

8/12/77

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo w/attach.	From Brzezinski to The President (11pp.) re: Cost-Effectiveness of the Space Shuttle/en- closed in Hutcheson to Brzezinski and Lance 8/12/77	8/10/77	A

FILE LOCATION

Carter Presidential Papers- Staff Offices, Office of the Staff Sec.- Pres.
Handwriting File 8/12/77 BOX 47

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THE WHITE HOUSE
WASHINGTON

- > Operation - US til 2000 -
- ① all necessary rights
US Gov't replace Co.
- =
- > 9 member Bd 5 US & Pan
→ 1990 Admin US then Pan
- =
- = Panama propose, Bd members &
Admin - we appoint
- =
- = Pan takes territorial jurisd.
Crim - 3 yrs Civ = waive some
military
any sentences in U.S.
- > Defense - primary response.
- = Status of forces agreement
already negotiated
- = Cf cease to exist - Access
to all Land & H₂O needed

THE WHITE HOUSE
WASHINGTON

Base control - our discretion
2/3 area → Pan - TIF

US Control over Canal
→ 12/31/99

⇒ Neutrality - permanent treaty

Open access

Full right to do what
is necessary to protect
neutrality against any threat

= US/Pan expeditious passage
at all times

US regardless of cargo, propulsion

= 30¢
1.29 → 30¢ ~~of~~ + US inflation

1.68 \$10 Mil for tolls + \$10 of admin.

= to US \$642 1/2 Mil

THE WHITE HOUSE
WASHINGTON

\$200 M.I. Ex. In Direct Guam
75 M.I. Housing
20 M.I. OPIC
\$50 Mil credits FMS

= Sealevel canal

= All employees stay on - in
-house

= White Zonions

- ==
- a) Security
 - b) Economics
 - c) Sovereignty
 - d) Dictator
- } Probs.

74
#100 → 90¢ → 80¢ →

THE WHITE HOUSE
WASHINGTON

Circumvent Congress

Tolls - ✓

New US entity ✓

Property transfer?

Allen: Xfer of property

Conceptual Framework for a New Panama Canal Treaty

-- Canal operation. The United States shall have responsibility for Canal operations during the term of the treaty. It shall possess all necessary rights and shall act through a United States Government agency which will replace the Panama Canal Company. A policy level board of five Americans and four Panamanians will serve as the board of directors. Until 1990, the Canal Administrator will be an American and the Deputy Administrator a Panamanian. Thereafter, the Administrator will be Panamanian and the Deputy, American. Panamanian Board members and the Panamanian Deputy Administrator/Administrator will be proposed by Panama and appointed by the United States. Panamanians will participate increasingly in the Canal's operation at all levels.

-- Jurisdiction. Panama will assume general territorial jurisdiction over the present Canal Zone at the treaty's start. United States criminal jurisdiction over its nationals will be phased down during the first three years of the treaty. Thereafter, Panama will exercise criminal jurisdiction with the understanding that it will waive jurisdiction in specified instances. US citizen employees and their dependents charged with crimes will be entitled to procedural guarantees and will be permitted to serve any sentences in the United States in accordance with a reciprocal arrangement.

-- Canal defense. The United States shall have primary responsibility for the Canal's defense during the treaty's term. Panama will participate. A Status of Forces Agreement similar to such agreements elsewhere will cover the activities and presence of our military forces.

-- Canal operating and defense areas. The Canal Zone will cease to exist at the treaty's start. The United States will continue to have access to and the rights to use all land and water areas and installations necessary for the operation, maintenance and defense of the Canal during the treaty period. Disposal of United States bases and facilities under United States control will be at our discretion. Use of over half of the area of the present Canal Zone will pass to Panama when the treaty enters into force. A joint authority will coordinate port and railroad activities.

-- Duration. The basic treaty will terminate on December 31, 1999. Our military presence will cease by the treaty's end.

-- Neutrality. Panama and the United States will maintain a regime providing for the permanent neutrality of the Canal including non-discriminatory access and tolls for merchant and naval vessels of all nations. United States and Panamanian warships will enjoy expeditious passage of the Canal at all times. Our freedom of action to maintain the Canal's neutrality is not limited by the treaty.

-- Economic Arrangements. During the treaty's life the United States will make an annual payment to Panama from toll revenues of 30 cents (to be adjusted periodically for inflation) per Panama Canal ton transiting the Canal. The United States will also pay Panama a fixed sum of \$10 million per annum, plus an additional \$10 million if Canal revenues permit. In addition, the United States will undertake, outside the treaty, to arrange an economic program of \$295 million to be implemented by separate economic agreements involving loans and guarantees. Finally, an arrangement is being explored outside the treaty to provide Panama with a military assistance program, as determined between the two governments through regular mechanisms.

-- US Citizen Employees. New employees will generally be rotated every five years. Present employees of the Canal Company and Canal Zone Government may continue to work for the new agency until their retirement or until the termination of their employment for any other reason. The present number of such employees will be reduced 20 percent during the first five years of the treaty. Any employee whose job is adversely affected by the treaty shall receive job placement priority in accordance with Civil Service rules. All will enjoy rights and protections similar to those of United States Government employees elsewhere abroad. Present employees will have access to military postal, PX and commissary facilities for the first five years of the treaty.

-- Labor. Terms and conditions of employment will generally be no less favorable to persons already employed than those in force immediately prior to the start of the treaty. While hiring policy will provide preferences for Panamanian applicants, no employee shall lose his or her employment because of nationality, sex or race. With regard to basic wages there shall be no discrimination on the basis of nationality, sex or race. The United States will provide an appropriate early retirement program. Persons employed in activities transferred to Panama will to the maximum extent possible be retained by Panama. Panama and the United States will cooperate in providing appropriate health and retirement programs.

-- Sea-level canal. Panama and the United States commit themselves jointly to study the feasibility of a sea-level canal and, if they agree that such canal is necessary, to negotiate mutually agreeable terms for its construction.

Mr. Pres.

We can have pool in
again 3 minutes after you
give the word. I have
told press I expect you to
have completed your review in
detail in "a day or so" and
will have an announcement at
that time.

Don't mention publicly the
possibility of an address to the nation.

JFK

TO THE EXTENT YOU ARE ABLE TO
ENGAGE THE JOINT CHIEFS IN
THE QUESTIONING OF SOL AND
BUNKER AND/OR ASK THE JOINT
CHIEFS FOR THEIR OPINION AT
THE CONCLUSION OF THE MEETING,
~~THEY WILL~~ THEY WILL MORE
LIKELY EXPRESS PUBLIC SUPPORT.
YOU MIGHT GIVE AFFECTED AGENCIES
AND JCS ~~TO REVIEW FREELY~~ AND
~~EXPRESS~~ TIME TO REVIEW AND
COMMENT BACK TO YOU QUICKLY
+ GENERALLY.

7.1

Lewis

DRAFT STATEMENT ON THE PANAMA CANAL

FOR THIRTEEN YEARS WE HAVE BEEN ENGAGED IN NEGOTIATIONS FOR A NEW PANAMA CANAL TREATY THAT WOULD STRENGTHEN OUR SECURITY INTERESTS, BE FAIR TO OURSELVES AND THE PEOPLE OF PANAMA, AND INSURE FREE INTERNATIONAL USE OF THE CANAL IN A SPIRIT OF COOPERATION AND FRIENDSHIP AMONG ALL NATIONS IN THIS HEMISPHERE. IN SPITE OF DIFFICULTIES AND EVEN BLOODSHED, EACH OF MY PREDECESSORS ^{since President Johnson} ~~IN THIS OFFICE~~ HAS DECIDED THAT THIS EFFORT MUST BE CONTINUED, AND I AM PLEASED THAT IT WILL BE COMPLETED UNDER MY ADMINISTRATION.

