

1/31/80

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Thursday - January 31, 1980

7:30 Dr. Zbigniew Brzezinski - The Oval Office.

✓ 8:00 Breakfast with Republican Congressional
(60 min.) Leaders. (Mr. Frank Moore).
Joan The State Dining Room.

✓ 9:30 Meeting with Coalition for a Democratic
Majority. (Mr. Landon Butler) - Cabinet Room.

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

✓ 11:30 Presentation of Diplomatic Credentials.
(15 min.) (Dr. Zbigniew Brzezinski) - The Oval Office.

✓ 1:30 Meeting with The Right Honorable John Malcolm
(60 min.) Fraser, C.H., M.P., Prime Minister of Australia.
The Oval Office and Cabinet Room.

January 31, 1980

Dear Richard:

Through the courtesy of Congressman Wes Watkins, the President received your kind letter of December 14. The President appreciates your support and commends your interest in politics. He asked me to send you the enclosed photograph and a copy of your letter. His comment on the top of your letter shows his appreciation for your comments. Thanks again for your letter.

With the President's best wishes,

Sincerely,

Frank Moore
Assistant to the President
for Congressional Liaison

Mr. Richard V. Yadon
Route 4
McCall's Chapel School
Ada, OK 74820

Enclosure- photo and a copy of Yadon's incoming letter

cc and cy of photo to Rep. West Watkins

1/22/80 log date

BII-29

THE WHITE HOUSE
WASHINGTON

1/24/80

Eileen --

Please note -- photo has
been signed....and also,
please return copy of
incoming which includes the
note in upper right corner
along with Frank's note.

Thanks -- Susan

WES WATKINS
3RD DISTRICT, OKLAHOMA
(202) 225-4565

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

January 17, 1980

CONGRESSIONAL
LIAISON

JAN 22 1980

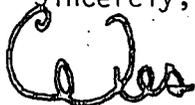
Congressional Liaison
Office
The White House
Washington, D.C. 20500

Dear Sir:

Enclosed is a letter from a young man in Ada,
Richard Yadon. He personally requested that
it be delivered to the President.

Richard lives at the McCall's Chapel School
for Exceptional Children. I think you will
find the letter very touching.

Sincerely,



WES WATKINS
Member of Congress

drw

Facts about

McCall's Chapel School for Exceptional Children, Inc.

Ada, Oklahoma

Incorporated on November 9, 1954, the McCall's Chapel School for Exceptional Children opened its doors to the first residents in November of 1954. The Home serves mentally retarded or physically handicapped children regardless of their race or faith, provided they have some potential.

The present complex of buildings consists of 12 cottages, Arts & Crafts Center, and a modern laundry. Administrative Building with cafeteria, Barber and Beauty Shop, Infirmary, Recreation Room and Offices.

The present facilities are for 144 children ranging in age from 4 years to permanent care. These new facilities were completed December 1, 1975.

The area for McCall's Chapel School development comprises 196 acres.

The McCall's Chapel School, Inc., is managed by an eight member Board of Directors who represent national areas of interests.

The program of the McCall's Chapel School is directed by the Administrative Director. To augment his efforts is a professional staff consisting of a Minister, Special Education Director, Pediatrician, and Physical Education Director. There are many other non-professional staff members.

Funds are needed to provide:

- operational costs
- debt retirement
- additional buildings
- endowment
- scholarship

For additional information, phone or write to:

Mr. Ray G. Lindsay, President-Director
McCall's Chapel School, Inc.
Route 4
Ada, Oklahoma 74820

Telephone: Area Code 405/436-0373

McCall Chapel School for Exceptional Children, Inc.



Provides

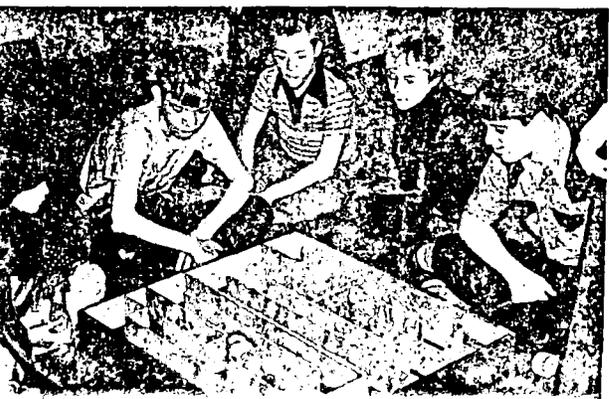
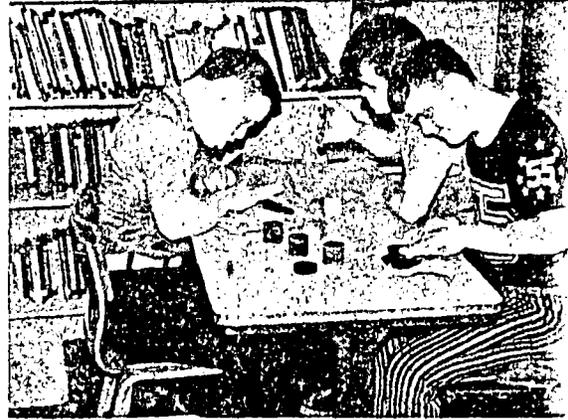
Worship

Education

Recreation

Physical Development

Pre-Vocational Training



Best wishes to
Richard Yoda
Jimmy Carter



cc: Richard Yodou

Thanks!

Dear, Mr President Carter Jimmy Carter
Dec. 14

How Are You
And Mrs Carter Doing in the
White House in Washington D.C. I
Wish I can come up to Washington
And visit you in the the White
House, if that is alright with you
And Mrs. Carter. I want to help
you on your Campaign for - Re-
election for presidency of the
United States of America, I wished
I can have a enough experience
on Government and politics so
I can run for the United States of
America just like you And I would
like for you to support me if I do
Decide to run even though I am
at the age I sure can understand
it. I hope you Defeat Senator Ted
Kennedy for the Nomination in
1980, or it might be the other
Way if Kennedy beats you. I hope
you still have a chance And I am
100 percent that it will be
close race because they are 10
Republicans for Nomination too.

Here is my address so you
can write if you have time.

My name is Richard V. Yadon
Route 4
Ada, Oklahoma
McCall's Chapel School

7480

Very respectfully yours,
Truly Richard V. Yadon

P.S. Hello Amy Carter, And Mrs Carter

Coalition for Democratic Majority
1/31/80

THE WHITE HOUSE
WASHINGTON

CDM *1-31-80*
Allies
Intel
Legis
Cong/Pres
State Dept
Sakharov Games
ICAPWA buildup
UN-Feeders coalition

Electrostatic Copy Made
for Preservation Purposes

1-31-80

Diplomatic Credentials Presentation
BURUNDI = Amb SABIMBONA
Pres BAGAZA (→ US in fall)

1/31/80
Amb K - Ag -

LIBERIA - Am BREWER

Pres TOUBERT → US UN 10/79

JC → Monrovia 4/78

CHMN OAU

IRAN/AFGHAN

PRES COMM

OLYMPICS

Breakfast with Republican Congressional
leaders Thursday, January 31, 1980

THE WHITE HOUSE
WASHINGTON

Rep L'ship

1-31-80

> DoD outlay Δ = 71/-8 72/-7 73/-8 74/-3 1/2 77/-0 2
76/-1 1/2 77/1 1/2 78/0 2 79/3 80/3 81/3

- Afghan.

> Iran

> Pakistan

For Assist

WPT

Registration - Take pictures

> Intelligence

8:00 AM

THE WHITE HOUSE

WASHINGTON

ADMINISTRATIVELY CONFIDENTIAL

REPUBLICAN CONGRESSIONAL LEADERSHIP BREAKFAST

January 31, 1980

8:00 a.m.

State Dining Room

From: Frank Moore

I. PRESS PLAN

White House Photographer.

II. PARTICIPANTS

See attached list.

III. INTRODUCTION

This meeting with the Republican Leadership comes on the heels of the Rhodes-Stevens response to your State of the Union message and address. Their Monday evening remarks undoubtedly are a precursor of the kind of Republican rhetoric we will be hearing over the next few months. Some of their comments on defense and budget matters, if not countered early, could produce a positive response on the part of the more conservative members of the Democratic Party.

The agenda for today's meeting is based, in part, on the main points raised in the Republican response to your speech. I have attached (TAB A) the ABC transcript of the broadcast for your perusal.

I suggest that in your opening remarks, you point out, at least implicitly, some of the inaccuracies in their statements about our policies by offering an overview of the international situation, an outline of the actions we have taken to date, and the rationale behind those actions.

You might also take this opportunity to seek their assistance with legislation necessary to respond to recent events and to move the nation toward energy independence.

**Electrostatic Copy Made
for Preservation Purposes**

I have attached, merely for your information, several answers which have been prepared as responses to some of the most frequently asked questions. (TAB B)

IV. AGENDA

A. FOREIGN POLICY

General Remarks:

Offer brief comments on Afghanistan and Iran, covering the actions we are taking to respond to the Soviet invasion. (TAB C)

- I am aware that there is some disagreement by Members with the details of our approach to the Soviets, but I hope that we can proceed with a high degree of national unity and in a spirit of bipartisanship.

Pakistan

- I will submit the Pakistan package after Pakistan has had a chance to develop a common front with other Moslem countries and after we have further coordinated additional assistance with other friendly nations. (You may want to describe Zbig's forthcoming trip.)

Foreign Assistance Conference

- I consider foreign aid essential in this crisis. I want to underline the close connection between the crisis and our need to get a good foreign aid bill.
- It is necessary to strengthen the developing world (economically as well as militarily) in order to withstand the growing Soviet pressures. We cannot obtain Soviet expansion without the support of developing countries in Asia, Africa, and Latin America. To secure that support, we have to identify these countries' concerns.
- This means that it is more important than ever to pass the FY'80 Foreign Aid bill, now stalled in Conference.
- The Continuing Resolution does not suffice to meet our needs--on refugees and otherwise. The funding levels are too low; you cannot address problems of the '80s with '79 dollars.

B. DEFENSE PROGRAM AND BUDGET

You might want to reiterate what was said in the State of the Union message on our defense program.

- Our defense program ensures that our strategic nuclear forces will be equivalent to those of the Soviet Union and that deterrence against nuclear war will be maintained;
- It upgrades our forces so that the military balance between NATO and the Warsaw Pact will continue to deter the outbreak of war -- conventional or nuclear -- in Europe;
- It provides us the ability to come quickly to the aid of friends and allies around the globe;
- And it ensures that our Navy will continue to be the most powerful force on the seas.

The Minority Leadership is likely to claim credit for "reversing the decline in defense effort," and may criticize you for being a "recent and late convert to their view" on the matter. You might make the following points:

69 → 74 (-)
76
80 → 85 (+25%)

- The legacy of real decline began in 1969 (the first Nixon budget) and sustained itself through 1976 in outlay terms (through 1974 in Total Obligation Authority). (The two Ford Administration budgets in FY 76 and FY 77 had real TOA growth, which in turn caused the outlay trend to reverse itself first in FY 77.)
- We have reversed this decline. My Administration committed itself in the Spring of 1977 to a policy of at least 3% real growth, and secured an equivalent commitment from our NATO allies. This commitment was first reflected in the FY 79 budget. (In the interim our 1978 budget also reflected real growth in outlays, although inflation increases cut that real growth to less than 1%, and TOA actually declined slightly in real terms). Our lead in reversing this decline has encouraged increases by our allies.
- As our 1981 budget shows, we are committed to sustaining steady real growth (4.6% in TOA, 4.1% in Outlays average over the five year period 1981-85).
- Cumulatively, the DOD budget (in TOA) will have increased 25.4% in real terms from 1980 to 1985.

Questions may arise as to why our 1981 budget jumped to 5.4% real growth in TOA instead of the 3% or less we forecast as recently as last fall. There are valid reasons for this, but the most important is:

- Changes in the world situation over the past six months speak for themselves, and call for even greater growth than previously planned in a number of defense capabilities. The questions now should focus on how to spend these extra monies wisely and without waste.

Another claim which may be put forth by the Minority Leadership is that our Rapid Deployment Force is a long term paper exercise whose components (they cite the CX transport aircraft and the TAKX ship) will be delivered only later in the decade. Your response to this should be very strong:

- Our forces possess impressive capabilities today for worldwide response, but we believe we must strengthen that capability.
- As for today, our Marine Amphibious Force (a division/wing sized land/air team) is the most capable force of its kind in the world, with components forward deployed in the Mediterranean and the Pacific.
- Our Army forces are tailored for a variety of contingencies, and some (in particular, our Airborne and Air Assault units) are suited and ready for rapid response to remote areas.
- While we seek to strengthen all aspects of our rapid deployment capability (ground forces, naval support, air support, and air and sea lift), we currently possess highly capable and responsive forces.
- The presence of three American naval carrier task forces (with over 200 combat aircraft) ought to be a clear demonstration of both the capability and the commitment of the United States to respond quickly and forcefully when necessary.

C. ECONOMY

- We must redouble our efforts to control inflation.
- Achieving energy independence is essential to controlling inflation over the long haul. I would appreciate your help with the energy conferences so that we can continue our good progress toward energy security.

- Last year, Congress supported my austere budget. This year, once again, we must pursue a restrained budget policy. Our policy of restraint over the last three years has enabled us to reduce the deficit some \$50 billion below the level it was when I first ran for office. This year, the deficit as a percentage of the budget and of GNP will be the second lowest of the last decade. After allowing for inflation, there will be virtually no increase over our 1980 spending level. This clear and consistent policy of restraint ensures that the Federal budget will not be an inflationary force in the economy. That has been our paramount concern.
- I will need your help to continue my efforts to reduce the burden of costly and unnecessary regulation that reduces our production capacity.
- Finally, on the inflation front, I would like your continued support for my voluntary wage-price guidelines. Last year those guidelines held the underlying inflation rate to about 7.5 percent. The program is essential to keep last year's energy inflation from being absorbed into this year's underlying rate.

