

6/17/80 [1]

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo	<p>Arnie Miller to the President. Re: Congressional inquiries regarding delays in appointments. (1 p.)</p>	6/16/80	C

FILE LOCATION
 Carter Presidential Papers- Staff Offices, Office of Staff Sec.-
 Pres. Handwriting File, "6/17/80 [1]." Box 192

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.
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THE PRESIDENT'S SCHEDULE

Tuesday - June 17, 1980

NOT ISSUED

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

9:30 Mr. Hamilton Jordan and Mr. Frank Moore.
The Oval Office.

✓ 10:00 Arrival Ceremony for Their Majesties
The King and Queen of the Hashemite Kingdom
of Jordan - The South Grounds.

✓ 10:30 Meeting with His Majesty Hussein I.
(60 min.) (Dr. Zbigniew Brzezinski) - The Cabinet Room.

✓ # 12:30 PRIVATE LUNCHEON (Wall Street Leaders) - Second Floor
(60 min.) Private Dining Room.

✓ 1:55 Mrs. Dorothy Corwin, Mr. and Mrs. Bruce Corwin and
(3 min.) Children. (Mr. Al Moses) - The Oval Office.

2:00 Mr. James McIntyre - The Oval Office.
(20 min.)

2:30 Attorney General Benjamin Civiletti - The Oval Office.
(20 min.)

✓ # 3:00 Meeting on Refugee Policy. (Mr. Gene Eidenberg).
(30 min.) The Cabinet Room.

* # 4:45 Telephone Call with Governor Richard W. Riley/DNC
(10 min.) Platform Drafting Committee .

5:00 HAIRCUT.

7:30 State Dinner (BLACK TIE) Honoring Their Majesties
The King and Queen of the Hashemite Kingdom of Jordan.
The State Floor.

THE WHITE HOUSE
WASHINGTON

6/17/80

Mr. President:

Frank Moore's congressional assessment, and a memo from Secretary Muskie are also attached.

Lloyd Cutler has cleared the Executive Order.

Jack Watson suggests that you defer making a decision until after the 9:30 senior staff meeting Wednesday morning.

Rick

THREE SIGNATURES REQUESTED

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

June 16, 1980

*Lloyd -
Send up in
time, when
recommended by
Frank
25. J*

ACTION

MEMORANDUM FOR: THE PRESIDENT
FROM: ZBIGNIEW BRZEZINSKI
SUBJECT: Tarapur Exports

Attached (Tab A) is the Executive Order authorizing export of the nuclear fuel covered by the two pending license applications for the Tarapur reactors in India, and the reactor components covered by five additional pending license applications. At Tab B is a transmittal letter providing a statement of "why, in light of the (Nuclear Regulatory) Commission's decision, the export should nevertheless be made," as required by Section 126 of the Nuclear Non-Proliferation Act of 1978.

Chairman Zablocki of the House Foreign Affairs Committee requested this morning that the message at Tab C be conveyed to you before you make a final decision on forwarding the Executive Order. Also at Tab C is Zablocki's recent letter on the subject, and a letter from Senator Glenn to Secretary Muskie.

RECOMMENDATION: In accordance with your previously indicated decision, that you sign the Executive Order and transmittal message at Tabs A and B. (Your speechwriters have cleared.)

Attachments:
a/s

*Message and Executive Order announced 5/19/80
Dated 5/19/80*

WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

O - OUTGOING

H - INTERNAL

I - INCOMING

Date Correspondence Received (YY/MM/DD)

80106 116

ID # 073498

Name of Correspondent: Jack Stephens

MI Mail Report

User Codes: (A) _____ (B) _____ (C) _____

Subject: Personal Friend

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 Clou</u>	ORIGINATOR	<u>80106117</u> ^{PR}		<u>C</u>	<u>800611</u>
<u>PRCART</u>	<u>A</u>	<u>8006117</u>	<u>CP5</u>	<u>A</u>	<u>800611</u>
<u>APWISE</u>	Referral Note:	<u>President Instructions to the White</u>			
	<u>A</u>	<u>80106117</u>	<u>PW</u>	<u>A</u>	<u>8010611</u>
	Referral Note:	<u>to set up meeting with Presid</u>			
		<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: Hope the Pres. will meet with County Judge Bill Beaman and others while they are in Wash., D.C. Support concerning coming events in 1980.

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.

THE WHITE HOUSE
WASHINGTON

6/17/80

Phil--
Is this something with
which you want to deal?

Something I should send
straight to Fran?

Would marginal note
referring/forwarding to
you, cc to Stephens, be
helpful? — yes "ssc"?

Is so, do you prefer
"ssc" or "real"?

Thanks--Susan

*I'm really
on the row--
Beaumont works to
discuss a restoration grant for
courthouse; should not see P
until it has been*

THE WHITE HOUSE
WASHINGTON

6/18/80

Dear Jack -

Per the President's
instructions I will set up
soon a brief meeting for
Judge Beaumont. I'm trying to
get his grant request
resolved before the meeting.
End of July is most likely
time for visit to White
House by the Judge.

Phil Wise

JACK STEPHENS
LITTLE ROCK

Phil -
brief visit 'ok'
J
cc Jack

June 6, 1980

The President of the
United States
The White House
Washington, D. C.

073498

Dear Mr. President:

Our good friend, County Judge Bill Beaumont of Little Rock, has requested an appointment with you.

I would personally appreciate your taking the time to visit with Judge Beaumont, Mrs. Shirley Smith, Pulaski County Clerk-elect, Mr. Kie Hall, Comptroller of Pulaski County, and Mr. Hall's daughter, Amy, who will be accompanying him on the trip to Washington.

Judge Beaumont and Mrs. Smith worked in your campaign in 1976 and have been working for you since your election. You may recall that a luncheon was held in the Courthouse when Chip was in town and they would like to have another fundraiser for you as soon as possible. Both of them have been involved with the Judge's re-election campaign and Mrs. Smith's campaign for Pulaski County Clerk but are now in a position to work in your campaign without interruption.

Sincerely,

Jack
Jack Stephens

JS/jjs

P.S.

Mr. President -

If you are able to come to Little Rock, the Judge will have a fish fry in your honor, which would be attended by thousands of people. Jack

THE WHITE HOUSE

WASHINGTON

June 17, 1980

MEMORANDUM FOR THE PRESIDENT

FROM : AL MCDONALD *AM*

Attached is a memorandum which Attorney General Civiletti wants you to scan for follow up information on Miami and his survey of other cities.

With Gene Eidenberg, we are putting together a cities proposal for your return that will take into account the proposals he has suggested.

(Other memos on the same subject from Louis Martin and Pat Harris being held while the above package is being put together.

----Rick)



Office of the Attorney General

Washington, D. C. 20530

June 12, 1980

MEMORANDUM FOR THE PRESIDENT Racial Disturbances in Cities

Following the outbreak of racial violence that occurred in Miami a few weeks ago, I asked the Community Relations Service, Civil Rights Division and various United States Attorneys each to conduct a quick survey of cities in the country to determine which might pose the danger of similar disturbances. From these surveys from three different perspectives, I have prepared this summary of views.

The surveyors agree that civil disturbances occur against a background of identifiable urban problems which create a medium or climate which can be ignited by a variety of incidents, an ethnic or racial murder or beating, a case of reported police brutality with an unsuccessful local prosecution, an unpopular arrest of a minority suspect, overreaction in crowd control at a march or demonstration, minority firings or even a harsh eviction.

High minority and youth unemployment is a principal factor contributing to this climate: the tensions between various groups vying for the same positions, the reactions caused by real or perceived employment discrimination, problems associated with seeking welfare, and the simple effects of uselessness and excess free time. A second major factor identified is a housing shortage. Here too, tension results from competition among groups seeking decent housing and migrations by one group into an area previously populated solely by another. The third factor is racial conflict in education caused by disparities in neighborhood schools and by school desegregation efforts, court-imposed or otherwise.

In addition to these three factors, there are miscellaneous items which add to racial tension and stress, such as a substantial influx of aliens, dilution in a minority group's voting strength and the absence of strong minority leaders.

Miami has all these characteristics and, whether true or not, there certainly is a feeling that one group makes economic or social gains at the expense of another. Additionally, Miami has some other special problems. It is, for instance, one of the principal locales for narcotics trafficking, which breeds lawlessness.

**Electrostatic Copy Made
for Preservation Purposes**

There are some calming factors which counterbalance these urban problems. Some involve the community work of churches and groups like the National Urban League, the G.I. Forum, NAACP and our own Community Relations Service. In other instances, state and local officials have taken their own measures by establishing community service offices or police/community relations programs or by appointing new police officials. Sometimes, the election of a minority candidate to a high position in a city itself acts as a balancing influence. Such achievements or "wins" maintain a sense of pride and nourish hope.

With these intangibles in mind, Los Angeles, Philadelphia, Miami, Houston and Phoenix are the cities we will be listening to most closely in the coming months. Boston, New York and Chicago are other large cities where some of the factors described above exist and in which there are local administrations which have been charged with being insensitive to minority concerns. Hartford, Connecticut; Wichita, Kansas; Denver and Tucson are four smaller cities which have experienced racial violence in the past and have some of the factors which make future unrest possible. Of course, since at least some of these factors exist in many cities, outbreaks of racial violence could occur almost anywhere. But moderating influences and some tangible progress provide a basis for continued stability and peacefulness in most other American cities.

Consistent with the balanced budget and other economic restraints, the federal government must continue to play a positive role in cities. Job opportunity and training programs, youth employment programs, CETA, increased public housing, aid for renewal efforts and other initiatives all address the underlying causes of civil disturbances. However, since disturbances often arise from the perception of inactivity or abandonment, the federal government must examine ways in which to better communicate, particularly in the more troubled cities, all that it is doing in employment, housing, integration and benefit programs. Such communication will make these programs better known and more available.

The Department will continue to take all possible steps to address the issues of the fair administration of justice. By better publicizing our equal justice and civil rights initiatives -- special civil rights units in United States Attorneys offices, new Community Relations Service offices, national guidelines for the use of deadly force -- we can address any misperception that justice is not accessible to

minorities. Additionally, the Civil Rights Division will continue its constant review of pending cases of alleged police brutality. The Community Relations Service and United States Attorneys will carefully monitor the situations in those cities so that we can be alert to sparks before they become major conflagrations.

Some suggestions which have been aired are, on closer examination, counterproductive. A national conference of police and law enforcement groups, minority group representatives and community leaders to discuss police/community issues would focus attention on differences and wrongs rather than agreements and accomplishments. Such a meeting would most likely evolve into a media event in which public officials were harangued and "hot cities" identified. This could further exacerbate frustrations and racial tensions. A highly visible federal task force to examine racial tensions in cities would produce many of the same negative results as a national conference. Additionally, this type of group would focus unfair responsibility and pressure on the White House or the Federal Government to provide more aid or resources and, by doing so, raise false expectations.

However, in addition to the above thoughts regarding better communication of and access to urban programs, the following ideas can and should be pursued: (1) a low profile group under Jack Watson could work to respond quickly to problems in cities of high tension throughout the summer; (2) a special representative of the Justice Department could work quietly and directly with police departments in these same cities to reduce police/community frictions and dangers; (3) we could increase the resources of the Community Relations Service by about 25 percent which would provide for roughly fifteen additional conciliators for a greater presence in tension reduction in particular cities; and (4) I and others in the Department can step up our meetings with community, police and law enforcement organizations so that our discussions can be even more timely, substantive and meaningful.


Benjamin R. Civiletti
Attorney General

cc Jack Watson
Lloyd Cutler

ID 303350

THE WHITE HOUSE

WASHINGTON

DATE: 13 JUN 80

FOR ACTION: LLOYD CUTLER

STU ETZENSTAT

AL MCDONALD

JACK WATSON

ANNE WEXLER

LOUIS MARTIN

ED TORRES

INFO ONLY: THE VICE PRESIDENT

SUBJECT: CIVILETTI MEMO RE RACIAL DISTURBANCES IN CITIES

+++++

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

+ BY: 1200 PM MONDAY 15 JUN 80 +

+++++

ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:

THE WHITE HOUSE
WASHINGTON

June 17, 1980

Mr. President:

Jim McIntyre concurs.

NSC has no comment.

Rick

THE WHITE HOUSE

WASHINGTON

June 13, 1980

MEMORANDUM FOR THE PRESIDENT

FROM:

JACK WATSON *Jack*

SUBJECT:

Refugee Eligibility for Military Service

Cuban applicants for asylum are not immediately eligible for enlistment in the Armed Services.

By statute, the Army and Air Force can only enlist citizens and those aliens "admitted for permanent residence." The Navy has no such statutory limitation, but by regulation follows the practice of the Army and Air Force. You could waive this regulatory requirement for the Navy and Marines, but it is questionable whether such ad hoc action would be advisable.

Under the terms of the Cuban Adjustment Act (which is still in effect), Cubans who have been in this country for one year may be adjusted by action of the Attorney General to "permanent residence status." Individuals whose status is so adjusted may enlist in the Armed Services.

I have asked Gene to work with OMB and DoD to determine whether you should recommend changes in the law to permit enlistment for aliens on any other basis than presently exists.

