

1/8/80

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo w/att	Zbigniew Brzezinski to the President Re: El Salvador. (10 pp.)	1/5/80	A
memo w/att	Henry Owen to the President. Re: Dealing with Soviet/Afghan crisis (3 pp.) <i>Opened per RAC NLC-126-20-2-1-6 12/11/13</i>	1/4/80	A

FILE LOCATION

Carter Presidential Papers- Staff Offices, Office of Staff
 Sec.- Pres. Handwriting File, "1/8/80." Box 163

RESTRICTION CODES

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January 8, 1980

Dear Congressman Biaggi:

As you can see from the enclosed, the President was pleased with your recent press release and statement on his human rights policy.

Also, he is aware of your comments^{*} on the House floor in support of his proclamation of National Unity Day. He asked me to send you this ceremonial copy of the proclamation along with his personal thanks and best wishes.

Sincerely,

Frank Moore
Assistant to the President
for Congressional Liaison

The Honorable Mario Biaggi
U.S. House of Representatives
Washington, D.C. 20515

✓ Enclosures :
Requested by Jim Free

cc: ✓ Eileen Sheehan
✓ Ev Small

FM/EJS/djk

*Press Release + Procl. copy of
news article w/ photo.
handwritten note sent*

4

THE WHITE HOUSE
WASHINGTON

January 7, 1979

Susan--

Congressman Biaggi sent this press release to Jim Free, and Jim suggests that a note from the President would be nice. Rather than a letter, I think we might do a Presidential note right on the release, and I'll send it back to Biaggi along with a ceremonial copy of the National Unity Day Proclamation which Biaggi praises in this speech on the House floor.

I've put some suggested language on the attached card, but whatever you think best is fine.

Please return this to me in 103 EOB.

Thanks,

Ev Small

Susan--

This is fyi. I think we should write the note on the release only, and I'll use the Frank Moore cover letter to mention this excerpt from the Record.

Thanks,
Ev

MARIO BIAGGI

MEMBER OF CONGRESS
10TH DISTRICT

NEW YORK

Republic of Panama has responded when we needed that help most, and this act of cooperation, which might well help defuse one of the major international crises of this decade, is a good example of the true spirit of pan-American friendship and bodes well for future cooperation between our two nations.

NATIONAL UNITY DAY

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, today is National Unity Day as proclaimed by President Carter. It is a day when we as a nation and a people should direct our thoughts and our prayers to our 50 brethren who remain captives in Iran. It is also a day for us to show our support for the President and the exemplary leadership he has demonstrated throughout this national ordeal. The President has shown calmness but never weakness and has placed the safety of the hostages above all other considerations.

Our most fervent wish would be for all the hostages to be freed in time to spend Christmas with their families and loved ones. Yet, realistically, as each day passes, the chances become more remote. If Christmas comes and our fellow Americans remain hostages, our Nation should unite again in prayer.

As the President has suggested I am displaying the American flag outside the door of my office. I urge all my colleagues to do the same as well as the American people. A show of national patriotism and unity today could speed the release of the hostages in the future.

TRIBUTE TO THE LATE HONORABLE
SHERMAN P. LLOYD

(Mr. MARRIOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARRIOTT. Mr. Speaker, on Saturday, December 15, former Congressman Sherman P. Lloyd (Republican of Utah) passed away, marking the end of two decades of public service to both the State of Utah and the National Government.

Sherm Lloyd has faithfully served his State in both the State senate, where he was president, and for four terms in the U.S. House of Representatives, where he served on the Committees on Banking, Foreign Affairs, and Interior and Insular Affairs.

Sherm Lloyd had great interests in U.S. foreign policy and in energy independence, where his work and research

contribution to those of r where he left off.

was a statesman of the family man, a church father and husband, a reader, a friend of small riculture, and an effec- or the interests of the Nation as a whole. spected and admired by im. All of us, his col- louse, will miss him.

HIS MEMORY will endure in our thoughts as one who represented all that is good, honest, and decent in American public life. At this time of his passing, we send our sincere sympathy to his wife and family and pay tribute to him for his service to his country as a Member of the U.S. House of Representatives. Sherman Parkinson Lloyd was a great American.

EXPLANATION AS TO VOTE

(Mr. DANIELSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIELSON. Mr. Speaker, I was unable to be on the floor of the House for the votes, on Friday, December 14, 1979, rollcalls Nos. 731 through 739. I announce how I would have voted had I been present:

On rollcall No. 731, when the House approved the Journal of December 13, 1979, I would have voted "aye."

On rollcall No. 732, when the House agreed to order the previous question on House Resolution 506, the rule under which it is considering H.R. 5980, to authorize a program of fiscal assistance during economic recessions, I would have voted "aye."

On rollcall No. 733, when the House agreed to House Resolution 506, the rule under which it is considering H.R. 5980, I would have voted "aye."

On rollcall No. 734, when the House agreed to table a motion to reconsider the vote on House Resolution 506, I would have voted "aye."

On rollcall No. 735, when the House agreed to resolve itself into the Committee of the Whole for the consideration of H.R. 5980, I would have voted "aye."

On rollcall No. 736, a quorum call, if I had been present I would have voted "present."

On rollcall No. 737, a quorum call, if I had been present I would have voted "present."

On rollcall No. 738, then the House agreed to five technical amendments to H.R. 5980, I would have voted "aye."

On rollcall No. 739, when the House agreed to an amendment to H.R. 5980 that reduces the targeted fiscal assistance authorization from \$250 million to \$150 million, I would have voted "nay." ●

REPRESENTATIVE CONABLE OF- FERS INSTRUCTIONS TO CON- FEREEES TO ACCEPT SENATE RE- PEAL OF COST BASIS CARRYOVER PROVISIONS OF WINDFALL PROF- ITS TAX

(Mr. CONABLE asked and was given permission to address the House for 1

minute and to revise and extend his re- marks.)

Mr. CONABLE. Mr. Speaker, when the windfall profit tax is sent to conference later this morning, I will offer an instruction to the conferees to accept the Senate repeal of the cost basis carryover provisions, which were enacted first in the 1976 act and the effective date of which was postponed in the 1978 Tax Act.

This idea of carrying over the cost basis of appreciated assets from one generation to another would not harm the wealthiest with their liquid estate assets, but would hurt the estates of small businessmen and family farmers who might have to sell appreciated assets to pay estate taxes and, as a result, get a pyramiding of taxation at a time when the family can least afford it.

Mr. Speaker, I urge my colleagues to be present and to vote for the instruction to the conferees to accept the Senate amendment repealing cost basis carryover. It is an idea whose time has not come and I do not believe it should be permitted to come into effect at any time in the foreseeable future.

UNANIMOUS RESOLUTION OF UNANIMITY

(Mr. BUCHANAN asked and was given permission to address the House for 1 minute and to revise and extend his re- marks.)

Mr. BUCHANAN. Mr. Speaker, as a cosponsor of House Concurrent Resolution 221 on behalf of the hostages in Iran, I find it particularly appropriate that on the day the President has designated National Unity Day, the House should consider this resolution, unanimously reported out by the Committee on Foreign Affairs and, hopefully, which will be overwhelmingly approved by the House in a few moments.

I have not in my personal experience known greater unanimity in the United States, certainly not since World War II, than that which exists on behalf of our hostages in Iran. These courageous Americans are in a situation akin to that of prisoners of war. It is right that we should so recognize them today. They are illustrative of the courageous men and women serving in many places of danger in the Foreign Service. We should not forget the Service and the sacrifice of those Foreign Service officers who have given their lives and the many more who have endured grave risks for our country. We have reason to be grateful for them all.

PRIME MINISTER THATCHER CON- FIRMS SUPPORT FOR HOSTAGES

(Mr. SHARP asked and was given per- mission to address the House for 1 min- ute and to revise and extend his remarks.)

Mr. SHARP. Mr. Speaker, Prime Min- ister Thatcher yesterday confirmed the strong support of Great Britain for our efforts to free the hostages in Iran and to end the outrageous breach of interna- tional law by the Government of Iran.

Mr. Speaker, on this day of national unity, we are grateful for the support of



NEWS

FROM CONGRESSMAN

MARIO BIAGGI

10TH CONGRESSIONAL DISTRICT, N.Y. EAST BRONX AND NORTH QUEENS

FOR IMMEDIATE RELEASE
DECEMBER 19, 1979

PRESS CONTACT: Bob Blancato
(202)225-2464

BIAGGI HAILS CARTER FOR REAFFIRMING U.S. POSITION AGAINST ARMS SALES TO R.U.C.

Washington---U.S. Rep. Mario Biaggi (D-N.Y.), Chairman of the 130-member Ad Hoc Congressional Committee for Irish Affairs praised Jimmy Carter for personally reaffirming the current policy of the United States against selling arms to the Royal Ulster Constabulary, the main police force in Northern Ireland.

Biaggi explained, "During the December 17 meeting between the President and British Prime Minister Thatcher the issue of the suspension arose. Despite a strong plea by Mrs. Thatcher to have the suspension lifted, the President restated our policy that the suspension would remain in effect while a full review of U.S. policy towards Northern Ireland is being conducted."

The arms suspension resulted from a highly controversial January 1979 decision by the State Department to license the sale of 3500 weapons to the RUC. Biaggi explained, "This action was done in violation of the Foreign Assistance Act which bars the sale of U.S. arms to any nation or organization with a proven record of human rights violations. The recipient organization, the RUC, had been cited by Amnesty International as well as a British Government-appointed commission for human rights violations."

Biaggi led a House effort which resulted in the decision in August by the State Department to begin the suspension. "The President by his action has again demonstrated his leadership in the area of respect for human rights. He has made human rights the cornerstone of our foreign policy and by doing so, has restored morality and integrity to foreign policy," Biaggi concluded.

-30-

*Mario,
Thanks!
J.*

Honorary Chairperson, Rosalynn Carter
President, Wayne Smith
Executive Director, Stanley C. Humphries

The Friendship Force

January 8, 1980

Mrs. Rosalynn Carter
The White House
Washington, DC

*Phil -
Tentative ok - Check
to Ros -
J*

Dear Rosalynn:

During the first week of January, I visited Brazil and finalized arrangements for three Friendship Force exchanges between three USA cities and three Brazilian cities which are to occur in the month of May.

Cities which will be involved are:

1. Charlotte, NC with Sao Carlos, (Sao Paulo State).
May 6-20.
2. Louisville, KY with Americana, (Sao Paulo State).
May 11-25.
3. Des Moines, IA with Brasilia, (Federal District).
May 13-27.

There will be a total of 492 Brazilians distributed among the USA cities and a like number of American citizens distributed among the three Brazilian cities.

A USA-Brazil Friendship Festival is being planned for Monday, May 19 at 8:00 p.m. The Festival will work this way:

All the 492 Americans who will be in Brazil will be invited to Brasilia and all the Brazilians in the USA will be invited to Washington. The Friendship Force will issue these invitations. Along with each Ambassador, two members of each Host family will be invited to attend the Festival with their visiting Ambassadors. This will mean that there will be a group of about 1,500 persons in Brasilia and the same number in Washington. The Festival will occur on the same evening and at the same hour in both cities.

When I was in Brasilia earlier this month I met with an official of the Government of the Federal District. He told me that The Friendship Force can count on the total support of the Governor of the Federal District. He assured me that the Festival in Brasilia would be hosted either at the residence of the Governor of the Federal District or, possibly, at the residence of the President of Brazil. In Washington, present plans are to hold this side of the Festival at the Pan American Union Building.

The Friendship Force

Mrs. Rosalynn Carter
January 8, 1980
Page 2

Carolyn Hunt tells me that she and her husband plan to attend the Festival. The Lieutenant Governor of Kentucky, Martha Layne Collins, (who from the beginning has been The Friendship Force State Director) tells me that she plans to attend and is confident that Governor and Mrs. Brown will want to be there as well. Joe Grubbs, Administrative Assistant to Governor Robert Ray (and State Director of The Friendship Force in Iowa from the beginning) tells me that Governor and Mrs. Ray will attend the Festival.