REPUBLICAN CONGRESSIONAL LEADERSHIP BREAKFAST

Thursday, January 31, 1980

PARTICIPANTS

The President

The Vice President

Senator Ted Stevens, Minority Whip

Senator John Tower, Chairman of the

Republican Policy Committee

Senator Bob Packwood, Chairman of the Conference

Senator Jake Garn, Secretary of the Conference

Congressman John Rhodes, Minority Leader

Congressman Robert Michel, Minority Whip

Congressman Bud Shuster, Chairman,

Republican Policy Committee

Congressman Sam Devine, Chairman,

Republican Conference

Congressman Jack Edwards, Vice Chairman,

Republican Conference

Congressman Clair Burgener, Secretary,

Republican Conference

Congressman Trent Lott, Chairman,

Republican Research Committee

Congressman Guy Vander Jagt, Chairman,

Campaign Committee

Congressman Jimmy Quillen, Rules Committee,

Ranking Minority Member

Stu Eizenstat

Frank Moore

Jim McIntyre

Zbig Brzezinski

Bill Smith

Alonzo McDonald

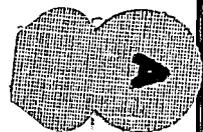
Bill Cable

Dan Tate

Valerie Pinson

Bob Schule

Randy Jayne



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AMERICAN BROADCASTING COMPANY

STATE OF THE UNION:

A REPUBLICAN RESPONSE

with

Senator TED STEVENS
(Republican, Alaska)

and

Congressman JOHN RHODES
(Republican, Arizona)

and

BOB CLARK
ABC Correspondent

January 28, 1980

RLS REPORTING ASSOCIATES, INC.
300 Seventh Street, S.W.
Washington, D.C. 20024
(202) 554-7590

1 MR. CLARK: Good evening. With us tonight here at
2 the Capitol are the acting Republican Leader of the Senate,
3 Ted Stevens, and the House Republican Leader, John Rhodes.

4 The state of the world has overshadowed the
5 State of the Union in recent weeks, with a new threat of
6 Soviet aggression coming on top of the Iranian crisis.

7 Mr. Rhodes, how seriously do you view these
8 developments, and to what extent are they going to divide
9 Republicans and Democrats in this election year?

10 CONG. RHODES: Well, I think they're very serious,
11 and the main reason they have occurred is because of a foreign
12 policy which has no credibility. This Administration, ever
13 since it's beginning, has had a foreign policy for a world
14 that really never was. We have allowed Cubans to run rampant
15 throughout Africa. We have not responded actively and
16 adequately to some of the Russian initiatives in those areas.
17 Some months ago, the President told the Russians that it
18 would be against the vital interests of the United States for
19 Russian to go into Afghanistan. Then, of course, knowing
20 that he couldn't do anything if they did.

21 Now we have a State of the Union message which
22 says that we will defend the Persian Gulf. We are very
23 much interested in the Persian Gulf. There's no doubt about
24 it. But we do not have the means of defending the Persian
25 Gulf at this time. We are persuaded that this pronouncement

1 was made without any consultation, or without adequate
2 consultation with our allies. Certainly, none of the allies
3 have come forward and said that we, too, will defend the
4 Persian Gulf. So, actually, the thing which has happened
5 is that the United States has no foreign policy which is
6 credible at this time.

7 MR. CLARK: And Sen. Stevens, in that hard, new
8 stand the President took in his State of the Union Message,
9 pledging to use military force if necessary to defend our
10 oil interests in the Persian Gulf, do you think he picked
11 up any Republican support?

12 SEN. STEVENS: Well, I think that the Republicans
13 were already supportive of trying to catch up in terms of
14 our defense posture. Had we maintained a Republican in the
15 White House, following President Ford's direction, we would
16 have been much better prepared than we are now. The President
17 cancelled the B-1. He's delayed the Trident. He has made the
18 MX Missile System into a Rube Goldberg cartoon. He cut in
19 half the number of projected increase in our Naval vessels
20 that President Ford had set forth, as well as the submarines..

21 I really thing one of our problems now as
22 Republicans is how can we possibly catch up in terms of this
23 military posture at a time when he's committed us apparantly
24 to a conventional defense of the Persian Gulf regiong when
25 we don't have conventional capability now to do that. He did

1 it before the nations of that region had agreed to their own
2 defense. And I think Republicans are going to want to take a
3 good, long look at this. You know, President Carter did not
4 do what President Eisenhower did.

5 When the Eisenhower Doctrine was announced in the
6 Middle East, the first thing President Eisenhower did was
7 come to the Congress. Congress passed a resolution. And
8 President Eisenhower sent troops into Lebanon in pursuant of
9 a bi-partisan foreign policy that the world knew about. And
10 as a consequence, there wasn't any problem in Lebanon.

11 Now this President has announced a Persian Gulf
12 Doctrine not only without consulting us, but apparantly
13 as Congressman Rhodes said, without consulting our allies.
14 And certainly without consulting the nations of that region.

15 MR. CLARK: The President also proposed registration
16 for a military draft. Not a draft itself, but registration
17 to permit us to mobilize more quickly if we have to. Will
18 Republicans in Congress support him on that, Mr. Rhodes?

19 CONG. RHODES: Republicans in the House did
20 support a Bill to, to revitalize the Selective Service System
21 last Fall. The Bill was defeated, largely because the Carter
22 Administration wanted it defeated. And so, the President is a
23 new convert to the idea of reinstituting the Selective Service
24 System. We welcome him to our ranks and I can promise him
25 that he will have substantial Republican support in

1 revitalizing the Selective Service System.

2 Now that doesn't mean that Republicans are
3 immediately in favor of drafting people. It does mean that we
4 recognize the dangers in the world in which we live, and the
5 necessity of having a mechanism whereby we can draft people
6 in case it becomes absolutely necessary.

7 Personally, I'm more worried about the lack of
8 strength in the reserve echelons, the National Guard and
9 the organized reserve, than I am in the regular forces. So
10 it would be my hope that if draft actually occurs, it would
11 be in such a way as to strengthen those elements, so that
12 people who are drafted could serve at home and not disrupt
13 their lives and their education. But, at the same time, do
14 a very important job of restoring the manpower of our armed
15 forces.

16 MR. CLARK: And Sen. Stevens, we'll let you handle
17 the easy question of whether women should be registered or
18 drafted.

19 SEN. STEVENS: Well, I think that we will support,
20 at least I would, the registration of women as well as men.
21 But I do believe that we have to take a good, hard look at
22 the terms under which women could ever be drafted. As a
23 lawyer, I like to think of the times when we picked juries.
24 In my State, a woman can say she does not want to serve on a
25 jury and is excused. I do think we're going to have to

1 approach something like that if we ever attempt to draft women.
2 Because some women just do not want to serve, others may want
3 to serve. I do think it should be a freedom of choice with a
4 women.

5 MR. CLARK: You have both questioned whether we have
6 the conventional force to defend our interests in the Persian
7 Gulf. Some Republican presidential candidates are talking
8 much tougher than that. Ronald Reagan, for instance, wants to
9 station American troops in Pakistan, and says he'd consider
10 blockading Cuba if the Russians don't pull out of Afghanistan.

11 Cong. Rhodes, what do you think about that?

12 CONG. RHODES: Well, of course, Mr. Reagan later
13 said, in fact just last night, said that he felt that it was
14 necessary to be President before you could really make
15 strategic decisions, because of course, the President knows
16 a lot of things about the world situation that a candidate
17 can't know. And I think I would agree with that statement, that
18 it really is not possible for a person who isn't privy to
19 all the information to decide where you would put troops and
20 what kind of troops they would be.

21 MR. CLARK: Former Secretary of State, Henry
22 Kissinger, has called for a bipartisan foreign policy to
23 deal with the new dangers in the world. Are there any realistic
24 prospects for Republicans and Democrats getting together
25 behind a united front of foreign policy during this presidential

1 election year, Sen. Stevens?

2 SEN. STEVENS: Well, I think we're going to have a
3 little bit of difficulty in the Senate because so many of
4 the Democrats have been voting to cut defense. They've been
5 so far out in front in terms of our, the necessity for us
6 to ratify SALT. Incidentally, I hope we get back to that
7 issue.

8 But it's going to be very difficult to have a
9 bipartisan approach to this issue, unless we, we know that
10 we're all supportive of the same objective, and that is, to
11 restore our defense posture. Certainly, we cannot speak so
12 loudly and not have the conventional forces to back up the
13 threat.

14 CONG. RHODES: May I comment on that?

15 MR. CLARK: Please.

16 CONG. RHODES: Howard Baker and I, shortly after
17 this President came into office, met with him and offered
18 at that time to enter into a relationship which would be a
19 bipartisan foreign policy. And that's the last we heard of it.
20 We did make it clear that we expected to be in on the takeoffs,
21 as far as decisionmaking is concerned, as well as in on the
22 landing. And as far as I can tell, the definition of the
23 Carter Administration of a bipartisan foreign policy is that
24 they call us maybe a half hour before the release of informa-
25 tion to the news media to tell us what has been decided. But

1 there is no possibility, or we have had no opportunity to
2 actually have any part in decisionmaking.

3 We still stand ready to enter into that kind of a
4 relationship. But it would have to be, naturally, on the
5 basis of knowing what's going on, and actually being able
6 to participate in the decisionmaking process before it's set
7 in concrete.

8 SEN. STEVENS: And Bob and John, as you know, the
9 real problem is is that the President and his staff really
10 have not initiated bipartisanship. The bipartisanship we've
11 had in the Senate really has been at the initiative of the
12 Majority Leader. He's called several times and urged the
13 Administration to include Republicans in on briefings, to have
14 these joint meetings we used to have. This President has had
15 very few joint meetings, as far as the House and Senate
16 leadership is concerned. He has had meetings with the
17 Democratic leadership in the House and Senate, but very few
18 joint leadership meetings.

19 MR. CLARK: And President Carter is now calling for
20 a real increase in defense spending, averaging about five
21 percent a year for the next five years. Some of that is
22 reflected in the new budget that he sent to Congress today.
23 Is that going to be enough to satisfy Republicans? Or would
24 you expect to try to force through Congress even higher
25 increases in defense spending?

1 CONG. RHODES: Well, Bob, I think we have to talk
2 about something besides numbers. I'd like to know where he's
3 going to spend this five percent. Actually, this Administration
4 has, as Ted Stevens has already mentioned, cut down or done
5 away with the B-1 bomber. It has stretched out the Trident
6 System. The Ford plan, the President Ford plan for the Navy,
7 was to have by two years from now, 183 ships in construction
8 for the Navy. As I understand it, the Carter program is
9 something less than a 100 -- Well, about a 100 less than that.
10 About 83. So, actually, I don't know where he's going to spend
11 his money.

12 The Administration has done nothing to develop
13 the Cruise Missile System, really, because the Cruise Missile
14 System requires an airplane to take it to the border so that
15 it can be launched. And they're talking about the B-52. Well,
16 the B-52 is an old air-breathing-type aircraft that looks
17 like the Empire State Building on a radar scope. You wouldn't
18 date take that kind of an airplane even, even close to the
19 borders of Russia, for fear it would be shot down.

20 So all I'm saying is, that unless they've changed
21 their concept, unless they're willing to adopt some new
22 weapons systems, or to reinstitute the weapons systems that
23 the Ford Administration had put forth, then I -- then the
24 money means nothing.

25 MR. CLARK: And Senator --

1 SEN. STEVENS: Let me be clearer about one thing if
2 I may. And that is the increased spending and increased
3 authorization for spending that's in this budget was what the
4 President sought for the approval of SALT II. It's the same
5 amount. The three percent and five percent. He's just changed
6 the preamble of the budget to reflect the conditions in
7 Afghanistan. But there's no new spending that reflects the
8 new international conditions.

9 MR. CLARK: Well, that's what I was going to ask you,
10 Sen. Stevens. You have some pretty hawkish Republicans in
11 the Senate. Strom Thurmond for one. John Tower. Jesse Helms.
12 And three or four others. Are they going to be satisfied
13 with this three or five percent increase in defense spending,
14 or are they going to demand more?

15 SEN. STEVENS: I think they'll demand more, and
16 they should. We're thirty to forty billion dollars behind
17 now, in terms of the amount of money that should have been
18 committed to new weapons systems, and would have been committed
19 under the Ford program. Now, to say we're going into a real
20 increase in spending is compared to last year. It's not
21 compared to the need. And we've got to literally play
22 catch-up, particularly if this President is going to threaten
23 getting us into conventional warfare. Well, that's the
24 problem about the Persian Gulf region Doctrine. It is the
25 worst place in the world to meet the Russians. It's right

1 next to their home country. We would have a very long
2 logistical supply line. And yet it appears he'd saying we're
3 not going to put these people under the nuclear umbrella.
4 We're going to go defend them even if they won't defend
5 themselves. I think that this doctrine is going to get a
6 great deal of review, and it's going to have a great impact
7 on defense spending.

8 MR. CLARK: The Republicans now are calling for
9 tax cuts, a balanced budget, and higher defense spending.
10 what sort of a magic wand do you have Cong. Rhodes to achieve
11 all that?

12 CONG. RHODES: Well it would be interesting if we
13 could do all that in one year. We can't, of course. Actually,
14 the Republicans are calling for a balanced budget by the end
15 of fiscal year 1982, and we feel certain that we can accomplish
16 that even with a tax cut. The requirements of defense
17 spending will always be first, as far as Republicans are
18 concerned. We know that you aren't going to inhibit the
19 predatory nature of a predatory nation by waving a balanced
20 budget up in the air. And we're not going to do that. We're
21 going to defend this country the first thing that we do.

22 But we do feel that it's, that it's highly
23 possible and highly feasible to, to actually look forward to
24 a balanced budget if we just contain the cost of government
25 and do the things we've been talking about for years, which is

1 to take a look at this government and cut out a lot of the
2 agencies that are no longer necessary.

3 We have more harrassment of the American people by
4 thse superfluous federal agencies. It's expensive, not only
5 as far as the taxpayers are concerned, it's expensive as far
6 as the citizen is concerned. And we're going to do two people
7 a favor. We're going to do the average citizen a favor, by
8 taking that harrassment off his back, and the taxpayer a favor
9 by making it unnecessary for him to finance these unnecessary
10 allocations of funds.

11 MR. CLARK: You've have been saying there's going
12 to an election year tax cut. The President says there won't
13 be unless the recession gets considerably worse. Who's right?

14 CONG. RHODES: Well, I'll bet you-- And I will bet
15 you that the temptation on the part of the Democratic Party
16 to cut taxes in this election year will be absolutely
17 irresistable. After all, the Democrats are in real trouble.
18 The indications in the polls are that the public is aware
19 for the first time that the Democrats have been in control
20 of Congress for 25 years. And that the problems that we have
21 in this country, the high national debt, the inflation, can
22 be laid right to the door of a Democratic Congress. And they
23 know that the only way to change that is to change the
24 majority. You don't change it by just changing a few Democrats
25 into Republicans. You've got to have a Republican majority.

