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NATIONAL ARCHIVES AND RECORDS ADMINISTRATION
March 11, 1980

Dear Mr. Leake:

Thank you so much for your letter of March 6, 1980, and your kind comments.

I will walk down and take your letter to Susan Clough or the President later today.

It was a real pleasure to have you here. With many thanks.

Sincerely,

SARAH WEDDINGTON
Assistant to the President

Mr. James C. Leake
Leake Industries, Inc.
Post Office Box 1887
Muskogee, Oklahoma 74401

SW/smcm
March 11, 1980

TO: Susan Clough

FROM: Sarah Weddington

I am enclosing a letter from James C. Leake that I thought perhaps should go to you since he mentions he is a personal friend of the President's and seems a substantial Oklahoman. I am enclosing a copy of the letter I sent him in response. I do hope you're feeling much better. We certainly missed you while you were out.

Enclosure

SW/smcm
Dear Mr. President:

I am very dilatory and slow in thanking you for the wonderful day I had on January 17 when I was invited to spend the day at The White House. It was quite an experience for me and I certainly did appreciate being included. Marjory and I remember very well, and with great fondness, when we were together and you were Governor of Georgia, and we were working on the Commission of the Future of the South. All in all, it was a great affair, and Sarah Weddington did a fine job of hosting all of us.

The first item on the agenda was our discussion with David Rubenstein on Domestic Affairs and Policy. In the last one and one-half months much has happened on domestic affairs and policy. I am very much interested in seeing you elected again as President and I am perfectly willing to help you in any way I can, but I am saying this to you: that domestic affairs are just beginning to enter into a campaign. Never before have I seen the highest deficit in this country's history with the highest interest rate, and I cannot figure out how any of our economic advisors can justify these two situations. The interest rate is just beginning to tear the economy apart, and I predict to you that if it continues, that it will control inflation and that will be controlled by a depression.

Just remember that prices are cheapest and prices are best for the consumer when the manufacturer is running at full speed, when the pipe line is at full capacity, and the retailer's stocks are at an all-time high. That is when you squeeze the best buy out for the consumer -- not when you are cutting back to beat the interest rate, nor when the pipe lines are not full, nor when the retailer's inventories are at a low ebb and they are fighting to keep them low because of high interest. That is when prices are highest, and when the deal for the consumer is worse.

James C. Leake, Chairman

February 29, 1980

President Jimmy Carter
The White House
Washington, D.C. 20510
You are going to have a hard time keeping on top of the political pile with the present interest rates, and I remind you it is now the first of March. That means we have four months. If the interest rates are going down, you should defuse this issue by the time of the convention and certainly by election. When Nixon ran for President the last term and we went through the same situation, I swore I would never vote for another Republican, for they are all for tight money and high interest rates. Democrats have always been for the cheapest supply of money, low interest rates, and a good deal for the consumer. I think we are clear out of gear and I will say this to you, you are going to have a tough go at it if interest rates remain where they are.

While I am on this issue, I should like to say that Congress, the executive branch, and others, have branded our oil industries as get-rich-fast enormous money gathering parts of our economy. But I would ask you to direct your attention to the banking industry of this country, and particularly the big banks. Let's check their profits and see how they are ripping off the public.

Anyway, I am saying this to you as I see it, not as I would like it to be. You are my friend and I would like to help you get re-elected. Therefore, I am going to tell you exactly as I feel as a businessman and the way I see things. If it doesn't fit, that is all right, but I am one who will tell you what I think regardless, for that is the only kind of basis for our friendship.

The second issue we had before us on January 17 was the energy situation. I think that when the public finally figures out what the so-called "windfall tax" is, it will be one of the most unpopular things the Federal Government has ever done, for it is not a windfall tax on the profits of the oil companies, it is a general tax on all energy and all people are going to pay. If you hearken back to the tax of World War II and recall what was called the excess profit tax on surplus profits made during war-time, that took care of all surplus profit. It would catch our banker friends whose profits would not stand scrutinization. It would siphon off the profits better than this windfall tax. This is going to pile difficulty on top of difficulty, and I do not understand why an excess profit tax won't do a good job. Mr. Charles Duncan was a brilliant man, and I think he has an understanding of the energy situation in this country very accurately. I commend you for having a good man in this position.

The next item on our agenda was Dr. Brzezinski on national security affairs. We always talk about human rights and the oppression of people. Why wouldn't it be to our interest to liberate the Cubans from the tyranny of communism which they have had to endure for so many years. I predict to you that this will have to be done in the future, and it could be done today better than in the years ahead. I do not believe we should put up with the Russians ninety miles off our shore when we don't have to. To go in and liberate the Cubans and offer them a common wealth status with the United States and let them do
their own decision making would be a very wise move on our part.

I also say we should push strongly for the statehood of Puerto Rico, since that is the only stronghold we have in the South American area. I predict to you that we will have all kinds of trouble in Central and South America in the years ahead. The stronger the Cubans are, the more trouble we will have in the Caribbean. I am sure the Russians would liberate any country ninety miles from their border under the regime of the capitalistic Americans. I suggest you consider these situations.

I think you have done as good a job as possible in dealing with the fanatics in power in Iran. I don't know what else you could have done. But, we are reaping the rewards, not only in Iran, but worldwide, for a long period of pacifism in dealing with people throughout the world. There was a time when, if one was an American or English citizen in a foreign country, you were dealt with with respect. That is not true today. The policy of this country has been the opposite for a long time. Nowhere in the world I go today do we command the respect that we show other people in our own country.

Jim Williams did a fine job, and I commend you again for having another man with good credentials. Your embargo of wheat to the Russians was all right, but we should not howl much about balance of payments. If we cut off our exports, we should expect our balance of payments to be down. I am one who believes we can improve the balance of payments immensely if we make it much more convenient to ship merchandise out of this country. The maze of legislative gobblety-goo one has to go through in this country to ship merchandise out, and the delays and all, makes it very difficult to export merchandise. I think we could do a better job with this.

While we are on this subject, I will say to you that the transportation industry in this nation is the sickest industry we have. I am speaking of trucking and all. I think the faster you can de-regulate the trucking and railroad industry, the better off the country will be. The de-regulation of the airlines industry has been one of the greatest things you have done since you have been in office, and the de-regulation of the trucking industry will be the greatest one thing you can do to straighten out what I consider to be a hopeless industry which can not seem to straighten itself out.

I thought for you to bring the Olympic team to Washington was one of the greatest things you could have done. I commend you on that decision.

While we are talking about people who have done fantastic accomplishments, I would like to commend to you the American Broadcasting Company for originating the world-wide coverage of the Olympics. I have had many calls of appreciation from our friends in England. This was the largest undertaking ever done by any
broadcasting industry, and I know they would appreciate a word of commendation from you.

I want to thank you once again for the kind invitation and to tell you how much I enjoyed the fine luncheon. It was nice to see you and Rosalyn. Thank you also for the telephone call to Marjory and myself to wish us Happy New Year. If I can help you, please let me know.

Every good wish,

James C. Leake

nc
Meeting with Governors/Mayors Tuesday, March 11, 1980

Ella, will support broad program hiring freeze incl defense.

All agree afraid need bold proposals.

Waynard: Not whether, but what to cut.

Health, energy, housing, food, out fed employment.

Defenses, recissions, defense not inviolate.

Be careful re "defend tithe".

Bill: En on side of draconian.

See fed budget advantage properly.

David: Best support her now, not later, outside.
THE WHITE HOUSE
WASHINGTON

MY BRIEFING 3-11-80

MIDE - CRUCIAL NEGOTIATIONS -> JUST & LASTING PEACE

ADDRESSED DIFFICULT ISSUES
C DAVID & MIDE TREATY

BASIC PRINCIPLES:

INTEGRITY & SECURITY OF ISRAEL
SECURE & RECOGNIZED BORDERS
JERUSALEM - UNDIVIDED - ACCESS

UN 242 ACHIEVED BASIS

RESOLVE PALESTINE PROB. - ALL ASPECTS
SELF-GOV AUTH WBA/GAZA
3 YRS. NEGOT FINAL STATUS

RECOG LEGIT RGT OF PALESTINIAN
(consistently opposed)

DO NOT FAVOR IND. PALEST STATE
NOT NEGOT OR RECOGNIZE PLO

SETTLEMENTS (NEW) OBSTACLE TO PEACE

POLICY: RE DISMANTLING JERUSALEM
MISTAKE - ADMISSION - TRUST

I SET POLICY
Iran
Afghan
Energy
Inflation
Jack Watson
Arnie Miller

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

Rick Hutcheson
MEMORANDUM FOR THE PRESIDENT

FROM:       JACK WATSON
            ARNIE MILLE

SUBJECT:   Federal Council on Aging

March 7, 1980

When Nelson Cruikshank leaves the Federal Council on Aging, there will be no member who represents labor, and Nelson feels that this is important. He recommends I. W. Abel, President of the United Steelworkers. Secretary Harris and Landon Butler concur.

RECOMMENDATION:

Nominate I. W. Abel as a member of the Federal Council on Aging.

    V  approve

    ______  disapprove

Jack - are being considered for Nelson's job?
I. W. ABEL
Pennsylvania

PROFESSIONAL:

1965 - Present
President, United Steelworkers

1965 - 1977
President, National Organization

1965 -
Vice President with AFL-CIO

1953-1965
Secretary-Treasurer with United Steelworkers

1942 -
Director, Canton-Massillan

1925 - 1933
American Sheet & Tin Plate Company
(now subsidiary of U.S. Steel Corp.)

EDUCATION:

Canton (Ohio) Actual Business College

PERSONAL:

White, Male
Age: 72
Democrat
FEDERAL COUNCIL ON THE AGING

AUTHORITY: P.L. 93-29 of May 3, 1973, Title II, Sec. 205 (37 Stat. 33)

METHOD: Ex officio and nominated to the Senate

MEMBERS: Secretary of Health, Education, and Welfare, ex officio
Commissioner on Aging, ex officio
and
FIFTEEN members appointed by the President with the
advice and consent of the Senate

NOTE: Members shall be appointed so as to be
representative of older Americans,
national organizations with an interest
in aging, business, labor, and the general
public. At least five of the members
shall themselves be older persons.

CHAIRMAN: Designated from among the members appointed to the
Council.

TERM: THREE YEARS, except of the members first appointed,
five shall be appointed for a term of one year, five
shall be appointed for a term of two years, and five
shall be appointed for a term of three years, as
designated by the President at the time of appointment.
Any member appointed to fill a vacancy occurring prior
to the expiration of the term for which his predecessor
was appointed shall be appointed only for the remainder
of such term. Members shall be eligible for reappoint-
ment and may serve after the expiration of their terms
until their successors have taken office. (HOLDOVERS)

Continued - Page 2
FEDERAL COUNCIL ON THE AGING

SALARY:

Daily rate of GS-13 while serving on business of the Council, including travel time, and may be allowed travel expenses, including per diem in lieu of subsistence.

PURPOSE:

The Council shall meet at the call of the Chairman but not less often than four times a year to advise and assist the President and the Commissioner on Aging on matters relating to the needs of the elderly and to serve as a spokesman on behalf of the elderly by making recommendations to the President, the Secretary of Health, Education, and Welfare, the Commissioner on Aging and the Congress. Beginning with the year 1974 the Council shall make such interim reports as it deems advisable and an annual report of its findings and recommendations to the President not later than March 31 of each year. The President shall transmit each such report to the Congress together with his comments and recommendations.
AUTHORITY: ADD: 42 U.S.C. 3015
P.L. 95-478, Sec. 102(e)(1), October 18, 1978 (eff. 9/30/78)

NOTE: INSERT "rural and urban" after the word "of" in the first sentence
At the end of the NOTE insert the following sentence:
"No full-time officer or employee of the Federal Government
may be appointed as a member of the Council."

CHAIRMAN:
TERM:
SALARY:
PURPOSE:
MEMORANDUM TO THE PRESIDENT
FROM: ANNE WEXLER
SUBJECT: Activities Report -- Week Ending March 7, 1980

1. **Inflation.** As Al McDonald has already reported, I ran about 20 consultation sessions with interest groups and business and finance leaders. In addition to the issues raised in our memo to the EPG (which Al has sent you), I have two major concerns about the period before you announce your decisions:

   a. That we not allow the press to declare our approach a failure before we even announce it. The stories are already prevalent that balancing the budget will not reduce inflation. While we explain why wage and price controls are not the answer, we also need to place the budget decisions in perspective with other possible actions.

   b. That you be perceived as being actively involved in the resolution of the problem. A number of people have commented to me this week that you seemed above the fray. I do not suggest that you should be put in the position of meeting with any constituency on a specific budget decision, but it is important that it be known that in addition to meeting with your own advisors, you have reached out to others (if only by telephone).

   For the long term, we are working on the outreach strategy for announcement of your decisions and the continued presentation of our program to the American public. I believe this must be the most massive outreach effort which we have ever undertaken, particularly if a major concern is the psychology of inflation.

2. **Registration.** We have about 26 Washington-based organizations working on the Hill in support of our appropriation for the registration of men. They will also participate in Senate testimony and will keep the pressure on. According to feedback from the interest groups, barring unforeseen circumstances, we should be successful with this issue.
3. Miscellaneous. We got some good business support on trucking deregulation. In particular, General Motors made extensive efforts to reverse press accounts that it was leading the opposition to Senator Cannon's compromise. Instead, they strongly supported the bill.

-- We are working on a program to broaden support for the railroad deregulation bill.

-- Environmentalists were very positive following the tenth anniversary celebration last week. We will send them a printed version of your speech and the proclamation on Justice Douglas.

-- We are working with Doug Costle and Gus Speth on the environmentalists' concerns about the utility oil backout proposal. Doug needs to be in the position to make a strong commitment that the Administration will take the lead in working with Congress in seeking a legislative solution to the acid rain problem and, perhaps, that we want this accomplished before the conversion program gets well underway. A meeting at EPA with environmentalists to explain our position is being planned for Wednesday and guidance from you by that time would be important. Also, the "coal event" is scheduled for Friday and we should have our position clear by that time as well.
THE WHITE HOUSE  
WASHINGTON  
3/11/80

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

Re: Cabinet Summaries

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

Rick Hutcheson

EYES ONLY
March 7, 1980

MEMORANDUM TO THE PRESIDENT

THROUGH Rick Hutcheson
Staff Secretary

SUBJECT: Weekly Report

NO PAID DIVERSION FOR 1980 WHEAT, FEED GRAIN CROPS. USDA announced that it will not institute a paid land diversion program for the 1980 crops of wheat, corn, and other feed grains, in view of prospects for continued growth in the world consumption requirement for these crops.

