

5/13/80

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THE WHITE HOUSE
WASHINGTON

5/13/80

Mr. President:

Frank Moore would
really like to do this
for Sen. Inouye. May I
schedule?

yes no

Phil

anything
J

THE WHITE HOUSE

WASHINGTON

CONGRESSIONAL SCHEDULING PROPOSAL

MEETING: Prime Minister (John) David Gibbons of Bermuda

LENGTH: 5 minutes

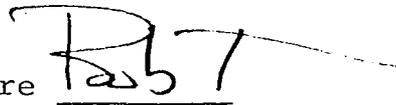
DATE: Tuesday, May 13, or Wednesday, May 14, 1980

PURPOSE: Greetings and photo opportunity

PARTICIPANTS: Senator Daniel Inouye
Robert Pastor
Dan Tate

BACKGROUND: The Prime Minister is in town for an unofficial visit. Senator Inouye has asked that you meet with him to exchange greetings. State and NSC have no objection. As you know, Senator Inouye is not only one of your best friends in the Senate, but also Chairman of the Appropriations Foreign Operations Subcommittee, and this visit means a great deal to him.

INITIAL
REQUESTER: State/Brian Atwood ^{RA}
Frank Moore

Approved by Frank Moore 

Date of Submission: May 12, 1980

13 May 80
THE WHITE HOUSE
WASHINGTON

The Vice President
Secretary Duncan
Secretary Miller
Stu Eizenstat
Frank Moore
Jim McIntyre

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

Rick Hutcheson

cc: Hamilton Jordan
Al McDonald

2748

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND
<input type="checkbox"/>	NO DEADLINE
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<input type="checkbox"/>	LAST DAY FOR ACTION

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<input type="checkbox"/>	CONFIDENTIAL
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ACTION
FYI

<input checked="" type="checkbox"/>	VICE PRESIDENT
<input checked="" type="checkbox"/>	JORDAN
<input type="checkbox"/>	CUTLER
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<input checked="" type="checkbox"/>	EIZENSTAT
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<input type="checkbox"/>	WATSON
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<input type="checkbox"/>	KREPS
<input type="checkbox"/>	LANDRIEU
<input type="checkbox"/>	MARSHALL

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<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CAMPBELL
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	CRUIKSHANK
<input type="checkbox"/>	FIRST LADY
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<input type="checkbox"/>	PRESS
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<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	TORRES
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WISE

THE WHITE HOUSE

WASHINGTON

5-13-80

Memo to V.P. Mondale,
Secs Miller & Duncan, Mr. Ditzel,
Eizenstat, Moore.

All of you go all out
to protect the oil conservation
fee. Start now &
coordinate your efforts. I'll
help -

J. C.

2:25 PM

THE WHITE HOUSE

WASHINGTON

May 10, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *Jack*

SUBJECT: Meeting with Mr. Hiroshi Kawashima,
Mr. R. Hagashiyama, Mr. Jun Mori

Tuesday, May 13, 1980
Oval Office, 2:25 p.m. for 3 minutes
OFF THE RECORD

Purpose

This brief meeting with the two principal executive officers of the Yamaha group of companies and their legal counsel was requested by Governor George Busbee. Yamaha is making a significant contribution to Georgia's economy, and the Governor wanted them to have an opportunity to greet you.

Participants

- Mr. Hiroshi Kawashima - President, Yamaha Nippon Gakki Company, Ltd. (Mr. Kawashima is the brother of the President of the Honda Car Company. Honda is the first Japanese auto maker to commit to the opening of an assembly plant in the United States).
- Mr. R. Hagashiyama - President, Yamaha International Corporation.
- Mr. Jun Mori - Legal Counsel for Mr. Kawashima. (Mr. Mori is from Los Angeles and is a member of the President's Export Council. Bob Strauss and Evan Dobbelle have contacted Mr. Mori to work for the Carter/Mondale primary campaign in California, and Mr. Mori has agreed).

Background

These representatives from Yamaha are visiting Georgia to open and dedicate a Yamaha plant in Thomaston. This plant will be the third Yamaha plant in the United States and will manufacture

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for Preservation Purposes

electric organs and other musical instruments.

The Yamaha group produces a wide range of musical and recreational products. Yamaha also has a subsidiary, Yamaha Music International, which imports into Japan foreign music instruments and related products. Most of these instruments and products come from the United States.

THE WHITE HOUSE

WASHINGTON

April 18, 1980

To Glenn Watts

I would like to reiterate to you my deep appreciation for your distinguished service as a member of the President's Commission on the Holocaust. The Commission has made an invaluable contribution to our country and to the memory of the six million Jews and the millions of other victims of Nazism in World War II.

In order to carry out the Commission's recommendations, I have now established the United States Holocaust Memorial Council. The Council will be responsible for implementing the recommendations of the Commission on the Holocaust. Specifically, the Council will be concerned with the establishment of an appropriate memorial museum, an educational and research foundation, and of a Citizens Committee on Conscience to commemorate the Holocaust.

I think it is essential that these projects recognize the distinctively Jewish nature of the Holocaust. As Elie Wiesel so eloquently wrote in submitting the Commission's report, while not all victims were Jews, all Jews were victims, destined for annihilation solely because they were born Jewish. Of course, it is also important to take into account, as the Council's work proceeds, that there were Nazi atrocities committed against other nationalities and ethnic groups in all of the occupied countries of Europe.

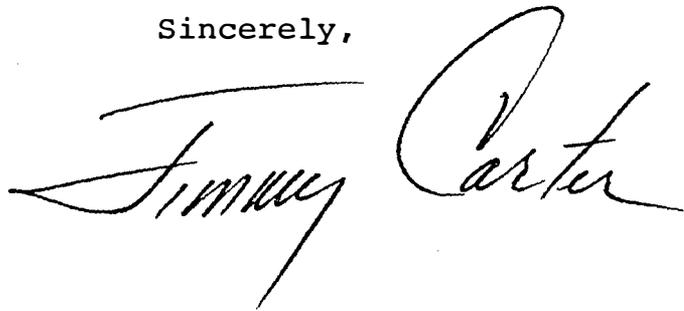
Although the Holocaust took place in Europe, the event is of fundamental significance to Americans for at least three reasons. First, it was American troops who liberated many of the death camps, and who helped to expose the horrible truth of what had been done there. Secondly, however, we must

share the responsibility for not being willing to acknowledge forty years ago that this horrible event was occurring. Finally, because we are humane people, concerned with the human rights of all peoples, we feel compelled to study the systematic destruction of the Jews so that we may seek to learn how to prevent such enormities from occurring in the future.

Because of your membership on the Commission, and your distinguished record of community service, I am pleased to invite you to serve as a member of the United States Holocaust Memorial Council.

You, and the other members of the Council, will have my support in your uniquely important mission.

Sincerely,

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

Mr. Glenn Watts
President
Communications Workers of America
1925 K Street, N.W.
Washington, D.C. 20006

THE WHITE HOUSE

WASHINGTON

May 7, 1980

Dear Mr. President:

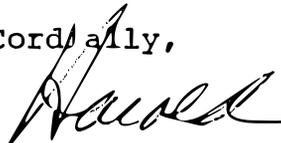
Now that I have received an autographed photo of us during our April 10 conversation in the Oval office, I can now tell Inge-Lise and Jenny Ann (my wife and daughter) that I'm really working for Jimmy Carter, President of the United States.

In a more serious vein, I want to thank you for giving me the opportunity to serve you and in so doing, serve the country and its present and future senior citizens. I was especially impressed by your emphasis on the need for the Counsellor on Aging not merely to have direct access to you, but more important, by your assertion that the Counsellor on Aging must be involved in the initiating and review processes regarding policies affecting older Americans, as they are being developed and formulated. Needless to say, your views on this issue should make the position a more effective one for you.

Your initiative on this matter during the April 10 session with Nelson, Al McDonald and myself will not be forgotten. Speaking for myself, it is already deeply appreciated.

Nearly ten years ago, in a task force report for the Senate Special Committee on Aging, and then in memos written for your own 1976 campaign, I recommended and spelled out the creation of a Presidential Counsellor on Aging. I was gratified then to see you make this need a campaign issue and promise, and now more than exhilarated to find myself appointed by you to perform in that capacity.

Cordially,



Harold L. Sheppard
Counsellor to the President on Aging

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

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for Preservation Purposes**

THE DEPUTY SECRETARY OF STATE
WASHINGTON

I agree
J

May 12, 1980

MEMORANDUM FOR: THE PRESIDENT

FROM: Warren Christopher *W.C.*

Having now read Don McHenry's graduation address (attached), I believe the Detroit News unfairly reported it. The headline is unwarranted, and the first paragraph is overstated.

In the speech, Don attaches highest priority to the issue we have all addressed in our speeches: how to deal with instability in the Third World. While there are segments that might be quoted out of context, I do not regard the speech as a whole as critical of our foreign policy. Rather, it is a plea for an imaginative approach to the Third World, building largely on your present policies.

Please let me know if you want me to follow up with Don in some way.

Attachment:
As stated.

P.S. I am returning your handwritten note herewith.

THE WHITE HOUSE
WASHINGTON

5/8/80

WARREN CHRISTOPHER --

AS DISCUSSED, ENCLOSED IS THE
PRESIDENT'S HANDWRITTEN NOTE TO
AMBASSADOR MCHENRY -- FOR DELIVERY
TO HIM UNDER YOUR AUSPICES.

THANKS -- SUSAN CLOUGH



(PARDON THE TYPING -- IN THE MIDST OF
REMARKS FOR THE BOSS.)

not sent

THE WHITE HOUSE

WASHINGTON

5-8-80

To Don McHenry

American foreign policy
has been established by me,
with the advice of Vance,
Brzezinski, you and others.

Please explain to me immediately
your references to our "propping
up repressive anti-Communist
dictators, our making it irresist-
ible for the Soviets to meddle
in the unstable areas of the
world, and our unwillingness
to attack the root causes of

THE WHITE HOUSE

WASHINGTON

instability -- poverty, hunger, racism,
etc." Send to me and to
the Secretary of State a
copy of the speech as you
delivered it.

I realize that my con-
cern may derive from error-
ous news reporting.

Jimmy Carter

cc Sec of State

UN envoy scathes U.S. on foreign policy

By STEPHEN CAIN
News Staff Writer

5/4 Det N (304)

ANN ARBOR — United Nations Ambassador Donald F. McHenry charged Saturday that America's long-standing policy of propping up repressive anti-communist dictators is a failure which leads ultimately to Soviet success and U.S. failure in the Third World.

McHenry used his commencement address to 5,700 University of Michigan graduates and more than 10,000 parents and friends to launch an attack on militarism and the hard-line policies of White House foreign policy adviser Zbigniew Brzezinski, whose name he avoided mentioning.

McHenry said the U.S. and the other Western democracies have been unwilling to attack the "root causes of instability — poverty, hunger, racism

and the intrusion of 20th century mores into traditional societies."

AS A RESULT, he said, "The Soviet Union and its allies find irresistible the temptation to meddle in the unstable areas of the world."

McHenry warned:

"In other areas, political stability is illusionary, for it lasts only so long as the oppression upon which it is built can be maintained.

"For many years, the Soviets and their surrogates have been prevented from interfering in potentially troubled areas by conservative, anti-communist regimes in developing nations.

"We have been closely identified with some of these regimes — some of which repress dissent and maintain class distinctions in ways repugnant to our own constitutional values.

"BUT AS WE have learned to our sorrow, if local economic, political and social problems are ignored, they will eventually explode, without assistance from the Soviets. When they do, the bulwarks of anti-communism and order on whom we rely may be brought down from within."

McHenry said it will be difficult for Americans to carry out an effective Third World strategy for reasons which include:

- "The challenges arise from social and political forces with which the United States is largely unfamiliar and over which we have little control.
- "The United States has lost the revolutionary fervor of our youth. We have adopted the caution of middle age, if not



Continued on Page 5B Donald F. McHenry

UN envoy scathes U.S. policy

Continued from Page 1B

the insistence on the status quo that accompanies hardening of the arteries.

- "We shy from the long-term, elusive, difficult and frustrating strategy

(of dealing with the root causes of unrest) because we, as Americans, like quick, simple and direct solutions such as landing a man on the moon."

Yet McHenry said he is optimistic that the U.S.

can succeed against "alien" influences in the Third World, "if we will fight on our terms, with our weapons, and not the weapons of repression, secrecy, militarism and fear."

