4/6/78 [1]

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<th>FORM OF DOCUMENT</th>
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<td>Memo</td>
<td>Dan Tete to Frank Moore, 7 pp., re: Malcolm Reese</td>
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FILE LOCATION
Carter Presidential Papers-Staff Offices, Office of Staff Sec.-Presidential Handwriting File 4/6/78 [1] Box 79

RESTRICTION CODES
(A) Closed by Executive Order 12356 governing access to national security information.
(B) Closed by statute or by the agency which originated the document.
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THE PRESIDENT'S SCHEDULE
Thursday - April 5, 1973

8:15 Dr. Shigekazu Breizinski - The Oval Office.

9:00 Videotape Message. (Mr. Barry Jagoda). The Roosevelt Room.

9:45 Drop-By Breakfast with Businessmen/Tax Reform. (Mr. Joe Aragon) - The State Dining Room.

10:15 Bill Signing Ceremony for H.R. 5383 - Bill Outlawing Mandatory Retirement. (Mr. Frank Moore) - The Rose Garden.

10:30 Mr. Joedy Powell - The Oval Office.

11:30 Meeting with Senator Edward Kennedy, Hon. George Meany, Mr. Doug Fraser et al. (Dr. Peter Bourne) - The Cabinet Room.

12:05 Greetings/Photographs - The Oval Office.

12:30 Lunch with Mrs. Rosalynn Carter - Oval Office.

1:30 Mr. James McIntyre - The Oval Office.
My dear Mr. President:

Your surprise will be no greater than was mine when I read our local paper after going home last Saturday afternoon! Until I did a double take I was in a state of amazement.

The story seems to me to be in the very best of the April Fools Day tradition, but as a matter of fact, Amherst is a very fine town, people do mind their own business, and we still have our central post office! Might it be possible to persuade you to consider the idea?

Best regards,

Sincerely,

Lucy Wilson Benson

Enclosure (1)
Carter chooses Amherst for retreat

By JACK SANDERSON
WASHINGTON, April 1
Administration officials have confirmed that President Carter will visit the Presidential retreat at Camp David in Maryland and establish a new one in Amherst, Mass. A spokesman, Jody Powell, confirmed that Lucy Benson of Amherst, Undersecretary of State, had succeeded in convincing the President to visit the town.

In March the President recently came to Amherst in jeans and sweater. He mingled inconspicuously with the students and local college campuses and walked unnoticed through the local public library. According to aides, he was delighted by the absence of anonymity.

"I told him it was a town that minds its own business," commented Mrs. Benson. "He could get the change of pace in Amherst he badly needs, and the secret central post office." To which the visit was the former Strategic Air Command bunker at The Notch. The area there is just perfect," said the President.

Noting the headquarters for a helicopter to land, and a good blacktop place for a party on the roof.

PRESIDENTIAL HIDEAWAY? According to a March 7, 1979, report from Washington, President Carter will adopt the former SAC installation at the new "Camp Kennedy's political observers."

According to Washington is President Carter is seeking to "seed the political environment." A Massachusetts home could reinforce association with the heritage of the late President Kennedy and, incidentally, make Sen. Edward Kennedy a distinguished visitor.

Reportedly, the Secret Service is worried about the case with which foreign spooks could bug the woods, tennis courts, and town common places where the President might take distinguished visitors.

Police chief Donald Maney of the Amherst department was reassuring. "It can't be specific, but some scientists at Masse are protecting a new counter bug," he said. "It will be ready on April 1."
Mr. President:

Secretary Califano's office called to say that, contrary to the Secretary's conversation with you this morning, Doug Fraser has not been helping on cost containment. Early last year he testified in favor of our bill, but since then he has really done nothing to help. When mentioning cost containment, the Secretary suggests that rather than thanking them for the work they have done, you urge them to follow through on their earlier support for the bill.

Stu
THE WHITE HOUSE
WASHINGTON
MEETING WITH SENATOR KENNEDY
AND ORGANIZED LABOR ON NHI

Thursday, April 6, 1978
11:30 a.m.
Cabinet Room

From: Stu Eizenstat
Joe Onek
Peter Bourne

I. PURPOSE
This meeting is to discuss NHI progress and, more particularly, Kennedy/labor's four NHI principles (Attachment I).

II. PARTICIPANTS AND PRESS PLAN
A. Participants
George Meany, President, AFL-CIO
Lane Kirkland, AFL-CIO
Doug Fraser, President, UAW
Steve Schlossberg, UAW
Senator Edward Kennedy
Larry Horowitz, Senator Kennedy's staff
Joseph Califano, Secretary, HEW
Stu Eizenstat
Frank Moore
Landon Butler
Peter Bourne
Joe Onek
Other key staff

B. Press Plan
No press coverage.
III. BACKGROUND

For many years, labor has been committed to the Health Security (Kennedy-Corman) Act. This expensive proposal (generating at least $130 billion in additional annual federal expenditures in 1976 dollars) relies on dubious cost containment mechanisms, contains no deductibles or co-payments, and permits no private insurance role. It is the object of very strong business, insurance company, and provider opposition.

Administration officials at all levels have explained to labor that it is not possible to propose an NHI plan which dramatically raises taxes (especially payroll taxes) and provides no substantial role for private insurers. In early March, Kennedy/labor quietly circulated a proposal which purported to deal with the Administration's concerns. Despite press reports to the contrary, this proposal unfortunately differs from the original Health Security Act in only two respects.

First, the program would be administered on a day-to-day basis by two consortia of insurance companies (one comprised of commercial insurers and one comprised of Blue Cross and Blue Shield plans). However, extensive federal regulation would make the consortia little more than quasi-public corporations, which is unacceptable to the insurance and business communities.

Second, labor's new proposal would rely heavily on financing through mandated employer premiums. However, the costliness of the benefit package would require the federal government to provide substantial tax credits to employers, at significant cost to the federal treasury.

Both White House and HEW staff expressed their disappointment with the proposal. At a subsequent meeting Kennedy/labor withdrew the specific proposal and presented four policy principles in its place. They requested that you accept these principles and establish a joint working group to develop a NHI proposal.

On April 4, Kennedy/labor presented us with a brief elaboration of their four principles. They may present this document to you at this meeting.
STAFF PREPARATION

We have explained to Senator Kennedy's staff that the Administration's NHI PRM process is underway and that you have not yet had the opportunity to focus on NHI. We have also explained the difficulties in establishing a formal working group along side the PRM Coordinating Committee. (Not only would this interfere with the Cabinet process, it would provoke similar demands from other groups such as physicians, hospitals, and insurance companies.) The purpose of this meeting, therefore, is simply to reaffirm your support for NHI and for a close working relationship with Kennedy/labor, without establishing a formal mechanism (see talking points).

In our discussions with labor, we assume that their support is probably indispensible to passage of NHI legislation, since most other interest groups are satisfied with the status quo. On the other hand, the type of bill that labor is supporting cannot possibly be enacted and may well be ill-advised substantively. The goal therefore must be to persuade labor to accept a viable bill.

We may be able to reach an acceptable compromise with labor. However, we are by no means certain of this. NHI is not a "bread and butter" issue for labor. Most unions have good health insurance; many (including the UAW) have excellent coverage. Thus, labor can afford to be ideologically pure on NHI. At the same time they have invested years in educating their workers on the desirability of the Kennedy/Corman Bill. Labor may not be as willing to compromise on this issue as it has been on such "bread and butter" issues as labor law reform.

Analysis of Labor's Four Principles

The following issues appear to divide the Administration from labor/Kennedy. They are presented for your information; we recommend that you neither debate these issues nor agree to the Kennedy/labor position during the meeting.

1. "Comprehensive benefits; universal coverage." As a principle this is unexceptionable; you have advocated it since the beginning of the campaign. The problem is that labor has a very expansive definition of "comprehensive benefits". Sooner or later, we must attempt to reach agreement with labor on a strictly limited definition of "comprehensive benefits":

-
(a) We must insist that "comprehensive benefits" permit deductibles or patient co-payments (for the non-poor). Without co-insurance, any NHI plan will be prohibitively expensive. Even modest measures, such as a 25% co-payment with a limit of $1500 in family expenditures per year, would save $20-$30 billion in the first year alone.

