8/3/78

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THE PRESIDENT'S SCHEDULE

Thursday - August 3, 1978

8:15 Dr. Zbigniew Brzezinski - The Oval Office.
9:00 Mr. Frank Moore - The Oval Office.
9:13 State Senator Tony Hall, Democratic Congressional Candidate, 3rd District, Ohio. (Mr. Frank Moore). The Oval Office.
9:15 Congressman Thos. J. Downey and M. Robert Carr, (Mr. Frank Moore) - The Oval Office.
10:30 Mr. Jody Powell - The Oval Office.
11:00 Ms. Anne Wexler - The Oval Office.
12:30 State Constituent Briefing/New Jersey. (Mr. Tim Kraft) - Room 450, OEOB.

7:30 Depart South Grounds via Helicopter en route Fairfax High School.
8:00 Roundtable Discussion, Fairfax High School, Fairfax, Virginia.
THE WHITE HOUSE
WASHINGTON

CIVIL SERVICE REFORM ROUNDTABLE

Thursday - August 3, 1978
Fairfax High School

From: Phil Wise

SEQUENCE

7:30 p.m. You board helicopter on South Lawn and depart en route Fairfax High School, Fairfax, Virginia.
(Flying Time: 10 minutes)

7:40 p.m. Helicopter arrives Fairfax High School Football Field.

PRESS POOL COVERAGE
CLOSED ARRIVAL

Proceed to motorcade, board, and depart en route Fairfax High School.

7:43 p.m. Motorcade arrives Fairfax High School.

PRESS POOL COVERAGE
CLOSED ARRIVAL

You will be met by:

Fred Silverthorn, Mayor of Fairfax
Clarence Drayer, Principal, Fairfax High School

You proceed inside Fairfax High School en route Professional Library.
2.

7:44 p.m. You arrive Professional Library and greet the following panel members:

Alan Campbell (Scottie), Chairman, Civil Service Commission
Rep. Joseph Fisher (D-Va.)
Ceola Naylor
Larry Suiters
James Schlicht
Wayne Buckle
Paul Gilbert
Mary Anne Lecos
Ruth Vancleve
Dwight Rettie

7:49 p.m. You bid farewell to the panel members and proceed to holding room.

7:50 p.m. You arrive holding room.

PERSONAL TIME: 10 minutes

8:00 p.m. You depart holding room en route offstage announcement area.

8:01 p.m. You arrive offstage announcement area and pause.

Announcement.

You proceed inside Fairfax High School Cafeteria and take your seat for roundtable discussion on Civil Service Reform.

OPEN PRESS COVERAGE
ATTENDANCE: 450

PRESIDENTIAL REMARKS.

FULL PRESS COVERAGE

8:05 p.m. Your remarks conclude.
3.

Roundtable Discussion begins.

FULL PRESS COVERAGE

8:40 p.m. Discussion concludes. You accept questions from the audience.

9:00 p.m. Question and Answer Session concludes. You thank your hosts and proceed to motorcade for boarding.

9:08 p.m. Motorcade departs Fairfax High School en route Fairfax High School Football Field.

9:10 p.m. Motorcade arrives Fairfax High School Football Field.

PRESS POOL COVERAGE
CLOSED DEPARTURE
LIVE LOCAL TELEVISION

You board helicopter.

9:15 p.m. Helicopter departs Fairfax High School Football Field en route South Lawn.

9:25 p.m. Helicopter arrives South Lawn.
THE WHITE HOUSE
WASHINGTON
August 2, 1978

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT
STEVE SIMMONS
SI LAZARUS

SUBJECT: Q's and A's on Civil Service Reform

I have not previously given you a complete set of questions and answers on Civil Service Reform. The attached set focuses on the major issues of concern to the public and should be helpful in your forum tomorrow in Fairfax.

Ken Blaylock - A Fed of 60 Employees
Compt Gen (Staff)
VETS PREFERENCE AND WOMEN

Q.: What is the impact of veterans preference on women?

A.: Let me give you some examples of how veterans preference affects hiring of women in the Federal Government:

-- Veterans account for 20 percent of those who pass the Professional Administrative Career Examination (PACE), but 34 percent of those who are hired. Conversely, women account for 41 percent of those who pass the exam, but only 27 percent of those who are hired.

-- One Washington, D. C. office has 34 veterans at the top of its PACE Register. The first non-veteran woman, with the score of 100 is 35th on the list.

-- Veterans hold 65 percent of all positions in the GS-16 - 18 levels. Women hold less than 3 percent.

-- While veterans account for 25 percent of the nation's overall work force, they hold 48 percent of the federal jobs.
THE WHITE HOUSE
WASHINGTON
August 2, 1978

MEETING WITH POLITICAL ACTIVISTS FROM NEW JERSEY

Thursday, August 3, 1978
12:30 P.M. (20 minutes)
Room 450 OEOB

From: Tim Kraft

I. PURPOSE

To promote among these New Jersey activists a sense of identity with you and your Administration, a sense of a team working together, and a sense of urgency about actively supporting the Administration across the board.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: This is the first in a series of meetings we will hold for political leaders and activists from individual states.

B. Participants: elected state, city and county officials, labor leaders, party activists and early supporters -- all Democrats. Democrats in the Congressional delegation are also sending representatives. The list is attached.

C. Press Plan: No press in the briefing in Room 450. New Jersey press will be invited to attend the buffet lunch.

III. TALKING POINTS

A. A reiteration of your major programmatic goals (Stu and Anne will have already outlined them). Urban policy and unemployment will be of greatest interest for New Jersey.
B. Since the purpose of this session is to bring these people closer to you, you might want to share a few personal reflections with them.

C. A few themes you might like to use:
   1. These people are part of your family.
   2. They, as Democrats, have as much at stake in the success or failure of this Administration as you do.
   3. You need their help -- actively and aggressively.
   4. We intend to stay closer to them and want to hear from them.

enclosures

agenda
list of invitees
AGENDA FOR MEETING WITH NEW JERSEY LEADERS

THURSDAY, AUGUST 3

Room 450 EOB

10:30 A.M. The Vice President
10:45 A.M. Stu Eizenstat
11:25 A.M. Tim Kraft
11:40 A.M. Anne Wexler
12:00 Noon Hamilton Jordan
12:30 P.M. The President

After the President speaks, we will escort the guests in smaller groups through the West Wing -- by the Oval Office -- to the State Dining Room for a buffet luncheon.
List of Expected Attendees

Governor Brendan Byrne
Harold Hodes - Assistant Chief of Staff for Gov. Byrne. Former Aide to Newark Mayor Ken Gibson.

Robert Mulchahy - Chief of Staff for Gov. Byrne. Former state commissioner of corrections and Mayor of Mendham Township.

Jerry English - Legislative counsel to the Governor. Former state senator and '72 congressional candidate.

Carolyn Holmes - Vice Chairman of the Demo. State Committee. Presently an aide to Governor Byrne.

Marilyn Berry Thompson - Director of the New Jersey Washington office. Served as an assistant to Jack Watson during the drafting of the urban package.

Jim Grogan - President of the State Building Trades Council.

Ed Gray - New Jersey Regional Director of the UAW.

Martin Veneri - State President of the I.U.E.

Walter O'Brien - President of the N.J.E.A.

Al Wurf - State President of AFSCME

Clara Allen - Regional President of the CWA.

Thomas Smith - Mayor of Jersey City.

Kenneth Gibson - Mayor of Newark. Chairman of the National Conference of Mayors.

Henry Luther - Former Executive Secretary to the Governor Campaign manager for Brendan Byrne in 1977.

Joan Lessmann - County Freeholder in Bergen County.

Charles Walther - Original origanizer of the New Jersey Carter Primary campaign. Party activist.

Tom Cooke - Mayor of East Orange. Leading spokesman for Black community.

Alan Sagner - Chairman of the Port Authority of New York and New Jersey. Former Commissioner of Transportation for New Jersey and former Democratic State Committee Treasurer.

