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*\* House - we will get strong bi-partisan support by rejoining*

ID 795573

THE WHITE HOUSE

WASHINGTON

DATE: 11 DEC 79

FOR ACTION: SECRETARY VANCE

STU EIZENSTAT

FRANK MOORE

ZBIG BRZEZINSKI

JIM MCINTYRE

ANNE WEXLER

LONDON BUTLER

INFO ONLY: THE VICE PRESIDENT

*attached*  
*attached*  
*concur*

*concur*  
*concur w/ R. Helms*

*State's response went to NSC & they are looking for it*

SUBJECT: MARSHALL MEMO RE RENEWAL OF U.S. MEMBERSHIP IN THE INTERNATIONAL LABOR ORGANIZATION

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+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +  
+ BY: 1200 PM THURSDAY 13 DEC 79 +  
++++

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:

*DF revision later*

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

ADMIN CONFID
CONFIDENTIAL
SECRET
EYES ONLY

ACTION  
FYI

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

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

U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

DEC 6 1979

MEMORANDUM FOR THE PRESIDENT

FROM: THE SECRETARY OF LABOR *PM*

SUBJECT: Renewal of U.S. Membership in the  
International Labor Organization  
(ILO)

060372

On December 19 I will chair a meeting of the Cabinet Level Committee on the ILO. At that meeting I would like to advocate, with your approval, that we rejoin the ILO early next year.

When we left the ILO in November 1977 we agreed to consider rejoining it whenever its members demonstrated proper respect for the Organization's principles and purposes. Since then, we have seen progress on several ILO issues of major concern to us. While not all of these issues have been fully resolved, our continued absence from the Organization will not yield additional benefits, and could lead to a deterioration. Moreover, the ILO Director General has made certain commitments to us (including the appointment of Americans to top staff positions) which will help promote further progress and make the ILO's human rights efforts more effective. The attached background paper provides a more detailed analysis of these points.

Cy Vance and Zbigniew Brzezinski are inclined to support renewal of our membership. I also expect both the AFL-CIO and the U.S. Council of the International Chamber of Commerce to accept this proposal.

The U.S. Chamber of Commerce, which represented U.S. employers in the ILO until our withdrawal, has abdicated responsibility for the ILO in favor of the

U.S. Council. I do not, therefore, expect active Chamber opposition. The U.S. Council would prefer to wait until after the June 1980 Conference, but is prepared to participate at an earlier date.

If you agree, I will work out the details of this proposal with Secretary Vance and other U.S. Government members of the Cabinet Level Committee, and report back to you after the December 19 meeting.

Attachment

RENEWAL OF U.S. MEMBERSHIP IN THE  
INTERNATIONAL LABOR ORGANIZATION (ILO)

BACKGROUND ANALYSIS

RECENT DEVELOPMENTS

In November 1977 the United States withdrew from the International Labor Organization. The reasoning, according to a statement released by the President on November 1, 1977, was as follows:

"Two years ago the United States gave official notice that we would leave the International Labor Organization unless corrective measures were taken to restore that Organization's commitment to its original purposes. Because such measures have not been taken, I direct that the United States membership in ILO be terminated. The U.S. remains ready to return whenever the ILO is again true to its proper principles and procedures."

Since November 1977, the U.S. has continued to monitor ILO progress on the issues of major concern to us. While not all of these have been fully resolved, the progress that has been made is important. In particular:

- Tripartism. In addition to several resolutions calling for the strengthening of the ILO's tripartite system of decision-making (governments, workers, and employers represent their own interests independently), a new Conference secret ballot procedure should permit employer and worker delegates to vote their conscience on sensitive issues without fear of recrimination from their governments.
  
- Human Rights. Although Eastern Europe in the past successfully escaped the application of ILO human rights machinery, in November 1978 the ILO Governing Body censured Czechoslovakia for illegally firing dissidents from their jobs, and is currently examining worker complaints against the USSR and Poland for violating trade union rights.

- Due Process. In 1978 the Conference defeated an Arab resolution which sought to extend the original 1974 condemnation of Israel (made prior to any investigation of the facts); meanwhile, Western and Third World governments have negotiated a new mechanism to screen out resolutions representing such violations of due process.
  
