4/21/80 [1]

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<table>
<thead>
<tr>
<th>FORM OF DOCUMENT</th>
<th>CORRESPONDENTS/TITLE</th>
<th>DATE</th>
<th>RESTRICTION</th>
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<tbody>
<tr>
<td>letter w/att</td>
<td>Neil Caldwell to Susan Clough. Re: On the job accident case. (4 pp.)</td>
<td>4/80</td>
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**FILE LOCATION**
Carter Presidential Papers- Staff Offices, Office of Staff Sec.- Pres. Handwriting File, "4/21/80 [1]." Box 182

**RESTRICTION CODES**
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THE WHITE HOUSE
WASHINGTON 4/21/80

Mr. President:

I received calls over the weekend from Bishop Cannon, D W Brooks and Mr. Kirbo concerning a Saturday passed resolution by the Methodist Conference asking for a meeting with you to discuss Iran. A Bishop White met recently with Khomeini and reported to the convention on this. The convention then passed a resolution calling for restraint in using military options in Iran and recommending that a delegation headed by Bishop Cannon meet with you at the WH. This request has already been made public assuring them of plenty of press coverage.

I suggest you ask Sec. Vance to receive this delegation and hear their report.

☑ have Vance meet with Methodists
☐ arrange Presidential meeting
☐ other

Wed  Phil
THE WHITE HOUSE
WASHINGTON 4/21/80

Mr. President:

The methodist delegation
would like to come to DC
tuesday or wednesday of this
week.

Attached is a cable the
conference is considering
sending to Iran.

Phil

[Handwritten note: Met w/ Pres. 4/23/80]
THE WHITE HOUSE
WASHINGTON

Bishop Cannon lead delegation to meet with P on hostages

White

Black

Woman

Dw. Brooks

317/632 - 1234 X618
Bishop Cannon

Jack Brown
<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Bishop &amp; Cannon</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>D.W. Brooks</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Bishop White - NJ, Panth</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Jack E. Brenner - Campus Ministies, Univ. of Kansas</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Chris D. Mitchell - NC youth, St. Thomas Univ.</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Max Gray - Women's Div., Bldg. Global Ministries, KC, Mo</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bishop</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Roy C. Nichols - Bldg. Bishop 4th, Rev. Bishop Pitts</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>James M. Doliver - Supreme Court Justice, Olympia Wash</td>
<td></td>
</tr>
</tbody>
</table>

Private meet, no statements

Purpose: Deliver to P. resolution that Church pass, send to Church

Thank for patience

Message of hope not to take any action

Show the concern of Methodist Church for his Iran problems. Offer the services of this church to solve situation.

Not a simple problem on it
Purpose: To express the concern of the United Methodist Church for the Iranian situation and offer the resources of the Methodist Church to help solve this problem.

Part: Bishop William Cannon
D.W. Brooks
+ Bishop C. Dale White, Princeton NJ
+ Jack E. Bremen, Campus Minister, Univ. Kansas
Chris Mitchell, Past President, Methodist Youth Organization
Max Gray, Pres., Women's Division, Board of Global Ministries
Bishop Ray C. Nichols, Pilsbury, PA, Head of Methodist Bishop Assoc.
James M. Dilliver, Supreme Court Justice, Olympia, Wash.

Background: Every 4 years the United Methodist Church meets in Conference to draft a new constitution. This year's meeting was held in Indianapolis, Ind. On Saturday the Conference passed a resolution sending the following message to the leaders of Iran. Another resolution was passed to request a meeting with the President in order to express the concerns of the Conference on the Iranian situation and offer its assistance.

These two men met with the hostages in virtual isolation...
THE WHITE HOUSE
WASHINGTON
April 21, 1980

CONGRESSIONAL SCHEDULING PROPOSAL

MEETING: To meet with Chairman Harold T. (Bizz) Johnson of the House Committee on Public Works and Transportation and Congressman Jim Howard, Chairman of the Subcommittee on Surface Transportation to discuss Trucking Regulatory Reform.

LENGTH: 15 minutes

DATE: any time before May 2.

PURPOSE: To thank the Chairmen for agreeing to move the bill and to acquaint them with the Administration's priorities for this legislative effort.

BACKGROUND: The House Public Works Committee will begin markup of a trucking bill within a couple of weeks; the Senate has completed action on a good bill. The President met with Johnson and Howard last year when prospects for a bill were not bright; the situation has improved considerably since that meeting.

EVENT DETAILS: Location - Oval Office

Participants - Congressmen Bizz Johnson and Jim Howard.

Press Coverage - White House Photographer.

INITIAL REQUESTER: Jim Copeland

APPROVED BY FRANK MOORE:

DATE OF SUBMISSION: _______________________

cc: Phil Wise

Electrostatic Copy Made for Preservation Purposes
April 21, 1980

To Madelyn Rutledge

Rosalynn and I were saddened to learn of your great loss. We extend our deepest sympathy to you and your family.

Jack will be missed by all who knew him and who appreciated his dedicated contributions to his community, state and country. Our thoughts and our prayers are with you at this difficult time.

With our best wishes,

Sincerely,

JIMMY CARTER

Mrs. Jack Rutledge
3416 Sue Mack Drive
Columbus, Georgia 31906

JC/jmc/cbs--
Milton Jones called
Betty Rainwater last night
to pass the news that Sheriff
Jack Rutledge of Columbus
died yesterday. I don't
know if the P was close to
him or not.

Phil

joyce cook --

any way possible to
expedite condolence
note?

betty rainwater can
probably be of help.

many thanks--susan clouc
TO: Betty Reimann  
rest of kin
Madelyn  
3416 Sue Mack Drive  
Columbus, GA 31906  
59 ys Muscogee Co.  

FROM: Joyce Mitchell Cook  
Assistant to the Director--Issues  
Presidential Correspondence  
Room 94, Ext. 6545
PLEASE ROUTE TO: KARDEX
Room 75, EOB

FROM: Cook - 94
Correspondence Section

Information requested:

( ) Address/Clarification of

( ) Clarification of Name  

( ) Mr./Miss/Mrs.  

( ) Other  Rutledge

First name  J.  

Last name  MADelyn

Rutledge?  or  Rutledge  

CRS 12
SUBJECT

RECOMMENDATION TO THE PRESIDENT
FOR A MAJOR DISASTER DECLARATION
ALABAMA

DATE
APR 19 1990
The President
The White House
Washington, D.C.

REQUEST FOR MAJOR DISASTER DECLARATION

STATE: Alabama

COMMENT: While further surveys may indicate that a portion of the subject disaster area is eligible for public assistance, data is not now available to support such action. In any event, the appropriations to your Disaster Relief Fund are virtually all obligated, and no obligation or disbursement for public assistance disaster aid is presently possible or is likely to be possible for at least several months. In the meantime, should public assistance prove necessary, contingent commitments will be made to authorized applicants on proper application and approval.

TYPE OF INCIDENT: Severe storms, tornadoes and flooding.

DATE OF INCIDENT: Beginning on or about April 12, 1980.

DEATHS: Three reported.

INJURIES: Sixteen reported.

AREAS AFFECTED AS REQUESTED BY THE GOVERNOR:

Counties of Escambia, Houston, Lee and Mobile.

