

5/15/80 [1]

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
cable w/att	American Embassy Paris to Secretary of State. Re: French Olympic participation. (5 pp.) <i>opened per RAC NLC-126-21-26-1-9 12/17/13</i>	5/15/80	A
letter w/att	President Carter to Prime Minister Cossiga of Italy. Re: Olympic participation. (7 pp.) <i>opened per RAC NLC-126-21-26-2-8 12/17/13</i>	5/15/80	A
memo w/att	Lloyd Cutler to the President. Re: Telephone call to Chancellor Schmidt of West Germany. (4 pp.) <i>opened per RAC NLC-126-21-26-3-7 12/17/13</i>	5/14/80	A

FILE LOCATION

Carter Presidential Papers- Staff Offices, Office of Staff Sec.-
Pres. Handwriting File, "5/15/80 [1]." Box 186

RESTRICTION CODES

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

THE WHITE HOUSE
WASHINGTON

5/15/80

Mr. Hearst --

President Carter asked me
to send you the enclosed copy
of your letter which includes
his note -- with his personal
regards!

-- Susan Clough



WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

O - OUTGOING

H - INTERNAL

I - INCOMING

Date Correspondence
Received (YY/MM/DD)

80105114

ID # 071592

Name of Correspondent: W. R. Hearst, Jr.

MI Mail Report

User Codes: (A) _____

(B) _____

(C) _____

Subject: Personal

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>PR Clow</u>	ORIGINATOR	<u>80105114</u>	<u>CP2</u>	<u>A</u>	<u>80105114</u>
		<u>1 1</u>			<u>1 1</u>
	Referral Note:				
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		<u>1 1</u>			<u>1 1</u>
	Referral Note:				
		<u>1 1</u>			<u>1 1</u>
	Referral Note:				

ACTION CODES:

- A - Appropriate Action
- C - Comments
- D - Draft Response
- F - Fact Sheet
- I - Info Copy
- R - Direct Reply w/Copy
- S - For Signature
- X - Interim Reply

DISPOSITION CODES:

- A - Answered
- B - Non-Special Referral
- C - Completed
- S - Suspended

FOR OUTGOING CORRESPONDENCE:

- Type of Response = Initials of Signer
- Code = "A"
- Completion Date = Date of Outgoing

Comments: Encloses editorial supporting President Carter's decision not to attend funeral of President Tito. View re same.

Keep this worksheet attached to the original incoming letter.
Send all routing updates to Central Reference (Room 75, OEOB).
Always return completed correspondence record to Central Files.
Refer questions about the correspondence tracking system to Stephen Slade, ext. 2941.

14

central file copy
ll

071592

SC

CHARACTER QUALITY ENTERPRISE ACCURACY
HEARST NEWSPAPERS
AMERICAN PAPERS FOR THE AMERICAN PEOPLE

959 EIGHTH AVE. NEW YORK, N. Y. 10019

OFFICE OF THE
EDITOR-IN-CHIEF

May 9, 1980

(212) 262-8898

The President
The White House
Washington, D. C.

Dear Mr. President:

Herewith the original of an editorial
I had written and sent to our papers with the
request that they run it.

It expresses my thoughts completely,
and I'm just conceited enough to think it
expresses your point of view also.

Good luck in the month ahead.

Sincerely,

Bill Hearst

W. R. Hearst, Jr.

je

cc sent
5/15/80
ll

cc Bill Hearst.

Yours was one of the few reasonable
press voices. No one pointed out that of the
150+ nations, only 40 or so were represented by
heads of state, & that leaders of France, Mexico,
Canada, etc did not attend. The tempest was
all concentrated in the American teapot. Thanks
for your comment & your note - Jimmy C.

freidin.....
edit.....

(This editorial was written at the direction of WRH)

WRH suggested head -- "Just for the Record"

The criticism levelled at President Carter for not attending Tito's funeral in Belgrade is, in our view, mistaken and plainly misguided.

Months ago as the Yugoslav President lay dying, Carter appointed Vice-President Mondale to lead a U.S. delegation to the funeral. Mondale also conveyed our government's message that we fully endorse the right of the post-Tito regime to continue its independent course in domestic and foreign affairs.

This is the correct and proper procedure, even if at the last moment, other powerful chiefs of government and some reigning monarchs chose to attend the ceremonies.

Little can ever be achieved in behind-the-scenes funeral discussions by any major personalities who for their own selective reasons decided on the trip.

Josip Broz Tito was an historical personality. The world remembers best his break with Stalin in 1948 when the Soviet Union threatened to break him and his independent Communist regime into little pieces.

But despite his urbanity and love for the good things of life, Tito remained to the end of his life a dedicated Communist. He also helped create "non-alignment" as a means to stave off Soviet

encroachment in the post-Stalin epoch.

He was a paternalistic Communist rule. He was top banana; let nobody ever forget that. For critics of Carter in this instance, let's not forget that Yugoslavia doesn't have -- never did -- an office or agency or human rights.

Tito's historic split with Stalin and its on-going political fallout was by no means selfless. He was determined to be No. 1 and often declared that nobody else would run the Yugoslav show.

While the U.S. assisted him unstintingly with arms he requested for his own defense and subsequently supplied billions of dollars worth of credits and loans, Tito was hardly a warm friend of ours.

Way back in 1946, while still on outwardly good terms with the Russians, his fighters shot down two unarmed American cargo planes that strayed from strictly-controlled Yugoslav airspace.

We received a back-handed apology later. The episode was conveniently defused and stashed away after his break with Stalin. So, we should keep these matters in perspective.

Besides, President Carter, criticized by friend and foe for naivete in foreign relations, has a trait few of them grasp -- their tendency towards boundless cynicism.

As we said at the beginning, President Carter did the right thing in not attending the funeral for Tito.

SMALL BUS CONF REPORT & AWARDS 7/1/80
ARTHUR LEVITT, V. WEAVER, NEAL SMITH, SEN NELSON

ML - SBA - '77 EO - MTGS → '80 - 60 RECOM
REPORT A MILESTONE - REVITALIZE US ECON.

'82 ASSESS PROGRESS. PARTICIPATE.

RAPID A - INFL / INT

ANTI-INFL & CONG, FED RES - IMP FEE

CONG RESP - BAL BUDGET

PROGRESS - INT - MTGE - BOND MKT

INFL - EARLY SIGNS

MUST MODERATE RECESSION

ENERGY SAVINGS - IMBD IMP VS '79

FAST TRACK (EMB) SYN FUELS (ESC)

REG REFORM - SENATE (TRUCK DEREG) \$8.81/YR

FIN REFORM LAST MO. = AIRLINE, TELECOM -

COMP REG REFORM ACT

RR - OIL/GAS -
P'WORK - OSWA
138 INITIATIVES

NEED HELP FM SM BUS LEADERS

POL PRESSURES ON CONG TREMENDOUS

SM BUS PER YR AWARDS -

SCOTT ANKENY - TAFCO EQUIPT - BLUE BATHTM

CLETUS ERNSTER - GULF COAST PROMITS - CUEGO TEX

GEO THOS SPALDING - DIEMAKERS, INC. MONROE CITY, MO.

"TH"

Small Business Week and Person of the Year Award 5/15/80

THE WHITE HOUSE
WASHINGTON

5/15/80

Rick Hutcheson --

Attached is copy of letter which
tomorrow on behalf of President.

F.Y.I.

-- ssc

A handwritten signature in black ink, appearing to be 'R. Hutcheson', is written over the typed initials 'ssc'.

THE WHITE HOUSE
WASHINGTON

May 16, 1980

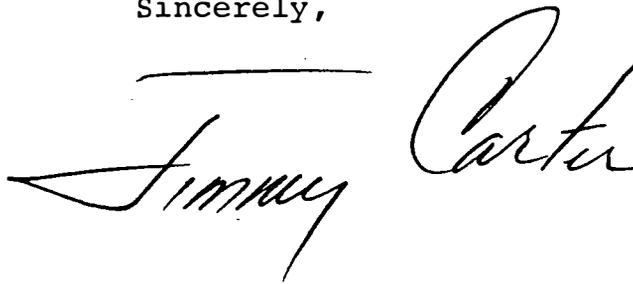
To Laurette Cook

My heart and my thoughts are with you today as, on my behalf, the Secretary of the Navy presents to you and your children the Medal of Honor so bravely won by your husband, Donald--regrettably at great cost to you and your family.

Colonel Cook's valor, dedication and sacrifice have placed him among that small, revered company of persons we recognize as national heroes. The Medal of Honor is a symbol of extraordinary service which merits our country's highest military decoration. It also symbolizes our eternal debt of gratitude.

You, Christopher, Karen, Victoria and Thomas can draw comfort and consolation from the knowledge that Colonel Cook's memory is honored by all Americans.

Sincerely,

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

Mrs. Donald G. Cook
19 Rustic Drive
Essex Junction, Vermont 05452

Last Day for Action: May 15, 1980



OFFICE OF THE SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

May 14, 1980

*5/14/80
Joyce Cook --
per conversation... pls
re draft... "positive" --
Thanks!
Susan Clough*

NOTE FOR PHIL WISE

Attached is a proposed letter for the President to send to Colonel Cook's widow on the occasion of the presentation of the Medal of Honor.

The medal will be presented by the Secretary of the Navy to the Cook family on Friday, May 16 at 11:30 a.m.

A handwritten signature in cursive script, reading "Peter B. Hamilton".

Peter B. Hamilton
The Special Assistant

Attachment

To Laurette Cook

I regret I can~~n~~ot personally present to you and your children the Medal of Honor won so bravely by your husband Donald, and at such great cost to all of you. My heart and thoughts are with you today, however, when ^{the} Secretary of the Navy ~~Hidalgo~~ makes this presentation in my behalf.

Colonel Cook's valor, dedication and sacrifice place him among that small, honored company of men we recognize as heroes. The Medal of Honor, our country's highest military decoration, is both a symbol of his service and of our debt to him.

You and Christopher, Karen, Victoria Marie and Thomas should draw comfort and consolation from the certain knowledge that your husband's and their father's memory is honored by all Americans.

Sincerely,

Mrs. Donald G. Cook
19 Rustic Drive
Essex Junction, Vermont 05452

5/15/80

Phil Wise brought attached
back from Pentagon today,
per request from General Vaught.

Didn't know if you had
asked for them or not.



C
1

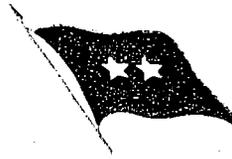
ARLINGTON NATIONAL CEMETERY
9 MAY 1980

JOINT TASK FORCE
COMMANDERS PRAYER

ALMIGHTY AND EVER LOVING GOD - WE ARE GRATEFUL
FOR THE OPPORTUNITY TO ASSEMBLE HERE AS FREE PEOPLE.
THANK YOU FOR THESE BRAVE AMERICANS WE HONOR TODAY -
THEY GAVE THEIR LIVES THAT OTHERS WOULD BE FREE. WE
ALSO THANK YOU FOR THEIR FAMILIES. WE PRAY THAT YOU
WOULD GRANT US THE COURAGE TO CONTINUE ON A PATH
LIGHTED BY YOUR HAND. WITH YOUR OVERWATCHING LOVE
TO GUIDE US WE PLEDGE TO YOU THAT THEIR LIVES SHALL
NOT HAVE BEEN IN VAIN. AS CHRISTIANS AND SOLDIERS WE
KNOW THAT YOUR WILL AND NOT OURS MUST BE DONE - AMEN.

JAMES B. VAUGHT
MAJOR GENERAL, USA

**Electrostatic Copy Made
for Preservation Purposes**



HQ JTF 1-79
WASHINGTON, D.C.

12 May 1980

TO ALL MEMBERS OF THE JOINT TASK FORCE

The purpose of this letter is to let you know how much I appreciate the many contributions you made to the mission we undertook to free our citizens who are being illegally held in Iran. Throughout the long period of hard training and all the way to the point of mission termination, you gave me and the entire team your very best. Your courage and devotion to duty is appreciated.

Some say we failed. Others say it was a fiasco. It was none of that. It was a best effort try by a team of brave volunteers to accomplish a difficult and dangerous mission. Never have I seen more determined Americans try so hard to do the right thing. I want you to know that I am very proud of you.