Jerry Breslin - Former Bergen County Chairman and state party treasurer. Leading figure in both the Bradley and Byrne campaigns.

William Hyland - Former State Attorney General and Speaker of the State Assembly.

Paul Bontempo - Delegate to the national mid-term conference. Unsuccessful assembly candidate.


Hugh DeFazio - Morris County Democratic Chairman. Member of the DNC Finance Council.

Alex Menza - Former state Senator and unsuccessful candidate for U.S. Senate in 1978 primary.

Howard Rosen - Leading New Jersey attorney. Finance Director for New Jersey Carter primary campaign.

Susan Thomases - Campaign Manager for Bill Bradley Senate Campaign. Former campaign aide to Vice President Mondale.

Peter Shapiro - State Assemblyman. Democratic candidate for Essex County Executive.


Dorothy Powers - Middlesex County Freeholder. Vice Chairman of Middlesex County Democratic organization.

Ed Rodriguez - State Civil Service Commissioner. Leader of state Hispanic community.
Harry Papas - Union County Democratic Chairman. Leader in national Greek-American organizations.

Peter Curtin - Director of N.J. State Democratic Committee.

Richard Coffee - Chairman of the Democratic State Committee of New Jersey. Mercer County Democratic Chairman, Executive Director of State Assembly.

Frank Lautenberg - Leading party activist. Prominent member of State and national United Jewish Appeal.

Curt Schork - Bradley for Senate staff member.

Lee Sarokin - Bradley for Senate research staff.

Vince Rigilosi - Chairman of the Bergen County Democratic Committee.

Bus Gospel - Chairman of the Essex County Democratic Committee.

Anne Marie Cadario - Chairman of the Atlantic County Democratic Committee.

Walter Shields - Chairman of the Hudson County Democratic Committee.

Steve Perskie - State Assemblyman. Former leader of the campaign to legalize Casino gambling.

Barbara Kalik - State Assemblywoman and former Mayor of Willingboro.

Angelo Errechetti - State Senator and Mayor of Camden.

John Russo - Majority leader of the State Senate.


Joe Merlino - President of the State Senate.

Christopher Jackman - Speaker of the State Assembly. President of I.U.E. local in Hudson County.

Al Burnstein - Majority leader of State Assembly. Unsuccessful candidate for Congressional nomination (9th District) in 1978.

Bea O'Rourke - District Administrative Assistant to Representative Maguire.
Jim Mcintyre

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
MEMORANDUM FOR: THE PRESIDENT
FROM: James T. McIntyre

Attached for your approval is a request for a 1979 appropriations language change for the Department of Health, Education, and Welfare. The details of this proposal are included in the fact sheet attached to this memorandum.

The Domestic Policy staff, HEW, and the Office of Management and Budget have been working with our supporters on the Senate Appropriations Committee and members of their staff to devise the best strategy to avoid the enactment of the student assistance tax credit and to insure enactment of the Administration's middle income student assistance proposal. As a result of these negotiations, it has been agreed that we should explicitly request that the appropriation needed to fund your middle income student assistance proposal be enacted now but not become available until legislation authorizing your proposal has been enacted. This should cover the contingency of having the tax credit enacted over your veto and would give you the opportunity to withdraw support or veto the authorizing legislation for the middle income student assistance proposal if the tax credit is enacted over your veto. This proposal also helps assure that congressional consideration of the request for funds to implement the Administration's proposals will not be blocked on the procedural grounds that the proposal lacks authorizing legislation.

As part of the strategy, HEW will submit to Congress two basic educational opportunity grant family contribution schedules. One would implement your middle income student assistance proposal but would not be effective if the tax credit were enacted. The other would follow current law and be used in case the tax credit cannot be stopped.

RECOMMENDATION

That you sign the letter transmitting these requests to the Congress. Transmittal at this time is recommended in order to allow for proper consideration by the Labor/HEW subcommittee of the Senate Appropriations Committee during their markups.

Attachment
The President

of the Senate

Sir:

I ask the Congress to consider a request for fiscal year 1979 appropriations language for the Department of Health, Education, and Welfare.

The details of this proposal are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Respectfully,

Enclosure

[Signature]
THE WHITE HOUSE
WASHINGTON
August 3, 1978

Jim McIntyre

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

Rick Hutcheson

cc: Zbig Brzezinski

PROGRESS IN DEFENSE REORGANIZATION
MEMORANDUM FOR THE PRESIDENT

FROM: James T. McIntyre, Jr.

SUBJECT: Progress in Defense Reorganization

Last fall you requested the Secretary of Defense to inaugurate three major studies of defense organization and management. On July 12 the first phase of that effort was completed. Richard Steadman, who led the review of the National Military Command Structure, and Paul Ignatius, who headed the work on overall management of the Pentagon, formally presented their reports to the Secretary. A press conference followed, in which the reports were made public.

The Steadman report is a substantial contribution. While it covers much ground, its principal recommendations have to do with improving the quality of professional military advice to the Secretary and to you by enlarging the role of the Chairman of the JCS, improving the quality of the Joint Staff, and limiting the degree to which the services influence Joint Staff products. The report also proposes enlarging the influence of the unified commanders, through the Chairman, in decisions on the allocation of Defense resources.

The Ignatius report is less promising. It makes a number of recommendations intended to modestly reduce "layering" in Defense, and to reallocate some responsibilities among the staff officials of the Secretary of Defense, the service Secretaries, and the Service Chiefs. But the effects of such changes are not likely to be significant, and may not be helpful, since they tend to blur the distinctions between Service Secretaries and the Office of the Secretary of Defense.

Press reaction to the studies, focused on the Steadman report, has been substantial and favorable. Within the Pentagon, there is some opposition to all the proposed shifts of influence; the strength of the resistance to the
important proposals is not yet possible to gauge.

The President's Reorganization Project has worked actively with Charlie Duncan in monitoring and assisting the studies. Our agreement with the Department is that over the next several months, the Secretary's office will consider the recommendations of these two reports and of the third study (on resource management) still underway, and then submit for your consideration late this year the Secretary's analysis of all major organizational problems, his proposed solutions, and alternatives to them.

We have made clear that these issues should not be treated simply as internal DOD matters. You should have the opportunity to review the proposed reforms before they are undertaken, for several reasons. The broad range of potential reforms in the Department of Defense should constitute an important part of your reorganization of the government, and you may wish to clearly identify yourself with some or all of them when they are announced. Many of the proposed reforms will be politically sensitive, and you should have a chance to assess those sensitivities in conjunction with the Administration's other plans. And significant reforms will require your support to accomplish.
THE WHITE HOUSE
WASHINGTON
August 2, 1978

MEETING WITH CONGRESSIONAL CANDIDATE TONY HALL (3rd--OHIO)

Thursday, August 3
9:13 (2 minutes)
The Oval Office

FROM: FRANK MOORE

I) PURPOSE

A photo with the President

II) BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: Hall is the candidate for Congress in the 3rd District of Ohio. This is the seat being vacated by retiring Republican Charles Whalen. Hall is 36, from Dayton and has been a member of the state legislature since 1969. The district is Democratic with 16% black and a very active labor sector. The President won the district with 52% of the vote.

Hall is running a very organized campaign with Steve Murphy (formerly with the Carter campaign and Dan Horgan) as his campaign manager. Former Congressman Jim Stanton and others will be helping raise money here in Washington.

A poll taken in January showed Hall with a very high name recognition rating and leading his opponent 38-28 with 60% responding.

Hall has compiled a progressive record as a state legislature and has to be regarded as the favorite in this race.

B. Participants: The President and Tony Hall

C. Press Plan: White House photographer

III) TALKING POINTS

1. Usual courtesies
THE WHITE HOUSE
WASHINGTON

August 2, 1978

PHOTO SESSION WITH REP. MARGARET HECKLER
Thursday, August 3, 1978
9:10 a.m. (2 minutes)
The Oval Office

From: Frank Moore

I. PURPOSE
To have a photo taken with Rep. Heckler.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

Background: The town of Foxboro, Massachusetts is celebrating its bicentennial this year. In commemoration of the bicentennial, a stamp has been issued. The people of Foxboro gave Margaret Heckler a first day issue of the stamp and asked her to present it to the President on their behalf.

