12/20/79 [1]

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THE PRESIDENT'S SCHEDULE
Thursday - December 20, 1979

8:00     Dr. Zbigniew Brzezinski - The Oval Office.

9:45     Meeting with Congressman Stephen J. Solarz
         (5 min.)  (Mr. Frank Moore) - The Cabinet Room.

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

11:00    Mr. Charles Schultze - The Oval Office.
         (20 min.)

12:00    Luncheon Interview - Des Moines Register
         (45 min.) and Tribune. (Mr. Jody Powell) - Cabinet Room.

2:20     Senator Patrick J. Leahy. (Mr. Frank Moore).
         (5 min.)  The Oval Office.

2:30     Rural Development Policy Announcement.
         (15 min.)  (Mr. Jack Watson) - Room 450, EOB.

3:00     Illinois State Constituency Briefing.
         (15 min.)  (Ms. Sarah Weddington) - The East Room.

3:45     Ms. Lucy Benson, Under Secretary for Security
         (5 min.)  Assistance, Science and Technology, Department
         of State. (Dr. Zbigniew Brzezinski) - Oval Office.

4:00     Meeting with Members of Congressional
         (15 min.)  Coal Group. (Mr. Frank Moore).
         The Family Theater.
THE WHITE HOUSE
WASHINGTON
20 Dec 79

Secretary Hufstedler

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

Rick Hutcheson

Stu Eizenstat
Zbig Brzezinski
Jim McIntyre
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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
December 19, 1979

Honorable Jimmy Carter
The White House
Washington, D.C. 20500

Dear Mr. President:

I am writing to request a budget allocation of $30 million for International Education for fiscal 1981 in the Department of Education budget.

As you may know, HEW had originally asked for $25 million for International Education; the original OMB mark was $20 million; and, after our staff appeal, we accepted the revised mark of $22 million. We did not formally appeal this item to you.

I have subsequently had called to my attention certain additional information that supports a $30 million budget allocation for International Education. As you are aware, this item finds significant support within your cabinet and staff, as well as Congress. I rely upon the supporting materials that you have received from these sources.

I therefore request an $8 million increase, for a total budget allocation of $30 million, for International Education in the Department of Education's total budget for fiscal 1981. I should make clear that this support, and any increase that you may grant here, should not cause any reduction in any other part of Education's budget or any impairment of our pending appeal.

Thank you for your consideration.

Sincerely,

Shirley R. Hufstedler
Secretary of Education

cc: James T. McIntyre, Jr., Director
Office of Management and Budget
THE WHITE HOUSE  
WASHINGTON  
December 19, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON

SUBJECT: Announcement of Your Small Community and Rural Development Policy

Thursday, December 20, 1979  
2:30 p.m.  Room 450 OEOB

Purpose

The purpose of this event is to announce the Administration's Small Community and Rural Development Policy.

Background

This policy has been in preparation for over a year. Last spring Stu and I held briefings for members of Congress, Governors, local elected officials, community-based organizations, and public interest groups to solicit their views on what the policy should be and how it should work. Those consultations have continued throughout this year and have, I believe, helped to produce a policy that will be extremely well received. Your meeting with the Rural Coalition in October was an important element in this process.

This policy announcement builds on efforts undertaken over the past two years as part of the White House Rural Development Initiatives in the areas of health, housing, water and sewer, transportation, and energy. In the course of developing, announcing, and implementing these initiatives, I have traveled in the rural areas of more than 20 states. These efforts have demonstrated the Administration's commitment to work on behalf of rural people and have helped generate a tremendous amount of goodwill and support.

Participants

The audience at the announcement will be made up of many of the people with whom we have worked and consulted over the past two years.

Sharing the stage with you will be:
Senator Patrick Leahy  
(Chairman of the Senate Subcommittee on Rural Development)  

Governor Jim Hunt  
(North Carolina)  

Congressman Wes Watkins  
(Chairman of the Congressional Rural Caucus)  

Lynn Cutler  
(Member of the Black Hawk County (Iowa) Board of Supervisors)  

David Humes  
(Mayor of Hayti Heights, Missouri; Vice President of the Conference of Black Mayors)  

Charles Bannerman  
(CoChairman of the Rural Coalition. He was present at your meeting with the Coalition.)

I will serve as moderator of the event and will have made some introductory remarks before your arrival at 2:30 p.m. Following your remarks (8 - 10 minutes), the other participants on the platform will be invited to make brief comments (in the order listed above). Since Senator Leahy will follow you, you might make that introduction yourself. (You might say that the Senator has served Vermonters well and has provided outstanding leadership as Chairman of the Subcommittee on Rural Development.)

After Wes Watkins (the third speaker after you) has completed his remarks, I will tell the audience that you have to leave for another meeting. If time permits (you have a scheduled 3:00 p.m. meeting), you might stay until after Lynn Cutler has commented.

A reception will be held in the Indian Treaty Room immediately following the announcement. Chip is planning to stop by at the reception.

Press Plan

Full media coverage has been arranged through the Press Office and will be present for pictures and filming when you arrive. Stu and I will conduct a press conference for the print media in Room 450 immediately following the announcement. In addition, I have scheduled a number of one-on-one interviews with major newspapers, and have already completed several.
Talking Points

Attached are copies of the speech draft prepared by the speechwriters and a draft press release prepared by my office.

Your rural background and experience should come across strongly. For rural and small town America, you are one of "them" -- and with this policy you will have taken a very big step in fulfilling the hopes and expectations that many rural Americans had when you took office.
President Carter today announced his Small Community and Rural Development Policy. At an announcement ceremony held at the White House and attended by members of Congress, State and local elected officials, and rural leaders from throughout the country, the President called this policy "the first of its kind" and pledged that "the rural areas of the country will receive the attention from their federal government that they have needed and deserved for so long."

The President described this policy as doing three important things:

First, in recognition of the need for a strong partnership between the public and private sectors, and among all levels of government, it articulates a set of principles to guide the administration of federal programs. Included among these principles are directives to make federal investments in ways that complement state and local rural development investment decisions, to use federal assistance to encourage private sector participation and investment in rural development activities, and to target federal assistance to individuals and communities most in need.

Second, the policy presents an "action agenda"—a program of over 100 specific actions to be taken during the year to address pressing rural needs. Among the programmatic initiatives selected for priority attention are: development of a national program to support circuit-riding managers; a series of changes in national housing standards to better accommodate rural housing needs, including revisions in minimum property standards and development of variable housing design plans; emphasis on preventive health care in rural areas, including placing top legislative priority on the Child Health Care Program; launching several new initiatives to assist the development of alternative energy sources in rural areas for local use, including small-scale hydroelectric, fuel alcohol, and unconventional gas development; emphasis on expanding credit institutions in rural areas and improving the "retailing" of federal credit resources, including fuller utilization of economic development districts, established credit institutions, and community-based organizations; and initiation of a number of demonstrations of an intergovernmental strategy to maximize area development from large-scale, multi-year construction projects.

Third, the policy provides the institutional capacity to enable the Administration to develop programs, solve problems, and translate a continually evolving "action agenda" into concrete results. Elements of this implementation strategy include:

- Creation of the position of Undersecretary of Small Community and Rural Development at USDA. The Undersecretary will assist the Secretary of Agriculture in carrying out his mandate, under the Rural Development Act of 1977, to coordinate rural development activities throughout the Administration.

- Formation of a Working Group on Small Community and Rural Development to provide a continuing assessment of priority rural needs and to design, coordinate, and implement responsive policies and programs. This Working Group will be made up of high-level federal program managers and will be co-chaired by the new Undersecretary and the President's Assistant for Intergovernmental Affairs and Secretary to the Cabinet.
Establishment by the Secretary of Agriculture of an Advisory Council to monitor implementation results and advise him and the Working Group on needed federal actions. This Council will be composed of elected officials from the major public interest groups, representatives from community-based organizations and other private interest groups, representatives from the private financial community, and others.

An invitation to the nation's Governors to establish State Rural Development Councils as a mechanism for ensuring effective coordination in joint federal-state rural development efforts.

A Presidential directive to the Secretaries and Heads of Agencies to review relevant agency policies and programs in terms of their adequacy in embodying the policy principles and to designate a senior official to be responsible for monitoring implementation of this policy within the agency, serving as a rural advocate, and acting as a point of contact for small community and rural leaders seeking information and assistance.

The policy builds on efforts undertaken over the last two years as part of the White House Rural Development Initiatives and has been shaped, in significant measure, by advice and counsel received from members of Congress, state and local elected officials, rural leaders throughout the country, and others.

Among those taking part in today's announcement were: Patrick Leahy, Senator from Vermont and Chairman of the Senate Subcommittee on Rural Development; James Hunt, Governor of North Carolina and Chairman of the National Governors Association's Subcommittee on Small Cities and Rural Development; Wes Watkins, Congressman from Oklahoma and Chairman of the Congressional Rural Caucus; Ms. Lynn Cutler, Member of the Black Hawk County, Board of Supervisors; David Humes, Mayor of Hayti Heights, Missouri; and Charles Bannerman, Chairman of the Rural Coalition.

# # # #
MEETING WITH SENATOR PATRICK LEAHY
Thursday, December 20, 1979
2:20 p.m. (10 minutes)
The Oval Office

From: Frank Moore

I. PURPOSE

To thank Senator Leahy for his assistance in the development of a rural policy and to acknowledge his support on SALT.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: Senator Leahy was somewhat upset about the small ceremony we held to sign the dairy price support bill. He was unable to attend because of a conflict in the Judiciary Committee which could not be resolved.

Next to his interest in his dairy constituency, Leahy is most involved in the problems of rural America. The Administration has worked closely with him in developing your rural policy that will be announced on Thursday.

Leahy has written you often on SALT, as you know. In addition, he is sympathetic to your Presidential campaign and has rebuffed numerous solicitations of support from Kennedy.