1 And that's what we're working for. That's what we're going to
2 get. And they know that.

3 MR. CLARK: And unemployment is expected to rise to
4 seven and a half or eight percent this year, as the recession
5 worsens. That would mean another two million or so people out
6 of work. Sen. Stevens, how would Republicans deal with the
7 anticipated unemployment that is a byproduct of stopping
8 inflation?

9 SEN. STEVENS: Well one of the great problems about
10 this Administration is that it shifted the expenditures of
11 government into the welfare section, into the section which
12 does not provide real jobs. I think if we had continued with
13 these defense expenditures the way we should have, that we
14 wouldn't have this unemployment. And I really believe that
15 one of the things that we're looking at is a tax system that
16 stimulates the creation of jobs in the private sector. Part
17 of our tax program involves those incentives. We're now at
18 the point where the average family pays about 44 percent of
19 it's income in taxes to one government or another. Now that's
20 the point of confiscation. And that does not give us the
21 chance as Americans to save the money that goes into the
22 capital sector so that it can create new jobs and new
23 business.

24 I really thing the Republican approach, which
25 relies upon the private enterprise sector, as opposed to

1 relying upon government to solve it, is going to be highlighted
2 this year as the President comes up with his youth program.
3 We say give tax incentives to private industry to create new
4 jobs that young people can have.

5 The President apparantly is going to say let's
6 create new jobs of the W.P.A.-type to put young people to work
7 this year. Now that's going to cost the taxpayers more money
8 in the long run. We believe we should rely on the private
9 sector more, and I think that's really the key to the
10 difference today between the Republican and Democratic Parties.

11 CONG. RHODES: Well, if I might comment. That's
12 also -- I think it's worthy of comment that the budget that
13 the President is, has put forth, as he says, calls for only
14 a sixteen billion dollar deficit. That's sort of like Ed
15 Dirksen's old quote, you know, you talk about a billion here
16 and a billion there, and pretty soon you're talking about
17 real money. But actually, the only reason that that deficit
18 is lower than it has been in previous years -- It isn't
19 because we're cutting the cost of government. It's because
20 of the tax increases. This Administration is the greater
21 tax increasing administration since the foundation of the
22 republic.

23 They have not only increased the Social Security
24 tax, they're talking about a so-called windfall tax now on
25 oil, which is really an excise tax, cause the consumer's

1 going to pay it, and have done absolutely nothing about the
2 effect of inflation on the amounts of money that are collected
3 in the income tax.

4 MR. CLARK: That is this problem of inflation
5 pushing people automatically into higher tax brackets.

6 CONG. RHODES: That's correct.

7 MR. CLARK: Are either of you in favor of indexing
8 taxes to offset that?

9 CONG. RHODES: Well I'm in favor of cutting taxes
10 to offset it. I don't believe that I'm ready to espouse
11 indexing right now because to me that institutionalizes
12 inflation. I think what you have to do is to mitigate the
13 effects of inflation on the taxpayer, but in the meantime
14 do those things which are necessary, as Ted Stevens pointed
15 out, to produce our way out of inflation. And that's the only
16 way we're going to do it. That's the American way.

17 SEN. STEVENS: But as the Chairman of our Party
18 pointed out the other night, Bill Brock. A person that earned
19 -- A family that earned \$15,000 when President Carter became
20 President, today would have to earn \$20,000 to have the same
21 purchasing power. But they'd have to earn another \$3000 to
22 pay the increase in taxes. I don't think anyone realizes the
23 effect of not indexing on the people who are paying taxes.

24 I agree with Cong. Rhodes, and he's shown great
25 leadership in trying to reduce taxes. But if we cannot get the

1 reductions that we want, at least we should get indexing so
2 the government doesn't have windfall tax profits as a result
3 of inflation.

4 MR. CLARK: And how about that whopping increase in
5 Social Security taxes set for the 1st of 1981, where some
6 families in the upper brackets, workers in the upper brackets,
7 will pay an additional \$400 in Social Security taxes next
8 year? Are the Republicans going to have any plan to reduce
9 that?

10 CONG. RHODES: Yes, indeed. Our Republican members
11 of the Ways and Means Committee have a program which they
12 put forth two years ago actually to revitalize and revamp
13 the Social Security System financing just a bit. And among
14 other things, they would bring in federal employees into
15 the Social Security System, with no loss to them as far as
16 benefits are concerned. But we would be able, with a very
17 small tax increase, in 1990, I think, to finance the Social
18 Security System up to the year 2000.

19 It isn't necessary to have this whopping tax
20 increase. All it really does is to bring more money into the
21 federal sector and take it out of the private sector. The
22 facts are, of course, that all that money is spent by the
23 government anyway, and all that the Social Security Trust
24 Fund is is an I.O.U. It just helps Jimmy Carter balance his
25 budget. That's all that Social Security tax ever was, and

1 all it was ever intended to be.

2 SEN. STEVENS: I wonder if you notice, Senator Bill
3 Roth and a group of the Finance Committee members from our
4 side of the aisle, the Republicans in the Senate, proposed to
5 take part of the windfall excise tax on oil and earmark that
6 to meet the obligations under the Social Security Trust Fund.
7 So at least for the period of that tax, there would have to
8 be no new increases on taxpayers. That would come from this
9 new tax that the Democrats have created as far as the industry
10 is concerned.

11 We thought that was a good way to meet it for the
12 time being. That would carry it at least through 1990 or 1995.

13 MR. CLARK: And in his State of the Union Message,
14 President Carter warned of what he called a clear and present
15 danger to our national security and our very perilous
16 dependance on Middle East oil. Sen. Kennedy, today, proposed
17 immediate gas rationing. What sort of a reaction would you
18 have to that?

19 CONG. RHODES: I don't think gas rationing is the
20 answer at the present time. The answer to our problem is an
21 increase in supply. And the Democrats in the Congress and in
22 the Administration have shown absolutely no talent or under-
23 standing of this. The best way to increase supply in the near
24 term is to encourage people to drill more oil and gas wells.
25 That's the first thing, here in the United States. There is

1 oil available and we need to get it. The next thing, of
2 course, is to concentrate on the use of coal. We're the Saudi
3 Arabians of coal. We have lots of it. We can use it as coal
4 or we can use it as, as a synthetic fuel.

5 And -- But later on, we've got to rely, for the
6 time being, on the nuclear processes. I would be in hopes
7 that we could bring fusion along. I -- I know that if, that
8 we have the scientific knowledge and knowhow, that if we
9 really went all out on fusion that we could have fusion, we
10 could get power from fusion by the middle 1990's. And I
11 think that's the direction we ought to be going.

12 MR. CLARK: There are much more pessimistic figures,
13 as you know, who -- People talk about 30 or 35 years before
14 we could develop fusion. But the other things you've mentioned,
15 whether it's nuclear power, or greater production of oil, or
16 greater use of coal, these are long range programs. And Sen.
17 Stevens, you're something of an expert on oil coming from
18 Alaska.

19 What is there in the Republican programs, the
20 Republican energy program, that would reduce this very
21 dangerous dependence on Middle East oil in the foreseeable
22 future, in the next year, or two?

23 SEN. STEVENS: Well that's one of the reasons we've
24 supported de-control of oil prices. We believe that we should
25 have the incentive to produce more oil in this country. My

1 State alone could be producing two or three times as much oil
2 as it's producing, if the federal government would just allow
3 it to do so. The federal government owns so much of our land.
4 Half of the federal lands in Alaska, it has great potential.
5 But there has not been a new oil and gas lease issued in
6 Alaska by the federal government since 1965. It's the same
7 thing throughout the overthrust bill. When you really look
8 at it, it's the restrictive policies, particularly of this
9 Administration in withdrawing more and more land for study,
10 not for classification as Wilderness, but to study it to see
11 if it should be wilderness, that has frustrated the development
12 of new oilfields in the West and in my State.

13 When you look at this, you know, I don't think
14 the Administration is giving the American public credit for
15 what it's done already. We voluntarily reduced our consumption
16 by about eight percent. Sen. Kennedy wants to have rationing.
17 The President, I think, wants to have rationing. We have
18 opposed rationing unless there's a national emergency. To put
19 rationing on to effect a reduction, a conservation program
20 on a mandatory basis, would be to put the burden of that
21 program on the people who have to have gas to drive to work.

22 Sixty percent of our gasoline is consumed by people
23 driving to and from work. Now to say that we want a billion
24 dollar program to ration those people, I think, is wrong. We
25 can produce more energy, particularly when our people are on

1 their own, voluntarily reducing their consumption of energy.

2 MR. CLARK: The President, of course, is not yet
3 proposing rationing as such. He did ask for and receive
4 standby powers, but he's not gone on to rationing.

5 Sen. Kennedy made another proposal today that
6 isn't quite as clear in it's meaning. But he wants to have a
7 freeze on inflation for six months, to be followed by a
8 mandatory controls on wages and prices and profits, dividends,
9 and rents.

10 How would that idea grab you, Cong. Rhodes?

11 SEN. STEVENS: Maybe you could pass a law in the
12 House that he could go out and lash the seas so they won't
13 get so big, too.

14 CONG. RHODES: That sort of sounds like the old
15 order that an Air Force commander gave during World War II,
16 that said that there will be no more accidents. I don't know
17 how you pass a law saying that there will be no more inflation.
18 Certainly, it's necessary for us to control inflation. But
19 you do that by controlling the parts that make up inflation.
20 And you don't do it, in my opinion, by controls. I think you
21 do it by the mechanism of the market system, and whatever
22 regulation seems to be necessary to keep the system from being
23 burdensome on any one class of people.

24 MR. CLARK: I would like to mention a couple of
25 issues that I find Americans are very concerned about as you

1 travel around the country. One is housing. And some people are
2 already facing a housing crisis. Some housing experts are
3 predicting a real crisis across the country within the next
4 few years, with many families priced out of the market for
5 new housing, and acute, and an acute shortage of rental
6 housing developing in many cities.

7 What answers to Republicans have to housing
8 problems? Sen. Stevens?

9 SEN. STEVENS: I think that one of the things that
10 we would do is we would stimulate the flow of materials in
11 so that the housing market would not face these critical
12 shortages all the time. Timber -- Lumber is in short supply.
13 We seem to have so many shortages created that are artificial.
14 I think primarily caused again by government regulation, over
15 regulation. But basically, when you look at the housing
16 market, you've got to look at the interest rates, and the
17 interest rates really are caused by inflation again. For a
18 President who promised, who said that his one goal was to
19 control inflation -- I mean it's just one of a series of
20 problems --

21 (End of side 1 of tape.)

22 SEN. STEVENS: -- is ten percent. You know, if you
23 add it together today, it's well over twenty percent. And
24 his vacillation in his policies has caused this. And it's
25 been the stop and go. Whether it's foreign policy or domestic

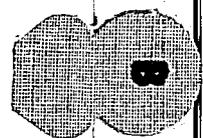
1 policy, the stop and go of this President is what causes the
2 indecision. Not only in the marketplace, but throughout the
3 world.

4 MR. CLARK: One last question to you, if I may. One
5 of the concerns you hear most often across the country, the
6 high cost of some types of medical care. Nursing homes,
7 deficiencies of Medicare, which leave many elderly persons to
8 pay their own bills for such things as prescription drugs.
9 Any answers to that?

10 CONG. RHODES: Yes. We have the best health
11 delivery system in the world today. And I certainly wouldn't
12 want to change the best system, just because it isn't perfect,
13 and it isn't perfect. The Republicans in the House will soon
14 be introducing a program which will have the effect of
15 government participation in mitigating the effects of
16 catastrophic illnesses for people, and also helping people
17 who are the working poor, who don't qualify for Medicaid.

18 MR. CLARK: Gentlemen, thank you both very much
19 for being with us tonight.

20 (End of interview.)
21
22
23
24
25





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

January 30, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: JIM McINTYRE *Jim*

SUBJECT: Deleting Prohibition against Use of Selective Service
Funds for Induction

I wanted you to be aware of an item in the 1981 Budget Appendix that proposes to delete existing appropriations language prohibiting the use of Selective Service funds for induction. In response to questions today, we have given the answers shown in the attached Q's & A's. Jody has a copy.

Attachment

Budget Deletion of Induction Funding Restriction

Q: Why does the Administration seek to delete appropriations language preventing use of Selective Service System funds for any induction?* Does that prove that the President really plans to return to the draft, with peacetime registration merely being the first step?

A: The President is clearly and strongly on record as believing that it is not now necessary to reimpose the draft. He is equally committed to taking the steps needed to prepare for any future emergency, including mobilization. Present law provides that both the President and Congress share responsibility for a decision to induct -- both the authority and funding for induction.

While the vote authorizing induction should be a straightforward issue (Our mobilization planning assumes it would take place within twenty four hours of the President's emergency request), the granting of new funds could take considerably longer. With the above prohibition in the law, the Administration would have no capability to reprogram money to initiate induction while waiting for new Congressional appropriations. Accordingly, we believe that the restriction should be removed so as to eliminate this encumbrance from any possible future emergency mobilization.

* Actual language which the budget (Appendix, p.964) asks to be deleted:
"That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States."

Budget Deletion of Induction Funding Restriction

Q: Why didn't the Administration announce this as part of its public briefings last week on registration? It looks like there was an effort to sneak it past someone.

A: The decision to seek deletion of the restrictive language was made early in the budget review last Fall, when OMB canvassed appropriations titles across the government in an effort to remove such objectionable provisions. The decision to delete the Selective Service funding restriction therefore preceded both the Administration's review and the President's decision concerning peacetime registration and revitalization of the Selective Service System. (A close reading of the Budget Appendix will show literally dozens of similar deletions sought in appropriations provisions). This action is directly related to the President's ability to administer mobilization during a state of national emergency, and is in no way inconsistent with his stated position that peacetime induction is not needed.

January 30, 1980

PERSIAN GULF COMMITMENT I

Q: What is the nature of our commitment to defend the Persian Gulf region?

A: -- As I said in my State of the Union address -- An attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America and such an assault will be repelled by any means necessary, including military force.

-- The statement doesn't specify exactly where we would choose to confront an assault -- or what forces we would use -- but for good reason. These decisions would depend upon the precise nature of any such assault which we obviously can't know in advance. Further, there is no point in easing any potential opponents task by spelling out our precise plans in advance -- let him worry about what we might do.