During the years, Foxboro has managed to maintain its small town character, despite the fact that it is on the outskirts of Boston. Foxboro was once the Straw Hat Capital of the World, although it has not held that title in 100 years.

Rep. Heckler has a rating of 79.5% for support of Administration sponsored legislation. She is the third highest Republican in terms of support of the Administration.


Press Plan: White House photographer only.
THE WHITE HOUSE
WASHINGTON

MEETING WITH CONGRESSMEN CARR AND DOWNEY

Thursday, August 3
9:15 a.m.
Cabinet Room

From: Zbigniew Brzezinski
Frank Moore

I. PURPOSE

To discuss their ideas on SALT.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: Congressmen Carr and Downey have been studying SALT very closely. They sent you their paper recently on "Crisis Stability and SALT II."

B. Participants:

Rep Bob Carr (D-Mich.)
Armed Services Committee
Interior and Insular Affairs Committee

Rep Thomas Downey (D-N.Y)
Armed Services Committee
Science and Technology Committee
Aging (Select) Committee

NSC/WH: Zbigniew Brzezinski, Frank Moore

C. Press Plan: White House photographer

III. TALKING POINTS

(attached)
THE WHITE HOUSE
WASHINGTON
August 3, 1978

Jim McIntyre

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

Rick Hutcheson

cc: Stu Eizenstat
    Frank Moore

SENATE AMENDMENT TO REQUIRE BALANCED BUDGETS BEGINNING IN FY 1981
FOR STAFFING
FOR INFORMATION
FROM PRESIDENT'S OUTBOX
LOG IN/TO PRESIDENT TODAY
IMMEDIATE TURNAROUND
NO DEADLINE
LAST DAY FOR ACTION -

ACTION

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

ADMIN CONFID
CONFIDENTIAL
SECRET
EYES ONLY

VICE PRESIDENT
EIZENSTAT
JORDAN
KRAFT
LIPSHUTZ
MOORE
POWELL
WATSON
WEXLER
BRZEZINSKI
MCINTYRE
SCHULTZE

ARAGON
BOURNE
BUTLER
H. CARTER
CLOUGH
COSTANZA
CRUIKSHANK
FALLOWS
FIRST LADY
GAMMILL
HARDEN
HUTCHESON
JAGODA
LINDER
MITCHELL
MOE
PETERSON
PETTIGREW
PRESS
RAFSHOON
SCHNEIDERS
VOORDE
WARREN
WISE
Mr. President:

Congressional Liaison and DPS concur with McIntyre.

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

INFORMATION

MEMORANDUM FOR: THE PRESIDENT

FROM: James T. McIntyre, Jr.

SUBJECT: Senate amendment to require balanced budgets beginning in fiscal year 1981

On July 31, the Senate voted 58-28 to add the following amendment to the IMF Witteveen Financing Facility bill (H.R. 9214):

"Beginning with Fiscal Year 1981, the total budget outlays of the Federal government shall not exceed its receipts."
(See the attached copy of the page of the Congressional Record on which the discussion and vote on the amendment appears.)

The amendment was introduced by Harry F. Byrd, Jr., who said that the amendment "would mandate a balanced budget beginning in the year 1981." Whether the amendment would, in fact, do this may be debatable. But there is no doubt that if this were the effect of the bill, anti-recession fiscal policy as we have known it since the early 1930's would be outlawed, and the role of the Federal government in trying to prevent and to mitigate recessions would be perverse. The amendment would also curtail your powers as Chief Executive to recommend such budget totals as you believe appropriate in the national interest.

H.R. 9214 goes to conference on Thursday, August 3 (tomorrow). It is crucial that this amendment be eliminated in conference. It would not be in the Administration's best interest to have to oppose the amendment publicly, especially since the Administration is committed to achieving a balanced budget as soon as economic conditions permit. Moreover, as the Senate vote indicates, if the amendment were to come to a vote on the floor, the odds are heavy that it would be passed.

Because time is so short, we are suggesting to the Chairmen of the Budget Committees and the Joint Economic Committee that they consider working to have the amendment eliminated from the bill that is sent to you for signature. We are also asking Treasury to work with the House conferees to get the amendment eliminated in conference.

Attachment

cc: Mr. Blumenthal  Mr. Eizenstat  Mr. Schultze  Mr. Moore
inconsistent with individual human rights.

My point is not to be critical, but simply to say this to the Senator: We are going to contend with a House amendment which was incorporated in the bill and which was tabled here—to wit, the Abourezk amendment. We are going to deal with the amendment of Senator Church which followed the pattern that we have in the foreign assistance bill. Personally, and strictly speaking for myself, I shall do my utmost in the resolution of that, but then it is my privilege, to consult with the Senator from Idaho, and to hope to work out some specification which will be consonant with the operation of this particular facility and, at the same time, do all I can to advance the proposition made to us by the Senator from Idaho.

Mr. MCCULLEN. Mr. President, I thank the distinguished Senator from New York for his statement and for his promise to help. While the bill is good, his word is always good, on the floor of the Senate and elsewhere. I just comment that the right to own property and participate freely in a free enterprise system, in a free market, is not fully and wholly achieved everywhere, but I hope the United States has not abandoned that as a standard, and an appropriate standard, of the freedom of human beings.

With respect to some of the other standards that are set forth here, I think there is no doubt that they are tough standards to meet, but they are the kind of idealistic goals that this country has always held high. I see no reason to abandon those goals now on the altar of expediency in international economics.

I might just mention that, with regard to the right of ethnic minorities to maintain their own culture, I was yesterday in Boise, Idaho, at a Basque picnic. There is a very strong desire on their part to maintain their own identity. Something I know my colleague from Idaho share this thing that we have in the Basque people and their willingness to continue to express their own culture in their own ways and with their own songs and dances and the exhibition of the Basque flag, which they do.

There will be another such picnic in Mountain Home, Idaho, I week later, on next Sunday, where another group, and many of the same ones, will again be saying:

We as an ethnic minority have a right to maintain our identity.

That is not something we have abandoned. That is something we cherish even though it may not be observed everywhere in the world.

Certainly, we are all aware of the struggles that people have had against oppression within Spain. We have said repeatedly, in this body and elsewhere, that those people have a right to maintain their own identity. Here we are, on the floor of the Senate, saying that is no longer a goal of the United States. I hope the world will not look at this action here today as being the final statement on the concern of the U.S. Senate for the ethnic minorities throughout the world.

Mr. President, I shall not object.

The PRESIDING OFFICER. Is there any objection? The Chair hears none. The yeas and nays are vacated.

The question now occurs on agreeing to the proposed substitute amendment by the junior Senator from Idaho, as amended by the substitute amendment offered by the senior Senator from Idaho.

The amendment, as amended, was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1544
(Purpose: To require a balanced budget beginning with fiscal year 1981)

Mr. HARRY F. BYRD, JR., Mr. President, I send to the desk an amendment and ask that it be stated.

I might say that plan to speak for only a minute or two.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk reads as follows:

The Senator from Virginia (Mr. HARRY F. BYRD, Jr.) proposes an unprinted amendment numbered 1544:

I am the Chair of the Senate Committee on Governmental Affairs.

At the end of the bill, add a new section:

Section 1. Beginning with Fiscal Year 1981, the total budget outlays of the Federal government shall not exceed its receipts.

Mr. HARRY F. BYRD, JR., Mr. President, I take just a moment.

This amendment would mandate a balanced budget beginning in fiscal year 1981.

During his campaign for the presidency, President Carter promised the American people a balanced budget by 1981.

If this amendment is adopted, it would be a matter of record on the part of the Senate for a balanced budget beginning in the fiscal year 1981.

I am prompted to offer this amendment, because of the official Government reports last week that our country now has double-digit inflation.

I am convinced we will get the cost of living under control until we get the cost of Government under control. Our Nation has been operating on deficit financing for many years. We have had only two balanced budgets in 20 years.