Those we lost did not die in vain. We will set our people free. Victory will be ours. You should hold your head high. Thanks for being on my team.

JAMES B. VAUGHT
MAJOR GENERAL, USA

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for Preservation Purposes**

5/15/80

President did not complete the attached
phone calls. Vote may come up again
and these cards may be resubmitted
(next week). Weddington's office
notified. Operators aware of cancellation.

Patti

2200

PM

NAME Charles Campbell R-35

1436

TITLE Representative

Requested by Weddington

CITY/STATE Danville, IL

Date of Request 5-12-80

Phone Number--Home () _____

Work () 217-782-4300

Other () 217-446-0249

INFORMATION (Continued on back if necessary)

Republican to be called per Governor James Thompson.

Lame duck; always yes vote; but anti-extension.

NOTES: (Date of Call _____)

P7

NAME John Dunn D-51

1435

TITLE Representative

CITY/STATE Decatur, IL

Requested by Weddington

Phone Number--Home () 217-429-0115

Date of Request 5-12-80

Work () 217-782-8398

Other () 217-429-9400

INFORMATION (Continued on back if necessary)

Listed as planned "yes".

NOTES: (Date of Call _____)

29

NAME Samuel Vinson R-44

1439

TITLE Representative

CITY/STATE Clinton, IL

Requested by Weddington

Date of Request 5-12-80

Phone Number--Home ()

Work (217) 782-8162 *

Other () 217-732-4011

INFORMATION (Continued on back if necessary)

To be called per request of Governor James Thompson.
He has not yet voted in the legislature. He replaced a
"no" vote. He is active with the Governor.

NOTES: (Date of Call)

BSK

1442

NAME Gerald Bradley

TITLE Representative D-44

CITY/STATE Bloomington, IL

Requested by Weddington

Phone Number--Home () _____

Date of Request 5-12-80

Work () 217-782-7996

Received 5/13/80 *sc*

Other () 309-828-2911

INFORMATION (Continued on back if necessary)

Assistant Majority Leader. Now is Carter supporter. Put together an uncommitted slate and lost. He states that his district is "anti". It is rural but also includes the state university campus. He votes a consistent "no" vote because of arguments such as the military. He does state that he is for equal rights.

NOTES: (Date of Call _____)

THE WHITE HOUSE
WASHINGTON

signed letter to E. Small
for handling

THE WHITE HOUSE

WASHINGTON

May 14, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *F.M.*
SUBJECT: LETTER FROM SENATOR BAYH REGARDING
LEAKS OF SENSITIVE INFORMATION

Attached is a letter from Senator Birch Bayh, Chairman of the Senate Select Committee on Intelligence, regarding alleged recent leaks of sensitive information. Senator Bayh delivered the letter to Lloyd Cutler for transmittal to you.

Also attached are two draft letters of acknowledgment for your consideration. The first letter is for your signature, if you choose to acknowledge Senator Bayh's letter personally. If you prefer for me to send the acknowledgment, the second draft letter is submitted for your approval.

Attachments

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE

WASHINGTON

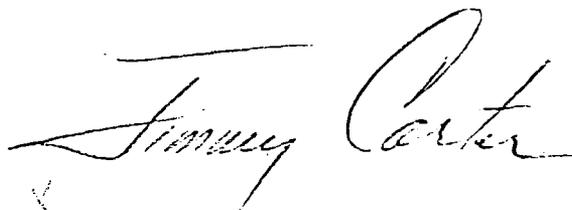
May 14, 1980

Dear Mr. Chairman:

Thank you for your letter regarding apparent disclosures of sensitive information. I agree that safeguarding such information is essential to our nation's security, and appreciate your Committee's offer to assist in the effort to prevent future unauthorized disclosures.

I have asked Zbigniew Brzezinski and Lloyd Cutler to review your comments and respond to your concerns.

Sincerely,

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

The Honorable Birch Bayh
Chairman
Select Committee on Intelligence
United States Senate
Washington, D.C. 20510

COMMITTEE SENSITIVE

BIRCH BAYH, IND., CHAIRMAN	
BARRY GOLDWATER, ARIZ., VICE CHAIRMAN	
ADLAI E. STEVENSON, ILL.	CLIFFORD P. CASE, N.J.
WILLIAM D. HATHAWAY, MAINE	JAKE GARN, UTAH
WALTER D. HUDDLESTON, KY.	CHARLES MCC. MATHIAS, JR., MD.
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ROBERT MORGAN, N.C.	JOHN H. CHAFFEE, R.I.
GARY HART, COLO.	RICHARD G. LUGAR, IND.
DANIEL PATRICK MOYNIHAN, N.Y.	MALCOLM WALLOP, WYO.
DANIEL K. INOUE, HAWAII	

United States Senate

SELECT COMMITTEE ON INTELLIGENCE

(PURSUANT TO S. RES. 400, 87TH CONGRESS)

WASHINGTON, D.C. 20510

ROBERT C. BYRD, W. VA., EX OFFICIO
HOWARD H. BAKER, JR., TENN., EX OFFICIO

WILLIAM G. MILLER, STAFF DIRECTOR
EARL D. EISENHOWER, MINORITY STAFF DIRECTOR

Ack /NSC
CONGRESSIONAL
LIAISON

May 9, 1980

MAY 14 1980

002884CL

cc: Cutler, Toste

IN REPLY PLEASE
REFER TO N# 2969

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

Dear Mr. President:

Yesterday I spoke with FBI Director Webster to express my shock at the continuing series of leaks of extremely sensitive information which have been appearing in the press concerning our intelligence operations. I voiced my particular concern about the recent series of articles which have purported to provide details of our Iranian rescue effort which, if true, would undoubtedly endanger the lives of some of our people and make virtually impossible any additional rescue efforts. I have asked Director Webster to mobilize whatever resources he needs to put an end to this continuing problem.

I know you share my concern. This morning's newspapers, as I am sure you are aware, contain detailed information concerning our intelligence assessments of the U.S.-Soviet strategic military balance, and there are now repeated news accounts on the radio of an alleged second Iranian rescue effort.

As I told Director Webster yesterday, our country cannot have a foreign policy, we cannot defend ourselves against our adversaries, if information of the most sensitive nature is disclosed to the world by officials who have every reason to know the damage they are doing to our country. I am convinced, as I am sure you are, that with the proper dedication and commitment to putting a stop to this unconscionable practice, we can work together to find a responsible solution.

Our entire Committee shares my concern and distress, and we stand ready to help you in any way we can.

Sincerely,

Birch Bayh
Chairman

COMMITTEE SENSITIVE

SW05

THE WHITE HOUSE
WASHINGTON

May 15, 1980

Dr. Brzezinski

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

Rick Hutcheson

CC: Al McDonald
Jody Powell

THE WHITE HOUSE
WASHINGTON

CC

ZB

McDonald

Barnell

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

*Zbig -
Where does State
(DoD) come in?
Should be early
J*

May 8, 1980

MEMORANDUM FOR: THE PRESIDENT
FROM: ZBIGNIEW BRZEZINSKI *ZB*
AL McDONALD *AM*
SUBJECT: Process on Foreign Policy/National Security Speeches *J*

Al and I think the following steps are consistent with our procedures. They should provide adequate leadtime and also give you diversity of opinions.

*Sec State
or
Sec Def.*
Step 1. ZB develops substantive outline, in consultation with appropriate agency heads, and submits to the President, together with the standard speech strategy form. *Be sure State has signed off on outline.*

Step 2. Following Presidential approval or amendment, or indication of disagreement, ZB gives it to the speechwriters for writing. Speechwriters draft speech.

- 11 ← Step 3. Speechwriters deliver speech to ZB for review. ZB consults with appropriate agency heads and senior staff; negotiates disagreements with them. Speechwriters and Al McDonald check with appropriate White House staff for legal or domestic-political concerns (e.g., Jody, Ham, Cutler, Stu) and incorporate their inputs.

Step 4. Speechwriters and ZB meet to agree on final draft for the President, including, wherever necessary, alternative language submitted by other agency heads or senior White House staff (if negotiated language is not possible). Return finished draft speech to ZB. *I prefer alternate language vs. compromises*

Step 5. ZB takes speech to the President no later than 48 hours prior to scheduled delivery, including alternative language and remaining dissents, if necessary.

THE WHITE HOUSE
WASHINGTON

Ray Jenkins said you asked
to review before this went
out.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

2810

Cleared by SEC,
Christopher

May 15, 1980

ok
J

We welcome the courageous decision of the West German Olympic Committee to refuse to participate in the Moscow Olympic Games. The Committee, the West German Government, and the people of West Germany deserve the admiration of all [those] throughout the world who believe in peace and freedom and who recognize that the achievement of these goals sometimes requires painful sacrifices.

The Soviet invasion of Afghanistan is a serious blow to peace and freedom. We hope that the other Olympic Committees of Western Europe will follow the advice of their own Governments and join with the West German Olympic Committee in demonstrating their opposition to Soviet aggression.

#

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NAME Helmut (Willy) SCHMIDT

TITLE Chancellor of West Germany

CITY/STATE _____

Phone Number--Home () _____

Work () _____

Other () _____

Requested by Lloyd Cutler

Date of Request 5/14/80

DECLASSIFIED

Per: Rac Project

ESDN: NLC-126-21-26-3-

BY KS NARA DATE 12/16/89

INFORMATION (Continued on back if necessary)

1. We understand that the size and outcome of the French Olympic vote came as a shock to the French government, which believed as late as Saturday that the Committee would vote narrow against going to Moscow. The lack of a direct appeal by Giscard to the Committee was undoubtedly an important factor, as was his need to deny publicly and Willy Daume statement the weekend that Giscard had advised you that the French would not send a team to Moscow [Schmidt dislikes and mistrusts Daume, who is a leading official of the German NOC and the IOC].

NOTES: (Date of Call 5-14)

Today met 3rd time @ 6.00

"Not pessimistic" - but seemed

resigned & unwilling to do more

2. I know that as you told me in March, you have placed your prestige on the line with German Committee and I am confident that you will see to it that the German Committee votes against going to Moscow. The German vote tomorrow is now even more critical because of the French vote yesterday.

3. If the German Committee follows your lead, I understand there is still a chance that the German card will step in and try to turn the French Committee around. I hope you will do what you can to persuade him to take a firm position on the issue. His personal effort is important for future Allied and U.S.-French relationships even if the French Committee does not follow his recommendation.

4. I am asking Ed Muskie, when the four Foreign Ministers meet for breakfast in Vienna, to raise the advisability at the EEC meeting on May 17 of a resolution urging that all EEC governments appeal to their NOC's to join the United States and Germany in not sending teams to Moscow since the Soviets have done nothing in Afghanistan to create the appropriate conditions for attending the games. A lack of unity at this stage--at least at the governmental level--will gravely weaken our alliance in the eyes of the Soviets, in European and American public opinion and throughout the world.

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Cutler has copy

THE WHITE HOUSE
WASHINGTON

THE WHITE HOUSE

WASHINGTON

May 14, 1980

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD CUTLER *LNC*

SUBJECT: French and German Olympic Decisions

1. Warren Christopher and I recommend that you place a call to Chancellor Schmidt this afternoon. In Warren's last conversation with Ed Muskie, Ed joined in this recommendation.
2. I understand from Ambassador deLaboulaye that the outcome and size of the French Olympic vote came as a great surprise to the government. As recently as Saturday, the government thought the Committee would decide against going by a slight margin. The failure of Giscard to take a firm position with the Committee undoubtedly played a decisive part. This failure was aggravated by a weekend news interview with Willy Daume, President of the German NOC, who quoted Chancellor Schmidt as saying Giscard had told him that the French would not attend the Moscow Olympics. This was widely attacked by the French leftist press and unions and produced a public denial from the Foreign Ministry and the Elysee.
3. Nevertheless, deLaboulaye, after talking this morning with Paris, believes that the French decision could be turned around if the Germans stay firm and if they call for a united appeal by all of the EEC governments to their NOC's at the EEC meeting on Saturday, May 17. On this basis, Giscard might be persuaded to intervene personally with the French Committee.

Talking points for a call to Chancellor Schmidt are attached.