HE SAID these peaceful U.S. weapons include American values, economic strength, generous contributions of material and manpower, "and a proven record that we do not seek to make satellites of other nations."

McHenry said America must remain militarily strong to avoid thermonuclear holocaust from Soviet "miscalculation of our strength or our will" — his only reference in support of Brzezinski's hard-line policies.

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THE WHITE HOUSE

PERSONAL

To Hon. G. Vance

THE WHITE HOUSE
WASHINGTON

5/13/80

Rick Hutcheson --

I have a copy for the
President's personal files....
original has been sent to
Warren Christopher per
tc today, who will arrange
delivery upon Vance's return
to states (note, sealed
envelope has been sent to
Warren, no copies)....
Do you want to keep attached
for your files, held as
~~'confidential'~~? 'personal' }

Thanks--Susan Clough

THE WHITE HOUSE

WASHINGTON

5-13-80

To Cy Vance

I was taken aback by the press interpretation of my remarks in Philadelphia as criticism of you (& Ed). I instructed Jody to go immediately to the press as soon as the question was raised and to reemphasize my statement that I had intended no criticism, that Ed would assume more of a "senior statesman" role, and would not be so ~~at~~ intimately involved in protocol matters & detailed negotiations. Jody also pointed out that you & I had personally negotiated the Mideast agreements but Ed was performing that role, and that

THE WHITE HOUSE

WASHINGTON

Warren could now assume a more major role in diplomatic travel & protocol duties.

No critical thought crossed my mind, and I am very sorry that I did not more carefully make clear my un-equivocal admiration for you and my total appreciation for your service as Secretary of State. I will use every opportunity to make this clear to the press & to the public.

Ed is off to a good start, thanks to the good foundation you left him.

Your friend
Jimmy

5-13 President's note to members
Phil & Sylvia
5-8 Note to Per
Dennis & needs
Mechanical
sent
file
Vance
re

THE WHITE HOUSE
WASHINGTON

13 May 80

Frank Moore

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

Rick Hutcheson

cc: Sarah Weddington
Phil Wise

2757

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SECRET
EYES ONLY

ACTION
FYI

	VICE PRESIDENT
	JORDAN
	CUTLER
	DONOVAN
	EIZENSTAT
	MCDONALD
<input checked="" type="checkbox"/>	MOORE
	POWELL
	WATSON
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	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
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	MARTIN
	MILLER
	MOE
	PETERSON
	PRESS
	SANDERS
	SPETH
	STRAUSS
	TORRES
	VOORDE
<input checked="" type="checkbox"/>	WISE <i>(has already)</i>

THE WHITE HOUSE
WASHINGTON

5-13-80

Frank -

Set up luncheon
mts w Wendell Ford
re Senate reelection
Campaigns - I called
him -

JC

THE WHITE HOUSE
WASHINGTON

13 May 80

Al McDonald

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

Rick Hutcheson

cc: Rick Hertzberg

2758

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LAST DAY FOR ACTION

ADMIN CONFID
CONFIDENTIAL
SECRET
EYES ONLY

ACTION
FYI

	VICE PRESIDENT
	JORDAN
	CUTLER
	DONOVAN
	EIZENSTAT
✓	MCDONALD (has)
	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 WHITE HOUSE
WASHINGTON

May 12, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: Al McDonald
Rick Hertzberg
Bob Rackleff

SUBJECT: Presidential Remarks:
Launching Ceremony for
Department of Health
and Human Services

Scheduled Delivery:

Wed, May 14, 11 AM

HHH Building

Your remarks for this occasion are
attached.

Clearances

HHS Staff for Sect Harris
David Rubenstein
OMB (Rogoff)
Ray Jenkins

[Salutations will be updated no later than 9 AM on Wednesday by Bob Dunn x7565.]

Bob Rackleff
Draft A-1; 5/12/80
Scheduled Delivery:
Wed, May 14, 11 AM

President's Remarks at Inauguration of
Department of Health and Human Services

*Ad. Move
from 1960's
(LBJ) to present
admin & future.*

Pat Harris; Majority Leader Bob Byrd; Speaker Tip O'Neill; *J*

friends and employees of this new Department:

Today is one of celebration and rededication as we inaugurate the new Department of Health and Human Services.

The reorganization of the former Department of Health, Education and Welfare brings new tools and new energies to our struggle against poverty, disease, and inequality. It is a time to renew our drive toward goals conceived in the heart and conscience of America.

Today is also a time for reflection -- to recall the many accomplishments we have shared -- and to remember that our struggle constantly challenges our imagination and commitment.

Only 16 years ago, Lyndon Johnson expanded that struggle with boundless optimism and energy. The problems of poverty, inequality, hunger, poor schools, inadequate health care, urban decline, and pollution had moved the nation to action.

It was a bold move forward. He told his Cabinet then, "As a government, we must get the most out of every dollar of scarce resources, reforming old programs and using the savings for new programs."

And despite many frustrations and disappointments, we can be proud that in less than a full generation, we achieved a dramatic surge of human progress.

¶ We virtually eliminated hunger through Food Stamps and other nutrition programs. *

¶ We dismantled a century-old structure of official racial segregation. Equal opportunity by race, sex, religion

*McDonald suggestion: Current comment on urgency of Congressional action and your strong leadership to keep program operating.

and national origin is now the law of the land.

¶ Our venture to rebuild cities is bearing fruit. For the first time in years, we can read good news about cities coming back to life.

¶ Mortality rates for infants are the lowest in history, and for other children one-half what they were a generation ago.

¶ Medicare, Medicaid, and other programs mean the poor and the elderly no longer must depend on charity to receive decent health care.

¶ Federal programs now provide training and job opportunities for hundreds of thousands of the most disadvantaged among us.

¶ Federal aid has placed a good education within reach of more children than ever before.

¶ Millions of poor and elderly Americans now live in decent

housing that was beyond their reach a generation ago. The percentage of substandard housing units in the United States is only half what it was a decade ago.

¶ Federal programs have turned the tide of environmental degradation that only 10 years ago threatened to engulf us.

Consider this one last fact:

¶ In 1960, about 22 percent of all Americans lived in poverty. Today, less than 12 percent do. We have cut poverty in America by half.

In other words, in two short decades of human history, we have accomplished a dramatic transformation of life in America.

We did this during the longest, most painful war in our history -- during an unprecedented constitutional crisis -- during intense social upheaval -- and now during serious economic challenges.

I came into office pledged to sustain that progress, and I have carried out that commitment.

Compared to the last budget of my predecessor, Federal aid to education in our 1981 request is 73 percent higher.

Spending for public jobs in the CETA program is up 115 percent. We have nearly tripled [up 179%] spending for the National Health Service Corps, and increased by half spending for community health, family planning, Indian health, and disease prevention programs.

We have increased aid to mass transit programs by two-thirds, doubled economic development aid grants, increased spending for subsidized housing by 78 percent, and doubled spending for the Food Stamps program.

Before I took office, the 1978 budget request for women, infants and children and for child nutrition programs totaled

\$200 million. Our 1981 request for these programs is \$3.8 billion.

These budget figures show clearly that we have not turned our backs on the poor and disadvantaged -- that even during difficult economic times, despite severe fiscal constraints, we have kept our commitment to social and economic justice.

In doing this, we have the support of the American people. Despite the call by some to turn back the clock, they have no intention of throwing away our hard-won gains.

Our challenge, especially at this new Department, is to build upon our progress. We still have far to go and many more years of hard work.

We must reform our welfare system, redouble our drive against youth unemployment, and develop a national health plan.

Just as fundamental, however, we must renew the strength and productivity of an economy that has given so much.

We do not seek soulless wealth, but new capacity to provide for basic human needs.

We must seek new approaches to solve the problems that remain. Our success in reducing our problems to their hard core is also a challenge to our imagination.

We must sustain those programs that brought us this far, but also add new approaches to carry us further. We must be forever restless and innovative.

The programs in this new Department and elsewhere are the only refuge for millions of Americans. Their sustenance, their hopes, their dreams for the future depend greatly on how faithfully and effectively we adapt to change and thus carry out our commitment to them.

Finally, we should remember the words of Lyndon Johnson 16 years ago:

"The Great Society is not a safe harbor, a resting place, a final objective, a finished work. It is a challenge constantly renewed, beckoning us toward a destiny where the meaning of our lives matches the marvelous products of our labor."

We are meeting that challenge again today, and we are again seeking that destiny.

#

THE WHITE HOUSE
WASHINGTON

13 May 80

Lloyd Cutler

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

Rick Hutcheson

ORIGINAL TO LLOYD CUTLER

2759

*original
to Lloyd
complete in copy*

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VICE PRESIDENT
JORDAN
CUTLER
DONOVAN
EIZENSTAT
MCDONALD
MOORE
POWELL
WATSON
WEDDINGTON
WEXLER
BRZEZINSKI
MCINTYRE
SCHULTZE
ANDRUS
ASKEW
BERGLAND
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CIVILETTI
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HUTCHESON
KAHN
LINDER
MARTIN
MILLER
MOE
PETERSON
PRESS
SANDERS
SPETH
STRAUSS
TORRES
VOORDE
WISE

Lloyd - Very interesting -
The analysis/criticism
is better than the
solution(s) * JC

TO FORM A GOVERNMENT

LLOYD N. CUTLER

April 28, 1980

University of
Law School
Ninth Street
Lecture

* also the
problem is
Legis/Exec
decisions
J

Grant Gilmore has written that no lawyer can be truly a conservative or a radical because we are all both servants of a tradition which we do not wholly respect and advocates of change in which we do not wholly believe. With that preface, I propose to discuss our revered Constitution and some radical proposals for change.

Our society is unique in being one of the first to write a Constitution. This reflected the confident conviction of the enlightenment that explicit written arrangements could be devised to order a Government that would be neither tyrannical nor impotent in its time, and to allow for such future amendment as experience and change might require.

We are all children of this faith in plans and rational arrangements. Thus it should not shock you that I have come to the University today to suggest that amendments to our existing constitutional framework are needed to cope with our portion of the interdependent world society we have become, and the resulting problems with which all contemporary governments must deal. It does not betray a lack of faith in our Constitution, but instead a profound confidence, to say that it was constructed to be capable of change that accommodates the present and allows for the future.

The particular shortcoming I would remedy is the structural inability of our Government to propose, legislate and administer a balanced program for governing. In parliamentary terms, one might say that under the United States Constitution it is not now-feasible to "form a Government." The separation of powers between the legislative and executive branches, whatever its merits in 1793, has become a structure that almost guarantees stalemate today. If you wonder why we are having such a difficult time making decisions we all know must be made, and in projecting our power and leadership throughout this increasingly interdependent world, I submit that this is one of the major reasons. To this problem and some possible remedies I shall devote this 9th Strasburger Lecture.

I must make clear at the outset that these are my own ideas, formed largely before I joined the White House Staff. I am not speaking for the President. I am not launching an Administration trial balloon. For all I know, the President may disagree with what I am about to say. And while I have come to admire highly his superior qualities for the office and the way he performs it, nothing I have seen inside the White House alters my view about this structural fault of our system.

We elect one Presidential candidate over another on the basis of our judgment of the overall program he presents, his ability to carry it out, and his capacity to adapt his program to new developments as they arise. We elected President Carter, whose program included, as one of its most

important elements, the successful completion of the SALT II negotiations that his two predecessors have been conducting since 1972. President Carter completed and signed a SALT II Treaty, almost a year ago, which he and his Cabinet regarded as very much in the national security interests of the United States. Notwithstanding recent events, the President still holds that view -- indeed he believes the mounting intensity of our confrontation with the Soviet Union makes it even more important for the two superpowers to adopt and abide by explicit rules as to the size and quality of each side's strategic nuclear arsenal, and as to how each side can verify what the other side is doing.

But because we do not form a Government, that is, a legislative majority which takes the responsibility for governing, we have not yet been able to obtain the required votes in the Senate.

The SALT Treaty presents an especially dramatic example of this basic constitutional dilemma, because the Treaty requires the consent of two-thirds of the Senate rather than a mere majority of each House. But the same basic problem exists for the other portions of any President's overall program which require legislation approved by a majority of both Houses. Any part of this legislative program may be defeated, or amended into an entirely different measure,

so that the legislative record of any presidency may bear little resemblance to the overall program the President wanted to carry out. Energy and the budget provide two current and critical examples. And this is likely to be true whether the President's party holds the majority of the seats in both Houses or whether it does not.

