

**9/29/80 [2]**

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

SEP 26 1980

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MEMORANDUM FOR THE PRESIDENT

FROM: James T. McIntyre, Jr. 

SUBJECT: Letter from Jack Brooks on the Paperwork Act

You asked for my comments on a letter to you from Chairman Brooks, in which he stated that the Department of Defense, the Central Intelligence Agency and the Department of Justice were thwarting the passage of S. 1411, the Paperwork Reduction Act of 1980.

For the past eleven months (since your remarks in support of "paperwork legislation" at the ceremony marking the signing of your Executive Order on Paperwork), we have been working with Chairman Brooks and Senator Chiles to shape and pass the "Paperwork Reduction Act of 1980." The bill that formed the basis for the legislation had been introduced at the beginning of this Congress; it strengthened the Federal Reports Act - a 1942 law that requires OMB to "clear" requests for information from the public by most executive agencies. The strengthening amendments would have brought the independent regulatory commissions and the Internal Revenue Service - currently exempt from OMB clearance - under our authority and made it clear that no one in the private sector could be penalized for not complying with a Federal information requirement if it had not been approved by OMB.

During House consideration, Chairman Brooks added to the basic bill a substantial number of sections that gave new authority to OMB - and by extension - GSA, over the procurement and management of Automatic Data Processing (ADP) (computers and software) and telecommunications - by Federal agencies. The bill passed the House on suspension on March 24.

The Defense Department military leadership and the intelligence community became concerned with the possibility that the bill would mean that GSA and OMB could interfere in the procurement and management of ADP and telecommunications related to national security weapons systems and intelligence activities. They mounted a behind-the-scenes effort on the Hill and gained the support of Senator Jackson.

To alleviate the DOD/CIA concerns, I negotiated amendments to the bill that were approved by Senator Chiles, Secretary Brown and Director Turner and the Senate Governmental Affairs Committee reported the bill out on August 5. These amendments have satisfied Secretary Brown and Director Turner, although some junior officials may still be raising private arguments with committee staff in the Senate. The Department of Justice's concern has been resolved.

Senator Jackson remains adamantly opposed to the legislation as it applies to ADP and telecommunications. Senator Chiles is attempting, with our help, to negotiate further amendments with Senator Jackson that will be acceptable to Chairman Brooks. In my view, however, it is unlikely that he will be successful prior to the Congressional recess.

THE WHITE HOUSE  
WASHINGTON

9/29/80

FRANK MOORE

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

Rick Hutcheson

NAME Robert C. Byrd

1777

TITLE Senator

Requested by Frank Moore

CITY/STATE West Virginia

Date of Request 9/26/80

Phone Number--Home (703) 893-1568

Calls should be made 9/27/80

Work (202) 224-5556

Other ( )

INFORMATION (Continued on back if necessary)

The Majority Leader needs to be called regarding New York City guarantees. Talking points on attached memo.

-----  
NOTES: (Date of Call \_\_\_\_\_)

NAME Jamie Whitten

1778

TITLE Congressman

CITY/STATE Mississippi

Requested by Frank Moore

Phone Number--Home (202) 363-0358

Date of Request 9/26/80

Work (202) 225-4308

Call should be made 9/27/80

Other (601) 647-8449 residence in Mississippi  
601 647-2413 office in Mississippi

INFORMATION (Continued on back if necessary)

The Congressman needs to be called regarding the New York City guarantees. Talking points on attached memo.

-----  
NOTES: (Date of Call \_\_\_\_\_)

Call should be made 9/27/80

1780

NAME Warren Magnuson

TITLE Senator

CITY/STATE Washington

Phone Number--Home (202) 332-5713

Work (202) 224-2621

Other (206) 682-7700 ex. 954 (Washington state residence)

Requested by Frank Moore

Date of Request 9/26/80

INFORMATION (Continued on back if necessary)

The Senator needs to be contacted regarding the New York City guarantees. Talking points on attached memo.

-----  
NOTES: (Date of Call \_\_\_\_\_)

NAME Joseph Addabbo

1781

TITLE Congressman

CITY/STATE New York

Phone Number--Home (301) 587-1923

Work (202) 225-3461

Other (212) 738-6633 residence in NY

Requested by Frank Moore

Date of Request 9/26/80

Call should be made 9/27/80

INFORMATION (Continued on back if necessary)

The Congressman needs to be contacted regarding the New York City guarantees. Talking points on attached memo.

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NOTES: (Date of Call \_\_\_\_\_)

THE WHITE HOUSE  
WASHINGTON

September 26, 1980

MEMORANDUM FOR THE PRESIDENT

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FROM: FRANK MOORE *FM/m*  
SUBJECT: Attached call cards

The Senate passed HUD Appropriations bill has a Proxmire rider to prohibit any appropriations from being used to issue the NYC guarantees. The House passed bill has no such provision. In the conference, we need to eliminate the rider.

In the Continuing Resolution, there is language covering the situation when Appropriations bills have already passed both Houses, but with different provisions. It says the activity continues "under the lesser amount or the more restrictive authority." Strict interpretation would, therefore, mean that under the Continuing Resolution, the NYC guarantee situation would be governed by the more restrictive Senate language and therefore the guarantees could not be issued. (While such interpretation may be disputed, it would still cloud the financial success of the guarantees.)

Therefore, we also need to be sure that there is language in the Statement of Managers accompanying the Continuing Resolution Conference reports clarifying that it is not the intent of Congress under the Continuing Resolution to prohibit the issuing of NYC guarantees.

Calls need to be made to the following Members of Congress to stress the above mentioned points: Robert Byrd, Warren Magnuson, Jamie Whitten, Edward Boland, and Joseph Addabbo.

	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
	EIDENBERG
	EIZENSTAT
	MCDONALD
	MOORE
	POWELL
	WATSON
	WEDDINGTON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE
	ANDRUS
	ASKEW
	BERGLAND
	BROWN
	CIVILETTI
	DUNCAN
	GOLDSCHMIDT
	HARRIS
	HUFSTEDLER
	LANDRIEU
	MARSHALL

	MILLER
	MUSKIE
	AIELLO
	BUTLER
	CAMPBELL
	H. CARTER
	CLOUGH
	FIRST LADY
	HARDEN
	HERTZBERG
	HUTCHESON
	KAHN
	MARTIN
	MILLER
	MOE
	MOSES
	PETERSON
	PRESS
	RECORDS
	SANDERS
	SHEPPARD
	SPETH
	STRAUSS
	TORRES
	VOORDE
	WISE

Call should be made 9/27/80

1780

NAME Warren Magnuson

TITLE Senator

CITY/STATE Washington

Phone Number--Home (202) 332-5713

Work (202) 224-2621

Other (206) 682-7700 ex. 954 (Washington state residence)

Requested by Frank Moore

Date of Request 9/26/80

INFORMATION (Continued on back if necessary)

The Senator needs to be contacted regarding the New York City guarantees. Talking points on attached memo.

NOTES: (Date of Call 9-28)

*"Will see that it's done"*

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for Preservation Purposes

NAME Joseph Addabbo

1781

Congressman

TITLE \_\_\_\_\_

Frank Moore

CITY/STATE New York

Requested by \_\_\_\_\_

Phone Number--Home (301) 587-1923

Date of Request 9/26/80

Work (202) 225-3461

Call should be made 9/27/80

Other (212) 738-6633 residence in NY

INFORMATION (Continued on back if necessary)

The Congressman needs to be contacted regarding the New York City guarantees. Talking points on attached memo.

NOTES: (Date of Call 9-28)

*Familiar with it - will help*

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NAME Robert C. Byrd

1777

TITLE Senator

Requested by Frank Moore

CITY/STATE West Virginia

Date of Request 9/26/80

Phone Number--Home (703) 893-1568

Calls should be made 9/27/80

Work (202) 224-5556

Other ( )

INFORMATION (Continued on back if necessary)

The Majority Leader needs to be called regarding New York City guarantees. Talking points on attached memo.

NOTES: (Date of Call 9-28 )

*Byrd will try to help - Will  
talk to Proxmire*

Electrostatic Copy Made  
for Preservation Purposes

NAME Jamie Whitten

1778

TITLE Congressman

CITY/STATE Mississippi

Phone Number--Home (202) 363-0358

Work (202) 225-4308

Other (601) 647-8449 residence in Mississippi  
601 647-2413 office in Mississippi

INFORMATION (Continued on back if necessary)

Requested by Frank Moore

Date of Request 9/26/80

Call should be made 9/27/80

The Congressman needs to be called regarding the New York City guarantees. Talking points on attached memo.

NOTES: (Date of Call 9-28)

*Will try to help -  
(Things looking better for C/M in Miss)*

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for Preservation Purposes

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

September 26, 1980

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze <sup>CLS</sup>  
Subject: Initial Claims for Unemployment Insurance

Last week I pointed out in a memo that the weekly figure on initial claims for unemployment insurance had risen very sharply in the week ending September 13, but that one shouldn't make a trend out of one week's data. The latest data, for the week ending September 20, show a sharp fall in the weekly claims figure, more than wiping out the prior week's increase. At the moment, therefore, it looks as though the one week increase was a statistical fluke. If this holds up, it is obviously good news.

**Electrostatic Copy Made  
for Preservation Purposes**

THE WHITE HOUSE

WASHINGTON

September 26, 1980

*Frank, Stu*  
*Looks better - Will*  
*be a wild week - It*  
*be gone a lot -*  
*MH Systems act?*

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *FM*  
STU EIZENSTAT *Stu*

SUBJECT: Weekly Legislative Report

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for Preservation Purposes**

INTRODUCTION

Although no firm adjournment date has been set, it appears unlikely that the Senate will recess before October 2 (Thursday) because of the crush of bills awaiting consideration. On the House side, the schedule still calls for the recess to begin on Thursday after completion of the legislative program. We can look forward to an unpredictable week, and it may take several days after the Congress leaves town for us to sift through the debris and assess our wins and losses. Both the House and Senate will reconvene on November 12.

I. DOMESTIC POLICY ISSUES

1. Alaska Lands

Members were meeting this morning in their continuing efforts to reach a compromise. Indications are that progress is being made, but the question is whether sufficient time will be left before the recess for both houses to act if and when an agreement is reached.

Our most recent intelligence, which we have not been able to verify through any of the principals, suggests that House "improvement amendments" may be sent to the Senate next Monday. This strategy would have the House accepting the Senate version, but only with the understanding that new legislation would be considered in the lame duck session to modify that bill and put it more in line with the House version.

The most promising note was reflected in a conversation that Secretary Andrus had with Congressman Seiberling last night. For the first time, Seiberling acknowledged the absolute necessity to reach a final resolution before the recess so as not to push the issue into the lame duck session.

## 2. Rail Deregulation

Conferees, on Wednesday, voted unanimously to report the bill from conference, and it should be approved by each chamber and sent to you for signature next week. We worked closely with House and Senate staff to help shape a compromise acceptable to the Members. At the last moment, it was also necessary to promise support for the Timber Reforestation and Recreational Boating bill to Senator Packwood, the ranking Republican on the conference, who threatened to kill the rail bill without such a pledge of support.

## 3. Superfund

As you know, the House on Tuesday passed the abandoned hazardous waste dump site bill. Taken together with an earlier-passed bill dealing with spills of hazardous chemicals and oil, this action gives us almost everything we sought in our Superfund proposal. The overwhelming margins by which each bill passed belie the arduous efforts and many compromises on the part of the Administration and the four committees involved.