USDA TO BEGIN PURCHASE OF WHEAT AND CORN SUSPENDED FROM SHIPMENT TO USSR. USDA announced that it will buy wheat and corn suspended from shipment to the Soviet Union. The Commodity Credit Corporation (CCC) offered to buy wheat on March 7, and will continue until a quantity equal to that suspended from shipment to the USSR has been removed from the market. A direct purchase program would also be implemented for corn as a complement to the incentives already announced to encourage increased participation in the farmer-owned reserve.

SENATE UNIT OKAYS BILL OPENING RESERVE TO NON-PARTICIPATING FARMERS. The Senate Agriculture Committee has approved a bill granting the U.S. Agriculture Secretary authority to open the farmer-owned grain reserve program for wheat and corn from farmers who did not comply with the 1979 wheat and feed grains programs. USDA would accept corn from farmers who did not participate in the 1979 farm programs only if those who did participate did not put enough into the reserve to raise prices. The bill also contains a section allowing the CCC to sell government-owned corn at the reserve release price for the farmer-owned reserve if the corn is used in alcohol fuel production. That price currently is $2.63 per bushel.

LARGE MILK OUTPUT TO KEEP FARM PRICES NEAR SUPPORT LEVELS. Milk production in 1980 is forecast to increase 1 to 2 percent, following a 1.7-percent gain in 1979. This forecast for a slower rate of increase in milk production is due to a little less favorable milk price-production cost relationship. Nevertheless, production increases are expected to exceed increases in demand for dairy products.
LARGE FRUIT SUPPLIES TO MODERATE PRICE INCREASES. Recent rains in California likely will mean reduced early spring supplies of fresh strawberries and a reduced lemon supply, while the freeze in Florida may cut the juice content of some of the orange crop (over half of the crop has been harvested). Still, supplies of citrus fruit and products remain large and USDA forecasts only moderate seasonal increases this spring in grower and retail prices, with grower prices remaining below year-ago levels. On February 1, a record U.S. orange crop was indicated--24 percent above 1978/79--and total stocks of frozen concentrated orange juice are about 5 percent above a year ago. For noncitrus fruit, supplies of canned fruit are above last season and cold storage holdings of frozen fruit and berries are moderately above last year primarily due to larger strawberry supplies.

FLORIDA CITRUS COMMISSION TO MEET ABOUT POSSIBLE FRUIT EMBARGO. The Florida Citrus Commission has scheduled a meeting for March 7 to decide whether to place an embargo on fresh fruit shipments out of Florida because of damage caused by recent cold weather. The embargo could stop orange and other fresh fruit shipments because of fears of damage that would show up in transport. The last embargo of fresh fruit from Florida was declared in January 1977, when industry sources said damage caused by cold temperatures was much more widespread than is apparent now.

BOB BERGLAND
MEMORANDUM FOR THE PRESIDENT

Subject: Highlights of Treasury Activities

1. FINANCIAL MARKETS

. The domestic financial markets continue to be unsettled, reflecting the fact that there has not yet been an announcement of strong anti-inflation measures.

.. In the stock market the Dow Jones declined 42.78 points over the week, closing at 820.56 -- slightly above this year's low.

.. In the credit markets interest rates increased this week. Yields on short-term issues soared to new record levels, while yields on intermediate and long-term maturities also rose, but less dramatically.

.. Most major banks increased their prime rate to 17-3/4 percent, with the exception of Harris Trust, ranked 24th in the nation, which is posting 18 percent.

. Internationally, the dollar continues to be strong in the foreign exchange markets.

.. Economic and financial problems experienced by other countries, including Germany and Japan, have contributed to the dollar's strength. The Germans and Japanese both have intervened heavily this week in support of their currencies.

2. MULTILATERAL DEVELOPMENT BANK LEGISLATION

. The House approved yesterday the FY-1980 authorization bill for the Inter American Development Bank, the Asian Development Bank and the African Development Fund. However, substantial cuts in the funding levels were adopted which, if not reversed in a conference bill, would require our international agreements involving these institutions to be totally renegotiated.

. There is little prospect for passage of any FY-1980 MDB appropriation.
The International Development Association and the regional banks will be able to limp along under the continuing resolution if the above authorization problem can be solved.

Our contribution to the World Bank presents a real problem. The Bank will receive only $163 million under the continuing resolution, as opposed to over $1 billion in the Administration request.

3. **SUBSTITUTION ACCOUNT**

Negotiations on the proposed IMF Substitution Account are nearing a decision stage with meetings scheduled in the IMF and its "Interim Committee" of Finance Ministers over the next few weeks. There is the likelihood of some discussion of the Account at the Venice Summit in June.

Cy Vance, Paul Volcker, Charlie Schultze, Henry Owen, Stu Eizenstat, and I met this week to lay out the position the U.S. will be taking as these negotiations progress. We agree the Account offers both short- and long-term attractions as a stabilizing factor in the exchange markets and as a significant evolutionary step toward more orderly international monetary arrangements over the longer-run.

At the same time, inevitably there are potential costs in operating such an Account. Our meeting confirmed U.S. positions on a number of detailed provisions that will minimize the risk of cost to the U.S., and assure that any risk is fairly shared by the international community as a whole. We will proceed in a constructive but low-key way; if others insist on inequitable risk-sharing provisions or other unacceptable features, the negotiations can be ended without upsetting the exchange markets or causing broader foreign policy problems.

There is, I believe, a reasonable chance that the points of key importance to us will be accepted by others and that this effort at long-term improvement of the international monetary system will bear fruit. I will bring you fully up to date as we approach the Venice Summit.
4. IRANIAN NATIONALS—FIREARMS VIOLATIONS

In November 1979 six Iranian nationals were indicted by the Federal Grand Jury in Baltimore in connection with purchases and delivery of firearms to a commercial carrier for eventual export to Iran. Five of the six pleaded guilty to violations of the Gun Control Act; the sixth whose trial was just held has been acquitted.

5. COUNTERCYCLICAL TARGETED FISCAL ASSISTANCE CONFERENCE

With Senator Long out of town until March 19, there is a delay in naming the Senate conferees. We are working with Frank Moore and Stu to move this along.

G. William Miller
MEMORANDUM FOR: The President
Attention: Rick Hutcheson, Staff Secretary

Subject: Weekly Report of Major Departmental Activities

Reauthorization Process Begins. On Monday I testified before the House Subcommittee on Housing and Community Development regarding HUD's 1980 authorizing legislation. In my statement I expressed the view that local communities must be given the "widest possible latitude" in shaping programs to meet their needs as the Nation's cities are being rebuilt.

Anti-Crime Program Progresses. As part of the National Urban Policy HUD and Law Enforcement Assistance Administration officials have signed an interagency agreement transferring some $1.4 million in funds from LEAA to HUD's Urban Initiatives Anti-Crime Program. Although program funds are modest, they will play a critical role together with money from other federal agencies in combating crime in 39 public housing projects across the country. The federal aid leverages local matching funds, creates a model for federal/local/private urban partnership and provides technical assistance for crime prevention.

Public Educated On Energy Conservation. HUD is participating along with the Departments of Agriculture, Commerce and Transportation and the White House in the Conservation Action Group, which seeks to increase public awareness of energy conservation opportunities. Information will be provided through shopping mall exhibits stocked with free publications on residential solar energy applications and through table-top exhibits that can be made available to congressional offices, state energy offices and other state and local groups. In addition, we will solicit innovative approaches by which states and local governments can integrate energy conservation and alternative energy supply technologies into housing and community development programs.

Partnership Opportunities Conference Held. Over 200 participants attended the Partnership Opportunities Conference sponsored by HUD, EDA and the Urban Land Institute at the Mayflower Hotel on March 2 and 3. The participants included prominent developers, members of leading financial institutions, chief executives from industry and representatives of neighborhood development groups. Top government officials were on hand to discuss federal economic incentive programs which encourage cooperative development projects with private developers and investors in the revitalization of cities.
MEMORANDUM FOR: The President
Attention: Rick Hutcheson, Staff Secretary

SUBJECT: Weekly Report of Major Activities

Appointments
On March 3 you announced your intention to nominate Steven Minter, Under Secretary-Designate; Albert Bowker, Assistant Secretary for Postsecondary Education-Designate; Thomas Minter, Assistant Secretary for Elementary and Secondary Education-Designate; and F. James Rutherford, Assistant Secretary for Educational Research and Improvement-Designate.

This week I have also named Marshall Smith as my Executive Assistant and Josue Gonzalez as the Director of the Office of Bilingual Education and Minority Languages Affairs.

Confirmation hearings for Betsy Levin, General Counsel-Designate, are scheduled for March 14.

Youth Initiative
I presented testimony on the Youth Act of 1980 on Friday, March 7, before the Senate Subcommittee on Education, Arts, and the Humanities. The Act was transmitted to Congress on Monday and on March 5 was formally introduced by three Senate sponsors (Williams, Pell, and Randolph) and nine House sponsors (Perkins, Ford, Simon, Biaggi, Kildee, Peyser, Buchanan, Goodling, and Jeffords). I met this week with Representatives William Ford and George Miller. Ford is one of the bill's sponsors and Miller is basically supportive of the measure, though he has a number of problems with the Administration's plan.

Institute of Museum Services
On March 5, I testified before the House Subcommittee on Postsecondary Education concerning the reauthorization of the Institute for Museum Services. The Subcommittee demonstrated considerable interest and enthusiasm for the Institute, its programs, and its placement in the new Department.

Trip to Oklahoma/Mississippi
On March 8 I will be in Oklahoma City to attend a Women's Conference sponsored by the Oklahoma Education Association's Women's Caucus. I will also address the Annual Statewide Conference on Education sponsored by the Oklahoma State Legislature. From Oklahoma City I will travel to Jackson, Mississippi at the request of the Carter-Mondale Presidential Committee. I will address the Mississippi Association of Educators Convention and meet briefly with Governor William Winter.
6 for regular vacancies) ready to present to the President for tentative approval. With these approvals, only the First Circuit will remain without a tentative candidate.

There are currently 38 regular vacancies of which candidates are in process for all but 11 positions. With the tentative approval of the above six, only five regular vacancies will remain without a tentative candidate (2 circuit and 3 district).

3. **Status of Investigations on Unauthorized Disclosures of Classified Information**

The Attorney General recently requested an update by the Department on pending investigations of unauthorized disclosures of classified information. Since the appointment of the current Attorney General, four matters have been referred directly to his office by the President or Dr. Brzezinski. All four of these matters remain open and active investigations.

4. **285 Pounds of Cocaine Seized in Florida**

On Wednesday, a CENTAC-21 operation of DEA resulted in the seizure of 285 pounds of cocaine with a street value of $200 million. The cocaine was seized pursuant to a search warrant executed on a warehouse located in Hallendale, Florida. The following day, a Colombian national, Tulio F. Ayerbe, was arrested at the warehouse. Additional arrests are expected.

5. **FOIA Suit Against Henry Kissinger**

The Supreme Court held this week that the Reporters Committee could not obtain through the Freedom of Information Act, papers Henry Kissinger had removed from the State Department. An agency only has an obligation to produce records actually within its possession or control, the Court ruled.
Principal Activities of the Department of Justice
for the Week of March 3 through March 7, 1980

1. Meetings and Events

On Monday, the Chief Justice swore in Charles Renfrew as Deputy Attorney General, John Shenefield as Associate Attorney General, Alice Daniel as Assistant Attorney General for the Civil Division and Sanford Litvack as Assistant Attorney General for the Antitrust Division in a ceremony held in the Great Hall of the Department.

On Wednesday in the Great Hall, the Attorney General addressed the employees of the Department on their duty not to disclose information concerning criminal investigations and other confidential material. He advised that employees who transgressed this obligation violated departmental regulations as well as the honor and integrity of the Department, and if caught, they would be dismissed. The Attorney General's statement will be disseminated to all employees.

On Thursday, the Attorney General testified before the House Judiciary Committee on the Department's authorization request for FY 1981. He emphasized to the Committee that the request was consistent with the President's policy to minimize federal spending and that the Department will pursue realistic priorities which concentrate on law enforcement areas of national importance that cannot be handled effectively at the state and local level.

2. Judicial Selection

Of the 152 positions created by the Omnibus Judgeship Act of 1978, 119 positions have been filled, 14 are pending before the Senate, 15 are in various stages of process, and four remain without a tentative candidate. The Attorney General has nine candidates (3 for omnibus positions and
MEMORANDUM FOR THE PRESIDENT

THROUGH: Rick Hutcheson, Staff Secretary

FROM: Neil Goldschmidt

SUBJECT: Significant Issues for the Week of March 3

New York Visit - This afternoon I travel to New York City for a three-day visit which will include discussions with Jewish leaders in Long Island and Manhattan, an address to their Leadership Conference on Energy Conservation, site visits to several transportation facilities, and a Monday luncheon with the editorial board of *Time* magazine.

Mass Transit Testimony - On March 6 I appeared before Senator Harrison Williams' Subcommittee in support of our proposed new transit legislation. Two major issues - higher funding proposed by Congress and our revised formula for distributing transit operating funds - are still to be resolved with the Congress. Our revised formula would distribute more aid to areas with the most aggressive transit programs, stimulate expansion of transit, and yield a better energy-saving return on the expenditure of Federal funds. Members voiced support at the hearing for the Administration's continued commitment to increase funds for transit and the hope that we would not reduce this commitment in view of the need to reduce the budget deficit. I would add to this the continued importance to our credibility of sending our 1980 transit supplemental to the Hill. Outlays from such legislation in 1980 would be small (in the range of $50 million) thus impacting the budget balancing minimally. (For '80 and '81 we estimate a total budget outlay of $320 million against our $1.1 billion FY 1980 Supplemental Appropriation.)

Midwest Railroads - We signed the agreement this week with rail labor and management on labor protection for employees who will be transferred from the Rock Island to acquiring carriers. Our labor protection bill was approved by the Senate last evening, but with a lower authorization - $50 million instead of the proposed $75 million. Despite opposition by the Administration, the bill was amended to extend directed service for 45 days on the Rock Island and 30 days on the Milwaukee. We expect the House to be more in agreement with us on not extending directed service.

