

**11/26/80**

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REFERRAL

DATE: 26 NOV 80

MEMORANDUM FOR: STATE SECRETARIAT

DEPARTMENT OF STATE

DOCUMENT DESCRIPTION:

TO: PRES

FROM: KABUA, AMATA

DATE: 15 NOV 80

KEYWORDS: MICRONESIA

SUBJ: POST-ELECTION MSG

REQUIRED ACTION: FOR DISPATCH

DUE DATE:

COMMENTS:

*Harold J. West*  
FOR CHRISTINE DODSON

STAFF SECRETARY

FOR NSC USE ONLY

FOR INFO

F

O HW C HW

190

081060

THE WHITE HOUSE

WASHINGTON

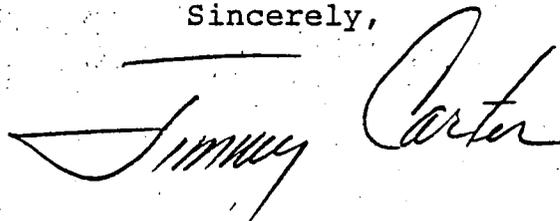
November 26, 1980

Dear Mr. President:

Thank you for your thoughtful letter of November 15. I am deeply touched by your kind remarks and most appreciative of your generous praise. I am extremely pleased that a Compact of Free Association has been initialled between the Marshall Islands and the United States during my Administration. I believe that it will be the enduring basis for relations between our countries.

Rosalynn and I appreciate your kind invitation to visit with you and the people of the Marshall Islands. She joins me in sending best wishes.

Sincerely,



The Honorable  
Amata Kabua  
President of the Government  
of the Marshall Islands  
Majuro

32c - PC

801126

THE WHITE HOUSE

WASHINGTON

November 25, 1980

C

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT *Stu*  
SUBJECT: McFadden Act Report

**Electrostatic Copy Made  
for Preservation Purposes**

As you recall, last August you decided to defer release of the Administration's report regarding geographic restraints on banking until later this year. Pursuant to your direction, since August the Administration has taken the public position that this statutorily required report would be submitted to Congress by year-end, but that you wanted your advisers to evaluate the issue further before reaching final policy decisions.

The report is now ready for release. OMB, CEA, Treasury, Justice and the financial regulatory agencies have cleared the recommendations. Herky Harris also concurred in the recommendations; his earlier concern, like yours and Mr. Kirbo's, related to the timing of release rather than the substance of the report. The recommendations are summarized below:

- o The Administration would reaffirm its existing support for legislation which would 1) make the deployment of electronic banking facilities (e.g., automated teller machines) subject to more liberal geographic restrictions than those imposed upon brick-and-mortar branches, and 2) give the bank regulators broader powers to deal with failing depository institutions, including authority to approve acquisitions of failing institutions across state lines.
- o The Administration would indicate that the Congress should consider what changes, if any, in the McFadden Act might be appropriate in view of the findings of the report. However, the Administration would not recommend that the Act necessarily be modified, nor would we make any specific recommendations for change. (Note: The McFadden Act prohibits interstate branching and authorizes intrastate branching only to the degree permitted by the respective states. Treasury and the bank regulators initially recommended a phased liberalization of the McFadden Act as a step toward nationwide

banking; we deleted this proposed change to avoid antagonizing community banks and states' rights advocates. While we believe Treasury's original recommendation is correct on the merits, the more moderate approach we have taken and which Treasury now supports would be far less controversial. We will, however, be the first Administration to have studied the McFadden Act and not made specific recommendations for its liberalization.)

- o The Administration would endorse a phased liberalization of the so-called Douglas Amendment to the 1956 Banking Holding Company Act, which currently prohibits bank holding companies from acquiring banks on an interstate basis. Interstate acquisitions are perceived to be far less of a threat than interstate branching to smaller banks and the dual banking system. Interstate branching authority for nationally chartered banks would force the states to give comparable authority to state-chartered institutions or witness massive conversions to national charters. On the other hand, interstate acquisitions would leave the internal branching structure of each state intact -- i.e., small banks holding a monopoly status in local communities because of restrictive state branching laws would essentially retain their privileged position.