B. Participants: The President, Senator Leahy and Frank Moore

C. Press Plan: White House Photo only.

III. TALKING POINTS

1. I want to thank you for the assistance you have given my staff and advisors in the development of our rural policy.

2. Thank you for your support on SALT. How do you now assess the situation in the Senate?

NOTE: Leahy's new Administrative Assistant, Sam Kinzer, will accompany the Senator in for a photo opportunity at the beginning of the meeting. At its conclusion, Leahy will accompany you as you walk to the rural policy announcement.
MEETING WITH MEMBERS OF THE HOUSE OF REPRESENTATIVES COAL GROUP
Thursday, December 20, 1979
4:00 p.m. (15 minutes)
The Family Theater

From: Frank Moore
Stu Eizenstat

I. PURPOSE

To discuss Administration programs for increasing the use of coal.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: On behalf of the House Coal Group, Congressman Rahall (D - W. Virginia) and Congressman Murtha (D - Pennsylvania) have asked to meet with you on accelerating the use of coal in the U.S. They are particularly interested in coal conversion and the legislation we intend to submit to Congress early next session to require utilities to reduce their use of oil by 50% in 1990.

This meeting will provide a good opportunity to brief members on the legislation and the timing for its introduction, and on the Department of Energy's current coal conversion program under the Fuel Use Act (which was signed into law last November). The regulations under this Act just became effective in final form this past August. Significant steps have been taken since then.

This meeting also gives you a good chance to discuss the substantial new incentives for increased coal production provided by the Energy Security Corporation and the Energy Mobilization Board to help speed decision-making. You should urge these members to give these measures their wholehearted support.

The session will start at 3:30 p.m. in the Family Theater. Stu Eizenstat will begin with a brief statement on our commitment to coal and will introduce Deputy Secretary John Sawhill. Sawhill will outline the major elements of the legislation and our coal conversion program. EPA Administrator Doug Costle will also attend.
You are scheduled to make brief remarks to the group at 4:00 p.m. Following your statement, Congressmen Rahall, McDade, and Perkins will make short statements. You should indicate that Stu and John Sawhill would be happy to discuss their concerns further and to fill in any additional detail they might want. We do not recommend that you stay for questions and answers. Many of their concerns are likely to be centered around individual opportunities for plant conversions, or on the more detailed aspects of the utility oil backout legislation. *Congressman Buchanan will speak instead of Congressman McDade.

B. Participants: See attached list

C. Press Plan: White House photographer only.

III. TALKING POINTS

• My commitment to accelerating use of our abundant coal resources has been firm since my first energy talk to the Congress and the nation in April 1977. Since then, however, progress toward our goal of doubling coal use has been difficult -- at times even elusive.

• We have taken some solid steps to make better use of our coal resources, particularly with the Fuel Use Act, which I signed last November.

• But if we are to cut our dangerous dependence on uncertain sources of foreign oil, it is clear that more must be done. Deputy Secretary Sawhill has outlined the steps which the Department of Energy, with the support and cooperation of the Environmental Protection Agency, has and will continue to be taking to increase our production and use of coal.

• But there are a few basic points which I would like to make:

  -- First, we will continue to press hard, using all of our available authorities, to convert existing coal-capable plants. The Coal Commission I established identified a number of plants which are able to burn coal. We have carefully reviewed that list and are now concentrating on those which show the earliest promise.

  -- We have doubled the size of our coal conversion program, and by next October we intend to issue
prohibition orders to 60 electric power plants.

-- converting these plants can save up to 340,000 barrels of oil per day and burn 31 million tons of coal per year. This will create an estimated 11,500 mining jobs when the program is complete.

-- Second, we have worked hard to make sure that new coal plants receive needed permits. EPA has approved Clean Air Act permits for 79 new coal fired power plants. The only application which was denied has since been resubmitted and approved. We aim to maintain a good record on these new plants.

-- Third, we will augment our coal research and development budget. Next fiscal year, for the first time ever, the Energy Department will have over 1 billion dollars budgeted for coal R, D, & D.

* But we must do even more. The Energy Security Corporation is essential to converting coal into more useful forms such as gasses and liquids. Although these facilities are expensive, they are among the most important steps we can take to assure adequate energy supplies in the future. I urge each of you to give your colleagues working on this legislation in conference your strong support. We need action, and we need it quickly.

* We must also have a system for expedited decision-making for new energy facilities, including coal mines and power plants. The Energy Mobilization Board I proposed which is now in conference must also be acted on promptly. We have no time to lose.

* Finally, I will need your strong support on the legislation I will soon send to Congress to reduce utility consumption of oil by half at the end of the next decade. This is an urgent task in getting us back on the road to a healthy coal industry, and even more importantly, to a secure energy future.

* These are all steps we know we must take. The only question remaining is when. I hope you will add your voices to mine in seeing that coal plays an ever increasing role in providing our country with the energy we need to ensure a healthy and growing future for our nation.

* Stu, John Sawhill and Doug Costle will be happy to answer any questions you may have.
ATTENDING THE MEETING ARE THE FOLLOWING:

Congressman Doug Applegate
Congressman Don Bailey
Congressman Tom Bevill
Congresswoman Beverly Byron
Congressman John Buchanan
Congressman Tim Lee Carter
Congressman Richard Cheney
Congressman William Clinger
Congressman Allen Ertel
Congressman Paul Findley
Congressman Ronnie Flippo
Congressman James Florio
Congressman Joe Gaydos
Congressman Sam Hall
Congressman Ray Kogovsek
Congressman Joseph McDade
Congressman Gunn McKay
Congressman Marc Marks
Congressman Clarence Miller
Congressman Robert Mollohan
Congressman William Moorhead
Congressman John Murtha
Congressman Carl Perkins
Congressman Melvin Price
Congressman Nick Rahall
Congressman Richard Shelby
Congressman Bud Shuster
Congressman John Slack
Congressman Harley Staggers
Congressman Neal Smith
Congressman Micheal Synar
Congressman Harold Volkmer
Congressman Doug Walgren
Congressman William Wampler
Congressman Wesley Watkins
Congressman John Duncan

Department of Energy

Dr. John Sawhill
Deputy Secretary

James M. Desmond
Congressional Affairs

Jamie S. Gorelick
Counselor to the Deputy Secretary

George Fumich
Acting Asst. Secretary for Fossil Fuels

Robert Hallman
Deputy General Counsel for Programs

Jerry L. Pfeffer
Asst. Administrator for Utility Systems

Aides to Congressman Rahall

Micheal Serpe
Bruce Watzman

EPA ADMINISTRATOR

Doug Costle
1. BEING HERE THIS AFTERNOON
   TO ANNOUNCE THE ADMINISTRATION'S SMALL COMMUNITY & RURAL DEVELOPMENT POLICY
   IS A VERY SPECIAL OCCASION FOR ME.

2. IT IS SPECIAL BECAUSE I KNOW HOW IMPORTANT THIS POLICY IS TO RURAL AMERICA,
3. AND HOW IMPORTANT RURAL AMERICA IS TO OUR NATION.

4. AS A LIFE-LONG RESIDENT OF PLAINS, GEORGIA,
5. AS A FARMER, AS AN ORGANIZER AND THEN MANAGER
   OF A RURAL PLANNING & DEVELOPMENT COMMISSION,
6. LATER AS A STATE SENATOR AND THEN GOVERNOR, AND NOW AS PRESIDENT --
7. I FEEL THAT I KNOW RURAL AMERICA.

8. I KNOW ITS GREATNESS:
9. ITS BEAUTY; ITS DIVERSITY AND RESILIENCE;
10. THE STRENGTH AND CHARACTER OF ITS PEOPLE;
11. AND THE CRITICALLY IMPORTANT ROLE IT PLAYS IN THE PRODUCTION
    OF FOOD, FIBER, WOOD, MINERALS & ENERGY.
12. I UNDERSTAND THE ULTIMATE STRATEGIC VALUE OF OUR LAND
    AS A FORCE FOR PEACE & BENEFICIAL INFLUENCE IN THE WORLD.
1. I also know the problems of rural America:
2. its pockets of poverty: its problems of isolation;
3. and the hardships and deprivations that many of its residents still have to endure.

(PERSONAL)

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for Preservation Purposes

4. For the first 150 years or so of our history we were primarily a rural nation.
5. National policy and rural policy were often the same.
6. More lately, as our cities and suburbs have grown, we have become a predominantly urban nation.
1. BUT NOW THE DEMOGRAPHIC TREND OF THE 1950s AND 1960s
2. --- THE MIGRATION OF PEOPLE FROM THE NATION'S RURAL PLACES TO THE CITIES ---
3. HAS REVERSED, AND SINCE 1970 THE GROWTH OF POPULATION IN RURAL AREAS
   EXCEEDS THAT IN URBAN AREAS BY OVER 40%.
4. THE RURAL ECONOMY IS ALSO GROWING AND DIVERSIFYING.
5. IN CONTRAST TO THE RURAL AMERICA KNOWN BY OUR PARENTS AND GRANDPARENTS,
6. LARGER PROPORTIONS OF RURAL RESIDENTS
   ARE NOW EMPLOYED IN MANUFACTURING, TRADE, AND SERVICES,
   THAN IN AGRICULTURE.
7. THESE CHANGES CREATE NEW DEMANDS, NEW CHALLENGES, AND NEW OPPORTUNITIES.
8. THEY REQUIRE US TO TAKE STOCK OF WHO WE ARE AND WHAT WE WANT.
9. THEY POINT TO THE NEED FOR WISE USE AND CONTINUED PRODUCTIVITY
    OF OUR RURAL RESOURCES,
10. AND THEY CHALLENGE US TO RENEW OUR COMMITMENT
    TO ADDRESS BASIC, UNMET NEEDS,
    AND TO-REDRESS-LONGSTANDING-INEQUITIES.
THERE HAVE BEEN CALLS FOR A MORE CONSCIOUS POLICY FOR OUR RURAL AREAS FOR MORE THAN 50 YEARS.

AS IT BECAME INCREASINGLY EVIDENT THAT RURAL AREAS ARE UNIQUE AND NOT WELL SERVED BY GOVERNMENT PROGRAMS.

WITH THE LEADERSHIP OF SENATORS HUMPHREY AND TALMADGE, AND CONGRESSMAN TOM FOLEY AND FELLOW MEMBERS OF CONGRESS,

THIS CONCERN EVENTUALLY BECAME TRANSLATED INTO THE RURAL DEVELOPMENT ACT OF 1972 AND ITS SUBSEQUENT EVOLUTION.