COMMITMENT OF STATE AND LOCAL RESOURCES:

- Executed State Emergency Plan
- Total of $336,829 by the State including:
  - Individual and Family Grant Program $ 77,469
  - Mass Care 4,500
  - Debris clearance 3,000
  - Public Safety 1,860
  - Road Repair 250,000
- Local commitment of $5,865 for protective measures.
PRINCIPAL NEEDS EXPRESSED BY THE GOVERNOR:

- Temporary Housing
- Individual and Family Grant Program
- Public Assistance, principally road repair

FEMA FINDINGS:

HOMES AFFECTED: 608
FAMILIES NEEDING TEMPORARY HOUSING: 320
BUSINESSES AFFECTED: 60
POTENTIAL DISASTER LOANS: Incomplete estimate of $120,000
UNMET UNEMPLOYMENT NEEDS: None indicated
POTENTIAL APPLICATIONS FOR INDIVIDUAL AND FAMILY GRANTS:
180 applications for $360,000 (Federal share $270,000)
UNMET HEALTH AND SAFETY PROBLEMS: None indicated

SIGNIFICANT PROBLEMS CAUSED BY DAMAGES TO PUBLICLY OWNED FACILITIES:

None known

RECOMMENDATION:

That the Governor's request be granted. (In the event of this declaration, I intend to designate Lee and Mobile Counties eligible for Individual Assistance only. Any designation for Public Assistance will be based on completed damage assessments and, consistent with the supplemental nature of Federal assistance, an upward revision of the State and/or local government commitment.)

Date: April 19, 1980

Attachments:
- Summary of Findings
- Declaration Letter
- Telegram to the Governor
- Notice to the Press
- Representation
- Map
- Governor's Request
From April 1 through April 11, 1980, the Mobile area was drenched with rain. On the weekend of April 12 and 13, 1980, an additional 10-plus inches of rain fell on the area causing flooding which in turn produced damage to individual and personal property. Also on April 13 a tornado touched down in Lee County which resulted in individual and personal property damage.

**INDIVIDUAL ASSISTANCE:**

- About 608 homes have been affected with approximately 320 families requiring some form of temporary housing. Resources are available to house the approximately 30 families that are in need of temporary housing units. It is expected that the remaining 290 families will proceed with the necessary repairs to their homes through the Limited Home Repairs (LHR) Program.

- The Individual and Family Grant (IFG) Program cost is estimated at a total cost of $360,000 with the Federal share at $270,000. This is based on a figure of 180 eligible applicants.

- It is estimated that approximately 60 businesses will be eligible for the Small Business Administration (SBA) disaster loan program. Also a total of 450 applicants should be eligible for SBA disaster personal/home loans. Dollar estimates for the programs are not available at this time.

- Present indications are that the Farmers Home Administration (FmHA) emergency loan program should have 15 eligible applicants at a projected cost of $120,000.

- The Department of Agriculture reports that there is a requirement for Agricultural Stabilization and Conservation Service (ASCS) programs totalling $104,000.

- There is no indicated need for the Disaster Unemployment Assistance (DUA) program.

- There is no identified need for emergency food stamps.
PUBLIC ASSISTANCE:

Although damage assessment has not been completed, the following is known with regard to emergency requirements:

- There are no closed roads, no isolations, and no essential public services disrupted.

- There is no known situation in public facilities which requires immediate attention such as water or sewer systems that are completely out and causing a health problem.

CONCLUSION:

- There is an identified need at this time for Temporary Housing, the Individual and Family Grant Program, as well as loans from the Small Business Administration and the Farmers Home Administration in Mobile and Lee Counties. Temporary housing needs can be met through Limited Home Repair (LHR) and local resources.

- The unmet needs for Individual Assistance is beyond the capability of the State and local government.

- The State and local government commitment is adequate insofar as Individual Assistance is concerned.
Dear Mr. Macy:

I have determined that the damage in certain areas of the State of Alabama resulting from severe storms, tornadoes and flooding beginning on or about April 12, 1980, is of sufficient severity and magnitude to warrant a major-disaster declaration under Public Law 93-288. I therefore declare that such a major disaster exists in the State of Alabama.

In order to provide Federal assistance, you are hereby authorized to allocate, from funds available for these purposes, such amounts as you find necessary for Federal disaster assistance and administrative expenses.

I expect regular reports on progress made in meeting the effects of this major disaster, the extent of Federal assistance already made available and a projection of additional assistance required, if any.

Sincerely,

Honorable John W. Macy, Jr.
Director
Federal Emergency Management Agency
Washington, D.C. 20472
TO:
Honorable Forrest H. James
Governor of Alabama
State Capitol
Montgomery, Alabama 36130

As you requested, I have declared a major disaster for the State of Alabama because of damage due to severe storms, tornadoes and flooding beginning on or about April 12, 1980. I have authorized Federal relief and recovery assistance in the affected areas.

The Associate Director, Disaster Response and Recovery, Federal Emergency Management Agency, will coordinate Federal assistance efforts and designate specific areas of the State eligible for such assistance. The Federal Coordinating Officer will be Mr. Thomas R. Credle of the Federal Emergency Management Agency. He will consult with you and assist in the execution of the Federal-State Disaster Assistance Agreement governing the expenditure of Federal funds.
NOTICE TO THE PRESS

The President today declared a major disaster for the State of Alabama as a result of severe storms, tornadoes, and flooding beginning on or about April 12, 1980, which caused extensive property damage. The President's action will permit the use of Federal funds in relief and recovery efforts in designated areas of the State.

Federal assistance from the President's Disaster Relief Fund will include individual and family grants as well as temporary housing assistance for eligible disaster victims. Low-interest disaster loans will be made available to disaster victims by the Small Business Administration and emergency loan assistance by the Farmers Home Administration.

Federal relief activities in Alabama will be coordinated by the Federal Emergency Management Agency. Associate Director, William H. Wilcox, Disaster Response and Recovery, Federal Emergency Management Agency, will designate the specific areas within the State eligible for Federal assistance, based upon Federal and State damage assessments.

Mr. Thomas R. Credle of the Federal Emergency Management Agency will be designated as the Federal Coordinating Officer to work with the State in providing Federal disaster assistance under the Disaster Relief Act of 1974, Public Law 93-288.

NOTE: ADDITIONAL INFORMATION FROM FEMA (202) 634-6666.
ALABAMA REPRESENTATION

The Governor of Alabama is:

Forrest H. James (D)

Alabama Senators are:

Donald W. Stewart (D)
Howell T. Heflin (D)

Representing the Affected Areas:

*Jack Edwards (R) 1st District
William L. Dickinson (R) 2nd District
*Bill Nichols (D) 3rd District

*In the event of a declaration, this person represents a district in which areas to be designated are located.

For further information, contact FEMA: (202) 634-4087.
Areas requested by the Governor

In the event of a declaration, these areas will be designated.
COPY

STATE OF ALABAMA
Governor's Office
MONTGOMERY 36110

April 13, 1980

The President
THE WHITE HOUSE
Washington, D.C. 20500

Through:

Mr. Frank Newton, Regional Director
Federal Emergency Management Agency
1375 Peachtree St., N.E.
Atlanta, Georgia 30309

Dear Mr. President:

I respectfully request that you declare that a major disaster exists in the State of Alabama under the provisions of the Disaster Relief Act of 1974, Public Law 88-93rd Congress.

During the period of April 12 through 13, 1980, tornadoes, strong winds and rains (flooding) caused destruction and damage to public and private property in four counties of the State. There were 3 fatalities, 16 injuries, 1,140 homes and 9 businesses and 16 multiple dwelling units with minor, major or moderate damages. There were major damages to roads, crops, streets and bridges, public utilities (water, sewage and power systems).

Principal problems were debris, temporary housing and damage to road systems.

On April 12, 1980, I directed the execution of the State Emergency Plan in accordance with Section 301 of the Law. State and local efforts in response to this disaster situation have been: severe weather alert and notification put into operation; State and local emergency teams/personnel were deployed to the disaster scenes and began recovery operations, e.g., state and local Civil Defense, and Pensions and Security, Alabama National Guard, Rescue Squads, county and city governments, personnel and equipment.
I find that the situation is beyond the capabilities of the State and the affected local governments to effectively alleviate the existing situations; the Hurricane Frederic recovery efforts have severely exhausted state and local funds that could be applied toward recovery from this disaster. Funds are needed to assist individuals and government entities to overcome the loss of homes, businesses, personal belongings, remove debris, and repair public facilities.