We believe the report should be released now for several reasons:

- o You are obligated to submit the report under the International Banking Act of 1978, and Senator Proxmire, Congressman St Germain, the American Bankers' Association, and the Association of Bank Holding Companies have all recently requested its release. Last week, Senator Garn, the incoming Banking Committee Chairman, publicly indicated that the Senate Banking Committee wants the report as a starting point for its deliberations. While there will obviously be sharp controversy over changes in existing law, since the election there has been bipartisan public pressure for the release of this 300-page document to set a framework for the impending debate.
- o There is broad agreement among financial analysts and most banking leaders that accelerating market changes make a liberalization of the existing framework inevitable over the next several years, and we feel reasonably confident that the report will come to be regarded as an accurate description of the financial environment which will evolve during the 1980's. Your Administration is credited with having achieved the most important financial reform legislation since the 1930's; we believe that the report will set the framework for the next few years.



02 dec 80

Stu Eizenstat .

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

Rick Hutcheson

cc: Frank Moore  
Jim McIntyre  
Charlie Schultze

THE WHITE HOUSE  
WASHINGTON

e

November 25, 1980

MR. PRESIDENT:

Senator Metzenbaum called while you were meeting with Hedley and Dan Tate talked to him.

He wanted to argue against gasoline decontrol. Metzenbaum put Senator Jackson on the line and they both were adamantly opposed.

PHIL

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for Preservation Purposes**

THE WHITE HOUSE  
WASHINGTON

ok  
J

Message Dictated by Stu Eizenstat  
November 25, 1980 11:45 am

**Electrostatic Copy Made  
for Preservation Purposes**

Mr. President:

I would urge that you make no decision on the gasoline decontrol issue until the Congressional calls are finished.

Strong and broad-based opposition is surfacing, even from unexpected sources like Sen. Bennett Johnston.

The common theme seems to be that future price increases will be blamed on you, and that such action by you will lead to a flurry of strong condemnations in the closing days of the Administration.

Bob Thompson will have a complete report tonight.



THE SECRETARY OF ENERGY  
WASHINGTON, D.C.

November 25, 1980

MEMORANDUM FOR: THE PRESIDENT  
FROM: Charles W. Duncan, Jr. *CW Duncan*  
SUBJECT: Gasoline and Propane Decontrol

After discussing possible Congressional reaction to gasoline decontrol now with Stu Eizenstat, I contacted Senators Henry Jackson and Bennett Johnston and Congressman John Dingell. They advised against decontrolling now for fear that action would contribute to our suffering the political ramifications of a "surge in inflation" they expect during the first quarter of 1981. They indicated that while they wouldn't try to block the action, they would advise against it and defer the issue to the next Administration.

Senator Johnston felt, in addition to the above, that decontrol should be coupled with a tax or some other mechanism to capture a portion of possible increases. Though he favors decontrol strongly, he felt it important that the action be coordinated with this type of mechanism.

I remain convinced that the proposal is substantially correct but felt you should be apprised of these Congressional reactions.

Copy: Secretary Miller  
Stu Eizenstat

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for Preservation Purposes**

THE WHITE HOUSE

WASHINGTON

November 25, 1980

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MEMORANDUM TO THE PRESIDENT

**Electrostatic Copy Made  
for Preservation Purposes**

FROM: FRANK MOORE  
BOB THOMSON  
JIM FREE

Bob T

SUBJECT: CONGRESSIONAL CONSULTATIONS - GASOLINE DECONTROL

We have talked to a number of Congressional leaders about the feasibility of decontrolling gasoline in the near future. Reaction is very negative.

Majority Leader Jim Wright strongly opposes such a decision, saying it would allow the Republicans to blame Democrats for higher gasoline prices for years to come. Congressmen Dingell and Udall share that view.

As expected, Senators Jackson and Metzenbaum oppose the idea citing the same reasons as Wright. Interestingly, Senator J. Bennet Johnston also opposes decontrol at this time. He predicts the majors would seek to increase currently predicted summer shortages, causing prices--and profits--to increase inordinately. He suggests Congress should work with the next Administration to temper its anticipated decontrol initiative with safeguards to prevent excessive price increases.

Also, the Senate Energy Committee would challenge any decontrol procedure other than a formal "Energy Action" that provides a 15-day Congressional approval period.