Directed serice on the Rock Island ends March 23, and we are pressing for approval of a final plan to transfer service to acquiring carriers. Interim service bids are to be submitted to the ICC by March 10, and designations announced by the ICC March 19. The ICC is also expected to announce a decision by March 15 on a core proposal and other restructuring alternatives for the Milwaukee.
Trucking Reform - In a significant victory, we were successful during Thursday's markup by the Senate Commerce Committee in obtaining approval of major provisions in the trucking reform bill to ease market entry limitations and to lessen anti-trust immunity for rate-making. The Committee resumes its markup on Tuesday and is expected to complete action at that time; we expect a second attempt to eliminate rate-setting reform provisions. The efforts of your staff, Fred Kahn's and Senator Cannon's were all superb.

U.S./U.K. Civil Air Negotiations - The U.S. and U.K. signed an agreement March 5 for significantly expanded services between our two countries. Cities granted increased or new service include Boston, Denver, St. Louis, Minneapolis, Miami, and New Orleans. Five additional cities may be chosen by each country for direct U.S./U.K. service over a five-year period beginning in 1980. This projected expansion of service to 16 cities serves our objective of increasing international air service competition.
TO : The President

THRU : Rick Hutcheson, Staff Secretary

FROM : Administrator of Veterans Affairs

VA Presidential Update

Storm Warning — Recent Hill testimony by VFW and DAV, two of the Big 4 veteran organizations, provides an indication of the uproar we can expect from VA budget reductions now under consideration. Speaking of VA's FY 1981 budget as submitted to Congress last January, the VFW National Commander told Senate and House committees this week: "The President has again most clearly signaled his continuing and perplexing anti-veteran posture by recommending an inadequate, diminishing VA budget... the proposed VA budget will be at least nearly three-quarters of a billion dollars understated... it is quite obvious the ills of the VA medical care system are now growing at an escalating rate due to regressive Administration budgets... all of this budget chicanery is at the direction of the President's Office of Management and Budget which with impunity circumvents the will of Congress." Also announcing VFW opposition to any VA inclusion in the Administration's National Health Insurance bill, the VFW Commander said: "The Administration has again spawned the rumor that veterans' organizations don't have clout. Let them advance this legislation and they'll see clout they never dreamed of."

The DAV National Commander told the committees: "VA health care is no longer on the verge of that 'downhill slide.' During the past 12 months it has slipped over the edge. If the rate of acceleration has yet to gather full momentum, it is only because Congress has refused to accept the destructive fiscal mandates of OMB. ... VA medical expenditures, after adjustment for inflation, are down at least 5%, some $300 million shy of even approaching FY 1980 levels. Yet, after adjustment for inflation, all other federal health care expenditures are up 1.5%. Rather than trying to remedy the critical situation confronting VA health care, the Administration appears determined to speed the present system to its demise. The Administration allows the fate of the system to rest within the hands of OMB officials who apparently regard VA health care as an expendable item."
March 7, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: Gus Speth
Jane Yarn
Bob Harris

SUBJECT: Weekly Report

Second Environmental Decade Celebration. We have heard nothing but praise for last Friday's event; it was a success from every perspective, thanks to the warmth and sincerity you brought to it. In the words of one, you "convinced a lot of waiverers" about your commitment to the environment and created a great deal of enthusiasm. I want to thank you for your discussion of global environmental concerns and for proceeding with the Douglas Arctic Wildlife Range. We are ensuring that your speech is widely distributed to the environmental community and the press. I am enclosing the statement signed by all past and present CEQ members which was read at the Celebration. It is worth reading.

My Request on Global Issues. According to Staff Secretary, you apparently have not yet had an opportunity to act on my February 22 memorandum to you on global environmental issues and recommended actions. As the memorandum discusses, it is important for an EOP official to have a strong mandate from you in this area and the resources to do the job properly, and I am eager to take this assignment unless you have another preference. I have been informed by NSC that they support my recommendations with small changes that are quite acceptable.

Utility Oil Back-Out Legislation. Environmental leaders are deeply concerned about the acid rain problem and have announced their strong opposition to our proposal. We need to move promptly to develop a program for addressing the problem, including any necessary legislation. I will work closely with Doug on this.

Non-Coal Minerals Mining. The mining of non-coal minerals -- such as phosphate, oil shale, and uranium -- has caused environmental harm that is more extensive than that caused by coal mining. Over the past ten days we held public hearings in four cities across the country on a two-year study of non-coal surface mining and reclamation, done for us by the National Academy of Sciences. Congress directed the Council to undertake the study for the purpose of addressing these environmental issues and developing sound legislative recommendations. Over the next few months we will analyze the results of the NAS study and the public comments on it and develop appropriate legislative recommendations with assistance from Interior and EPA.
MEMORANDUM FOR THE PRESIDENT

FROM: ALFRED E. KAHN

SUBJECT: Weekly Activities Summary

The main thing we did this week was work on the inflation message. I assumed particular responsibility for the sections on the wage/price standards and regulatory reform; but the whole message is clearly intimately related to my job. I'm sure you're aware how critically important it is that you come out with as strong a statement as possible.

Food Price Freeze

I worked around the edges of Esther Peterson's dramatic achievement in inspiring undertakings by Giant Foods, Safeway, and A&P to freeze prices on a very good market basket of foods (including, for example, bacon and hamburger).

I assured the companies that their actions would give us strong support in our determination to avoid mandatory controls. I promised them formally that we would exert ourselves to the utmost to make certain that they would not be disadvantaged as a result under any later wage/price actions the Government might take; and I enlisted Lloyd Cutler and Sally Katzen, my General Counsel, to steer them and us clear of possible antitrust pitfalls.

I think these voluntary price freezes are tremendously important and should give an enormous boost to the voluntary program, and I urge you to make the most of them by giving them public recognition in some fashion.

Trucking Deregulation

Ron Lewis of my staff and I, together with Stu, Neal Goldschmidt and their people played a prominent role in helping Senators Cannon and Packwood win what the Washington Post called a
"major victory for the Administration," with important successful votes on entry, restriction removal, and anti-trust exemption for collective ratemaking. Your letters to the two Senators helped a great deal. We are working to keep the votes firm on reconsideration this Tuesday.
MEMORANDUM FOR: THE PRESIDENT
FROM: SECRETARY DEPUTY SECRETARY
SUBJECT: Weekly Activity Report
March 3-7, 1980

1. Presidential Conservation Items
   a. Blue Ribbon Commission: Issues with respect to the establishment of a Blue Ribbon Commission to help us promote conservation will be considered at the ECC meeting later today.
   b. President's Energy Efficiency Council: I expect that remaining issues with respect to this Council to reward conservation achievements will be resolved by the ECC next week.
   c. Energy Conservation Self-Help Conference: A large conference and exhibition on energy conservation and solar self-help methods being considered for Washington in mid-summer should be ready for presentation to the ECC next week.
   d. Transportation Program: We are working toward a Presidential event this month, probably centered around ride-sharing, that would provide a focus for our interagency effort to concentrate on transportation conservation during the next few months.
   e. Schools Hospitals Program: Good progress is being made on the schools and hospitals weatherization program. We received 6,400 applications accounting for 11,000 buildings. We expect to complete processing and award of all approved applications (95 percent of the total) by March 15. About $125 million will be awarded. We have been working with Jack Watson's office on the notifications of awards so that there can be maximum White House involvement.

2. Calderon-Berti visit: The visit of Venezuelan Energy Minister Calderon-Berti this week was productive. We signed an Energy Research and Development Cooperation agreement and had extensive talks about hemispheric cooperation on energy matters. We discussed establishment of a joint committee to coordinate energy policy, particularly on future oil trade issues; an offer by the U.S.to

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conduct an energy assessment in Venezuela; and the issue of longer term supply arrangements with respect to crude oil and refined products. I will follow up on these subjects and work toward firmer supply arrangements when I return the visit in early May.

3. **Strategic Petroleum Reserve:** I am inclined to wait 90 days before beginning to fill the Reserve to give the Saudis a chance to pursue a unified price at the June OPEC meeting. (My trip report includes a discussion on this subject.) There has been very substantial pressure in the Congress to start the fill now. I have contacted the energy leadership of both houses, and I think they would support an administration initiative to divert Elk Hills production to DOD. Harold and I are meeting on this Monday. This avoids having to make another sale this summer.

4. **Minority Participation in Department Programs:** Today, at a Departmental conference for minority businesses, I announced five targets that will increase this participation. The Department will increase its performance goal for disadvantaged and minority businesses to 3.37 percent of its procurement budget for fiscal year 1980. We will establish a long range goal for minority business of 10 percent of total direct and indirect procurement by fiscal year 1984. Procurement from section 8(a) firms will be increased from $27.1 million in fiscal year 1979 to $86 million in fiscal year 1980. We will establish a goal of 10 percent minority participation in our grant programs for fiscal year 1980. Finally, we will install the Small Business Administration "Procurement Automated Source System" in our major government-owned, contractor-operated facilities. I believe that these changes will give us ambitious but attainable targets for making better use of the talents of minority and disadvantaged businesses.
March 7, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: THE SECRETARY OF LABOR

SUBJECT: Major Departmental Activities
March 3-7, 1980

My anti-inflation proposals. As we have discussed, I have prepared some additional options for our anti-inflation policy. I have sent this memo to you today and copies have also been sent to your other economic advisors. I look forward to discussing it with you.
Consultations
On March 3 I addressed a joint session of the National Association of State Boards of Education and the Chief State School Officers. I also had very productive meetings with representatives of migrant education groups, the President's Council on Physical Fitness and Sport, and representatives of special education groups.

Shirley M. Hufstedler
MEMORANDUM FOR THE PRESIDENT

SUBJECT: Weekly Report of HEW Activities

Trip to Africa, Italy and Egypt to Affirm United States Interest in Health Development. I traveled extensively within each country, visiting communities, health centers and hospitals. We were warmly received by Presidents Tolbert of Liberia, Shagari of Nigeria and Sadat of Egypt. Each of the Presidents sends his warm regards to you; President Sadat was particularly enthusiastic about your efforts in the Middle East. Discussions with Ministers of Health led to concrete outcomes: HEW and AID have begun work on cooperative programs in Liberia; a senior delegation from Nigeria will visit the United States in July to explore ways in which HEW might help them implement national basic health services; six health cooperation agreements involving HEW and AID were signed with Egypt; and discussions in Italy focused on our present cooperative health programs.

Social Security Change Discussions. Upon my return to the office, I learned that discussions have been held by OMB representatives with Members of Congress about the possibility of putting a cap on increases in Social Security payments in this session of Congress. I had discounted press reports to this effect because no one at HEW had been consulted about any such changes, but I have now verified the fact that such Hill consultations have taken place.

Although I find inexplicable the failure to involve either me or the Under Secretary in discussions regarding contemplated changes in the largest program in this Department, my principal concern is the one I noted to you when I recommended against roll-back of 1981 Social Security taxes or any other Social Security changes in 1980.

Efforts to change Social Security to limit payments in 1980 will have political repercussions of a large dimension. First, I do not believe that Congress will limit changes in Social Security to those recommended by the Administration. Second, proposed ad hoc changes in Social Security will be
opposed and resented by beneficiaries as efforts to reduce their standard of living and to deprive them of promised benefits.

Whatever may be perceived as the benefits from outlay reductions from Social Security payment caps, the political detriment is clear. I would strongly advise against such changes in this political year, and I would suggest that signals quickly be sent that you do not intend to propose such changes.

New York State is Expected to Request Experimental Funding to Augment Health Care Services in Harlem. In response to the City's plan to close Sydenham Hospital, Congressman Charles B. Rangel and other Harlem political leaders held a press conference at City Hall announcing that a proposal would be submitted to HEW to help keep the hospital open. The Department expects to receive a proposal from the State early next week and has been told that it will include a plan for keeping Metropolitan and Sydenham Hospitals open if substantial financial support is provided by Federal and State funding sources.

Meeting with Israeli Minister of Labor and Social Affairs. This morning I met with Israel Katz, the Israeli Minister of Labor and Social Affairs. We discussed the many similar domestic problems facing our two nations.

Patricia Roberts Harris
March 7, 1980

REPORT TO THE PRESIDENT

Steel: Antidumping suits against France and Germany are likely to be filed early next week. The filing of only two suits represents a compromise in the minds of the steel industry, and raises questions as to the appropriate action to be taken with regard to the TPM. Many firms in the industry believe TPM should be maintained even if such suits are filed. The issue is being forwarded to you for decision by the EPG as your senior advisors are not unanimous as to how best to proceed.

Export Controls: My report to you is currently being reviewed by the Departments of State and Defense. It will be forwarded to you next week.

U.N. Vote on Israeli Settlements: This was the consuming issue during my two-day swing through Florida. I tried to ease people's minds; but, I am genuinely concerned that the treatment of basic issues in the Middle East may be adversely affected by what has happened.

Secretary of Commerce
MEMORANDUM FOR: THE PRESIDENT

ATTENTION: Rick Hutcheson
Staff Secretary

FROM: Graciela (Grace) Olivarez
Director

SUBJECT: Weekly Report of Significant Agency Activities
(March 3 through March 7, 1980)

Director of CSA to Leave March 12

This was the last full week that Graciela (Grace) Olivarez will serve as the Director of the Community Services Administration. She will leave the Agency on March 12 to return to Albuquerque and her family. During the interim period before the appointment of a new director, William W. Allison will serve as the Acting Director of the Agency.
Landon Butler

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

Rick Hutcheson

cc: Louis Martin
MEMORANDUM TO: The President

I attach a note from Wade McCree as well as a letter from him to Louis Martin. The point of the matter is that he hopes that you can send a congratulatory note to Irving Bluestone on the occasion of his retirement dinner in Detroit.

It was through Wade and Irving Bluestone that we were able to make a contact with the UAW back in 1975.

Regards,

Griffin B. Bell

GBB:fc
Attachment
Mr. Louis E. Martin  
Special Assistant to the President  
The White House  
Washington, D. C. 20500  

Dear Louis:  

Griffin Bell with whom I served on the American Bar Association Commission on Standards on Judicial Administration knew of my long and close relationship with Walter Reuther and in early 1975 asked me whether I would help then-Governor Carter to become acquainted with the UAW leadership.  