Co-payments and deductibles have traditionally been anathema to organized labor. Many unions now have "first-dollar" coverage. Our proposal could permit unions and employers to retain or bargain for first-dollar coverage provided by employers; it cannot provide such coverage to everyone.

(b) "Comprehensive benefits" must be interpreted to mean only basic physician, hospital and out-patient services. It should not be interpreted to include ancillary items such as drugs, eyeglasses, dental care, and unlimited out-patient psychiatric care. Inclusion of these benefits could increase the cost of NHI by at least $20 billion.

2. "Administration through the private sector." This is a major ideological concession by labor, which until now has strongly insisted on government administration.

Labor's March proposal placed all day-to-day administration in private hands, which would require dismantling the present Medicare and Medicaid programs. While we understand labor's motives — to eliminate the possibility of separate and unequal publicly and privately administered systems — we believe total private administration would cause serious problems by requiring major changes in very large ongoing programs without clear compensating benefits.

3. "Regulated by the public sector guaranteeing: equal premiums; equal benefits; a resource development fund to reform the system; high quality care."

(a) Kennedy's staff says this means simply that there should be a standard benefit package with a maximum premium. If so, it is acceptable. But labor's instinct is to regulate the private insurance companies so tightly that they are little more than quasi-public corporations -- a role the insurance carriers will vigorously oppose. An underwriting role for private insurance companies should not be precluded.
(b) In the past, labor has proposed to divert a fixed percentage of all premiums to a resource development fund, which would support alternative delivery systems such as community health centers. This fund would not go through the normal budget process either at OMB or the Congress.

Neither the President nor Congress should lose annual control over expenditures for health centers and the like. However, we could support a small resource development program, as long as it does not replace the ongoing health budget process. We believe we can reach agreement on this point.

4. "Prospective budgeting with caps to control cost." As its primary cost containment mechanism, labor has traditionally called for a total national health budget allocated state-by-state and region-by-region. There are serious political and administrative problems with this approach. First, the federal government will have difficulty determining what total health expenditures ought to be, particularly in the early years, when NHI induces new demands for health services. Second, the federal government will have difficulty allocating these expenditures state-by-state. Third, there are no administrative structures at the state or local level which can assure that the thousands of day-to-day decisions on physician fees, utilization, and so forth, are, in the aggregate, consistent with the budget allocations. Fourth, this "health budgeting" may in the long run simply create collective bargaining for hospitals and doctors. Incentives may prove more effective, over the long-term, than rigid controls.

The Administration supports hospital cost containment action comparable to prospective budgeting with caps. The Administration could therefore support prospective budgeting with caps for the hospital sector, with experiments in reimbursement in the other sectors. The Administration could also consider establishing a non-binding target budget for national health insurance. Thus, if labor is not too dogmatic, we may be able to reach agreement on this point.

NHI PRM Process

On February 6, 1978, we circulated the Issue Definition Memorandum to the NHI Coordinating Committee, which consists of HEW (the lead agency), Treasury, Labor, Commerce, DOD, VA, CEA, OMB, and DPS. HEW's first draft of the Decision Memorandum on principles was circulated on April 4, 1978. The final Decision Memorandum on principles will be presented to you by early May.
The existence of the PRM process gives you ample justification to avoid commitments on any NHI principles now. Indeed, to reach any specific agreements with Kennedy/labor would undermine the PRM process.

This meeting is also a good opportunity to reaffirm Secretary Califano's primary role in the PRM process. Kennedy/labor should not think that they can "divide and conquer" during the difficult negotiating period ahead. Furthermore, the Administration is going to have to say "no" to labor on many issues, and it is preferable that the "nos" emanate from HEW rather than the White House.

IV. TALKING POINTS

-- You are not ready to focus on specific principles at this time. You have held only one briefing session on NHI and are awaiting the PRM memorandum.

-- You remain personally committed to the passage of NHI legislation.

-- You appreciate Kennedy/labor's willingness to modify their long-standing position and look at new approaches. Flexibility on their part will be essential to achieve legislation that is workable and enactable. Staffs should continue to work closely together, and you will meet with Kennedy/labor again as the final decision approaches. After the PRM process on principles is completed, we can discuss establishing a broadly-based working group to help develop a NHI proposal. You should test commit to a working group later.

-- The Administration will send up its proposal in time for Congressional hearings this session.
MEMORANDUM TO THE PRESIDENT

FROM JOE CALIFANO

SUBJECT: April 6th Meeting with Senator Kennedy and Labor on National Health Insurance

Purpose of Meeting

As you and I discussed last week, it is important for you to have some distance from the early disputes involved at this stage in the development of your National Health Insurance proposal. The obvious difficulties that this issue poses for the Administration should be laid on HEW's doorstep not the White House's while you retain the ability to step in and make an agreement or announce a decision when that opportunity emerges. I urge you to use this meeting to make clear that the lead responsibility for NHI development at present lies with HEW. Stu and I will, of course, maintain a close working relationship with other Departments and EOP components under the PRM process.

The Present Schedule

As you know, this meeting comes just as the PRM process has begun in earnest. We circulated our lead agency memo to other Departments on Monday, April 3. We will work with your staff to meet the following schedule -- which depends in part on whether we receive the comments from other Departments on schedule (they are due on April 19):

- Presidential Review of Principles Memorandum: Early to mid-May
- Announcement of Principles: Mid-May to late May
- Tentative draft plan announced by HEW for comment: Late June to Mid-July
Submission of detailed Legislative proposal (probably specifications, not a bill)  Mid to late August

Talking Points

To give you maximum flexibility in the future, tomorrow's meeting should avoid both substantive negotiations and procedural commitments. I understand that your staff has agreed with organized labor that the meeting will follow this course.

The meeting offers you the opportunity:

- To emphasize that the PRM process now underway will develop Administration policy, and to direct me to undertake substantive discussions with organized labor and Senator Kennedy.

- To stress your continued strong commitment to National Health Insurance as an Administration initiative;

- To support the efforts of organized labor and Senator Kennedy to develop a compromise proposal.

An Additional Note

In our April 3 memo, we included a brief description of the most recent Kennedy-labor proposal -- though it was not identified as such -- to insure that the Administration's deliberations are informed fully about their views.

Senator Kennedy and the representatives of organized labor may express some unhappiness that their option has surfaced in the lead agency memo. That option has many of the problems, especially cost, of their old Health Security proposal and, in my judgment, does not offer a compromise that the Congress will enact.

But they genuinely believe that they have given a great deal and their effort does signal a genuine desire to deal with us.

We must also remember there are other key members in Congress who will be central to the passage of NHI -- Long, Ullman, Rogers, Rostenkowski, Talmadge and Ribicoff, to name a few.
Finally, you should make a point regarding hospital cost containment. We face some very tough votes in the next weeks in both the House Commerce Committee and in Ways and Means on compromise proposals. Members responsive to organized labor could be key -- and we are trying to work out a compromise with them on wage increases for hospital workers. Fraser has been with us on hospital cost containment, the AFL-CIO has been fighting us to get more freedom for hospital worker wage increases. Clearly, if we have difficulty making progress on hospital cost containment, we are not going to make much progress on national health insurance.
MEMORANDUM FOR: THE PRESIDENT
FROM: Jim McIntyre
SUBJECT: National Health Insurance Meeting with Senator Kennedy and Organized Labor

Your April 6 meeting with Senator Kennedy and representatives of organized labor on National Health Insurance (NHI) will come at least a month before the first NHI Presidential Review Memorandum is scheduled to be presented to you. NHI costs and their economic impact will be discussed in that memorandum and in the 1980 Budget Preview process which begins this month. Because there is expert consensus that no NHI plan will significantly improve the nation's health status, the most strongly felt effects of the various NHI proposals will be on employment, unemployment and inflation rates, work and investment incentives, and income distribution. In the PRM and budget processes these effects will be identified so that you can make your NHI decision as an integral part of your fiscal and economic policy.