THIS PROVIDED THE LETTER OF THE LAW

BUT IT COULD NOT PROVIDE THE SPIRIT AND A SENSE OF COMMON PURPOSE THAT MUST COME FROM THOSE WHO EXECUTE THE LAWS.

THUS WHILE PROGRAMS HAVE GROWN AND PROSPERED UNDER THIS AUTHORITY,

SOMETHING IMPORTANT HAD BEEN MISSING --

THE DEDICATION AND WHOLEHEARTED COMMITMENT OF ALL OF US TO A BETTER LIFE FOR RURAL AMERICA.
1. The goals of our nation's first comprehensive rural policy are to:

2. create new jobs and provide a favorable climate for rural business and economic development,

3. promote the responsible use and stewardship of rural America's natural resources,

4. address the special rural problems of distance and size,

5. and to meet the basic human needs of rural Americans.

6. To accomplish these goals, the policy I am announcing today does 3 important things.
1. FIRST, IN RECOGNITION OF THE NEED FOR A STRONG PARTNERSHIP BETWEEN THE PUBLIC AND PRIVATE SECTORS, AND AMONG ALL LEVELS OF GOVERNMENT, WE WILL:

2. -- RECOGNIZE THE PRIMACY OF LOCAL PRIORITIES AND LOCAL DECISION-MAKING;

3. -- ASSURE THAT FEDERAL INVESTMENTS SUPPORT AND REINFORCE STATE AND LOCAL DEVELOPMENT INITIATIVES:

4. WE WILL

5. WE WILL

6. -- TARGET FEDERAL ASSISTANCE TO INDIVIDUALS & RURAL COMMUNITIES MOST IN NEED;

7. WE WILL

8. -- MAKE FEDERAL PROGRAMS MORE ACCESSIBLE & BETTER ADAPTED TO RURAL CIRCUMSTANCES;

9. -- AND HELP STRENGTHEN LOCAL MANAGEMENT & DEVELOPMENT CAPABILITY.

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1. **SECOND,** THIS POLICY PRESENTS AN "ACTION AGENDA" --
2. NEARLY 100 SPECIFIC ACTIONS THAT ADDRESS PRESSING RURAL NEEDS
3. AND TRANSLATE THE POLICY PRINCIPLES INTO TANGIBLE RESULTS.
4. THIS AGENDA OF "THINGS TO BE DONE" --
5. EXPANDS ON THE WHITE-HOUSE-RURAL-DEVELOPMENT-INITIATIVES OF THE LAST 2 YEARS --
6. AND IS BASED ON MONTHS OF EXTENSIVE CONSULTATIONS WITH ALL OF YOU HERE --
7. INCLUDING MEMBERS OF CONGRESS, STATE & LOCAL OFFICIALS;
   AND RURAL LEADERS ACROSS THE COUNTRY.
1. THIRD, OUR POLICY

    WILL PROVIDE US WITH THE ABILITY TO DEVELOP PROGRAMS, SOLVE PROBLEMS, AND GET THINGS DONE WITHOUT UNNECESSARY DELAY.

2. IN ORDER TO IMPLEMENT THIS STRATEGY, I WILL:

3. -- SEEK AUTHORITY FOR AN UNDERSECRETARY OF SMALL COMMUNITY & RURAL DEVELOPMENT AT "USDA".

4. TO ASSIST THE SECRETARY OF AGRICULTURE IN RURAL DEVELOPMENT ACTIVITIES THROUGHOUT THE ADMINISTRATION.

5. -- FORM A WORKING GROUP OF HIGH-LEVEL FEDERAL PROGRAM MANAGERS TO ENSURE IMPLEMENTATION OF THE PROGRAM BEING INTRODUCED TODAY.

6. THIS WORKING GROUP WILL BE CO-CHAired BY JACK WATSON AND THE UNDERSECRETARY FOR RURAL DEVELOPMENT.

7. -- APPOINT A CITIZENS ADVISORY COUNCIL TO MONITOR PROGRESS AND TO ADVISE ME AND THE SECRETARY OF AGRICULTURE ON NEEDED FEDERAL ACTIONS.
1. I will invite the nation's governors to establish state rural development councils.
2. To ensure effective coordination among the different levels of government.
3. I will direct my cabinet and heads of agencies to review all relevant policies and programs.
4. In order to monitor implementation of this policy.
5. And to designate a senior official within each agency.
6. To serve as a rural advocate and act as a point of contact.
7. For small community & rural leaders seeking information & assistance.
1. I am pleased with the achievements we have made over the past 2½ years in addressing the problems of rural & small-town America.

2. It is a good record and provides the experience and a firm foundation for the policy initiatives I have announced today.

3. This policy is the first of its kind.

4. It redeems my pledge that the rural areas of our country will receive the attention they have needed & deserved for so long.

5. It also represents a return to our principle that government should encourage but never dictate the decisions made by American people or by local initiative.

6. With your cooperation some elements of this program have already been tested in action.

7. The comprehensive policy we announce today is not the end of our work.

8. It is a new beginning.

9. It will give us the tools to finish the job.

10. Something I know from my experience both as a farmer and as president.

11. That rural America knows how to do.
1. IN CLOSING I WANT TO SAY HOW GRATIFIED I AM BY THE STRONG & CONTINUING SUPPORT WE HAVE HAD IN PREPARING THIS POLICY.

2. THE GROUPS AND INDIVIDUALS WHO HAVE CONTRIBUTED TO THIS POLICY ARE TOO NUMEROUS TO MENTION BUT I WOULD LIKE TO THANK:

3. -- SENATOR PATRICK LEAHY, CHAIRMAN OF THE SENATE SUBCOMMITTEE ON RURAL DEVELOPMENT;

4. -- CONGRESSMAN WES HATKINS, CHAIRMAN OF THE CONGRESSIONAL RURAL CAUCUS;

5. -- GOVERNOR JIM HUNT, CHAIRMAN OF THE "NGA's" SUBCOMMITTEE ON SMALL CITIES & RURAL DEVELOPMENT;

6. -- LYNN CUTLER, COUNTY COMMISSIONER, IOWA;

7. -- DAVID HUMES, MAYOR OF HAYTI HEIGHTS, MISSOURI;

8. -- CHARLES BANNERMAN, PRESIDENT OF THE DELTA FOUNDATION AND CO-CHAIRMAN OF THE RURAL COALITION;


10. AND THE MANY OTHER INDIVIDUALS AND GROUPS THAT HAVE GIVEN US SO MUCH ENCOURAGEMENT.

11. TOGETHER WE CAN BRING A NEW AND BETTER LIFE TO RURAL AMERICA.

#    #    #

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National Rural Development Policy

Being here this afternoon to announce the Administration's Small Community and Rural Development Policy is a very special occasion for me. It is special because I know how important rural America is to our nation, as a whole, and how important this policy is to rural America.

As a lifelong resident of Plains, Georgia -- as a former official of a planning and development commission, and later as a state legislator and governor, and now as your President, -- I feel I know rural America.

I know its greatness: its beauty; its diversity and resilience; the strength and character of its people; and the critically important role it plays in the production of food, fiber, wood, minerals and energy. I understand the ultimate strategic value of our land as a force for peace and beneficial influence in the world.
I also know its problems: its pockets of poverty; its problems of isolation; and the hardships and deprivations that many of its residents still have to endure.

[If you wish to include any personal experiences -- growing up, electricity, water, hard work -- they would be welcomed.]

For the first 150 years or so of our history, we were primarily a rural nation. National policy and rural policy were often synonymous. Then, as our cities and suburbs grew, we became a predominantly urban nation.

But now the predominant demographic trend of the 1950s and 1960s -- the migration of people from the nation's rural places to the cities -- has reversed, and since 1970, the rate of growth of rural areas exceeds that of urban areas by over 40 percent.
The rural economy is also growing and diversifying. In contrast to the rural America known by our grandparents and great-grandfathers, larger proportions of rural residents are employed today in manufacturing, trade, and services than in agriculture.

These changes create new demands, new problems, new opportunities. They challenge us to take stock of who we are and what we want. They point to the need to ensure the wise use and continued productivity of our rural resources, and they challenge us to renew our commitment to address basic, unmet needs and to redress longstanding inequities.

There have been calls for a more conscious policy for our rural areas for at least the past 50 years, as it became increasingly evident that rural areas were unique and not well served by government programs. With the leadership of Senators Humphrey and Talmadge and fellow members of Congress, this concern
Eventually became translated into the Rural Development Act of 1972, and its subsequent development and implementation.

This provided the letter of the law but it could not provide the spirit that must come from those who execute the laws. Thus, while programs have grown and prospered under this authority, something important had been missing -- the dedication and wholehearted commitment of the entire Executive Branch to a better life for rural America.

The goals of the nation's first comprehensive rural policy are to create new jobs and provide a favorable climate for rural business and economic development, to promote the responsible use and stewardship of rural America's natural resources, to address the special rural problems of distance and size, and to meet the basic human needs of rural Americans.
To accomplish these goals, the policy I am announcing today does three important things.

First, in recognition of the need for a strong partnership between the public and private sectors, and among all levels of government, it directs federal administrators to:

- recognize the primacy of local priorities and local decision making;
- make federal investments [in ways that] support and reinforce state and local development initiatives;
- use federal assistance to leverage private sector cooperation and participation;
- target federal assistance to individuals and rural communities most in need;
- make federal programs more accessible and better adapted to rural circumstances; and
- help strengthen local management and development capacities.
Second, this policy presents an "action agenda" -- a program of nearly 100 specific actions that addresses pressing rural needs and translates the policy principles into tangible results. This agenda of "things to be done" expands on the White House Rural Development Initiatives of the last two years and is based on advice received from extensive consultations with all of you here, including members of Congress, state and local officials, and rural leaders across the country.

Third, our policy provides the institutional capacity to enable us to develop programs, solve problems, and get things done on an ongoing basis. Elements of this implementation strategy include:

- I will seek authority for
- The creation of the position of Undersecretary of Small Community and Rural Development at USDA.

The Undersecretary will assist the Secretary of
Agriculture in carrying out his mandate, under the Rural Development Act of 1972, to coordinate rural development activities throughout the Administration.

