mr. President:

Bob Strauss would like
to bring Ken Gibson by for
a 5 minute endorsement.

Shall I schedule?

yes no

Phil

Mr. P. ... - NOT asking for ...

THE WHITE HOUSE
WASHINGTON

Mr. President:

Lloyd Cutler has a
paper you need to sign
today making Lipshutz
co-trustee. May I
schedule right after the
10:00 am staff meeting?

yes no

Phil

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8:00 AM

THE WHITE HOUSE

WASHINGTON

C

ADMINISTRATIVELY CONFIDENTIAL

CONGRESSIONAL LEADERSHIP BREAKFAST

Tuesday, December 11, 1979

8:00 a.m.
Family Dining Room

From: Frank Moore

I. PRESS PLAN

White House Photographer.

II. PARTICIPANTS

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See attached list.

III. BACKGROUND

This Leadership Breakfast is probably the last chance we will have to force a decision on energy conference action during the holiday season. We have enclosed talking points that suggest a way for you to attempt that.

Last week, Byrd repeatedly announced the Senate must pass the Windfall Profits Tax and the Chrysler bill before the end of the first session. Yesterday (Monday) he told the Democratic Caucus that the Senate must pass the conference reports on these two bills before going out.

When I met with him yesterday after the Caucus, Byrd reiterated his goal and said he would hold the Senate in session starting December 27 in order to pass the WPT and Chrysler conference reports if they were not finished by Christmas.

Also yesterday, Byrd met with the Speaker. The Speaker supported the goal of passing the two conference reports, but said he would not call the House back until January 3, and then only if the bills were out of conference and ready for floor action.

Our best estimate is that Senate floor action on WPT will be completed this week. Conference could begin Monday, December 17, with Senate floor action on Chrysler possibly

beginning the same day.

The WPT conference could be concluded and passed by both houses December 21. Chrysler could also be disposed of by the same date, if the Weicker filibuster folds as history indicates it will.

In other words, the Byrd-O'Neill goals could be met by December 21, and the promise of holiday sessions could go unfulfilled.

On the other hand, Byrd has indicated the Senate will stay in pro forma session throughout January because of Iran. Bill Cable thinks the House will follow suit.

Senator Byrd and the Speaker will meet with you for a preliminary meeting at 7:45. You should use this time to explore the situation with them and to urge them to support our effort to get conference action on all three energy bills before the start of the second session--even if this means one or more of the conferences must meet over the holidays.

Privately, you should tell them that such a goal, announced by the three of you, could force an agreement in each of the conferences by Christmas. If conceptual agreement could be reached by Christmas, staff could use the recess time to draft report language.

IV. TALKING POINTS

ENERGY

During the last several weeks, virtually every time I have talked to the public or to Members of Congress about unrest in Iran and throughout the Middle East, I have stressed the importance of prompt action on the energy bills now before Congress. However, I have deliberately refrained from setting arbitrary time deadlines for action. I have also refused to unduly criticize the Congress for inaction--even during the period before the EMB and synfuels conference convened, when it appeared to the public, at least, that no progress was being made.

I have done so because I realize the complexity of the legislation and appreciate the difficult jurisdictional situation that had to be resolved in the House before conference could begin on the synfuels package. I am also profoundly grateful for the steps you have already taken to move the various bills along.

Speaker O'Neill has laid the groundwork for action on the synfuels package by skillfully selecting a representative group of House conferees who are anxious to begin work. Majority Leader Byrd has provided personal leadership in a very difficult Senate floor fight, so that successful conclusion of the Windfall Profits Tax debate is now in sight.

Nevertheless, as we approach the recess period, we will all have difficulty defending our record of accomplishments unless there is conclusive action on energy. I, for one, will be unable to remain silent if the Congress departs for a month and does no work on unfinished energy business during that period.

At one time, we had hoped that all three bills would be signed into law by Christmas. I still have hopes that we can achieve significant action by then. However, I would be profoundly disappointed and fearful of the consequences if the second session of Congress were to begin and all three of the conferences had not completed their work.

The crisis we face is so profound that additional legislation will probably be required next year. My advisors have already spoken with many of you about the energy decisions we must make. Those decisions will be delayed, to the immense detriment of our country, unless this year's work is quickly concluded.

With your cooperation and leadership, I am confident that those conferees whose work remains unfinished at Christmas can be convinced to meet and work during the early weeks of January, so that the full House and Senate can begin work on the remaining conference reports when the second session begins.

I will do whatever you need to help you keep the conferees here and working. My Cabinet, my senior advisors and I will be here to meet with the conferees if necessary. I am most reluctant to call for a special session of Congress, especially without your assent. Such a session could well be counter-productive. However, Senator Byrd has raised the possibility of the Senate meeting in pro forma sessions for most of January. This would have an excellent psychological effect on possible conference action and would have the added benefit of maintaining a state of readiness in the Congress to deal with events in Iran should the situation warrant it.

Nevertheless, those tactical matters are better left to your good judgment and wise counsel. I will look to you for advice. But, I strongly urge you to devise a strategy to

finish this session's energy business before the Congress begins its next session.

I would like to have another Leadership Breakfast next Tuesday so we can judge what progress has been made. By that time, I hope there is some assurance that those conferences that are not done by Christmas will continue to work in January until there is agreement on the conference reports.

CHRYSLER

I urge Congress to pass a Chrysler aid bill before Christmas, but a bill without a three-year wage freeze (the Lugar-Tsongas approach).

I am aware of efforts among all affected parties to forge a compromise that falls somewhere between my Administration's proposal, and that of Senators Lugar and Tsongas.

I will ask Stu and Treasury Department officials to quickly evaluate any proposal that emerges from these negotiations.

NATIONAL PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT

As you know, the NPWEDA has finally gone to conference. The Vice President's call to Majority Leader Wright and Wright's subsequent talk with Roe did a great deal to break the impasse. You should thank Wright for his assistance and strongly urge final passage of a good conference report before the next session. Many communities are waiting for and depending on this bill to provide the funds for economically depressed areas.

