

12/20/77 [1]

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 12/20/77 [1]; Container 55

To See Complete Finding Aid:

http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

THE PRESIDENT'S SCHEDULE

Tuesday - December 20, 1977

- 7:30 Vice President Walter F. Mondale, Mr. Charles
Schultze, Mr. James McIntyre and Mr. Stuart
Eizenstat - The Oval Office.
- 8:00 Dr. Zbigniew Brzezinski - The Oval Office.
- 8:30 Signing Ceremony for H.R. 9346, a Bill to Amend
the Social Security Act and the Internal Revenue
Code of 1954 - The Indian Treaty Room.
- 9:00 Budget Appeals Meeting. (Mr. James McIntyre).
(3 hrs.) The Cabinet Room.
- 12:25 Mrs. Marge Wicklein. (Mr. Hugh Carter).
(5 min.) The Oval Office.
- 1:30 Vice President Walter F. Mondale, Admiral
Stansfield Turner, and Dr. Zbigniew Brzezinski.
The Oval Office.
- 2:00 Secretary Cecil Andrus. (Mr. Jack Watson).
The Oval Office.
- 3:00 Reception for Residence Staff/Families.
The State Floor.
- 4:00 Former President Gerald R. Ford - The Oval Office.
- 8:00 Reception for Members of the White House Press.
The State Floor.

THE WHITE HOUSE

WASHINGTON

December 19, 1977

BILL SIGNING -- SOCIAL SECURITY BILL

Tuesday, December 20, 1977
Indian Treaty Room (474 EOB)
8:30 a.m. (15 Minutes)

From: Frank Moore

- I. TALKING POINTS
Prepared by Jim Fallows
- II. PRESS PLAN
Full Press Coverage
- III. PARTICIPANTS

The President

The Vice President

Secretary Califano

Senate

Robert Byrd Carl Curtis
Russell Long
Gaylord Nelson
Senate Staff

Mike Stern, Senate Finance Committee
Joe Humphreys, Senate Finance Committee

House

Al Ullman
Dick Gephardt
Jim Guy Tucker
Ray Lederer
Benjamin Gilman

House Staff

Bill Kelley, Ways and Means
Fred Arner, Ways and Means
Loren Cox, Ways and Means

Social Security Administration

Donald Wortman
Mary Ross
Ronald Davis

HEW

Richard Warden
Larry Thompson
Nancy Amidei
Margaret Siegel
Former Secretary Wilbur Cohen

Outside Groups

Andrew Biemiller, AFL-CIO
James Cardwell, former Social Security Commissioner
Bert Seidman, AFL-CIO
Mel Glasser, UAW
Bartley O'Hara, Teamsters
Mike Kerr, AFSCME
Gail Bramlett NEA
Robert Ball, former Social Security Commissioner
Art Hess, American Federation of Teachers
Robert McGlotten, AFL-CIO
Tom Joe, AARP
Betty Duskin, NCSC
Thomas Bell, American Health Care Association
Edwin Kaskowitz, Gerontological Society
William Hutton, NCSC
Cyril Brickfield, AARP
Ruth Braver, Urban Elderly Coalition
David Crowley, American Association of Homes for Aging
Ray Mastalish, National Association of Area Agencies on Aging
John McClelland, National Association of Retired Federal Employees
Jack Ossofsky, National Council on the Aging
Daniel A. Quirk, National Association of State Units of Aging
Charles Senci, Concerned Seniors for Better Government
John Baitsell, Business Roundtable
Harriet Hackney, Business Roundtable

Nelson Cruikshank

Signing Ceremony
December 20, 1977

8:30 A.M.

THE WHITE HOUSE
WASHINGTON

1980-2-2030

December 19, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT *Stu*
FRANK RAINES

SUBJECT: Enrolled Bill H.R. 9346
Social Security Amendments of 1977

The last day for action is Friday, December 30, 1977

The processing of this legislation has been put on an accelerated basis because a signing ceremony has been scheduled for 8:30 tomorrow morning. The OMB memorandum has only become available at 5:00 tonight. Therefore, we do not have the comments of the White House Staff on the bill. We have attached a draft signing statement for your use.

THE BILL

In order to conserve your time we will not repeat here the many provisions of this bill. The OMB memorandum sets forth the provisions in adequate detail.

The key features of the bill are that it moves the social security system out of a deficit situation in 1980 and maintains a current surplus until about the year 2030. It eliminates the overcompensation for inflation, liberalizes the retirement test, and eliminates the gender-based distinctions in the Act.

The financing approach used by the Congress does not include general revenues, and does not have a higher wage base ceiling for employers than employees. Both of these were parts of the Administration proposal. The bill does fulfill the commitment that those proposals sought to achieve, which was to limit the impact of higher taxes on low and moderate income workers. By not accepting the Administration proposals the Congress had to impose far higher taxes on middle and upper income workers than did the Administration plan.

**Electrostatic Copy Made
for Preservation Purposes**

The bill may overfinance the system for certain periods which may present the option of seeking tax decreases in the future.