Although I was a neighbor and friend of then-UAW President Leonard Woodcock and then-Vice-President Douglas Fraser, I thought that Irving Bluestone, then-UAW Vice-President in charge of General Motors operations and the acknowledged intellectual in the union top echelon, would be the best person to whom to make the initial overtures. As you will see from the attached photocopies, it worked.  

The point of this letter is that I have just received advice that Irving Bluestone will be feted at a retirement dinner in Detroit on Friday, April 18, 1980 as you will see from the further enclosures.  

I am certain that a personal message from the President would be well received at the retirement dinner.  

With best regards, I am  

Sincerely yours,  

Wade
Office of the Governor
Atlanta

from the desk of
Jimmy Carter

To Hon. Wade M. Hulse,
700 Federal Bldg., Detroit 48226

1-13-75

Thank you for your fine expression of friendship & confidence. During the coming months your advice & support can be very valuable to me. I look forward to receiving your Bluestone's address. In looking forward to the campaign with confidence & will do my best not to disappoint you.

Sincerely,

Jimmy Carter
Dear Friend and Colleague:

UAW Vice President Irving Bluestone is retiring in a few months. Therefore, we are planning a testimonial in his honor on Friday evening, April 18, 1980, at 6:30 p.m. at Cobo Hall in Detroit. Tickets for this occasion are $30 each.

In addition, we've also arranged a special discount rate at the Hotel Pontchartrain for guests who will be staying overnight. If you wish to do this, we'll be pleased to make the reservation for you at the discount rate if you'll fill out and return the enclosed card to us.

As you know, Irv has been a wise and effective leader not just for UAW but for progressive and good causes for many, many years. Through this testimonial dinner, we hope to say "well done" to him, and "thanks." From the many reservation requests already coming in from UAW members and friends throughout the country, we anticipate that the banquet hall which seats some 2,000 people will be filled to capacity.

We hope you, too, will be with us for this dinner and program to express heartfelt appreciation to Irv Bluestone.

Sincerely,

Dave Beier, Int'l Representative
General Motors Department

DB:ba
opeiu494

encl.
You may purchase tickets by calling
UAW General Motors Department at
AC-313 926-5311

or writing to the
UAW General Motors Department
8000 East Jefferson
Detroit, Michigan 48214

U.A.W. TESTIMONIAL DINNER FOR
IRVING BLUESTONE
April 18, 1980

hotel Pontchartrain

(Mr., Mrs., Miss. Ms.) ____________________________
Company Name ________________________________
Confirm to Address ______________________________
City / State / Zip ________________________________
No. of Persons _________________________________
Arrival Date ___________ Hour _______ Departure Date ___________
Method of Payment ☐ Cash ☐ Check ☐ Credit Card

Single Guest Room
(for one person)
35 PER ROOM PER NIGHT
No. of Rooms Required ___________

Double Guest Room
(for two persons)
45 PER ROOM PER NIGHT
No. of Rooms Required ___________

Deadline for reservations March 24, 1980.

Pre-payment required.

• Reservations will be held until 6:00 p.m. unless guaranteed or one
  night prepayment • Check out time: 1:00 p.m.
THE WHITE HOUSE
WASHINGTON

March 10, 1980

MEETING WITH OPINION LEADERS FROM THE STATE OF NEW YORK

Tuesday, March 11, 1980
5:00 P.M. (20 minutes)
The East Room

From: Sarah Weddington

I. PURPOSE

To promote among these New York leaders a sense of identity with you and your Administration, a sense of a team working together, and a sense of urgency about actively supporting the Administration across the board.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background: This is the twenty-third in a series of meetings for civic and political leaders from the states. Your first was in August of 1978.

B. Participants: A cross section of civic, community, and political leaders (guest list attached).

C. Press Plan: Press from the state will be in attendance. They have been told that the briefing is on the record.

III. TALKING POINTS

Your standard presentation to these state groups will be appropriate. We request that you do a receiving line with photos after your remarks.

Attachments:
Agenda
Guest List

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AGENDA

TUESDAY, MARCH 11, 1980

12:30 P.M. SARAH WEDDINGTON, Host Assistant to the President

12:45 P.M. DR. ZBIGNIEW BRZEZINSKI Assistant to the President for National Security Affairs

1:30 P.M. AMBASSADOR SOL LINOWITZ Personal Representative of the President to the Middle East Peace Negotiations

2:00 P.M. VICE PRESIDENT MONDALE

2:15 P.M. Coffee Break

2:45 P.M. G. WILLIAM MILLER Secretary of the Treasury

3:30 P.M. NEIL GOLDSCHMIDT Secretary of Transportation

4:30 P.M. Walk to the State Floor of The White House

5:00 P.M. PRESIDENT CARTER

5:30 P.M. Reception
Attendees at the New York State Constituents Briefing - March 11, 1980

Tom Fink - Secretary, New York State Democratic Committee
Jacques DeGraff - General Manager, Legislative Liaison and Urban Affairs, New York State Urban Development Corporation
Basil Paterson - Secretary of State
Selig Sacks - President, Jewish-American Political Action Committee
Mary Anne Krupsak - former Lieutenant Governor; attorney
Leo Krolak - Democratic County Chairman, Chemung County
Sheldon Atlas - Professor, Polytechnic Institute of New York
Howard Hornstein - Commissioner, City Planning Commission, City of New York; Executive Director, Brooklyn Educational and Cultural Alliance
Joseph Gerace - County Executive, Chautauqua County
Jerry Crispino - City Councilman, New York City
Gil Noble - News Correspondent and Producer, WABC-TV
Owen McGivern - Judge; attorney
Thomas Boyland - New York State Assemblyman
Larry Allison - Deputy Director, Mayor's Office for the Handicapped, New York City; National Secretary, League of Disabled Voters
Estella Diggs - New York State Assemblywoman
Ira Millstein - attorney
Dennis Gorski - New York State Assemblyman
Gilbert Di Lucia - Special Advisor to the Lieutenant Governor
Joseph Mattone - attorney
Andrew Jenkins - New York State Assemblyman
Fred Buse - First Executive Vice President, Security New York State Corporation
Harold Fisher - attorney
Betty Fisher - Brooklyn
Janet Welch - Consultant, New York State Commission of Correction
Curtis Rodgers - Director of Economic Development, NAACP
Lucille Rose - Democratic National Committeewoman, Kings County
Louis Resnick - Democratic County Chairman, Ulster County
Lee Elman - President, Stelm Limited
Sanford Weill - Chairman of the Board, Shearson Loeb Rhodes
Jack Ferro - Staff of the Lieutenant Governor
Louis Nicolella - Mayor of Gloversville
Frank Drozak - Brooklyn
I. Usher Kirshblum - Rabbi
Anthony Gaeta - Borough President, Staten Island
Judy Eggleston - President Pro Tem, Binghamton City Council
Emory Proctor - Reverend
Armond Magnarelli - President, City of Syracuse Common Council
Paul Hait - Rabbi; Executive Director, New York Board of Rabbis
Rita Brady - Democratic District Leader, 30th Assembly District, Part A, Queens County
Henry Benach - Chairman, Starrett Housing Corporation
James Smith - Former County Chairman, Staten Island Democratic Party
Bernard Mandelbaum - Rabbi
New York Attendees (continued)

Karl Burns - Mayor of Watertown
Ned Pattison - former United States Congressman; Senior University lecturer, Rensselaer Polytechnic Institute
Helen Marshall - Democratic National Committeewoman
Frank Dolan - Director of Personnel, Suffolk Offtrack Betting
Edward Kuwik - Mayor of Lackawanna
Alex Milham - Cortland County Democratic Chairman
Mary Esther Van Shura - Coordinator, Carter/Mondale Campaign, Tioga County
Malcolm Hoenlein - Executive Director, Jewish Community Relations Council of New York
George Onorato - Democratic District Leader, 36th Assembly District, Queens County
Thomas Sharpe - Mayor of Mount Vernon
Joseph Tauriello - State Senator
Raymond Kelly - Father; St. Bartholomew's Church
Ruth Scott - Councilwoman-At-Large, Rochester
Gertrude Strohm - Democratic District Leader, District 61AD, First Zone
Linda Winikow - State Senator
Eileen Sweeney - Democratic District Leader, 73rd Assembly District, Manhattan
Miriam Bockman - Manhattan Democratic County Leader
Therese Mudd - Democratic State Committeewoman
Frank Pagano - General Manager, Goldmills Farm
Patricia Orrange - Executive Director, New York Educators Association
George McCracken - Democratic District Leader, 22nd Assembly District, Part A
Joseph Jaskier - President, Local 634, United Auto Workers
Charles Crosley - Greenport, Long Island
Edith Crosley - Supervisor, Suffolk County Board of Elections
Monserrate Flores - Democratic District Leader, 75th Assembly District, South Bronx
Arthur Sambuchi - President, Local 2603, United Steelworkers
James Gaffney - Political Director, New York Educators Association
William Grigonis - Democratic Town Leader, Southold
Ellen Conovitz - Regional Representative for the Lieutenant Governor
Joseph Marziotto - Elmont North Zone Leader
Jim McManus - New York City
Joseph Colandrea - Brooklyn
Steven Bloom - Hewlett
Hazel Dukes - President, NAACP Conferences, New York State
Morton Povman - New York City Councilman
Chaskel Oswald Besser - Rabbi
Cornelius 'Leo' Whyte - Staten Island
Louise Slaughter - Upstate Coordinator for the Lieutenant Governor
Ephraim "Frank" Sturm - Rabbi; Executive Vice President, National Council of Young Israel
Howard Samuels - Howard Samuels Enterprises
Howard Squadron - President, American Jewish Congress; attorney
Archie Spigner - New York City Councilman
John Braslow - Babylon Democratic Town Chairman
Charles Welch - Onondaga Democratic County Chairman
ATTENDEES TO NEW YORK STATE CONSTITUENTS BRIEFING
MARCH 11, 1980

William Whelan, President of Teamsters Union Local 584, New York City
Raymond Norat, Deputy Commissioner New York State Commerce Department
Joseph Charles Talarico, President, United Food and Commercial Workers Union, District Union Local 1, Utica
Sol C. Chaikin, New York City
William O'Dell, New York City
Sidney Heller, United Food and Commercial Workers Union
Al Ruggiero, President, Local 1109, CWA
David Ashe, Chairman of Jewish Labor Committee
Jeremiah Teehan, New York City
Robert Parker, President Concord Hotel, Kiamesha Lake
Nicholas LaPorte, Staten Island, Councilman, New York City
Dr. I. Theodore Wiesenthal, Bronx
George Weissman, Chairman and Chief Executive Officer of Philip Morris Co.
Rabbi Steven Riskin, Lincoln Square Synagogue, Manhattan
Eric Peterson, Monroe County Legislator, Rochester
Arnie Moschella, Staten Island Coordinator for Carter/Mondale
Herbert Bellamy, Legislator, Buffalo
Lloyd Simmons, Nassau County, New York
Louise Coste, President of Coste Agency Inc.
A. Patricia Moore, Hempstead
Morton Baron, Rockland County, New York
Laura Hawkins, Syracuse, Program Monitor for County Youth Programs
Jack Shelton, Johnson City, New York
Frank Anthony Veteran, physician
Frank Nigrelli, Vice President, Knight Manufacturing Co.
Paul Henry, Staten Island, New York, attorney
R. Charles Dumont, Malone, Democratic County Chairman of Franklin
W. Brian Sullivan, Administrative Assistant to Mayor of Troy
Charlotte Gray, Albany, Director of Albany County Probation Department
Ernest Hilton, retired publisher
Bill Laurice, Uniondale
Rose Gatto, New York City
Frank Gatto, New York City
James Tastani, City Councilman, Binghamton
Martin Begun, Vice President and Associate Dean New York City Medical Center
Stanley Friedman
Edward Hatch, Essex County Chairman
Bernard Fallon
William F. Luddy, White Plains
Rosina Zanazzi, Howard Beach
Bert Friedman, Brookhaven
Frank L. Jones, Technical Specialist at Upstate Medical Center, Syracuse
ATTENDEES TO NEW YORK STATE CONSTITUENTS BRIEFING
MARCH 11, 1980

Trevor Brooks, attorney, New York City
Anne McShane, teacher
Peter Vallone, Councilman
Morton Hazes, Treasurer of New York City Democratic Party
Gloria D'Amico, Queens
Leo Fallon, attorney
Gale Denn, Supervisor, Town of Eden
Stan Keysa, Supervisor, Town of Lancaster
Honey Miller, Douglaston
Nancy Wallace, Councilman, White Plains
Barbaralee Diamonstein
Jan Pecora, District Leader, New York City
Paul J. Marley, President, Communications Workers of America, local #1153, Westchester County
Joan Joseph, Syossett
MEMORANDUM FOR THE PRESIDENT

FROM: Frank Moore
Bob Schule

SUBJECT: Energy Security Corporation

The conferees on legislation establishing the Energy Security Corporation reached an overall agreement this evening on Title I of the bill. The agreement keeps intact your basic proposal of last year and provides for: (1) limited interim authority to develop synthetic fuels under the Defense Production Act until the ESC becomes operational and standby authority thereafter to be employed only in a national emergency; (2) the establishment of an Energy Security Corporation; and (3) a two-phased program to develop energy supplies from domestic resources. Phase I has an authorization of $20 billion while Phase II does not have a firm funding commitment.

The staff must now commit the agreement to legislative language. This process runs the risk of becoming a contentious one between the House and Senate staffs and could result in a lengthy process. It may be desirable to request the Leadership to subject the conferees to a specific time commitment for having the bill in its final form.

The conferees will now turn their attention to staff recommendations on Titles V and IX dealing with conservation.
MEMORANDUM FOR THE PRESIDENT

FROM: Frank Moore
Bob Schule

SUBJECT: Trucking Deregulation Bill

The Senate Commerce, Science and Transportation Committee reported out the trucking deregulation bill today by a vote of 13 to 4. The Committee supported your position on both major reconsideration votes by preserving the section on antitrust immunity and reversing itself on the agricultural exemption amendment. Several helpful minor amendments also passed without any significant damage to the original bill.