Pursuant to Section 301 of the Law and Federal Disaster Assistance Administration regulations, I certify that the total of expenditures and obligations for this disaster for which no federal reimbursement will be requested are expected to exceed $342,694.00 in accordance with the following table:

<table>
<thead>
<tr>
<th>CATEGORY OF ASSISTANCE</th>
<th>STATE AMOUNT</th>
<th>LOCAL AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INDIVIDUAL ASSISTANCE:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td>Individual &amp; Family Grants (Note 2)</td>
<td>$77,469</td>
<td>-0-</td>
</tr>
<tr>
<td>Mass Care (Note 2)</td>
<td>4,500</td>
<td>-0-</td>
</tr>
<tr>
<td>Other (Specify)</td>
<td>-0-</td>
<td>-0-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$81,969</td>
<td>-0-</td>
</tr>
</tbody>
</table>

| PUBLIC ASSISTANCE: |             |              |
| Debris & Wreckage Clearance | 3,000      | $5,865       |
| Protective Work        | -0-          | -0-          |
| Restoration of Public Facilities | -0- | -0-         |
| Public Safety          | 1,369        | -0-          |
| Other, Specify (Note 3) | 250,000    | -0-          |
| **TOTAL**              | $254,369     | $5,865       |
| **GRAND TOTAL**        | $336,829     | $5,865       |

Note 1. 170 program cost for approximately 225 grants.

Note 2. Two mass care centers and two on-site centers opened.

Note 3. State Highway Department Category C

I have not made direct requests for assistance under other statutory authorities.

I specifically request assistance under provisions of Section 408 of the Law to establish an Individual and Family Grant program in the affected area. I estimate the total cost of such program will amount to $336,800. State funds for the required 25 percent of this cost will not be available. My revised plan for the administration of this program is on file in the Regional Office.
I further request other Federal assistance of the following type (IFG included by County):

<table>
<thead>
<tr>
<th>COUNTY</th>
<th>TOTAL</th>
<th>LOCAL COMMITMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESCAMBIA</td>
<td>$68,000</td>
<td>$6,800</td>
</tr>
<tr>
<td>Cat. C</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HOUSTON</td>
<td>20,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Cat. C</td>
<td>17,000</td>
<td></td>
</tr>
<tr>
<td>Cat. E</td>
<td>3,000</td>
<td></td>
</tr>
<tr>
<td>LEE</td>
<td>610,400</td>
<td>5,865</td>
</tr>
<tr>
<td>Cat. A</td>
<td>94,600</td>
<td></td>
</tr>
<tr>
<td>Cat. B</td>
<td>3,000</td>
<td></td>
</tr>
<tr>
<td>Cat. E</td>
<td>450,000</td>
<td></td>
</tr>
<tr>
<td>Cat. F</td>
<td>57,000</td>
<td></td>
</tr>
<tr>
<td>Cat. I</td>
<td>5,800</td>
<td></td>
</tr>
</tbody>
</table>

IFG 25  
SBA & FRA LOANS  TEMPORARY HOUSING 12

MOBILE  
3,637,000  -0-

| Cat. C  | 2,160,000 |
| Cat. D  | 1,000,000 |
| Cat. E  | 75,000    |
| Cat. F  | 400,000   |
| Cat. I  | 2,000     |

IFG 200  
SBA & FRA LOANS  TEMPORARY HOUSING 101

I request the following counties be designated as eligible for this Federal assistance under your declaration: Escambia, Houston, Lee and Mobile.

Present damage totals for the State are: Agriculture $7,626,205/ Private $131,121,000/Public $4,335,400.

Sincerely,

Fob James /s/
Fob James
Governor
Stu Eizenstat
Frank Moore
Esther Peterson

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

Rick Hutcheson

cc: The Vice President
THE WHITE HOUSE
WASHINGTON

April 17, 1980

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT
       FRANK MOORE
       ESTHER PETERSON

SUBJECT: FTC Conference Report

We are facing the possibility of a major confrontation with the Congress over special interest provisions in the FTC Authorization bill. The conflict could lead to effective dissolution of the agency and could have substantial political implications, as well. The conferees are attempting to conclude their work on the FTC Authorization bill. While we have actively kept them apprised of our views, they have tended to work among themselves in private meetings.

We have been meeting with Mike Pertschuk and representatives of consumer and labor groups who support the FTC to determine the parameters of a minimally acceptable bill that has a credible chance of acceptance by the conference. Before you sign any bill, we will want assurances from the Commission and these groups that they support your signing despite provisions which weaken the FTC's authorities.

The Senate conferees met privately yesterday to develop a package on the eight issues which are outstanding. Senator Ford, Chairman of the Senate conferees and his staff, met with Frank's and Esther's staff today to outline the package. We believe that it falls below the level of a minimally acceptable bill in several respects. Ford indicated that he had the support of Senators Cannon, Danforth and Heflin, a majority of the Senate conferees, and that they would not deviate from the package. Senators Magnuson, Packwood and Warner, however, oppose the Ford package and are prepared to communicate their feelings to you.

Background

For the last three years, the House and Senate have been unable to agree on a bill to reauthorize the FTC. The principal area of disagreement has been the legislative veto, with the House
consistently favoring a one-house veto provision, and the Senate, until this year, unwilling to include any type of legislative veto. This year, the Senate incorporated the so-called "Levin-Boren" provision in the FTC bill which is essentially a report-and-wait provision, requiring a joint resolution, including Presidential signature to veto a proposed regulation.

In addition, taken together, the House and Senate bills, as written, would terminate three ongoing rulemaking proceedings, two ongoing adjudicatory cases, and effect major changes in the basic authority of the FTC. Both bills also include helpful procedural reforms adopted from the Administration's regulatory reform initiatives.

Funding for the FTC over the last six months has been approved by a series of continuing resolutions. The House Appropriations Committee has made it clear that the FTC will not receive additional monies until a long-term authorization bill is enacted. The House conferees have pledged not to bring a conference report back to the House without a legislative veto provision. This factor, coupled with the very strong anti-FTC sentiment in Congress, has made it extremely difficult to forge a compromise bill which does not violate your pledge made at the Consumer Federation of America speech to veto any bill that cripples the ability of the FTC to protect American consumers.

Major Issues

Of the eight issues that still have not been resolved by the conferees, the conferees have an agreement in principle on three which we, the FTC, and the constituent groups believe is satisfactory. Those issues are:

1. Standards and Certification: The Senate bill would prohibit the FTC from continuing its rulemaking proceeding under its Magnuson-Moss (consumer protection) authority, to require developers of voluntary standards to follow certain minimum procedures relating to notice to interested persons, participation, and complaint processing. Voluntary standards are often adopted by government and industry for procurement and regulatory purposes and can have an anticompetitive effect by precluding market entry. This is the most important issue for labor in this bill. The compromise would provide that the Commission could continue this proceeding under its residual rulemaking powers by adopting an "interpretative rule." The practical effect would be to add one additional step for the FTC in enforcing the standard and to authorize only cease and desist orders, rather than civil fines, for violators. If such an agreement can be reached, both the FTC and labor would be satisfied.
(2) Agricultural Cooperatives and the Sunkist Case: The House bill would remove the FTC's antitrust authority over agricultural cooperatives. The immediate effect of this provision would be to terminate a pending case against Sunkist which is alleged to have monopolized the western citrus fruit industry by, among other things, using exclusive dealing contracts with commercial packers. The proposed compromise would explicitly limit the FTC's jurisdiction over anticompetitive activities to those activities which violate the Capper-Volstead Act. This would preserve the Sunkist case.