ARGUMENTS FOR SIGNING

1. The bill represents a major Administration legislative achievement.
2. The bill effectively meets all of the campaign promises regarding social security.

ARGUMENTS FOR VETO

1. The taxes in the bill are too high and will tend to have an inflationary impact on the economy.
2. The bill fails to utilize general revenues which would reduce the payroll tax burden imposed and improve the progressivity of social security financing.

AGENCY VIEWS

OMB, HEW, Treasury, State, and the Civil Service Commission recommend that you sign the bill. CEA, Labor and Commerce have no objection.

RECOMMENDATION

We recommend that you sign H.R. 9346. We suggest that in your signing statement you stress the benefits the bill achieves in order to counteract the press concentration on tax increases.

Sign H. R. 9346

Veto H. R. 9346

THE WHITE HOUSE
WASHINGTON
December 20, 1977

Frank Press

The attached was returned in the President's outbox and is forwarded to you for your information. The signed original of the letter has been given to Stripping for mailing.

Rick Hutcheson

cc: Tim Kraft
Fran Voorde

RE: LETTER TO DR. SAGAN -- FAMILY SCIENCE
TALKS

THE WHITE HOUSE

WASHINGTON

December 19, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Frank Press *FP*

SUBJECT: Science Talks for the Carter Family

Carl Sagan's talk to your family seemed to go well.

Would you be interested in having me bring in a distinguished scientist, perhaps once every two months, to give a talk on an important scientific subject such as genetic engineering, oceanography, continental drift, anthropology, brain research? I would select speakers in Sagan's class, for their ability to communicate.

You may wish to send a note similar to the attached to Dr. Sagan.

Approve occasional family science talks

Not convenient

*2 prior
approval
JC*

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

December 19, 1977

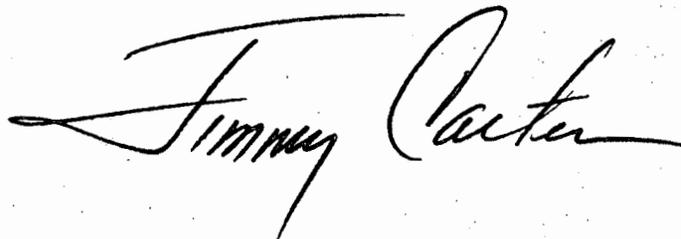
To Dr. Carl Sagan

I greatly appreciate the time you took from your busy schedule yesterday to spend two hours with me discussing so many interesting aspects of astronomy.

It was a welcome diversion from earthly concerns, as well as most fascinating and instructive in its own right, to hear from you about such subjects as the planets and stars, black holes, exobiology, and the probabilities of extraterrestrial life.

Many thanks and best wishes to you and your family for the holiday season.

Sincerely,

A handwritten signature in cursive script that reads "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

Dr. Carl Sagan
Cornell University
Ithaca, New York 14850

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

C

EYES ONLY

December 17, 1977

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze *CLS*

Subject: Revision in Third Quarter GNP

The Commerce Department indicated this morning that the revised third quarter increase in real GNP, to be released on Tuesday, December 20, will be 5.1 percent instead of 5.4 percent, as indicated in my memorandum to you of yesterday. This does not change in any significant way the interpretation of recent economic developments that I provided in my memo.

**Electrostatic Copy Made
for Preservation Purposes**

4:00 PM.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

December 19, 1977

MEETING WITH FORMER PRESIDENT GERALD R. FORD

Tuesday, December 20, 1977

4:00 p.m. (30 minutes)

The Oval Office

From: Hugh Carter 

I. PURPOSE

Courtesy Call

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: Mr. Ford is back in Washington to attend Panama Canal Treaty and political meetings and see friends. I do not know specifically what is on his agenda for you, but feel it is safe to assume that the Panama Canal Treaty, SALT II and the Middle East situation are included. He will also receive a briefing on SALT II from Dr. Brzezinski, David Aaron and Paul Warnke.

Mrs. Ford could not be here, so the unveiling of their portraits has been postponed, at their request, until April. The First Lady has approved the postponement.

B. Participants: Former President Ford

C. Press Plan: White House Photographer

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

answered
J

12/20/77

Dear Jimmy & Rosalynn,

Here is an album by James Taylor that Teena & I hope you enjoy; we like it very much. We are grateful for you both and wish for you this coming year the fullest measure of strength & faith & love - I think 1978 is going to be a great year for us.

Have a very merry Christmas and a joyful holiday season -

Sincerely,
Jack

THE WHITE HOUSE
WASHINGTON

December 20, 1977

Jim McIntyre

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

Rick Hutcheson

cc: Zbig Brzezinski

RE: PRESIDENTIAL APPEAL, FOREIGN
AFFAIRS

CONFIDENTIAL ATTACHMENT

Carp

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
X		LANCE JM
		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

~~CONFIDENTIAL~~



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

C

DEC 20 1977

MEMORANDUM FOR: THE PRESIDENT
FROM: James T. McIntyre, Jr. *Jim Mc McIntyre*
SUBJECT: Presidential Appeal, Foreign Affairs

Decisions. At the review session you decided to:

- . Seek a \$50 million FMS supplemental for Lebanon. *de*
- . Add \$50 million for the Maqarin dam in Jordan, but as a "regional project."

