

4/12/80 [2]

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 4/12/80 [2]; Container 158

To See Complete Finding Aid:

http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo	Zbigniew Brzezinski to the President. Re: Weizmann Institute Honorary Degree. (1 p.)	4/10/80	A
memo	, kuy Sulx Xdkxuk x		
memo	President Carter to Susan (Clough), w/attach- ments, 18pp. RE: Carter's 1979 tax return w/SSAN	4/10/80	C

FILE LOCATION

Carter Presidential Papers- Staff Offices, Office of Staff Sec.-
Pres. Handwriting File, "4/12/80 [2]." Box 180

RESTRICTION CODES

- (A) Closed by Executive Order 12356 governing access to national security information.
- (B) Closed by statute or by the agency which originated the document.
- (C) Closed in accordance with restrictions contained in the donor's deed of gift.

ID 801537

THE WHITE HOUSE

WASHINGTON

DATE: 14 MAR 80

FOR ACTION: STU EIZENSTAT

LLOYD CUTLER (DOUG HIRON)

concur

3-18-80

INFO ONLY: THE VICE PRESIDENT

SUBJECT: CAB DECISION: BRANIFF AIRWAYS, INC. DOCKET 35455

LAST DAY FOR ACTION APRIL 13, 1980

+++++

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

+ BY: 1200 PM MONDAY 17 MAR 80 +

+++++

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:

**Electrostatic Copy Made
for Preservation Purposes**



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MAR 13 1980

ACTION

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Civil Aeronautics Board Decisions:

Braniff Airways, Inc.

Docket 35455

Date Due: April 13, 1980

The Civil Aeronautics Board proposes to amend the route certificates of Braniff Airways, Inc. to temporarily remove the requirements that all Braniff flights serving Rio de Janeiro or Sao Paulo, Brazil, must stop at an intermediate point south of Panama. This proposed action would allow Braniff to offer nonstop service in the U.S.-Brazil market. The Board has considered and rejected the objections to this proposed order raised by Eastern Air Lines, American Airlines, and Western Air Lines.

The Departments of State, Defense, Justice and Transportation and the National Security Council have not identified any foreign policy or national defense reasons for disapproving the Board's order in whole or in part.

The Office of Management and Budget recommends that you approve the Board's decision by signing the attached letter to the Chairman which indicates that you do not intend to disapprove the Board's order within the 60 days allowed by statute for your review. Also, OMB recommends that you state in your letter that no national defense or foreign policy reason underlies your action. This will preserve whatever opportunity is available under the new statute for judicial review.

R. O. Schlickeisen
Associate Director for
Economics and Government

Attachments:

CAB letters of Transmittal
CAB order
Letter to the Chairman

Options and Implementation Actions:

- 1) Approve the Board's order and preserve whatever opportunity is available for judicial review (DOS, DOD, DOJ, DOT, NSC, OMB).
-- Sign the attached letter to the Chairman.
- 2) Approve the Board's order and do nothing to preserve whatever opportunity is available for judicial review.
-- Implementation materials to be prepared.
- 3) Disapprove the Board's order.
-- Implementation materials to be prepared.
- 4) See me.

ID 801505

THE WHITE HOUSE

WASHINGTON

DATE: 13 MAR 80

FOR ACTION: LLOYD CUTLER (D. HURON)

STU EIZENSTAT

*Concur
3-21-80*

INFO ONLY:

SUBJECT: CAB DECISION: CARIBWEST AIRWAYS LIMITED - DOCKET

32379 - LAST DAY APRIL 8

+++++

+ RESPONSE DUE TO DOUG HURON +

+ BY: 1200 PM SATURDAY 15M ARB 0 +

+++++

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:



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

MAR 12 1980

ACTION

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Civil Aeronautics Board Decision:

Caribwest Airways Limited

Docket 32379

Due Date: April 8, 1980

The Civil Aeronautics Board proposes to amend and renew the foreign air carrier permit of Caribwest Airways Limited for a period of three years. This proposed action would authorize the carrier to engage in nonscheduled foreign air transportation between various Caribbean points and the coterminal points: San Juan, Puerto Rico; Miami, Florida; Houston, Texas; and New York, New York.

The Departments of State, Defense, Justice and Transportation and the National Security Council have not identified any foreign policy or national defense reasons for disapproving the order and they have no objection to the Board's proposed order. The Office of Management and Budget recommends that you approve the Board's decision by signing the attached letter to the Chairman which indicates that you do not intend to disapprove the Board's order within the 60 days allowed by statute. Otherwise, the Board's order becomes final on the 61st day.

R. O. Schlickeisen
Associate Director for
Economics and Government

Attachments:

CAB letter of transmittal
CAB order
Letter to the Chairman



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

MAR 12 1980

ACTION

MEMORANDUM FOR THE STAFF SECRETARY

SUBJECT: Civil Aeronautics Board Decision:

Caribwest Airways Limited

Docket 32379

Due Date: April 8, 1980

You will find attached a memorandum for the President about the above international aviation case. The interested executive agencies have reviewed the Board's decision and have no objection to the proposed order.

This is a routine, noncontroversial matter. No foreign policy or national defense reasons for disapproving the Board's order have been identified. I recommend that the President sign the attached letter to the Chairman which indicates that he does not intend to disapprove the Board's order within the 60 days allowed by statute. Otherwise, the Board's order becomes final on the 61st day.

R. O. Schlickeisen
Associate Director for
Economics and Government

Attachments:

Memorandum to the President
CAB letter of transmittal
CAB order
Letter to the Chairman

ID 801738

THE WHITE HOUSE

WASHINGTON

DATE: 25 MAR 80

FOR ACTION: LLOYD CUTLER (DOUG HURON) 3-21-80 STU EIZENSTAT

INFO ONLY: THE VICE PRESIDENT

SUBJECT: CAB DECISION: PAN AMERICAN WORLD AIRWAYS, INC.;

DOCKET 15019

LAST DAY FOR ACTION APRIL 8, 1980

+++++

+ RESPONSE DUE TO DOUG HURON +

+ BY: 1200 PM FRIDAY 28 MAR 80 +

+++++

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:

Electrostatic Copy Made for Preservation Purposes



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

MAR 25 1980

ACTION

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Civil Aeronautics Board Decision:

Pan American World Airways, Inc.

Docket 15019

Due Date: April 8, 1980

The Civil Aeronautics Board proposes to amend the route certificate of Pan American World Airways to add Abidjan, Ivory Coast as an intermediate point.

The Departments of State, Defense, Justice and Transportation and the National Security Council have not identified any foreign policy or national defense reasons for disapproving the Board's order in whole or in part.

The Office of Management and Budget recommends that you approve the Board's decision by signing the attached letter to the Chairman which indicates that you do not intend to disapprove the Board's order within the 60 days allowed by statute for your review. Also, OMB recommends that you state in your letter that no national defense or foreign policy reason underlies your action. This will preserve whatever opportunity is available under the new statute for judicial review.

R. O. Schlickeisen
Associate Director for
Economics and Government

Attachments:

CAB letters of Transmittal
CAB order
Letter to the Chairman

Options and Implementation Actions:

- 1) Approve the Board's order and preserve whatever opportunity is available for judicial review (DOS, DOD, DOJ, DOT, NSC, OMB).
-- Sign the attached letter to the Chairman.
- 2) Approve the Board's order and do nothing to preserve whatever opportunity is available for judicial review.
-- Implementation materials to be prepared.
- 3) Disapprove the Board's order.
-- Implementation materials to be prepared.
- 4) See me.

for Summary

ID 801859

THE WHITE HOUSE
WASHINGTON

DATE: 02 APR 80

FOR ACTION: LLOYD CUTLER (DOUG HURON) STU EIZENSTAT

INFO ONLY: THE VICE PRESIDENT

SUBJECT: CAB DECISION: TURK AIR LIMITED; DOCKET: 35715

LAST DAY FOR ACTION: MAY 19, 1980

```

+++++
+  RESPONSE DUE TO DOUG HURON  +
+  BY: 1200 PM FRIDAY 04 APR 80  +
+++++

```

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:



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

APR 1 1980

ACTION

MEMORANDUM FOR THE STAFF SECRETARY

SUBJECT: Civil Aeronautics Board Decision:

Turks Air Limited

Docket 35715

Due Date: May 10, 1980

You will find attached a memorandum for the President about the above international aviation case. The interested executive agencies have reviewed the Board's decision and have no objection to the proposed order.

This is a routine, noncontroversial matter. No foreign policy or national defense reasons for disapproving the Board's order have been identified. I recommend that the President sign the attached letter to the Chairman which indicates that he does not intend to disapprove the Board's order within the 60 days allowed by statute. Otherwise, the Board's order becomes final on the 61st day.

/s/ R. O. Schlickeisen

R. O. Schlickeisen
Associate Director for
Economics and Government

Attachments:

Memorandum to the President
CAB letter of transmittal
CAB order
Letter to the Chairman



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

APR 1 1980

ACTION

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Civil Aeronautics Board Decision:

Turks Air Limited

Docket 35715

Due Date: May 10, 1980

The Civil Aeronautics Board proposes to amend and renew the foreign air carrier permit of Turks Air Limited for a period of five years. This proposed action would authorize the carrier to engage in nonscheduled foreign air transportation between various points in Turks and Caicos Islands and the terminal point Miami, Florida.

The Departments of State, Defense, Justice and Transportation and the National Security Council have not identified any foreign policy or national defense reasons for disapproving the order and they have no objection to the Board's proposed order. The Office of Management and Budget recommends that you approve the Board's decision by signing the attached letter to the Chairman which indicates that you do not intend to disapprove the Board's order within the 60 days allowed by statute. Otherwise, the Board's order becomes final on the 61st day.

/s/ R. O. Schlickeisen

R. O. Schlickeisen
Associate Director for
Economics and Government

Attachments:

CAB letter of transmittal
CAB order
Letter to the Chairman

Options and Implementation Actions:

- 1) Approve the Board's order by taking no action.
(DOS, DOD, DOJ, DOT, NSC, OMB.)
-- Sign the attached letter to the Chairman.
- 2) Disapprove.
-- Appropriate implementation materials to be prepared.
- 3) See me.

THE WHITE HOUSE

WASHINGTON

To Chairman Marvin Cohen:

I have reviewed the following order proposed by the Civil Aeronautics Board:

Turks Air Limited

Docket 35715

I do not intend to disapprove the Board's order within the 60 days allowed by statute. No foreign policy or national defense reason underlies my action.

Sincerely,

The Honorable Marvin S. Cohen
Chairman
Civil Aeronautics Board
Washington, D.C. 20428

FOR OFFICIAL USE ONLY

UNITED STATES OF AMERICA
CIVIL AERONAUTICS BOARD
WASHINGTON, D.C.

Adopted by the Civil Aeronautics Board
at its office in Washington, D.C.
on the 5th day of March, 1980

Application of	:	
	:	
TURKS AIR LIMITED	:	Docket 35715
	:	
for renewal of its foreign air	:	
carrier permit pursuant to	:	
section 402 of the Federal	:	
Aviation Act of 1958, as amended	:	

ORDER

By Order 80-2-25, adopted February 5, 1980, the Board directed all interested persons to show cause why the Board should not, subject to the disapproval of the President within 60 days, issue a foreign air carrier permit to Turks Air Limited authorizing it, for a period of five years, to carry property on a nonscheduled basis between a point or points in Turks and Caicos Islands and the terminal point Miami, Florida. The permit would also allow the holder to engage in charter trips in foreign air transportation pursuant to the Board's Regulations governing charters.

The order directed persons objecting to the tentative findings and conclusions set forth in that order, or to the issuance of the proposed foreign air carrier permit, to file their objections within 21 days. In addition, the order provided that if no objections were filed, all further procedural steps would be deemed waived, and the Secretary would enter an order which (1) would make final the Board's tentative findings and conclusions, and (2) subject to the disapproval of the President pursuant to section 801(a) of the Act, would issue a foreign air carrier permit to Turks Air Limited in the form attached to the order.

No objections to Order 80-2-25 have been filed.

ACCORDINGLY,

1. We make final our tentative findings and conclusions set forth in Order 80-2-25;

FOR OFFICIAL USE ONLY

2. We are issuing a foreign air carrier permit to Turks Air Limited in the form attached;

3. The Secretary of the Board shall sign the permit on our behalf and shall affix the seal of the Board;

4. Unless disapproved by the President of the United States under section 801(a) of the Act, this order and the permit attached shall become effective on the 61st day after its submission to the President, 1/ or upon the date of receipt of advice from the President that he does not intend to disapprove the Board's order under that section, whichever is earlier; and

5. Turks Air Limited shall be a party to the rulemaking proceeding in Docket 37531 (EDR-395).

By the Civil Aeronautics Board:

PHYLLIS T. KAYLOR

Secretary

(SEAL)

All Members concurred.

1/ This order was submitted to the President on MAR 10 1980
The 61st day is MAY 10 1980

UNITED STATES OF AMERICA
CIVIL AERONAUTICS BOARD
WASHINGTON, D.C.

PERMIT TO FOREIGN AIR CARRIER
(as amended)

TURKS AIR LIMITED

is authorized, subject to the provisions of the Federal Aviation Act of 1958, as amended and the orders, rules and regulations of the Board, to engage in nonscheduled foreign air transportation of property, as follows:

Between a point or points in the Turks and
Caicos Islands and the terminal point
Miami, Florida.