The Brazilian delegation to Washington will be led by Dr. Pereira Lopes, former President of the National Congress of Brazil and Honorary President of The Friendship Force of Brazil. You will remember Dr. Lopes from the visit you and your husband made to Brazil in 1972. He is the one who graciously held the reception for you at his home in Brasilia and invited several dozen high authorities of the Brazilian government to be present. Also, present among the Brazilians, will be several citizens of Americana who are descendents of persons who once lived in the southern USA and emigrated to Brazil following the War Between the States. And last of all, I am told there is a good chance that one of the sons of President Joao Figueredo will accompany the group from Brasilia.

The purpose of all of the above, Rosalynn, is to lay the ground-work for an invitation which I want to extend to both you and the President to attend the Festival on the Washington end of it. If you and the President could drop in for an hour or so many good things could happen.

For example, if you and the President accept this invitation, the Brazilians would plan to send a professional Brazilian Samba Show to the Festival under the direction of Abelardo Figueredo. You probably remember Abelardo from your visit to Brazil in 1972. He hosted a reception in his home in Sao Paulo and invited several persons from Brazil's artistic set. Abelardo is still considered to be Brazil's leading "showman". The troupe of about 24 Brazilian musicians, singers, and dancers would provide the entertainment for the evening at the Pan American Union. This group would put on a typical Brazilian show ending with all of the Brazilian Ambassadors inviting their American Hosts to "take the floor" and learn to dance the Samba. Abelardo told me earlier this month that if you and the President can commit to attend the Festival, he is positive that he would be able to secure live Brazilian television coverage of this Festival, and that the Brazilian news media would give the event

The Friendship Force

Mrs. Rosalynn Carter
January 8, 1980
Page 3

maximum coverage. Abelardo has this capability. His brother is the President of General Motors of Brazil and Abelardo himself is extremely well related to the Brazilian media.

While the Washington part of the Festival is happening, the Brazilian portion of this event would be going on at the same time in Brasilia. If you and your husband do accept this invitation, the chances are excellent that President Figueredo would be present at this event in Brasilia. Friends of mine who are very close to President Figueredo (Dr. Lopes, Falavio Marcillio who is the present President of the National Congress of Brazil, etc.) would help with this. Providing the two Presidents did attend, and desired to do so, a brief televised telephone conversation could be arranged in which the two Presidents could exchange words of friendship in the name of the two countries.

Of course, I have been careful not to even hint to Dr. Lopes or the citizens of Americana that this idea of a USA-Brazil Festival is in the planning. If you and the President are not able accept the invitation to be present they will never know that it was even thought about. The Governors and their wives of the three USA States are all aware of your very demanding schedule and would thoroughly understand that this meeting of the three groups could not occur. In such a case they all have indicated that they will simply hold individual events in their three separate states.

Naturally, I am very, very hopeful that you and the President can accept this invitation because I am absolutely positive that it would do much to improve the "atmospherics" between the USA and Brazil; because it will emphatically say to all of the Brazilians who would see it on television or read about it in the media that the Carters truly do care about the people of Brazil; and besides all of this - it would be an awful lot of fun!

Please say yes.

Sincerely,

Wayne
Wayne Smith

WS/bd

THE WHITE HOUSE
WASHINGTON
08 Jan 80

The First Lady

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

Rick Hutcheson



OFFICE OF THE VICE PRESIDENT
WASHINGTON

January 3, 1980

Res
J
R

*fy.: (I'm already told Bess
she's a great diplomat!)*

MEMORANDUM

TO: ~~SUSAN CLOUGH~~
FROM: BESS ABELL *Bess*
RE: ANSEL ADAMS PHOTOGRAPHS

Sorry this progress report on the Ansel Adams portraits has taken so long, but it's been impossible to nail down until now all the vacationing people involved.

I told Mr. Adams that his showing only one photograph from a sitting was like tempting a starving person with a single perfect hors d'oeuvre, and that the President and Mrs. Carter were eager to see all the rest.

The status is this:

Color portrait of the President -- Polaroid has all of these and will ship them to me. There are six or eight and all, I am told, are very similar to the one you have.

Color portrait of the President and Mrs. Carter. There is a single, unique, small Polaroid. "They both look like a million dollars. They are perfect, the room is perfect, the composition is perfect." This is being sent.

The other photographs of this pose are Ektachrome transparencies, and as yet Mr. Adams has not decided who he will trust to print them.

Black and white of the President on the balcony. Mr. Adams has not yet printed any of these. He has some reservations about the composition he arranged, and wants to work with it a while longer.

Regarding your question: Is the Adams portrait official?

Mary Ann Tighe of the Arts Endowment made our initial contact with Andrea Turnage Gray, Mr. Adams' assistant. In that conversation, Andrea asked these questions and got these answers.

Would this be the official portrait?

No -- That's the photo that hangs in all the Post Offices.

Would Ansel be able to control the reproduction quality if the President decided he wanted copies?

No -- there's absolutely no way we could guarantee that.

What would the purpose of the photograph be?

For a special exhibit at the National Portrait Gallery.

As soon as I have more photos I will bring them over.

Phil has
seen

THE WHITE HOUSE
WASHINGTON

1/8/80

Mr. President:

This meeting will be
scheduled within the next
two weeks per Donovan's
request.

Phil

ok
J

January 4, 1980

*Phil
status?
J*

TO: THE PRESIDENT
FROM: HEDLEY DONOVAN
cc: DR. BRZEZINSKI
AMBASSADOR McDONALD

You have indicated interest in the suggestion from a recent SCC meeting that it could be useful for you soon to reaffirm that the U. S. has no quarrel with the people of Islam, has long-standing ties with Islam, and great respect for the principles of that faith.

I suggest a gathering of the faculties in Islamic studies from the Washington area universities. The Middle East people at the State Department have checked over the credentials of the scholars and professors who might be invited to such a meeting. There would probably be 15 or 20 of them.

Attached is a State Department - NSC - Donovan - Hertzberg draft of possible remarks. I think you would have to allow at least half an hour for dialogue with the academics so they didn't feel they were being used solely as an audience for your statement.

THE WHITE HOUSE
WASHINGTON

1/8/80

NOTE:

STU WAS GIVEN COPY OF ATTACHED.

BILL AND FILE GIVEN TO BOB LINDER

1/8/80.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT *Stu*
Lloyd Cutler

SUBJECT: Signing Materials for H. R. 5010

Attached please find a statement for your signature to be released when you sign H.R. 5010, the Federal Election Campaign Act Amendments of 1979. This statement has been cleared with the offices of Lloyd Cutler, the Vice President, and Rick Hertzberg. The Attorney General has also said it was fine to mention his advice about the "grave constitutional concerns" raised by section 603.

Also attached please find a bi-partisan letter from Chairman Frank Thompson, Jr. and Bill Frenzel of the House Committee on House Administration and Chairman Claiborne Pell and Mark O. Hatfield of the Senate Committee on Rules and Administration pledging to work to either repeal or amend this section in light of your concerns about its First Amendment implications. These were the key leaders in the House and Senate who worked for passage of H.R. 5010.

We plan to publicly release the letter along with the signing statement, unless you disagree.

Attachments

I agree - God & work!
J

NINETY-SIXTH CONGRESS

FRANK THOMPSON, JR., N.J., CHAIRMAN

LUCIEN N. NEDZI, MICH.
JOHN BRADEMAs, IND.
AUGUSTUS F. HAWKINS, CALIF.
FRANK ANNUNZIO, ILL.
JOSEPH M. GAYDOS, PA.
ED JONES, TENN.
ROBERT H. MOLLOHAN, W. VA.
LIONEL VAN DEERLIN, CALIF.
JOSEPH G. MINISH, N.J.
MENDEL J. DAVIS, S.C.
CHARLES ROSE, N.C.
JOHN L. BURTON, CALIF.
LEON E. PANETTA, CALIF. (OR LEAVE)
PETER A. PEYSER, N.Y.
WILLIAM R. RATCHFORD, CONN.
VIC FAZIO, CALIF.

WILLIAM L. DICKINSON, ALA.
JAMES C. CLEVELAND, N.H.
BILL FRENZEL, MINN.
DAVE STOCKMAN, MICH.
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NEWT GINGRICH, GA.
JERRY LEWIS, CALIF.
CARROLL A. CAMPBELL, JR., S.C.
TOM LOEFFLER, TEX.

Congress of the United States

House of Representatives

COMMITTEE ON HOUSE ADMINISTRATION

SUITE H-326, U.S. CAPITOL

Washington, D.C. 20515

WILLIAM G. PHILLIPS, STAFF DIRECTOR
ROBERT E. MOSS, GENERAL COUNSEL

January 8, 1979

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

Dear Mr. President:

We strongly urge that you sign H.R. 5010, which contains amendments to the Federal Election Campaign Act. These amendments are based on analysis of practical experience to date under the Act, and we believe they will benefit candidates, campaign committees and the public at large.

We understand that you are concerned about First Amendment questions raised by Section 201(a)(4) of H.R. 5010 which, among other things, prohibits certain types of voluntary political contributions by certain classes of Federal employees. It was our intention that this provision be read narrowly so that, for example, only the employees of the White House Office, as that term is used in 3 U.S.C. 105, would be barred from contributing to the reelection campaign of an incumbent President.

We are agreeable to seeking legislation which would either simply repeal Section 201(a)(4), or amend that section to insure that coverage conforms precisely to our original intention as set forth above, or take other appropriate action to correct this problem.

If H.R. 5010 is signed, we pledge to use our best efforts to see that such corrective legislation passes at the earliest possible date. We look forward to working with you and your staff in this effort.

Sincerely,

Frank Thompson Jr.
Bill Frenz

CLAIBORNE PELL, R.I., CHAIRMAN

HOWARD W. CANNON, NEV.

ROBERT C. BYRD, W. VA.

HARRISON A. WILLIAMS, JR., N.J.

WENDELL H. FORD, KY.

DENNIS DE CONCINI, ARIZ.

MARK O. HATFIELD, OREG.

HOWARD H. BAKER, JR., TENN.

JOHN TOWER, TEX.

RICHARD S. SCHWEIKER, PA.

WILLIAM MC WHORTER COCHRANE, STAFF DIRECTOR

GERALD W. SIEGEL, CHIEF COUNSEL

THOMAS K. DECKER, MINORITY STAFF DIRECTOR

United States Senate

COMMITTEE ON
RULES AND ADMINISTRATION

WASHINGTON, D.C. 20510

January 8, 1980

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

Dear Mr. President:

We strongly urge that you sign H.R. 5010, which contains amendments to the Federal Election Campaign Act. These amendments are based on analysis of practical experience to date under the Act, and we believe they will benefit candidates, campaign committees and the public at large.

We understand that you are concerned about possible constitutional questions raised by the application of Section 201(a)(4) of H.R. 5010 which, among other things, prohibits certain types of voluntary political contributions by certain classes of Federal employees. It was our intention that this provision be read narrowly so that, for example, only the employees of the White House Office, as that term is used in 3 U.S.C. 105, would be barred from contributing to the reelection campaign of an incumbent President.

We are agreeable to seeking legislation which would either simply repeal Section 201(a)(4), or amend that section to insure that coverage conforms precisely to our original intention as set forth above, or take other appropriate legislative action to correct this problem.

If H.R. 5010 is signed, we pledge to use our best efforts to see that such corrective legislation passes at the earliest possible date. We look forward to working with you and your staff in this effort.