(3) Attorney's Fees: The Senate bill would provide attorney's fees to small businesses which prevail against the Commission in administrative adjudications or civil actions brought by the agency, unless the FTC action was substantially justified. The Justice Department believes that such a loose standard would not only generate substantial litigation, but also would cost the government hundreds of millions of dollars if applied government-wide. While we would prefer and will continue to pursue no provision, the compromise would provide attorney's fees only where the FTC action was unreasonable, frivolous, meritless, or vexatious. This is a similar standard to the one applied by the Supreme Court in civil rights cases.

No Agreement as Yet

There are three important issues on which the conferees have not yet reached agreement:

(1) Children's advertising and unfairness: The Senate bill would terminate the pending children's advertising ("Kidvid") rulemaking and would modify the FTC's basic powers in setting rules governing all commercial advertising. Under existing law, the FTC can set standards for unfair or deceptive advertising. Under the Senate bill, standards could be set only for false or deceptive ads, thus removing authority over unfair advertising. A myriad of interests, including broadcasters and cereal, toy and candy manufacturers are anxious to halt the Kidvid proceeding. The tobacco industry, fearing an FTC proceeding on tobacco advertising, has worked hard to remove unfairness from the Commission's authority despite assurances from Mike Pertschuk that no such rule is contemplated.

The Senate will offer the House conferees a proposal which would permit regulation of "unfair" television advertising directed to children, but only to the extent that it is advertising of a product found by a Federal agency with jurisdiction over that product (such as the Food and Drug Administration or the Consumer Product Safety Commission) to be unsafe. If the Kidvid proceeding were to be reinstated under this new standard, the agency would have to begin again, without use of the evidence already gathered from 60 days of hearings.
Finally, FTC rules for all other commercial advertising could be based only on the false or deceptive standard (unfairness would be removed).

The FTC, the groups and we do not believe this to be satisfactory. A minimally acceptable provision would place a moratorium on the use of unfairness as the legal basis for new rulemakings involving commercial advertising for the life of the authorization (through FY 1982). New commercial advertising rulemakings could be initiated only under the "false or deceptive" standard. This moratorium on unfairness would give Congress time to reconsider the issue (Senator Ford announced late last year his intention to hold hearings in June on the unfairness standard).

(2) Funeral home rule. The House bill would terminate the FTC's rulemaking proceeding to set disclosure requirements and prohibit deceptive representations by funeral homes. The Senate will offer the House conferees a compromise which specifies that the only permissible standard that the FTC can adopt is one which requires price disclosure or prevents misrepresentation, boycotts, threats, tying arrangements, or the sale of services without prior approval from the consumer. It also would exempt states from FTC regulation if the state has a regulation in effect which provides protection equal to or exceeding that provided by the FTC's standard. In general, this is a satisfactory compromise. However, the procedure by which states can be exempted is left intentionally ambiguous. We believe that it should specifically indicate that the exemption authority lies with the FTC and not a state court and that the burden of proof lies with the state, not the FTC.

(3) Investigations of Insurance. The Senate bill would prohibit the FTC from conducting any studies or investigations of the insurance industry. As you know, the McCarran-Ferguson Act reserves for the states regulatory authority over the business of insurance. From time to time, however, the FTC has undertaken studies, such as the recent one on life insurance disclosure which make recommendations for changes in the regulation of insurance by the states. The Senate will offer the House conferees a proposal which would allow an FTC study of insurance only if so requested by a vote of either the Senate or House Commerce Committee and only if there is money appropriated to the FTC specifically for the purpose of conducting the study. The conferees are not receptive to authorizing an FTC study at the request of the President. While we are uncomfortable with any limitation on the ability of the FTC to conduct investigations, the requirement for specifically appropriated funds makes it extremely unlikely that any studies will ever be authorized.
The final two issues are troublesome, but for different reasons.

(1) Trademarks and the Formica Case: The House bill would prohibit the FTC from exercising its Lanham Trademark Act Authority to petition the Commerce Department's Trademark Trial and Appeal Board for cancellation of a registered trademark on the ground that it has become the generic or common name of an article. The immediate effect of this provision is to terminate the case brought by the FTC to cancel the trademark Formica on the ground that most consumers think it is the common name for all plastic laminates. Congressman Luken whose district includes Formica, is the swing vote on the House conferees. As such, Subcommittee Chairman Scheuer has agreed to include the "Formica" provision in exchange for Luken's continued support. While we may be able to limit this provision only to Formica, it will represent the only provision which terminates an ongoing FTC rulemaking or adjudication.

(2) Legislative Veto: The House conferees do not consider the Senate's "Levin-Boren" provision to be a true legislative veto. As a result, it appears as if the conferees will agree on a two-house veto without Presidential signature. Under the circumstances, this is the best that we can hope for. While you have signed bills in the past containing both one and two-house vetoes, this will be the first such measure which has agency-wide application. It also could serve as a precedent for the regulatory reform bill which will have government-wide application. However, in your signing statement, you could state your continued opposition to these unwise provisions, your belief in their unconstitutionality and your desire for an early court test. You can also indicate that you signed this bill only because the future of the FTC is at stake.

If we are going to be forced to sign a bill which contains a two-house veto, the other provisions of the bill should inflict minimal harm on the agency. In general, if we are able to achieve the compromise provisions outlined above (and summarized on the attached page), it is the best that we can do with a bad situation. The compromise being offered by the Senate, however, does not, in our judgment, meet that standard.

The alternative, of course, is to veto the bill. It is probable that the House would override the veto and it would be very close in the Senate. Senator Ford has threatened to lead an override fight, which he predicts would be successful. Senator Packwood believes with equal fervor that a veto would be sustained. If the veto is not overridden, the FTC will be forced to seek an additional continuing resolution which would most certainly contain the same restrictions as the vetoed bill, and probably others that are more onerous. If you veto the appropriation continuing resolution and that veto is not overridden, FTC funding would expire and the agency would terminate.
Recommendation

We recommend that we communicate our bottom line position, as outlined above, to the conferees, and indicate that failure to reach agreement along these lines would result in a veto. Mike Pertschuk and the consumer and labor groups with whom we have spoken have agreed to support your signing should this minimally acceptable bill be sent to you for your approval.

Approve__________ Disapprove__________

We recommend that you then meet with Chairman Cannon, Senator Ford, Senator Packwood and Senator Danforth to see if the outstanding differences can be resolved.

Approve______ √ Disapprove__________

In the meantime, we recommend you ask Lloyd Cutler, in cooperation with Justice and others, to research the precise conditions under which the agency would be legally unable to operate. As a precautionary measure, Cutler should also research the extent to which the FTC's functions could be assumed by other agencies in the event of temporary or permanent dissolution.

√ Approve__________ Disapprove__________

Also as a precautionary measure, we recommend Anne Wexler, Jody Powell, Jack Watson, Jim McIntyre and the three of us all prepare strategies to present your best case in the event you decide to veto the bill. This must be done in absolute secrecy in order to avoid undermining the possibility of accommodation with the conference.

Approve______ √ Disapprove__________

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Outline of a Minimally Acceptable Bill

Agricultural Cooperatives and the Sunkist Case*: A provision would be included to restate and clarify existing law which specifies that if conduct is made exempt from the antitrust laws by virtue of the Capper-Volstead Act, then the FTC has no authority to prosecute an agricultural cooperative which engages in that conduct.

Attorney's Fees*: Attorney's fees could be awarded to a small business only where the FTC action is unreasonable, frivolous, meritless or vexatious.

Standards and Certification*: The FTC could not use its Magnuson-Moss rulemaking authority to set a rule governing standards and certification. However, it would be allowed to continue its proceeding under section 6(g) of the Act, the Commission's residual rulemaking authority. That rule could only set procedural requirements for the development of standards. In addition, standards organizations could apply to the FTC for an exemption if they have procedural safeguards that are "substantially similar" to those established by the FTC.

Funeral Home Rule: The FTC could adopt a funeral home rule which only requires price disclosure or prevents misrepresentation, boycotts, threats, tying arrangements, or the sale of services without prior approval from the consumer.