The bill remains snarled in the Senate. The Finance Committee is split on whether it should adopt a larger fund which pays damages for personal injury or a smaller fund to be used primarily for cleanup. The committee still has not scheduled a markup session. Meanwhile our efforts with the Senate Commerce Committee are beginning to bear fruit. Commerce members have introduced a number of amendments, the general thrust of which would bring the Senate bill closer to our proposal.

## 4. Youth

Our youth bill was reported out of the Senate Labor and Human Resources Committee on Tuesday. Senators Hatch, Humphrey and Armstrong have filed minority views. At present Hatch is insisting on a vote on a youth sub-minimum wage as the price for allowing the bill to come to the floor. Such an amendment, which would likely pass, poses serious problems to the AFL-CIO and a number of Democrats running for reelection. We will continue to work with Senator Byrd and the committee leadership. At the bare minimum we must secure agreement that the bill will be taken up in the lame duck session.

## 5. Higher Education

The Senate last night passed the conference report on higher education, 83-6, clearing it for your signature. We have recommended a bill-signing ceremony, and arrangements have been made for the bill to arrive at the appropriate time.

6. Mental Health Systems Act

As you know, the Senate passed the Mental Health Systems Act conference bill Wednesday evening by voice vote. We are optimistic that the bill will be passed by the House next week, although it has not yet been scheduled.

7. Domestic Violence

On Wednesday, House and Senate conferees on the Domestic Violence Prevention and Services Act met and resolved all items in disagreement. The conferees deleted provisions criminalizing parental kidnapping and agreed to the Administration-supported House version providing funding only for States. (The Senate bill would have included units of local governments as eligible applicants for direct grants.)

We expect the bill to pass the House next week, but it is doubtful final action can occur before the recess.

8. Fair Housing

Based on Majority Leader Byrd's comments at the Leadership Breakfast on Thursday, we can forget about seeing a fair housing bill on the Senate floor before the election recess. He has promised, however, to bring up the bill in the lame duck session.

9. Housing and Community Development Act

House and Senate conferees reached tentative agreement this week on the Housing and Community Development Act of 1980 and agreed to report the bill for final approval by both houses prior to the recess. The conference report is still being written, and there is the possibility that the process could fall apart if staffs cannot reach agreement.

The conferees agreed to a modification of the Senate provision providing a judicial remedy in response to certain long-term condominium recreational leases prevalent in Southern Florida. Since the condominium recreational lease provisions were watered down, the political benefits accruing to you in Florida are not as great as they once were. Conferees rejected the House provision for a middle-income rent subsidy program. The conferees did agree to an Administration-endorsed congressional initiative for a revised mortgage subsidy homeownership program to stimulate the homebuilding industry.

The conference bill provides for permanent extension of the Home Mortgage Disclosure Act of 1975, which requires savings and loan associations and banks to make annual disclosures of the number, location and dollar amount of their mortgage and home improvement loans. The provisions with respect to the extension of the Act, however, may be the subject of a separate vote when the House considers the bill.

#### 10. EDA Conference

One last effort is underway to obtain agreement among the conferees. After our discussions with some of the House conferees, there is a chance that the House will accept the Senate's lower spending levels. Staff members have begun to write the conference report which will be circulated to the conferees to sign, rather than convene another conference. There are indications that the Republicans will not sign the report and may delay submitting their minority report to prevent delivery of a bill to you prior to the recess.

#### 11. Child Nutrition Conference

The House-Senate conference on the Child Nutrition Act amendments which began just last week has broken down because the two sides cannot agree on the duration of proposed program reductions. The Senate takes the Administration's position that the more than \$500 million in program reductions should be permanent; the House wants them to be effective for one year only. Neither side appears willing to budge. No date has been set for continuation of the conference.

#### 12. Stanford Daily Legislation

The House this week passed legislation to protect newsrooms from surprise police searches for "documentary material". The Senate had already passed a version of this measure. After some hassling between House and Senate staffs, it now appears that the conference report will be approved and sent to the two chambers for approval early next week. We and the Justice Department have worked closely with the Congress on shaping an acceptable compromise, and the bill provides appropriate protection against unwarranted searches and seizures of the media.

#### 13. Nuclear Waste Legislation

Chairmen Udall, Dingell and Fuqua were unable to agree on a compromise nuclear waste bill. They have agreed to ask the Rules Committee to allow both Udall's and McCormack's bills to

go to the floor as soon as possible. Rules is scheduled to decide on the question on Tuesday. Our position is that we still hope to get an acceptable nuclear waste bill this session, and that we are not willing to give up now as some environmental groups have urged. We will therefore support Udall's bill on the floor and oppose McCormack's, because of its plan for unlicensed demonstration repositories. To assuage the fears of the environmentalists, however, we have stated that if we end up with an unacceptable bill, i.e., one with too many McCormack provisions, we will recommend that you veto it.

14. Pacific Northwest Power

The House is scheduled to take up the Pacific Northwest Power Planning and Conservation Act on Monday. This measure attempts to meet the power shortage of the Pacific Northwest by requiring the Bonneville Power Administration to fill the power needs of all its present customers, including private utilities, by reducing power demand through conservation and development. If power needs still can not be met through these actions, the bill provides Bonneville with the authority to purchase power and/or power-generating capacity from public or private power companies. We are supporting the bill, which has considerable political implications in the Northwest.

15. Fisheries Promotion Act

On Tuesday the House passed, 300 to 97, "The American Fisheries Promotion Act." This is a bill which we had opposed, but after weeks of negotiations with Congressman Breaux, we agreed to the compromise version that went to the House floor. The bill expands loan programs for fishermen and fish processors, funds fisheries R&D programs, establishes a phase-out timetable for foreign fishermen using U.S. waters, promotes U.S. fish exports, and authorizes other programs designed to enhance the U.S. fishing industry. A similar bill has passed the Senate, and a conference may not be necessary, making it possible for a bill to reach your desk in the near future. This is another bill for which a bill-signing ceremony should be considered.

## II. ECONOMIC ISSUES

### 1. Tax Cut

A motion to proceed to consideration of the Senate Finance Committee's \$38 billion tax cut bill was made yesterday by Senator Baker. Majority Leader Byrd then made a motion to table it, which passed 54 to 38. The vote was on a party line except for the following Democrats who voted with the GOP to bring up the bill: Boren, Johnston, Long, Nelson, Zorinsky. Republicans Weicker, Packwood, and Bellmon, and Independent Harry Byrd voted with the Democrats. While yesterday's defeat probably dampened any thoughts of again bringing up a tax cut bill, we are not yet out of the woods. An effort may still be made to attach a tax cut to other revenue measures that find their way to the Senate floor next week. Senator Byrd will seek to assure that any votes that are taken on revenue measures are procedural, so that there is a better chance for him to appeal to party loyalty on a procedural vote.

In a positive development, Senator Long today released members of the Finance Committee from their commitment to vote as a bloc on tax cut issues. This should give us greater leverage in the event that a tax cut vote comes up.

### 2. Unemployment Compensation Extension

The House Ways and Means Committee this week completed work on an FSB bill. One significant change was made in the bill we sent up. We had proposed a 32-weeks-of-work requirement to target benefits to those with the strongest attachment to the labor force. This feature resulted in a net savings of \$300 to \$400 million. Since this provision would make over half the exhaustees in Michigan ineligible for benefits, the Committee decided to drop this requirement and instead use current state standards for weeks of work. In order not to exceed the cost of your program, however, the Committee elected to reduce the maximum benefit period from 13 weeks to 10 weeks.

In an effort to delay consideration by the full House, Congressman Frenzel insisted that Members have until today to file minority views. This action prevented the bill from going to the floor this week, but the bill is tentatively scheduled for House action on Tuesday.

Senator Moynihan has introduced the bill in the Senate. We will not know until after the House acts whether Senate consideration can be achieved.

Note that the reconciliation conference has adopted several amendments by Senator Boren which would substantially restrict the basic unemployment insurance programs and which are strongly opposed by organized labor.

### 3. Revenue Sharing

On Wednesday, the House adopted the rule on the Revenue Sharing bill. But due to the tight House schedule, consideration of the bill itself was postponed until Tuesday. We no longer expect the Congress to enact a revenue sharing bill prior to the election recess.

### 4. Appropriations

#### Status of 1981 Bills

#### Enrolled:

Energy and Water

#### In conference:

Military Construction  
Transportation  
HUD-Independent Agencies

#### Reported by Senate full committee:

State-Justice  
Interior  
Treasury-Postal  
D.C.  
Continuing Resolution

#### Passed House:

Agriculture  
Legislative  
Labor-HHS-Education  
Defense  
IMF bill

#### Reported by House full committee:

Foreign Assistance

#### Schedule for Next Week

The Senate will convene at 9:45 a.m. Monday to continue consideration of the Continuing Resolution. Only a Weicker amendment on abortion and one possible germane amendment thereto will be in order. After these are finished, the Senate will vote on final passage of the resolution. Senator Magnuson hopes to convene the conference on the resolution by 2 p.m. Monday afternoon. The conference will be complicated because of numerous differences between the two versions.

Also expected next week will be votes on the conference reports on the Transportation and Military Construction bills.

Continuing Resolution

On Wednesday, after three days of markup, the Senate Appropriations Committee ordered reported the resolution. Major actions adopted in committee included the following:

- 1) A complicated Bellmon amendment to lower the funding baseline for a number of programs. Defense was exempted from this amendment.
- 2) An Inouye amendment to fund foreign assistance at the higher 1980 conference report level. OMB and NSC are developing a position on this amendment. It is controversial because it includes a large add-on for the Ex-Im Bank.
- 3) A Chiles compromise amendment prohibiting implementation of bilingual education regulations until June 1. (The unacceptable McClure amendment was not adopted.)
- 4) An Eagleton amendment providing a slower phase-in of blue collar cost-of-living increases. (This is consistent with our budget.)
- 5) A Leahy/Durkin amendment to provide approximately \$200M above the House level for low-income energy assistance.

The committee agreed to adopt the December 15 effective date for the resolution. On an 11-12 vote, it voted down an attempt to weaken the abortion language and delete the school prayer rider.

During Senate floor action on the resolution today, the Senate adopted a Metzenbaum amendment to reduce CETA Title VI by \$550 million. This happened after a motion to table a Chiles amendment with a deeper CETA cut lost by one vote.

Approximately ten unprinted amendments were also adopted today. Most are minor and some will be dropped in conference. We will let you know on Monday if any are particularly troublesome.

State-Justice

Yesterday on a 49-42 vote, the Senate restored a rider to this bill which now prohibits Justice from using school busing to achieve desegregation. Similar language is also in the House bill. Several other legislative riders were also restored to the Senate version of the bill. We do not know whether Senator Byrd will permit continued floor action on this bill again next week.

Interior

The Senate Appropriations Committee concluded full committee markup of this bill on Tuesday. The Senate version contains net policy reductions of \$1.1 billion to our \$11.7 billion request, with the largest reduction of \$919 million earmarked for the Strategic Petroleum Reserve (SPR).

SPR was the most controversial issue in this bill. Senator Johnston was the leading proponent of a much higher level and more rapid fill rate than was approved. Senator Stevens was the major opponent.

The Senate added \$81 million to the Bureau of Indian Affairs to settle land claims in Maine. We supported this action.