-- The purpose of my statement was to eliminate the possibility of any gross miscalculations by the Soviets about where our vital interests lie, or about our willingness to defend them. I am sure the Soviets understand it well enough.

January 30, 1980

DEFENSE BUDGET I

Q: In light of continuing and ever more blatant Soviet aggression, is your recent defense budget too little and too late?

A: -- No. I have been increasing the size of my defense requests in real terms for the last three years, and as the most recent budget submission makes clear, I am planning an even faster rate of increase for at least the next several years.

-- The force improvements we are making are aimed at reversing adverse trends in the military balance and improving the flexibility and speed with which we can bring those forces to bear.

-- Let there be no mistake we are still the world's greatest military power.

-- There is no nation on the face of the earth with greater overall military power than the U.S. and the Soviets know that.

-- What we need is a steady sustained increase in our defense efforts. It would be counterproductive and wasteful to embark on a program for increasing our defense efforts that we could not sustain.

-- Finally, I believe we can sustain support for our increased defense program without the encouragement to the Soviets that denigrating our own capabilities must give.

January 30, 1980

DEFENSE BUDGET II

Q: Don't you think that actions you took such as cancelling the B-1, delaying Trident and the MX, and vetoing the nuclear carrier in '78 encouraged Soviet aggressiveness?

A: No. I think the Soviets are smart enough to pay attention to the bottom line -- a total defense effort that has been steadily increasing in real terms.

-- The actions you refer to were made in the interests of increasing the efficiency with which we use our defense dollars. I have not let programs proceed until they were ready -- and I have done my best to make sure we don't fund wasteful programs for which there are clearly better alternatives.

-- The ALCM Program, for example, is a far more effective penetrating weapon than the B-1 bomber.

| <u>FY</u> | <u>DoD Outlays (Current \$) / (FY 81 \$)</u> (Billions) | <u>% Change</u> | <u>% Federal Outlays</u> | <u>%GNP</u> | <u>Active Duty Military / Army</u> (Thousands) | <u>Army Divisions</u> | <u>Carriers</u> | <u>Surface Combatants</u> |
|-----------|--|-----------------|--------------------------|-------------|---|-----------------------|-----------------|---------------------------|
| 70 | 78.4 / 173 | | 40 | 8.8 | 3066 / 1534 | 17 2/3 | 19 | 304 |
| 71 | 78.6 / 159 | -8.0 | 38.4 | 8.1 | 2713 / 1123 | 17 1/3 | 19 | 291 |
| 72 | 75.8 / 148 | -6.9 | 33.9 | 7.4 | 2322 / 861 | 13 2/3 | 18 | 250 |
| 73 | 73.8 / 136 | -8.1 | 29.8 | 6.4 | 2280 / 841 | 12 2/3 | 16 | 242 |
| 74 | 78.4 / 131 | -3.6 | 27.9 | 6.0 | 2161 / 820 | 13 | 14 | 186 |
| 75 | 86.0 / 130 | -0.7 | 27.2 | 5.9 | 2129 / 783 | 13 | 15 | 191 |
| 76 | 88.5 / 128 | -1.5 | 26.6 | 5.4 | 2083 / 779 | 16 ** | 13 | 185 |
| 77 | 95.7 / 130 | +1.6 | 25.4 | 5.4 | 2074 / 782 | 16 ** | 13 | 189 |
| 78 | 103.0 / 131 | +0.7 | 22.8 | 5.0 | 2061 / 771 | 16 ** | 13 | 179 |
| 79 | 115.0 / 135 | +3.0 | 23.2 | 5.0 | 2025 / 758 | 16 ** | 13 | 156 |
| 80 | 127.4 / 139 | +3.0 | 22.7 | 5.1 | 2045 / 774 * | 16 ** | 13 | 178 |
| 81 | 142.7 / 143 | +2.9 | 23.2 | 5.2 | 2059 / 776 * | 16 ** | 12 | 170 |

* Projected

** Includes "round-out brigades" from the reserves in four divisions.

SALT

Q: What is the current Administration's position on the SALT I and SALT II Treaties?

A: In September 1977, before the SALT I Interim Agreement expired, the United States stated its intent not to take any action inconsistent with the provisions of the Interim Agreement and with the goals of SALT II, pending completion of the SALT II negotiations, provided the Soviet Union exercised similar restraint. At the same time, the Soviet side issued a similar statement.

This continues to be US policy, and we expect that this continues to be the policy of the Soviet Union.

The Administration expects that, at the appropriate time, the Senate will resume its consideration of the SALT II Treaty and will give its advice and consent to ratification. Pending entry into force of the Treaty, it is essential not to take steps that could undermine the SALT process, e.g., actions inconsistent with the Interim Agreement.

With respect to SALT II, the US and the Soviet Union share the view that under international law, a state should refrain from taking actions which would defeat the object and purpose of a treaty it has signed subject to ratification. We, therefore, expect that both the United States and the Soviet Union will refrain from acts which would defeat the object and purpose of the SALT II Treaty before it is ratified and enters into force. Such acts could include, for example,

testing of missiles with more warheads than would be permitted under the Treaty, or the testing of new types of missiles which would not be permitted under the Treaty.

January 30, 1980

PERSIAN GULF COMMITMENT III

Q: Why should we make this commitment by ourselves?

A: -- The commitment is needed now -- and the United States must take the lead in making it.

-- Obviously, we will need cooperation from the countries in the region, and I have no doubt that we will get the cooperation we need.

-- We should also have the support of our friends and allies who are so heavily dependent upon Persian Gulf oil. I feel confident that as the implications of recent Soviet actions sink in, we will get their support in one form or another.

January 30, 1980

PERSIAN GULF COMMITMENT IV

Q: Can the flow of oil really be protected?

A: -- Obviously, no one can guarantee a continued flow of Persian Gulf oil under all conceivable wartime conditions.

-- To help insure the continued flow of Persian Gulf oil, we must deter attempts by outside forces to gain control of the region, or to cut off the flow of oil by force.

-- The ultimate deterrent is of course our own use of force -- and I made my willingness to use force quite clear in the State of the Union address.

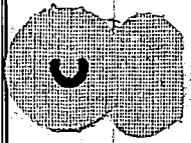
NAVY SHIPBUILDING

Q: In view of the obvious need for more ships, why did you cut President Ford's shipbuilding program?

A: -- Within the level of defense effort that appeared to be appropriate, at the time, further improvements in Army and Air Force capabilities to defend NATO's central front took precedence over a larger shipbuilding program.

-- In addition, the Navy's shipbuilding program was plagued by significant cost and schedule overruns and we were being sued by the shipbuilders over disputed claims. Pushing a faster shipbuilding program under such circumstances would not have been prudent.

-- With improvements for the NATO central front well in-train -- with increased defense resources -- with the solutions Ed Hidalgo has helped to find to the problems we inherited in the management of the shipbuilding program -- and with the clearer challenges to our interests in the Persian Gulf -- a stronger shipbuilding program is now appropriate, and that's just what we are asking for.



CHECKLIST OF ACTIONS TAKEN IN RESPONSE TO I ANIAN AND AFGHANISTAN CRISES

1. Soviet Union

a. Grain. An embargo is in effect on grain sales to the USSR. We have reached agreement with the other major exporting countries that they will not replace US sales formerly destined for the Soviet market. We are consulting further with Argentina to ensure that country's cooperation in this effort. We have set up a monitoring group among the exporters to exchange information and monitor shipments. We are currently reviewing our export license regulations to see which non-grain items can be removed from the embargo list.

b. High Technology Exports. We are reviewing our policy in this area and expect within 3-4 weeks to have new criteria for review of the national security and foreign policy implications of any given export license application. We are also consulting with our allies about more stringent application of existing multilateral controls on exports. In the meantime, I have suspended action on pending applications and denied the request to ship additional spare parts to the Kama River plant, which produced trucks used in the invasion of Afghanistan.

c. Ammonia. I have taken emergency action to limit imports of Soviet ammonia to 1 million tons in 1980 and asked the International Trade Commission to consider the need for controls beyond 1990.

d. Civil Air. We have limited Aeroflot to two flights weekly. We have also asked the CAB to withdraw existing authority to permit unlimited charter flights to the USSR. This could have a significant impact during the Olympics.

2. Iran. We have blocked Iranian assets in this country and abroad. We are actively consulting with our allies about additional trade and financial measures against Iran in the wake of the Soviet veto of the UN resolution. The US is prepared to embargo trade with Iran except for food, medicines, and medical supplies.

3. Afghanistan. We have cut off all aid and asked our allies to follow suit, which we expect. We plan to establish export licensing requirements for Afghanistan similar to those in effect for other communist countries. We are removing Afghanistan from the list of countries eligible for preferential tariff treatment (GSP).

4. Pakistan. We are actively reviewing Pakistan's requirements for additional security and economic assistance. We are consulting with our allies about Pakistan's needs in this time of crisis.

THE WHITE HOUSE
WASHINGTON

31 Jan 80

Frank Moore

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

Rick Hutcheson

cc: Stu Eizenstat

THE WHITE HOUSE

WASHINGTON

January 30, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT *Stu*

SUBJECT: Letter to You from Senator Robert Byrd
on Small Business

Senator Robert Byrd has written to you urging that you join with the leadership in the Senate and House in developing and advancing a "Democratic Small Business Program for 1980."

I recommend that you write to Senator Byrd indicating your desire to work with the Senate and House leadership on this matter. I have attached a suggested response which has been cleared by CL and the speechwriters.

Attachment

1940

0220

THE WHITE HOUSE

WASHINGTON

January 31, 1980

Dear Senator Byrd:

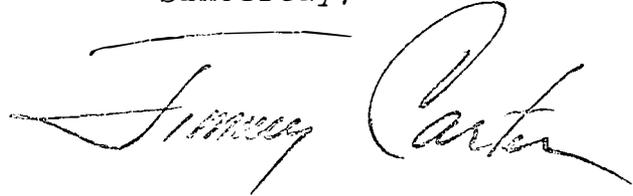
Thank you for your recent letter proposing that my Administration join with the leadership of the Senate and House in developing and advancing a "Democratic Small Business Program for 1980."

This is an excellent suggestion, and one which I am eager to pursue. I agree that Congress can be justifiably proud of the actions it has taken over the past several years to strengthen small business. I am equally proud of the over 160 separate administrative actions for small business which have been initiated at my direction since 1977.

Nevertheless, much remains to be done. The recommendations of the recently concluded White House Conference on Small Business deserve careful consideration. In addition, as I stated in my Message to Congress on Small Business on January 14, 1980, there are a number of legislative proposals of great importance to small business now pending or shortly to be submitted to the Congress. These include my proposals for comprehensive regulatory reform, paperwork reduction, trucking deregulation, uniform patent policy and securities law simplification.

I look forward to working with you and Senator Nelson in a coordinated effort to secure approval of legislative proposals such as those I have mentioned to help the small business sector.

Sincerely,

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

The Honorable Robert C. Byrd
United States Senate
Washington, D. C. 20510

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This is an excellent suggestion, and one which I am eager to pursue. I agree that Congress can be justifiably proud of the actions it has taken over the past several years to strengthen small business. I am equally proud of the over 160 separate administrative actions for small business which have been initiated at my direction since 1977.

Nevertheless, much remains to be done. The recommendations of the recently concluded White House Conference on Small Business deserve careful consideration. In addition, as I stated in my Message to Congress on Small Business on January 14, 1980, there are a number of legislative proposals of great importance to small business now pending or shortly to be submitted to the Congress. These include my proposals for comprehensive regulatory reform, paperwork reduction, trucking deregulation, uniform patent policy and securities law simplification.

I look forward to working with you and Senator Nelson in a coordinated effort to secure approval of legislative proposals such as those I have mentioned to help the small business sector.

Sincerely,

The Honorable Robert C. Byrd
United States Senate
Washington, D. C. 20510

WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

ID # 001309CL

INCOMING DATE: 80/01/17

CORRESPONDENT: THE HONORABLE ROBERT BYRD

SUBJECT: URGES THE PRESIDENT TO JOIN THE CONGRESSIONAL
LEADERSHIP IN DEVELOPING A "DEMOCRATIC SMALL
BUSINESS PROGRAM FOR 1980"

| ----- ROUTE TO ----- | ----- ACTION ----- | | | ----- DISPOSITION ----- | | |
|---------------------------------|--------------------|----------------|----------------|-------------------------|--------------|--------------|
| OFFICE / LAST NAME OR AGENCY | REF TYPE | ACTION CODE | ACTION DATE | RESPONSE TYPE | DISP CODE | DISP DATE |

| | | | | | | |
|----|-------|-------|----------|----|---|-----------|
| CL | _____ | O R G | 80/01/17 | FM | - | - / - / - |
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REFERRAL NOTE: _____

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| DPEIZE | _____ | R S R | 80/01/17 | | C | 80 01 / 26 |
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REFERRAL NOTE: _____

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| DP <i>Schwartz</i> | _____ | R | <i>SD 80 01 / 18</i> | | C | <i>80 01 23</i> 1/21/80 |
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REFERRAL NOTE: *for Steve Signature*

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REFERRAL NOTE: _____

COMMENTS: _____

REFER QUESTIONS ABOUT THE CORRESPONDENCE TRACKING SYSTEM
TO STEPHEN SLADE, EXT. 2941.

United States Senate
Office of the Majority Leader
Washington, D.C. 20510

AKK FM/SE
CONGRESSIONAL
LIAISON

January 15, 1980

JAN 17 1980

001309CL

cc: Tate

The President
The White House
Washington, D.C.

JAN 18 1980

Dear Mr. President:

The Democratic Party is the party of the small business person. Since the days of the New Deal, our party has embodied the spirit of competitive enterprise, social mobility, and economic opportunity which distinguish the small business sector.

The record of achievement of the Democratic Congress in recent years on behalf of small business is impressive. Since 1975, we have graduated corporate income taxes, revised estate taxes to allow businesses to be passed to spouses and children, created the jobs tax credit, and reduced capital gains taxes. We have made progress in reducing paperwork such as that required under the Employee Retirement Income Security Act and the Social Security Administration. The Senate has approved regulatory legislation to tailor rules and regulations to the size of the business required to comply with them. Democrats have defended anti-trust laws and fought economic concentration and unfair trade practices.