*We understand through CL sources that Secretary Oursan  
now opposes gasoline decontrol based on his own Congressional  
contacts -*

BT

THE WHITE HOUSE

WASHINGTON

Friday, November 21 through Sunday, November 23

Camp David, including Friday's Fishermans' Day.

approve  disapprove

James M. Wall, Editor

407 South Dearborn Street  
Chicago, Illinois 60605  
312-427-5380 home 312-279-7166



## A Theology That Takes Sides

*Thirteenth in the 'Mind Change' Series*



José Míguez-Bonino

## Name Tags and the Theocentric Focus

Browne Barr

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- NCC's Mideast Statement
- Advent Meditation
- Wall's Perspective on President Carter
- Rites of Passage in Film



Mary Tyler Moore,  
Donald Sutherland  
and Timothy Hutton  
in 'Ordinary People.'

11:45 AM

THE WHITE HOUSE

WASHINGTON

MEETING WITH SENATOR BILL BRADLEY (D-NJ)

Wednesday, November 26, 1980  
11:45 a.m. (10 minutes)  
Oval Office

From: Frank Moore

**Electrostatic Copy Made  
for Preservation Purposes**

I. PURPOSE

Courtesy Call

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

Background

On November 17, you called Senator Bradley to thank him for his support. At that time, Senator Bradley requested a meeting with you.

Participants

The President  
Senator Bill Bradley

Press Plan

White House photographer

III. TALKING POINTS

- (a) You should congratulate Senator Bradley for his fine work on the Superfund legislation. You should mention that we are working together with the House to insure acceptance of the Senate-passed bill.
- (b) You may also want to mention other legislation on which the Senator has worked particularly hard; specifically, Revenue Sharing, Targeted Fiscal Assistance and the Windfall Profits Tax.
- (c) As you know, Senator Bradley campaigned hard for you during the General and was extremely generous in releasing several of his staff members to work on the campaign.



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

November 25, 1980

INFORMATION

MEMORANDUM FOR: THE PRESIDENT  
FROM: Jim McIntyre *Jim*  
SUBJECT: Old Hands in the Till

C  
**Electrostatic Copy Made  
for Preservation Purposes**

This is an assessment of the Post editorial mentioning two ways the lame duck Congress might be lining their pockets.

1. The increase in salaries is not happening. There was serious discussion in the House Appropriations Committee about removal of the salary lid in the continuing resolution on Congressional and Executive salaries. That would have raised those salaries at least 9.1 percent. But the Committee decided otherwise and the current draft resolution retains the ceiling. However, the idea is not dead; an attempt may be made in the Senate to lift the lid.
2. The Congress is making it possible for retiring members to get the September CPI increase of 7.7 percent in retirement benefits. Under existing law, a retiree's annuity can be calculated as if he had retired before the last CPI increase. This "look-back" provision gives those retiring in the next few months a substantially higher annuity than if the calculation is based on their current average salary.

The Reconciliation bill about to be passed eliminates this "look-back" provision. But it delays the effective date for 45 days, ostensibly to give Federal employees enough time to make decisions. However, the delay permits lame-duck Congressmen to receive the higher annuity.

THE WHITE HOUSE  
WASHINGTON

11/26/80

JIM MCINTYRE

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

Rick Hutcheson

CC: STU EIZENSTAT

ADMINISTRATIVELY CONFIDENTIAL

THE WHITE HOUSE  
WASHINGTON

November 25, 1980

cc Mc Intyre  
J  
(after read budget session)

MEMORANDUM FOR: THE PRESIDENT  
FROM: STU EIZENSTAT *Stu*  
BERT CARP  
JOSH GOTBAUM  
SUBJECT: Budget Overview

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for Preservation Purposes

After reading the materials prepared for the budget overview session today, we thought that several concerns should be reiterated and considered as you review the issues.

The FY82 budget will exemplify the principles that have guided your economic policies. It can establish the program and philosophy that Democrats can follow to achieve fiscal prudence compassionately. Like President Ford's proposal in 1977, it will serve as a general statement of priorities and goals.

Several of the issues that will be discussed this afternoon will determine, in part, how effectively this budget serves these purposes. For this reason, we wanted to raise them with you before the overview session.