THE JOINT CHIEFS OF STAFF AND MY OTHER PRINCIPAL ADVISORS HAVE BEEN INVOLVED IN THESE TALKS AT EVERY STAGE. ALL OF US BELIEVE THAT THESE AGREEMENTS ARE GOOD ONES, AND THAT THE IMPLEMENTATION OF THESE TREATIES ARE IMPORTANT TO OUR LONG TERM NATIONAL INTERESTS.

incorporating these agreements

Canal Treaty

UNDER THE ~~TREATIES~~ THAT WILL NOW BE PREPARED,
WE WILL HAVE OPERATING CONTROL AND THE RIGHT TO PROTECT
AND DEFEND THE PANAMA CANAL WITH OUR MILITARY FORCES
UNTIL THE END OF THIS CENTURY. *Under a separate neutrality Treaty*
WE WILL HAVE THE ~~PERMANENT~~
assure *(maintenance of the permanent)*
RIGHT TO ~~INSURE~~ THE NEUTRALITY OF THE ~~PANAMA~~ CANAL AGAINST
as we may determine necessary.
~~ANY THREAT FROM ANY SOURCE.~~ OUR WARSHIPS ARE GUARANTEED
THE PERMANENT RIGHT TO EXPEDITIOUS PASSAGE WITHOUT REGARD
TO PROPULSION OR CARGO. *(at all times* ~~THE CANAL WILL BE RUN EFFICIENTLY~~
~~AND AT A MODERATE COST.~~ *)* AND THE TREATIES WILL BE THE
FOUNDATION FOR A NEW COOPERATIVE ERA IN OUR RELATIONS
WITH ALL OF LATIN AMERICA.

AS PROVIDED BY OUR CONSTITUTION, I WILL SEEK THE
ADVICE AND CONSENT OF THE SENATE FOR THE RATIFICATION
OF THESE TREATIES. I KNOW THAT EACH SENATOR WILL GIVE
THE MOST CAREFUL CONSIDERATION NOT ONLY TO THE TREATIES
THEMSELVES, BUT TO THE POSITIVE IMPACT THEIR APPROVAL
WILL HAVE IN OUR OWN COUNTRY AND FOR OUR POSITION IN
THE WORLD AS A STRONG AND GENEROUS NATION.

WE WILL WORK WITH PANAMA TO ASSESS THE NEED
FOR A SEA LEVEL CANAL AND WILL ALSO COOPERATE ON
POSSIBLE IMPROVEMENTS TO THE EXISTING CANAL.

↓ sentence not necessary, it is out of place

100
515

THE PRESIDENT HAS SEEN.

DRAFT STATEMENT ON THE PANAMA CANAL

~~WHEN I ASSUMED THE PRESIDENCY, I KNEW THERE WOULD BE MANY DIFFICULT MOMENTS IN OUR FOREIGN AFFAIRS — IN THE MIDDLE EAST, IN OUR RELATIONS WITH RUSSIA AND CHINA, AND WITH OUR ALLIES. IN THESE PAST FEW DAYS I HAVE HAD A VERY CONTROVERSIAL DECISION TO MAKE ON THE PANAMA CANAL. I HAVE DECIDED TO APPROVE THE AGREEMENTS IN PRINCIPLE REACHED AND TO AUTHORIZE (AFTER LENGTHY AND DIFFICULT NEGOTIATIONS) THE COMPLETION OF THE FORMAL TREATIES, BECAUSE I AM ABSOLUTELY CONVINCED THAT THEY ARE IMPORTANT TO OUR LONG TERM NATIONAL INTERESTS.~~

thirteen years

~~FOR OVER A DECADE WE HAVE BEEN ENGAGED IN DISCUSSIONS AND NEGOTIATIONS FOR A NEW TREATY FOR THE PANAMA CANAL THAT WOULD STRENGTHEN OUR SECURITY INTERESTS, THAT WOULD BE A FAIR AGREEMENT AND WOULD DEMONSTRATE OUR RESPECT FOR THE PRIDE AND DIGNITY OF THE PANAMANIAN PEOPLE. DESPITE DISAPPOINTMENTS AND DIFFICULTIES, AND EVEN BLOODSHED, EACH OF MY PREDECESSORS IN THIS OFFICE HAS DECIDED THAT THIS EFFORT MUST BE CONTINUED, AND I AM PLEASED THAT IT WILL BE COMPLETED UNDER MY ADMINISTRATION.~~

to ourselves and the people of Panama, and insure free international use of the Canal in a spirit of cooperation and friendship among the all nations in this hemisphere. In spite of

~~MY PRINCIPAL ADVISORS, INCLUDING THE JOINT CHIEFS OF STAFF, AND I HAVE BEEN INVOLVED IN THESE TALKS AT EVERY STAGE.~~

and my other principal advisors

~~ALL OF US BELIEVE THAT THESE AGREEMENTS ARE GOOD ONES, AND THAT THE IMPLEMENTATION OF THESE TREATIES ARE IMPORTANT TO OUR LONG TERM NATIONAL INTERESTS.~~

UNDER THE TREATIES THAT WILL NOW BE PREPARED, WE WILL
OPERATING CONTROL AND
HAVE THE RIGHT TO PROTECT AND DEFEND THE PANAMA CANAL WITH OUR
A
MILITARY FORCES UNTIL THE END OF THIS CENTURY. WE WILL HAVE
THE PERMANENT RIGHT TO *INSURE* ~~DEFEND~~ THE NEUTRALITY OF THE PANAMA
CANAL AGAINST ANY THREAT FROM ANY SOURCE. OUR WARSHIPS ARE
GUARANTEED THE PERMANENT RIGHT TO EXPEDITIOUS PASSAGE WITHOUT
REGARD TO PROPULSION OR CARGO. THE CANAL WILL BE RUN EFFICIENTLY
AND AT A MODERATE COST. AND THE TREATIES WILL BE THE FOUNDATION
FOR A NEW COOPERATIVE ERA IN OUR RELATIONS WITH ALL OF LATIN
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AS PROVIDED BY OUR CONSTITUTION, I WILL SEEK THE ADVICE
AND CONSENT OF THE SENATE FOR THE RATIFICATION OF THESE TREATIES.
I KNOW THAT EACH SENATOR WILL GIVE THE MOST CAREFUL CONSIDERATION
NOT ONLY TO THE TREATIES THEMSELVES, BUT TO THE POSITIVE IMPACT
THEIR APPROVAL WILL HAVE IN OUR OWN COUNTRY AND FOR OUR POSITION
IN THE WORLD AS A STRONG AND GENEROUS NATION.

WE WILL WORK WITH PANAMA TO ASSESS
THE NEED FOR A SEA LEVEL CANAL AND WILL
ALSO COOPERATE ~~THE~~ ON ^{POSSIBLE} IMPROVEMENTS TO THE
EXISTING CANAL.

THE PRESIDENT'S OFFICE

THE WHITE HOUSE
WASHINGTON

C
—

August 12, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: RICK HUTCHESON *R.H.*
SUBJECT: Status of Presidential Requests

EIZENSTAT

1. (2/16) Prepare a draft message to Congress on the opportunity for regulatory reform and consult with the Cabinet -- In Progress. (OMB memo to you today).
2. (6/3) Can we issue instructions precluding dual compensation limitations for retired military officers? -- In Progress (with the President's Commission on Military Compensation).
3. (6/3) Advise on memo concerning Patents and Independent Research and Development. Done. *done*
4. (6/15) (and Kreps) Comment on the letter from Senators Magnuson and Hollings on the Nation's ocean program -- In Progress. (Stu is drafting a PRM on this, expected in two weeks).
5. (7/12) Prepare a letter from the President to the Congress acknowledging the need for accountability but urging joint assessment and elimination of outdated or unnecessary reports -- In Progress. (expected 8/19).
6. (7/18) (Confidential) Check with the Attorney General and comment on the Morris Dees memo concerning the death penalty in the U.S. -- In Progress. (expected in two weeks).