Any NHI proposal will have a significant impact on Federal expenditures and total U.S. expenditures for health care, as we will be discussing in the coming weeks. To give you some idea of those impacts, preliminary estimates of costs for the five prototype plans under consideration in the PRM process are below. (Brief descriptions of the prototype plans are attached.)
### 1980 Health Care Expenditures*

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<th>Federal Expenditures</th>
<th>Total U.S. Health Expenditures</th>
<th>Federal Expenditures/ % GNP</th>
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<td>(Billions of 1980 $)</td>
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<td>Health Security</td>
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<td>$155</td>
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<td>Quasi-Public</td>
<td>180</td>
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<td>275</td>
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<td>Publicly Guaranteed</td>
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<td>Consumer Choice</td>
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<td>Current Services</td>
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*Federal expenditures include tax expenditures. Current services assume no enactment of NHI or other new initiatives.

The figures shown above assume, for purposes of comparison, that NHI will be fully implemented in 1980. The estimates of total U.S. health expenditures reflect increased prices for health care (inflation), but not the increases in use of particular services which can be expected when coverage is broadened under NHI. The final column shows the potential effects of each option on Federal expenditures as a percent of GNP.

While Senator Kennedy and the organized labor representatives are not committed to "Health Security" per se, the principles and approaches they are likely to advance have their genesis in this plan. We are aware of your commitment to NHI and the general willingness of the American public to bear the cost of improving health care. However, given the economic and fiscal consequences of the plan, we recommend you not make any commitments at the April 6 meeting but reserve your decisions until you have considered the information that the PRM and Budget processes will provide you.

*Attachment*
Prototypes National Health Insurance Plans

- Kennedy-Corman "Health Security" plan would give responsibility for most health care to the Federal Government with prospective budgeting of health care expenditures used to contain cost increases. Generous health benefits with no cost sharing would be provided universally and substantial system reform would be encouraged by a Federal resource development fund. Financing would be through a mixture of general revenues and payroll taxes and would increase Federal health spending from about $75 billion without NHI to $230 billion in 1980.

- "Quasi-Public" plan would create a quasi-public corporation (like the Post Office or Conrail) through which most health insurance and reimbursement to health care providers would flow. Financed by a mixture of general revenue and mandated premiums (essentially payroll taxes), the major difference between HEW's "Quasi-Public" prototype and "Health Security" are the required copayments and more modest benefit package. HEW estimates Federal expenditures for this plan at about $180 billion in 1980.

- "Publicly Guaranteed" plan would provide universal health insurance through a mixture of public and private insurance. All persons would be eligible for Federal coverage. However, most workers and their dependents would be expected to exercise their right of dropping the Federal coverage in favor of an approved private plan. Federal regulation would ensure compliance with uniform standards of coverage. Such a plan, again with modest benefits and 25 percent copayment, would increase Federal expenditures to about $140 billion in 1980.

- "Consumer Choice" plan attempts to increase the choice of health care options for individuals. It would give people a fixed value in the form of a tax credit or, for the low-income, voucher to be used in purchasing a qualified health plan. Theoretically, competition would be increased, forcing needed improvements in the quality of health care and cost containment. HEW estimates the Federal expenditures at about $150 billion (including new tax expenditures of about $50 billion), although the plan's originator estimates them substantially lower.

- "Target" plan attempts to fill the gaps and shortages in existing health care coverage. It consists of several separable components, coverage for catastrophic medical expenses, reform of Medicare and Medicaid, and coverage for children's medical expenses. The "Target" approach would build on the existing private health
financing system and would not substantially redirect the current
flow of health care dollars from the private sector. This approach
could be an initial step towards full federalization of health
care or another step in reforming health care financing, completing
the major Federal initiatives necessary to provide universal access
to high-quality health care begun with Medicare and Medicaid.
Depending on which components are chosen and the amount of catastrophic
coverage mandated rather than reimbursed by the Federal Government,
these plans could raise Federal health expenditures to between $90
and $110 billion in 1980.
NATIONAL HEALTH INSURANCE

1) Comprehensive benefits; universal coverage

2) Administration through the private sector

3) Regulated by the public sector guaranteeing: equal premiums; equal benefits; a resource development fund to reform the system; high quality care

4) Prospective budgeting with CAPS to control cost
Bob Lipshutz

The attached was returned in the President's outbox today and is forwarded to you for your information. The signed original has been given to Bob Linder for appropriate handling.

Rick Hutcheson

cc: Bob Linder

RE: EXECUTIVE ORDER CONCERNING ANTITRUST COMMISSION
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Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day.
MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT LIPSHUTZ

DATE: April 5, 1978

SUBJECT: Proposed Executive Order Re Antitrust Commission

In December you signed an Executive Order establishing the National Commission for the Review of Antitrust Laws and Procedures. The Order provided for a fifteen-member Commission, including three each from the Senate and the House (two Democrats and one Republican).

Selection of Commission members has been delayed because Senator Baker has been unwilling to choose between Senators Javits and Thurmond. In order to relieve Senator Baker's political problem, the Attorney General proposes to amend the Order to permit the selection of two Republicans on the Senate side. Once this is done, however, it is also necessary to enlarge the Senate Democratic representation and the representation generally on the House side, as well as in the private sector. The Attorney General also wants to add one member to represent the state Attorneys General; the Chairman of the Federal Trade Commission concurs with this suggestion.

As revised, the Commission would have twenty-two rather than fifteen members. We believe that the Attorney General's proposal is a realistic approach to this problem.

We recommend that you sign the proposed Order.

[Signature]

V Approve  _____ Disapprove
By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in order to provide for increased participation on the National Commission for the Review of Antitrust Laws and Procedures, Section 1(b) of Executive Order No. 12022 of December 1, 1977, is hereby amended to read as follows:

"The Commission shall consist of twenty-two members to be appointed by the President and shall include:

(1) The Assistant Attorney General in charge of the Antitrust Division of the Department of Justice.

(2) The Chairman of the Federal Trade Commission.

(3) The Chairman of one other appropriate independent regulatory agency.

(4) Five members of the Senate recommended by the President of the Senate.

(5) Five members of the House of Representatives recommended by the Speaker of the House of Representatives.

(6) One judge of a United States District Court.

(7) One state Attorney General.

(8) Seven persons from the private sector."

THE WHITE HOUSE,
Stripping

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

Rick Hutcheson
MEMORANDUM TO THE PRESIDENT

FROM: JIM FALLOWS

SUBJECT: National Lampoon

The National Lampoon -- which, as you probably know, is a commercial, nationally-distributed humor magazine, not connected to the Lampoon at Harvard -- is having its 100th anniversary in a few months (their 100th month, not 100th year). They would like to have you sign a letter like the one I have attached, which they would run on their editorial page. Jody says that, "unless they've been particularly obnoxious," it sounds like a good idea to him. I think it would win you a few points with the young people who read the magazine.
April 7, 1978

To the Editors of
The National Lampoon

I've been asked to send my formal congratulations to the National Lampoon on its hundredth anniversary, and to mention briefly your accomplishments in the field of wit and literary endeavor.

Sincerely,

[Signature]

Editors
The National Lampoon
635 Madison Avenue
New York, New York 10022
THE WHITE HOUSE
WASHINGTON
April 6, 1978

Tim Kraft

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

Rick Hutcheson
cc: Fran Voorde
Hamilton Jordan
TO: The President
FROM: Fran
RE: Western Trip

We have talked to Stuart, Hamilton, Jody, Jack, and the Congressional Liaison staff. They believe this proposal makes sense as is --- both politically for 1978 and 1980.

We promise you a trip to Elk City soon. It does not work well here.

We agree the Town Meeting time is potentially a problem, but we believe it can work. There are a lot of people who do not work during the day. We ask your approval to pursue it in greater detail and leave us the option to do if we think it can work well.

approve disapprove
BILL SIGNING - H.R. 5383
AGE DISCRIMINATION IN EMPLOYMENT ACT AMENDMENTS OF 1978
Thursday, April 6, 1978
10:15 a.m. (10 Minutes)
The Rose Garden

From: Frank Moore

I. PRESS COVERAGE

Full Press

II. PARTICIPANTS

See Attached List

III. ADDITIONAL INFORMATION

1. We have scheduled this ceremony for the Rose Garden because the subject of the legislation is one which has generated broad interest and one which is of great interest to senior citizen groups. The number of participants, however, has been kept within reasonable limits so that you will not have to use more than the standard time for a bill signing while at the same time satisfying a large number of folks.