The Constitution does not require or even permit that in such a case there would be a new election, in which those who oppose him can seek office to carry out their own overall program. Indeed, the opponents of each element of the President's overall program have a different makeup from one element to another. They would probably be unable to get together on an overall program of their own, or to obtain the Congressional votes to carry it out. As a result the stalemate continues, and because we do not form a Government, we have no overall program at all. We also have no way to hold the President accountable for the success or failure of his overall program, because he lacks the constitutional power to put that program into effect.

Compare this with the structure of parliamentary governments. A parliamentary government may have no written constitution, as in the United Kingdom. Or it may have a written constitution, as in West Germany, Japan and Ireland, that in other respects closely resembles our own. But while there may be a ceremonial President or, as in Japan, an Emperor, the executive consists of those members of the legislature chosen by the legislative majority. The majority elects a Premier or Prime Minister from among its number,

and he selects other leading members of the majority as the members of his Cabinet. The majority as a whole is responsible for forming and conducting the government. If any key part of its overall program is rejected by the legislature, or if a vote of "no confidence" is carried, the government must resign and a new election must be held. If the program is legislated, the public can judge the results, and can decide at the next regular election whether to reelect the majority or turn it out. At all times the public knows who is in charge, and whom to hold accountable for success or failure.

Operating under a parliamentary system, Chancellor Helmut Schmidt formed the West German Government with a majority of only four, but he has succeeded in carrying out his overall program these past five years. Last year Mrs. Thatcher won a majority of some 30 to 40 in the British Parliament. She has a very radical program, one that can make fundamental changes in the economy, social fabric and foreign policy of the United Kingdom. There is room for legitimate doubt as to whether her overall program will achieve its objectives and, even if it does, whether it will prove popular enough to reelect her government at the next election. But there is not the slightest doubt that she will be able to legislate her entire program, including any modifications she makes to meet new problems. In a parliamentary system, it is the duty of each majority

member of the legislature to vote for each element of the government's program, and the government possesses the means to punish him if he does not. In a very real sense, his political and electoral future is tied to the fate of the government his majority has formed. Politically speaking, he lives or dies by whether that government lives or dies.

President Carter's party has a much larger majority in both Houses of Congress than Chancellor Schmidt or Mrs. Thatcher. But this comfortable majority does not even begin to assure that President Carter or any other President can rely on that majority to vote for each element of his program. No member of that majority has the constitutional duty or the practical political need to vote for the President's program. Neither the President nor the leaders of the legislative majority have the means to punish him if he does not. In the famous malapropism of Joe Louis' fight manager, Joe Jacobs, "it's every man for theirsself."

Let me cite one example. In the British House of Commons, just as in our own House, some of the Majority leaders are called the Whips. In the Commons, the Whips do just what their title implies. If the Government cares about the pending vote, they "whip" the fellow members of the majority into compliance, under pain of party discipline if a member disobeys. On the most important votes, the leaders invoke what is called a three-line whip, which must be obeyed on pain of resignation or expulsion from the Party.

In our House, the Majority Whip, who happens to be one of our very best Democratic legislators, can himself feel free to leave his Democratic President and the rest of the House Democratic leadership on a crucial vote, if he believes it important to his constituency and his conscience to vote the other way. When he does so, he is not expected or required to resign; indeed he is back a few hours later "whipping" his fellow members of the majority to vote with the President and the leadership on some other issue. But all other members are equally free to vote against the President and the leadership when they feel it important to do so. The President and the leaders have a few sticks and carrots they can use to punish or reward, but nothing even approaching the power that Mrs. Thatcher's Government or Chancellor Schmidt's Government can wield against any errant member of the majority.

I am hardly the first to notice this fault. As Judge McGowan has reminded us, that "young and rising academic star in the field of political science, Woodrow Wilson -- happily unaware of what the future held for him in terms of successive domination of, and defeat by, the Congress -- despaired in the late 19th century of the weakness of the Executive Branch vis-a-vis the Legislative, so much so that he concluded that a coalescence of the two in the style of English parliamentary government was the only hope."

As Wilson put it, "power and strict accountability for its use are the essential constituents of good Government." Our separation of executive and legislative power prevents accountability by fractioning power.

In drawing this comparison, I am not blind to the proven weaknesses of parliamentary government, or to the virtues which our forefathers saw in separating the executive from the legislature. In particular, the parliamentary system lacks the ability of a separate and vigilant legislature to investigate and curb the abuse of power by an arbitrary or corrupt executive. Our own recent history has underscored this virtue of separating these two branches.

Moreover, our division of executive from legislative responsibility also means that a great many more voters are represented in positions of power, rather than as mere members of a "loyal opposition." If I am a Democrat in a Republican district, my vote in the presidential primaries still gives me a proportional impact. And if my party elects a President, I do not feel -- as almost half the voters in a Parliamentary constituency like Oxford must feel -- that they are wholly unrepresented. One result of this division is a sort of a permanent centrism. While this means that no extreme or Thatcher-like program can be legislated, it means also that there are fewer wild swings in statutory policy.

This is also a virtue of the constitutional division of responsibility. It is perhaps what John Adams had in mind when, at the end of his life, he wrote to his old friend and adversary, Thomas Jefferson, that "checks and balances, Jefferson, ... are our only Security, for the progress of Miñd, as well as the Security of Body."

But this virtue of separation is not without its costs. I believe these costs have been mounting in the last half century, and that it is time to examine whether we can reduce the costs of separation without losing its virtues.

During this century, other nations have adopted written constitutions that blend the virtues of our system with those of the parliamentary system, sometimes with our help.

The Irish Constitution contains a replica of our Bill of Rights, an independent Supreme Court that can declare acts of the Government unconstitutional, a figurehead president, and a parliamentary system. The postwar German and Japanese Constitutions, which we helped to draft, are essentially the same. While the Gaullist French Constitution contains a Bill of Rights somewhat weaker than ours, it provides for a strong President who can dismiss the legislature and call for new elections. But it also retains the parliamentary system and its blend of executive and legislative power achieved by forming a government out of the elected legislative majority. The President, however, appoints the Premier or First Minister.

We are not about to revise our own Constitution so as to incorporate a true parliamentary system. But I believe we do need to find a way of coming closer to the parliamentary concept of "forming a government", under which the elected majority is able to carry out an overall program, and is held accountable for its success or failure.

Let me first set forth my reasons for believe that is far more important in 1980 than it was in 1940, 1900 or 1800 for our Government to have the capability to formulate and carry out an overall program of actions.

My first reason is that government is now required to make a different kind of choice than in the past, a kind for which it is difficult to obtain a broad consensus. That kind of choice, which one may call "allocative", has become the fundamental challenge to government today. As a recent newspaper article put it,

The domestic programs of the last two decades are no longer seen as broad campaigns to curb pollution or end poverty or improve health care. As these programs have filtered down through an expanding network of regulation, they single out winners and losers. The losers may be workers who blame a lost promotion on equal employment programs; a chemical plant fighting a tough pollution control order; a contractor who bids unsuccessfully for a government contract, or a gas station owner who wants a larger fuel allotment.

This is a way of recognizing that, in giving government great responsibilities, we have forced a series of choices among these responsibilities.

During the second half of this century, our government has adopted a wide variety of national goals. Many of these goals -- checking inflation, spurring economic growth, reducing unemployment, protecting our national security, assuring equal opportunity, increasing social security, cleaning up the environment, improving energy sufficiency -- conflict with one another, and all of them compete for the same resources. There may have been a time when we could simultaneously pursue all of these goals to the utmost. But even in a country as rich as this one, that time is now past. One of the central tasks of modern government is to make wise balancing choices among courses of action that pursue one or more of our many conflicting and competing objectives.

Furthermore, as new economic or social problems are recognized, a responsible government must adjust these priorities. New problems and goals have been appearing with increasing frequency. A critical regulatory goal of 1965 (auto safety) had to be reconciled with an equally critical regulatory goal of 1970 (clean air) long before the auto safety goal had been achieved, just as both these critical goals had to be reconciled with 1975's key goal (closing the energy gap) long before either auto safety or

clean air had lost their importance. Many auto safety regulations had the effect of increasing vehicle size and weight and therefore increasing gasoline consumption and undesirable emissions. Auto emission control devices also tend to increase gasoline consumption. Moreover, throughout this period, we have also been pursuing another national objective -- the control of inflation -- which is affected when, in the pursuit of these other goals, we make vehicles more costly to purchase and operate. A responsible government must be able to adapt its programs to achieve the best balance among its conflicting goals as each new development arises.

For balancing choices like these, a kind of political triage, it is almost impossible to achieve a broad consensus. Every group will be against some part of the balance. If the "losers" on each item are given a veto on that part of the balance, a sensible balance cannot be struck.

New problems come up even more frequently over the foreign horizon. Consider the rapid succession of events and crises since President Carter took up the relay baton for his leg of the SALT II negotiations back in 1977: the signing of the Egyptian-Israeli Peace Treaty over Soviet and Arab opposition, the Soviet-Cuban assistance to guerrilla forces in Africa and the Arabian peninsula, the recognition of the People's Republic of China, the final agreement on the SALT II terms and the signing of the Treaty

in Vienna, the revolution in Iran and the later seizure of our hostages, the military coup in Korea, the Soviet-supported Vietnamese invasion of Kampuchea, our growing dependence on foreign oil from politically un dependable sources, the affair of the Soviet brigade in Cuba, the settlement in Zimbabwe-Rhodesia; and finally (that is until the next crisis a month or two from now) the Soviet invasion of Afghanistan and the added threat it poses to the vital oil supplies of Europe, Japan and the United States. Each of these portentous events required a prompt reaction and response from our Government, including a decision as to how it would affect our position on the SALT II Treaty. The Government has to be able to adapt its overall program to deal with each such event as it arises, and it has to be able to execute the adapted program with reasonable dispatch. Many of these adaptations require joint action by the President and the Congress, something that is far from automatic under our system.

A second reason for restructuring is the change in Congress and its relationship to the executive. Both Hamilton and Gallatin were in the Cabinet, but they led rather than reported to their majority in the Houses of Congress. Even when the locus of parliamentary leadership shifted to Congress, in the mid-nineteenth century, it was still a Congressional leadership capable of collaboration

with the executive. This was true until very recently. The Johnson-Rayburn collaboration with Eisenhower a generation ago is an instructive example. But now, Congress itself has changed.

There are the well-intended democratic reforms of Congress, and the enormous growth of the professional legislative staff. The former ability of the President to sit down with ten or fifteen leaders on each side, and to agree on a program which those leaders could carry through Congress, has virtually disappeared. The Committee chairmen and the leaders no longer have the instruments of power that once enabled them to lead. A Lyndon Johnson would have a much harder time getting his way as Majority Leader today than when he did hold and pull these strings of power in the 1950s. When Senator Mansfield became Majority Leader in 1961, he changed the practice of awarding committee chairmanships on the basis of seniority. He gave every Democratic Senator a major committee assignment and then a subcommittee chairmanship, adding to the sharing of power by reducing the leadership's control.

In the House the seniority system was scrapped. Now the House Majority Caucus - not the leadership - not only picks the Committee Chairmen, but the sub-committee chairmen as well. The parliamentarian has lost the critical power to refer bills to a single committee the speaker selected.

Now bills like the energy bills go to several committees which then report conflicting versions back to the floor. Now, mark-up sessions take place in public, indeed even the House-Senate joint conference committees at which differing versions of the same measure are reconciled must meet and barter in public. All this means that there are no longer a few leaders with power who can collaborate with the President. Power is further diffused by the growth of legislative staffs, sometimes making it difficult for the members even to collaborate with each other. In the past five years, the Senate alone has hired seven hundred additional legislative assistants, seven per member.

There is also the decline of party discipline and the decline of the political party itself. The party is no longer the instrument that selects the candidate, as the British Conservative Party selects who will run in Brighton and who will run in Liverpool. Indeed, the party today, as a practical matter, is no more than a neutral open forum that holds the primary or caucus in which candidates may compete for favor and be elected. The party does not dispense most of the money needed for campaigning, the way the European and Japanese parties do. The candidates raise most of their own money. To the extent money influences

legislative votes, it comes not from a party with a balanced program, but from a variety of single interest groups.