Investigations of Insurance: The FTC would be authorized to conduct an investigation on insurance when so requested by a vote of either the Senate or House Commerce Committee.

Generic Trademarks and the Formica Case*: The FTC would be prohibited from exercising its authority under the Lanham Trademark Act to petition the Commerce Department's Trademark Trial and Appeals Board for cancellation of a registered trademark on the ground that it has become the generic or common name of an article.

Children's Advertising and Unfairness: There would be a moratorium on the use of unfairness as a legal basis for new rulemakings involving commercial advertising for the life of the authorization--through FY 1982 (a one-year moratorium is preferable). The Kidvid rulemaking, however, would be allowed to continue and could employ unfairness as a legal basis for

*An agreement in principle along these lines is believed to have been reached by the conferees.
any final rule. However, the Commission would be required to suspend further activity on the proceeding until it had published the specific text of a proposed rule and the Commission could not ban truthful advertising.

Legislative Veto*: Before a rule could go into effect, it must be submitted to Congress. The rule could become effective unless within 90 calendar days of continuous session, a concurrent resolution is adopted (requiring an affirmative vote of both Houses, but no Presidential signature) prohibiting such rule from going into effect.
THE WHITE HOUSE
WASHINGTON

April 17, 1980

MEMORANDUM FOR THE PRESIDENT
FROM: JACK WATSON
SUBJECT: Meeting with Dick Celeste, Peace Corps Director,
Monday, April 21, 1980, 2:15 pm, Oval Office

Purpose: The purpose of this meeting is for Dick to review
with you the key accomplishments of the past year and prospects
for the Peace Corps in the years ahead.

Background. Dick has been Peace Corps Director for one year.
The coming year -- commencing October 14 -- represents the
20th Anniversary of Peace Corps and is a good opportunity to
take advantage of our progress. Some of the problems facing
the agency include:

- lack of an FY '80 appropriation due to the continued
  impasse on the Foreign Assistance Act;

- decline in volunteer placements, although there have
  been more than 80,000 Volunteers throughout the years;

- difficulty in increasing minority participation; and

- reduced public awareness of Peace Corps.

Under Dick's leadership, the Peace Corps has improved its
relations with the ACTION agency and with Congress. He is
also working closely with Doug Bennett to collaborate with
AID.

Dick has been helpful in the campaign -- he traveled to New
Hampshire and Illinois -- and can certainly be more helpful
in the Fall. He returns to Ohio almost every weekend to see
his wife, Dagmar, and their six children. Dick's former
executive assistant, Jerry Austin, is now the state coordinator
for Carter/Mondale. Dick is one of several of our friends
in Ohio who may be thinking about the 1982 gubernatorial race.

Participants. I will accompany Dick.

Press. White House photographer only.
PRESENTATION OF THE REPORT OF THE U.S. COMMISSION
ON THE INTERNATIONAL YEAR OF THE CHILD

Monday, April 21, 1980
1:30 - 1:40 p.m.
The Cabinet Room

From: Stu Eizenstat

I. PURPOSE

To receive the Report of the U.S. Commission on the International Year of the Child, the report of the IYC Children's Advisory Panel.

II. BACKGROUND, PARTICIPANTS, AGENDA, & PRESS PLAN

Background

In 1976, the U.N. General Assembly declared 1979 as the International Year of the Child (IYC); 177 nations participated in this celebration. On April 14, 1978, you issued an executive order creating a U.S. Commission on IYC and in May, 1978, you named Jean Young as Chairperson. In a Rose Garden ceremony on June 28, 1978, you met with the Commissioners to announce U.S. participation in IYC. Right-wing groups organized a campaign in the Congress against funding the U.S. Commission which was a major impediment against their early organization efforts. A Children's Advisory Panel was appointed by the Commission and their report will also be presented to you today.

The Commission's report includes some disturbing statistics regarding American children, for example:

- 1 million children are victims of abuse and neglect;
- 10 million children have no regular source of medical care;
- 90% of children who need mental health services cannot get them;
- suicide among youth has tripled since 1950.

The report highlights IYC projects in this country and focuses its recommendations on these topics: strengthening the social and
economic stability of families; minority concerns; adequate and responsive health and education systems; impact of media on children; and children around the world. Through the Commission's work, thousands of special projects were undertaken all across the country.

Most of the recommendations in these reports are general and emphasize the need for additional Federal, state and local support for children and family social service programs. Two recommendations could be announced by you upon receiving the Report, if you approve. They are:

- A Children's Advisory Panel recommendation that you issue a proclamation declaring one day next spring or fall as "National Youth Day" which will highlight the status of America's youth and programs established for their benefit.

- A national award for excellence and innovation in children's broadcasting to be developed and issued by the National Endowment for the Arts. Chairman Livingston Biddle approves. (The Humanities Endowment's internal rules precludes them from doing this as well.)

I recommend that you make these announcements. Your talking points contain optional remarks for this purpose.

Participants

Thirty-two national and honorary commissioners, six members of the Children's Advisory Panel, and twelve staff will attend the session. Most notable are: Marion Wright Edelman, founder and Director of the Children's Defense Fund; Carroll Hutton, Director of the UAW Education Department; Steven Minter, the new Undersecretary for Education; Judith Moyers, child advocate and wife of Bill Moyers; Esther Coopersmith; Wilton Dillon, Director of Symposia for the Smithsonian; Frances Humphrey Howard; Reverend Austin Ford, founder and Director of Atlanta's Emmaus House; and Jill Kneerin, Carnegie Council on Education and Report editor.

Agenda

Jean Young will make a few brief remarks that summarize her transmittal letter upon presenting the Report. She may make a comment about budgetary support for children's programs. Jean will introduce David Barron, (who does a children's segment for t.v.) and Judy Andrews, (a foster child), who are members of the Children's Advisory Panel and will present you with their report.
Your comments will follow these presentations.

Press Plan

There will be open press coverage.

III. Talking Points

1. I am pleased to accept this Report on behalf of the American people and I want to thank this Commission for its fine work. I know how hard you worked on this effort and the difficult obstacles you had to overcome. I also want to thank the thousands of Americans across this country and in our embassies around the world who participated in the International Year of the Child. Your work has resulted in a renewed concern for the conditions of children, not only in this Nation, but for the one and one-half billion children around the world.

2. The efforts of this Commission and those of our citizens are only a beginning, as you have stated in your Report. We must all continue to build on these initiatives to enhance the quality of life of all of our 64 million children. The foundation established by IYC has provided a momentum for the upcoming White House Conferences on Families and on Children and Youth. As you pointed out in your report, 98% of our children grow up in families.

3. It is especially important for the Congress to take action on legislation that my Administration has proposed which, when implemented, will go far to achieve many of the recommendations you have set forth in your report. The Child Health Assurance Program, the Social Services and Child Welfare Amendments, and the Welfare Reform proposals all contain vital initiatives to promote the well-being of our children. (I hope to receive from the Congress very soon the Social Services and Child Welfare Amendments which I intend to sign.) My Youth Employment Act, now before the Congress, was the result of months of work by the Vice President's Task Force on Youth Employment and will enhance the employability and basic educational skills of thousands of disadvantaged and minority youth. This program is my most important new domestic initiative.

4. (OPTIONAL) I want to study further the many recommendations contained in this Report. I do intend to issue a proclamation declaring one day as "National Youth Day," as recommended by the Children's Advisory Panel, which will be a time when we can celebrate and examine the progress of our Nation's most valued resource and hope for our future: America's youth. Also, Chairman
Livingston Biddle of the National Endowment for the Arts has agreed to establish a national award for excellence and innovation in children's programming to further promote creativity and quality.

6. Childhood should be a special time for laughing, learning, and discovery. We must dedicate ourselves to achieving this childhood ideal for all our children. As parents, Rosalynn and I want to express our gratitude for all that you have done for America's children.
I. PURPOSE

To greet the National Board of Management and four honorary Presidents General of the DAR who are in town for their Eighty-ninth Continental Congress. (Approximately 60).