The holder shall be authorized to engage in charter trips in foreign air transportation, subject to the terms, conditions, and limitations prescribed in the Board's Regulations governing charters.

The authority granted above shall be subject to the condition that the holder shall not engage in scheduled foreign air transportation under the terms of this permit.

The holder shall not operate any aircraft under the authority granted by this permit unless the holder complies with the operational safety requirements at least equivalent to Annex 6 of the Chicago Convention.

The holder shall conform to the airworthiness and airman competency requirements prescribed by the Government of the United Kingdom of Great Britain and Northern Ireland for international air service.

The initial tariff filed by the holder shall not set forth rates, fares and charges lower than those that may be in effect for any U.S. air carrier in the same foreign air transportation. However, this limitation shall not apply to a tariff filed after the initial tariff regardless of whether this subsequent tariff is effective before or after the introduction of the authorized service.

This permit shall be subject to all applicable provisions of any treaty, convention, or agreement affecting international air transportation now in effect, or that may become effective during the period this permit remains in effect, to which the United States and the United Kingdom of Great Britain and Northern Ireland shall be parties.

This permit shall be subject to the condition that in the event any practice develops which the Board regards as inimical to fair competition, the holder and the Board will consult, and will use their best efforts to agree upon modifications satisfactory to the Board and the holder.

The holder shall keep on deposit with the Board a signed counterpart of CAB Agreement 18900, an agreement relating to liability limitations of the Warsaw Convention and the Hague Protocol approved by Board Order E-23680, May 13, 1966, and a signed counterpart of any amendment or amendments to such agreement which may be approved by the Board and to which the holder becomes a party.

The holder shall not provide foreign air transportation under this permit unless (1) there is in effect third-party liability insurance in the amount of \$1,000,000 or more to meet potential liability claims which may arise in connection with its operations under this permit, and (2) there is in effect minimum liability insurance coverage for bodily injury to or death of cargo handlers in the amount of \$75,000 per cargo handler, and (3) there is on file with the Docket Section of the Board a statement showing the name and address of the insurance carrier and the amounts and liability limits of the insurance provided under (1) and (2) above. Upon request, the Board may authorize the holder to supply the name and address of an insurance syndicate in lieu of the names and addresses of the member insurers. 1/

By accepting this permit, the holder waives any right it may possess to assert any defense of sovereign immunity from suit in any action or proceeding instituted against the holder in any court or other tribunal in the United States (or its territories or possessions) based upon any claim arising out of operations by the holder under this permit.

The exercise of the privileges granted shall be subject to such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Board.

This permit shall be effective on _____, 1979, and shall continue in effect for a period of five years except that if, during the five-year period, the operation of the foreign air transportation authorized becomes the subject of any treaty, convention, or agreement to which the United States of America and the Governments of the United Kingdom of Great Britain and Northern Ireland are or shall become parties, this permit is continued in effect during the period provided in such treaty, convention, or agreement,

The Civil Aeronautics Board, through its Secretary, has executed this permit and affixed its seal on March 5, 1980.

(SEAL)

PHYLLIS T. KAYLOR
Secretary

1/ By EDR-395, Docket 37531, and Order 80-1-176, Docket 37532, 45 FR 7566, February 4, 1980, the Board proposed to adopt a new Part 205 of its Regulations to require \$20,000,000 in third party liability insurance, with \$300,000 per person passenger and third party liability coverage and to amend foreign air carrier permits to make them subject to the new regulations. The holder will be subject to the insurance requirements provided for in those regulations as they may be finally adopted.

UNITED STATE OF AMERICA
CIVIL AERONAUTICS BOARD
WASHINGTON, D.C.



Adopted by the Civil Aeronautics Board
at its office in Washington, D.C.
on the 5th day of February, 1980

Application of :
TURKS AIR LIMITED : Docket 35715
for renewal of its foreign air :
carrier permit pursuant to section :
402 of the Federal Aviation Act :
of 1958, as amended :

STATEMENT OF TENTATIVE FINDINGS AND CONCLUSIONS
AND ORDER TO SHOW CAUSE

Turks Air Limited (Turks Air) holds a foreign air carrier permit 1/ authorizing: (a) nonscheduled foreign air transportation of property only between a point or points in the Turks and Caicos Islands and the terminal point Miami, Florida, and (b) the performance of charter trips pursuant to Part 212 of the Board's Economic Regulations.

On May 31, 1979, Turks Air filed an application to renew its permit for a period of five years, and requested that the application be processed by show cause procedures. The applicant also requested a waiver from the requirements of Part 312 of the Board's Regulations concerning environmental impact statements (14 CFR 312) on the premise that the proposed service will not have a significant impact on the environment. 2/ On November 1, 1979 Turks Air amended its application submitting certain financial statements.

No answers to Turks Air's application for renewal of its foreign air carrier permit have been filed.

FITNESS OF THE APPLICANT

In support of its application, Turks Air states that during the past

1/ Order 74-6-12, effective June 1, 1974. The applicant's authority expired May 31, 1979, but continues to be operative under the automatic extension provisions of the Administrative Procedure Act (5 U.S.C. 558(c)) pending final action in Docket 35715.

2/ Since the applicant requests no new services to U.S. points, we are granting the requested waiver.

five years it has operated approximately two round trips per week between Miami and the Turks and Caicos Islands; that it carried approximately 3,000,000 pounds of cargo between these points during 1978; that its operations were performed using a leased DC-4 aircraft, 3/ which has 19,000 pounds of lift capacity and available space of approximately 2,500 cubic feet; that servicing and maintenance of its aircraft is performed by K & M Leasing, Inc. in St. Petersburg, Florida, with additional servicing and maintenance being conducted at the Miami International Airport; that it has not been involved in any safety or tariff violations during the five year period; 4/ that its operating authority has never been suspended, revoked, or canceled or otherwise terminated; and that it carries third-party liability insurance of more than \$1,000,000 and is willing to provide liability insurance coverage of cargo handlers in the amount of \$75,000 per cargo handler.

The applicant's balance sheet as of July 31, 1979 shows total assets of \$120,119, all of which are current assets. On the liabilities side, the company has \$20,624 in current liabilities and \$99,495 in stockholders equity. Turks Air achieved a net operating profit of \$41,474 for the twelve months ending November 30, 1978 and \$18,511 for the eight-month period ended July 31, 1979. The applicant further states that for the twelve months ending November 30, 1979, it expects to earn a net profit of approximately \$156,000.

Public Interest Considerations

Turks Air states that U.S. carriers are allowed to operate to the Turks and Caicos Islands, and its permit should be renewed as a matter of comity and reciprocity. The applicant also states that the economic well-being of the Islands has depended on its operations since it was founded in 1972. 5/ Furthermore, the applicant states that the only other all-cargo carrier 6/ serving Miami and the Islands has terminated its service, thus, making the continuation of Turks Air's operations even more essential to the Islands' economy. The applicant intends to offer two to three round

3/ The aircraft was leased from K & M Leasing, Inc., a United States corporation whose controlling stock holder is also the chief executive officer of Turks Air.

4/ We have checked with the FAA and have received confirmation that to date Turks Air has not been involved in any safety violations or accidents.

5/ Turks Air was formed in order to fill a void created by the termination of operations by a previous all-cargo carrier, Air Caicos, Ltd. Its purpose was to provide contract cargo operations for Air Consortium Lines, a joint venture consisting of three companies engaged in exporting the Islands' primary product, frozen lobsters, to the United States and importing products necessary to the Islands' well-being.

6/ Rich International Airways, Inc.

trips per week throughout the year, or approximately 120 nonstop flights in each direction.

Ownership and Control

The applicant is a limited company organized in 1972 pursuant to the laws of the Turks and Caicos Islands, a British Crown colony. Of its 100 outstanding shares of stock, 51 are owned by two U.K. citizens (Messrs. Conor P. Smythe and Finbar Dempsey) who reside on the Islands. The remaining 49 are owned by Mr. John A. McNair, a Canadian citizen and resident of the United States. All three stockholders are officers and directors of the company, with the operational direction being provided by Mr. McNair, who is president, treasurer, and chairman of the board. Mr. McNair states that besides having a controlling interest of K & M Leasing, Inc., a United States corporation whose principal business is the leasing of aircraft to Turks Air, he holds no stock or other interests in any other air carrier, foreign air carrier, common carrier or person engaged in the business of aeronautics or holding company.

In granting Turks Air's initial permit in Order 74-6-12, the Board noted that the evidence of record precluded a finding that substantial ownership and effective control of the applicant were in the hands of nationals of the United Kingdom. The Board further noted, however, that its long-standing policy concerning those requirements had been waived in situations involving the carriers of small nations making good faith efforts toward assuring ownership and control by their own citizens, 7/ and that Turks Air's case represented a situation in which that control policy should be waived.

We have carefully reviewed the current application and remain unable to find that effective control of the applicant is in the hands of nationals of the United Kingdom. However, based on the applicant's statements, we tentatively conclude that Turks Air has been attempting to extend a greater proportion of control to U.K. citizens 8/ and may be expected to continue to do so upon renewal of its permit. Accordingly, we further tentatively conclude that it is in the public interest to waive our traditional national control policy in this case.

In view of the foregoing and all the facts of record, we tentatively find and conclude that:

1. It is in the public interest to issue to Turks Air Limited a foreign air carrier permit, in the specimen form attached, to (a) engage in nonscheduled foreign air transportation of property between a point or points in the Turks and Caicos Islands and the terminal point Miami, Florida, and (b) to perform

7/ See, for example, Air Jamaica Limited, Order E-23280, January 19, 1966.

8/ In Order 74-6-12, the Board found that the financial ability of the applicant to continue operations was wholly dependent upon the forbearance of Mr. Robert E. Kerivan (a U.S. citizen and a director of Turks Air) in not exercising his right to demand payment on outstanding promissory notes totaling \$31,816. Turks Air states in this docket that Mr. Kerivan is no longer a director of the company. Furthermore, its balance sheet (as of July 31, 1979) indicates total loans payable of only \$704, thus indicating that Mr. Kerivan's notes have been at least significantly reduced if not completely paid. Therefore, one of the issues which first raised the Board's concern over non-U.K. citizen control of Turks Air has been eliminated.

charter trips, pursuant to the Board's Regulations, for a period of five years;

2. The public interest requires that the exercise of the privileges granted by the permit should be subject to the terms, conditions, and limitations contained in the specimen permit attached to this order and to such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Board;

3. Turks Air Limited is fit, willing and able properly to perform the transportation described in the specimen permit attached to this order, and to conform to the provisions of the Federal Aviation Act of 1958, as amended, and the rules, regulations, and requirements of the Board;

4. An oral evidentiary hearing is not required in the public interest; 9/

5. The issuance of the proposed foreign air carrier permit to Turks Air Limited will not constitute a "major Federal action significantly affecting the quality of the human environment" within the meaning of section 102(2)(C) of the National Environmental Policy Act of 1969 and will not constitute a "major regulatory action" under the Energy Policy and Conservation Act of 1975, as defined in section 313.4(a) of the Board's Regulations; 10/ and

6. Except to the extent granted, the application of Turks Air Limited in Docket 35715 should be denied.

ACCORDINGLY,

1. We direct interested persons to show cause why the Board should not (1) make final its tentative findings and conclusions, and (2) subject to the disapproval of the President pursuant to section 801(a) of the Act, issue a foreign air carrier permit to Turks Air Limited in the specimen form attached;

2. Any interested persons objecting to the issuance of an order making final the Board's tentative findings and conclusions and issuing the attached permit shall, no later than March 4, 1980, file with the Board and serve on the persons named in paragraph 5, a statement of objections specifying the

9/ Any interested persons objecting to the issuance of an order making final the Board's tentative findings and conclusions and issuing the attached permit, shall be allowed 21 days from the date of service of this order to respond. Answers may be filed within 10 days thereafter.

10/ Our tentative findings are based upon the fact the operations under the permit will not result in a significant increase in current civil aviation operations, nor will they result in an annual increase in fuel consumption of more than 10 million gallons.

part or parts of the tentative findings and conclusions objected to, together with a summary of testimony, statistical data, and concrete evidence to be relied upon in support of the objections. An oral evidentiary hearing or discovery procedures may be requested. The objector should state in detail why such a hearing or discovery is considered necessary and what material issues of decisional fact he would expect to establish through such hearing or discovery which cannot be established in written pleadings. The objector should consider whether discovery procedures alone would suffice to resolve material issues of decisional fact; if so, the type of procedure should be specified (see Part 302, Rules 19 and 20); if not, the reasons why not should be explained. If objections are filed, answers may be filed, but no later than March 14, 1980;

3. If timely and properly supported objections are filed, we will give further consideration to the matters and issues raised by the objections before we take further action; Provided, that we may proceed to enter an order in accordance with our tentative findings and conclusions set forth in this order if we determine that there are no factual issues present that warrant the holding of an oral evidentiary hearing or the institution of discovery procedures; 11/

4. In the event no objections are filed, all further procedural steps shall be deemed waived, and the Secretary shall enter an order which (1) shall make final our tentative findings and conclusions set forth in this order, and (2) subject to the disapproval of the President pursuant to section 801(a) of the Act, shall issue a foreign air carrier permit to the applicant in the specimen form attached; and

5. We shall serve a copy of this order upon Turks Air Limited, the Ambassador of the United Kingdom of Great Britain and Northern Ireland in Washington, D.C., Southeast Airlines, Inc., Rich International Airways, Inc., and the Departments of State and Transportation.