Formation of a Working Group on Small Community and Rural Development—a group made up of some 18 high-level federal program managers with the responsibility of providing a continuing assessment of priority rural needs and designing, coordinating, and implementing responsive policies and programs. This working group will be co-chaired by the Undersecretary for Rural Development and my Assistant for Intergovernmental Affairs and Secretary to the Cabinet.

Appointment of an Advisory Council to monitor progress and implementation results and to advise the Secretary of Agriculture and the Working Group on needed federal actions.
Inviting the nation's Governors to establish State Rural Development Councils as a mechanism for ensuring effective coordination among the different levels of government.

Directing the Secretaries and Heads of Agencies to review relevant departmental or agency policies and programs in order to ensure that they embody the policy principles and to designate a senior official to be responsible for monitoring implementation of this policy within the agency.

I am proud of the achievements made by my Administration over the past two and a half years in addressing the problems of rural and small town America. It is a good record and provides a firm foundation for the policy initiatives I have announced today.
This policy is the first of its kind. It redeems my pledge that the rural areas of our country will receive the attention from their federal government that they have needed and deserved for so long.

It also represents a return to our principle that government should encourage but never dictate the decisions made by American people or by local initiative.

With your cooperation some elements of this program have already been tested in action. The comprehensive policy we announce today is not the end of our work -- it is a new beginning. It is intended to give us the tools to finish the job -- something I know from my experience both as a farmer and the President that rural America knows how to do.
In closing I want to say how gratified I am by the strong and continuing support we have had in preparing this policy. The groups and individuals who have contributed to this policy are too numerous to mention but I would like to thank:

-- Senator Patrick Leahy, Chairman of the Senate Subcommittee on Rural Development

-- Congressman Wes Watkins, Chairman of the Congressional Rural Caucus

-- Governor Jim Hunt, Chairman of the NGA's Subcommittee on Small Cities and Rural Development

-- Lynn Cutler, County Commissioner, Iowa

-- David Humes, Mayor of Hayti Heights, Missouri

-- Charles Bannerman, President of the Delta Foundation and Co-Chairman of the Rural Coalition

-- The Rural Caucus, the National Governors Association, the Rural Coalition, and the many other individuals and groups that have given us so much encouragement.

###

Together, we can bring a new and better life to rural America.
12/20/79

Stu Eizenstat
Jody Powell

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

Rick Hutcheson
MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze

Subject: Impact of OPEC Price Increases in the Economy

Attached is a preliminary assessment of the economic impact of OPEC oil price increases taken in recent weeks. As the note explains, it is based on no further real price increases. In fact, some are likely to occur but we don't want to state publicly that they are inevitable.

Attachment
1. While no OPEC-wide pricing policy was agreed to at Caracas, a number of countries have increased prices in recent weeks. With no further real price increases, these recent actions will have raised the average price of imported oil by $3 to $5/bbl. As these price increases work through the economy, they unfortunately add to the pace of inflation and tend to depress output and employment. We estimate the following impacts assuming the lower figure:

- Additional CPI increase during 1980: 1.0%
- Additional unemployment by 4Q 1980: 250,000 workers
- Reduction in GNP by year end 1980 (annual rate): $17 billion
- Additional costs to U.S. balance of payments (annual rate): over $10 billion

2. If we take into account the increases which were put into effect in 1979, as well as the latest increases, the effects on the economy are very large indeed:

- Addition to the level of the CPI by end of 1980 (2.4% in 1979 and 3.1% in 1980): 5.5%
- Additional unemployment by year end 1980: 1,300,000 workers
- Reductions in GNP by year end 1980 (annual rate): $82 billion
- Additional costs to U.S. balance of payments (annual rate): $38 billion
MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze

Subject: The Economic Assumptions to be Published in the Budget

In view of the uncertainty of the economic outlook and the failure of recession to appear as yet in overall economic measures, CEA and OMB have agreed to use for budget purposes economic assumptions which are close to the more optimistic projections of the three major outside forecasting firms. These assumptions would be published in the Budget and Economic Report.

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<tr>
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<tbody>
<tr>
<td>Real GNP growth (4Q/4Q)</td>
<td>0.6</td>
<td>-0.8</td>
<td>2.8</td>
</tr>
<tr>
<td>CPI change (Dec/Dec)</td>
<td>13.0</td>
<td>10.4</td>
<td>8.6</td>
</tr>
<tr>
<td>Unemployment rate (4Q)</td>
<td>6.0</td>
<td>7.5</td>
<td>7.3</td>
</tr>
</tbody>
</table>

These assumptions may have to be changed a little depending on the outcome of the OPEC Caracas meetings. (The forecasts assume some oil price increases, but the actual results may exceed the forecasts.)

Some budget decisions have not been made. And Treasury still has to make an official final revenue estimate. So we do not yet have a final deficit estimate. But some preliminary estimates are as follows:

<table>
<thead>
<tr>
<th></th>
<th>1979 (billions of dollars)</th>
<th>1980 (billions of dollars)</th>
<th>1981 (billions of dollars)</th>
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</thead>
<tbody>
<tr>
<td>Expenditures</td>
<td>494</td>
<td>559</td>
<td>614 (+2)</td>
</tr>
<tr>
<td>Revenues</td>
<td>466</td>
<td>525</td>
<td>598 (+2)</td>
</tr>
<tr>
<td>Deficit</td>
<td>28</td>
<td>34</td>
<td>16 (+3)</td>
</tr>
</tbody>
</table>
Mr. President:

Hamilton plans to speak with you about this.

Rick
MEMORANDUM FOR THE PRESIDENT

FROM: AL MCDONALD

SUBJECT: January 7 Debate

Following up on our brief discussion at this morning's meeting, I hope you will reconsider participation in the January 7 debate. The situation is entirely different from the one that led to your acceptance and in my view merits a different decision.

At the moment, the circumstances are not right, the mood of the American people is not right, and the timing for a political debate is no longer right.

I believe we need a gradual program for reintroducing you into a more public schedule through a series of official appearances. It would be too much of a shock to the public, and inconsistent with your recent behavior, to jump into a brass knuckles, political debate on the stump in Iowa just one week following the Christmas Season. It might be particularly awkward if the hostages are still being held in Iran or if we are in the uncomfortable aftermath period following resolution of this confrontation.

The public knows you have delegated your political appearances to the Vice President and the First Lady even during announcement week. Your approach of being President first and foremost has been publicly applauded. This comportment led to a cancellation of your Christmas trip to Plains. It should not be abandoned lightly just to keep a date set before the crisis erupted.

As for timing, January 7 could hardly be worse under the changed circumstances. Congress will not have completed some of your key energy measures. Therefore, what could be a great success a few weeks later may still be only six-month old proposals. Moreover, you will be only ten days before your State of the Union Address, your budget message, and your Annual Economic Report to the Nation. These are needed on the record as a basis for effective open debate. They can logically serve to put your programs out front in an official cloak if you do not have to debate specifics prematurely in a political forum.
Finally, under the new situation, the positive benefit to you has now shifted to the negative side. The other two candidates are momentarily desperate. They have much to gain and little to lose. Your situation is the reverse. They must swing hard and fast to dethrone you from your Presidential pinnacle. They must attack, leaving you in more of a defensive posture that could make your later proposals in January appear to be political responses to their charges or positions. Brown is the most likely beneficiary, a candidate who was not a participant when you accepted.

The official Presidential events in January and your accompanying press commentaries provide an excellent window for moving gradually back into the public arena. If we simply pace this return on an accelerated basis, you could be back into the fray by mid-February, ideally with the Iranian situation behind you and still wearing the full mantle of the Presidency.

Attached is a note to Hamilton suggesting tactics on how this might be handled with a minimum of negative reactions.
Should we not reconsider the question of the President's participation in the Des Moines debate? The date is approaching fast and developments have moved in exactly opposite directions from the character of this event.

Initially, the President agreed on the condition that Brown would not participate. Now that he is in, he will undoubtedly be the big winner of publicity at any rate since this is the only way that he can get that quality of forum.

One approach would be to indicate that the Carter/Mondale ticket will proceed as usual with political events just as we did during announcement week. Because of pressing State matters, the President has asked the Vice President to participate in the Des Moines debate in his place.

Kennedy would likely have second thoughts then as well, possibly reducing any negative reaction about the President's decision not to participate.

Timing of the announcement could also reduce any strong public reactions. If such an announcement were made late Friday, December 21, just as he is leaving for Christmas, this might reduce the public attention given to the media during the holidays for political stories dealing with this change of circumstances might be less.
TO: FRANK MOORE

FROM: BRUCE KIRSCHENBAUM

SUBJECT: TONY HALL AND DAYTON BELTWAY ISSUE

The issue of I-675 has been handled by this office for almost one year. It is terribly delicate with potential Carter supporters on both sides, but most of them allied with "pro highway" people.

It was not by accident that Tony was invited to the ceremony. We did make advance calls too far in advance because of possible leaks over a very controversial decision. It was coincidence that Tony called me just as I was to call him. The fact is that I briefed him on more details of the announcement 48 hours in advance than anyone else outside this place (Rick Hutchinson was not even informed of as much detail). Also I have it on pretty firm sources that Hall leaked it to the Press the night before, putting me in somewhat of an awkward situation with Glenn and others.

Tony basically doesn't know what he is talking about.
The President
The White House
Washington, D.C. 20500

December 13, 1979

Dear Mr. President:

I write to you today with respect to a matter which has caused me great concern and no little embarrassment in recent months. By this, I am referring to the specific operation, or perhaps better stated, poor operation of your Congressional Liaison Office and the procedures your staff is using with respect to grant announcements and community projects.

Specifically, since being sworn into office as the Democratic Representative of the 3rd Congressional District of Ohio, I either purposely, or through neglect have been omitted from several meetings your staff has conducted which are of direct concern to me and to my constituents.

1. Several meetings were held in the Executive Office Building and at the Department of Transportation with respect to the I-675 interstate highway which is located for the most part within my Congressional District. It was only by a fluke of luck that I learned that your Administration and Secretary Goldschmidt were going to make a formal announcement concerning this highway (to which several members of our Dayton area community and my constituents were invited). Only after I discovered that the announcement was going to be made was I invited to attend this ceremony. Previously there had been several meetings conducted by your staff to which I had not been invited. My staff had not even been informed of these occurrences.