I think it is time to get back to a balanced budget. This proposal does not mandate a balanced budget for fiscal 1979, nor even for fiscal 1980.

It does mandate a balanced budget beginning with fiscal year 1981.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to U.P. amendment No. 1544 of the Senator from Virginia (Mr. HARRY F. BYRD, Jr.). The yeas and nays have been ordered and the clerk will call the roll.

S 12154

CONGRESSIONAL RECORD—SENATE

July 31, 1978

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. Aspinwall), the Senator from Minnesota (Mr. Anderson), the Senator from Arkansas (Mr. Bumpers), the Senator from Colorado (Mr. HARKLEL), the Senator from Maine (Mr. HARTWAY), the Senator from Hawaii (Mr. Inouye), the Senator from Louisiana (Mr. Johnston), the Senator from Maine (Mr. Muskie), the Senator from Rhode Island (Mr. Pell), the Senator from Tennessee (Mr. Sasser), and the Senator from Mississippi (Mr. Sennins) are necessarily absent.

Mr. STEVENS. I announce that the Senator from Nebraska (Mr. Curtis), the Senator from Arizona (Mr. Goldwater), and the Senator from Michigan (Mr. Griffin) are necessarily absent.

The result was announced—yeas 58, nays 28, as follows:

[Roll Call Vote No. 270 Leg.]

YEAS—58

Allen  Eastland  Morgan
Baker  Ford  Moynihan
Bartlett  Gurn  Nunn
Bayh  Hansen  Packwood
Belmont  Hartke  Proxmire
Bikdel  Mr. Nonc.  Randolph
Brooke  Hayakawa  Roth
Burck  Heinz  Schmitt
Byrd  Hollings  Scott
Byrd, H. P.  Hollings  Scott
Cannon  Huddleston  Stafford
Charleson  Lavallette  Stennis
Chiles  Lebye  Stone
Church  Lugar  Talmadge
Collins  Magnuson  Townes
DeConcini  Matsumata  Tower
Dole  McClure  Wappo
Domnicki  Moctyre  Young
Durkin  Meche  Zoricik

NAYS—28

Byrd, Robert C.  Hodges  Ribicoff
Clark  Humphrey  Riegle
Cranston  Jackson  Sarbanes
Dukakis  Hatfield  Glenn
Dukakis  Hatfield  Glenn
Eastman  Long  Weicker
Ford  Muskie  Williams
Glenn  Dukakis  Williams
Hart  Metzenbaum
Hathcock  Nelson
Paul G.

NOT VOTING—14

Abourezk  Griffin  Muskul
Anderson  Haskell  Pell
Bumpers  Hathaway  Sasser
Curts  Inouye  Steennis
Goldwater  Johnston

So U.P. amendment No. 1544 of the Senator from Virginia (Mr. HARRY F. BYRD, Jr.) was agreed to.

Mr. HARRY F. BYRD, JR., Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARRY F. BYRD, JR., Mr. President, I ask unanimous consent that the names of the Senator from North Carolina (Mr. Helms) and the Senator from West Virginia (Mr. Randolph) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, I know of no further amendments, and I presume we can now go to third reading of the bill.
THE WHITE HOUSE
WASHINGTON
August 3, 1978

Frank Moore

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

Rick Hutcheson
RECOMMENDED TELEPHONE CALL

TO: Senator Howard Metzenbaum
DATE: August 2, 1978
RECOMMENDED BY: Dan Tate
PURPOSE: To return the Senator's phone call made at 5:35 this evening.
BACKGROUND: Senator Metzenbaum would like to speak with you to encourage and support your efforts with respect to Jay Solomon and GSA.

Date of Submission: August 2, 1978

Action
Mr. President:

Zbig informed me that you want a 30 minute meeting with Vance, Zbig, Brown, VP, and Schlesinger. If you approve I'll set it for the last 30 minutes of tomorrow's foreign policy breakfast.

Phil
THE WHITE HOUSE
WASHINGTON

8/3/78

Mr. President --

Jerry asked that you see his changes/suggestions on attached.

-- Susan
THE WHITE HOUSE
WASHINGTON

Minor changes on
p. 1, 3, 5, 6
I'm glad to be here tonight and have a chance to talk to you about civil service reform. I can't think of a better forum or a more appropriate audience for such a discussion. I hope that we can be frank and open with one another because, in the end, we all want to achieve the same goals.

I know that many of you here tonight are government employees and that you may have some concerns about civil service reform. But I also know that most of you are also American citizens and taxpayers and that you are just as anxious to root out waste and inefficiency and mismanagement in government as I am.

As President I don't want to see a Federal employee rewarded for loafing on the job and neither do you. I don't want to see an employee who wastes the taxpayers' money promoted to a higher position and neither do you.
I don't want to see our Federal managers' hands tied so that they can't do their jobs and neither do you.

It's been nearly one hundred years since anything significant has been done to improve the civil service system and it's about time for a change. Some members of the Congress and some members of special interest groups may have their reasons for wanting to hang onto our antiquated and wasteful methods of running this government but I know from travelling this country for two years as a candidate that the American people are sick of it. I'm sick of it too and I think the time has come to do something about it.

The civil service reforms I have proposed to Congress would do something about it. They are designed to let managers manage, while at the same time protecting civil servants from improper political interference or abuse. They are designed to restore the belief -- which most of us grew up taking for granted -- that civil servants should serve the citizens. They are designed to reward merit and
excellence in performance. They are the most important and constructive and comprehensive effort to improve the civil service that has been attempted in this century.

The reform bill I submitted to the Congress on March 2 was based on a comprehensive study of the civil service carried out almost entirely by individuals who have
made a career in the Federal service and who are experts in the way that system works. We have had the benefit of detailed analysis of the failings of the present system from many members of Congress -- and none has been more helpful and objective than your own Joe Fisher. The leadership of the Senate and House Committees have done fine, prompt work in moving the bill along, and we are now reaching the most crucial stage in the process: Congress may be considering this legislation on the floor next week.

Throughout the country there has been overwhelming public support for the objectives we are trying to achieve, and the editorial comments have been strongly favorable, but despite all this, the opponents of civil service reform are marshalling their forces to gut the bill. They know how difficult it would be for all the groups that support this legislation to gear up for a similar effort all over again next year, and so they are trying to delay it to death.
If this bill doesn't pass in this session of Congress it will be much, much harder to implement government reorganization, improve the management of the Federal bureaucracy, and enhance the protections of the merit system. The stakes are very high.

Before we begin the discussion I would like to summarize the main points of the civil service reform proposals and tell you where they stand in terms of Congressional action.

The reform bill would help government managers manage by giving them authority to reward superior employees, remove or demote inferior employees, and make the necessary personnel decisions more quickly.

The bill would create a Senior Executive Service consisting of top government executives who would be
directly accountable for the results of their work and
who could be assigned anywhere in their agencies where
they were most needed. This is an essential way to help
government meet new responsibilities effectively and reduce
the emphasis on older programs that have become less
important with the passage of time.

The bill would affect about 72,000 people at the
managerial level by linking their salary increases to the
quality of their performance.

The bill would also change the veterans' preference
by reducing the length of time that able-bodied veterans
could receive employment preferences, and by reducing or
eliminating benefits altogether for those who retire after
a full military career. It would not diminish the benefits
available for disabled veterans and veterans of the Vietnam
War; in some cases it would actually increase them.

Next, the bill would improve the merit system by
writing into the law specific merit principles for the first time and defining the practices that are prohibited.

And finally, the bill would codify federal labor relations and confer a legal right to negotiate arbitration of appealable actions.

These are the main provisions of the bill, and despite prompt action by the Congressional Committees, despite their prompt action, have seen fit to ignore some of the basic issues and add other provisions that simply don't belong in the bill at all.