State/OMB Consensus Recommendations.

- . The mix of grants and loans to Israel for 1979 will not be changed per Secretary Vance's request, but you should advise Prime Minister Begin that we plan to reduce the grant portion of U.S. aid to Israel in 1980 and beyond (if not actually begin to reduce total levels in the ME).

Agree Disagree

- . Grant MAP should be shown in the 1979 budget for the Philippines, but the U.S. negotiators should seek in the treaty the phase-out of grant MAP over the period to be covered by the pact.

Agree Disagree

<u>Appeals issues</u> (1979 impact)	<u>Request</u>	(program in \$ millions)		
		<u>Allowance</u>	<u>Appeal</u>	<u>Recommendation</u>
1. AID Programs	1,781	1,591	1,716	1,591

Henry Owen suggested a compromise of \$1,656 million. The OMB alternative is recommended. Our 11% increase will indicate a real yet measured step toward our ambitious 1982 goals, and meets our CIEC commitment with substantial room to spare. Both our and Henry's totals assume OMB's program composition, including the Caribbean and Sahel programs.

Agree Disagree

\$ 1656 m

J

Electrostatic Copy Made
for Preservation Purposes

~~CONFIDENTIAL~~

Jay 3/1/90

Appeals issues (1979 impact)	(Program in \$ millions)			
	Request	Allowance	Appeal	Recommendation
2. Title XII Program for Universities	33.6	18.6	33.6	18.6

Included within our recommended level in Issue #1 is \$18.6 million for Title XII Research Grants. We have retained AID's full request for specific programmed funds and a small formula grant level for minority institutions. OMB has not funded the general unprogrammed and formula grants, which are in effect untargeted bloc grants.

Agree ✓ Disagree _____

Give them flexibility within total figure

3. State Employment	(23,451)	(22,666)	(23,361)	(22,854)
---------------------	----------	----------	----------	----------

OMB's earlier recommendation of 23,182 is a possible compromise to meet consular needs. The OMB current alternative (22,854) is recommended.

Agree _____ Disagree 23000

4. P.L. 480, Title I	1,067	840	1,067	840	✓
----------------------	-------	-----	-------	-----	---

State did not appeal this issue, but USDA did.

5. International Organizations	288	280	284	282	✓
--------------------------------	-----	-----	-----	-----	---

Secretary Vance did not discuss. FY 78 level was \$232 million.

6. Inter-American Foundation	41	28	41	28	✓
------------------------------	----	----	----	----	---

Not discussed. OMB recommendation is 20% above FY 78 level (vs. 78% requested). ✓

7. Jamaica, SSA	10	--	10	--	
-----------------	----	----	----	----	--

Secretary Vance did not discuss. Total Jamaica assistance (AID, PL 480, etc) for FY 78 was \$21 million, OMB 79 recommendation is \$47 million. ✓

8. Eximbank, Direct Loans	5,124	2,802	5,124	2,802	
---------------------------	-------	-------	-------	-------	--

Appeals session is being rescheduled. OMB would continue the 1978 "estimated" program in 1979. Eximbank requests an 80% increase over the 1978 estimate. A possible compromise would be to continue the original 1978 budget request level at \$3,600 million. *\$36B*

Comment.

OMB recommends reaffirming your earlier decisions on issues 4-8. Henry Owen agrees.

Agree _____ Disagree ok, except Ex-Im

THE WHITE HOUSE

8393

WASHINGTON

CONFIDENTIAL GDS

December 19, 1977

INFORMATION

MEMORANDUM FOR: THE PRESIDENT
FROM: HENRY OWEN *HO*
SUBJECT: FY 1979 Bilateral Concessional Development Aid

The main thing at stake in your decision is whether we're going to make the long-term aid strategy you chose recently stick.

You decided that political purposes should govern Security Supporting Assistance and that development aid should go where it will do the most good in helping poor people. There may be political reasons for giving still more money to the rather small number of people who live in the Caribbean, but from an economic standpoint there are lots of areas where that money would do more to help more poor people.

You also decided that top priority should go to poor countries, with poor people being aided in middle-income countries as a lower priority -- if there is enough money available. Twenty-five percent of the \$64 million for development projects sought in State/AID appeal would go to middle-income countries, compared to about 16% in the aid program that you approved last week.

If we eliminate the extra Caribbean funds and half of the extra money going to middle-income countries, we will have served notice that you meant what you said, and this will have a healthy effect on next year's programming. This will mean a more effective aid program -- which is more important than whether aid goes up or down by a few million this year.