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EIZENSTAT: (Cont'd)

7. (7/18) Expedite -- concerning the Califano memo on the Labor-HEW Appropriations Bill. Done (Califano met with Senate and House Conferees and secured significant reductions.) *done*
8. (7/29) After congressional action on farm bill bring it back to me for action. In Progress.
9. (7/31) See me ASAP (re 7/29 memo from Peter Bourne concerning Office of Drug Abuse Policy phase out. Done. *done*
10. (7/31) Prepare brief reply (re 7/29 letter from Hubert Humphrey, et al concerning Alcan & Artic routes. In Progress. (Expected 8/15).
11. (8/2) Work out with Bert (re 8/1 memo concerning welfare reform from Bert Lance -- indexing; maintenance of effort). Done. *done*
12. (8/4) (and Moore) Let's protect the inland wetlands see POST (8/3) editorial. Message Conveyed. *done*
13. (8/4) Let the person call me who actually surveyed the timber area and who will supervise removal of fallen timber (re 7/3 additional information regarding major disaster request for State of Wisconsin. Done. *done*
14. (8/4) (and Blumenthal/Lance/Gilligan) Why do we need OPIC (re memo informing of new policy directions for Overseas Private Investment Corporation). In Progress. (Expected 8/19).
15. (8/5) I would like a study done to determine if the curriculum at the service academies can/should be more narrowly focused on their future careers. Advise. In Progress.

HARDEN:

1. (7/15) Route your memo on the Administrative Support Unit routinely so that the President can receive other comments. -- Ongoing.

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JORDAN:

1. (2/25) Let's firm up the Renegotiation Board -- In Progress.
2. (5/15) (and the Vice President, Moore) Work out the Judicial Selection Committee in states with no Democratic Senators; let Democrats do it. Setting up top flight Selection Committee comes first -- In Progress.
3. (7/28) Give the President an updated report concerning appointments/vacancies on the Circuit, District, and Special Courts before Monday's Cabinet Meeting -- Done. *Need another co done 8/19*
4. (7/28) Have Charlotte Reid come by to see the President regarding the FCC Chairmanship -- Done. (she saw Hamilton 8/8). *done*

LIPSHUTZ:

1. (2/18) (and Bell) You know of the President's promise to make the Attorney General independent of White House influence and control. (7/7) Assess the President's campaign statements on the Attorney General. It was Bell's idea to begin with -- In Progress. (at Justice) *Expedite*
2. (4/5) Disposition of Presidential Papers -- In Progress. (received from Lipshutz; being reviewed by Senior Staff to President 8/18).
3. (7/15) Let the President know if changes are subject to veto, concerning memo on War Powers Resolution -- Done. *done*
4. (7/15) Let the President know the minimum time required for routine sale approval of C-130's regarding letter from Lt. Governor Miller. Done. (President said, "Check on this every now and then").
5. (7/31) (and McKenna) Why 40 days to get to me? (re delegation of grant making powers from CSA to HEW's office of native programs) Done. *done*
6. (7/31) Why not change to a verbal report Schultze to President? (re 7/30 memo concerning letter from Senator Proxmire relating to release time for monthly unemployment figures). In Progress. (Expected 8/18). *done*

LIPSHUTZ: (Cont'd)

7. (8/1) Check on this briefly (information re Juanita Kreps/
possible influence in bidding). In Progress. (Expected 8/18).

BRZEZINSKI:

1. (6/1) (Confidential) Vance and Bell should discuss Visa Policy
with Eastland and Rodino, perhaps McGovern Amendment.
Then the President will see the Congressional leaders --
In Progress. (Vance and Bell have completed consultations.)
2. (6/4) (and Chip, Bourne and Eizenstat) Get together and let
the President know what we can do about world hunger --
In Progress. (expected 8/17, previously expected 8/5).
3. (7/11) (and Brown) Keep the President informed about certifi-
cation of qualifications of appointees to non-career jobs --
In Progress. (with DOD and Civil Service Commission, expected
October).
4. (7/13) (and Brown) (Secret) Please comment on the need for
both the Tomahawk and the A Force ALCM -- Done. *done*
5. (7/1) (and Lance) (Secret) Give the President a summary of the
cost effectiveness of the shuttle versus single launch rocket;
go slow on future commitments. Also, give the President a
status report of procurement schedules and obligations. --
Done. *done*
6. (7/21) (and Vance) Please continue to pursue the Treaty of
Tlatelolco -- In Progress.
7. (7/25) Does your memo mean that everyone on your staff would
be equal to an Assistant Secretary? If so, the answer is "no" --
In Progress. *done*

BRZEZINSKI: (Cont'd)

8. (7/28) Assess briefly the number of federal employees abroad, the current number seems excessive. Done. (7/30) *done*
9. (7/31) (and Vance) Prepare mechanism and draft to get personal reaction to (a) first use of atomic weapons only after invasion; (b) European deployment of n-bomb (re 7/29 memo from Vice President re nuclear weapons) Done. (verbally with Brzezinski) *not done*
10. (8/1) (and Vance) I want every U.S. Ambassador to have a concise list of specific tasks for goals to be achieved within his/her assigned country. Please give me a few examples, such as Zambia, Argentina, India, South Africa, Belgium, Republic of China, Philippines. In Progress. (Expected 8/15).
11. (8/4) Condolences re Makarios. Done. *done*
12. (8/4) After a few days prepare polite reply (re Giscard message 8/4/77 re international evaluation program/nuclear non-proliferation). In Progress. (Expected 8/12). *done*

MOORE:

1. (7/28) The President thinks that soybeans should be included in set-aside constraints in the farm legislation. -- In Progress. *done*

SCHLESINGER:

1. (6/10) (Personal and Confidential) Please comment on the GSA estimate concerning the Department of Energy location; joint proposal due to the President. In Progress.
2. (7/26) (and Eisentat) The President understands that oil imports are increasing. Outline the options we have to address this problem, the degree of effectiveness, and the possible adverse consequences -- Done. (in conversation with Stu Eizenstat and Jim Schlesinger). *not done*

LANCE:

1. (7/11) Our emergency loan/grant criteria are too lax; check with Secretary Bergland -- In Progress. Interagency working group of OMB, HUD, FDAA, SBA, and USDA preparing option paper as part of '79 budget review, expected 10/15/77).
2. (7/24) Have Jim and/or Harrison work with Sam Brown on the Citizen's Review Group -- In Progress.

PRESS:

1. (7/25) Let the President know what would happen if an RTG ruptured. Done. *Done*

BOURNE:

1. (8/4) Prepare memo from me directing them to cooperate with you in doing analysis. (re 7/30 memo concerning note to Cabinet on International Human Needs). In Progress.

THE FIRST LADY:

1. (8/4) Comment (re 8/2 memo from Jordan concerning two vacancies on Advisory Council on Historical Preservation). In Progress. (RSC is working directly with Presidential Personnel Office on her recommendations).

VICE PRESIDENT:

1. (8/4) Strengthen for later release (end of August) draft White House release concerning foreign intercept operations/commercial telecommunications.) In Progress.

CALIFANO:

1. (7/20) What are we doing/planning about pregnancy prevention plan? Done.

not done

ATTORNEY GENERAL:

1. (8/3) Why not support this merit selection proposal? I'm for it (re WASHINGTON STAR column by Germond & Witcover concerning merit selection of judges). In Progress.

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THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

August 12, 1977

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
SUBJECT: Domestic Policy Staff
Weekly Status Report

HOUSING AND URBAN DEVELOPMENT

Urban Policy: Identifying components of Administration's 1978 legislative program.

Volunteerism: Working with Vice President's staff, ACTION, CSA, HUD and Agriculture on suggestions for national voluntary initiatives.

HEALTH

National Health Insurance: The next meeting of the HEW Advisory Committee on National Health Insurance will be in Canada on September 8 and 9.

Rural Health Clinics Bill: A subcommittee of the House Ways and Means Committee has reported out legislation to provide Medicare reimbursement to physician extenders in rural clinics. The Senate is likely to expand the bill to include Medicaid reimbursement to physician extenders in rural clinics. We are in favor of both proposals.