Respectfully,



Claiborne Pell
Chairman



Mark O. Hatfield
Ranking Minority Member

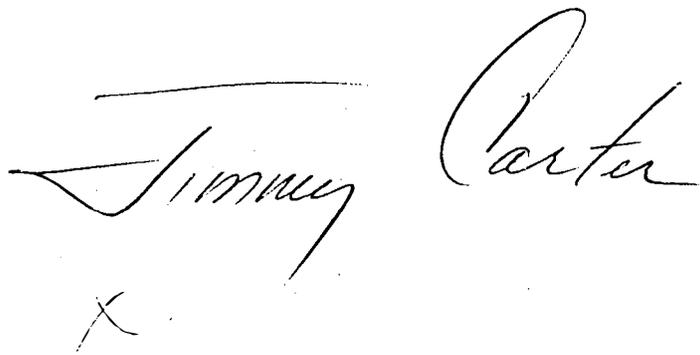
SIGNING STATEMENT

I have today signed H. R. 5010, the Federal Election Campaign Act Amendments of 1979. This measure significantly improves the Federal Election Campaign Act by eliminating burdensome regulation of candidates and political committees and by increasing the opportunity for grassroots political participation. I supported proposals contained in this legislation in the message I sent to Congress on March 22, 1977, and our electoral process will benefit greatly from the important reforms this bill contains. Congressmen Frank Thompson, Jr. and Bill Frenzel and Senators Claiborne Pell and Mark O. Hatfield are to be congratulated on their outstanding leadership in helping pass it.

Despite the major improvements this measure will bring to the law which governs Federal elections, there are some ^{serious} problems with this bill. H. R. 5010 would reduce patronage abuse protection of Federal employees with respect to State and local campaigns, although it would continue to provide full protection for Federal campaigns.

^{Even} More disturbing is the severe infringement of Federal employees' First Amendment rights that is caused by section 201(a)(4) of H. R. 5010. Under present law a person in government service is permitted to make voluntary campaign contributions to the authorized campaign committee of any candidate for elective office in the Federal system. This is a protected freedom that all citizens enjoy, and it is of vital importance. Section 201(a)(4) would restrict that right significantly by undermining the ability of persons in Federal service to make even totally voluntary contributions to the campaigns of their employing authority. This is an unacceptable and unwise intrusion upon their rights under the First Amendment, and the Attorney General has advised me that it raises grave constitutional concerns.

To the extent that section 201(a)(4) prohibits the solicitation of government employees by or on behalf of other Federal officials, including their "employing authority", this is already prohibited by existing law and section 201(a)(4) is unnecessary. It should therefore be promptly repealed or amended so as to remove its chilling effect on the rights of citizens to make voluntary contributions to the candidates of their choice. I am pleased that Congressmen Thompson and Frenzel and Senators Pell and Hatfield have pledged to work toward this end in letters they sent me today. I urge Congress to act with dispatch so that the First Amendment rights of Federal employees are not unduly jeopardized.

A handwritten signature in cursive script that reads "Jimmy Carter". The signature is written in dark ink on a white background. Below the signature, there is a small, faint handwritten mark that appears to be an "X".

THE WHITE HOUSE
WASHINGTON

rick hutcheson / patti--

please send me a copy of
this too

thanks--susan

MEMORANDUM

~~CONFIDENTIAL~~
27

~~CONFIDENTIAL~~

THE WHITE HOUSE
WASHINGTON

0055

INFORMATION

January 4, 1980

MEMORANDUM FOR: THE PRESIDENT
FROM: HENRY OWEN *HO*
SUBJECT: Crisis and Opportunity (U)

*@ Rick
One or two
points for
St of Union
J*

1. In continuing statements about the current crisis, I would urge you to focus not only on measures related to the immediate crisis but also on the wider competition between the US and USSR and the resulting need for actions to enhance the underlying strength and staying power of the free world. (e)

2. Some of the most imaginative measures to this end -- the Marshall Plan and the initiation of large scale aid to LDCs -- were taken in response to earlier crises, in 1947 and 1950, respectively. This type of action underlines US leadership, strengthens free world confidence and cohesion, and reminds the Soviets of the long-term costs of aggressive action. It shows our own people and our allies that we intend to use the crisis for constructive, as well as defensive, purposes. (e)

3. Energy. The same approach makes sense now. The clearest case is energy. You could stress that the main lesson to be drawn from Iran is that effective demand restraint by the US and other major industrial countries is needed to restore order to the energy market; indicate that we will be discussing a joint program to this end with our allies; and announce your intent to impose an import fee, if this proves needed to cut consumption and to play our part in such an allied program. I believe you would get wide support, at home and abroad: What seemed infeasible or uncertain only a few weeks ago may now be in the ball park. People would welcome your seeming to lead the way toward a concerted energy response to the worsening Middle Eastern situation, even if this clearly foreshadowed domestic sacrifices. (e)

4. Food. In responding to Soviet pressure on Western Europe in 1947 with the European Recovery Program and to Soviet pressure on the developing world in 1950 (Korean War) by launching a global development aid program, we took dramatic action to show peoples on the rim of Soviet power that they could count on us to meet their underlying concerns -- not merely to use them as pawns in a game of power politics. (e)

~~CONFIDENTIAL~~

Review on January 4, 1986

~~CONFIDENTIAL~~

DECLASSIFIED

Per: Rac Project

ESDN: NLC-126-26-2-1-6

BY KS NARA DATE 12/3/13

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The main problem facing the peoples in the shadow of Soviet power in South Asia is agriculture -- an endemic problem, underlined by the current drought, which is the worst in almost a century. This is the region where most of the people in the developing world live, and where the War on Hunger will be won or lost. You could announce that you have directed that US bilateral and multilateral aid be geared increasingly to winning that war, which is true; that you will be asking other donor countries to join in more effective efforts to this end; and that you will be seeking prompt action by the Congress on the FY 1980 and FY 1981 aid programs for this purpose. (Ø)

5. US Economy. The link between the present crisis and US economic policy is less dramatic, but it exists and could be made clearer. You could point out that our influence abroad hinges on our being able to lick inflation at home and to maintain a strong dollar: We need to restore steady US non-inflationary growth as quickly as possible, if we are to play our part in containing increasing dangers abroad. You could indicate that there is no way to do all this without improving our productivity, and you could foreshadow the fact that encouraging investment and productivity will be the main new direction of US economic policy in the coming year: If an economic decline makes a tax cut desirable later in the year, it will stress measures to increase investment, and we will be placing increasing emphasis on parallel measures to improve human capital by helping workers move to areas of higher productivity. All this should provide some light at the end of the economic tunnel. (Ø)

6. Conclusion. By foreshadowing these measures to strengthen the free world, as well as measures more directly related to the immediate crisis, you will impress on both our own people and our allies that this is an historic turning point, and that a wide ranging program is needed to meet the challenge. We will get a better reaction, at home and abroad, in the degree that this program includes constructive, as well as defensive, measures. Linking these measures to the immediate crisis will widen support for actions that we should be taking anyway. (Ø)

THE WHITE HOUSE
WASHINGTON

JANUARY 8, 1980
11:10 A.M.

MR. PRESIDENT:

PRESIDENT GISCARD

D'ESTAING HAS REQUESTED TO
SPEAK TO YOU ABOUT 1:15 P.M.
TODAY.

PHIL

ok
J

THE WHITE HOUSE
WASHINGTON

08 Jan 80

Secretary Duncan/John Sawhill

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

Rick Hutcheson
Zbig Brzezinski
Stu Eizenstat



PROPRIETARY

John
ok
J

R.P.

Department of Energy
Washington, D.C. 20585

January 4, 1980

MEMORANDUM FOR:

THE PRESIDENT

FROM:

062204

John C. Sawhill

SUBJECT:

Mexican Oil Imports

I. Legal Authority

Section 232(b) of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862) gives you the authority to "adjust imports" of commodities if such imports constitute or aggravate a threat to the national security. You can use this authority to ban imports, as you did in the case of Iran. There are serious practical difficulties, however, in reducing, rather than banning imports. It would take at least several weeks to implement a reduction program and would seriously disrupt the import market.

II. Pricing

On January 2, 1980, Mexico raised the price of its oil from \$24.60 to \$32.00 per barrel. This price, when adjusted for transportation costs and the quality of the crude, is in line with the current prices for some of our major suppliers. The United States has received crude oil from Canada (\$31.25), Libya (\$34.50), Nigeria (\$30) and Algeria (\$33) at comparable prices in light of the quality of the product. British North Sea crude oil is expected to reach \$32 in the first quarter of 1980. A major oil company is now selling lower quality West Texas crude oil at \$35 per barrel; other domestic companies are expected to increase their prices similarly. Transportation costs for West Texas and Mexican Isthmus crude are comparable.

It appears that the new price of Mexican crude oil was based on crude oil prices in the Persian Gulf, adjusted for quality differences, plus transportation differentials, with a small premium for security. The expected cost of all imported crude oil to U.S. refineries will average \$29.00 in January 1980.

It should also be noted that Mexico, unlike most other producing nations, has not sold any crude on the spot market. Its listed price is, therefore, also its average price, while the average price actually received by other countries is higher than the listed price because of higher-priced spot market sales. Moreover, Mexico has not made its price increase retroactive.

III. Imports from Mexico

During the first ten months of 1979, actual imports of crude oil from Mexico averaged approximately 380,000 barrels per day (b/d). The projected liftings from Mexico for the period November 1979 through February 1980 are expected to increase to an average of approximately 580,000 b/d. During 1979, twenty-two United States companies received crude oil from Mexico. The most recent actual and estimated import levels for the major companies receiving crude oil from Mexico are listed in the attached table.

IV. Oil Company Response

Three of the United States companies currently importing Mexican crude oil were contacted for their response to the price increase. They indicated that they have no cheaper alternative source of crude, and therefore would continue to purchase from Mexico. If their Mexican supply were cut off or diminished, they would be forced to purchase either crude oil or product on the spot market, at a higher price than that charged by Mexico. Such higher prices would, of course, be reflected in the cost of petroleum products to the American consumer. The additional spot market purchases would increase pressure on spot market prices.

The three companies also pointed out that Mexican crude oil is ideally suited to use in European refineries. If the United States decreased its imports from Mexico, Mexico could sell all of the excess supply immediately, at its current price, in Europe.

V. Conclusion

Reduction or termination of imports from Mexico would not have a punitive or detrimental effect on Mexico and would create supply problems for American oil companies, resulting in higher prices to the American consumer. We advise against such action.

PROPRIETARY

We share your increasing concern about the changing character of the international oil market. It is apparent that the major companies no longer have the control over supply and distribution that they once exercised. For this reason, we are again considering whether the government should establish a governmental oil buying mechanism. We will be preparing a memorandum for you on this in the near future.

PROPRIETARY

Crude Oil Imports from Mexico by Company
(1000 B/D)

	1979 Actual										<u>Estimated *</u>			
	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
Shell Oil	108	81	63	76	86	85	75	75	96	94	108	114	154	134
Exxon	51	51	23	33	47	59	34	67	64	97	60	46	124	110
Ashland	82	29	54	17	44	60	44	54	52	96	68	101	78	79
Amoco	28	-0-	10	-0-	-02-	14	34	24	30	11	23	35	45	44
Arco	-0-	-0-	21	-0-	11	25	-0-	41	37	34	24	14	25	26
Cities Service	12	-0-	-0-	-0-	8	-0-	-0-	-0-	-0-	5	0	43	24	26
Sun Oil	-0-	11	-0-	23	-0-	-0-	15	8	12	0	30	47	20	20
Other	268	243	226	171	192	212	167	163	127	113	175	165	126	136
U. S. Total	549	415	397	320	390	455	369	432	419	450	488	655	596	575

*Source: U. S. Emergency Report to the IEA, December 1979

PROPRIETARY

ID 800178

THE WHITE HOUSE

WASHINGTON

DATE: 08 JAN 80

FOR ACTION:

INFO ONLY: THE VICE PRESIDENT ZBIG BRZEZINSKI
STU EIZENSTAT

SUBJECT: SAWHILL MEMO RE MEXICAN OIL IMPORTS

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

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:

*Kathy R will call, meeting yesterday
Memo maybe moot*

THE WHITE HOUSE
WASHINGTON
08 Jan 80

Alfred Kahn
Anne Wexler

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

Rick Hutcheson

The original has been sent
to stripping for mailing.

cc: Stripping

THE WHITE HOUSE
WASHINGTON

8 Jan 80

~~Susan~~

A letter is attached in case the President would rather send one instead of make the call. (The speechwriters have edited.)