CONFIDENTIAL GDS

Jay 3/1/90

THE WHITE HOUSE
WASHINGTON

December 20, 1977

Zbig Brzezinski

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

Rick Hutcheson

cc: Stu Eizenstat
Jim McIntyre

RE: EMERGENCY PAROLE FOR INDO-
CHINESE REFUGEES

CONFIDENTIAL ATTACHMENT

THE WHITE HOUSE
WASHINGTON

Handwritten signature/initials

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

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

~~CONFIDENTIAL~~ THE PRESIDENT HAS SEEN. 7670

MEMORANDUM

~~CONFIDENTIAL~~ - GDS

THE WHITE HOUSE
WASHINGTON

ACTION

December 19, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI *ZB*

SUBJECT:

Emergency Parole for Indochinese Refugees

In the memorandum at Tab A Secretary Vance recommends that you approve 7,000 additional parole numbers for Indochinese boat-case refugees. We currently face an emergency situation in Indochina. Approximately 5,000 new boat cases without opportunities elsewhere have accumulated over the past several months. This number is growing at the rate of roughly 1,500 per month -- three times the rate estimated as recently as September.

Based on population, resources, economic conditions, and motivation, the U.S. is the country most able to absorb Indochinese refugees. To date, only France has approached the level of effort which the U.S. has sustained of slightly more than one Indochinese refugee for each 1,300 in population. Excluding the U.S., the worldwide total of accepted boat cases has averaged 450 cases per month over the past four months. The State Department is hopeful that with the naming of Paul Hartling as the new UNHCR, the international situation will improve, but they are not optimistic for a dramatic increase in boat case acceptances.

State estimates the resettlement costs for 7,000 additional refugees at \$6.3 million, all of which would be taken from the Emergency Fund. HEW estimates the welfare cost impact at \$24.22 million over the next four years. HEW also points out that the amount required for FY 1978, \$3.01 million, would require a supplemental appropriation, and that the FY 1979 and subsequent budgets must be increased over currently approved or projected levels.

The data are simply not available to make reliable estimates of escape rates from Indochina; however the numbers are likely to remain high over the next several years. Without reliable estimates, you have two options. You could draw the line now. We all believe that there should be limits to the extent of U.S. involvement, and we have already accepted over 75 percent of the Indochinese refugees that have been resettled -- 164,000 of 217,000. Such an action would result in considerable suffering in Indochina, and would surely be viewed as inconsistent with our human rights policy.

~~CONFIDENTIAL~~ - GDS

~~CONFIDENTIAL~~

Jay 3/1/90

~~CONFIDENTIAL~~

CONFIDENTIAL - GDS

2

Alternatively, I recommend that you approve a parole of 10,000 and that you authorize the Administration to support Congressman Eilberg's legislation which would provide long-term refugee acceptance authority and set limits on the extent of U.S. assistance. The additional 3,000 parole numbers will provide enough time for Congress to act on legislation before we are confronted with another refugee build-up. If legislation is not forthcoming, Congress would share the responsibility of a subsequent emergency. The increase over Cy's request would increase the HEW costs by approximately \$10 million over four years. Resettlement costs would increase by roughly \$2.7 million, exhausting State's available funds. Every effort should be made to keep our additional parole low-key so that we do not raise expectations unrealistically in Indochina.

RECOMMENDATION

That you approve a parole of 10,000 additional numbers.

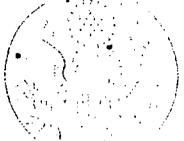
Approve ✓ 10000 Disapprove _____

*Tell State to evolve rapidly
a permanent approach. We
may be inducing unnecessary
suffering by encouraging
refugees to leave home with
no place to go -*

CONFIDENTIAL - GDS

Electrostatic Copy Made
for Preservation Purposes

~~CONFIDENTIAL~~



THE SECRETARY OF STATE
WASHINGTON

7730661
7670

December 6, 1977

LIMITED OFFICIAL USE

MEMORANDUM FOR: THE PRESIDENT
From: Cyrus Vance *CV*
Subject: Emergency Parole for Indochinese Refugees

As indicated in my memorandum to you of November 18, we are beginning consultations with the Congress on the long-term problem of Indochinese refugees and have briefed key figures on the immediate emergency. We have begun discussions with Congressman Eilberg and his staff. Eilberg remains interested in using his omnibus refugee bill as the framework for long run acceptance of Indochinese refugees, and we now believe that a compromise with him may be workable when we resume more detailed discussions in January. Meanwhile, we are reviewing with OMB and other interested agencies a revised Administration position on the Eilberg bill which will be the basis for the next round of consultations. We have also begun discussions with Senator Kennedy and his staff who favor US action to accept Indochinese refugees.

In our consultations with Congress we have discussed the sharp increase in recent months of the flow of Indochinese boat refugees and how we can best deal with this situation.

The 7,000 parole numbers authorized in August for boat refugees have been exhausted. Despite continuing international efforts which have absorbed 1,200 refugees over the past four months, over 4,700 refugees now line various beaches in Southeast Asia and are without any offer of permanent resettlement. Boat refugees are continuing to flee Vietnam at the rate of over 1,500 monthly.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

-2-

The shortfall in permanent resettlement offers for boat refugees has, despite our strong protests, recently led Thailand (which has already accepted nearly 100,000 Indochinese refugees) to push several Vietnamese refugee boats with over 250 persons back out to sea. Other countries of temporary safehaven in the area could follow suit.