ID 803383

THE WHITE HOUSE

WASHINGTON

DATE: 15 JUN 80

FOR ACTION: ZBIG BRZEZINSKI *no comment* JIM MCINTYRE

INFO ONLY: THE VICE PRESIDENT

LLOYD CUTLER

SUBJECT: WATSON MEMO RE REFUGEE ELIGIBILITY FOR MILITARY SERVICE

+++++

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

+ BY: +

+++++

ACTION REQUESTED: IMMEDIATE TURNAROUND

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

PLEASE NOTE OTHER COMMENTS BELOW:

Lunch 6/17/80
• BOB BRADWIN - MORGAN/STANLEY
- ROBT FOMAN - E F HUTTON
• JAS GLANDVILLE - LAZARD FRERES
• JOHN GOOD FRIEND - SOLOMON BROS
• DONALD MARRON - PAINE WEBBER
DON REGAN - MER LYNCH
• BOB RUBIN - GOLDMAN SACHS

private lunch-

wall street leaders

tuesday, 6/17/80

12:30 PM

THE WHITE HOUSE

WASHINGTON

June 16, 1980

LUNCHEON WITH WALL STREET EXECUTIVES

Tuesday, June 17, 1980

12:30 p.m.

The Residence

FROM: ANNE WEXLER *Anne*

I. PURPOSE

To meet with Wall Street leaders and hear their thoughts about the economy and methods to deal with economic problems.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

Background: This luncheon was suggested by Bob Strauss. The attendees to this luncheon are the people that have the best communication networks on Wall Street. This is an excellent opportunity for you to hear directly what the financial community is thinking about the economy, particularly over the next six months.

You should steer the discussion toward future government actions to fight the recession, stimulate investment, combat inflation and increase productivity. A background paper is attached.

Participants: Bob Baldwin, Morgan-Stanley
Robert Foman, E. F. Hutton
James Glandville, Lazard Freres & Company
John Goodfreund, Solomon Brothers
Donald Marron, Paine Webber
Don Regan, Merrill Lynch
Bob Rubin, Goldman Sachs

Stu Eizenstat
Al McDonald
Henry Owen
Bob Strauss
Jack Watson

Press Plan: White House photographer.

III. TALKING POINTS

1. I recognize that you are immersed on a daily basis in the economic issues that are of most concern to the American people.
2. I want to spend most of our time talking about the economy but I have asked Henry Owen to spend a few minutes briefing you on the upcoming Economic Summit.
3. You have a great deal to contribute to me and to the country by giving me your candid assessment of the state of the economy and the steps you think the government can take in the areas of:
 - fighting inflation
 - stimulating economic investment
 - increasing productivity
 - dealing with the recession
4. You should ask Stu if he has any comments, and then open the meeting for discussion.

16 June 1980

MEMORANDUM FOR THE PRESIDENT

FROM:

ANNE WEXLER *Anne*

SUBJECT:

ADDITIONAL INFORMATION ABOUT
ATTENDEES TO THE WALL STREET
LUNCHEON - JUNE 17, 1980

I have attached personal background for your review.

ADDITIONAL INFORMATION ON WALL STREET LEADERS

James Glandville is General Partner of Lazard Freres & Company; his wife's name is Nancy. He held a cocktail party and dinner for John Connally.

Bob Rubin is General Partner of Goldman Sachs; his wife's name is Judy. He is a good friend of Bob Strauss and is a long term supporter of Democratic Presidents. He supports your reelection.

Campaign contribution: \$1000

John Goodfreund is Managing Partner of Solomon Brothers; he is divorced. He is a strong supporter who headed up the Wall Street fundraising effort for you in 1979. He attended the domestic Camp David meeting.

Campaign contribution: \$1000

Bob Foman is Chairman and Chief Executive Officer of E. F. Hutton; his wife's name is Sharon Ann Richey, a former Miss America. He tends to be politically neutral.

Don Regan is Chairman of Merrill Lynch; his wife's name is Ann.

Campaign contribution: \$1000

Bob Baldwin is President of Morgan Stanley' he is separated from his wife Gay. He supported Connally during his efforts. He served as Undersecretary of the Navy for Johnson 1965-67.

Campaign contribution: \$1000 (PAC)

Donald Marron is Vice Chariman and Chief Executive Officer of Paine Webber; his wife's name is Gloria. He was a friend and supporter of Nelson Rockefeller. He is said to be neutral at this time as to the 1980 election.

Campaign contribution: \$1000 (PAC)

THE WHITE HOUSE
WASHINGTON

17 Jun 80

FOR THE RECORD

ARNIE MILLER AND JACK WATSON
HAVE COPIES OF THE ATTACHED
TWO MEMOS.

THE WHITE HOUSE

WASHINGTON

June 13, 1980

C

MEMORANDUM TO THE PRESIDENT

FROM:

JACK WATSON
ARNIE MILLER

Jack
AM

SUBJECT:

Commodity Futures Trading Commission (CFTC)

Last fall you approved our recommendation of Hugh Cadden for the non-Democratic vacancy on the CFTC. At our suggestion you called Senator Huddleston to notify him of your decision. However, before the nomination reached the Senate you received a letter from 15 of the 18 members of the Agriculture Committee strongly opposing Cadden. After some time, we decided not to forward his nomination.

The committee members who signed the letter did so as a result of extensive pressure from the futures industry, particularly the commodity exchanges. The industry's view then, was that Cadden would have been too strong a regulator. The industry now tells us it wants someone knowledgeable. We have found such a person.

Paul H. Franklin (Republican - Oregon) was with Merrill Lynch for thirty-one years. As the person responsible for its Department of Supervision and Guidance for several years, his duties were closely akin to those of a regulator. He dealt with issues of speculation limits, margin requirements, and customer protection. Subsequently, he served as Director of the Commodities Division, Director of the Physical Commodities Division, and Chief Executive Officer of two Merrill Lynch affiliates doing an international business in metals and wood products.

He knows the markets, both here and abroad, well. He knows the exchanges, the individual contracts that are traded, and the actual commodities, including metals. He would be a calm, thoughtful, knowledgeable addition to the CFTC.

Stu, Secretary Bergland and Frank Moore concur with the following recommendation.

RECOMMENDATION:

Nominate Paul H. Franklin, of Oregon, as a non-Democratic member of the Commodity Futures Trading Commission.

APPROVE

DISAPPROVE

PAUL H. FRANKLIN
Oregon

EXPERIENCE:

1979 - Present Retired

1977 - 1979 Chairman and Chief Executive Officer,
Merrill Lynch Wood Markets, Inc.;
Chairman, Metal Traders, Inc.;
Vice Chairman, Merrill Montagu, Inc.

1976 - 1977 Director, Physical Commodities Division,
Merrill Lynch, Pierce, Fenner & Smith.

1974 - 1976 Member, Board of Directors,
Merrill Lynch, Pierce, Fenner & Smith.

1970 - 1974 Director, Commodities Division,
Merrill Lynch, Pierce, Fenner & Smith.

1969 - 1970 Vice President, Merrill Lynch, Pierce,
Fenner & Smith.

1968 - 1969 Manager, Department of Supervision and
Guidance, Merrill Lynch, Pierce, Fenner
& Smith.

1948 - 1965 Account Executive to Manager of Spokane,
Washington Office.

EDUCATION:

1947 - 1948
1940 - 1941
1939 - 1940 Attended University of Michigan.

PERSONAL:

White Male
Age 58
Republican

THE WHITE HOUSE
WASHINGTON

6/17/80

Susan:

There is a second decision
to be made on the attached
package -- page two.

Patti

THE WHITE HOUSE
WASHINGTON

9

June 17, 1980

MEMORANDUM FOR THE PRESIDENT

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

SUBJECT: Board of Directors, Corporation for Public
Broadcasting

There are three vacancies on the Board of Directors of the Corporation for Public Broadcasting. By law, the current vacancies must be filled by one Democrat and two non-Democrats.

We recommend that you nominate the following to the Board:

Howard White (New York): A current member appointed by you in 1979; Senior Vice President and General Counsel of ITT World Communications; former Executive Secretary of COMSAT's U.S. Earth Station Ownership Committee; and former Assistant Chief, Common Carrier Bureau, Federal Communications Commission. He is currently the only Black member of the Board. His reappointment has the strong recommendation of Senator Hollings and Senator Moynihan. Stu Eizenstat, Henry Geller, and Frank Moore concur.

7
Melba Beals (California): A free-lance writer, public relations consultant, and lecturer; former news reporter/writer and producer with NBC-TV in San Francisco. She serves on the Board of Directors of Aid to Adoption of Special Kids and of Urban High School. She is an independent Black and has been highly recommended by Hal Rogers and Les Francis. Stu Eizenstat and Henry Geller concur.

RECOMMENDATION:

Nominate Howard White and Melba Beals as members of the Board of Directors of the Corporation for Public Broadcasting.

✓ approve _____ disapprove

Joan Mondale has highly recommended the following candidate:

Josephine Benz Carpenter (Minnesota): Educational consultant with ten years experience in college administration. She is active in educational and cultural affairs and currently serves as Chairwoman of Minnesota Public Radio.

Although Ms. Carpenter is highly qualified for this position, we have told Mrs. Mondale's staff that we will not recommend her to you because of your desire to limit the number of appointments from Minnesota and Georgia.

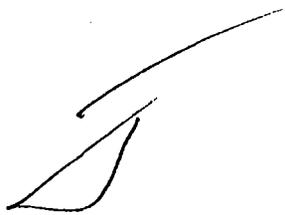
We recommend the following candidate for the third vacancy:

Reuben Askanase (Texas): Director, Proler International Corporation; former chief executive of numerous companies; director and board member of many civic organizations including Houston Foundation, The American Jewish Committee, and The Houstonian. An independent highly recommended by Congressman Leland and Bob Beckel. Frank Moore and Henry Geller concur.

RECOMMENDATION:

Nominate Reuben Askanase as a member of the Board of Directors of the Corporation for Public Broadcasting.

_____ ✓ _____ approve _____ disapprove



HOWARD A. WHITE

146 Lincoln Road
Brooklyn, New York 11225

Telephone Nos. - Office: (212) 797-4825
Home : (212) 469-8278

LEGAL & EXECUTIVE EXPERIENCE

1968 - Present ITT World Communications Inc.*

- 1973 - Senior Vice President and General Counsel
(Executive Director, Legal and Regulatory Administration Dept.)
- 1970 - Vice President and General Counsel
- 1969 - Assistant Vice President and Regulatory Counsel
- 1968 - Regulatory Counsel

1966 - 1968 Communications Satellite Corporation

- 1967 - Executive Secretary of U.S. Earth Station Ownership Committee
- 1966 - General Attorney

1962 - 1966 Federal Communications Commission

- 1965 - Assistant Chief, Common Carrier Bureau
- 1963 - Assistant Chief, Domestic Radio Division, Common Carrier Bureau
- 1963 - Chief, Mobile Radio Branch, Domestic Radio Division
- 1962 - General Attorney (Public Utilities)

1953 - 1962 Powsner, Katz & Powsner and Private Practice

- 1954 - Associated with law firm engaged in general practice,
concurrently engaged in private practice, as an individual,
at the same location.
- 1953 - Law clerk employed by the firm.

* ITT World Communications Inc. is the lead company in ITT's group of telecommunications operating companies. Equivalent positions and/or responsibilities are held in connection with affiliated companies in the group.

ENGINEERING EXPERIENCE

1953

American Cyanamid Corporation

Electrical Designer

1952 - 1953

Parco Design Company

Electrical Designer

1951 - 1952

Celanese Corporation of America

Electrical Designer

1950 - 1951

N.Y.C. Board of Transportation

Jr. Electrical Engineer

QUALIFICATIONS

Education:

M.P.A. in 1959 from New York University,
Graduate School of Public Administration.

I.D. in 1954 from St. John's University, School of Law.

B.E.E. in 1949 from the College of the City of New York,
School of Technology.

Professional:

Admitted to practice before all State Courts in New York, the
U.S. District Courts in the Southern and Eastern Districts of
New York, all Courts in the District of Columbia, and the
United States Supreme Court.

PERSONAL DATA

Born:

October 6, 1927 in New York City

Height:

6'3"; Weight: 190 lbs.

Married:

1968 (wife is a lawyer)

Health:

good; no physical limitations

Service:

U.S. Army from 1946 - 1947

MELBA BEALS
120--32nd Avenue
San Francisco, California 94121
Office: (415) 386-2319 -(24 hr ans ser)
Home: (415) 386-2342

PROFESSIONAL
SUMMARY

A NEWS WRITER-- with diverse background as a television news reporter/writer and producer with NBC T.V. in San Francisco; having written and reported news events ranging from Patty Hearst's capture, arraignment and trial, to the attempt on President Ford's life, to President Carter's first presidential campaign; and the year-long Zebra trial. Currently writing news and feature articles for various national magazines, including the TIME-LIFE publication--PEOPLE.

A MOVIE SCRIPT WRITER--COLUMBIA PICTURES-- employed to create a script based on a story originated and published in the San Francisco Chronicle/Examiner-Sunday section--CALIFORNIA LIVING.

A PUBLIC RELATIONS CONSULTANT--analyzing and formulating procedures for public image building and improved communication within organizations.