We now have a great many diverse and highly organized interest groups - not just agriculture, labor, business and ethnic groups interested in a wide variety of issues affecting their members. We now have single issue groups - environmental, consumer, abortion, right to life, pro- and anti-SALT, pro and anti nuclear, that stand ready to lobby for their single issue and to reward or punish legislators, both in cash and at the ballot box, according to how they respond on the single issue that is the group's raison d'etre.

Presidential candidates are no longer selected, as Adlai Stevenson was selected, by the leaders or bosses of the Democratic Party. Who are the leaders today? There are no such people today. The Party is a passive instrument in which everyone may compete for favor based on his own personal appeal and his personal program.

It is useful to compare this modern failure of our governmental structure with its earlier classic successes. There can be no structural fault, it might be said, so long as an FDR could put through an entire anti-depression program in 100 days, or an LBJ could enact a broad program for social justice three decades later. These infrequent

examples, however, confirm my thesis about stalemate. If we look closely we will find that the system succeeds only on the rare occasions when there is an unusual event that brings us together, and creates substantial consensus throughout the country on the need for a whole new program. FDR had such a consensus in the early days of the New Deal, and from Pearl Harbor to the end of World War II. But we tend to forget that, as late as August 1941, when President Roosevelt called on Congress to pass a renewal of the Selective Service Act, passage was gained by a single vote in the House. Lyndon Johnson had such a consensus for both his domestic and his Vietnam initiatives during the first three years after the shock of John Kennedy's assassination brought us together. But it was gone by 1968. Jimmy Carter has had it this winter and spring for his responses to the events in Iran and Afghanistan and to the belated realization of our need for energy self-sufficiency, but he may not hold it for long.

When the great crisis and the large consensus is not there -- when the country is divided somewhere between 55-45 and 45-55 on each of a wide set of issues, and when the makeup of the majority is different on every issue, it has not been possible for any modern President to "form a government" that could legislate and carry out his overall program.

Yet modern government has to respond promptly to a wide range of new challenges. Its responses cannot be limited to those for which there is a large consensus induced by some great crisis. Modern government also has to work in every Presidency, not just in one presidency out of four, when a

Wilson, an FDR or an LBJ comes along. It also has to work for a President's full time in office, as it did not even for Wilson and LBJ. When they needed Congressional support for the most important issue of their Presidencies, they could not get it.

When the President gets only "half a loaf" of his overall program, this half a loaf is not necessarily better than none, because it may lack the essential quality of balance. And half a loaf leaves both the President and the public in the worst of all possible worlds. The President cannot achieve his overall objectives, and the public cannot blame the President because he does not have the power to legislate and execute his program. The individual members of Congress also manage to avoid blame because they are allowed to disclaim any responsibility for forming a government and hence any accountability for its failures.

Of course the Presidency always has been, is now, and will continue to be what Theodore Roosevelt called "a bully pulpit" -- not a place from which to "bully" in the sense of intimidating the Congress and the public -- but in the idiom of TR's day, a marvelous place from which to exhort and lift up Congress and the public. All Presidents have used the bully pulpit in this way, and this is one reason why the American people continue to revere the office and almost always revere its incumbent. But a bully pulpit, while a glorious thing to have and to employ, is not a government, and it has not been enough to enable any post-war President to form a Government.

If we decide we want the capability of forming a government the only way to do so is by amending the Constitution. Every President has tried to "work" with the majority in Congress, and the majority in every Congress has tried to "work" with the President. A notable achievement in this term, admittedly in an area of large consensus in response to a great crisis, has been a daily private briefing of Congressional leaders by the Secretary of State, and weekly private briefings with all Senate and House Members who want to attend, on the Iran and Afghanistan crises -- a step that has helped enormously so far to keep that consensus in being. Another current achievement is the development of the Congressional budget process, and the remarkable cooperation between the congressional leadership and the President in framing the 1981 budget to deal with 18% annual inflation. On Iran, Afghanistan and the budget, the jury is still out on how long the large consensus will hold. Except on the rare issues of large consensus, the structural problems usually prove too difficult to overcome.

Amending the Constitution, of course, is even more difficult. Since 1793, when the Bill of Rights was added, we have amended the Constitution only 16 times. Some of these amendments were structural, such as the direct election of Senators, votes for women and 18 year olds, the two-term

limit for Presidents, and the selection of a successor Vice President. But none has touched the basic separation of executive and legislative powers.

All one can hope for is a set of modest changes that would make our structure work somewhat more in the manner of a parliamentary system, with somewhat less separation between the executive and the legislature than now exists.

There are several candidate proposals, ranging from longer terms for Members of Congress and the President to the selection of the President's Cabinet from among the majority Members of Congress. Some of the most interesting ideas are as follows.

We now vote for a Presidential candidate and a Vice Presidential candidate as an inseparable team. We could provide that in Presidential election years voters in each Congressional district would be required to vote for one party's candidates for the President, Vice President and the House of Representatives. This would tie the political fortunes of the party's Presidential and Congressional candidates to one another, and provide an incentive for sticking together after they were elected. Such a proposal could be combined with a four-year term for Members of the House of Representatives. This would tie the Presidential and Congressional candidates even more closely, and has the added virtue of providing members with greater protection

against the pressures of single issue political groups. This combination is the brainchild of Congressman Jonathan Bingham of New York, and is now pending before the Congress.

It is an idea at war, however, with the primary system of choosing nominees for Congressional elections. At present, a voter may choose both a Presidential candidate and a Congressional candidate of the same party who carefully keeps his distance from the Presidential candidate. Such a reform might force a realignment of parties along more disciplined lines, but lack of discipline may be what preserves our two party system. Is this realignment something we truly wish to bring about?

Another idea is to require the President to select 50 percent of his Cabinet from among the members of his party in the Senate and House, who would retain their seats while serving in the Cabinet. This would be only a minor infringement on the principle of separation of powers. It would tend to increase the intimacy between the executive and the legislature, and add to their sense of collective responsibility. The 50 percent would leave the President adequate room bringing other qualified persons into his Cabinet, even though they do not hold elective office.

A third intriguing suggestion is to provide the President with the power, to be exercised not more than once in his term, to dissolve Congress and call for new Congressional elections. This is the power now vested in the President under the French Constitution. It would provide the opportunity that does not now exist to break an executive-legislative impasse, and to let the public decide whether it wishes to elect Senators and Congressmen who will legislate the President's overall program.

For obvious reasons, the President would invoke such a power only as a last resort, but his potential ability to do so could have a powerful influence on congressional responses to his initiatives. This would of course be a radical and highly controversial proposal, and it involves a number of technical difficulties relating to the timing and conduct of the new election, the staggering of senatorial terms and similar matters. But it offers the best possibility of giving the President the essential power to form a government.

On the other hand, experience with Presidents who sought to use the mid-term election as a referendum on their programs -- one recalls Roosevelt's famous attack on Martin, Barton and Fish -- suggests that instead of breaking an impasse, such a dissolution and election would be equally likely to continue it. Perhaps the power to

dissolve Congress should automatically include a new Presidential election as well. But even then, the American public might be perverse enough to reelect all the incumbents to office.

Another variant on the same idea is that, in addition to empowering the President to call for new Congressional elections, we might empower two-thirds of both Houses to call for new Presidential as well as Congressional elections. This idea has been scathingly attacked in a series of conversations between Professor Charles Black of the Yale Law School and Congressman Bob Eckhardt of Texas, published in 1975. Black and Eckhardt, correctly it seems to me, think that such a measure would vitally diminish the President's capacity to lead. This is hardly a step in the right direction.

There are other variations that might well be added. There could be a single six-year Presidential term, an idea with many supporters, among them Presidents Eisenhower, Johnson and Carter, to say nothing of a great many political scientists. The Presidents have the better excuse: like businessmen who espouse competition but seek secure, stable monopolies, politicians believe in democracy but are well placed to know its rigors, its fickleness and caprice. Of course Presidents would like to be elected and then forget about politics and get to the high ground of saving the world. But do we want them to? And if Presidents didn't

have the leverage of re-election, wouldn't we be institutionalizing in the first term that lame duck powerlessness that we now often see when a President is not running for re-election? As for the political scientists, their reasons are assuredly more detached and obscure.

One final proposal may be mentioned. It would be possible, through Constitutional amendment, to revise the legislative process in the following way. Congress would enact broad mandates first, declaring general policies and directions, leaving the precise allocative choices, within a Congressionally approved budget, to the President. All agencies would be responsible to the President. By dividing up tasks among them, and making the difficult choices of fulfilling some Congressional directions at the expense of others, the President would fill in the exact choices, the allocative decisions. Then any Presidential action would be returned to Congress where it would await a two-House legislative veto. At the end of a specified period, the action would become law. If the legislative veto could be overturned by a Presidential veto - subject in turn to a two-thirds override - then this proposal would go a very long way toward allowing the President to "form a government." Even if not, it might result in Congressional oversight rather than stalemate, since the Congress would not have to overcome its present inertia to act initially, yet would not have to give up its ultimate control over policy. It would let Congress and the President each do what they shown they do best.

Such a resequencing, of course, would turn the present process on its head. But it would bring much closer to reality the persisting myth that it is up to the President to govern something he now lacks the power to do.

The point of this lecture is not to persuade you of the virtue of any particular amendment. The point is to show that we need to do better than we have in "forming a government" for this country, that the structure of our Constitution as currently operated prevents us from doing so, and that it is time we start thinking and debating about whether and how to correct this structural fault.

You, as young lawyers who will take your places in all branches of Government, and as citizens of the Republic, must decide how to meet this dilemma. For, as the late poet John Berryman wrote,

"Who was now one branch, who was now another
and how a third: sometimes they sing together
but mostly (they confess) not,
the harmony lies also in the hear
of the persuaded. . ."

THE WHITE HOUSE
WASHINGTON

13 May 80

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Arnie Miller

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Rick Hutcheson

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THE WHITE HOUSE

WASHINGTON

May 12, 1980

Q

MEMORANDUM TO THE PRESIDENT

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

SUBJECT: Appointment of FNMA Board Members

The Federal National Mortgage Association (FNMA) is a Government-sponsored corporation created by Congress in 1968. To assure that FNMA would carry out its public purposes, the Charter Act directed that the President appoint five of the fifteen directors of the Board of FNMA, the remaining ten Directors to be elected by the shareholders. The statute additionally provides that of these five appointments, one be representative of the mortgage lending industry, one of the real estate industry and one of the home building industry. Each member is appointed for a one year term.

It is our recommendation that this year you appoint to the Board the following persons: (1) Raymond Lapin; (2) Marvin Gilman; (3) Darralyn Bowers; (4) Henry Hubschman; and (5) Robert McKinney.

Raymond Lapin would serve again as the representative of the mortgage lending industry. He is President and Chairman of the Board of R. H. Lapin Company, Inc. of San Francisco. He was President and Chairman of the Board of FNMA in 1968 as well as President of the Government National Mortgage Association during that same year. You first appointed Lapin to the Board in May of 1977 and have reappointed him twice.

Marvin S. Gilman would serve again as the representative of the home building industry. Mr. Gilman is Executive Vice President of Leon N. Weiner and Associates, Inc., based in Wilmington, Delaware, and an Associate Professor at the University of Delaware. He is active in the National Association of Home Builders and is an ex-official in that Association, and served on the Board of Directors of the National Committee Against Discrimination in Housing. You first appointed Gilman to the Board in May of 1977 and have reappointed him twice.

THE WHITE HOUSE
WASHINGTON

13 May 80

Charlie Schultze

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Rick Hutcheson

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	KREPS
	LANDRIEU
	MARSHALL

	MILLER
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	BUTLER
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	CRUIKSHANK
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	FRANCIS
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THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

May 12, 1980

EYES ONLY

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze ^{CLS}

Subject: Follow-up on last week's Quadriad meeting

1. Balanced budget

The Treasury has completed its detailed reestimate of revenues based on our latest economic forecast. Tax collections have been running a bit higher than expected this spring. Incorporation of that data into the estimate increases the 1981 revenue forecast.

The economic outlook, on which the revenue estimates are based, foresees a significant recession, but much smaller than 1974-75. GNP falls by 3-1/4 percent from 1Q 1980 to 1Q 1981 compared to a peak-to-trough decline of 5.7 percent in 1974-75. After turning around in 1Q 1981, GNP is predicted to rise at a 2-1/4 percent rate in the remaining three quarters of the year. Unemployment averages 8.2 percent during FY 1981. Within a few days I will send you a memo on the latest forecast.