2. Most recently, I was informed by the City of Dayton that your Administration had announced the awarding of an LEAA "Arson Abatement" program on which I had been working with the City of Dayton from the very first day the grant application had been submitted. Not only was I informed by Dayton officials of the announcement, but I was placed also in the embarrassing position of not knowing that these officials had been invited to the White House for this formal announcement and awarding of the program.
The examples given perhaps sound as though this is just another letter from a Congressman with his nose bent out of joint. However, these are just two recent examples of how my office has been treated in the last 11 months. There have been numerous phone calls from this office to the White House Liaison Office to receive aid or to ask specific questions. Quite often, these phone calls are never returned.

Finally, Mr. President, on a political level, such omission, whether deliberate or purely erroneous, by your office does not seem to be in consonance with a call which I received from Vice-President Mondale asking for my support. Quite frankly, Mr. President, let me pose this question to you. If you were receiving this treatment as the Representative of the people of the 3rd District of Ohio, what would you do?

In closing, I wish to compliment you on what I believe to be an outstanding job you are doing under what must be tremendous pressure with respect to the present situation in Iran. In this regard, you have my full support.

Sincerely,

Tony P. Hall
Member of Congress
Sam is the swing vote on the WPT conference. The Republicans have 5 Members plus Jake Pickle and Jim Jones. From past votes in committee we have 7 Democrats and that puts Sam in the critical spot. His votes in Committee were not for a strong tax although he voted right on the floor amendments. A general discussion of the Administration bill and the unacceptability of the Senate bill as well as the urgency to get the conference over quickly would be beneficial.

NOTES: (Date of Call 12-20)

"I am a dedicated supporter of a strong WPT. I believe Corp should move on it without delay."

NAME  Congressman Sam Gibbons (D-Florida)  Congress

TITLE  Congressman, US House of Representatives

CITY/STATE  Washington, D.C.

Phone Number--Home (__)  Work (202) 225-3376

OTHER (__)  

INFORMATION (Continued on back if necessary)

Requested by Frank Moore/Bill Cable

Date of Request  

To be done as soon as possible

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Requested by Frank Moore/Bill Cable

Date of Request  

To be done as soon as possible

---
Jack Watson
Arnie Miller

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

Rick Hutcheson
MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON
ARNIE MILLER

SUBJECT: U. S. Civil Rights Commission

You recently agreed to nominate Jill Ruckelshaus and Richard Alatorre to be members of the Civil Rights Commission. Alatorre has withdrawn his name from consideration.

To replace Alatorre, we recommend Blandina Cardenas, of Texas. Cardenas previously served this administration as head of the Childrens' Bureau at HEW. She is also the current Vice-President of the Mexican-American Democrats of Texas. Cardenas has indicated her interest in serving on the Commission.

Frankie Freeman, a black woman member of the Commission, is also Inspector General of the Community Services Administration. Freeman has expressed her desire to leave the Commission.

We recommend Mary Berry, of Colorado, as Freeman's replacement. Berry has been Assistant Secretary of Education since 1977 and is a former Chancellor of the University of Colorado. Berry has also indicated a desire to be Vice Chairperson of the Commission, a post currently held by Robert Horn, a Republican. We believe her designation as Vice Chairperson would enhance the leadership of the Commission, and we recommend you approve her request.

Esteban Torres, Louis Martin and Sarah Weddington concur with our recommendations.

RECOMMENDATION:

Nominate Blandina Cardenas, of Texas, to be a member of the Civil Rights Commission; Nominate Mary Berry, of Colorado, to be a member and Vice Chairperson of the Civil Rights Commission.

✓ APPROVE  DISAPPROVE
BLANDINA CARDENAS  
Texas

EXPERIENCE:

1979 - Present  

1977 - 1979  
Director, Children's Bureau, Department of Health, Education and Welfare.

1975 - 1977  
Director, Center for the Management of Innovation in Multicultural Education, San Antonio.

1974 - 1975  
Rockefeller Fellow (Senator Mondale), Washington, D.C.

1970 - 1972  
Director of various education programs, Edgewood Independent School District, San Antonio.

1969  
Assistant Program Development Coordinator, Texas Migrant Educational Development Center, Austin.

OTHER ACTIVITIES:

1979 - Present  
Vice-President, Mexican-American Democrats of Texas

EDUCATION:

1974  
Ph.D., University of Massachusetts, Amherst.

1967  
B.A., University of Texas, San Antonio.

PERSONAL

Mexican-American Female  
Age 35  
Democrat
MARY F. BERRY
Colorado

EXPERIENCE:

1977 - Present
Assistant Secretary of Education, Department of Education, Washington, D. C.

1976 - 1977
Chancellor, University of Colorado, Boulder.

1974 - 1976
Provost, Behavioral and Social Sciences, University of Maryland, College Park.

1970
Associate Professor, Eastern Michigan University.

1968
Assistant Professor of History, Eastern Michigan University.

OTHER ACTIVITIES:

1973 - 1976
Member, Advisory Board, Afro-American Bicentennial Corporation.

EDUCATION:

1970
J.D., University of Michigan

1966
Ph.D., University of Michigan

1962
M.A., Howard University

1961
B.A., Howard University

PERSONAL:

Black Female
Age 41
Democrat
MEMORANDUM FOR THE PRESIDENT

FROM: Jack Watson
Arnrie Miller

SUBJECT: Department of Education -- Assistant Secretary Positions

The Department of Education Act assigns four Assistant Secretary positions to be used for a variety of administrative and staff functions. Secretary Hufstedler has decided to allocate these slots in the following manner:

1. Assistant Secretary for Management -- responsible for personnel, space management, administrative services, management information and financial systems development, grants and procurement, and evaluation. She rather uniquely has assigned the evaluation function to the management office because she wants her evaluation effort to be focused on improving the operation of Federal programs, not financing theoretical Ph.D. dissertations.

2. Assistant Secretary for Policy, Planning and Budget -- responsible for coordinating policy development, short and long range planning, budget formulation, presentation and implementation and the critical analysis of proposed policy initiatives and regulations.

3. Assistant Secretary for Public Affairs -- responsible for press relations, public information and liaison with interest groups.

4. Assistant Secretary for Congressional Relations -- responsible for liaison with the Congress.

We join with Secretary Hufstedler in making the following recommendations for three of these positions:

Assistant Secretary for Management

John Gabusi, 38, is now the Associate Director of the Community Services Administration, where he implemented a major reorganization in 1977. He formerly served as an assistant to Congressman Mo Udall and was staff director of the House Civil Service Committee. Gabusi is an excellent labor/management negotiator
and he played an important role in developing and promoting your civil service reform initiative. Gabusi is Hispanic.

Assistant Secretary for Policy, Planning and Budget

Bill Fischer, 48, currently is the Deputy Assistant Secretary for Planning and Evaluation at the Department of Energy. He has a sophisticated knowledge of the Federal budget and policy process based on over twenty years experience at OMB, where he served as the Deputy Associate Director for Human Resources, and at the Congressional Budget Office as Associate Director for Human Resources and Community Development. Since 1977, he has performed several roles at the Energy Department, having first been a senior member of Secretary Schlesinger's Activation Team.

Secretary Duncan is reluctant to let Fischer leave. However he and Shirley are now negotiating a release date.

Assistant Secretary for Public Affairs

Liz Carpenter, 59, currently chairs ERA-America which is actively promoting ratification of the Equal Rights Amendment. Her entire career has been in the public affairs/press area. After graduating from the University of Texas Journalism School she was a UPI reporter, then ran a news bureau in Washington serving national newspapers for sixteen years. In 1961 Carpenter became Vice President Johnson's executive assistant and from 1963-68 was First Lady Johnson's Press Secretary. She was a Hill-Knowlton Vice President after leaving government and wrote a best-selling book Ruffles and Flourishes. Carpenter has been deeply involved in the women's movement.

We are working closely with Frank Moore's staff to recruit an Assistant Secretary for Congressional Relations. We hope to have a recommendation for you shortly.

Both Gabusi and Fischer are experienced Federal managers, who have implemented major reorganizations. They are highly respected, especially by career people at OMB and OPM. Liz Carpenter is widely known and respected for her public affairs and political skills. Many will be surprised she would return to government.
We join Shirley Hufstedler in recommending that John Gabusi and Bill Fischer be appointed Assistant Secretaries in the Department of Education. Jim McIntyre concurs.

_____ approve  _____ disapprove

We also recommend that Liz Carpenter be appointed an Assistant Secretary. Shirley, Jody and Sarah concur.

_____ approve  _____ disapprove
Charlie Schultze

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

Rick Hutcheson
MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze

Subject: Humphrey-Hawkins Goals for Unemployment and Inflation

The Humphrey-Hawkins Act requires the President to establish numerical goals for unemployment and inflation for a 5-year period. The Act requires you to set goals of 4 percent unemployment and 3 percent inflation for 1983. However, the Act also gives you the authority, beginning this January, to recommend modification of the timetable for achieving those goals if you find it necessary to do so. (It does not give you authority to abandon the goals, or to change the numbers, only to change the year of achievement.) If the timetable is changed, the year for achieving the 4 percent unemployment rate does not have to be the same as the year for achieving 3 percent inflation.

Congress can accept your recommended modifications, set forth new goals of its own, or avoid taking a position on the matter. If the Congress sets its own timetable, the Act does not require that you adopt it. Your modified timetable would remain the Administration's statement of goals until you saw fit to change it.

We indicated to you that the Humphrey-Hawkins goals were exceedingly ambitious when the Act was passed. This year it has become obvious that achievement of them by 1983 is virtually impossible because of what OPEC price increases have done to economic growth and inflation. In my memo to you of December 17, I told you that CEA and OMB had agreed to publish economic assumptions for the 1981 budget forecasting an unemployment rate of 7.3 percent for the fourth quarter of 1981 and an inflation rate of 8.6 percent for that year. Getting down to a 4 percent unemployment rate by 1983, starting from 7.3 percent in the fourth quarter of 1981, would require growth of real GNP of more than 7 percent per year in 1982 and 1983. That is not only impossible, but would be highly inflationary if we tried. Reducing the inflation rate by almost 3 percentage points per year (from 8-1/2 to 3 in two years) is also impracticable.
Realistically, the chances are small that any Administration will achieve 4 percent unemployment and 3 percent inflation simultaneously during the next decade. We cannot afford, however, to dismiss the Humphrey-Hawkins goals as pie in the sky by postponing their achievement to an extremely remote date. The unemployment rate objective is the more sensitive of the two, especially within your Democratic constituency.