ADDITIONAL TALKING POINTS

o As soon as you see Senator Byrd this morning, you should thank him for pushing the Senate so hard on the tax. He has done a marvelous job leading the Senate through a maze of amendments, challenging and working with Senator Long and threatening holiday sessions. The more effusive your praise, the more receptive he will be later.

o Later while eating, you should urge the Speaker to appoint as few House WPT conferees as possible. He is currently agonizing over the selection. He does not want to exclude anyone, but knows he must to expedite action. Commiserate with him, but urge him to appoint a smaller group committed to a strong tax.

o For your information, the Speaker has agreed to call the House into session January 16th (before the Iowa caucus)

for the State of the Union. However, Senator Byrd said you could go ahead and give it that date, but neither he nor the Senate would be back by then. We suggest you not raise the issue this morning.

CONGRESSIONAL LEADERSHIP BREAKFAST

Tuesday, December 11, 1979

PARTICIPANTS

The President:

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

Speaker Thomas P. O'Neill, Jr.
Congressman James Wright
Congressman Thomas S. Foley
Congressman John Brademas
Congressman Dan Rostenkowski
Congresswoman Shirley Chisholm

Deputy Secretary John Sawhill

Stu Eizenstat
Hamilton Jordan
Zbig Brzezinski
Jim McIntyre
Alonzo McDonald
John White
Bill Smith
Frank Moore
Dan Tate
Bill Cable
Terry Straub

Following are talking points on the Nicaraguan supplemental request for your use if you think it appropriate.

--The House Foreign Affairs Committee Tuesday marked up our supplemental request for \$88 million, most of which is for Nicaragua. The Senate Foreign Relations Committee is due to mark up Thursday.

--I urge both houses to pass the authorization bill before going home for the Christmas recess, leaving the appropriations for your consideration in January. Speed is important for a variety of reasons:

- o Nicaragua's dollar reserves will, for all practical purposes, be exhausted by February or March. The need for budget support will be critical then.
- o Nicaragua desperately needs money for agricultural credit, seed, etc., as soon as possible so that another planting season will not be missed.
- o The Nicaraguan economy was heavily damaged in the war, with more than 25 percent of the gross domestic product destroyed.
- o This is Nicaragua's hour of need and it is looking to us for help. The Nicaraguan leadership contains both Marxist and non-Marxist elements, but almost to a person it has been moderate, pragmatic and patient in its approach to the U.S. Nicaragua wants a mixed economy with an active private sector.
- o If we do help, we will be in a better position to influence the new government toward a more moderate course. It certainly will assist the recovery of the private sector, which in turn will be able to participate effectively in a pluralistic political system.
- o If we do not help, Nicaragua will have to look elsewhere for assistance. Greater Cuban or Soviet influence is the last thing we need in Central America--our own backyard.

THE WHITE HOUSE
WASHINGTON

07 Dec 79

5071

Landon Butler

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

Rick Hutcheson

The Vice President
Stu Eizenstat
Jody Powell
Jack Watson
Zbig Brzezinski
Hugh Carter

The signed original has been
given to Bob Linder for handling.

Release 12/11 @ App 12:10

United States of America
**Office of
Personnel Management**

Washington, D.C. 20415

NOV 27 1979

*Let our
labor leader
friends share
credit for it
J*

In Reply Refer To:

Your Reference:

MEMORANDUM FOR THE PRESIDENT

**Electrostatic Copy Made
for Preservation Purposes**

FROM: Alan K. Campbell
Director

SUBJECT: Excusing Federal Employees from Duty the Day Before Christmas

I am forwarding for your consideration a proposed Executive order which would excuse most Federal employees from duty on Monday, December 24, 1979. Employees needed for national security, public safety, or other vital Governmental functions would not be excused from duty.

It has been the practice since 1952 for Federal employees to be excused from work on Monday when Christmas has fallen on Tuesday and on Friday when Christmas has fallen on Thursday. These situations have occurred as follows:

Christmas on Tuesday

1956
1962
1973

Christmas on Thursday

1952
1958
1969
1975

I have checked on private sector practices, and a recent survey indicates that 70 percent of manufacturing firms plan to grant the day off. I also checked with the Executive Director of the Business Roundtable and he is supportive of the Federal government taking this action. He does not believe it will receive any criticism from the business community.

The productivity that would be lost in the Government by such a closing on Christmas Eve is minimal. Many employees would take the day off on annual leave if a holiday were not granted. Those who do report would be far less productive than on a normal workday, both because of the significant number of employees who would be on leave that day and because of the pre-holiday atmosphere that would unavoidably slow the normal flow of business.

If this holiday is granted, there will be some additional outlays required to compensate those employees who must be required to work, but we would anticipate that these costs would be partially offset by energy savings. Most installations will be able to close down altogether or reduce their energy needs to minimal levels for a full four days. Without such a closing, the reopening of offices on Monday after the two-day weekend,

immediately followed by closing again for Christmas, would not allow full cutbacks of energy needs for heating. Eliminating the use of gasoline by commuters on a normal workday should also result in energy savings.

Most important, though, is the effect this one-day closing would have on employee morale and the contribution it would make to a happy holiday for Federal families.

Accordingly, I recommend that you sign the Executive order.

Enclosure

MCINTYRE

EXECUTIVE ORDER

PROVIDING FOR THE CLOSING OF GOVERNMENT DEPARTMENTS
AND AGENCIES ON MONDAY, DECEMBER 24, 1979

By virtue of the authority vested in me as President of the United States, it is hereby ordered as follows:

Section 1-1. General Provisions.

1-101. All Executive departments and agencies shall be closed and their employees excused from duty on Monday, December 24, 1979, the day before Christmas Day, except as provided by Section 1-102 below.

1-102. The heads of Executive departments and agencies may determine that certain offices and installations of their organizations, or parts thereof, must remain open and that certain employees must report for duty on December 24, 1979, for reasons of national security or defense or for other public reasons.

Section 1-2. Pay and leave for Employees.

1-201. Monday, December 24, 1979, shall be considered a holiday for the purposes of the pay and leave of employees of the United States.



THE WHITE HOUSE,

THE WHITE HOUSE
WASHINGTON

12/11/79

Bob Linder

The attached was signed on Friday
but is for announcement today.

STR was notified on the decision,
as well as NSC, and CL -- all
verbally.