The Committee would like to move the bill to the floor prior to the April recess. However, it appears more likely that they will be unable to reach a time agreement until the week following the break.

The Administration has received a significant amount of credit for the success of the bill in Committee and by all accounts the telephone calls you made to Committee Members were extremely effective.

Pursuant to our discussion, my office will forward to you recommendations for congratulatory telephone calls.
MEMORANDUM FOR THE PRESIDENT
FROM RICHARD HARDEN

RE: Miss Lillian's Trip to Paris, Israel and Egypt in April

Miss Lillian is going to the OECD Conference on "Women in the Marketplace" taking place in Paris from April 16-17, 1980. While in Paris, she will get an update on what has been happening in the Sahel since her trip to Africa in 1978.

After the Conference, she has accepted the invitations of President Navon and Prime Minister Begin to visit Israel and the invitation of Anwar Sadat to visit Egypt. All arrangements are being coordinated by the National Security Council and the State Department. The Israel visit will be from Friday, the 18th, through Thursday, the 24th, and the Egypt visit will be from Thursday, the 24th, through Wednesday, the 30th.

A rough schedule for this coming week follows. It would be possible for her to drive from Leesburg, Virginia, to Camp David. We have arranged for her to meet with people from the State Department on Monday morning, the 17th to discuss the things she would like to do while in Egypt and Israel.

Friday, 3/14 - Fly from Plains to Atlanta and from Atlanta to Bristol, Virginia. Attend reception in Bristol and spend the night in Bristol.

Saturday, 3/15 - Breakfast in Bristol and lunch in Roanoke. Stop in Charlottesville and then to Winchester, Virginia, for dinner and spend the night.

Sunday, 3/16 - Breakfast in Leesburg, Virginia. Departure time approximately 10:45 am.
THE WHITE HOUSE  
WASHINGTON  
March 10, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON

SUBJECT: Your Meeting with Democratic Elected Officials  
Tuesday, March 11, 1980  
2:30 p.m.  
Roosevelt Room

Purpose: The purpose of this meeting is to allow you and your economic advisors an opportunity to brief key state and local elected leaders on the current economic situation and to get their frank reaction to proposals and options being considered to deal with that situation.

Background: We have invited a small group of friends (list attached) to meet with you and some of your advisors in an informal session.

The group will have lunch in the Family Dining Room at noon. Charlie Schultze, Fred Kahn, Secretary Miller, and Jim McIntyre will brief them at that time on the overall picture and outline various options for action.

After lunch, the group will move to the Roosevelt Room for further discussion of the economic and political ramifications with Hamilton (if he is available), Neil Goldschmidt, Moon Landrieu, and myself.

When you arrive at 2:30 p.m., you will have an opportunity to reiterate how serious the situation is and to ask both for their reactions to what they have heard from your economic advisors and for their support during this very difficult time.

Press: The event will not appear on your public schedule, and there will be no press coverage. We do expect the press to wait outside to talk with the officials when they depart.

cc: Vice President
DEMOCRATIC ELECTED OFFICIALS

Meeting with the President
Tuesday, March 11, 1980

Governors
Ella Grasso of Connecticut
Brendan Byrne of New Jersey
Bill Clinton of Arkansas
George Busbee of Georgia

Invited but cannot attend: Bruce Babbitt of Arizona
John Carlin of Kansas

Mayors
Maynard Jackson of Atlanta
Coleman Young of Detroit
Dick Caliguiri of Pittsburgh
Lee Alexander of Syracuse
David Rusk of Albuquerque
Jessie Rattley of Newport News

Invited but cannot attend: Tom Bradley of Los Angeles (family death)
Charley Royer of Seattle (sick)

County Officials
Al Del Bello of Westchester County, New York
Frank Francois of Prince George's County, Maryland

Invited but cannot attend: Roy Orr of Dallas County (sick)

Legislators and Others
Ned McWherter, Speaker of the House, Tennessee
Mike Roos, Assemblyman, California

Invited but cannot attend: Mario Cuomo, Lt. Gov. New York
(in session)
Roland Burris, Illinois Comptroller
(speech commitment)
Jack Watson
Arnie Miller

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

The signed original has been given to Tom Jones for appropriate handling.

Rick Hutcheson

cc: Phil Wise
Fran Voorde
Al McDonald
Tom Jones
THE WHITE HOUSE
WASHINGTON

March 10, 1980

MEMORANDUM FOR: THE PRESIDENT
FROM: HARLEY FRANKEL
DEPUTY DIRECTOR
PRESIDENTIAL PERSONNEL OFFICE

SUBJECT: Resignation to the President

Attached for your signature is a letter accepting the resignation of the following-named person:

Nelson H. Cruikshank as Counsellor to the President on Aging, effective May 2, 1980.

NOTE: Nelson asks for a meeting with you. Al McDonald recommends that no meeting be scheduled until Nelson's successor is chosen.

Rick

I'll be glad within two weeks to see Nelson.
Dear Mr. President:

The illness which overtook me last November and the relapse that followed in late January have left me with a condition that results in my physician imposing limitations on my activities. They are of such nature that I have reluctantly reached the conclusion that they make it impossible for me to meet, in a satisfactory way, the requirements of the position of Counsellor on Aging. Accordingly, I am submitting my resignation from this post effective May 2, 1980, or at any earlier date you choose.

You will recall that in June 1978, you also designated me from among the membership of the Federal Council on the Aging as Chairman of that Council. If you wish, I shall remain in that position until my successor as a member is confirmed by the Senate and you appoint from the membership a new Chairman.

I had hoped that I could present to you, simultaneously with my resignation, an agreed upon recommendation for a replacement to this position, but there remain some matters yet to be worked out with the administrative offices of the White House. I believe it is very important for the elderly to have a credible spokesman, and advocate, who can participate in policy matters affecting the elderly and who has ultimate access to the President. I feel it is equally important to your Administration that the elderly, themselves, know they have such an advocate. Because I believe the position of Counsellor is an important one and because I know the older people consider it to be such, I would appreciate the opportunity to discuss the matter of my successor with you.

The two and a half years during which I have been in this post have seen their frustrations and times of discouragement. They have also brought rich rewards and treasured associations. I shall leave with all the best wishes for you, the First Lady and members of your official family.

Sincerely and respectfully yours,

Nelson H. Cruikshank
Counsellor to the President on Aging

The President
The White House
Washington, D. C. 20500
To Nelson Cruikshank

I have your March 5 letter, and it is with deep personal regret that I accept your resignation as my Counsellor on Aging, effective, as you requested, May 2, 1980.

I will miss your wise counsel and guidance. Throughout your service you have effectively pleaded the needs of our Nation's older persons. They and the country have been well served by your energetic, thoughtful advocacy of the basic principle that we are all our brothers' keepers.

As you know, I promised during the 1976 campaign to establish the position of Counsellor to the President on Aging. You brought to life my concept of an articulate, knowledgeable spokesperson and advocate for the elderly, and you have created a valuable precedent for future counsellors.

Rosalynn and I both wish the very best for you and your family. We hope your health improves, and we look forward to the continuing contributions you will make to this society's search for social justice and human rights for all citizens. Please stay in touch with us.

Sincerely,

Jimmy Carter

The Honorable Nelson H. Cruikshank
Counsellor to the President on Aging
The White House
THE WHITE HOUSE
WASHINGTON
3/11/80

Gus Speth

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

Rick Hutcheson

cc: Stu Eizenstat
Jim McIntyre
Jack Watson
Anne Wexler
Zbig Brzezinski
MEMORANDUM FOR THE PRESIDENT

FROM: Gus Speth

SUBJECT: Emerging Global Resource and Environmental Problems, and Proposed Action

One matter about which we have not had an opportunity thus far to brief you concerns the very disturbing trends occurring in global resources and the environment beyond our borders. Since these problems may be prominent on the minds of a number of those attending the White House Second Environmental Decade Celebration (February 29), I thought it would be useful for you to have a brief summary of these trends. I also have a suggestion for an initiative in this area which you could announce at the February 29 event.

The Global Environmental Dilemma

CEQ has from its inception been very active in global resource and environmental issues. As a result of your first Environmental Message, CEQ and the Department of State have been working for two years on a joint study of world population, resources and environment in the year 2000 — the Global 2000 Study. We have also examined many of these issues in numerous task forces, international conferences and other activities over the past three years. The following is a brief overview of the difficult set of problems we see emerging.

About 800 million people now live in conditions of almost total deprivation, their lives dominated by malnutrition and disease. World population is expected to grow by 50 percent, or two billion people, in this century. Almost all of this increase will occur in the less developed countries, which will then contain about four-fifths of the planet's people. If current trends and patterns continue, food production could exceed this population growth over the next twenty years, but the bulk of any global increase in food production per capita goes to countries which are already well fed. Meanwhile, South Asia, the Middle East and Africa could actually decline in per capita food consumption.

Similarly, while per capita income is expected to increase in both developed and less developed countries, it could increase by as much as $10-$20 in the developed countries for every $1 it increases in the less developed ones. Unless other factors intervene, the planetary majority in the LDC's will see themselves barely advancing while those of us in the affluent nations become ever more prosperous.
These population and development pressures will place unprecedented strains on the earth's natural systems and resources. The capacity of some regions to support human populations is already being seriously damaged by efforts of present populations to meet immediate needs. The spread of desert-like conditions due to overgrazing and other factors now claims an area about the size of Maine each year. Desertification and erosion could destroy a significant portion of the world's cropland by 2000. As much as 40 percent of our tropical forests may be gone by then. Despite increased fishing efforts, the world's oceanic fish catch has leveled off since 1970.

Also troubling is the projected accumulation of carbon dioxide in the earth's atmosphere due to the burning of fossil fuels and perhaps to global loss of forests as well. Its possible impacts on climate are not well understood, but they could be seriously disruptive to world agriculture. Another problem is the potential loss of hundreds of thousands of irreplaceable plant and animal species as habitats disappear or become degraded.

I believe that successfully responding to these global challenges will demand all the attention, generosity and ingenuity of which we are capable. If we are not successful, the world will become steadily less livable, less secure, more desperate and fraught with risks.

Recommended Action

Starting now, we and other nations must act decisively to alter current trends. Otherwise, the world in 2000 will offer most of its inhabitants less margin of safety between sufficiency and want, and between security and conflict, than it does now. Either way, the global problems addressed here will be highly important and highly visible in the 1980's.

In my September 17, 1979 memorandum to you, I recommended the global environment as one of the central themes and commitments of your Administrations. Based on your response to that memorandum and your other actions and statements, my impression is that you agree. Accordingly, as a next step I recommend that you institutionalize your concern in a way that ensures (1) that global resource and environmental problems receive priority attention and (2) that federal programs in these areas are forceful, coordinated and effective. To this end, I recommend that you:

- appoint a Special Assistant to you for Global Resources and Environment or, instead, designate an EOP official to take lead responsibility on your behalf to see that this job gets done. This person would, among other things, report directly to you periodically on ways federal programs in these areas should be strengthened and improved and would act as spokesperson for your concerns and commitment in these areas; and

- appoint a Global Resources and Environment Coordinating Committee, chaired by your Special Assistant or designee and containing representatives of CEQ, State, EPA, NOAA, DOA, NSC, OMB, CIA, AID and perhaps others. One of the first
agenda items for this committee would be to assess the status of, and possibilities for, Administration efforts in the global environmental area. Such a review could be useful in the Spring Budget reviews which are now beginning. Another agenda item for the committee would be to review the findings of the Global 2000 Report to determine the appropriate programmatic responses.

If you agree that these actions should be taken and unless you have another preference, I offer to undertake this assignment. I have developed a deep personal interest in these issues and would like to devote a considerable portion of my time to them. The assignment could be carried out consistent with my CEQ responsibilities; indeed, it builds on them. Formal Special Assistant designation would be very helpful both to enhance my effectiveness and to increase the visibility of your commitment, but it would not be absolutely essential. The CEQ staff would have to be increased by about three positions; larger staffing would not be necessary due to CEQ's existing capability.

If you agree, I would also recommend that you announce these actions in the address you are scheduled to give on February 29 at the Second Environmental Decade Celebration, with a recognition that they are but a beginning. The announcements would add to the positive response we hope to get from this event.

Make appointment as recommended   Yes ____   No ____

Comment:

Announce on February 29   Yes ____   No ____

Comment:
STAFF COMMENTS

OMB points out that the Administration has just established the International Development Cooperation Agency, "which is designed to address most of the very questions Gus Speth raises." OMB wonders whether you wish to place additional emphasis and priority on this problem "given all the other demands on your Administration." If you agree with Gus that this area needs still additional emphasis, (OMB suggests) designating Gus, in his existing CEQ capacity, as the Executive Office Coordinator in any effort, and not as a Special Assistant. OMB recommends against increasing CEQ's staff for this effort, and proposes that staff be reallocated under the current ceiling.

Eizenstat, Watson and Wexler "agree with Gus that global environmental issues are increasingly significant," but question whether "a Special Assistant to the President for Global Resources and Environment is necessary at this time. We already have an Executive Office presence in the form of CEQ to address these issues. In addition, State, NOAA and EPA also have programs in these areas. (We) support the designation of a Global Resources and Environment Coordinating Committee, but think that it could be chaired by Gus rather than by naming a new Special Assistant." Al McDonald makes essentially the same points.

NSC opposes the appointment of a Special Assistant, and doubts that a new Coordinating Committee, which "would add another cumbersome bureaucratic layer," is needed. NSC agrees with Speth that more centralized long-range planning, development and implementation of environmental policies is needed in the EOP, and recommends that Speth chair a Presidential Task Force charged with making the necessary assessments and recommendations.
MEMORANDUM

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: SPETH MEMO, "EMERGING GLOBAL RESOURCE AND ENVIRONMENTAL PROBLEMS, AND PROPOSED ACTION"

FOR ACTION:
CUTLER
EISENHAST
MCDONALD
WATSON
MCINTYRE
BRZEZINSKI

FOR INFORMATION:
VICE PRESIDENT
MOORE/JIM COPELAND
POWELL

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:
TIME: 9:00 AM
DAY: TUESDAY
DATE: 26 FEBRUARY 1980

ACTION REQUESTED:

X Your comments

Other:

STAFF RESPONSE:

X I concur.