Electrostatic Copy Made
for Preservation Purposes

DECLASSIFIED
Per: Rac Project
ESDN: NLC-126-21-26-3-7
BY: *KS* NARA DATE: 12/16/13

TALKING POINTS

1. We understand that the size and outcome of the French Olympic vote came as a shock to the French government, which believed as late as Saturday that the Committee would vote narrowly against going to Moscow. The lack of a direct appeal by Giscard to the Committee was undoubtedly an important factor, as was his need to deny publicly the Willy Daume statement of the weekend that Giscard had advised you that the French would not send a team to Moscow [Schmidt dislikes and mistrusts Daume, who is a leading official of the German NOC and the IOC].
2. I know that as you told me in March, you have placed your prestige on the line with the German Committee and I am confident that you will see to it that the German Committee votes against going to Moscow. The German vote tomorrow is now even more critical because of the French vote yesterday.
3. If the German Committee follows your lead, I understand there is still a chance that Giscard will step in and try to turn the French Committee around. I hope you will do what you can to persuade him to take a firm position on the issue. His personal effort is important for future Allied and U.S.-French relationships even if the French Committee does not follow his recommendation.
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DECLASSIFIED
Per: Rac Project
ESDN: NLC-126-21-26-3-7
BY: JCS NARA DATE 12/16/13

ADMINISTRATIVELY
CONFIDENTIAL

THE WHITE HOUSE

WASHINGTON

May 15, 1980

C

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD N. CUTLER *LNC*

SUBJECT: FRENCH OLYMPIC COMMITTEE

If you have not yet called Giscard, you may want to read the attached cable from our Embassy in Paris before doing so. Also attached is a State Department draft of the letter to be cabled under your signature to the Prime Ministers of Belgium, Iceland, Luxembourg, Netherlands, Turkey, Portugal and Spain.

Attachments: ~~CONFIDENTIAL~~

Electrostatic Copy Made
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DECLASSIFIED
Per, Rac Project
ESDN: NLC-126-21-28-1-9
BY *K5* NARA DATE *12/16/13*

UP IMMED
STU583
DE RUFNPS 79697/81 1301839
U 151037Z MAY 88
FM AMEMBASSY PARIS

TO SECSTATE OASNDG IMMEDIATE 7950

INFO ALL EC CAPITALS IMMEDIATE
USMISSION USRATO IMMEDIATE 8765

~~CONFIDENTIAL~~ SECTION 81 OF 82 PARIS 13697

EXDIS
DEPT: PASS WHITE HOUSE FOR CUTLER
REPEAT TO SECRETARY'S PARTY
E.O. 12958: R03 5/15/88 (DE TARR, FRANCIS) OR-P
TAGS: SOUL, FR, US
SUBJECT: (C) FRENCH OLYMPIC PARTICIPATION;
GRASPING AT STRAWS

1. (CONTINUED TEXT).
2. PRO-BOYCOTT OFFICIALS IN THE GOF HAVE REGROUPED IN THE WAKE OF MAY 13 DECISION BY THE FRENCH OLYMPIC COMMITTEE (FOC) TO PARTICIPATE IN THE MOSCOW GAMES AND HAVE BEGUN CONSIDERING WHAT FURTHER STEPS MIGHT BE TAKEN. OUR SOURCES ARE FAR FROM OPTIMISTIC BUT THEY BELIEVE THE DOOR MAY NOT BE ENTIRELY CLOSED TO REVERSAL OF THE FRENCH DECISION.

3. OUR PRINCIPAL SOURCE INVOLVED IN THE PRO-BOYCOTT EFFORT HAS NOTED TO US THAT FOC PRESIDENT COLLARD LEFT TWO "OUTS" FOR HIMSELF IN HIS COMMENTS FOLLOWING ANNOUNCEMENT OF THE FOC DECISION:

- 4. COLLARD SAID THE FOC WOULD NOT FORMALLY INFORM THE INTERNATIONAL OLYMPIC COMMITTEE (IOC) OR THE MOSCOW COMMITTEE OF ITS PARTICIPATION DECISION UNTIL THE IOC HAD INFORMED THE FRENCH COMMITTEE OF THE SOVIET RESPONSE TO THE PROPOSAL PUT FORWARD BY LORD KILLANIN IN MOSCOW.

OUR SOURCE, WHO IS WELL INFORMED, BELIEVES THAT COLLARD WOULD ACCEPT LESS THAN COMPLETE SOVIET

*****WHSR COMMENT*****

REV CUTLER
CORIUREN, LARR, BLACK, STEBBINS

PSN1033176 PAGE 01 TOR:136/16:11Z DTG:151037Z MAY 88

(V.E. ON RULES CHANGES DELETING FLAGS, PARADES ETC.)

DECLASSIFIED
Per, Rac Project
ESDN: NLC-126-21-25-1-9
BY KS NARA DATE 12/16/83

COMPLIANCE WITH THE IOC RULES CHANGE PROPOSALS BUT THAT HIS PRINCIPAL REASON FOR NOT TRANSMITTING THE FRENCH LETTER OF ACCEPTANCE IS "TO PRESERVE IOC OPTIONS A LITTLE WHILE LONGER."

B. COLLARD ALSO NOTED IN PRESS COMMENTS MAY BE THAT IT WILL BE NECESSARY TO REVIEW THE PARTICIPATION QUESTION ON A SPORT-BY-SPORT BASIS BECAUSE THE SITUATION CHANGES EACH DAY. COLLARD SAID THAT FRENCH ATHLETES WOULD BE RELUCTANT TO COMPETE FOR "CHOCOLATE MEDALS" IMPLYING THAT A REVIEW OF EACH SPORT WOULD BE NECESSARY TO DETERMINE THE ADEQUACY OF THE COMPETITION.

4. UNDER THE CIRCUMSTANCES OUR SOURCE BELIEVES THAT THERE ARE TWO WAYS IN WHICH IT MAY STILL BE POSSIBLE TO OBTAIN A FRENCH BOYCOTT OF THE OLYMPICS:

A. MANY OF THE ATHLETES WOULD DECLINE TO PARTICIPATE IN THE OLYMPICS IF THE LEVEL OF COMPETITION WAS NOT OF OLYMPIC STANDARDS. THE CAREFULLY WORDED LANGUAGE IN THE OLYMPIC COMMITTEES MAY BE RESOLUTION PAVES THE WAY FOR THIS POSSIBILITY BY ITS STRESS ON THE FACT THAT THE DECISIONS REACHED BY THE OLYMPIC COMMITTEE ARE BASED "SOLELY ON SPORTING CRITERIA." OUR SOURCE BELIEVES IT IS CONCEIVABLE THAT AN FRG DECISION TO BOYCOTT, COUPLED WITH THAT OF SEVERAL OTHER COUNTRIES, COULD FORCE THE IOC TO REACH THE CONCLUSION THAT THE MOSCOW OLYMPICS NO LONGER CONSTITUTES A MEETING OF THE WORLD'S SPORTING ELITE, AND ON THIS BASIS, (RATHER THAN ON A POLITICAL BASIS) THE IOC COULD CHANGE ITS MIND ABOUT PARTICIPATION.

B. IT IS ALSO STILL POSSIBLE THAT POLITICAL INTERVENTION WITH THE OLYMPIC COMMITTEE COULD TURN THE SITUATION AROUND. SOURCE DOES NOT BELIEVE IT IS POLITICALLY POSSIBLE FOR PRESIDENT GYSCARD D'ESTAING TO MAKE SUCH A MOVE IN THE WAKE OF THE FRENCH

BT

782

***** ~~C O N F I D E N T I A L~~ ***** COPY

UP IMMED
STU578
DE RUFNPS #5697/02 1361039
U 151037Z MAY 80
FM AMEMBASSY PARIS

TO SECSTATE WASHDC IMMEDIATE 7091

INFO ALL EC CAPITALS IMMEDIATE
USMISSION USMATS IMMEDIATE 8786

~~C O N F I D E N T I A L~~ SECTION 02 OF 02 PARIS 15697

EXDIS
COMMITTEE'S MAY 13 VOTE BUT SOURCE SEES SOME POSSI-
BILITY THAT EC NATIONS MIGHT YET DEVELOP A COMMON
PRO-BOYCOTT POSITION UNDER FRG LEADERSHIP AND THAT GUP
COULD THEN USE THIS FACT TO APPEAL TO FOC FOR
EUROPEAN UNITY. SOURCE NOTES THAT FOC MEMBERS BELIEVE
THE FRENCH VOTE WILL HAVE MAJOR EFFECT ON FRG VOTE.
IF IT DOES NOT, SOME COMMITTEE MEMBERS WILL HAVE SECOND
THOUGHTS OVER FRENCH PARTICIPATION. IN THIS CLIMATE
AN EC POLITICAL DECISION COULD PLAY A SIGNIFICANT ROLE.

||

EMBASSY COMMENTS: THERE IS A STRONG ELEMENT OF
WISHFUL THINKING IN EACH OF THESE SCENARIOS AND THEREFORE
WE REPORT THEM AS "A GRASPING AT STRAWS." IT SHOULD
BE NOTED THAT IF GOF HAD DECIDED TO MAKE MAJOR EFFORT
ON BEHALF OF THE BOYCOTT IT WOULD HAVE BEEN FAR EASIER
TO IMPLEMENT SUCH A DECISION BEFORE THE FOC VOTE
RATHER THAN AFTER IT. WE ALSO NOTE POLL RESULTS MADE
AVAILABLE TO US TODAY SHOWING THAT FRENCH PUBLIC
OPPOSES U.S. DECISION TO BOYCOTT BY AN OVERWHELMING
65 TO 24 PERCENT MARGIN. UNDER THE CIRCUMSTANCES IT
WOULD BE DIFFICULT FOR THE GOF TO MOUNT THE MAJOR
EFFORT NOW NECESSARY TO REVERSE THE BOYCOTT DECISION.
NEVERTHELESS, WE AGREE WITH OUR SOURCE'S VIEW THAT THE
DOOR IS NOT YET COMPLETELY CLOSED ON THIS MATTER. FOR
WHAT HOPE IS LEFT, THE FRG COMMITTEE DECISION AND ITS
INTERNATIONAL IMPACT ARE CRITICAL. SO TOO MAY BE
THE FRG'S ROLE IN BILATERAL AND EC CONSULTATIONS ON
THE OLYMPIC ISSUE. WE CONTINUE TO BELIEVE (AS
RECOMMENDED IN PARIS ISMMS OF 9 MAY) THAT THE MATTER
SHOULD BE THE SUBJECT OF DIRECT COMMUNICATION FROM THE

(1) IN SOURCE'S
CHANGES DELETING
FLAG, PARADES,
ETC.)

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PAGE 01

TOR:136/16:12Z

DTG:151037Z MAY 80

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ESDN: NLC-126-21-26-49

BY: *KS* NARA DATE: 12/16/13

~~*****CONFIDENTIAL*****~~ COPY

PRESIDENT TO GISCARD D'ESTAING, IF ONLY TO ESTABLISH
FOR THE RECORD THAT WE HAVE EXPRESSED OUR CONCERN AT
THE HIGHEST LEVEL.

CHAPMAN
BT

PSN:033177

PAGE 02

OF 02

TOR:100/16:122

DTG:151037Z MAY 88

~~*****CONFIDENTIAL*****~~ COPY

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100-24,50-1-1
57-1-1

THE WHITE HOUSE
WASHINGTON

15 May 80

Lloyd Cutler

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

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

ADMINISTRATIVELY
CONFIDENTIAL

May 15, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD N. CUTLER *LNC*

SUBJECT: DRAFT LETTER TO PRIME MINISTER COSSIGA

Attached is a draft letter to Prime Minister Cossiga, to be sent by cable today. The draft has been approved by Zbig and Warren Christopher.

I agree with Warren's recommendation that you place a call to Giscard today while Chancellor Schmidt is in Paris.

Suggested talking points are attached.

We are also getting up similar letters from you to the leaders of the following European countries whose Olympic Committees will be holding their meetings in the next few days: Belgium, Iceland, Luxembourg, Netherlands, Turkey, Portugal and Spain.