For example, the Senate has deleted the changes in veterans preference. The House has added such extraneous measures as revision of the Hatch Act and a bill regulating firefighters that I have already vetoed in its original form. Both committees deleted provisions that would have enabled us to hire more women and members of minority groups.
So you can see we are at a critical point, now that the legislation is reaching the floor. We have some repair work to do, and we have to pass a bill that will be in tune with a national mood that calls for more efficient, more economical government service. If there were a way I could sum up what this bill means, I would say that civil service reform can promote three essential things: incentives, accountability, and fairness — incentives for better work, accountability for the quality of individual performance, and fairness in such things as the distribution of Federal jobs and the handling of employee rights. That is our goal, it is why I wanted to be here with you tonight to discuss the reforms, and it is why I hope all of you will see fit to make your feelings known to the Congress while this historic legislation is being considered.
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TO:                The President
FROM:   Fra
RE:      Miscellaneous Information on Roundtable Discussion

FORMAT:
8:01 p.m.  You take your seat
8:06 p.m.  End your opening remarks (5 minutes)
8:40 p.m.  End Roundtable Discussion with participants
           (35 minutes of discussion)  
8:54 p.m.  Take last question from audience
           (20 minutes of Q & A)  

Please invite the questions from the audience stating that you are now open to take questions from them on civil service reform.

Before the meeting starts, a random group of people in the audience who say they have questions on this subject will be brought to the area of the two microphones - call on the people from that area, alternating one side of the room to the other.

You may nevertheless get questions on other subjects but this should help in keeping them on civil service.

9:00 p.m.  You should be exiting the room.

TELEVISION:
This is being covered LIVE by Channels, 4, 7, 9 and 26.

VIP SECTION:
Among those present here will be Congressman Herb Harris, Congresswoman Gladys Spellman and possibly Senator Harry Byrd.
The following persons will participate in the round table discussion with the President in Fairfax this evening:

Wayne F. Buckle, Falls Church, Virginia, is the Chief Accountant, American Federation of Government Employees, AFL-CIO. He has been employed by the Federal Government at the U. S. Naval Academy at Annapolis, Maryland, by the National Training School for Boys in Washington, D. C., and by the Post Office Department. At one time, Mr. Buckle worked for the Greenbelt Consumer Services Cooperative.

Mr. Buckle is active in various church, charitable, and political organizations in Fairfax County. In 1975-77 he was Senior Vice President of the United Way of the National Capital Area.

Mr. Buckle is married to Wilma A. Buckle and has two children, Keith and Nadine.

Paul H. Gilbert, Sterling, Virginia, is Special Assistant to the Director, Field Operations Division, Office of Civilian Personnel, Department of the Navy. Educated at Howard University and the Graduate School of Management at Northwestern University, Mr. Gilbert served with the U. S. Army in Vietnam as a Mobile Advisory Team Leader to ARVN military units.

He entered civilian service at the Navy Department as a management analyst, and he has also served as a classification and staffing specialist, employee development specialist, and personnel staffing specialist.

He is married to Linette Jones Gilbert and has a daughter, Marita.

Mary Anne Lecos, Falls Church, Virginia, is currently a consultant to the Fairfax County Public Schools. Beginning her career as a teacher, Mrs. Lecos has lectured at Virginia colleges and universities on school system governance, has worked with Fairfax County arts and community action programs, and has served on the Virginia School
Boards Association. From 1973-76 she was Chairman of the Fairfax County School Board.

A graduate of De Paul University, Illinois, Mrs. Lecos earned the Master of Education degree at American University, and she is now a doctoral candidate in educational administration at Virginia Polytechnic and State University at Blacksburg, Virginia. She was selected Washingtonian of 1977 by Washingtonian Magazine.

She is married to Demosthenes W. Lecos and has seven children.

Ceola B. Naylor, Falls Church, Virginia, is a Secretary in the Office of Policy Development and Evaluation in the Office of Assistant Secretary for Housing, Department of Housing and Urban Development. Within that Department, she has also worked in the Office of Personnel, the Office of the General Counsel, and the Office of the Deputy Undersecretary for Field Operations. In 1968-69 Ms. Naylor was with the Department of the Army on duty in Germany.

She is a graduate of Strayer College, Washington, D. C.

Dwight F. Rettie, Arlington, Virginia, is an Assistant to the Deputy Director of the National Park Service, Department of the Interior. Beginning his career in government as a management intern at the Treasury Department, he has also served in the Department of Housing and Urban Development directing programs of urban open space acquisition, historic preservation, and urban beautification.

Before accepting his current assignment, Mr. Rettie was Executive Director of the National Recreation and Park Association, a private public interest association representing the park and recreation movement.

Mr. Rettie holds a degree in public administration from Yale and a Masters degree from the University of California at Berkeley. Active in civic and business affairs, he serves as a member of the governing board of the Northern Virginia Regional Park Authority, on the Board of Directors of Arlington Telecommunications, Inc., a cable-TV firm, and as a County-appointed public representative. He is former Chairman of the Arlington County Public Utilities Commission.

James P. Schlicht, Falls Church, Virginia, graduated Magna Cum Laude from St. Bonaventure University, New York, and received his Masters of Public Administration degree from the Maxwell School of Citizenship and Public Affairs, Syra-
Cuse University. He is a Budget Preparation Specialist at the Office of Management and Budget, Executive Office of the President. Mr. Schlicht entered government service as a management analyst at the U. S. General Accounting Office.

He is married to Roslyn Spoto Schlicht.

Larry T. Suiters, Arlington, Virginia, is a member of the law firm of Barham, Radigan, Suiters and Brown, in Arlington. He was educated at the College of William and Mary, Williamsburg, Virginia, and received his law degree at the University of Virginia. Mr. Suiters is active in state and county bar association programs and in Arlington County civic associations. A participant in Republican political affairs, he was a candidate for state Senate in 1971.

He is married to Diane Stuart Suiters and has a son, Tyler.

Ruth G. Van Cleve, Fairfax County, Virginia, is the Director of the Office of Territorial Affairs, Department of the Interior. Joining the Interior Department in 1950, Mrs. Van Cleve worked with legal problems arising from the administration of the U. S. territories and the trust territory of the Pacific Islands. She was also Director of the Office of Territories. Prior to appointment to her current position, she was Assistant General Counsel at the Federal Power Commission.

Mrs. Van Cleve graduated Magna Cum Laude from Mount Holyoke College and received her law degree from Yale. She serves as a trustee of Mount Holyoke College and was the recipient of an LL.D. degree from that institution in 1976. In 1966 Mrs. Van Cleve received the Federal Women's Award.

She is married to Harry R. Van Cleve, Jr., and has three children, John, Elizabeth, and David.
OVERVIEW

10th Congressional District
Virginia

The Tenth District of Virginia. The Tenth District covers one-half of suburban Virginia, including Arlington County, part of Fairfax County, Loudoun County, and the cities of Falls Church and Fairfax City.

The population is high income (median family income is $15,000 plus), well-educated (median 12.9 years), and overwhelmingly white and native-born. Nearly 40 percent of the households have a member working for the Federal government. Many others work for businesses doing work for the Federal government.

Fairfax City. The meeting will be held within the boundaries of Fairfax City which, under Virginia law, is an independent political jurisdiction with its own mayor, council, and government. Because it is so small (pop. 21,760), it contracts with Fairfax County (pop. 500,000+) for many of its services, including schools. Recently there has been controversy surrounding this contract arrangement. Schools are the most delicate issue in the ongoing rivalry between County and City. The City was the recipient in 1977 of the Virginia Municipal League achievement award for effective government.

Fairfax High School. Located in Fairfax City and constructed with city funds, it is operated by Fairfax County under contract with the city. Almost all of its 1700 students in grades 9-12 live in Fairfax City.