The Senate deleted House-added funds for government drilling in the National Petroleum Reserve in Alaska (NPR). Language was included that would authorize private leasing of the NPR, although authorizing legislation has not yet been passed by the Congress. The Senate's version is very close to the House version and is completely acceptable to us.

HUD-Independent Agencies

The Senate passed this bill on Tuesday. The bill is well under our requested budget level.

Amendments adopted on the Senate floor resulted in the following major changes to the committee recommendations:

- o \$4.6 billion, the same as our request, was added for general revenue sharing. The committee had deferred action on this program due to a lack of authorization.
- o \$113.8 million, the same as our amendment request, was added for public housing operating subsidies.
- o \$16 million was added in a Huddleston amendment to increase EPA's operating accounts. This amendment provides most of the resources we recently requested for Love Canal and pre-implementation of the Superfund.

A Proxmire amendment, added in full committee markup, remained in the bill. This provision prohibits the use of New York City loan guarantee administrative expenses for the purpose of permitting the Municipal Assistance Corporation to use the proceeds of its borrowings in fiscal years 1981 and 1982 to meet the city's financial needs after FY 1982.

*I made  
The  
Phone  
Calls*

### Defense

The Defense appropriation bill will not be marked up by Senator Stennis' subcommittee prior to the election. He does not want to make public his mark without the prospect of expedited full committee and floor action. Given the Senate position on Defense in the Second Budget Resolution, the subcommittee bill could be as much as \$1.0 billion over the House bill.

The Senate subcommittee does not view such a level as an increase to Defense. They believe it would be a \$4.0 billion reduction to the Defense authorization that they have enacted. Prospects are good that we will obtain an acceptable Defense Appropriations bill in the post-election session that will be about \$3.5 billion over our amended request level of \$154.7 billion.

#### 5. Reconciliation

The reconciliation conference has been meeting in "sub-conference groups" for most of this week. Progress has been made, but some major issues, including COLA savings and the degree of permanency of child nutrition savings, are not yet resolved.

The Budget Committees hope to reach agreement next week on all issues in conference if the Congress stays in town through Thursday. The Administration may be asked to help expedite the conference if it does not move ahead rapidly.

#### 6. Tourism

Rumors were rampant that the Senate would combine its National Tourism Policy bill with the Product Liability Risk Retention bill. Yesterday, however, at a meeting of Members over the tourism issue, Senator Cannon told Congressman Florio that he knew nothing of such a combined bill. Florio then proposed that the Senators consider an advisory commission in place of the Senate bill's quasi-public corporation. Little progress was made, and the Members agreed to meet again early next week.

III. FOREIGN AFFAIRS, DEFENSE, AND INTELLIGENCE ISSUES

1. Cuban-Haitian Refugees

*sh*  
Last evening, the Senate passed the Cuban-Haitian Refugee bill by voice vote. The bill was amended to include the Fascell/Stone language authorizing \$100 million to reimburse state and local governments for increased costs associated with the refugees. We have already obtained the necessary appropriations for this reimbursement. The House is tentatively scheduled to take up the bill as the first item on Tuesday's Suspension Calendar. We are optimistic that a bill will reach your desk for signature prior to the recess, in which case we will recommend a bill-signing ceremony.

Contrary to our expectations, the House did not take up the bill Congressman Rodino has introduced to enable INS to seize vessels carrying illegal aliens. We expect the House to act this week and, after House passage, we will arrange to have the bill held at the desk in the Senate, to be taken up by unanimous consent.

2. Somalia: FMS Reprogramming

Some Members of Congressman Long's Subcommittee of House Appropriations are a little uncomfortable with their vote to reject the reprogramming for Somalia facilities. They are so deeply committed to their right to pass judgment on significant reprogramming issues, however, that they have threatened to earmark all security assistance requests in the future if the Administration decides to ignore its advice.

*Christopher has forged a good compromise (Fri am)*  
Clearly, the subcommittee does not wish this confrontation and has offered a compromise proposal which would withdraw the objection to the reprogramming in exchange for assurances that we would consult with the committee before the weapons shipments under the FMS agreement are carried out and provide assurances that regular Somali troops have left the Ogaden. We have advised the subcommittee that we will not tie our future actions to an absolute condition. Our plan is to finesse the problem for now by agreeing to consult, to share the subcommittee's concern about the Ogaden situation, and to offer to report on the status of the situation during consultations.

3. Status of "Peace Through Strength" Resolution

The hearing on the House "Peace Through Strength" resolution (Con. Res. 306), scheduled by Congressman Zablocki's Subcommittee on International Security for September 25, was cancelled. Instead, Zablocki now plans to have the full Foreign Affairs Committee consider the resolution (without a hearing) on Monday.

Zablocki will at that time introduce his own alternative resolution which would broaden the issue beyond military superiority over the Soviets to include other important elements of the overall U.S.-USSR relationship. In response to Zablocki's request, the State Department is preparing its views on Con. Res. 306. Because of this issue's obvious domestic as well as foreign policy implications, they will be coordinating their views with the Administration. The resolution could trigger some lively partisan debate in the HFAC, although Congress' imminent adjournment leaves little time for any additional action in the House.

#### 4. Korea-Hill Fallout

As anticipated, Hill reaction has been uniformly adverse to the death sentence for Kim Dae Jung. There is a small but growing impulse in the House to enact a resolution disapproving the \$88 million FMS cash sale of aircraft spare parts now pending before the Congress. (Notification was sent up September 8.) Wolff has suggested that the Administration temporarily withdraw the request. We doubt that any resolution would pass, but it could provoke acrimonious debate.

We also anticipate Congressional rumblings over EXIM's commitment to support preliminary bidding for two loans to the Seoul municipality for a subway project as inconsistent with our human rights policy. In order not to provide another lightning rod for the Hill, the State Department has decided to delay Section 42b Congressional notification of the F5 E/F co-production arrangement with Korea temporarily.

#### 5. Nicaragua--Stacked Hearing

After one cancellation, Congressman Yatron's HFAC Latin American Subcommittee has rescheduled its hearing on the Presidential Determination on Nicaragua for Tuesday. State has been asked to testify in open session on the process involved in reaching the Determination, to be followed in closed session by statements from CIA, DIA and INR. The pressure for the hearing is coming primarily from Republicans, and both Congressman Bauman and Congressman Young have asked to testify in the open session. It promises to be a rough afternoon. In the Senate, Senator Helms has asked for an open SFRC hearing on Nicaraguan involvement in the Somoza assassination. So far, we have no word on if and when the Committee will respond to his request.

#### 6. Intelligence Agents Protection Act

The House did not take up the bill this week, but we expect it to be considered next week. The full Senate has yet to consider the version reported from the Senate Judiciary Committee last week.

## 7. IMF Authorization and Appropriations

The IMF Authorization bill which passed the House last Thursday was accepted by the Senate this week, thereby avoiding the necessity for a conference.

The IMF Appropriation bill passed the House yesterday, 224-146. The only amendment was the same PLO provision which was attached to the authorization bill last week. We are attempting to bypass the Senate Appropriations Committee by taking the bill directly to the Senate floor for consideration. We need to get Senator Inouye and Senator Garn to approve this procedure--particularly since the staff is strongly opposed to this approach.

If the IMF Appropriation is not considered in the Senate before the recess, then there is a good chance that the Senate will fold the IMF Appropriation into the regular FY 81 foreign aid appropriation bill. If that happens, then the IMF Appropriations will have to come back to the House floor as part of the overall Foreign Aid Appropriations bill and possibly be subject to a cut at that time.

## 8. Grain Embargo

During Senate consideration of the Continuing Resolution today, the Senate first defeated, 40-41, an amendment offered by Senator Pressler lifting the embargo on grain sales to the Soviet Union, and then reversed itself, passing the amendment on a voice vote. The issue will now have to be resolved in conference. Many members who normally would have voted against the amendment sided with Pressler because of the political pressures from farmers and agricultural interests back home.

## 9. Hostage Relief Act

On Monday the House passed by voice vote and sent to the Senate a bill providing comprehensive benefits to the hostages being held in Iran as well as to American personnel who may be held hostage in the future. The benefits, which are based on those given to POWs from the Vietnam War, include forgiveness of income taxes during captivity, education aid for the hostages themselves and their families, and establishment of a special interest-bearing savings fund in which hostages' salaries could be deposited.

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*Go all  
out to  
block  
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IV. MISCELLANEOUS1. Bill-Signing Ceremonies

Last month we developed a list of bills that we considered appropriate for bill-signing ceremonies. Since then, various other bills which lend themselves to signing ceremonies have moved closer to enactment, and some of the bills on our original list may not be enacted before the recess. Therefore, there is a need to revise our original list. We are now considering signing ceremonies for the following bills and will be meeting to decide which measures to schedule:

- o \*Mental Health Systems
- o West Valley Nuclear Cleanup
- o Higher Education Amendments
- o \*Rail Deregulation
- o Cuban-Haitian Refugees
- o Youth Act
- o Veterans Vocational Rehabilitation/  
Veterans Compensation (two bills)
- o Stanford Daily
- o Housing and Community Development Act Amendments
- o \*American Fisheries Promotion Act
- o Energy-Water Appropriations
- o Maine Indian Land Claims
- o Domestic Violence
- o Unemployment Benefits Extension

\* = Those bills suggested for signing outside of White House.

Needless to say, some of these bills may not receive final action before the Congress recesses next week, and further discussions may rule out signings for some of those now on the list.

2. This Week's Mailings to the Hill

- o White House Booklet on Regulatory Reform
- o Your Statement on the Iran/Iraq Conflict
- o CMRC Critique of Reagan's statement on Military Involvement  
(to Democrats)
- o CMRC Critique of Reagan's statement on Iran/Iraq Conflict  
(to Democrats)
- o CMRC research paper on the HUD Urban Homesteading Program  
and this Administration's accomplishments in this area
- o CMRC research paper: "Reagan: Promise and Performance/  
Tax Cuts" (to Congresswoman Ferraro)

WEEK OF SEPTEMBER 29  
TENTATIVE SCHEDULE FOR THE HOUSE

Monday

## Suspensions (No Bills)

S. 885 Pacific Northwest Electric Power Planning and  
Conservation Act  
H.R. 6979 Coastal Zone Management Improvement Act  
H.R. 6721 Airport and Airway Improvement Act of 1980

Tuesday

## Suspensions (25 Bills)

H.R. 7859 Refugee Education Assistance Act of 1980  
H.R. 7729 Amendments to Trading with the Enemy Act  
H. Con.  
Res 435 Relating to the Situation in Poland  
H.R. 7230 Export Trading Companies  
H.R. 6440 To Establish Priorities in Payment of China Claims  
S. 1798 Household Goods Transportation Act  
S. 2412 Used Oil Recycling Act  
H.R. 7103 Hazardous Materials Transportation Act Amendments  
H.R. 4892 Communications Act of 1980  
H.R. 8189 CHAMPUS Dental Programs  
H.R. 7536 CHAMPUS programs  
H.R. 5888 Police and Firefighters Death Benefits, USC Title 5  
H.R. 7665 Fifth Circuit Reorganization Act  
H.Res. 693 Sense of House re Age Discrimination in Appointment  
of Judges  
H.R. 6750 Hovercraft Skirt Tariff Act  
H.R. 7660 Duty Free Treatment of Certain Freight Containers  
H.R. 7709 Tariff Amendments re Duty Free Treatment of Cigarettes  
H.R. 7802 Tariff Amendments re Duty on Ephedrine and Recepthedrine  
H.Con.  
Res. 376 Japan-United States Trade Resolution  
H.Con.  
Res. 301 Sense of Congress re Foreign Language Studies  
H.R. 6228 Cross-ownership bill  
H.R. 8188 U.S. Court of Military Appeals  
H.R. 4968 Real Estate investment taxes loss carryover  
H.R. 7873 Gasohol Competition Act  
H.R. 6933 Patent and trademark laws amendments  
H.R. 154 Gold Star Wives bill  
H.R. 2279 National Ski Patrol bill

H.R. 8146 Federal Supplemental Unemployment Compensation Act of 1980  
H.R. 7112 State and Local Fiscal Assistant Amendments

## TENTATIVE SCHEDULE FOR THE HOUSE (con't)

Wednesday and Thursday

H.R. 4370	Coal Pipeline Act of 1980
H.R. 3263	Regulatory Reform
H.R. 6811	International Development Association and African Development Bank
H.R. 5615	Intelligence Identities Protection Act
H.R. 6704	Juvenile Justice and Delinquency Prevention Act
H.R. 6667	Water Pollution Control Act
H.R. 7548	Farm Credit Act Amendments of 1980
H.Res. 794	In the matter of Michael J. Myers
H.R. 7265	DOE Authorizations of Defense programs

Thursday, October 2, the House will adjourn until Noon on Wednesday,  
November 12.