Dear Mr. Prime Minister:

I am writing to you again on the Olympics issue because of the need for Western solidarity on this important matter. I am gravely concerned that some of the EEC Olympic Committees are moving in a direction that could weaken the fabric and undermine the confidence of people everywhere in the Western Alliance.

During this past week, ~~the French, the Danish,~~ ^{Some European} and ~~the Irish~~ Olympic Committees have decided to allow their Olympic teams to go to Moscow. Notwithstanding these developments, the West German Committee has now courageously voted against sending a team. The difference in outcome is undoubtedly attributable to the strong advice of all sectors of the West German Government, including the President, the Chancellor, the Cabinet and the Bundestag.

During these last 10 days before the IOC deadline for accepting invitations to the Moscow Games, I urge that you take steps to have the Italian Government provide public and private advice to your own Olympic Committee against sending an Italian team to Moscow, and that as President of the European Community, you urge all EEC Governments to take similar measures. *If we hold firm, some early decisions to go to the Moscow games might well be reversed.*

I ask you to take these steps because it is inadvisable and unfair to allow sports leaders to take what amounts to vital, political decisions in a political vacuum. The Soviet Union has failed to remove its occupation forces from

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Per, Rac Project
ESDN: NLC-126-21-26-2-8
BY KS NARA DATE 12/16/13

Afghanistan. Indeed, these forces continue to occupy a small, defenseless country, and the aggressor seeks to consolidate his hold through tactics of assassination and terror. We have all agreed that these Soviet measures raise the gravest threat to the national security of Western Europe, the United States, and free nations throughout the world.

You will have the opportunity at the May 17 EC-9 meeting in Brussels to state your government's position, and together with your colleagues, reach a common European position to advise your National Olympic Committees against participation in the Moscow Olympics.

West Germany, Norway, the United States, Canada, China, Kenya and more than 50 nations in all will not send teams to Moscow. In my judgment it is critical to your national security and ours that all the democracies of Europe join in this international show of resolve.

Sincerely,

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Per, Rac Project
ESDN: NLG-126-21-26-2-8
BY KS NARA DATE 12/16/13

TURKEY

Dear Mr. Prime Minister:

I have decided to write to you again on the Olympics issue because of the need for Western solidarity on this important matter.

In Europe, the Norwegian and now the West Germany Olympic Committees have taken the courageous decision to support an international boycott of the Moscow Olympic Games. We hope that these positive decisions will mark a new and growing European consensus for a boycott. This can happen if your Government, just as the West German Government so effectively has done, provides political advice and guidance to their Olympic groups. I urge you, Mr. Prime Minister, during these next few days not to remain silent, but to issue unequivocal public statements in favor of non-participation, and to work privately with national sports leaders to ensure national pro-boycott decisions.

I ask you to take these steps because it is unfair to allow sports leaders to take what amount to vital, political decisions in a political vacuum. The Soviet Union has failed to remove its occupation forces from Afghanistan. Indeed, these forces continue to occupy a small, defenseless country, and the aggressor seeks to consolidate his hold through brutal tactics. Under these circumstances the

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ESDN: NLC-124-21-26-2-8
BY KS MARK DATE 12/16/88

presence of Western athletes at the Moscow Olympic Games devalues the condemnation their governments have made.

American athletes will not participate in the Moscow Games, nor will the athletes of more than 50 other countries, in a stirring expression of opposition to Soviet military actions. It is important that the democracies of Europe join in this international resolve.

Sincerely,

Jimmy Carter

DECLASSIFIED

Per, Rac Project

ESDN: NLC-126-21-26-2-8'

BY 1-5 NARA DATE 12/16/13

NAME Giscard d'ESTAING

TITLE President

CITY/STATE FRANCE

Phone Number--Home ()

Work ()

Other ()

Requested by Lloyd Cutler

Date of Request May 15, 1980

INFORMATION (Continued on back if necessary)

1. I was disappointed by the French Olympic Committee's decision to send a team to Moscow, as I believe you were. I was greatly heartened by the German Olympic Committee's courageous decision against sending a team, notwithstanding the French Committee's action.
2. The German decision provides another opportunity for the EC 9 Governments to urge their Olympic Committees to follow the German example, for the sake of European unity and in recognition of the serious danger we all see in the continuing Soviet military presence in Afghanistan.

NOTES: (Date of Call)

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ESDN: NLC-126-21-26-2-8
BY KS NARA DATE 12/16/13

3. Undoubtedly the strong advice offered by Chancellor Schmidt and his Government played a decisive role in the decision of the German Olympic Committee. Do you think at this stage it would be feasible for you to make a similar intervention in your own way?
4. A French decision not to attend is critical to achieve a unified Western position. Without it Europe will at best be divided with half going to Moscow and half staying away. This will enable the Soviets to blunt the significance of our action and maintain that, whatever the views of their Governments, the people of Western Europe have no concern about the continuing Soviet invasion of Afghanistan.
5. Whether or not the French Olympic Committee maintains its position, in my judgement it is critical to western unity and public confidence in the alliance that the French Government join with the three other major Western Governments in publicly advising their Olympic Committees against going to Moscow. I hope you will do whatever you can to bring this about.

9:40 AM

THE WHITE HOUSE

WASHINGTON

May 14, 1980

PHOTOGRAPH WITH THE GARRETT FAMILY

Thursday, May 15, 1980

9:40 a.m. (3 minutes)

The Oval Office

From: Hugh Carter *HC*.

I. PURPOSE

To greet Hugh Carter's wife's parents and brother.

II. PARTICIPANTS

Hugh Carter

Glenna Carter

Philip Garrett - Glenna's father

Lecil Garrett - Glenna's mother

Philip Garrett - Glenna's brother

Vickie Thompson - friend of Glenna's brother

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THE WHITE HOUSE
WASHINGTON

5/15/80

Jim McIntyre

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

Rick Hutcheson

cc: Frank Moore
Zbig Brzezinski
Jody Powell

IMMEDIATE ACTION REQUESTED

THE WHITE HOUSE

WASHINGTON

May 14, 1980

*Received 11:55 am
5/15/80*

pc

NOTE TO THE PRESIDENT

From: *Frank Stagg for*
Jim McIntyre

Attached is a letter to Senator Stennis concerning the Defense Authorization Bill currently in mark-up in his committee. I suggest you sign the letter as soon as possible so that we can avert an inordinately large Defense Authorization Bill before it gets to the floor. NSC and CL concur.

2816

THE WHITE HOUSE

WASHINGTON

May 15, 1980

Dear Chairman Stennis:

As the Armed Services Committee continues its consideration of the Department of Defense Authorization Act for Fiscal Year 1981, I want to convey to you and your colleagues my views on several issues.

H.R. 6974, the House Committee version, adds \$6.2 billion to my authorization request for various procurement and R&D items. These increases will make it most difficult for the Appropriations Committee to structure a 1981 Defense Appropriations bill consistent with a balanced budget, without severe reductions in operations and personnel areas critical to the readiness and capability of our forces. These areas have been cut most heavily in the past, and can least afford further reductions. Consequently, within anticipated defense budget totals, unrequested increases in R&D and procurement could adversely affect today's military readiness by forcing offsetting reductions in the operations and personnel accounts later in the Congressional process.

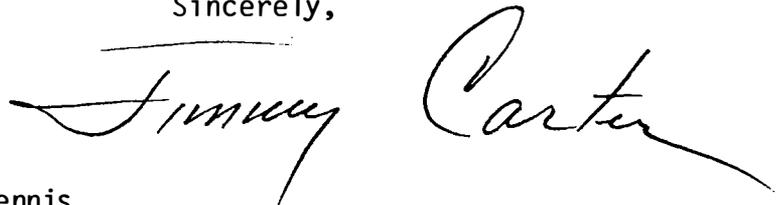
I am particularly concerned about the following specific add-ons:

1. \$600 million for development and production of the B-1 aircraft as a modified cruise missile launcher. Our long term strategic modernization program includes key enhancements to our B-52 force, and any effort to create a second, extremely costly cruise missile platform is both premature and unnecessarily expensive. While we have not ruled out a B-1 type aircraft as a future cruise missile carrier, it is inappropriate to begin any such major program prior to full determination of the timing and specific form of an appropriate B-52 follow-on.
2. \$560 million for the reactivation of two mothballed ships, the aircraft carrier Oriskany and the battleship New Jersey. Because they require thousands of new crewmembers, both of these ships would aggravate current Navy ship manning problems. Even if we could overcome these constraints, it remains inefficient to apply hundreds of millions of dollars to resurrect 1940's technologies for only a few short years of stretched operation.

3. \$492 million for 24 additional F/A-18 aircraft. Given the current development status of this aircraft, the 48 requested in the budget represent an appropriate level of procurement. An increase beyond 48 would likely be done at the expense of funds needed to operate and maintain existing Navy aircraft.
4. \$907 million for two additional 688 class submarines and \$495 million for two additional guided missile frigates. The Navy's frigate requirement is adequately met by the four ships requested in the basic budget, and we plan to design a new class of submarine to meet future Navy requirements in this area.

I solicit your assistance in making the Senate authorization bill consistent with the most effective allocation of scarce resources to military R&D, procurement, and sustaining the capabilities of today's forces. I urge you to give particular attention to the priority needs of the operations and personnel accounts in the defense budget, and to the Nation's overall budgetary objectives.

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,".

The Honorable John C. Stennis
Chairman
Committee on Armed Services
United States Senate
Washington, D.C. 20510

9:45 AM

THE WHITE HOUSE

WASHINGTON

May 14, 1980

MEETING WITH SMALL BUSINESS REPRESENTATIVES

Thursday, May 15, 1980

9:45 a.m. (15 minutes)

The Rose Garden

FROM: ANNE WEXLER *AW*

I. PURPOSE

- To receive the report of the White House Conference on Small Business from its Commissioners.
- To meet with and honor the State and Territorial Small Business Winners and to present the Award to the Small Business Person on the Year.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

Background:

- Receipt of the Commission Report: You called for the White House Conference on Small Business by Executive Order in 1977. Open meetings were held in every State and delegates were selected to come to Washington in January, 1980 for the final meeting which you addressed. This report is the result of the input from the State meetings, the Washington meeting and review by the Commissioners. It includes the 60 major recommendations by the Conference.
- Small Business Person of the Year: The 57 State Winners were selected by the individual SBA District Advisory Councils and presentations were sent to the SBA Central Office to be judged for the national winner.

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2/8/82

Participants:

Anne Wexler, Assistant to the President
 Vernon Weaver, Administrator
 Small Business Administration
 Arthur Levitt, Chairman, White House
 Conference on Small Business Commission
 George Spalding, (Missouri), Small Business Person
 of the Year
 Scott Ankeny, (Minnesota), First Runner-up ("Ann-Kenee")
 Cletus Ernsten, (Texas), Second Runner-up
 Chairman Neal Smith, Horn Small Business Committee
 9 of the 11 Commissioners of the White House
 Conference on Small Business

Audience:

The 57 State Small Business Winners and Spouses
 The 12 Small Business Advocacy Award Winners
 Chairpersons of the White House Conference on Small
 Business State Delegations
 Members of the House and Senate Small Business
 Committees
 Congressional Staff from Small Business Committees
 Members of Congress representing the State/Districts of
 the Small Business Award Winner and 2 Runners-up
 White House Conference Staff
 Small Business Administration Staff

Press Plan: Open press coverage.

III. AGENDA (See attached diagram)

Before you arrive I will have introduced Vernon Weaver who will make remarks until your arrival.

When you arrive at the podium Arthur Levitt, Chairman of the White House Conference Commission will make brief remarks as he presents the report of the Commission to you. (Arthur's father died last week. You sent a letter of condolence to Mrs. Levitt and Arthur).

You will make your remarks upon receipt of the report. The last portion of your remarks is the presentation to the two runners-up and the Small Business Person of the Year. Vernon Weaver will hand you the framed award certificates for you to present to the winners.

You should ask George Spalding*, the Small Business Person of the Year to make a few remarks.

IV. TALKING POINTS

Talking points have been furnished to you by the Speechwriters.

*NOTE: TODAY, MAY 15, IS GEORGE SPALDING'S ⁴⁷⁵BIRTHDAY.

[Salutations will be updated
no later than 8 AM on Thurs.
by Rich Reiman x2845.]