INSTRUCTOR--Journalism--part time (six weeks per year) Urban High School--San Francisco; having formulated the curriculum for teaching a special broad ranged survey course for high school students.

LECTURER--before college audiences including the Universities of California, Santa Clara, and San Francisco as well as numerous community clubs, churches and organizations.

PRESENT
COMMUNITY
SERVICE

A MEMBER OF THE NATIONAL BOARD OF DIRECTORS OF AASK--AID TO ADOPTION OF SPECIAL KIDS--Executive committee.
A non profit adoption and referral agency, licensed to place hard-to-adopt children with qualified parents. Duties include monitoring and analyzing legislative data on bills passed and pending which relate to relinquished children and adoption; formulating AASK policy and administrative procedure as well as long range goals, budgeting and fundraising. Also responsible for composing a quarterly newsletter for national distribution. Re-elected to a second three year term, ending January 1983.

A MEMBER--THE BOARD OF DIRECTORS--URBAN HIGH SCHOOL, San Francisco a non profit corporation and private high school. Duties include formulating policy, administrative procedure and budget.

EDUCATION

Columbia University, New York, New York
Graduate Degree--Broadcast Journalism/Film, 1971
San Francisco State University, San Francisco, California
B.A.--Journalism/Sociology, 1970

PERSONAL
DATA

I am a divorced single parent, the mother of a sixteen year old daughter--Kellie Beals, who graduates high school January 24, 1980. We reside in San Francisco where I do most of my work in my office at home. I make occasional trips to Hollywood, California for my work there. My hobbies are music, sewing, theater, and walking--preferably near the ocean. I am actively involved in church work with the First Church of Christ Scientists where I have been a member for four years.

PERSONAL
HISTORY

Born December 7, 1941--Little Rock Arkansas--ne Pattillo
Mother: Dr Lois Pattillo--an english instructor--retired
Father: Howell Pattillo--a railroad worker--deceased
Brother: Conrad Pattillo--a SGT., with the Arkansas Highway patrol
attended Gibbs Elementary school, Dunbar Jr. High and
Horace Mann High school--Little Rock Arkansas

1957

Attended--Central High School, Little Rock Arkansas--
with the assistance of the 101 Airborne Division, under
court-ordered integration plan. I hold numerous awards
for bravery and community service connected with my year long
stay at Central High--including the Spingarn medal, an American
Veterans of Foreign War award and the U.S. Press Association
medal for being a part of the biggest news making event of 1957.

1959--60

Because of circumstance--schools closed in Little Rock, I was
forced to complete my course of study at Montgomery High School--
Santa Rosa, California.

1961-1963

Enrolled at San Francisco State University
married--December 1962

1962-64

Employed as clerk typist--General Services Administration
-Transportation Division---resigned 1964 to become housewife

1965-66

Temporarily employed U.S. Post Office--sorting mail--Rincon Annex
later transferred to headquarters-- for post processing applications.
resigned--1966 to become housewife.

1969-71

Re-entered San Francisco State University--- divorced --1969

1971

Graduated San Francisco State University--
Entered Columbia University for graduate study in a special
program--honored as one of 30 people selected from across the
country for course sponsored by the Ford Foundation.

9/71-1/72

Temporarily employed as news reporter with KQED T.V. (Public
television) , San Francisco

1/72-11/72

Free Lance News writer--published articles in local newspapers
and magazines; ghost writer for 2 books.

11/72-11/77

News reporter KRON T.V. (NBC) San Francisco

11/77 to
Present

Free Lance writer, consultant, teacher, lecturer, movie writer

Josephine Benz Carpenter
480 Russell Avenue
Wayzata, Minnesota 55391
(612) 473-3934
February 15, 1980

Birthdate: June 29, 1935

Married: January 23, 1970
Thomas K. Carpenter
3 Stepchildren ages
19, 19, 17

Education: University of Munich
Munich, Germany
Graduate Study - No degree pursued
Sept. 1958 - May 1959

Goethe Institute
Murnau, Germany
June - August 1958
Diploma

University of Minnesota
Graduate Study, German Language Study
Sept. - Dec. 1957

Vassar College
Poughkeepsie, N. Y. 12601
1957
Bachelor of Arts

Experiment in International Living
Mannheim, Germany
June - August 1954

The Summit School
St. Paul, Minn. 55105
1953
K - 12

Employment: Educational Consultant
Wayzata, Minnesota 55391
1977 -

Free-lance Educational Consulting
1975 - 1977

College Guidance Counselor
St. Paul Academy Summit School
St. Paul, Minn. 55101
Sept. 1971 - Feb. 1972
Sept. 1972 - Feb. 1973

Reference: Mr. Thomas Reed, Headmaster
St. John's School
2401 Claremont Lane
Houston, Texas 77019

Associate Dean of Admission
Pembroke College/Brown University
Providence, R. I. 02906
July 1967 - Dec. 1970
March 1971
March 1972

Reference: Miss Alberta Brown, Dean of Admission
1306 Alta Vista Road
Santa Barbara, California 93103

Assistant Director of Admissions
Barnard College
New York, N. Y. 10027
Sept. 1962 - July 1967

Reference: Miss Helen M. McCann, Director of Admissions
56 Sagamore Road
Bronxville, N. Y. 10708

Assistant Director
Villa Mercede College
Florence, Italy

Sept. 1960 - June 1962

Reference: Mrs. Harwood Kammerer, Director
(now deceased)

Concierge
Rustler Lodge
Alta, Utah 84070

Jan. - May 1960

Reference: Mr. Lee Bronson, Owner

Memberships:

Independent Educational Counselors Association
National Association of Independent Schools
Association of Governing Boards of Universities and Colleges
Minnesota Personnel and Guidance Association
American College Testing Service
Minnesota Association of Schools and College Admissions
Officers
College Entrance Examination Board -- Affiliate,
individual memberships not permitted

Community
Service:

Director:	Minnesota Orchestral Association Minneapolis, Minnesota 55403	1978 -
Executive Committee:		1979 -
Chairman:	Symphony Ball Minnesota Orchestral Association Profit: \$178,000.00	1977 - 1978
Representative:	Parents' Council Wayland Academy Beaver Dam, Wisc. 53916	1977 -
Trustee:	Minnesota Outward Bound School Wayzata, Minnesota 55391	1974 -
Vice-Chairman:		1978 -
* Director:	Minnesota Public Radio St. Paul, Minnesota 55101	1974 -
* Chairman:		1978 -
Representative:	Board of Associated Colleges of the Twin Cities St. Paul, Minn. 55105	1976 -
Trustee:	Macalester College St. Paul, Minn. 55105	1972 -
Secretary:		1974 - 1975
Vice-Chairman:		1978 -
Chairman:	Minnesota/Dakotas Vassar Club Alumni Admissions Committee	1971 -
* Trustee:	<u>KTCA-KTCI T. V.</u> St. Paul, Minn. 55108	1970 - 1976 1977 -
Auction Chairman:		1971 and 1972
Executive Committee:		1973 - 1976

REUBEN W. ASKANASE

Born: October 21, 1908, Fargo, North Dakota
Residence: 5050 Woodway, Apt. 8-D, Houston, Texas 77056 (713) 621-3899
Office: 914 Niels Esperson Building, Houston, Texas 77002 (713) 651-9244
Education: 1928 - graduated University of North Dakota, B Sc degree
1928-29 - graduate work at Washington University Graduate School
1964 - Honorary Doctor of Law degree at North Dakota State University

BUSINESS AFFILIATIONS:

9/1/75 to 8/1/79	Johnson-Loggins, Inc. Houston, Texas - real estate development company with prop- erties in Houston, Fort Worth, Texas; Phoenix, Arizona, Palmd- dale California; Denver, Colorado	Chairman of the Board and President, Chief Executive Officer
1974 to present	Proler International Corp. Houston, Texas	Director, Chairman of Audit Committee
1973 to 1978	Castleton Industries, Inc. Pompano Beach, Florida	Director
1975 to 1975	Nuclear Engineering Co. Louisville, Kentucky	Director and Chairman of Finance Committee
1972 to 1975	Astrodomain Corp. Houston, Texas	Chairman of the Board, President, and Chief Executive Officer
1969 to present	Hou-Tex Corp. Houston, Texas	President and Director
1972 to 1976	Funds, Inc.	Chairman of the Board
1972 to 1978	Funds, Inc.	Director
1959 to 1972	Funds, Inc. Investment Advisory Company Houston, Texas	Director
1968 to 1972	Rice Food Markets, Inc. Houston, Texas	Director, Chairman of Finance Committee

1967 to 1979	Lincoln Financial, Inc. Houston, Texas	Director
1967 to 1970	Gordon Jewelry Corp. Houston, Texas	Director
1962 to present	New York Dock Railway Brooklyn, New York	Director and Chairman of Finance Committee
1962 to present	American Bank Note Company New York City	Director and member of Executive Committee, Pension Committee and Audit Committee
1961 to 1965	Coty, Inc. New York City	Director
1955 to 1965	Fred Arbogast Co. Akron, Ohio	Vice President Director
1949 to present	Houston National Bank Houston, Texas	Advisory Director
1967-	Dunhill International, Inc. merged into A.P. Parts Corp. Merged corporation now known as Questor Corporation, Toledo, Ohio. Presently Director. Formerly Chairman of Audit Committee.	
1961	Pyramid Rubber Company merged into Dunhill International, Inc. Served as Chairman of the Board and Chief Executive Officer. The merged corporation consisted of:	
	Alfred Dunhill of London, wholesale and retail divisions	
	American Bank Note Company	
	New York Dock Railway	
	A. G. Spalding & Bros.	
	A. G. Spalding & Bros. of Canada	
	A. G. Spalding & Bros. (A'Asia) Pty. Ltd.	
	A. G. Spalding & Bros. of England	
	The Platt & Munk Company	
	Infanseat Company	
	Evenflo Mexico, S.A.	
	Oil City Glass Company	
1949	With control group, purchased Pyramid Rubber Company, Ravenna, Ohio. Served as Chairman of the Board and Chief Executive Officer.	

1945 to 1956	Columbia Dry Goods Co. Houston, Texas	President and owner
1958 to 1945	Abraham & Straus, Brooklyn member of Federated Department Stores	Vice President and member of Management Board
1951 to 1958	A. Pólsky, Akron, Ohio, member Allied Department Stores	Divisional Merchandise Manager and General Merchandise Manager
1929 to 1930	Abraham & Straus, Brooklyn member of Federated Department Stores	Trainee Research Dept. Merchandising

COMMUNITY:

Former President and Board member of The Jewish Community Center, Houston, Texas

Former President and Chairman of the Board, North Dakota State University Development Foundation, Fargo, North Dakota

Director of Houston Symphony Society

Former National Vice President, The American Jewish Committee

Former Trustee, The Texas Institute for Rehabilitation and Research, Houston, Texas

Former Director, Houston Council on Human Relations

Former Director, The Alley Theatre

Former member of the Advisory Board, The Salvation Army

Former Chairman of the Board of The Rothko Chapel

Former Director, the American Cancer Society

Director, Houston Symphony Society

Director, Houston Grand Opera Association

Director, Houston Foundation

Chairman, Board of Commissioners, Housing Authority of the City of Houston

Board of Governors, The Houstonian

Board, Houston Area Women's Center

THE WHITE HOUSE

WASHINGTON

17 Jun 80

The First Lady
Gene Eidenberg

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

Rick Hutcherson

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

ADMIN CONFID
CONFIDENTIAL
SECRET
EYES ONLY

ACTION
FYI

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

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

THE WHITE HOUSE
WASHINGTON

June 16, 1980

*Pos
info
J*

MEMORANDUM FOR THE PRESIDENT

FROM: GENE EIDENBERG *Gene*

SUBJECT: Casework for Maxine Reese of Plains, Ga.

I have checked into the seizure of the shrimp boat owned by Maxine Reese's nephew, Joe Weed. Mr. Weed had an opportunity to purchase a \$750 bond for release of his boat, but instead took the matter to federal district court in Miami to test the legality of the seizure by the Customs Service. A Special Assistant to Ben Civiletti apparently explained the legal options to Mr. Weed before his decision to take the case to court. The matter is now under consideration by the court.

I am advised by the Commissioner of U.S. Customs that there is great uncertainty as to how the court will rule in these cases. A decision is expected in the next day or two.

THE WHITE HOUSE
WASHINGTON
17 Jun 80

Frank Moore
Stu Eizenstat

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

Rick Hutcheson

The original has been given
to Moore for handling and
delivery.

THE WHITE HOUSE

WASHINGTON

June 16, 1980

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE *F.M. Bill*
STU EIZENSTAT *Stu*

The House is scheduled to consider our youth legislation this week, perhaps as early as tomorrow.

We recommend that you send the attached letter to the Speaker, with copies for all Members. The text of the letter has been cleared by the speechwriters.

THE WHITE HOUSE

WASHINGTON

June 17, 1980

Dear Mr. Speaker:

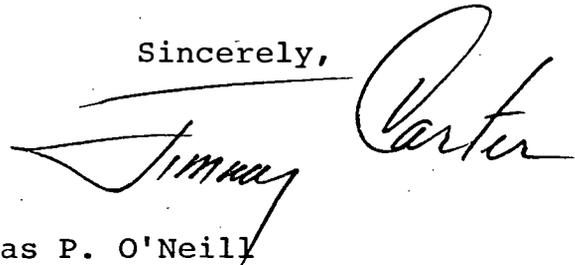
Members of the House will soon consider H.R. 6711, the Youth Act of 1980. Enactment of a comprehensive youth employment program this year is one of the Administration's top domestic priorities -- a priority I know you share.