- Politicization. The generally lower level of politicization of ILO meetings was illustrated when Arab governments walked out during the speech of the Egyptian Labor Minister to the 1979 Conference, but were joined only by communist delegates -- no other regions participated in the walkout.

There are, however, some problems. The 1979 Conference decided to consider changes in the ILO's "Special List" used to highlight violations of human rights obligations, raising the possibility of a weakening of the ILO's human rights procedures. Also, after several years discussion a Working Party has reached substantial agreement on proposed changes in the structure of the ILO which, while reflecting the growing presence of Third World countries in the Organization, may diminish overall Western influence. On both issues our allies have fought hard to protect our common interests during our absence. Both issues will be considered again during the 1980 Conference.

#### THE CASE FOR RE-ENTRY

Most observers agree that the U.S. withdrawal from the ILO contributed to the progress which has been achieved. ILO members who doubted our threat to withdraw have had to re-examine their positions. Western countries have played a more active role in pressing for reforms, while the ILO Director General has helped create an environment in which progress is possible. The once-automatic Arab/Third World solidarity appears to have been broken. Equally impressive, the USSR has generally been unable to capitalize on our absence -- indeed, it has now withheld its dues in an attempt to bring pressure against the Director General.

Although withdrawal provided important leverage to use in promoting reforms, to continue to remain outside the ILO would not yield additional returns. In fact, the opposite might be true. Those ILO members who worked to achieve the gains which have been made will feel betrayed if the United States fails to respond to their efforts and return to the Organization. Moreover, while the Western group has become more cohesive and effective, there nevertheless remains a clear need for leadership which only the United States can provide. This is particularly true on human rights issues, where Western Europe continues to be reluctant about criticizing Eastern European violations.

ILO Director General Francis Blanchard (France) has worked hard to facilitate an early U.S. return. In private discussions with members of the Cabinet Level Committee on October 4, he made a number of specific promises to encourage our return, including the appointment of Americans to several top staff positions. These commitments would ensure an active and effective American presence in the ILO -- a presence which would permit us to more closely align ILO programs with U.S. foreign policy interests.

For these reasons, rejoining the ILO offers the best chance for continuing the positive trends which were stimulated by our withdrawal.

#### TIMING OF RE-ENTRY

The U.S. Council of the International Chamber of Commerce, which will represent U.S. employer interests in the ILO when we rejoin, would prefer to wait until after the June 1980 ILO Conference before announcing our return both to have an additional test of the reform effort and to allow additional time for preparations. We believe, on the other hand -- as does Lane Kirkland -- that we should return to the ILO before the June 1980 Conference. The human rights and other issues which will come to a head during the 1980 Conference require the leadership which only the United States can provide.

The optimum time for announcing our return would be early January so as to permit U.S. official representation at the next session of the Governing Body. That would also give us adequate lead time to prepare for the June 1980 Conference (including direct consultations with our friends), and allow the ILO to initiate steps which would permit us to resume a seat on the Governing Body as early as May.

#### RESOURCE IMPLICATIONS

Rejoining the ILO will entail additional resources to fulfill our membership responsibilities and maximize the effectiveness of our participation. Our 1980 dues would amount to about \$25 million (25 percent of the ILO budget -- we have begun exploring with OMB the best approach to securing Congressional approval for such additional funds). Additional resources may also be necessary to evaluate and align ILO technical programs more closely with U.S. interests, and to provide adequate delegations for ILO conferences (unlike other international organizations, U.S. Government, worker and employer delegations would participate in the ILO as independent groups representing their own interests).

#### CONGRESSIONAL INVOLVEMENT

Technically, we do not need to seek Congressional approval to rejoin the ILO. We will, however, need to consult with key Congressional members in advance of our re-entry because ultimately we will need their support to secure the appropriation of funds to pay our dues. Such consultations should include briefings for the key members of the Foreign Affairs, Labor, and Appropriations Committees. We would hope to involve the AFL-CIO and the U.S. Council in these briefings where appropriate.