Economic Assumptions

As you know, the condition of the economy is forecast in the budget only through 1982. The economic assumptions used for later years (1983-1986) are quite different: As we stated in our FY81 budget, "(they) are not forecasts of probable economic conditions...they are projections that assume progress." In short, they are goals. As such, they are disturbing, for they represent a level of economic performance with which you as President must be unsatisfied. Can you as President seriously accept as a goal an unemployment rate for the next five years that is higher than the average for your term in office? (7.0 vs. 6.5 percent)

I agree

OMB and CEA present these assumptions as being "realistic relative to those that have been used in public presentations." They are, however, a dramatic departure from traditional budget practice.

*Jim -  
Try to use  
more  
optimistic  
assumptions  
for out years  
& leave  
in more  
of the  
key Democratic  
programs*

Furthermore, this abandonment of the traditional setting of out-year goals has important effects on your program. As a result, in part, of the poor economic performance that is projected, OMB proposes to abandon your commitment in future years to national health insurance, to welfare reform and to CHAP.

We recommend very strongly that you maintain the traditional practice of setting out-year economic assumptions as goals, and that you make clear this afternoon that the projections for unemployment must represent your vision of what this nation should achieve.

### Keeping Commitments

Throughout the past year, you presented policies and programs in the campaign that marked a stark contrast between yourself and Governor Reagan. Your Economic Revitalization Program clearly established your concern with investment, both public and private, in our Nation's future, while at the same time helping workers and communities that bear the brunt of our economy's poor performance. Your programs of national health insurance, welfare reform and CHAP set forth a means by which government, especially Democrats, could attend to traditional human needs while maintaining fiscal restraint.

In the FY82 budget, OMB proposes to abandon many of your programs and slash severely many of the government's traditional commitments to the Democratic constituencies that supported us. A few examples should make clear how extraordinary a reversal in policy OMB has proposed:

- o Abandonment of numerous parts of your Economic Revitalization Program: the specially-targeted investment tax credit, 85% of the funds for job training, and funding for weatherization.
- o Elimination of your commitments to national health insurance, CHAP and welfare reform. (These are all almost entirely out-year costs.)
- o A 15% cut from current levels in the DOL budget (which means about 25% in real terms) including
  - major changes in unemployment insurance and trade adjustment assistance that would infuriate organized labor
  - phase-out of the Young Adult Conservation Corps
  - phase-out of 149,000 Title VI jobs.

- o Elimination in FY82 of the \$1 billion countercyclical revenue sharing program that represents one of the most important Federal supports to cities.

To abandon these commitments now, in your final statement of policy, would be to admit that there really was not the difference we claimed between ourselves and Governor Reagan. It would legitimate the Republican program of draconian cuts by giving it bipartisan endorsement. We should not do Governor Reagan's job for him.

Everyone recognizes that our FY82 budget will be lean, but we think it is especially important that you make clear today that your budget must include those programs on which you campaigned and by which your Administration's policies would be implemented.

#### Making Statements of Principle

Because this is a budget upon which Congress will not act, it will serve most importantly as a statement of your priorities, and of the priorities that Democrats should follow in the 1980's. Former-President Ford took this opportunity four years ago to propose measures, including annual tax cuts and radical increases for defense, that Congress clearly was unwilling to pass. His last budget was, for this and other reasons, clearly "unrealistic," yet he was not faulted for this by the press. Rather, they viewed his budget as a statement of principles and priorities.

We believe it important that your budget reflect your goals. We should be willing and able, as was Ford, to propose it in programs that the Congress is now unwilling to pass. OMB has proposed to drop hospital cost containment, some of the legislative cash management initiatives, and withholding on interest and dividend income which they claim are unrealistic. This seems a serious mistake: They are in each case sound and justified policies of your administration. Furthermore, for Reagan to drop them from his budget would be to increase his deficit by billions of dollars.

We feel it is important for you to make clear today that your budget will be a statement of principles and that it should retain programs that represent sound policy, even if the Congress is not yet willing to accept them.

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

ACTION  
FYI

/	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	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

THE WHITE HOUSE  
WASHINGTON

26 nov 80

for the record:

a second memo was sent to Secretary Miller, as the attached does not mention the date on which protection for Jeff Carter is to resume.