The Audience. Tickets have been distributed through civic associations, Leagues of Women Voters, Chambers of Commerce, veterans' organizations, political parties, and largest of all, civil servant unions and professional groups. Elected officials in the Tenth District, Republican and Democratic, have been invited. Jack Herrity, the Republican Chairman of the Fairfax Board of Supervisors, has accepted an invitation. He is Congressman Herb Harris' opponent in the fall election. Fisher's opponent, Frank Wolf, also has a ticket.
Reaction to the Proposal for Civil Service Reform. Civil servants are apprehensive about the proposals. Most of the fears are ill-defined. They believe that in some way the proposals will politicize the system. They think that workers who are favorites of their supervisors will in some way benefit and those who are in disfavor will lose. Higher grade employees have expressed concern that the Senior Executive Service will have a "chilling effect" on their willingness to defend their views on programs and policies. They claim that super-grade workers now feel secure enough to challenge their politically-appointed superior's ideas and engage in dialogue, but that under the SES, with the possibility of removal or demotion, they would become yes-men (or women), afraid to speak their own minds. There has been a very limited response to the veterans' preference proposal, with opinion divided about evenly on either side. On the overall proposal, there have been few comments from non-government workers.

Joe Fisher has been quoted in the press as saying he has "an open mind" on the proposal.

Summary of 1976 vote

<table>
<thead>
<tr>
<th></th>
<th>Carter</th>
<th>Ford</th>
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<tr>
<td>Fairfax City</td>
<td>3,463</td>
<td>4,178 (53.3%)</td>
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<tr>
<td>Fairfax County</td>
<td>45,601</td>
<td>53,263 (52%)</td>
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<tr>
<td>Tenth District</td>
<td>91,761</td>
<td>99,230 (51%)</td>
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MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT
SUBJECT: Question on I-66

Although the high school forum concerns civil service reform, I understand that it is possible you may get a question on the pressing local issue -- the I-66 highway. If you do, I suggest you repeat your previously stated position:

- The primary responsibility for these decisions rests with the Secretary of Transportation. I have not become personally involved in second guessing the Secretary's decisions, either when he rejects a state highway request (as in Overland Park in Tennessee) or when he accepts one (as here).

- I have personally asked the Secretary to keep close tabs on the highway construction to ensure that it is being carried out in full compliance with the terms and specifications of the original Federal approval. He has assured me that this is so and that he will continue to monitor the construction carefully.

- The highway is consistent with our goals for national urban planning and energy use, since it contains a commuter rail right-of-way in its median and since rush hour use will be limited to buses and car pools.
THE PRESIDENT'S ATTENDANCE
AT THE CIVIL SERVICE REFORM ROUNDTABLE

Thursday, August 3, 1978
Fairfax High School

7:30 pm The President boards Marine One on the South Lawn.

MARINE ONE DEPARTS South Lawn en route Fairfax High School, Fairfax, Virginia.

(Flying time: 10 minutes)

7:40 pm MARINE ONE ARRIVES Fairfax High School Football Field.

PRESS POOL COVERAGE CLOSED ARRIVAL

The President proceeds to motorcade for boarding.

7:41 pm MOTORCADE DEPARTS Fairfax High School Football Field en route Fairfax High School.

(Driving time: 2 minutes)

7:43 pm MOTORCADE ARRIVES Fairfax High School.

PRESS POOL COVERAGE CLOSED ARRIVAL

The President will be met by:

Fred Silverthorn, Mayor of Fairfax
Clarence Drayer, Principal, Fairfax High School

The President proceeds inside Fairfax High School en route Professional Library.
7:44 pm
The President arrives Professional Library and greets the following panel members:
Alan Campbell, (Scottie), Chairman, Civil Service Commission
Rep. Joseph Fisher (D-Va.)
Ceola Naylor
Larry Suiters
James Schlicht
Wayne Buckle
Paul Gilbert
Mary Anne Lecos
Ruth Vancleve
Dwight Rettie

7:49 pm
The President bids farewell to the panel members and proceeds to holding room.

7:50 pm
The President arrives holding room.

PERSONAL/STAFF TIME: 10 minutes

8:00 pm
The President departs holding room en route offstage announcement area.

8:01 pm
The President arrives offstage announcement area and pauses.

Announcement.
The President proceeds inside Fairfax High School Cafeteria and takes his seat for roundtable discussion on Civil Service Reform.

OPEN PRESS COVERAGE
ATTENDANCE: 450

Presidential remarks.

FULL PRESS COVERAGE

8:05 pm
Remarks conclude.
Roundtable Discussion begins.

**FULL PRESS COVERAGE**

<table>
<thead>
<tr>
<th>Time</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>8:40 pm</td>
<td>Discussion concludes. The President accepts questions from the audience.</td>
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<tr>
<td>9:00 pm</td>
<td>Question and Answer Session concludes. The President thanks his hosts and proceeds to motorcade for boarding.</td>
</tr>
<tr>
<td>9:08 pm</td>
<td>MOTORCADE DEPARTS Fairfax High School en route Fairfax High School Football Field.</td>
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<td></td>
<td>(Driving time: 2 minutes)</td>
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<tr>
<td>9:10 pm</td>
<td>MOTORCADE ARRIVES Fairfax High School Football Field.</td>
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<td></td>
<td>PRESS POOL COVERAGE                  CLOSED DEPARTURE</td>
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<td></td>
<td>LIVE LOCAL TELEVISION                  The President boards Marine One.</td>
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<tr>
<td>9:15 pm</td>
<td>MARINE ONE DEPARTS Fairfax High School Football Field en route South Lawn.</td>
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<td>(Flying time: 10 minutes)</td>
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<tr>
<td>9:25 pm</td>
<td>MARINE ONE ARRIVES South Lawn.</td>
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3 August 1978

TO: THE PRESIDENT

FROM: RICK HUTCHESON

SUBJECT: Memos Not Submitted

BOB LIPSHUTZ sent you two memos, informing you that:

- he will deliver a speech before the ABA's annual meeting next Monday; and

- in view of its exclusion of women as members, and your general policy of not accepting honorary chairmanships, he is sending a letter to the "Circumnavigators Club" conveying your resignation as Honorary Chairman of the Club.
MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT LIPSHUTZ

SUBJECT: The Circumnavigators Club -- President Carter as its Honorary Chairman

This matter recently was brought to my attention for the first time as a result of correspondence which pointed out that this club excludes women as members. Apparently, that exclusionary policy came to light when a Ms. Naomi James applied for membership, having completed a solo around the world in the record time of 272 days.

I wish to recommend that you resign as the Honorary Chairman of the group for two reasons:

1. Its exclusionary policy as to women; and

2. Your general policy of accepting only a very limited number of designations as honorary president or honorary chairman; in this case, you accepted the request very shortly after your election and before assuming office and before establishing your policy regarding such matters.

If you agree with this recommendation, your resignation as Honorary Chairman can be indicated by a letter from me on your behalf; I am attaching a suggested copy of the letter.

Unless you advise to the contrary, I will send this letter in a couple of days.

Attachment
THE WHITE HOUSE
WASHINGTON

August 4, 1978

Dear Mr. Watabe:

It has come to our attention that the Circumnavigators Club excludes women from its membership. Because President Carter's personal convictions prevent him from associating with organizations that exclude women and minorities, he has asked that you remove him from your membership rolls and letterhead.

Please make this resignation from the position of honorary chairman effective immediately.

Thank you for your cooperation.

Sincerely,

Robert J. Lipshutz
Counsel to the President

Mr. Michael M. Watabe
President
Circumnavigators Club
24 East 39th Street
New York, New York 10016
MEMORANDUM FOR THE PRESIDENT

FROM: Bob Lipshutz

Attached is a letter relating to the opening session of the annual meeting of the American Bar Association, which will be held in New York on Monday, August 7.

I will coordinate with you concerning the remarks which I will give at that time; in the meantime, I will work with Jerry Rafshoon.
July 25, 1978

Robert J. Lipschutz, Esquire  
Counsel to the President  
1600 Pennsylvania Avenue N.W.  
Washington D.C. 20500

Dear Bob:

This is to confirm the prior conversation of Deputy Counsel Margaret McKenna and my assistant, Thomas M. Fitzpatrick, that we would be pleased to have you on the dais at the Opening Assembly of our Centennial Annual Meeting to give President Carter's greetings and any other short remarks you may wish to make. The Assembly will be held in the Grand Ballroom of the New York Hilton beginning promptly at 9:30 a.m. on Monday, August 7, 1978. Our Meetings Department will be in contact with you at a later date as to further arrangements.