Rick Hutcheson

THE SPECIAL REPRESENTATIVE FOR
TRADE NEGOTIATIONS

WASHINGTON

20508

MEMORANDUM TO THE PRESIDENT

FROM : Reubin O'D. Askew *RA*

SUBJECT: Anhydrous Ammonia

Electrostatic Copy Made
for Preservation Purposes

*Get farm
groups, consumers
& others to
help with
Congress -
JC*

Problem

By December 11, 1979 you must decide whether to grant import relief to the domestic ammonia industry. The U.S. International Trade Commission (USITC) by a three to two vote found that imports of ammonia from the Soviet Union were causing market disruption to the domestic industry and recommended that you establish a three-year quota on Soviet ammonia imports of one million short tons in 1980, 1.1 million in 1981, and 1.3 million in 1982. Background information for this case is provided in attachment 1.

There is significant Congressional interest in this case. To date, 21 Senators and 12 Congressmen have written in support of relief and one Senator and four Congressmen in opposition (see attachment 2). Both sides in this case are actively lobbying the Hill, and we expect to hear more expressions of support on each side. The principal Congressional concerns in support of petitioners appear to focus on the issues of over-dependence on Soviet ammonia and the marketing practices being employed. In the event that you do not accept the USITC remedy recommendation, it is likely there will be a serious attempt to override your decision in the Congress.

Recommendation

Given the current and projected market conditions for ammonia, and despite strong Congressional interest, the interagency Trade Policy Staff Committee (TPSC), including Treasury, Commerce, State, Labor, Agriculture, Interior, and Justice, unanimously recommends that you deny relief to domestic producers of anhydrous ammonia. However, because the future economic impact of compensation agreements remains unknown, all agencies of the TPSC believe, further, that it would be prudent to establish a system to examine on a regular basis the market conditions for ammonia. On the basis of this annual statistical review, the U.S. Government will discuss the situation with the Soviets through existing mechanisms. NSC, CEA, COWPS, DPS, and I concur in the recommendation that relief at the present time would not be in the national economic interest and support the monitoring proposal for the following reasons:

1. Strong demand for fertilizer in the U.S. and overseas argue against import relief at this time. U.S. farmers require increased supplies of fertilizer at a time when ammonia prices are expected to have increased 80 percent above their December 1978 level by June 1980. Import restraints would be difficult to justify, although estimated price increases associated specifically with the quota are not large.

2. Relief will have little beneficial effect in promoting industry adjustment. Rapidly rising natural gas input costs rather than imports are its fundamental problem. Indeed, some U.S. firms have sought to import ammonia because domestic natural gas is so expensive, and, increasingly, unavailable.

3. Relief will not limit growing U.S. reliance on foreign sources of supply, but will only shift the source of imports to other low-cost producers such as Mexico, Trinidad and Tobago and other Latin American sources.

4. Over the short term, relief could reduce the levels of competition and supply in the California and Tampa, Florida regional markets.

5. Relief would have a serious adverse affect on our foreign trade relations with the Soviet Union and could discourage development of trade relations with other centrally-planned economies.

6. Occidental's marketing strategy for Soviet ammonia has attempted to reach only markets not adequately served by domestic producers and has demonstrated sensitivity to U.S. and foreign market conditions. Occidental's strategy does not involve price undercutting of U.S. producers--it is, instead, one of price maximization consistent with market forces.

7. U.S. dependence on Soviet ammonia is unlikely to threaten our security interests since the Soviets are depending heavily on the superphosphoric acid (SPA) exported under this arrangement and the U.S. grains produced through use of ammonia and nitrogen fertilizers.

8. Because anhydrous ammonia is very energy intensive, imports of this product conserve domestic natural gas. The energy savings which would be lost were a quota imposed are equal to 22 million barrels of crude oil over the three-year period.

9. Because of the possible adverse economic effects of compensation agreements, monitoring would be useful. Besides

signaling to domestic producers, Congress, and the Soviets that the U.S. Government is concerned about the future effects of the agreement on the domestic industry, an annual review would provide us with a routinized, low-key basis for discussions with the Soviets should problems arise. It would also be helpful on the Hill in containing an override attempt.

Approve unanimous recommendation of no relief with monitoring: _____

Please see me: _____

Attached is a draft decision memorandum and reports to Congress should you accept our recommendation of no relief with monitoring (Attachment 3) and the TPSC paper on this case (Attachment 4).

Attachments

If you approve Askew's recommendation, THREE SIGNATURES NEEDED

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE SPECIAL REPRESENTATIVE
FOR TRADE NEGOTIATIONS

SUBJECT: Determination under Section 406 and 202 of the Trade Act of 1974; Anhydrous Ammonia from the Union of Soviet Socialist Republics

Pursuant to section 406(b) and 202 of the Trade Act of 1974 (P.L. 93-618, 88 Stat. 1978), I have determined the action I will take with respect to the report of the United States International Trade Commission (USITC), transmitted to me on October 12, 1979, concerning the results of its investigation of a petition for import injury filed on behalf of 12 U.S. producers and one U.S. distributor of anhydrous ammonia provided for under items 417.22 and 480.65 of the Tariff Schedules of the United States (TSUS).

After considering all relevant aspects of the case, including those considerations set forth in section 202(c) of the Trade Act of 1974, I have determined that provision of import relief is not in the national economic interest for the following reasons:

1. Anticipated conditions in the U.S. and overseas markets for anhydrous ammonia do not warrant import relief at this time. The industry is currently operating at 86 percent of capacity and should continue to operate at comparable levels, prices are sharply higher and expected to continue rising, and strong market conditions are projected for the current and next marketing years. Given anticipated growth in demand for grains and other crops, it is critical that farmers have access to sufficient fertilizer supplies at reasonable prices.
2. Relief would not limit the growth in U.S. imports of anhydrous ammonia but will merely shift the source of foreign supplies from the Soviets to other low-cost producers. Thus, the domestic industry would realize little benefit from relief and relief would be unlikely to promote industry adjustment.

You should request the U.S. International Trade Commission to issue a factual report on overall market conditions for ammonia as prescribed under section 332 of the Tariff Act of 1930. This report

should be prepared on an annual basis, beginning in November 1980, until further notice. I would plan to have these reports discussed with appropriate Soviet officials through existing channels.

This determination is to be published in the Federal Register.