On the basis of the latest OMB expenditure estimate and the revised Treasury revenue forecast, revenues and outlays for FY 1981 now appear to be in rough balance. This conclusion is based upon both the economic forecast and the assumption that Congress passes all of your legislative proposals that reduce the deficit (dividend and interest withholding, cash management savings, hospital cost containment, pay reform, etc.).

*using
oil import
fee?*

OMB, together with Treasury and CEA, is preparing a presentation to you, as part of the 1982 Spring Budget Preview, that will incorporate the latest budget estimates.

2. Can we do anything to hasten the response of the housing industry to lower interest rates?

Lyle Gramley has put together a small group of experts (HUD, FHLBB) to address this question. We have set a deadline of the end of this week for a preliminary assessment.

3. Are consumers overreacting to the consumer credit controls? Have banks withdrawn from the auto loan business in a large way?

The Federal Reserve is using its channels to lenders around the country (through District banks) to assess the situation. The nature of the question does not permit precise answers, but we should be able to get some insight into whether serious problems exist.

THE WHITE HOUSE
WASHINGTON

13 May 80

Fran Voorde
Phil Wise

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

Rick Hutcheson

cc: Lloyd Cutler
Anne Wexler

FOR STAFFING
FOR INFORMATION
<input checked="" type="checkbox"/> 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
<input checked="" type="checkbox"/>	CUTLER
	DONOVAN
	EIZENSTAT
	MCDONALD
	MOORE
	POWELL
	WATSON
	WEDDINGTON
<input checked="" type="checkbox"/>	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
<input checked="" type="checkbox"/>	VOORDE
<input checked="" type="checkbox"/>	WISE

THE WHITE HOUSE

WASHINGTON

May 9, 1980

MEMORANDUM FOR ✓ PHIL WISE
FRAN VOORDE

FROM: ANNE WEXLER *Anne*
LLOYD CUTLER *LC/Jo*

SUBJECT: Presidential Drop-by at Luncheon or Dinner for
Corporate Chief Executives to Discuss Olympic
Fundraising

The White House is committed to helping the United States Olympic Committee with its fundraising efforts. As a first step, we want to bring together about 25 major corporate chief executive officers to ask them to raise funds among their business peers.

This event will be bi-partisan in nature, with former Treasury Secretary William Simon assisting us in developing the invitation list. We will work with the U.S. Olympic Committee to ensure that these executives follow-up to raise funds from their industries and communities.

Given the degree of effort we will be seeking from each executive who attends, it is important that the President participate --- even if only briefly. The President's participation will emphasize his continuing commitment to the Olympics as an institution. A sample agenda is attached. We would appreciate your scheduling this luncheon or dinner drop-by during the week of May 19.

Finally, you should know that we are planning a second event to show our commitment to the Olympics. This would be a mid-summer event when, at the time of the Moscow Olympics, the entire U.S. Olympic team would be invited to a White House reception and possibly a Kennedy Center entertainment.

approve drop-by of luncheon of major CEO's

disapprove

Proposed Agenda - Business Olympics Event

Assuming Luncheon

11:45 a.m.	Guests arrive & mingle in State Dining Room	
11:55	Guests are seated in Family Dining Room	
12:20	Dessert is served	
12:25	Briefing on current Olympics situation, alternative games	Lloyd Cutler
12:45	U.S. Olympic Committee Fundraising & expectations for luncheon attendees	Anne Wexler Bill Simon
1:00	Questions & Answers	
1:15	Remarks	The President
1:30	Luncheon adjourns	

For a dinner, agenda would be similar, but would, e.g., begin at 5:45 p.m., with the President at 7:15 and adjournment at 7:30.

THE WHITE HOUSE
WASHINGTON

5/13/80

I slept late (even forgot to set my alarm)(or turned it off)(don't know which!).... and unfortunately am the reason you didn't receive your 8:00am briefing material.

In talking with Rick Hutcheson this morning, he said he had noticed you didn't have material.. that he had brought it up at 7:00am (it was submitted to his office ~~very late~~ last night)... And I asked him to "trust his instincts" (like Phil and I do in hanging loose til the last minute if some things aren't sent to you) and not be reluctant to walk it in if he ever senses a time bind.

Sorry--Susan

ok
J

8:00 AM

THE WHITE HOUSE

WASHINGTON

ADMINISTRATIVELY CONFIDENTIAL

CONGRESSIONAL LEADERSHIP BREAKFAST

Tuesday, May 13, 1980

8:00 a.m.

Family Dining Room

From: Frank Moore

I. PRESS PLAN

White House Photographer

II. PARTICIPANTS

See attached list.

III. INTRODUCTION

This Leadership Breakfast should focus primarily on energy matters, the budget, and fair housing.

- o This morning I would like to focus on four of the most important energy matters: gasoline conservation fee, ESC, EMB, and utility oil backout (for Senator Byrd's benefit), as well as other domestic issues.

IV. AGENDA

A. ENERGY

Gasoline Conservation Fee

Yesterday the Senate voted not to table the Metzenbaum/Dole amendment by a vote of 71-21. It then voted to pass the amendment 75-19.

As you know, Thursday will be the first day that the ten-cent price increase on gasoline will be felt at the pump. I think it is very important that you understand the reasons behind my decision and my willingness to take this unpopular step in the national interest.

When members of my Administration met with you and other Congressional leaders in March, it was agreed that a gasoline conservation fee was necessary. I have imposed the tax, and I have accepted the political

heat; all I ask of the Congress at this point is that you allow my action to stand.

Secretary Muskie is meeting this week with our allies in Europe. It is embarrassing to our nation that we have nothing to show our friends of our resolve as a country to curb our own consumption. We cannot let our dependence on foreign oil compromise our national security or our principles internationally. Until we can show that we are willing to reduce our dependence on foreign oil by curbing our appetite, OPEC will continue to raise prices. Either the U.S. government can encourage our citizens to do this by collecting the fee, or OPEC can continue to squeeze our pockets by raising prices. When you compare U.S. gasoline prices and per capita consumption with that of other industrialized countries, the figures are staggering:

**COMPARATIVE GASOLINE PRICES
AND CONSUMPTION**

(All prices are for regular gasoline)

	<u>January 1978</u>		<u>January 1980</u>		<u>1979</u>
	<u>Price</u>	<u>Taxes</u>	<u>Price</u>	<u>Taxes</u>	<u>Per Capita consump- tion (bbls)</u>
U.S.	.62	.14	1.15	.14	11.7
France	1.94	1.18	2.71	1.62	2.8
Italy	2.16	1.56	2.86	1.83	1.8
U.K.	1.26	.65	2.05	.89	2.8
W.Germany	1.81	1.08	2.17	1.14	3.2
Japan	2.19	.87	2.80	1.01	1.9

Unless and until we can control our appetite for imported oil, we will not be able to rid our economy of the inflation which so cruelly taxes all Americans.

--In 1979 alone, the price of each barrel of imported oil rose 120%--10% each month.

--As long as nearly one out of every two gallons of gasoline we consume comes from abroad, that inflationary "tax" levied by OPEC will continue.

**Electrostatic Copy Made
for Preservation Purposes**

--As long as that dependence continues, our oil bills will soar. We will pay \$90 billion for foreign oil this year--\$400 for each person in the U.S. Along with that \$90 billion, we export jobs and import inflation.

ESC

As mentioned in the weekly report, we are concerned that the ESC conference is not proceeding with the speed and good faith we need to obtain legislation by July 4. They are scheduled to meet today (Tuesday).

- o I know that the ESC conference is scheduled to meet today. You have told me that the legislation should be ready for my signature by July 4. I have had no signal from you which could lead me to believe you are still on schedule. As far as I can tell, we're in the same place today as we were when you made the promise to me. I hope that the conferees will be able to realize concrete progress on this measure today.
- o It is vital to our national interests that this bill receive swift attention.

EMB

Staff are beginning to iron out details of the final legislation and conference report. Although it is still possible that the EMB may reach the WH by Memorial Day, that prospect has dimmed somewhat.

- o I am concerned that the EMB conference report has not been proceeding quickly. Unless disputes are resolved now, I doubt that the bill can be on my desk by Memorial Day. Once again we will have our backs to the wall.

Utility Oil Backout

- o I know that the Senate Energy Committee plans to begin markup of the utility oil backout legislation this week.
- o I think this is a very important piece of legislation and a vital part of our overall energy program.
- o This legislation has my support and I hope that it can be passed this year.

B. SUPPLEMENTAL APPROPRIATIONS

I encourage you to continue your efforts to pass supplemental appropriations as quickly as possible. The action of the House to get quick approval of a separate supplemental for the food stamp program is laudable. I urge you to continue to make good progress on the food stamp bill. As you know, we are quickly approaching the Thursday deadline. I understand that action in the Senate was slowed down Monday because of the Budget Resolution. Please continue to push forward. There are also other supplementals that need to be passed quickly if we are to avoid hardship. These include:

- \$392 million to continue black lung benefits without interruption.
- \$314 million in emergency disaster relief and \$427 million for small business disaster loans. (These funds are virtually exhausted now.)
- \$300 million to avoid expensive and disruptive delays in the space shuttle program.
- \$1.5 billion to maintain trade adjustment payments for automobile and other workers affected by imports.

I hope that you will be able to move quickly on all the urgently needed supplementals.

To the extent that the 1980 Budget Resolution is preventing action on these urgent supplementals, it is also essential that Congress move expeditiously to approve the pending revisions to the 1980 Budget Resolution.

C. FAIR HOUSING

Chairmen Rodino and Edwards had hoped to take the bill to the House floor this week. Jim Wright feels that Fair Housing may be "too controversial" to take up in this election year.

We believe that we should move now. Civil rights people, labor and the League of Women Voters are geared up. This week seven of your Cabinet Members will be making calls and visits. Our counts on a bill with a strong enforcement mechanism (i.e., without the Sensenbrenner amendment):

For or leaning for: 203
Undecided or not contacted: 69
Against or leaning against: 163

You should say:

- o I am concerned that we move quickly on the fair housing legislation. It is the most critical civil rights legislation the Congress has considered in years.
- o The proposed Fair Housing Amendments are intended to correct a major problem with the 1963 Act--that of providing an enforcement mechanism to back up our national policy of prohibiting discrimination in housing.
- o I am committed to this cause. During committee consideration I met with members of the Judiciary Committee. A few weeks ago I held a strategy session with civil rights and labor people. I will continue to be personally involved.
- o I would appreciate it if the bill could be scheduled for House consideration next week. I would also like your support in defeating the Sensenbrenner amendment which would virtually gut the bill.

Note: You might want to pull Jim Wright aside to give him special encouragement.

D. TARGETED FISCAL ASSISTANCE

This authorization is now in conference, but little or no progress has been made by the conferees to iron out the difficulties. (The House figure is \$200 million; the Senate's is \$340 million; the Administration figure is \$250 million.)

- o I urge the Senate Appropriations Committee to add the \$250 million for Targeted Fiscal Assistance as it considers the 1980 supplemental bill.
- o Although the authorization conference has not completed its work, I feel that Senate action should include TFA for cities. This should provide a sign to our beleaguered cities that efforts are being undertaken in their behalf.

E. DOD AUTHORIZATION BILL

The House Armed Services Committee has proposed a FY 1981 Defense Authorization bill that is \$6.2 billion over the Administration's request. If passed, this bill would severely damage our balanced budget. The authorization bill addresses only 35% of the total Defense request and does not cover those areas where readiness is most

directly impacted--Military Personnel and Operating accounts. The bill is scheduled for House floor action this week. The following items are examples of increases to the Defense budget that were not requested and are not required in FY 1981. You should urge the House to delete those provisions that are particularly onerous (especially the B-1 bomber funds).

1. \$600 million for development and production of the B-1 aircraft as a modified cruise missile launcher. We are not in a position where we should commit to such an undertaking. The B-52 is an adequate carrier and will be well into 1990. Thus there is no need to rush into an accelerated program at this time.
2. \$560 million for the reactivation of two mothballed ships, the aircraft carrier Oriskany and the battleship New Jersey. Both of these ships are manpower intensive and would aggravate the current Navy ship manning problems. Since it would take better than two years to activate these ships, they are not a quick response capability.