Senate Democrats are committed to continuing this tradition of small business support. To that end and as a former small businessman myself, I am writing you at this time to urge that your Administration and the Senate and House leadership join in developing a "Democratic Small Business Program for 1980." The program could include tax issues, regulatory reform, patent policy, security law, research and development, anti-trust, export stimulus, and other relevant small business issues. Early consultation between the White House and the Congress would ensure prompt consideration of legislative proposals in these and other areas.

100

100

100

100

100

1/25/80

Bob
Is this okay?
Please call. Harry Schwartz
x2645

OK per Bob Rockleb
3:20 PM
1/30/80 HES 1/29/80

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[Jc]

The Honorable Robert C. Byrd
United States Senate
Washington, D. C. 20510

United States Senate
Office of the Majority Leader
Washington, D.C. 20510

Ack FM/SE
CONGRESSIONAL
LIAISON

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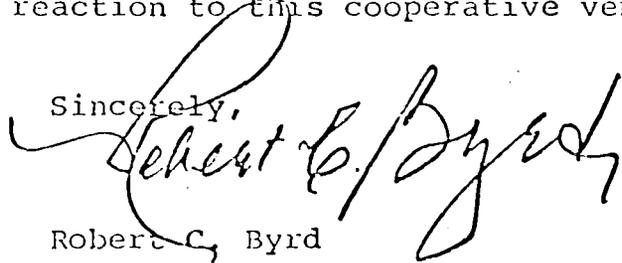
The President
January 15, 1980
Page 2

The work of the White House Conference on Small Business, which is currently underway, could be very beneficial to this end.

As a former small businessman yourself, I know you appreciate the need for a coordinated, effective effort to help the small business sector. Senate Democrats, led by Small Business Committee Chairman Gaylord Nelson, are eager to undertake this effort.

I look forward to your reaction to this cooperative venture.

Sincerely,

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

Robert C. Byrd

1/25/80

Don
Is this okay?
Please call Harry Ehwant
X2645

OK with me
if OK with
Stu
Don Tate
1/30/80

Dear Senator Byrd

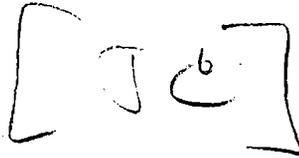
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Sincerely,

A handwritten signature in black ink, enclosed in a rectangular box. The signature appears to be "R. C. Byrd" written in a cursive style.

The Honorable Robert C. Byrd
United States Senate
Washington, D. C. 20510

United States Senate
Office of the Majority Leader
Washington, D.C. 20510

Ack FM/SE
CONGRESSIONAL
LIAISON

January 15, 1980

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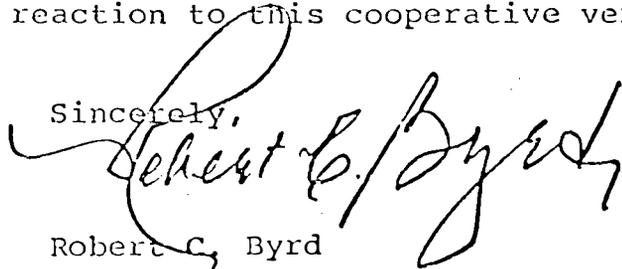
The President
January 15, 1980
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I look forward to your reaction to this cooperative venture.

Sincerely,

A handwritten signature in black ink, reading "Robert C. Byrd". The signature is written in a cursive style with a large, looping initial "R".

Robert C. Byrd

THE WHITE HOUSE
WASHINGTON

31 Jan 80

Anne Wexler

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

Rick Hutcheson

cc: Lloyd Cutler

THE WHITE HOUSE
WASHINGTON

January 30, 1980

*I prefer
Fitz for ceremonies,
then Cy & others
in my administration*
J

MEMORANDUM FOR THE PRESIDENT

FROM: ANNE WEXLER *AW*

SUBJECT: Designation of Representative for
Opening of the International Olympic
Committee Meeting in Lake Placid on
February 9, 1980

I know that Lloyd Cutler has sent you a memorandum on the designation of a person to represent you at the IOC meeting at Lake Placid. Subsequent to that memorandum, during my return flight from Greece the Lake Placid Olympic Organizing Committee advised me that their preferences for representative are as follows:

Secretary of State Cyrus Vance

Chief Justice Warren Burger

Governor Hugh Carey

With Lloyd's concurrence, I am sending this to you for information only and not as any change in the recommendations.

THE WHITE HOUSE
WASHINGTON

31 Jan 80

Phil Wise
Francis Voorde

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

Rick Hutcheson

cc: Anne Wexler
Lloyd Cutler
Jack Watson

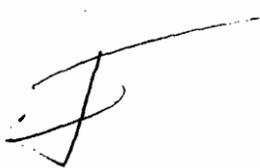
THE WHITE HOUSE
WASHINGTON 1/31/80

Mr. President:

Hamilton and Lloyd
Cutler have approved this
photo if you care to do
it.

approve disapprove

Phil



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for Preservation Purposes**

THE WHITE HOUSE

WASHINGTON

January 31, 1980

MEMORANDUM FOR PHIL WISE

FROM: MIKE CHANIN *mi*

SUBJECT: Photo Opportunity for Reverend Bernard Fell,
Chairman, Lake Placid Olympic Organizing
Committee

On their return from Greece, Reverend Fell told Anne that the LPOC was the only organizing committee for Olympic games in the United States which had not met with the President. Therefore, Anne suggests a photo opportunity for Reverend Fell and three or four members of his family for tomorrow, February 1, 1980.

Reverend Fell will be in town tomorrow because of the Olympic Torch Relay Ceremony on the steps of the Capitol Building. This ceremony is scheduled to begin at 11:30 and, for scheduling purposes, at least an hour should be allowed for the conclusion of the ceremony. Anne feels that the photo opportunity should be listed on the President's schedule, but covered only by a White House photographer.

I would appreciate knowing as soon as possible if this photo opportunity can be scheduled for tomorrow. Reverend Fell will call Anne in the morning.

cc: Lloyd Cutler
Jack Watson

3800H 7/17/17

0720

THE WHITE HOUSE

WASHINGTON

January 31, 1980



MEMORANDUM FOR: THE PRESIDENT
FROM: ESTHER PETERSON
SUBJECT: Consumer Federation of America Speech

I understand your concern over the "flap" regarding your CFA speech. I want to clarify a few points. The letter of invitation came to you as well as other presidential candidates in November. In December, after careful investigation and consultation, I recommended you accept. You were offered any time, any place, any format. I accepted for you after clearance from Fran Voorde on January 7th. Later, on January 29th, according to my intelligence, Kennedy people accepted and agreed to the luncheon spot which was vacant. We also learned that Kennedy was issuing a letter and press release inviting you to a debate. I told Jody the moment I learned this and we agreed that CFA should respond that the President had accepted about a month ago and Senator Kennedy a day ago. Kathleen O'Reilly did exactly this and the chronology was carried in some of the media. She did not talk of the debate issue except to say that it was up to the candidates.

We have a good speech for you and although we have had trouble with some of the Washington consumer leaders, we believe they do not represent the grassroots members of the consumer organization. The Kennedy supporters are vocal but you have a strong constituent support from many of the people who will be present, especially from the states. I urge you not to decline nor to send a substitute.

Many have told me, and I agree, that Kennedy's act is obviously one of desperation. You are so high above that.

THE WHITE HOUSE
WASHINGTON

31 Jan 80

Louis Martin

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

Rick Hutcheson

NAME REVEREND JESSE JACKSON

789

TITLE President, Operation PUSH

CITY/STATE Chicago, IL

Phone Number--Home (312) 955-1927

Work ()

Other ()

Requested by LOUIS MARTIN

Date of Request 01/30/80

INFORMATION (Continued on back if necessary)

Reverend Jackson is leaving for Saudi Arabia tomorrow from New York. I think it would be helpful to give him a call tonight. He rendered considerable service in Iowa. Although he claims he maintains a neutral posture, he was highly critical of Kennedy in some mass meetings in Iowa. He invited Ben Brown and Valerie Pinson to participate in two of his public programs. They were very appreciative.

NOTES: (Date of Call 1-31) At airport -

To S.A. - Emirates - Kuwait
13 in party

Louis Martin let US embassies know of his visit

of Reverend Jackson's efforts in Iowa.

Doc 50-4000 1210W

THE WHITE HOUSE
WASHINGTON

1/30/80

Mr. President:

Both Elliot Cutler
and Ed Sanders are leaving
the WH staff this week and
would like to say good bye.

May I schedule these?

yes no

Phil

2:30 PM

THE WHITE HOUSE

WASHINGTON

FILM CLIP FOR WHITE CONFERENCE ON SMALL BUSINESS

Wednesday, January 30, 1980

2:30 p.m. (15 minutes)

The Map Room

From: Hugh Carter 

I. PURPOSE

To film a clip to be used as part of a TV series on encouraging entrepreneurship.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: The White House Conference on Small Business, with the Department of Labor and the American Management Associations, is producing a 3-part television series designed to encourage people across the United States to consider self-employment as a way of making a satisfying and financially rewarding living. The U.S. Chamber of Commerce and the American Bankers Association are also involved in this venture.

The films will be shown on PBS stations across the country from March through August, 1980. A massive public information program will support the broadcasts, and a toll-free "hot line" will be set up to encourage viewers to respond to the broadcast and to seek information about business opportunities and operations.

Phil Gittleman, producer of the film, would like to film the President for the introduction to the series, based on his experiences as a small businessman. According to Gittleman, "drawing from his own experience we would like to have the President speak to those qualities he believes one must have in order to survive and, hopefully, flourish as an entrepreneur. We would also like to have him speak to the problems he has faced and how he overcame them."

The filming will use a discussion format, which the producer will lead with questions off camera. The producer's questions will, however, be edited out and not heard by the audience.

The filming is meant to be informal both in style and substance.

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for Preservation Purposes**

B. Participants: Gittleman Film Associates, contract
film makers

C. Press Plan: No media involvement

III. TALKING POINTS

Being supplied by the Speechwriters' Office

NOTE: WHCA has an 8-minute clip of footage of the film containing interviews with small businessmen. This might help illustrate the tone of the film, should you be interested in viewing it on the in-house TV system.

THE WHITE HOUSE
WASHINGTON

January 29, 1980

MEMORANDUM FOR THE PRESIDENT

From: Al McDonald
Rick Hertzberg
Achsah Nesmith *AN*

Subject: Presidential Talking
Points: Small
Business Taping

Scheduled delivery:
Wed, Jan 30, 1980
2:30 P.M.

The Presidential Talking Points for
this event are attached.

Clearances

Hugh Carter
Ray Jenkins
David Rubenstein

Achsah Nesmith
A-1 1/29/80
Scheduled for taping:
Wed. Jan. 30. 1980 2:30 p.m.

SMALL BUSINESS PBS TV TAPE "MORE THAN A DREAM"

[Producer Phil Gittleman will ask you some questions off camera, which will not be on the tape, hoping you will talk conversationally, not as Commander-in-Chief, but as someone who has been there. Other portions of the program will deal with what government programs have to offer. He will ask you why you decided to go into business, if you ever wanted to give up and if so, what sustained you, personal qualities you think are important to success, the rewards and pitfalls.]

1. WHEN WE WENT HOME TO PLAINS IN THE WINTER OF 1953, WE WENT INTO PARTNERSHIP WITH MY MOTHER IN THE PEANUT BUSINESS. SHE WAS A REGISTERED NURSE, I WAS A NAVY OFFICER WITH SPECIAL TRAINING IN NUCLEAR ENGINEERING AND COMMAND. MY WIFE ROSALYNN WAS A YOUNG MOTHER WITH THREE SMALL SONS. SHE HAD TAKEN SOME COURSES IN INTERIOR DESIGN.

MY PREVIOUS BUSINESS EXPERIENCE WAS LARGELY IN SELLING PEANUTS, HAMBURGERS, HOTDOGS AND ICE CREAM ON THE STREETS OF PLAINS AS A CHILD. I HAD WORKED ON THE FARM DURING MY GROWING-UP YEARS, BUT I HAD BEEN AWAY FROM FARMING FOR 11 YEARS AND FARMING HAD CHANGED DRAMATICALLY IN THAT TIME.

MY DECISION TO RETURN TO A TINY TOWN, A FARM, A CHURCH, AN UNCERTAIN INCOME AND AN UNCERTAIN FUTURE WAS MADE AT A TIME WHEN I WAS DOING WHAT I HAD TRAINED TO DO, FULFILLING MY LIFELONG AMBITIONS. MY WORK IN THE NAVY WAS INTERESTING AND PROMISING, I ESPECIALLY ENJOYED MY CONTACT WITH ADMIRAL RICKOVER, MY SALARY WAS GOOD, RETIREMENT WOULD BE LIBERAL AND SECURE. MY COURSE SEEMED TO BE FIRMLY SET.

WE WERE YOUNG AND CONFIDENT AND HAD A FEW THOUSAND DOLLARS IN SAVINGS BONDS WHILE I WAS IN THE NAVY. WE HAD NO IDEA WHAT OUR LIFE WOULD BE LIKE WHEN WE RETURNED TO GEORGIA.

YET AS I THOUGHT OF MY OWN FATHER'S LIFE, HOW MUCH IT HAD MEANT TO OUR SMALL COMMUNITY, I WANTED THAT KIND OF LIFE. HE WAS HIS OWN BOSS, AN INTEGRAL PART OF THE COMMUNITY, WITH A BROAD RANGE OF VARIED BUT RELATED INTERESTS AND RESPONSIBILITIES. IT WAS A RADICAL CHANGE IN COURSE.

2. I BECAME MY OWN BOSS -- AND MY ONLY EMPLOYEE. THAT FIRST GROWING SEASON FEATURED ONE OF THE WORST DROUGHTS IN GEORGIA HISTORY, AND A LOT OF LONG HOURS AND DRUDGERY AND HARD PHYSICAL LABOR. I SOLD 2,000 TONS OF FERTILIZER THAT YEAR IN 100 AND 200-LB. BAGS. SOMETIMES THE FARMERS WOULD HELP ME LOAD IT ON THEIR PICK-UP TRUCKS, BUT MOSTLY I DID IT MYSELF.

WHEN I FINALLY MUSTERED UP ENOUGH COURAGE TO GO TO THE LOCAL BANK AND ASK FOR A SMALL LOAN, I WAS TURNED DOWN. LATER I WOULD RECEIVE A LOAN FROM THE SMALL BUSINESS ADMINISTRATION, BUT THAT FIRST YEAR OUR PROSPECTS WERE NOT THAT PROMISING. OUR TOTAL PROFIT THAT YEAR WAS LESS THAN \$200.