Hospital Cost Containment Act: The full Senate Human Resources Committee has reported out an amended version of the legislation.

PRIVACY

Privacy Protection Study Commission: A memo to the relevant agencies has been sent out for their views. Comments due on August 22.

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ECONOMICS AND BUSINESS

Tax Reform: We continue to consult with Treasury, CEA and outside experts such as Joe Pechman and Stanley Surrey.

Trade Deficit: We are preparing a memo for you summarizing papers presented by Treasury and Commerce. We have discussed this at the EPG.

Trade Adjustment Assistance: We are working with Commerce, STR, and the agencies on a general TAA program. The paper should clear interagency review within the next several weeks and we will have a decision memo to you shortly thereafter.

OPIC: We will have a memo to you shortly responding to your inquiry about the Overseas Private Investment Corporation.

LABOR

Humphrey-Hawkins: A redraft of our proposed bill has been received from Humphrey and Hawkins staff. We are reviewing with CEA staff.

Independent R & D: At your request, an assessment will be in to you September 6.

INTEGRITY AND OPENNESS MATTERS

Executive Order on Logging: Memo prepared by Justice has been reviewed. Justice draft has been redrafted by the Executive Office Working Group and circulated for comment to agencies. Target date is immediately after Congress' return in September.

Lobby Reform: Per your campaign promise, we have supported a strong new lobby law. House Committee is in mark-up, and we sent proposed language on executive branch lobbying developed with OMB and Justice to the Hill. It covers the lobbying of executive level officials on legislative matters as well as "lobbying" by companies who seek government contracts. Justice testified in Senate on August 2.

Revision of Security Classification System: The interagency task force has completed its work. We are drafting a decision memo for you along with NSC.

Public Officials Integrity Act: We are working with Frank's staff, Justice, CSC and the Speaker's office to secure House passage this year.

Funding for Printing of Federal Register and Code of Federal Regulations: GSA has changed their position on this. They are working on a memo that will be in to you soon.

CIVIL SERVICE MATTERS

Part-time Employment: Along with OMB and the Civil Service Commission, we are studying how part-time federal employment can be expanded. A decision memo to you early next week.

Hatch Act Reform: Hearings are being held in the Senate. We are working with the Civil Service Commission and Senate staff on policy development. Also coordinating with Frank Moore's staff on legislative strategy.

NATURAL RESOURCES

Alternative Missions for Corps of Engineers: Along with OMB, we are beginning to survey all engineering and construction programs in government to develop options for future role of Corps of Engineers.

Water Policy Review: Secretary Andrus has stretched timetable in response to widespread criticism that sufficient time had not been allowed for outside input. Reform package completion in early 1978.

ENERGY

DOE: Signed.

Alaskan Natural Gas: Second session with the Canadians is scheduled for August 16. A final analysis of the impact of the NEB (Canadian National Energy Board) decision is being completed. We will have a decision memo to you soon. A response to the Congressional letter was submitted for your signature on August 11.

National Energy Plan: Senate Finance Committee testimony began August 8.

Nuclear Licensing Reform: Reviewing draft legislative proposal developed by NRC/FEA. We will submit comments by August 14 and begin discussions of revisions with Schlesinger's staff, FEA, OMB, and CEA immediately thereafter.

Farm Bill: On Friday the House and Senate conferees reached agreement on a four-year agriculture bill. The compromise measure will be submitted to the House and Senate when Congress reconvenes early September.

Food and Agricultural Policy: We will have a memo to you soon on the establishment of an Interagency Working Group on food and agricultural policy.

Setaside: Have begun analysis of the need to institute an acreage setaside for wheat and feedgrains for the 1978 crop year. Will work closely with USDA, CEA, and OMB on this.

Drought: Have prepared a status report on drought assistance for Jody Powell's use in preparing press release.

COMMUNICATIONS

Telephone Interception: We have worked with NSC and other agencies on a policy to deal with Soviet interception of the domestic telephone system. The report has been submitted to the NSC.

Public Broadcasting: We have worked out proposals for reauthorization legislation with OMB and HEW, and the decision memo is on the way to you.

EDUCATION

Expiring Legislation: We are working with HEW in formulating legislative proposals for expiring education legislation for elementary and secondary education. Initial proposals will be available in September.

Department of Education: We are working with the OMB Reorganization Team in completing final public comments from education, civil rights and ethnic groups on the structural reorganization of the federal education function.

International Education: We are beginning to work with HEW on the federal initiatives in meeting the Helsinki commitment toward foreign language and area studies.

Service Academies: We have begun study you requested of the curricular offerings and their relationship to future career opportunities at the service academies.

WELFARE REFORM

We are working with HEW and Labor on providing a briefing on the proposals to interested groups and congressional staff. The draft of the bill is proceeding in both of the departments. We still expect to be able to submit the legislation immediately when Congress returns. The public and private comments from interested parties remain overwhelmingly positive.

SOCIAL SECURITY

The Senate Finance Committee has tentatively voted against the temporary use of general revenues. To compensate, they would immediately lift the ceiling on the employer's share of payroll taxes, and accelerate to 1981 payroll tax increases which we had proposed for 1985. In addition, the committee staff has proposed a gradual reduction in the real value of social security benefits after 15 years. All these proposals are tentative at this time. Other major components of the Administration package have received tentative approval. We are meeting with the interested agencies today to develop a coordinated strategy.

CONSUMER MATTERS

Agency for Consumer Protection: We are working with Esther Peterson, OMB and Frank's staff to develop strategy for initiating House action.

Class Actions: We are working with Esther Peterson and Justice to review recently-introduced consumer class action bills and to develop an Administration position. We are working with Esther Peterson, Frank's staff and Justice to help enact the FTC Improvements Act, which authorizes class actions to enforce FTC rules.

REGULATORY REFORM PROJECTS

Regulatory Reform Agenda: The memo that was drafted by the Regulatory Working Group is complete and will be forwarded to you as a Reorganization Project memorandum as soon as last details are agreed to by Bert Lance.

Surface Transport Reform: Following your meeting with Secretary Adams, a task force is studying and preparing a decision memo for you on surface transport reform options. The DOT memo was sent to OMB and circulated to other agencies on July 25.

Airline Regulatory Reform: We are continuing to assist the Senate committee in revising the air bill. The committee will probably report the bill in September. A bill was introduced in the House last week.

OSHA Reform: We are working with OMB, CEA and DOL to establish an interagency task force as approved by you. Public announcement signed by you was released last week. We are now looking for a competent staff director.

Coordination of Toxic Substances Regulation: CEQ has assembled an Interagency Task Force for long-term review of the area. The four major toxics regulatory agencies (EPA, OSHA, CPSC, FDA) have begun a major effort to coordinate their activities, which was announced August 2 at a press conference.

Regulation of Housing Construction: We have asked HUD to appraise a recent study that federal, state, and local regulation adds \$8,000 to the price of a \$50,000 home, and to explore reform concepts. No target date yet.

Financial Institutions Regulation: We are working with Treasury, HUD, OMB, and CEA to develop a format for approaching the reform agenda in this area beyond NOW account legislation now on Capitol Hill.

CIVIL RIGHTS AND JUSTICE

Undocumented Aliens: We will consult with the Justice Department as they write the legislation.

Handguns: We will review the draft legislation with Justice, OMB and others.

Morris Dees Memo on Death Penalty: We will meet with Justice and comment on the memo by September 1.

MISCELLANEOUS

Executive Branch Reports to Congress: We will have a draft letter for you early next week.