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: Working with Annette, I tried to schedule a brief appearance by you before the total Convention. Because of your heavy schedule, this could not be worked out and this White House meeting was arranged. Approximately 5,000 delegates are attending this year's meetings. They are basically conservative in nature with a strong interest in national defense.

B. Participants: The National Board of Management is the governing body and is comprised of representatives from each state and an Executive Committee. The honorary Presidents General are former Presidents General of the DAR. Mrs. George Baylies (BAY-LEES) is the current President General. She was born in Massachusetts but has lived in New York for the past 30 years. She is recently widowed and is the first member of the CAR (Children of the American Revolution) to be a President General. Annette will be with the group and will have Mrs. Hugh Peterson, a sister of Richard Russell, with her.

2.

D. **TALKING POINTS**

1. Welcome them to the White House and express disappointment at being unable to attend one of the sessions.

2. Annette and Rosalynn are DAR members.

3. They are extremely interested in the hostage crisis (may be wearing yellow ribbons). A short briefing on this situation ending with a strong defense statement would go over well.
THE WHITE HOUSE
WASHINGTON

April 18, 1980

MR. PRESIDENT:

I have been working with Annette Carter to arrange some involvement by you in the DAR National Convention this week. Because of your busy schedule (Begin visit, press conference, Camp David) I was not able to arrange a drop-by at Constitution Hall. Per Rosalynn's instructions, we invited the National Board (approximately 90) to the East Room today at 3:15 for you to greet them. Because you are not going to Camp David now, I wanted to make sure you still agree with this plan. If not, a 10-minute drop-by at their Saturday evening session could be scheduled. I'm not recommending this but need your direction.

☑ Keep 3:15 East Room drop-by

☐ Arrange Saturday evening drop-by at Constitution Hall and cancel 3:15 East Room Event

PHIL
THE WHITE HOUSE
WASHINGTON
MEETING WITH SECRETARY OF STATE CYRUS VANCE,
AMBASSADOR ESTEBAN TORRES, AMBASSADOR JULIAN NAVA
Monday, April 21, 1980
The Oval Office

From: Ambassador Esteban E. Torres

I. PURPOSE

To meet with Julian Nava, newly appointed United States Ambassador to Mexico and emphasize the importance of United States-Mexican relations.

II. BACKGROUND

This meeting will convey to Mexico the importance placed on strong and honest communication between Mexico and the United States and the access accorded Ambassador Nava. The appointment of Julian Nava as Ambassador to Mexico is an historic occasion for the Hispanic community. It signals your continuing commitment to appoint Hispanic Americans as full participants in your administration.

Nava served as chairman of the McGraw-Hill National Broadcasting Advisory Council for Public Service Programs and has served as president of the Pacific Coast Council on Latin American Studies. He is on the boards of Plaza de la Raza and the Hispanic Urban Center and on the advisory committees of the Mexican American Legal Defense and Education Fund and Bilingual Children's Television. He is the author of numerous books and articles on the history of Mexican Americans. Prior to his appointment, Dr. Nava served as special assistant to the President of California State University, Northridge.

III. PARTICIPANTS, AGENDA AND PRESS PLAN

A. Participants: Secretary of State Cyrus Vance or Deputy Secretary Warren Christopher (depending on schedules), Ambassador Esteban Torres, Ambassador Julian Nava, Ambassador Robert Kruger.

B. Agenda: You will greet Ambassador Julian Nava and have a discussion with respect to United States-Mexican relations. Subsequently, you will make a statement to the press.

1. THE RELATIONSHIP OF THE UNITED STATES & MEXICO
2. IS A VERY SPECIAL ONE WITHIN THE COMMUNITY OF NATIONS.
3. WE SHARE NOT ONLY A COMMON BORDER & A COMMUNITY OF INTERESTS,
4. BUT A DEEP COMMITMENT TO DEMOCRACY & HUMAN RIGHTS.
5. ALTHOUGH WE HAVE NOT ALWAYS AGREED ON SPECIFIC MEANS,
6. WE SHARE THE SAME GOALS.
7. MEXICO'S GROWING INFLUENCE WITHIN THE HEMISPHERE & THROUGHOUT THE WORLD,
8. HAS MADE IT MORE THAN A GOOD NEIGHBOR.
9. IN A DANGEROUS WORLD, WE SEEK TO BUILD A MORE PEACEFUL & PROSPEROUS FUTURE,
10. NOT ONLY FOR OUR OWN PEOPLE -- BUT FOR PEOPLE ALL OVER THE WORLD.

(=over=) (Because I believe it is......)
1. BECAUSE I BELIEVE IT IS IN THE BEST INTERESTS OF OUR TWO PEOPLE,
2. THAT WE CONTINUE TO BUILD UPON A FIRM FOUNDATION
   OF FRIENDSHIP & MUTUAL TRUST,
3. I HAVE CHOSEN MY NEW AMBASSADOR TO MEXICO WITH SPECIAL CARE,
4. DR. JULIAN HAVA'S BROAD KNOWLEDGE
   OF NORTH AMERICAN & LATIN AMERICAN HISTORY
5. AND HIS EXTENSIVE EXPERIENCE LIVING & TEACHING IN MANY NATIONS
6. MAKE HIM A FITTING CHOICE FOR THIS CRUCIAL TIME,
7. HE IS A DISTINGUISHED SCHOLAR
8. WITH GREAT PERSONAL SENSITIVITY & APPRECIATION
9. FOR THE CULTURAL TRADITIONS OF THE MEXICAN PEOPLE.

(=NEW CARD=) (OUR NATION IS MADE UP,....)

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for Preservation Purposes
1. OUR NATION IS MADE UP OF PEOPLE FROM EVERY LAND,
2. BUT OUR HISTORICAL & FAMILY TIES WITH MEXICO
   GO BACK FAR BEYOND OUR EXISTENCE AS A NATION.
3. JULIAN NAVA IS THE FIRST "U.S." AMBASSADOR TO MEXICO OF MEXICAN DESCENT,
4. BUT HE IS IN A LONG TRADITION OF MEXICAN-AMERICANS SERVING THEIR NATION
   WHEREVER THEY WERE NEEDED -- IN WAR & PEACE, AT HOME & ABROAD.
5. AS WE FACE THE DIFFICULT PROBLEMS OF OUR HEMISPHERE & OF THE WORLD TODAY,
6. I AM CONFIDENT THAT AMBASSADOR NAVA WILL HELP BRING OUR TWO NATIONS
   CLOSER TOGETHER IN A WORKING RELATIONSHIP
   THAT IS JUST, POSITIVE, & SOLUTION-SEEKING.
7. I KNOW ALL OF YOU JOIN WITH ME IN WISHING JULIAN GOOD FORTUNE & GODSPEED,
8. OR PERHAPS I SHOULD SAY, "BUENAVENTURA Y VAYA CON DIOS."
MEMORANDUM FOR THE PRESIDENT

Proposed School Desegregation Suit Against
The Chicago Board of Education

The Department today sent letters to the Chicago Board of Education and other officials informing them that we have determined that their school system is segregated in violation of civil rights statutes. This determination follows months of negotiations between HEW, which referred the matter to the Department, and Chicago and the latter's failure to propose a plan that would comply with the law. The proposed suit to end racial and ethnic discrimination and to bring about compliance with the civil rights statutes and the Constitution would ask the court to order the Board to develop and implement a student desegregation plan. Before filing suit, this Department would provide the Board with a new opportunity to agree to the terms of a desegregation plan in order to avoid the expense of a lengthy trial. Despite this attempt to reach a settlement, litigation will most likely be required since the Board has not been forthcoming in the past. If our negotiations do not succeed, suit will be filed in late June or July, 1980.