Both Treasury and USSS received copies of the correct memo.

sharon

11/25/80

SECRETARY MILLER.

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

Rick Hutcheson

CC: USSS

THE WHITE HOUSE

WASHINGTON

November 25, 1980

MEMORANDUM FOR

THE SECRETARY OF THE TREASURY

As you are aware, my son, Donnel Jeffrey Carter, is currently being protected by the U.S. Secret Service pursuant to the provisions of Section 3056 of Title 18, U.S. Code, authorizing the protection of members of the immediate family of The President.

I hereby decline Secret Service protection for Jeffrey during the period of November 26, 1980, through November 30, 1980. Protection should cease for Jeffrey at Noon on Wednesday, November 26, at the White House upon his departure for Camp David. Protection for Jeff should resume at the USSS shift change closest to 0800 hours, at 1600 Maddux Lane, McLean, Virginia.

In making this decision, I relieve the U.S. Secret Service of any and all responsibility for Jeffrey's physical security during the aforementioned period of time.

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

11/25/80

GENE EIDENBERG

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

Rick Hutcheson

THE WHITE HOUSE  
WASHINGTON

November 25, 1980

*done*  
*J*

MR. PRESIDENT:

Secretary

Hufstedler called at  
9:50. Gene Eidenberg  
and Jack Watson recommend  
you return her call.

PHIL

**Electrostatic Copy Made  
for Preservation Purposes**

11:50

THE WHITE HOUSE  
WASHINGTON

November 24, 1980

MEMORANDUM TO THE PRESIDENT

Electrostatic Copy Made  
for Preservation Purposes

FROM: BRUCE KIRSCHENBAUM *BK*

SUBJECT: Meeting with Governor Brendan Byrne

Tuesday, November 25, 1980  
Oval Office  
11:50 a.m. (15 minutes)  
White House Photographer

I. Purpose

Governor Byrne wants to pay a courtesy call and discuss a number of governmental and political issues with you.

II. Participants

Governor Brendan Byrne  
Harold Hodes, his chief-of-staff  
Marilyn Berry-Thompson, his Washington representative  
Myself

III. Agenda

The present plan calls for all staff to leave after the White House photographer is finished with pictures. (Each of Byrne's staff will probably want a picture with you. These particular individuals have been among your strongest supporters throughout your Administration and during the fall campaign.)

After meeting with you, the Governor and his staff will be meeting with Jack Watson about some of the same concerns, particularly those involving government programs.

a. Priority Items for Government Programs

The Governor has a few federal issues he would like to resolve under this Administration. These involve a ruling by Cecil Andrus on future development of the Pinelands National Park, which the Governor opposes; revitalization of Newark; and a variety of issues concerning EPA, HHS, DOT, and Energy. Since many of these will be raised in the follow-up meeting with Jack, it is not necessary to brief you in detail.

b. Political

Because Bill Clinton lost re-election, Brendan now takes over as head of the Democratic Governors organization. He will ask your advice on future direction of the party, particularly as it pertains to what role the governors can play. The Governor has called for a meeting of the Democratic Governors on December 8th, in Annapolis. Around that time, the Congressional Democratic Caucus will be meeting, as will the DNC executive committee. He probably will ask you who you would like to see chair the DNC.

THE WHITE HOUSE  
WASHINGTON

11/26/80

STU EIZENSTAT

PHIL WISE

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

Rick Hutcheson

CC: ZBIG BRZEZINSKI

THE WHITE HOUSE

WASHINGTON

ACTION

November 20, 1980

MEMORANDUM FOR: THE PRESIDENT  
FROM: STU EIZENSTAT *Stu*  
HENRY OWEN *HO*  
SUBJECT: Rescheduling of the White House Conference  
on Coal Exports

*I'll do what  
I promised -  
Keep my own  
participation  
brief*

We believe it is important that you carry out your publicly announced intention of convening a White House Conference on Coal Exports. Abandonment of the idea now would cast doubt on your Administration's seriousness about expanding our coal exports, a key element of the international energy strategy adopted at the Venice Summit. The meeting has been widely publicized in the coal business, at home and abroad, and is eagerly anticipated.