THE WHITE HOUSE
WASHINGTON

August 12, 1977

Frank Press

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

Rick Hutcheson

Re: Lake Lanier Trout Hatchery

*Report sent
to Frank Press*

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
X	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



Joe B. Tanner
COMMISSIONER

Jack Crockford
DIVISION DIRECTOR

Department of Natural Resources

GAME AND FISH DIVISION
270 WASHINGTON ST., S.W.
ATLANTA, GEORGIA 30334
(404) 656-3500

August 8, 1977

*To Frank Press.
Have someone look
into this & report
assessment to me
J.C.*

The Honorable Jimmy Carter
United States President
The White House
Washington, D. C.

Dear President Carter:

It was a real pleasure to see you on August 2, and I appreciate very much the time you were able to spend with me.

As per our discussion, I am attaching a short summary of the Lake Lanier Trout Hatchery problem along with a summary report of the work done last fall at the time of the mortality. It seems to me that this problem has serious implications far beyond this particular reservoir and in fact beyond fish and wildlife interests. We would appreciate very much your referring this problem to Dr. Frank Press for his review and evaluation. We will of course continue our work with the problem and would be happy to furnish whatever data becomes available to us.

*Frank -
I agree
J*

Again, it was a real pleasure to see you and to meet Vice-President Mondale, and I hope that you will have the opportunity for a woodcock shoot in Georgia this winter.

Sincerely,

Jack Crockford
Jack A. Crockford
Director

JAC:eb

**Electrostatic Copy Made
for Preservation Purposes**

The hatchery was completed in May of 1976 and attained operational loadings (660,000 Rainbow trout, Salmo gairdneri, and 60,000 Brown trout, Salmo trutta) on 1 July 1976. Mortality began to rise in mid-September beyond levels normally experienced during start-up. Losses were most severe during low flow periods in the river. Mortality was intense throughout September until loadings were reduced to the point that relief could be obtained by taking in high flow water and recirculating it during the low flow periods. Losses by that time were approximately 306,700 fish (60% of the original loadings); 244,000 fish had to be stocked at other hatcheries and in streams; and 48,000 remained at Lanier Hatchery.

By the end of September it was clear that mortality was not due to disease or to hatchery operational difficulties but rather to water quality, so Game and Fish Division (GFD) requested support from the Environmental Protection Division (EPD).

EPD concluded that sampling and analysis of water quality parameters had been too sporadic to define the nature of the problem and therefore suggested a comprehensive, controlled evaluation of the situation. Such an evaluation would have to be carried out at the hatchery as the environment could not be adequately simulated elsewhere. This required an extended period of low flow conditions in the river as well as test fish which had not been subjected to the toxic waters. The Corps of Engineers agreed to operate the facility at Buford Dam to provide uninterrupted low flow river water (minimal power generation) for 60 hours from Friday, 29 October thru Monday, 1 November 1976.

Summary reports detailing methodology, chemical and biological data, general observations and results of time series analysis on the data are enclosed.

The evaluation demonstrated that mortality could not be related to disease, parasites or hatchery operation (including availability of oxygen). Mortality resulted from a bimodal, and possibly synergistic, mechanism involving manganese and organic material in the low flow river water. The latter is most likely related to some form of humic material. ||

Information available in the scientific literature demonstrates that reducing conditions in natural water systems result in increased rates of release of iron and manganese from sediments and that these are complexed with organic materials. The observations of pH and redox related dosings applied during the evaluation are best explained by the presence of some form of humic material.

It is important to note that fish have been maintained at the hatchery again since mid-November so that the toxic conditions are quite well related to the period of thermal and chemical stratification within the reservoir. Furthermore, electron microscopy of gill sections has revealed that the material has begun to accumulate in July as predicted in the report.

It was decided that immediate relief for the hatchery could be provided only by oxidizing the heavy metal-organic material web. Bench scale studies following the evaluation demonstrated that, although the water environment is quite resistant to oxidation, it could be successfully treated with a sufficiently strong oxidizing agent and sufficient contact time. The treatment selected consists of introduction of an oxidizing gas produced by ultraviolet irradiation of compressed air. Gill samples of fish under the oxidizing gas treatment at the hatchery are currently being analyzed.

Viewing the hatchery as a large scale bio-assay unit, it is logical to consider what the implications of the trout mortality are for human populations and to also consider the possibility of similar situations in other reservoirs which experience seasonal stratification. The literature contains references to the association of polycyclic aromatic hydrocarbons with organic material in sediments as well as with humic material. In particular, the presence of the potently carcinogenic isomers of pyrene have been reported associated with both sedimentary and humic material (the latter term being more definitive and most likely is material included in sedimentary analysis). If the polycyclic aromatic hydrocarbons are associated with the core of the humic material as postulated by some researchers, oxidative treatment provided at water treatment plants could have profound impact on any mutagenic properties of the material.

Finally, there is no reason to assume that Lake Lanier is unique. Lake Lanier is simply one of the few reservoirs that has both a low level discharge and a trout hatchery located close enough downstream that the released material has not become sufficiently oxidized and therefore is directly toxic to the trout. Greers Ferry Federal Hatchery in Arkansas has experienced similar fish kills in the fall and winter and the postulated existence of an active agent in addition to reduced manganese fits very well into the hypothetical mechanism proposed at Lake Lanier Hatchery.

*may be
nationwide
problem*

THE WHITE HOUSE
WASHINGTON

August 12, 1977

Greg Schneiders -

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

Rick Hutcheson

cc: Hugh Carter

Re: Fires in the Western States

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	
FYI	

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	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
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	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
/	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

ITINERARY

Trip Objective and Purpose

To assess the impact of current fire situation in California on:

1. Resource values on Federal, State, and private lands.
2. Emergency funds and assistance.
3. Federal-State cooperation.

Travel Schedule

Monday, August 15, 1977

7:30 a.m. Mr. Hank DeBruin to meet Mr. Schneiders at United ticket counter.

8:10 a.m. Leave Washington National Airport via United Flight 271. Breakfast flight - first class only available.

9:04 a.m. Arrive Chicago O'Hara Airport

10:10 a.m. Leave Chicago O'Hara Airport via United Flight 375. Luncheon flight, first class only available.

1:45 p.m. Arrive Boise Airport. Boise Interagency Fire Center transportation to pick up party at Boise airport. Bjornsen and Wilson will meet party at airport. (Bjornsen/Wilson to make transportation arrangements).

Visit Boise Interagency Fire Center (Arrangements - Bjornsen and Wilson).

- National fire situation briefing.
- National Wildfire Coordinating Group coordinating role.
- Boise Interagency Fire Center coordinating role-mission.
- Boise Interagency Fire Center program activities.

Boise Press Conference (Arrangements - Bjornsen and Wilson)

Monday night in Boise, Idaho, Roadway Inn (Reservations Rhodes)

Tuesday, August 16

6:00 a.m. Breakfast, Roadway Inn. (Arrangements Bjornsen/Wilson)

7:30 a.m. Leave Boise via BIFC aircraft. (Arrangements Bjornsen/Wilson)

Party: Greg Schneiders, Director White House Projects

Hank DeBruin, Director, Aviation and Fire
Management, Forest Service

Jim Richardson, Chief, Division of Fire and
Protection Management, USDI, Bureau of Land
Management, Washington

California press conference arrangements (Chaffin)

Fly over Northern California fire activity (Scarface
Fire - Lassen Modoc National Forest) and Eastern
Oregon insect infested timber stands.

10:30 a.m. Arrive Susanville, California. Supervisor, Lassen
National Forest and District Manager, BLM Susanville
District will meet party at airport.

Visit Susanville Interagency Dispatch Center.

- Susanville Interagency Dispatch Center coordination
role and activities briefing.
- Local fire situation briefing.

12:00 noon Arrive Redding, California - Doug Leisz, Regional
Forester and John Caffin, Deputy Regional Forester,
will meet at airport.

Visit North Zone Operations Center (arrangements -
Chaffin)

- North Zone fire situation briefing.
- North Zone interagency coordinating role.
- North Zone program activities

Overnight in Redding, California, Red Lion Motel
(Arrangements - Chaffin)

Wednesday, August 17

8:00 a.m.

