

12/3/80 [1]

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12/03/80

GENE EIDENBERG

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

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

12/1/80

Gene Eidenberg --

Attached is letter we
discussed.

Thanks -- Susan Clough

You are asked to be
in the 10:00 this am
with an answer to
this.

Memorandum For the President

From: GE

Gene

Subject: George Busbee's Letter Re; MARTA

*Gene - Tell
Proceed - Tell
Lutz to call &
help MARTA
J*

The attached letter re: MARTA raises two issues:

1. exemption from further alternatives analysis for the system.

UMTA is likely to grant the exemption for the North/ South line (Doraville to the ~~At~~ Airport). But UMTA wants to make sure that service to minority residential areas remains high priority and will use this request as a vehicle for gaining such assurances. You can tell the Governor that you will instruct UMTA to do a joint review with MARTA to minimize these alternative analyses. (Alternative analyses require that before funding a given segment of the system all options ~~are~~ assessed).

2. MARTA wants a letter of no prejudice from UMTA to insure its eligibility for federal reimbursement for local expenditures made in advance of federal payment. UMTA is inclined to do this. Ted Lutz, the UMTA Administrator, is working with the relevant Congressional committee to make this possible. You can tell the Governor that you will have Lutz call MARTA's general manager on this. Lutz is confident that 90% of this request can be met.

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Office of the Governor

Atlanta, Georgia 30334

George Busbee
GOVERNOR

November 26, 1980

Ms. Susan Clough
Office of the President
The White House
Washington, D. C. 20500

Dear Susan:

Enclosed is a letter to me concerning MARTA that I mentioned to you on the phone. Would you please show this to the President when he will have time to read it and have him call me at his convenience.

Also, don't forget to mention the portrait by the great photographer before his term ends.

Best personal regards.

Sincerely,

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

George Busbee

GB:gdw

Enclosure



2200 Peachtree Summit
401 West Peachtree Street, N.E.
Atlanta, Georgia 30308
404 586-5050

November 25, 1980

The Honorable George Busbee
Governor of the State of Georgia
State Capitol Building
Atlanta, Georgia 30334

Subject: Significant Actions Pending with the Urban Mass Transportation Administration

Dear Governor Busbee:

MARTA appreciates your willingness to discuss with the President pending approvals at the Urban Mass Transportation Administration which would be helpful in expediting completion of the MARTA program. There are two principal actions which if taken will help us a great deal in completing the principal elements of the rail system. They are as follows:

First, UMTA should exempt MARTA from any further alternatives analysis requirement for the 53 mile referendum system. In the late 1960's leading up to the November, 1971 referendum MARTA undertook extensive planning and alternatives analysis studies on its own, several years in advance of the Federal alternatives analysis requirement. The referendum system, i.e., 53 miles of heavy rail, 8 miles of rapid busway, and some 1,800 miles of surface bus routes, was deemed to be the combination which would best serve the metropolitan area's needs. Generally speaking, the staff of the Urban Mass Transportation Administration agrees with this position. They have been reluctant to exempt MARTA from future alternative analyses thinking that this might weaken their position with other transit systems. Since our work clearly preceded the federal alternatives analysis requirement, it seems clear that no meaningful precedent would be set. We, therefore, urge that UMTA be requested to exempt MARTA from further alternatives analysis studies. If a total system exemption is not possible then at a minimum the North/South Line from Doraville to the Airport should be exempt. There is no significant objection to this within UMTA. Again, merely a vague concern about setting a precedent. UMTA has already made significant commitments north to Lenox and south to Lakewood, and in addition gave a letter of no prejudice for the construction

The Honorable George Busbee
November 25, 1980
Page Two

of the Airport Station. On November 17, UMTA Administrator Lutz in a letter to the MARTA General Manager stated that alternatives analysis requirements have been met for the Lenox to Lakewood portion of the system. Therefore, all that remains on the North Line is the Lenox to Doraville segment and on the South Line the Lakewood to Airport segment.

The second approval which would facilitate our work would be for UMTA to issue a letter of no prejudice for all design, construction, and system-wide work on the North/South Line from Doraville to the Airport. MARTA is prepared to commit its sales tax resources and, in addition, issue revenue bonds to be retired from sales tax in order to construct the North/South Line. The Line cannot be completed without additional federal assistance but the construction can be expedited by MARTA using 100% local funds to design and construct segments and to purchase necessary equipment with federal reimbursement following as funds are appropriated by Congress. It may even be that full 80% federal funding will not be available for the North/South Line. MARTA recognizes this risk and is prepared to take it. However, unless we get a no prejudice approval for the entire North/South Line prior to expending local funds we will forfeit our eligibility for such funds, a penalty we do not think we should have to pay.

UMTA has already issued a Letter of Intent to fund the North Line to the Arts Center Station and the South Line to the West End Station. In addition, individual no prejudice letters have been issued for certain land acquisition work on the South Line to Lakewood and for design and land acquisition on certain segments of the North Line to Lenox. As with the alternatives analysis exemption there is general UMTA staff support for the issuance of no prejudice authorization for the entire North and South Lines but there is a reluctance because it might constitute a precedent. Recently Chairman Duncan of the House Appropriations Transportation Subcommittee indicated to Administrator Lutz that he and his colleagues recognize the unique status of MARTA and while they could not specifically approve no prejudice actions since such approval is not required from Congress, Mr. Lutz should feel free to issue such letters when unique situations exist. In sum, it would be extremely helpful and would expedite the completion of the North/South Line if a no prejudice letter for construction and equipment contracts and right-of-way acquisitions could be issued in the near future.

We have a number of grant requests pending but we are sensitive to the competition which exists for transit funds. UMTA has met in full its \$800 million commitment which permitted us to build the Phase A (12.7 miles, 17 stations) portion of the

The Honorable George Busbee
November 25, 1980
Page Three

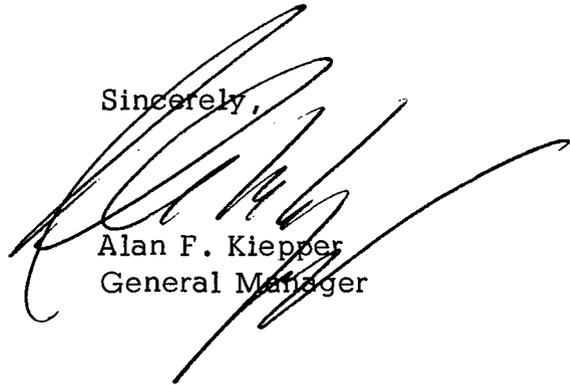
MARTA system. We recognize that other systems now have heavy demands and we must wait another year or so before receiving major additional funding commitments for MARTA.

If the exemption from alternatives analysis requirements and approval of no prejudice actions for the North/South Line can be granted as requested above we have the resources to carry out a vigorous program while hoping for substantial federal reimbursement beginning in federal fiscal year 1982.

We appreciate your continued interest in and support of the MARTA program.

With best wishes.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read 'A. F. Kiepper', is written over the typed name and title.

Alan F. Kiepper
General Manager

dt

	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

December 2, 1980

MR. PRESIDENT:

Stu's parents - Leo and
Sylvia Eizenstat - are in town
and Stu would like to bring
them by at 9:55 a.m. tomorrow
for a quick photo.

APPROVE DISAPPROVE

BOB

**Electrostatic Copy Made
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THE WHITE HOUSE

WASHINGTON

November 20, 1980

MEMORANDUM FOR THE PRESIDENT

FROM RICHARD HARDEN

A handwritten signature in black ink, appearing to read "Richard", written over the typed name "RICHARD HARDEN".

RE: Summary of the Accomplishments of the
Office of Administration during this
Administration

Attached is a brief paper outlining the ac-
complishments of the Office of Administration.

I feel very good about this organization's
record.

HALLMARK ACCOMPLISHMENTS OF THE CARTER ADMINISTRATION

ESTABLISHMENT OF THE OFFICE OF ADMINISTRATION

The Office of Administration (OA) represents the President's first Agency within the Executive Office of the President (EOP) designed to promote efficiency in Government through the consolidation of administrative support functions and streamlining of procedures. Efficient and effective administrative support for all eleven EOP Agencies is being provided, despite a major reduction in resources.

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MAJOR ACCOMPLISHMENTS OF THE OFFICE OF ADMINISTRATION

NEW EOP ACCOUNTING SYSTEM

Development of a new EOP accounting and reporting system, with final GAO certification, is expected by the end of 1981. In developing the accounting system, OA was able to consolidate ten different systems, mostly manual, for processing, funds control and reporting. EOP accounting principles and standards and the EOP administrative control of funds were approved by OMB and GAO.

INTEGRATED PAYROLL/PERSONNEL SYSTEM

All EOP Agencies were placed on a single integrated payroll and personnel system with the support of the Treasury Department. This system interfaces with the financial accounting system for posting to ledgers.

CENTRAL TRAVEL OFFICE

A central EOP Travel Office was established to provide reservations and ticketing expeditiously through use of on-line terminals.

DEPARTMENT OF DEFENSE PRINTING SERVICES

OA contracted with the Department of Defense printing service to operate the duplicating and printing facilities in both the New and Old Executive Office Buildings and to provide special printing and binding capabilities through that Department's central printing facility in the Pentagon.

GRAPHICS AND WORD PROCESSING

Graphics and Word Processing services were extended to all EOP Agencies, in support of publications as varying as the newsletters issued by many of the Agencies to the Budget of the United States Government. The word processing unit now offers text editing and composition services.

CENTRAL PROCUREMENT SERVICES

OA established a centralized purchasing and contracting office to handle all EOP purchasing. Arrangements were also made with GSA to establish and operate central supply stores in the Old and New Executive Office Buildings.