We shall publish a summary of this order in the Federal Register and transmit a copy of this order to the President of the United States.

By the Civil Aeronautics Board:

PHYLLIS T. KAYLOR

Secretary

(SEAL)

All Members concurred.

11/ Since provision is made for the filing of objections to this order, petitions for reconsideration will not be entertained.

SPECIMEN PERMIT

UNITED STATES OF AMERICA
CIVIL AERONAUTICS BOARD
WASHINGTON, D.C.

PERMIT TO FOREIGN AIR CARRIER
(as amended)

TURKS AIR LIMITED

is authorized, subject to the provisions of the Federal Aviation Act of 1958, as amended and the orders, rules and regulations of the Board, to engage in nonscheduled foreign air transportation of property, as follows:

Between a point or points in the Turks and
Caicos Islands and the terminal point
Miami, Florida.

The holder shall be authorized to engage in charter trips in foreign air transportation, subject to the terms, conditions, and limitations prescribed in the Board's Regulations governing charters.

The authority granted above shall be subject to the condition that the holder shall not engage in scheduled foreign air transportation under the terms of this permit.

The holder shall not operate any aircraft under the authority granted by this permit unless the holder complies with the operational safety requirements at least equivalent to Annex 6 of the Chicago Convention.

The holder shall conform to the airworthiness and airman competency requirements prescribed by the Government of the United Kingdom of Great Britain and Northern Ireland for international air service.

The initial tariff filed by the holder shall not set forth rates, fares and charges lower than those that may be in effect for any U.S. air carrier in the same foreign air transportation. However, this limitation shall not apply to a tariff filed after the initial tariff regardless of whether this subsequent tariff is effective before or after the introduction of the authorized service.

This permit shall be subject to all applicable provisions of any treaty, convention, or agreement affecting international air transportation now in effect, or that may become effective during the period this permit remains in effect, to which the United States and the United Kingdom of Great Britain and Northern Ireland shall be parties.

This permit shall be subject to the condition that in the event any practice develops which the Board regards as inimical to fair competition, the holder and the Board will consult, and will use their best efforts to agree upon modifications satisfactory to the Board and the holder.

The holder shall keep on deposit with the Board a signed counterpart of CAB Agreement 18900, an agreement relating to liability limitations of the Warsaw Convention and the Hague Protocol approved by Board Order E-23680, May 13, 1966, and a signed counterpart of any amendment or amendments to such agreement which may be approved by the Board and to which the holder becomes a party.

The holder shall not provide foreign air transportation under this permit unless (1) there is in effect third-party liability insurance in the amount of \$1,000,000 or more to meet potential liability claims which may arise in connection with its operations under this permit, and (2) there is in effect minimum liability insurance coverage for bodily injury to or death of cargo handlers in the amount of \$75,000 per cargo handler, and (3) there is on file with the Docket Section of the Board a statement showing the name and address of the insurance carrier and the amounts and liability limits of the insurance provided under (1) and (2) above. Upon request, the Board may authorize the holder to supply the name and address of an insurance syndicate in lieu of the names and addresses of the member insurers.

By accepting this permit, the holder waives any right it may possess to assert any defense of sovereign immunity from suit in any action or proceeding instituted against the holder in any court or other tribunal in the United States (or its territories or possessions) based upon any claim arising out of operations by the holder under this permit.

The exercise of the privileges granted shall be subject to such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Board.

This permit shall be effective on _____, 1979, and shall continue in effect for a period of five years except that if, during the five-year period, the operation of the foreign air transportation authorized becomes the subject of any treaty, convention, or agreement to which the United States of America and the Governments of the United Kingdom of Great Britain and Northern Ireland are or shall become parties, this permit is continued in effect during the period provided in such treaty, convention, or agreement,

The Civil Aeronautics Board, through its Secretary, has executed this permit and affixed its seal on

Secretary

(SEAL)

ID 801818

THE WHITE HOUSE

WASHINGTON

DATE: 31 MAR 80

FOR ACTION: LLOYD CUTLER (DOUG HURON) *Concur* STU EIZENSTAT

INFO ONLY: THE VICE PRESIDENT

SUBJECT: CAB DECISION: AIRWEST AIRLINES LTD.; DOCKET 36145

LAST DAY FOR ACTION: APRIL 7, 1980

```

+++++
+  RESPONSE DUE TO DOUG HURON  +
+    BY: 1200 PM WEDNESDAY 02 APR 80    +
+++++

```

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:



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

MAR 28 1980

ACTION

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Civil Aeronautics Board Decision:

Airwest Airlines Ltd.

Docket 36145

Due Date: April 7, 1980

The Civil Aeronautics Board proposes to renew and amend the foreign air carrier permits held by Airwest Airlines Ltd. This proposed action would authorize the carrier to provide air transportation services between the coterminal points Victoria (Harbour) and Vancouver (Harbour), British Columbia, Canada; and Seattle (Lake Union), Washington.

The Departments of State, Defense, Justice and Transportation and the National Security Council have not identified any foreign policy or national defense reasons for disapproving the order and they have no objection to the Board's proposed order. The Office of Management and Budget recommends that you approve the Board's decision by signing the attached letter to the Chairman which indicates that you do not intend to disapprove the Board's order within the 60 days allowed by statute. Otherwise, the Board's order becomes final on the 61st day.

R. O. Schlickeisen
Associate Director for
Economics and Government

Attachments:

CAB letter of transmittal
CAB order
Letter to the Chairman

Options and Implementation Actions:

- 1) Approve the Board's order by taking no action.
(DOS, DOD, DOJ, DOT, NSC, OMB.)
-- Sign the attached letter to the Chairman.
- 2) Disapprove.
-- Appropriate implementation materials to be prepared.
- 3) See me.

for summary

ID 801852

THE WHITE HOUSE

WASHINGTON

DATE: 01 APR 80

FOR ACTION: LLOYD CUTLER (DOUG HURON) STU EIZENSTAT

INFO ONLY: THE VICE PRESIDENT

SUBJECT: CAB DECISION: CARIBBEAN AREA SERVICE INVESTIGATION

DOCKET: 30697

LAST DAY FOR ACTION - APRIL 3, 1980

+++++

+ RESPONSE DUE TO DOUG HURON +

+ BY: 1200 PM THURSDAY 03 APR 80 +

+++++

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:

**Electrostatic Copy Made
for Preservation Purposes**



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

MAR 31 1980

ACTION

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Civil Aeronautics Board Decision:
Caribbean Area Service Investigation
Docket 30697
Due Date: April 8, 1980

In 1977 the Civil Aeronautics Board instituted a proceeding to consider the need for improved air service between the U.S. Mainland and points in the Caribbean including Puerto Rico and the Virgin Islands. The Board approached this large task by dividing the proceeding into three parts: (1) Northeast Points - Puerto Rico/Virgin Islands Service Investigation (Docket 32293), (2) U.S. - Bahamas Service Investigation (Docket 32294), and the Caribbean Area Service Investigation (Docket 30697). The first two parts of the proceeding already have been reviewed and approved by you. It is the third part of the proceeding which is now presented by the Board for your review.

The Board proposes to amend the route certificates of Air Florida, Braniff Airways, Delta Air Lines, Evergreen International Airlines, Northwest Airlines, Ozark Airlines, Pan American World Airways, Republic Airlines and U.S. Air. Further, the Board proposes to issue new route certificates to American Airlines, Conner Air Lines, and Eastern Air Lines. These suggested actions will create expanded air service opportunities from fifteen major U.S. cities to twenty-one Caribbean points and four points in Venezuela.

The Departments of State, Defense, Justice and Transportation and the National Security Council have not identified any foreign policy or national defense reasons for disapproving the Board's order in whole or in part.

The Office of Management and Budget recommends that you approve the Board's decision by signing the attached letter to the Chairman which indicates that you do not intend to disapprove the Board's order within the 60 days allowed by statute for your review. Also, OMB recommends that you state in your letter that no national defense or foreign policy reason underlies your action. This will preserve whatever opportunity is available under the statute for judicial review.



R. O. Schlickeisen
Associate Director for
Economics and Government

Attachments:

CAB letter of transmittal
CAB order
Letter to the Chairman

Options and Implementation Actions:

- 1) Approve the Board's order and preserve whatever opportunity is available for judicial review (DOS, DOD, DOJ, DOT, NSC, OMB).
-- Sign the attached letter to the Chairman.
- 2) Approve the Board's order and do nothing to preserve whatever opportunity is available for judicial review.
-- Implementation materials to be prepared.
- 3) Disapprove the Board's order.
-- Implementation materials to be prepared.
- 4) See me.

Thursday - April 10, 1980

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

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

~~11:10~~ Depart South Grounds via Motorcade
en route the Labor Department.

11:15 Dedication of the Frances Perkins Building.

11:40 Return to the White House.

~~1:20~~ Depart South Grounds via Motorcade
en route the Washington Hilton Hotel.

1:30 1980 American Society of Newspaper Editors
Convention.

2:10 Return to the White House.

~~# 2:15~~ Dr. Harold L. Sheppard. (Mr. Jack Watson).
(10 min.) The Oval Office.

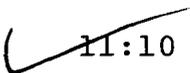
~~# 2:30~~ Photograph/Dr. Stephen Aiello - Oval Office.

~~# 2:45~~ Mr. Tom Vail. (Mr. Ray Jenkins) - Oval Office.

Thursday - April 10, 1980

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

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

 11:10

Depart South Grounds via Motorcade
en route the Labor Department.

11:15

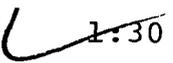
Dedication of the Frances Perkins Building.

11:40

Return to the White House.

1:20

Depart South Grounds via Motorcade
en route the Washington Hilton Hotel.

 1:30

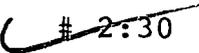
1980 American Society of Newspaper Editors
Convention.

2:10

Return to the White House.

2:15
(10 min.)

Dr. Harold L. Sheppard. (Mr. Jack Watson).
The Oval Office.

 # 2:30

Photograph/Dr. Stephen Aiello - Oval Office.

2:45

Mr. Tom Vail. (Mr. Ray Jenkins) - Oval Office.

INFORMATION COPY

DISASTER PRIORITY

SUBJECT

**RECOMMENDATION TO THE PRESIDENT
FOR A MAJOR DISASTER DECLARATION
IDAHO**

FEDERAL EMERGENCY MANAGEMENT AGENCY

DATE

APR 7 1980



FEDERAL EMERGENCY MANAGEMENT AGENCY

Washington, D.C. 20472

The President
The White House
Washington, D.C.

APR 7 1980

REQUEST FOR MAJOR DISASTER DECLARATION

STATE: Idaho

TYPE OF INCIDENT: Heavy rains, snowmelt runoff and stream flooding

DATES OF INCIDENT: January 12-14, 1980 and February 18-23, 1980

DEATHS: None

INJURIES: None

AREAS AFFECTED: Power and Oneida Counties

COMMITMENT OF STATE AND LOCAL RESOURCES:

- o State emergency plan was implemented.
- o State commitment of \$120,000 for road repair, equipment use and administrative expenses
- o Local commitment of \$286,000 for heavy road maintenance, debris clearance, equipment use, culvert replacement and administrative expenses

PRINCIPAL NEEDS EXPRESSED BY THE GOVERNOR:

- o Disaster loan program from the Small Business Administration
- o Programs from the U.S. Department of Agriculture
- o Permanent restoration of road systems

FEMA FINDINGS:

HOMES AFFECTED: 17

FAMILIES NEEDING TEMPORARY HOUSING: None

BUSINESSES AFFECTED: None

POTENTIAL DISASTER LOANS: \$76,000

UNMET UNEMPLOYMENT NEEDS: None

POTENTIAL APPLICATIONS FOR INDIVIDUAL AND FAMILY GRANTS:

None

UNMET HEALTH AND SAFETY PROBLEMS: None

SIGNIFICANT PROBLEMS CAUSED BY DAMAGES TO PUBLICLY OWNED FACILITIES: None

RECOMMENDATION:

I recommend that the Governor's request be denied.

SIGNED

Director
Federal Emergency Management Agency

Attachments:

Summary of Findings
Letter to the Governor
Representation
Map
Governor's Request

SUMMARY OF FINDINGS

During the periods of January 12 through January 14, 1980, and February 18 through February 23, 1980, heavy rains, snowmelt runoff and stream flooding occurred in Idaho. There were no deaths or injuries. Power and Oneida Counties were impacted.

INDIVIDUAL ASSISTANCE

- o Three homes had major damage and 14 had minor damage. There is no temporary housing requirement.
- o There was no damage to businesses.
- o Agriculture damage is due primarily to soil erosion. Under the provisions of the U.S. Department of Agriculture's Emergency Conservation Program, a total of \$122,000 has been provided in the two counties. There also was minor damage to farm equipment on approximately fifty farms.
- o The Small Business Administration (SBA) declined a request for the disaster loan program based on the January incident period. This was based on an assessment of Power County which was the most impacted of the two. Estimates for SBA disaster loans are for a total of \$26,000.
- o Estimates for emergency loans from the Farmers Home Administration are for a total of \$50,000.