Taking all of this into account, CEA and OMB have agreed on economic assumptions for the next six years that we would recommend you adopt in the 1981 budget. The figures for 1980-81 are those mentioned in my December 17 memo. For the years beyond 1981, economic growth is assumed to be on a fast track, and the unemployment rate to reach the 4 percent goal by 1985. The inflation rate declines, but still substantially exceeds 3 percent in 1985.

<table>
<thead>
<tr>
<th>Economic Assumptions</th>
<th>80</th>
<th>81</th>
<th>82</th>
<th>83</th>
<th>84</th>
<th>85</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real GNP growth (Q4/Q4, %)</td>
<td>-0.8</td>
<td>2.8</td>
<td>5.0</td>
<td>5.0</td>
<td>4.8</td>
<td>4.6</td>
</tr>
<tr>
<td>Changes in consumer prices (Dec/Dec. %)</td>
<td>10.4</td>
<td>8.6</td>
<td>7.8</td>
<td>7.2</td>
<td>6.4</td>
<td>5.7</td>
</tr>
<tr>
<td>Unemployment rate (Q4, %)</td>
<td>7.5</td>
<td>7.3</td>
<td>6.5</td>
<td>5.6</td>
<td>4.8</td>
<td>4.0</td>
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If you adopt this recommendation, the Economic Report would have to specify a year in which the goal of a 3 percent inflation rate is to be achieved. The trend of the above numbers would suggest 1989, but the date could be arbitrarily set at, say, 1988 or 1990.

These economic assumptions reflect our belief that it would be politically unwise to publish a set of goals that postpone the 4 percent unemployment rate goal by more than two years beyond the date specified in the Act. Postponing the achievement of 3 percent inflation for a longer period would be less likely to lead to serious political fallout. In the defense area, particularly, overly optimistic projections about inflation lead to trouble. Since the Defense Department is forced to stick to official inflation forecasts in estimating outyear budget outlays, forecasts that are highly optimistic lead to enormous apparent cost overruns.
Our soundings of sentiment on the Hill suggest that we will not run into serious Congressional flak with economic assumptions of this kind. The need to postpone achievement of the 4 percent unemployment goal is accepted by practically everyone other than the AFL-CIO and the Congressional sponsors of the Humphrey-Hawkins legislation. (They still feel very strongly about the matter.) The Budget Committees, and perhaps also the JEC, will welcome our acknowledgement that neither the unemployment nor the inflation goals of the Act can be reached by 1983.
20 Dec 79

Al McDonald

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

Rick Hutcheson
MEMORANDUM FOR THE PRESIDENT

FROM : AL MCDONALD

SUBJECT : Energy/Economic Decisions

December 19, 1979

Here are some thoughts that you may want to factor into your reflections on the upcoming energy and economic decisions. As we discussed in our recent Saturday morning session, I will occasionally comment on questions of timing and the conceptual framework for your programs so they may be easier to communicate.

Your Defense speech launched us on a successful pattern that merits pursuing also in the energy and economic areas, subjects that rate even higher priorities in the mind of the public. With Defense you preempted the optimum terrain from your opponents, laid down a clear direction, prescribed a moderate yet steady course, and gave hope that in time we can successfully restructure our Defense posture and America's place in the world. Of course, implicit in your steadfast and persistent approach was the suggestion that these aims can best be accomplished by continuity of leadership.

The attached outline suggests the elements that could make up a similar moderate program for restructuring our energy and economic positions. It builds heavily on what you have done or plan to do with a few twists added to make it a more comprehensive, coherent and appealing whole.

One can argue that you can avoid some of these decisions now. I believe you will have to take positive positions on each of these issues during the coming months. To preempt the high ground on them as you did in Defense could establish your conceptual leadership during this difficult transition period and reassure the public that we are moving in the right direction along a pragmatic course. To take positions second on these issues will place you in a defensive posture, gain you no credit, and fuel the leadership issue.

A majority of Americans finally recognize that we have some fundamental problems with our energy and economic structures. They know that we are being subjected to a conspiracy, to a monopoly and to an unpredictable tax by OPEC involving
fantastic sums of money. They can understand that this outflow is hemorrhaging our country and undermining our standard of living. They know we must slow it and stop it as soon as we can. After Iran they believe our very independence and national prestige call for us to reduce the burden of imported oil on a steady course. They also know that we cannot cure our economic woes without an energy solution.

The American public today is not convinced that we are making enough progress or that the programs you have already initiated will cure our basic energy and economic problems. Even if you feel that we can solve these problems with no new actions, that will be the hardest story imaginable to sell next year as we are continually subjected to OPEC price pressures, international blackmail, the threat of gasoline lines and intolerable levels of inflation.

Our people are reasonable and realistic. They know we cannot cure fundamental problems overnight. They know we must begin changing our lifestyle, but they want guidance and help to do this over time with a minimum of disruption and no unnecessary sacrifices.

Our people need the same new vision in the energy and economic areas which you have given them in Defense. In spite of all that has been done, they do not see where we are headed, cannot look forward to any positive milestones, and thus tend to resist short term pressures since they know in their hearts that only long term changes can make the difference. I believe our people would respond well to this approach. They want a simple, understandable, logical presentation that is coherent and conceptually sound. They want no draconian measures, but they do seek the conviction that we are on the right trail and that by running the steady course, things will end up positively.

I believe the American public will respond to your leadership if challenged by a combination voluntary/mandatory partnership as suggested in the outline. It involves active individual participation following the theme you like so much. If we as a people make measurable progress—with the quantity of imported oil being the only measure that counts—then stronger government action will not be needed. If, on the other hand, we are not moving toward an acceptable level of energy security, then the government should step in and prod us to achieve these goals. This contingency proposal will naturally be opposed by the bureaucrats and economists who would prefer definitive tables and calendars, and predetermined recycling schemes, but it will make good common sense to the American public.

Setting the goal can also be done simply. We can use a target figure worked out with other member countries of the
IEA or simply accept the elimination of Iranian oil from our economy during 1980. The latter is a realistic goal, dropping us by 700,000 barrels per day from the 8.5 million barrels per day you agreed to in Tokyo to the 7.8 level. This would show a decisive, measurable step in the right direction.

This approach would have the great appeal that any combination of conservation, increased domestic oil production or the development and substitution of alternative fuel sources would reduce oil imports and thereby be constructive actions to adapt our country to its new and changed circumstances.

The market elasticity estimates for energy consumption are much higher for middle term results in the three to seven year bracket. This reflects expected changes in our auto buying habits, the locations of our homes and work places, and the methods of construction and insulation of our residences and commercial buildings. Thus, instead of greater sacrifices, we could offer the hope of success as we readapt our longer term decisions and investments to the new era of expensive energy.

Most of my life has been spent in marketing and merchandising. That is the twin brother to politics since it calls for moving the public to action by in effect voting with their money every time they make a purchase. They respond only to appeals that are simple, understandable and practical. They then respond best if the approach is well packaged and effectively communicated.

The energy and economic package needs also to be reasonably complete, covering most of the major components included in the attached outline. Otherwise, your opponents will be holding forth the missing item as the single cure-all, a seduction for us all.

For example, if we have no plan for renewing our industrial base through increased productivity, capital investment and savings, that will leave a big hole that the average citizen will soon see as important, particularly with Kennedy hitting away at our pressing need to improve productivity (and referring to the spectacular results achieved by his brother in 1962 by stimulating investments).

As you pointed out, this may not be the strongest appeal for a town meeting in Des Moines, but the average citizen in Toledo, Lansing, Johnstown, Worcester, and Wheeling knows that our industrial base is becoming obsolete, that our international competitive position is deteriorating fast and that jobs depend on being ahead with technology and modern
plants if we are to have high employment. New factories mean new jobs. Old, dilapidated factories mean the threat of layoffs.

This makes good merchandising sense and good political sense. From the economist's point of view, our moves would be token and would not dramatically change the situation. Admitted. But from the public's vantage point, even modest steps would be pointing out the right direction and providing a psychological thrust that over time we know what to do and will be correcting our economy's structural defects as we move forward.

I agree with your view of the importance of lowering our budget deficit. But here the trend is more critical than the absolute numbers. I believe that the outlined programs can all be handled within the bounds of a budget deficit in the middle teens. That would represent to the average citizen fantastic progress in fighting inflation by steadily cutting the deficit. It would invite the inevitable extrapolation that if one has gone from $66 billion down to about $15 billion, it should be easy to wipe out the rest of the deficit in your next four-year term. At the same time, the targeted spending program as well as the restructuring efforts would make sense even in modest proportions with the caveat that as we move into a balanced budget, our efforts in those directions will be extended as needed when resources within a balanced budget permit.

Finally, any stimulus program needs to be differentiated in the public's mind from the fundamental effort over time to cure structural faults in our economy. We therefore have no business including accelerated depreciation or similar ideas in a temporary stimulus program since those are long-term efforts. For sound operating as well as political reasons, stimulus spending should be targeted toward those geographic areas and population segments that are suffering most and need direct help to tide them through the cyclical downturn.

In closing, any of these proposals can, of course, be adapted, shifted, replaced or dropped. However, I do hope we can develop a conceptual framework similar to this outline that represents an aggressive, leadership posture offering the vision of hope so earnestly desired today by all of our citizens. I personally believe that the six major issues in 1980 will be truth, character and hope, backed up by convincing programs for substantive progress on energy, the economy and defense. On these six issues you can occupy now the high ground, leaving only the extreme positions and the dregs for your opponents.