Marion

THE WHITE HOUSE

WASHINGTON

January 8, 1980

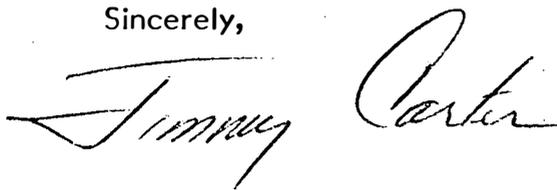
To Tom Murphy

I am writing to let you know that I appreciate the continuing support General Motors is giving my voluntary anti-inflation program.

Your recent commitment to Fred Kahn to stay on the price deceleration standard during the present program year is a very important one for me and for the program. I know that it represents a concession for the company, and I congratulate you on this additional demonstration of enlightened business leadership.

The future will surely require more sacrifice from each part of our society. General Motors, under your leadership, sets a good example.

Sincerely,

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

Mr. Thomas A. Murphy
Chairman and Chief Executive Officer
General Motors Corporation
3044 West Grand Boulevard
Detroit, Michigan 48202

GM's Vow on Prices Enables It to Comply With Anti-Inflation Guides, U.S. Decides

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—The Carter administration gave General Motors Corp. its anti-inflation seal of approval after balancing the company's 33% three-year wage-and-benefit settlement against GM's promise to hold down price increases.

"GM is in compliance" with the administration's voluntary wage-price guidelines, Alfred Kahn declared in a statement.

Mr. Kahn, who is chairman of the administration's Council on Wage and Price Stability, conceded that the company's Sept. 14 labor settlement with the United Auto Workers union exceeds the 7% annual wage-and-benefit increase standard.

Despite that, he said the council was declaring GM in overall compliance because of GM's "commitment" to observe the administration's price guidelines through next October.

Specifically, he said GM privately agreed just before Christmas to forswear using the so-called profit-margin test, a loophole in the guidelines that allows companies with rapidly rising costs to set bigger price increases than they could under the price guideline. The price standard basically requires companies to hold price increases below their 1976-77 price increases.

"The decision by General Motors to adhere to the price limitation is an additional demonstration of that corporation's continuing support for the President's anti-inflation program," Mr. Kahn said. "It is a genuine concession on the company's part to commit itself in this way to hold its price increases during the first two (guideline) program years to its price increases in 1976-77, when inflation in our economy was running at a much lower rate."

"Guideline Math"

Mr. Kahn said the GM labor settlement was in fact "considerably lower" than the general consensus estimates, which have put it at 30% to 35%. Mr. Kahn, however, was using "guideline math," under which

I did not!

various labor costs are excluded for computation purposes. And he conceded that even using such math, the settlement violated the guideline.

In GM's defense, though, Mr. Kahn said the company "had reason to believe that the contract would comply" with the wage guideline and thus had acted in good faith. The company, Mr. Kahn said in a five-page decision, used a faulty computation method to calculate its increase in pension and health costs.

However, Mr. Kahn continued, GM thought the computation method was acceptable because the trucking industry had used it in settling with the Teamsters union earlier this year. The trucking industry's use of the method was "unbeknownst to the council," Mr. Kahn said.

In his statement, Mr. Kahn said GM committed itself to observing the price limitation following a Dec. 21 meeting in Mr. Kahn's office. "The meeting was held at the request of company executives, who were appealing an initial finding of noncompliance," he said.

Mr. Kahn said GM committed itself to eschew the profit-margin test "unless it experiences substantially greater increases in costs than it can reasonably foresee at the present time."

Decision Pleases GM

GM said it was "pleased" with the decision.

GM said that since Oct. 1—the start of the second year of the anti-inflation program—it has increased its prices twice, for an average of about 3%, or about 0.5 percentage point below the guidelines. So far, however, GM has announced price increases on 1980 models that mean such cars will cost over 6% more, on average, than their 1979 counterparts. The exact figure can't be accurately determined.

The difference stems from guideline math. GM was allowed to attribute part of the increase on 1980 model cars to the 1979 guideline year. In addition, the auto maker was able to exclude from its calculations portions of the price increase that were related to product improvements and didn't yield it any profit.

THE WHITE HOUSE

WASHINGTON

08 Jan 80

Frank Moore

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

Rick Hutcheson

cc: Zbigniew Brzezinski

ORIGINAL TO EU SMALL FOR
HANDLING + Delivery

FOR STAFFING
FOR INFORMATION
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LOG IN/TO PRESIDENT TODAY
IMMEDIATE TURNAROUND
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FOR APPROPRIATE HANDLING
LAST DAY FOR ACTION

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EYES ONLY

ACTION
FYI

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

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

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

0015

ACTION

January 7, 1980

C

MEMORANDUM FOR: THE PRESIDENT
FROM: ZBIGNIEW BRZEZINSKI *ZB*
SUBJECT: Your response to Congressman Solarz

At Tab A is your response to Congressman Solarz's letter and analysis of your policy on Zimbabwe, at Tab B.

NSC staff and the speechwriters concur.

RECOMMENDATION: That you sign your letter to Solarz at Tab A.

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

January 7, 1980

Dear Congressman Solarz:

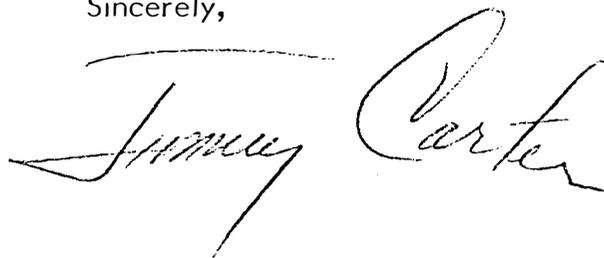
Your analysis of the diplomatic processes that have brought about the present transition to full independence for Zimbabwe is perceptive and well stated.

We share the hope and the conviction that the Lancaster House settlement now being implemented will lead quickly to the establishment of a viable and truly representative government in Salisbury, that the people of Zimbabwe will be able to live in peace and dignity once again, and that stability will return to the region.

The remarkable progress that has been made is a tribute to the wisdom and courage of the policy decisions taken by Mrs. Thatcher at the Commonwealth meeting in August of last year, and to the skill and tenacity of Lord Carrington during the recently concluded Lancaster House negotiations.

My decision last June -- to retain sanctions until it was clear that a process leading to a genuine transfer of political power to the majority had begun -- would not have been effective had it not been for the restraint exercised by the Congress in supporting that position. The role played by you and your Committee has been crucial to U.S. policy. Your keen and persistent support is appreciated.

Sincerely,

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

The Honorable Stephen J. Solarz
U.S. House of Representatives
Washington, D.C. 20515

A

STEPHEN J. SOLARZ
13TH DISTRICT, NEW YORK

COMMITTEES:
FOREIGN AFFAIRS
CHAIRMAN, SUBCOMMITTEE ON AFRICA
BUDGET

Congress of the United States
House of Representatives
Washington, D.C. 20515

December 21, 1979

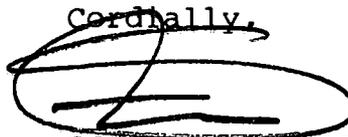
President Jimmy Carter
The White House
Washington, D. C. 20500

Dear President Carter:

In view of the agreement the other day between the Patriotic Front and the Salisbury Government, concerning the future of Zimbabwe-Rhodesia, I thought you might be interested in taking a look at the enclosed essay, which I wrote for the Op Ed page of the Washington Star, on the success and significance of the Lancaster House negotiations.

I would, of course, very much appreciate your reaction to it.

Cordially,



STEPHEN J. SOLARZ
Member of Congress

Enclosure
SJS:ag/l

WASHINGTON OFFICE:
1530 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-2361

DISTRICT OFFICES:
1628 KINGS HIGHWAY
BROOKLYN, NEW YORK 11229
(212) 965-5100

253 BRIGHTON BEACH AVENUE
BROOKLYN, NEW YORK 11235
(212) 965-5105

NSC
CONGRESSIONAL
LIAISON

DEC 31 1979

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cc: Bebel

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The Washington Star

SATURDAY, DECEMBER 1, 1979

Rep. Stephen J. Solarz

Triumphs of African diplomacy

Assuming the Lancaster House talks on Zimbabwe-Rhodesia do not collapse near the finish line, we will have witnessed an historic breakthrough in the search for a peaceful resolution of the racial conflicts now raging in Southern Africa.

Undaunted by previous failures to facilitate a negotiated and internationally acceptable transition to majority rule in Zimbabwe-Rhodesia, Prime Minister Thatcher and Lord Carrington have steered the delicate negotiations toward a successful conclusion in one of the most brilliant diplomatic achievements of the postwar era.

Above and beyond what the London agreement would mean for the people of Zimbabwe-Rhodesia, over 20,000 of whom have already lost their lives in a bitter civil war, it would also improve the prospects for a settlement of the conflict in nearby Namibia.

If the London talks on Zimbabwe-Rhodesia can be followed by an agreement on Namibia, the twin triumphs of diplomacy over civil war in two Southern African nations should contribute significantly to the prospects for racial justice and political equality in South Africa as well. By providing tangible evidence that it is possible to reach constructive political agreements with nationalist

Point of View

forces, they should strengthen the hand of those South Africans who advocate similar accommodations and a genuinely free multiracial political and social system in their own country.

The Lancaster House negotiations should also produce beneficial consequences for the conduct of American foreign policy in Africa. For what has been at stake in the London negotiations is not only the fate and future of Zimbabwe-Rhodesia, but the validity and viability of the proposition that we must approach African problems in an African context rather than on the basis of Cold War rivalries.

Those of us who believed that African realities should be the primary consideration in formulating our African policy argued that however difficult it might be, a negotiated settlement of the conflict in Zimbabwe-Rhodesia was possible. We believed that with the help of the Frontline states, the Patriotic Front could be persuaded to stake its chances for power on the ballot box rather than the bullet.

Those who believed the Patriotic Front represented the cutting edge of Soviet expansionism in Southern

African-claimed, on the other hand, that the search for a settlement was doomed from the start, and that rather than engage in an effort to bring about a negotiated transition to an internationally acceptable version of majority rule, we should simply come to the aid of the Muzorewa regime.

Had we heeded the cries of those who urged an immediate lifting of sanctions throughout the spring and summer, however, it is doubtful that there would have been a London conference in the first place, let alone an agreement to end the war.

A unilateral American move six months ago to restore trade with Zimbabwe-Rhodesia would have left Bishop Muzorewa with little incentive to agree to the kind of concessions he was obligated to make in London. For it was only when it became clear to the bishop following the elections in Rhodesia last April that sanctions were not about to be lifted that he realized further constitutional changes were the price for international acceptability and recognition.

A premature congressional vote to lift sanctions would not only have precluded the possibility of a negotiated settlement, it would undoubtedly have resulted in a further intensification and international-

ization of the armed struggle. It also would have put us in a position where we were the only nation in the world, other than South Africa, engaging in trade and commerce with Rhodesia — thereby giving the Soviet Union a golden opportunity to characterize us as the defenders of white domination while portraying themselves as the champions of majority rule.

Instead Congress set the stage for Lord Carrington's virtuoso diplomatic performance when the House, on June 28, voted 242-147 against an amendment which would have forced President Carter to lift sanctions against Zimbabwe-Rhodesia.

The sense of restraint and responsibility shown by the Congress has been amply rewarded by the Lancaster House results. It precluded another confrontation with Cuban troops in Africa. It prevented what would otherwise have been a diplomatic disaster.

But most importantly, it paved the way for a negotiated resolution of the conflict in Zimbabwe-Rhodesia while enhancing the prospects for the achievement of genuine majority rule throughout Southern Africa.

Rep. Solarz, D-N.Y., is chairman of the House Foreign Affairs subcommittee on Africa.

11:45 Am

THE WHITE HOUSE

WASHINGTON

January 7, 1979

MEETING WITH MR. RALPH W. PRITCHARD

Tuesday, January 8, 1979

11:45 a.m. (3 minutes)

The Oval Office

FROM: SARAH WEDDINGTON ^{RC}

I. PURPOSE

Courtesy call by Mr. Ralph W. Pritchard, President of Thorsen Real Estate Company, Oakbrook, Illinois. Mr Pritchard is the newly-installed President of The National Association of Realtors.