Persistently high unemployment experienced by young people, especially those who are disadvantaged, is among the most critical problems facing the country. Under the excellent leadership of Chairmen Perkins and Hawkins, Congressmen Goodling and Jeffords, the Education and Labor Committee has reported a strong bill.

This legislation is the product of bipartisan hard work and compromise by the Education and Labor Committee. It enjoys wide support from civil rights and education leaders.

I believe the programs authorized by this bill will help our young people acquire the education, training and job experience needed to compete in the labor market of the 1980s. I strongly urge the House to lend its full support to passage of this critical legislation, and to reject amendments to the Committee bill -- and I know that I can count on your leadership.

Sincerely,

A handwritten signature in black ink, appearing to read "Jimmy Carter". The signature is written in a cursive style with a long horizontal line extending from the "J".

The Honorable Thomas P. O'Neill
Speaker of the
House of Representatives
Washington, D.C. 20515

THE WHITE HOUSE
WASHINGTON

6-17-80

To Jack Watson

Expedite getting
Cubans out of detention
camps. Do post-release
processing when feasible.
Try to complete process
by 7/31/80. Push this.



10:00 AM

THE WHITE HOUSE

WASHINGTON

June 13, 1980

MEMORANDUM TO: THE PRESIDENT AND MRS. CARTER
FROM: GRETCHEN POSTON *GP*
SUBJECT: SCENARIO FOR THE ARRIVAL CEREMONY
HONORING THEIR MAJESTIES, KING HUSSEIN
AND QUEEN NOOR OF JORDAN, TUESDAY,
JUNE 17, 1980, 10:00 AM.

9:30 AM Welcoming and Official Parties arrive White House, South Lawn.

9:50 AM Official Party preceding King Hussein and Queen Noor arrives White House and takes positions on the South Lawn.

9:57 AM THE PRESIDENT AND MRS. CARTER arrive at the Diplomatic Reception Room.

9:59 AM THE PRESIDENT AND MRS. CARTER are announced and enter grounds to edge of red carpet.

(Music - "Hail to the Chief")

10:00 AM The motorcade carrying King Hussein and Queen Noor, Abdullah and Faisal (sons of King Hussein) arrives - fanfare.
Official Introductions.

THE PRINCIPALS (6) proceed onto platform and into positions for honors.

(Jordan National Anthem)
(U.S. National Anthem)
(21 Gun Salute)

THE PRESIDENT and King Hussein descend platform for Inspection of Troops. Return to platform for remarks.

(ALL PRINCIPALS into positions-see diagram)

Following remarks PRINCIPALS return to positions facing south as Commander of Troops concludes ceremony.

**Electrostatic Copy Made
for Preservation Purposes**

ALL PRINCIPALS descend platform, ascend stairs to South Portico Balcony for press photo session. They continue into Blue Room for receiving line.

10:30 AM

Coffee is served in Blue Room.

10:40 AM

MRS. CARTER, Queen Noor and guests invited for coffee depart State Floor for Yellow Oval Room.

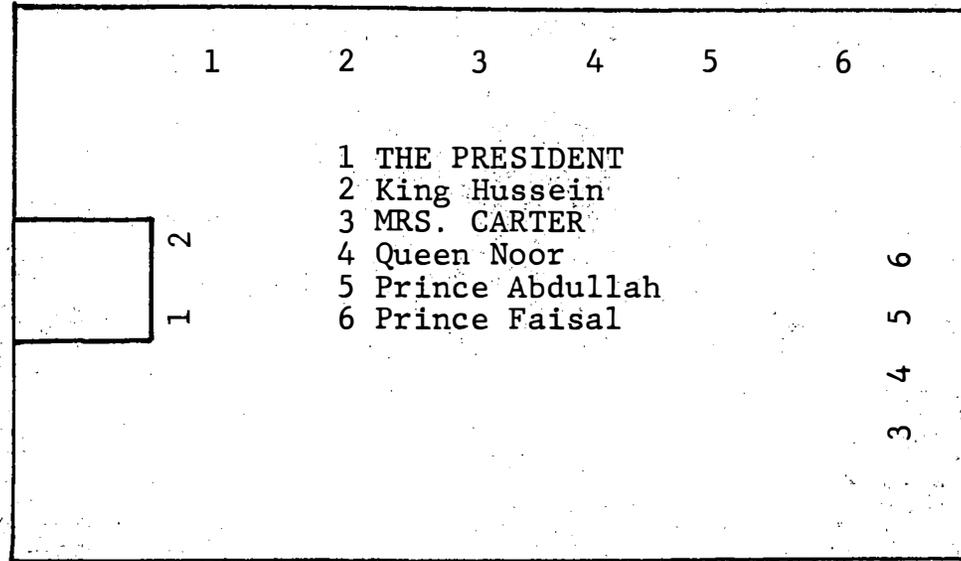
10:45 AM

THE PRESIDENT and King Hussein depart State Floor for Oval Office.

*Prince Abdullah and Prince Faisal will not be part of the receiving line.

SOUTH LAWN

SOUTH LAWN



DIPLOMATIC ENTRANCE

THE WHITE HOUSE

WASHINGTON

June 16, 1980

MEMORANDUM TO: THE PRESIDENT AND MRS. CARTER
FROM: GRETCHEN POSTON *Gp*
SUBJECT: RAIN PLAN - ARRIVAL CEREMONY IN HONOR OF THEIR MAJESTIES, KING HUSSEIN AND QUEEN NOOR OF JORDAN, TUESDAY, JUNE 17, 1980, 10:00 AM.

In the event of rain, King Hussein and Queen Noor along with Abdullah and Faisal (sons of King Hussein) will arrive at the North Portico. Following your greeting at the North Portico, all PRINCIPALS should proceed down the Cross Hall and into the East Room.

As you enter (pausing for announcements) the platform will be directly in front of you, and the Official Parties will be on your right. On the platform, please note your positions. The diagram below shows these positions, facing the Cross Hall and press pens.

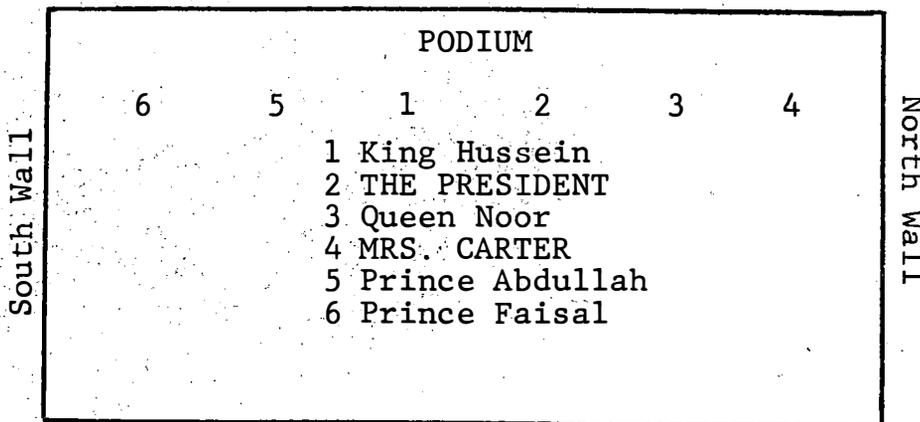
Coffee after the ceremony will be in the Blue Room.

*Prince Abdullah and Prince Faisal will not be part of the receiving line.

PRESS

PRESS

Official Parties



[No salutations]

Rackleff/Hunter
Draft A-1; 6/12/80
Scheduled Delivery:
Tue, June 17, 10:30 AM

Arrival Statement for King Hussein

Your Majesties, distinguished guests, ladies and gentlemen:

It gives us great pleasure today to welcome His Majesty King Hussein, of the Hashemite Kingdom of Jordan, and Her Majesty Queen Noor. All Americans greatly value our association with Jordan, and on their behalf I welcome you to this house and to this country.

The friendship between Jordan and the United States of America has deep roots. It was born of shared interests. It was founded on mutual respect. It has been tested in times of crisis. It has been marked by great achievements in the cause of peace.

Our close friendship reflects the deepest aspirations of our peoples for peace, for dignity, for progress and well-being. Occasional differences between us are aired freely and do not

hurt our association because it rests on so much common ground.

terrorism

The Middle East, the cradle of ^{history} Mankind's beginnings, is today a center of turmoil, of human suffering, and of contending forces and pressures. Aside from a deep and abiding desire to end the Arab-Israeli conflict with dignity and justice, the people there increasingly seek to preserve fundamental social and religious values that have been sources of strength and inspiration over centuries while they cope with the demands of modernization.

Under your Majesty's leadership, Jordan has been in the forefront, charting a progressive and responsible course to bring the benefits of economic development to its people while preserving its traditional values. Your leadership in this endeavor has been a fitting task for a descendant of the Prophet.

The challenges you are facing are not dissimilar from those we in America face as we, too, search for ways to enhance

fundamental spiritual values in times of great and rapid change. I look forward to our talks and to the opportunity they will give me to benefit from your long experience and keen insights.

It is particularly fitting that we meet together even as plans continue in the United States, as elsewhere, to honor the Fourteenth Centennial of Islam. This occasion calls to mind not only the spiritual, intellectual, and material contributions of Islam and its followers, but also the many values we share, including a tolerance of diversity and a commitment to moral principles of conduct.

We come together also at a time of great challenge in Southwest Asia and the Persian Gulf, where your wisdom and insights will be particularly important to me.

The quest for a comprehensive peace in the Middle East will of course be on our agenda. I have devoted much of my

time as President to this search. You also have sought peace
through the many years of your reign.

The search for peace is one of the most difficult and
complex problems ever to confront people of peace and goodwill.
We agree that this search -- this noble quest for peace -- is
worthy of our most determined efforts. And we agree that peace
is vital for the future we both seek for our nations and peoples.
We have much of mutual interest to discuss during our forthcoming
talks. I am happy to welcome you back to the United States and
to extend to the two of you the warm hospitality of the American
Government and people.

#

1:55 PM

THE WHITE HOUSE

WASHINGTON

June 16, 1980

PHOTO OPPORTUNITY WITH THE

CORWIN FAMILY

Tuesday, June 17, 1980
1:55 p.m. (3 minutes)
The Oval Office

From: Al Moses *AM*

I. PURPOSE

To meet with and be photographed with Bruce and Toni Corwin, their sons David and Daniel, Dorothy Corwin widow of the late Sherrill C. Corwin.

II. BACKGROUND, PARTICIPANTS & PRESS

Bruce Corwin is President of Metropolitan Theatres Corporation of Los Angeles. He was also one of your first seven supporters in California in 1976, and he had the first fundraiser at his home in California for you, which was held two days after the Florida primary, on Friday, March 12, 1976. Mr. Corwin was a Carter delegate to the convention in 1976. In 1974, Chip Carter met Mr. Corwin, who continues to be a loyal supporter, and is important to our effort in California. His father, the late Sherrill C. Corwin, was Chairman of the board of Metropolitan Theatres Corporation and one of the most popular and influential figures in the film industry, especially in the exhibition of motion pictures. He was also a major supporter. He died in May 1980 after a career of more than fifty years in show business. Mr. Bruce Corwin is a close friend of Ed Sanders.

Bruce Corwin's son David will be twelve on Thursday, June 19th.

Participants

The President, Bruce Corwin, Toni Corwin, (Mother) Dorothy Corwin, (Sons) David and Daniel Corwin.
White House Staff: Al Moses

Press

White House Photographer only.

THE WHITE HOUSE
WASHINGTON
17 Jun 80

FOR THE RECORD

NSC RECEIVED A COPY OF THE
ATTACHED.

THE WHITE HOUSE
WASHINGTON

6/17/80

Mr. President --

Attached is F.Y.I.

Zbis
Muskie response on
your behalf? _____

no commitment re
--SSC *my*
going to
Japan

note: received in my *J*
office after 6:00pm
6/16/80.

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073502

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1980 JUN 13 PM 6 26

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PMS WHITE HOUSE DC

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ICS IPMTINF NYK

06129 FR TI NEWYOR? NY 116 06-13 1205P EDT

PMS PRESIDENT JIMMY CARTER

073502

THE WHITE HOUSE

WASHINGTON DC

AS HONARARY CHAIRMAN OF THE JAPAN SOCIETY AND NORTH AMERICAN CHAIRMAN
OF

THE ~~TRILATERAL COMMISSION~~ *Commission on Hiroshima* I VERY MUCH HOPE THAT YOU WILL GIVE
PERSONAL ATTENTION TO AN APPROPRIATE RESPONSE TO THE DEATH OF
PRIME MINISTER OHIRA AND THAT YOU WILL CONSIDER ATTENDING FUNERAL
WHEN ARRANGEMENTS ARE ANNOUNCED STOP I AM CONVINCED IMPACT

IN JAPAN AND EVEN OTHER ASIAN COUNTRIES WOULD BE VERY FAVORABLE
AND AN INDICATION OF YOUR PERSONAL FEELINGS TOWARD
OHIRA AND RECOGNITION OF JAPAN'S SUPPORT ON MATTERS SUCH AS OLYMPICS,
AFGHANISTAN AND IRAN STOP I FULLY REALIZE DIFFICULTY BECAUSE OF EUROP
EAN

TRIP AND DOMESTIC PRESSURES BUT I STRONGLY BELIEVE YOUR
ATTENDING FUNERAL WOULD HAVE AN IMPORTANT LASTING VALUE FOR OUR RELA
TIONS

WITH JAPAN

DAVID ROCKEFELLER

1 Chas Manhattan Plaza
NY, NY 10028
1651 EST

NNNN

THE WHITE HOUSE
WASHINGTON
17 Jun 80

Secretary Andrus
Stu Eizenstat

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

Rick Hutcheson

Stu: Please make additional
distribution.