No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.
If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)
MEMORANDUM FOR THE PRESIDENT
FROM: STU EIZENSTAT
SUBJECT: Speth Memo on Global Environmental Issues

I agree with Gus that global environmental issues are increasingly significant. There is a global concern about the competition for scarce natural resources caused in large part by a greatly expanding population. Gus has focused on addressing many of these problems, e.g. deforestation, acid rain, ocean pollution, on a hemispheric basis first. I agree with this. You have designated this year as the Year of the Coast and we are celebrating the beginning of the second environmental decade.

While I feel that these issues require attention, I'm not sure that a Special Assistant to the President for Global Resources and Environment is necessary at this time. We already have an executive office presence in the form of CEQ to address these issues. In addition, the State Department, NOAA and EPA also have programs in these areas.

I do support the designation of a Global Resources and Environment Coordinating Committee but I think that it could be chaired by Gus rather than naming a new Special Assistant. I do not believe it is desirable to create additional special assistants in the EOP on specific issues. We are often pressured to create special assistants and this may lead to other such requests on specific matters.

This has just been brought to my attention. If you disagree with my recommendation, I request that you defer action on it until I have an opportunity to review it further with senior staff. Jack Watson and Anne Wexler concur with my recommendation.
MEMORANDUM FOR THE PRESIDENT

FROM: Gus Speth

SUBJECT: Emerging Global Resource and Environmental Problems, and Proposed Action

One matter about which we have not had an opportunity thus far to brief you concerns the very disturbing trends occurring in global resources and the environment beyond our borders. Since these problems may be prominent on the minds of a number of those attending the White House Second Environmental Decade Celebration (February 29), I thought it would be useful for you to have a brief summary of these trends. I also have a suggestion for an initiative in this area which you could announce at the February 29 event.

The Global Environmental Dilemma

CEQ has from its inception been very active in global resource and environmental issues. As a result of your first Environmental Message, CEQ and the Department of State have been working for two years on a joint study of world population, resources and environment in the year 2000 -- the Global 2000 Study. We have also examined many of these issues in numerous task forces, international conferences and other activities over the past three years. The following is a brief overview of the difficult set of problems we see emerging.

About 800 million people now live in conditions of almost total deprivation, their lives dominated by malnutrition and disease. World population is expected to grow by 50 percent, or two billion people, in this century. Almost all of this increase will occur in the less developed countries, which will then contain about four-fifths of the planet's people. If current trends and patterns continue, food production could exceed this population growth over the next twenty years, but the bulk of any global increase in food production per capita goes to countries which are already well fed. Meanwhile, South Asia, the Middle East and Africa could actually decline in per capita food consumption.

Similarly, while per capita income is expected to increase in both developed and less developed countries, it could increase by as much as $10-$20 in the developed countries for every $1 it increases in the less developed ones. Unless other factors intervene, the planetary majority in the LDC's will see themselves barely advancing while those of us in the affluent nations become ever more prosperous.
These population and development pressures will place unprecedented strains on the earth's natural systems and resources. The capacity of some regions to support human populations is already being seriously damaged by efforts of present populations to meet immediate needs. The spread of desert-like conditions due to overgrazing and other factors now claims an area about the size of Maine each year. Desertification and erosion could destroy a significant portion of the world's cropland by 2000. As much as 40 percent of our tropical forests may be gone by then. Despite increased fishing efforts, the world's oceanic fish catch has leveled off since 1970.

Also troubling is the projected accumulation of carbon dioxide in the earth's atmosphere due to the burning of fossil fuels and perhaps to global loss of forests as well. Its possible impacts on climate are not well understood, but they could be seriously disruptive to world agriculture. Another problem is the potential loss of hundreds of thousands of irreplaceable plant and animal species as habitats disappear or become degraded.

I believe that successfully responding to these global challenges will demand all the attention, generosity and ingenuity of which we are capable. If we are not successful, the world will become steadily less livable, less secure, more desperate and fraught with risks.

**Recommended Action**

Starting now, we and other nations must act decisively to alter current trends. Otherwise, the world in 2000 will offer most of its inhabitants less margin of safety between sufficiency and want, and between security and conflict, than it does now. Either way, the global problems addressed here will be highly important and highly visible in the 1980's.

In my September 17, 1979 memorandum to you, I recommended the global environment as one of the central themes and commitments of your Administrations. Based on your response to that memorandum and your other actions and statements, my impression is that you agree. Accordingly, as a next step I recommend that you institutionalize your concern in a way that ensures (1) that global resource and environmental problems receive priority attention and (2) that federal programs in these areas are forceful, coordinated and effective. To this end, I recommend that you:

- appoint a Special Assistant to you for Global Resources and Environment or, instead, designate an EOP official to take lead responsibility on your behalf to see that this job gets done. This person would, among other things, report directly to you periodically on ways federal programs in these areas should be strengthened and improved and would act as spokesperson for your concerns and commitment in these areas; and

- appoint a Global Resources and Environment Coordinating Committee, chaired by your Special Assistant or designee and containing representatives of CEQ, State, EPA, NOAA, DOA, NSC, OMB, CIA, AID and perhaps others. One of the first
agenda items for this committee would be to assess the status of, and possibilities for, Administration efforts in the global environmental area. Such a review could be useful in the Spring Budget reviews which are now beginning. Another agenda item for the committee would be to review the findings of the Global 2000 Report to determine the appropriate programmatic responses.

If you agree that these actions should be taken and unless you have another preference, I offer to undertake this assignment. I have developed a deep personal interest in these issues and would like to devote a considerable portion of my time to them. The assignment could be carried out consistent with my CEQ responsibilities; indeed, it builds on them. Formal Special Assistant designation would be very helpful both to enhance my effectiveness and to increase the visibility of your commitment, but it would not be absolutely essential. The CEQ staff would have to be increased by about three positions; larger staffing would not be necessary due to CEQ's existing capability.

If you agree, I would also recommend that you announce these actions in the address you are scheduled to give on February 29 at the Second Environmental Decade Celebration, with a recognition that they are but a beginning. The announcements would add to the positive response we hope to get from this event.

Make appointment as recommended Yes ____ No ____
Comment:

Announce on February 29 Yes ____ No ____
Comment:
MEMORANDUM FOR: THE PRESIDENT
FROM: James T. McIntyre, Jr.
SUBJECT: CEQ Proposed Global Resources and Environment Special Assistant

Gus Speth has recommended in his memorandum of February 22, 1980, that you appoint a Special Assistant for Global Resources and Environment or designate an EOP official to take lead responsibility. In addition, Gus volunteers for the assignment and requests three additional CEQ staff to assist him in the enterprise.

I believe that your decision to proceed involves three questions:

-- the Administration has just established the International Development Cooperation Agency which is designed to address most of the very questions Gus Speth raises;

-- the additional emphasis and priority you wish to place on this problem given all the other demands on your Administration; and

-- a desire not to increase executive office staff.

If you agree with Gus that this area needs still additional emphasis, I would suggest designating Gus, in his existing CEQ capacity, as the Executive Office Coordinator in any effort, and not as a Special Assistant. Furthermore I would not recommend any increase in the current staffing of the CEQ for this effort but believe that CEQ should reallocate staff from its current ceiling.
MEMORANDUM

NATIONAL SECURITY COUNCIL

February 28, 1980

MEMORANDUM FOR: RICK HUTCHESON
FROM: CHRISTINE DODSON
SUBJECT: Gus Speth Memorandum on Global Resource and Environmental Problems

We strongly agree with Mr. Speth's statement of the problem and the need to centralize and make more effective both long-range planning and development and implementation of environmental policies and programs. We also agree that these activities should probably be centralized within the Executive Office of the President and that CEQ is a logical focal point.

We are less enthusiastic about some of the specifics of Speth's recommendations. We doubt that the Special Assistant appointment has much chance or that it is really necessary; a Presidential directive giving Speth lead responsibility in this area, and directing him to report periodically in writing, should probably be enough. We also doubt that a new Coordinating Committee with broad agency representation is needed, and would add another cumbersome bureaucratic layer. A better answer might be a Presidential Task Force chaired by Speth and charged with making the necessary assessments and recommendations.
Mr. President:

I've been asked to schedule a final budget meeting for 3:15 pm today. Shall I schedule?

✔ yes  ☐ no

Phil
TO THE HONORABLE JIMMY CARTER
PRESIDENT OF THE UNITED STATES

A STATEMENT OF THE
NATIONAL ASSOCIATION OF
STATE DEPARTMENTS OF
AGRICULTURE

PRESENTED BY THE
HONORABLE WILLIAM P. STEPHENS
PRESIDENT

MARCH 10, 1980
Mr. President: My colleagues and I are pleased and honored to visit with you. This event greatly enhances our Association's Mid-Year Conference here, in Washington, this week.

We are especially grateful that you have found time to meet with us during this momentous period when your Administration faces crucial decisions on pressing international and economic problems. We support your steady efforts to bring the hostages safely home from Iran, and we applaud your determination to get a firm grip on the worsening problem of inflation. As a farmer, you know that inflation victimizes agriculture even more than other sectors of the economy, because farmers and ranchers have little control over the prices they receive and must absorb higher costs of production. There is no greater threat to our economy than runaway inflation, and we are prepared to do our part to combat it.

As our Association sets its agenda for the new decade, one of our chief considerations is the role that states will play in the development and implementation of national farm and food policy during the 80's and beyond. We are a vital part of the planning process, because we serve in the front ranks of policy implementation and have a first-hand knowledge of farmers and ranchers and their problems. This meeting today, Mr. President, is significant to us because it underscores your commitment to state departments of agriculture as an essential part of the national dialogue on farm and food policy.

As the chief agricultural officials of the fifty states, Puerto Rico, Guam, American Samoa and the Virgin Islands, we work closely with the U.S. Department of Agriculture and other federal agencies through many cooperative, cost-sharing programs to deliver a wide range of services in such areas as marketing, food inspection, and pest and disease control. We feel strongly that this federal/state relationship can be strengthened and expanded in a way designed to end duplication, reduce administrative costs, and improve services.

Our current efforts to promote and increase agricultural trade provide an excellent example of how the public interest is served when states and the federal government work together. Last month the Southern region of our Association sponsored a highly successful international trade show in New Orleans. The project received the assistance and support of USDA's Foreign Agricultural Service. It brought together 96 U.S. exhibitors from 26 states, with more than 200 buyers from 43 foreign countries; and it is expected to generate sales in excess of $20 million.
State departments of agriculture now have regional export offices in New Orleans, New York City, Chicago and Vancouver, Washington. The prospects for further increases in agricultural exports are excellent, thanks in part to your Administration's successful conclusion of the Multilateral Trade Negotiations and the passage of your Trade Agreements Act last year.

Cooperative efforts in export promotion have been successful beyond all expectations, and this success story can be repeated in other areas.

In the energy sphere, for example, agriculture has the potential of making a significant contribution to the nation's future energy needs, and state departments of agriculture are capable of providing assistance toward this goal. Many of us are involved in the development of a viable alcohol fuels industry in our respective states, and we have taken a vanguard position in encouraging the adoption of solar, wind and other alternate, small scale technologies for on-farm and ranch use.

Earlier this year, Mr. President, you unveiled a gasohol program for the 1980's establishing a goal of 500 million gallons of alcohol fuel capacity to be in place in 1981. Only about 80 million gallons of annual on-line capacity currently exist, and 420 million gallons of additional capacity is needed. The goal is ambitious, but if attainable, it will be achieved only through the combined efforts of federal and state agencies including state departments of agriculture working with the private sector.

The federal budget for fiscal year 1981 was made public several weeks ago. We have carefully reviewed this document and have noted that the majority of federal/state cooperative programs suffer sizable cuts - and in some cases total elimination - of federal support. Congress may choose to restore funding to some or all of these programs as it has done in past years. In the meantime, however, the budgetary uncertainty disrupts program management and makes future planning impossible.

We are responsible for the implementation of many hundreds of cooperative programs, and over the years have seen the emergence of a disturbingly familiar sequence of events with respect to these programs. The pattern runs as follows: A federally-mandated program is thrust on state departments of agriculture with the understanding that it is to be carried out with cooperative federal dollars. The arrangement works well until federal dollars are withheld or not appropriated.
The states are then forced to make up the shortfall or drastically reduce program levels. Reducing program services is not always an option, because many cooperative programs must meet federally-mandated standards of performance. Increasing state funding is difficult, because the shortfall often occurs at an inopportune time in the State's appropriation cycle or when the state legislature is not in session. Many of these problems could be avoided if the states were included in the federal budgetmaking process at an early date.

One of the great achievements of your Administration, Mr. President, has been your decision to open-up the governmental process and make it accessible to people who had never before participated. An example of this effort is the outstanding series of public meetings on the Structure of U.S. Agriculture initiated by Secretary Bob Bergland. The "Structures" project will attempt to determine how government decisions, economic trends, social patterns and other factors help to shape the structure of U.S. agriculture. The question is timely, because American agriculture, while shrinking as a percentage of the total work force, is becoming an increasingly important factor in the nation's and the world's economy.

The Structure of American Agriculture has undergone significant changes during the decade of the 1970's, and the process will continue as agriculture confronts new challenges and responds to new opportunities during the decade of the 1980's. Government programs at the state and federal level will assist in this process of change by helping farmers and ranchers meet the new conditions of a rapidly changing world.

The state departments of agriculture intend to play an increasingly important role in this process, and we look forward to working with our federal counterparts in a genuine partnership of shared interest.

We thank you for meeting with us today, Mr. President.
THE WHITE HOUSE
WASHINGTON
3/11/80

Lloyd Cutler

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

Rick Hutcheson

cc: Frank Moore
MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE

SUBJECT: LETTER FROM CONGRESSMAN ZABLOCKI REGARDING THE RECENT U.S. VOTE IN THE U.N. SECURITY COUNCIL

Per your request, attached is a copy of Chairman Zablocki's letter requesting your comments on a resolution of inquiry with regard to the recent vote by the U.S. in the U.N. Security Council.

The original letter was forwarded to the National Security Council for appropriate action.

Attachment

cc: Rick Hutcheson
March 6, 1980

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

Dear Mr. President:

I am writing to request your comments on a resolution of inquiry which was introduced in the House on March 5, 1980 and referred to the Committee on Foreign Affairs.