ID 795573

T H E W H I T E H O U S E

WASHINGTON

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SUBJECT: MARSHALL MEMO RE RENEWAL OF U.S. MEMBERSHIP IN THE  
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+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +  
+ BY: 1200 PM THURSDAY 13 DEC 79 +  
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ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

December 17, 1979

MEMORANDUM FOR RICK HUTCHESON

FROM:

BO CUTLER *BC*

SUBJECT:

Marshall Memorandum Regarding Renewal  
of U.S. Membership in the International  
Labor Organization

We believe the President should wait to hear the views of the Cabinet Level Committee on the ILO before making any decision to rejoin. Therefore, I recommend that the President tell Secretary Marshall that the Secretary is free to make his case to the Committee on December 19, and that the President will consider the matter of U.S. membership in the ILO after he has an opportunity to hear the views of the Committee itself.

Since a decision to rejoin will require budgetary resources of approximately \$25 million in 1980 and \$35 million in 1981, I would appreciate it if you would tell us of any recommendations made to the President on this subject.

THE WHITE HOUSE

WASHINGTON

December 14, 1979

MEMORANDUM FOR STU

FROM

BOB ANGAROLA *BA*

SUBJECT

ILO

Summary:

At the meeting this morning, David Grove, spokesman for the employers group to the ILO, stated that due to a recent paper written by Secretary Marshall, the Business Roundtable, the NAM, the U.S. Chamber of Commerce, and the U.S. Council to the International Chamber of Commerce would oppose our reentry to the ILO at the Cabinet Level Committee meeting on December 19. Since we are attempting to gain consensus among the labor, employer and government groups on this issue, reentry by early January as suggested by Secretary Marshall in his memo to the President appears unattainable. Therefore, no public statement should be made regarding any Presidential decision taken on the basis of that memo. The Secretary will probably be contacting the President directly on this.

Discussion:

Last week, Ray Marshall sent a memo to the President urging that the U. S. Government seek readmission to the ILO early next year. This recommendation was based, in part, upon the understanding that the AFL-CIO supported this position and that the employees group, represented by the U. S. Council to the International Chamber of Commerce, would agree with it.

This morning, Dean Clowes, Deputy Under-Secretary of Labor for International Affairs, and I met with David Grove, President of the U.S. Council. Based on previous Labor Department discussions, we expected that he would concur with the Secretary's recommendation and be willing to support it publicly at the meeting of the Cabinet Level Committee on the ILO to be held December 19. Unfortunately, during the past week, a paper prepared by Secretary Marshall for an informal Labor Ministers' Conference in Europe surfaced. It put forward positions on a code of conduct for multi-national corporations which the business community found entirely unacceptable. In addition, it supposedly was at variance with State Department policy.

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DEPARTMENT OF STATE  
WASHINGTON

December 13, 1979

MEMORANDUM FOR: THE PRESIDENT

From: Warren Christopher, Acting Secretary *WC*

Subject: Renewal of Membership in the International Labor Organization (ILO)

In his December 6 memorandum on this subject, Ray Marshall requested your approval of a government position for the December 19 meeting of the Cabinet-level Committee in favor of rejoining the ILO early next year. In the memorandum, he states that Cy Vance is inclined to support renewal of our membership.

I should like to endorse Ray's memorandum and to reinforce his statement regarding State's position. It is our view that the Administration should take a clear, united position in favor of a U.S. return to the ILO as early as possible and, in any case, prior to the next International Labor Conference in June.

Our reasons for this position coincide with those Ray has outlined. The only other consideration we might mention would be the benefit we foresee in restoring the principle of U.S. participation in all the major agencies of the United Nations system.

We also share Ray's expectation that the Cabinet-level Committee on December 19 will adopt a consensus recommendation in favor of an early return.

THE WHITE HOUSE

WASHINGTON

December 18, 1979

MEMORANDUM FOR RICK HUTCHESON

FROM:

STU EIZENSTAT *Stu*

SUBJECT:

Comment on Marshall memo re ILO

I concur with Secretary Marshall's basic recommendation; however, the fact that the business organizations (the Business Roundtable, the NAM, the Chamber of Commerce, and the U.S. Council to the International Chamber of Commerce) now appear to oppose our re-entry may force a slowdown in Secretary Marshall's suggested timetable.. Pending our efforts to try to get the business community's support for re-entry, there should be no public acknowledgement of a Presidential decision.