PUBLIC ASSISTANCE

The total estimate of eligible assistance under Public Law 93-288 is \$400,000. Of this amount, \$250,000 pertains to the road system in Power County. The damage in this county includes four bridges which have been washed out along with several bridge approaches and culverts. Two of the bridges provide access to farm residents; however, alternate routes provide adequate access to these homes. The other two bridges provide access to farmland only. The county was giving priority to reestablishing access on a temporary basis to farm areas where no alternate routes exist. Damage to the roads has been repaired with a grader and the flood effects are not perceptible.

The eligible assistance in Oneida County is estimated at \$150,000. Road damage accounts for \$140,000. This includes six culverts washed out and damage to the gravel surface of the roadways. The county is in the process of replacing the culverts and repairing the roads. The damage did not cause any isolation problems. The City of Malad in Oneida County incurred nearly \$10,000 in flood damages due to a blocked drainage ditch. All damages have been repaired.

CONCLUSIONS:

- o The impact on individuals is slight.
- o Damage to public facilities is within the capability of the State and local governments.
- o The request is essentially for budgetary relief.
- o The situation does not warrant a major-disaster declaration.

FEDERAL EMERGENCY MANAGEMENT AGENCY
Disaster Response and Recovery
Washington, D.C. 20472

Honorable John V. Evans
Governor of Idaho
State Capitol
Boise, Idaho 83720

Dear Governor Evans:

This is in response to your March 27, 1980, request for a major disaster declaration by the President because of heavy rains, snowmelt runoff and flooding.

We have given your request careful review and consideration. Based on our on-site assessment of conditions in the affected area, in cooperation with other Federal agencies as well as State and local officials, we have concluded that the situation is not of such severity as to be beyond the response capabilities of the State of Idaho and the affected local governments. Accordingly, I must inform you of our decision not to recommend to the President that he declare a major disaster.

The U.S. Department of Agriculture's Emergency Conservation Program has provided assistance to both Power and Oneida Counties. The damages incurred by the City of Malad were repaired. Damages to the road systems in the two counties have not isolated families. The isolation of some farmlands due to bridge washouts in Power County is being addressed by emergency repairs. Thus, the impact on residents is minimal. This and other public facility damage are considered to be within the capabilities of the State and local governments which have primary responsibility for disaster relief.

Federal disaster assistance under the Disaster Relief Act of 1974 (Public Law 93-288) is supplementary in nature and provided only when effective response to a disaster is beyond the capabilities of State and local governments. Such assistance is not intended to be budgetary relief to State and local governments.

2

I regret I cannot give you a more favorable response.

Sincerely,

William H. Wilcox
Associate Director
Disaster Response and Recovery

IDAHO REPRESENTATION

The Governor of Idaho is:

John V. Evans (D)

Idaho Senators are:

Frank Church (D)
James A. McClure (R)

Representating the Affected Areas:

George Hansen (R)

2nd District

For further information, contact FEMA: (202) 634-4087.

CLEARTYPE COUNTY OUTLINE IDAHO

Scale of Miles
0 20 40

MAP NO. 210

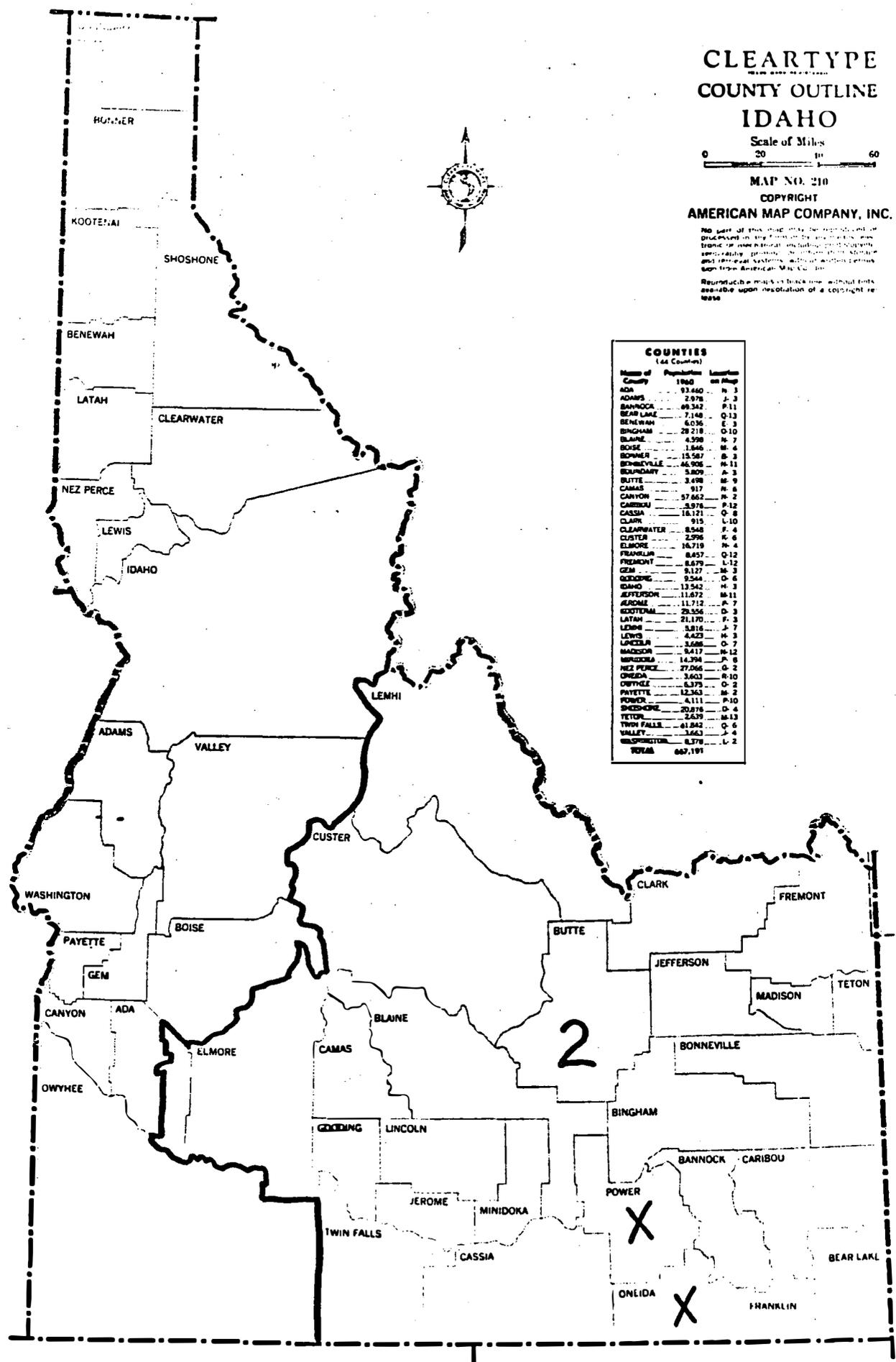
COPYRIGHT

AMERICAN MAP COMPANY, INC.

No part of this map may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording, or by any information storage and retrieval system, without written permission from American Map Co., Inc.
Reproduction of this map without the approval upon resolution of a copyright re-lease

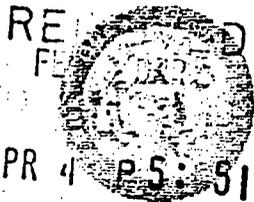


COUNTIES (44 Counties)		
Name of County	Population 1960	Location on Map
ADA	93,460	N 3
ADAMS	2,978	J 3
BANNOCK	69,342	F 11
BEAR LAKE	7,148	O 13
BENÉWAH	6,036	E 3
BINGHAM	28,218	O 10
BLAINE	4,398	H 7
BOISE	1,846	M 4
BOWMAN	15,587	B 3
BONNEVILLE	46,506	H 11
BOUNDARY	3,809	A 3
BUTTE	3,498	M 9
CAMAS	917	H 8
CANYON	57,652	M 2
CARBON	3,978	F 12
CASSIA	16,121	O 8
CLARK	915	L 10
CLEARWATER	8,548	F 4
CLUSTER	2,396	K 6
ELMORE	16,719	N 4
FRANKLIN	8,657	O 12
FREMONT	8,679	L 12
GEM	9,127	M 3
GOODING	9,544	O 6
IDAHO	13,542	H 3
JEFFERSON	11,672	M 11
JEROME	11,712	F 7
KOOTENAI	26,556	D 3
LATAH	21,170	F 3
LEHI	5,816	J 7
LEWIS	4,423	H 3
LINCOLN	3,688	O 7
MADISON	8,417	M 12
MINKS	14,394	J 8
NEZ PERCE	27,066	O 2
OWYHEE	3,603	R 10
OFFICE	6,375	O 2
PAYETTE	12,363	M 2
POWER	4,111	F 10
SHEESHORE	20,878	D 4
TETON	2,639	M 13
TWIN FALLS	41,842	O 6
VALLEY	3,663	J 4
WASHINGTON	6,378	L 2
WORLD	687,191	



A
B
C
D
E
F
G
H
I
J
K
L
M
N
O
P
Q
R

JOHN V. CHANEY
DIRECTOR



OFFICE OF THE GOVERNOR
STATE CAPITAL
BOISE 83720

March 27, 1980

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

Through:

Mr. Neale V. Chaney
Regional Director
Federal Emergency Management Agency
Region X
Federal Regional Center
Bothell, Washington 98011

Dear Mr. President:

Under the provisions of the Disaster Relief Act of 1974, Public Law 93-283, I respectfully request that you declare a major disaster exists in two counties in the State of Idaho.

1. TYPE OF DISASTER

During the period of January 12 through January 14, 1980, an unusual warming trend with unseasonably heavy rains and rapid snowmelt caused severe and extensive flooding throughout Oneida and Power Counties. Minor flooding caused damages in adjacent Bannock and Franklin Counties.

During the period of February 18 through February 23, 1980, extremely heavy rains occurred again in Oneida and Power Counties, causing severe and widespread flooding damage to agricultural lands, roads, and bridges that had sustained extensive flood damages during the previous storm period of January 12 - 14, 1980. Approximately fifty families in Malad City, Oneida County, were evacuated because of a possible dam failure.

2. LOCATION

Power and Oneida Counties in Southeastern Idaho have been severely affected by this disaster. In addition, the adjacent counties of Bannock and Franklin in Southeastern Idaho also received damages.

3. INCIDENT PERIODS

The damages due to the first period of unseasonably heavy rains and rapid snowmelt occurred between the period January 12 through January 14, 1980. The damages from the second period of heavy rains occurred between the period of February 18 through February 23, 1980.

4. SEVERITY AND MAGNITUDE OF THE DISASTER

- a. There were no deaths or injuries due to the incident.
- b. Approximately 170 homes received minor damage due to floodwaters. Major damages occurred to farmlands causing severe erosion, damages to terraces, fencing, and headgates. Approximately 47,000 acres of farmland were damaged. Planting, fertilizing, and reseeding are expected to be delayed because of road/bridge washouts and farmland damage.
- c. It is estimated that 95 percent of the local economy in Oneida County and 90 percent of the local economy in Power County can be attributed directly to agriculture.
- d. The effects of this disaster, together with the agricultural disaster of 1979 (drought, hailstorm, heavy rainfall) is adding to the economic burdens of the farmers.
- e. Major damages occurred to roads, culverts, and bridges. Many miles of roads and some bridges and culverts remain damaged and/or destroyed and are unusable in the disaster affected areas. Both Oneida and Power Counties have or will suffer serious financial problems since they have expended or will expend a majority of their annual budgets for disaster recovery operations. Oneida County has expended \$198,300 of its \$364,900 FY 80 road and bridge budget. Power County has expended \$420,000 of its \$1,155,523 FY 80 road and bridge budget. (Personnel costs encompass forty-one percent of these budgets.) Additionally, the "One - Percent Initiative" limits the amount of property taxes the counties can assess; and the economic impact will, therefore, be long-term.
- f. The impact of the disaster on the social and economic systems of the affected areas include:

INDIVIDUAL SECTOR:

1) Private Residences (Includes Farm Homes)

Minor - 170 (Includes 46 homes in the City of Downey, Bannock County)
Damages were primarily basement flooding.

2) Agriculture (120 Farms; 47,000 Acres)

\$4,044,000

The losses include damages to farmland and crops, farm buildings, roads, irrigation systems, farm machinery, and fencing. The heavy

rains caused much of the top soil to be washed away. The top soil loss, coupled with severe gullying in many locations, resulted in a loss of a portion of the winter wheat crop, pasture land, and hay crop. Damage to irrigation systems has been substantial. Ditches, spillways, and headgates have been washed out, eroded, or clogged with debris. Some irrigation systems are operated by private, non-profit organizations.

PUBLIC SECTOR:

1) Debris

Quantities of mud, rock, and silt are clogging stream channels, culverts, and public rights-of-way. Although the assessment is still incomplete, it is anticipated that many drainage problems will result if the debris is not cleared away before the normal spring runoff.

2) Bridges and Roads

	<u>Sites</u>	<u>Costs</u>
FAS Roads	4	\$100,000
Non-FAS Roads	65	\$1,900,000
Non FAS Bridges Destroyed	4	\$230,000

The figure for roads includes destruction to culverts, disruption of roadside drainage, breakup, and removal of surface material. Some secondary roads are impassable. The destroyed bridges are all located in Power County.