Jimmy Carter

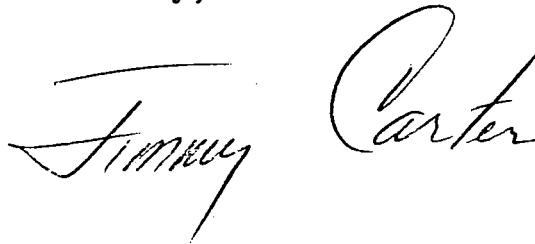
THE WHITE HOUSE

WASHINGTON

Dear Mr. President:

In accordance with section 203(b)(2) of the Trade Act of 1974, enclosed is a report to the Congress setting forth my determination that import relief for the U.S. anhydrous ammonia industry is not in the national economic interest, and explaining the reasons for my decision.

Sincerely,

A handwritten signature in cursive script that reads "Jimmy Carter". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

The Honorable Walter F. Mondale
President of the Senate
Washington, D.C. 20510

THE SPECIAL REPRESENTATIVE FOR
TRADE NEGOTIATIONS

WASHINGTON

20506

MEMORANDUM TO THE PRESIDENT

FROM : Reubin O'D. Askew *RA*

SUBJECT: Anhydrous Ammonia

Get farm groups, consumers & others to help with Congress - JC -

HOB - Tuesday AM

Problem

By December 11, 1979 you must decide whether to grant import relief to the domestic ammonia industry. The U.S. International Trade Commission (USITC) by a three to two vote found that imports of ammonia from the Soviet Union were causing market disruption to the domestic industry and recommended that you establish a three-year quota on Soviet ammonia imports of one million short tons in 1980, 1.1 million in 1981, and 1.3 million in 1982. Background information for this case is provided in attachment 1.

There is significant Congressional interest in this case. To date, 21 Senators and 12 Congressmen have written in support of relief and one Senator and four Congressmen in opposition (see attachment 2). Both sides in this case are actively lobbying the Hill, and we expect to hear more expressions of support on each side. The principal Congressional concerns in support of petitioners appear to focus on the issues of over-dependence on Soviet ammonia and the marketing practices being employed. In the event that you do not accept the USITC remedy recommendation, it is likely there will be a serious attempt to override your decision in the Congress.

Recommendation

Given the current and projected market conditions for ammonia, and despite strong Congressional interest, the interagency Trade Policy Staff Committee (TPSC), including Treasury, Commerce, State, Labor, Agriculture, Interior, and Justice, unanimously recommends that you deny relief to domestic producers of anhydrous ammonia. However, because the future economic impact of compensation agreements remains unknown, all agencies of the TPSC believe, further, that it would be prudent to establish a system to examine on a regular basis the market conditions for ammonia. On the basis of this annual statistical review, the U.S. Government will discuss the situation with the Soviets through existing mechanisms. NSC, CEA, COWPS, DPS, and I concur in the recommendation that relief at the present time would not be in the national economic interest and support the monitoring proposal for the following reasons:

1. Strong demand for fertilizer in the U.S. and overseas argue against import relief at this time. U.S. farmers require increased supplies of fertilizer at a time when ammonia prices are expected to have increased 80 percent above their December 1978 level by June 1980. Import restraints would be difficult to justify, although estimated price increases associated specifically with the quota are not large.

2. Relief will have little beneficial effect in promoting industry adjustment. Rapidly rising natural gas input costs rather than imports are its fundamental problem. Indeed, some U.S. firms have sought to import ammonia because domestic natural gas is so expensive, and, increasingly, unavailable.

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7. U.S. dependence on Soviet ammonia is unlikely to threaten our security interests since the Soviets are depending heavily on the superphosphoric acid (SPA) exported under this arrangement and the U.S. grains produced through use of ammonia and nitrogen fertilizers.

8. Because anhydrous ammonia is very energy intensive, imports of this product conserve domestic natural gas. The energy savings which would be lost were a quota imposed are equal to 22 million barrels of crude oil over the three-year period.

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Approve unanimous recommendation of no relief with monitoring: _____

Please see me: _____

Attached is a draft decision memorandum and reports to Congress should you accept our recommendation of no relief with monitoring (Attachment 3) and the TPSC paper on this case (Attachment 4).

Attachments

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After considering all relevant aspects of the case, including those considerations set forth in section 202(c) of the Trade Act of 1974, I have determined that provision of import relief is not in the national economic interest for the following reasons:

1. Anticipated conditions in the U.S. and overseas markets for anhydrous ammonia do not warrant import relief at this time. The industry is currently operating at 86 percent of capacity and should continue to operate at comparable levels, prices are sharply higher and expected to continue rising, and strong market conditions are projected for the current and next marketing years. Given anticipated growth in demand for grains and other crops, it is critical that farmers have access to sufficient fertilizer supplies at reasonable prices.
2. Relief would not limit the growth in U.S. imports of anhydrous ammonia but will merely shift the source of foreign supplies from the Soviets to other low-cost producers. Thus, the domestic industry would realize little benefit from relief and relief would be unlikely to promote industry adjustment.

You should request the U.S. International Trade Commission to issue a factual report on overall market conditions for ammonia as prescribed under section 332 of the Tariff Act of 1930. This report

should be prepared on an annual basis, beginning in November 1980, until further notice. I would plan to have these reports discussed with appropriate Soviet officials through existing channels.

This determination is to be published in the Federal Register.

X
Jimmy Carter

THE WHITE HOUSE
WASHINGTON

Dear Mr. President:

In accordance with section 203(b)(2) of the Trade Act of 1974, enclosed is a report to the Congress setting forth my determination that import relief for the U.S. anhydrous ammonia industry is not in the national economic interest, and explaining the reasons for my decision.

Sincerely,

Jimmy Carter

The Honorable Walter F. Mondale
President of the Senate
Washington, D.C. 20510

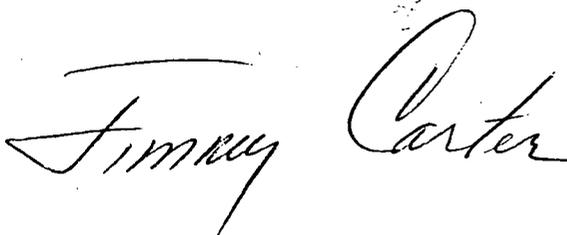
THE WHITE HOUSE

WASHINGTON

Dear Mr. Speaker:

In accordance with section 203(b)(2) of the Trade Act of 1974, enclosed is a report to the Congress setting forth my determination that import relief for the U.S. anhydrous ammonia industry is not in the national economic interest, and explaining the reasons for my decision.