THE WHITE HOUSE  
WASHINGTON

9/29/80

THE VICE PRESIDENT  
LLOYD CUTLER  
ANNE WEXLER  
STU EIZENSTAT  
SARAH WEDDINGTON  
GENE EIDENBERG  
FRANK MOORE  
JACK WATSON  
AL MCDONALD  
JODY POWELL  
FRED KAHN  
JIM MCINTYRE

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

Rick Hutcheson

FOR EYES ONLY



THE SECRETARY OF THE TREASURY  
WASHINGTON

September 26, 1980

MEMORANDUM FOR THE PRESIDENT

Subject: Highlights of Treasury Activities

1. <u>THE MARKETS AND THE DOLLAR</u>	<u>Today's Close</u>	<u>Change Since 9/19</u>
Dow Jones Industrial Average	\$940.10	-\$23.64
Prime rate	13%	+1/2%
Gold (London)	\$693.50	+\$16.50
Silver (Comex)	\$ 25.36	+\$ 3.56

- . Last week's explosive stock market rally came to an abrupt halt towards the close of this week, due to investor concern about continuing Iran-Iraq conflict and soaring domestic interest rates. The DJIA and secondary composite indices of the NYSE and AMEX, which reached new record yearly highs on Monday, retreated following a sharp market sell-off at week's end.
- . Interest rates in the credit markets posted sharp net upward adjustments in response to an apparent credit tightening by the Federal Reserve which raised the discount rate from 10 percent to 11 percent effective today.
- . Led by Chase Manhattan, all major banks also raised their prime lending rate by 1/2 percentage point to 13 percent.
- . The dollar appreciated slightly in response to uncertainties over the Middle East situation and to increases in U.S. interest rates.

2. U.S.-CANADA INCOME TAX CONVENTION

- . Canadian Finance Minister MacEachen and I signed a new income tax Convention today to take effect after Senate and Canadian Parliament ratification. The new Treaty, based largely on U.S. and OECD models, should prove to be highly beneficial to both countries. While the Treaty may cause some controversy, it will permit both nations to address a wide range of tax problems growing out of modern business practices that cannot be handled adequately under the present Treaty, which dates back to 1942.

3. INTERNATIONAL MONETARY FUND

- By a vote of 224-146, the House passed the IMF appropriations bill on Thursday, September 25.

4. INDIANAPOLIS MULTILATERAL DEVELOPMENT BANKS SPEECH

- In support of our continuing effort to develop broad-based support for the multilateral development banks, I addressed a group of about 1,200 at a luncheon organized by the Indianapolis Economics Club. The speech was very well received.

5. CONFERENCE BOARD SPEECH

- As part of a similar ongoing effort to ensure better understanding of your August 28 economic renewal program, I also spoke this week to a group of business executives assembled by the Conference Board in New York.



G. William Miller

P.S.

Next week will be fully booked with activities related to the annual meetings of the IMF and World Bank. Many thanks for your willingness to address the opening session on Tuesday. This will be very important to our international relations.



U.S. DEPARTMENT OF LABOR

SECRETARY OF LABOR  
WASHINGTON, D.C.

9

September 26, 1980

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MEMORANDUM FOR THE PRESIDENT

FROM: SECRETARY OF LABOR *Per*

SUBJECT: Major Departmental Activities  
September 22-26, 1980

The Teamsters Central States Pension Fund investigation and Senator Nunn. After several recent days of negotiations, Senator Nunn and I have reached an agreement with respect to the Permanent Investigation Subcommittee approach to their oversight function. As a result, I will be appearing with my employees in public session on Monday morning. Although we may get some adverse publicity, I strongly believe that we have been successful in our actions against the Teamsters and have done as much as we can to contain any negative public reaction.



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D.C. 20410

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MEMORANDUM FOR: The President  
Attention: Rick Hutcheson, Staff Secretary

Subject: Weekly Report of Major Departmental Activities

Conferees Conclude Deliberations on FY '81 HUD Authorization Bill. On September 24, the Conference Committee on the Housing and Community Development Act of 1980 (S 2719) agreed to report the bill for final approval by both Houses prior to the election process. The Conferees agreed to a Senate modification providing a judicial remedy in response to certain long-term condominium recreational leases. In addition, the final bill provides for permanent extension of the Home Mortgage Disclosure Act of 1975 and contains an Administration-endorsed congressional initiative for a homeownership stimulus program under Section 235. The Conferees rejected the House provision for a demonstration multifamily housing production program.

HUD Holds News Briefing on Urban Policy Report. Commenting at a news briefing September 23 on the President's National Urban Policy Report, Secretary Landrieu said that policy "has been effective in bringing more help to cities and new hope to millions seeking an opportunity for better life." Prepared by HUD, the 1980 biennial report documents the relationship between economic growth trends in this country and the economic development needs of older, distressed communities, minorities and the poor.

HUD Announces Increases in Most FHA Rates. The Department on September 19 announced increases, effective September 22, in the maximum allowable rates on most of its FHA mortgage insurance programs, beginning with a rate of 13 percent -- from 12 percent -- for the level payment single-family mortgage.

Senator Morgan Dedicates RAI Projects. On September 21, U.S. Senator Robert Morgan officially dedicated a new Social Service Center and a new Community Center in Aurora, NC. Both of these projects were built as a part of the Rural Assistance Initiative (RAI) in North Carolina.

Although Aurora has a current population of approximately 650 persons, it is the site of a relatively new phosphate mining operation that is one of the largest in the world. Aurora, like many energy impacted towns, is expected to experience rapid growth. RAI activities in Aurora address current housing shortages and anticipated town growth.

A handwritten signature in cursive script that reads "Moon".

Moon Landrieu



DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C. 20250

9

September 26, 1980

MEMORANDUM TO THE PRESIDENT

THROUGH Rick Hutcheson  
Staff Secretary

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SUBJECT: Weekly Report

USSR. The Soviet grain and pulse harvest was 89 percent completed on 109.3 million hectares as of September 22, the USSR Central Statistical Board has reported. The report said corn has been harvested on 75 percent of the expected total acreage and the rice harvest was 33 percent completed. Winter crops have been sown on 26.1 million hectares, including 23 million hectares of grain planting -- 32 percent of the goal. The pace of harvesting was faster this week with 12.3 million hectares planted compared with 11.9 million the previous week, the report said.

USSR Grain Harvest as of

	: 1980	: Week Ago	: 1979	: Average
	:	:	:	: 1974-79
		(Million Hectares)		
Area Cut	: 109.3	: 101.5	: 105.2	: 105.6
% of Seeded Area	: 89	: 89	: 84	: ---
	:	:	:	:
Area Threshed	: 94.0	: 90.4	: 93.5	: 97.4

1980/81 Soviet Grain Needs. West German grains trading firm Alfred C. Toepfer said in its latest market report that the USSR will be able to import only about two-thirds of its 30-million-ton grain shortfall in the coming season. The report said 5 million tons will come from Argentina, 4 million from Australia, 2 million from Canada and around 1.5 million from Scandanavian and Balkan countries in addition to the 8 million tons which the U.S. is committed to export under the fifth year of the bilateral agreement.

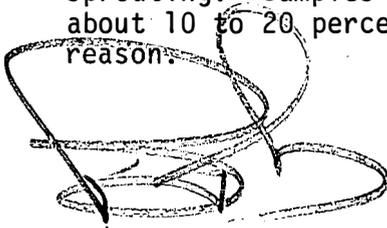
Toepfer says the EC is unlikely to provide more than a few hundred thousand tons. In the event of a 200-210 million ton Soviet grain harvest for 1980/81, the report says imports of about 30 million tons will be needed to meet requirements.

Sales of 250,000 tons of corn and 150,000 tons of wheat for shipment to the USSR during the 1980/81 marketing year were reported Thursday. To date, sales reported for the fifth year of the US/USSR grains agreement include 2.21 million tons of wheat and 4.19 million tons of corn.

AUSTRALIA. Severe drought in key crop areas caused the Australian Wheat Board to reduce its estimate of the 1980/81 crop to -1.25 million tons, down 1.5 million tons from the Board's estimate two weeks ago. As a result of the shortfall, officials have predicted that Australian wheat exports could be as low as 10.0 million tons, down from last year's 13.5 million. If rain does not occur in New South Wales and Western Australia in the next 2 weeks, the Board may further decrease its estimate. 7

JAPAN. This year's cold spell may cause the worst damage to crops in Japan's post-war history, the Ministry of Agriculture, Forestry and Fisheries reported today. Nearly half of Japan's cultivated land has been hurt, with damage totaling nearly \$2.6 billion. Paddy rice damage is estimated at 1.6 million hectares, 71 percent of the total output. Feed grain and hay damage was also reported along with harm to tangerine and other citrus crops.

CANADA. Canadian officials indicated that wet weather and high humidity in the Canadian Prairies has led to samples of durum wheat being downgraded by the Canadian Grain Commission because of sprouting. Samples from across Manitoba and Saskatchewan indicated about 10 to 20 percent of the crop was being downgraded for this reason.



BOB BERGLAND



THE DEPUTY SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

September 26, 1980

A handwritten mark, possibly a signature or initials, is located in the top right corner of the page.

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MEMORANDUM FOR THE PRESIDENT

THROUGH: Rick Hutcheson, Staff Secretary

FROM : William J. Beckham, Jr.

A handwritten signature in cursive script, appearing to read "W. Beckham, Jr.", is written over the "FROM" line.

SUBJECT: Significant Issues for the Week of September 22

Rail Regulatory Reform - The conference report on the rail bill should be filed today or Monday. Final floor votes are not possible until Wednesday or Thursday, uncomfortably close to adjournment of Congress. Overall, the bill which emerged from conference is good.

FY 1981 Appropriations - The House Senate Conference reached agreement on our FY 1981 Appropriation Report this week and I expect that Congress will act on the Conference Report before they leave next week.