3) Public Utilities

Water and sewer system
Broken water and sewer line in Malad City. \$2,000

4) Streams

Bank erosion and stream bed erosion were quite severe in Rock Creek and Bannock Creek, Power County. The assessment is incomplete at this time.

5) Insurance Coverage in Force (Undetermined at this time, but anticipated to be minimal.)

6) Actions Pending or Already Taken By:

a) Local Governments:

Sandbagging, road barricades, emergency repairs to roads and bridges, debris clearance, emergency public information, evacuation, and care of families.

b) State Government:

Oneida and Power County were proclaimed disaster areas on March 14, 1980, and the State Emergency Plan was implemented. Letters were sent to the Small Business Administration and Farmers Home Administration on February 19, 1980, requesting disaster assistance for Power County. Services or assistance provided by State agencies were:

- (1) Bureau of Disaster Services provided liaison personnel and personnel for damage assessment.
- (2) The State Department of Transportation provided technical assistance and personnel for damage assessment and repaired damages to State roads.
- (3) The Department of Water Resources provided technical assistance and damage assessment personnel.
- (4) The State Department of Agriculture assisted in obtaining agricultural related damages.
- (5) The Department of Law Enforcement provided personnel to assist in evacuation and traffic control and transportation of sandbags.
- (6) The Idaho National Guard provided helicopter transportation on two occasions for damage assessment.

c) Federal Government:

- (1) FEMA Region X and the Federal Highway Administration provided personnel to conduct a Federal-State preliminary damage assessment on March 18 and 19, 1980.
- (2) SBA conducted a damage assessment and the Administrator declined the Governor's request for assistance in Power County. The declination was based upon the first incident period, January 12 - 14, 1980.
- (3) ASCS, under the provisions of the USDA Emergency Conservation Program, has released \$52,000 to Oneida County and \$70,000 to Power County. Monies have also been released for Bannock and Franklin Counties.

5. CERTIFICATION OF COMMITMENT

The State and local commitments to this disaster are:

State: \$120,000 (Road repair, equipment use, travel, per diem, and administrative expenses)

Local: \$286,000 (Heavy road maintenance, debris clearance, equipment use, culvert replacement, administrative expenses)

Oneida County \$65,000
 Malad City \$10,000
 Power County \$211,000

Reimbursement for these expenses (even if eligible under a federal program) will not be requested from the Federal Government for this disaster. I certify that this commitment represents a reasonable amount of State and local resources available for combating this disaster.

6. EXTENT AND NATURE OF FEDERAL ASSISTANCE NEEDED

The local and State estimates of the extent and nature of Federal Assistance needed are as follows:

a. Individual Assistance

COUNTY	SBA		USDA PROGRAMS	
	EST. NO. APPL.	EST. FUNDS	EST. NO. APPL.	EST. FUNDS
Power	30	\$90,000	130	\$200,000
Oneida	25	\$78,000	150	\$180,000

Total Estimated Individual Assistance: \$548,000

b. Public Assistance

COUNTY	PERMANENT RESTORATION	
	C-ROAD SYSTEMS	
Power	\$500,000	
Oneida	\$700,000	

Total Estimated Public Assistance: \$1,200,000

GRAND TOTAL: \$1,748,000

March 27, 1980

c. Other Assistance

Corps of Engineers technical assistance is needed to assist in determining actions required to abate stream bed erosion in Power County and for possible diversion of stream flow around Malad City, Oneida County.

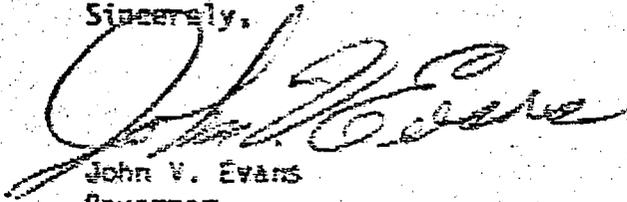
7. REQUEST

I hereby request that the following counties be designated as eligible for Federal Assistance under your declaration: Power and Oneida Counties. I can assure you, Mr. President, that the personal and public property losses to these political subdivisions are substantial and their needs justifiable, and that the disaster is of such severity and magnitude that effective and timely response is beyond the capability of the State and local governments.

8. ATTACHMENTS

I have attached copies of my state disaster declaration, the county declarations, and related documents to support this request.

Sincerely,



John V. Evans
Governor
State of Idaho

JVE:DKS

Enclosures

THE WHITE HOUSE

WASHINGTON

April 10, 1980

Q

MEMORANDUM FOR THE PRESIDENT

FROM:

JACK WATSON *Jack*
ARNIE MILLER *AM*

SUBJECT:

Assistant Secretary of State for
International Organizations (IO)

We recommend that you nominate Richard McCall, 37, as Assistant Secretary of State for International Organizations. He is presently Deputy Staff Director for the Senate Foreign Relations Committee, specializing in international economic policy and foreign assistance. He formerly served as Legislative Assistant for foreign policy to Senator Humphrey, and as Special Assistant for foreign policy to Senator McGee.

McCall is very familiar with IO's operation, and he is respected in Congress as an articulate advocate of U.S. support for international organizations and foreign assistance. Jewish groups with whom McCall has dealt view him as friendly and understanding of their views.

Secretary Vance, Zbig, Ambassador McHenry, Al Moses, Bob Strauss and Stu Eisenstat concur with our recommendation.

RECOMMENDATION:

Nominate Richard McCall as Assistant Secretary of State for International Organizations.

APPROVE

DISAPPROVE

RICHARD L. McCALL, JR.
Virginia

EXPERIENCE:

1979 - Present Deputy Staff Director for International Economic Policy and Foreign Assistance, Senate Committee on Foreign Relations.

1978 - 1979 Professional Staff Member, Senate Committee on Foreign Relations.

1977 - 1978 Legislative Assistant for Foreign Policy, Senators Hubert and Muriel Humphrey.

1971 - 1977 Special Assistant for Foreign Policy, Press Secretary, Senator Gale McGee.

1968 - 1971 Staff Writer, United Press International, Cheyenne, Wyoming Bureau.

EDUCATION:

1964 B.A., Hastings College, Nebraska.

PERSONAL:

White Male
Age 37
Democrat

2:15 PM

THE WHITE HOUSE

WASHINGTON

MEETING WITH DR. HAROLD SHEPPARD

Thursday, April 10, 1980
2:15 p.m. (10 minutes)
The Oval Office

From: Alonzo McDonald *AM*

I. PURPOSE

To introduce Dr. Harold L. Sheppard, who is being proposed as a new Special Assistant to the President on Aging to succeed Nelson Cruikshank.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: You recently reviewed a memo (attached) from Jack Watson and Arnie Miller recommending Dr. Harold Sheppard's appointment to succeed Nelson Cruikshank, and indicated that you would like to meet him.
- B. Participants: Dr. Harold Sheppard, Alonzo McDonald
- C. Press Plan: White House Photographer only

III. TOPICS FOR DISCUSSION

- 1. Your priorities with respect to issues relating to aging.
- 2. Any personal suggestions for him as a new Special Assistant to the President.
- 3. Dr. Sheppard's views on priorities and needs on aging issues.

IV. NEXT STEPS

After meeting, could you indicate whether or not you wish us to proceed to make his appointment official.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *JW*
ARNIE MILLER *AM*

SUBJECT: Counsellor on Aging

We join Nelson Cruikshank in recommending the appointment of Harold L. Sheppard to succeed Nelson as the Counsellor on Aging.

Dr. Sheppard is currently Director of the Center on Work and Aging of the American Institutes for Research. He was the first Staff Director of the Senate Aging Committee in the early 60's and served under LBJ in what is now the Economic Development Administration in Commerce. He has had a long and distinguished career in the field of aging, focusing especially on older Americans in the work environment.

Dr. Sheppard enjoys the support of the aging community, has been endorsed by Senator Chiles and Congressman Pepper and by several labor unions. He also has sound ties to the business community.

Stu and Anne concur in our recommendation.

RECOMMENDATION

That you appoint Harold L. Sheppard, of Maryland, to be the Counsellor on Aging.

approve disapprove

*Let me meet
him first
J*

2:45 PM

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

April 9, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: RAY JENKINS *RJ*
SUBJECT: Tom Vail Meeting

Your meeting with Tom Vail of the Cleveland Plain Dealer -- set up at your request of March 24 following a phone call -- is to be for coffee, for 15 minutes, off-the-record. A briefing paper covering some of the Plain Dealer's recent editorials is attached.

Attachment

Electrostatic Copy Made
for Preservation Purposes

2015

THE WHITE HOUSE

WASHINGTON

April 9, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: Patricia Barrio
Deputy Press Secretary

SUBJECT: Your Meeting With Tom Vail, Editor, Cleveland Plain Dealer, 2:45 p.m., Thursday, April 10, 1980, The Oval Office

Thomas (Tom) Vail is the editor and publisher of Ohio's largest daily paper, the Cleveland Plain Dealer (circulation mornings 386,194; Sundays 447,816). You met Vail when he attended a meeting for a group of non-Washington editors and broadcasters (July 15, 1977), and during the 1976 general election campaign when you met with the editorial board of the paper. The paper is part of the Newhouse newspaper chain.

The Plain Dealer tends to be more conservative than the Cleveland Press. The Plain Dealer strongly opposed former Mayor Dennis Kucinich and supported the candidacy of Mayor George Voinovich last fall. Generally, the paper's editorial tone is thoughtful, and supportive of the Administration. Fault is found, however, in the smaller details and nuances of policies and proposals. A brief summary of recent editorial positions follows.

IRAN - Has supported your efforts, with occasional expressions of frustration. Called for economic sanctions in February; feels that the release of the hostages should be unconditional; urges the U.S. to sever all ties to the former Shah; and supports increased security at embassies in the future.

AFGHANISTAN - Paper expressed support for your responses to Soviet aggression in January; supports the creation of a rapid deployment force to defend our Mideast oil lifeline; but recognizes that in the short-term diplomacy must be used to win friends in the area.

OLYMPICS - Supports your call for a boycott, and notes that it will be difficult for the USOC or the nation to turn you down.

DEFENSE - Supports ratification of SALT II; favors Selective Service registration for men and women; feels that the XM-1 tank should be abandoned if design problems can't be solved quickly; supports reforms to strengthen the CIA; and notes that at the very least the U.S. should develop an improved chemical warfare defense given Soviet use of chemicals in Afghanistan.

ECONOMY - Paper consistently has called for a balanced federal budget, although they oppose a Constitutional amendment to accomplish it. A recent editorial noted the problem of end-of-year buying by federal agencies, and calls for a halt to that practice. Following announcement of your anti-inflation program March 14, the paper noted that your guiding principles were on target, as was the program, but it didn't go quite far enough. Paper opposed a tax cut at this time; favors the indexing of income taxes; and has called for the elimination of automatic cost-of-living increases from the economy. The paper also noted recently that your "misery index" now stands at about 24%.

ENERGY - The paper favored decontrol of oil prices, and has given tentative support to the new 10¢ per gallon gasoline tax increase. While supporting a windfall profits tax, the paper feels that all revenues collected should go toward development of alternative or increased energy supplies, rather than tax cuts for corporations. The paper favors your coal conversion proposals, if environmental safeguards can be maintained.

DOMESTIC ISSUES - The paper supports your position on the FTC authorization legislation; opposes Senate legislative proposals to drastically reform OSHA; opposes your trucking deregulation proposal; opposes the suspension of the trigger price system for the steel industry, but critical of the complaint filed by U.S. Steel; opposed to cuts in revenue sharing unless economically troubled cities, like Cleveland, are protected; and favors the appointment of a special prosecutor in the Miller/Textron case to finally clear the air.

2:30 PM

THE WHITE HOUSE

WASHINGTON

April 9, 1980

PHOTO OPPORTUNITY

Thursday, April 10, 1980

2:30 P.M.

Oval Office

Stephen R. Aiello

Purpose

The purpose of this meeting is to have a photograph taken with the President to be used for our newsletter.

Background

The Office of Ethnic Affairs will issue their first newsletter in early May. The photo with the President will re-enforce the President's support for our Office and his commitment to the ethnic constituency.

Participants

Dr. Stephen R. Aiello, Special Assistant to the President for Ethnic Affairs

Press

White House photographer only.