F. FOREIGN AID BILLS

- o I understand you met with Secretary Muskie yesterday to discuss his European trip and the foreign assistance legislation. I would just like to reiterate what he said to you and what I have mentioned to you before.
- o It is essential that you pass:
 1. The FY 80 Foreign Aid Conference as soon as possible after passage of the Third Budget Resolution.
 2. Central America Supplemental
 3. MDB Authorization
 4. FY 81 Foreign Aid Authorization bills.
- o These pieces of legislation are all essential components of our foreign policy.
- o I have been told by supporters of this legislation that I must be personally involved. To date I have spoken to you and to other Members at Congressional briefings. I plan to make additional calls.

MISCELLANEOUS

1. You may want to brief the Leadership on details of your conversation with Ambassador Linowitz on the Mideast talks.
2. In case questions are raised on the Cuban refugee crisis, Jack Watson will be attending to respond.

3. An addendum by Schultze showing how the economy has improved over the past two weeks is attached.
4. You should ask Rostenkowski to give the prayer.

CONGRESSIONAL LEADERSHIP BREAKFAST

Tuesday, May 13, 1980

PARTICIPANTS

The President

Senator Robert C. Byrd
Senator Warren G. Magnuson

Speaker Thomas P. O'Neill, Jr.
Congressman Jim Wright
Congressman Tom Foley
Congressman John Brademas
Congressman Daniel Rostenkowski

Charles Duncan
Stu Eizenstat
Zbig Brzezinski
Jim McIntyre
Al McDonald
Bill Smith
John White
Jack Watson
Frank Moore
Bill Cable
Jim Free
Bob Schule
Dan Tate
Bob Thomson

ADDENDUM

UPDATE ON THE ECONOMY

First, in April, most of the major statistics indicated a steep decline in the economy.

- o auto sales: auto sales in April fell almost 10 percent, and the annual sales rate for new domestic cars was about equal to its low in the 1974-75 recession.
- o housing: in March housing starts (seasonally adjusted annual rate) fell by 22 percent. This was a drop of 42 percent from a year earlier. (April figures will undoubtedly show a further drop; they will be available on May 16.)
- o unemployment: in April the unemployment rate rose 0.8 percentage points to 7.0 percent.
- o undoubtedly, when industrial production numbers are released (May 15) they will also show a sizable decline.

However, there are crosscurrents:

- o retail sales outside of autos, adjusted for inflation, were about unchanged. (This is not great news but it does suggest the sky is not falling.)
- o with respect to two of the major factors that lie behind the current recession, we do see some improvement:
 - interest rates are coming down. Since March 14 rates on 3-month Treasury bills have dropped 6-1/2 percentage points; they dropped 3 percentage points in the last two weeks. On May 12 Morgan Guaranty and Continental Illinois dropped their prime rate to 16-1/2. Ameritrust in Cleveland went to 16. A recent HUD survey of mortgage bankers reported a decline of 1-3/4 percent over the past month in conventional mortgage rates.
 - in late 1979 and early 1980 consumer purchasing power was cut as prices rose much faster than wages. This erosion of consumer purchasing power will slow as the rate of inflation falls in the second half of the year; this will help moderate the recession.

Thus, in sum: there is no question that the decline in April was steep and larger than we expected; but you can't size up the shape of a recession from one month's numbers and some corrective factors are now working.

THE WHITE HOUSE
WASHINGTON

13 May 80

Vernon Weaver

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

Rick Hutcheson



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

OFFICE OF THE ADMINISTRATOR

RK

May 2, 1980

MAY 2 1980

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

cc Vernon
Thanks - memo
Signed -
J
070955

Dear Mr. President:

I think you will find the enclosed newsletter prepared by career personnel in our San Francisco District Office to be of some interest. We are doing much at the Small Business Administration to deliver in an effective and efficient manner needed services to small business. To do this, we need the enthusiasm, support and hard work of the career employees. This newsletter shows it is happening.

I believe you will find of particular interest the section I have marked on the top of page two.

If you deem it appropriate, I know our employees would feel a great sense of pride if you would send them a short note. I have enclosed a proposed draft.

Respectfully,

A. Vernon Weaver
Administrator

Enclosures



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for Preservation Purposes

A NEWSLETTER ABOUT
THE SAN FRANCISCO
EXPERIMENT
ISSUE ONE
APRIL 18, 1980

LET'S DO IT!

SOMETHING IS GOING ON HERE IN THE DISTRICT OFFICE. DO YOU KNOW WHAT?

It's the management improvement experiment and we're really all a part of it, whether you know it or not.

Last November, SBA held a conference for District Directors at Steamboat Springs, Colorado. This resulted in the development of a mission and the beginning of a management improvement program. Priorities were established to be in keeping with the newly formulated mission: to increase the competitive position of small business. At the same time, suggestions were made to decentralize responsibility and decision-making to the point where the need exists.

The first office chosen for the experiment is San Francisco District Office. Here, we are to develop and test new and innovative methods of operation which might multiply the impact of SBA programs and services. Further decentralization of our programs and a move to a more active role in the development of localities we have chosen to concentrate in are also in the works.

We will market our new programs to small businesses in selected localities and coordinate ours with those of local initiatives, and other federal and local agencies.

WE HAVE A FREE REIN IN THIS EXPERIMENT. WHAT WE DO HERE WILL HAVE AN IMPORTANT EFFECT IN DETERMINING WHAT THE ENTIRE AGENCY DOES TOWARD A MORE ACTIVE POSTURE IN DELIVERY OF SERVICES.

Exploring ways to improve our quality

The program was initiated here on March 17 when Roger Rosenberger, AA for Policy, Planning and Budgeting, announced our selection as an experimental district and explained how the experiment would proceed.

For the last month, consultants from Practical Concepts, Inc., Larry Cooley, Bruce Mazzie, and Roger Popper, have been here in our office to help us coordinate our efforts in the experiment.

After the kickoff meeting, all SFDO office personnel were requested to complete a questionnaire about what we feel the capabilities and goals of SBA are; there was about 35% return. The results from these and twenty-two in-depth interviews of randomly selected persons were summarized and are available to anyone who asks.

A Management Improvement Task Force was established to assemble input and to give direction to the experiment. MITF members are: Charles Blackledge, Phyllis de Munoz, Cy Fritz, Bruce Ito, Dave Kaufman, Bernie Lump, Bill Stine, Russ Stoddard, and of course Don Marvin.

The MITF identified our mission here in SFDO:

** TO INCREASE CONTINUALLY AND TO SUSTAIN THE COMPETITIVE POSITION(MARKET SHARE) AND VIABILITY OF SMALL BUSINESSES IN OUR DISTRICT'S ECONOMY.

** TO MOBILIZE GOVERNMENT AND COMMUNITY RESOURCES OTHERWISE NOT AVAILABLE TO SMALL BUSINESSES IN ORDER TO:

- *create jobs and increase employment throughout the District;
- *promote innovation;
- *emphasize the production of goods and services important to the community;
- *promote participation of underrepresented groups in these types of businesses.

strategies

At the Steamboat Springs meeting, it was agreed that the new mission-oriented planning and programming approach be applied in several experimental districts in order to provide a demonstration of, and a laboratory for, organizational improvement.

Participants in the several workshops(who volunteered or were chosen) considered which counties, and then which localities within those counties, would be the most appropriate for concentrated effort of experimental ideas from our SBA/SFDO. No final decision has been made but those localities nominated are:

ALAMEDA: 1. Oakland/Alameda 2. Hayward/San Leandro 3. Union City/Fremont

SANTA CLARA: 1. San Jose/Sunnyvale/Mountain View/Santa Clara 2. Morgan Hill/Gilroy

CONTRA COSTA: 1. Richmond/San Pablo/Pinole/El Cerrito/El Sobrante 2. Pittsburg/Antioch/Port Chicago/Martinez

OTHER 1. Vallejo(west of Freeway) 2. Salinas

WHAT'S NEXT ?

Well . . . We've defined our mission and we've chosen our market. Now we must deliver the product to selected businesses. How? In the next phase of the Experiment, a marketing plan will be developed and employed, one which identifies avenues of communications about SBA services to the business clients we select. That means an active campaign, using the press, the mail, radio, TV, word of mouth referrals, and prospecting

WHAT'S NEXT? (Cont'd)

in the community. We'll seek out community leaders, organizations and associations for assistance and support. We'll use their publications, newsletters, and house organs to reach our target audience. We'll understand local plans and coordinate our efforts with them.

Our services will change too. We'll ask the banks to do more and our staff, less. We'll ask SCORE volunteers to do more screening and get involved in management assistance. (After all, these guys were there.)

And we'll push advocacy as a FORCE, an energy source to advance the district mission and intervene on the behalf of the small business in its market. Advocacy will be the watchdog for small business with other federal agencies to be certain that small businesses get a crack at federal buying.

* [Will the things we do change? Yes!
Will we get additional resources for the new directions we undertake? No!
So We found some of our own labor-saving techniques.
(See Nuts & Bolts)]

NUTS & BOLTS IMPROVEMENTS

Effectiveness instead of busywork:

The persons in the workshops and Task Force have put their imaginations to finding methods for saving personnel time and energy for more effective use in achieving our mission. Many of the ideas brought forth can be undertaken without involving the Central Office while others, perhaps more radical, will require approval from the Washington SBA.

PROPOSALS REQUIRING DISTRICT APPROVAL ONLY.

- | | |
|---|--|
| 1. Reduce one to one loan counseling. | 6. Use graduate schools and students as a resource. |
| 2. Merge functions of loan officers. | 7. Increase use of SCORE for management assistance. |
| 3. Delegate loan approval authority. | 8. Install a Code-A-Phone to control phone traffic. |
| 4. Delegate additional authority from supervisors to loan officers. | 9. Recruit assistance from local city economic development staff for assignment to the Experiment. |
| 5. Give MBDA a presence in our plans and process where we tie together. | |

PROPOSALS REQUIRING CENTRAL OFFICE APPROVAL.

- | | |
|---|--|
| 1. Use outside escrow services for all loan closings. | 5. Establish a task force to review, analyze and redesign or eliminate all forms. |
| 2. Review the authority of Legal Division. | 6. Temporary detail of Central Office Advocacy personnel to District Office to help with Experiment. |
| 3. Reduce legal reviews of 327 actions. | 7. Decentralize approval authority for acceptance of 8(a) minority contractors. |
| 4. Delegate authority for activity on Form 327 to banks on all actions except: loan cancellations, reinstatements, extensions of maturity, amount changes, some litigation. (Some of this can be done locally.) | 8. Make temporary assignment of District staff to Experiment. |

AS YOU CAN SEE, THE SUGGESTIONS DEAL WITH MANY OF OUR KNOWN BOTTLENECKS. IF YOU AGREE OR DISAGREE, GIVE US YOUR REASONS. YOUR OPINION IS AS GOOD AS EVERYONE ELSE'S.

DON MARVIN TAKES OUR IDEAS TO WASHINGTON D.C.

On Tuesday, April 22, Don Marvin is flying the results of planning for the Experiment to Washington D.C. where he will formally present our ideas to A. Vernon Weaver, the SBA Administrator and his Central Office staff.

When he returns, Mr. Marvin will announce the outcome of his trip at a General Staff Meeting and our Experiment will enter another phase.

POSITIVE RESULTS HAVE ALREADY COME FROM OUR WORKSHOPS. The Central Office, apprised of some of our suggestions, has requested that we submit information on the feasibility of a telephone automatic answering service(Code-A-Phone) use for consideration on a Nation-wide basis. And that's before we've even submitted a formal recommendation!

exchange SUGGESTIONS WELCOME!!!

This is, we hope, the first of many newsletters on the Experiment. Do you have any further ideas or suggestions for developments of what has been proposed so far? Have any questions or comments? If something has not been made clear in the newsletter, let us know. Next time it will be.

There will be a box in the M.A. Division, by the door to the entrance hall, for your ideas. If you wish your signed contribution to remain confidential, say so. It will be.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM TO THE EMPLOYEES OF THE SMALL BUSINESS ADMINISTRATION
SAN FRANCISCO DISTRICT OFFICE

Vernon Weaver has informed me of the experiment underway in the San Francisco District Office, and I have read your newsletter, "LET'S DO IT!" Your enthusiastic commitment to the success of this project is exhilarating. At a time when the Federal Government is often criticized as being unresponsive, I am proud of the professionalism and dedication you have shown in accepting this new challenge. It is my hope that initiatives like yours can begin to change the reality and the perception of what can be accomplished by Federal employees.