CONSOLIDATED PERSONNEL OPERATION

The centralization of a full compliment of basic personnel support services, including recordkeeping and reporting, has upgraded the overall quality, efficiency, accuracy, and economy of such operations in the EOP. Policies, standards, and programs have been developed for OA and personnel management advice and assistance offered to the Executive Office agencies and their employees.

WHITE HOUSE INFORMATION CENTER

A White House Information Center was established to provide a central point in the Old Executive Office Building for the collection and distribution of information in a timely fashion.

CENTRAL LAW LIBRARY

A central Law Library was established and a legal intern program developed with local law schools to provide the various EOP Agency General Counsels with legal research support and additional legal and legislative information services as needed.

RECORDS MANAGEMENT

EOP Agencies have been brought into compliance with regulations for records retention and disposition through a strengthened and more effective records management program. Records schedules are available for all EOP Agencies and records are being retired on schedule and at the same time remaining available for reference through procedures worked out with the Washington Federal Records Center and the National Archives.

EOP NEWSLETTER

The EOP Newsletter, pEOPle, is used as a vehicle for communication among the Agencies and focuses on items of interest to the staffs, either on staff changes or new requirements of which they must be aware.

PUBLICATIONS MANAGEMENT

A publications management program brought about the first Guide to EOP Publications, listing those items issued by any of the EOP Agencies and available to the general public. It has greatly reduced the criticism that the EOP did not make its information available to the public in a formal way.

MICROGRAPHICS PROGRAM

OA established a major micrographics program to permit EOP agencies to affect major savings in space and at the same time assure availability of information. The libraries are heavily stocked with microfilm as is the publications distribution unit, and this is rapidly spreading to the individual offices in the EOP.

AUDIT FUNCTION ESTABLISHED

OA established an audit function for EOP and, as a result, several problems in the financial areas have been corrected, management audits have resulted in improved procedures in contracting, payroll and computer security.

CONTRACT SERVICES

OA has awarded contracts in graphics, messenger service, computer facilities management, systems development, office moves and data entry in an effort to provide for more effective use of personnel resources and provide improved services.

OMB BULLETIN 79/10 SUPPORT

A computer network was implemented and systems modifications were made in order to implement OMB Bulletin 79-10 which decentralizes the input of budget information from OMB to other Departments and Agencies.

WORD PROCESSING SUPPORT

OA has performed word processing studies in OMB, CEQ, DPS, NSC, VPO and OA. OMB and CEQ have acquired systems. Reduction of costs and improved efficiency should result.

COMPUTER CAPABILITIES

Computer capabilities were increased to provide for the additional requirements brought on by other Agencies than OMB. A number of experiments to help the EOP Agencies reach the present state-of-the-art in data processing were undertaken, including electronic mail, word processing and office automation equipment. Correspondence tracking and other management tools for the office were developed and put into place.

TRAINING PROGRAMS

In-service management, professional, technical and administrative training and orientation has been instituted for EOP staff. Continued efforts in these areas should lead to increased productivity, improved procedures, and individual and organizational growth.

CONGRESSIONAL VOTE ANALYSIS SYSTEM

A Congressional Vote Analysis System was developed and used until a private source became available. This system has been extended to use by a number of Executive Branch Departments and Agencies through the Interagency Information Exchange group, initiated by OA and now operated out of the Justice Department.

COMMUNICATIONS NETWORK

On the advice of a high level Network Advisory Committee, a proto-type network is being put in place to facilitate use of EOP and external computing resources. It should facilitate on-line input of budget data from Departments and Agencies in its later stages of implementation.

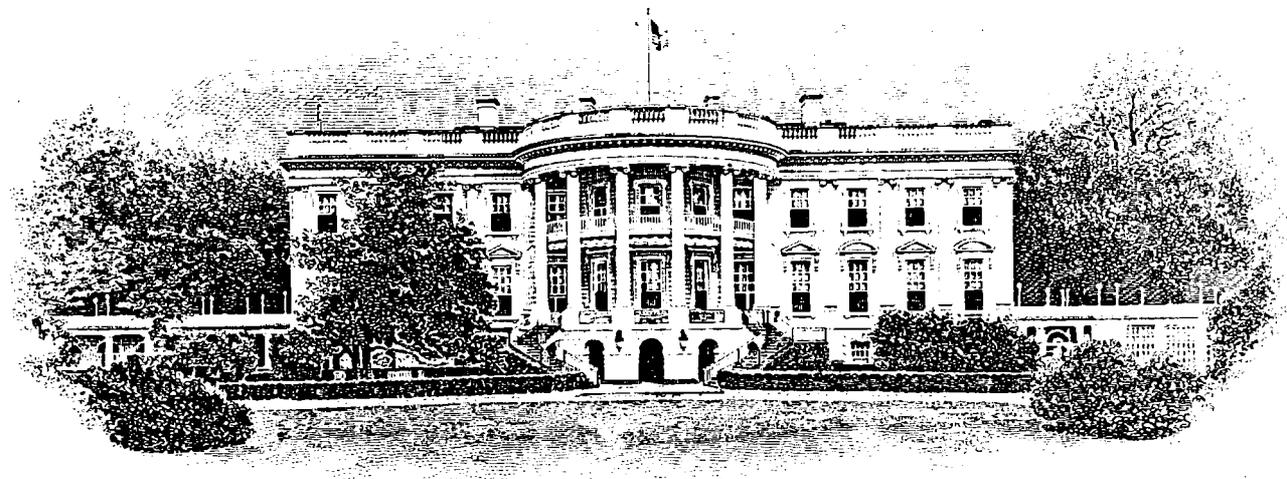
OA PUBLICATIONS

OA has published an OA Policy and Procedures Manual, OA Services Document, Administrative Organization Brochure, A Guide to Publications of the Executive Office of the President, and other documents which assist EOP Agencies in understanding procedures and obtaining OA services.

Automated Information Systems In The White House Office



*Summary
as of
June 1980*



11:00 Am



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

DEC 2 1980

①

MEMORANDUM FOR THE PRESIDENT

FROM: James T. McIntyre, Jr. *Jim*

SUBJECT: Talking Points on the FY '81 and FY '82 Budgets for Your Cabinet Meeting on December 3, 1980

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In case the subject of your FY '81 and FY '82 Budgets should be raised at tomorrow morning's Cabinet meeting, I thought you would find it helpful to have these brief talking points:

- ° Let me make a few general points about my approach to the 1982 Budget.
- ° I have decided that I want the overall size of this budget to be as restrained as possible. Jim McIntyre is acting on this general guidance from me, and will be making his recommendations to me on this basis.
- ° No single Department, or program area, will be allowed to bear a disproportionate share of this restraint -- and none will be exempt from it either.
- ° I intend to make this budget a clear statement of my Administration's policies and goals. This is not the time to renege on any lasting commitments that either you or I have made, and I will not do so.
- ° But at the same time, in order to be an effective statement of our policies, this budget has to be realistic. That means, for example, that some programs or spending increases which clearly have no chance of passing the Congress should not be included.
- ° I have not seen yet what this means specifically for each of your budgets. But I will be meeting to hear your appeals over the next two weeks, and I know you won't hesitate to be frank in your assessments. I hope that you will keep those appeals to just the most critical issues.
- ° Let me add one further point about the '81 budget. I am very concerned at the rate at which outlays have increased this year. This is due primarily to changes in economic circumstances, and to actions in the Persian Gulf. As a result, the '81 deficit is already higher than desirable, or anticipated. To avoid any adverse effects on the financial markets, and the economy when we release the January budget, I have asked Jim to pay close attention to curbing '81 spending levels as we complete the process.
- ° To sum up, I want these budgets to reflect the priorities we have established -- as a Democratic administration -- for meeting all of our country's critical needs within the bounds of budgetary restraint. I know I can count on your cooperation.

11:00 AM

THE WHITE HOUSE
WASHINGTON
December 2, 1980

C

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MEMORANDUM FOR THE PRESIDENT

FROM: GENE EIDENBERG *Gene*
SUBJECT: Agenda for the Cabinet Meeting
Wednesday, December 3, 1980
11:00 a.m. (1 Hour)
Cabinet Room

All Members of the Cabinet are expected to attend except Secretary Goldschmidt, who will be represented by Deputy Secretary Bill Beckham.

This is the first regular Cabinet meeting since July 28, 1980, and it may be the last during your Administration. The White House photographer will be present before the meeting begins to take a picture of the Cabinet seated together.

PROPOSED AGENDA

Expression of Gratitude

You may want to take this opportunity to express your appreciation to the Members of the Cabinet for the help each gave during the campaign, as well as for service to the Administration. In addition, you may also want to provide an opportunity for Cabinet Members to make statements about their service.

Foreign Issues

Middle East: Secretary Muskie can brief the Cabinet about the situation between Syria and Jordan, as well as provide an update of the hostage negotiations.

Poland: Secretary Muskie can also review the situation in Poland.

Domestic Issues

Budget: Jim can give an overview of the FY 1982 budget process to date. As you know, appeals to you are going forward on December 10. Several Cabinet Members have indicated a desire to have you discuss your general goals and approach to the FY 1982 budget before individual agency appeals are brought forward.

Transition: You may want to make some comments about the spirit of cooperation evident in the transition and invite questions on this subject. For example, I am sure the Cabinet would be interested in hearing a brief report from you on your meeting with President-elect Reagan.