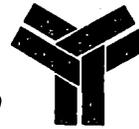
The bill as approved by the Conferees is acceptable overall, although it is a little more than \$900 million below your request in Budget Authority. We were successful in getting funding for initiation of the Cooperative Auto Research Program. The major shortfalls are in the rail restructuring, transit operating and capital, auto use management and the 55 mph enforcement program. The Conferees added \$350 million to our recommended highway obligation ceiling as contemplated in your economic revitalization proposal. The bill does contain some unfortunate riders, including delay of the National Airport policy and a give-away of some Interstate highway mileage in Missouri and Alabama.

Basic Transportation Need Controversy in New York - Today officials of EPA and DOT are meeting with State and local officials in New York to attempt to resolve the dispute over the city's plan for insuring basic transportation for citizens as it imposes traffic controls to meet air quality standards. We hope that agreement will be reached for a conditional approval of the New York plan, avoiding the imposition of sanctions and ending a major controversy.

U.S.-Japan Civil Aviation Relations - An agreement signed on September 20 allows Air Micronesia to increase its services between Saipan and Tokyo, thereby removing a major irritant in our often strained civil aviation relationship with Japan. In a related development, the State Department has delivered a diplomatic note to Japan adding United Airlines to the list of U.S. carriers designated for U.S.-Japan service. It was agreed that the U.S. and Japanese should schedule talks early next year on a revision of the overall bilateral aviation agreement between the two countries. It is not likely that United will be able to actually operate on its designated route until further talks are held.

Rural Policy - As you noted in your remarks at the signing of the Rural Development Act this week, we will issue a draft rural and small community policy for public review next week.

**Community** WASHINGTON, D.C. 20506  
**Services Administration**



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SEP 26 1980

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MEMORANDUM FOR THE PRESIDENT

TO: Rick Hutcheson  
Staff Secretary

FROM: Richard J. Rios   
Director

SUBJECT: Historically Black Colleges and Universities:  
Rural Intern Program

On September 24th, CSA Director Richard Rios signed a grant awarding \$470,000 to the National Association for Equal Opportunity in Higher Education (NAFEO) for the initiation of a Rural Intern Program with the historically Black colleges. The grant was accepted by Dr. Charles Lyons, president of NAFEO, at an elaborate signing ceremony attended by several representatives of the Black colleges and alumni groups and officials from the Department of Education.

Under the grant, NAFEO will provide technical assistance to 12 yet-to-be selected Black colleges to develop a rural intern program that will link rural community action agencies with the student resources and expertise of the Black institutions.

This is the first stage of the three-year pilot demonstration. Over this period, the selected colleges will receive up to \$3 million for placing some 150 students into appropriate internships with the rural community action agencies. The internships will be from 6 to 9 months, and the students will be given stipends for their efforts. The program is expected to become operational by September, 1981.



THE SECRETARY OF HEALTH AND HUMAN SERVICES  
WASHINGTON, D.C. 20201

September 26, 1980

MEMORANDUM FOR THE PRESIDENT

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SUBJECT: Weekly Report of HHS Activities

Unaccompanied Cuban Minors. The Immigration and Naturalization Service and the Department have reached agreement on the resettlement of unaccompanied Cuban minors. Those minors still in camps will be placed with sponsoring agencies throughout the United States over the next few weeks. This agreement averts the need to consolidate the minors at Ft. Chaffee or at alternative Federal resettlement centers.

Toxic Shock Syndrome. Following a Utah State study confirming the Department's earlier report of the association between use of Rely tampons and toxic shock syndrome, the manufacturer of Rely, Procter and Gamble, announced it would withdraw Rely from the market. FDA is meeting today with Procter and Gamble regarding their notification program and recall of Rely tampons. Other tampon manufacturers will be notified shortly that the Department will propose that box labels state the connection between tampon use and toxic shock syndrome. We have initiated an information campaign to alert physicians to the warning signs of toxic shock syndrome and treatment protocols.

Implementation of the New Performance Management System. We are the first cabinet level Department to implement the performance management system required by the Civil Service Reform Act for approximately 9,000 employees at the 13-15 grade level. The new system allows us to recognize and reward outstanding managers and supervisors in the Department. While I have decided to postpone until next year the accelerated implementation of the payout provisions, the performance evaluations completed this October will be used for all other personnel decisions. All Departmental employees will receive the 9.1 percent pay increase this year.

U.S.-Swiss Social Security Agreement. On Monday, the Department and the government of Switzerland signed a final Social Security agreement eliminating dual coverage and taxation. The Agreement, effective November 1, will permit coordinated Social Security protection for Swiss and American citizens who have worked in both countries. Similar agreements were signed with Italy and West Germany.

  
Patricia Roberts Harris

THE SECRETARY OF EDUCATION  
WASHINGTON, D. C. 20202

SEP 26 1980

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MEMORANDUM TO THE PRESIDENT

SUBJECT: Weekly Report of ED Major Activities

Regulations

On Thursday, September 25, I met with members of the Senate Governmental Affairs Committee (Ribicoff) concerning the proposed Lau bilingual education rules. The discussion focussed on whether or not the proposed regulation violates Section 103(b) of the Department's Organization Act, which prohibits the Department from exercising control over curriculum or teaching methods. Members of the Committee indicated they may conduct oversight hearings of the Department during the next Congress.

Legislation

Higher Education Reauthorization

The higher education conference report for H.R. 5192, the bill reauthorizing the Department's higher education programs, passed the Senate on September 25 on a vote of 83 to 6. The House had passed the conference report on September 17 by a voice vote. We expect that the bill will be sent to you for your signature on Monday, September 29.

Youth Act

On September 23, the Senate Labor and Human Resources Committee (Williams) reported the Youth Act of 1980, S.2385, on a 14 to 1 vote. Several education amendments were adopted. The bill may be considered by the Senate on Monday, September 29. The major issue anticipated in floor debate is an amendment which Senator Hatch (R-Utah) may offer that would provide for a subminimum wage for youth.

It has been our hope that the Congress would complete action on the bill before the election recess. However, despite continuing efforts by both Department and White House staff, it now appears that, even if the full Senate acts on Monday, a House-Senate conference would not take place before recess.

Appropriations

On September 24, the Senate Appropriations Committee reported a continuing resolution to fund the Department's programs and operations after September 30. After considerable debate, the committee adopted an amendment proposed by Senator Chiles (D-Fla) to postpone promulgation of the Lau bilingual education regulations until June 1, 1981. The full Senate considers the bill today.

Speeches and Meetings

<u>Date</u>	<u>Event</u>	<u>Location</u>
September 19	Radio Address	City Club of Cleveland
September 21	Address and Press Meeting with Congressman Obey (D-Wisc)	Wausau, Wisconsin
September 23	Speech to the National Conference on Worklife Education	Baltimore, Maryland
September 29	Swearing-In of ED Intergovernmental Advisory Council	East Room, White House
September 30	First Meeting of the Intergovernmental Advisory Council	Washington, D.C.

  
Shirley M. Hufstедler



## Office of the Attorney General

Washington, D. C. 20530

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September 26, 1980

### Principal Activities of the Department of Justice For the Week of September 21 through September 26, 1980

#### 1. Meetings and Events

On September 23, the Attorney General testified before a House Subcommittee in support of the District of Columbia Criminal Justice Reform Act which would transfer local prosecution and judicial appointment authority from the Federal government to the District of Columbia.

On September 24, the Attorney General met with the Judicial Conference of the United States. He also met that day with Chief Justice Leonetto Amdei and Judge Antonio LaPergola of the Constitutional Court of Italy.

On September 25, the Attorney General addressed the American Society for Industrial Security in Miami Beach, Florida. He spoke about the history and present role of the FBI.

#### 2. Chicago School Desegregation

On Wednesday, September 24, the Chicago Board of Education unanimously voted to accept the terms of a consent decree requiring desegregation of the nation's third largest school system by September 1981. A complaint and the decree were filed the same day and the desegregation order was signed by a district court judge.

In accordance with the consent decree, the Attorney General has contacted twenty cabinet officers and heads of federal agencies to begin coordinating federal assistance to promote maximum school integration in Chicago and its environs.

#### 3. Census Cases

The Department, in consultation with the White House and Department of Commerce, is in the process of determining what course to take in response to the order of a district court judge in Detroit on Thursday, requiring the Census Bureau to readjust its statistics to include persons, especially minorities, not counted.



THE SECRETARY OF ENERGY  
WASHINGTON, D.C. 20585

September 27, 1980

MEMORANDUM FOR: THE PRESIDENT

FROM: CHARLES W. DUNCAN, JR.  
JOHN C. SAWHILL

SUBJECT: Weekly Activity Report  
Week of September 20 - 26, 1980

A handwritten signature in black ink, appearing to read "C. W. Duncan, Jr.", written over the typed name.

1. Strategic Petroleum Reserve: Congressional interest in mandating an increased fill rate is intense. This pressure has increased since the beginning of the Iran-Iraq conflict. I am sending you a separate memorandum providing a SPR update as well as a series of recommendations on how best to proceed.
2. Discussions with Israel: Officials from the Departments of Energy and State held two days of discussions in Israel on the Memorandum of Agreement. A joint statement was issued that reported some progress but noted that both delegations were concerned that agreement had not been reached. Negotiations will continue in Washington next month. I will report results directly to you.
3. Legislative Matters:
  - o The Senate Energy Committee reported out the nominations of John Sawhill to be Chairman of the Synthetic Fuels Corporation and the five nominees for the Board. The 12 to 6 vote was along partisan lines, except for the favorable vote of Senator Weicker.
  - o Both Houses adopted the Fiscal Year 1981 Appropriations Bill for Energy and Water Development.
  - o The Magnetic Fusion Energy Research and Development bill passed the Senate and, as amended by the Senate, the House. The legislation is designed to accelerate development of magnetic fusion technology toward operation of a demonstration plant before the end of the century.
4. Synthetic Fuels Solicitation: The final solicitation for \$5 billion in loan guarantees, price supports, and purchase commitments for synthetic fuels is nearing completion. Release of the solicitation awaits your signature on the Executive Order delegating your authority under the Defense Production Act to the Department. We also will hold the solicitation until we can determine whether the Synthetic Fuels Corporation nominees will be confirmed next week.
5. Trips: I plan to travel to Venezuela early next week at the invitation of Energy Minister Calderon Berti.

THE SECRETARY OF COMMERCE

WASHINGTON, D.C. 20230

September 26, 1980

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FYI

REPORT TO THE PRESIDENT

Morocco: Two days of friendly, productive meetings with Moroccan Minister of Industry and Commerce Guessous concluded in the signing of a formal agreement establishing a U.S. Morocco Joint Economic Committee. The Committee will facilitate the promotion of trade and economic cooperation between our countries. A member of the delegation conveyed to me a personal message from King Hassan II to you. This message is being transmitted separately.

Italy: When we were in Italy in May, the Italian Minister of Trade expressed considerable hope for the prospects of the Samuels Mission concerned with Southern Italy. This week Italian Minister for Industry Bisaglia visiting the United States to discuss the purchase of coal and to review the energy situation, expressed a certain amount of disappointment in the current inactivity of the Samuels Mission. As you know, a great deal of credit goes to Ambassador Henry Owen for the origination of the idea. In my discussions with both Ambassador Gardner and Minister Bisaglia, it became apparent that in the absence of a governmental structure for the Samuels Mission it may continue to delay. This could be very counterproductive. I suggested to Ambassador Gardner that he and Ambassador Owen should fortify the mission with a place in government which can provide ongoing services as well as programmatic ideas. I believe that this is important to our relations with Italy and that considerable attention might be directed to it during next week's visit of the Italian Minister for Southern Italy Nicola Capria.