II. BACKGROUND, PARTICIPANTS, & PRESS PLAN

A. BACKGROUND: The National Association of Realtors represents over 750,000 realtors, developers, builders, etc., in this country. The NAR has been very supportive of the Administration in the housing field. They have participated with other business groups in supporting the anti-inflation effort and are considered one of the most influential voices in the business community.

B. PARTICIPANTS: Mr. Ralph W. Pritchard
Mr. John R. Wood, Naples, Florida. First VP and incoming President. Very active in Florida Democratic politics.
Mr. James O'Conor, Baltimore, Maryland. Chairman, Realtors for Carter-Mondale (National Committee). Son of former Governor and U.S. Senator from Maryland.

C. PRESS PLAN: White House Photo

III. TALKING POINTS

- A. Acknowledge support of the NAR for Administration housing programs.
- B. Also acknowledge the fact that the real estate sector has been the first industry affected by the actions of the Federal Reserve regarding interest rates. Ask how they see the next year for the industry.
- C. In response to A and B, they will probably let you know that they appreciate what you have done for the housing industry. They expect a further downturn in the housing market but feel that 1980 will be a good year for the industry as a whole.

Electronically Copy Made for Preservation Purposes

ORIGINAL given to Marcia Thomas for dating
& mailing

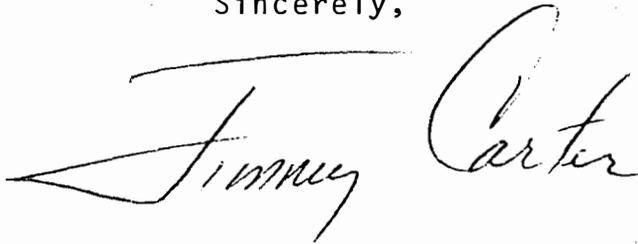
THE WHITE HOUSE
WASHINGTON

To Mike O'Callaghan

I was delighted with the Sun editorial on my mother and was especially pleased with the Sun's response to my call for a "National Unity Day." It was a striking display. I could see your handiwork in it.

I hope you and your family are well.
Happy New Year.

Sincerely,

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

The Honorable Mike O'Callaghan
Las Vegas Sun
Post Office Box 4275
Las Vegas, Nevada 89106

THE WHITE HOUSE
WASHINGTON

08 Jan 80

FOR THE RECORD:

THE ORIGINAL WAS GIVEN TO SBA
FOR PRINTING AND HANDLING.

CC: THE RECORDS OFFICE



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

Date: Jan. 7, 1980
Reply to
Attn of: Chuck Searcy, Asst. Admin./Public Communications
Subject: Draft Presidential Message for SBA Booklet
THRU: Paul Sullivan, Assoc. Admin./Support Services
To: Rick Hutcheson, The White House

Attached is a draft of a Presidential message we would like to include in a booklet entitled, "Small Business Guide to Government." The booklet will be distributed to all the delegates of the White House Conference on Small Business, and we believe it is extremely important that President Carter be recognized in this publication for his efforts on behalf of small business.

Please edit or alter our draft as you see fit, and let us know by Tuesday morning whether it will be possible to include the copy and the official Presidential photograph.

We are holding the press run pending your decision, but the printing must begin sometime Tuesday for the booklet to be ready for the White House Conference.

If you have any questions, please call me or Paul Sullivan at 653-6832 or 653-6432 respectively.

Chuck Searcy
Assistant Administrator
for Public Communications



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

1-8-80
One change.
Tom Teal

OFFICE OF THE ADMINISTRATOR

Jan. 7, 1980

DRAFT PRESIDENTIAL MESSAGE FOR "SMALL BUSINESS GUIDE TO
GOVERNMENT" BOOKLET

Welcome to the White House Conference on Small
Business.

Improving the relationship between small business
and the Federal Government is a two-way process. Govern-
ment must do everything it can to make it easier for small
business to deal with Government. And small business must
become more competent at dealing with Government.

My recent Executive Order on Paperwork, my memoranda
to Federal agencies on regulatory flexibility and the
building of a small business data base, my message to
Congress on innovation -- these ^{are} ~~reflect~~ steps we already
have taken to improve the Government climate for small
business.

I am sure that many of the recommendations coming out
of this Conference will help achieve the goals toward
which both Government and small business are working.

This directory should be useful to you in your
dealings with Government, both during this Conference and
in the months ahead.

/s/ Jimmy Carter

THE WHITE HOUSE
WASHINGTON

January 1980

Welcome to the White House Conference on Small Business

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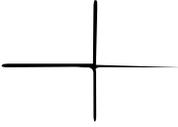
This directory should be useful to you in your dealings with Government, both during this Conference and in the months ahead.

Jimmy Carter

**SMALL BUSINESS
GUIDE
TO
GOVERNMENT**



**U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF ADVOCACY
WASHINGTON, D.C.**



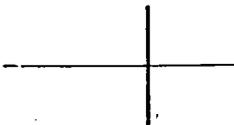
**SMALL BUSINESS GUIDE
TO
GOVERNMENT**

The information in the Guide was compiled for the Chief
Counsel for Advocacy, U.S. Small Business Administration, by:

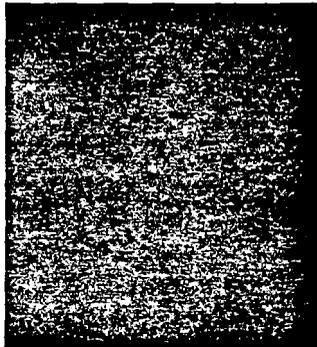
JASON L. STERN

DONALD L. MILLER

**BRADDOCK PUBLICATIONS
Washington, D.C.**



U.S. GOVERNMENT
SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416



One of the more critical problems small business faces today is the inability to communicate adequately with those branches of government which have an impact on everyday business affairs. Many problems are left unresolved and many opportunities to utilize available resources are missed because small business owners are unable to identify quickly the proper government agency or person to handle their needs.

To help fill this void, the Office of Advocacy has prepared this *Small Business Guide to Government*. It contains key listings of small business contacts in Congress, as well as Federal, state and local government agencies. The Guide also lists the various services which are available to you through the Small Business Administration and the procedures for contacting our regional and district offices.

Our Administrator, A. Vernon Weaver, joins me in hoping you will find the Guide a useful reference and a handy problem-solving tool. You may, of course, call on the Office of Advocacy for any assistance you may need. We, in turn, will be asking you to help us in our efforts to improve the state of small business.

Sincerely,

Milton D. Stewart
Chief Counsel for Advocacy

**SMALL BUSINESS GUIDE
TO
GOVERNMENT**

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THE WHITE HOUSE
WASHINGTON
08 Jan 80

The Vice President
Hamilton Jordan
Jody Powell
Stu Eizenstat
Sarah Weddington
Hedley Donovan
Jack Watson
Lloyd Cutler
Al McDonald
Jim McIntyre
Alfred Kahn
Frank Moore
Charles Schultze

RE: CABINET SUMMARIES

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

Rick Hutcheson/mb

ADMINISTRATIVELY CONFIDENTIAL

PERSONAL AND EYES ONLY

0208



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

1

January 4, 1980

MEMORANDUM TO THE PRESIDENT

THROUGH Rick Hutcheson
Staff Secretary

SUBJECT: Weekly Report

SOVIET SALES INCREASED. On Thursday private exporters reported to USDA some 950,000 metric tons of wheat and 2.8 million metric tons of corn, originally bound for "unknown destinations," were being switched to the USSR for shipment in both the 1979/1980 and 1980/1981 marketing years. Changes in destination from "unknown to" USSR were also reported for 187,560 metric tons of soybeans for delivery during the 1979-1980 marketing year.

The wheat and corn sales to the USSR involve delivery during the fourth year of the five-year US-USSR Grain Supply Agreement. Wheat and corn sales reported for the fourth year now total 6,679 million metric tons of wheat and 14,766 million metric tons of corn.

Other commodities sold to the USSR for delivery in the 1979-1980 marketing year, but not included in the agreement, are 1,364,560 metric tons of soybeans, 280,000 metric tons of soybean meal, 26,700 metric tons of soybean oil, 182,700 metric tons of barley and 11,600 metric tons of rice.

NO ILA DECISION ON USSR SHIP BOYCOTT EXPECTED TODAY. An International Longshoremen's Association (ILA) official indicated that no decision would be made on a possible ILA boycott of loading USSR-bound ships until ILA President Gleason recovers from an illness and returns to work. The official reported that ILA locals are still handling USSR cargo, but stressed that news reports of the Soviet presence in Afghanistan may eventually prompt rank and file members to take action on their own.

WINTER WHEAT ACREAGE UP 9 PERCENT; PRODUCTION DOWN. U.S. Winter wheat acreage for the 1980 crop at 56.8 million acres is up 9 percent from the 1979 level, and in line with trade expectations. Winter wheat

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production, based on conditions as of December 1, is forecast at 1.57 billion bushels, 3 percent less than in 1979. Final 1979 wheat production of 2.14 billion bushels was 1 percent above the previous estimate and 19 percent above 1978. Rice production in 1979 totalled a record 137 million cwt., 3 percent more than in 1978, and slightly below the previous forecast.

CHINA WHEAT BELT PRECIPITATION. The important winter wheat areas of China have received unusually high but much needed precipitation during the past two weeks. Generous rains in the week before Christmas were followed by heavy amounts early this week, giving two-week totals of two to five times normal for this time of year. Temperatures in the southern portion of the wheat belt (where rains were heaviest) remain high enough for winter wheat to continue growth, and even to the north the moisture will benefit the crop.

FREE FIREWOOD USE. During Fiscal Year 1979, some 700,000 families took advantage of the Forest Service's free firewood program and collected 3.2 million cords of wood. This wood was valued at \$4.7 million. Both the number of users and amount of wood collected showed about a 33 percent increase over Fiscal 1978.

RECEIPTS TOP ONE BILLION. Forest Service receipts for Fiscal 1979 topped \$1 billion for the first time since the agency was established. Of this income, \$277,862,655.88 was returned to the 40 states and Puerto Rico in which National Forest System lands are located. The money will be used for public schools and roads.



BOB BERGLAND

THE WHITE HOUSE
WASHINGTON

1/7/80

Secretary Duncan

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

Rick Hutcheson



THE SECRETARY OF ENERGY
WASHINGTON, D.C.

Charlie J

January 4, 1979

MEMORANDUM FOR:

THE PRESIDENT

FROM:

SECRETARY
DEPUTY SECRETARY

SUBJECT:

Weekly Activity Report
December 12, 1979 - January 4, 1980

1. Oil Price Increases. Oil price increases continue to be announced on a country-by-country basis by OPEC and non-OPEC nations. Algeria and Libya have added premiums to their official sales prices that bring their prices to \$33.00 and \$34.50 per barrel, respectively. Indonesia, Nigeria, Venezuela, Kuwait, and Iraq have notified their customers of price increases effective January 1. Iran is expected to agree with several buyers on a formula that produces an effective composite price of \$30.00 per barrel, beginning January 1. Among the non-OPEC countries, Mexico had increased prices the most. It raised the price of its Isthmus crude to \$32.00, an increase of \$7.40. We expect North Sea oil prices to increase shortly to \$30.00 or \$31.00. Malaysian crude is expected to increase in price by about \$2.00 per barrel.

As of January 3, the average United States price of landed crude oil is \$29.20 per barrel and rising daily. This is up from \$24.42 on December 7. The cost of our crude imports in 1980 at current prices will be approximately \$83 billion.

2. Gas Price Increases. There is increasing concern that the Algerian state oil company will seek further price increases in connection with the contract to supply LNG. DOE and State are working with the companies to minimize price increases.

3. Recommendations with respect to the oil import target, oil import fee, gasoline consumption target, and expedited rationing plans will be submitted for EPG and ECC consideration next week. The implementation of voluntary state gasoline targets is on schedule.