Attachment
| FOR STAFFING                      | ADMIN CONFID   |
| FOR INFORMATION                   | confidential   |
| FROM PRESIDENT'S OUTBOX           | secret         |
| LOG IN/TO PRESIDENT TODAY         | eyes only      |
| IMMEDIATE TURNAROUND              |                |
| NO DEADLINE                       |                |
| FOR APPROPRIATE HANDLING          |                |
| LAST DAY FOR ACTION               |                |

| ACTION FYI                        |                |
|                                  | MILLER         |
|                                  | VANCE          |
| VICE PRESIDENT                   | BUTLER         |
| JORDAN                           | CAMPBELL       |
| CUTLER                           | H. CARTER      |
| DONOVAN                          | CLOUGH         |
| EIZENSTAT                        | CRUIKSHANK     |
| MCDONALD                         | FIRST LADY     |
| MOORE                            | FRANCIS        |
| POWELL                           | HARDEN         |
| WATSON                           | HERTZBERG      |
| WEDDINGTON                       | HUTCHESON      |
| WEXLER                           | KAHN           |
| BRZEZINSKI                        | LINDEER        |
| MCINTYRE                          | MARTIN         |
| SCHULTZE                         | MILLER         |
|                                  | MOE            |
| ANDRUS                           | PETERSON       |
| ASKEW                            | PRESS          |
| BERGLAND                         | SANDERS        |
| BROWN                            | SPETH          |
| CIVILETTI                        | STRAUSS        |
| DUNCAN                           | TORRES         |
| GOLDSCHMIDT                      | VOORDE         |
| HARRIS                           | WISE           |
| KREPS                            |                |
| LANDRIEU                         |                |
| MARSHALL                         |                |
Zbig Brzezinski

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

Rick Hutcheson

Hamilton Jordan
Sarah Weddington
Jody Powell
THE WHITE HOUSE
WASHINGTON

December 19, 1979

Mr. President:

On a wire service item that David Aaron brought to you this morning concerning John Connally's suggestion that you should brief all major Presidential candidates on the situation in Iran, you asked, "Why have we not already done so?"

Either Cy or I could do such briefings. Your guidance is needed on whether you prefer that these briefings be conducted at the White House (by me) or at the State Department (by Cy). Once we have this guidance, we will proceed to set up the briefings.

Zbigniew Brzezinski
WASHINGTON, DECEMBER 15, REUTER - THE UNITED STATES IS READY TO TAKE NON-VIOLENT MILITARY ACTION SUCH AS A NAVAL BLOCKADE AGAINST IRAN IF AMERICAN HOSTAGES ARE PUT ON PUBLIC TRIAL OR BROUGHT BEFORE A TRIBUNAL, IT WAS LEARNED TODAY.

THE WHITE HOUSE IN A FORMAL STATEMENT EARLIER TODAY WARNED IRAN IT FACED GRAVE RISKS IF IT PUBLICLY HUMILIATED THE HOSTAGES AND DEEPENED THE CRISIS THAT BEGAN WHEN HOSTILE FUNDAMENTALIST STUDENTS SEIZED THE U.S. EMBASSY IN TEHERAN ON NOVEMBER 4.

AFTER THE WHITE HOUSE ISSUED ITS STATEMENT, REPORTERS WERE ADVISED THAT THE UNITED STATES WAS PREPARED TO TAKE MILITARY ACTION -- BUT WOULD NOT SHED BLOOD -- IF THE HOSTAGES WERE PUT ON TRIAL.

IT WAS EMPHASIZED THAT A NAVAL BLOCKADE WAS ONLY ONE FORM OF NON-VIOLENT MILITARY ACTION NOW BEING CONSIDERED BY PRESIDENT CARTER AS A POSSIBLE RESPONSE IF IRAN WENT AHEAD WITH ACTION THE UNITED STATES HAS WARNED IT MUST NOT TAKE.

MORE 1833

A NAVAL BLOCKADE WOULD EFFECTIVELY DISRUPT IRAN'S IMPORTS THROUGH THE PERSIAN GULF, IT WAS BELIEVED AT THE WHITE HOUSE.

THERE WERE INDICATIONS THAT PRESIDENT CARTER WAS THINKING ALSO OF ECONOMIC SANCTIONS TO BE TAKEN BY THE UNITED STATES ALONE OR THROUGH INTERNATIONAL ACTION IF THE UNITED NATIONS SECURITY COUNCIL AGREED.

WHITE HOUSE PRESS SECRETARY JODY POWELL GAVE A HINT THAT DECISIONS HAD BEEN MADE AND WOULD BE CARRIED OUT IF THE HOSTAGES WERE PUT ON TRIAL OR BROUGHT BEFORE A TRIBUNAL.

IN A FORMAL STATEMENT THE WHITE HOUSE SAID THAT EXPLOITATION OF THE 50 HOSTAGES WOULD BE A FURTHER PROVOCATION TO THE UNITED STATES AND THE WORLD COMMUNITY.

THE AUTHORITIES ... THIRD GRAF R-506

REUTER 1833

CONNALLY-IRAN

DES MOINES, IOWA (AP) -- REPUBLICAN JOHN CONNALLY SAID TUESDAY THAT PRESIDENT CARTER SHOULD BRIEF ALL MAJOR PRESIDENTIAL CANDIDATES ON THE SITUATION IN IRAN.

"WE'RE OPERATING OUT OF AN ABUNDANCE OF IGNORANCE," CONNALLY SAID AT A NEWS CONFERENCE.

CONNALLY SAID HE, LIKE MOST OTHER CANDIDATES, HAS HEARD THE PRESIDENT'S REQUEST THAT THEY NOT COMMENT ON THE SITUATION SURROUNDING THE 50 U.S. HOSTAGES BEING HELD PRISONER IN THE EMBASSY IN TEHERAN.

HOWEVER, THE FORMER TREASURY SECRETARY SAID, THE TIME HAS COME FOR PRESIDENTIAL CANDIDATES TO BE GIVEN ALL THE FACTS.

"IT'S TIME FOR THE PRESIDENT TO SHOW SOME GREATER CONCERN AND COOPERATION BY CALLING A BI-PARTISAN CONFERENCE OF ALL THE PRESIDENTIAL CANDIDATES," HE SAID.

"WE COULD BE MUCH MORE SYMPATHETIC, MORE HELPFUL, IF WE KNEW PRECISELY WHAT WAS GOING ON," HE ADDED.

CONNALLY SAID HE WOULD LIKE TO KNOW WHAT OPTIONS CARTER HAS HAD AND WHAT ACTIONS HE HAS TAKEN.

HE ALSO SAID HE WOULD LIKE TO KNOW HOW OTHER NATIONS HAVE REACTED AND WHAT HELP THEY MAY HAVE OFFERED IN DEALING WITH THE CRISIS.

CONNALLY SAID MANY LEADERS OF CONGRESS HAVE BEEN BRIEFED AND HE THINKS IT IS TIME FOR THE PRESIDENTIAL CANDIDATES TO GET SIMILAR INFORMATION SO THEY CAN ASSESS AMERICAN FOREIGN POLICY.
THE WHITE HOUSE
WASHINGTON
20 Dec 79

Al McDonald

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

Rick Hutcheson

Hugh Carter
Rick Hutcheson
Susan Clough

The original has gone to Bob Linden for handling.
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THE WHITE HOUSE
WASHINGTON
December 14, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: AL MCDONALD

SUBJECT: Presidential Communications

Attached is a set of documents in response to your directive to assure the highest professional quality and appropriateness for all Presidential communications.

My suggestion is that we distribute the following two documents:

1. A brief memorandum from you to the senior staff that is intended to be Presidential in tone but directly instructs them to comply with prescribed quality standards. In my view, it is not appropriate for you to be immersed in the details of how this is done as long as we accomplish the end result you have ordered. The brief memorandum from you should draw no particular press attention. However, a longer, detailed one dealing with the specifics might be treated negatively as less important for your personal involvement than other pressing concerns of the nation.

2. A longer memorandum from me outlining a series of guidelines for improved quality control for Presidential communications. These two documents should give us the basis for taking some immediate steps to close the gap in the present system.

In addition, we are reviewing the present set of written documents outlining detailed guidelines for use of the autopen, handling of telegrams, and routing of Presidential communications internally through one of the approved three channels. We would like to spend a few more days on the more detailed documents with senior staff members and their deputies to discuss them thoroughly. In this way we should gain more understanding and greater cooperation in carrying out this quality improvement program.

If you agree with these suggestions, we will plan to circulate your directive and my more detailed memorandum early next week.
MEMORANDUM FOR THE SENIOR STAFF

Since the beginning of my administration, I have requested that the use of my name on letters and telegrams be restricted to those occasions for which it is totally proper and appropriate.

With the announcement of my candidacy for re-election, it is particularly important that this policy be followed assiduously. Accordingly, I am asking the Chief of Staff, Staff Director, and the Special Assistant for Administration to clarify existing guidelines and carefully monitor the use of my signature and name. Your support in both the spirit and letter of these policies and guidelines is appreciated.

[Signature]
MEMORANDUM FOR WHITE HOUSE SENIOR STAFF

FROM : AL MCDONALD

SUBJECT: Quality Control for Presidential Communications

In line with the President's directive, we are tightening up and monitoring more closely Presidential communications. He is naturally concerned that only those items which properly should carry the Presidential signature do so, and that all Presidential communications meet the high quality standards appropriate for the office.

Our theme is quality control, not the numerical reduction of Presidential communications. A higher level of correspondence associated with the Presidency may be appropriate if the form chosen matches the situation and high-quality standards are maintained.

Our quality improvement efforts are being focused in the following five areas:

1. Substance: In both direct and indirect communications we must ensure that the substantive content of our messages is correct and consistent with the President's stated positions and approved policies. Summaries of his positions are currently being assembled by a task force in a comprehensive issues book which will serve as a general reference document for responding to information requests. David Rubenstein is serving as the leader of the task force which will assemble and maintain the issues book. Marty Franks, the research director for the Carter/Mondale Campaign Committee, has been designated by Tim Kraft as quality control officer for their activities.

2. Form of Communication: Just as the substance must be correct, the form chosen also should be appropriate to the occasion and its circumstances. The form may vary by signature or by type of communication.

   A. Variation by Signature

   1. Essentially all of our difficulties arise with use of the President's personal signature. Undoubtedly this is the most valuable form of Presidential communication (with the possible exception of a personal telephone call).
Because of its importance and value, we must preserve the integrity of the signature and its reflection of the office and its occupant. This means that approved guidelines will be observed for the use of the Presidential signature and a set of high quality standards will be required for the preparation of these communications.