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

*Ask Steve
to make
add it
dis fr's*

ACTION
FYI

ADMIN CONFID
CONFIDENTIAL
SECRET
EYES ONLY

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

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

THE WHITE HOUSE

WASHINGTON

June 16, 1980

cc Cecil
cc Stu
J

MEMORANDUM FOR

THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*

SUBJECT: Nonfuel Minerals

Secretary Andrus has submitted a decision memorandum on the Domestic Policy Review on Nonfuel Minerals (attached). This study was requested by you to identify and evaluate possible problems in the nonfuel minerals sector and to make appropriate policy recommendations. This memorandum summarizes the major issues presented by the Secretary and provides additional recommendations for your consideration in reviewing the Secretary's memo.

Background

Secretary Andrus served as chairman of an inter-agency Policy Coordinating Committee (PCC) which was established to carry out a review of possible problems concerning the availability of non-fuel minerals. The PCC was asked to examine a number of specific areas of concern, including: a review of major mineral supply problems, the availability of foreign minerals to the U.S., the competitiveness of the domestic minerals industry, and the adequacy of existing Federal government capabilities to analyze minerals information and to include minerals considerations in policy decisions.

The intent of the study was to address issues which were thought to be generic to the entire minerals sector as well as to look at the unique characteristics of specific minerals. There are, however, over 100 nonfuel mineral commodities used in our economy. In order to focus the analysis, the PCC chose twelve minerals as representative examples of these nonfuel minerals commodities. These twelve were: aluminum, asbestos, chromium, cobalt, copper, iron ore and scrap, lead, manganese, nickel, phosphate, silver and zinc. This group characterized the basic metals industries, represented imports as well as exports, and covered issues such as recycling opportunities, environmental problems, and international market problems.

Findings

There are four major findings of the nonfuel minerals study:

- o Certain factors affecting supply and demand that appear to be generic to the minerals sector frequently apply only to certain minerals. Possible solutions to nonfuel mineral issues vary greatly, and any policies that are developed or additional analyses undertaken must focus on individual commodities or groups with very similar characteristics.
- o The U.S. is almost entirely dependent upon a relatively small region in Africa for its supply of four critical minerals: cobalt, chromium, manganese, and the platinum group metals. (Cobalt is vital to the manufacture of jet engines and turbines; chromium has no known substitute for its use in stainless steel production; manganese also has no substitute for its use in steel; and platinum is used as a catalyst in auto emission control equipment.) The impact and potential vulnerability resulting from this dependence may be a significant problem for our economy and national security.
- o Several domestic nonfuel mineral industries have experienced declines in their historic domestic and world market conditions. These are: aluminum, ferrochromium, lead, zinc, silver, and ferromanganese. This condition has, however, not caused significant supply problems and future shortages are not anticipated. The review was unable to determine the relative importance of U.S. government policies versus other market factors (such as labor costs, declining ore quality, R&D and capital investment levels, and foreign government policies) in contributing to this declining trend.
- o The U.S. government's analytical knowledge of the nonfuel minerals markets is weak. Improved forecasting and monitoring capabilities are necessary. In addition, government policymaking relating to minerals requires better coordination among agencies. Improvements are needed to better utilize minerals data in land use decisions and in formulating environmental, health and safety regulations.

Discussion

Secretary Andrus' recommendations have been circulated within the Executive Office and have received detailed review by DPS, OMB, CEA, OSTP, CEQ, NSC and the Regulatory Council. All of your advisors from these agencies believe that the majority of issues identified in the nonfuel minerals study do not require additional immediate action beyond possible modifications to current agency programs and policies. This conclusion is not surprising. While minerals and materials commodities have been studied periodically by Executive and Legislative groups since World War II, no overriding issues leading to major changes in policy direction have emerged.

The exception from this study is the finding of heavy U.S. dependence on potentially insecure sources for our supplies of chromium, cobalt, manganese and the platinum group metals. (Attached at Tab A is a summary of this issue from the Secretary's report indicating source countries and the extent of our dependence, Issue II; A-1.) In his memo, Secretary Andrus recommends that you approve immediate follow-up analysis by the National Security Council to assess the probabilities of interruptions in the supply of these minerals, the likely economic and national security impacts of such disruptions, and the possible federal actions that could be taken to mitigate these impacts.

I and your other Executive Office advisors strongly agree with the Secretary's recommendation on this issue. I have brought this matter to Zbig's attention and he has already agreed to lead a policy analysis review of this issue. NSC staff, in cooperation with DPS, OMB and State, have begun development of a work plan. At the conclusion of this analysis, I anticipate that we will determine:

- o The likelihood or range of probabilities that major disruptions in supplies of these four critical minerals will occur in the near and mid-term.
- o The probable impacts of a curtailment in supply to the domestic economy and to national security needs.
- o Alternative federal actions available to address such a problem and whether immediate federal policy decisions are required.

This study can be accomplished within the current budget and should be complete within four-to-six months. No further action by you is necessary at this time.

Decisions Required

In addition to the foreign dependence issue, Secretary Andrus has identified a number of other issues which he includes in his decision memo for your review and which he requests that you decide personally. Of these, I believe that four require your separate review. The remainder are less controversial and are included as a group. The issues are numbered to be consistent with the Secretary's memo.

Issue I. Whether to Issue a Presidential Statement

Attached at Tab B is a draft Presidential statement on the nonfuel minerals policy study. This short statement reflects a concern for the importance of nonfuel mineral commodities to the U.S. and reviews the findings of the nonfuel minerals study. It serves primarily to announce the NSC led study to assess our

foreign dependence on cobalt, chromium, platinum and manganese and to direct follow-on actions by the agencies. Secretary Andrus recommends you approve the release of this statement.

I have some concern with the release of a Presidential statement at this time. The recommendations of the nonfuel minerals study generally either involve more study or relate to specific program items which ordinarily could be acted on below the Presidential level. Exceptions to these are discussed below. More importantly, however, a Presidential statement significantly raises attention to the issue of U.S. vulnerability to potentially insecure foreign sources for supplies of critical minerals before we are fully prepared to address solutions to the problem. In addition, I feel a Presidential statement on this issue has the potential to negatively impact our Alaska lands legislation when Senate debate occurs this summer. Senators who oppose our Alaska position could use this statement to illustrate an apparent contradiction in policies: proposing to "lock-up" minerals in Alaska after having acknowledged our dependence on certain minerals from abroad.

As an alternative, I recommend that Secretary Andrus release the statement in his name, with your endorsement. Specific follow-up directives to other agencies would be sent out by you, as outlined below. If you concur, we will redraft the statement and prepare a transmittal memo from you to Secretary Andrus.

Issue II; A-2. Domestic Cobalt Initiative

The Secretary recommends that you approve a plan for the Federal government to enter into contingent contracts to purchase domestically-produced cobalt for the strategic stockpile at a "floor" price. This initiative is entirely premature for a decision now. Any Federal incentives to increase domestic cobalt production should, and will, be evaluated as part of the NSC study on cobalt dependence. We cannot now predict that this policy would be an appropriate mechanism to solve a perceived problem of overdependence on foreign sources of cobalt. I recommend that you not approve this issue at this time.

Issue II; B-2. Outer Continental Shelf Leasing Program

The Secretary proposes that you direct him to initiate a study of the mineral resources of the outer continental shelf, leading to a leasing program for these resources if there is sufficient interest on the part of the industry. The Outer Continental Shelf Lands Act already provides the Secretary with authority to undertake this program, however, no action to date by Interior has occurred on this. In addition, the Administration is supporting the deep seabed mining legislation which gives jurisdiction for deep sea mining to Commerce (NOAA).

While Interior has statutory authority for its proposal, this issue does raise questions about the overall direction of how we should proceed with ocean mining generally, over the longer term. In view of this, I recommend you defer this directive until we can review this issue further.

Issue II; C-1 and C-2. Minerals Policy Advisory Council and Agency Policy Coordination

The Secretary proposes the establishment of a Council, consisting of industry, environmental, labor, academic, and government representatives to identify problems and recommend actions to the Federal government on minerals matters. I feel that an Advisory Council to the Secretary of the Interior would respond to a current deficiency in being able to assimilate ideas and recommendations from minerals experts outside the government, and should therefore be approved. OSTP notes that in part the Council would duplicate a newly established Committee on Materials, under the aegis of the Federal Coordinating Council on Science, Engineering and Technology, designed to address issues including minerals matters such as these. OMB opposes this on budgetary grounds and as being duplicative of some current activities. However, on balance, I feel such a Council will be helpful to improving coordination.

In addition to the Council, the Secretary recommends that you issue an Executive Order which (1) directs agencies to circulate for review those proposals having potential effects on minerals prices, and (2) directs the Secretary of the Interior to publish annually a list of future policy actions which might effect minerals policy. Unlike the Council, which in theory will provide a channel for independent views, this proposal appears only to create more paperflow and I question its utility at improving coordination. In addition, the Regulatory Council already performs a similar function. I recommend you not approve this recommendation.

Additional Specific Issues

The remainder of the issues recommended by the Secretary are less controversial. I recommend you release a directive addressing these issues (Tab C). These issues are:

Issue II; A-3. Whether to direct State, CIA, Commerce, Defense and the Federal Emergency Management Agency to work with Interior to evaluate a "critical minerals index". Although State and CIA express some reservations, these agencies have already agreed to participate with Interior in this effort.

Issue II; B-1. Whether to direct the Regulatory Council to identify additional opportunities for the minerals industry to meet regulatory goals at greater savings. EPA and OSHA, in cooperation with the Regulatory Council, agree to expedite their current study on cost-effective control strategies for the lead industry. Further, the Regulatory Council will work closely with affected

regulatory and research agencies in its current review of regulations of nonferrous metals industries. The Council agrees to pursue these initiatives vigorously. Secretary Andrus requests that further immediate steps be taken to increase efforts to identify cost savings for minerals industries. With its present staff resources, the Council is unable to undertake this additional assignment. The directive is, therefore, confined to current initiatives and to requesting each department and agency to identify new program opportunities during the FY 82 budget process.

Issue II; B-2. Whether to direct Secretary Andrus to expedite the minerals review of withdrawn public lands, and to develop uniform guidelines with the Secretary of Agriculture concerning minerals data. Secretary Andrus is already reviewing the mineral potential of withdrawn public lands and the directive will highlight this review. CEQ and OMB oppose highlighting this issue through a directive. The USDA-DOI agreement on data guidelines is non-controversial, substantively, although OMB again opposes a Presidential directive.

Issue II; B-3. Whether to direct the Federal Coordinating Committee on Science, Engineering and Technology to review minerals R&D to give greater emphasis to long-term analysis. This is included in the directive, although OMB cites objection on policy and budget grounds.

Issue II; C-3. Whether to designate the Bureau of Mines in Interior as the principal coordinating agency for nonfuel minerals data. This proposal has met no objection and should be a positive step toward better analysis and coordination of nonfuel minerals data throughout government.

We will modify the directive if necessary, based on your decision below.

DECISION

The following summarizes the issues for your decision. Agency views are shown.

Issue I. Whether to Issue a Presidential Statement

- _____ Approve (Interior)
- _____ Approve release of Statement by Secretary Andrus (DPS, OSTP, CEA, CEQ, Regulatory Council, OMB)
- ✓ _____ Disapprove

I don't see that a statement does anything except publicize our vulnerability. Why issue it?