Sincerely,

x  Jimmy Carter

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

IMPORT RELIEF ACTION

ANHYDROUS AMMONIA

As required under section 203(b)(2) of the Trade Act of 1974, I am transmitting this report to Congress setting forth the action I will take with respect to anhydrous ammonia covered by the affirmative finding on October 12, 1979 of the U.S. International Trade Commission (USITC) under section 406 of the Trade Act. As my action differs from that recommended by the USITC, I have included the reasons for my decision:

After considering all relevant aspects of the case, including those considerations set forth in section 202(c) of the Trade Act of 1974, I have determined that provision of import relief is not in the national economic interest for the following reasons:

- (1) Anticipated conditions in the U.S. and overseas markets for anhydrous ammonia do not warrant import relief at this time. ~~The industry is currently~~ operating at 86 percent of capacity and should continue to operate at comparable levels, prices are sharply higher and expected to continue rising, and strong market conditions are projected for the current and next marketing years. Given anticipated growth in demand for grains and other crops, it is critical that farmers have access to sufficient fertilizer supplies at reasonable prices.

- (2) Relief would not limit the growth in U.S. imports of anhydrous ammonia but will merely shift the source of foreign supplies from the Soviets to other low-cost producers. Thus, the domestic industry would realize little benefit from relief and relief would be unlikely to promote industry adjustment.

I have directed the U.S. Trade Representative to request the U.S. International Trade Commission to follow closely overall market conditions for ammonia until further notice and to issue annual reports beginning in November 1980. I would plan to have these reports discussed with appropriate Soviet officials through existing channels.

THE WHITE HOUSE
WASHINGTON

12/11/79

Jody Powell

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

Rick Hutcheson

cc: Phil Wise
Fran Voorde

THE SPECIAL REPRESENTATIVE FOR
TRADE NEGOTIATIONS

WASHINGTON
20506

*Get farm
groups, consumers
& others to
help with
Congress -
JC*

MEMORANDUM TO THE PRESIDENT

FROM : Reubin O'D. Askew *AS*

SUBJECT: Anhydrous Ammonia **Electrostatic Copy Made
for Preservation Purposes**

Problem

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There is significant Congressional interest in this case. To date, 21 Senators and 12 Congressmen have written in support of relief and one Senator and four Congressmen in opposition (see attachment 2). Both sides in this case are actively lobbying the Hill, and we expect to hear more expressions of support on each side. The principal Congressional concerns in support of petitioners appear to focus on the issues of over-dependence on Soviet ammonia and the marketing practices being employed. In the event that you do not accept the USITC remedy recommendation, it is likely there will be a serious attempt to override your decision in the Congress.

Recommendation

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THE WHITE HOUSE

WASHINGTON

December 10, 1979

MEMORANDUM FOR THE PRESIDENT

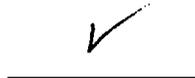
FROM:

JODY POWELL



One day this week I would like to bring in Peter Barnett (White House correspondent for Australian Broadcasting Commission), his wife and son for a farewell handshake and photo similar to past sessions.

Approve



Disapprove



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for Preservation Purposes**

1:05 PM

THE WHITE HOUSE
WASHINGTON

MEETING WITH REVEREND MORRIS SHEATS

Tuesday, December 11, 1979

1:05 p.m. (Five Minutes)
The Oval Office

FROM: Anne Wexler *AW*
Bob Maddox *BM*

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I. PURPOSE

To commend Reverend Morris Sheats for his willingness to spend a large portion of 1980 traveling and speaking on behalf of your re-election.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: Reverend Morris Sheats is Pastor of Beverly Hills Baptist Church in Dallas, Texas. He has told Bob Maddox that he feels a deep commitment, even a calling to work for your re-election during the next months. When his church learned of his feelings, they agreed to give him what time he needs and to set aside \$6,000 (and more if he needs it) to pay his travel expenses. He joined the Friends for Carter/Mondale Committee and attended the kick-off events at the White House and Regency Hotel.

Reverend Sheats can be an important bridge to the more conservative/evangelical/charismatic community. Bob Maddox says he is even and steady, a capable leader and speaker, a good family man with finances and character above reproach. Bob has preached in his church and stayed in his home. Bob will work with him to see that he has briefings on the various issues of most concern to him and those to whom he will be speaking. Bob will also see that Rev. Sheats keeps in touch with the Carter/Mondale Committee.

B. Participants: Reverend Morris Sheats, Anne Wexler, and Bob Maddox.

C. Press: White House Photographers only.

III. TALKING POINTS

1. I appreciate your willingness to take so much time from your schedule to work for my re-election. Your church must have confidence in you to give you time off and to help pay your expenses.
2. My commitment is to be the best possible President for all the people. My own personal faith in God is the foundation of my life and of my presidency. Rosalynn and I spend regular time in prayer with each other and individually asking for guidance from the Lord as we attempt to be His instruments.
3. As you travel ask the people to pray for us and for our fellow Americans held hostage in Iran. Our country needs to stay united and strong.
4. I also hope you will encourage the people to get involved in the life of the nation and to be concerned about the issues we all face. Help the people know what we have done to solve the tough problems of our time.
5. I have told the truth about our problems and their solutions. I have never promised easy answers when there are none. Instead, I have called on the strength of our people to deal with real solutions to difficult problems. I am optimistic that our people will respond.

1:15 PM

PHOTO OPPORTUNITY FOR REP. HAROLD FORD (D-8-TENNESSEE)

Tuesday, December 11, 1979
1:15 p.m. (5 minutes)
The Oval Office

From: Frank Moore

**Electrostatic Copy Made
for Preservation Purposes**

I. PURPOSE

To have your photograph taken with Rep. Harold Ford who will at that time will announce his support for you.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: Memphis is the core of Harold Ford's district and is the largest metropolitan city in Tennessee, encompassing one-fourth of the state's population. Approximately 50% of the population of Memphis is black and Congressman Ford and his family basically control that black vote. The Congressman's brother Emmitt is the Democratic State Representative from Memphis, John Ford is the Democratic Senator, and James Ford was recently elected to the Memphis City Council. It is essential to have Harold Ford's support to carry the Memphis area in any political contest. You won 60% of the vote in the eighth district in 1976.

The Congressman has been generally supportive, but tends to run hot and cold on the Administration. You have to constantly stroke him for consistency on his commitments.