2. A number of senior staff members avoid the problems of a Presidential signature by developing an appropriate message from the President which they then sign in effect as his administrative intermediary. We should be using this approach whenever a Presidential communication is needed in the judgment of the senior staff member, but the circumstances do not meet the criteria for Presidential signature. Attachments 1, 2 and 3 are illustrations on how this kind of Presidential communication can allow us to respond positively to any reasonable request. Appropriate signatures on these Presidential communications can be any member of the senior staff or those responsible for the Presidential message unit, the Presidential correspondence unit, or the President's office itself.

3. A third variant of a Presidential communication can be the innovative use of photographs. With brief, general greetings, these can be sent out far more widely than a written Presidential communication since there is less opportunity for these messages to be misinterpreted or to establish improper precedents.

B. Kind of Communication

The heavy volume of communications going out over the President's signature are handled by the Presidential Correspondence Unit. This is the simplest and least expensive way to handle a Presidential. Other Presidential communications go out as Presidential messages (normally to organizations or for events more than to individuals), as telegrams, and as letters or photographs from the President's office. Since telegrams have been the most frequent cases for quality abuses, these will now flow through one of the three regular channels just as other Presidential communications. In off hours when telegrams cannot follow the normal quality checks, senior staff members may associate the President with the message, as illustrated by the attachments, but these communications must be over the signature of the person authorizing the communication.

3. Editing and Verification: For those items intended to bear the Presidential signature, we will be channeling them through the three approved units for editing and verification that the President's signature is appropriate. These three avenues are the Presidential Correspondence Unit, the Presidential Message Unit, and the President's Office.
Drafts should contain all of the substantive material needed and its accuracy should be attested to by the requesting party. Editing to reflect a proper Presidential style will be handled by these three units if changes appear needed.

If the document to bear the President's signature is to be mass produced and distributed to more than 100 recipients, the text will be submitted to the President for his personal editing and approval. In this way he can be assured that the content of the message is personalized even though the communication is not individualized.

4. **Physical Quality of the Document:** A consistently high quality will be maintained for the physical characteristics of the document. This includes designated quality of paper, standards for typing and appearance, quality of any reproductions and a format following the approved Presidential style.

5. **Verification of Recipient Information:** The value of a communication can be more negative than positive if names, titles or addresses are not completely correct. Therefore, any item to bear the Presidential signature must be verified by the requesting party and so initialed, indicating that he or she has ascertained the correct name and its spelling, any title that is to be used and the address, including the proper zip code. Senior staff members will be responsible for assuming this individual verification of recipient information within their units. The actual individuals performing the verification should initial to confirm this quality check has been performed. Diana Rock has been assigned by Tim Kraft to handle this verification process for Presidential communications initiated on behalf of the campaign staff.

As we seek to ensure the quality of Presidential communications, the criteria for determining eligibility for Presidential signature will be followed. We will review these criteria individually during the coming 30 days and will welcome any suggestions or comments concerning them. The quality improvement guidelines mentioned above are effective immediately, and we will be fully operational by the end of the holiday season.

The President and those assigned the task of carrying out his directives recognize that Presidential communication is a controversial subject among staff members. However, the above steps are essential to ensure the high professional standards that President Carter demands. Therefore, he expects your full cooperation in making sure that Presidential communications are handled in a manner which will be a credit to him and to his office.
Dear Lord Mountbatten:

President Carter asked me to thank you for your kind letter. He was pleased that we could be helpful to you at a most difficult time, and he sends you his best wishes.

Sincerely,

Susan S. Clough
Personal Assistant/Secretary to the President

The Lord Ivar Mountbatten
Gordonstoun School
Elgin
STRAIGHT WIRE - NOVEMBER 27, 1979

Mrs. Betty Gaffney, President
Business and Professional Women's Club
600 Rockland Avenue
Punxsutawney, Pennsylvania 15767

President Carter sends warmest congratulations to the members of the Business and Professional Women's Club as you celebrate the fiftieth anniversary of your founding.

The President appreciates the leadership your organization has provided in ensuring full equality of opportunity for women in your area and in encouraging more women to pursue their studies and training and to engage in personally satisfying and socially rewarding careers. The President welcomes your continuing work in this regard and sends his best wishes for the sustained success of your endeavors.

Sarah Weddington
Assistant to the President

cc: Congressman John P. Murtha

SW: Coolidge:jlc

cc: S. Clough/E. Coolidge/S. Weddington/CF

Dated: November 28, 1979
Requested by Cong. Murtha
December 12, 1979

Dear Friends:

Through the courtesy of State Senator Ed Barker, President Carter has learned about your Free Enterprise Project and your Shoplifting Prevention Project, both undertaken in connection with your DECA Student Program.

As you may know, the President has a high regard for the activities of the DECA chapters around the country. Your participation is excellent training for your future careers and for your roles as responsible citizens.

Thank you, on behalf of the President, for your constructive efforts to help make our great country an even better place to live and work.

Sincerely,

Daniel M. Chew
Director of
Presidential Correspondence

DECA Student Program
Warner Robins High School
Warner Robins, Georgia 31093

WHcc: The Honorable Ed Barker
Senator of the State of Georgia
Atlanta, Georgia 30334

cc & note from JMC: Susan Clough

DC:JMC:rs--
PHOTO OPPORTUNITY FOR REP. STEPHEN SOLARZ (D-13-NEW YORK)

Thursday, December 20, 1979
9:45 a.m. (10 minutes)
The Cabinet Room

From: Frank Moore

I. PURPOSE

To have your photo taken with Rep. Steve Solarz and a group of his supporters from his district. The group consists largely of Jewish leaders. The Congressman and this group will publically announce their support for you at this time.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: Rep. Solarz represents the heaviest populated Jewish district in the United States. His announcement of support is critical for us in relation to the Jewish element.

Congressman Solarz is also Chairman of the House Subcommittee on African Affairs and has been supportive of the Administration's foreign policy. Because he is a member of both the Foreign Affairs and Budget Committees, he will be making a trip to the Middle East at the first of the year.


C. Press Plan: Full Press

D. Additional Information: Rep. Solarz ranks 11th on the House Foreign Affairs Committee and 11th on the House Budget Committee. He is also Chairman of the Africa Subcommittee and a member of the Defense and International Affairs Subcommittee, as well as the Human and Community Resources Subcommittee of Foreign Affairs. His cumulative support rating for the (96th) is 75%. The 13th district comprises south central Brooklyn and is traditionally Democratic in nature. This district also has a large Italian constituency.
IV. TALKING POINTS

1. Welcome the group and praise Rep. Solarz for his outstanding leadership in Congress, in New York, and in the Democratic Party.

2. Tell them how much you appreciate their support and that you look forward to working with them in the upcoming months.

3. You should also mention that New York has a special meaning to you because of the 1976 convention, and the warmth of it people and leaders.

4. Thank Rep. Solarz for his leadership and help in the Congress which helped promote the recent settlement in Zimbabwe-Rhodesia.

5. Rep. Solarz was very concerned with the plight of the Jewish community of 5,000 entrapped in Syria. As a result of your efforts, 12 young women were allowed to emigrate to the U. S. This was the first such movement in thirty years.

6. Bob Strauss has a telephone conversation with Rep. Solarz recently and told him that you would do a fundraiser for him the next time that you visited New York City. Ambassador Strauss will be speaking to this same group on the Hill at a luncheon today.

7. You might want to comment to the Congressman about his upcoming trip to the Middle East in early January. He will be visiting Egypt (and meeting with President Sadat), Saudi Arabia, Jordan and most of the gulf countries. The purpose of the trip is to discuss current affairs, the oil problem in the wake of the Iranian crisis, and Jewish human rights in Syria.

8. You might want to congratulate a member of this group, Mr. Stephen Shalom, on his appointment to your Commission on US/Liberian Relations. He will be travelling with the Congressman to the Middle East and then join other members of the Commission in Liberia in January. Mr. Shalom met with you and Dr. Brzezinskiin May of 1977 to discuss the plight of Syrian Jewry. He also heads Bonds for Israel in New York.

9. Rabbi Abraham Hecht will present a Bible to you inscribed with "special thanks" from the American Jewish Community.
PEOPLE ACCOMPANYING REP. SOLARZ

1. Congressman Stephen Solarz
2. Nina Solarz (his wife)
3. Michael Lewan (aide to the Congressman)
4. Carol Ditta (aide to the Congressman)
5. Joe Cayre (Business leader)
6. Abe M. Cohen (President, Shaare Zion)
7. Adele Dashow (Community leader, Sheepshead Bay)
8. Marcy Feigenbaum (Democratic Leader, 46 A.D.)
9. Mary Kay Gallagher (Flatbush Civil leader)
10. Rabbi Sholom Gorodetsky (Spiritual and Community Leader)
11. Ira Harkavy (President, Planning Board 14)
12. Rabbi Abraham Hecht (Shaare Zion – will present you with Bible)
13. Sam Horwitz (City Councilman)
14. Eric Ierardi (President, Gravesend Historical Society)
15. Leon Katz (City Councilman)
16. Mark Klein (President, United Wabasse Houses)
17. Joseph Lassman (President, Sea Gate Association)
18. Rev. Ronald Marino (Director, AMICO and Chaplain, NYS Sons of Italy)
19. John Nikas (President, NYC Planning Boards Association)
20. Cheryl Pearlmutter (Democratic Leader, 44 A.D.)
21. Maxine Pless (President, Shorefront Democratic Club)
22. Estelle Plotnick (Community Leader)
23. Sheldon Plotnick (Democratic Leader, 46 A.D.)
24. Murray Raphael (President, Luna Park Houses)

25. Rabbi Chaim Rosenberg (Munketch Seminary)

26. Stephen Shalom (Jewish Community Leader and Banker)
   Appointment to the US/Liberian Commission)

27. Florence Snyder (Democratic Leader, 45 A.D.)

28. Martin Solomon (State Senator)

29. Sam Solomon (Business Leader)

30. Mary Tobin (Democratic Leader, 42 A.D.)

31. Michael Weiss (President, Flatbush Development Corporation)

32. Eric Hirschhorn (Personal friend of the Congressman's and works for OMB)