3. I DID NOT KNOW MUCH ABOUT BUSINESS WHEN I STARTED. I TALKED TO SUCCESSFUL FARMERS AND BUSINESSMEN, PROFITED FROM THEIR ADVICE, TOOK SHORT COURSES AT A NEARBY COLLEGE. THE SECOND YEAR ROSALYNN BEGAN COMING IN ONE DAY A WEEK TO HELP WITH THE BOOKS, THEN HALF OF EACH DAY. SHE TOOK A BOOK-KEEPING COURSE AND STARTED WORKING WITH ME FULL-TIME.

WHEN I WAS IN THE NAVY I WAS AWAY ALL WEEK AND SOMETIMES WEEKS AT A TIME. I KNEW ROSALYNN HAD ALWAYS HANDLED RESPONSIBILITY WELL, AND THOUGH SHE OPPOSED MY INITIAL DECISION, ONCE IT WAS MADE, SHE DID EVERYTHING SHE COULD TO MAKE IT WORK.

AFTER PERSUADING HER TO COME BACK TO PLAINS, I COULD NOT ACCEPT THE POSSIBILITY OF FAILURE EVEN WHEN THINGS WERE ROUGH. MAYBE WE WERE BOTH TOO STUBBORN TO GIVE UP.

I'M SURE THERE MUST HAVE BEEN MANY TIMES WHEN SHE LONGED FOR THE NAVY AND THE UNSPOILED BEACHES OF HAWAII. YET WORKING TOGETHER, BUILDING SOMETHING TOGETHER FOR OURSELVES AND OUR FAMILY, GROWING TO MEET NEW CHALLENGES, WE LEARNED TO RELY ON EACH OTHER AS NEVER BEFORE, TO HELP EACH OTHER. WE WERE ABLE TO SHARE THE PLEASURES AND DISAPPOINTMENTS DAY BY DAY.

THERE WERE TIMES WHEN WE WERE DISCOURAGED, WHEN WE SEEMED TO BE GETTING LITTLE FOR ALL OUR WORK AND STRUGGLE -- AND NOT JUST THAT FIRST YEAR. WE WERE SUSTAINED BY OUR FAITH THAT GOD HAD A PURPOSE FOR OUR LIVES AND WOULD USE US WHEREVER WE WERE IF WE LET HIM. WE WERE ALSO SUSTAINED BY OUR FAITH IN OURSELVES AND IN EACH OTHER, AND BY OUR BASIC FAITH IN PEOPLE, EVEN WHEN THEY DISAPPOINTED US. AND WE FELT WHAT WE WERE TRYING TO DO WAS IMPORTANT.

4. A LARGE PERCENTAGE OF SMALL BUSINESSES FAIL. OFTEN THEY LACK ENOUGH CAPITAL TO ACCOMPLISH WHAT THEY SET OUT TO DO. MANY TIMES THEY LACK MANAGEMENT SKILLS. YOU HAVE TO SEEK OUT THE HELP THAT IS AVAILABLE -- IN LIBRARIES, FROM STATE, FEDERAL AND LOCAL

AGENCIES. YOU NEED TO DO YOUR HOMEWORK BEFORE YOU START AND KEEP ON DOING IT. WE NEVER EXPECTED OUR BUSINESS TO BE GLAMOROUS, WE DID EXPECT HARD WORK. WE WERE NOT SURPRISED ON EITHER COUNT.

IN ADDITION TO THE LONG HOURS AND HARD WORK, A BUSINESS OF YOUR OWN MEANS A LOT OF NEW RESPONSIBILITIES, TO YOUR CUSTOMERS, YOUR EMPLOYEES, YOUR SUPPLIERS. MAKING A PAY-ROLL IS NO LIGHT MATTER. GROWTH INCREASES THOSE RESPONSIBILITIES AS MORE AND MORE PEOPLE BECOME DEPENDENT ON YOU TO MAKE THE RIGHT DECISIONS.

YOU HAVE TO BE WILLING TO TAKE RISKS, BUT NOT A GAMBLER'S RISK. YOU HAVE TO GET THE BEST POSSIBLE INFORMATION TO BASE YOUR DECISIONS ON AND THEN BE WILLING TO TAKE RESPONSIBLE RISKS, KNOWING THAT YOUR OBJECTIVE IS WORTH IT, AND THAT YOUR DECISIONS AFFECT OTHER PEOPLE'S LIVES AND WELL-BEING.

5. OUR ECONOMY HAS BEEN BUILT ON SCIENTIFIC AND TECHNOLOGICAL INNOVATION, BUT FOR THOSE INNOVATIONS TO CHANGE THE LIVES OF OUR PEOPLE FOR THE BETTER, THEY MUST BE BROUGHT TO THE PEOPLE. SMALL BUSINESSES, BECAUSE OF THEIR ABILITY AND WILLINGNESS TO TAKE RISKS, HAVE TRADITIONALLY BEEN THE MAIN AVENUE FOR GETTING INNOVATIONS TO THE PEOPLE.

OUR NATION NEEDS TO INCREASE ITS PRODUCTIVITY, AND SMALL BUSINESSES HAVE LONG PIONEERED MOST OF THE INNOVATIONS THAT RAISE PRODUCTIVITY. SMALL BUSINESSES HAVE ALSO BEEN THE PRIMARY SOURCE OF NEW JOBS IN THE PRIVATE SECTOR IN RECENT YEARS.

6. MOST OF OUR ANCESTORS CAME TO THIS COUNTRY FOR FREEDOM AND OPPORTUNITY, TO BE ABLE TO CONTROL THEIR OWN DESTINY. THEY

DID NOT EXPECT IT TO BE EASY, BUT THEY WERE WILLING TO TAKE THE RISKS AND THE RESPONSIBILITY FOR THE FREEDOM AND OPPORTUNITY, FOR THE CHANCE TO BUILD A BETTER LIFE FOR THEMSELVES AND THEIR CHILDREN.

AMERICA STILL NEEDS THAT SAME WILLINGNESS TO TAKE RESPONSIBLE RISKS FOR FREEDOM AND OPPORTUNITY AND A BETTER LIFE.

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THE WHITE HOUSE
WASHINGTON

31 Jan 80

FOR THE RECORD:

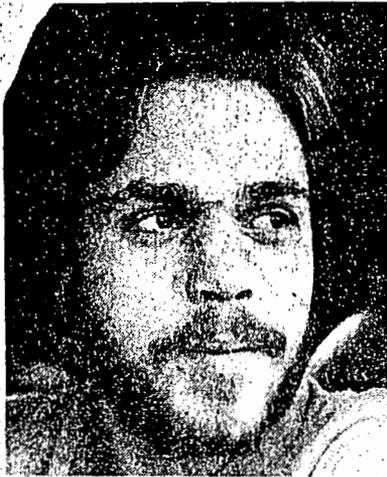
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OF THE ATTACHED.

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Some Boston reaction

What do Bostonians think about President Carter's proposal to reinstitute the military draft registration in the United States? Over the weekend the Boston Globe interviewed a number of persons in various Boston neighborhoods to get their views on the controversial subject. The interviews are the first to be conducted with professionals in the area.



Bill Coughlin, 18, Dorchester, a Boston Tech High student employed as a gas station attendant: "I like it (registration), I don't think we're going to have a war, but I wouldn't mind going. Look at the economy now. You go to war and things get a little better."



Walter F. Adams, 25, of 9th street, South Boston: "I think we should have registration. It's the only way to establish any readiness for whatever might happen. If a draft does come and I do have to go, I'm ready to defend my country anytime."



Mark Elliott, 20, Scituate, recently discharged from Marine Corps and now employed as an auto mechanic in South Boston: "... I think a little time in the service would be good experience for most of the teenagers I run into. I think it would help them clean up their act. Not only that, it looks like we've got to get ready for something. I'd go back into the Marine Corps if I had to."



Alfred Renwick, 26, Dorchester, Boston School Department employee: "I believe a draft is necessary. If there is a personal attack against our country I'm willing to fight, but not for any foreign country. I don't think anyone should be excluded from the draft."



Richard Smith, 25, Roxbury, apprentice contractor: "I think if all avenues for peace have been exhausted and this is our only recourse, we should be ready to deal with what comes. I agree that there shouldn't be any draft exclusions."



Vivian Brown, 25, Dorchester, welder: "The only way I would be willing to stay and be drafted is if America itself were attacked. The rest of this is not our problem and if I were drafted to fight in a foreign country I would run away."

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CARTER/MONDALE PRESIDENTIAL COMMITTEE, INC.
1413 K STREET, N.W., WASHINGTON, D.C. 20005

January 30, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: TIM KRAFT ^{TK}
RE: ATTACHED LETTER

I recommend that you sign the attached letter to Secretary of State Jack Brier - State of Kansas - to have your name placed on the State of Kansas Presidential Preference Primary.

Thank you.

JIMMY CARTER

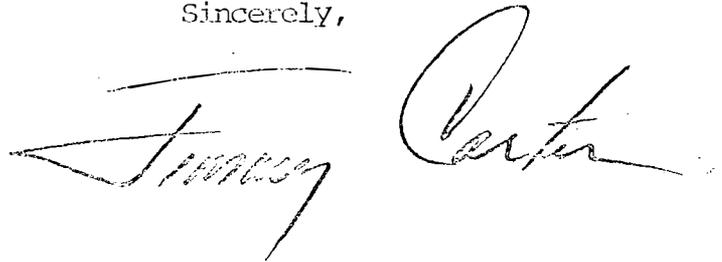
January 30, 1980

To Jack Brier

This letter will serve to officially notify you of my intention to run as a Democratic candidate for President in the April 1, 1980 Kansas Presidential Preference Primary. Please place my name on the Primary Ballot. I am looking forward to campaigning in the great State of Kansas.

With best regards,

Sincerely,

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

The Honorable Jack H. Brier
Secretary of State
State of Kansas
Topeka, Kansas 66612

9:30 AM

January 30, 1980

MEMORANDUM FOR THE PRESIDENT

FROM:

LANDON BUTLER 

SUBJECT:

MEETING OF THE COALITION FOR A DEMOCRATIC MAJORITY

DATE:

Thursday, January 31, 1980

TIME:

9:30 a.m.

LOCATION:

Cabinet Room

I. BACKGROUND, PARTICIPANTS AND PRESS PLAN

- A. Background: The Coalition for a Democratic Majority (CDM), as you know, is the institutional arm of the Jackson wing of the Democratic Party. Senators Jackson and Moynihan are Honorary Co-Chairman of CDM; Ben Wattenberg is Chairman.

Most of the key members of CDM have been dissatisfied with the Administration over the past three years for two basic reasons:

- They have felt that persons who share Senator Jackson's views on foreign policy have been excluded from positions of influence at the State Department and DoD.
- They have been increasingly concerned that the Administration was dovish and unrealistic about the Soviet threat.

Many CDM members initially were supportive of Senator Kennedy's candidacy, and others have considered the possibility of supporting a Republican. However, the failure of Kennedy and the Republicans to support the grain embargo was disappointing to CDM. Subsequently, CDM members were favorably impressed by your State of the Union message. They have concluded that Senator Kennedy's Georgetown speech was simply an effort to return to his narrow base of very liberal supporters.

On domestic issues, CDM normally lines up with the mainstream labor movement: on most issues, CDM's position would be the same as that of the AFL-CIO.

The purpose of this meeting is to provide an informal exchange of views between yourself and key members of CDM.

B. Participants: (attached)

C. Press Plan: White House photographer only.

II. TALKING POINTS

Max Kampelman suggested the following talking points:

--Thank you for coming today on short notice.

--Our country is in a time of crisis. The United States, and all the western democracies, face the most serious challenge to world security since the close of World War II.

--Nothing has given me more encouragement than the unity and strength I have seen among the American people in recent weeks. I know you come today in that spirit.

--CDM has had some differences with my Administration in the past. I hope we can put these differences behind us. I believe you are here, not to belabor the past, but to help me meet the challenges of today. I welcome your help.

--The will and resolve of our country, and of the free world is being tested today. I need your help, your advice, and your support.

--At this point you should ask Ben Wattenberg to comment. Ben will make brief remarks, and open the meeting to questions.

PARTICIPANTS

Ben Wattenberg
Chairman

Elliott Abrams
Midge Decter-Podhoretz
S. Harrison Dogole
Robin Farkas
David Flanagan
Max Kampelman
Penny Kaniclides
Jeane Kirkpatrick
Stephen Mann
Norman Podhoretz
Austin Ranney
Joseph Shattan
Maria Thomas
Admiral Elmo Zumwalt

From the Administration

Vice President Mondale
Zbig Brzezinski
Stu Eizenstat
Landon Butler

1/31/80

Sarah Weddington

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

Rick Hutcheson

cc: The First Lady
Gretchen Poston

January 10, 1980

MEMORANDUM FOR:

MRS. CARTER

FROM:

GRETCHEN POSTON *gp*

SUBJECT:

Burt Reynolds

*done -
he'll help
J*

Burt Reynolds (who has never supported a political candidate before) really wants to endorse the President and do what he can for him.

His agent does not like to let him be on committees or lists because he feels he is more effective by himself. If you and/or the President could give him a call, it would be terrific. He wants to make his own press announcement and could possibly be here in early February to do so.

BACKGROUND:

You met Burt Reynolds when the President was Governor and he was filming Deliverance and The Longest Yard in Georgia. He filmed Smokey and the Bandit there later and will start on a sequel next month.

He remembers the President hugged him at the fundraising dinner in Los Angeles two years ago. He was with Sally Field (she will probably get the academy award for Norma Ray this year), and is still "with" Sally Field.

He is presently in Jupiter, Florida at his dinner theater doing a play with Carol Burnett.

He can be reached at: 305-747-5261

305-546-3076

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

January 31, 1980

Mr. President:

The House Parliamentarian informs us that the House has congratulated countries on the elections of leaders, expressed condolences upon the death of prominent citizens and expressed sympathy for the anguish of natural disasters but has never thanked a nation for an act like assisting in the freeing of hostages.

The Senate Parliamentarian cannot confirm that its action yesterday thanking the Government of Canada was without precedent, because the Senate does not keep records as extensively as the House does.

Obviously, it is safe for you to say that the House action was the first time that the House of Representatives has ever commended a nation for a specific act (such as freeing the hostages) and it would be safe for you to say that the actions of the two bodies was virtually without precedent in the history of our republic.