2. Following your statement, the following Members of Congress should be recognized for their special work on this legislation:

Pete Williams -- Chairman of the Senate Human Resources Committee
Carl Perkins and Gus Hawkins -- Perkins as Chairman of the House Committee on Education and Labor and Hawkins as Chairman of the House Subcommittee on Employment Opportunities. This committee and subcommittee had jurisdictional authority over this legislation.
Claude Pepper and Paul Findley -- Sponsor and co-sponsor of the legislation. Pepper is also the Chairman of the House Select Committee on Aging.

Congressman Pepper has specifically requested that you recognize him so that he can say a few words. He has assured me that he will keep his remarks very brief. I would recommend that you do recognize Pepper but that this be done last so that the other Members will have the opportunity to be singled out.
3. Also at the ceremony will be 11 year old Kathryn Morse. When she was 10 years old, she testified on behalf of this legislation, and I have been told that she did a remarkable job of presenting her own view on the need for raising the retirement age. She will be flying down from Boston tomorrow, and if time permits, I recommend that you mention her.
PARTICIPANTS

Senate

Senator Church
Senator Chafee
Senator Melcher
Senator Schweiker
Senator Williams
Senator Pell

Senate Committee Staff

Michael Forcey
David Affeldt
Kathleen Deignan
Steven Paradise
Don Zimmerman
Peter Turza

House

Cong. Ed Beard
Cong. Biaggi
Cong. Blouin
Cong. Brademas
Cong. Bill Clay
Cong. Corrada
Cong. Dent
Cong. Derwinski
Cong. Downey
Cong. Drinan
Cong. Findley
Cong. Flowers
Cong. George Miller
Cong. Pepper
Cong. Perkins
Cong. Hawkins
Cong. Meyner
Cong. Weiss

House Committee Staff

Robert Weiner
Edward Howard
James Stephens
Susan Grayson
Carole Schanzer
William Gaul
Administration

Marcia Decker, Commission on Aging
Nelson Cruikshank
Department of Labor

Undersecretary Robert Brown
Deputy Assistant Secretary Peter Henle
Assistant Secretary Elisburg
Carin Clauss, Solicitor's Office
Jim Leonard, Solicitor's Office
Carvin Cook, Employment Standards
Julia Stone, Employment Standards
Diane Andrusia, Legislative Department

Other

Business Community

Stacey Mobley, Dupont Co.

Labor

Kenneth Blaylock
John McCart
Bob McGlottin

Rev. Thomas Henry, Tennessee Commission on Aging
Mrs. Lena Mae Pickens, Tennessee Commission on Aging

Mrs. Claude Pepper

Kathryn Morse

Senior Citizen Groups

David Crowley, American Association of Homes for the Aging
Cyril Brickfield, American Association of Retired Persons
Peter Hughes, American Association of Retired Persons
Raymond, National Association of Area Agencies on Aging
Daniel Quirk, National Association of State Units on Aging
Edwin Kaskowitz, Gerontological Society
John McClelland, National Association of Retired Federal Employees
William Hutton, National Council of Senior Citizens
Mother Margaret Bernadette de Lourdes, National Council on the Aging
Robert Ahrens, Urban Elderly Coalition
Ruth Braver, Urban Elderly Coalition
Michael Murray, former staff member of Select Committee on Aging, drafted the legislation
Wesley Uhlman, former Mayor of Seattle
THE WHITE HOUSE
WASHINGTON
April 6, 1978
Zbig Brzezinski

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

Rick Hutcheson

RE: EXIT VISAS - RAUTA'S
Mr. President --

Personal request from Helen Thomas.....

-- Susan
April 4, 1978

Dear Susan:

I was wondering if you could get this tragic case before the President. Since Romanian President Nicolai Cecesceau is arriving next week, a word to him by President Carter could possibly reunite this long suffering family.

It's an imposition of me to ask, and yet I know that all of us must to help whenever and wherever we can.

This letter and petition was sent to the President but they do not know whether it got to him. This is a copy.

Most gratefully,

Helen Thomas
March 29, 1978

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

Dear Mr. President:

The parish council of the Holy Cross Romanian Orthodox Church of Washington, D.C., on behalf of one of our parishioners, Mr. Constantin Rauta, respectfully requests your immediate and compassionate attention to a serious human rights violation.

We refer to Mr. Rauta's wife and five year old child, Ecaterina Gabriela Rauta and Mihai Catalia Rauta, whose exit visas from the Socialist Democratic Republic of Romania has been denied for over four years. According to Articles 13 and 14 of the United Nations International Bill of Human Rights, everyone has the right to leave his country and seek asylum from persecution in another country.

Mr. Rauta sought and received asylum from Romania in the United States in November 1973. Entry visas for Mrs. Rauta and her son have been granted and air transportation for them has been paid in full since 1974. Still the exit visas from Romania are denied. Surely this separation of the Rauta family represents political oppression and further denial of human rights according to Article 16 of the U. N. Bill of Human Rights, that the family group "is entitled to protection by Society and the State."

Mr. President, the Romanian Orthodox community of Washington earnestly requests your assistance in securing these exit visas for Mrs. Rauta and her son, perhaps during the upcoming visit of Romanian President Nicolai Ceausescu to the United States. We shall continue to pray for the safe and speedy reunion of the Rauta family and for your health and well-being in the office of President of the United States.

Respectfully yours,

Rev. Fr. Anchidim Useriu

President of the Parish Council
Nicholas Lungociu
THE WHITE HOUSE
WASHINGTON
April 6, 1978

Frank Moore

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

Rick Hutcheson

RE: CALL TO CORMAN - NATURAL GAS BILL
**THE WHITE HOUSE**  
**WASHINGTON**

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TO: Congressman James Corman (D-Calif)

DATE: Thursday, April 6

RECOMMENDED BY: Frank Moore

PURPOSE: Congressman Corman has been under a lot of pressure from some of his powerful constituents to oppose the natural gas bill because of its expense. I believe Corman needs a call from you in order to reassure him. I have attached some talking points on the cost of the bill for you to use in your call to Corman.

Date of Submission April 6, 1978
CORMAN TALKING POINTS

- I deeply appreciate your support on the energy bill, and know you understand how important it is for both the dollar and investment certainty at home to reach agreement.

- I know some people are saying the natural gas bill is too expensive— but the proposals now being discussed in the conference are far superior to the no bill option.

- **Seven years of continuing price controls will protect consumers from excessive costs.** If OPEC should increase real prices in the future, two more years of controls, extending them until 1987, would be virtually certain. In the interim, Congress would have ample time to design an appropriate program for beyond that period.

- It provides needed certainty and new incentives to the industry, and regulatory certainty to the consumer.

- The price incentives for new gas will lead to substantially higher supplies than the status quo.

- The overall cost to the nation's consumers will be less than under a realistic assessment of the status quo and far less than under immediate decontrol.

- The equalization of price in the interstate and intrastate markets will bring greater supplies of natural gas to the consuming states at far less cost than alternate fuels such as synthetic gas, imported liquified natural gas or imported petroleum.

- The incremental pricing provision allows for in-depth consideration and review (FERC may submit a proposal with a Congressional right of disapproval) to develop a balance between the concerns of industry and the interests of protecting residential consumers from direct natural gas price increases.
This is the last chance for a gradual transition toward more realistic pricing of natural gas.

- Failure now to achieve a bill will mean continuation for one or two more years of the present hopelessly distorted system, and almost certain deregulation thereafter.

- Under the status quo, practically no new sales - except deregulated emergency sales - are being made in the interstate market. Sorely needed intrastate production back-ups, and action to cutback on intrastate production, like that recently taken by the Texas Railroad Commission, then follows.

- This bill will move that gas to the interstate market at regulated prices and bring order to natural gas markets - all at the same cost as the current system.

- For several years a majority of the Senate has favored deregulation.

- There is every reason to believe that a modified form of deregulation, such as that which passed the Senate, would pass on the floor of the House today.