The conference would be scheduled for two or three hours in mid-December, and your participation could be limited to a brief opening address. It would be held in the East Room and attended by about 150 carefully selected senior representatives of foreign customers, US coal companies, transportation companies, port authorities, mining and maritime labor, environmental groups, and interested governors and members of Congress. Senator Byrd and Governor Rockefeller have expressed interest in attending; one of them might make a closing address.

The meeting would be organized to obtain positive suggestions on strengthening our coal export campaign. Secretary Duncan would preside, outline the main findings and tentative recommendations of the Interagency Task Force on Coal Exports, and invite comments. The Task Force must make its final report to you in January.

Presidential announcements to be made at this meeting will not be as prominent as originally planned, because some of them have been made by other spokesmen or overtaken by other events. Nonetheless, we believe that your proceeding with this event will be noticed even more favorably now than it would have been before the election, as evidence of a non-political commitment to the objective of worldwide substitution of US coal for OPEC oil.

Carl Bagge, President of the National Coal Association, assures us that the conference will be well attended by chief executive officers of relevant coal companies. He believes (although he is a staunch Republican) that it will be a considerable period before the next Administration is in a position to host a comparable event. Representatives of coal importing countries abroad, both in Europe and Japan, have expressed a desire to attend.

Your record in energy policy, including the promotion of coal exports, is one we can be proud of and should seek to publicize. The coal conference would help to do this.

RECOMMENDATION:

That you authorize announcement that the White House Conference on Coal Exports will be held in the East Room in mid-December at a date convenient to you, and that the invitations indicate your intention to speak at the meeting.

Approve \_\_\_\_\_ Date \_\_\_\_\_

Disapprove \_\_\_\_\_

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

ACTION  
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	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

THE WHITE HOUSE  
WASHINGTON

26 nov 80

for the record:

copies of the attached were  
given to Stu Eizenstat and  
Jody Powell, through  
Kathy Reid and Claudia Townsend.

sharon

THE WHITE HOUSE  
WASHINGTON

November 24, 1980

*ok as  
edited  
J*

MEMORANDUM FOR THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*  
JIM McINTYRE *Jim*  
ESTHER PETERSON *Esther*

SUBJECT:

White House Statement on Alcohol Report

Attached is a White House statement on the Alcohol Report which has been cleared by the speechwriters. Our plan is to release the statement concurrently with the transmittal of the Report to the Congress and to provide the statement to the relevant Committees in the Congress.

**Electrostatic Copy Made  
for Preservation Purposes**

White House Statement On Alcohol Report

The report to the President and Congress on Health Hazards Associated with Alcohol and Methods to Inform the General Public of These Hazards by the Departments of Treasury and Health and Human Services is a useful summary of the scientific evidence linking excessive alcohol consumption to some of our most serious public health problems. The report is particularly valuable because it focuses public attention on the extent and nature of the serious risks to unborn children associated with alcohol consumption by pregnant women.

As directed by Congress, the Departments have considered the advisability of requiring that alcoholic beverages carry labels warning of the dangers of alcohol misuse by the public generally and by pregnant women in particular. The Departments gave this issue thoughtful consideration, consulted authorities both inside and outside government, and recommended against such labels at this time.

As this memorandum transmitting this report to the President and Congress notes, the report's conclusions and recommendations regarding warning labels address only the question of labeling alcoholic beverages and reflect the specific opinions of the two Departments. The rationale for the conclusions and recommendations does not represent the position of the Administration on the general issue of health warning labels, ~~The Carter Administration regards health warning labels as~~ <sup>which can be</sup> a useful and cost effective means of informing the public about health hazards

in appropriate situations. In many circumstances, such labels are preferable to other forms of government action, which might be more intrusive or more costly. Warning labels can be an effective adjunct to other private and public health education efforts.

The scientific section of the report indicates that excessive alcohol consumption during pregnancy is one of the leading causes of mental retardation and birth defects. It is of the utmost importance to alert women of child-bearing age about the risks associated with alcohol. The debate over when to use warning labels should not distract government, industry, and concerned citizens from the urgent need to inform the public about this serious public health problem.