Miscellaneous

Summing Up: This might be a time for you to close with an appraisal of your experience as President and your plans for the future.

cc: Vice President
Jack Watson

11:30
Thursday

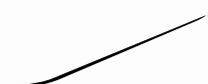
THE WHITE HOUSE
WASHINGTON

12/3/80

Mr. President:

Jerry Parr would like to take 10 minutes this week to review some security details with you. May I schedule?

yes no


Phil

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THE WHITE HOUSE
WASHINGTON

Phil has
Sue

THE WHITE HOUSE

WASHINGTON

December 2, 1980

Mr. President -

The Budget Review session for this Friday afternoon has been postponed at OMB's request. If you wish to go to Camp David, we could plan departure as early as 11:00 a.m. The Church service in Georgetown Sunday morning with Billy Graham begins at 11:00 a.m. Please advise.

phil

Depart for Camp David at 11:00 a.m.

or

Depart at _____

Remain in Washington

*Clear E Ros
J*

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THE WHITE HOUSE

WASHINGTON

Sunday Morning

Mr President:

Rev. Billy Graham called. He will be preaching at the Georgetown Baptist Church next Sunday and wanted to extend an invitation to you and Mrs. Carter to attend the service and then go on to a brunch at the home of Sen. Hatfield.

Rev. Graham also wants you to know " he is proud of you." He thinks you have been a good President. He would like to visit with you after you leave office and says " he has some things in his heart he wants to share with you about your future."

The switchboard has telephone numbers where he can be reached should you wish to speak with him.

Bob

*Will confirm
Thursday -
probably a
ok to go
J*

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THE WHITE HOUSE
WASHINGTON

12/3/80

pls note that the president
has written a note on incoming
congressional letter --
copy of which needs to be
sent back to senator from
congressional liaison
correspondence....(cl should
also receive original of
incoming letter; copy for
ss files)

thanks-sc

THE WHITE HOUSE
WASHINGTON

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December 1, 1980

*Frank - This
is a proposal
which should be
addressed by the
new administration*

MEMORANDUM TO THE PRESIDENT

FROM: FRANK MOORE
BOB THOMSON

*FM.
Bob T.*

SUBJECT: SENATOR GRAVEL - SEA LEVEL PANAMA CANAL

Senator Mike Gravel has again raised with us the issue of initiating a study of a sea-level Panama Canal, constructed in cooperation with the Japanese and, of course, the Panamanians. Specifically, he wants to attempt negotiation of a tri-partite protocol authorizing a Sea-Level Canal Commission which would initiate a study of a new canal. Under Gravel's proposal, the Japanese would finance the study.

We have told Gravel we would approach you with the idea. However, we have indicated that you would be unlikely to approve such a mission without State Department and NSC approval and without some indication from appropriate Reagan transition officials that the new Administration would have no objections.

State approves the concept and believes Senator Gravel is a good person to attempt such a negotiation. However, the State Department does not believe the Japanese should pay for the entire \$20-\$25 million study, since that would give them inordinate control of the process. State believes the U.S. should split the cost with the Japanese.

While not advocating Senator Gravel's idea, NSC believes some good could come from it and registers no objection.

Senator Gravel has contacted the Reagan transition people about the idea, but has no response as yet.

We are attaching Gravel's letter to you with some interesting documents that he has prepared. The idea has some merit and deserves your consideration, but obviously not in this format.

We recommend you proceed as follows:

1. Ask the State Department to initiate a formal options memorandum for you on the subject, staffed out as usual but with particular attention to OMB because of the budget implications of State's approach.

2. Ask State to formally seek the views of the Reagan transition people and include their response in the options memorandum.

_____ APPROVE

_____ DISAPPROVE

_____ SEE ME



DEPARTMENT OF STATE

Washington, D.C. 20520

TO: H - Mr. Atwood

FROM: ARA/PAN - Richard R. Wyrrough *rw/pan*

SUBJECT: Panama -- Sea Level Canal Feasibility Study

Under the terms of the Panama Canal Treaty we are obligated to study jointly with Panama the feasibility of a sea level canal. Several issues are involved:

-- When should we initiate the study? While the Treaty simply obligates us to conduct the study prior to the year 2000, the traffic backlogs of recent months, indicating that the present canal is operating near capacity, and the extended times involved in any actual construction suggest the desirability of undertaking the study earlier rather than later.

-- Should Japan and possibly other parties, be invited to participate in the study? We have already indicated our willingness for Japan to participate, but have expressed our interest in receiving Japanese comments on the 1970 study as a preliminary to proceeding with any trilateral effort. Japan has not yet responded to this request but we were told in late September that several GOJ ministries are examining the matter, including the relative desirability of less costly alternatives. We are also aware that Panama would be willing to see Japan undertake the study, leading to actual construction, without US involvement, an alternative that Japan has reportedly dismissed in informal conversations with Panamanian representatives.

-- Assuming a trilateral study, how should costs be funded? Rough estimates suggest a study cost of \$20-30 million. On this basis, US-Japanese funding on a 50-50 basis versus sole Japanese funding with, perhaps, the worth of the 1970 study being recognized as a US contribution-in-kind appear as the most feasible alternatives. Since congressional receptivity to Panama Canal-related costs has been low in the past and is likely to continue so for the immediate future, sole Japanese funding appears more attractive than it might seem otherwise. The disadvantages involve the appearance of disinterest on our part and a possible prejudice against US firms desiring to participate in the actual construction project in the event of a positive decision.

-- Should Senator Gravel be named as the US member of a trilateral commission? In commenting on Senator Gravel's proposal that the President name him as the US representative charged with negotiating an agreement with Panama and the US, We have taken the position that technical level talks regarding the terms for study should probably occur before the start of negotiations of the kind he visualizes. However, given the likelihood that Congress may react negatively to any request for funds in the next couple of years and recognizing the value of having an enthusiastic committed person representing the US in an undertaking of this complexity, I personally believe that we should enlist Senator Gravel in this effort and test the Japanese, provided we can obtain support for the undertaking by the incoming administration. Ideally, if a source of funds could be found, we would empower him to negotiate an arrangement based upon a 50-50 cost sharing between Japan and the US. If US funds are not available, however, he would seek a Japanese commitment to fund the project unilaterally as a less desirable alternative to the one involving extended delays in undertaking the project due to nonavailability of US funds combined with the likely loss of such a dedicated person's involvement in the project.

II. THE RATIONALE FOR AN IMMEDIATE U.S. INITIATIVE FOR A SEA-LEVEL CANAL

During 1980 a number of steps preparatory to establishing a Sea-Level Canal Commission between Panama, Japan, and the United States have been taken:

- (1) At the request of Senator Mike Gravel the United States Government established an Interagency Task Force under the leadership of the Department of State to examine the desirability of a three-nation sea-level canal study. The Task Force concluded that such a study was in the United States' interest.
- (2) Mr. Shigeo Nagano, President of the Japan Chamber of Commerce and Industry, led a delegation of preeminent Japanese businessmen to Panama for discussions on a sea-level canal study. The delegation was hosted by President Aristides Royo and General Omar Torrijos and briefed by the American Embassy. At the end of the visit both the Panamanians and the Japanese expressed their interest in further pursuing the sea-level canal study.
- (3) The United States Government officially informed both Panama and Japan of its interest in further discussions relating to a joint sea-level canal study.
- (4) President Aristides Royo visited Japan and expressed to Prime Minister Masayoshi Ohira his country's desire to join with Japan and the United States in a sea-level canal study.
- (5) On the occasion of Prime Minister Masayoshi Ohira's visit to the United States, President Jimmy Carter raised with him the sea-level canal study and said the United States encouraged Japan's participation in a study.
- (6) Secretary of State Edmund S. Muskie forwarded to the Government of Japan for its review the 1970 sea-level canal study conducted by the United States at a cost of \$22 million.

The recent elections in the United States have an important impact in determining the appropriate next step to bring about a sea-level canal commission. Technically, the United States is awaiting a response from Japan to its transmittal of the 1970

study. However, since President Carter was not reelected, Japan will not be expected to take this step until after the inauguration of President-elect Reagan. Nonetheless, it is possible that President Carter will designate a special representative to negotiate the terms for a commission prior to the end of his term on January 20, thereby continuing the United States initiative on the project. If President Carter takes this action it will be important for both Panama and Japan to respond quickly in order not to lose this opportunity to establish the commission at an early date, prior to the end of his term. Any hesitation to await Mr. Reagan's reaction, although initially an appealing idea, could well result in several years' delay in carrying out the study.

At present the American people are almost totally unaware of the significance of a sea-level canal to United States defense and commercial relations. But they do hold very strong and polarized views on the present Panama Canal, and those opposed to the new treaty arrangements between the United States and Panama were among the most loyal supporters of President-elect Reagan. When Ronald Reagan, as a presidential candidate, first opposed the Panama Canal Treaty in 1975, he plumbed the very depths of the American psyche and brought forth an issue which many Americans identified as a test of their country's power and honor. The roots of this attitude lie with the chauvanism of a young American nation, which prior to the turn of the century had seen the French try and fail to build a canal in Panama, in spite of the internationally acclaimed French success at Suez. When it fell to the United States to step forward and succeed where the superpower of Europe had failed, it was only natural that the success became a badge of world leadership for the American people.

This history makes clear why the emotional reaction to this issue in the United States is not easily susceptible to logic, and why any talk of a new canal is often met with the retort, "We gave the Panamanians one canal; why should we build them another?"

More than likely, upon examination President-elect Reagan will be persuaded of the importance of studying a sea-level canal which would (1) lower the cost of living in the United States, (2) make more efficient the transport of oil from Alaska, and (3) make it cheaper to export American coal to Japan, thereby offsetting the U.S. balance of payments deficit.