SPEECH
Bob Rackleff
Draft A-2; 5/14/80
Scheduled Delivery:
Thurs, May 15, 9:45 AM

President's Remarks for Small Business Conference

Report and Awards Ceremony

Thank you, Arthur [Levitt], for the introduction; Vernon Weaver; Neal Smith; Gaylord Nelson; and the many others here who worked so hard to produce this report.

This document represents an impressive achievement of government and business cooperation. It has been a major grassroots undertaking for our country's small businesses.

This nation has taken a long overdue look at the problems and needs of small businesses. This report will be seen in coming years, I am sure, as a milestone in the revitalization of the American economy.

As I said in January, this report is not just for reading. In 1982, we will bring you back to assess the progress we have made as a result of the Conference. As I also said, I expect to be right here to greet you in 1982.

Events have moved rapidly in the last few months, and I want to report on some of them today.

The greatest change has concerned inflation and unemployment.

Inflation had been increasing sharply earlier this year, and in response, I announced a tough anti-inflation program.

We are already seeing some progress. Interest rates, including home mortgage rates, have fallen at a record pace in recent weeks. Bond markets have recovered. And signs are that inflation will drop significantly this summer. Many raw material prices have already begun dropping.

Reducing inflation is the most important thing we can do to keep interest rates down, to halt the erosion of consumer purchasing power, and, in turn, to moderate the recession we now find upon us.

Another encouraging sign is our progress in energy. Since

the beginning of the year, the United States has cut oil imports by some 12 percent over the same period last year. This amounts to a savings of a million barrels a day.

This means a healthy boost in our balance of payments, a much-needed drop in the billions of dollars we send overseas instead of investing at home, and a big step toward the long-term energy security we can achieve in this decade.

Finally, we have made more progress in regulatory reform since we last met.

Last month, the Senate passed a landmark reform of trucking regulations. It is now before the House, and I urge swift passage of a bill that could save Americans \$8 billion a year in freight costs.

Also last month, I signed into law our first major financial reform in decades -- which opens up competition and

phases out interest ceilings on savings accounts, giving small savers access to the rewards of a free market.

Also moving through Congress is a comprehensive Regulation Reform Act, which I want to see passed this year in the form I proposed.

Besides these recent developments, the regulatory reforms of the past three years include airline deregulation; increased competition in broadcasting and telecommunications and in the railroad industry; a major reduction in trade restrictions around the world; oil and gas price deregulation; and dozens of management improvements in everything from paperwork reduction to civil rights enforcement and OSHA.

My Regulatory Council issued a report last month detailing 138 such initiatives. Among other things, it found that our management improvements alone have saved \$3.5 billion.

In short, these have been the most productive years for regulatory reform and for small business in our history, any way you measure them. We have done it together, in constant consultation, and you deserve much of the credit.

We have a lot of work ahead, but we have already begun a legacy for future generations -- a legacy of people who faced up to problems, who made tough choices, and who built something good and strong to leave behind. I thank you for helping in this important work.

Let me now turn to the Small Business Person of the Year Awards.

I do not often get the chance to help honor such remarkable achievements in the field of business. There is too little public recognition of the entrepreneurship that has benefitted our country so much.

Let me first recognize the runners-up:

¶ Scott Ankeny, President of TAFCO Equipment Company
of Blue Earth, Minnesota;

¶ And Cletus P. Ernster, President of Gulf Coast Products
of Cuero, Texas.

Finally, the Small Businessman of the Year:

Birthday
¶ George Thomas Spalding, President of Diemakers, Inc.,
of Monroe City, Missouri.

You have devoted a lifetime of work, risk-taking, and
imagination to build businesses that help strengthen the
fabric of American life. You and hundreds of thousands of
others have sustained our economic expansion and provided new
jobs. Because of you, we can rightfully claim greatness for
this country of ours.

You have earned my deepest thanks.

#

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X X X ITS POSITION."

THE SURPRISE EGYPTIAN REJECTION CAME SHORTLY AFTER ISRAELI PRIME MINISTER MENACHEM BEGIN SAID THE PALESTINIAN AUTONOMY TALKS WOULD CONTINUE BEYOND THEIR MAY 26 TARGET DATE.

THE EGYPTIAN MOVE WAS DECIDED AT A 1-HOUR MEETING OF PRESIDENT ANWAR SADAT AND HIS TOP AIDES, INCLUDING VICE PRESIDENT HOSEI MOBARRAK, FOREIGN MINISTER KAMEL HASSAN ALI, STATE MINISTER FOR FOREIGN AFFAIRS BUTROS GHALI AND OUTGOING PRIME MINISTER MUSTAFA ZHAILIL.

THE DECISION REVERSED AN ANNOUNCEMENT MADE BY SADAT TO PARLIAMENT WEDNESDAY THAT HE HAD AGREED TO A RESUMPTION OF THE NEGOTIATIONS AT PRESIDENT CARTER'S REQUEST.

SADAT BROKE OFF THE NEGOTIATIONS EXACTLY A WEEK AGO TO PROTEST ISRAEL'S INSISTENCE ON REMAINING RESPONSIBLE FOR THE DEFENSE AND SECURITY OF THE OCCUPIED JORDAN WEST BANK AND GAZA STRIP, EVEN AFTER THE PROJECTED PALESTINIAN SELF-RULE COUNCIL IS ESTABLISHED.

THE ISRAELI LAW MAKING JERUSALEM THE CAPITAL OF THE JEWISH STATE "CREATES A GRAVE SITUATION THAT CONTRADICTS THE PRINCIPLES OF INTERNATIONAL LAW, THE CAMP DAVID FRAMEWORK AND THE SPIRIT OF PEACE," THE FOREIGN MINISTRY STATEMENT SAID.

THE LAW PASSED ITS FIRST READING IN THE ISRAELI KNESSET WEDNESDAY ON THE 13TH ANNIVERSARY OF THE ISRAELI CAPTURE OF ARAB EAST JERUSALEM FROM JORDAN.

THE STATEMENT SAID THE ISRAELI ACTION "CONTRADICTS THE PRINCIPLE OF NEGOTIATING IN GOOD FAITH BECAUSE IT IS ATTEMPTING TO EXCLUDE CERTAIN MATTERS FROM THE NEGOTIATIONS IN VIOLATION OF THE TRUE PRINCIPLES OF NEGOTIATING AND THE ESSENCE OF THE PEACE EFFORTS."

EGYPT INSISTS THAT EAST JERUSALEM SHOULD BE INCLUDED IN THE PALESTINIAN AUTONOMY SCHEME AS PART OF THE WEST BANK, BUT ISRAEL CONSIDERS THE HOLY CITY ITS "UNIFIED AND ETERNAL CAPITAL."

IN ISRAEL EARLIER TODAY BEGIN SAID THAT IF THE ISRAELIS GREEDED TO EGYPT'S DEMAND THAT THEY GIVE UP TOTAL CONTROL OVER SECURITY IN THE OCCUPIED TERRITORIES, IT WOULD LEAD TO "PERMANENT BLOODSHED."

PICKUP 4THORAF: "WE DIDN'T

UPI 05-15 11:05 REC

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2821

3:15 PM

THE WHITE HOUSE

WASHINGTON

May 14, 1980

MEMORANDUM TO THE PRESIDENT

FROM: AL MOSES 

SUBJECT: Appearance before the United Jewish Appeal
National Cabinet, Thursday, May 15, 3:15 p.m.,
State Floor

I. PURPOSE

To greet the National Cabinet of the United Jewish Appeal in a 15-minute stop-by. You may wish to use this opportunity to reaffirm your support for Israel and bring this key group up to date on our current view of the autonomy negotiations.

II. BACKGROUND, PARTICIPANTS AND PRESS

A. Background: From May 15 to May 18 the National Cabinet of the United Jewish Appeal (UJA) is assembling in Washington to plan its 1981 fundraising campaign to support Jewish communal life in the U.S. and overseas. As you know, the UJA raises about \$250 million annually for Israel and a somewhat larger amount for its work here and in Europe. Its constituent organizations are the United Israel Appeal, Joint Distribution Committee, HIAS, and the New York Association for New Americans (which helps resettle Soviet Jews).

We have responded favorably to the UJA's request for a White House foreign policy briefing for the 150-200 person National Cabinet. In its letter to you, the UJA requested this meeting "to achieve full understanding of the paramount issues in the world today, so that we may translate our knowledge and insights into effective and compassionate campaign action."

Dr. Brzezinski and Hal Saunders will brief the group for a half hour each, after your drop-by.

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B. Participants: The outgoing president of the UJA is Frank Lautenberg, who has supported your re-election effort and has been a principal fundraiser for Carter/Mondale. The outgoing national chairman is Irwin Field of Los Angeles, and his successor is Herschel Blumberg of Chevy Chase. The 150-200 persons present will be the key UJA leaders from across the country. I will escort Lautenberg, Field and Blumberg to meet with you in the Oval Office immediately prior to your appearance before the group.

WHITE HOUSE STAFF: Alfred Moses

C. Press: Open coverage of your remarks.

D. Remarks furnished by speechwriters..

N.B. Mr. Irwin Field, National Chairman of the UJA, will present to you a framed sculpture of the Hebrew verse you quoted in your inaugural address.

THE WHITE HOUSE
WASHINGTON

May 13, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: Al McDonald
Rick Hertzberg
Achsah Nesmith

SUBJECT: Presidential Talking
Points: National
Cabinet of the United
Jewish Appeal

Scheduled Delivery:
~~Thur, May 15, 3:15 PM~~
Residence

Your talking points for this group are attached.

Clearances

David Rubenstein
Ray Jenkins
Al Moses
NSC (Hunter)

[Names in salutation will be confirmed by Marvin Feuerwerger x2960 no later than 11:15 AM Thurs.]

Achsah Nesmith
Draft A-1; 5/13/80
Scheduled Delivery:
Thurs, May 15, 3:15 PM

3:15
(TALKING POINTS)

Talking Points

United Jewish Appeal Drop-by

1. FRANK LAUTENBERG (outgoing president), IRWIN FIELD (outgoing chairman and incoming president), ^{HERSCHEL} ~~MICHAEL~~ BLUMBERG (incoming chairman), LEADERS OF THE UNITED JEWISH APPEAL:

2. I SALUTE THE LEADERS OF THE UNITED JEWISH APPEAL FOR YOUR COMMITMENT AND SUPPORT OF SO MANY WORTHWHILE UNDERTAKINGS IN OUR COUNTRY AND ABROAD. AMERICANS HAVE ALWAYS JOINED TOGETHER TO HELP EACH OTHER AND OTHERS. YOU ARE A GROUP OF DOERS IN THE BEST TRADITION OF OUR NATION.

3. IT IS A SPECIAL PLEASURE TO HAVE YOU HERE TODAY, EXACTLY ~~32 YEARS AFTER THE ANCIENT RAM'S HORN WAS BLOWN PROCLAIMING THE~~ REBIRTH OF THE INDEPENDENT NATION OF ISRAEL ON MAY 15, 1948. THE UNITED STATES WAS THE FIRST COUNTRY IN THE WORLD TO RECOGNIZE ISRAEL AND IT HAS REMAINED ISRAEL'S TRUEST FRIEND. WE SHARE A DEEP COMMITMENT TO FREEDOM AND DEMOCRACY. OUR MUTUAL COMMITMENT TO PEACE IS FOUNDED IN OUR COMMON MORAL AND RELIGIOUS HERITAGE.

4. IN THE PAST THREE YEARS, I HAVE ASKED THE CONGRESS FOR MORE THAN \$10 BILLION IN MILITARY AND ECONOMIC ASSISTANCE TO ISRAEL, AND WE HAVE DELIVERED TO ISRAEL SOME OF THE MOST ADVANCED MILITARY EQUIPMENT USED BY OUR OWN ARMED FORCES.

5. A STRONG, SECURE ISRAEL AT PEACE IS IN THE STRATEGIC INTEREST OF THE UNITED STATES. ISRAEL IS A FORCE FOR FREEDOM AND A BULWARK

TALKING POINTS

AGAINST INSTABILITY AND FOREIGN INTRUSIONS IN THE MIDDLE EAST. WE KNOW THAT IN THE DAYS AHEAD, WE WILL BE ABLE TO COUNT ON ISRAEL, AND THE PEOPLE OF ISRAEL KNOW THAT THEY CAN COUNT ON THE UNITED STATES.