Frank Moore

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ID 800708

THE WHITE HOUSE

WASHINGTON

DATE: 31 JAN 80

FOR ACTION:

INFO ONLY: THE VICE PRESIDENT

STU EIZENSTAT

JACK WATSON

LOUIS MARTIN

SUBJECT: EXECUTIVE ORDER: ADVISORY COMMITTEE ON SMALL AND MINORITY
BUSINESS OWNERSHIP

+++++

+ 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:

**Electrostatic Copy Made
for Preservation Purposes**

EXECUTIVE ORDER

ADVISORY COMMITTEE ON SMALL AND MINORITY BUSINESS
OWNERSHIP

By the authority vested in me as President by the Constitution of the United States of America and in order to implement Section 7(j)(3)(A) of the Small Business Act (92 Stat. 1765, 15 U.S.C. 636(j)(3)(A)), which directs the creation of an advisory committee for certain purposes, it is hereby ordered as follows:

1-1. Establishment of Committee.

1-101. There is established an Advisory Committee on Small and Minority Business Ownership composed of five high-level officers from five United States businesses and five representatives of minority small businesses.

1-102. The President shall appoint the members of the Committee and designate a Chairman from among its members.

1-103. In selecting the members, the President shall give due consideration to the particular skills desirable to accomplish the purpose and functions of the Committee.

1-2. Functions of the Committee.

1-201. (a) The Committee shall assist in monitoring and encouraging the placement of subcontracts by the private sector with eligible small businesses, particularly with small minority businesses, and shall study and propose the incentives and assistance needed by the private sector to help in the training, development, and upgrading of such businesses.

(b) Eligible small businesses are those located in areas of high concentration of unemployed or low-income individuals, businesses owned by low-income individuals, and those businesses eligible for assistance under Section 8(a) of the Small Business Act (15 U.S.C. 637(a), 92 Stat. 1761).

1-202. The Committee shall make periodic reports and recommendations to the President through the Administrator of the Small Business Administration and shall offer such other advice and at such times as the President through the Administrator may request.

1-203. The Committee, through its Chairman, shall report annually to the President and to the Congress on the activities of the Committee during the preceding calendar year.

1-3. Administrative Provisions.

1-301. The Committee may request any Executive agency to furnish such information as may be useful in fulfilling the Committee's functions. Each such agency is authorized, to the extent permitted by law, to furnish such information to the Committee.

1-302. Each member of the Committee who is not otherwise employed by the Federal Government shall receive no compensation from the United States by virtue of their service on the Committee, but all members may receive transportation and travel expenses, including per diem in lieu of subsistence, as authorized by 5 U.S.C. 5702 and 5703.

1-303. All necessary administrative staff services, support, facilities, and expenses of the Committee shall, to the extent permitted by law, be furnished by the Small Business Administration.

1-4. General Provisions.

1-401. The functions of the President under the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), except that of reporting annually to the Congress, which are applicable to the Committee, shall be performed by the Administrator of the Small Business Administration in accordance with guidelines and procedures established by the Administrator of General Services.

1-402. The Committee shall terminate on December 31, 1980.

THE WHITE HOUSE

, 1979



General
Services
Administration

National Archives
and
Records Service Washington, DC 20408

Dmg

December 26, 1979

Mr. Robert D. Linder
The White House
Washington, DC 20500

Dear Mr. Linder:

Transmitted herewith is a proposed Executive order entitled "Advisory Committee on Small and Minority Business Ownership."

The proposed Executive order has been reviewed in this office and approved for conformity with the provisions of Executive Order 11030, as amended.

Sincerely,

A handwritten signature in cursive script that reads "Ernest J. Galdi".

ERNEST J. GALDI
Acting Director
Office of the Federal Register

Enclosure



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

14 DEC 1979

The President,

The White House.

My dear Mr. President:

I am submitting herewith a proposed Executive order entitled "Advisory Committee on Small and Minority Business Ownership."

The proposed Executive order was presented by the Small Business Administration, revised in the Office of Management and Budget, and submitted with the approval of the Director to this Department for approval as to form and legality.

The proposed Executive order is approved as to form and legality.

Respectfully,

A handwritten signature in cursive script, reading "John M. Harmon".

John M. Harmon
Assistant Attorney General
Office of Legal Counsel

Attachment



United States Department of Justice
Washington, D.C. 20530

ASSISTANT ATTORNEY GENERAL
OFFICE OF LEGAL COUNSEL

14 DEC 1979

MEMORANDUM

Re: Proposed Executive Order entitled
"Advisory Committee on Small and
Minority Business Ownership"

The attached proposed Executive order was submitted by the Small Business Administration, revised by the Office of Management and Budget, and transmitted to this Department by the Office of Management and Budget with the approval of the Director.

Section 7(j)(3)(A) of the Small Business Act, as amended, authorizes the establishment of an advisory committee to "facilitate the achievement" of the purposes of § 7(j)(3) of the Act, which relate to the placement of certain subcontracts by private businesses with small business concerns. The proposed Executive order would establish that advisory committee. The functions of the committee, as prescribed in the order, are those authorized in the Act. The provisions of the order regarding the composition, administration, and term of the committee are consistent with the Act, as amended, and with the Advisory Committee Act, 5 U.S.C. App. § 1 et seq.

The proposed order is acceptable as to form and
legality.

John M. Harmon
Assistant Attorney General
Office of Legal Counsel

Attachment



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

GENERAL COUNSEL

NOV 5 1979

Honorable Benjamin R. Civiletti
Attorney General
Washington, D. C. 20530

Dear Mr. Attorney General:

Enclosed, in accordance with the provisions of Executive Order No. 11030, as amended, is a proposed Executive order entitled "Advisory Committee on Small and Minority Business Ownership."

This proposed Executive order was submitted by the Small Business Administration, along with the enclosed transmittal letter. The proposed order would establish a committee to advise the President and the Small Business Administration on ways to upgrade small and minority businesses. The creation and composition of this committee is required by statute (15 U.S.C. 636(j)(3)(A)).

None of the interested agencies objected to the issuance of the proposed order. It has been slightly revised in this office as to form. We deleted a proposed Section 1-204 which would have provided that meetings would be subject to the concurrence of the Administrator. As a practical matter, that provision is unnecessary. As a legal matter it is somewhat redundant in light of Section 10(e) of the Federal Advisory Committee Act, as amended.

The Department of Agriculture recommended that the Committee also be directed to "assist in establishing guidelines for the placement of subcontracts" We have not inserted that provision because, to the extent such advice becomes useful, it may be requested under the provisions of Section 1-202.

We note that the Community Services Administration urged that some committee members be selected who understand the CSA community development corporations (CDCs) and their

impact on minority and small business (CSA letter enclosed). This does not require any change in the proposed order. The Presidential Personnel Office may wish to take this into consideration.

Your staff may direct any questions concerning this proposed Executive order to Mr. Ronald A. Kienlen of this office (395-5600).

This proposed Executive order has the approval of the Director of the Office of Management and Budget.

Sincerely,

(Signed) William M. Nichols

William M. Nichols
General Counsel

Enclosures

file
RIL

June 7, 1979

MEMORANDUM FOR THE RECORD

SUBJECT: Proposed Executive Order Entitled "Advisory
Committee on Small and Minority Business
Ownership"

Mr. Arthur J. Schissel, Department of the Treasury, Chief,
Legislation Section (566-8523), advised the department
had no comment regarding issuance of the proposed subject
Executive order.

Mary J. Rice

Mary J. Rice

file
RK

June 4, 1979

MEMORANDUM FOR THE RECORD

SUBJECT: Proposed Executive Order Entitled "Advisory
Committee on Small and Minority Business
Ownership"

Mr. Paul Lewis, Office of Legal Counsel, Department of
Energy (633-9296), advised the Department had no comment
to make regarding issuance of the proposed order.

Mary J. Rice

Mary J. Rice

R/C

June 22, 1979

MEMORANDUM FOR THE RECORD

SUBJECT: Proposed Executive Order Entitled "Advisory
Committee on Small and Minority Business
Ownership"

Ms. Diane Diquinzio, General Counsel's Office, Department
of Housing and Urban Development (755-5272), advised they
had no comment to make other than the following:

"Any reference to 'Chairman' should be changed
to 'Chairperson' where it appears in the Order."

Mary J. Rice

Mary J. Rice



GENERAL COUNSEL OF THE
UNITED STATES DEPARTMENT OF COMMERCE
Washington, D.C. 20230

H/c
/cc

11 SEP 1979

Mr. William M. Nichols
General Counsel
Office of Management
and Budget
Washington, D. C. 20503

Dear Mr. Nichols:

This is in response to your request for the views of this Department with respect to the Small Business Administration's proposed executive order entitled "Advisory Committee on Small and Minority Business Ownership".

The Department of Commerce has no objection to the establishment of this Presidential advisory committee in connection with the statutory requirements of Section 7(j)(3)(A) of the Small Business Act.

Sincerely,

A handwritten signature in cursive script, appearing to read "W. Skidmore", followed by a long horizontal flourish.

William V. Skidmore
Acting Deputy General Counsel



**GENERAL COUNSEL OF THE
UNITED STATES DEPARTMENT OF COMMERCE**
Washington, D.C. 20230

11 SEP 1979

Mr. William M. Nichols
General Counsel
Office of Management
and Budget
Washington, D. C. 20503

Dear Mr. Nichols:

This is in response to your request for the views of this Department with respect to the Small Business Administration's proposed executive order entitled "Advisory Committee on Small and Minority Business Ownership".

The Department of Commerce has no objection to the establishment of this Presidential advisory committee in connection with the statutory requirements of Section 7(j)(3)(A) of the Small Business Act.

Sincerely,

WILLIAM V. SKIDMORE

William V. Skidmore
Acting Deputy General Counsel



RAK
WMM

SL
LL

U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

JUN 12 1979

Mr. William M. Nichols
General Counsel
Office of Management and Budget
Washington, D. C. 20503

Dear Mr. Nichols:

This is in response to your request for our views on the proposed Executive order entitled "Advisory Committee on Small and Minority Business Ownership".

The proposed order would establish a Presidential advisory committee in compliance with section 7(j)(3)(A) of the Small Business Act. That section requires the establishment of such a committee in connection with new statutory responsibilities imposed on the Small Business Administration by Public Law 95-507.

The Department of Labor has no objection to the issuance of the proposed order.

Sincerely,

Ray Marshall

Secretary of Labor



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

RAK
W.D. 1
file
R2

June 18 1979

Honorable James T. McIntyre, Jr.
Director, Office of Management and Budget
Washington, D. C. 20503

Dear Mr. McIntyre:

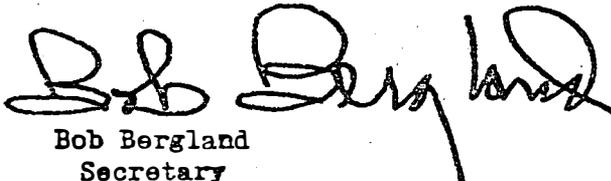
We have reviewed the proposed Executive Order entitled "Advisory Committee on Small and Minority Business Ownership" transmitted in your letter of May 1, 1979.

The language in Section 1-201(a), Functions of the Committee, should be strengthened to read as follows:

The Committee shall assist in establishing guidelines for the placement of subcontracts for the private sector to eligible small businesses, particularly with small minority businesses. They shall also monitor the placement of subcontracts by the private sector with small and minority small businesses. The Committee shall study and propose the incentives and assistance needed by the private sector to help in the training, development and upgrading of such businesses.

We appreciate the opportunity to be able to comment and have no objections to the remainder of the proposed order.

Sincerely,


Bob Bergland
Secretary

Community Services Administration WASHINGTON, D.C. 20506



RAK
WMN
file
RC

12 JUN 1979

Mr. William M. Nichols
General Counsel
Office of Management and Budget
Executive Office of the President
Washington, D.C. 20503

Dear Mr. Nichols:

Thank you for the opportunity to comment on the proposed Executive Order establishing a Presidential Advisory Committee on Small and Minority Business Ownership pursuant to provisions of Public Law 95-507.

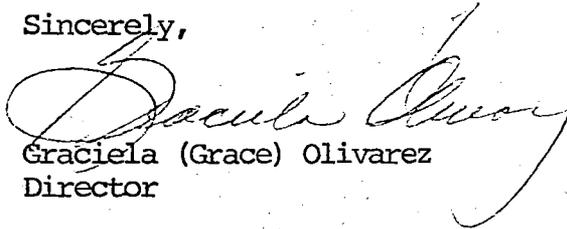
The Community Services Administration (CSA) is deeply concerned about the development of small business and minority business ownership because of the economic and employment opportunities created for low income individuals. Under Title VII of the Economic Opportunity Act, CSA's Office of Economic Development provides funds and renders assistance to forty (40) community development corporations (CDCs) which develop business and economic activity in special impact areas containing large numbers of unemployed and low income individuals. As you might expect, minority groups constitute a significant proportion of those served by such programs, and, in fact, many CDCs are minority controlled.

Unfortunately, our efforts to coordinate with the programs of the Small Business Administration have been extremely frustrating over the past seven (7) years. SBA has excluded CDC-owned ventures from participation in the "8(a)" government procurement program in spite of a clear Congressional mandate to the contrary. SBA has refused to allow Title VII funds to count as "private" money

for the purpose of capitalizing a "301(d) licensee" (MESBIC), again in direct contradiction of specific legislative provisions. We have continually urged SBA to make its policies conform to law, but our petitions have been ignored.

While CSA supports the intent and content of this Executive Order, we are very concerned that in appointing the advisory committee great care be taken to select both members and staff who understand the CDC model and its proper (and Congressionally mandated) role in the development of minority small business. In selecting the five high-level business representatives we urge that consideration be given to large corporations that have worked with and supported CDCs, and in selecting the five minority small business representatives that consideration be given to CDC-owned and supported minority small businesses.

Sincerely,



Graciela (Grace) Olivarez
Director



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

OFFICE OF THE ADMINISTRATOR

APR 26 1979

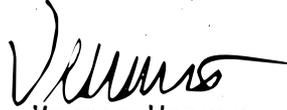
Honorable James T. McIntyre
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. McIntyre

Section 7(j)(3)(A) of the Small Business Act requires the establishment of a Presidential advisory committee in connection with new statutory responsibilities imposed on the Small Business Administration by Public Law 95-507. The White House Office of Personnel has requested that SBA prepare a draft for your convenience.