- It is significant how far all interests in this long-standing and bitter controversy have come, narrowing the House-Senate gap from $70 billion to less than $5 billion; the remaining differences are really very small.
After a quarter century deadlock over the question of natural gas price regulation, the Senate Conferees fashioned a compromise supported by both those who have favored deregulation as well as those who favored stronger controls. The resulting coalition that supports this compromise is fragile.

It would be a tragedy, in view of how close the two proposals are, if an agreement cannot be reached.

This bill is needed not only to achieve a reasonable natural gas policy, but to establish a National Energy Policy. The country as well as international financial markets are watching our progress more closely each day.
Mr. President:

FOUR SIGNATURES REQUESTED on farm policy letters to O'Neill, Talmadge, Byrd and Foley.

The letters were drafted by Eizenstat and have been cleared by Frank Moore and Rex Granum.

Rick
To Speaker Tip O'Neill

Sixteen months ago, I asked Bob Bergland to join with the Congress to help restore a sense of direction and purpose to the farm and food policies of this nation. The extreme volatility of farm and food prices of recent years has not been in the best interest of either our Nation's farmers or consumers.

When we took office, farm income was in sharp decline. We undertook to reverse this trend and return stability to the nation's farm economy. Working with you and other members of the Congress, we developed the most sweeping farm legislation of the past 40 years. Using the authorities of that law, we have moved to improve the incomes of America's farmers.

This policy is working. Our agricultural economy has improved markedly in recent months. To further strengthen this recovery, we announced last week:

- an expansion and liberalization of the farmer-held grain reserve.
- paid diversion of 7 to 9 million acres of excess cropland.
- and other steps which, in combination with the reserve and the acreage diversion, will add up to $4 billion to crop producer income.
These are carefully considered measures. They will provide decent farm incomes, protect consumers from precipitous price rises, enhance our reliability as a major agricultural exporter, and allow us to meet our humanitarian food aid commitments.

Yesterday a conference committee of the Congress reported H.R. 6782, legislation that was hastily drafted in an atmosphere of emotion and confusion. Should that legislation reach my desk, it will be vetoed.

No one who understands our farm economy should be deceived about the impacts of this measure.

- It would increase food price inflation to double digit levels.
- It would add as much as $6 billion to the Federal budget.
- By sharply reducing production and increasing prices, this bill could seriously undermine our competitive position in world markets.
- The higher feed prices that result would adversely affect our own livestock industry.
- It would require vast new layers of bureaucracy to administer the complicated and confusing schedule of eligibility requirements and payments.
- And, this bill would direct the vast majority of its benefits to a small number of the very largest of our farmers, rather than those in greatest need of help.
This Administration is committed to a strong and prosperous farm economy and one that is able to compete successfully in international markets. We now have a policy to accomplish this objective. I call upon you and other members of Congress to join with me in supporting this policy and in defeating this conference committee bill.

Sincerely,

[Signature]

The Honorable Thomas P. O'Neill
Speaker of the
House of Representatives
Washington, D.C. 20515
THE WHITE HOUSE
WASHINGTON

April 5, 1978

MEETING WITH CANCER COURAGE AWARD WINNER

Thursday, April 6, 1978
12:10 p.m. (5 minutes)
The Oval Office

From: MARGARET COSTANZA

I. PURPOSE

To present the Cancer Courage Award to Midshipman Tom Harper and to help launch the American Cancer Society's annual April Crusade.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: This is a traditional White House ceremony and will mark the sixth consecutive year in which the President or the First Lady has made this presentation. Last year you presented the award to Minnie Riperton. In addition to the American participants, the ceremony will be observed by Prince and Princess Hitachi of Japan. The Prince is the Honorary President of the Japanese Cancer Society.

B. Participants: Thomas Harper, Award Winner; Dorothy Harper (mother); Jackson Harper (father); Maryella Ray (Mrs. Birch), Washington Representative, American Cancer Society; Dr. Wayne Rundles, President, American Cancer Society; Joseph Young, Chairman of the Board, American Cancer Society; Dorothy Seidel, Vice President, American Cancer Society, Irving Rimer, Director of Information, American Cancer Society; Lane Adams, Executive Vice President, American Cancer Society; Francine Timothy, European Representative, Cancer Society; Admiral Kinnaird Rowe, Superintendent, U.S. Naval Academy; Prince and Princess Hitachi of Japan

C. Press Plan: White House Photo

III. TALKING POINTS

To be provided by Jim Fallows
MEMORANDUM FOR THE PRESIDENT
FROM: JIM FALLOWS, ACHSASHA NEMITH
SUBJECT: Cancer Courage Award

1. Your Imperial Highness, it is a great privilege to have you and Princess Hitachi (Heetahchee) here today. (He is the second son of Emperor Hirohito and younger brother of Crown Prince Akihito.) The Prince is honorary Japanese President of the Cancer Society, but his interest goes deeper. Since he completed graduate courses at Tokyo University (he did undergraduate work at Peers' School in chemistry) the Prince has been engaged in biological research. He is currently doing research on cell structure and genetics at Tokyo University Institute for Chemical Research and at the National Cancer Research Institute. (He does research on cancer in fish.) He is a corresponding member of the American Association for Cancer Research, and the primary reason for their visit to the United States was to attend the Association's 69th annual convention April 5.

2. Cancer is not one disease, but many, characterized by uncontrollable growth and spread of abnormal cells. We are just beginning to discover many of the things we can do, as individuals and as a nation, to lessen the likelihood of cancer. This Administration has stressed prevention as the most important way to improve our people's health. HEW is now launching an educational campaign, aimed especially at the young, on the dangers of smoking. The Occupational Health and Safety Agency is shifting its emphasis from enforcing technicalities to efforts to eliminate serious health hazards in the work place, many of which involve cancer-causing agents.

3. Nearly 55 million Americans now living -- one in four -- will eventually have cancer. It is the second most common cause of death for all Americans, and the most common for women 30-54 and children 3-14. But breakthroughs in diagnosis and treatment have made it possible for one out of three who have had cancer to be cured (the overall death rate is still rising, largely because of the high and accelerating incidence of lung cancer). We don't know all we need to know about cancer, but we know enough right now that the rate of cure could be brought up to one of every two if we could convince more men and women to see their physicians in time.
4. More than 1.5 million Americans are alive today who have been cured of cancer. Combinations of surgery, radiation therapy and chemotherapy are increasingly effective against a variety of cancers, especially if caught early. Eleven types of previously incurable cancer can now often be controlled.

5. The American Cancer Society's annual Cancer Courage Award, which the President of the United States has the privilege of presenting, is a very special honor. It is given to individuals whose personal battle against cancer offers hope and inspiration to all.

6. I have an added degree of personal interest in this year's recipient. Tom Harper is a Midshipman at the United States Naval Academy. Four years ago he was a bright prospect for tight end, good enough that he made the varsity team as a plebe. He was scheduled to travel with the team the next day to Ann Arbor, Michigan for the third game of the season when he went to Bethesda Naval Hospital to check out swelling in his abdomen. Doctors operated that night and found advanced cancer had spread so far they gave him only three months to live. He continued classes, even though he was almost too weak to walk down the halls. While doctors were working with new drugs to save Tom, who didn't know about their fears that he had only three months to live, he started on his own program for survival. Despite the pain and weakness he continued to work out with the football team to get his body in shape to take advantage of the therapy. At first he had to stop and rest after walking 100 yards, but he built up his running to two miles. His cancer is now considered cured.

Football was the hardest thing for him to give up to cancer. He had to admit last spring, after he tried again, that his lungs had been too badly damaged to allow him to play anymore, but he didn't let that disappointment get him down either. He is now working as an assistant coach with the Navy team.

It is a surprise to almost everyone that Tom Harper is alive today, but thanks to modern drug treatment and his own brand of personal courage, he will graduate from the Naval Academy on June 8 and take his commission as an ensign in the Navy. His coach, George Welsh, and even his doctor attribute his recovery to his spirit and refusal to give up.

7. Tom is a striking example of the tremendous progress being made against cancer. His story exemplifies the hope and help that the American Cancer Society's 2 million volunteers will be carrying to their neighbors during the month of April, which I have proclaimed as national Cancer Control Month.