6. WE ARE COMMITTED TO A JUST AND LASTING PEACE BETWEEN ISRAEL AND ITS ARAB NEIGHBORS IN ACCORDANCE WITH UN SECURITY COUNCIL RESOLUTIONS 242 AND 338 -- UNCHANGED -- AND THE CAMP DAVID ACCORDS. THESE ARE THE ONLY WORKABLE BASIS FOR PEACE IN THE MIDDLE EAST. WE WILL NOT RECOGNIZE OR NEGOTIATE WITH THE PALESTINE LIBERATION ORGANIZATION UNLESS AND UNTIL IT RECOGNIZES ISRAEL'S RIGHT TO EXIST AND THOSE UN RESOLUTIONS.

7. WE ARE COMMITTED TO AN UNDIVIDED JERUSALEM WITH FREE ACCESS TO THE HOLY PLACES FOR ALL FAITHS.

8. WE OPPOSE THE CREATION OF AN INDEPENDENT PALESTINIAN STATE. JUST TWO WEEKS AGO WE VETOED A RESOLUTION IN THE SECURITY COUNCIL CALLING FOR THE CREATION OF AN INDEPENDENT PALESTINIAN STATE.

9. THE UNITED STATES IS DEEPLY COMMITTED TO THE SECURITY AND FUTURE OF THE STATE OF ISRAEL. THIS HAS BEEN A FUNDAMENTAL TENET OF AMERICAN FOREIGN POLICY SINCE ISRAEL'S REBIRTH AS A MODERN NATION. IT IS THE FIRM POLICY OF MY ADMINISTRATION. OUR COMMITMENT TO ISRAEL IS NOT JUST FOR TODAY OR TOMORROW -- IT IS FOREVER.

10. FOR 32 YEARS ISRAEL HAS SOUGHT TO LIVE AT PEACE WITH ITS NEIGHBORS, BEHIND SECURE AND RECOGNIZED BORDERS, FREE FROM ALL ACTS OR THREATS OF VIOLENCE. MORE HAS BEEN ACCOMPLISHED FOR PEACE IN THE PAST 30 MONTHS THAN IN THIRTY YEARS OF WAR. THE CAMP DAVID

ACCORDS AND THE HISTORIC TREATY SIGNING AT THE WHITE HOUSE A LITTLE OVER A YEAR AGO WERE MAJOR STEPS TOWARD PERMANENT PEACE.

11. NOW WE ARE ENGAGED WITH ISRAEL AND EGYPT IN NEGOTIATIONS TO COMPLETE THE CAMP DAVID ACCORDS. THE ACCORDS CALL FOR A SELF-GOVERNING AUTHORITY, DESIGNED TO PROVIDE FULL AUTONOMY FOR THE INHABITANTS OF THE WEST BANK AND GAZA, WHILE FULLY PROTECTING THE SECURITY OF ISRAEL. ALL OF US KNEW AT THE TIME OF THE CAMP DAVID AGREEMENTS HOW DIFFICULT THIS WOULD BE TO ACHIEVE. THE TALKS CAN SUCCEED. THEY MUST SUCCEED.

12. THE CRUCIAL THING IS THAT BOTH ISRAEL AND EGYPT ARE COMMITTED TO THE SUCCESS OF THIS EFFORT. BOTH PRESIDENT SADAT AND PRIME MINISTER BEGIN REAFFIRMED THIS COMMITMENT TO ME WHEN THEY VISITED HERE IN THE WHITE HOUSE LAST MONTH. PRIME MINISTER BEGIN HAS SINCE REPEATED TO AMBASSADOR LINOWITZ THAT HE WANTS THIS WITH ALL OF HIS HEART. SO DO I.

13. THE NEGOTIATIONS PROCESS HAS ENTERED ITS MOST DIFFICULT PHASE, AS IT HAS REACHED THE ISSUES OF DEEPEST IMPORTANCE. THE DECISIONS THAT LIE AHEAD ARE CRITICAL -- FOR THE FUTURE OF ISRAEL AND EGYPT, AND FOR THE HOPES OF PEACE IN THE MIDDLE EAST. WE WILL NOT ALWAYS AGREE WITH EVERY POSITION TAKEN BY EITHER ISRAEL OR EGYPT, BUT WE WILL CONTINUE TO SERVE AS A PATIENT, CONSTRUCTIVE PARTNER IN THE NEGOTIATIONS. WE WILL CONTINUE TO HELP MOVE THE TALKS FORWARD, AND TO BRING CLOSER THE DAY WHEN ISRAEL WILL FINALLY ACHIEVE ITS ANCIENT DREAM -- A FREE AND INDEPENDENT JEWISH STATE THAT IS BOTH SECURE AND AT PEACE.

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2:05pm

THE WHITE HOUSE
WASHINGTON

May 15, 1980

PHOTO OPPORTUNITY FOR SPEAKERS ON ERA BUSINESS BRIEFING

Thursday, May 15, 1980
2:05 p.m.
Red Room

From: Sarah Weddington

SW

Two pictures have been scheduled with the President prior to his addressing the ERA Briefing for Business Executives.

Picture #1 will include: Earle Angstadt, President
McCall Pattern Company

Katharine Angstadt, Daughter
Elizabeth Angstadt, Daughter

Picture #2 will include: Madeline Appel, ERA Chair
League of Women Voters

Alan Tripp, President
Product Resources International

Jack Conway, Senior Fellow
The Aspen Institute

The picture opportunity will be held in the Red Room.

[No Salutations]

Nesmith/Simons ^{2:15} (TALKING POINTS)
A-1; 5/13/80
Scheduled Delivery:
Thurs, May 15, 2:15 PM

ERA Briefing for Business Leaders

1. TWENTY YEARS AGO I DO NOT THINK WE WOULD HAVE HAD AS MANY BUSINESS EXECUTIVES AT A MEETING ABOUT EQUAL RIGHTS FOR WOMEN. ^{Two} ~~TWENTY~~ YEARS FROM NOW I TRUST THAT THERE WILL NO LONGER BE SUCH MEETINGS. BY THEN, HAVING ELIMINATED TODAY'S INEQUALITIES, AMERICAN WOMEN SHOULD HAVE LONG SINCE BEEN ABLE TO TURN THEIR TALENTS, ENERGY AND CREATIVITY TO INCREASING THIS NATION'S PRODUCTION AND IMPROVING THE LIVES OF ALL OUR PEOPLE. THAT CAN HAPPEN IF WE GET THE EQUAL RIGHTS AMENDMENT RATIFIED NOW.

2. IN THE MIDST OF ALL THE RHETORIC WE SOMETIMES FORGET THAT THE GREAT MAJORITY OF STATES -- 35 -- HAVE ALREADY EXPRESSED THEIR DETERMINATION THAT THE ERA SHOULD BECOME THE 27th AMENDMENT. WE ONLY NEED RATIFICATION BY THREE MORE STATE LEGISLATURES TO PUT INTO THE CONSTITUTION THE SIMPLE LANGUAGE: "EQUALITY OF RIGHTS UNDER THE LAW SHALL NOT BE DENIED OR ABRIDGED BY THE UNITED STATES OR BY ANY STATE ON ACCOUNT OF SEX."

WHEN YOU SEE ALL THE FEARS, HEAR ALL THE ARGUMENTS, YOU WONDER IF THE CRITICS HAVE REALLY READ IT. THAT SIMPLE SENTENCE CAN ONLY CHANGE OUR SOCIETY FOR THE BETTER. THE PAST SIX PRESIDENTS RECOGNIZED THE TRUTH OF THAT STATEMENT. BOTH THE DEMOCRATIC AND REPUBLICAN PARTY PLATFORMS IN 1976 RECOGNIZED IT. A MAJORITY OF ALL AMERICANS BELIEVE IT.

ERA TALKING POINTS FULL UPDATE on page 45

3. EQUAL RIGHTS IS MORE THAN JUST EQUAL PAY -- IT IS THE OPPORTUNITY TO RECEIVE AN EQUAL EDUCATION, EQUAL TRAINING IN THE KIND OF SKILLS OUR NATION NEEDS, EQUAL ACCESS TO THE KIND OF ADVANCEMENT POSSIBILITIES THAT BRING OUT THE BEST IN A WORKER. FOR GENERATIONS WE HAVE LIMITED OUR NATION'S POTENTIAL BY TELLING HALF OUR POPULATION THAT THEY WERE NOT CAPABLE OF DOING THINGS THAT NEEDED TO BE DONE, AND ENFORCING IT BY REFUSING TO ALLOW THEM THE CHANCE TO TRY. THE RIGHT TO PARTICIPATE EQUALLY IN EVERY ASPECT OF AMERICAN LIFE WILL PROVIDE NOT ONLY NEW WORKERS, BUT NEW IDEAS, NEW ENTHUSIASM, NEW PRIDE AS WELL.

4. OUR MILITARY IS PROOF OF JUST HOW WELL EQUAL OPPORTUNITY CAN WORK. THE 150,000 WOMEN IN THE MILITARY ARE SERVING AS MECHANICS, PILOTS, RADIO OPERATORS -- IN FACT IN 92 PERCENT OF ALL MILITARY JOB CATEGORIES. THAT IS A STUNNING FIGURE, ALTHOUGH IT SHOULD COME AS NO SURPRISE BECAUSE WE HAVE FOUND THAT WOMEN IN THE ALL-VOLUNTEER FORCE ARE BOTH BETTER EDUCATED AND MORE PRODUCTIVE THAN THE MEN VOLUNTEERS.

[ANOTHER AREA IN WHICH THE GOVERNMENT HAS EXCEEDED OUR OWN EXPECTATIONS IS IN AWARDING PRIME CONTRACTS TO FIRMS OWNED BY WOMEN. ALMOST ONE YEAR AGO TODAY -- MAY 18, 1979 -- I SIGNED AN EXECUTIVE ORDER REQUIRING ALL FEDERAL DEPARTMENTS AND AGENCIES TO SET GOALS FOR INCREASING PROCUREMENT FROM WOMEN'S BUSINESSES. I AM HAPPY TO ANNOUNCE THAT BY THE END OF FY '79 WE NOT ONLY HAD EXCEEDED THE GOAL FOR THAT YEAR, BUT ALSO THE GOAL FOR FY '80. THESE ARE NOT SETASIDES. THE RESULTS ARE AN INDICATION THAT WE UNDERESTIMATED THE NUMBER OF FIRMS OWNED BY WOMEN THAT WERE READY

AND ABLE TO PERFORM GOVERNMENT CONTRACTS. TODAY I AM SETTING A NEW GOAL FOR THIS FISCAL YEAR OF \$212 MILLION AND FOR FY '81 OF \$400 MILLION.*]

5. THE MORE HIGHLY TECHNOLOGICAL OUR SOCIETY BECOMES, THE MORE IMPORTANT IT BECOMES THAT WE EVALUATE POTENTIAL AND PROVIDE TECHNICAL TRAINING ON THE BASIS OF ABILITY, NOT GENDER. THIS IS NOT ONLY FAIR, IT IS ESSENTIAL. FEWER AND FEWER YOUNG MEN WILL BE ENTERING THE WORK FORCE. BY 1995 THE NUMBER OF MALES FROM 15 TO 29 YEARS OLD WILL HAVE DROPPED FROM 30 MILLION TO 25 MILLION. TO FIND WORKERS, INDUSTRY WILL BE FORCED TO TURN TO WOMEN. WE MUST BREAK DOWN THE BARRIERS WHICH PREVENT THEM FROM GETTING THE NEEDED SKILLS AND EXPERIENCE SO THEY WILL BE WELL PREPARED.

6. ALREADY WOMEN COMPRISE 43 PERCENT OF THIS NATION'S WORK FORCE. ALREADY ONE-FOURTH OF ALL AMERICAN HOUSEHOLDS ARE HEADED BY WOMEN. YET THE LAWS THAT GOVERN THEM IN MANY STATES ARE ANTIQUATED, INEQUITABLE AND UNPROFITABLE. UNTIL THE ERA IS RATIFIED BY 38 STATES, A WOMAN'S RIGHTS -- IN CONNECTION WITH PROPERTY, EMPLOYMENT, EDUCATION, LEGAL RIGHTS AND BENEFITS -- CAN VARY ACCORDING TO WHAT STATE SHE IS IN.