Issue II; A-2. Domestic Cobalt Initiative

- _____ Approve (Interior)
- _____ Disapprove (DPS, OSTP, CEA, CEQ, OMB)

Issue II; A-3. Evaluation of Interior's Critical Minerals Index

- _____ Approve Directive (Interior, DPS, OSTP, CEA, CEQ)
- _____ Disapprove Directive (OMB - Presidential decision not necessary)

Issue II; B-1. Regulatory Reform

- _____ Approve additional assignment for Regulatory Council (Interior)
- _____ Approve directive for emphasis on current EPA, OSHA lead study and Regulatory Council nonferrous metal studies (DPS, OSTP, CEA, CEQ, Regulatory Council)
- _____ Disapprove (OMB)

Issue II; B-2. Federal Lands

- (a) _____ Approve directive to Interior to expedite current review of minerals potential of Federal lands (Interior, DPS, OSTP, CEA)
- _____ Disapprove (CEQ, OMB - Presidential decision not necessary)
- (b) _____ Approve directive to Interior and Agriculture to develop uniform guidelines to address minerals (Interior, DPS, OSTP, CEA, CEQ)
- _____ Disapprove (OMB - Presidential decision not necessary)
- (c) _____ Approve directive to initiate a minerals leasing program on the OCS (Interior)
- _____ Disapprove (DPS, OSTP, CEA, CEQ, OMB)

Issue II; B-3. Research and Development

- _____ Approve directive to emphasize long-term R&D (Interior, DPS, OSTP, CEA, CEQ)
- _____ Disapprove (OMB - Study failed to demonstrate need; budget concerns)

Issue II; C-1. Executive Order on Policy Coordination

_____ Approve Executive Order requiring circulation of agency proposals having affects on minerals and directing Interior to publish annual list of policy actions (Interior)

_____ Disapprove (DPS, OSTP, CEA, CEQ, Regulatory Council, OMB)

Issue II; C-2. Minerals Policy Advisory Council

_____ Approve establishment of Council (Interior, DPS, CEA)

_____ Disapprove (OSTP, CEQ, OMB)

Issue II; C-3. Information and Analysis

Approve directive designating Bureau of Mines in Interior as principal Federal coordinating agency for nonfuel minerals (Interior, DPS, OSTP, CEA, CEQ, OMB)

_____ Disapprove (None)

This is very important -
I prefer^d no new agencies or commissions if we can avoid them, b) minimum publicity re our potential shortages, c) Bureau of Mines to coordinate policy of assuring supplies, d) Sec of Interior using existing authority re exploration of federal lands for scarce minerals, e) my science advisor and NSC helping as needed re technology/research and foreign policy, f) minimum additional paperwork & reports.
I'll sign an executive order to implement above.

TAB A

Availability of Foreign Minerals

The future supplies of a few imported minerals critical to the United States and its allies are becoming less secure. Chromium and cobalt are the commodities of greatest concern because of their importance to the economy and the national security. Manganese and the platinum-group metals also deserve consideration, along with a few other metals. The United States has no economically recoverable reserves of chromium and manganese, and very small amounts of cobalt and the platinum-group metals. Yet, there are no known substitutes for the use of chromium in stainless steel manufacture or for manganese in steel, and cobalt is an essential material in jet engines and turbines. Demand for the platinum-group metals has been rising steeply in the United States, mainly because of their use as catalysts in automobile exhaust converters.

United States imports of these metals come from only a few suppliers, and most of these are located in central and southern Africa. Zaire and Zambia are the ultimate sources for most of our cobalt. South Africa provides the United States with much of its chromite, ferrochromium, and platinum-group metals, and a large portion of its ferromanganese. The Soviet Union is our second largest supplier of chrome and platinum-group metals.

The attached table shows the extent to which the United States presently relies on central and southern Africa and the Soviet Union for supplies of these metals. Reserve and resource estimates provide an indication of where future supplies are likely to come from. These figures show that future chrome markets are likely to be dominated by South Africa and Rhodesia. South Africa and the Soviet Union, together, account for the vast majority of the world's platinum-group and manganese reserves and resources (excluding manganese nodules). Furthermore, the current desire of South Africa to export a more processed product may well lead to a concentration of world ferrochrome and ferromanganese production capacity there as well. Zaire and Zambia's dominant role in the world and United States cobalt markets is clear.

INDICATIONS OF CURRENT AND POTENTIAL U.S. DEPENDENCE ON CENTRAL AND SOUTHERN AFRICAN NATIONS AND THE U.S.S.R.
(All data is for 1979 unless otherwise indicated)

	Chromium (Thousand Short Tons)	Cobalt (Short Tons)	Manganese (Thousand Short Tons)	Platinum-Group (Thousand Troy Ounces)
U.S. Consumption % Imported	600 90*	9,500 90*	1,477 98*	2,801** 89*
Anticipated Demand Growth: Annual Rate to 1985 Expected 1985 Demand	3.4% 746	3.1% 13,600	1.6% 1,581	4% 3,133
Import Sources (1975-1976 average)	Chromite: South Africa 38% USSR 14% Ferrochrome: South Africa 51% Rhodesia 12%	Zaire 60% Zambia 10%	Manganese Ore: Gabon 41% South Africa 9% Ferromanganese: South Africa 34%	South Africa 50% USSR 22%
Reserve Base***	World Total: 3,800,000 South Africa 2,500,000 Rhodesia 1,100,000	World Total: 3,300,000 Zaire 1,300,000 Zambia 400,000 USSR, Cuba 450,000	World Total: 6,000,000 South Africa 2,200,000 Gabon 165,000 USSR 3,000,000	World Total: 790,000 South Africa 580,000 USSR 200,000
Resources****	World Total: 36,000,000 South Africa 25,000,000 Rhodesia 12,000,000	World Total: 5,000,000 Zaire 1,000,000 Zambia 640,000 USSR, Cuba 1,400,000	The USSR and South Africa account for more than 80% of identified world resources.	World Total: 2,800,000 South Africa 2,000,000 USSR 400,000 Rhodesia 100,000
Substitutes and Alternates	Nickel, zinc, cadmium, aluminum, cobalt, molybdenum, vanadium, and titanium in various uses with either higher cost or some sacrifice in performance standards.	Nickel, but only with a loss of effectiveness: platinum, tungsten, and ceramics in various uses.	No substitutes exist for major applications.	Gold, silver, and tungsten in electrical/ electronic uses, improved engines or fuels could reduce emission control catalysts in autos.
Stockpile Status (As of May 2, 1980.)	Chemical & Metallurgical: Goal: 1,353 (metal cont) Inventory: 1,173 Refractory: Goal: 850,000 (short dry tons) Inventory: 391,414	Goal: 85,400,000 lbs Inventory: 40,802,393 lbs	Chemical & Metallurgical: Goal: 1,500 (metal cont) Inventory: 1,970 Manganese dioxide, battery grade: Goal: 87,000 (short dry tons) Inventory: 264,682	Iridium: Goal: 98 Inventory: 17 Palladium: Goal: 3,000 Inventory: 1,255 Platinum: Goal: 1,310 Inventory: 453

- * Remainder of consumption supplied from recycled material or stocks.
** Does not include approximately one million ounces of toll-refined secondary.
*** Includes reserves, marginal reserves and some subeconomic resources.
**** Excludes deep-sea resources of cobalt and manganese in form of manganese nodules.

TAB B

STATEMENT ON NONFUEL MINERALS

As we enter the last decades of this century, the United States must be prepared to respond to any major problems that may arise from the ways in which we obtain and use essential raw materials. We have learned some hard lessons about energy in recent years, particularly economic and strategic risks that must be prepared for in the face of substantial supply disruptions. Nonfuel minerals--copper, iron, cobalt, and aluminum, for example--may not loom as large as energy in our daily lives, but these commodities are also vital to our well-being as a nation.

Our country has been blessed with a diversity and abundance of mineral resources. More than 100 nonfuel minerals are used in our economy, for a wide range of final products including developing fertilizers, building highways, and constructing airplanes. We produce most of these minerals ourselves. For other minerals that do not occur in the United States or that occur in low grade or small quantities, we have historically been able to rely on secure supplies from abroad.

It is a pattern that has served us well, but one that has already begun to change. The spread of industrialization around the world has increased the demand for minerals. In addition, many new suppliers have emerged, some of whom have different attitudes toward dealings in the international minerals markets than traditional producers.

To assess whether there have been significant developments in the nonfuel minerals sector that should be of concern to the U.S., I directed the Secretary of the Interior and other members of my Administration to undertake a nonfuel minerals policy review. This review was to examine these issues and to advise me as to the nature and extent of foreseeable problems in the supply, availability, and price of nonfuel minerals.

The nonfuel minerals policy review called attention to conditions in the nonfuel minerals market that may significantly affect this nation's supply of important materials over the coming years. Chief among these is our heavy reliance on imports for certain minerals essential to our economy and important to our national security.

The U.S. now depends almost entirely on its supply of cobalt, a mineral vital to the manufacture of jet engines and turbines, and chromium for which there is no known substitute in stainless steel production, from foreign producers and suppliers. In addition, substantial amounts of two other important minerals, manganese and platinum metals, are also heavily imported. Interruptions in the current supplies of these minerals could result in major price changes and may affect our economy and our security.

I have therefore directed my National Security Advisor, in cooperation with the appropriate Departments and Agencies, to ascertain the extent and impact of -- and possible alternatives to -- our dependency upon foreign sources for these minerals.

This evaluation, which is now underway, will help us better anticipate and respond to any major changes or events affecting the supply of these minerals.

I have also directed the Secretaries of Interior, State, Commerce, Labor and Defense, the Administrator of the Environmental Protection Agency, the Directors of the Federal Emergency Management Agency, the Central Intelligence Agency, the Office of Science and Technology Policy, and the National Science Foundation, and the Chairman of the Regulatory Council, in cooperation with other Federal agencies, to work with the Congress and the public to assure: that needed minerals information is available and utilized in Federal policy development by all Federal agencies with minerals responsibilities; that the review of the minerals potential of withdrawn Federal lands be expedited and that lands appropriate for mining be opened as soon as possible; that minerals analysis capabilities are sufficient for monitoring major changes in minerals supplies and for forecasting trends in minerals production; that minerals research and development needs are adequately assessed; and that the goals of regulation affecting nonfuel minerals are achieved in a manner consistent with my regulatory reform program.

Finally, I have directed the Secretary of the Interior to convene a Minerals Policy Advisory Council, consisting of representatives from the mining, mineral processing, and user industries, labor, academia, environmental and citizen groups, and the financial

community. The Council will provide an independent identification of minerals problems and actions necessary to be considered by the Federal government to respond to these problems. This will allow the government to receive regular, formal consultations with minerals experts, thus assisting in policy formulation. Members will be appointed by the Secretary of the Interior, and other government agencies will be expected to participate in Council activities.

In carrying out these actions, I have asked the responsible agencies to keep the interested Congressional Committees informed of their progress. Congressional action has helped to identify and highlight the importance of these issues, and through mutual recognition and action, we can keep our economy less vulnerable to disruptions in the supply of nonfuel minerals.

TAB C

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR

THE SECRETARY OF THE INTERIOR
THE SECRETARY OF STATE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF DEFENSE
THE ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY
THE DIRECTOR OF THE FEDERAL EMERGENCY MANAGEMENT AGENCY
THE DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY
THE CHAIRMAN OF THE REGULATORY COUNCIL
THE DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY
THE DIRECTOR OF THE NATIONAL SCIENCE FOUNDATION

At my direction and under the chairmanship of the Secretary of the Interior, a Domestic Policy Review on Nonfuel Minerals was undertaken to address potential problems in the U.S. supply and demand of certain minerals. Based on the findings of this study, I hereby direct that the following actions be implemented:

- o The National Security Council is now undertaking an assessment of our current dependency upon foreign sources for four important minerals: cobalt, chromium, manganese, and platinum. This evaluation will help us better anticipate and respond to any major changes or events affecting the supply of these minerals. Each of you should provide assistance and cooperation to the NSC in carrying out this review.
- o Nonfuel Minerals Information Monitoring and Analysis. Government decisions should rest on a foundation of timely and complete minerals data and analysis. Methods to assess changes in mineral market conditions, and the effects of these changes on our economy and security are critical tools necessary in formulating federal policies. Recognizing that improvements in the nonfuel minerals information process must begin by strengthening current data collection and analytical capabilities, I am designating the Bureau of Mines in the Interior Department as the principal federal coordinating agency for nonfuel minerals data gathering and analysis.

As a first step, the Secretary of the Interior, acting through the Bureau, will convene an interagency nonfuel minerals data

group and publish an inventory of all mineral data sources in the federal government. As a critical part of this inventory, an assessment should be made of the usefulness of the current data and opportunities for improvement. Measures should also be taken to standardize the gathering and presentation of minerals-related data. Each of you should assist and participate in this effort. The information and analysis made available through this cooperative arrangement are to be fully utilized in all agency decisions affecting nonfuel minerals.

In addition, the Secretaries of State, Commerce and Defense, the Directors of the Federal Emergency Management Agency and the Central Intelligence Agency are to participate in a review and assessment of the minerals forecasting system now being tested by the Interior Department. This system is designed for analyzing major changes in minerals markets and could be a useful tool for predicting near and mid-term conditions of importance to U.S. policy-setting.

- o Minerals Policy Advisory Council. The federal government lacks a nonfuel minerals policy advisory mechanism to draw on the views and expertise of industry and the public. Therefore, I am directing the Secretary of the Interior to convene a Minerals Policy Advisory Council with members from the mining, minerals processing, and user industries, labor, academia, environmental and citizen groups, and the financial community. The Council will be expected to provide independent advice on minerals problems and on actions that should be considered by the federal government. The Secretary will appoint the Council members and all agencies should participate in Council activities.

- o Minerals Potential of Federal Lands. Lands belonging to the federal government contain a great share of our mineral wealth, yielding substantial amounts of several important commodities. Over the years, however, significant areas have been withdrawn from mineral entry to meet a number of other important public purposes. Many of the actions taken to withdraw federal land from mineral entry now may be obsolete. As directed by Congress in 1976, the Secretary of the Interior is now reviewing old withdrawals to determine whether these lands should be reopened. The Secretary should give top priority to this review, and all other agencies which administer withdrawn lands should cooperate fully with the Secretary. After appropriate consideration of competing uses and values, those lands appropriate for mining should be opened up as soon as possible.