B. Participants: The President, Rep. Harold Ford, Frank Moore, Louis Martin, Jim Free, and Val Pinson.

C. Press Plan: Full press

Page two
Rep. Harold Ford.

- D. Additional Information: Rep. Ford ranks 14th on the House Ways and Means Committee and his cumulative support average is 75%. He was a mortician before his election to Congress in 1974. His wife's name is Dorothy and they have three children.

III. TALKING POINTS

1. Rep. Ford might approach you about the Memphis synthetic coal gas plant. The competition between the Memphis and W. R. Grace (Kentucky) medium BTU synthetic gas plants is continuing as planned. The phase 0 design competition ends this month, and you can tell him that you have been assured that the Department of Energy will make a decision in February (to fund one or the other). This project is monitored at the highest levels in the Department of Energy and they are well aware of Rep. Ford's concerns.

In the event he should press you on this subject, you can tell him that the quickest way to get this plant built is to complete the competition. Anything to change the nature of the competition at this late date would probably cause legal ramifications later on. Even if Memphis would lose the competition, there would most probably be funding available for the project under the Energy Security Corporation.

2. On November 15, Congressman Ford wrote you expressing his concern that Memphis has been unable to obtain funds to build a facility which produces energy from sludge. Apparently, Memphis is unable to dispose of waste, and no new developments can be approved until the problem is solved. The problem seems to be more regulatory in nature than funding, and we can't give him an idea of when it will be resolved. However, you can tell him that you know that Jim Free of your Liaison staff has been working with EPA and DOE in hopes of a solution. Tell him that you'll be working with him and the City of Memphis in coming together on a common understanding.
3. Thank the Congressman for his endorsement and let him know that you consider him a steadfast and loyal supporter. You need to ask for his assistance in the upcoming months.

11:55 AM

THE WHITE HOUSE
WASHINGTON

Electrostatic Copy Made
for Preservation Purposes

Done
J

MEETING WITH KENNETH BLAYLOCK, PRESIDENT
AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

Tuesday, December 11, 1979
11:55 a.m. (5 minutes)
The Oval Office

From: Landon Butler 

I. PURPOSE

Photo opportunity to advise Ken Blaylock and other AFGE officers of your decision to sign an Executive Order providing for the closing of government departments and agencies on Monday, December 24.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

- A. Background. Scotty Campbell proposed the Executive Order on November 28. You approved and suggested that labor should share credit for the holiday. This briefing provides Ken Blaylock, President, AFGE, that opportunity.
- B. Participants. Ken Blaylock, President, AFGE; Joseph Gleason, Executive Vice President, AFGE; Nicholas Nolan, National Secretary-Treasurer, AFGE; Royal Sims, National Vice President, AFGE; Scotty Campbell, Director, Office of Personnel Management; and Landon Butler.
- C. Press Plan. White House photographer only.

III. TALKING POINTS

- Advise Blaylock of the Executive Order approving December 24 as a Federal holiday.
- Also, thank Blaylock for his recent letter supporting your efforts to obtain release of the hostages in Iran (attachment). Four workers represented by AFGE Local 1812, U.S. Information Agency, are among the Americans being held hostage of the embassy in Iran.

THE WHITE HOUSE

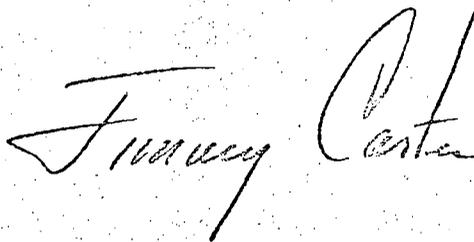
WASHINGTON

November 29, 1979

To Ken Blaylock

I deeply appreciate AFCE's support for our efforts to obtain the release of the hostages in Iran. The patience and determination of all Americans in this crisis is a true sign of our nation's sure strength.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

Mr. Kenneth T. Blaylock
National President
American Federation of
Government Employees
1325 Massachusetts Avenue, N.W.
Washington, D. C. 20005

KENNETH T. BLAYLOCK

National President



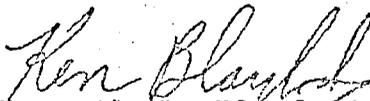
1325 MASSACHUSETTS AVENUE, N.W.
WASHINGTON, D. C. 20005
(202) 737-8700

November 26, 1979

Dear Mr. President:

The American Federation of Government Employees wants to convey to you its concern with the plight of the Americans being held hostage in Teheran and its support for your efforts to obtain their release. The perils faced daily by members of the Foreign Service and other Federal employees as they serve their country abroad tend to go unnoticed and unappreciated by most Americans until made tragically clear by events such as the attacks on the American Embassies in Iran and Pakistan. The dangers of their service and the need for protection of these employees and their families could not be more drastically illustrated. Our prayers are with the hostages, and with you as you struggle to achieve their freedom.

Sincerely yours,


Kenneth T. Blaylock
National President

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

United States of America
Office of
Personnel Management

Washington, D.C. 20415

NOV 27 1979

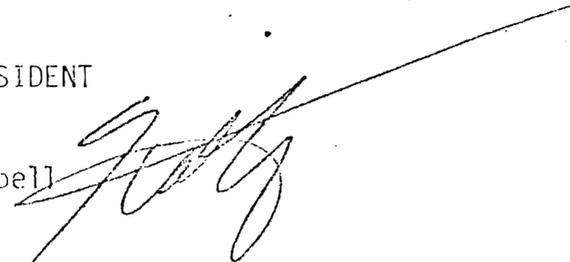
*labor leader
friends share
credit for it
J*

In Reply, Refer To:

Your Reference:

MEMORANDUM FOR THE PRESIDENT

FROM: Alan K. Campbell
Director



SUBJECT: Excusing Federal Employees from Duty the Day Before Christmas

I am forwarding for your consideration a proposed Executive order which would excuse most Federal employees from duty on Monday, December 24, 1979. Employees needed for national security, public safety, or other vital Governmental functions would not be excused from duty.

It has been the practice since 1952 for Federal employees to be excused from work on Monday when Christmas has fallen on Tuesday and on Friday when Christmas has fallen on Thursday. These situations have occurred as follows:

Christmas on Tuesday

1956
1962
1973

Christmas on Thursday

1952
1958
1969
1975

I have checked on private sector practices, and a recent survey indicates that 70 percent of manufacturing firms plan to grant the day off. I also checked with the Executive Director of the Business Roundtable and he is supportive of the Federal government taking this action. He does not believe it will receive any criticism from the business community.