Lv. Redding via BIFC aircraft and fly over fire activity between Redding and Sacramento

Party: Schneiders,

Leisz
Chaffin
DeBruin
Richardson

10:00 a.m.

Arrive Sacramento, California (arrangements - Chaffin)

Meet with:

- Governor Brown or representative
- Huey Johnson, State of California, Secretary of Resource Agencies
- Lew Moran, Director, California Department of Forestry
- Ed Hastey, State Director, Bureau of Land Management, California
- Doug Leisz, Regional Forester, California Region, Forest Service
- John Chaffin, Deputy Regional Forester, State and Private Forestry, California Region, Forest Service

Briefing on:

- Problems of providing wildland and rural fire protection.
- Federal-State cooperation
- Support limitations and needs.
- Rehabilitation program.

P.M.

Tour Sacramento Multi-agency Coordination Center and California Division of Forestry Coordination Center.

Party joined by:

Francis Lum, USDA, Soil Conservation Service,
State Conservationist.

Bob Stevens, Federal Disaster Assistance Administration,
Regional Director.

Discussion:

- Federal Disaster Assistance Program (Section 417, PL 93-288) in relation to wildfire prevention and control.
- Flood Control Act of 1950 (PL 81-516, Sec. 216) and relation to current watershed rehabilitation program.

Leave Sacramento and travel to King City, California.
King City motel arrangements - Chaffin.

Thursday, August 18

Party joined by: Mr. Sam Chinn, local farmer, Treasurer, National Association of Conservation District, Member, Forest Service National State and Private Forestry Advisory Committee.

- Tour fire camp and burned over areas.
- Mr. Chinn to discuss value of watersheds and water to California agriculture production.

Overnight - King City, California

Friday, August 19

6:30 a.m. Lv. King City via BIFC aircraft. Travel to San Francisco International Airport, Butler Aviation.
Limousine to main terminal (arrangements - Chaffin)

8:45 a.m. Leave San Francisco on United Flight 50. Breakfast and lunch flight)

4:50 p.m. Arrive Washington (Dulles) Airport.

THE WHITE HOUSE

WASHINGTON

August 10, 1977

MEMORANDUM FOR: The President
FROM: Greg Schneiders *Greg*
SUBJECT: Fires in the Western States

The wildland fires in California, Oregon, Washington, Utah, Nevada and Arizona continue unabated. John R. McGuire, Chief of the National Forest Service, Department of Agriculture, believes that a trip by a Presidential representative to assess the impact on the area and review the federal support effort would be very worthwhile.

With the exception of the Santa Barbara request (which Secretary Harris recommended be denied) FDAA declarations are not at issue.

If you approve, I would leave Monday, August 15 and return Wednesday, August 17 or Thursday, August 18. A proposed itinerary has been developed by R. A. Resler, Associate Chief of the Forest Service.

APPROVE _____

DISAPPROVE _____

*Let me see
itinerary & means
of travel
J*

THE WHITE HOUSE
WASHINGTON

August 12, 1977

Greg Schneiders

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

Rick Hutcheson

Re: Fires in the Western States
Johnston -

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
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X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
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	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
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	POSTON
	PRESS
	SCHLESINGER
X	SCHNEIDERS
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	VOORDE
	WARREN

THE WHITE HOUSE

WASHINGTON

August 10, 1977

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With the exception of the Santa Barbara request (which Secretary Harris recommended be denied) FDDA declarations are not at issue.

If you approve, I would leave Monday, August 15 and return Wednesday, August 17 or Thursday, August 18. A proposed itinerary has been developed by R. A. Resler, Associate Chief of the Forest Service.

APPROVE _____

DISAPPROVE _____

*Let me see
itinerary & means
of travel
J*

THE WHITE HOUSE
WASHINGTON

*Good
J*

August 10, 1977

MEMORANDUM FOR: The President
FROM: Greg Schneiders *Greg*
SUBJECT: Johnstown - Update

Today I have completed my third trip to Johnstown since the flood. The situation is as follows:

HOUSING

Approximately 4000 families will require temporary housing assistance. 1200 - 1400 of these will move into mobile homes for a year or less. The remainder will receive HUD "mini-repair" service to make their damaged homes habitable. HUD predicts publicly that all work will be finished by mid October but privately they expect to do much better. 1100 structures are being razed. Fewer than 1000 individuals are still in mass shelters.

ECONOMIC DEVELOPMENT

Bethlehem Steel, the largest employer in the area with 11,400 pre-flood jobs, has reached an agreement with EPA liberalizing the environmental compliance schedule at the Johnstown plant. This saving will enable them to maintain a higher level of operation (7600 jobs) than originally anticipated (4000 jobs).

Conrail suffered \$25,000,000 damage and we are pressing them to expedite their reconstruction. The long-term picture is bleak. The area's unemployment will probably jump from 5% to around 30%.

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for Preservation Purposes**

FEDERAL COST

FDAA estimates that their cost will be around \$106 million. SBA will loan about \$40 million. The combined cost to the other agencies will be less than \$10 million.

FDAA

The coordination by FDAA continues to be excellent. The Mayor, Governor, Congressman and both Senators have all publicly praised the White House and the federal government generally for the rapid and coordinated response. Congressman Murtha intends to make a speech about it on the floor of the House.

THE WHITE HOUSE
WASHINGTON
August 12, 1977

Bob Lipshutz

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

Rick Hutcheson

X

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

*use pen to sign CAB papers
as appropriate*

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
	<input checked="" type="checkbox"/>	LIPSHUTZ
		MOORE
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	ENROLLED BILL
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	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE
WASHINGTON

August 9, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: BOB LIPSHUTZ
STU EIZENSTAT

SL

RE: CAB Decisions Re
Braniff Airways (Docket 30610);
Sontair Ltd. (Docket 30568);
LEP Transport Ltd. (Docket 29424);
McGregor, Swire Air Services Ltd.
(Docket 29357); Pandair Freight
Ltd. (Docket 29750)

These five CAB orders:

- 1) delete the Peruvian cities of Talara and Iquitos from Braniff's certificate;
- 2) approve the transfer of a foreign air carrier permit from Seneca Air Services Ltd. to Sontair Ltd., thereby authorizing Sontair to engage in charter service with small aircraft between Canada and the United States;
- 3) renew the permits of LEP Transport Ltd., McGregor, Swire Air Services Ltd. and Pandair Freight Ltd.--all of which are air freight forwarders--for a five-year period.

The orders relating to the five carriers are routine and the interested agencies have no objection to them. We recommend that you approve each of the orders and that you also sign the attached letter to the CAB stating that approval of the Braniff order is not grounded on foreign policy or defense concerns, so that the opportunity for judicial review is preserved.

Approve

Disapprove

ONE SIGNATURE REQUESTED

THE WHITE HOUSE
WASHINGTON

August 12, 1977

Stu Eizenstat -

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

Rick Hutcheson

Re: Speech at John Lewis'
Testimonial Dinner

THE WHITE HOUSE
WASHINGTON

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ACTION	FYI	
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	WARREN

THE WHITE HOUSE

WASHINGTON

August 12, 1977

MR. PRESIDENT:

I will be on vacation from Saturday, August 13 to Saturday, August 20. I will be back in Washington on Sunday, the 21st.

On the 20th, I will be speaking at John Lewis' Testimonial Dinner in Atlanta, on behalf of the Administration. As you know, John has been nominated and confirmed as the Associate Director of ACTION. Since this will be a predominantly black group at the dinner, I will welcome any thoughts you may have on themes for the speech -- other than the obvious praise for John.

Stu

Stu Eizenstat

To Stu

*Vote registration
Welfare reform*

*jobs
inflation control*

Title I,

Africa - Andy

etc -

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for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

August 12, 1977

Frank Moore -

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

Rick Hutcheson

cc: Stu Eizenstat
Tim Kraft
Fran Voorde

Re: Senator Humphrey's Wedding
Anniversary

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
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ACTION	FYI	
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	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
X	VOORDE
	WARREN

THE WHITE HOUSE
WASHINGTON

Mr. President:

Fran recommends a note or a
phone call instead of an
event.

ok
J

The suggested time is Labor
Day Weekend. The Humphreys
may well be in Minnesota.
It is possible that you might
also be out of town, according
to Fran.