United Kingdom: I was visited by the U.K. Secretary of State for Wales. Our conversation centered on our common concerns for the steel and automotive industries, their interests in the resolution of the steel dumping cases and the reinstatement of the TPM, and the more general problem of increasing import penetration particularly by the Japanese. I might add that these themes echoed similar concerns raised by the Italians.

Export Control: Concern is growing with the administration of export controls and, in some instances, with the economic sanctions themselves. The matter of the Soviet phosphate/ammonia contract concerning which we suspended shipments by your order is being reopened. We have received communications from the contractor that the Soviet Union may cancel the contract and claim damages against all involved at this end. The fact that the contractor has been requested to visit Moscow for discussions by mid-October suggests that there may be an effort to create a public airing of this particularly sensitive time. We are pursuing the legalities of the situation as well as its collateral implications. We will keep you informed.

Census: The District Court ruled in favor of Detroit in its suit contending an undercount of minorities in the 1980 enumeration. The Census Bureau has been enjoined from reporting the results of the census without first making a statistical adjustment for the undercount. We are in discussions with the Department of Justice regarding an appeal.

Last spring I approved a program for addressing the adjustment question and for making such an adjustment if necessary. The only reason it was not made public is that it has within it contingencies based upon the preliminary findings. Census has been meeting with experts regarding this plan and will be prepared to make an adjustment should it be ordered.

Steel: Considerable time of our top people and your staff has been devoted to keeping the pieces of the steel settlement from falling apart. To date we have been successful. For safety sake we are having discussions on Sunday with representatives of labor and industry hopefully to fortify their support for the program.

Appropriations: Given the current uncertainty regarding congressional action on a continuing resolution, we have issued contingency orders to prepare to close down in the event the Congress does not act.

  
Secretary of Commerce

5:30 PM

9/29/80

Mr. President:

George Gilliam suggests that in your remarks to the Virginia supporters you allude to the recently-published polls which show that we are running surprisingly strong in Virginia and have an excellent chance of carrying the state this time.

Rick

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#### Virginia

Reagan is leading Carter in Virginia, but by such a slim margin that the race is too close to call, according to a statewide poll published yesterday by the Richmond Times-Dispatch.

Reagan was favored by 40 percent of those responding to the poll, compared with 34 percent for Carter and 8 percent for Anderson. However, Reagan's apparent 6-point edge could be much narrower because of a 4-point statistical margin of error in the survey.

While Anderson was supported by only 8 percent, another 15 percent said they would vote for him if they thought he had a chance to win. There were 14 percent undecided and 4 percent declining to state a preference.

The telephone poll was taken between Sept. 17 and 23 by the research department of Media General Inc., the parent company of the Times-Dispatch. —AP

5:30 PM

CARTER/MONDALE  
RE-ELECTION  
COMMITTEE, INC.

Robert S. Strauss, Chairman  
Tim Kraft, National Campaign Manager  
S. Lee Kling, Treasurer

000 L STREET, N.W., WASHINGTON, D.C. 20036

(202) 887-4700

September 26, 1980

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MEMORANDUM FOR THE PRESIDENT

THRU: RICK HUTCHESON

FROM: TIM FINCHEM 

SUBJECT: RECEPTION FOR VIRGINIA CONTRIBUTORS AND POLITICAL  
ORGANIZERS WITH THE PRESIDENT

DATE: Monday, September 29, 1980

TIME: 5:00 p.m. (Reception begins)  
5:30 p.m. (President arrives)

I. PURPOSE

To have picture taken and thank Virginia fundraisers and political leaders who have played a major role in organizing the Carter/Mondale effort in Virginia.

II. BACKGROUND, PRESS PLAN AND PARTICIPANTS

A. Background: All of the invitees have contributed a large amount to the Carter/Mondale Presidential Committee and most have been very involved in our political organization in Virginia. They should all be thanked for their past support and for their help to the campaign both politically and financially.

B. Press Plan: White House Photographer

C. Participants: See attached list

copy to: Phil Wise  
Fran Voorde  
Gretchen Poston  
Sarah Weddington

7:00 Pm

THE WHITE HOUSE  
WASHINGTON  
September 29, 1980

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MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE *F.M. Moore*  
ANNE WEXLER *Anne*

At the beginning of your presentation we recommend that you recognize:

Senator Jennings Randolph, Chairman, Senate Steel Caucus  
Congressman Joe Gaydos, Chairman, House Steel Caucus  
Lloyd McBride, President of the Steel Workers  
William DeLancy, Chairman of the American Iron & Steel  
Institute as a representative steel executive

This is only to commend them for their fine leadership, not for them to speak. They will be seated in the front row.

THE WHITE HOUSE

WASHINGTON

BUFFET AND BRIEFING ON STEEL PROGRAM  
FOR MEMBERS OF CONGRESS,  
STEEL TRIPARTITE COMMITTEE  
AND OTHER STEEL AND LABOR LEADERS

THE STATE FLOOR  
MONDAY, SEPTEMBER 29, 1980

FROM: ANNE WEXLER *Anne*  
FRANK MOORE *F.M./pd*  
STU EIZENSTAT *Stu*

I. PURPOSE

To brief members of Congress, the Steel Tripartite Committee and other Steel and Labor Leaders on the steel program which is to be announced on Tuesday, September 30, 1980.

II. BACKGROUND, PARTICIPANTS, AGENDA AND PRESS PLAN

A. Background. The Steel Tripartite Committee, composed of six members each from labor and steel and the Secretaries of Commerce and Labor, was charged with making recommendations to you on the revitalization of the steel industry. The Committee has submitted its report and on Tuesday, September 30, 1980, you are scheduled to announce the steel program by way of your response to their report. Your response accepts in principle the recommendations of the Committee.

The purpose of this buffet and briefing is to educate members of Congress about the Report and the program. For the most part, they have little knowledge of the program as a whole although some might be familiar with certain aspects of it. Similarly, except for Lloyd McBride the labor leaders do not have complete knowledge of the program.

On Monday afternoon just prior to the briefing, Phil Klutznick will brief the steel executives about the program in great detail to assure their support of the program.

B. Audience. Approximately 100 members of Congress have been invited. Attached is a list of those who have indicated that they will attend.

In addition to the official members of the Steel Tripartite Committee, we have added about 16 additional steel and labor executives, and 5 environmental leaders with whom we have been negotiating. (These negotiations have resulted in compromises which mean that the environmentalists should not attack the program). Those who have indicated they will attend are shown on the attached list.

- C. Agenda. You will open the briefing between 7:15 and 7:30 with remarks on economic revitalization and the steel industry without getting into the details of the steel program. Recommendations for acknowledgements during your remarks will be provided to you shortly before the briefing. After you complete your remarks, you should turn the program over to Phil Klutznick who will conduct a 20 minute briefing with Ray Marshall and Doug Costle. Stu Eizenstat and Rubin Askew will be available to help them answer questions for the next 20 minutes or so. A detailed agenda is attached.
- D. Press Plan. There will be no press coverage of the briefing although it can be anticipated that information about the plan will become public shortly after it concludes.

### III. TALKING POINTS

- o Acknowledgements will be provided by Frank Moore and Anne Wexler. I'm pleased and proud to welcome all here tonight, to give you an advance look at my program for the steel industry.
- o This is a most important event, for it marks the first time that business, labor and government have --- cooperatively --- developed a program for the renewal of the steel industry.
- o We formed the Steel Tripartite Advisory Committee almost two years ago. Since that time, it has helped me and my Administration to understand better the industry's problems. Last week, after months of meetings and discussion, the Committee recommended to me ways in which the Federal government can help the industry in its own efforts to modernize. I am grateful to Secretary Klutznick, Secretary Marshall and the members of the Committee for their efforts.
- o I am pleased to say that I have accepted the principles they have recommended, and have explained how I and my Administration will achieve them in a detailed statement which we will release tomorrow morning. Secretary Klutznick, Secretary Marshall, Doug Costle, Ambassador Askew and Stu Eizenstat will brief you on the elements of that program tonight.

- o I am very pleased with this program, for two reasons:
  - First, because its substantive elements will provide real help for the industry, for steelworkers, and for steelmaking communities, right now and in the years to come.
  - Second, because this program is proof that we can work together, as partners in economic change, to rebuild our industry, to clean our air and water, and to maintain the economic security of workers and their communities.
- o With this program, I have reaffirmed the government's commitment to a healthy, competitive steel industry.
- o But we all recognize that the challenge of building a revitalized and competitive industry must ultimately be met by the industry itself: by its investors, its managers, and its workers. They have committed themselves to this task, and I am confident that they will do so.
- o Our efforts will not stop here. With your help, we will pass the legislation I have proposed, and begin the programs I have outlined. I have asked Secretary Klutznick to advise me on the problems of specialty steel, and I have directed him and Secretary Marshall to recharter the Steel Advisory Committee, so that they can monitor and participate in these efforts. (Note: The point on specialty steel is very important to this Western Pennsylvania industry.)
- o Together, we will build the industrial base of America. We will modernize our industrial capacity, advance our technology, create new jobs and claim our place as the most productive nation on earth.



HOUSE

James Abdnor  
Joseph Addabbo  
Douglas Applegate  
John Ashbrook  
Eugene Atkinson  
Don Bailey  
Robert Bauman  
Adam Benjamin  
Tom Bevill  
George Brown  
John Buchanan  
Don Clausen  
William Clay  
W. C. Dan Daniel  
Robert Davis  
John Duncan  
Allen Ertel  
Floyd Fithian  
Joseph Gaydos, Chairman  
Benjamin Gilman  
John Hutchinson  
Sam Hall  
James Hanley  
Elwood Hillis  
Richard Ichord  
James Jones  
Thomas Kindness  
Ray Kogovsek  
Jerry Lewis  
Clarence Long  
Thomas Luken  
Robert McClory  
Gunn McKay  
Clarence Miller  
Donald Mitchell  
Robert Mollohan  
Morgan Murphy  
John Murtha  
Henry Nowak  
James Oberstar  
George O'Brien  
Melvin Price  
Carl Pursell  
Nick Rahall  
Ralph Regula  
Don Ritter  
Charles Rose  
Martin Russo  
Richard Shelby  
James Scheuer  
Richard Schulze  
Bud Shuster  
Charles Vanik  
Douglas Walgren  
Lyle Williams  
Gus Yatron

SENATE

Jennings Randolph, Chairman  
Jim Sasser  
Robert Stafford  
Howard Metzenbaum  
Bill Bradley  
Alan Cranston  
Daniel Moynihan  
Dee Huddleston

ATTENDEES

UNITED STEELWORKERS OF AMERICA

Lloyd McBride  
International President

Jack Sheehan  
Director, Legislative Department

Paul E. Lewis  
Director, District 15

Howard Strevel  
Director, District 36

Edgar L. Ball  
Director, District 37

Ed Ayoub  
Assistant to the President

James McGeehan  
Director, District 7

OTHER LABOR LEADERS

Sam Church  
President, United Mine Workers

Fred J. Kroll  
President, Brotherhood of Railway, Airline  
and Steamship Clerks

Frank Drozak  
President, Seafarers International Union

Jack Lyons  
President, International Association of Iron Workers

Howard Samuel  
President, Industrial Union Department, AFL-CIO

Thomas Donahue  
Secretary-Treasurer, AFL-CIO

Lou Antal  
United Mine Workers

STEEL INDUSTRY EXECUTIVES

Howard O. Beaver  
Chairman, Carpenter Technology Corporation

Robert J. Buckley  
Chairman and President, Allegheny Ludlum Industries, Inc.