After some discussion with your General Counsel, Mr. William Nichols, we have prepared the enclosed first draft of an Executive Order establishing this committee. We understand that the Office of Management and Budget will take appropriate action necessary for its issuance.

Sincerely,


A. Vernon Weaver
Administrator

Enclosure



Executive Order _____

April _____, 1979

Advisory Committee on Small and Minority Business Ownership

By authority vested in me as President by the Constitution of the United States of America and in order to implement section 7(j)(3)(A) of the Small Business Act (15 U.S.C. § 636 (j)(3)(A), 92 Stat. 1765) which directs the creation of an advisory committee for certain purposes, it is hereby ordered as follows:

1-1. Establishment of Committee.

1-101. There is established an Advisory Committee on Small and Minority Business Ownership composed of five high-level officers from five United States businesses and five representatives of minority small businesses.

1-102. The President shall appoint the members of the Committee and designate a Chairman from among its members.

1-103. In selecting the members, the President shall give due consideration to the particular skills desirable to accomplish the purpose and functions of the Committee.

1-2. Functions of the Committee.

1-201.(a) The Committee shall assist in monitoring and encouraging the placement of subcontracts by the private sector with eligible small businesses, particularly with small minority businesses, and shall study and propose the incentives and assistance needed by the private sector to help in the training, development, and upgrading of such businesses.

(b) Eligible small businesses are those located in areas of high concentration of unemployed or low-income individuals, businesses owned by low-income individuals, and those businesses eligible for assistance under section 8(a) of the Small Business Act (15 U.S.C. § 637(a), 92 Stat. 1761).

1-202. The Committee shall make periodic reports and recommendations to the President through the Administrator of the Small Business Administration and shall offer such other advice and at such times as the President through the Administrator may request.

1-203. The Committee, through its Chairman, shall report annually to the President and to the Congress on the activities of the Committee during the preceding calendar year.

1-204. The Committee shall, subject to the concurrence of the Administrator of the Small Business Administration, meet at the call of the Chairman, but in no event less than quarterly.

1-3. Administrative Provisions.

1-301. The Committee may request any Executive agency to furnish such information as may be useful in fulfilling the Committee's functions. Each such agency is authorized, to the extent permitted by law, to furnish such information to the Committee.

1-302. Each member of the Committee who is not otherwise employed by the Federal Government shall receive no compensation from the United States by virtue of their service on the Committee, but all members may receive transportation and travel expenses, including per diem in lieu of subsistence as authorized by 5 U.S.C. §§ 5702 and 5703.

THE WHITE HOUSE
WASHINGTON

January 31, 1980

RECEIVED 5 p.m. January 31, 1980

Letter reviewed by Powell who indicated substantive charge as to accomplishments being answered - no need to respond to letter.

Letter reviewed by Susan Clough who also indicated no reply necessary.

PHIL WISE

THE WHITE HOUSE
WASHINGTON

Rec'd 5pm 1/31/80

letter reviewed by Powell who
indicated substantive change as to
accomplishments being answered - no need
to respond to letter

letter reviewed by Susan Clayh who
also indicated no reply necessary

Phil Wray

KENNEDY FOR PRESIDENT

January 31, 1980

The President
The White House
Washington, DC

Dear Mr. President:

Thanks so much for your prompt response to yesterday's letter. As I understand your position, you prefer not to engage in any "partisan political activities" that would be construed as "campaigning" at this time.

That suits me fine. I would be happy to limit our joint discussion at the Consumer Federation of America meeting on February 7 to non-political, non-campaign matters, i.e., exclusively to the substance of subjects which you and I deal with and take positions on in the course of our official legislative and executive capacities.

If you wish, we could restrict ourselves to the presumably non-political, non-campaign matters raised in the presumably non-political, non-campaign pamphlet entitled "The Record of President Jimmy Carter" printed and mailed by the White House to large numbers of citizens at taxpayer expense about the time of the formation of the Kennedy for President Committee last fall. I attach a copy of the cover page and table of contents of that government publication to serve as a guideline for our discussion.

Still looking forward to seeing you on the 7th.

Sincerely,



Edward M. Kennedy

Electrostatic Copy Made
for Preservation Purposes

1250 22ND STREET N.W. WASHINGTON D.C. 20037 TELEPHONE: (202) 861-6000

A copy of our report is filed with the Federal Election Commission
and is available for purchase from the Federal Election Commission, Washington, D.C.

**THE
RECORD OF
PRESIDENT
JIMMY
CARTER**



OCTOBER 1979

PRESIDENT CARTER'S KEY ACHIEVEMENTS

INDEX

| | PAGE |
|---|------|
| THE RECORD OF PRESIDENT JIMMY CARTER | 1 |
| I. ENSURING OUR ECONOMIC STRENGTH AND INDEPENDENCE..... | 3 |
| ECONOMY | |
| -Economic Stimulus Package..... | 3 |
| -Tax Reduction..... | 4 |
| -Employment..... | 4 |
| -CETA Public Service Jobs | 6 |
| -Private Sector Initiatives..... | 6 |
| -Humphrey-Hawkins Full Employment..... | 7 |
| -Targeted Employment Tax Credit..... | 6 |
| -Youth Employment | 7 |
| -Federal Budget..... | 8 |
| -Economic Growth..... | 9 |
| -Inflation | 9 |
| -Actions by the Federal Government..... | 10 |
| -Actions by the Private Sector..... | 11 |
| ENERGY | |
| -National Energy Act..... | 13 |
| -Department of Energy..... | 13 |
| -Energy Conservation Measures..... | 13 |
| -tax credit..... | 13 |
| -insulation service | 14 |
| -10% investment tax credit..... | 14 |
| -weatherization..... | 14 |
| -grants for hospital and school insulation | 14 |
| -\$65 million assistance/audit program..... | 14 |
| -mandatory building temperature | 14 |
| -mandatory fuel efficiency..... | 14 |
| -mandatory utility conversion | 14 |
| -\$16.5 billion for mass transit | 14 |
| -solar construction tax credits..... | 14 |

| | |
|---|----|
| -\$6.0 billion residential conservation..... | 15 |
| -Windfall Profits Tax | 15 |
| -Solar Energy | 15 |
| -Coal | 15 |
| -Energy Security Corporation..... | 16 |
| -Energy Mobilization Board | 16 |
| -Oil Company Mergers..... | 17 |
| -Crude Oil Decontrol..... | 17 |
| -Heavy Oil Decontrol | 17 |
| -International Energy Cooperation..... | 17 |
| -Alaskan Natural Gas..... | 17 |
| -Mexican Natural Gas..... | 17 |
| -Tokyo Summit Agreement..... | 17 |
| -Investigation of Price Regulation Violations | 18 |
| -Regulating Government Performance..... | 18 |

II. ADAPTING THE GOVERNMENT TO MEET THE CHANGING NEEDS OF SOCIETY 19

MORE EFFECTIVE GOVERNMENT

| | |
|---|----|
| -Civil Service Reform | 19 |
| -Seven Reorganization Plans Implemented | 20 |
| -Airline Deregulation | 21 |
| -Trucking Deregulation..... | 21 |
| -Railroad Deregulation..... | 22 |
| -Bank Deregulation/Small Saver Reforms | 22 |
| -Government Regulation Reforms | 22 |
| -Limit Government Bureaucracy | 23 |
| -Zero - Base Budgeting | 23 |
| -Sunset Legislation | 23 |
| -Federal Court Reform | 23 |
| -Science and Technology | 23 |

MEETING SOCIAL AND HUMAN NEEDS

| | |
|---------------------------------|----|
| -National Health Plan..... | 24 |
| -Hospital Cost Containment..... | 25 |
| -Social Security Reforms..... | 26 |
| -Protection for the Poor..... | 27 |
| -Welfare Reform..... | 27 |
| -Food Stamp Reform | 27 |

| | |
|--|----|
| -Education..... | 28 |
| -Department of Education..... | 28 |
| -Elementary and Secondary Education..... | 29 |
| -Middle Income Student Assistance..... | 29 |
| -Urban Policy..... | 30 |
| -Urban Development Action Grants..... | 30 |
| -Highway and Mass Transit..... | 30 |
| -Countercyclical Aid..... | 31 |
| -New York City Assistance..... | 31 |
| -Housing and Community Development..... | 31 |
| -Agriculture and Rural Policy..... | 31 |
| -Consumers..... | 33 |
| -Consumer Cooperative Bank..... | 33 |
| -Communications..... | 33 |
| -Telecommunications..... | 34 |
| -Small Business..... | 34 |
| -Veterans..... | 34 |

NATURAL RESOURCES AND ENVIRONMENT

| | |
|---|----|
| -Environment..... | 35 |
| -Alaska D-2 Lands..... | 35 |
| -Strip Mining..... | 35 |
| -Clean Air and Water..... | 36 |
| -Outer Continental Shelf Leasing..... | 36 |
| -Omnibus National Park Legislation..... | 36 |
| -Redwood National Park..... | 36 |
| -Water Policy..... | 36 |
| -Hazardous Wastes..... | 37 |
| -Coastal Protection..... | 37 |
| -Protection of Wild Areas..... | 37 |
| -Fisheries Development..... | 37 |
| -National Heritage Program..... | 37 |

| | |
|---|----|
| III. RESTORING BASIC AMERICAN VALUES..... | 39 |
| -Human Rights..... | 39 |
| -Integrity and Openness..... | 40 |
| -Ethics in Government..... | 40 |
| -Inspectors General..... | 40 |

| | |
|---------------------------------------|----|
| -Security Classification | 40 |
| -Public Financing | 41 |
| -Lobby Law Reform | 41 |
| -Equality and Equal Opportunity | 41 |
| -Equal Rights Amendment | 41 |
| -D.C. Voting Rights..... | 41 |
| -Senior Management..... | 42 |
| -Minority Business..... | 42 |
| -Judgeships..... | 42 |
| -Anti-Discrimination | 43 |
| -Civil Rights Enforcement..... | 43 |
| -Anti-Boycott | 43 |
| -Bakke and Weber..... | 43 |
| -Fair Housing..... | 44 |
| -Handicapped | 44 |
| -Mandatory Retirement..... | 44 |
| -Civil Liberties..... | 45 |
| -FBI Charter..... | 45 |
| -Wiretap Protection..... | 45 |
| -Stanford Daily | 46 |
| -Privacy..... | 46 |
| -Worker Protection and Rights..... | 46 |
| -Minimum Wage | 46 |
| -Labor Law Reform | 46 |
| -Mine Safety and Health | 46 |
| -OSHA | 47 |
| -Hatch Act Reform..... | 47 |

IV. PRESERVING PEACE THROUGH A STRONG DEFENSE 49

NATIONAL SECURITY

| | |
|--|----|
| -SALT II | 49 |
| -Strategic Weapon Modernization..... | 49 |
| -Real Growth in Defense Spending | 49 |

RESOLVING REGIONAL CONFLICTS AND TENSIONS

| | |
|-----------------------------|----|
| -Middle East..... | 51 |
| -Panama | 51 |
| -Southern Africa | 51 |
| -Improved U.S Efforts | 52 |

FURTHERING EAST-WEST RELATIONS

| | |
|------------------------------------|----|
| -Soviet Union/Eastern Europe | 52 |
| -China..... | 53 |

COOPERATION WITH ALLIES

| | |
|--------------------------------------|----|
| -Key Western Allies and Japan | 54 |
| -Southern Europe | 54 |
| -Asia | 55 |
| -New Cooperative Relationships | 55 |

GLOBAL ISSUES

| | |
|--------------------------------|----|
| -Nuclear Nonproliferation..... | 55 |
| -Conventional Arms Sales | 56 |

INTERNATIONAL ECONOMY

| | |
|---|----|
| -Multilateral Trade Agreements..... | 56 |
| -American Dollar | 56 |
| -Economic Summits | 56 |
| -Exports..... | 57 |
| -Increased International Initiatives..... | 57 |

(in Phil)
If you're interested...
then pls send in to
Jean Vossell -

Thanks -
M

THE WHITE HOUSE
WASHINGTON

1/31/80

Central Files --

Attached is for file, n/a since responded to in media last night.

I am not forwarding to Congressional Liaison as incoming is written by a person who is a candidate for president and not by or because of any membership in the United States Congress.

I am not forwarding to campaign offices because the letter is addressed to the President of the United States at the White House, and refers to an engagement which was accepted by the President in his official capacity and not accepted as a campaign engagement.

Thanks -- Susan Clough

✓ cc: Fran Voorde

*Rec'd / Fran
for appropriate
handling*

THE WHITE HOUSE
WASHINGTON

1/31/80

*have, follow
may since since
ideas re
comments
-h*

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Thanks -- Susan Clough



cc: Fran Voorde

KENNEDY FOR PRESIDENT

January 30, 1980

The President
The White House
Washington, DC

Dear Mr. President:

I understand that we are both scheduled to speak before the Consumer Federation of America in Washington during the morning of February 7.

It seems to me that this would be an excellent opportunity for us to have the joint discussion which was planned to occur in January. If you still feel some constraints about discussing the Iranian situation because of the continuing threat to the hostages, I'm sure the C.F.A. membership would be willing to have our discussion limited to other issues.

I'd be happy to plan my day so that we can have as much time for this discussion as your day will allow.

Looking forward to seeing you on the 7th.

Sincerely,



Edward M. Kennedy

cc: Kathleen O'Reilly
Consumer Federation of
America

1250 22ND STREET N.W. WASHINGTON D.C. 20037 TELEPHONE: (202) 861-6000

A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.

Phil---

This is what we said to reporters. Please note the one parenthetical remark typed in for you:

The President accepted the invitation to speak before the Consumer Federation of America some time ago, as much as a month ago. Quite frankly, if Senator Kennedy accepted his invitation to appear before the group he must have done so quite recently. (This was so reporters would call the CFA and find out he had just accepted that day or the day before.)

As you know, we said just yesterday that the President would not be able to attend campaign fundraisers on the West Coast on February 8 and 9. Under those circumstances, we think it would be quite difficult to explain to our West Coast supporters why the President could not attend those February 8 and 9 fundraisers but could find time to participate in a partisan political debate on the 7th.

As we have said for weeks, and as the President reiterated as recently as yesterday at the editors briefing, the President does not feel that he can on the one hand be seeking bipartisan support for these international crises----Iran and Afghanistan---and *on the other hand* ~~at the same time~~ take part in a partisan political event, which a debate with the Senator would surely be.

Rex