Enclosed are two copies of H.Res. 598, directing the President to furnish to the House of Representatives certain information regarding the decision of the United States to vote for the resolution in the United Nations Security Council on March 1, 1980. As you know, the Committee must act on this resolution within seven legislation days, beginning March 5. Therefore, I will appreciate receiving your comments as soon as possible but not later than Tuesday, March 11.

With highest regards, I am

Respectfully,

[Signature]
Chairman

CC: Hon. Cyrus R. Vance
IN THE HOUSE OF REPRESENTATIVES

March 5, 1980

XX's. Holtzman for herself, Mr. Dodd and Mr. Fish
Mr. ____________ submitted the following resolution; which was
referred to the Committee on ____________

RESOLUTION

Resolved, That the President is directed to furnish to the House of
Representatives the full and complete information and facts in his
possession regarding the decision by the United States to vote for the
resolution in the United Nations Security Council on March 1, 1980,
including---

(1) the representations made by or on behalf of Secretary of
State Vance and/or Donald McHenry to the President about the resolution;

(2) the information or facts presented to the President with respect
to the resolution to be voted on in the United Nations Security
Council;

(3) when the President first was advised of the text or contents
of the resolution adopted by the United Nations Security Council on
March 1, 1980;

(4) all instructions given by the President with regard to
the vote cast at the Security Council; and
(5) all recommendations made to the President before and subsequent to this vote;

and the President should make available for this purpose all other notes, documents, memoranda and items in his possession and control containing the information requested in this resolution.
To: Archie Brown

From: Jimmy Carter

Date: Feb 25, 83

Dear Mr. Brown,

I trust this finds you in good health. I hope you are well and that your family is doing well.

I wanted to let you know that your work and dedication to our country are truly appreciated. Your efforts in the White House have been invaluable and I am honored to have worked alongside you.

Please stay in touch and keep up the good work.

Sincerely,

Jimmy Carter

President
The Lack of Leadership:
We Found It—In Us

by Amitai Etzioni

"Give me a strong leader" is the number one theme of the current election campaign. From Kennedy to Connally, from Brown to Reagan, Carter has been charged with lack of leadership. And, Carter, far from denying the validity of the need, says that he is the leader—resolute but restrained, powerful but prudent. The public, in one of the most dramatic swings in the history of public opinion polls, doubled Carter's approval rating, with his demonstration of leadership during the Iran crisis as the swing reason (77 per cent approved of the President's handling of the Iranian situation). As these lines go to press, it is impossible to predict the public's final judgment of the President; however, Americans have spoken on one point: they do want a potent leader.

One can readily empathize with the public's feeling. It is very reassuring if one can see in the President a supra-papa figure, in a world rampant with sudden irrational explosions and domestic malaise. Alas, 20 years of sociological studies and eight months of full-time "kibitzing" at the White House, suggest to me that there are deep reasons such leadership is neither forthcoming nor desirable. My main thesis is that, while presidential leadership might be somewhat amplified, both the way the American polity is structured and the historical stage American society is going through strongly agitate against strong presidential leadership. Indeed, much of what is projected on the President, what the leader is to do, we must do ourselves.

While presidential leadership might be somewhat amplified, both the way the American polity is structured and the historical stage American society is going through strongly agitate against strong presidential leadership. Indeed, much of what is projected on the President, what the leader is to do, we must do ourselves.

There is now a sense that the demystification may have swung too far—a wish for the President to return to stand on the national pedestal. However, it is difficult to exactly calibrate how much mystification is desirable, and it is quite clear that if the White House would lean heavily again on the symbols of power—this would quickly evoke fears of a return to abuses of power.

THE PRESIDENT
AS A NATIONAL SYMBOL

The American polity has built into it a bit of sociological mischief: it amalgamates the role of symbolizing the nation with that of the Chief Executive who inevitably is closer to some constituents, values, interests, than to others. The amalgamation generates a built-in tension: if the presidency's halo is made to shine brighter, the resulting mystification may be used to shield the President-as-Chief-Executive from public criticism. If, on the other hand, the halo is stripped, the President is perceived to no longer adequately embody the nation. America is served best when neither element prevails—when the President is neither excessively glorified nor secularized.

In the last decade, we have seen the presidency first tilting in one direction, then in the other. Under Nixon, efforts were made to run up monarchical symbolism. This was one aspect of what was called "the Imperial Presidency;" it was accompanied by grand abuse of power by the President as Chief Executive. Carter has been hailed for deliberately demystifying the presidency. He cut back the fleet of limousines, put the presidential yacht up for sale, and stripped down the guards, colors, flags and trumpets, etc. At the same time, Carter foreswore the abuse of powers associated with the Imperial Presidency. IRS files are better protected. The CIA was prohibited from electronic surveillance within the U.S.A., mail opening was severely restrained, etc.

THE PRESIDENCY AND CONGRESS

The inability of President Carter to get his program "through" Congress, in which his party has a solid majority in both houses, is seen as another sign of lack of leadership. On the other hand, Carter's staff points
out that, by now, his legislative record is quite solid. Both points are somewhat off the mark because they imply that the personality, political savvy and competence of the staff are major factors in "guiding" Congress. Actually, under the present circumstances, a much more effective presidential leading of Congress is difficult to envision.

Structurally, of course, the American constitutional system rests on the assumption that Congress will not be putty in the hands of the executive branch. Moreover, the very same people who wish the President to get "through" Congress would quite properly shout "foul" if he pushed through programs they expected their elected representatives to oppose.

Also, Congress, as of the 1974 reform, has lost much of whatever structure it used to have. Committee chairmen lost much of their control over subcommittees and members; seniority's sway was vastly curtailed; the staff ballooned to a point where it is poorly supervised. Public financing of presidential candidates channeled even more lobbying monies to congressional elections.

Many Members of Congress realize that the pendulum has swung too far from semi-autocratic rule toward semi-anarchy. But few if any would consent to restructure Congress to make it easier for the President to have his way. Thus, all the talk about a return to a LBJ-mastery of Congress disregards both the unconstitutional nature of a domination by the executive, and that forces in Congress, more than in the White House, make such a return quite impossible.

THE PRESIDENT AS COALITION-BUILDER

The semi-anarchic Congress may quite well represent the current state of the union. Americans in the late '70s did not provide their elected representatives with a clear mandate to support major movements on legislative fronts. Such coalitions are needed to provide the transmission belts that transport social needs into Washington politics. Another look at LBJ is instructive here: aside from knowing Congress well, and the liberal use of manipulation of individuals, LBJ was a coalition-builder. He knew how to identify issues which brought together a sufficiently massive number of major organized socio-political groups to prod Congress. It was a coalition of 37 liberal, labor, white and black, civic groups that eked out of Congress the civil rights act in 1964; similar coalitions promoted other elements of the Great Society programs.

Carter, it is said, is no coalition-builder and hence is unable to provide his legislative initiatives with the needed socio-political backup. Indeed, the White House, especially in 1977-78, focused on technical analyses of the merits of various programs (tax reform, first set of energy bills, etc.) with little consultation with major relevant constituencies. There was a feeling that programs which are expertly designed, and of virtue, should not be soiled with a political give-and-take necessary in any wide coalition building. And, appeal to the public-at-large was confused with political base building. Indeed, one of the most remarkable insights into Carter, the engineer-preacher, can be gleaned from his neglect of the distinction between single-issue interest groups and broadly based segments of the organized public. The President states that he is willing to confront any special interest group, "no matter how benevolent." James Reston lauded Carter for standing up to the lobbies, such as the "labor lobby, the Israeli lobby, the oil and gas lobby, and the automobile lobby, to begin with. Also, the lobbies for blacks, the Chicanos, the cities, the farmers and abortion." As a result, many of the Carter legislative initiatives were sent to Congress politically naked, without a coalition to back them up, open to manipulation by special interests on the Hill.

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However, this line of reasoning does not take into account that in the late '70s, and early '80s, even a White House keen on coalition building would face a quite different socio-political environment from the one in which LBJ thrived. First and foremost, there is now a greater diversity of interest, values and sentiments, and much less of an ability to accommodate them to the age of shortages.

The radically different ways the energy crisis affects different parts of the union illustrates well the new societal condition of contemporary America. While some parts of the country suffer, other parts are growing silly rich. Thus, energy costs in the Northeast are a staggering 97 per cent above the national average. At the same time, some states have OPEC-like problems as they are flooded with royalties and fees for the oil and gas they export. Decontrol alone will pour an extra $33 billion into Texas in the '80s. Alaska seriously considered granting each person (not family!) $2,000 per annum as a kind of share in the state's oil revenues. Similarly, as highlighted in the debate about the windfall tax on profits, oil producers vie with oil consumers over hundreds of billions of dollars, a stake never paralleled in U.S. history.

Other old bases of coalition building have eroded, and no main new ones have evolved. The typical Democratic coalition included liberals, labor unions, minorities and the South. The number of liberals is declining, and their activism is waning. White liberal groups and minorities have moved apart. Labor unions are weakening, and the South is no longer solidly Democratic.

The significance of coalition-building is often
overlooked when the difference between election politics and in-between-election-year politics is disregarded. During the campaign, it is possible to carry the election by appealing directly to the electorate, using TV extensively, and otherwise creating or capturing a mood, say, of generalized alienation and of opposition to big government. However, a legislative record and major programs cannot be achieved this way. Between elections, the public-at-large is relatively ineffectual, and the socio-political muscle needed to back up presidential initiatives is organized social groups (civic, ethnic and religious) and other broadly based interest groups (such as the Farm Bureau, the National Education Association). When it is said that the Carter people are more able to campaign than to govern, one points to the White House's preoccupation with the public-at-large, and the relatively weak socio-political backup of its efforts. One should, though, not disregard the fact that one cannot build much of a coalition when the building stones have weakened, and are not coalescing because of the growing diversity of interests and fading consensus among the groups which make up America.

THE PRESIDENT AS GALVANIZER

The “great leader” theory of the presidency has a ready cure for diversity and dissensus. A great leader, it is said, would use the White House as a pulpit. He would utilize his almost unlimited ability to command attention, to flag new issues, to identify new shared concerns and to provide the bases for consensus and coalition-building.

“America now needs a leader who will make the institutions work more effectively, by using them more aptly or helping their reform, and one who will draw upon them to work out the direction the country is willing to be led.”

Fortunately for America, no society, at least no society that has not broken down in a severe crisis, responds this way to any leader. Most people, most of the time, have interests, values and views of their own, which, in turn, are anchored in like-minded social groups, composed of one’s family, friends and neighbors. No wonder it takes Madison Avenue millions upon millions of advertising dollars, the use of motivation research, and much repetition, to move America from one product to another, when the differences among them are minimal (say, as between two mouthwashes, aspirins or toothpastes). Studies show that any attempt to change more significant preferences by the use of mass appeals (say, about smoking, mental patients or the United Nations) leave Americans largely unaffected. It is this anchoring that protects the American people from political demagogues.

Carter discovered the limits of using the White House as a pulpit when he tried, time and again, to mobilize the public’s support for his energy program. By and large, Americans responded to the characterization of the energy drive as “the moral equivalent of war” with a combination of yawn and disbelief. To the extent that the public gradually came around, it has been due more to real-world events, e.g., the Iranian crisis and rising prices, than to presidential speech-making.

Moreover, the great leader theory ignores the fact that those rare situations that created opportunity for a DeGaulle or a Churchill involved deep national crises, a direct threat to the nation from an enemy at the door, and/or a deep economic crisis, and/or a stalemate of the democratic institutions. To put it differently, there is a direct connection between the fraying of the institutional fabric and how open its members are to direct appeal by national leadership: the greater the breakdown, the more there is a need and opportunity for grand leadership. In the U.S.A. of 1980, the hunger for leadership reflects the fact that American institutions have weakened—to some extent. But the public’s keen fear of “dangerous” politicians, its inclination to define those who go for the charismatic mantle as demagogues, its sensitivity to violations of the Constitution, all reflect that America’s erosion of identity, economy and society is rather mild in comparison to the crisis of pre-DeGaulle France, but not to mention the challenge to Britain of 1939.

Moreover, in a society whose fabric has thinned but not collapsed, a strong, extra-institutional leader—a leader who will seek to go to the people over Congress’ head, disregard political parties and ignore organized segments of the public—will further undermine its structure and unity, precisely when they need restoring. Hence, America does not need a leader who will keep it from coming to terms with its domestic issues by some new adventure overseas (the front most tempting for those who seek instant grandeur) or attacking an escapist scape-goating domestic target (like the rising racist focus on non-white immigrants in Britain). On the contrary, America now needs a leader who will make the institutions work more effectively, by using them more aptly or helping their reform, and one who will draw upon them to work out the direction the country is willing to be led.

LEADERSHIP IN THE ’80s

To find out in what direction American society might be led, it is necessary to delve into the sources of the current troubled condition. What describes America most succinctly is a mild case of the “British disease.” The nation must make the transition from, a sense of abundant affluence and omnipotence to a world of scarcity, austerity and shared world power. Our institutional disaffection and unsure sense of direction reflect the identity crisis that resulted when “the American century” lasted barely two years, after World War II, and hyper anti-communism wanted to be
replaced by nothing. True, we lost no empire and our sense of self and identity were never based on dominating large segments of the world; still, we are less powerful—and more dependent on others—than we have been for generations. True, we didn’t build our economy on the captive market of a bunch of colonies, but we did benefit from decades of importation of cheap raw material and exportation of relatively high priced industrial products. While our inflation is lower, and our total industrial machinery less obsolescent, than that of the United Kingdom, and our labor unions less oppositional, we do have to contend with high inflation, declining productivity and low economic growth. Above all, our optimism has been tempered (with 67 per cent saying, in April 1979, that the country is in “deep and serious trouble”); our sense of mastery of the future is in question.

Objectively speaking, America’s problems are much more manageable than those of Britain, or most other countries. The total U.S. export/import sector is proportionately very small. We sit on enough coal to fuel our economy for centuries. We still are the one (or, one of the two) greatest military powers in the world. Our GNP is high. Our science and technology, though in need, are basically sound, and so on. Hence, once we accept the need to tighten our belts for a while, we have the basic capital and human resources to secure the nation’s economic, military and social vitality. Unless we allow the present economic-institutional-psychic erosion to run much longer, what we need is basically a decade or so of shoring up, not major reconstructions or transformation.