4. Utility Oil Backout Legislation. On January 9 we will submit the proposed legislation to the Office of Management and Budget for interagency review. If that process can be completed in ten days to two weeks, you can submit the legislation to Congress during the week of January 22, 1980.

We should have strong leverage re sub markets

Good

5. House Energy Committee. The House Select Committee on Committees reported out a recommendation to establish a standing Energy Committee in the House of Representatives. The recommended change would strip the Interstate and Foreign Commerce Committee of all its energy-related jurisdiction. The Interior and Insular Affairs Committee would gain jurisdiction over the environmental aspects of energy matters not within the jurisdiction of standing committees with responsibility for environmental matters under existing laws, but it would lose its oversight authority over non-military nuclear energy and research and development. The Committee on Science and Technology would gain jurisdiction over all energy research and development.

The proposal will next go before the House Rules Committee. It will then be considered by the organizational meeting of the Democratic Caucus in late January. The Speaker is solidly in favor of the proposal. It is not expected, however, that the change will have a great immediate impact on the Department of Energy. The chances for duplicative jurisdiction over energy bills remain much the same. We hope that the new committee will result eventually in a much simpler process for energy-related legislation.

6. Alaska Natural Gas Pipeline. Problems with both the Eastern and Western legs of the pipeline seem closer to resolution. TransCanada is willing to provide an agreement for supplying the pipeline that can be used for financing the Eastern leg. Continuing discussions with the Canadian regulatory authorities will apparently resolve the supply problems of the Western leg.

Community WASHINGTON, D.C. 20506
Services Administration



1

MEMORANDUM FOR: The President

ATTENTION: Rick Hutcheson, Staff Secretary

FROM: Graciela (Grace) Olivarez 
Director

SUBJECT: Weekly Report of Significant Agency Activities,
December 31, 1979 through January 4, 1980

Hispanic Housing Coalition

The Community Services Administration provided a grant for the planning and development of a National Hispanic Housing Coalition Conference. The conference was held in San Antonio, Texas between December 16 and 19, 1979 and brought together more than 1,000 elected officials, public and private housing administrators and community leaders. The conference reached a consensus that the most productive approach to meet the housing and community development needs of Hispanics was to build a working network of state chapters that would exchange information and technical skills.

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
722 JACKSON PLACE, N. W.
WASHINGTON, D. C. 20006

January 4, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: Gus Speth
Jane Yarn
Bob Harris



SUBJECT: Weekly Report

Earth Day '80. Your New Year's Day Proclamation commemorating the tenth anniversary of the National Environmental Policy Act (NEPA) and designating April 22 as Earth Day was well received by the broad range of environmental representatives at our Brown Bag Lunch yesterday. Already scheduled for Earth Day itself are about 30 events which will take place around the country and which range from a sunrise celebration on Cadillac Mountain, Maine, to an all day set of workshops in San Diego and Hawaii. More importantly, the first half of 1980 will be a period of intense organizational activity around the country as the environmental movement seeks to broaden its base, assess its progress, establish new goals for the 1980's, and reaffirm its commitments.

Environmental Decade Celebration. We are developing plans for the Environmental Decade Celebration which you approved for February 29 in the White House. This event has the promise of significantly strengthening relationships with the environmental community and of making clear that you have a commitment to environmental quality that is unmatched since the presidency of Theodore Roosevelt. We will make every effort to ensure that the Environmental Decade Celebration is a success.



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410

January 4, 1980

MEMORANDUM FOR: The President
Attention: Rick Hutcheson, Staff Secretary

Subject: Weekly Report of Major Departmental Activities

Construction Contract Signed for Philadelphia's Whitman Park Project

Approximately 23 years ago the City of Philadelphia cleared several blocks in a South Philadelphia community known as Whitman as an urban renewal site. Forty percent of the residents of this area, which was surrounded by an all White community, were Black.

Plans were made to build housing on the site for many of those displaced by the land clearance. However, due to resistance from the Whitman community and several City administrations, the housing has never been built. Substantial litigation, including two appeals to the Supreme Court, eventually resulted in a July 1979 order by Judge Broderick of the United States Court for the Eastern District of Pennsylvania, that HUD negotiate and execute a contract for the construction of 120 townhouses.

A last minute attempt by the Whitman Improvement Council to obtain a temporary restraining order to delay further action on the project failed, and on December 20, 1979, the construction contract and other necessary documents were executed. Construction of the townhouses should commence this month. HUD is now in full compliance with Judge Broderick's order.

Secretarial Appearances

On Thursday, January 3, I spoke at a Conference on Federal Procurement sponsored by House Majority Leader Jim Wright in Ft. Worth, Texas. In my remarks I stressed the accomplishments of the National Urban Policy in revitalizing distressed areas. Later in the day I also spoke at the dedication of the Texas and Pacific Building, an historic former railroad station that has been converted to office space.

This morning I appeared on Good Morning America where Dr. George Sternlieb of Rutgers University and I debated the present and future health of U.S. cities. While Dr. Sternlieb's views in this area are somewhat negative, he did give this Administration considerable credit for the progress we have made in behalf of cities and their residents.

A handwritten signature in cursive script that reads "Moon".

Moon Landrieu

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THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

January 5, 1979

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze ^{C.L.S.}

Subject: Weekly Report

Steel

Messrs. Askew, Klutznick, Solomon, Eizenstat and Schultze met on Friday with U.S. Steel's CEO, Dave Roderick. He was told that if he filed the series of anti-dumping and related suits against European and Japanese steelmakers as currently planned, we would have to drop the trigger price mechanism (TPM). Tony Solomon set forth the case why both the U.S. economy and the steel industry would be better off with the TPM than with individual dumping actions. Secretary Klutznick asked for some time to get more familiar with the issues and to prepare his Department to handle the massive work involved in investigating the dumping suits when filed. We indicated we were willing to explore an informal voluntary restraint agreement (VRA) with the Europeans, but didn't hold out much hope.

Roderick appears determined to go ahead, but he did say he would hold up until the beginning of February to give Klutznick time to prepare and to give us a shot at a VRA exploration. My judgment is that there is nothing we can do successfully that would meet both Roderick's objectives and national policy. But we will have established a good record of trying.

Presentation of the 1980 Economic Program

Secretary Miller, Jim McIntyre, Stu Eizenstat and I will meet Tuesday to examine a critical and difficult issue. How should the Administration handle the following question: "Your own budget forecasts unemployment reaching 7-1/2 percent by the end of 1980 and receding very little in 1981. Are you really prepared to see unemployment get this high and stay there without recommending any stimulative budget policies?" We can obviously avoid giving a simple "yes" or "no" answer. But the question raises a major economic and political issue that cannot be wholly avoided. Whatever is decided, all of us will be bombarded with this and closely related questions in testimony and press conferences on the budget. It is critical that a carefully prepared approach be worked out and that everyone stick to it. We will be coming to you shortly with recommendations.



THE DEPUTY SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

January 4, 1980

MEMORANDUM FOR THE PRESIDENT

THROUGH: Rick Hutcheson, Staff Secretary

FROM: William Beckham *Bill Beckham*

SUBJECT: Significant Issues for the Week of December 31

Senate Confirmation of Department of Transportation Officials - On December 20, the Senate confirmed the nominations of William Johnston as Assistant Secretary for Policy and International Affairs, and Susan Williams as Assistant Secretary for Governmental and Public Affairs. Senator Metzenbaum had placed a hold on the confirmation of myself as Deputy Secretary, but as a result of the Secretary's conversations with the Senator, the hold has been lifted and I received a recess appointment. When the Senate votes on my confirmation upon its return, this will complete action on all Department of Transportation appointments pending before the Senate.

Milwaukee Railroad - On December 31, the Interstate Commerce Commission unanimously disapproved the ownership plan submitted by a combined shipper-labor group. The Commission, in essence, concluded that the plan to operate the main transcontinental line of the Milwaukee was not feasible and would not result in a self-sustaining railroad, as required under the Milwaukee Railroad Restructuring Act. Senators Magnuson, Baucus and Melcher had strongly supported the proposed new railroad. The ICC decision allows the trustee of the Milwaukee to pursue sales and abandonments of properties outside of his proposed midwestern core railroad. However, we have secured the agreement of the trustee that he will continue to provide service, utilizing federal funds, until March 1st or until other railroads are ready to begin operations on those portions of the Milwaukee they have proposed to acquire. This agreement is important to our efforts to conclude a major restructuring of railroads in the midwest.

Rock Island Railroad and Midwest Restructuring - Next week the Secretary will announce the progress we have made on restructuring the midwest railroads, including our readiness to provide federal assistance for the development of a "Midwest Rail Grain Funnel" - a 500 mile consolidated rail line from the Twin Cities to Kansas City. This line would significantly improve our capacity to move grain from the Midwest to Gulf ports. Our willingness to invest in this high speed rail line will rest upon an arrangement for more than one railroad to use it, either through a joint use agreement or through multiple ownership. Completion of this project would result in much improved service for grain shippers and in stronger private sector railroads in the midwest. There will be further discussions with the states, shippers and railroads on this

U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

①

January 4, 1980

MEMORANDUM FOR THE PRESIDENT

FROM:

SECRETARY OF LABOR *ly*

SUBJECT:

Departmental Activities
Week of December 31 - January 4

OCAW Negotiations. As the contract expiration date (January 8) approaches serious bargaining has begun. As you know, the Collective Bargaining Committee met on Wednesday to review the situation. Fred Kahn's memo to you only partially portrayed the conclusion of this meeting and was not able to communicate the developments over the course of yesterday. Yesterday, in a change of negotiating strategy, the oil companies, and most importantly Gulf, the company currently negotiating to set the pattern, have decided to essentially "self-administer" the guidelines. They will negotiate the best agreement they can and then will make their case to the government and the Pay Advisory Committee. Very few people think this will be under the 9-10 percent range. Yesterday, Gulf offered 9 percent and the OCAW rejected this proposal. However, no knowledgeable observer thought at any time that this settlement would be even close to our interim standard of 8 percent. This was expected to be the case with or without a strike. The companies' position, some very legitimate needs of these workers, and the pattern of high settlements in the previous year makes our policy problem less one of containing the settlement to our interim standard, but being sure this agreement does not break the upper limit of the range of percentage pay increase currently being considered as a standard by the Pay Committee.

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In addition, we need to be prepared to minimize any adverse consequences of a strike. With respect to preparation for a possible strike, Al McDonald convened a planning meeting yesterday and we are in relatively good shape. The Collective Bargaining Committee is also meeting again this afternoon to review the bargaining and guidelines issues.



Office of the Attorney General
Washington, D. C. 20530

January 4, 1980

Principal Activities of the Department of Justice
for the week of December 31, 1979 through January 4, 1980

1. Iranian Students

On December 27, a three judge panel of the U.S. Court of Appeals for the District of Columbia Circuit unanimously reversed a District Court opinion which had ruled in favor of Iranian students attacking the regulation requiring them to report to INS. The students have asked for a rehearing by the full Court of Appeals.

On December 31, the reporting period ended. A total of approximately 56,580 students were interviewed, 46,615 were found in status, 6,784 deportable and 3,181 are pending verification. There have been 55 verified voluntary departures and 12 deportations. Seven hundred and thirty-eight hearings have been completed.

2. Judicial Selection

The President made 135 judicial appointments during the First Session of the 96th Congress. Seventy-seven vacancies remained to be filled when Congress adjourned on December 20, 1979. Of these 77 vacancies, 20 were pending before Congress and another 31 were in various stages of process.

Of the 135 judicial appointments, 23 are women, 17 are Black and 7 are Hispanic.

3. Chemical Wastes Cleanup Suit

On December 20, the Department filed four civil suits against the Hooker Chemical Corporation seeking \$117,580,000 in cleanup costs at four chemical waste disposal sites in New York State and reimbursement of \$7 million spent by federal agencies in emergency measures at Hooker's Love Canal waste disposal site. The Olin Corporation was also sued in one of the suits.

4. Press Policy of Openness

This week, the Attorney General circulated a memorandum through the Department reiterating the importance of openness and candor in dealing with the press and the public, within the restraints imposed by law, ethics and necessarily confidential government business.