Even so, if President Carter provides an opportunity to proceed with establishment of a commission in the final weeks of his administration, it is advisable to do so without waiting for a favorable reaction from Mr. Reagan. As much as the president-elect may see the logic of taking such an initiative early in his term, politically he cannot afford to forget his many loyal supporters who are so incensed even at the mention of Panama. He might well conclude

that he should not make one of his first initiatives as President a new Panama Canal. Instead he might decide not to deal with the issue until his second term in office, by which time American passions will have cooled and at which time he would no longer be politically vulnerable.

But the prospect of waiting as much as four years to even begin the sea-level canal study is hardly appealing when the present canal is already obsolete. Even those ships which can use the canal are experiencing delays of up to 100 hours before passage, at an average approximate cost of \$1000 per hour. At this rate, every month saved in proceeding with the study is enough to pay its entire \$25 million cost.

It should not be assumed that the potential political difficulties Mr. Reagan might face in initiating a sea-level canal study would also govern his attitude toward the commission if it already had been established under Mr. Carter. Such a circumstance would instead provide the new administration an opportunity to quietly build a new Latin American policy without itself running the risks of launching any action involving Panama. In the course of its work the commission would patiently go about the political task of educating the American people on the advantages of U.S. participation in bringing about a sea-level canal. Since President Carter's initiative would have relieved Mr. Reagan of the responsibility of signing any protocols or appointing a representative to the commission, and since Japanese funding of the study would relieve him of any need to seek congressional appropriations for its operation, the new administration could avoid negative political reaction at home while at the same time undertaking a major international project.

The benefits to Japan in assisting the Carter administration in establishing the commission in its closing days are manifold:

- (1) It would open new oil sources in Venezuela and Mexico.
- (2) It would make coal purchases in the United States more economic, thus offsetting balance of payments surpluses which increase tensions between the two countries.
- (3) It would open the possibility of new coal agreements with Colombia and other mineral agreements with Brazil.
- (4) It would assure cheaper transportation costs to markets in the United States and South America.
- (5) It would provide a device to contribute to the United States defense capability without causing acrimony in Japan over expenditures for armaments.

III. THE IMPORTANCE OF THE PANAMA CANAL TREATIES IN LIGHT OF WORLD SHIPPING TRENDS

The fundamental goals of the United States in negotiating both the new Panama Canal Treaty and the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal were to assure the continued efficient operation of the canal in the interests of world maritime commerce and to provide the most favorable conditions for meeting long-term United States national defense requirements. Even before the treaties were signed President Carter recognized that the physical limitations of the canal itself could in the future frustrate this dual purpose, no matter how good the treaty provisions might be. He therefore spoke of the possible need for a new canal in the years ahead, and he obtained treaty language which made provision for the joint study of the desirability of a sea-level canal in Panama.

Only two years after final approval of the treaties, and while political controversy still surrounds many of the treaty provisions, the evidence is mounting inexorably that the present canal is not efficiently meeting the world's maritime requirements. The need for a new sea-level canal, as contemplated in Article XII of the Panama Canal Treaty, increasingly appears to be the principal point upon which all parties agree.

A sharp increase in the amount of time needed to negotiate Panama Canal waters is already undermining the attractiveness of the canal to the world fleet. Panama Canal Waters Time, which includes the time a vessel spends waiting to transit as well as the time actually spent in transit, has risen steadily for the past decade. In 1970 the average time in Panama Canal waters for transiting vessels was 15.2 hours. In 1980 it was 34.9 hours, an increase of nearly 130 percent.

The increase in waters time is largely a reflection of the strong trend toward use of the canal by larger vessels. In 1970 only 12.7 percent of all vessels transiting the canal were large ones (i.e., more than 80-foot beam), which require prime conditions for transit. In 1980 fully 44.7 percent were large vessels. This represents an increase of 250 percent.

If the trends of the 1970s with respect to waters time and larger vessels were to continue, nearly all vessels transiting would be of the larger variety by the year 2000, and the average passage time for vessels would be more than three days. But the most recent experience suggests that even the trend of the past decade, as serious as it is, may be far too conservative to project the future accurately. The backlog at the canal in September and October 1980 was already at the critical stage. In September the average waters time for transiting vessels was 57 hours, or more than three and a half days.

(2)

The cost of these delays to world shipping is astronomical. For the month of September 1980 alone, Panama Canal users' direct costs for delays in passage -- exclusive of regular tolls and charges -- was \$28 million. This was \$2.5 million more than the total of all tolls collected during the same period. On an annual basis it represents a direct loss of \$337 million. And these figures represent only the immediate, direct financial losses to canal users that are attributable to the delays. The full economic cost of the unexpected delays is much greater. It includes the loss of revenues from missed commercial opportunities and the spoilage of perishable goods. If these total economic losses for the month of September are projected on an annual basis, the delays are costing the world billions of dollars each year.

The attractiveness of a sea-level canal, apparent to the President three years ago, is significantly enhanced by the trends in world shipping and canal usage which now have become so clear.

AGREEMENT FOR THE INTERNATIONAL
SEA-LEVEL CANAL COMMISSION

The Government of the Republic of Panama, the Government of Japan, and the Government of the United States of America, animated by the spirit of friendly cooperation which governs the relations among them; considering the importance of maritime commerce to their prosperity and to that of the nations of the world generally; recognizing the significant contribution made by the Panama Canal in promoting and encouraging such commerce; taking cognizance of the physical limitations of the Panama Canal to provide for present and future world shipping; taking into account the fact that Article XII of the Panama Canal Treaty between the Republic of Panama and the United States of America, signed at the City of Washington, District of Columbia, September 7, 1977, commits the Parties to study jointly the feasibility of a sea-level canal in the Republic of Panama; and desiring to assure for themselves and other nations of the world the most efficient and economical marine transportation, have agreed upon the following:

Article I
Establishment of the International
Sea-Level Canal Commission

1. There is established the International Sea-Level Canal Commission, hereinafter referred to as the "Commission", which shall in all respects have the status of an international body.
2. The Republic of Panama and the United States of America agree that the studies to be carried out in accordance with the provisions of this Agreement shall serve to implement that provision of paragraph 1 of Article XII of the Panama Canal Treaty in which the Parties thereto "commit themselves to study jointly the feasibility of a sea-level canal in the Republic of Panama."
3. Recognizing that Japan is the foremost maritime nation in the world, and recognizing that the Isthmus of Panama is of unequalled importance to the future efficient development of maritime commerce, the Republic of Panama, Japan, and the United States of America agree that Japan shall be a full

and equal partner with the Republic of Panama and the United States of America in carrying out the studies provided for in paragraph 1 of Article XII of the Panama Canal Treaty, and in such other actions as may be taken pursuant to the provisions of this Agreement.

Article II Membership

1. The Commission shall be composed of three members, one each appointed by the President of the Republic of Panama, the Prime Minister of Japan, and the President of the United States of America.

2. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

3. A Chairman of the Commission shall be elected by the Commission from among its members.

Article III Powers and Duties

The Commission shall have, in addition to the powers and duties otherwise specifically provided in this Agreement, the following powers and duties:

1. To conduct such studies and investigations as may be necessary, including onsite surveys, and including an updating of the report of the Atlantic-Pacific Interoceanic Canal Study Commission (submitted pursuant to Public Law 88-609 of the United States of America), to assess the feasibility of a sea-level canal in the Republic of Panama and, in connection with such studies and investigations, to prepare an environmental report in accordance with section 102 of the National Environmental Policy Act of the United States of America.

2. To submit to the three Governments within four years after the date on which the initial appointment of all members of the Commission is completed, a report of its findings and recommendations. The report of the Commission shall include, but not be limited to --

(a) an environmental report in accordance with section 102 of the National Environmental Policy Act of the United States of America;

(b) an inventory and assessment of flora, fauna, and ecosystems of the Republic of Panama as they relate to the construction and operation of a sea-level canal, including but not limited to --

(i) potential migration of marine organisms through a sea-level canal and the potential ecological effects of any such migration;

(ii) natural or manmade barriers that might mitigate the effects of any such migration; and

(iii) other potential environmental effects of a sea-level canal;

(c) an analysis of the best techniques and equipment currently available or which could be developed to excavate a sea-level canal;

(d) the preparation of alternative designs for financing the construction of a sea-level canal;

(e) an assessment of the economic feasibility of a sea-level canal, including but not limited to --

(i) an analysis of a sea-level canal in relation to alternative transportation modes;

(ii) an evaluation of the potential contribution of a sea-level canal to alleviate the problem of world energy shortages;

(iii) an analysis of the effect of construction of a sea-level canal on world industrial production;

(iv) an assessment of the impact of a sea-level canal on world commodity movements and world port development; and

(v) an analysis of world ship population profiles associated with projected interoceanic trade flows;

(f) a review and assessment of alternate routes for construction and operation of a sea-level canal across the Republic of Panama;

(g) an assessment of the impact on the Republic of Panama of the construction and operation of a sea-level canal, including but not limited to --

- (i) national employment patterns;
- (ii) the presence of a foreign labor force;
- (iii) the involvement of local business and industry;
- (iv) inflationary and deflationary effects;
- (v) urban and industrial development;
- (vi) communications and transportation systems;
- (vii) foreign trade patterns; and
- (viii) alternative sea-level canal toll and ownership structures;

(h) an assessment of the national security and foreign policy ramifications of a sea-level canal; and

(i) an assessment of the general interest expected by individuals, public and private organizations, and nations engaged in international commerce in connection with construction and operation of a sea-level canal.

3. To submit annually a report to the three Governments on the matters in its charge. The Commission also shall submit to the three Governments reports on general or any particular matters at such other times as it may deem necessary or as may be requested by any one of the three Governments.