**Electrostatic Copy Made
for Preservation Purposes**

2044

Back

NAME: Colonel F. Don Miller

1249

TITLE Executive Director, U. S. Olympic Committee

CITY/STATE Colorado Springs, Colorado

Requested by Lloyd Cutler

Phone Number--Home ()

Date of Request 4/10/80

Work (303) 632 5551

Other ()

INFORMATION (Continued on back if necessary)

1. If you call after 2:00 PM Washington time, Robert Kane, the USOC President, will have arrived by then. You could ask to speak to both Miller and Kane or ask Miller to tell Kane that you had hoped to see him here after the State Department briefing Tuesday, which we thought he was going to attend (I have already passed this message). 2. We appreciate your efforts to carry out the statement of the USOC officers last February that the USOC would of course accept any decision I make as President about sending the team to the Olympics, in the light of my judgment as to what is best for the country. 3. we recognize the

NOTES: (Date of Call 4-10)

Don favors U.P. coming. Will clear w USOC officers & call back.

difficulties you are facing and we want to help in every way we can. 4. Lloyd Cutler has spoken to me about your desire to launch a private fund-raising program to make up the deficit arising out of the nation-wide sentiment against sending a team to the Moscow Olympics. If the USOC decides against sending a team, I will give the full support of my office to such a drive and will support a federal appropriation as a partial match to what you raise privately. Lloyd will work out the details with you. 5. I understand that at the two State Department briefings with members of the USOC House of Delegates, several members said it was very helpful to have direct information on the Government's national security and foreign policy reasons for urging the Committee not to send a team, and for the frank discussion that followed. Since many of the Delegates did not attend these briefings, I have asked Vice President Mondale to come to Colorado Springs and address the Delegates briefly before you begin your deliberations. 6. I understand you have been turning down various private requests to address the Delegates. But since you have elected me Honorary President of the USOC and I am asking the Vice President to come to speak on my behalf, I believe he has a right to be heard and I hope the Committee will grant him that right. 7. I realize there are pluses and minuses to an appearance by the Vice President. But the question of whether we and other free nations will send teams to the Olympics has become a major foreign policy issue between the United States and the Soviet Union. The world's impression of American will and determination will turn on the outcome. We must therefore make every possible effort to persuade the members of the House of Delegates. I would not feel we had made every effort unless we personally appeal to every voting member. I therefore hope you will grant my request that the Vice President be permitted to make such an appeal. 8. I understand you plan to close the meeting to the press. Since our goal is to appeal to the Delegates rather than the general public, we have no objection to such a course.

THE WHITE HOUSE

WASHINGTON

April 10, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD N. CUTLER

LNC

SUBJECT: TELEPHONE CALL TO COLONEL F. DON MILLER

Attached are talking points for a telephone call from you to Colonel Miller.

Talking Points for Call to Colonel Miller

1. If you call after 2:00 PM Washington time, Robert Kane, the USOC President, will have arrived by then. You could ask to speak to both Miller and Kane or ask Miller to tell Kane that you had hoped to see him here after the State Department briefing Tuesday, which we thought he was going to attend (I have already passed this message).
2. We appreciate your efforts to carry out the statement of the USOC officers last February that the USOC would of course accept any decision I make as President about sending the team to the Olympics, in the light of my judgment as to what is best for the country.
3. We recognize the difficulties you are facing and we want to help in every way we can.
4. Lloyd Cutler has spoken to me about your desire to launch a private fund-raising program to make up the deficit arising out of the nation-wide sentiment against sending a team to the Moscow Olympics. If the USOC decides against sending a team, I will give the full support of my office to such a drive and will support a federal appropriation as a partial match to what you raise privately. Lloyd will work out the details with you.
5. I understand that at the two State Department briefings with members of the USOC House of Delegates, several members said it was very helpful to have direct information on the Government's national security and foreign policy

reasons for urging the Committee not to send a team, and for the frank discussion that followed. Since many of the Delegates did not attend these briefings, I have asked Vice President Mondale to come to Colorado Springs and address the Delegates briefly before you begin your deliberations.

6. I understand you have been turning down various private requests to address the Delegates. But since you have elected me Honorary President of the USOC and I am asking the Vice President to come to speak on my behalf, I believe he has a right to be heard and I hope the Committee will grant him that right.

7. I realize there are pluses and minuses to an appearance by the Vice President. But the question of whether we and other free nations will send teams to the Olympics has become a major foreign policy issue between the United States and the Soviet Union. The world's impression of American will and determination will turn on the outcome. We must therefore make every possible effort to persuade the members of the House of Delegates. I would not feel we had made every effort unless we personally appeal to every voting member. I therefore hope you will grant my request that the Vice President be permitted to make such an appeal.

8. I understand you plan to close the meeting to the press. Since our goal is to appeal to the Delegates rather than the general public, we have no objection to such a course.

THE WHITE HOUSE
WASHINGTON
10 Apr 80

Zbig Brzezinski
Fran Voorde
Phil Wise

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

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

4/10/80

Mr. President:

TWO SIGNATURES REQUESTED

on Medal of Honor.

Rick

THE WHITE HOUSE

WASHINGTON

April 9, 1980

MEMORANDUM FOR: THE PRESIDENT
FROM: MARTY BEAMAN *MB*
SUBJECT: Medal of Honor (Lieutenant Colonel
Matt L. Urban, U. S. Army)

The Secretary of the Army and Defense have recommended the award of the Medal of Honor to Lieutenant Colonel (then Captain) Matt L. Urban, U. S. Army, Retired, for conspicuous gallantry as described in the attached citation and supplementary summary

The recommendation to award the Medal of Honor to Lieutenant Colonel Urban was initiated in 1945, but for reasons unknown, was never acted upon during the intervening years. In 1978, as a result of an inquiry by Lieutenant Colonel Urban to the Department of the Army, a copy of the original recommendation for award of the Medal of Honor was found in Lieutenant Colonel Urban's official military personnel file. It had been inadvertently filed there in 1945 and never completely processed. Since December 1978 the Department of the Army has researched and confirmed the information contained in the recommendation.

The file of correspondence supporting this recommendation is available should you wish to see it.

I recommend that you sign the Citation and Certificate.

*Marty - I may
wish to present the
Medal to him -
Check on it*

J

11:10 Am

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT'S ATTENDANCE AT THE
DEDICATION OF THE FRANCES PERKINS BUILDING

April 10, 1980

The President proceeds to motorcade for
boarding.

11:10 am MOTORCADE DEPARTS South Grounds en route
the Labor Department.

(Driving time: 5 minutes)

11:15 am MOTORCADE ARRIVES Labor Department.

PRESS POOL COVERAGE
CLOSED ARRIVAL

The President will be greeted by:

Mr. John N. Gentry, Under Secretary,
Department of Labor

11:16 am The President, escorted by Mr. Gentry,
proceeds to offstage announcement area.

11:17 am The President arrives offstage announcement
area and pauses.

"Ruffles & Flourishes"
Announcement
"Hail to the Chief"

11:19 am The President proceeds to stage and takes
his seat.

OPEN PRESS COVERAGE
ATTENDANCE: 800

**Electrostatic Copy Made
for Preservation Purposes**

11:20 am Remarks by Secretary Ray Marshall.

NOTE: Upon conclusion of Secretary Marshall's remarks, the President, along with Susanna Coggeshall (Daughter of Frances Perkins) and Sen. Carl Levin (D-Michigan), will be invited to join in the unveiling of the Frances Perkins Plaque.

11:21 am The President proceeds to stage right for the unveiling.

11:23 am Introduction of the President by Secretary Marshall.

11:24 am Presidential remarks.

OPEN PRESS COVERAGE

11:30 am Remarks conclude.

The President departs stage and proceeds to motorcade for boarding greeting the podium guests along the way.

11:32 am MOTORCADE DEPARTS Labor Department en route South Grounds.

PRESS POOL COVERAGE
CLOSED DEPARTURE
(Driving time: 5 minutes)

11:37 am MOTORCADE ARRIVES South Grounds.

130 PM

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT'S ATTENDANCE AT THE
1980 AMERICAN SOCIETY OF NEWSPAPER EDITORS CONVENTION

April 10, 1980

The President proceeds to motorcade for
boarding.

1:20 pm

MOTORCADE DEPARTS South Grounds en route
Washington Hilton Hotel.

(Driving time: 10 minutes)

1:30 pm

MOTORCADE ARRIVES Washington Hilton Hotel.

PRESS POOL COVERAGE
CLOSED ARRIVAL

The President will be greeted by:

Mr. William Smith, General Manager,
Washington Hilton Hotel
Mr. Michael Gartner, President,
Publisher, Des Moines Register

The President proceeds to holding room.

1:31 pm

The President arrives holding room.

PERSONAL/STAFF TIME: 3 minutes

1:34 pm

The President departs holding room en route
offstage announcement area.

1:35 pm The President arrives offstage announcement area and pauses.

Introduction of the President by
Mr. William H. Hornby, President,
American Society of Newspaper Editors;
and, Editor, Denver Post.

1:36 pm The President proceeds inside International Ballroom for speech to the 1980 American Society of Newspaper Editors (ASNE).

OPEN PRESS COVERAGE
ATTENDANCE: 1000

1:37 pm Presidential remarks.

OPEN PRESS COVERAGE

1:57 pm Remarks conclude.

1:58 pm The President takes questions from three (3) representatives of ASNE:

Mr. Mike O'Neill, New York Daily News
Mr. Chuck Bailey, Minneapolis Tribune
Mr. Bob Healy, Boston Globe

2:08 pm Question & Answer session concludes.

The President departs stage and proceeds to motorcade for boarding, greeting guests along the way.

2:15 pm MOTORCADE DEPARTS Washington Hilton Hotel en route South Grounds.

PRESS POOL COVERAGE
CLOSED DEPARTURE
(Driving time: 10 minutes)

2:25 pm MOTORCADE ARRIVES South Grounds.

April 10, 1980

1. Q: WOULD YOU ACT TO PREVENT INDIVIDUAL ATHLETES FROM GOING TO MOSCOW?

A: AS I MADE CLEAR, I WILL TAKE WHATEVER LEGAL ACTIONS ARE NECESSARY TO ENFORCE MY DECISION NOT TO SEND A TEAM TO MOSCOW. THE OLYMPIC PRINCIPLES ARE CLEAR. ATHLETES REPRESENT THEIR NATIONS. THE UNITED STATES DOES NOT WISH TO BE REPRESENTED IN A HOST COUNTRY THAT IS ENGAGED IN THE BRUTAL MILITARY SUBJUGATION OF A SMALL NEIGHBOR. THE UNITED STATES DOES NOT WANT ITS FLAG PARADED THROUGH MOSCOW AND USED BY SOVIET PROPOGANDA AS A SIGN THAT THIS COUNTRY CONDONES ~~THIS~~ AGGRESSION.

2. Q: WHAT ABOUT ALLEGATIONS OF SPYING AND THREATS TO BEGIN SPY TRIALS?

A: SUCH ALLEGATIONS BASED ON REPORTED STATEMENTS FROM INDIVIDUALS HELD ILLEGALLY AND UNDER FEAR OF THEIR LIVES ARE TOTALLY MEANINGLESS. THEY REFLECT NOT ON THE U.S. ~~N~~ OR ON ANY U.S. CITIZEN, BUT ON THE GOVERNMENT OF IRAN.

LET ME MAKE CLEAR THAT THE PLACING OF ANY OF THE HOSTAGES ON TRIAL WOULD BE AN ACT OF AN INTERNATIONAL OUTLAW. THE CONSEQUENCES WOULD BE SEVERE FOR IRAN AND THE GOVERNMENT OF IRAN WOULD BEAR THE FULL RESPONSIBILITY FOR ANY ACTION THE U.S. WAS FORCED TO TAKE.

**Electrostatic Copy Made
for Preservation Purposes**

3. Q: WHAT CAN YOU SAY ABOUT COOPERATION FROM OUR ALLIES?
WON'T THESE LATEST STEPS BE WITHOUT IMPACT IF THEY
DO NOT COOPERATE?

A: WE HAVE SOUGHT THE COOPERATION OF OUR ALLIES BECAUSE
IT IS IN THEIR INTEREST AS WELL AS OURS TO RESOLVE
THIS CRISIS BEFORE ADDITIONAL STEPS ARE REQUIRED. THAT
IS A DECISION FOR THEM TO MAKE. WHATEVER ACTIONS THEY
DECIDE TO TAKE, THE POSITION OF THE U.S. IS CLEAR. IF
THE ACTIONS I TOOK THIS WEEK DO NOT RESULT IN THE PROMPT
RELEASE OF OUR PEOPLE, I WILL HAVE NO CHOICE BUT TO
CONSIDER ADDITIONAL AND MORE SEVERE STEPS.

4. Q: WASN'T IT A MISTAKE TO RULE OUT THE USE OF FORCE?

A: THE U.S. HAS SO FAR FORGONE THE USE OF FORCE. WE
HAVE NOT FORCLOSED OR RENOUNCED ANY OF THE REMEDIES
AVAILABLE TO US UNDER INTERNATIONAL LAW AND THE U.N.
CHARTER.

5. Q: WHY DIDN'T YOU DO THIS EARLIER?

A: WE WITHHELD THE STEPS I ANNOUNCED ON MONDAY WHEN AUTHOR-
ITIES IN IRAN STRONGLY SIGNALLED THEIR DESIRE TO REACH A
PEACEFUL SOLUTION THROUGH MEDIATION AND NEGOTIATION.
I HAVE NO REGRETS FOR GIVING THAT EFFORT EVERY OPPORTUNITY
TO SUCCEED AND EVERY POSSIBLE ENCOURAGEMENT. IT DID NOT
SUCCEED THROUGH NO FAULT OF THE U.S.

6. Q: HOW LONG ARE YOU PREPARED TO WAIT BEFORE TAKING ADDITIONAL MEASURES?

A: THAT IS A DECISION I WILL HAVE TO MAKE BASED UPON MY ANALYSIS OF THE SITUATION. I CANNOT AND WILL NOT BE INFLUENCED BY THE VAGARIES OF PUBLIC OPINION POLLS OR THE BABBLE OF POLITICAL RHETORIC.

April 10, 1980

Rider ASNE speech LNC
I did not take these actions lightly.