I believe that the boat refugee situation has become as acute that we cannot await the formulation of a long-term policy with Congress which could take several months before implementation. If we do nothing in the interim, lives will be lost. We have discussed the emergency with key Congressional figures. Kennedy is supportive. Eastland has indicated he will go along and Eilberg should also agree, based on recent talks with him. We will also talk to Peter Rodino.

The voluntary agencies responsible for resettlement of Indochinese refugees have been urging further U.S. action -- both to meet the present emergency and over the longer run. Indeed, they have requested a meeting with you to discuss the Indochinese refugee "crisis." While I do not believe you need meet personally with the voluntary agencies at this time, their concern will mount, as will press interest, unless we move swiftly to deal with the situation.

Recommendation:

In consonance with the humanitarian goals of this Administration, I recommend that you authorize me to request the Attorney General to exercise his parole authority under Section 212(d) (5) of the Immigration and Nationality Act to admit up to 7,000 Indochinese

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

- 3 -

boat refugees over the next 4-6 months pending implementation of the long-term policy. If you approve, I will proceed with my formal letter to the Attorney General with a view toward formally announcing the parole authority before the holidays.

Approve ✓

Disapprove _____

*Ag - Expedite
firm policy*



**Electrostatic Copy Made
for Preservation Purposes**

OMB COMMENT

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

20 December 1977

TO: THE PRESIDENT
FROM: RICK HUTCHESON 
SUBJECT: Staff Comments on Brzezinski Memo

Jordan: no comment.

Lipshutz: concurs, but thinks we should consider some alternative to continuing massive immigration.

OMB: "does not believe we should continue to take temporary actions without settling our long range position."

- Brzezinski's memo implies that the Eilberg bill provides a solution; however, it does not limit "the extent of US assistance." While State believes the bill allows additional refugees beyond the limit set (20,000 annually, plus an additional 20,000 for each emergent situation), Justice has informally challenged this interpretation.
- Brzezinski's memo does not take into account the continued special welfare programs for refugees, and attendant costs.
- OMB recommends that the President ask that the long-term issue be addressed, including numbers, resettlement costs, and welfare costs.
- "While we believe this parole is unavoidable, we feel it should be followed as soon as possible with a statement of our longer-term policy for future parole cases."

Eizenstat's office (informally) concurs with this parole to be consistent with past decisions and the human rights policy, but suggests that these requests will keep coming periodically until the President forces the State Department to come back with a long-term policy for future admissions.

THE WHITE HOUSE

WASHINGTON

Date: December 19, 1977

MEMORANDUM

FOR ACTION:
 Stu Eizenstat
 Frank Moore (Les Francis) -
 Jim McIntyre *shop 17*
 Bob Lipshütz *attached*

FOR INFORMATION:

The Vice President
Hamilton Jordan *cc*

concur, but Kennedy = Earl and should be kept up to date

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: CONFIDENTIAL Brzezinski memo dated 12/19 re Emergency Parole for Indochinese Refugees

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME:

DAY: IMMEDIATE TURNAROUND

DATE:

~~CONFIDENTIAL~~

ACTION REQUESTED:

Your comments ARE DUE TO DAY AT 4:00 PM

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

Carp

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

Comments due by 4:00 PM today

ACTION	FYI	
<input checked="" type="checkbox"/>		MONDALE
<input type="checkbox"/>		COSTANZA
<input checked="" type="checkbox"/>		EIZENSTAT
<input checked="" type="checkbox"/>		JORDAN
<input type="checkbox"/>		LIPSHUTZ
<input checked="" type="checkbox"/>		MOORE
<input type="checkbox"/>		POWELL
<input type="checkbox"/>		WATSON
<input checked="" type="checkbox"/>		LANCE <i>JM</i>
<input type="checkbox"/>		SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE WHITE HOUSE

WASHINGTON

December 19, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT *Stu*
FRANK RAINES

SUBJECT: Emergency Parole for
Indochinese Refugees

Secretary Vance and Zbig have sent you memos recommending you authorize the use of the Attorney General's parole authority to admit additional Indochinese refugee boat cases. Vance recommends authority for 7,000 additional admissions and Zbig recommends 10,000.

I support the admission of additional refugees in order to meet the emergency situation. To fail to respond to the needs of the boat cases would be inconsistent with the history of this country's policy on refugees and with our current human rights policies.

I am nevertheless concerned that this exercise of the parole authority may be just the next of a series of ad hoc responses to a growing problem. The estimates of refugees seem to increase each month. We should decide very soon what our long range strategy will be before the situation in Southeast Asia becomes impossible and before domestic fears about the impact of additional refugees on employment grow.

I agree with Zbig's recommendation. We should work closely with Senator Kennedy and Congressman Eilberg to obtain legislation to define the extent of the U.S. commitment to accept refugees from Southeast Asia. If we decide to limit our admissions, that policy should be clearly stated so that people fleeing the regimes in that area of the world know that they do not have a chance of reaching the U.S. This should also put additional pressure on other countries to be

responsive to the plight of these people. The 10,000 admission level will give us more time than the State Department recommended number, but you should know that the allocation could very well be used up faster than current estimates suggest.