In addition, to ensure that the minerals values of federal lands are adequately considered by government planners and managers, the Secretaries of Interior and Agriculture should cooperate in preparing uniform guidelines and planning principles that will address minerals values more effectively.

- o Research and Development. The nonfuel minerals policy review identified a number of areas where basic and applied research and development may be able to make contributions in the non-fuel minerals sector. Such opportunities can help in the longer term, to achieve a variety of objectives, such as increasing mineral supply, decreasing prices, and maintaining environmental quality.

The Secretary of the Interior, the Administrator of EPA, the Director of the NSF, and the President's Science and Technology Advisor should utilize the Committee on Materials (COMAT) of the Federal Coordinating Committee on Science, Engineering and Technology, to assist in assuring that existing basic and applied research is directed toward long-term mineral production objectives.

- o Regulatory Review. In the context of the policy on regulatory reform that the President announced in 1978, the federal government should review regulations affecting the nonfuel minerals industries in order to simplify procedures, eliminate duplication and reduce compliance costs.

Therefore, the Environmental Protection Agency and the Occupational Safety and Health Administration, in cooperation with the Regulatory Council, should expedite, to the extent possible, their ongoing cooperative effort to identify cost-effective regulatory control strategies for the lead industry to meet the agencies' lead standards. Further, each involved agency should give full assistance to the Regulatory Council in its review of the methods by which benefits of regulations affecting nonferrous metals industries are determined.

These items should be carried out within presently approved budget levels. In addition, each department and agency should, during the preparation of FY 82 budget proposals, review the findings of the nonfuel minerals review and consider opportunities for further program initiatives to strengthen identified problem areas.

cc: OMB
DPS
CEA
CEQ
NSC

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These items should be carried out within presently approved budget levels. In addition, each department and agency should, during the preparation of FY 82 budget proposals, review the findings of the nonfuel minerals review and consider opportunities for further program initiatives to strengthen identified problem areas.

cc: OMB
DPS
CEA
CEQ
NSC

DECISION MEMO TO
PRESIDENT FROM ANDRUS



United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

MAY 14 1980

MEMORANDUM TO THE PRESIDENT

From: The Secretary of the Interior

Subject: Nonfuel Minerals Policy

This memorandum summarizes the background and findings of the Domestic Policy Review of Nonfuel Minerals and asks you to decide whether you should issue a statement on nonfuel minerals. I am also asking for your decision on actions to be taken to address those issues identified in the Review.

In June 1977, you and I met with a number of House Members, including Congressmen Mo Udall and Jim Santini, to discuss their concerns about nonfuel minerals. The state of the domestic minerals industry was a major issue, particularly because the copper industry was then in a deep slump. The situation today is quite different, with many U.S. mineral companies reporting record earnings in 1979. A number of copper mines reopened last year, copper mine and mill employment rose by 17 percent between 1978 and the end of 1979, and the price of copper went from a low of 67 cents in 1978 to \$1.35 a pound last February.

The Congressmen also were concerned with increasing United States dependence on foreign minerals, expressing fears that we could find ourselves in the same situation with minerals as with petroleum. The principal recommendation of the Congressmen was that you appoint a White House advisor on nonfuel minerals.

To examine these concerns, a Domestic Policy Review of Nonfuel Minerals was initiated in December 1977 under a Cabinet-level Policy Coordinating Committee. I was asked to chair this Committee. The Committee was to examine the concerns that had been raised, and advise you as to the extent and nature of foreseeable problems in the supply, availability and price of nonfuel minerals. Its members included 14 Cabinet secretaries, agency administrators, and Presidential advisors.

In the early stages of the Review, public participation was invited through technical forums to assist agencies in their analyses. A report discussing the major issues was released in the summer of 1979, and was the subject of extensive public hearings last fall.

Considerable Congressional attention has been given to the Review, primarily by the House Interior Subcommittee on Mines and Mining, chaired by Congressman Santini. In addition, the House has passed legislation, originated by the Science and Technology Committee, calling for materials and mineral policy actions; it is likely the Senate will take up this bill shortly. There has been occasional mention of the Review in the national news media, and considerable attention in the trade press.

MAJOR FINDINGS AND ISSUES FOR YOUR RESOLUTION

According to the Review, no imminent problems in meeting national mineral needs are expected, but a number of conditions could become serious problems in the future. By far the most important is our heavy dependence on potentially insecure foreign sources for supplies of certain minerals highly important to the U.S. economy.

The remainder of this memorandum summarizes the major findings of the Review and presents issues for your consideration. It discusses whether you should issue a Presidential policy statement, and then evaluates the problems and possible remedies identified in the areas of foreign dependence, domestic production, and Federal Government policymaking and data/analysis capabilities.

Issue I. Are the findings of the Nonfuel Minerals Policy Review of sufficient importance to warrant a Presidential policy statement at this time?

A policy statement at this time would set in motion a number of actions to address issues of national significance.

Whether to issue a statement depends on your perception of the importance of the issues, the need for the proposed remedial actions, and the relative sensitivity of these matters. The content of a statement would be determined by your decisions on proposed actions outlined under Issue II.

In support of issuing a statement are the following points:

- In view of the energy situation and perceptions about the strategic objectives of the Soviet Union for minerals, a statement on nonfuel minerals would be seen as a sign of leadership and an expression of your determination that what has happened to us in energy will not happen to us in other minerals as well.

- The Nonfuel Minerals Policy Review has generated a certain level of public and Congressional anticipation of policy initiative because it was originated at White House direction. The absence of Presidential interest in its conclusion would leave the mineral industry and its supporters on the Hill very dissatisfied.
- Delaying a Presidential statement until after another phase of analysis (approximately 6 months) would bring it into the immediate context of the election.
- Many of the proposed initiatives involve several departments and agencies and could therefore only be effectively undertaken on your order.

The following points weigh against a statement at this time:

- Several of your advisors do not believe the issues or actions proposed are sufficiently significant to deserve Presidential attention or a statement.
- Some believe that Presidential acknowledgement of mineral problems would alarm the public by heightening their sense of vulnerability.
- Completion of the analysis proposed to address dependence on insecure sources of important minerals would lead to a better understanding of the significance of the issues and a stronger statement.

As Chairman of the Policy Coordinating Committee, I strongly support a statement at this time to give finality to the Review and to establish a Presidential posture well in advance of the elections. However, many Executive Office principals involved in the Review do not feel the issues warrant a Presidential statement at this time.

Issue II. What actions should be taken to address the issues identified in the Minerals Policy Review?

I am proposing that a number of steps be taken to follow-up on the Review's findings. As noted above, effective implementation of many of these will require a Presidential decision and directive because of their interagency character. Even in the absence of a Presidential statement, it may be appropriate to initiate some of these actions. I am requesting your decision on whether or not to proceed.

A. Availability of Foreign Minerals

While we rely on foreign sources for a large number of minerals, most of these come from allies and trading partners

of long standing, such as Canada and Australia, or from such a diversity of sources that the chances of significant supply disruptions or producer cartels are deemed unlikely. However, four commodity groups present a different situation. These are summarized in the following table.

Chromium and cobalt are the commodities of greatest concern because of their importance to the economy and national security. Manganese and the platinum-group metals also present potential problems. There is currently no domestic production of these minerals. The United States has no known potentially recoverable resources of chromium and manganese, and only small potential reserves of cobalt and the platinum-group metals. There are no known substitutes for the use of chromium in stainless steel manufacture or for manganese in steel; cobalt is an essential material in jet engines and turbines. Demand for the platinum-group metals has been rising steeply in the United States, mainly because of their use as catalysts in automobile exhaust converters.

United States imports of these metals come from only a few suppliers, and most of these are located in central and southern Africa. Zaire and Zambia are the ultimate sources for most of our cobalt. South Africa provides the United States with much of its chromite, ferrochromium, and platinum-group metals, and a large portion of its ferromanganese. The Soviet Union is our second largest supplier of chrome and platinum-group metals. As shown by the resource estimates in the table, these countries are likely to continue to dominate the supply markets.

Neither the probability of disruption in supply from these sources nor the full consequences of such a disruption were assessed as part of the Review. The potential impacts of any supply disruption were considered great enough to merit high-level policy attention, with additional analysis needed to define more precisely the risks and possible mitigating strategies.

Public Views: Although this issue drew little comment during public hearings, public and Congressional interest has intensified in recent months because of events in the Middle East, and parallels have been drawn between our dependence on politically unstable countries for oil and other strategic materials. Users of these minerals, especially the aircraft and steel industries, are particularly concerned and have suggested that Federal government policy attention is needed.

Option A-1. Short-Term Analysis of Foreign Dependence Risks

Under the direction of the National Security Council, a 4 to 6 month study would be undertaken to evaluate current policies affecting the minerals with which we are particularly concerned: cobalt, chromium, manganese, and the platinum-group metals.

INDICATIONS OF CURRENT AND POTENTIAL U.S. DEPENDENCE ON CENTRAL AND SOUTHERN AFRICAN NATIONS AND THE U.S.S.R.
(All data is for 1979 unless otherwise indicated)

	Chromium (Thousand Short Tons)	Cobalt (Short Tons)	Manganese (Thousand Short Tons)	Platinum-Group (Thousand Troy Ounces)
U.S. Consumption % Imported	600 90*	9,500 90*	1,477 98*	2,801** 89*
Anticipated Demand Growth: Annual Rate to 1985 Expected 1985 Demand	3.4% 746	3.1% 13,600	1.6% 1,581	4% 3,133
Import Sources (1975-1978 average)	Chromite: South Africa 38% USSR 14% Ferrochrome: South Africa 51% Rhodesia 12%	Zaire 60% Zambia 10%	Manganese Ore: Gabon 41% South Africa 9% Ferromanganese: South Africa 34%	South Africa 50% USSR 22%
Reserve Base***	World Total: 3,800,000 South Africa 2,500,000 Rhodesia 1,100,000	World Total: 3,300,000 Zaire 1,300,000 Zambia 400,000 USSR, Cuba 450,000	World Total: 6,000,000 South Africa 2,200,000 Gabon 165,000 USSR 3,000,000	World Total: 790,000 South Africa 580,000 USSR 200,000
Resources****	World Total: 36,000,000 South Africa 25,000,000 Rhodesia 12,000,000	World Total: 5,000,000 Zaire 1,000,000 Zambia 640,000 USSR, Cuba 1,400,000	The USSR and South Africa account for more than 80% of identified world resources.	World Total: 2,800,000 South Africa 2,000,000 USSR 400,000 Rhodesia 100,000
Substitutes and Alternates	Nickel, zinc, cadium, aluminum, cobalt, molybdenum, vanadium, and titanium in various uses with either higher cost or some sacrifice in performance standards.	Nickel, but only with a loss of effectiveness: platinum, tungsten, and ceramics in various uses.	No substitutes exist for major applications.	Gold, silver, and tungsten in electrical/ electronic uses, improved engines or fuels could reduce emission control catalysts in autos.
Stockpile Status (As of May 2, 1980.)	Chemical & Metallurgical: Goal: 1,353 (metal cont) Inventory: 1,173 Refractory: Goal: 850,000 (short dry tons) Inventory: 391,414	Goal: 85,400,000 lbs Inventory: 40,802,393 lbs	Chemical & Metallurgical: Goal: 1,500 (metal cont) Inventory: 1,970 Manganese dioxide, battery grade: Goal: 87,000 (short dry tons) Inventory: 264,679	Iridium: Goal: 98 Inventory: 17 Palladium: Goal: 3,000 Inventory: 1,255 Platinum: Goal: 1,310 Inventory: 453

* Remainder of consumption supplied from recycled material or stocks.

** Does not include approximately one million ounces of toll-refined secondary.

*** Includes reserves, marginal reserves and some subeconomic resources.

**** Excludes deep-sea resources of cobalt and manganese in form of manganese nodules.

The evaluation would assess the risks we face as a result of our dependence, as well as strategies to mitigate those risks. The Departments of the Interior, State, Commerce, and Defense, the Federal Emergency Management Agency, and the Central Intelligence Agency would be asked to assist in this effort. At the conclusion of the analysis, actions felt appropriate to mitigate risks of dependence would be presented for your consideration.

- Little objection has been raised to this proposal. The National Security Council supports this study, and hopes to have it underway as quickly as possible.

Option A-2. Immediate Action to Encourage Domestic Cobalt Production

Unlike the other minerals of concern, cobalt deposits do occur in the U.S. and might be developed if prices were guaranteed at a level high enough to attract investment capital. Our strategic stockpile of cobalt is now less than half our goal, but this goal would fall if domestic production increased.

The Defense Production Act allows the Federal Government to encourage domestic development of strategic minerals. This authority was used successfully during the Korean and Vietnam Wars to enhance domestic production of important minerals.

Under the proposed initiative, the Federal Government would use its authority to enter into contingent contracts to purchase domestically-produced cobalt for the strategic stockpile at a "floor" price in the event the producer is unable to sell in the marketplace. You would direct GSA, FEMA, and the Interior Department to seek and evaluate proposals for contingent cobalt purchase contracts. The decision actually to enter contracts would be reserved until negotiated prices are evaluated and the potential costs of the program assessed.