Charles A. Carlson, Jr.  
Chairman, Lukens Steel Company

Dennis J. Carney  
Chairman, Wheeling-Pittsburgh Steel Corporation

William J. De Lancey  
Chairman & CEO, Republic Steel Corporation

Thomas C. Graham  
President, Jones & Laughlin Steel Corporation

Harry Holiday, Jr.  
Chief Executive Officer, Armo, Inc.

William H. Knoell  
President, Cyclops Corporation

Howard M. Love  
President, National Steel Corporation

Eugene A. March  
Group Vice President, Colt Industries, Inc.

Robert B. Peabody  
President, American Iron and Steel Institute

Roger R. Regelbrugge  
President, Korf Industries, Inc.

David M. Roderick  
Chairman, United States Steel Corporation

George A. Stinson  
Chairman, National Steel Corporation

Donald H. Trautlein  
Chairman & CEO, Bethlehem Steel Corporation

ENVIRONMENTAL LEADERS

James T. Banks  
National Resource Defense Council

Frances Dubrowski  
National Resource Defense Council

Richard Ayres  
National Resource Defense Council

Rafe Pomerance  
Friends of the Earth

STEEL MTG 9-29-80

SEN RANDOLPH

Joe GAYDOS

PRES. LLOYD McBRIDE

CHMN. WM. DeLANCY

---

STEEL TRI PARTITE COMMITTEE

6 LABOR 6 STEEL MGMT.

COMMERCE / LABOR - 2 YRS  
AGO

ECON REHABILITATION

---

COOP PROGRAM

ACCEPTED PRINCIPLES

DETAILS TOMORROW

HELP INDUSTRY - WORKERS -

COMMUNITIES - COMPETITION

ENVIRONMENT

KLEUTENICK - PROBS SPECIALTY  
STEEL

MARSHALL

COSTLE

EIZENSTAT

ASKEW

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This is a good program. It will provide relief, now and in the years to come, through

- tax measures to spur investment, including accelerated depreciation and a refundable tax credit;
- reinstatement of the Trigger Price Mechanism, to help ensure prompt enforcement of our trade laws;
- increased Federal funding of research and development, including cooperative research with industry;
- a program for compliance with environmental statutes that will ensure that the industry can and will at last comply with our environmental statutes while modernizing;
- job training and community assistance programs for workers and communities affected by economic change;
- continued cooperation between industry and government.

THE WHITE HOUSE  
WASHINGTON

9/29/80

STU EIZENSTAT  
FRANK MOORE

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

Rick Hutcheson

cc:  
THE VICE PRESIDENT  
AL MCDONALD  
JACK WATSON

September 27, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: Al McDonald  
Gordon Stewart *AS*

SUBJECT: Presidential Remarks:  
Announcement of NYC  
Business-Labor  
Carter/Mondale  
Committee

Scheduled delivery:  
Mon, Sept 29

Your remarks for this event are attached.

Copies have been sent to Pat Caddell  
and Jerry Rafshoon. Jody will write  
his comments on this original before  
giving it to you.

Clearances

Pat Caddell  
Bruce Kirschenbaum

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[Salutations will be updated by Advance.]

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Gordon Stewart  
Draft A-1; 9/26/80  
Scheduled Delivery:  
Monday, Sept. 29, 1980

Remarks: The New York Business and Labor Committee for

Carter - Mondale

OK  
J

Governor Carey, Abe Beame, Victor Gotbaum, Felix Rohatyn,  
Jack Biegel, Members of the Business and Labor Committee --  
thank you for the great welcome and support you have given  
me today. No one could possibly have finer friends. And  
no group could better represent the spirit of partnership  
with which we are building for America's future.

You have already said so many good words, and spelled  
out our strong record so clearly, that I have only a few  
words left to say. Four to be exact -- I love New York!  
Just as important, I have always loved New York. And most  
important of all, I will continue to love New York -- long  
after I am re-elected President with your help.

You and I know we have great things yet to do. You  
also know we have created a base on which to build. Every

New Yorker can take a deep and just pride in what we have accomplished together -- in economic development, public transit, education, health, federal grants -- and the 247,000 jobs we have created here since I became President.

All this was possible because we did the most necessary thing of all. We acted when we had to act -- and saved this city. The \$1.65 billion loan guarantee program is now the cornerstone of New York City's recovery program.

We won that monumental fight. But there will be many more. Right now in the Senate, as you know, an attack is being mounted which seriously threatens the \$300 million in additional federal loan guarantees the City <sup>for which</sup> has recently applied. ~~for~~. I am determined to defeat that measure and protect our hard-won gains, just as I am determined to keep on fighting for the needs of New York and ~~all the~~ <sup>our</sup> nation's <sup>other</sup> cities.

I have spoken to both the Congressional leadership and the legislators directly involved and made it clear that my Administration is unalterably opposed to any such effort to prevent New York City from receiving the assistance which it needs and to which it is legitimately entitled.

~~I am pleased to announce today that~~ <sup>The</sup> Treasury Department <sup>now</sup> has completed its review of the application, and the moment this congressional obstacle is overcome, the Secretary of the Treasury will issue your guarantees.

[But the vote is imminent. I therefore call on Governor Reagan not to wait until tomorrow, but to join me at once in urging Republicans to drop their opposition to New York.]

*I think he did that already. jsp*

*it is about time*

I believe my opponent is coming to New York soon. [~~urge~~]

~~for~~ ~~Governor Reagan to renounce his historic opposition to a~~

~~vigorous federal role in the health of our great cities -- and~~

~~end his indifference to the progressive principles for which~~

~~they stand.~~ *if he is going to include N.Y. in his prayers, it is time* Ed Koch deserves praise for trying to reverse

*for him to start praying for N.Y. instead of against it.* those views. I hope Governor Reagan takes our advice.

We can predict he will try to make us forget that he

is the same candidate for President who, in the time of

New York's greatest need, said: "I have included in my morning

and evening prayers every day the prayer that the federal

government not bail out New York City." Fortunately, it seems

that the Lord does not always hear ~~the~~ *such prayers.* ~~prayers of~~ Ronald

~~Reagan's~~ *prayers. And I don't think the people of N.Y. are going* (This should ring for N.Y. the bell of the widely

*make positive statements* to pay much attention to candidates who ~~only want to be~~ publicized and much disliked preacher's quote that "God does

*only you find for a few weeks during an election year.* ~~not hear the prayers of the Jews.~~

[Four years later Governor Reagan has worked up to saying

he doesn't think Americans actually want to see the people

of New York suffer. Four years from now he may have advanced somewhat farther -- but who can afford to take that risk, or to wait that long for him to catch up with the facts of urban policy? ] ~~(Remember, you once opposed the N.Y. bail-out.)~~

There is just too much serious work to be done. ~~We cannot afford a candidate who suggests ideas for urban~~

~~programs like 'homesteading' which have actually been developed~~

~~for years.~~ We cannot afford a <sup>president who believes the solution to</sup> ~~candidate who is puzzled by~~

~~our urban problems is to reduce federal taxes and increase local the way funds are transferred from place to place by our~~

~~taxes.~~

~~nation's government]~~

Let me put it bluntly. Everyone in this room has not always agreed on every issue. I have not always told you everything you wanted to hear -- but I have always told you the truth, even when it hurts. And to anyone who might ask you what Jimmy Carter will do in a second term, when he's no longer up for re-election, this is my answer: He is going to keep right on fighting for energy security and military

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security for this nation, for a vigorous economy and productive jobs in our cities, for social justice and quality education, for equal rights for women and human rights around the world, for the security of Israel, and for peace on earth. And through all of this, my committment to New York City will never waver.

*a strong and healthy*  
The truth is that America needs <sup>a</sup>New York -- not only for the obvious reasons of its commercial, cultural, and international pre-eminence -- but for the example it offers to the nation of what people and politics can accomplish by working hard and working together. By working hard -- without *impossible/implausible* falling victim to simple slogans and ~~(un)tried~~ promises -- we will keep on making steady, day-to-day progress. By working together -- without falling victim to divisions of black and white, Christian and Jew, North and South -- we will reach our goal of renewed greatness for this city and this nation.

It is equally true that New York needs America. As you know very well, keeping the slender support of Congress is not easy. New York needs someone in the White House who is performing real service -- not offering lip service.

This is important work we are doing here today -- for New York and for the nation. In 1960 if just 28,000 people in Texas and a few thousand in Illinois had voted differently, John F. Kennedy would never have been President. Hubert Humphrey lost by the narrowest of margins in 1968. This year America faces another crucial choice between two visions of the future -- and two realities of the present. Our choice of the kind of world we will ~~live in~~ <sup>have</sup> could not be more stark, or more critical.

¶ Will America have a secure future of abundant energy from sources as old as the sun and as new as synthetic fuel -- or will it face a precarious future at the mercy of OPEC and the oil companies?

¶ Will America unite in working hard to fight inflation

and compete abroad by rebuilding our industrial muscle --

or will it <sup>yield to the transient political appeal of</sup> ~~give huge tax breaks to the rich for doing~~

*a massive, ~~an~~ inflationary, election-year, <sup>fed-up</sup> tax-cut scheme.*  
~~nothing more than they do now~~

¶ Will America care for every one of its men and women

and children -- or turn its back on its traditions of

compassion?

¶ Will America stand with those who struggle for equal

rights and better lives for minorities, for the poor,

for women -- or with those who hide behind code words

and evasions?

¶ Will America continue to build military power and strong

alliances in a steady and responsible way -- or will

we throw away our wealth, security, and world respect

on a <sup>nuclear</sup> doomed arms race?

¶ Will America keep laboring to strengthen the fragile bonds of peace among nations -- or will we threaten them, and our own safety, with <sup>ill-considered, unnecessary</sup> interventions around the world?

¶ Will America continue to stand up for human rights at home and abroad? <sup>FP</sup> My friends, there is no choice. We are proud that America stands for principle once again -- and we will not surrender that prize of world-wide respect and hope to anyone.

¶ Above all we must keep America standing firm with those -- every President and candidate of both parties since Truman -- who have sought to control nuclear weapons, and to lift their clouds of terror from the future of mankind.

Right now -- in this crucial year of choice -- the actions you take will affect the lives and futures of millions of

human beings. You and I know how hard we have fought to put this country on the right road to the right future. I was with you then. I am with you now. I will be with you when it is time to fight again.

I do not promise we can have everything all once. I do not promise everything will be better all at once.

If we accept the lessons of our past, face the facts of our time, and welcome the challenges of the future -- then I can promise you that our nation will prosper. I can promise that our nation will grow stronger. I can promise hope.

Together you and I will win this election -- and together we will keep the greatest nation on earth firmly on course towards a future of security, of justice, of prosperity -- and of peace.