Edward M. Kennedy of Massachusetts will be the primary speaker of the Opening Assembly.

Naturally, we understand your busy schedule and would be happy to supply you with a limousine or any other services you may require.

I look forward to seeing you in New York.

Sincerely,

Wm. B. Spann, Jr.

WBS:og

cc: Ernest T. Guy
THE WHITE HOUSE
WASHINGTON

August 3, 1978

To Congressman Butler Derrick

I appreciate your thoughtfulness in sending me the newspaper clippings about Jack's visit to your District and his appearance at the Festival of Flowers. From the articles, I can see that I was certainly well represented.

Thanks to you and Suzanne for helping to make Jack's visit such a pleasant one.

Sincerely,

[Signature]

The Honorable Butler C. Derrick, Jr.
U.S. House of Representatives
Washington, D.C. 20515
<table>
<thead>
<tr>
<th>FROM</th>
<th>SUBJECT</th>
<th>DISPOSITION</th>
<th>COMMENTS</th>
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<tr>
<td><strong>REP. BOB LAGOMARSINO</strong></td>
<td>CONGRATULATES YOU FOR THE CANDOR WITH WHICH YOU ANSWERED THE QUESTIONS CONCERNING PARAQUAT SPRAYING OF MARIJUANA DURING YOUR RECENT PRESS CONFERENCE; &quot;THE COURAGE AND FORTHRIGHTNESS YOU DISPLAYED IN HANDLING THIS DIFFICULT TOPIC IS VERY COMMENDABLE. I BELIEVE THAT YOUR STATEMENTS PROVIDE THE MORAL LEADERSHIP AMERICA NEEDS IN THIS IMPORTANT PROBLEM AREA OF DRUG ABUSE.&quot;</td>
<td>ACKNOWLEDGED BY FM</td>
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<td><strong>(R) - CALIFORNIA</strong></td>
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<td><strong>REP. BUTLER DERRICK</strong></td>
<td>GRATEFUL FOR JACK CARTER'S VISIT TO HIS DISTRICT LAST WEEK; HIS APPEARANCE WAS A TREMENDOUS SUCCESS; ENCLOSES NEWSPAPER CLIPPINGS CONCERNING JACK'S VISIT.</td>
<td>ACKNOWLEDGED BY FM</td>
<td>CC: JACK CARTER</td>
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<td><strong>(D) - SOUTH CAROLINA</strong></td>
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<tr>
<td><strong>REP. DAVID BOWEN</strong></td>
<td>THANKS FOR THE OPPORTUNITY TO PLAY TENNIS WITH YOU LAST WEEK; TOTALLY ENJOYED THE EXPERIENCE; HE WAS IMPRESSED BOTH WITH YOUR TENNIS GAME AND YOUR HOSPITALITY; LOOKS FORWARD TO HAVING THE OPPORTUNITY OF JOINING YOU AGAIN IN THE FUTURE; &quot;PERHAPS WE COULD MAKE UP A TEAM AND TAKE ON ANOTHER PAIR. I THINK WE WOULD BE HARD TO BEAT.&quot;</td>
<td>REFERRED TO CENTRAL FILES</td>
<td>CC: CABLE</td>
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<td><strong>(D) - MISSISSIPPI</strong></td>
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The President  
United States of America  
The White House  
Washington, D.C. 20500

Dear Mr. President,

Through the assistance of Jim Free in your Congressional Liaison office, your son, Jack, visited my Congressional District last Saturday. His appearance was a tremendous success, and I am most grateful for his interest in representing the First Family at the S.C. Festival of Flowers in Greenwood.

Enclosed are several newspaper clippings concerning his visit which I thought might interest you. I found Jack to be a most interesting person, and Suzanne and I enjoyed having him as our guest.

With best wishes to you and Mrs. Carter, I am

Respectfully,

[Signature]

BUTLER DERRICK  
Member of Congress

D/mem  
Enclosures
To Congressman Eddie Beard

Thanks for your recent letter following up on our meeting. I appreciate your taking the time to share some of your thoughts on our discussion.

I value your forthrightness and look forward to working with you in the future.

Sincerely,

[Signature]

The Honorable Edward P. Beard
U.S. House of Representatives
Washington, D.C. 20515

Your remarks were very helpful. Good luck!
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<th>FROM</th>
<th>SUBJECT</th>
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<tr>
<td>REP. AUSTIN MURPHY (D) - PENNSYLVANIA</td>
<td>URGES YOU TO CONSIDER REQUESTING ANDREW YOUNG'S RESIGNATION.</td>
<td>REFERRED TO BOB LIPSHUTZ CC:NAC,JORDAN,STATE</td>
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<tr>
<td>REP. IKE ANDREWS (D) - NORTH CAROLINA</td>
<td>INFORMS YOU OF THE REQUESTS OF SEVERAL OF HIS CONSTITUENTS THAT YOU ASK FOR ANDREW YOUNG'S RESIGNATION.</td>
<td>REFERRED TO BOB LIPSHUTZ CC:NSC,JORDAN,STATE</td>
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<tr>
<td>REP. ED BEARD (D) - RHODE ISLAND</td>
<td>HANDWRITTEN LETTER: THANKS FOR THE MEETING WITH THE FRESHMAN MEMBERS OF THE 94TH CONGRESS; HOPES YOU APPRECIATED HIS FRANKNESS; &quot;MY GREAT AND EARNEST WISH IS TO BE AN ALLY OF YOURS, ONE YOU CAN TRUST&quot;; OFFERS HIS PRIVATE PHONE NUMBER FOR YOU TO CALL HIM AT ANY TIME.</td>
<td>ACKNOWLEDGED BY YOU CC:CABLE</td>
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<tr>
<td>SEN. JOHN STENNIS (D) - MISSISSIPPI</td>
<td>DISTRESSED ABOUT THE DRAFT REGULATIONS BEING CONSIDERED BY THE EPA FOR THE ESTABLISHMENT OF NEW SOURCE PERFORMANCE STANDARDS FOR FOSSIL FUEL FIRED GENERATING SOURCES; BELIEVES THAT THE PROPOSED REGULATIONS GO FAR BEYOND THE INTENT OF THE CONGRESS IN PASSING THE CLEAN AIR ACT AMENDMENTS OF 1977.</td>
<td>ACKNOWLEDGED BY FM REFERRED TO ENERGY CC:EPA</td>
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DATE: JULY 31, 1978
Dear Mr. President,

On July 27th, I had the opportunity, along with other freshmen members of the 94th Congress, to join with in an open and frank discussion concerning our aspirations and some frustrations with respect to your administration.

You will recall that I had an opportunity to speak quite openly and I assure you, Mr. President, that what I said was totally honest and forthright and I know that you appreciated my frankness. I want you to know that I am available at any time to discuss these matters with you of greater length. I have some innovative ideas that would help in the general understanding among my colleagues.

Edward P. Beard
2nd District, Rhode Island

7/28/78

CC: CAVE
It is my firm belief that our discussion at the White House was one of "natural assistance," so it speaks. I want you to know that I did not seek out the press to make political hay of our discussion. My greatest earnest wish at this moment is to be openly of your view. You can trust that if you already know that I have some urgency in matters of public usage, building, and as ready fofter whatever contribution I can make to an more effective and successful administration. My personal telephone number is 225-2147. As a Democrat, I am trying to tell you my honest assessment of the situation.
Indeed, it may not be what you want to hear, but as I left the White House, I had the feeling that you must have said to yourself "that Eddie Beard doesn't mean words." If we convinced that you denounced as you've disapproved for not expressing our views directly and candidly, I hope you found that you accepted my remarks in the spirit they were given.

Very sincerely,

Edward P. Beard
R.I.
THE WHITE HOUSE
WASHINGTON

August 3, 1978

To Senator George McGovern

I appreciate your courtesy in sending me a copy of the remarks which you made on the Senate floor concerning my record as President.