4. To construct the works agreed upon by the three Governments, or to supervise their construction, in accordance with the respective domestic laws of each country.

5. To conduct hearings, receive testimony, hear arguments, and sit and act at such times and places as the Commission or one or more Commissioners designated by the Commission for such purpose deems advisable.

6. To contract for and acquire goods and services necessary or useful to the discharge of its duties and responsibilities. The Commission shall establish regulations to govern the awarding of contracts and the acquisition of goods and services, such regulations to include a procedure of public bidding when the amount of the contract or the acquisition exceeds a value to be determined by the Commission. In the case of contracting or procurement in amounts less than such value, the Commission shall apply procedures which

take due regard for economy and efficiency in the use of Commission resources. The Commission also shall establish regulations to govern circumstances in which a system of international public bids shall be followed. Such regulations shall include provisions under which calls for public bids shall be published in at least one specialized technical journal of international distribution, and invitations containing the same information as is published in the announcements of the call for bids shall be sent to the Embassies or, in their absence, to the Consulates of the countries that have accredited representation to the three Governments. In international bidding, the Commission may apply a margin of preference in favor of offers of goods or services originating in the Republic of Panama, Japan, or the United States of America by adding to the foreign CIF (cost, insurance, freight) price an amount equal to fifteen per centum (15%) of such price or the actual import duty paid, whichever is the lesser. In all cases the acquisition and contracting for goods and services shall be based on the principles of economy, competency, publicity, and equality among proponents.

7. To utilize, on a reimbursable basis or otherwise and in accordance with the laws of the respective countries, the personnel and facilities of other departments, ministries, and agencies of the three Governments, and accept and utilize the services of voluntary and uncompensated personnel.

8. To use, in accordance with the laws of the respective countries, the mails in the same manner and under the same conditions as other agencies of the three Governments.

9. In accordance with the laws of the respective countries, to secure directly from any agency of the three Governments such information as may be necessary to enable the Commission to carry out its duties.

10. To accept, hold, administer, and utilize gifts, donations, and bequests of property, both real and personal, for the purposes of aiding or facilitating the work of the Commission. Subject to applicable law, property accepted under this paragraph shall be considered for purposes of national income, estate, and gift taxation as a gift or bequest to or for the use of the Government of the Republic of Panama, Japan, or the United States of America.

11. In general, to exercise and discharge the specific powers and duties entrusted to the Commission by this and

other agreements and treaties in force between the three countries, and to carry into execution and prevent the violation of the provisions of those agreements and treaties. The authorities of each country shall aid and support the exercise and discharge of these powers and duties, and each Commissioner shall invoke when necessary the jurisdiction of the courts or other appropriate agencies of his country to aid in the execution and enforcement of these powers and duties.

12. To settle all differences that may arise between the three Governments with respect to the interpretation or application of this Agreement, subject to the approval of the three Governments. In any case in which the Commissioners do not reach an agreement, they shall so inform their respective governments, reporting their respective opinions and the grounds therefor and the points upon which they differ, for discussion and adjustment of the difference through diplomatic channels and for application where proper of the general or special agreements which the three Governments have concluded for the settlement of controversies.

Article IV Pay and Personnel

1. Except as provided in paragraph 2, members of the Commission shall be entitled to receive compensation for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Commission.

2. Members of the Commission who are full-time officers or employees of their Government shall receive no additional pay on account of their service on the Commission.

3. While away from their homes or regular places of business in the performance of services for the Commission, members thereof shall be allowed travel expenses, including per diem in lieu of subsistence.

4. The Commission may appoint and fix the pay of such personnel as it deems desirable. The Commission shall establish rates of pay comparable to those in other international organizations.

5. The Commission shall, insofar as possible, maintain equality in the employment of nationals of the three countries.

6. Each Government shall accord diplomatic status to the Commissioners designated by the other two Governments.

Article V General Provisions

1. The permanent offices of the Commission shall be at Panama, Republic of Panama; at Tokyo, Japan; and at Washington, in the District of Columbia, United States of America.

2. Decisions of the Commission shall be by consensus. In the event that agreement cannot be reached, the Commission shall proceed according to the provisions of paragraph 12, Article III.

3. Decisions of the Commission shall be recorded in the form of Minutes done in triplicate in the Spanish, Japanese, and English languages, signed by each Commissioner, and copies thereof forwarded to each Government within three days after being signed. Except where the specific approval of the three Governments is required by any provision of this Agreement, if any of the Governments fails to communicate to the Commission its approval or disapproval of a decision of the Commission within twenty days reckoned from the date of the Minute in which it shall have been pronounced, the Minute in question and the decisions which it contains shall be considered to be approved by such Governments. If any Government disapproves a decision of the Commission, the three Governments shall take cognizance of the matter, and and if agreement regarding such matter is reached among the three Governments, the agreement shall be communicated to the Commissioners, who shall take such further action as may be necessary to carry out such agreement.

4. Spanish, Japanese, and English shall be the official languages of the Commission and may be used in its proceedings and deliberations. In the conduct of hearings, testimony

and evidence may be given in any of the three languages, and transcripts, reports and materials of the Commission shall be made available in all three languages if so directed by the Commission.

5. Wherever there are provisions in this Agreement for decisions or approval by the three Governments, or for the submission of reports, studies, or plans to the three Governments, or similar provisions, it shall be understood that the particular matter in question shall be handled by or through the Ministry of Foreign Affairs of the Republic of Panama, the Ministry of Foreign Affairs of Japan, and the Department of State of the United States of America.

6. The Commission shall, in its actions and in the execution of such works as may be built pursuant to the provisions of this Agreement, observe the laws of the place where such actions are taken or such works are located or carried out. Each Government shall assume responsibility for and shall adjust exclusively in accordance with its own laws all claims arising within its territory in connection with the construction, operation, or maintenance of the whole or of any part of the works herein agreed upon, or of any works which may, in the execution of this Agreement, be agreed upon in the future. Construction of the works built pursuant to the provisions of this Agreement shall not confer upon any of the three countries any rights either of property or of jurisdiction over any part whatsoever of the territory of the others. These works shall be part of the territory and be the property of the country wherein they are situated.

7. The Commission shall designate a firm of independent public accountants to audit its financial statement and shall, within ninety days of the end of each fiscal year of the Commission, submit such financial statement to the three Governments.

8. The three Governments shall take whatever actions may be necessary, through protocol or internal actions, to make arrangements for the free passage of such vehicles, vessels, instruments, and other items as it may be necessary to transfer temporarily from one national jurisdiction to another in keeping with the purposes of this Agreement, or otherwise to facilitate the work of the Commission.

Article VI
Expenses

Expenses of the Commission shall be borne. . . .

Article VII
Final Provisions

This Agreement shall be ratified and the ratification shall be exchanged in the City of Panama. It shall enter into force on the day of exchange of ratifications and shall continue in force until modified or terminated by the three Governments.

In witness whereof the respective Plenipotentiaries have signed this Agreement and have hereunto affixed their seals.

Done in triplicate in the Spanish, Japanese and English languages, in the City of Panama on this day of . . .

FOR THE GOVERNMENT OF THE REPUBLIC OF PANAMA:

_____ (seal)

_____ (seal)

FOR THE GOVERNMENT OF JAPAN:

_____ (seal)

_____ (seal)

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

_____ (seal)

_____ (seal)

ARTICLE XII

A SEA-LEVEL CANAL OR A THIRD LANE OF LOCKS

1. The United States of America and the Republic of Panama recognize that a sea-level canal may be important for international navigation in the future. Consequently, during the duration of this Treaty, both Parties commit themselves to study jointly the feasibility of a sea-level canal in the Republic of Panama, and in the event they determine that such a waterway is necessary, they shall negotiate terms, agreeable to both Parties, for its construction.

2. The United States of America and the Republic of Panama agree on the following:

(a) No new interoceanic canal shall be constructed in the territory of the Republic of Panama during the duration of this Treaty, except in accordance with the provisions of this Treaty, or as the two Parties may otherwise agree; and

(b) During the duration of this Treaty, the United States of America shall not negotiate with third States for the right to construct an interoceanic canal on any other route in the Western Hemisphere, except as the two Parties may otherwise agree.

3. The Republic of Panama grants to the United States of America the right to add a third lane of locks to the existing Panama Canal. This right may be exercised at any time during the duration of this Treaty, provided that the United States of America has delivered to the Republic of Panama copies of the plans for such construction.

4. In the event the United States of America exercises the right granted in paragraph 3 above, it may use for that purpose, in addition to the areas otherwise made available to the United States of America pursuant to this Treaty, such other areas as the two Parties may agree upon. The terms and conditions applicable to Canal operating areas made available by the Republic of Panama for the use of the United States of America pursuant to Article III of this Treaty shall apply in a similar manner to such additional areas.

5. In the construction of the aforesaid works, the United States of America shall not use nuclear excavation techniques without the previous consent of the Republic of Panama.

D. THE RESOLUTION OF RATIFICATION FOR THE PANAMA CANAL
TREATY

Resolution of Ratification as Reported from the Senate Foreign Relations Committee:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Panama Canal Treaty, together with the Annex and Agreed Minute relating thereto, done at Washington on September 7, 1977 (Executive N, Ninety-Fifth Congress, first session).

Proposed Reservations, Understandings, and Conditions to the Resolution of Ratification

Reservation No. 99 (Long, et al.), April 17, 1978 (Congressional Record, S 5606)—Adopted 65-27.

Summary.—Provided that Panama and the United States would each agree to waive its rights and release the other from its obligations under paragraph 2 of Article XII, thereby voiding those restrictions on Panamanian and U.S. options to construct or negotiate for rights to construct a new interoceanic canal.