Decisions made in Washington often fail to reflect the needs of a particular locality. The effort you are now engaged in will significantly improve the chances of developing more relevant policy by allowing decisions to be made in the communities where services are actually delivered. You will enable government to respond quickly and appropriately to the needs of your constituency.

I congratulate you and wish you success in this exciting undertaking.

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned in the lower right quadrant of the page.

802588

Date: May 7, 1980

MEMORANDUM

FOR ACTION:

Jack Watson *concur*
 Jim McIntyre *no comment*
 Rick Hertzberg *attached*

FOR INFORMATION:

Stu Eizenstat

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Weaver Memo Re Request for Presidential Note
To Employees in San Francisco District Office

**YOUR RESPONSE MUST BE DELIVERED
 TO THE STAFF SECRETARY BY:**
 TIME: 12:00 PM
 DAY: Friday
 DATE: May 9, 1980

ACTION REQUESTED:

Your comments

Other:

STAFF RESPONSE:

I concur.

No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

D R A F T

MEMORANDUM TO THE EMPLOYEES OF THE SMALL BUSINESS ADMINISTRATION

SAN FRANCISCO DISTRICT OFFICE

Vernon Weaver has recently informed me of the experiment underway in the San Francisco District Office, and I have read your newsletter, "LET'S DO IT!", which expresses your enthusiastic commitment to the success of this project. At a time when the Federal Government has been criticized as being unresponsive, I am exceedingly proud of the professionalism and dedication you have shown in accepting this new challenge. It is my hope that such efforts can begin to change the perception of what can be accomplished by Federal employees.

Too often decisions made in Washington are based upon available information which does not accurately reflect the needs of a particular locality. The effort in which you are now engaged will significantly enhance the opportunity to develop relevant policy by allowing decisions to be made in the communities where actual services are delivered. You will be able to respond quickly and properly to the needs of your constituency based upon first-hand knowledge of those needs.

Again, I congratulate you and wish you success in this important undertaking.

S/Jimmy Carter

U.S. SMALL BUSINESS ADMINISTRATION

OFFICE OF THE ADMINISTRATOR

WASHINGTON, D. C. 20416

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE, \$300

AN EQUAL OPPORTUNITY EMPLOYER

POSTAGE AND FEES PAID

U. S. SMALL BUSINESS ADMINISTRATION



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

Retyping
MEMORANDUM

Date: May 7, 1980

FOR ACTION:

Jack Watson
 Jim McIntyre
~~Rick Hertzberg~~

FOR INFORMATION:

Stu Eizenstat

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Weaver Memo Re Request for Presidential Note
To Employees in San Francisco District Office

YOUR RESPONSE MUST BE DELIVERED
 TO THE STAFF SECRETARY BY:

TIME: 12:00 PM

DAY: Friday

DATE: May 9, 1980

ACTION REQUESTED:

Your comments

Other: _____

STAFF RESPONSE:

I concur. No comment.

Please note other comments below:

5/9/80

See editing

TAT

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

D R A F T

MEMORANDUM TO THE EMPLOYEES OF THE SMALL BUSINESS ADMINISTRATION

SAN FRANCISCO DISTRICT OFFICE

Vernon Weaver has ~~recently~~ informed me of the experiment underway in the San Francisco District Office, and I have read your newsletter, "LET'S DO IT!" ~~_____~~

^Y Your enthusiastic commitment to the success of this project, ^{is exhilarating.}

^{is often} At a time when the Federal Government ~~_____~~ criticized as being unresponsive, I am ~~_____~~ proud of the

professionalism and dedication you have shown in accepting this new challenge. It is my hope that ^{initiatives like yours} ~~_____~~ can

^{the reality and} begin to change ^{the} perception of what can be accomplished by Federal employees.

~~_____~~ ^{often fail to} Decisions made in Washington ~~_____~~

~~_____~~ reflect the needs of a particular locality. The effort ~~_____~~

you are now engaged ⁱⁿ will significantly ^{improve the chances of} ~~_____~~

~~_____~~ develop ^{ing more} relevant policy by allowing decisions

to be made in the communities where ~~_____~~ services are ^{actually} delivered. You will ^{enable government} ~~_____~~ to respond quickly and ^{appropriately} ~~_____~~

to the needs of your constituency. ~~_____~~

~~_____~~

~~_____~~ I congratulate you and wish you success in this exciting ~~_____~~ undertaking.

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~~S/Jimmy Carter~~

Meeting with Editors
Tuesday, May 13, 1980

~~THE WHITE HOUSE
WASHINGTON~~

MX

Steel

Sadat → Peace

Farmers - % profits

Vesco - Johnson

Haitian vs Cubans

Sadat -

Byrd

5/13/80

To: Mr. O'Neill
From: Ari

1. Budget Resolution: Conference could begin this afternoon (assuming that the Senate completed action last night).

2. Appropriations: The Committee is hopeful that the House can approve all appropriation bills other than Defense and Foreign Aid before the end of June. Legislative, Energy and Water, Agriculture, and Treasury-Post Office should be ready for floor action this month.

Although in connection with the first resolution for fiscal '81 the House approved an increase in the fiscal '80 deficit to \$42.8 billion, the two supplemental appropriations scheduled for floor consideration this week would use up most of the room left under the new outlay ceilings. This despite the likely future need for fiscal '80 supplementals for more food stamp, disaster relief, unemployment compensation and refugee money. A fourth budget resolution will, therefore, probably be necessary.

3. Energy Mobilization Board: Drafting is proceeding slowly on the conference agreement. The report will probably not be completed until after Memorial Day. The House will act first on the conference report.

4. S. 932: The conferees have completed work on Title I, the synthetics program. With two or three more meetings the conference should be able to complete action on the conservation and gasohol sections. Several weeks of drafting will then be necessary. The Senate will act first on the conference report.

5. Utility Oil Backout: John Dingell will not be able to move the Administration bill through his subcommittee. My staff has been working with the Department of Energy and with the utilities to fashion a more modest program, relying to a greater degree on loans, that just might clear the committee.

6. Oil Import Fee: If we can hold any disapproval resolution off the floor until adoption of a budget resolution that includes fee revenues, such a disapproval resolution would be subject to a point of order.

One of the concerns of those wavering on the fee is that some of the cost will be passed through on home heating oil. It would help if they could be assured that product fees will not be reimposed on distillate or resid, in order to assure that foreign product could restrain increases in domestically refined product.

7. Debt Limit: The current debt limit extension expires June 1st. The House passed an extension as part of the rule on the budget resolution. There is however apparently a risk that the Senate will use the debt limit as a vehicle to disapprove the import fee.

8. FTC: Conference report is scheduled for Rules Committee action today.

9. Food Stamps: Supplemental appropriation is scheduled for floor action today.

10. Truck Deregulation: Jim Howard's subcommittee is scheduled to begin markup May 20th.

11. Rail Deregulation: Full Commerce Committee is scheduled to begin markup tomorrow with the Eckhardt amendment the main item at issue.

12. Economic Development: Bob Roe will probably reconvene the conference next week. He remains committed to labor intensive public works.

13. Regulatory Reform: Pending in full Judiciary Committee. It appears unlikely that it will be possible to fend off either the legislative veto or Bumpers Amendment type unfavorable changes in the judicial status accorded agency decisions.

14. Housing: The Banking Committee has completed action on the Administration's initiative. Floor action is possible next week.

15. Fair Housing: There is disagreement as to the degree of controversy involved in the bill. Floor action is likely in early June.

16. Countercyclical and Targetted Assistance: Jack Brooks would like the Senate to accept the House bill, which is less targetted.

Pending Matters:

General Revenue Sharing
Youth Employment (awaiting filing of Committee report)
Gas Rationing
Nuclear Waste (may be part of larger Udall bill)
NRC Reorganization
Intelligence Charter
Water Bill
National Health Insurance.

THE WHITE HOUSE

WASHINGTON

May 13, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: JODY POWELL *JPP*

SUBJECT: Editors Briefing Today
2:30 pm, The Cabinet Room

When you discuss the economy, I urge you to be very careful about sounding too optimistic. You can set the right tone without endangering your credibility if you pick your words carefully. In Philadelphia you said you expected the inflation rate to be at "reasonable levels" by this summer. Luckily, no one picked up on it. I'd hate for you to have to defend double digit inflation as "reasonable."

The message we need to convey is not that the problem is about to be solved, but that we are on the right track; we have the first signs of real progress; it won't be easy or quick but we finally have things beginning to head in the right direction; we must stick to our guns through this transition period; if we back away now, we may face a decade of double digit inflation that will hurt the poor and the nation far more than the difficulties of this transition period.

I liked your line that the best stimulus program we can have is to get interest rates down and the inflation rate down. I think if pressed you can say that some increases in unemployment have always accompanied the necessity of bringing down high inflation.

You have to cut out some of the excesses in economy -- excessive use of credit and excessive government spending. You cannot do that; in fact, it has never been done with enough precision to avoid some impact on employment. We are making a maximum effort to cushion the impact on those hardest hit, but anyone who tells you that they have a secret plan to deal effectively with inflation with no impact on employment is misleading the people of this country in a particularly cruel and dangerous way.

(I have cleared the above language with Charlie Schultze.)

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THE WHITE HOUSE

WASHINGTON

May 13, 1980

MEMORANDUM FOR: JODY POWELL
FROM: DAVID RUBENSTEIN *DR*
SUBJECT: Interview with Out-of-Town Editors

As was discussed at the Senior Staff meeting, there are two main domestic matters that the President should address in his out-of-town editors interview, probably in the opening remarks: the possibility of a food stamp cutoff and the importance of the gasoline conservation fee. In addition, in response to the almost certain questions about balancing the budget on the backs of the poor and the handling of the refugee matter (there are several Florida reporters at today's session), the President might try to use some of the budget information set forth below and repeat the main refugee points of his World Affairs Council speech.

1. Food Stamps

We need to walk a very fine line between criticizing Congress for inaction and conceding that recent progress may be sufficient to avoid a cutoff by June 1. As you know, Congress made progress last week on Food Stamps; a positive movement occurred on the authorization and appropriations bills for FY 1981, as well as the supplemental for FY 1981. This has occurred, in large part, because of public pressure that you and others in the Administration put on the Congress. Further progress is expected today.

Because of that progress, it is not yet completely certain whether we will want Secretary Bergland to send his cutoff letters to the States on May 15. That decision will have to await evidence of further progress tomorrow. But while we do not want, at this time, to indicate our full intentions with respect to that letter, we do want to keep the pressure on. I would suggest comments along the following lines:

- o The Food Stamp Program faces the real possibility of being cut off for the 21 million recipients; this could happen by June 1 unless Congress acts favorably within the next several days; within a few days we will have to begin making preparations for a June 1 cutoff.

- o Because of the hard work of a number of Congressional leaders, progress has been made recently on the legislation needed to fund food stamps for the rest of this year; but we are still engaged in a race against time.
- o It is essential that Congress act swiftly on legislation that I have proposed to meet the funding needs of the Food Stamp Program for the remainder of this year and for FY 1981. We cannot allow Congressional inaction to play havoc with the lives of so many millions of Americans.

2. The Gasoline Conservation Fee

The President is very familiar with the legislative and judicial situation, and they do not need to be repeated here. The theme of his remarks should be a dual one: (1) like the food stamp situation, the fee represents an area in which the Congress appears to be interested in short-sighted budgetary and political actions; (2) the fee is an essential element of anti-inflation and energy conservation program that is working and should not now be disrupted.

The key points to make include:

- o As part of my Anti-Inflation Program announced two months ago, I imposed a gasoline conservation fee that will have the effect of permitting gasoline retailers to pass along up to 10¢ per gallon in additional cost. I took that action because it will enable us to save about 100,000 barrels of imported oil by the end of this year, and about 250,000 barrels of imported oil in the next two years.
- o That savings is essential if we are to make further progress in reducing our dependence on foreign oil -- that will now cost \$90 billion in 1980. It is also essential if we are to show OPEC and our allies that we are serious about reducing our enormous consumption of gasoline. Unless we are able to demonstrate our seriousness to our allies, we are unlikely to induce them to commit to further consumption reductions; and unless we can convince OPEC, we are unlikely to influence its decisions on price restraint.
- o I recognize that the possible 10¢ per gallon increase in gasoline is not popular. That is one of the reasons I decided to take the action myself within existing authorities, rather than to await Congressional action. If Congress now undoes the action I have taken, it will not only mean we will consume more foreign oil but will also send exactly the wrong signal to people in this country and to our allies and OPEC.