THE WHITE HOUSE  
WASHINGTON

11/26/80

JACK WATSON

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

Rick Hutcheson

SUMMARY OF CONGRESSIONAL MAIL TO THE PRESIDENT

DATE: NOV 25, 1980

PAGE: - 1-

FROM	SUBJECT	DISPOSITION	COMMENTS
REP. STAN LUNDINE (D) - NEW YORK	REITERATES HIS REQUEST THAT SPECIALTY STEEL PRODUCTS BE INCLUDED UNDER THE TRIGGER PRICE MECHANISM; UNDERSTANDS THAT SECRETARY KLUTZNICK HAS SUBMITTED A MEMORANDUM TO YOU REGARDING THIS ISSUE.	ACKNOWLEDGED BY FM REFERRED TO: DOC CC: SRTN	<i>Susan</i>
REP. GEORGE O'BRIEN (R) - ILLINOIS	REITERATES HIS REQUEST THAT SPECIALTY STEEL PRODUCTS BE INCLUDED UNDER THE TRIGGER PRICE MECHANISM; UNDERSTANDS THAT SECRETARY KLUTZNICK HAS SUBMITTED A MEMORANDUM TO YOU REGARDING THIS ISSUE.	ACKNOWLEDGED BY FM REFERRED TO: DOC CC: SRTN	<i>Q</i>
REP. DON BAILEY (D) - PENNSYLVANIA	URGES YOU TO INCLUDE SPECIALTY STEEL PRODUCTS UNDER THE RECENTLY ANNOUNCED TRIGGER PRICE MECHANISM.	ACKNOWLEDGED BY FM REFERRED TO: DOC CC: SRTN	
REP. BOB YOUNG (D) - MISSOURI	OBJECTS TO REPORTS THAT THE FEDERAL GOVERNMENT PURCHASED 4,000 FOREIGN-MANUFACTURED TRUCKS DURING THE LAST YEAR; UNDERSTANDS THAT THIS WAS DUE TO THE MINIMUM GAS MILEAGE REQUIREMENTS FOR FEDERAL VEHICLES ESTABLISHED BY EXECUTIVE ORDER 12003; URGES YOU TO REVISE THIS ORDER TO HELP HALT THE DECLINE IN SALES OF AMERICAN-MADE TRUCKS.	ACKNOWLEDGED BY FM REFERRED TO: STUART E. EIZENSTAT CC: OMB	
REP. WYCHE FOWLER (D) - GEORGIA	URGES YOU TO REVERSE SECRETARY HARRIS' DECISION TO DEFER FUNDING FOR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES' GRANT PROGRAM TO ASSIST FINANCIALLY DISTRESSED HOSPITALS; NOTES THAT GRADY MEMORIAL HOSPITAL, WHICH PROVIDES ESSENTIAL SERVICES FOR LOW-INCOME INDIVIDUALS IN ATLANTA AND IN A SIX-STATE REGION, WILL HAVE TO CURTAIL SERVICE SEVERELY WITHOUT IMMEDIATE AND MAJOR ASSISTANCE.	ACKNOWLEDGED BY FM REFERRED TO: HHS CC: OMB	<i>To Jack W.</i>

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THE WHITE HOUSE  
WASHINGTON

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November 25, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD CUTLER *LC*

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SUBJECT: Breyer Nomination.

I have advised Rick Burke of Senator Kennedy's staff that, after talking to Senators Byrd and Morgan, you have decided to wait a day or so before acting on Senator Kennedy's request to send up a second nomination, in order to see if the Senate can work out the problem itself.

I expressed reason to hope that the matter could be worked out inside the Senate without stating any basis for my hope.

The Kennedy-Thurmond agreement on voting additional nominations was this:

- a) When the last Executive Session of the Committee was held shortly after the Senate returned in September, Thurmond and the Republicans agreed to vote out 12 nominations in exchange for Senator Kennedy's commitment that there would be no further Executive Sessions of the Committee. Kennedy agreed.
- b) When you indicated your willingness to send up Breyer's name if he was approved by the First Circuit Nominating Commission, Thurmond agreed to another Executive Session to vote on Breyer. When the Breyer nomination was delayed until after the election, Thurmond joined in the telephone poll vote in Breyer's favor in lieu of a physical meeting.
- c) In the light of Senator Morgan's objection to this procedure, Senator Thurmond has agreed to the physical Executive Session that will be held if the Breyer nomination is returned to the Committee from the floor or if you send up a second Breyer nomination.