Finally, a policy of continuing admissions will require us to rethink our announced policy of seeking to phase-out the federal program of assistance to state and local governments to meet the cost of training, medical care and income maintenance for the Indochinese refugees. We may need to seek amendments to the recently signed Indochinese Refugee Assistance Act extension.

I suggest that the State Department and Justice be directed to undertake careful consultations with Kennedy and Eilberg before the parole decision is made public.

Date: December 19, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Frank Moore (Les Francis)
Jim McIntyre

FOR INFORMATION:

The Vice President
Hamilton Jordan

hhr

xl Camp Raines

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: CONFIDENTIAL Brzezinski memo dated 12/19 re Emergency Parole for Indochinese Refugees

Stop comment

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME:

DAY: IMMEDIATE TURNAROUND

DATE:

~~CONFIDENTIAL~~

ACTION REQUESTED:

Your comments ARE DUE TO DAY AT 4:00 PM

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)

~~CONFIDENTIAL~~

THE WHITE HOUSE

~~CONFIDENTIAL~~ - GDS

WASHINGTON

ACTION

December 19, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI *ZB*

SUBJECT:

Emergency Parole for Indochinese Refugees

In the memorandum at Tab A Secretary Vance recommends that you approve 7,000 additional parole numbers for Indochinese boat-case refugees. We currently face an emergency situation in Indochina. Approximately 5,000 new boat cases without opportunities elsewhere have accumulated over the past several months. This number is growing at the rate of roughly 1,500 per month -- three times the rate estimated as recently as September.

Based on population, resources, economic conditions, and motivation, the U.S. is the country most able to absorb Indochinese refugees. To date, only France has approached the level of effort which the U.S. has sustained of slightly more than one Indochinese refugee for each 1,300 in population. Excluding the U.S., the worldwide total of accepted boat cases has averaged 450 cases per month over the past four months. The State Department is hopeful that with the naming of Paul Hartling as the new UNHCR, the international situation will improve, but they are not optimistic for a dramatic increase in boat case acceptances. *Dane*

State estimates the resettlement costs for 7,000 additional refugees at \$6.3 million, all of which would be taken from the Emergency Fund. HEW estimates the welfare cost impact at \$24.22 million over the next four years. HEW also points out that the amount required for FY 1978, \$3.01 million, would require a supplemental appropriation, and that the FY 1979 and subsequent budgets must be increased over currently approved or projected levels.

The data are simply not available to make reliable estimates of escape rates from Indochina; however the numbers are likely to remain high over the next several years. Without reliable estimates, you have two options. You could draw the line now. We all believe that there should be limits to the extent of U.S. involvement, and we have already accepted over 75 percent of the Indochinese refugees that have been resettled -- 164,000 of 217,000. Such an action would result in considerable suffering in Indochina, and would surely be viewed as inconsistent with our human rights policy.

~~CONFIDENTIAL~~ - GDS~~CONFIDENTIAL~~*Jay 3/1/90*

Alternatively, I recommend that you approve a parole of 10,000 and that you authorize the Administration to support Congressman Eilberg's legislation which would provide long-term refugee acceptance authority and set limits on the extent of U.S. assistance. The additional 3,000 parole numbers will provide enough time for Congress to act on legislation before we are confronted with another refugee build-up. If legislation is not forthcoming, Congress would share the responsibility of a subsequent emergency. The increase over Cy's request would increase the HEW costs by approximately \$10 million over four years. Resettlement costs would increase by roughly \$2.7 million, exhausting State's available funds. Every effort should be made to keep our additional parole low-key so that we do not raise expectations unrealistically in Indochina.

RECOMMENDATION

That you approve a parole of 10,000 additional numbers.

Approve _____

Disapprove _____

THE SECRETARY OF STATE
WASHINGTON

7730661
7670

December 6, 1977

LIMITED OFFICIAL USE

MEMORANDUM FOR: THE PRESIDENT
From: Cyrus Vance *cvw*
Subject: Emergency Parole for Indochinese Refugees

As indicated in my memorandum to you of November 18, we are beginning consultations with the Congress on the long-term problem of Indochinese refugees and have briefed key figures on the immediate emergency. We have begun discussions with Congressman Eilberg and his staff. Eilberg remains interested in using his omnibus refugee bill as the framework for long run acceptance of Indochinese refugees, and we now believe that a compromise with him may be workable when we resume more detailed discussions in January. Meanwhile, we are reviewing with OMB and other interested agencies a revised Administration position on the Eilberg bill which will be the basis for the next round of consultations. We have also begun discussions with Senator Kennedy and his staff who favor US action to accept Indochinese refugees.

In our consultations with Congress we have discussed the sharp increase in recent months of the flow of Indochinese boat refugees and how we can best deal with this situation.

The 7,000 parole numbers authorized in August for boat refugees have been exhausted. Despite continuing international efforts which have absorbed 1,200 refugees over the past four months, over 4,700 refugees now line various beaches in Southeast Asia and are without any offer of permanent resettlement. Boat refugees are continuing to flee Vietnam at the rate of over 1,500 monthly.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

-2-

The shortfall in permanent resettlement offers for boat refugees has, despite our strong protests, recently led Thailand (which has already accepted nearly 100,000 Indochinese refugees) to push several Vietnamese refugee boats with over 250 persons back out to sea. Other countries of temporary safehaven in the area could follow suit.