We take these actions with regret. We have no wish to inflict further hardship upon the people of Iran, or to add to the disruption that plagues its efforts to form a new government of its choosing. We would prefer to ^{see} ~~assist~~ Iran ^{assist Iran in} ~~to~~ restore its economy and its social order, and to ^{defend} ~~itself~~ against the danger that lies to the north and east. But we cannot longer tolerate the hostile acts which continue to be committed against our citizens, in violation of every principle of the Muslim religion and the laws of international behavior, and with the official support of those now in authority. ~~Upon our honor,~~ We shall do whatever must be done to redress this grievance.

THE WHITE HOUSE

WASHINGTON

April 8, 1980

①
/

MEMORANDUM FOR THE PRESIDENT

FROM: Frank Moore *FMH*

I will be taking some vacation days attending Ward meetings in Philadelphia tonight, making speeches and attending receptions and a dinner tomorrow night, and will be in Missouri Friday and Saturday.

Bob Thomson, Dan Tate and Bill Cable will be here all of this time.

cc: Hamilton Jordan

THE WHITE HOUSE
WASHINGTON

10 Apr 80

Frank Moore

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

Rick Hutcheson

cc: Arnie Miller

PSK

NAME Senator David L. Boren

1244

TITLE D-Oklahoma

F.M.

CITY/STATE _____

Requested by Frank Moore

Phone Number--Home (703) 979-7262 (in D.C.)

Date of Request 4/9/80

Work (202) 224-4721

Other () _____

INFORMATION (Continued on back if necessary)

Senator Boren called you yesterday. He has been a strong supporter of Dobie Langenkamp for a seat on the Federal Energy Regulatory Commission. The selection process has whittled the candidates to fill this vacancy to two: Dobie Langenkamp of Oklahoma and David Hughes of Texas. Presidential Personnel will recommend David Hughes for the position and I concur with PPO for both CL (Bentsen) and political reasons. Senator Boren is aware that a decision will be made in the near future. I suggest that you merely listen to Boren's pitch and make no commitments.

NOTES: (Date of Call 4/10)

*Dobie now in ~~FERC~~ Dep Asst Sec of Energy
Carter delegate, supporter in '76*



THE ATTORNEY GENERAL

Mr. President

A good breakthrough. The potential is very substantial in the NY-NJ area for major cases from the following investigations
BAC



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D.C. 20535

9
1

April 9, 1980

To the Attorney General:

MEMORANDUM FOR THE INFORMATION OF THE PRESIDENT

The Armed Forces of Puerto Rican National Liberation (FALN) has been in recent years the most active domestic terrorist group in the United States. Significant investigative developments have occurred in the past five days.

Eleven individuals were arrested in two separate incidents in Evanston, Illinois, following an armed robbery of a Budget rental truck on Friday, April 4, 1980. All 11 remain in Cook County Jail, Chicago, under two million dollars bond awaiting a hearing on April 15, 1980. To date, nine individuals have been identified including Top Ten Fugitive, Carlos Alberto Torres and his wife, Marie Haydee Torres.

As a result of these arrests, the FBI located and searched residences in Milwaukee, Wisconsin, and Jersey City, New Jersey, on April 7 and 8, respectively. Information and evidentiary material obtained from these court authorized searches connects this group with the March 15, 1980, takeover of the Carter/Mondale Illinois Campaign Office and the raid on the Bush Campaign Headquarters in New York City the same day.

In addition, materials useful in constructing explosive devices as well as files on potential industrial and individual targets were recovered. Additional leads are being developed and pursued.

Cooperation afforded by local law enforcement in all three cities has been outstanding.

We believe the hard core of FALN is now in custody; however, reactive measures by other Puerto Rican militant groups may be anticipated.

A handwritten signature in black ink, appearing to read "William H. Webster", is written over the typed name.

William H. Webster
Director

cc → 4/10/80 M

THE WHITE HOUSE
WASHINGTON

M 4-10-80

To Cy, Zig, Lloyd

We should hold
the Iranian embassy,
consulates & other
property - not turn
it over to Algerians
or others -

J

Copies
already
sent

THE WHITE HOUSE
WASHINGTON
10 Apr 80

Attorney General Civiletti

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

Rick Hutcheson

cc: Secretary Vance
Zbig Brzezinski
Lloyd Cutler

THE WHITE HOUSE
WASHINGTON

4/9/80

Mr. President:

Cutler and Warren Christopher
concur. NSC has no comment.

Rick



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

ok
J

April 8, 1980

MEMORANDUM TO THE PRESIDENT

Re: Non-immigrant Iranians in the
United States

With regard to Iranian non-immigrant nationals presently in the United States, policy guidance is required on steps to take when their visas expire.

The practice applicable to all non-immigrants is to grant extensions of stay or adjust status, when justified, at the request of the non-immigrant (e.g., visitors, businessmen, students) who wishes to remain in this country.

I recommend a policy consistent with treatment being given to applications for visas of Iranians who are outside of the United States. Such a policy would mean that extensions of stay and adjustments of status would be granted to Iranian non-immigrants presently in this country only in cases of compelling humanitarian need or the national interest of the United States.

Compelling humanitarian need would be restricted to:

1. Religious, ethnic or religious persecution in which case asylum claims will be filed.
2. Close relatives in the United States.
3. Dire medical need.

Guidance should be developed promptly.

Benjamin R. Civiletti
Attorney General

THE WHITE HOUSE
WASHINGTON

10 Apr 80

Jack Watson

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

Rick Hutcheson

cc: The First Lady

2119 Leroy Place, Northwest
Washington, D. C. 20008

Ros.
Jack will
check on
it
J



April 9, 1980

Dear Rosalynn,

I wondered whether you would be willing to help Harvey Sloane with regard to the project described in the attached letter. The success or failure of his entire organization is very much tied to this one initiative. His problems are related to an old petty conflict with one of John Y. Brown's staff people dating back to the gubernatorial campaign.

I know there have been difficulties in getting Harvey to support the reelection effort. He is now ready to take a vigorous and active role for the President in Kentucky. Although his disappointing reticence may make you feel we owe him nothing, I believe it is a case of better late than never.

With warmest regards,



KENTUCKY RURAL HOUSING AND DEVELOPMENT FOUNDATION, INC.
1401 South Fourth Street
Louisville, Kentucky 40208
(502) 637-6567

Bert T. Combs
Chairman

April 2, 1980

Harvey I. Sloane, M.D.
President

*Jack -
Please explore
possibilities &
keep me
informed
J*

Treasurer
Burlin Coleman
Pikeville National Bank & Trust

Dr. Peter Bourne
2119 LeRoy Place
Washington, D.C. 20008

Dear Peter:

Directors
Robert D. Bell
Ashland Oil, Inc.
Theodore J. Brisky
Beth Elkhorn Corp.

The Kentucky Rural Housing and Development Foundation, Inc. is a non-profit organization formed to encourage and assist the development of better housing. Its emphasis is on catalyzing the production of housing primarily for coal miners in eastern Kentucky. The Board is composed of coal company executives, bankers and other businessmen and women active in rural areas of the state, particularly eastern Kentucky. Former Governor Bert T. Combs is the Chairman. Contributions by private individuals plus a grant from the Appalachian Regional Commission form the basis of the Foundation's support.

Calesby Clay
Ky. River Coal

George Evans
National Steel Corp.

Pikeville College, a resident of Pikeville, Pike County since 1889, owns 873 acres of land called the Francis Farm just outside of Pikeville. Pike County is the key coal producing county of Central Appalachia. The College is anxious to use the Francis Farm property for housing, and has requested that the Foundation act as its agent for developing a master plan and seeking funds for both off and on-site development of the Francis Farm.

Albert Gore
Island Creek Coal Co.

L. D. Gorman
Peoples Bank of Hazard

J. David Grissom
Citizens Fidelity Corporation

Al Smith, the Federal Co-Chairman of ARC, feels that a housing development on Francis Farm would produce a significant demonstration. ARC verbally committed to fund the design and feasibility plan for the site after initial positive reaction from the State. The Foundation proceeded to recruit a firm and among the finalists are firms that designed and planned Columbia, Maryland and the new capital of Alaska. The State has not given final approval, and it appears to be a personal opposition from one of Governor Brown's key aides.

J. L. Jackson
Falcon Coal Co.

William H. May
Brighton Engineering Co.

Kristina Paradis
BRAMCO

Paul E. Patton
Pikeville, Kentucky

This housing development would reflect favorably on the Carter administration since it is a major response to the highlighted problem of housing in the President's Coal Commission Report.

B. F. Reed
Turner-Elkhorn Mining Co.

Thomas C. Simons
Capital Holding Co.

A call by the President to Governor Brown might enable this development to proceed. Thank you for your concern in this matter.

Richard D. Spence
L & N Railroad

W. Grady Slumbo, M.D.
Hindman, Kentucky

William B. Sturgill
Lexington, Kentucky

Elmer Whitaker
Whitaker Coal Sales, Inc.

Sincerely,

Harvey
Harvey I. Sloane, President

Electrostatic Copy Made
for Preservation Purposes

10 Apr 80

Frank Moore

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

Rick Hutcheson

cc: Stu Eizenstat

THE WHITE HOUSE
WASHINGTON
April 8, 1980

*Frank -
Distribute to
Congress as
needed
J*

MEMORANDUM FOR THE PRESIDENT
FROM: STU EIZENSTAT *Stu*

Attached is an article on the effects of Airline Deregulation which recently appeared in the "Wall Street Journal."

I think the article effectively lays to rest recent criticism of the Airline Deregulation bill.

Is Airline Deregulation Working?

By JAMES C. MILLER III

The success or failure of airline deregulation has become an issue in the current fight over trucking deregulation. The trucking industry points to airline reform as proof that deregulating truckers would be a disaster. Reformers claim just the opposite.

President Carter signed the Airline Deregulation Act in October 1978, thus bolstering and affirming reforms that the Civil Aeronautics Board had begun a year or two earlier. Although the process won't be complete until the CAB goes out of existence in 1984, enough evidence has accumulated to enable a preliminary judgment as to whether airline deregulation has been a success or a failure.

Perhaps the best way to judge the issue is to review the predictions of its major supporters and opponents, and then compare these claims with what actually happened. The evidence so far indicates that airline deregulation has been good for both the industry and its users.

The principal proponents of airline deregulation were the Ford and Carter administrations, the CAB itself, several influential members of Congress (most notably Senators Cannon and Kennedy) and economists in universities and public policy institutes. They argued that deregulation would mean lower fares, more traffic, and reasonable earnings.

Argument Against Deregulation

The principal opponents of deregulation were the major airlines (at least initially) and organized labor. They argued that deregulation would mean substantial losses of service to small communities, unemployment or disruption of airline labor, increased need for subsidies, higher fares (perhaps after a short round of cut-throat competition), plummeting profitability, greater industry concentration, a breakdown in the airline network and perhaps compromises in aircraft safety.

What's the evidence?

Fares: Between 1970 and 1976, the domestic trunk carriers' fare per mile rose by 36% as against a 47% rise in the Consumer Price Index. In 1977, the average fare rose by 5.8%, compared with a CPI rise of 6.5%. In 1978, the average fare actually fell 1.9% in face of a CPI rise of 7.7%. During 1979, however, due largely to a doubling of fuel prices, the average fare rose again—by 5.3% as opposed to a CPI increase of 11.3%. But adjusting for the fuel price increase puts the nominal 1979 fare below that of 1978.

Productivity gains: According to CAB official Robert Frank, inflation-adjusted unit costs have fallen a whopping 32% because of higher load factors, installation of more seats on aircraft and greater utilization of equipment. During 1977, trunk carrier load factors averaged 55.9%, but rose to 62.2% in 1979. Between fiscal year 1977 and fiscal year 1979, the airlines increased seating some 5.3% on the typical aircraft and the number of hours flown by over 12%. These efficiency gains are rivaled only by the 25% to 30% productivity gains brought on by the introduction of jet aircraft during the late 1950s and early 1960s.

Traffic: Over the period 1970 to 1976, trunk-carrier revenue passenger miles increased at an annual rate of 5.4%. But traffic increased 7.5% in 1977, 16.2% in 1978

and 10.1% in 1979. Of course, the data also reflect recovery from the recession of 1974-75, the recent slow-down in economic activity, and the massive United strike and DC-10 grounding that occurred during 1979.

Profits: Trunk airline profits (defined by the CAB as net income plus interest on

Although the process won't be complete until 1984, enough evidence has accumulated to enable a preliminary judgment as to whether airline deregulation has been a success or failure.

long-term debt) averaged \$349 million per year between 1970 and 1976, or 5.4% return on investment. For 1977, 1978 and 1979, profits were \$634 million, \$1,102 million and \$564 million respectively, or returns of 9.1%, 12.8% and 5.8%. The 1979 figure, of course, reflects the soaring price of fuel—a situation that makes the outlook for 1980 even more pessimistic. Despite this, Aviation Daily's index of airline stock prices now stands at 53 as compared to 31 at the beginning of 1975, when deregulation received its initial impetus.

Service to small communities: Since 1976, the number of trunk-carrier departures is up 4.0%, and the number of available seat-miles is up 21.4%. But not all cities have benefited equally. Service by the major airlines has increased more at the large, hub airports and less at the smaller airports. Service among hubs has also increased more than between hubs and non-hubs, which has increased more than service among non-hubs. In many instances the major airlines have left small towns to the commuter airlines, continuing a pattern in place before deregulation. In most cases, however, this has meant more frequent service and substantial increases in traffic.