The Cancer Courage citation reads:

"The American Cancer Society salutes Tom Harper for his personal courage in his battle against cancer; for the hope and inspiration he has given all Americans in the fight for life and health."

#   #   #
MEMORANDUM FOR THE PRESIDENT
FROM: FRANK MOORE
SUBJECT: PANAMA

Byrd, Helms and Baker have reached an agreement to start on the resolution of ratification on Friday, April 14, with the final vote to come no later than 6:00 on Tuesday, April 18. Some of the Republicans are holding out for the 20th; it still requires unanimous consent on both sides. Byrd and Baker are going on the floor at 4:00 today to try to finalize it.*

*NOTE: They were successful in finalizing the date.
THE WHITE HOUSE
WASHINGTON

Meeting with Mike Bakalis
Thursday, April 6
12:25 p.m.
(5 minutes)
The Oval Office

(by: Fran Vocera)

I. PURPOSE: courtesy call - political photo opportunity

II. BACKGROUND, PARTICIPANTS, PRESS:

A. Background: Mike Bakalis won the Democratic primary in Illinois March 21. He will face incumbent Governor Thompson this fall. It will be an uphill battle. This early visit with you will provide needed encouragement and local publicity.

B. Participants:
The President
Michael Bakalis
Richard Durbin, Democratic candidate for Lt. Governor
Bill San Hamil, campaign manager

C. Press: Photo opportunity

D. TALKING POINTS:
Pledge support
Look forward to visiting with him again in Chicago, May 25.
THE WHITE HOUSE
WASHINGTON

April 5, 1978

RESERVE OFFICERS' ASSOCIATION

Thursday, April 6, 1978
12:05 p.m. (5 minutes)
The Oval Office

From: Margaret Costanza

I. PURPOSE

To present the President with membership in the Reserve Officers' Association.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: Presentations have been made to every President since President Truman (who was an active member) on the basis of their military service. The Reserve Officers' Association was founded in Washington, D.C. on October 2, 1922 largely through the inspiration of General John Pershing, leader of the American Expeditionary Forces into Europe. Its principle mission is to determine the role and responsibility of citizen-reservists in national security matters. In 1925 President Calvin Coolidge gave official recognition to the Reserve Officers' Association's efforts to keep the nation prepared for any military emergency. The third major milestone of the Association's history was the passage of PL 595, signed by President Truman on June 30, 1950, granting the Association its charter by the 81st Congress. The Association has an active membership of 110,000 members.

B. Participants: Major General Earl O. Anderson, Chairman, Reserve Officers' Association (originally from Nebraska and now residing in Marietta, Georgia) and Colonel James C. Craig, Membership Chairman, Reserve Officers' Association.

C. Press Plan: White House Photo
III. TALKING POINTS

A. The President will be receiving a membership card commending him for his service in the United States Navy.

B. The Reserve Officers' Association has been instrumental in opposing the effort to secure ratification for the Panama Canal Treaties. The Association's position is that the Treaties do not properly represent our national security interests.

C. Appreciation should be made of the fact that the members of our national military and veterans associations have provided the American people with the most perilous form of public service - armed combat with the enemy.
Hamilton Jordan

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

Rick Hutcheson

cc: Jim Gammill

RE: WHITE HOUSE CONFERENCE ON FAMILIES
**THE WHITE HOUSE**
**WASHINGTON**

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MEMORANDUM FOR THE PRESIDENT

FROM: HAMILTON JORDAN

SUBJECT: White House Conference on Families

In January, you issued a statement formally announcing the White House Conference on Families which will be held in December 1979.

Secretary Califano recommends that you approve the selection of Wilbur Cohen to chair the Advisory Committee to the Conference and to chair the Conference itself.

Wilbur Cohen, a former Secretary and Under Secretary of HEW, is currently Dean of the School of Education at the University of Michigan. Although he is now serving as the Chairman of the National Commission on Unemployment Compensation, his pending retirement from the deanship at Michigan would allow him to devote twenty-five percent of his time over the next two years to the Conference. I agree with Secretary Califano that Mr. Cohen has the political sophistication and organizational experience for the task. He would be well received by the Hill according to Frank. Secretary Califano intends to work closely with the approved Chairman to select the remainder of the 28 member Advisory Committee and to recruit the staff. Once the Committee and staff are assembled, the Secretary recommends that the Chairman be given substantial autonomy within which to proceed toward the Conference itself.
Although we will rely on Secretary Califano to do the bulk of the selection of the staff for the Conference, I would like to bring to your attention the interest of Becky Gates in serving on the staff of the Conference.

Becky, as you recall, was one of your earliest supporters in Delaware. She would like very much to come to Washington and work in the Administration on a full-time basis, and she has investigated over the past year many possibilities, but, to date, none have been realized. She has been quite active for many years with the Delaware Department of Health and Social Services and the Delaware State Human Relations Commission as a staff member and as a Commissioner appointed by the Governor. I am confident that Becky Gates would be a valuable addition to the staff of the White House Conference on Families at a senior level and, with your approval, I will recommend her strongly to Secretary Califano.

RECOMMENDATIONS:

Approve the selection of Wilbur Cohen as Chairman of the White House Conference on Families

[ ] Yes [ ] No

Recommend Becky Gates to Secretary Califano

[ ] Yes [ ] No

[Signature]
HOME ADDRESSES:

9819 Capitol View Avenue  
Silver Spring, Maryland  20910

620 Oxford Road  
Ann Arbor, Michigan  48104

PERSONAL:

Married Eloise Bittel; three children  
Born: Milwaukee, Wisconsin; June 10, 1913

EDUCATION:

Ph.B., University of Wisconsin, 1934  
Cleveland State University, 1970  
Ohio State University, 1970  
LL.D.: University of Wisconsin, 1966  
Yeshiva University, 1967  
Brandeis University, 1968  
Detroit University, Kenyon College, 1969  
Michigan State University, 1975  
D.S.S., University of Louisville, 1969  
D.H., Florida State University, 1972

EXPERIENCE:

1969 -  
Professor of Education  
Dean of School of Education  
University of Michigan

1961 - 1969  
Department of Health, Education & Welfare  
1968 - 1969 Secretary  
1965 - 1968 Under Secretary  
1961 - 1965 Assistant Secretary

1956 - 1969  
Professor, Public Welfare Administration  
University of Michigan

1935 - 1956  
Social Security Administration  
1953 - 1956 Director, Division of Research and Statistics

1934 - 1935  
Commission on Economic Security
WILBUR JOSEPH COHEN

OTHER:


HONORS:


AUTHORED:

I. PURPOSE

To meet with a diverse group of leaders from many segments of the country on the need for tax reform, and to stimulate the group to work for its passage in Congress.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: The participants are leaders from business, labor, women's groups, the DNC National Finance Council, blacks, senior citizens, hispanics and consumer organizations.

Administration participants at the meeting will be Vice President Mondale, Secretary Blumenthal, Charles Schultze and Stu Eizenstat.

In all likelihood there will be a few people in the audience who will volunteer to form an ad hoc coalition to support the administration's tax reform program. Therefore, it would be a good idea to have a brief question and answer session.

All the attendees have been contacted in advance of the meeting and have indicated their basic support for tax reform as well as their willingness to help gather public support for the administration's program.

B. Participants: See attached list

C. Press Plan: White House photo and press pool coverage during the first minutes of the President's presentation.
III. TALKING POINTS (as prepared by Bob Ginsburg, Jim Fallows and Jerry Doolittle).

1. Campaigning for the Presidency taught me firsthand about the issues that directly concern our citizens: jobs, prices, taxes. I learned that the America people want an economy in which the benefits as well as the burdens of our great country are widely and fairly shared.

2. Our tax code affects more of our citizens than any other body of Federal law. The attitude of the average taxpayer toward our tax system will determine whether this massive, voluntary system -- unequaled anywhere else in the world -- will continue to work over the long run.

3. Much of our attitude toward the government is shaped by the way we feel about our tax system. That is why I am so committed to tax reform. It is not just a question of dollars and cents; it is a question of whether our national institutions can be responsive and fair.

4. We spent a good part of last year putting this tax program together. It is not perfect -- it doesn't do everything for everybody. But it is a very well balanced, solid program, which makes good on our commitments to a strong economy and substantial tax reform.