I believe that the boat refugee situation has become as acute that we cannot await the formulation of a long-term policy with Congress which could take several months before implementation. If we do nothing in the interim, lives will be lost. We have discussed the emergency with key Congressional figures. Kennedy is supportive. Eastland has indicated he will go along and Eilberg should also agree, based on recent talks with him. We will also talk to Peter Rodino.

The voluntary agencies responsible for resettlement of Indochinese refugees have been urging further U.S. action -- both to meet the present emergency and over the longer run. Indeed, they have requested a meeting with you to discuss the Indochinese refugee "crisis." While I do not believe you need meet personally with the voluntary agencies at this time, their concern will mount, as will press interest, unless we move swiftly to deal with the situation.

Recommendation:

In consonance with the humanitarian goals of this Administration, I recommend that you authorize me to request the Attorney General to exercise his parole authority under Section 212(d) (5) of the Immigration and Nationality Act to admit up to 7,000 Indochinese

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

- 3 -

boat refugees over the next 4-6 months pending implementation of the long-term policy. If you approve, I will proceed with my formal letter to the Attorney General with a view toward formally announcing the parole authority before the holidays.

Approve _____

Disapprove _____

LIMITED OFFICIAL USE

THE WHITE HOUSE
WASHINGTON

HJ: NC

Lipshutz: concur but thinks we should consider some alternative to continuing massive immigration

- This will keep happening
to be consistent - do some
past policy - h-v
cannot be called on again
else be used only
retains policy on phasing out
refugee for Indochinese
force them to come back
of a long term policy for
future admissions



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

December 19, 1977

MEMORANDUM FOR: RICK HUTCHESON
FROM: RANDY JAYNE 
SUBJECT: Indochinese Refugee Problem

Although we are extremely sympathetic to the Indochinese refugee problem, OMB does not believe we should continue to take temporary actions without settling our long range position. Zbig's memo implies that the Eilberg bill provides such a solution. However, it does not limit "the extent of U.S. assistance." While State believes the bill allows additional refugees beyond the limit set (20,000 annually, plus an additional 20,000 for each emergent situation), Justice has informally challenged this interpretation. Zbig's proposal also does not take into account the continuation of expansion of special welfare programs for refugees, with their attendant costs. Given this uncertainty, we would urge the President to ask that the long term issue be addressed, to include numbers, resettlement costs, and welfare costs. While we believe this parole is unavoidable, we feel it should be followed as soon as possible with a statement of our longer term policy for future parole cases.

65

Date: December 19, 1977

MEMORANDUM

FOR ACTION:
 Stu Eizenstat
 Frank Moore (Les Francis)
 Jim McIntyre

FOR INFORMATION:
 The Vice President
Hamilton Jordan

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: CONFIDENTIAL Brzezinski memo dated 12/19 re Emergency Parole for Indochinese Refugees

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME:
 DAY: IMMEDIATE TURNAROUND
 DATE:

CONFIDENTIAL

ACTION REQUESTED:

Your comments ARE DUE TO DAY AT 4:00 PM

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

Date: December 19, 1977

MEMORANDUM

FOR ACTION:
 Stu Eizenstat
 Frank Moore (Les Francis)
 Jim McIntyre
 Bob Lipshütz

FOR INFORMATION:
 The Vice President
 Hamilton Jordan

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: CONFIDENTIAL Brzezinski memo dated 12/19 re Emergenc Parole for Indochinese Refugees

YOUR RESPONSE MUST BE DELIVERED
 TO THE STAFF SECRETARY BY:

TIME:
 DAY: IMMEDIATE TURNAROUND
 DATE:

~~CONFIDENTIAL~~

ACTION REQUESTED:

Your comments ARE DUE TO DAY AT 4:00 PM

Other:

STAFF RESPONSE:

I concur. *with* No comment.

Please note other comments below:

Zbig's recommendation. But in addition I think we should consider some alternative to continuing massive immigration, but in addition to reasonable immigration, provide a Taiwan-like situation for the larger numbers. JJ



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

December 20, 1977

TO: Rick Hutcheson
Staff Secretary

This is in response to the President's note of
December 15 to the Secretary and Jody Powell
about the farm situation.

Lynn Daft has a copy.

A handwritten signature in cursive script that reads "Howard W. Hjort".

HOWARD W. HJORT
Director of Economics, Policy
Analysis and Budget

Enclosure

THE WHITE HOUSE
WASHINGTON

12/20/77

Mr. President--

I talked to Jody briefly.

The suggested letter from Agriculture was received by Jody only an hour ago.

The letter, which is attached, is too cold and impersonal, and is being rewritten.

We will send in the redrafted letter as soon as it is completed.

Rex

12/20/77

Dear :

I realize this has been a difficult year for many farmers and ranchers.

Drought was extreme in some parts of the country. In Georgia only 24 million bushels of corn were produced, compared with 134 million last year. This is a disaster, and the disaster programs we inherited were inadequate.