Chicago has the Country's third largest school system with approximately 480,000 pupils. Because white students constitute only 21 percent of enrollment, an effective desegregation plan will be difficult to work out and, necessarily, will focus on the remaining predominantly white schools. We intend to explore a variety of desegregation remedies with an eye toward minimizing busing and some of its results, but because of the size of the system, a significant number of students would have to ride a bus to school in any event.

In discussing this proposed suit, we have been considering a creative approach that would call upon other Federal agencies, which channel more than six billion dollars each year to the City of Chicago and the School Board, to marshal their programs to contribute to the court-supervised school desegregation. These agencies would, with State and local entities, search for ways to upgrade education opportunities in the city, to improve access for minorities to jobs and education in the suburbs and to make the central city more attractive to whites who have been
moving out for many years. School desegregation accomplished in this way would reduce the need for mandatory reassignment of students and, if successful, could become a model for other metropolitan areas. I have not raised this "Task Force" possibility with other Cabinet officers, but I would hope to begin such discussions as soon as it is appropriate.

Recent disclosures concerning the Chicago school system's financial difficulties make this interagency task force, which has never been attempted before, more attractive in that the Federal Government can pledge the use of a substantial amount of money toward a broad and realistic remedy for the underlying conditions of racial segregation and lack of equal opportunity which exist in the Chicago area.

I will advise you further as this case progresses and after we have a better idea of Chicago's response and the feasibility of our new approach.

Benjamin R. Civiletti
Attorney General
DATE: 21 APR 80

FOR ACTION:

INFO ONLY: THE VICE PRESIDENT LLOYD CUTLER
STU BIZENSTAT AL MCDONALD
FRANK MOORE JODY POWELL
JACK WATSON LOUIS MARTIN

SUBJECT: CIVILETTI MEMO RE PROPOSED SCHOOL DESEGREGATION SUIT
AGAINST THE CHICAGO BOARD OF EDUCATION

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:

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MEMORANDUM TO THE PRESIDENT

Subject: Intelligence Procedures Under Executive Order 12036

As promised in my memorandum of March 28, I approved, on April 18, revised guidelines under Executive Order 12036 to govern the FBI's collection of foreign intelligence and foreign counterintelligence information. By tradition, Attorney General guidelines governing these FBI activities are circulated to the Senate and House Intelligence Committees for comment prior to their effective date, which in this case is May 1, 1980. I intend to abide by past practice in this regard.

Benjamin R. Civiletti
Attorney General

cc. Zbigniew K. Brzezinski
Assistant to the President
for National Security Affairs
As you know, the United States Olympic Committee voted last weekend not to enter a United States team in the Moscow Olympics. We have reason to believe other major free world nations will shortly be urging their Olympic Committees to take parallel actions.

These decisions result solely from the adverse impact of the Soviet invasion of Afghanistan on the standards of international law, the preservation of human rights, and the national security of the United States and many other free world nations. As we advised the United States Olympic Committee, the position of the United States Government rests squarely on these grounds.

This position does not detract in any way from our belief in the value of the Olympic movement, our support for the International and National Olympic Committees, and our adherence to the principle that national and international amateur sports should be administered by private bodies and not by governments. We shall continue to oppose the efforts of other governments to establish UNESCO games, and we shall welcome the IOC and athletes from all eligible Olympic nations at Los Angeles, as we did at Lake Placid.
To the Lord Killanin  
[Dear Michael]

As you know, the United States Olympic Committee voted last weekend not to enter a United States team in the Moscow Olympics. We have reason to believe other major free world nations will shortly be urging their Olympic committees to take parallel actions.

I know you do not agree with these decisions, and that you are concerned about their effect on the future of the Olympic movement. I want to assure you that these decisions result solely from the impact of the Soviet invasion of Afghanistan on the national security of the United States and many other free world nations. As we advised the United States Olympic Committee, the position of the United States Government rests squarely on national security grounds.

These decisions do not detract in any way from our belief in the value of the Olympic movement, our support for the International and United States Olympic Committees, and our adherence to the principle that national and international amateur sports should be administered by private bodies and not by governments. We shall continue to oppose the efforts of other governments to establish UNESCO games, and we shall welcome the IOC and athletes from all eligible Olympic nations at Los Angeles, as we did at Lake Placid.
THE WHITE HOUSE
WASHINGTON

April 21, 1980

MEMORANDUM FOR THE PRESIDENT
FROM: JODY POWELL
SUBJECT: Walter Cronkite Interview
2:30 pm - The Oval Office

Cronkite is doing what will be primarily a scenesetter for the upcoming primary:

A. How important the primary is
B. The current political situation
C. The principal issues in the election

You will want to reinforce the importance -- "it is a serious decision for Pennsylvania voters, they will play a major role in determining who will sit in the White House for the next four years" -- while reminding them of the Missouri and Vermont caucuses on the same day.

You will not want to spend a lot of time on political prognostication -- talk about a tight race and mention that you see the most important issues as national defense -- the need to build up American power in the face of sustained Soviet buildups and Soviet aggression -- and economic security -- the need to control government spending and excessive regulation to bring down interest rates and inflation.

Hopefully, Cronkite will ask you about wage and price controls and about Kennedy's sharp attacks on your economic policy. Your response should be firm but thoughtful and Presidential -- again avoiding the use of quotable attack words like "demagogue" and hyperbole like "the biggest spender in the history of the Congress" -- one of the biggest spenders in the Congress is enough. I would also not go as hard on disrupting the convention. It is sufficient simply to say: "I will play by the rules, support Senator Kennedy if he is the nominee, I do my best to unite the Party behind him. I regret that he is not willing to make the same commitment."
You should continue to emphasize your concern for the average American and your determination to do everything possible to soften the burden of these difficult months of transition.

In addition, it is clear that most of the electorate is beginning to see EMK as a "big spender" but has not made the connection between big spending and big deficits on the one hand and high interest rates and inflation on the other. You might consider a line like this: "I think the voters of Pennsylvania will want to consider carefully whether a Senator who has consistently advocated massive spending and big deficits which fuel inflation and drive up interest rates will be an effective leader in the fight against inflation.

"I think they will also want to ask whether a Senator that has consistently opposed a stronger defense despite the tremendous buildup in Soviet defenses -- not only during my administration but throughout his career -- can provide the firm response we need in the face of threats and challenges abroad."

You may be asked about the Stahl piece on using the Iran crisis for political purposes. I suggest this simple answer:

"I have never let decisions that affect the fate of our hostages and our own national interest be determined by what would benefit me politically. All you have to do is look at the calendar to see that there has never been since February more than seven days between primaries and caucuses and in most cases there have been only 4-5 days between states."

Finally, you could be asked about our "negative commercials" in Pennsylvania. You can admit that the campaign is a tough one on both sides and point out that comments about the Senator's credibility refer to his frequent changes of position on important issues:

A. He supported the use of military force to protect our vital interests in the Persian Gulf in Iowa but opposed it in Massachusetts.

B. He supported increased use of coal in West Virginia but opposed it before environmentalists.

C. He said he agreed with your position on gun control in New Hampshire but attacked you for not pushing strongly enough in New York.

D. He changed his position on settlements shortly before the New York primary.
E. He voted to support an increase in defense spending last December after opposing it earlier and then came out in opposition to it again earlier this year.

I wouldn't get into examples unless pressed on this point.

An after-thought -- if asked about not campaigning, I'd stress that you made a commitment not to take to the campaign trail and to limit your role to interviews such as this. You believe in keeping your commitments even when it is politically costly to do so.
THE WHITE HOUSE
WASHINGTON

FOR FILING

THE PRESIDENT READ ON APRIL 19.
THE WHITE HOUSE
WASHINGTON

April 19, 1980

MR. PRESIDENT:

Dr. Brzezinski has just received confirmation from the Liberian Task Force that Mrs. Dennis is okay (10:45 a.m.)