The productivity that would be lost in the Government by such a closing on Christmas Eve is minimal. Many employees would take the day off on annual leave if a holiday were not granted. Those who do report would be far less productive than on a normal workday, both because of the significant number of employees who would be on leave that day and because of the pre-holiday atmosphere that would unavoidably slow the normal flow of business.

If this holiday is granted, there will be some additional outlays required to compensate those employees who must be required to work, but we would anticipate that these costs would be partially offset by energy savings. Most installations will be able to close down altogether or reduce their energy needs to minimal levels for a full four days. Without such a closing, the reopening of offices on Monday after the two-day weekend,

immediately followed by closing again for Christmas, would not allow full cutbacks of energy needs for heating. Eliminating the use of gasoline by commuters on a normal workday should also result in energy savings.

Most important, though, is the effect this one-day closing would have on employee morale and the contribution it would make to a happy holiday for Federal families.

Accordingly, I recommend that you sign the Executive order.

Enclosure

EXECUTIVE ORDER

PROVIDING FOR THE CLOSING OF GOVERNMENT DEPARTMENTS
AND AGENCIES ON MONDAY, DECEMBER 24, 1979

By virtue of the authority vested in me as President of the United States, it is hereby ordered as follows:

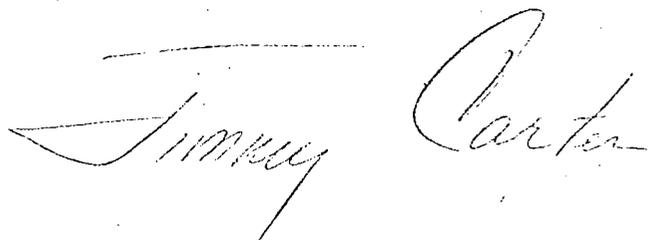
Section 1-1. General Provisions.

1-101. All Executive departments and agencies shall be closed and their employees excused from duty on Monday, December 24, 1979, the day before Christmas Day, except as provided by Section 1-102 below.

1-102. The heads of Executive departments and agencies may determine that certain offices and installations of their organizations, or parts thereof, must remain open and that certain employees must report for duty on December 24, 1979, for reasons of national security or defense or for other public reasons.

Section 1-2. Pay and leave for Employees.

1-201. Monday, December 24, 1979, shall be considered a holiday for the purposes of the pay and leave of employees of the United States.

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 body of text.

THE WHITE HOUSE

WASHINGTON

12/11/79

Stu Eizenstat

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

Rick Hutcheson

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

December 10, 1979

*Stu
Stay out of
as much as
possible
J*

MEMORANDUM TO: THE PRESIDENT
FROM: STU EIZENSTAT *Stu* / JIM MONGAN
SUBJECT: Social Security Disability Legislation

Background. The Administration sent legislation to the Hill calling for reform of the Social Security Disability program. The legislation has three major components:

- o a series of provisions to limit benefits so that being on disability will not be more attractive than working,
- o a series of provisions (such as the retention of Medicare coverage) to ease transition off of the disability roles, and
- o a series of provisions aimed at making the administration of the program both more uniform and more effective.

The House passed legislation which bears many similarities to our proposal but which goes beyond ours in the degree of limitation on benefits. Our bill called for a limitation of disability benefits to no more than 80% of a worker's previous earnings, while the House bill added an additional limit on total family benefits of no more than 150% of a worker's basic individual benefits. This additional limit would affect fortysix thousand additional disabled families and in particular affect more politically vocal people at higher earnings levels.

The Senate Finance Committee bill kept both of the benefit limitations but eased them both -- to 85% of a worker's earnings and a 160% limit on family benefits.

Current Situation

The Senate Finance Committee bill will be on the Senate floor as early as Monday. As of this point it is uncertain

as to whether or not any Senator will offer an amendment to strike the 160% family limit. We are told that Ribicoff and Kennedy considered but rejected offering such an amendment -- primarily because it would most probably be defeated, and it would be an awkward vote for many members.

Issue

The issue before you is whether to oppose, support or remain neutral on an amendment to delete the limitation on family benefits if one were to be offered.

o Secretary Harris feels strongly that we should not support such an amendment if it arises on the grounds that we would lose credibility with the key committees involved in the House and Senate. Although you specifically decided not to include the limit on family benefits in our bill, HEW (under Secretary Califano) apparently agreed with Representative Jake Pickle to support the cap and has done so both in the House and in the Senate Finance Committee. HEW strongly feels that we are committed and that changing our position will cause problems with key members of Congress on next year's Social Security issues.

o DPS and Nelson Cruikshank feel that we should not encourage an amendment but that if an amendment to strike the family limit is offered we should support it, even though the amendment will most likely be defeated. Politically if we adopt HEW's course, we will antagonize the elderly and the disabled who are beginning to seize upon this issue as a major test of whether or not "cutting social security benefits" can become politically acceptable. There is a very substantial coalition, SOS, headed by Bob Ball and Wilbur Cohen, for whom this provision is a kind of litmus test.

Options

If an amendment to remove the limit on family benefits is offered:

- A. Oppose the amendment (HEW) _____
- B. Stay neutral on the amendment
(HEW fallback) _____
- C. Support the amendment (DPS, Nelson
Cruikshank) _____



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20201

December 5, 1979

*XCI Best
David
Jim M.*

MEMORANDUM

TO: Stuart E. Eizenstat
Domestic Affairs and Policy
The White House

FROM: *[Signature]*
William B. Welsh
Assistant Secretary for Legislation

RE: Status of H.R. 3236, The Disability
Insurance Amendments of 1979

The Senate debated H.R. 3236 for two hours this morning and rejected a Wallop amendment that would have reduced the student benefits.

The bill now goes over until Friday, December 7, for further debate.

I am particularly concerned with the reports this morning that AFL-CIO lobbyists and Bob Ball, for the SOS group, are stating that the White House would support an amendment to remove the 160 percent CAP. They are indicating that support of the CAP is limited to HEW and does not represent the current Administration position.