NSC Meeting

9/29/80

THE WHITE HOUSE  
WASHINGTON

SAG forces ? vs 74

Time of deployment

3/79 A-10s - 48 hours

3/79 F-15 - 12 - 48 hrs  
12 more 48 hrs

Onion retained

8/2/79

UNSC

Saddam Hussein statement

Byrd - Baker - Stennis - Church

Speaker - Rhodes - Jablonski  
Price

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Meeting with Congressional Leadership  
9/29/80

THE WHITE HOUSE  
WASHINGTON

Mtg w/ Cong Ldrs 9-29-80

Summary of action

Prog objectives

Iranian attitude

Other Arab nations

Oman

Saudi Arabia

Oil supply situation

AWACS - air defense

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September 27, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: Al McDonald  
Rick Hertzberg *Rick*  
Chris Matthews

SUBJECT: Presidential Speech:  
ILGWU Convention

Scheduled delivery:  
Mon, Sept 29  
New York City

Your speech for this convention  
is attached.

Jody will write his comments on this  
original before giving it to you.

Clearances

Pat Caddell  
Anne Wexler  
David Rubenstein

In addition, an earlier draft  
which had somewhat less emphasis  
on ERA was seen by Secretary  
Marshall, DNC, and Sarah  
Weddington's office.

Comments from Anne Wexler

THE WHITE HOUSE  
WASHINGTON

SM agrees  
↓

ILGWU Speech

page 6 - last graph - "Now the sweatshop has moved overseas." Anne thinks this line could be misinterpreted and cause us some trouble. Thinks NSC should give us a check-off on this one line.

page 13 - last sentence - Thinks it should read "So let us go forward together to win this election and build a future that gives us bread -- and roses, too." Thinks the negatives should be omitted.

~~After reading the section on women to a couple of women activists, their comment was that it was good but lacked one important element and that is that many women think because ERA has not passed that Jimmy Carter has not done anything for women. I think there could be a short list of some of the specific accomplishments outside of the appointments (1/2 a page). Hertzberg agrees and is trying to do something. What do you think?~~

Taken care of

[Salutations will be updated by Advance]

Matthews/Hertzberg  
Draft A-1 9/27/80  
Scheduled delivery:  
Mon. 9/29 1:30 pm  
Sheraton Centre, N.Y.C.

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International Ladies' Garment Workers Union Convention

Sometimes I have a hard time deciding which tune I like best -- "Hail to the Chief" or "Look for the Union Label."

I'd like to make a prediction right now. Come the 4th of November, we are going to be singing both of them.

President Chick Chaiken -- Secretary-Treasurer Shelley Appleton -- your secret weapon in Washington, Evie Dubrow -- I-L-G-ers and friends --

I want to thank Chick, <sup>you</sup> for that wonderful introduction.

That may have been one of the two best speeches I have heard all year. The other was the one you gave nominating me at the Democratic Convention.

Chick has the makings of a great orator -- if only he

were not so reluctant to speak up. One of these days I'm going to have to help him overcome his bashfulness. ~~Maybe~~ ~~in my second term.~~

I am proud to be President of a country that stands up for human rights around the world -- just as this union was standing up for human rights long before most of us were born. I am proud to have Chick as my friend and ally in that struggle -- because he is one of the most forceful spokesman for <sup>The rights of</sup> free trade union, ~~rights~~ in the world.

I am proud to stand before you as the standard-bearer of the one political party that represents the historic concerns of America's working people -- the Democratic Party.

I am proud to lead the Democratic Party in this crucial election of 1980. I am proud to share that leadership with a great friend of labor and the best Vice President any President could ask for -- Fritz Mondale.

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And I am proud to run with the support of a union that believes that our society has a moral obligation to do the most for those who have the least. That is what compassionate Democratic government is all about. That is what this campaign is all about. That is why we are fighting side by side. That is why we are going to win on November 4th.

We are going to win because this union has has been fighting -- and winning -- for 80 years. You have fought for better wages and better working conditions for your own members. You have done something more. For 80 years you have fought to make our country live up to its ideals.

You have never cared what color someone is, or what nationality, or what language they speak, or what sex they are <sup>or what religion they practice</sup> -- because this union is serious about equality and social justice and democracy.

Five weeks from tomorrow, the American people will make

a choice that will affect every gain you have made over these 80 years, from the minimum wage to human rights.

Never in my lifetime has our country faced such a stark choice -- between two parties -- two candidates -- two totally different philosophies -- between two futures for our country.

I came here to talk about that choice and what it means -- to working people and especially to working women.

It should be an easy choice -- because all you have to do is follow the same good advice the I-L-G has been giving for years. When you pick a candidate and a party, just "Look for the Union Label."

Before a candidate tells you what he is going to do, first ask him what he's done. I think that is a pretty good standard. Before someone says he is a friend of working people, take a look at his record.

Look at which candidate stands up for the needs of America's working people, which party looks out for people who have to work hard day in and day out, which candidate has fought for their interests when it counted.

Let me tell you where I stand -- what I have been fighting for since I first took office as President.

I believe, as you do, that people have the right to a decent living. That is why we fought together for the largest increase ever in the minimum wage. We won that fight -- and four million Americans are living better lives today.

I believe, as you do, that in the nation with the richest agriculture in the history of the world, there can be no excuse for allowing anyone to go hungry. That is why we fought to eliminate the cash requirement for purchasing food stamps -- and we won that fight, too.

I believe, as you do, that every worker has the right  
 to work in safe, healthy conditions. That is why we ~~have~~ *worked to improve*  
~~defended~~ *and successfully defended it* OSHA against attempts to ~~quit~~ *destroy* it.

~~I~~ believe, as you do, that the best way to put young  
 people to work is not to ~~help~~ *guarantee* them ~~get~~ lower wages, but to  
 give them the training and work experience they need to  
 break into the job market. ]

~~(And)~~ I want to make sure there is a job for every young  
 person to fill -- a job for every American.

That is why I am working with the I-L-G to protect  
 jobs from unfair import competition. That is why we have  
 worked and worked successfully to increase exports of American  
 textiles and reduce imports of foreign textiles. The I-L-G  
 fought for 80 years to rid our country of the tyranny of the  
 sweatshop. ~~[Now the sweatshop has moved overseas.]~~ We must  
 not let ~~it~~ *the sweatshop* win from abroad the battle it lost at home.

I believe that government has a responsibility to deal with the challenge of foreign oil dependence. I do not

believe that the answer to that challenge is to do away with the windfall profits tax and return lease

*our energy future over to*  
^ the oil companies.

I do not believe that the answer to our Nation's complex economic challenges is a monstrous, ill-conceived tax giveaway

to the very rich -- a plan that would give the most to those

who already have the most. --- a plan that may be the most ill-

*advised inflationary economic proposal ever placed before the Congress of the United States.*

I believe that the real answer is a partnership of labor, business and the public -- to revitalize and modernize American industry, to help American workers become more productive and, where necessary, better trained. With your help we will build that partnership and achieve those goals.

Each and every one of these positions carries the I-L-G union label. So does this one:

All Americans -- women and men alike -- should have

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the same fundamental rights. And those rights should be enshrined where the rights of Americans are supposed to be enshrined -- in the Constitution of the United States.

*We must be careful -  
not to undo this.  
you may wish to  
delete entirely the  
graphs on this  
page.  
JSP*

[Fifteen years ago, when it counted, some people in our country <sup>who</sup> stood against the Civil Rights Act. [They] opposed the Voting Rights Act; [They] campaigned against Medicare.

[Now, years later, when the programs are on the books, when the battles have been won, when the controversy is over, they say they accept these programs. We will not accept that.]

Today, [when it counts again] some of these same people <sup>now</sup> oppose the Equal Rights Amendment. This time, we cannot wait 15 years for them to catch up with our country's conscience.

We cannot afford leaders who ignore the real problems of American working women, who would deny women the Constitutional protection of their equal rights, who seem to believe that women -- like children -- should be seen and not heard.

I totally reject that view. I support E-R-A. My six predecessors in the White House supported it. Even the Republican Party supported it for 40 years -- until this year.

The new Republican leaders have turned their backs on American women. Some of them say they are not opposed to women's rights -- they just want the states to do it.

That is what the enemies of women's suffrage said 70 years ago -- leave it to the states. That is what the enemies of civil rights said 20 years ago -- leave it to the states.

In some states there may be 200 or more laws that discriminate against women. Multiply that by 50 and you get some idea of what "leaving it to the states" really means.

Make no mistake -- equal rights for women is a bread and butter issue.

For every dollar that men are paid, women are paid 59

cents -- for the same amount of work. That is wrong.

In many parts of our country, women cannot work or borrow or dispose of their property on equal terms. That too is wrong.

Equal-pay-for-equal-work is a standard the I-L-G set a long time ago. It is time that the rest of the country caught up with you.

Women make up 43 per cent of the work force. A fourth of American households are headed by women. More and more American families depend on the wages women bring home. When we help women achieve greater economic rights, we are helping the American family.

That is why we have put muscle behind our anti-discrimination laws -- why we have toughened the Equal Employment Opportunity Commission -- why I personally have appointed more women to

top Federal positions and more women to the Federal bench than all previous Presidents combined -- why we have boosted Federal employment of women by 66,000 at a time when the overall <sup>federal</sup> payroll was shrinking -- why we have strengthened support of day care -- why we have pioneered pace-setting innovations like flexi-time and compressed time to help women meet both job and family responsibilities.

I am the father of a little girl, and I am the grandfather of a little girl. I want them to have the same kind of opportunities that my sons and grandsons have.

E-R-A is not just a question of laws. It is a clarion call to end a historic injustice. It is a signal that we are one nation, with liberty and justice for all -- all men, and, at long last, all women.

You understand the real problems of working women because most I-L-G-ers are working women -- women who work to support

themselves and their families -- women whose paychecks are not a luxury but a necessity.

The men and women of the I-L-G have worked to send their sons and daughters to college, to law school, to medical school. One of my own assistants in the White House is the grandson of two members of the old Local 38.\* His grandmother was a sweatshop seamstress at the time of the great Shirtwaist strike of 1909, when twenty thousand people -- most of them women -- rose up to demand the right to be treated with simple human decency. That strike holds a lesson for today's battle for E-R-A. On the I-L-G picket lines, immigrant girls of 14 and 15 years of age were joined by wealthy women from the Suffragist movement. The women of Fifth Avenue and the women of the Lower East Side joined together in solidarity -- because both believed in the dignity of women as human beings,

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\*Rick Hertzberg, as you might have guessed. In addition to giving me a place in history, Pat Caddell and Ray Jenkins think this reference would give you a personal connection.

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and because both believed in the promise of America.

All of us who are fighting for E-R-A today are part of that same battle. We must persevere until the battle is won, and the Equal Rights Amendment is inscribed in the Constitution of the United States.

The rights of women -- the rights of minorities -- the rights of the afflicted and oppressed -- the rights of free speech and free expression <sup>?</sup> [~~fighting for~~] -- the rights of working people to organize and bargain collectively: these are all fundamental human rights. <sup>!</sup> These are the rights our Nation represents. <sup>These are rights worth fighting for!</sup> These are the rights our Nation will defend as long as I am President. <sup>!</sup>

Let me dip once more into I-L-G history before I close.

Many of you will remember the old Italian Dressmakers Local 89 radio program on W-E-V-D. The program always began

with a song. The title of the song was "Bread and Roses."

That same phrase -- "Bread and Roses" -- was one of the most famous rallying cries of the early American labor movement. It meant, of course, that labor was struggling not only for material benefits, but for the values and ideals that give life its meaning and beauty.

That old rallying cry is as good a description as any of what our country means -- to our own people and to people all around the world. I want to continue that struggle side by side with you over the next four years. So let us go forward together, ~~not just~~ to win an election, <sup>and</sup> ~~but~~ to build a future that gives us bread -- and roses, too.

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