PHIL
I. PURPOSE

Brief greeting and photo opportunity with the Greater Waldorf (Maryland) Jaycees who, in November, 1979, were chosen as the top Jaycee chapter in the world.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background: Each year, Jaycee chapters from all over the world submit books graphically explaining the projects which they had undertaken the previous year. Judges, selected by each national Jaycee organization, choose the number one national chapter and the number one world chapter. The Waldorf, Maryland Jaycees were chosen as the number one world chapter.

The Waldorf Jaycees (founded 10 years ago) have assisted the elderly in their community by having built a 36-unit apartment building, providing wood-burning stoves and wood, establishing a hearing aid bank and hosting banquets and holiday meals. In addition, the Jaycees have provided shoes for school children, and run Big Brother and Toys for Tots programs.


Also, Darrell Arey, the EPS guard in the West lobby. He is a member of the Waldorf Jaycees, but doesn't want to join in the group photograph. We recommend a separate photo after the group photo.

III. TALKING POINTS

1. I want to congratulate the Greater Waldorf Jaycees for their contributions to their community and to their country, particularly the elderly. It makes me very proud when American citizens are recognized for their achievements.

2. I share your concern about assistance for the elderly. You make real the partnership and participation of citizens and government which is the strength of America.

3. Congratulations not only on your selection as top chapter in the world, but also on being selected five times in your 10 year history as the outstanding Chapter in Maryland.
MEMORANDUM FOR THE PRESIDENT

FROM: JODY POWELL

Monday, April 21, 1980, 12:00 noon
The Oval Office or the Patio

Rosenthal, who will be 58 on May 2, was born in Sault Ste. Marie, Ontario, Canada, came to the United States when he was four years old and became a naturalized citizen in 1951.

He holds a B.S. degree in Social Science from City College in New York, is married and has three sons.

Rosenthal joined The Times right out of college in 1944, was subsequently its United Nations correspondent for eight years before a 1954-1963 series of foreign assignments -- with tours of duty in India, Poland, Switzerland and Tokyo. He came back to the United States in 1963 to become metropolitan editor, then assistant managing editor, associate managing editor and, in 1969, managing editor.

He is the recipient of numerous journalism awards, including a 1960 Pulitzer for international reporting.

Two items for light conversation:

1. You last met with Rosenthal on August 15, 1978, at one of the series of media dinners.

2. Rosenthal personally hired, and apparently is pleased with the performance of, two reporters you knew when they worked for The Atlanta Constitution: Greg Jaynes, who is now The Times African correspondent, and Howell Raines, Atlanta bureau chief.

As far as more substantive discussion, I think you should just briefly review with him both the situation in Iran and the progress made in your recent talks with President Sadat and Prime Minister Begin, and let the rest of the conversation flow from that beginning.
INFORMATION

MEMORANDUM FOR: THE PRESIDENT
FROM: James T. McIntyre, Jr.
SUBJECT: Current Administration and Congressional Spending Estimates

We want you to know about the growing difference between Administration and congressional spending estimates. At the time the Budget Committees began markup of the resolution, the Congressional Budget Office (CBO) estimates of outlays were roughly the same as the Administration totals for 1980 and $7-1/2 billion above the Administration estimates for 1981. After the March update was released, CBO began its usual review of our estimates. While this review is not complete, CBO has tentatively decided to accept some of the upward reestimates for 1980 included in the March update. In addition, the current CBO numbers include their estimate of the trade adjustment assistance supplemental and upward revisions in defense spending for both 1980 and 1981. The latest CBO estimates, which have not yet been approved by the Budget Committees, are $3.0 billion above the March budget for 1980 and $9.7 billion higher for 1981. The attached table shows the major differences between the Administration and CBO outlay estimates.

Before releasing the March budget, my staff met with staff from the Budget Committees and CBO to discuss the reasons for the estimating differences. As a result of our meeting with CBO, we did raise outlays by several billion dollars. While CBO also agreed to review their estimates, the changes they made were largely offsetting. One of the major conclusions of the meeting was that the differences reflected a variety of technical factors. The difference in interest on the public debt, for example, reflects different assumptions about the level of cash balances, interest rates and the size of the surplus, and different estimating techniques. While there are relatively large differences in a few areas, the difference for virtually every individual item is within the range of standard estimating error.
I do not want to minimize the problem. Even if our estimates are ultimately more correct than those of the CBO, the Congress will use the latter, or something close to it. This means that they may be forced to make further cuts in ways that we might find unpalatable.

The latest CBO estimates for spending by the Department of Defense are $1.2 billion above our March budget estimates for 1980 and $1.6 billion higher in 1981. We understand that CBO is considering going up even higher. Defense spending has been running very high in recent months. The agency exceeded their revised outlay plan by $0.5 billion in March. I have reminded Harold Brown several times of his commitment to you that he will hold defense spending for 1980 and 1981 to the levels we agreed to in March. This may be difficult to achieve in view of March spending and trends in the last two months. Nevertheless, I believe we must continue to urge Defense not to exceed the March estimates and to manage its expenditures to stay within the agreed upon spending plan.

Attachment
MAJOR DIFFERENCES BETWEEN THE ADMINISTRATION AND CBO ESTIMATES OF OUTLAYS
(in billions of dollars)

<table>
<thead>
<tr>
<th></th>
<th>1980</th>
<th>1981</th>
</tr>
</thead>
<tbody>
<tr>
<td>March budget totals</td>
<td>568.9</td>
<td>611.5</td>
</tr>
<tr>
<td>CBO reestimates when markup of resolutions began:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on the public debt</td>
<td>0.8</td>
<td>3.4</td>
</tr>
<tr>
<td>Medicare and medicaid</td>
<td>0.1</td>
<td>0.9</td>
</tr>
<tr>
<td>Community development block grants</td>
<td>0.2</td>
<td>0.6</td>
</tr>
<tr>
<td>Defense Department:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retired pay</td>
<td>-0.1</td>
<td>-0.3</td>
</tr>
<tr>
<td>Other</td>
<td>0.3</td>
<td>0.9</td>
</tr>
<tr>
<td>Farm price supports</td>
<td>0.9</td>
<td>0.2</td>
</tr>
<tr>
<td>Unemployment benefits</td>
<td>*</td>
<td>0.5</td>
</tr>
<tr>
<td>Mortgage purchases (GNMA)</td>
<td>0.1</td>
<td>0.3</td>
</tr>
<tr>
<td>Mass transit</td>
<td>-*</td>
<td>0.3</td>
</tr>
<tr>
<td>Highway supplemental</td>
<td>-0.8</td>
<td>---</td>
</tr>
<tr>
<td>Federal Home Loan Bank Board</td>
<td>-0.7</td>
<td>---</td>
</tr>
<tr>
<td>All other (net)</td>
<td>-0.9</td>
<td>1.0</td>
</tr>
<tr>
<td>Subtotal</td>
<td>-0.1</td>
<td>7.8</td>
</tr>
<tr>
<td>Further CBO changes:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highway supplemental</td>
<td>0.7</td>
<td>---</td>
</tr>
<tr>
<td>Defense Department</td>
<td>1.0</td>
<td>1.0</td>
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<tr>
<td>Trade adjustment</td>
<td>1.0</td>
<td>0.4</td>
</tr>
<tr>
<td>Federal Home Loan Bank Board</td>
<td>0.7</td>
<td>---</td>
</tr>
<tr>
<td>All other (net)</td>
<td>-0.3</td>
<td>0.5</td>
</tr>
<tr>
<td>Subtotal, Further changes</td>
<td>3.1</td>
<td>1.9</td>
</tr>
<tr>
<td>Total difference</td>
<td>3.0</td>
<td>9.7</td>
</tr>
<tr>
<td>Current CBO totals of Presidential policy</td>
<td>571.9</td>
<td>621.2</td>
</tr>
</tbody>
</table>

* $50 million or less.