We have not identified any Senator who intends to propose an amendment to remove the CAP. Apparently, Senator Ribicoff has pulled back, and the indications are that Senator Kennedy's staff will now recommend that he vote against the overall bill rather than try to remove the CAP.

Secretary Harris and I have today discussed this in detail. We believe that the overriding issue at this point is the credibility of the Administration's handling of this legislation up to this point. The President clearly committed himself to reform of the social security system in his 1980 budget message, and there is no question in my mind that changing the position, which we have taken ever since the Ways and Means Subcommittee action, could be wholly inconsistent with the Administration's repeated efforts to accomplish this reform.

Despite intense lobbying by the SOS group, the House, by a margin of 230 to 165, supported this bill. No major effort was made by moderate or liberal Democrats on the Senate Finance Committee, and the shift upward to 160 percent was worked out between Senator Dole and Senator Long.

I do not believe, even with Administration's support, an effort to remove the 160 percent CAP would pass the Senate.

In 1980, there are major issues concerning social security financing, not to mention other initiatives such as national health insurance, with which we will need all the support possible from key Members of both the House Ways and Means Committee and the Senate Finance Committee. It is my judgment that the continued cooperation of Members such as Pickle, Jacobs, Gephardt, Fisher, Ullman, Conable, Long, Nelson, Dole, etc. would be seriously affected by any change in the Administration's position at this point in time.

With the DI bill enacted, other social security issues will move to the forefront, and we can defend the enactment of this bill as strengthening the social security program and being a fiscally responsible action.

cc: Bert Carp

THE WHITE HOUSE
WASHINGTON

12/11/79

Jim McIntyre

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

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

Susan,

I think this is the exact same
letter Charlotte also sent to me,
which I gave to RSC on 11/28....

I've heard nothing back from RSC
on it as of today.....

mfm

12-6-79

Charlotte Ferst

385 Golfview Road, NW/Atlanta, Georgia 30309
telephone: 404 355 6277

CC
McIntyre
J

November 21, 1979

The President and Mrs. Jimmy Carter
Executive Office of the President
1600 Pennsylvania Avenue
Washington, D. C. 20500

Electrostatic Copy Made
for Preservation Purposes

Dear Jimmy and Rosalynn:

Once again I appeal to you to give consideration to add the great weight of your support to IMS (Institute of Museum Services) the infant agency that your administration has given life. This agency is a line item in the new Department of Education budget and therefore subject to unclear status.

I assure you that the National Museum Services Board, the policy body for this Institute upon which I serve as your appointee, is giving exemplary service and reflects all that is best in government intent today.

Now is the time that our budget is being reviewed by OMB and a word from you that our request for 13.9 million dollars be approved would go a very long way to assure our ability to give much needed service to the vast field of museums.

Museums add much to the quality of life as we all tighten our belts.

(Individual copies of these letters are sent to each of you as before.)

Respectfully and appreciatively,

Charlotte Ferst

Charlotte Ferst
Peanut Brigadier

sv

NOV 28 1979

THE WHITE HOUSE
WASHINGTON

12/3/79

Madeline --

Is this something you think
either RSC or the President
should personally see due to
nature of friendship?

Thanks -- Susan

Charlotte Ferst

385 Golfview Road, NW/Atlanta, Georgia 30309
telephone: 404 355 6277

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Respectfully and appreciatively,

Charlotte Ferst

Charlotte Ferst
Peanut Brigadier

sv

C

THE WHITE HOUSE
WASHINGTON

November 15, 1979

INFORMATION

MEMORANDUM FOR: THE PRESIDENT

FROM: HENRY OWEN *HO*

SUBJECT: Henry Kissinger

In a humorous vein, Henry Kissinger has twice asked me to complain to you that your State visit to Italy and the subsequent Summit in Venice is scheduled on dates on which a world soccer championship match will occur in Rome, which he would like to attend. I encouraged him to do so, but he said this would not be desirable. Next time you see him, you may wish to acknowledge his message.

12/11/79

Weddington and Moore received
copies of the attached.

(12/11/79-in out-box)

MR. PRESIDENT:
DAN ROSTENKOWSKI HAS NOT YET TAKEN AN
ACTIVE ROLE IN THE CAMPAIGN IN CHICAGO.

Sarah
J

WE THINK IT WOULD BE HELPFUL IF YOU TELL
HIM THAT YOU WOULD LIKE HIS ACTIVE SUPPORT
AS SOON AS HE CAN GET INVOLVED. THE FILING
DEADLINE FOR HOUSE CANDIDATES CLOSES DEC. 17.

*In Danny's district amazed at number
who have refused to support him.*

*"Mr. Pres, in the long run you
will be pleased with what I do"*

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

December 11, 1979

MR. PRESIDENT:

TIM KRAFT WOULD LIKE TO
BRING MALCOLM DADE BY AT
2:45 TODAY.

APPROVE DISAPPROVE


PHIL

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for Preservation Purposes

Gordon Stewart
12/11/79

*Received
12/11/79
4:45 pm*

Remarks Congressional Ball 12/11/79

Thank you for coming tonight. **Electrostatic Copy Made
for Preservation Purposes**

All of us are aware that we enter the holiday season under difficult circumstances. Fifty of our American representatives remain captive abroad. At home, our will has been severely tested; our patience sorely tried.

The mob rulers in Iran have broken international laws. They have broken all customs of civilized behavior. They have broken every known religious code, including their own.

But they have not broken the American spirit -- nor will they ever.

Tonight, we stand together as a united nation.

Together, the elected representatives of the American

people have shown that unlawful actions will only strengthen our nation's commitment to justice and the rule of law. Desperate irresponsibility will only intensify our sense of decency and strength. And the misuse of religious faith to justify political terrorism and personal power will only serve to re-unite and re-dedicate our nation to its deepest beliefs and principles.

With your help -- together -- we shall remain firm. We shall remain fair. And all our people shall remain free.

In that spirit, I would like us to observe a moment of silent solidarity -- with our fellow Americans, and with all people of good will.

.....

Thank you. Now, [I,we,RC,VP?] we hope to have a chance to

talk with each of you individually.

Some say I haven't listened enough to Congress over the years. That's not true. When you let it be known you wanted Peter Duchin back again this year -- I acted on your request immediately.

Now you can do the same for me -- by feeling truly welcome here at the White House, and celebrating together this special evening of reunion.

#