Text.—Strike out the period at the end of the resolution of ratification and insert in lieu thereof a comma and the following: "subject to the condition that the instruments of ratification to be exchanged by the United States and the Republic of Panama shall each include provisions whereby each Party agrees to waive its rights and release the other Party from its obligations under paragraph 2 of Article XII."

I. A LEADERSHIP INITIATIVE FOR THE SEA-LEVEL CANAL

More than three years ago Senator Mike Gravel recognized the importance of a sea-level canal for our energy policy, our national defense, and our role in world commerce. He worked to include a study of such a canal in the new Panama Canal Treaty, and since that time authorization of the study has twice been accepted by votes of the full Senate. There is now regular and favorable discussion of the sea-level canal by not only our own American press, but the press of Japan and Latin America as well.

Senator Gravel has developed a high degree of interest in a sea-level canal in both Panama and Japan and has established a close working relationship with the leadership of both countries in order to bring it about. He is convinced that if authorized by the President, he can negotiate a protocol between the three countries for a canal study, to be fully funded by the Japanese.

Once an agreement for the study has been reached among the three countries, Senator Gravel is the logical choice for U.S. representative. He is especially well qualified in each of the problem areas which will be central to the study, namely the political, the environmental, the financial, and the actual construction.

Political skill is essential to leadership in any international undertaking, but especially in one which involves the still volatile subject of U.S.-Panamanian relations. Senator Gravel has held elected political office for sixteen years, twelve of those being in the United States Senate. His international expertise is extensive, and he is especially well known and respected in Panama and Japan. Through the years he has led trade delegations to Japan, participated in fisheries and industrial conferences, and developed strong individual relationships with political and business leaders. The Japanese have particularly appreciated his international approach to common problems.

The environmental questions about a sea-level canal are second in importance only to the political ones, and are in fact themselves political to a very large degree. Again, Senator Gravel is well qualified to provide leadership. During his time in the Senate he has been at the forefront of the major environmental developments of the decade, having served for twelve years as a member of the Committee on Environment and Public Works. He was a leader in passage of the Clean Air and Clean Water Acts, was deeply involved in the struggle over nuclear energy, and led the fight to proceed with construction of the Alaska Oil Pipeline.

Senator Gravel's committee work has also given him broad experience in the other two major areas of the canal study -- finance

and construction. His years of service on the Senate Finance Committee have made him a practiced hand in dealing with all aspects of national and international finance, and he has demonstrated especially imaginative leadership in designing new methods of finance to broaden capital ownership. Similarly, as chairman for many years of the Subcommittee on Water Resources, he is intimately acquainted with the planning required for large construction projects.

The final decision actually to build a sea-level canal cannot be made until a study is complete. But the evidence already at hand suggests the importance of moving ahead to that decision as early as possible. The present Panama Canal is becoming rapidly obsolete. In the day of 500,000 ton supertankers, it can handle ships no larger than 65,000 tons. In just eleven years the portion of the total world fleet tonnage able to transit the canal fell from 90 percent to 42 percent. The present canal also has lost much of its strategic military value since it cannot handle modern aircraft carriers. A sea-level canal would return strategic flexibility to the U.S. Navy.

A positive decision to proceed with construction of a sea-level canal would have major ramifications for the U.S. economy, and indeed that of the world as a whole. Apart from a projected \$15 billion investment in the canal itself, there would result a total refurbishing and modernizing of the world maritime fleet, with the consequent employment this would bring. In turn, new expansion and port development would begin throughout the world in order to take advantage of the new efficiencies of scale the sea-level canal would assure.

A decision to go forward with the sea-level canal, assuming the necessary environmental safeguards, would probably be the most significant economic occurrence in the decade of the eighties.

November 1980

United States Senate

WASHINGTON, D.C. 20510

Electrostatic Copy Made
for Preservation Purposes

November 24, 1980

cc Mike Gravel.
The basic concept is
good, but the decision
should be made by the
new administration
and the new Congress.

The Honorable Jimmy Carter
The White House
Washington, D.C. 20500

Jimmy C.

Dear Mr. President:

You of course know of my long-standing commitment to the idea of a sea-level canal, and I appreciate the interest you always have shown in it since we first discussed the topic more than three years ago.

The possibility of a sea-level canal, the dream of nations since the sixteenth century, has come to this point of decision because of your vision and leadership. You obtained the treaty provision providing for the sea-level canal study, you encouraged Panama in its desire to establish a trilateral study commission with Japan, and you expressed your interest in the subject to Prime Minister Ohira when he visited the United States.

My interest in a sea-level canal, and I assume yours also, has always been within the context of its significance for our relations with Latin America. I am sure that looked at historically your achievement in winning approval of the Panama Canal treaties will be viewed as a point of fundamental departure, when the United States first began to deal with Latin American nations as partners.

Unfortunately, the manner in which the treaty issue played itself out politically in this country has made it appear as though the United States only grudgingly entered into this partnership. For that reason I view an initiative by you to move forward with the sea-level canal study as an opportunity to make clear that the United States has moved into a new era of partnership with Latin America, and has done so in a positive spirit.

From a wholly domestic point of view, initiating the sea-level canal project could serve to unite the pro and con treaty forces, thus ending the destructive recrimination which still tarnishes this major international achievement within the United States. An appreciation of the benefits of less costly, more efficient maritime commerce and a lower cost of living could be expected to replace the empty rhetoric about what we gave away to the Panamanians.

The Honorable Jimmy Carter
November 24, 1980
Page Two

I am taking the liberty of enclosing a draft of an Agreement for the International Sea-Level Canal Commission which might be used as a basis for negotiations with Panama and Japan. I also have enclosed some brief papers which further explain the urgency I see in moving forward with this idea.

I wish to take this opportunity to renew my request, which I originally discussed with you in September, that you name me your special representative to negotiate a sea-level canal study commission with the Governments of Panama and Japan, and that if I am successful you then appoint me the United States representative to this commission.

Sincerely,


Mike Gravel

MG:wh
Enclosures

THE WHITE HOUSE
WASHINGTON

12/03/80

FRANK MOORE

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

Rick Hutcheson

NAME Peter Rodino

TITLE Congressman

CITY/STATE New Jersey

Phone Number--Home (201) 484-5541

Work () _____

Other () _____

INFORMATION (Continued on back if necessary)

Congressman Rodino's wife Anne passed away this morning at 6:30. The mass will be on Saturday but no other details are available at this time.

NOTES: (Date of Call 12-3)

*done
sent note also*

(23397)



Requested by Frank Moore

Date of Request 12/3/80

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

12/03/80

AL MCDONALD
HUGH CARTER

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

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON
December 1, 1980

*Very good
J*

MEMORANDUM FOR THE PRESIDENT

FROM: AL MCDONALD
HUGH CARTER

SUBJECT: Outplacement Assistance

**Electrostatic Copy Made
for Preservation Purposes**

We are well along in a program of assisting White House, EOP and campaign staff in their job searches. Those who avail themselves of this voluntary program should be several steps ahead and have greater self-confidence in the job search process. We have now completed an education/orientation phase and are continuing with a direct contact phase (see Annex I).

Education/Orientation Phase: Through a series of four evening seminars between November 17 and 24, participants were offered a series of professional lectures on (1) Skills/Personal Assessment, (2) Resume Development/Interviewing Techniques, and (3) The Job Search Process (see Annex II for schedule). Some 60 to 100 staff members attended each of the seminars. The lecturers, all professional placement officers either in private practice or attached to universities, also participated in four days of one-on-one interviews to counsel staff or help edit resumes.

Hugh Carter took the lead in arranging this phase of the program, working closely with Art Letcher, Director of the Wharton Graduate Corporate Placement Office, University of Pennsylvania, and his staff. After discussions with us here Mr. Letcher tailored his program for our special needs and recruited the other seminar and personal interview leaders.

We are particularly grateful to Mr. Letcher and the other professional participants since all of them contributed their time as consultants without compensation to make this orientation series possible. Reactions of the staff to the three substantive sessions were good, with about 100 signing up for individual interviews (see Annex III for list).

Direct Contact Phase: Arnie Miller is following Hugh's orientation program with a job contact program that will continue into January. An office has been set aside in Presidential personnel to maintain resume and job opportunity files. Outside inquiries will be channeled to this office and interviews arranged with executive search firms and employers as appropriate. Arnie is also providing some supplementary outplacement assistance for women and minority appointees who desire it with the help of Barbara Blum.

The group has appreciated very much the efforts on their behalf, and has been grateful for your interest and encouragement.

CAREER ASSESSMENT/ OUTPLACEMENT PROGRAM

PHASE I (NOV. 17 - 25)

EDUCATION/ORIENTATION

- MECHANICS
- TECHNIQUES
- JOB PROCESS

(SEMINARS;
ONE-ON-ONES)

PHASE II (NOV. 24 - JAN.)