Rick

**Electrostatic Copy Made
for Preservation Purposes**

Q

THE WHITE HOUSE

WASHINGTON

August 3, 1977

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
FRANK MOORE
SUBJECT: Senator Humphrey's Wedding Anniversary

Senator Humphrey's 41st wedding anniversary will take place on September 3rd. In view of the help he has given us -- and his symbolic importance within the Democratic party -- we recommend that you consider a major special event around that time to honor the Senator and Mrs. Humphrey.

Decision

_____ Agree

_____ Disagree

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE

WASHINGTON

Date: August 10, 1977

MEMORANDUM

*re-attended
8/15*

FOR ACTION:
Tim Kraft
Fran Voorde

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Eizenstat/Moore memo dated 8/3/77 re Sen. Humphrey's
Wedding Anniversary

**YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:**
TIME: 11:00 AM
DAY: Friday
DATE: August 12, 1977

has gone in

ACTION REQUESTED:

Your comments

Other:

STAFF RESPONSE:

I concur.

No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
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<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input checked="" type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

Date: August 10, 1977

MEMORANDUM

FOR ACTION:
 Tim Kraft
 Fran Voorde

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Eizenstat/Moore memo dated 8/3/77 re Sen. Humphrey's
 Wedding Anniversary

YOUR RESPONSE MUST BE DELIVERED
 TO THE STAFF SECRETARY BY:

TIME: 11:00 AM

DAY: Friday

DATE: August 12, 1977

ACTION REQUESTED:

 Your comments

Other:

STAFF RESPONSE:

 I concur. No comment.*Please note other comments below:*

In light of the fact that this is Labor Day Weekend, I suspect the Humphreys will be relaxing in Minnesota (and the President will probably be away too), I recommend no special event ---- perhaps a handwritten note or a phone call.

fran

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE

WASHINGTON

Date: August 12, 1977

MEMORANDUM

FOR ACTION:

Zbig Brzezinski

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Wellford memo dated 8/12/77 re Reorganization in the
Department of Defense.

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME:

DAY: IMMEDIATE TURNAROUND

DATE:

ACTION REQUESTED:

Your comments

Other:

PLEASE CALL BY 12:00 NOON TOMORROW IF YOU HAVE ANY
COMMENTS.

STAFF RESPONSE:

I concur.

No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

MEMORANDUM

NATIONAL SECURITY COUNCIL

URGENT

5294

August 13, 1977

MEMORANDUM FOR: RICK HUTCHESON
FROM: CHRISTINE DODSON CD
SUBJECT: NSC Comments on Wellford Memo
re Reorganization in DOD

All four issues outlined in the Wellford memo are significant and deserve serious attention. The key question concerns the organizational responsibility for the examination of the issues.

The fourth issue raised by the Wellford memo, integrating defense policy with national priorities, is clearly interdepartmental in nature and is therefore appropriate for review by the Reorganization Committee. However, the President's memorandum to the Cabinet of April 7, 1977, assigns primary responsibility for intradepartmental reforms to the departments themselves. The first three issues identified in the memo are primarily intradepartmental in nature and, therefore, could legitimately be construed to be internal DOD concerns.

If the President wishes the Reorganization Committee to initiate studies similar to those outlined in the first three issues, he will have to make his desires known to the Secretary of Defense in order to overcome DOD's insistence that such projects are, properly, internal DOD matters.

In addition to the above, we want to add a substantive observation on the National Military Command Structure.

Certainly the NMCS needs review and improvement on the strictly military side, but this subject concerns, as the memorandum notes, "serious questions... about the effectiveness of the command structure for the conduct of war, for peacetime, and crisis conditions." Beyond the DOD concerns, this includes:

--ensuring the continuity of government in crisis
(perhaps nuclear attack) conditions.

(see next page)

- manpower mobilization (what happened to Selective Service?)
- industrial wartime surge production capacity.
- industrial mobilization for war, conventional or other.
- civil defense.

One of the major findings in the Fitzhugh Blue Ribbon Report of 1970, cited frequently for other purposes in this Welford memo, is the inadequacy of these broader aspects of the National Command Authority. Seven years later the situation is worse, not better, and if Welford's project of re-organization for "Disaster Coordination" goes forward in its present form, the efficacy of the National Command System will be reduced even further.

The present "Disaster Coordination" reorganization project (Tab A), concerns:

- FPA (responsible for continuity of government, stock-piling, industrial mobilization, etc.)
- DCPA (civil defense)
- Office of Industrial Mobilization (Commerce Department)
- A host of other organizations concerned not with crisis management, defense, and national command, but primarily with federal pork-barrel to the local governments, e. g. Small Business Administration, Federal Disaster Assistance Administration, Army Corps of Engineers, et al.

The NSC staff strongly recommends that you not allow the PRP to split the DOD re-organization study from the Disaster Coordination study. In particular, the NMCS study should be pursued at the interdepartmental level, involving all those functions that concern:

- command and control.
- emergency manpower mobilization for war.
- industrial mobilization and surge production for war.
- continuity of civil government, federal and local, in transition from peace to war.
- civil defense.



PRESIDENT'S REORGANIZATION PROJECT
ISSUE SUMMARY
DISASTER COORDINATION

Issue Statement

What should be Federal policy and organization for planning, mitigation, response and recovery from the effects of natural, accidental and wartime civil disasters?

Summary and Problems

The Federal Government is increasingly being drawn into the role of protecting the population from the effects of large-scale civil disasters. The range of potential catastrophes resulting in demands on Federal resources has expanded beyond floods and nuclear attack to riots, earthquakes, peacetime nuclear and chemical explosions, sabotage, blizzards, drought, and even extended cold weather. The range of activities is also expanding beyond emergency continuity of government, to include:

- Pre-Disaster Planning and Preparedness. The Disaster Assistance Act of 1974 authorized grants to States for the development of disaster preparedness programs, and the civil defense program now supports consolidated State emergency preparedness agencies that plan for a variety of natural and accidental disasters rather than solely for nuclear attack.
- ✓ ◦ Disaster Mitigation. Flood plain insurance and earthquake hazard reduction programs are recent manifestations of the concept that land-use plans and building standards can be most-effective alternatives to emergency assistance operations.
- ✓ ◦ Disaster Relief. Immediate post-disaster relief responsibilities have grown from emergency work and debris removal to individual financial assistance and restoration of communities to pre-disaster condition. Each well publicized disaster (hurricanes Camille and Agnes, San Fernando and Alaska earthquakes) has led to Congressional expansion of Federal disaster-relief responsibilities.
- ✓ ◦ Long-term Recovery. So many Federal agencies are involved in long-term recovery grant, loan and assistance programs that a comprehensive budget is not available. Hundreds of millions of dollars, however, have gone to disaster sites

like Wilkes-Barre, Rapid City, and Anchorage.

In spite of this rapidly growing Federal involvement and dollar commitment, criticism of Federal performance is spreading at an even more rapid rate, and is centering on organizational issues. With leadership from the States, critics among interest groups, the GAO, Congress and the press charge that there is insufficient coordination among the three principal disaster-related agencies, weak management, multiple contact points and excessive paperwork for those seeking assistance, and inconsistent policy guidelines. Following a year-long review by the Congressional Joint Committee on Defense Production, Senator Charles Percy's comment was typical; "Emergency preparedness and disaster assistance is perhaps the single worst organized functional area in the entire Federal Government."

Little attention is paid to counter-arguments from Federal officials that the Federal role in natural disaster preparedness should be minor and that present organization reflects a rational allocation of justifiable responsibilities.