All Committee members understand that at this next Executive Session each of the other 17 pending nominations will also be brought up for a vote. Any Committee member, however, has the right to put off the vote to a subsequent Executive Session.

THE WHITE HOUSE  
WASHINGTON

11/25/80

FRANK MOORE

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

Rick Hutcheson

THE WHITE HOUSE  
WASHINGTON

*Good  
J*

November 25, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: DAN TATE

The Senate today sent the Breyer nomination back from committee. There is no need to resubmit the nomination. The committee is supposed to meet again on Monday to consider the Breyer and other nominations. Senator Morgan feels that you accomodated him and he is very grateful.

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Shall I still hold attached?

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*WJ*  
*J*

THE WHITE HOUSE

WASHINGTON

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November 24, 1980

*Susan  
held  
C*

MEMORANDUM FOR THE PRESIDENT

**Electrostatic Copy Made  
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FROM: LLOYD N. CUTLER *LNC (mc)*

SUBJECT: BREYER APPOINTMENT TO FIRST CIRCUIT

Senator Kennedy called me this evening to ask for your help in removing a procedural obstacle that Senator Morgan has placed in the way of a Senate floor vote on the Breyer nomination. At the same time, Senator Morgan was calling Dan Tate to ask that you not take such a step.

The situation is as follows:

1. The Senate Judiciary Committee cleared the Breyer appointment unanimously by a telephone poll vote. This is the standard practice of many committees for unopposed nominations, but it is subject to objection by any Senator on the floor, on the ground that the Senate rules require that the vote be taken at a physical meeting of the Committee.
2. Senator Morgan has become aware of this and has advised the Committee of his intention to make such an objection, when the nomination is called up for a vote, unless the Committee agrees to hold a vote on the other judiciary nominees including Arnold. The Committee countered by asking Senator Byrd and the parliamentarian for permission to withdraw the reported nomination so that the Committee could hold a vote at a meeting scheduled for 10:00 a.m. (Tuesday) and report the nomination again.
3. However, this cannot be done until the nomination is called up. Senator Morgan is blocking the call-up by a filibuster. According to Senator Kennedy and the Committee staff, the parliamentarian has said that if you send up a second nomination of Breyer, the Committee can vote on this nomination Tuesday morning and report it to the floor. It could then be placed on the executive calendar and brought up for a vote in lieu of the earlier nomination which is subject to Senator Morgan's technical objection. At the same meeting, the Committee will call for a vote on all the other nominees, including Arnold and Senator Inouye's candidate Heen, but the Republicans are expected to block a vote on Arnold and perhaps all the others.

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4. Senator Kennedy has therefore asked if you would send up a second nomination early Tuesday morning. He has offered to provide a letter making this request on behalf of the Committee.
5. Senator Morgan has apparently learned of this plan and phoned Dan Tate urging that you not send up a second nomination.
6. If possible, Dan and I would like to meet with you on this subject for a few minutes between 8:00 and 9:00 a.m. Tuesday morning. I do not believe that Senator Morgan's plan to force out the Arnold nomination is feasible and that if he perseveres, we will also lose the Breyer nomination. Dan and I are also aware of your interest in being helpful to Senator Morgan.

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# United States Senate

COMMITTEE ON THE JUDICIARY

Nov. 24, 1980

The President  
The White House  
Washington, D.C.

Dear Mr. President,

As you may know, we have encountered some procedural difficulties with the nomination of Stephen G. Breyer for the First Circuit Court of Appeals.

I would appreciate it if you would assist us in resolving these difficulties by resubmitting the nomination at this time.

On behalf of the Committee, I thank you.

With every best wish,

Yours sincerely,

  
Edward M. Kennedy  
Chairman

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*The White House,*

*19*

*To the*

*Senate of the United States.*

*I nominate* Stephen G. Breyer, of Massachusetts,

to be United States Circuit Judge for the First Circuit, vice

a new position created by P.L. 95-486, approved October 20, 1978.

X