Airline labor: Since 1976, employment in the trunk airline industry has increased approximately 14.1%. To date none of the labor protection provisions requiring federal subsidy incorporated in the deregulation act have been exercised, simply because the adverse impact on airline labor has been insignificant.

Subsidy: The board's program of subsidy to local service carriers has continued under deregulation at virtually the same level of funding—\$72.5 million for fiscal year 1976 versus \$69.6 million for fiscal year 1980. However, to provide assurance to small communities (which were fearful that deregulation would mean a curtailment of service), the deregulation act contained an additional program guaranteeing that all points would continue receiving scheduled service for a period of 10 years. This essential service program will cost an estimated \$7 million for fiscal year 1980, and the amount is expected to rise over the next few years. But even including this new program, the inflation-adjusted subsidy bill is now less than before.

Industry concentration: In 1976, the trunk carriers' market share was 90.5% and the regional carriers accounted for another 8.3%. For 1979, the figures were 89.9% and 9.9% respectively. Only one merger of any consequence has been consummated—Pan Am and National—and the CAB conditioned its approval on Pan Am's not absorbing National's only major competitive route, Miami-London. Moreover, several new carriers have appeared, and intrastate carriers now compete in interstate markets. Midway now serves out of Chicago, Southwest serves New Orleans from its Texas base, and Pacific Southwest has finally crossed the California border, serving Reno, Las Vegas, Phoenix, and Salt Lake City.

The airline network: Little, if any, deterioration in the network of service has been observed. The carriers have not only continued to cooperate in transferring passengers, but because of deregulation they have been able to provide direct service to many additional points. From December 1976 to December 1979, the number of pages in the "Official Airline Guide" increased by 25%, a crude indication of the increase in system size and complexity.

Safety: Travel by air is incredibly safe compared to performance of yesteryear and travel by the family automobile. Fatality rates for the major airlines were 0.38 per billion passenger miles in 1977, 0.07 in 1978, and 11.4 in 1979. The 1979 increase, of course, reflects the tragic DC-10 crash in Chicago. But almost no one blames deregulation, since the maintenance program held responsible for the accident was in use well before the act was passed.

Substantial Efficiency Gains

Also of relevance to the question of air passenger deregulation is what happened when air cargo was deregulated in 1977. As Lucile Keyes concludes in a study just published by the American Enterprise Institute, air cargo reform has also led to substantial efficiency gains. Since regulation had held air cargo rates too low, they were bound to rise. But because of efficiency gains they rose by only one-half what the CAB itself had concluded was justified and was prepared to allow. Moreover, with a more rational rate structure, service mushroomed and the rate of traffic growth more than doubled.

No institutional change of the magnitude of airline deregulation is going to please everyone. Some have gained more than others, and some, at least for a time, may actually be worse off. But what is striking about airline deregulation is how limited and localized the adverse effects have been. And no program of publicizing horror stories is going to change that basic fact.

The evidence thus far is overwhelmingly on the side of the proponents of deregulation. By 1984, when the CAB is scheduled for extinction, reasoned judgment may be on the other side. But that would happen only if in the meantime the industry experienced failures of disastrous proportions.

The author is a Resident Scholar at the American Enterprise Institute for Public Policy Research. The views expressed are his own and not the Institute's.

10 Apr 80

Secretary Duncan

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

Rick Hutcheson

cc: Stu Eizenstat
Al McDonald
Zbig Brzezinski

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

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

ACTION
FYI

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

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



THE SECRETARY OF ENERGY
WASHINGTON, D.C.

*Charles
Good
J*

MEMORANDUM FOR THE PRESIDENT

FROM: Charles W. Duncan, Jr. *CW Duncan*
SUBJECT: Report on Trip to Mexico

During my April 1 to 3 visit to Mexico, I toured several major new energy facilities and met with President Lopez Portillo, Foreign Secretary Castaneda, Secretary of Patrimony Oteyza, Director General of PEMEX, Diaz Serrano, Commissioner of Electricity, Cervantes del Dio, and Director of Human Settlements and Public Works, Ramirez Vasquez.

The facility visits to the construction site of the largest petrochemical complex in North America and the mammoth Cicoasen hydroelectric dam due to begin operation later this year underscored the impressive pace of technological progress on energy matters in Mexico as well as a fierce Mexican pride in these accomplishments.

The discussions during the visit were warm and frank; they produced a better understanding of the sensitivities associated with energy issues in each country, a common assessment of the economic difficulties presented by conditions in the world oil market and in the developing nations in particular, and a broad range of potential joint initiatives.

President Lopez Portillo

For a price
ok
During our 45 minute meeting, President Lopez Portillo was preoccupied by the economic impact of the oil problem which, as he had predicted in his U.N. speech last fall, was already producing unacceptable social problems and political instability in Central American countries like Nicaragua, Guatemala, Honduras, Costa Rica and El Salvador. He told us about his unsuccessful efforts to supply up to 100,000 barrels per day of Mexican oil to refineries in these economically troubled nations. He cited the unwillingness of the major oil companies, who own the small refineries in these nations, to accept the reduced profits associated with running discounted Mexican oil, as opposed to their own crudes, as the major obstacle to such a Mexican aid program. He asked if the U.S., working with PEMEX, could obtain country-specific information and persuade the major companies to cooperate. Foreign Minister Castaneda stressed the importance of succeeding in this effort, even though it could cost Mexico "a billion dollars a year."

I indicated a willingness to explore ways we might be helpful and promised to take the matter up with you. It may be desirable for

the U.S. to play a major role in such an oil-based economic aid program, but some questions still must be pursued. We may discover difficulties in matching Mexican crude to specific small refineries; the oil companies may resist such a program; and it is possible that the major consuming countries ultimately may pay the difference. To the extent such Mexican oil displaces crude supplies now being used in these refineries, however, pressure on the world oil market will be similarly reduced.

ok

My staff is undertaking a company-by-company assessment of the countries mentioned by President Lopez Portillo to develop information that would enable us to pursue this initiative. I will follow-up by seeking more specific information from Diaz Serrano before talking to any U.S. companies. I will keep you informed of any progress.

President Lopez Portillo also suggested that construction of a massive joint dam on the Usumacinta River along the border with Guatemala could provide substantial quantities of reasonably priced electricity for a large number of energy-pressed Latin American countries. Failure to reach agreement with Guatemala has so far stymied the project, and President Lopez Portillo seemed to be asking for U.S. help. I shall consult with the State Department to see what, if anything, can be done.

President Lopez Portillo also made it clear that the outstanding success and ever-expanding potential of PEMEX had to be tempered with other economic and social requirements so that oil production and revenues did not outstrip accomplishments in other sectors of the economy. I indicated the overriding U.S. interest in Mexico's stability and an understanding of the recent announcement of only moderate production increases by 1982.

Let them produce what they wish

President Lopez Portillo's comments underscored the extreme Mexican sensitivity over the U.S. interest in increased oil and gas production to the exclusion of everything else. Repeated statements of our understanding of their political sensitivities on these production-related issues as well as the substantial progress made in the other meetings on non-oil and gas cooperative energy initiatives are necessary steps toward reducing tensions in this area.

Alternative Fuel Initiatives

In discussions with Secretary of Human Settlements and Public Works Ramirez Vasquez, we agreed to establish a working group from both our agencies to develop a scope paper on expanded implementation of solar technologies in new Mexican villages. This effort would build on a cooperative agreement we had been negotiating in recent months for construction of a 100 home solar village.

In conversations with Chairman of the Electricity Commission, Cervantes del Rio, specific projects for border exchanges of electricity were discussed as a logical result of the expected completion in several weeks of a 14-month Joint Study on Electricity

Electrostatic Copy Made for Preservation Purposes

Transfers. We also discussed the possibility of expanding the cooperative work on the Cerro-Prieto geothermal electric project in Baja California, which shares the geothermal structures of California's Imperial Valley.

Secretary Oteyza and I agreed to establish a working group to recommend to us a substantially broader program of technological exchanges whereby Mexicans could be placed in both our universities and national laboratories to gain expertise in planning for a broad range of energy activities.

In the meeting with Secretary Castaneda, we agreed to activate the U.S.-Mexican consultative Subcommittee on energy, with a first meeting scheduled this summer. This group would act as an umbrella organization to monitor the new cooperative energy activities as well as recommend additional ones. To date, this group has not met formally because the energy matters under discussion (primarily the natural gas negotiations) have been and will continue to be handled through a separate channel.

Conclusion

Mexican sensitivities and suspicions concerning the U.S. interest in rapid exploitation of Mexican oil and gas resources, regardless of the cost to Mexico, can best be overcome through actions that prove our overriding interest in the broader goal of a politically stable Mexico and a truly cooperative relationship. Sharing our similar views concerning the serious international situation, cooperating in aid efforts involving Mexican oil for the purpose of stabilizing economically pressed regimes in Central America, and cooperating across a broad range of non-oil and gas energy initiatives are the kind of appropriate actions that can underscore our good faith.

I believe that such joint efforts, coupled with the kind of personal relationships that were established this week, are the best insurance the United States has that an increasingly confident and less suspicious Mexico ultimately will produce more oil and gas that will, by virtue of economics and an improving relationship, be sold to the U.S.

THE WHITE HOUSE
WASHINGTON

10 Apr 80

The Vice President
Secretary Vance
Zbig Brzezinski
Jody Powell
Rick Hertzberg

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

Rick Hutcheson

cc: Esteban Torres

Complimentary/iced

THE WHITE HOUSE

WASHINGTON

April 2, 1980

MEMORANDUM FOR PRESIDENT JIMMY CARTER

FROM AMBASSADOR ESTEBAN E. TORRES *ETT*

SUBJECT HUMAN RIGHTS POLICY

The attached memorandum from Tom Buergenthal, Judge of the Inter-American Court of Human Rights and a prominent American jurist, and scholar, will be of immense interest to you.

attachment

**Electrostatic Copy Made
for Preservation Purposes**

MEMORANDUM

cc VP
Cy
Zbig
Tody
Rick
TB
JC
Jagree

TO: Ambassador E. E. Torres
FROM: Thomas Buergenthal, Judge, Inter-American Court of Human Rights
RE: Carter Human Rights Policy
DATE: March 17, 1980

1. In recent months the Administration has appeared to be downplaying its human rights policy. Some Administrative sources have privately suggested that the Administration is not retreating from its strong commitment to international human rights, but that is merely softening the rhetoric during this election year. This memo argues that it is a mistake for the President to put human rights on the back burner, to appear to do so or, for that matter, to be softening the rhetoric. (In this area, the rhetoric has been an important part of the policy itself.)

2. A foreign policy based on a strong commitment to the promotion of human rights and human dignity throughout the world has been the hallmark of President Carter's Administration. With the probable exception of the Camp David Accords, the President can point to no other equally significant foreign policy achievement with which his Administration is more intimately identified than human rights. The policy is synonymous with Carter and is generally known as the "Carter Human Rights Policy". To downplay the policy is to admit that it was a failure, whereas in fact it is proving to be the most successful long-range U.S. foreign policy initiative since the Marshall Plan.

3. The policy has been particularly effective in convincing the public in different parts of the world that the U.S. opposes oppressive regimes and that it shares mankind's aspirations for greater freedom. Due principally to President Carter's human rights policies, the U.S. is in many parts of the world no longer identified with or blamed for maintaining oppressive regimes in power or for the abuses they commit. This perception has in turn strengthened the democratic opposition in different countries, weakened the totalitarian left, and laid the groundwork for an eventual transfer of power to more moderate political forces. Ecuador and Bolivia provide good examples of this development, as does the emergence of the Andean democratic lobby. Many other examples could be cited. (This is not the place to develop the point, but it can certainly be demonstrated that President Carter's human rights policy is not responsible for the Iranian fiasco; that just the opposite is true; and that it is a mistake for the Administration to be defensive on human rights because of developments in Iran.)

4. The truth is (and this is something that has been inadequately understood in the U.S.) that the Carter human rights policies have enabled the President to give expression to and become the leading spokesman of a political ideology--the commitment to human rights--which has a tremendous political and emotional appeal throughout the world. The quest for human rights and dignity has today taken on universal dimensions. It is, moreover, the only political ideology which the people of the U.S. share with the vast majority of the men and women in the Second and Third World. It

is, therefore, an immensely valuable foreign policy asset which the U.S., because of its libertarian political tradition, can utilize more effectively than any of its adversaries. (The Soviet Union is much better at maintaining its client regimes in power by the force of arms than is the U.S., and some of our past foreign policy failures are directly attributable to the erroneous belief that we can compete with the USSR on that level.)

5. For the U.S. not to continue and in fact strengthen the Carter human rights policy in order to realize its full foreign policy significance would consequently be a serious political blunder. This is not to say that the policy should not be reassessed from time to time or that it could not be improved. It is clear, moreover, that the policy has never been adequately explained to the American people who as a result do not realize its foreign policy and national security significance. There is no better time than now for the President to again take the lead in this regard. He should not be afraid to fully identify himself with a policy whose architect he is and which, if he pursues it vigorously, is likely to become the single most significant foreign policy achievement of his presidency and, for that matter, of all post-World War II U.S. presidents.

6. I would be pleased to expand on any of these points if this should be deemed desirable.