2. Budget Cuts

We have been working with OMB to have the budget accomplishments over the past three years prepared for distribution. OMB has just about completed that project and will shortly be sending the completed results to the President. For your interview, a few of the points in the OMB document may be useful. First, in discussing items in which there have been no cuts, the President can also point out that every one of those items was not only spared from cuts but actually received an increase over FY 1980. Major items of which that is true -- the revised FY 1981 level was not cut and is above the FY 1980 level -- include:

- Social Security
- AFDC
- Medicare
- Medicaid (basic program)
- Summer Jobs
- Youth Employment
- Job Corps
- Head Start
- Basic Skills
- Education for the Handicapped
- Rehabilitation Services
- Bilingual Education
- Black Colleges
- UDAG
- Fair Housing Assistance Grants
- Subsidized Housing Programs
- Minority Business Assistance
- Women's Business Assistance
- Mass Transit Operation Expenses

Second, he can also point out that in a number of areas in which there were some cuts below the initial January budget, the budget levels proposed in March must be viewed in the context of what has occurred over the past three years -- very significant increases for those programs. For instance, a comparison of the revised FY 1981 budget figure he inherited shows a 159% increase in Job Corps funding. Corresponding figures for other programs that received some marginal cut in the March budget include:

Public Service Employment Programs	273%
Economic Development Grants	99%
National Health Service Corps	179%
Women, Infants & Children (WIC)	1,700%
Conservation & Land Management	60%
Food Stamps	99%
Special Milk Program for School Children	533%

Third, it is important also to reaffirm the point you have made before: we are concerned with what the Congress does to our budget proposals -- the Congress seems intent upon making much more severe cuts than is desirable or warranted.

3. Refugees

Stu has been leading an interagency task force over the past several days to develop a policy to deal with the Cuban and Haitian Refugee problem. A meeting has been scheduled with the President tomorrow.

Until any new policy decision might be announced, the best points on the refugee matter are those made in the President's speech to the World Affairs Council. They unfortunately did not receive any press attention and should be repeated. Their essence is that we welcome the Cubans, their fleeing is a statement about Castro's regime, we want their arrival to occur in an orderly process, we are working with other nations to get their support and assistance, and we are treating Haitians and Cubans equally. (This last point was one of the major ones raised in Senator Kennedy's hearing; the wide perception is that there is not equal treatment.) Attached is the excerpt from the World Affairs speech.

Our commitment to a world that represents human rights has been heard by all people, by free people and also by those who do not know the meaning of freedom. The eagerness of large numbers of Cubans, for instance, to flee their own country is eloquent testimony to the failure of the totalitarian Castro regime.

We must ensure that the Cubans who arrive in the United States and the Haitians who arrive in the United States will be treated with all the humanity and the compassion which we've extended to other groups and which we extend to each other. Every family probably in this room which came to our country came here as immigrants, sometimes as refugees, and we should not be callous to those who come in our present day and age under the same or even more difficult circumstances. In order to bring an end to the suffering and the death on the high seas and to permit us to best allocate scarce federal resources, the process of bringing in these refugees must be orderly and it must be in accordance with our laws.

We're working vigorously yesterday and today with 16 nations and with international organizations, at a conference on refugees in Costa Rica, to develop alternatives that will permit a safe and orderly evacuation of the Cubans who are seeking to leave. For ourselves, we will give highest priority to family reunifications, and we prefer, of course, pre-screening in Cuba or in a third country, such as Costa Rica. Let me emphasize again that we treat those seeking asylum and those who are refugees from Cuba, from Haiti and from other countries, equally on a case-by-case basis as is required by American law.

MORE

EDITOR'S BRIEFING

MR. PRESIDENT:

IN ADDITION TO THE FACTS AND FIGURES CONTAINED IN THE MEMO ON THE CONSERVATION FEE, YOU NEED TO PUT SOME RHETORICAL SPIN ON THE ISSUE. I BELIEVE THAT OUR STRONGEST ARGUMENT IS THAT WE CANNOT ~~NOT~~ SOLVE OUR PROBLEMS WITHOUT THE EXERCISE OF SOME POLITICAL COURAGE HERE IN WASHINGTON. ONE OF THE REASONS WE ~~ARE~~ ARE IN THE MESS WE'RE IN IS THAT WE DIDN'T FACE UP TO THESE ISSUES IN THE EARLY SEVENTIES WHEN THE PROBLEM BECAME OBVIOUS. YOU REALIZE THAT THIS IS AN ELECTION YEAR, THAT IS WHY YOU TOOK THE ACTION YOURSELF INSTEAD OF ASKING THE CONGRESS TO DO IT. BUT THE NEEDS OF THE COUNTRY WILL NOT WAIT FOR EVERYONE'S REELECTION CAMPAIGN TO BE OVER. ALL YOU ARE ASKING OF THE CONGRESS IS THAT THEY NOT TRY TO SCORE POLITICAL POINTS OFF YOUR DECISION. IF THEY CAN'T RESIST THE TEMPTATION, YOU INTEND TO VETO ANY EFFORT TO OVERTURN THE DECISION.

Jody

2:30 PM

THE WHITE HOUSE
WASHINGTON

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May 12, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: Patricia Barrio
Deputy Press Secretary

SUBJECT: Your Meeting with Non-Washington Editors and Broadcasters,
2:30 p.m., Tuesday, May 13, 1980, The Cabinet Room

This time the group meeting with you comes from 14 states, including the upcoming primary states of California, New Jersey, Ohio, South Dakota and West Virginia. There are 25 people in the group, including 7 broadcasters. Large daily papers represented are the Los Angeles Times, Camden (NJ) Courier-Post and the Seattle Post-Intelligencer. In addition, the Florida Radio Network, with 60 affiliates, is represented. (A list of the attendees is attached.)

Prior to their meeting with you, the group will meet with Alfred Friendly, Henry Owen, Jack Watson (on the Cuban refugee problem), Van Ooms (OMB), Kathy Frazer (energy conservation program), and Bernie Rostker. After their session with you, Jody Powell and Sarah Weddington will meet with the group. (An agenda is attached.)

There will be a brief photo session for the White House press corps at the beginning of the meeting. I will stop the questioning after 25-minutes so individual photos can be taken.

Attachments

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ATTENDEES

CALIFORNIA

Walt Orvis, news editor, Chino Champion. Small weekly in suburban Los Angeles.

Kay Mills, editorial writer, Los Angeles Times. Paper supports increased defense spending, praised the Muskie appointment, opposes the EMB, and believes you have probably been overwhelmed by events in Iran.

FLORIDA

Pamela Saunders, editor, Orlando Times. Black weekly.

Joe Brown, news director, Florida Network News, Winter Park. A regional radio network with 60 affiliates in Florida. Issues include Cuban and Haitian refugees, suspension of phosphate shipments to the Soviet Union, and increasing unemployment.

LOUISIANA

Linnie Freeman, news director, KNOE-FM, Monroe. Senator Long's office asked that she be invited in.

NEVADA

Bob Stoldal, news director, KLAS-TV, Las Vegas. CBS affiliate in the 126th largest television market in the country. May ask about the MX missile and siting decisions.

NEW JERSEY

Jerry Bellune, executive editor, Camden Courier-Post (Gannett newspaper group). Paper has been fairly supportive. Concerned about increasing unemployment and the apparent recession.

Bob Bentley, editor, Trenton Times (Washington Post newspaper group). Especially concerned about inner-city youth unemployment and the slumping housing industry.

Charles Paolino, editor, Woodbridge News Tribune. In northeastern part of the state, issues include toxic waste disposal and auto industry layoffs.

NEW YORK

Carol Pozefsky, news director, WQBK Radio, Albany. An all news/talk station. May ask about Governor Carey's suggestion that you and Kennedy release your delegates to make the Convention truly open.

Johannes Laursen, publisher, Merrick Life. Weekly on Long Island.

OHIO

Dale Peskin, managing editor, Warren Tribune Chronicle. Small evening daily in the Youngstown area, main concern is the plight of the steel industry, especially given the situation with the auto industry.

Jim Collins, editor, Willoughby News-Tribune. Small daily in Cleveland suburb. Issues include growing unemployment, gasoline conservation tax, and upcoming Ohio primary.

OKLAHOMA

Jim Banzer, news director, KOCY-AM, Oklahoma City.

Dave Straub, news director, KXXO-AM, Tulsa. This is an all news/talk station.

PENNSYLVANIA

George Fattman, editor, Johnstown Tribune-Democrat. Medium-size daily in western part of state. Concerns include increased coal development, the steel industry, and rising unemployment.

Mark Schreiber, news reporter, KQV-AM, Pittsburgh. This is an all news/talk station, and Schreiber hosts one of the better talk shows aired by the station.

SOUTH CAROLINA

John Pittman, vice president and executive editor, Greenville News-Piedmont. Medium-size daily.

SOUTH DAKOTA

Jack Cannon, editorial page editor, Rapid City Journal. Evening daily in western part of the state. Concerns include increased oil shale and coal mining activities, and the impact of higher gasoline prices on the tourist industry. (Mt. Rushmore and the Black Hills are in the area.)

VIRGINIA

Karen Neff, managing editor, Brunswick Times-Gazette, Lawrenceville. Small weekly in the southeastern corner of the state.

WASHINGTON

Dave Horsey, editorial writer and political cartoonist, Seattle Post-Intelligencer (Hearst newspaper group). Generally supportive despite the Hearst connection. Concerned about trade issues, especially with China and possible trade barriers against Japan.

WEST VIRGINIA

Charlie Connor, executive editor, Charleston Daily Mail. West Virginia's largest daily paper. Very negative: the failed rescue effort made matters worse; opposed to even voluntary wage-price guidelines; concerned about increasing housing costs.

Don Marsh, editor, Charleston Gazette. West Virginia's second largest paper. A bit more supportive than the Daily Mail. Very anti-big government. Concerned about coal issues and unemployment.

Page Burdette, editor, Martinsburg Evening Journal. Small evening daily in northeast corner of the state. Senator Randolph asked that he be invited in. May ask how you think you will do in the Maryland primary.

Harry Hamm, editor, Wheeling News Register. Small daily in the heart of coal country.

THE WHITE HOUSE

WASHINGTON

BRIEFING FOR NON-WASHINGTON EDITORS AND BROADCASTERS

May 13, 1980

AGENDA

8:30 a.m.	COFFEE	
8:50 a.m.	WELCOME	PATRICIA Y. BARIO Deputy Press Secretary Office of Media Liaison The White House
9:00 a.m.	THE WHITE HOUSE NEWS SUMMARY	JANET E. McMAHON Editor of the News Summary The White House
9:15 a.m.	FOREIGN POLICY ISSUES	ALFRED FRIENDLY Associate Press Secretary National Security Council The White House
9:45 a.m.	THE INTERNATIONAL ECONOMIC SUMMIT	HENRY OWEN Assistant to the President for Economic Conferences National Security Council The White House
10:15 a.m.	BREAK	
10:30 a.m.	CUBAN REFUGEES AND THE FEDERAL GOVERNMENT RESPONSE	JACK WATSON Assistant to the President for Intergovernmental Affairs and Secretary to the Cabinet The White House
11:15 a.m.	BREAK	

11:30 a.m.	BALANCING THE FEDERAL BUDGET	VAN DOORN OOMS Assistant Director for Economic Policy Office of Management and Budget
12:15 p.m.	BUFFET LUNCH	
12:45 p.m.	ENERGY CONSERVATION	KATHRYN FRAZER Staff Assistant to the Secretary Department of Energy
1:25 p.m.	BREAK	
1:35 p.m.	SELECTIVE SERVICE REVITALIZATION	BERNARD ROSTKER Director U.S. Selective Service System
2:15 p.m.	EN ROUTE CABINET ROOM	
2:30 p.m.	Q & A WITH PRESIDENT CARTER	
3:00 p.m.	Q & A WITH JODY POWELL	
3:30 p.m.	EN ROUTE 160 OLD EXECUTIVE OFFICE BUILDING	
3:45 p.m.	WOMEN'S ISSUES	SARAH WEDDINGTON Assistant to the President The White House
4:15 p.m.	CONCLUDE	
5:30 p.m.	Transcript of meeting with President Carter available in room 160 of the Old Executive Office Building	