There is, at least theoretically, another alternative. Americans could accept a much lower standard of living and a passive world role, by concentrating on those pursuits which are not energy, capital, or labor intensive, such as greater understanding of self and others, more communing with nature, etc. The counter-culture and environmental movements raised these prospects, and they continue to have a measure of appeal to large segments of the public. Most Americans, though, wish to have their cake and eat it: they favor economic and social progress, working less, saving less, curing inflation while ensuring social justice and the quality of life. But these wishes are nothing but the dying pangs of yesteryear optimism. There is a growing realization that even what was once the richest and mightiest nation can no longer advance simultaneously on all desired fronts.

Before national leadership can set an effective program for the ’80s, Americans need a grand dialogue with each other, and—within each of us, between our higher and more base selves, to evolve shared answers to the following questions: (1) Are we willing to give up on our industrial-economic machine, the basis of our affluent way of life and international power, and settle for a “siesta society” of North America? (2) If rebuilding our productive capacity, restoring the vigor of our economy and securing the basis of America’s international role is what we seek, are we ready to make the necessary personal sacrifices: pay more for energy, conserve more, work harder, save more, accept smaller wage increases and fewer fringe benefits, and so on? (3) As a community, are we willing to move from two decades of “give me,” to a realization that as the sum total of our demands exceeds what our productive capacity yields, and is eating into our basic capital, we will accept a decade of slower growth in “entitlements,” even some roll-backs?

Once there is a growing consensus for a period of austerity to secure future vitality, presidential leadership will be able to help advance the new concept and specifics of such a national accord. It may take the form of multiple year wage-price controls, combined with a government promotion of industries most able to export, be productive and provide jobs, or a turn toward a much greater reliance on the private sector via special privileges to investors, exporters, productive labor and energy conservation, or some other format.

Whatever the accord, it will have to be worked out within the institutional fabric, both because our commitment to it will prevent extra-institutional solutions from working (e.g., going above Congress’ head directly to the people only raises congressional opposition and slows progress), and because the eroding institutions themselves need to be shored up to maintain a democratic republic. This, in turn, calls for responsible, not charismatic, leadership. It calls for a realization that as individuals we have sought in recent years to escape the reality of shortages and the social difficulties involved in cutting back on our private and collective aspirations, seeking vainly for a supra-papa to come and do it all for us, at least tell us all what to do.

We all have to adjust our habits and aspirations, at least to some extent, before the country can be effectively led. We have seen the lack of leadership, and it is first and foremost within us.
Jack Watson

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

Rick Hutcheson
THE WHITE HOUSE
WASHINGTON
March 10, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON

SUBJECT: Director - Office of Self Help and Technical Assistance
        National Consumer Cooperative Bank

Last Friday you called Gene Eidenberg regarding Virgil Woods, who was recommended to you by Daddy King for the Directorship of the Office of Self-Help within the National Consumer Cooperative Bank.

We have reviewed our files and find no record whatsoever of Mr. Woods' interest in being considered for this vacancy. If you wish, we will pursue this further.

The position is currently open and the three most serious candidates are as follows:

Wayman Palmer - Director
Department of Community Development
City of Toledo, Ohio

Rodney S. Wead - Associate Executive Director
Community Renewal Society
Chicago, Illinois

Charles Tisdale - Staff Coordinator
Federal Coordination Office
Cities in Schools Program

Each one was interviewed on March 7th. We are now checking their references.
MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON

SUBJECT: Donald Fraser Attendance at Today's Meeting with State and Local Leaders

Mayor Richard Caliguiri of Pittsburgh was not able to make his flight to Washington because of difficulties at home.

Mayor Don Fraser of Minneapolis, who is in town, has been invited to attend the lunch and meeting and he will attend.
THE WHITE HOUSE
WASHINGTON

MEETING WITH ROCCO "ROCKY" ARIZZI,
MUSCULAR DYSTROPHY ASSOCIATION'S
NATIONAL POSTER CHILD

Tuesday, March 11, 1980
12:05 p.m.
The Oval Office
From: Anne Wexler

I. PURPOSE
To meet Rocco "Rocky" Arizzi, the Muscular Dystrophy Association's 1980 National Poster Child.

II. BACKGROUND
You met with the Muscular Dystrophy Association's poster child in 1978. Rocky Arizzi, the 1980 Poster Child, grew up in Barrington, New Jersey and recently moved to San Antonio. Due to a spinal muscular atrophy he is confined to a wheelchair. In spite of this handicap, Rocky is well-known in his kindergarten class for his imitation of Elvis Presley's "Houndog".

The Muscular Dystrophy Association is a voluntary organization which promotes research into the cause and cure of muscular dystrophy.

III. PARTICIPANTS AND PRESS PLAN

A. Participants: Rocco "Rocky" Arizzi, Muscular Dystrophy Association's National Poster Child; Stephanie and William O'Donnell, Rocky's mother and stepfather; Horst Petzall, Director of Public Relations at MDA; and Renate Fiedler, Coordinator of the Poster Child Program at MDA. Jerry Lewis was not able to attend.

B. Press Plan: AP and UPI photographers.
IV. TALKING POINTS

1. The Muscular Dystrophy Association should be commended for its efforts to help the victims of neuro-muscular diseases, and for its promotion of research in this area.

2. I am sorry Jerry Lewis could not be here today so that I might commend him for his work in this area. Due to Jerry Lewis' efforts, millions of Americans are aware of the incidence of muscular dystrophy and the need for research in its prevention and cure.

3. I urge all Americans to support the MDA.
March 10, 1980

MEETING WITH REP. PETER RODINO AND MAYOR TOM COOK

Tuesday, March 11, 1980
12:00 noon, 3 minutes
The Oval Office

From: Frank Moore

I. PURPOSE

Mayor Tom Cook will be publicly endorsing the President for reelection.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

Background: Mayor Tom Cook is from East Orange, New Jersey, a city in Rodino's Congressional District. Congressman Rodino wanted to accompany the Mayor and is very supportive, but will not be endorsing the President at this time. Rodino is being challenged in the Democratic primary by a black, Donald Payne, and is hoping to get the backing of Mayor Cook and his organization. Cook has a good political base among ethnic groups and will be helpful in the East Orange get out the vote effort.

Participants: The President, Congressman Rodino, Mayor Tom Cook, Charles Scalera (AA to Rodino), Frank Moore

Press Plan: White House photographer, wire services photo
THE WHITE HOUSE
WASHINGTON

March 11, 1980

PHOTO OPPORTUNITY FOR RONNA FREIBERG

Tuesday, March 11, 1980
12:00 p.m. (1 minute)
The Oval Office

From: Frank Moore

I. PURPOSE

To thank Ronna Freiberg for her work in Vermont as your State Coordinator.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background: Ronna has been on annual leave from the Congressional Liaison staff campaigning for you. She spent several weeks in Iowa and then went to Vermont as the State Coordinator on January 28. Ronna was on the staff of Peter Rodino before joining the Congressional Liaison staff. She will bring Chairman Rodino and Mayor Cook into the Oval Office for their 12:00 photo opportunity with you and will stay for a minute extra after they leave to have her picture taken with you.

B. Participants: The President, Ronna Freiberg, Frank Moore

C. Press Plan: White House photo only

III. TALKING POINTS

Thank Ronna for all her hard work on your reelection effort.
Jane Muskie has been in Georgetown Hospital for several days suffering from a gall bladder infection. She will be undergoing surgery as soon as the infection subsides for removal of her gall bladder. You should call to wish her a swift recovery. There is a possibility that she will be going home today or tomorrow to wait for the infection to clear up before undergoing surgery.
MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE

SUBJECT: SENATOR BAKER'S MEETING WITH YOU LAST WEEK

Following Senator Baker's meeting with you last Thursday, the Senator sent the attached note along with a copy of the letter from Robert Ode. Senator Baker said that you asked to see the Ode letter.

Attachment
March 6, 1980

Dear Mr. President,

Here is the copy of the Ode letter I mentioned this morning, which you asked to see.

Sincerely,

[Signature]

The President
The White House
Washington, D.C.
January 24, 1980

The Honorable
Howard Baker
Senate Minority Leader
United States Senate
Washington, D.C. 20510

Dear Senator Baker:

I am one of approximately 65 United States citizens
members of the staff of the American Embassy,
Tehran, Iran who were taken hostage on
November 4, 1979 by Iranian revolutionary
students. As you are aware, the
students are holding us hostage demanding the
return of the Shah of Iran. As of today, we
have been held 92 days!

For your information, I am a retired career-
foreign service officer. I retired on
September 30, 1975 after more than 34 years
of U.S. government service — over 29 years in
the diplomatic service and almost five years
of honorable service in the U.S. Navy during
World War II.

I am a property owner and taxpayer in
Fairfax County, Virginia. My wife and I are
registered voters.

Because of my many years of consular
experience at posts abroad, I was asked by the
State Department to travel to Tehran on
October 1, 1979 for a temporary assignment
of 45 days to assist in the consular section
of the embassy because of an acute shortage
of experienced visa personnel. This was
the third temporary duty assignment the
State Department has asked me to take since
I reached the mandatory retirement age
(over).
OF 60, MY OTHER TEMPORARY ASSIGNMENTS WERE TO OUR EMBASSIES IN KINGSTON, JAMAICA AND GEORGETOWN, GUYANA.

I AM NOW GOING ON 65 YEARS OF AGE.

SINCE WE HAVE BEEN GIVEN ABSOLUTELY NO NEWS SINCE NOVEMBER 4, 1959, I HAVE NO IDEA WHAT IF ANYTHING IS BEING DONE BY THE U.S. GOVERNMENT TO SECURE OUR RELEASE. HOWEVER, IT IS INCONCEIVABLE TO ME THAT OUR GOVERNMENT HAS PERMITTED APPROXIMATELY 65 U.S. CITIZEN EMPLOYEES OF THE U.S. GOVERNMENT — WITH WIVES AND CHILDREN IN THE UNITED STATES — TO BE HELD AS HOSTAGES AND WITH COMPLETE DISREGARD OF OUR DIPLOMATIC IMMUNITY FOR 82 DAYS WITHOUT POSITIVE ACTION ON THE PART OF THE U.S. GOVERNMENT TO OBTAIN OUR RELEASE.

I RESPECTFULLY REQUEST THAT IN YOUR CAPACITY AS SENATE MINORITY LEADER, AND POSSIBLY AS OUR NEXT PRESIDENT, YOU DO EVERYTHING WITHIN YOUR POWER TO OBTAIN OUR RELEASE IMMEDIATELY.

SINCERELY YOURS,

Robert C. Ode
U.S. FOREIGN SERVICE OFFICER (RETIRED)

My Home Address:
7819 Roswell Drive
Falls Church, Virginia 22043
TEL: 560-3982
THE UNITED STATES OF AMERICA

OFFICIAL BUSINESS

Robert C. Ode
American Embassy
Tehran, Iran

For the personal attention of
Senator Baker

The Honorable
Howard Baker
Senate Minority Leader
United States Senate
Washington, D.C. 20510

U.S.A.
The Vice President
Zbig Brzezinski

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

Rick Hutcheson
MEMORANDUM FOR THE PRESIDENT

SUBJECT: Significant Actions, Secretary and Deputy Secretary of Defense (March 1-7, 1980)

Maritime Prepositioning: As I noted in my February 12 memorandum on maritime prepositioning, we are proceeding to implement this year a seven-ship prepositioned logistics force at Diego Garcia that will support a 10,000-member Marine Brigade, as well as several Air Force fighter squadrons. Ammunition for Army airborne troops, all of whom would be flown in from the U.S. in response to a crisis in the Indian Ocean area, will also be provided. Five of these ships are already operated by the Military Sealift Command (MSC), and Phil Klutznick is helping us negotiate for charter of the other two roll-on/roll-off ships. (Incidentally, MSC had earlier requested proposals for the industrially--i.e., user-funded charter of one or two of these ships for its normal peacetime transportation requirements; the responses to this invitation are the basis for current negotiations.) Based on current estimates, total FY 80 costs for charter and operation of all seven of these ships will not exceed $85 million--all of which can be funded by reprogramming.

On Wednesday, Graham Claytor covered these points in his testimony before the HASC Seapower Subcommittee and OMB has been kept informed of all developments in advance. In accordance with your instructions, no commitments have been or will be made with respect to acquisition of the eight SL-7 container ships (also referred to in my February 12 memorandum) without approval by you, and after OMB and SCC recommendations are heard. The SL-7s are prospective additions to our sea-lift capability, and not intended to be part of our prepositioned force.

Chemical Weapons: Bill Perry briefed the Colorado and Utah Congressional delegation (and Governor Matheson) on our decision to leave WETEYE nerve agent bombs at the Rocky Mountain Arsenal in Colorado. Although Senator Hart and Ms. Schroeder had reservations, they had no alternative to offer except destruction of the bombs--and they realize that option is not acceptable. In response to their request for a time limit on our occupancy of the Rocky Mountain Arsenal, we agreed to destroy the WETEYErs when binary munitions were available as replacements. If we fund a
binary production facility in FY 1982, a nerve agent projectile pilot facility could be available in later 1983, and a binary bomb production facility could be on line by 1984 or 1985.

Saudi Arabian Arms Transfer Requests: I have become increasingly concerned recently about our military assistance policy toward Saudi Arabia. The Saudis have tended to concentrate on "prestige" items rather than real internal security hardware. In this respect, the situation is similar to the pattern of Iranian purchases prior to the revolution. We are working on a policy paper that will address Saudi weapons purchase goals and consequences of the present Saudi approach on governmental stability. I will have a draft for interagency and SCC or PRC review in the near future.

Congressional Meeting: On Tuesday I hosted a breakfast for senior members of the House Armed Services Committee. I found the discussions and exchanges very useful, particularly with respect to the registration issue and the budget. I had thought I convinced them to moderate their drive for add-ons to the FY 81 budget until I heard this morning that their subcommittees had come up with add-ons for FY 1981 totaling $8 billion. I will continue to discourage the full committee from approving them.

Persian Gulf-Southwest Asia Speech: On Thursday, I spoke before the Council on Foreign Relations in New York. Complementing Cy's broader Chicago speech on Monday, I tried to pull together various aspects of U.S. policy in the region. The speech defined U.S. interests, outlined several factors that complicate life for the Soviets, and cited some non-military components of our policy. Most of it was devoted to detailing our military capabilities and programs for rapid deployment.