5. Federal Legal Council

The Attorney General has scheduled the initial meeting of the Federal Legal Council for January 17. The Council, created by Executive Order 12146, consists of representatives designated by the heads of 15 agencies plus designees by the Directors of OMB and OPM. The Attorney General has let the agency heads know that he intends to preside at all Council meetings to oversee personally the work of improving the quality of federal legal resources through the Council.

6. Daily Report System

The Attorney General is instituting a daily reporting system from all Offices, Boards, Bureaus, and Divisions within the Department, which will apprise him immediately of any emergencies, serious allegations of misconduct by public officials, important interdepartmental conflicts, serious public misconceptions of department policies or actions and other important developments requiring immediate attention.

THE SECRETARY OF COMMERCE
WASHINGTON, D.C. 20230

①

January 4, 1980

FYI

REPORT TO THE PRESIDENT

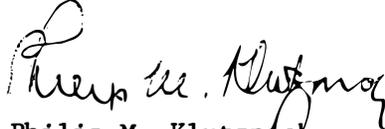
When the House and Senate reconvene the week of January 21, it is essential that the Administration press for agreement quickly among House and Senate conferees on the EDA Reauthorization legislation so the House and Senate Appropriations Committees can take action on the EDA FY 80 appropriations. If Congressional action is delayed much longer, EDA will not be able to implement fully your proposed expansion of the Business Development Loan and Loan Guarantee program or an expanded Public Works program during the spring and summer of 1980. Although three conference sessions were held immediately prior to adjournment, little progress was made because of a total stalemate over the House-proposed \$2 billion Local Public Works program. Under the leadership of Senate Conference Committee Chairman Randolph and Senator Muskie, the Senate conferees have remained firm in their support of the Administration's position to oppose LPW III.

> I am trying, with other senior officials, to persuade U.S. Steel Corporation to postpone filing an antidumping petition, which it has been preparing for some time, against steel exports in seven European countries. If filed, it would lead to a controversial first testing of our new import laws. It also would jeopardize our trade relations only weeks after the signing of the MTN codes, upsetting those European countries trying to restructure their own steel industries. Moreover, even if U.S. Steel were to win the case, the application of antidumping duties would fall far short of being a total remedy for the industry's problems, yet it could spur inflation. If the filing is postponed, consultations would be held during a grace period to try to develop constructive solutions to the industry's problems which would be acceptable to all concerned.

There is a great deal of interest within the business community in the Industrial Innovation issue. I would not be surprised to see it surface in the political debate this year. The Administration proposal, which lacks a tax option, is perceived as relatively weak. However, we are hopeful, but not certain, that we will be able to get some of this proposal passed during the upcoming shortened legislative year.

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We are pleased with our progress in implementing the trade reorganization which was effected by your signing of the Executive Order on Wednesday. The International Trade Administration, the newly-restructured trade component of Commerce, will contain the functions being transferred from State and Treasury, as well as our previous export control, trade promotion, East-West trade and network of U.S. field offices. The U.S. business community is encouraged by this Presidential initiative, but further actions will be required to sustain and increase our growing credibility.


Philip M. Klutznick



THE SECRETARY OF THE TREASURY
WASHINGTON 20220
January 4, 1980

MEMORANDUM FOR THE PRESIDENT

Subject: Highlights of Treasury Activities

1. THE DOLLAR AND THE MARKETS

- . As foreign exchange market activity picked up with the end of the holidays, the dollar came under substantial pressure. Depreciating during the week to a new record low against the German mark, the dollar has subsequently rebounded after forceful and effective coordinated intervention by the U.S. and European central banks.
- . The gold market became extremely volatile with the price moving to new record highs above \$650. Indications grew, however, that the price rises would not be sustained, and today the price dipped back below \$600.
- . Stocks declined steadily, but not precipitously, in a nervous market atmosphere. Investors are concerned about Soviet military actions in Afghanistan and alarmed over the rise in the price of gold and other precious metals to unprecedented highs. A modest recovery occurred early today.
- . Only one other major bank has lowered its prime rate to 15%, bringing the total to three.
- . In the credit markets, interest rates rose due to worries over developments in Afghanistan and Iran.

2. CHRYSLER

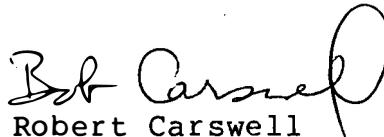
- . Complex negotiations for structuring the Federal and non-Federal portions of the long-term financing have begun. Negotiations will continue three or four months or more, before any loan guarantees can be issued.
- . Chrysler's first priority is to obtain short-term financing in amount of \$500 million or more to carry the company through the spring while negotiations on the long-term financing package are pursued. Chrysler is unsure whether it can obtain such financing.

3. GENERAL REVENUE SHARING

- . In light of your decision and announcement on Thursday to seek a renewal of general revenue sharing for state and local governments, we are proceeding with the necessary legislative package which will incorporate changes, as you have approved.

4. NEW YORK CITY GUARANTEES

- . Treasury issued a guarantee on \$150 million of New York City bonds on January 3. The next drawdown (\$100 million) is scheduled for February 21. The City may have some difficulty meeting its mid-year budget goals, however, particularly if significant wage increases are negotiated in this spring's labor contracts.


Robert Carswell
Acting Secretary



United States
Environmental Protection Agency
Washington, D.C. 20460

January 4, 1970

The Administrator

REPORT TO THE PRESIDENT

FROM: Douglas M. Costle

This week there were no items of sufficient importance to bring to your attention.

A handwritten signature in black ink, appearing to read "Douglas M. Costle".

THE WHITE HOUSE

WASHINGTON

January 4, 1980

MEMORANDUM FOR THE PRESIDENT

FROM:

DENNIS A. RAPP
CHIEF OF STAFF FOR
ALFRED E. KAHN



SUBJECT:

Weekly Activities Summary

Mr. Kahn is out of town.

The bulk of our time this past week has been spent on the problems of compliance with the pay standard in the GM case, and the negotiations between the oil companies and the OCAW, both of which we have described to you elsewhere in detail.

Our staff is also working intensely preparing for our conference on state and local regulatory reform activities next Friday. We are very pleased you decided to attend. We will provide a full report to you when the conference is completed.

08 Jan 80

FOR THE RECORD:

SARAH WEDDINGTON RECEIVED
A COPY OF THE ATTACHED.

THE WHITE HOUSE
WASHINGTON

January 4, 1980

MEMORANDUM FOR THE PRESIDENT AND
FIRST LADY✓

FROM: Phil Wise

RE: Iowa Cluster Calls

Attached are your Iowa Cluster
Calls for this evening:

9:30 p.m.	Benton County
9:45 p.m.	Benton County
10:00 p.m.	Hardin County

The White House operators will
initiate the calls and ring you at the
appropriate time for your participation.

Jone
J

MEMORANDUM FOR PHIL WISE

FROM: LORI BAUX

DATE: JANUARY 4, 1980

Subject: Presidential phone call to Benton County

Set Up

SPEAKER PHONE

Time of call: 8:45 p.m. Eastern Standard

Contact: Henry Gruneweld (Hank)

Phone #: 319/454-6557

Location: In the home of Hank and Josephine (Joe) Gruneweld
Blairstown, Iowa. Region 8. Benton County.

Benton County is growing, but is becoming a "bedroom" community for those who work in Cedar Rapids. The people will ask about the energy situation because so many commute to work. Other possible topics include; Iran, the debate decision, agricultural issues, and the new rural initiatives.

The meeting is to organize LeRoy precinct.

Significant people in attendance:

Hank and Joe Gruneweld
and their daughter, Helen:

Coordinating LeRoy precinct. They are working against real odds. There is a strong and active Kennedy organizer in Benton County. They are Farmers. Helen is a former medic and is interested in national health and foreign policy.

Mary O'Brien:

Area Coordinator
Former Teacher
Her husband, Ed is a banker in Van Horn. They attended the SALT briefing.

Dorothy Brecht:

County Clerk of Court
She is running for re-election in '80. Mention that you will both be running on the same ticket. She is working hard.

Henry will introduce other people present.

Monica McFadden will be the Carter/Mondale staff person present.

9:45 ~~8:45~~

~~8:45~~

done
J

January 5, 1980

*I will be in Mason City
tomorrow*

8:30 pm

MEMORANDUM FOR THE PRESIDENT

FROM LORI BAUX

SUBJ IOWA ORGANIZATIONAL MEETING--CERRO GORDO COUNTY
Sunday, January 6

done

Cerro Gordo County is basically a rural county with a major Iowa City sitting in the middle. The people who are coordinating rural precincts are farmers. The President has good support in the rural areas, but the Mason City coordinators are having a tough time getting off the ground. They need extra prodding to get out and do a better job.

Set up: Carter/Mondale Hqts. Mason City, Iowa. Call at 7:30 p.m.
The number is 515/424-4736. (Iowa time)

Donna Wells =

Contact person: Don McDonough.

Among those attending are:

1. Doc and Lois Dostart: They are managing Mason City precincts, and he is a member of the State Steering Committee. He sells real estate and owns a hamburger stand. They are both very active in Democratic politics.
2. Roz Schmidt: Helping with Mason City precincts, and is very active in the organization. Her husband is a farm implement dealer.
3. Lorraine Scott: Managing rural precincts. Co-Chair of the county steering committee. Husband is a former state senator and is now a farmer.
4. Alvin Miller: Managing 8 precincts in rural areas. He is a state senator and a member of the State Steering Committee and co-chair of the county steering committee.
5. Verna Oehlert: Early 1975 organizer and is now a good supporter. Her husband is a hesitant supporter. Rosalynn called her recently.
6. Reverend Kenneth Kirk: Managing rural area. Minister at Meservey Iowa church.
7. Pat Mathry: Managing rural NE part of county.
8. Marje Bohson: Managing rural SE part of county.

MEMORANDUM FOR PHIL WISE

FROM: LORI BAUX

DATE: JANUARY 4, 1980

Subject: Presidential call to Hardin County

~~10:00~~ pm
10:00
~~10:00~~

SET UP

SPEAKER PHONE

Time of call: 9:00 p.m. Eastern Standard

Contact: Betty Taylor (Local Coordinator)

Phone #: ~~515/648-4312~~ 515 648-3412

Location: Home of Mary Rose Brown
Iowa Falls, Iowa. Hardin County. Region 7.

Hardin County has been considered a Republican county for a long time, but with all the hard work the Democrats have been doing there it is now a Democratic county. All three Supervisors on the Board are Democrats, as is the sheriff and County Attorney. It is a good county for the President.

The First Lady will be in Iowa Falls for a coffee on January 11.

Ellsworth Community College is located in Iowa Falls. It's football time was rated number 1 for all community colleges in the nation for a long period of time. They dropped in rating after a bowl victory to the number 2 position. It is important to the community.

Betty Taylor: She is the coordinator and strongest Democrat in Hardin County. She and her husband, John run a lumber store and are new grandparents of twins. She is co-chair of the First Lady's event on the 11th.

ATTENDEES:

Mary Rose Brown: She is a tax consultant and is considering running for County Clerk of Court. She is coordinating her precinct for us and is working as the other co-chair for the 11th coffee.

Bob Fuller: County supervisor and is up for re-election. His wife's name is Arlene. He is Betty Taylor's bother. He is working his precinct for us and was invited to the White House luncheon on January 3. He is also serving on the Farmers Committee.

Jon Heitland: He is the county attorney, and is a precinct coordinator. He has represented the campaign

Jon Heitland
continued:

at several meetings and has handed out literature. He was first appointed to his post, and ran for re-election on a 6 week campaign. It was successful.

Millie Lloyd:

Serving on the Farmers Committee for Carter/Mondale. She is an incumbent Democratic supervisor. She is coordinating her precinct and working very hard.

Jerry Sunkins:

He is the newly elected county sheriff.

Ric Gerard is the Carter/Mondale Staff member present.