5. With the $25 billion in net tax reductions provided by this program, our economy should continue to grow steadily through the end of next year. The program should mean an additional one million new jobs by the end of 1979 and an additional $40 billion in national income.

6. For most families earning between $10,000 and $50,000, this program means income tax cuts ranging from $275 to $335. Approximately 80% of the net tax reductions in the program are concentrated in these income classes. And almost all of the remainder will go to low income workers earning less than $10,000.

7. But the low and middle income focus of our program depends upon passage of the tax reforms. Without these reforms, the tax program could quickly turn to one which benefits those in upper brackets rather than relieving low and middle income taxpayers.

8. Some Republicans say the people want tax relief, not tax reform. I think they want both and understand that the amount of relief depends upon the reforms we can pass.
9. I don't think that the American people want to pay higher
taxes to subsidize $50 meals and $20 theater tickets for
business executives; or the deferral subsidy which favors
foreign investment over domestic investment; or the DISC
export subsidy which improves profits but not our balance
of trade; or a number of the itemized deductions which
complicate the tax return without advancing any signifi-
cant objective of public policy.

10. The opponents of the tax reform are organized and vocal.
Congress is hearing far more from them than from the
supporters of tax reform. Tax reform is one of the hardest
fights to take on, particularly in an election year.

11. But I was not elected to back away from my commitments or
from tough challenges. We can meet this challenge if we
work together. I need your help, and I need the help
of your organizations -- both in Washington and on the
local level. Can I count on it?
MEMORANDUM FOR THE PRESIDENT

FROM:         HAMILTON JORDAN

SUBJECT:     AD HOC TAX REFORM COMMITTEE

At tomorrow's breakfast meeting on tax reform, several people will want to stand up and indicate their strong interest in developing a broad base of public support for your proposals. The principal "volunteer" is likely to be John McMillian, President and Chief Executive Officer of the Northwest Energy Company, who is an avid supporter of yours and who indicated in a meeting today with Landon Butler, Joe Aragon and Steve Selig his willingness to serve as chairman of an ad hoc committee which would work for passage of the reforms.

You should also be aware that there are several other people who have committed themselves to serve on this committee, should it come about. Among them are: Paul Hall, President of Seafarers International Union; Bill Hutton, with the National Council of Retired Persons; Dona O'Bannon, with the National Association of Women Business Owners; Bob Nathan, economist with Bob Nathan Associates; Louis Martin, a very influential black leader; Bob Brandon, with the Tax Reform Research Group; and Sheldon Cohen, senior partner with Cohen & Vretz. All of these are influential individuals who represent significant constituencies that are important to the successful passage of the tax reforms.

McMillian will volunteer his time and his support for this effort at some point during the breakfast meeting. It may come during your question and answer period should you decide to have one. The other individuals indicated above may also stand and speak supportively, but more importantly, they have agreed to convene themselves later in the day as an "executive committee" of this ad hoc coalition.

This will at least give us some tangible product tomorrow and hopefully will become the basis for a broader effort.

Final note: Inasmuch as these expressions of support will be spontaneous, it is best to avoid any specific mention of an effort like this until they volunteer the idea.

P.S. This same tactic on the Panama Canal resulted in the creation of a very effective ad hoc lobbying group which raised money, did mailings, placed ads, etc.
THE WHITE HOUSE
WASHINGTON

AGENDA

TAX REFORM BREAKFAST BRIEFING

April 6, 1978

7:45 a.m. - 8:00 a.m.  Arrival
8:00 a.m. - 8:30 a.m.  Breakfast
8:30 a.m. - 8:35 a.m.  Welcome by
                       Secretary of the Treasury
                       Michael Blumenthal
8:35 a.m. - 8:45 a.m.  Presentation by The Vice President
8:45 a.m. - 8:55 a.m.  Economic Overview Presentation by
                       Chairman of the Council of Economic
                       Advisers Charles Schultze
8:55 a.m. - 9:05 a.m.  Tax Reform Presentation by
                       Secretary of the Treasury
                       Michael Blumenthal
9:05 a.m. - 9:15 a.m.  Legislative Process Presentation
                       by Special Assistant to the
                       President for Domestic Policy
                       Stu Eizenstat
9:15 a.m. - 9:45 a.m.  Questions and Answers
9:45 a.m. - 10:00 a.m. The President
10:00 a.m. - 10:10 a.m. Wrap-Up by Secretary of the
                        Treasury Michael Blumenthal
BLACK LEADERS

Alvin Boutte  
President, Independence Bank of Chicago

William Kennedy  
President, North Carolina Mutual Insurance Company

Louise Lawson  
President, Illinois Service Federal Savings & Loan Association of Chicago

Ernesta Procope  
President, E.G. Bowman Company

William Lucy  
President, Coalition of Black Trade Unionists

Carl Holman  
President, National Urban Coalition

Jesse Hill  
President, Atlanta Life Insurance Company

Eddie Williams  
President, Joint Center for Political Studies

Louis Martin  
Aide to Senator Adlai Stevenson

HISPANIC LEADERS

Luis Lauredo  
International Program Officer, Dept. of Commerce, State of Florida

Jose Cardoso  
President, Federation of Hispanic Chambers of Commerce of Illinois

Alfredo Montoya  
Executive Director, Labor Council for Latin American Advancement

Ruben Valdez  
State Representative, Colorado

Jose Cabranes  
Legal Counsel, Yale University

PARTY OFFICIALS

John White  
Chairman, Democratic National Committee

Dan Horgan  
Executive Director, Democratic National Committee

Gordon Wynne  
Special Assistant to the Chairman, Democratic National Committee

Anne Campbell  
President, Democratic State Chairmen Association

Coleman Young  
Vice Chairman, Democratic National Committee

Don Fowler  
Democratic State Chairman-South Carolina

Calvin Guest  
Democratic State Chairman-Texas

Jack Touhy  
Democratic State Chairman-Illinois
Jim Klonoski
Democratic State Chairman-Oregon
Alfredo Duran
Democratic State Chairman-Florida
Paul Tipps
Democratic State Chairman-Ohio
Jerry Dougherty

NATIONAL ORGANIZATIONS

Bob Brandon
Tax Reform Research Group
David Cohen
Common Cause
Wallace Collett
American Friends Service Committee
Bert DeLeeuw
Movement for Economic Justice
Allen Ferguson
Public Interest Economic Center
Rhoda Karpatkin
Consumers Union
Bob Nathan
National Consumers League
Kathleen Sheekey
Consumer Federation of America
Leon Shull
Americans for Democratic Action

BUSINESS

Richard Allen
President, D.R. Allen & Son
Eugene Baker
National Association of Black Manufacturers
Tom Boggs
Attorney
Robert Brock
Topeka Inn Management, Inc.
Berkeley Burrell
National Business League
Mortimer Caplin
Partner, Caplin & Drysdale
Arthur Cohen
Arlen Realty & Development Corp.
Sheldon Cohen
Senior Partner, Cohen & Vretz
Ernest Griffin
Save-A-Stop, Inc.
Loyd Hackler
American Retail Federation
Everette Huskey
The Huskey Company
Wallace Hyde  
  President, Hyde Insurance Agency  
Lee Kling  
  Chairman of the Board, Landmark Bank Shares  
Phil Klutznick  
  Senior Partner, Klutznick Investors  
Gerald Kraft  
  Melvin Simon & Associates  
Lyndell Lay  
  President, Charter Mortgage Investment, Inc.  
Sidney Leiken  
  President, H & L Lumber Company  
John McMillian  
  Northwest Energy Company  
Bob McNair  
  The McNair Firm  
Dona O'Bannon  
  National Association of Women Business Owners  
Melvin Peters  
  Continental Plants Corporation  
Hal Rogers  
  Rogers and Associates  
Bob Shaheen  
  State Senator/Attorney  
Walter Shorenstein  
  Chairman of the Board, Milton-Meyer & Co.