Pros

- It is a positive step in response to a well-understood problem.
- It is not likely to be particularly costly because under a contingent contract, the Government might never be obligated to purchase so long as domestic producers found a market for their product.
- Each unit of added domestic capacity would lower stockpile goals by a factor of three, and would assuage criticism of the Administration for not acting to fill the stockpile goal for cobalt.

Cons

- Any action may be premature, since incentives to increase domestic production would be evaluated as part of the National Security Council study in Option A-1.
- Action with cobalt could lead to pressure for similar steps with other minerals.

Option A-3. Monitoring and Early Warning System

The Interior Department has developed, and is now testing, a system called a Critical Mineral Index, which could improve considerably the Government's ability to monitor trends and forecast events that may affect the availability of essential minerals to the United States. The Index weighs the likelihood of a disruption in mineral supply because of military, political or economic events, and then evaluates the resulting cost to the U.S. if such disruptions were to occur.

Under this option, you would direct the Departments of State, Commerce, and Defense, FEMA, and the CIA to work with Interior to complete testing and evaluation of this system and then put it into place.

Pros

- This system would provide minerals information to decisionmakers more systematically than at present.
- The Index would establish an ongoing system of minerals priorities, so that those minerals in greatest need of policy attention can be dealt with first.
- It would provide a means of interagency discussion, and would be implemented at low cost.

Cons

- The State Department does not believe this system would be useful, and the CIA prefers to use its own information system.

B. Domestic Mineral Production

According to projections, several domestic nonfuel mineral industries are expected to experience gradual losses in domestic and world market shares by the end of the century, and in some of these industries, declines in overall domestic production are expected as well. Lower ore quality and higher labor costs than foreign producers may be the most important causes; the promotional policies and less stringent environmental controls of some foreign governments also play important parts. Added

to this is the capital-intensive nature of the nonfuel minerals industry, its highly volatile business cycle, and its erratic and sometimes low profitability. However, the Review did not reach conclusions concerning the relative importance of any one of these factors or the cumulative effects of all.

The overall conclusion of the Review is that, for the foreseeable future, we should have no problem in obtaining supplies of those minerals for which we rely primarily on domestic sources. The situation nevertheless calls for careful, ongoing review and analysis; several initiatives are presented for your consideration.

Public Views: During the Review, domestic production issues were the most controversial, with two sharply-divided sets of interests. The mining industry objects to what it considers to be excessive withdrawals of Federal land from mineral entry and unreasonable environmental, health and safety regulations. Industry witnesses claimed that exploration on Federal lands is declining, but available government and industry data do not support this assertion.

The competition for Federal lands has become keen, and lands are withdrawn for a variety of reasons: for example, to protect wildlife habitat and wilderness values, to construct energy facilities, and for military purposes. Moreover, the present law which governs hardrock mining on Federal lands, the 1872 Mining Law, makes mining the preferred land use and affords no environmental protection measures. Thus, until the law is reformed (an action successfully opposed by the industry for years), land withdrawals are often the only means to protect other land uses.

Industry witnesses also claimed that stringent Government environmental regulations place U.S. producers at a disadvantage vis-a-vis foreign producers. While developing countries generally have much less stringent standards than this country, this is by no means true of all the developed nations. Although regulations have increased costs for some industries, current evidence does not suggest that the ultimate effects on price and availability of minerals will be unacceptable. However, in some cases, the costs of regulation, coming on top of other factors, such as declining ore-grades and inefficient plant, could contribute to a loss in competitive position.

For environmentalists, public land issues also were foremost, but their concern is with putting mining on a footing equal with other uses. They assert that insufficient attention has been given to conserving and recycling mineral materials, instead of producing new supplies. They believe that if the Federal Government were to end subsidies of new production--principally by reforming the 1872 Mining Law--conservation and recycling would become economically attractive and thereby reduce the pressures to develop public lands.

Option B-1. Regulatory Reform

Under your regulatory reform policy, announced in 1978, efforts are already underway to reduce unnecessary burdens and compliance costs. The Environmental Protection Agency, the Occupational Health and Safety Administration, and the Regulatory Council could be directed to give their priority attention to the special studies they are now conducting to ameliorate problems in specific mineral industries. To supplement these efforts, you could direct the Regulatory Council to work with the principal regulatory agencies to identify further opportunities for mineral industries to meet regulatory goals at greater savings.

Pros

- The proposal directs additional attention to an industry particularly affected by regulation. While the additional efforts are modest, this proposal acknowledges the problem and reaffirms your regulatory reform policy.

Cons

- The regulatory agencies feel that adequate attention is now being given to the problem of the minerals industries.
- Special attention given to one industry may stimulate requests by others.

Option B-2. Federal Lands

Three actions are proposed.

- (a) Many of the actions taken to withdraw Federal land from mineral entry may now be obsolete. As directed by the Congress in 1976, the Interior Department is now reviewing old withdrawals to determine which lands should be reopened. You could direct the Secretary of the Interior, with the cooperation of all Federal agencies which administer withdrawn lands, to give top priority in the ongoing review to areas believed to have high mineral potential. You could direct that, after consideration of competing uses and values, those lands appropriate for mining be opened as soon as possible.
- (b) The Nonfuel Minerals Policy Review revealed that the mineral values of Federal lands are not sufficiently considered by government land use planners and managers. To remedy this, you could direct the Secretaries of Interior and Agriculture to cooperate in preparing uniform guidelines and planning principles that would address mineral values more effectively.
- (c) The Outer Continental Shelf Lands Act empowers the Secretary of the Interior to undertake leasing of offshore hard mineral resources. There is evidence of potentially commercial minerali-

zation of certain areas of the Outer Continental Shelf, perhaps sufficient to lead to a hard mineral leasing program. You could direct the Secretary to initiate such a program if there is sufficient expression of interest on industry's part. The program would be regarded as prototypical, aimed at testing commercial potential and at evaluating the environmental effects of mining activities.

Pros

- All three proposed actions are low-cost, and would enhance our ability to manage and develop hardrock minerals.

Cons

- Some of your advisors are concerned that giving priority to minerals in the withdrawal review might be confused with the mineral issues related to Alaska national interest lands. I believe, however, that added attention to national minerals issues will assist us in the Alaskan lands debate.

Option B-3. Research and Development

The evidence developed for the Review suggests that government and industry together may not be giving sufficient emphasis to investment in research and development at the front end of the minerals cycle, that is, in exploration, mining and processing. In addition, the balance of R&D may be too heavily concentrated on near-term rapid payoff activities with not enough attention to long-term work.

The Federal Coordinating Committee on Science, Engineering and Technology has recently reconvened its Committee on Materials (COMAT); its members are policy-level officials from Federal agencies with R&D responsibilities in the materials area. COMAT thus provides a very appropriate vehicle for coordinating government R&D programs related to nonfuel minerals. You could assign this task to COMAT, directing it to see that research is directed toward long-term mineral production objectives. Opportunities for increased Federal-private research would be specifically sought out and evaluated.

Pros

- The proposal could lead to a redirection of Federal minerals research as attention is focused on priority areas.

Cons

- The principal objection is that the proposal would not necessarily lead to increased R&D support, nor would it even assure improvement of existing efforts.

C. Government Policymaking and Analysis

Virtually all the studies of government decisionmaking for minerals policy, beginning with the Paley Commission in 1952, have concluded that the process is ad hoc and could benefit from greater coordination. This finding was confirmed by the Nonfuel Minerals Policy Review. The Review also found government policymakers and analysts widely dissatisfied with the availability and quality of nonfuel mineral data and analysis to support policy decisions.

Taken as a whole, those involved with the Review do not believe the problems call for major actions such as agency reorganization. Better monitoring, forecasting, a stronger data base and analytic capabilities, and improved coordination in policy formulation should suffice to correct these deficiencies.

Public Views. Industry spokesmen believe that many of their problems are caused by the lack of attention given to mineral issues by the Federal Government. The pending materials policy legislation, as well as a recent letter to you from Congressman Udall, call for improved policy development in this area.

Option C-1. Policy Coordination

Policy coordination could be enhanced by an Executive Order that directs each agency proposing an action that might significantly affect the price or availability of nonfuel minerals to circulate its proposal among other designated agencies for review. The Executive Order would also direct the Secretary of the Interior to canvas all Federal agencies and to publish annually a list of the significant policy actions expected in the coming year for review and possible action by concerned agencies and the public.

Pros

- The proposal would provide a means to assure that widespread policy-level attention is given to mineral issues.
- An interagency review system avoids the more difficult problems associated with creating a new council, office, or agency for nonfuel minerals.

Cons

- The proposal, requiring coordination by the agencies themselves, has no teeth and may not be effective.
- The calendar of policy actions, patterned after the calendar of regulations published by the Regulatory Council, has not yet proved its utility.

- ⑥ There is little support for improved minerals policy coordination among Executive Office advisors.

Option C-2. Minerals Policy Advisory Council

The Federal Government lacks a nonfuel minerals policy advisory mechanism to draw on the views and expertise of industry and the public. A Minerals Policy Advisory Council is proposed, with members from the mining, mineral processing, and user industries, labor, academia, environmental and citizen groups, and the financial community. The Council would be expected to identify independently problems and actions it believes appropriate for the Federal Government to consider. Agencies would also be expected to contribute to the agenda of items to be considered by the Council. The Secretary of the Interior would appoint the members in consultation with other appropriate agencies; government officials would also be expected to participate in Council meetings.

Pros

- ⑥ A formal advisory board would provide the government with a broad-based group with credible expertise in the area of nonfuel minerals.
- ⑥ Regular, formal consultation with interest groups and experts outside the Federal Government would assist policy-makers in keeping abreast of significant trends and issues.
- ⑥ It would help diffuse criticism that the Administration has not consulted enough with interested parties on mineral matters.

Cons

- ⑥ The main objection to this notion is that it runs counter to your general policy of reducing the number of advisory boards.
- ⑥ There is not a strong perceived need for such a group among the agencies or your Executive Office advisors.

Option C-3. Information and Analysis

The Nonfuel Minerals Policy Review was not able to answer all the questions that had been raised about our continued ability to meet our nonfuel mineral needs. To a great extent, we simply lack the information; in other cases, the data exist but not in a form useful for policy analysis.

To provide the institutional base for improving data and analytic capabilities, you could designate the Bureau of Mines in the Interior Department as the principal Federal agency for nonfuel

minerals data gathering and analysis. An additional \$3 million has already been requested for this purpose in the Bureau's budget for FY 1981. The Bureau would also be instructed to convene an interagency minerals data group, publish an inventory of current data sources in the Federal Government, evaluate information gaps, and begin the process of coordinating and standardizing mineral-related data.

This proposal has met no objection, is generally regarded as necessary, and will be perceived as a positive step in an important area.


CECIL D. ANDRUS

THE WHITE HOUSE
WASHINGTON

6/17/80

Arnie Miller

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

Rick Hutcheson

cc: Frank Moore

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memo	<p>Arnie Miller to the President. Re: Congressional inquiries regarding delays in appointments. (1 p.)</p>	6/16/80	C

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THE WHITE HOUSE

WASHINGTON

June 16, 1980

Dear Congressman Glickman:

The President asked me to respond to your letter regarding the vacancies on the Commodity Futures Trading Commission.

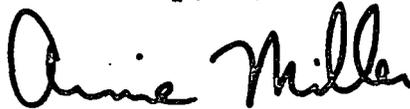
He wants you to know that he fully agrees with the reasons you stated for filling the vacancies as quickly as possible. He asked that I inform you of his intention to nominate an individual for the non-Democratic vacancy in the very near future to allow for confirmation before the recess period begins. The individual he will nominate does possess a thorough understanding of futures markets.

He has directed me to move very rapidly to get this done.

With respect to the expiration of Mr. Dunn's term, we are currently evaluating several candidates, including Mr. Dunn who retains his seat until a successor is named or he is reappointed. We will soon be making recommendations to the President about this seat.

The President appreciates your bringing this matter to his attention and has asked that I keep him and you informed of our progress.

Sincerely,



Arnie Miller
Director
Presidential Personnel Office

The Honorable Dan Glickman
Member of Congress
U.S. House of Representatives
1507 Longworth Building
Washington, D. C. 20515

- THE WHITE HOUSE

WASHINGTON

June 16, 1980

Dear Congressman Kramer:

The President asked me to respond to your letter regarding the selection of a Director for the Office of Self-Help Development and Technical Assistance in the National Consumer Cooperative Bank.

He has selected a candidate for this position and we expect to have the necessary clearances completed very soon. He has directed me to move very rapidly to get this done. The nomination will reach the Senate with sufficient time to allow for confirmation before the recess period begins.

I have asked Carol Greenwald, President of the Bank, to contact you directly so that you may put her in touch with the constituent from whom you received the query. She can proceed to process his application within the limits of her authority. This should ensure a quick response after the Director of the Office is confirmed.

The President appreciates your bringing this matter to his attention and has asked that I keep him and you informed of our progress.

Sincerely,



Arnie Miller
Director
Presidential Personnel Office

The Honorable Ken Kramer
Member of Congress
U.S. House of Representatives
1724 Longworth Building
Washington, D. C. 20515