Thanks for your sensitive appraisal of my policies and actions. I felt buoyed by your words and the spirit in which they were offered.

Sincerely,

[Signature]

The Honorable George McGovern
United States Senate
Washington, D.C. 20510

[Handwritten note]

I'll never forget this, or your generous phone call!
July 26, 1978

Dear Mr. President,

Thank you for your thoughtful call following the successful lifting of the Turkish embargoes. Thank you also for Birthday greetings and your wishings to consult with me and other members of the Congress on the issues before the nation.

Enclosed is the statement I made on the Senate floor yesterday relative to your record as President.

All the best,

[Signature]
FOR IMMEDIATE RELEASE (Tuesday, July 25, 1978)

McGOVERN OFFERS COMMENDATION TO PRESIDENT CARTER


Mr. President, in recent days President Carter has experienced some obvious bad breaks. All of us in politics know how easily that can happen. Sometimes our own misjudgments contribute to the creating of bad breaks. Sometimes we are hampered by events over which we have little control.

In any event, as the first President of the post-Watergate, post-Vietnam era, President Carter has been subjected to an unusually rigid standard.

As the president of the Americans for Democratic Action from the spring of 1976 until June 17, 1978, it has been my special responsibility to hold whomever was President to a high and difficult standard of performance. The policies and strategies of the Carter Administration have provided legitimate opportunities for what I trust has been tough-minded, constructive criticism. Nevertheless, having recently completed my service as the president of ADA, I think this is an appropriate time to take note that thus far, President Carter has avoided any catastrophic mistakes. During his first year and a half in office, there has been no Vietnam, no Bay of Pigs, no Watergate, and no American is engaged in battle anywhere in the world.

Furthermore, despite enormous political pressures to the contrary, President Carter stood up on the issue of international justice for Panama, he canceled an enormously expensive and unnecessary B-1 bomber, he has pursued an even-handed policy in the highly volatile Arab-Israeli dispute, he has stoutly pursued the course of self-determination and majority rule for Africa, he has opened the way for limited diplomatic representation between Washington and Havana and for Vietnam's participation in the United Nations, he has organized a careful reduction of American ground forces in South Korea, he has pressed for an agreement on strategic arms even while protesting Soviet behavior he found in violation of human and national rights, and now he is calling on us to remove a largely symbolic but self-defeating embargo against Turkey — an embargo which is clearly exacerbating relations involving Greece, Turkey and Cyprus.

As a sometime critic of the Carter Administration — I hope a criticism born of concern for the nation — I nonetheless have supported the President on these initiatives he has taken to preserve international peace and to protect America's standing in the world. This, of course, is not to say that I approve every aspect of the Carter foreign policy, to say nothing of domestic concerns.

I am aware that words of commendation seldom are considered as newsworthy as are words of criticism. But these few words will at least be reported in the Congressional Record and will perhaps come to the attention of the President at what we all know is a difficult time for him and for the nation.

I might add for whatever solace it may bring to the President and his associates that the great historians, Charles and Mary Beard, once observed: "Sometimes it gets the darkest just before the stars come out."
TO: THE PRESIDENT
FROM: ANNE WEXLER

For your information.
100 BUSINESS EXECUTIVES CARTER HARD-SELLS CIVIL SERVICE REFORMS

By CINDY PARMENTER Denver Post Washington Bureau

WASHINGTON — Using hard-sell techniques of his own, President Jimmy Carter Wednesday attempted to enlist 100 business executives—including three representing Denver-based companies—as regional salesmen for his federal Civil Service reform package.

Calling the reform proposal "top priority," the president said, "I really need for you to go back home and let your voice be heard. I want you to encourage people there to give support to run the government efficiently."

MARTIN BRUSSE, president of Denver-based Rocky Mountain Orthodontics, said, "I plan to talk on the phone and write letters to people close to me."

With a chuckle, Brusse admitted he didn't know much about Civil Service reform before the afternoon session at the White House.

"I thought Civil Service had something to do with being polite," the Denver executive said facetiously as he acknowledged a prior lack of knowledge about the controversial reform proposal.

"I FOUND the president's presentation to be very interesting, and the reform proposal to be progressive and challenging," Brusse said.

"This goes to the very core of what this country is and if we can't put it into effect, it will be a serious commentary on this country," Brusse said.

"This is the way we all try to run our businesses—with some methodology for motivation and discipline," the Rocky Mountain Orthodontics president said.

THE WEDNESDAY afternoon session with the business executives is part of an active White House campaign to get approval for Civil Service reform on both the Senate and House floors. Consideration in the House is expected in the next few days, and in the Senate in the near future.

While the president and his top executives were lavishing their attention on the executives Wednesday in the White House, another group of citizens were hearing a similar presentation from other government officials at the nearby Executive Office Building.

The President told the executives, "I don't know of any domestic legislation that is any more important."

Then the chief executive candidly acknowledged, "Our problem has been gathering support of people like yourself. I hope you will become crusaders for the next two to three weeks."

As proposed by the Carter administration, the federal government's Civil Service system would be reformed "to make it easier to reward superior performance, to fire incompetent employees and to make the bureaucracy run more efficiently."

"The government is not here to make a profit," Carter acknowledged. "But, it is here to make certain taxpayers get good government service. This reform is at the very heart of the government.

"None of you could have a profitable business if you could not promote outstanding employees, could not dismiss incompetent employees and could not identify responsible managers," the president contended.

Among other executives invited to the meeting were Richard W. Hanselman, executive vice president of Beatrice Foods Co., and James Leprino, president and chairman of the board of Leprino Cheese Co.

HANSELMAN SAID he thought the White House presentation was "very professional. I don't say that about a lot of things."

"I think the fundamentals of the bill are good and I applaud the administration for coming forth with legislation of this sort."

Pointing out that the Carter administration believes the reform will "create an environment for competence," Hanselman emphasized, "There also is a need for training. Unless there is an effective training program to follow, all we will have done is create a good environment." He said he plans now "to make certain key executives I know in the Denver area, as well as in Chicago, are aware of the passage of the bill."

"I also plan to take appropriate steps to contact members of Congress."
August 3, 1978

Ms. Ann Wexler
Special Assistant to the President
The White House
2nd Floor - West Wing
Washington, D. C. 20500

Dear Ms. Wexler:

Thank you for your invitation to the President's briefing on the Civil Service Reform Program.

The President and Messrs. Eizenstat, McIntyre and Campbell were most persuasive. I will be advocating their position in our weekly journal to our dealers. This is read by 700 AAMCO dealers and thousands of their employees throughout the United States. I will be asking them to communicate their support for the program to their respective legislatures.

Please feel free to call on me for any further assistance I might be able to give you.

Very truly yours,

Abraham Bernstein,
Executive Vice President
& General Manager

AB/ear
Joe Fisher - Scotty Campbell
6510-8 Vek 67A Warren 36

Make fed go/for work
Any citizen / Comp. deed. over
5971 - Career - 500
Managers manage
Excellence rewarded
Discrepancy/laziness
Protest system for political abuse
White Blowers
Veterans - Desal. Under
Codify labor protections

Taxpayers - return on investment
Incentives - better work
Accountability - Performance
Fairness - Employees rights

Office Personnel Management
Meet System Protection Board
Special Counsel 78-697
Senior Executive Service

Performance criteria
Non Career limit: 10%

Politics
Separate adjudicating body
Int. Special Counsel
and prevent political abuse
10% limit

roundtable discussion
fairfax high school
8/3/78
new jersey state briefing
8/3/78

new jersey state briefing
8/3/78
meeting with Congressmen Tom Downey and Bob Carr 8/3/78

THE WHITE HOUSE
WASHINGTON

1000 nm limit

Or for SSBM prior testing?

Need 20-30 SSBM on slow path

3. U. Typhoon (U-6) Trident II (D)

SSBM instead guidance

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Air defense limit (S 311)

SSBN Slew (S 311)

Objective shift to SSBM