MOST AMERICANS BELIEVE WOMEN SHOULD HAVE FULL EQUALITY, BUT NOT ENOUGH ARE TAKING THE TIME TO DO ANYTHING ABOUT IT.

* If you decide not to make this announcement at a separate event, Sarah Weddington would like for you to make it to this group, or to the Small Business event. Her office will have a special kit with background information for the press. The goal for FY '80 was originally \$150 million, for FY '81 \$300 million. Total federal procurement was \$95.4 billion for FY '79, of which \$181 million went to firms owned by women. This is still less than 0.2% of all federal prime contracts.

THEY ACT AS THOUGH THE ERA AMENDMENT IS INEVITABLE. UNFORTUNATELY,
IT IS NOT. YOU, AS LEADERS IN YOUR COMMUNITY, AS PRACTICAL
BUSINESS LEADERS, CAN GIVE THE ERA NEW IMPETUS. IT IS NOT ENOUGH
TO BE FOR IT, IT IS NOT ENOUGH EVEN THAT YOUR STATE HAS RATIFIED
THE ERA.

IF ANYONE MISTREATED YOUR WIFE OR YOUR DAUGHTER, YOUR
MOTHER OR YOUR SISTER, AND YOU KNEW ABOUT IT, YOU WOULD DO
SOMETHING ABOUT IT. THE LAWS OF MANY STATES MISTREAT THEM NOW,
MAKE THEM SECOND-CLASS CITIZENS. AS A FATHER AND GRANDFATHER,
I WANT MY DAUGHTER AND GRANDDAUGHTER TO HAVE THE SAME RIGHTS
AND RESPONSIBILITIES AS MY SONS AND GRANDSONS. THE EQUAL RIGHTS
AMENDMENT WILL BENEFIT ALL AMERICANS.

YESTERDAY THE VOTE IN ILLINOIS WAS POSTPONED TO MAKE
SURE WE HAVE THE VOTES TO WIN. THE ILLINOIS LEGISLATURE WILL
BE VOTING ON THE ERA NEXT WEEK OR THE WEEK AFTER. ILLINOIS IS
A VERY IMPORTANT STATE TO WIN, AND WE CAN WIN, BUT WE NEED YOUR
HELP. IT IS ESSENTIAL THAT WE ALL DO WHAT WE CAN, WHATEVER STATE
WE ARE IN, TO HELP GET THE ERA RATIFIED IN THE THREE REMAINING
STATES. TO BECOME PART OF OUR CONSTITUTION, THE ERA MUST
BE RATIFIED BY 1982, AND 1982 IS NOT SO FAR AWAY. THAT IS
WHY THE VOTE IN THE ILLINOIS STATE LEGISLATURE IS SO IMPORTANT
TO ALL OF US, WHETHER WE ARE FROM GEORGIA OR CALIFORNIA OR
MAINE. UNTIL THE ERA PROTECTS EVERY WOMAN IN EVERY STATE,
IT WILL NOT PROTECT ANY WOMAN IN ANY STATE.

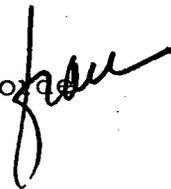
3:10 PM

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

Meeting with Lester Cody
Thursday, May 15
The Oval Office
3:10 p.m.
(5 minutes)

by: Fran Voo 

I. PURPOSE: Brief meeting and photograph with Lester Cody of Marietta, Georgia

II. BACKGROUND, PARTICIPANTS, PRESS:

A. Background: Lester Cody taught clogging to Amy and a group from the Governor's Mansion during the last year of your term there. He was also helpful, particularly in your first gubernatorial campaign, in providing entertainment for fundraising events and other appearances.

He is employed by Lockheed and is on a field assignment at Dover Air Force Base, working on the repair of a C-5 Galaxy aircraft. He asked to stop by to say hello while he is on assignment in Delaware.

Mr. Cody organized a group of cloggers called "The Little Generals," of which Amy was an honorary member. He now teaches and sponsors a group of children from Marietta called "The Gem City Cloggers."

He will be accompanied by two other gentlemen from Marietta, who are also assigned to Dover Air Force Base.

B. Participants: The President
Lester Cody
M.O. "Mo" Perdomo
Clyde Taylor

C. Press: White House Photographer only

4:00 PM

THE WHITE HOUSE

WASHINGTON

May 14, 1980

MEMORANDUM FOR: THE PRESIDENT
FROM: RAY JENKINS R.J.
SUBJECT: Los Angeles Times Interview

Your interview with The Los Angeles Times will be at 4 p.m. Thursday, the 15th, in the Oval Office. The Times is the fourth largest newspaper in the country, with 1.4 million Sunday circulation, and we believe the interview to be of sufficient importance to devote up to 45 minutes of your time.

The participants will be:

- Jack Nelson, The Times' Washington bureau chief.
- Dick Cooper, the Washington news editor.
- Don Irwin, who covers the White House for The Times.
- Jose Galvez, a photographer who will be in for the first three or four minutes.

Jack Nelson has indicated that the entire interview will be an attempt to focus on your second administration. In general, we suggest you maintain a firm sense of optimism, a sense of certainty that our problems, both foreign and domestic, can be dealt with if not brought altogether under control, and a sense of confidence that Americans are willing to make whatever sacrifices are necessary for lasting economic independence and security so long as they know that the burden will be borne equitably.

Suggested talking points from Brzezinski on foreign policy and Rubenstein on domestic policy are attached. Given the nature of the interview and the participants, we saw no necessity to digest recent Times editorial opinion, but generally the newspaper has been fair and sympathetic.

Attachments

Electrostatic Copy Made
for Preservation Purposes

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

May 14, 1980

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI *ZB.*

SUBJECT: Foreign Policy Talking Points for Your Meeting with Jack Nelson and Dick Cooper of the Los Angeles Times, May 15, 1980

Following are talking points on the continuity of Administration foreign policy for your second term.

Talking Points

-- Clearly, my most important objectives in the second term will be to complete and extend work begun in the first. I have devoted myself to three main concerns, and our progress towards each of these goals must be sustained: recovery of the American economy; reduction of oil dependence; and strengthening of the U.S. national security. In all three areas we have laid the groundwork in this Administration; in the next term, it will be necessary to continue the work, and then to reap the fruits of our labors in a stronger, healthier economy, and in a better basis for acting to protect our interests abroad.

-- Last Friday I set forth five compass points that will continue to guide our nation's course. They are:

First, to enhance not only economic but also political solidarity among the industrialized democracies.

Second, to establish a genuinely cooperative relationship with the nations of the Third World.

Third, to persevere in our efforts for peace in the Middle East and other troubled areas of the world.

Fourth, to defend our strategic interests, especially those which are now threatened in Southwest Asia.

And fifth, to advance arms control, especially through agreed strategic arms limitations with the Soviet Union, and to maintain along with this a firm and balanced relationship with the Soviets.

-- In relations with our Allies, two areas of special concern will need attention: organizing the economies of the West for new conditions in the mid-1980s; and -- with regard to our European Allies -- gaining even greater support by them in sharing with us the responsibilities of peace and security in areas outside of Europe -- areas just as vital to our Allies as they are to us.

-- We have already scored an enormous achievement in improving our relations with newer nations throughout the world -- Africa, Panama, China, Middle East. We should be in an even better position, as our economy recovers, to do more in our relations with nations of the developing world. There 85 percent of mankind will live by the end of the century; and what we do now -- whether in peacemaking, economic assistance, political responsiveness, or in helping them achieve their rightful place in the world political and economic scene -- will create the basis for productive relations in the years and decades ahead.

-- In Middle East peacemaking, the Camp David process can provide the basis for moving onward to a comprehensive peace, involving Israel's other neighbors -- so that Israel can finally have the peace it needs and deserves.

-- At the same time, it will be important for the American nation to sustain the efforts we are now making in the Persian Gulf/Southwest Asia region. The Rapid Deployment Forces, prepositioning of material, contingent access to military facilities, security and political relations with our friends in the area -- all these efforts must be built upon in the years ahead, to help secure the interests of the states in the area, as well as our and our Allies' interests.

-- Hardly less important is the continuing effort to respond to the challenge of the Soviet Union, in terms that will lead it to understand the requirements of a genuine, balanced, and reciprocal detente. With increases in our defense spending, our specific steps following the invasion of Afghanistan, and with our growing capacities to respond to Soviet challenge in areas of the world like Southwest Asia, I believe that Moscow will regain the respect for the U.S. that is essential for there to be real detente that can be sustained. At that point -- if and when there is a real earnest of Soviet willingness to work in cooperative ways with us -- we will of course want and need to get on with arms control, including SALT II and SALT III.

-- In human rights, we will continue to press on with the good work that we have done in this Administration: making human rights a full part of our foreign policy, and raising the world's consciousness both about our intentions in this regard, and also about the rising importance of human rights on the world's agenda.

-- It is important for the American people to understand that this is just the beginning of a complicated and difficult time in the world. The terms of international politics and economics have shifted dramatically from the post-World War II days, when the United States was pre-eminent in a shattered world. Europe and Japan recovered -- partly with our help. Soviet military power increased. New nations emerged on the world scene, many of them, like the OPEC nations, with new wealth and global economic power -- others with terrible poverty. All in all, Americans must be more willing to see and understand the world around us as it really is -- a complex and turbulent reality, not easily rendered into a single slogan or formula.

THE WHITE HOUSE

WASHINGTON

May 14, 1980

MEMORANDUM FOR JODY POWELL

FROM:

STU EIZENSTAT *Stu*
DAVID RUBENSTEIN *DR*

SUBJECT:

Interview with Los Angeles Times

At your request, we have put together some thoughts about what the President might say in his interview with the Los Angeles Times on the subject of the second term domestic agenda.

As you know, the Administration has not yet fully developed our program for the second term. We have committed ourselves generally to a number of new initiatives over the next four years (i.e. investment and savings tax incentives). And we clearly will be pursuing specific legislative initiatives not enacted during the first term (i.e. National Health Insurance). But we do not yet have a fullscale legislative or policy agenda for a second term.

We are developing the heart of such an agenda for the President's submission to the Democratic Party Platform Committee; that will be presented in early June. Even that submission though; will be vague in a number of areas. We probably will not have a fuller statement of a second term agenda until the latter part of the Summer, when we have had more time to assess this Congressional session, the economy, and the foreign policy situation. By the end of the Summer, I expect that we will have an agenda that can be used in the general election campaign. What is set forth below is a best guess about what that second term domestic agenda is likely to be when it is finally prepared.

By way of preface, the President, in discussing the second term, should try to weave into his remarks a number of general second-term points:

1. No Full Second Term in 20 Years

The President should point out that no President has served a full second term in 20 years. In making that point, he can indicate that one of the disadvantages of not having a President serve a full second term for such a long time

is that major long-term problems have been ignored (as we learned when we took office); that Federal policies have often changed dramatically within short periods of time; that the country has lost the benefit of the experience developed by a President in a first term; and that our allies are often uncertain about the long-term direction of U.S. policies. The President can state that, while all problems will not be solved by Presidents having full second terms (especially if the fundamental direction of their policies is in error, like Ford's), many of the problems just mentioned can be eliminated or alleviated.

2. Second Carter Administration

Following on the previous point, the President can point out that in a second term:

- o He will be more experienced in the ways of Washington and in dealing with foreign leaders; his Cabinet officers and staff advisors will be similarly more experienced.
- o The problems facing the country can be addressed immediately, without the 1-2 year startup time that a new Administration often requires. (So many of the Administration's policies have been long-term in nature, bearing fruit in the 80's; but that fruit can be borne best if those implementing the programs and policies are the same people who developed and initiated the programs and policies.)
- o The groundwork that was laid during the first four years in solving energy, economic, and foreign policy problems will not be wasted, but can be pursued naturally, knowledgeably, and without interruption.