Current Initiatives

Senators Proxmire and Percy, and 20 House members of both parties have introduced legislation to consolidate the Defense Civil Preparedness Agency (DOD), the Federal Preparedness Agency (GSA), and the Federal Disaster Assistance Administration (HUD), into a single independent agency which would have pass-through budget control over emergency capabilities of other agencies. Hearings in both government operations committees are anticipated in September.

Prior Initiatives

✓ Disaster planning and preparedness has been a perennial organizational problem. The latest reorganization took place in 1973, when the Office of Emergency Preparedness in the EOP was disbanded and its functions distributed. The reasons for that decision included a desire to cut the size and operating responsibilities of the EOP, but contemporary political/personality factors were also important.

Recommended Action

We propose a two-phase study of disaster programs directed by the President's Reorganization Project. The first phase will concentrate on: (1) identifying whether problems are properly those of policy, organization, or program effectiveness; (2) differentiating Federal responsibilities for natural,

and STATE

accidental, and wartime nuclear emergencies; and (3) clarifying Federal roles in disaster planning, mitigation, relief, and long-term recovery.

Following Presidential decision on phase one recommendations, a phase two might be undertaken to address implementation, structural alternatives, and management issues such as quality of supervision, grant consolidation, and regional operations.

Staff participation in the project will include each of the three major affected agencies, OMB program analysts, and the NSC. The GAO, Congress, and the States will also be closely involved in a consultative capacity.

Potential Advantages

- 1. Some current duplication can be eliminated. The Proxmire proposal estimates (and mandates) a \$15 million annual saving from consolidation. President Carter, as Governor of Georgia, was one of the first two governors to adopt a Comprehensive Emergency Disaster and Operation Plan which can be related to this reorganization project.
- 2. Priority reorganization attention will be well received by:
 - o Congress, where a cooperative attitude exists on the issue and where no coherent blocs will insist on the status quo;
 - o the States, where there is a unified interest and organization in place supportive of reorganization and willing to cooperate (at least partially in the expectation of more Federal support); and
 - o the public, to the extent that it perceives the benefits of a reinforced or better managed program.
- 3. This project could dovetail with and pull together related initiatives (dam safety, earthquake hazard reduction, drought assistance, stockpile policy, an environmental disaster liability fund, civil defense policy) currently going on throughout the executive branch.

Constraints and Potential Liabilities

- 1. Unqualified acceptance of new natural disaster preparedness responsibilities may lead to a future major budget threat. Certainly the States expect larger and less restrictive grants to follow reorganization.

2. While the three major affected agencies all want greater visibility and already operate relatively autonomously, any changes in current organizational responsibilities would inevitably encounter intragovernmental resistance from "losing" departments.

✓ Concerned Agencies and Groups

Department of Agriculture

Agencies: DCPA (DOD), FDAA (HUD), FPA (GSA), Office of Industrial Mobilization (Commerce), SBA, Nuclear Regulatory Commission, Corps of Engineers, 25 other departments and agencies, about 40 interagency coordinating committees.

Groups: National Association of State Directors for Disaster Preparedness, United States Civil Defense Council, National Governors Conference, Council of State Governments, Red Cross.

Related Issues

- Civil Defense
- Community Economic Development
- Law Enforcement
- EOP Reorganization (disaster declarations)
- Environmental Disaster Liability Fund
- Earthquake Hazard Reduction
- Planning Assistance and State Plan Requirements
- Drought ASSISTANCE PACKAGE

CRISIS management

THE WHITE HOUSE
WASHINGTON

August 12, 1977

Z. Brzezinski -

The attached was returned in the President's outbox and is given to you for your information and forwarding to Secretary Vance.

Rick Hutcheson

cc: The Vice President
Frank Moore

Re: Senator Church's Visit to Cuba

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

*cc VANCE
VIA 213*

ACTION	FYI	
	X	MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
		LIPSHUTZ
	X	MOORE
		POWELL
		WATSON
		LANCE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

		ARAGON
		BOURNE
X		BRZEZINSKI
		BUTLER
		CARP
		H. CARTER
		CLOUGH
		FALLOWS
		FIRST LADY
		HARDEN
		HUTCHESON
		JAGODA
		KING

		KRAFT
		LINDER
		MITCHELL
		MOE
		PETERSON
		PETTIGREW
		POSTON
		PRESS
		SCHLESINGER
		SCHNEIDERS
		STRAUSS
		VOORDE
		WARREN

United States Senate

MEMORANDUM

Senator:

I think you might be giving the press a view of Fidel's position on the political prisoners that is too inflexible. I took this quote verbatim from the discussion on the prisoners:

Fidel: "As for the political prisoners, we will review their cases on an individual basis and release them as we can, but we cannot bring them all together in one package for release now."

AND...

Fidel: "If this problem of the political prisoners were in my hands alone, I would be more than happy to do this for you. " But I cannot take such a decision personally

JOHN SPARKMAN, ALA., CHAIRMAN

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United States Senate

COMMITTEE ON FOREIGN RELATIONS

WASHINGTON, D.C. 20510

August 12, 1977

NORVILL JONES, CHIEF OF STAFF
ABNER E. KENDRICK, CHIEF CLERK

THE PRESIDENT HAS SEEN.

MEMORANDUM

TO: The President
FROM: Senator Church
SUBJECT: Visit to Cuba

President Castro asked me to pass on to you the following messages:

1. He understands that the process of normalizing relations between Cuba and the United States has to be slow and that "a spectacular thing can't be done over night." He expects to continue to work in the direction of normalization.
2. He recognizes that the Panama Canal problem is of number one priority to President Carter in this part of the world and that the President "can't do both at once."
3. He is pleased at what the President has done so far.
4. He said that it is difficult for Cuba to find ways to show its own good faith. For example, he said Cuba has no surveillance plane operations that it can stop in response to President Carter's actions. If the embargo were lifted, they could not respond because they have never imposed an embargo on the United States. He hopes the President will realize his difficulty in responding to gestures from the United States.
5. He repeatedly said that the number one world problem, as he saw it, was furthering detente between the U. S. and the Soviet Union. He said that he has never been asked by the Soviets to talk to others about such problems but feels it very important to try to convey the Soviet view of such problems.

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for Preservation Purposes

cc
By
3/6/9
J

6. Castro wanted you to know that Cuban involvement in Africa had no anti-American purpose and that he preferred to send doctors, not troops. He views the purpose of the Cubans there as giving stability to the government of Angola. They sent forces in after Angola had been invaded by South African forces. He cannot believe that South Africa, which has always been so cautious on such matters, would have sent forces without the complicity of Kissinger. He suspects the French want to get control of the Gulf oil facilities. He implied that once the French threat has been removed from the area and Namibia has achieved its independence thus removing another threat of involvement by South Africa, that would then permit the withdrawal of all Cuban forces. He believes his purpose is not inconsistent with the objectives in Africa of the Carter Administration.

He stressed that the Soviets had not sought Cuban intervention in Africa and Cuba was in no way acting as a proxy for the Russians.

7. On terrorism, he said that he felt that President Carter was a religious and moral man of good will and thought that he was doing what he could to bring about an end to terrorist activities. He appreciated being informed of possible terrorist activities when the U. S. learned about them and felt that such cooperation was in the interest of both countries.

Recommendations for Action:

1. Look for opportunities to further cultural, sports, educational and scientific exchanges with Cuba. There are many mutual interests that could be pursued through such exchanges.
2. Allow a Cuban press office to be established in the U. S. (Prensa Latina) in exchange for the opening of U. S. press offices in Cuba.
3. Relax the restriction on financial transactions with Cuba. For example, a tourist cannot now pay for his hotel bill in

Havana with a U. S. check since Cuba cannot cash the check.

4. Consider the possibility of meeting with Castro at the United Nations General Assembly meeting this fall.
5. Expand anti-terrorist activities.
6. Look for ways to cooperate on controlling the international drug traffic.
7. Explore ways to ease the embargo on trade.