Cattlemen were still trying to overcome the devastating inventory liquidation and low prices brought about by the combination of meat price controls, consumer boycotts, and high feed costs during 1972-75.

Declining crop prices combined with continually rising prices for the items used to produce crops continued to squeeze income. Lower prices were the consequence of favorable world weather patterns during 1976 and 1977.

Since January, we've taken over 16 administrative actions, and the Congress has provided additional authorities to help America's farmers through this serious situation.

In April, we reduced the interest rates on commodity and storage loans, boosted feed grain loan prices, and established a farmer-owned wheat and rice reserve. Later this was expanded and a feed grain reserve was announced. To keep excess grain from being turned over to the government, we liberalized the farm storage loan program.

To counter the drought I provided \$479 million in emergency loans to producers in May. Three months later I authorized another \$50 million. Later I signed legislation authorizing disaster payments based upon acreage planted instead of upon outdated allotments.

On August 31, feed grain loan rates were again increased.

On September 29, I signed the Food and Agriculture Act of 1977. This authorized \$1.2 billion in wheat deficiency payments, more than \$800 million above the amount authorized under the 1973 Act. Starting December 1, checks were being sent to an estimated 1.8 million farmers.

The new farm Act eliminates allotments, so that all farmers will have greater freedom in deciding how they use their land than ever before. Target prices for the major commodities were increased substantially to protect producers against economic disaster. Loan prices are at a level that will keep us competitive in world markets.

An International Sugar Agreement has been formulated, an international wheat reserve is under discussion, and the multi-lateral trade negotiations are again underway, due mainly to the positive approach of this Administration.

These administrative and congressional actions, record loan activity and good demand for our farm products has pulled farm prices up. This November, prices received by farmers averaged 4 percent above last November. The price of wheat climbed from a season low of \$2.03 a bushel in June to \$2.48 in November. The price of corn rose from \$1.60 a bushel in September to \$1.91 in November.

A hundred pounds of sorghum sold for \$2.52 in September, and \$3.15 in November. The average price received by farmers for soybeans moved from a season low of \$5.27 to a November average of \$5.68 a bushel.

Farm prices and income are still too low, but they have improved. Farm production costs appear to be moderating. Prices paid by farmers for commodities, interest, taxes and wage rates have been essentially unchanged for the last three months, but they are about five percent above last year.

I encourage you to continue to use the farm programs. They are designed to help you through periods of excess supply and low prices. The commodity loan program makes it possible for you to pay necessary expenses without selling at distress prices. The set-aside programs that have been announced for wheat and feed grains are to help bring production into balance with requirements. The reserve programs are designed to remove excess grain from the market. Reserves, held primarily by the farmer, are a hedge against bad harvests and future export controls. Reserves insure farmers' continued access to existing export markets and the development of new markets, as they permit us to be a dependable supplier in good years, as well as bad years.

With best wishes, I remain,

Sincerely,

JIMMY CARTER

THE PRESIDENT HAS SEEN.

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

**Electrostatic Copy Made
for Preservation Purposes**

December 20, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze **CLS**

Subject: Consumer Prices and New Orders for Durable Goods
in November

The Bureau of Labor Statistics will release tomorrow (December 21) at 9:00 a. m. its index of consumer prices in November. Consumer prices rose 0.5 percent last month, following increases of 0.3 percent in each of the preceding 4 months.

The Census Bureau will release at 2:00 p. m. tomorrow its estimate of new orders for durable goods in November. The news is disappointing. Total new orders for durables declined 1.9 percent, largely due to a fall in orders for capital goods in nondefense industries.

Consumer Prices

The rise of consumer prices since June has been moderated by small increases in food prices, a continuing decline in prices of used cars, and price concessions granted by retailers to spur consumer buying.

In November, these temporary moderating influences ended. Food prices went up 0.6 percent, used car prices were changed, after declining sharply since last spring, and prices of all nonfood commodities rose 0.5 percent -- the largest increase since early in 1977. Prices of consumer services continued to increase at a moderate rate (0.4 percent) in November, in line with the trend of the past several months.

An increase of 0.5 percent in consumer prices is not good news, but it is not bad news either. We expect consumer food prices to continue increasing -- but at a relatively moderate rate, at least through the first half of next year. For nonfood commodities, the strength of consumer spending evident in recent retail trade reports suggests that retailers will not be shaving on prices to improve sales as they have been recently. In coming months, therefore, increases in the CPI of 0.5 percent or higher must be anticipated.

New Orders for Durable Goods

The figures on new orders for durable goods in November are a disappointment. Orders for nondefense capital goods, which are an indicator of business capital spending, fell 4.9 percent last month. The decline was heavily in shipbuilding and commercial aircraft, and these orders are large and volatile. But the underlying trend in these orders over the past half year has not been strong enough to ensure a strong increase of business capital outlays during 1978.

One optimistic note in the November figures is the 15 percent rise in orders for steel. We had heard rumors that buyers were shifting from foreign to domestic sources as a hedge against reductions in foreign supply. These figures appear to confirm that shift in buying patterns.