- 2.
9. Mike Grandon: County Treasurer.
 10. Karen Kilaron: County Clerk of Court. Is secretly committed, may go uncommitted at caucus.
 11. Jean Argos (Miss): County Recorder.
 12. Ambrose "Jigs" Calahan: Member, Board of Supervisors. Recently re-elected, reserving support because he is in public office.

THE WHITE HOUSE
WASHINGTON

FOR THE RECORD

THIS CAME OUT FROM THE
PRESIDENT ON JANUARY 8, 1980.

THE WHITE HOUSE
WASHINGTON

1/8/80

Patti Maloomian --

You may want to ask
Al McDonald help you
"encourage" Hedley Donovan
to submit phone call card
requests -- which will help
serve the boss better and
easier.

Thanks--susan

1/8/80--President notes "I called, as suggested by Hedley (Donovan)"-- people listed below.

THE WHITE HOUSE
WASHINGTON

1-7-80

I called as suggested by Hedley

Alan Grant

Hyatt Regency

Phoenix

602-257-1100

304

Pres Call

Mr Barr
present at
Fm Bar Convention

CCC report budget
\$800 m → \$2 b.1

Loan guarantee repayment & loan
prepar-

Release 10% above recall fund
Reverse fund for release & recap

Feed grain set aside

Research program

257

257 ~

245

THE WHITE HOUSE
WASHINGTON

- ① Most serious since WWII
Territories - Turkey / Greece
- ② M.I. Pol - Econ
- ③ Pol. & other nations (SI)
- ④ Econ - Budget - All share
*H. Tech - Oil
Commerce*
- ⑤ Use of grain - food / Gasahaf
- ⑥ Maintenance of peace
- ⑦ Policies must back Pres.

*Feed, not food
Can / Aust / Argen*

THE WHITE HOUSE
WASHINGTON

1-8-80

To Charles Duncan

What is status of
gas rationing plan?

J.P.

bcc: Jack Watson
Stu Sizenstat

800211

THE WHITE HOUSE
WASHINGTON

178/80

Al McDonald

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

Rick Hutcheson/pm

cc: Susan Clough

Jack Watson

patti --

please send me cc of
attached

thanks-sc

THE WHITE HOUSE
WASHINGTON

January 7, 1980

MEMORANDUM FOR THE PRESIDENT

FROM : AL MCDONALD *AM*
SUBJECT: Telegrams re Caribbean Event

Your comments on the telegram approved by Jack Watson reiterate exactly the aims we are trying to achieve with the revisions in Presidential communications. This one was authorized by Jack following our earlier practices.

I have instructed the telegraph office to accept no more authorizations for your signature without clearing them through one of the three quality control points -- your office, the Office of Presidential Messages or the Office of Presidential Correspondence. The revised set of guidelines, which are now being finally worked out, would shift this type of communication away from Presidential signature.

*Al -
Also, let's be
brief & avoid
expensive telegrams*

J

THE WHITE HOUSE

WASHINGTON

January 7, 1980

MEMORANDUM FOR RICK HUTCHESON

FROM: JACK WATSON *Jack*

SUBJECT: Caribbean Telegram

This telegram went out on Saturday with my approval, at the request of NSC staff, since Brzezinski was not here to approve it himself.

I did not feel that it warranted the President's personal attention, given other events.

(1/7/80)

cc: AP

Jack

a) Verbose

b) Should not be over
my signature

c) Why not a letter
or a night letter?

Please answer -

J.C.

BOOK OF 46 COPIES

~~CABLE NO.~~

~~(Prospective Members of the Board of Caribbean Basin People's Program)~~

001 - 046

911

~~Dear _____:~~

Since the beginning of my Administration, I have tried to shape a new approach to all of Latin America, and especially to Central America and the Caribbean which lie so close to the United States. I have sent the Vice President, the Secretary of State, my wife Rosalynn, and other high officials on missions of friendship and assistance. I myself have made two visits and have repeatedly consulted with heads of state in the area.

The Caribbean basin is experiencing a period of social, economic and political turbulence. It is in our interests that its nations be democratic and prosperous, and that our already deep ties to the region's people be even stronger and warmer than they are.

Frankly, although we have increased our attention to the region and have doubled our economic assistance, I am not satisfied that we have done enough. Our nation is rich in other kinds of talent that we have not adequately shared. We must take the time to understand our friends in the region, to help and to learn, and to forge mutually respectful relationships. Too often, we have looked to the government to undertake the task of building relations with our friends abroad when so much of our strength and friendship lies in our local communities, our universities, and in our business, labor, farming, voluntary and religious groups. In the areas of agriculture, forestry, health, and education, there is much our nation can do to assist the people of the area and there is also much for us to learn.

I am convinced we must find ways to energize our nation -- not just the government, but the nation -- to build two-way people-to-people relationships that emphasize dignity and mutual benefit. Perhaps a non-governmental group can be established to address specific development projects and to promote exchanges of people and assistance between private groups in the US and private groups in the area. To discuss this idea and other ways to achieve our over-all goal, I ask you to join me and several others for a private meeting at the White House on January 11th at 11:00 a.m.

I am personally committed to this effort, but I do not want the Federal Government to play a large role. Rather it is my hope that we will be able to awaken the initiative and

EST 4.50 EA

\$207.00

THE WHITE HOUSE
WASHINGTON

1-8-80

To: *Big Jim*

Advise me what
changes we should make
in foreign aid pro-
gram -

J

THE WHITE HOUSE
WASHINGTON

1/8/80

Jim McIntyre

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

Rick Hutcheson

cc: Stu Eizenstat
Jack Watson



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503
January 4, 1980

Jim
Begin drafting
MS's fm me - they
must comply - even
if we have to
withhold
funds
J

MEMORANDUM FOR: THE PRESIDENT
FROM: Jim McIntyre *Jim*
SUBJECT: Federal Agencies' Energy Conservation

I wanted to clarify the response I gave you yesterday to your question on Federal agencies' energy consumption.

Last April, you directed Federal departments and agencies to reduce overall energy consumption by 5% per year, and automotive fuel consumption by 10% per year. This goal was to be achieved in one year, beginning on April 1, 1979, and would be measured against useage during the preceding 12-month period.

Progress to date has been disappointing. Preliminary findings show that on an annual basis, overall energy consumption is dropping by only 4%, and automotive fuel consumption is being reduced at a rate of only 4.4%. This rate of conservation -- especially for automotive fuel -- is not sufficient to achieve your 1-year goals by March 30, 1980.

The Department of Energy will provide you with an agency-by-agency accounting shortly, as you requested. I have asked that they expedite this report to you.

cc: Secretary Duncan



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

JAN 3 1980

MEMORANDUM FOR: THE PRESIDENT
FROM: Jim McIntyre *Ji*
SUBJECT: Reducing Federal Agencies' Energy Consumption

In response to your question, Federal agencies have made noticeable progress in reducing their energy consumption. Preliminary information shows that since your April directive, total gasoline consumption has dropped 4.4 percent. Overall energy consumption is down by 4 percent. Your goal was to cut overall consumption by 5 percent and automobile gasoline purchases by 10 percent in one year.

The Department of Energy is now verifying these findings on an agency-by-agency basis. Secretary Duncan will send you a formal report shortly.

I understand that Energy Department officials will soon be meeting with Assistant Secretaries of the agencies with the highest energy usage, to ask them to redouble their conservation efforts. You might emphasize the importance of this matter in a Cabinet meeting.

cc: Secretary Duncan

Jim
4.4% since April or
on annual basis?
I want a report
listing each agency
& its record

THE WHITE HOUSE
WASHINGTON

1/8/80

Jim McIntyre

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

Rick Hutcheson

cc: Zbig Brzezinski

THE WHITE HOUSE
WASHINGTON

patti--

please send me cc of
attached

thanks-sc

JOHN M. POPE
RAWLEY ROAD
AMERICUS, GEORGIA
31709
December 31, 1979

To Mr. Inlyne
status?
J

Honorable Max Cleland
Veteran's Administration
Washington, D. C. 20420

Dear Max:

It was good to see you back in Georgia again at the Carter/Mondale Fundraiser in Atlanta. Sorry that Betty and I did not get a chance to talk more with you.

Thank you for your Christmas card. You always put your heart into it...and we particularly were touched by the poem which you selected this year. You are indeed an inspiration to us, and to so very many people.

You will remember that I was appointed to the American Battle Monuments Commission last year. I made my first inspection tour with Commissioner Harry Gatton to the American Cemeteries in Europe. Our wives also went with us and we visited Lorraine, St. Mihiel, Epinal, Meuse-Argonne, Luxembourg, Netherlands and Henri-Chapelle cemeteries. I cannot tell you of the awesomeness of this trip and an education into the depth of devotion felt toward Americans and their quest for peace and willingness to give their lives for this peace on earth.

I am troubled about the ABMC! There seems to always be an everpresent uncertainty and gloom because of the attempts to reduce the funding and personnel of the ABMC overseas.

I am distressed that the Ambassador to France, Honorable Arthur Hartman and others, are attacking ABMC and even suggesting that America should abandon our war dead and leave the upkeep to the countries in which the cemeteries and memorials lie. This would be a disaster.

In the last ten years the strength of the commission has dropped considerably, but the same mission continues.. has even expanded, and the structures get older. Unless

sufficient resources are made available to support the upkeep of these cemeteries, there will be no way the superintendents can keep up the high standards and there will be no way to stop the slide downward. Can we really put a price on our debt as a country to those who are buried in these cemeteries?...those who died for freedom?

The next of kin were given the option of having their loved ones returned to the United States following the wars or having them permanently interred overseas. Implied with that option was America's resolve that their final resting place would be properly maintained. The host nations gave us the land for these cemeteries, and the magnificent cemetery-memorials were constructed with American tax dollars. I feel our obligation as a country was, and now and forever should be to maintain them in the highest state of excellence possible as a tribute to these Americans who are interred there and to prove to all who visit them that the supreme sacrifice paid by those men and women will not be forgotten. Certainly we can reduce the standards and get along with less people and less money---but why should we? It is because of their sacrifice that we still have the dollar and our freedom and remain the leading country in the world!!

We are talking about an agency with an annual budget of 8 million dollars and 400 employees (American and local national) worldwide. We spend billions to be ready for war, and rightfully so, but are we willing to provide for proper maintenance of the final resting place of those, who when called upon by the country, go to war and pay the supreme sacrifice? I don't think 450 employees and 10 million dollars is too much to ask!!

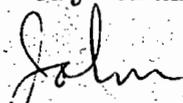
I realize that you have more than enough worries and concerns in your Veterans Administration, but I would appreciate any help which you might be able to give toward improving relations with the Office of Budget and Management, the MODE Staff, National Security Council and The American Battle Monuments Commission.

I know that you are on the inside looking out and can see the inner workings and understand much better than I. I therefore would truly welcome the opportunity to talk with you, or appreciate any names for contacts which I might make on behalf of the ABMC in hopes of aiding their plight.

Thank you again for your time and interest in this problem.
I am just one of many who would be truly grateful for your
help.

Have a wonderful New Year.

Very truly yours,



John M. Pope
ABMC Commissioner

JMP/bp

CC: President Jimmy Carter
General A. J. Adams
General John W. Donaldson

Briefing, Corp

1-8-80

2 mos. DIFFICULT, US, WORLD

11/4 US INTERESTS

LIVES, SAFETY OF HOSTAGES

WORK FOR RELEASE

AVOID BLOOD SHED

WORLD SUPPORT

TERRORISTS IN CHARGE

IN HOSTAGES

LITTLE REGARD FOR ECON, INTEGRITY,
SECURITY OF IRAN

12/24

INVASION

NATIONAL

THREAT TO PEACE, SECURITY

SUFFER CONSEQUENCES

MIL, POL, ECON

SI NATIONS - POL - SC -> GA

ECON - HI-TECH, COMMERCE,

FISHING - GRAIN (FEED)

SHARE SACRIFICE = LOVE &

ALLIES

PATRIOTISM

NAT SEC, NOT FOR POL.

LONG RANGE = WORLD CONDEMN =

NATO: DEF BUDGET: INDIAN OCEAN =

NAVY/AIR FACILITIES = PAKISTAN = CHINA