S.T. "Ros" Smith

Leonard Stern  
  Hartz-Mountain Industries  
Jack Warren  
  President, Goldrus Drilling Co.  
Lew Wasserman  
  Chairman of the Board, MCA, Inc.  
Lionel Wilde  
  Irwin Katz  
  Publix Oil Company  
  Barry Fink  
Pat McMullan  
  Gerald Mehlman  
George Bristol  
  George Smith  
Arthur Lerner  
  J. Patrick Whaley

WOMEN

Mildred Jeffrey  
  National Women's Political Caucus  
Margaret Arnold  
  National Retired Teachers and American Assoc. of Retired Persons  
Irma Finn Brousseau  
  National Federation of Business and Professional Women's Clubs  
Marie Cassidy  
  Federation of Organizations for Professional Women  
Ruth Clusen  
  League of Women Voters  
Dorothy Height  
  National Council of Negro Women  
Esther P. Lederer (Ann Landers)  
  Jerri Wagner, General Federation of Women's Clubs
SENIOR CITIZENS

William Hutton
National Council of Senior Citizens
John McClelland
National Association of Retired Federal Employees
Aaron Henry
National Center on the Black Aged

Peter Hughes, American Assoc. of Retired Persons

LABOR LEADERS

George Meany
President, AFL-CIO
Glen Watts
President, Communications Workers of America
Jerry Wurf
President, American Federation of State, County and Municipal Employees
Rudy Oswald
Director, Research Dept., AFL-CIO
Paul Hall
President, Seafarers International Union
William Winpisinger
President, International Association of Machinists & Aerospace Workers
Charles Pilkard
President, International Brotherhood of Electrical Workers
Sol Chaikin
President, International Ladies Garment Workers Union
Joseph Odorcich
Vice President, United Steelworkers Union
Vaughn Baker
National Education Association
John Ryor
National Education Association
Terry Herndon
National Education Association
Stanley McFarland
National Education Association
Lane Kirkland
Doug Fraser
Steve Schlossberg
Howard Paster
MEMORANDUM

THE WHITE HOUSE
WASHINGTON

FOR THE PRESIDENT AND MRS. CARTER

FROM GRETCHEN POSTON

DATE: 5 April 1978

SUBJECT: BREAKFAST FOR BUSINESS LEADERS
6 April 1978

Please find attached the scenario for the function indicated above.
THE WHITE HOUSE
WASHINGTON

MEMORANDUM FOR THE PRESIDENT AND MRS. CARTER
FROM GRETCHEN POSTON

DATE: 5 April 1978

SUBJECT: BREAKFAST FOR BUSINESS LEADERS
6 April 1978 8:00-10:00 A.M.
State Dining Room

NOTE: V.I.P. tours to be held up to 15 minutes.

8:00 A.M. All guests arrive Diplomatic Entrance and proceed immediately to Main Hall for juice.

Coats to be held upstairs, if necessary.

Social Office and Aides will handle distribution of escort cards in Main Hall.

Joe Aragon, Steve Selig, and Richie Feiman to assist in greeting and introductions in Main Hall.

MRS. CARTER to greet guests as they enter State Dining Room for breakfast. Depart State floor after greetings.

Butlers to assist in seating. (E-shaped table)

Meeting materials will be passed by butlers following breakfast service.

9:45 A.M. The PRESIDENT arrives State Dining Room - remarks.

10:00 A.M. The PRESIDENT departs State Dining Room.

All guests depart via Diplomatic Entrance.

NOTE: As public tours are beginning at this time, guests should depart State floor via staircase next to State Dining Room.
THE WHITE HOUSE
WASHINGTON
April 6, 1978

Zbig Brzezinski

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

Rick Hutcheson

cc: Tim Kraft

CONFIDENTIAL ATTACHMENT

NATO SUMMIT
Mr. President:

My comments on this follow Harold Brown's page.

TK
MEMORANDUM

THE WHITE HOUSE
WASHINGTON

CONFIDENTIAL

April 4, 1978

ACTION

MEMORANDUM FOR:

THE PRESIDENT

THROUGH:

TIM KRAFT

FROM:

ZBIGNIEW BRZEZINSKI

SUBJECT:

NATO Summit

The following is tentative thinking about the procedural aspects of the NATO Summit on May 30-31, based on discussions in an interagency group headed by the NSC, a discussion I had with Harold and Cy, and on consultations with Tap Bennett.

If we have a sense of your preliminary preferences, we can begin consulting informally with the NATO Allies in Brussels.

May 29 (Holiday Monday)

-- Possible evening at Kennedy Center (no Presidential participation scheduled)

May 30 (Tuesday) -- Political Subjects

-- Brief opening ceremony at the Kennedy Center (you, Secretary General Luns, and Honorary NAC President -- Ecevit -- speak)

-- Opening (political) session, 8th Floor State Department (formal speeches which every delegation will want to make. However, if you would commit to speak for only 7-10 minutes, the others might be held down, as well.)

-- Informal lunch (White House), heads of state and government only (plus needed interpreters), while others attend State Department lunch. This would permit the start of an "informal" discussion suggested by Trudeau and Schmidt. Hosted by you. The session could cover the global scene.
Afternoon (political) discussion, continuing the informal discussion (with foreign ministers also present and full interpreting facilities.) Held at the White House, depending on logistics of also holding a dinner here that evening; otherwise at State. While informal, this session should cover both the NATO East-West study and the Alliance cooperation on defense procurement. (Note: Foreign Ministers of Germany and the Netherlands need to be present, for political or constitutional reasons; and some other heads of government would want their foreign ministers present.)

Dinner at the White House.

May 31 (Wednesday) -- Military Subjects

Opening (military) session, 8th Floor State Department: possible brief statement by you on U.S. defense policy to underline your concern for improved conventional forces and hence the need for a strong LTDP; a "picture show" on Soviet military developments or a SACEUR briefing; a briefing -- preferably by Harold Brown -- on the status of the LTDP and of remaining issues worthy of Presidential attention; and a start to discussing specific LTDP issues.

Informal lunch, State Department, to discuss general defense perspectives, and perhaps to include a presentation by you on the U.S. nuclear posture.

Afternoon (military) session, covering a structured discussion of major LTDP issues; perhaps followed by further discussion of Alliance cooperation on defense procurement, and any new initiatives.

This division between the days has been suggested because of the unwillingness of France (and perhaps Greece) to take part in military discussions. Thus the French could leave after the first day.

You agreed to spend two days at the Summit, leaving the choice up to the North Atlantic Council whether that would be one day in the full meeting and one day of bilaterals, or two days in the full meeting. The Allies suggested the latter.

However, President Giscard and Chancellor Schmidt have asked to see you before the NATO Summit. We can still try to forestall requests from others. But if others were added, then all the NATO leaders will want to see you privately. (As of now, it looks unlikely that Giscard will come to the NATO meeting.)
We expect that most heads of state would want to bring both foreign and defense ministers -- foreign ministers for the first day and defense ministers for the second.

At Tab A is a memorandum from Harold Brown on this subject, setting out his views on the use of the second day of the Summit.

RECOMMENDATION:

That you approve, for purposes of consultation with the Allies, the tentative scenario above.

Approve _______ V _______ Disapprove _________

I don't feel strongly about my moves & not excessive statements/
MEMORANDUM FOR THE PRESIDENT

FROM: TIM KRAFT

SUBJECT: NATO Summit

If I could only make one point about the NATO proposal, it would be to reiterate the warning about the crowded May schedule, and hope that we will be firm about any bilaterals around that time -- i.e., not schedule Giscard a week before NATO, or Schmidt the day after -- but arrange to see them in this two day period.

A breakfast with each, on Tuesday and Wednesday mornings might be discussed. Other bilaterals should be discouraged now if we are to go with the Allies suggestions of two days of meetings.

Several other points:

1) Why should the opening take place at the Kennedy Center, and then an entire Conference movement be executed to get to the State Department? Why not just open at State?

   APPROVE_______ DISAPPROVE_____

2) It shouldn't be necessary for you to lunch and dine with the Allies. Let's confine your schedule to the luncheon meeting.

   APPROVE_______ DISAPPROVE_____

3) We should free up some sections of the second day for domestic urgencies. I suggest that you participate in the summit from 10 a.m. to 12, return to the White House, and rejoin the summit from 2 to 4 (or 5).

   APPROVE_______ DISAPPROVE_____

THE WHITE HOUSE
WASHINGTON

April 5, 1978