CONTACT PROGRAM

- RESUME FILE
- JOB FILE
- SOLICIT OPPORTUNITIES
- EXECUTIVE RECRUITERS
- APPOINTMENTS &
INTERVIEWS

CAREER COUNSELLING SEMINAR, NOVEMBER 1980

MONDAY
17

Introduction:

JOB SEARCH ORIENTATION

(OEOB 450
5:15-6:30)

Arthur J. Letcher
Graduate Placement
Director
(Wharton)

TUESDAY
18

SEMINAR I

SKILLS/
PERSONAL
ASSESSMENT

(OEOB 450
5:15-7:00)

Dr. Roderic
Hodgins, Ed.D.
(Private
Practice)

WEDNESDAY
19

ONE-ON-ONE
SESSION

(By appointment,
3745, 3581)

Mark O'Brien
Placement
Associate,
(Wharton)

THURSDAY
20

ONE-ON-ONE
SESSION

(By appointment)

SEMINAR II
RESUME DEV./
INTERVIEWING
TECHNIQUES

(OEOB 450
5:15-7:15)

David Wolford
(Director Oral
Communication
Program)

Richard Sherman,
Ph.D. (Consultant)

Larry M. Robbins,
Ph.D.
(Wharton Communica-
tions Program)

FRIDAY
21

ONE-ON-ONE
SESSION

(By Appointment)

Arthur Letcher
Mark O'Brien
Richard Sherman

Monday
24

SEMINAR III

THE JOB-CAMPAIGN:
RESOURCING JOBS
HOW TO MAKE CONTACTS
USING EXECUTIVE SEARCH FIRMS
(EOB, 5:15-7:00)

TUESDAY
25

ONE-ON-ONE
SESSIONS

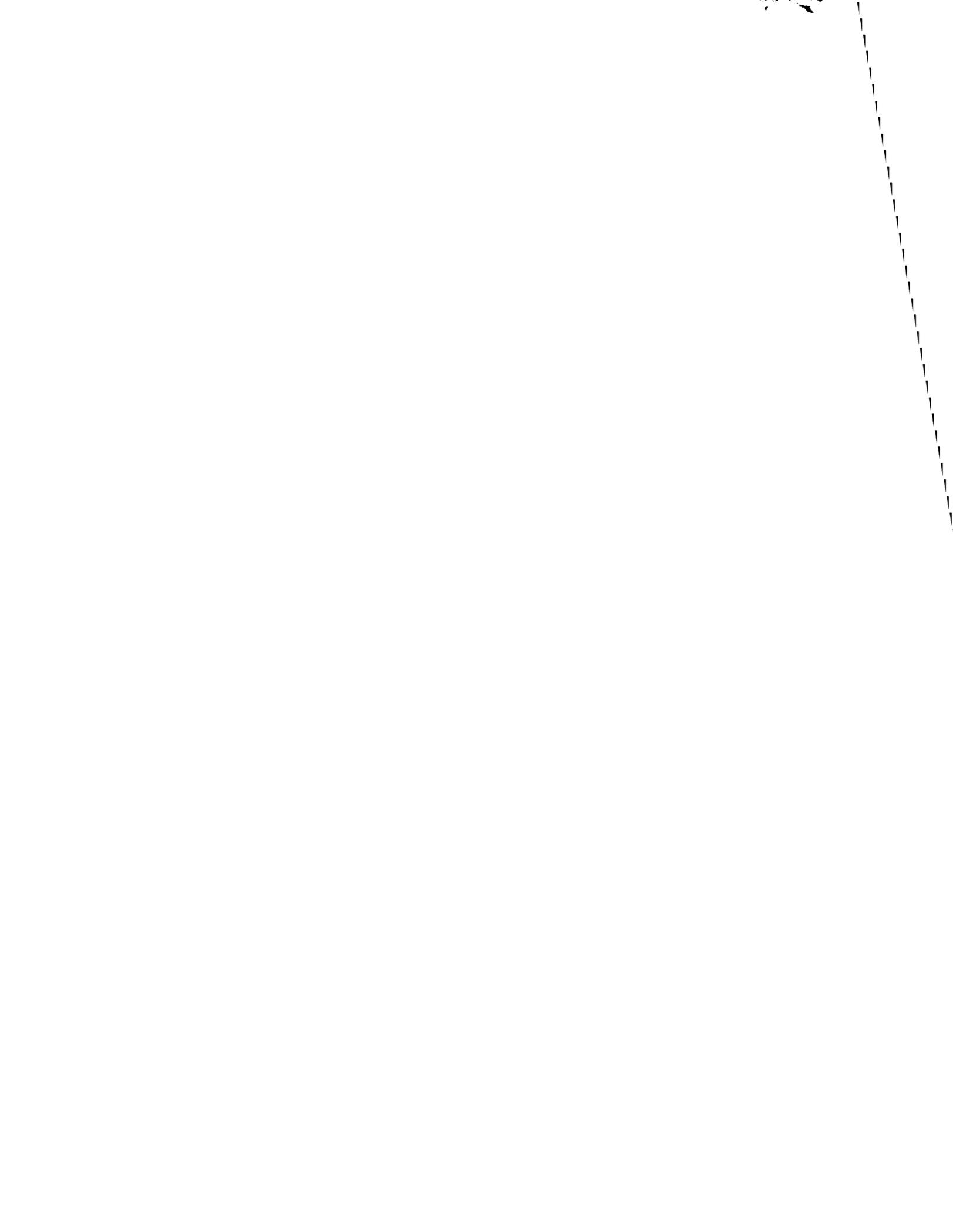
James Newpher, President
Newpher-Haas Inc.

(To be scheduled
if necessary)

John Steele, Director
Career Planning Placement
(Boston College)

CAREER COUNSELING
MASTER LIST

AIELLO, Stephen	FONTANA, Gary	METCALF, Sharon
ALBRIGHT, Madelaine	FURLOW, Elaine	MORRISON, Anne
BAIER, Alyse	FRANKEL, Harley	MORRISSEY, Arthur
BARIO, Pat	GARCIA-RIVERA, Oscar	McGINNIS, Patricia
BART, Polly	GARRETT, Marcia	McGUIRE, Peggy
BRUCE, Susan	GETTINGER, Matthew	NELSON, Richard
CADE, Kathy	GLEIBERMAN, Paul	NOLAN, Walker
CARROLL, Pat	GONZALES, Rosa	NOONAN, Kathy
CHERNER, Rickey	GORDON, John	OMENN, Gilbert
CHEW, Dan	GRANUM, Rex	PAGE, Steve
COLEMAN, Carol	GREEN, Sharon	PEEK, Linda
COLLINS, Faith	HAMPTON, Dianne	PHILPOTT, Kirra
COOK, Richard	HOTKA, Kathy	PICKMAN, Veronica
CUFFE, Richard	HUTCHINS, Rick	PIRES, Sheila
DAFT, Lynn	JACKSON, Fran	PRASINOS, Lorraine
DENEND, Les	JAKOVICH, Cecilia	PREVITE, Elaine
DEVINE, Caroline	JONES, Gregory	PURKS, Jim
DODSON, Christine	JOSEPH, Rich	RAPT, Dennis
DODSON, Laura	KELLEY, Ellen	RAY, Jane
DUPUY, Rene	LANGOFF, Barbara	REDLER, Ellen
EISLE, Al	LeCLERC, Jane	REIMAN, Richard
FARRELL, Lisa	LEWIS, WANDA	RENTSCHLER, James
FENDERSON, Jane	LINDEN, Lawrence	RICHARDSON, Faye
FIELDS, Nate	LOOMIS, Mary	ROSS, Betty
FIZER, Karen	LOVETT, Vickie	ROWLAND, Jim
FONTANA, Gary	MELVIN, Marilee	SAMUELS, Annette



SANTOS, Barbara

SHEEHAN, Eileen

SHEKETOFF, Emily

SHEPHARD, Harold

SIMON, Bill

SIMPSON, Jane

SLUZAR, Natalie

SMITH, Cynthia

SMITH, Ruben

STEWART, Gordon

STIEFEL, Matthew

ST. JOHN, SHANNON

SUNDY, Terry

TEAL, Tom

THOMPSON, Jim

THORNTON, Carol

TODD, Ann

TRAYNHAM, Vella

TUNLER, John

VIDAL, Avis

WEISS, Alan

WHITE, Franklin

ZUNIGA, Karan

2010 JUN 11 10 11 AM '09

10

THE WHITE HOUSE
WASHINGTON

12/03/80

BILL CABLE

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

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

December 1, 1980

*Bill -
Thank you
J.C.*

MEMORANDUM FOR THE PRESIDENT

FROM: BILL CABLE *Bill*

SUBJECT: Attached Editorial

In April of 1980, you met with my sister and her family. The attached editorial, written by my brother-in-law on November 6 is, in my opinion, unique and very worth reading. I hope that you enjoy the editorial.

**Electrostatic Copy Made
for Preservation Purposes**

Viewpoint

This is good!

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for Preservation Purpose

The course is set but crew is needed

America is destined to have a new President. Depending on your view, that may be cause for tears of joy or tears of sorrow.

Whatever, dry your tears, comb your hair and get back to what you would be doing on any given weekday.

America has never surpassed its destiny when led by the great Presidents we study in high school history courses. America has never fallen short of its destiny when led by Presidents either—not even when governed by a common crook and thief who put off his impeachment by resigning...and put off his resignation to get a free plane ride to sunny California.

Still, we have a new President and something should be said about this turn of affairs.

Some things we know for certain:

-Reagan captured the imagination of the American public (or Carter monopolized the American public's nightmares):

-Reagan is an elderly man who will have to do a job that has aged and even claimed the lives of much younger men:

-Nobody can do the job Reagan will get.

Why do we say nobody can do the job of President of the United States?

Because it's as obvious as the nose on Jimmy Durante's face, the smile on Jimmy Carter's face, the figures on the networks' charts of political horse races.

We are one damn unhappy group of people living in a nation which people will do most anything to get to. They have and still will split families, risk lives, save pennies, dig tunnels, starve themselves and their children, bind themselves to employers for decades—all to live the life we have in America:

Why?

They're not stupid...and neither are we. But they appreciate what we take for granted.

They appreciate the fact that we could go to the polls Tuesday and vote for real choices without risking our lives and the lives of our children.

Choices are not the norm in this world.