3. Fallacies About A Second Term

It is important, as well, for the President to refute fears prevalent in some quarters about a second Carter Administration. Briefly, those fears include the usual arguments made against any second term Administration -- that it will be lame-duck from the first day and therefore not very powerful or effective; and that the best people in the Administration are tired after four years and will be leaving shortly after the reelection; (and thus the promised "experience" will really not exist).

In particular, it is also feared that a second Carter Administration will not be politically sensitive, for reelection concerns will be gone and the Administration will be attempting to do what the bureaucrats believe is "right" and not what will be in the best interests of those who helped to reelect the

President. From this perspective, the Administration is seen as being ready to do the unpopular, "right" thing after the election, and those who helped to reelect the President will have little influence on decisions.

In response to these fears, the President can make points along the following lines:

- (1) that there is no evidence that second term Presidents have been weaker because they are "lame ducks"; if there is any "lame duck" effect at all it would not surface until the very end of the second term; that has been the experience of other second term Presidents (or one term Governors); many second term Presidents have been more influential and effective in their second term (Wilson, Roosevelt, Truman, Eisenhower);
- (2) that the Administration has been replacing people gradually during its first term and that many of its best people are new and can be expected to stay for a number of years in its second term;
- (3) that the Administration has not ducked unpopular decisions in the first term (and there is thus no agenda of unpopular decisions waiting to be made); and
- (4) that reelection concerns have not been a primary motivating factor in our taking "political" factors into account when making decisions -- rather, it has been the recognition that getting things done in Washington requires that this be done to some extent, and that will be as true in the second term just as it is now. ("Political" factors -- such as the view of an interest group -- can be taken into account without regard to an election campaign; that is done now and can be done in a second term.)

Suggested Talking Points for the President

1. When I came into office, I recognized that our country was facing a difficult transition period:
 - o We needed to convert from an era of cheap oil to an era of alternative energy sources and more realistically priced conventional energy;
 - o We needed to move toward a period of fiscal restraint, low unemployment and wage and price stability;

- o We needed to address urgent, unmet social needs, in a time of more limited federal resources;
 - o We needed a government structure that operated more effectively and efficiently;
 - o We needed to restore openness and integrity to the federal government; and
 - o We needed to ensure that rights promised in earlier years to all citizens were being met.
2. In each of these major areas, I pursued policies that would enable us to move through a transition period and to reach those goals. I recognized the difficulties involved in achieving each of those goals, and did not pursue them lightly. I also recognized that quick, easy solutions would not provide lasting, enduring answers. That is why, in many cases, I put forward programs and policies that were comprehensive in nature, that were long-term in orientation, and that were complex and time-consuming in development and implementation.
 3. In a sense, I realized that in a few years I could not achieve all of the goals I wanted, or to make all of the progress I thought necessary. But I thought it was important to lay the groundwork, to begin the structures, to undertake the long public education process, to initiate the difficult Congressional battles, and to begin to confront many of the special interests in Washington. In some instances, there have already been short-term benefits to these efforts; as part of our effort to make the government more efficient we have already deregulated the airline and banking industries and have put civil reform onto the books. In other areas, like energy security, we have put in place a framework that will be paying rich dividends throughout the 1980's, but its full effect has not yet been felt.
 4. In a second term, I would like to follow through on the work that has been done in the first term; many of the policies and programs are in place and can be successfully completed by me in a second term. Other programs and policies need to be initiated, but that can be more readily done in light of some of the groundwork laid in the first four years.
 5. Let me be specific about how I think we can follow through in the next term on work already undertaken:

- o Energy. We will have a comprehensive energy policy in place by the end of the first term. In the second term, we will concentrate on implementing that policy -- reducing our dependence on foreign oil, increasing conservation, developing alternative energy sources, eliminating unnecessary energy regulations, increasing our use of coal, and pursuing safe, nuclear energy. In addition, we will concentrate on efficient administration of our energy policy and on providing sound management and organization within the Department of Energy.
- o Economy. We will continue our policy of fiscal restraint, tough anti-inflation policy (wage and price policies will continue to be voluntary), strong emphasis of reducing unemployment and particularly youth unemployment. We will also concentrate on developing and implementing economic policies which will provide long-term strength to our economy's fabric; we will pursue incentives for increased savings, innovation, labor productivity, capital formation and investment, and basic research. And, finally, we will take steps necessary to make certain that our economic policy is cohesive and sustained; we will avoid not only rapid and abrupt changes of course, but also the perception that this has occurred.
- o Social Needs. We will continue to make social progress for our disadvantaged and for the poor despite the fact we will be in a time of fiscal restraint. We will do that through carefully phasing in new programs, by leveraging private sector resources and by targetting federal resources to areas and to people in greatest need. Specifically, we will be intensively pursuing national health insurance, welfare reform (if not enacted this year), improved education programs, a strong social security system, and programs for the disadvantaged, elderly and handicapped. Again, one of our main areas of focus will be on implementation: the new Departments of Education and of Health and Human Services.
- o Government Reform. We will continue our efforts to deregulate over regulated areas; included in this effort will be rail and trucking deregulation (if not enacted this year), communications deregulation, and regulatory reform (if not enacted this year). We will not only pursue reorganization, but will make certain that the reorganizations put into place in the first four years are operating as intended. We will continue to reduce paperwork, and eliminate unnecessary regulatory burdens on the private sectors and state and local governments.

- o Openness. I will continue the policy of openness toward the press and the public. We will want to make the government understandable and accessible to all citizens.
- o Rights and Liberties. I will continue to appoint women and minorities to major government positions. We will continue our efforts to ratify ERA. We will continue to work toward making certain that the civil rights laws enacted in the 1960's and 1970's are successfully implemented.

3:45pm

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

May 15, 1980

MEMORANDUM FOR THE PRESIDENT

FROM RAY JENKINS R.J.

SUBJECT: Los Angeles Times interview.

Jody called from California with a suggestion. If you are asked whether you contemplate any staff/cabinet changes, don't succumb to the temptation to say we anticipate no changes, etc.

Jody suggests you say that based on experience, you will expect to give the most serious attention to staffing, in terms of structure as well as personnel, but you don't want to get into specifics right now. Jody would avoid getting locked into a we're-perfectly-satisfied-with-what-we've-got posture.

UP-045

U I

(MIDEAST)

(BY UNITED PRESS INTERNATIONAL)

EGYPT, IN AN 11TH-HOUR REVERSAL, TODAY REJECTED RESUMING THE PALESTINIAN AUTONOMY NEGOTIATIONS TO PROTEST AN ISRAELI LAW MAKING JERUSALEM CAPITAL OF THE JEWISH STATE.

AN EGYPTIAN FOREIGN MINISTRY STATEMENT ALSO CONDEMNED THE "ESCALATING ACTS OF SUPPRESSION IN OCCUPIED TERRITORIES" AND DECLARED:

"ISRAEL HAS MADE IT DIFFICULT TO PREPARE THE APPROPRIATE ATMOSPHERE FOR A RESUMPTION OF THE NEGOTIATIONS UNDER THESE CIRCUMSTANCES AT THE PRESENT TIME. ISRAEL IS URGED TO RECONSIDER ITS POSITION."

UPI 05-15 11:24 6ED

ZB

5/15

1133

This is all
we have
right now.

Electrostatic Copy Made
for Preservation Purposes

1818

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

C

May 14, 1980

To: The President
Mrs. Carter

From: Sarah Weddington *SW*

Re: ERA Vote in Illinois

By a mutual decision of the Illinois leadership, sponsors, and NOW ERA Ratification Project, the ERA vote was pulled off the calendar for today in the Illinois House. The vote could be taken as early as next week.

The vote count was essentially two votes short. One of those votes was obtained fifteen minutes after the vote was pulled, but it is particularly significant; it was Rep. Vitek and is credited to the President. One other supporter was in the hospital and another was not on the floor.

The early press reports and the activists there state that Mayor Byrne was very helpful and that the Governor did nothing. We are generally getting credit for our work.

THE WHITE HOUSE
WASHINGTON

15 May 80

Stu Eizenstat
Rick Hertzberg

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

Rick Hutcheson

2017

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

May 14, 1980

*cc Sta - Rick
Incorporate in one
of my early talks/
statements
J*

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze *CLS*

Subject: Is America losing its industrial base?

It has become commonplace recently to decry the "de-industrialization of America." We are reputedly fast losing our industrial base and becoming a nation producing mainly services.

There are indeed serious problems facing some American industries, especially older ones like steel and ones in transition like autos. And 1980 will be a year of trouble for most industries. For some time there has been a general problem of reduced productivity growth. But from a longer perspective, the "de-industrialization" fears are vastly exaggerated. The tables below tell a surprising story:

1. Percent Increase in Industrial Production

	<u>1969-79</u>	<u>1973-79</u>
France	38	12
Germany	31	9
Japan	66	14
United Kingdom	15	3
United States	37	17

2. Percent Change in Manufacturing Employment

	<u>1969-79</u>	<u>1973-79</u>
France	-3	-5
Germany	-11	-12
Japan	-9	-11
United Kingdom	0	0
United States	+4	+4

During the past ten years the growth in U.S. industrial production has been significantly exceeded only by Japan. Our growth was equal to France and larger than Germany. (Canada and Italy grew somewhat faster than we did.)

Perhaps more significantly, we have maintained our industrial growth since 1973, during a period of exploding oil prices, better than any of the other major countries. (Italy and Canada equaled our performance.)

We are the only one of the big five to have increased our manufacturing employment during recent years. The declines in France, Germany and Japan have been very large. Our employment performance is not wholly to our credit since it partly reflects a slower productivity growth than in these countries. But I cite the data to counter some recent conversations we have had with the AFL-CIO, where it was suggested that "de-industrialization" is becoming a major threat to American workers.

Our superior performance in recent years arises partly out of the fact that in 1977 and 1978 our policies stressed economic growth while the other countries were more cautious. Our policies probably did add a bit to our current inflation, and the U.S. adjustment in 1980 will be larger than in most other countries. But there were distinct gains. In any event, whatever the reason, the recent past has not been a period of a relative decline in the U.S. industrial base.

Again: there are very serious problems in some older American industries. (The French, German, and British steel industries are also sick.) And it behooves us as a nation to do a much better job on productivity. But the concept of a permanently "sick" American industry is beginning to be peddled to justify all sorts of government policies, many of which could prove very dangerous in the long run.

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

May 13, 1980

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze ^{CLS}

In case you had ever wondered exactly how we do our forecasting, the attached outline will give some idea.

Attachment

Charlie -

The problem is that the guide is ten years old. You didn't notice that the date was 1969 not 1979. Get an updated study immediately -

J. C.

ASTRO-ECONOMICS

A Study of
ASTROLOGY
and
THE BUSINESS CYCLE

By
LCDR. DAVID WILLIAMS

ERRATA

- Pg. 11 Col. 1 Par. 3 Line 6 "poly" should be "policy"
Pg. 13 Col. 2 Par. 2 Line 4 place period after "leaders."
Pg. 14 Col. 2 Last Par. Line 7 "analyses" should be "analysis"
Pg. 15 Col. 2 Par. 2 Line 6 "pertity" should be "perity"
Pg. 17 Col. 1 Par. 1 Line 2 "satisy" should be "satisfy"
Pg. 28 Col. 2 Par. 9 Line 5 "conduct" should be "conducted"
Pg. 30 Col. 2 Par. 1 Line 5 "Acead" should be "Accad"
Pg. 30 Col. 2 Par. 2 Line 2 "Babylonians" should be "the Babylonians"
Pg. 35 Col. 2 Par. 3 Line 3 "before Jupiter-" should be "before the Jupiter-"
Pg. 38 Col. 1 Par. 5 Line 1 "unafavorable" should be "unfavorable"
Pg. 42 Col. 1 Par. 1 Line 6 "thesis" should be "theses"
Pg. 54 Col. 2 Last three articles are anonymous authors, and should not be credited to S. W. Wood.

ASTRO-ECONOMICS

OR

ASTROLOGY and THE BUSINESS CYCLE

By

LCDR. DAVID WILLIAMS

"Only a little of the first fruits of wisdom, only a few fragments of the boundless heights, breadths, and depths of truths have I been able to gather."—Martin Luther.

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