They appreciate the fact that most of us go to bed in warm places, protected from the ravages of nature's most casual whims and regular seasons. And we rise in warmth to a regular food supply. Starvation is the norm in this world.

So we should just thank our lucky stars, call it a day and shut our mouths?

No.

Quite frankly, you may hear that suggestion more often in the days ahead. But it is so wrong, so un-American, that we must remind ourselves that we can never take this bait, no matter what the apparent gain. The stakes of doing so are just too great.

We must keep being unhappy—so long as it is a sign of us reaching for what man has yet to achieve, so long as it symbolizes our dedication to facing new challenges, developing new solutions and braving new frontiers.

But we must quit pointing to the President as the only embodiment of our higher visions, our deeper goals, our most profound hopes.

We must understand that politicians don't lead, they follow. How else do you win a popularity contest?

We must believe that we get the government we deserve—and when we don't, more often we get better than worse.

Let's be fair with this new President. Let's let him govern a nation of men—er, people—instead of a day school of crying, coddled prima donnas who expect that Man Among Us to be something we are not, something we believe we can never be.

Whatever President-elect Reagan's strengths and weaknesses, he will be stronger because of the people he leads...or weaker. That is up to us.

Pray, history, that we are up to the task...today with Carter, tomorrow with Reagan...and the day after with whomever we see fit to burden with the awesome task of President of the United States.

Owen Phelps

THE WHITE HOUSE
WASHINGTON

12/03/80

FRANK MOORE
STU EIZENSTAT

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

Rick Hutcheson

CC: JIM MCINTYRE

THE WHITE HOUSE
WASHINGTON

November 24, 1980

Frank
Made if possible
J

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MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT *Stu*

SUBJECT: Status of Big Sur

H.R. 7380, the bill to establish Big Sur as an area of national importance, was passed by the House on August 25, 1980. It is currently pending action in the Senate. We have been working closely with Congressman Panetta, Senator Cranston and the environmental community on this bill and we will continue to see if we can secure passage this session. Cranston's office has told us, however, that the press of other business makes final passage unlikely. Briefly, the bill would:

- o Establish the Big Sur area, a 160,000 acre coastal and upland strip along the California coast, south of Monterey. Forty-eight percent of the area is within the Los Padres National Forest, 45 percent is private land, and 7 percent is state owned.
- o Support the planning and zoning efforts of the state and the counties of Monterey and San Luis Obispo to control development.
- o Assist in the formation of management plans and would authorize the establishment of a Big Sur Coast Area Council to consist of five representatives of the residents of the Big Sur area, and four representatives of state and Federal agencies. The Council would submit a comprehensive management plan to the Secretary of Agriculture for his approval. Once the plan had been adopted, the Council would monitor agencies involved with the area's management.
- o Authorize the Secretary of Agriculture to take the necessary steps for acquisition of lands within the Big Sur area. No precise estimate has been made of the funding needed for the acquisition of land or interest in lands foreseen in H.R. 7380. Purchase of development rights on the 50 visually-sensitive tracts identified to date could cost about \$10 to \$15 million.

Attached is a copy of Secretary Bergland's letter in support of the bill. If you want this legislation passed in this Session you will need to have Frank Moore's staff make a special effort with the Senate.



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

SEP 09 1980

Honorable Henry M. Jackson
Chairman, Committee on Energy
and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

I wish to confirm, on behalf of President Carter, the Administration's support for the House Act (H.R. 7380) to establish the Big Sur Coast Area in California.

H.R. 7380 would support the ongoing efforts of the State of California and of Monterey and San Luis Obispo Counties to protect the unique and irreplaceable scenic values of the Big Sur coastal area. The Act would assign appropriate resources of this Department to assist in the establishment of a Big Sur Council and a comprehensive management plan to reinforce the local coastal program already underway in accordance with the California Coastal Act of 1976.

We recommend early consideration and enactment of H.R. 7380 by the Senate and stand ready to work with your staff to resolve any technical adjustments that may be needed.

The Office of Management and Budget advises that there is no objection to the presentation of this report and that the enactment of H.R. 7380 would be in accord with the President's program.

Sincerely,

A handwritten signature in black ink, appearing to read "Beyland", written over a horizontal line.

Secretary

THE WHITE HOUSE
WASHINGTON

12/03/80

JACK WATSON

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

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

December 1, 1980

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*Jack
hold - pursue
Amb Gardner
when to firm
up with me
J*

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *Jack*
SUBJECT: Delegation to Italy

I am attaching, exactly as they were given to me, memoranda from Frank Moore, Anne Wexler and Tom Donilon recommending members for the U.S. delegation to Italy. As you will see, there is considerable overlap in the lists. You have already approved Jeno Paulucci as head of the delegation, and I think it would be wise for the delegation to total not more than about ten. ok ①

Although there are many combinations that would work off the names that have been suggested, I would recommend something like the following.

Mario Cuomo - ok ②

Ella Grasso - ok

(Because of her illness, I am almost certain that Ella will not be able to go, but I think it would be nice to ask.)

Tony Celebrezze, Ohio Secretary of State - ok ⑥

Mario Biaggi, D-NY - ok ③

Pat Leahy, D-Vt

Bill Bradley, D-NJ - ok ④

Bob Georgine, Building Trades Union - ok ⑤

Fortune Pope, publisher of El Progresso newspaper
(On reflection, Anne thinks that Pope is a better choice from the Italian-American business community than Vince Marotta, head of Mr. Coffee from Cleveland.)

plus two or three of the following Members:

Geraldine Ferraro - ok ⑦

Bob Giaimo, D-Ct

Dante Fascell, D-Fl

Marty Russo, D-Ill

Frank Annunzio, D-Ill

Peter Rodino, D-NJ

Clement Zablocki, D-Wisconsin

Frank recommends that you include one Republican. If you choose to do so, I suggest Silvio Conte, R-Mass, or Pete Domenici, R-NM.

↑
ok(?)

THE WHITE HOUSE

WASHINGTON

December 1, 1980

MEMORANDUM FOR THE VICE PRESIDENT
JACK WATSON

FROM: ANNE WEXLER *AW*

SUBJECT: DELEGATION TO ITALY

The following are suggested names who could provide some follow-up assistance after being included in the Italian Delegation.

Bishop Roach - the recently elected President of
the U.S. Conference of Bishops

Robert Georgine - head of the Building Trades Union

Robert Juliano - Director of the Washington Office
of the Hotel and Restaurant Workers

John Feeney - Chief Executive Officer of Brown & Root
the largest construction company in the world.

Vince Marotta - Prominent Italian-American leader.

I presume you're including Steve Aiello in the delegation.
He could do a lot both in coordination during the trip and
follow-up.

Fortune Pope - Publisher of El Progreso

THE WHITE HOUSE

WASHINGTON

December 1, 1980

MEMORANDUM FOR FRANK MOORE

F.M.

FROM: BILL CABLE

BC

SUBJECT: List of Italian Trip

Top Priority

Marty Russo

Mario Biaggi

Geraldine Ferraro

Robert Giaimo

Dante Fascell

Jim Florio

Jim Santini

*Silvio Conte

Top Priority for Protocol Reasons

Peter Rodino

Clement Zablocki

Second Priority

Frank Annunzio

Leon Panetta

Dan Mica

Romano Mazzoli

George Miller

Joe Moakley

Leo Zeferetti

Frank Guarini

*Matthew Rinaldo

Vic Fazio

* Republicans

List for Italian Trip -- Senate

Pat Leahy
Bill Bradley
*Pete Domenici
Claiborne Pell
*John Chafee

former Senator John Pastore

Non-Congressional

Jack Brebbia

DECEMBER 1, 1980

NOTE FOR JACK WATSON

FROM: TOM DONILON ^T

RE: ITALIAN DELEGATION

You asked for suggestions for the Italian trip::

a) There are some obvious public elected officials:

Mario Cuomo
Dick Caliguiri
Ella Grasso (ill, but should be asked)
Tony Celebreeze (Ohio Secretary of State)
Mario Biaggi
Frank Annunzio
Senator DeConcini

b) Non-elected officials who were particularly helpful to the campaign:

Nick Rizzo (fundraiser)
Bob Georgine (President of the Building and Construction
Trade Department of the AFL-CIO)
~~Bob Juliano (President of the Bartenders Union)~~
Angelo Fosco (President of the Laborers Union)
Bob Torricelli (Ran Illinois, New York and was Ex. Dir.
of the Rules Committee)
Gino Baroni

Frank Befera

DeLuca

12:55

THE WHITE HOUSE

WASHINGTON

December 3, 1980

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for Preservation Purposes

MEETING WITH CONGRESSMAN VIC FAZIO

Wednesday, December 3, 1980

12:55 p.m.

The Oval Office

From: Frank Moore/Jim Copeland

J. Copeland

I. PURPOSE

To meet briefly with Congressman Vic Fazio while you sign H.R. 4084 - Suisun Marsh Preservation and Restoration Act of 1979.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background - This will be the first Fazio-sponsored bill to be enacted into law.

The Suisun (su - soon) Marsh is part of the San Joaquin Delta and is encompassed by Fazio's Congressional District.

Fazio was one of the first California Members to endorse your reelection (October 1979). He was tremendously helpful throughout the primary and general campaigns. During the "open convention" fracas Vic gathered over a hundred Congressional signatures on a letter supporting our position on the rule. This letter took much of the steam out of the "open convention" movement.

B. Participant - Congressman Vic Fazio

C. Press Plan - White House Photographer

III. TALKING POINTS

1. I am happy to sign the Suisun Marsh bill. This bill will provide the basis for federal participation in a State-Federal plan to protect the marsh.

2. Thank you for your support over the past two years. You have been most helpful - both in the House and in California.